



19th August 2013

COMPANY SNAPSHOT

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Capital Structure

Shares on Issue:
131,538,627 (TLM)

Options on Issue:
8,800,000 (Unlisted)

FLEM survey underway on Nickel-Copper-PGE Target at Livingstone Project

- Two large ovoid magnetic bodies interpreted to represent Proterozoic-aged mafic-ultramafic intrusions identified at Kerba and Homestead.
- Coherent nickel-in-soil anomaly defined over a minimum strike length of 1.8km from in-fill soil sampling at Kerba.
- Review of historical data supports the potential for intrusive magmatic nickel-copper-PGE mineralisation.
- A detailed Fixed Loop Electromagnetic (FLEM) survey has commenced at Kerba to identify possible massive sulphide accumulations.

Talisman Mining Ltd (ASX: TLM) is pleased to advise that a ground-based Fixed Loop Electromagnetic (FLEM) survey has commenced over a Voisey's Bay-style nickel-copper-PGE target identified recently at its **Livingstone Project** in Western Australia's Bryah Basin.

The FLEM survey is designed to test for highly conductive anomalies associated with the ultramafic intrusive body at the **Kerba Prospect** which could potentially be accumulations of massive sulphides containing nickel-copper-PGE mineralisation.

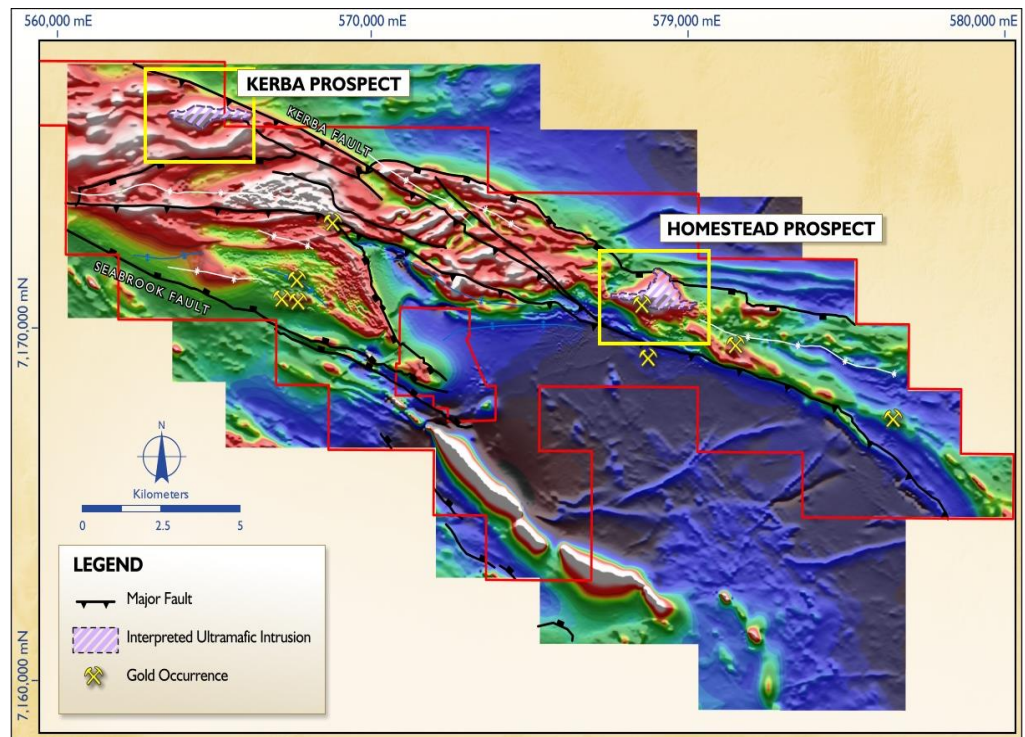


Figure 1 – Livingstone Project magnetic image showing interpreted structure & ultramafic intrusions at Kerba and Homestead Prospects



Livingstone Project Background

The Livingstone Project covers an area of 208km² over the western extension of the Proterozoic-aged Bryah Basin and is centred along a major crustal-scale shear zone at the northern margin of the Yilgarn Craton (see **Appendix 1**).

Mapping and geochemistry recently completed by Talisman has identified two large ovoid magnetic bodies at the **Kerba** and **Homestead** Prospects (see **Figure 1**). These are interpreted to represent Proterozoic-aged mafic-ultramafic intrusions localised along the major regional Kerba Fault Zone.

Kerba Prospect

Historical regional soil sampling by Talisman over the **Kerba** Prospect returned coherent nickel-copper-PGE anomalism over three 400m spaced lines. A detailed in-fill soil sampling program was completed across this broad zone in June 2013 on a 100m x 50m grid with the aim of potentially defining a coherent nickel-copper-PGE geochemical target.

The in-fill soil programme has now clearly defined a coherent east-west trending zone of anomalous **nickel-in-soil of >1,000ppm Ni** (see ASX – Release 31st July 2013 for all results) **over a strike length of at least 1.8 km**.

This anomaly is interpreted to transgress the Livingstone tenement boundary to the east and, consequently, Talisman has already moved to secure tenure over the eastern extension of the Kerba magnetic anomaly. Soil sampling has not been undertaken on the eastern extension of the intrusion; however, the FLEM survey has been designed to incorporate this area (see **Figure 2**).

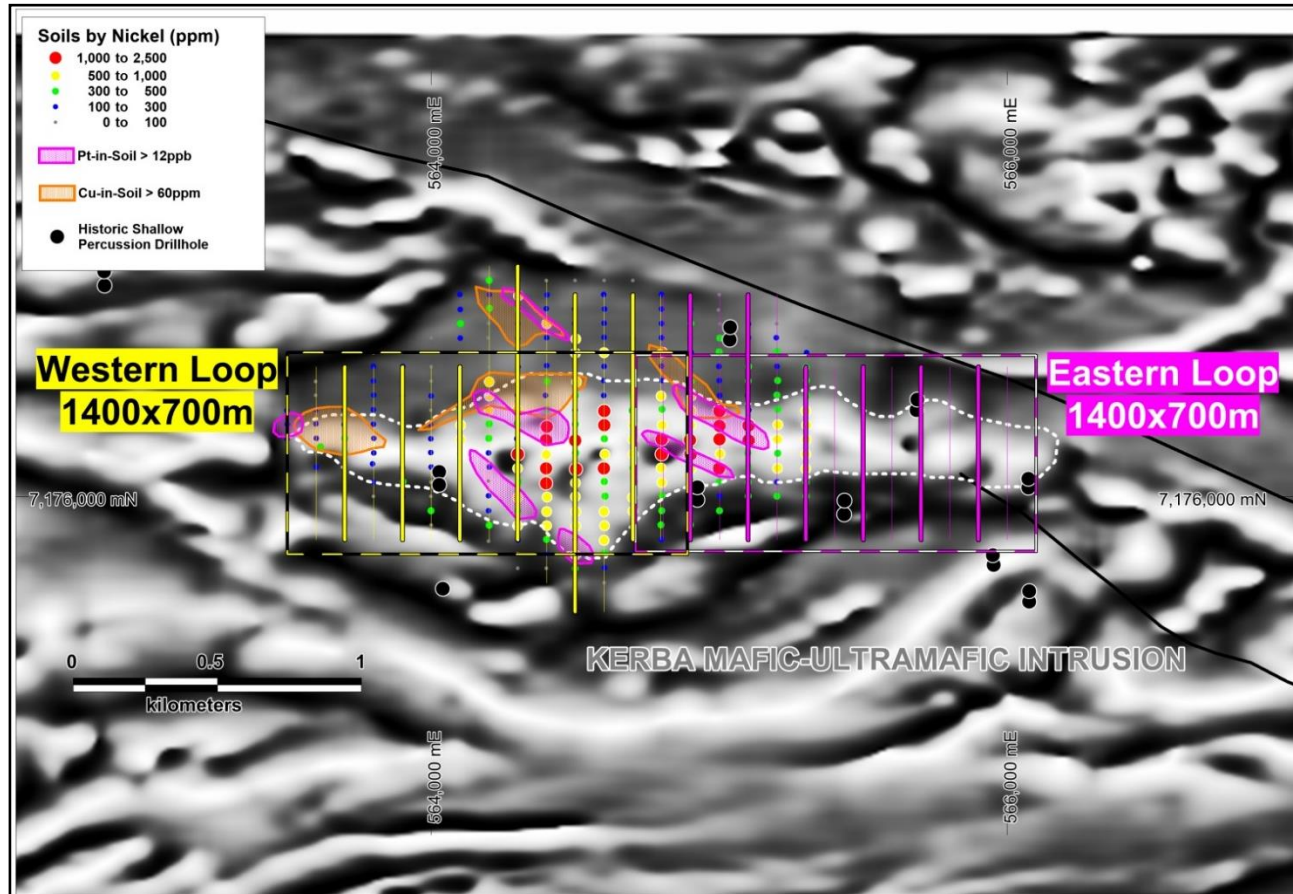


Figure 2 – Kerba Prospect magnetic image showing interpreted ultramafic intrusion, Ni-Cu-Pt geochemistry and FLEM survey lines



The Kerba zone also shows coincident platinum anomalism (greater than 12ppb Pt) as well as elevated copper values (greater than 60ppm) that may be indicative of sulphide mineralization processes (see **Figure 2**).

This potential is further supported by a recent review of historical data dating back to the early 1970's which has highlighted that several shallow percussion holes were drilled (see **Figure 2**) and were reported to have intersected high-MgO serpentinized peridotite, pyroxenite and gabbro rocks, confirming the presence of prospective mafic-ultramafic rock types in the area.

Furthermore, elevated nickel, cobalt and magnesium values, along with nickel / chrome ratios (>1.25) point to a high-magnesium ultramafic source (greater than 25% MgO), offering further evidence for a potential fertile environment for magmatic nickel sulphide accumulations at Kerba.

A detailed Fixed Loop Electromagnetic (FLEM) survey has now commenced at the **Kerba** Prospect and comprises two loops each 1,400m x 700m in dimensions to cover the east-west trending ovoid magnetic/geochemical target over a geological strike length of at least 1.8km.

The line spacing for the FLEM survey is at a nominal 200m with detailed 100m in-fill lines over the geochemically anomalous zone (see **Figure 2**).

The survey will use a sensitive B-field Crone sensor in order to better detect possible massive sulphide accumulations.

Homestead Prospect

Recent soil sampling over the **Homestead** Prospect has detected a discrete east-west trending coincident nickel-platinum anomaly, with a maximum nickel value of 917ppm, associated with a strongly magnetic feature that is also interpreted to be a dyke-like mafic-ultramafic intrusion.

It is interpreted that highly variable transported regolith materials at Homestead may obscure its surface expression to the east of the main nickel anomaly.

Work is ongoing to assess the significance of this anomaly and, if warranted, further ground geophysics may be carried out over the Homestead anomaly pending the results of the survey at Kerba.

ENDS

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Competent Persons' Statement

Information in this ASX release that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Graeme Cameron, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Graeme Cameron is a full time employee of Talisman Mining Ltd and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Graeme Cameron consents to the inclusion in this report of the matters based on information in the form and context in which it appear.



TALISMAN MINING LIMITED

ASX Code: TLM FLEM Commences at Livingstone Project



Appendix 1 – Talisman Mining Ltd Project locations

