TALISMAN MINING LIMITED

ASX Code: **TLM**

18 April 2016

COMPANY SNAPSHOT

Board of Directors

Jeremy Kirkwood
Non-Executive Chairman

Alan Senior
Non-Executive Director

Brian Dawes
Non-Executive Director

Karen Gadsby
Non-Executive Director

Acting CEO
Dan Madden

Contact Details

Telephone:
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Email:
info@talismanmining.com.au

Website:
www.talismanmining.com.au

Capital Structure

Shares on Issue:
185,699,879 (TLM)

Options on Issue:
5,650,000 (Unlisted)

Quarterly Activities Report

March 2016

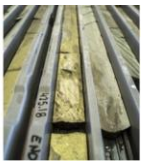
Springfield Cu-Au Project – (JV with Sandfire Resources NL)

- **Maiden JORC 2012 compliant Mineral Resource estimate** for high-grade Monty deposit completed.
    - Total Indicated and Inferred Mineral Resource estimate of **1.05 Mt grading 9.4% Cu and 1.6g/t Au for 99,000t of contained copper and 55,000oz of contained gold**[1].
    - Includes a high-grade massive sulphide component of **763,000 t grading 12.1% Cu and 2.1g/t Au for 92,000t of contained copper and 52,000oz of contained gold**[1].
    - **99% of the Mineral Resource is reported in the JORC Indicated category**[1], available for conversion to Ore Reserves.
- **High-level studies are underway** to investigate the optimal pathway to unlock the value and optimise development of the Monty Deposit.
- **The Monty discovery has opened up a highly prospective 5km long corridor** that will be a priority focus for ongoing Joint Venture exploration. RC drilling programs are underway.
- **Other exploration activities planned by the Joint Venture within the Springfield Project** including RC drilling and down-hole EM surveys at the Homer Prospect.

Corporate

- Completion of **heavily oversubscribed placement to raise $16.7 million** (before costs) through issue of 37.14m shares at 45c. Placement underpinned by existing and new cornerstone investors.
- Mr Jeremy Kirkwood appointed as non-executive Chairman, Mr Alan Senior, remains on the board as non-executive Director.
- Appointment of Mr Dan Madden as acting CEO following the resignation of Mr Gary Lethridge as the Company's Managing Director.





Doolgunna Projects (JV with Sandfire Resources NL)

The Doolgunna Projects Joint Venture between Talisman Mining Ltd (the "Company" (ASX: TLM)) and Sandfire Resources NL ("Sandfire" (ASX: SFR)) encompasses the Springfield Project (30%:70%, TLM:SFR) and Halloween West Project (19%:81%, TLM:SFR) which are high quality VMS copper-gold exploration projects in the Bryah Basin region of Western Australia (see Appendix 1). The recent discovery of exceptionally high-grade copper-gold mineralisation and maiden high-grade Mineral Resource estimate at Monty has confirmed the significant exploration potential of the projects.

Springfield Project

Exploration activities undertaken by the Joint Venture during the quarter focused on the definition of the Monty copper-gold discovery and Maiden JORC 2012 compliant Mineral Resource estimate.

During the March quarter, the Joint Venture completed 12,662m of Diamond, 7,019m of Reverse Circulation RC) and 9,184m of Aircore Drilling, (see *Table 2)*.

Maiden Monty Mineral Resource Estimate

Subsequent to the end of the quarter, Talisman announced on 13 April 2016 that on behalf of the Springfield Joint Venture, Sandfire had reported a maiden JORC 2012 compliant Indicated and Inferred Mineral Resource for the Monty copper-gold deposit (*see TLM ASX Announcement maiden Monty Mineral Resource Estimate 13 April 2016*).

The JORC Indicated and Inferred Mineral Resource is **1.05 million tonnes grading 9.4% copper and 1.6g/t gold**[1] and includes a high-grade massive sulphide component of **763,000t grading 12.1% Cu and 2.1g/t Au for 92,000t of contained copper and 52,000oz of contained gold**[1]**.** The Monty Mineral Resource estimate is set out in *Table 1*.

Monty Mineral Resource – 31 March 2016[1]						
Type	**Mineral Resource Category**	**Tonnes**	**Grade Cu (%)**	**Contained Cu (t)**	**Grade Au (g/t)**	**Contained Gold (oz)**
Massive Sulphide	Indicated	754,000	12.0	91,000	2.1	51,000
	Inferred	9,000	20.7	2,000	2.7	1,000
	Total	**763,000**	**12.1**	**92,000**	**2.1**	**52,000**
Halo	Indicated	287,000	2.2	6,000	0.3	3,000
	Inferred	-	-	-	-	-
	Total	**287,000**	**2.2**	**6,000**	**0.3**	**3,000**
Total	Indicated	1,041,000	9.3	97,000	1.6	54,000
	Inferred	9,000	20.7	2,000	2.7	1,000
	Total	**1,050,000**	**9.4**	**99,000**	**1.6**	**55,000**

Table 1: Monty Mineral Resource – 31 March 2016.

Numbers as presented at a 1.0% Cu cut-off grade. Calculations have been rounded to the nearest 1000t, 0.1 % copper grade and 1000t copper metal, 0.1 g/t gold grade, 1000 oz gold metal, differences may occur due to rounding.

The Mineral Resource estimate for the Monty Deposit was completed by Sandfire's internal geological team, and reviewed by independent external contractors, Cube Consulting. The geological model and Mineral Resource estimate were based on the data from 82 diamond drill holes completed by contractor DDH1 Drilling. The drilling was completed on a nominal 30m by 40m spacing to provide sufficient confidence in the model to progress the project towards a maiden Ore Reserve estimate.

Ninety-nine percent of the tonnes contained in the resources, or over 1.04 million tonnes, is classified as Indicated Resource and is available for conversion to Ore Reserves after completion of the appropriate ongoing studies and application of modifying factors.

Monty Deposit Geology

Copper and gold mineralisation at the Monty Deposit is hosted in a sequence of sediments (siltstone, sandstones and conglomerates) and basaltic rocks. Mineralisation occurs in a series of massive sulphide lenses that are interpreted to have been deposited at different stratigraphic levels within the sedimentary package.

The modelled mineralisation at Monty is contained within seven stacked lenses of massive sulphide (see *Figure 1*) that encapsulate the massive sulphide mineralisation. Over 87% of the contained metal is within two main lenses.

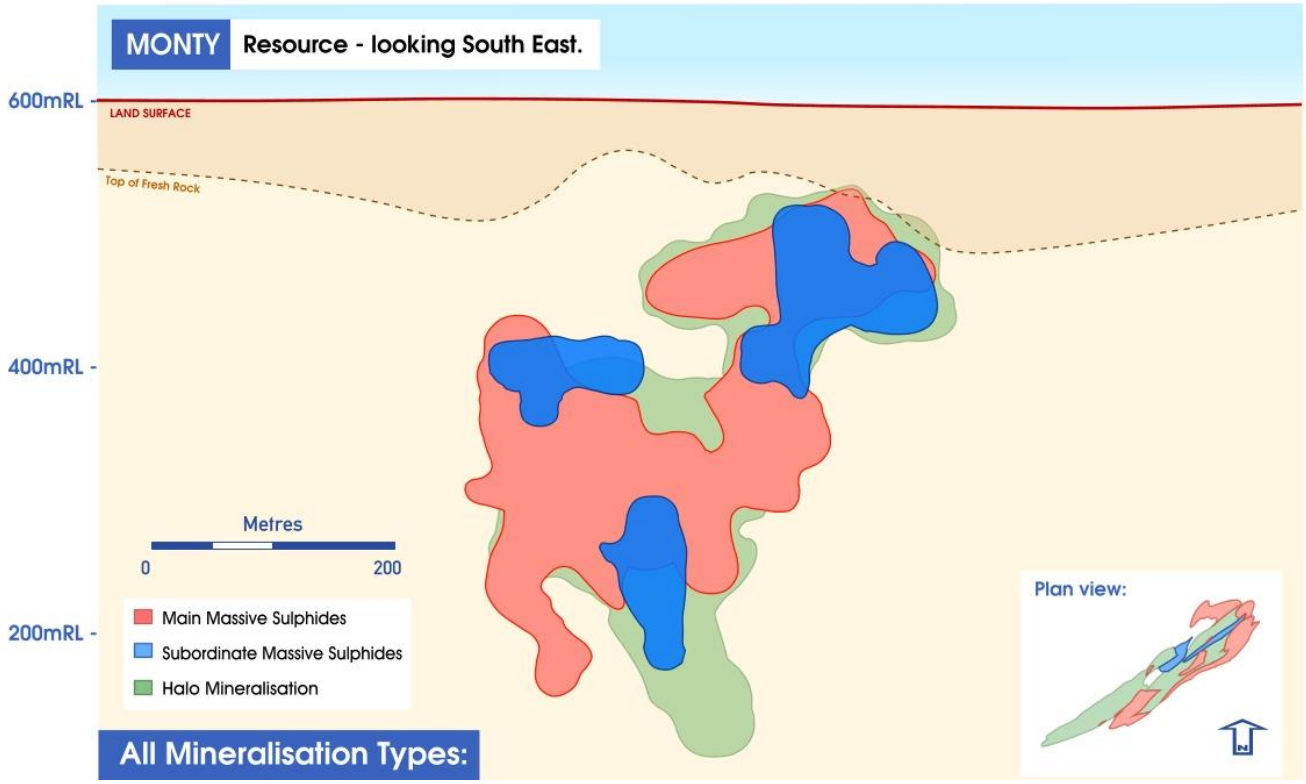
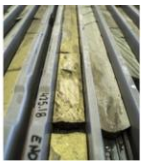


Figure 1: Monty Mineral Resource showing all modelled mineralisation[1].

Adjacent to these massive sulphide lenses, the host sequence shows moderate to strong chlorite alteration with disseminated and/or blebby sulphides throughout. This zone of altered, sulphidic host rock is known as 'halo mineralisation'.



Sandfire have modelled halo mineralisation, both internal to the main massive sulphide lenses and as an external skin that sits directly adjacent to the high-grade massive sulphides. Based on the available drilling, the highly altered sulphidic halo mineralisation has been interpreted by Sandfire to extend below the limits of the modelled massive sulphide lenses (*see Figure 2*).

Talisman believes that the presence of this highly altered sulphidic halo mineralisation interpreted below the limits of the modelled massive sulphide lenses highlights the importance of the planned program of deep diamond drilling and subsequent down-hole EM geophysical survey which is aimed at testing the areas down-dip and down-plunge of the Monty Deposit.

Talisman also notes that two separate lenses of high-grade bornite mineralisation have been modelled by Sandfire within the two main massive sulphide lenses. With only four holes intersecting these lenses of high tenor mineralisation, Sandfire have been careful to limit the interpreted extent of this material.

Mineralisation in these bornite-containing zones is of significantly higher tenor than that in the normal (i.e. non-bornite containing) massive sulphide zones. Based on drill-hole geometry and core observations, the bornite zones are interpreted by Sandfire to be approximately orthogonal to lithological layering.

Further work is required to better define and understand the bornite mineralisation, with the Joint Venture considering further drilling as part of future studies to further understand the potential extent of the bornite mineralisation and determine if there is a strategic opportunity to mine direct shipping ore (DSO).

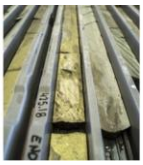
Monty Development Studies

A number of high-level studies for the Monty Deposit are underway by the Joint Venture to investigate the optimal pathway to unlock the value of the project and optimise its development. Results of these studies will define the scope of further, more detailed technical work and the scope of a Feasibility Study. Work programs currently underway include:

- Metallurgical test work to define ore processing parameters and potential ore processing pathways;
- Geotechnical and hydrogeological drilling and test work;
- Mining studies;
- Regulatory approvals; and
- Infrastructure studies.

In addition to the above, the Joint Venture is planning to undertake a targeted structural drilling program aimed at providing detailed information to allow the development of a structural geological model to provide context on the location and setting of the Monty Deposit.





Exploration and Resource Definition Drilling

The focus of exploration activities for the quarter was the definition drilling of the Monty Deposit, which culminated in the estimation of the maiden JORC 2012 compliant Mineral Resource[1]. Results from holes drilled during the quarter are continued within *Table 4*, and include:

TLDD0051

- **1.5 metres grading 4.7% Cu and 1.8g/t Au** from 518.6m *(down-hole width); and*
- **7.6 metres grading 3.2% Cu and 0.2 g/t Au** from 547.2m *(down-hole width)*

TLDD0057

- **7.6 metres grading 3.3% Cu and 1.5g/t Au** from 152.0m *(down-hole width)*

TLDD0065

- **5.0 metres grading 4.2% Cu and 0.7g/t Au** from 425.6m *(down-hole width)*

TLDD0072

- **1.0 metres grading 15.4% Cu and 1.7g/t Au** from 242.5m *(down-hole width);*
- **3.8 metres grading 8.0% Cu and 1.5g/t Au** from 246.5m *(down-hole width)*;
- **1.1 metres grading 4.8% Cu and 0.3g/t Au** from 265.0m *(down-hole width); and*
- **0.8 meters grading 16.2% Cu and 3.4g/t Au** from 270.2m (down-hole width)

TLDD0076

- **23.3 metres grading 9.8% Cu and 1.9g/t Au** from 311.4m *(down-hole width)*

TLDD0077

- **4.4 metres grading 3.6% Cu and 1.4g/t Au** from 180.7m *(down-hole width); and*
- **2.1 metres grading 13.4% Cu and 2.3g/t Au** from 189.5m *(down-hole width)*

TLDD0085

- **12.4 metres grading 8.1% Cu and 2.7g/t Au** from 359.5m *(down-hole width)*

TLDD0091

- **3.9 metres grading 7.2% Cu and 1.3g/t Au** from 531.0m *(down-hole width)*

TLDD0108

- **4.9 metres grading 2.9% Cu and 2.4g/t Au** from 56.2m *(down-hole width)*

While timing differences in the receipt of all assay results and the cut-off date for data used in the Monty Mineral Resource has resulted in some of the current assay results being excluded from the estimation process; Talisman believes that there is no material impact on the maiden Monty Mineral Resource.

For results prior to the March 2016 quarter, please refer to the December 2015 Quarterly Activities Report.

A diagrammatic vertical longitudinal projection by Talisman showing the Monty Mineral Resource outlines and drilling completed during the quarter is provided in *Figure 2* below.

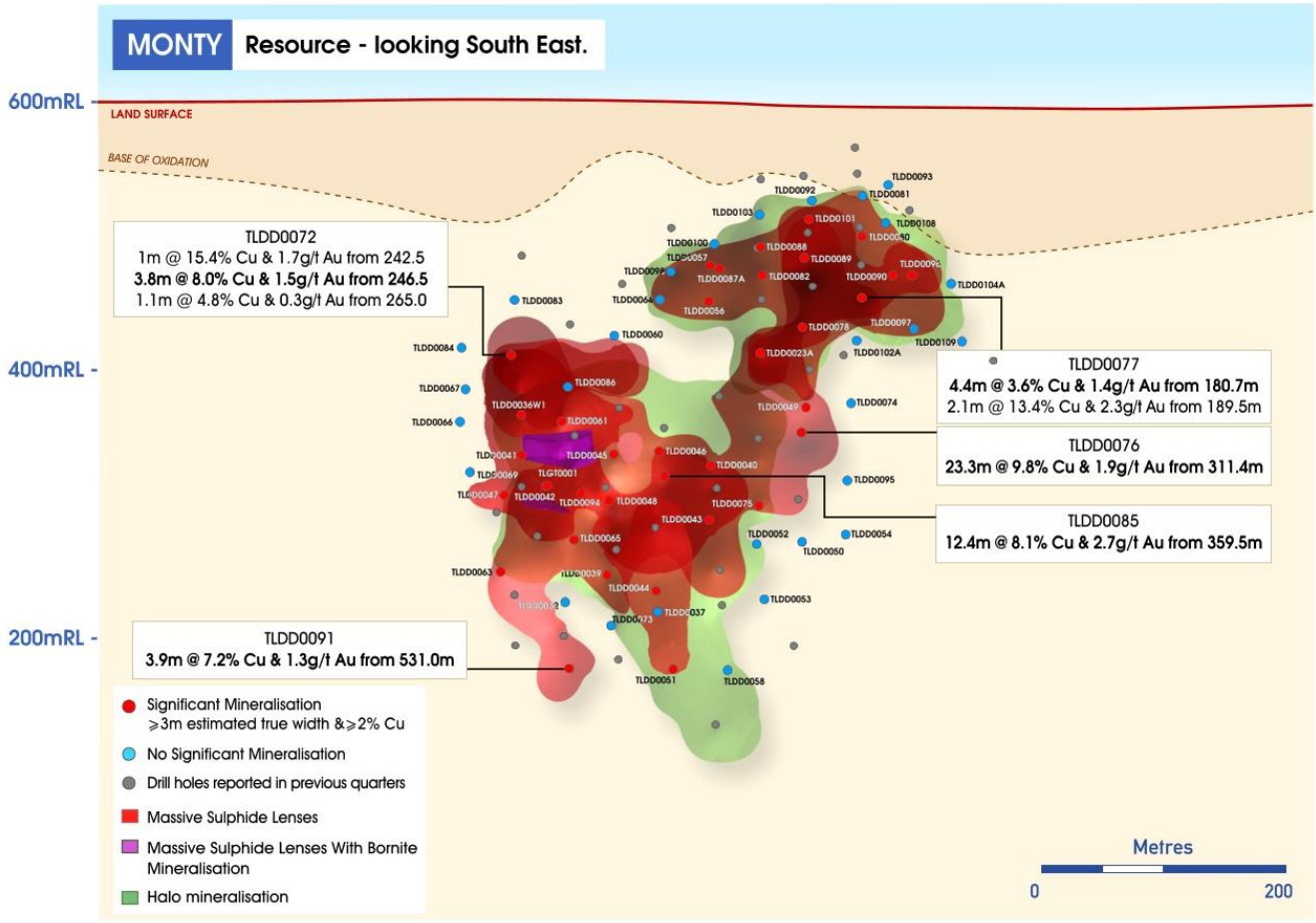


Figure 2: Talisman's Diagrammatic Vertical Longitudinal Projection of the Monty resource wireframes highlighting holes completed during the quarter and selected intersections.

The diagrammatic Vertical Longitudinal Projection depicted in above displays the seven separate modelled massive sulphide mineralisation lenses and two modelled halo mineralisation lenses projected horizontally onto a vertical plane. The massive sulphide component of the Monty Deposit comprises a series of seven individual stacked lenses that overlap in the vertical plane of this schematic representation.

Pierce points are shown at what Talisman interprets to be the uppermost point of the drill hole intersection with the interpreted primary mineralisation lens and are projected horizontally onto the vertical plane. Where a drill hole has not intersected mineralisation (i.e. no significant results returned), a pierce point has been derived by Talisman by extending the trace of the primary mineralisation lens up or down dip as required, to intersect the barren hole. This point has then been projected horizontally onto the vertical plane.

A significant intersection is defined here as any intersection ≥ 3m estimated true width that has a grade of ≥ 2.0 % Cu, inclusive of non-mineralised material. To determine whether intersections that are <3m estimated true width are significant in terms of the above definition, non-mineralised material has been included at a grade of 0.0% Cu (weighted by width) until a 3m estimated true width is reached. If the overall grade remained >2.0% Cu, with the non-mineralised material included, then the intersection is considered significant.

Regional Exploration

The discovery and delineation of the high-grade Monty Deposit opens up a highly prospective new corridor with excellent potential for additional VMS discoveries and has provided invaluable information and insights which will help to refine and target ongoing exploration programs.

Whilst the focus of activities during the quarter was on the Monty delineation drilling, other exploration work outside of the confines of the Monty Deposit was undertaken by the Joint Venture (*see Figure 3*).

North East Monty Trend

Nine Reverse Circulation drill holes along the NE Monty Trend were completed by the Joint Venture during the quarter.

Importantly, DHEM surveys are planned to be undertaken on all of these holes and interpretation of the area will commence on receipt of all of the assays and DHEM surveys.

Regional RC Geochemistry Program

Drilling commenced across the Springfield Project area as part of the Regional RC Geochemistry Programme to follow up favourable geology and anomalous geochemistry intersected in first pass Aircore drilling.

Three drill holes have been completed during the quarter, with assays pending.

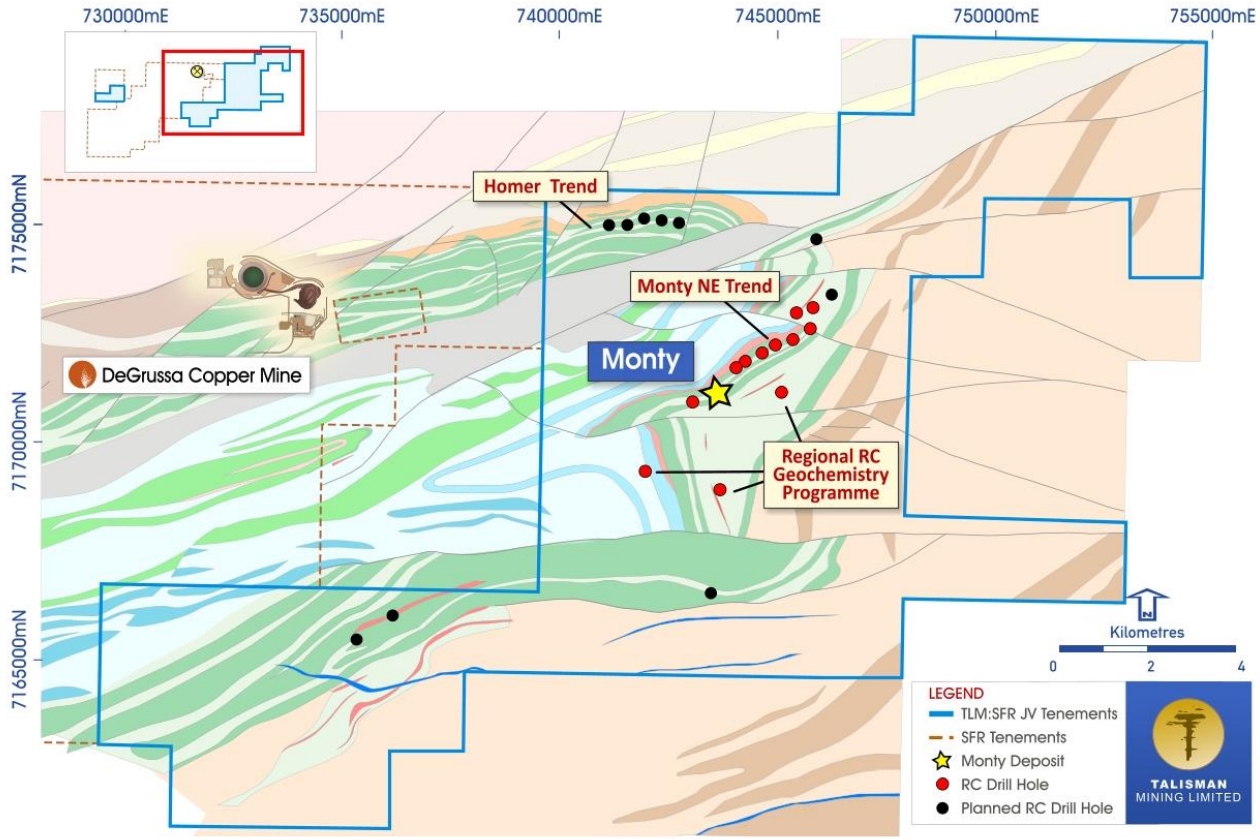
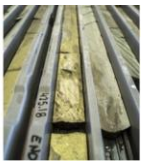


Figure 3: Completed and planned RC drilling across the Joint Venture tenements in the quarter.





Planned Exploration

In addition to the follow-up work from activities undertaken in the quarter, Sandfire have advised that a focused exploration program outside of the Monty Deposit, aimed at testing the wider regional Springfield Project area has now commenced or is planned to commence shortly.

Planned work includes:

- A systematic Aircore drilling program to accurately delineate the interpreted VMS host horizon within the Monty area;
- RC drilling (with diamond tails where required) within the interpreted VMS host horizon along strike from the Monty Deposit;
- Diamond drilling and subsequent DHEM geophysical survey aimed at testing for potential down-dip and down-plunge extensions of the Monty Deposit;
- RC and DHEM surveys along the Homer trend where previous drilling has intersected a thick sequence of exhalative rocks interpreted to be analogous to the DeGrussa host stratigraphy; and
- Systematic Aircore drilling over the Southern Volcanic trend to accurately define the prospective VMS horizon.

Drill-hole Information Summary

The aggregate exploration metres drilled during the quarter by Sandfire on behalf of the Joint Venture at the Springfield Project are in *Table 2*. Drill-hole information and co-ordinates of drill-hole collars are in *Table 3*.

Aircore/RAB Drilling	RC Drilling	Diamond Drilling	Total
9,184 metres	7,019 metres	12,662 metres	28,865 metres

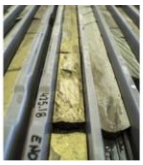
Table 2: Aggregate exploration metres drilled at the Doolgunna Projects for the March 2016 quarter

Farm-In / Joint Venture Agreement

As previously announced, Sandfire reached the $15 million expenditure threshold in the December quarter and an unincorporated Joint Venture was formed between Talisman and Sandfire at that time.

Formal transfer of Sandfire's initial 51% interest in the Joint Venture was completed in December 2015.

Following satisfactory audit of the further $5 million of sole funded exploration expenditure by Sandfire at Talisman's Doolgunna Projects, formal transfer of Sandfire's final 19% interest in the Joint Venture was completed during the March quarter.



Talisman is continuing discussions with Sandfire to agree and finalise the terms of an Exploration Joint Venture Agreement under which it will hold a 30 per cent contributing interest in the Springfield Project and 19% interest in the Halloween West Project, with Sandfire holding the remaining interest and managing the Joint Venture.

Sinclair Nickel Project (100% Talisman)

The Sinclair Nickel Project is located in the prolific Agnew-Wiluna Greenstone Belt in WA's North-eastern Goldfields. The Sinclair nickel deposit was discovered in late 2005, developed and commissioned in 2008 and operated successfully before being placed on care and maintenance in August 2013, having produced approximately 38,500 tonnes of nickel at an average life-of-mine head grade of 2.44% Ni. The Sinclair Nickel Project has extensive infrastructure and includes an extensive 290km^2 tenement package covering at least five known ultra-mafic volcanic sequences considered prospective for massive nickel sulphide mineralisation.

Work continued throughout the quarter to interpret drilling results from the Company's maiden exploration program completed in the previous quarter.

Priority targets within the Sinclair Nickel Project remain to be tested at numerous prospects including Fly Bore and Delphi with ongoing exploration programs such as surface MLEM, geochemistry and bedrock drilling being developed for these areas.

While Talisman is focusing the majority of available resources on the exploration of Monty and wider Springfield Project Joint Venture in the near term, planning is well underway for the next phase of fieldwork at the Sinclair project as part of its counter-cyclical exploration strategy for this key Company asset.

Corporate

The Company successfully raised a total of approximately $16.7 million (before costs) through a strongly oversubscribed share placement, underpinned by a number of existing and new institutional and cornerstone investors (Placement).

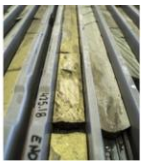
The Placement was undertaken with Bell Potter Securities Limited, Euroz Securities Limited and Petra Capital Limited as Joint Lead Managers with the proceeds being raised under the Company's 15% placement capacity in accordance with ASX Listing Rule 7.1 and an additional 10% placement capacity in accordance with ASX Listing Rule 7.1A.

At the end of the quarter, Talisman had cash reserves of approximately $22.2 million.

Board and Management Changes

During the quarter, the Company's Chief Financial Officer, Mr Dan Madden, was appointed as acting CEO following the resignation of Mr Gary Lethridge as the Company's Managing Director.





In light of Mr Lethridge's departure, the Talisman Board made the decision to appoint highly experienced corporate executive and former investment banker, Mr Jeremy Kirkwood, to the board as non-executive Chairman, replacing Mr Alan Senior who will remain as a non-executive Director.

Mr Kirkwood – who has extensive experience in corporate strategy, investment banking and global capital markets – will provide invaluable strategic input and guidance to the Company's board and management team.

A highly respected corporate advisor, Mr Kirkwood has been a principal with Pilot Advisory Group and was previously a Managing Director at Credit Suisse, Morgan Stanley and Austock. Mr Kirkwood has primarily worked in public markets, undertaking merger and acquisitions as well as capital raisings for companies principally in the metals and mining, energy and infrastructure sectors.

While initially contemplating an executive search process following Mr Lethridge's departure from the Company, the Board has decided that Mr Madden will continue as Acting CEO until at least the end of the financial year when the situation will be reviewed.

The Board believes that Mr Madden has demonstrated the required skills and experience to lead the Company at this time and that this is the best option for the company at this juncture given the focus on the assessment of development options for Monty and the further exploration of Springfield under the Joint Venture with Sandfire.

Mr Madden has been with Talisman since 2009 and has played a key role in all of the key corporate transactions and capital raisings undertaken by the Company over the past six years. Mr Madden has more than 15 years' experience in the resource sector, including as Financial Controller for Jubilee Mines and General Manager – Finance for Xstrata Nickel Australasia.

The Board believes that Mr Madden's strong and disciplined leadership, collegiate approach and strong work ethic will serve the Company extremely well moving forward, with appropriate support from the new Chairman and Board.

ENDS

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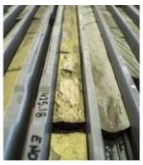
on +61 419 929 046





[1]*Information in this release that relates to the Monty JORC 2012 compliant Mineral Resource estimate is information previously published by Sandfire Resources NL ("Sandfire") and is available on the Sandfire and ASX websites (see announcement "Maiden High-Grade Mineral Resource for Monty VMS Deposit: 99,000t of Copper and 55,000oz of Gold", dated 13 April 2016 (Sandfire Announcement)). For full details of the Monty Resource estimate, including the Competent Person's Statement related to the estimation of the Monty Mineral Resource, please refer to the Sandfire Announcement.*

Talisman confirms that it is not aware of any new information or data that materially affects the information included in the Sandfire Announcement, and that all material assumptions and technical parameters underpinning the estimates in the Sandfire Announcement continue to apply and have not materially changed and confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original Sandfire Announcement.

Competent Persons' Statement

Information in this report that relates to Exploration Results and Exploration Targets as defined under the 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves", is based on information compiled by Mr Anthony Greenaway, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Greenaway 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 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Greenaway consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Forward-Looking Statements

This ASX release may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Talisman Mining Ltd.'s current expectations, estimates and assumptions about the industry in which Talisman Mining Ltd operates, and beliefs and assumptions regarding Talisman Mining Ltd's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Talisman Mining Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this report. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this report speak only at the date of issue of this report. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Talisman Mining Ltd does not undertake any obligation to update or revise any information or any of the forward-looking statements in this report or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

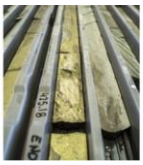
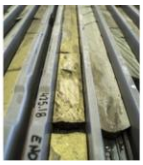


Table 3 – Drill-hole Information Summary, Springfield JV Project

Details and co-ordinates of drill-hole collars for Diamond and RC drilling completed during the March 2016 quarter:

Hole ID	Hole Type	Depth	Dip	Azimuth	Grid	East	North	RL	Lease
TLDD0032	DD	525	-63°	139°	MGA94_50	743560	7171274	601	E52/2282
TLDD0048	DD	454	-62°	139°	MGA94_50	743565	7171202	602	E52/2282
TLDD0050	DD	531.4	-62°	139°	MGA94_50	743438	7171106	599	E52/2282
TLDD0051	DD	643.8	-61°	140°	MGA94_50	743461	7171273	601	E52/2282
TLDD0052	DD	484	-63°	139°	MGA94_50	743457	7171145	600	E52/2282
TLDD0053	DD	567.8	-62°	139°	MGA94_50	743433	7171176	600	E52/2282
TLDD0054	DD	480.9	-62°	137°	MGA94_50	743405	7171081	598	E52/2282
TLDD0056	DD	294.9	-60°	143°	MGA94_50	743539	7171104	601	E52/2282
TLDD0057	DD	247	-60°	143°	MGA94_50	743549	7171090	602	E52/2282
TLDD0058	DD	582.9	-63°	140°	MGA94_50	743451	7171220	601	E52/2282
TLDD0059	DD	185	-62°	138°	MGA94_50	743401	7171253	600	E52/2282
TLDD0060	DD	331.1	-62°	141°	MGA94_50	743612	7171139	603	E52/2282
TLDD0062	DD	156	-60°	139°	MGA94_50	743562	7171272	601	E52/2282
TLDD0063	DD	480.8	-61°	140°	MGA94_50	743594	7171297	601	E52/2282
TLDD0064	DD	285.9	-59°	142°	MGA94_50	743570	7171128	603	E52/2282
TLDD0065	DD	469.1	-60°	141°	MGA94_50	743563	7171275	601	E52/2282
TLDD0066	DD	377.5	-60°	142°	MGA94_50	743674	7171256	603	E52/2282
TLDD0067	DD	351.2	-62°	143°	MGA94_50	743696	7171226	603	E52/2282
TLDD0069	DD	429.9	-59°	142°	MGA94_50	743649	7171288	602	E52/2282
TLDD0070	DD	124	-59°	138°	MGA94_50	743626	7171320	601	E52/2282
TLDD0071	DD	124	-60°	137°	MGA94_50	743602	7171352	600	E52/2282
TLDD0072	DD	342.3	-59°	142°	MGA94_50	743666	7171200	604	E52/2282
TLDD0073	DD	582.9	-61°	140°	MGA94_50	743505	7171281	601	E52/2282
TLDD0074	DD	325	-61°	140°	MGA94_50	743428	7171050	599	E52/2282
TLDD0075	DD	483.9	-62°	142°	MGA94_50	743483	7171112	600	E52/2282
TLDD0076	DD	414.9	-61°	140°	MGA94_50	743452	7171089	600	E52/2282
TLDD0077	DD	220	-61°	322°	MGA94_50	743561	7170876	601	E52/2282
TLDD0078	DD	240.1	-63°	325°	MGA94_50	743606	7170882	602	E52/2282
TLDD0079	DD	120.7	-58°	323°	MGA94_50	743513	7170938	601	E52/2282
TLDD0080	DD	150	-59°	319°	MGA94_50	743537	7170906	601	E52/2282
TLDD0081	DD	173.8	-56°	318°	MGA94_50	743525	7170922	601	E52/2282
TLDD0082	DD	222.3	-58°	320°	MGA94_50	743626	7170922	603	E52/2282
TLDD0083	DD	337	-64°	144°	MGA94_50	743687	7171171	605	E52/2282
TLDD0084	DD	370	-60°	141°	MGA94_50	743709	7171209	604	E52/2282
TLDD0085	DD	409	-60°	143°	MGA94_50	743532	7171179	602	E52/2282
TLDD0086	DD	343	-61°	142°	MGA94_50	743631	7171179	604	E52/2282
TLDD0087A	DD	216.7	-60°	318°	MGA94_50	743645	7170962	603	E52/2282
TLDD0088	DD	180.5	-64°	321°	MGA94_50	743602	7170954	602	E52/2282
TLDD0089	DD	166.8	-64°	325°	MGA94_50	743569	7170930	602	E52/2282
TLDD0090	DD	199.8	-58°	317°	MGA94_50	743534	7170878	601	E52/2282
TLDD0091	DD	592	-62°	140°	MGA94_50	743512	7171337	600	E52/2282



Hole ID	Hole Type	Depth	Dip	Azimuth	Grid	East	North	RL	Lease
TLDD0092	DD	126.4	-58°	321°	MGA94_50	743556	7170946	601	E52/2282
TLDD0093	DD	129.5	-57°	316°	MGA94_50	743497	7170926	600	E52/2282
TLDD0094	DD	441.8	-60°	147°	MGA94_50	743597	7171225	602	E52/2282
TLDD0095	DD	436	-61°	140°	MGA94_50	743417	7171066	599	E52/2282
TLDD0096	DD	231.7	-58°	318°	MGA94_50	743517	7170867	600	E52/2282
TLDD0097	DD	261.7	-62°	318°	MGA94_50	743530	7170850	600	E52/2282
TLDD0098	DD	180.7	-62°	316°	MGA94_50	743665	7171002	604	E52/2282
TLDD0099	DD	165.3	-60°	315°	MGA94_50	743653	7171018	604	E52/2282
TLDD0100	DD	179.8	-61°	319°	MGA94_50	743632	7170979	603	E52/2282
TLDD0101	DD	159.7	-56°	322°	MGA94_50	743569	7170931	602	E52/2282
TLDD0102A	DD	240.8	-63°	322°	MGA94_50	743575	7170857	601	E52/2282
TLDD0103	DD	153.7	-56°	323°	MGA94_50	743601	7170956	602	E52/2282
TLDD0104A	DD	249.7	-58°	323°	MGA94_50	743484	7170844	599	E52/2282
TLDD0106	DD	321.8	-60°	141°	MGA94_50	743480	7171313	600	E52/2282
TLDD0107	DD	514	-62°	139°	MGA94_50	743500	7171354	599	E52/2282
TLDD0108	DD	198.7	-60°	320°	MGA94_50	743509	7170910	601	E52/2282
TLDD0109	DD	294.7	-62°	321°	MGA94_50	743497	7170825	600	E52/2282
TLDD0110	DD	193.4	-62°	323°	MGA94_50	743598	7170825	601	E52/2282
TLGT0001	DD	192.8	-57°	141°	MGA94_50	743670	7171148	400	E52/2282
TLRC0020	RC	424.6	-62°	140°	MGA94_50	743888	7171570	600	E52/2282
TLRC0021A	RC	197	-62°	139°	MGA94_50	743952	7171616	599	E52/2282
TLRC0022	RC	340	-62°	138°	MGA94_50	744111	7171739	598	E52/2282
TLRC0023	RC	358	-63°	141°	MGA94_50	744491	7171900	605	E52/2282
TLRC0024	RC	364	-62°	139°	MGA94_50	744807	7172113	604	E52/2282
TLRC0025	RC	352	-63°	139°	MGA94_50	745192	7172240	606	E52/2282
TLRC0026	RC	358	-62°	140°	MGA94_50	745598	7172483	607	E52/2282
TLRC0027	RC	340	-61°	140°	MGA94_50	745268	7172863	606	E52/2282
TLRC0028	RC	400	-61°	140°	MGA94_50	745664	7173002	607	E52/2282
TLRC0029	RC	400	-63°	92°	MGA94_50	741725	7169200	595	E52/2282
TLRC0030	RC	400	-62°	91°	MGA94_50	743400	7168800	594	E52/2282
TLRC0031	RC	209	-62°	182°	MGA94_50	742798	7170759	596	E52/2282
TLRC0032	RC	304	-60°	180°	MGA94_50	744800	7171000	606	E52/2282



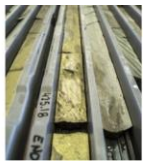


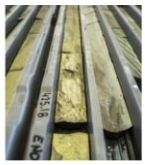
Table 4: **Drill-hole Assay Intersections >1% copper for the Springfield JV Project**

Details of relevant intersections received during the March 2016 quarter at the Springfield JV Project received by Talisman are provided below. Estimated true widths have been calculated using estimated dip and dip-direction of modelled mineralisation surfaces at the drill-hole intersection and azimuth and dip of the drill-hole.

Calculation of relevance for inclusion into this table is based on a 0.5% Cu cut-off, no more than 3m of internal dilution and a minimum composite grade of 1%Cu. Intersection length, Cu (%), Au (ppm), Ag (ppm) and Zn (%) are rounded to 1 decimal point.

Hole ID	Interval	From (m)	To (m)	Downhole Width (m)	Estimated True Width (m)	Intersection		
						Cu (%)	Au (g/t)	Zn (%)
TLDD0032	No Significant Results							
TLDD0050	No Significant Results							
TLDD0051	1	518.6	520.1	1.5	1.4	4.7	1.8	0.0
	2	547.2	554.8	7.6	6.3	3.2	0.2	0.1
TLDD0052	No Significant Results							
TLDD0053	No Significant Results							
TLDD0054	No Significant Results							
TLDD0056	1	186.6	190.1	3.5	1.9	4.4	1.1	0.7
TLDD0057	1	152.0	159.6	7.6	3.4	3.3	1.5	1.0
TLDD0058	No Significant Results							
TLDD0059	RC Precollar only							
TLDD0060	No Significant Results							
TLDD0062	RC Precollar only							
TLDD0063	1	440.6	441.4	0.8	0.6	15.1	0.7	1.5
TLDD0064	No Significant Results							
TLDD0065	1	425.6	430.6	5.0	3.9	4.2	0.7	0.9
TLDD0066	DDH Not Sampled (RC Precollar Sampled with NSR)							
TLDD0067	No Significant Results							
TLDD0069	No Significant Results							
TLDD0070	RC Precollar only							
TLDD0071	RC Precollar only							
TLDD0072	1	242.5	243.5	1.0	0.8	15.4	1.7	0.3
	2	246.5	250.3	3.8	1.1	8.0	1.5	1.0
	3	270.2	271.0	0.8	0.5	16.2	3.4	0.7
TLDD0073	No Significant Results							
TLDD0074	DDH Not Sampled (RC Precollar Sampled with NSR)							
TLDD0075	1	375.8	377.1	1.3	0.7	16.0	1.5	0.9
TLDD0076	1	311.4	334.7	23.3	5.8	9.8	1.9	1.9
TLDD0077	1	180.7	185.1	4.4	3.6	3.6	1.4	1.9
	2	189.5	191.6	2.1	1.7	13.4	2.3	3.2



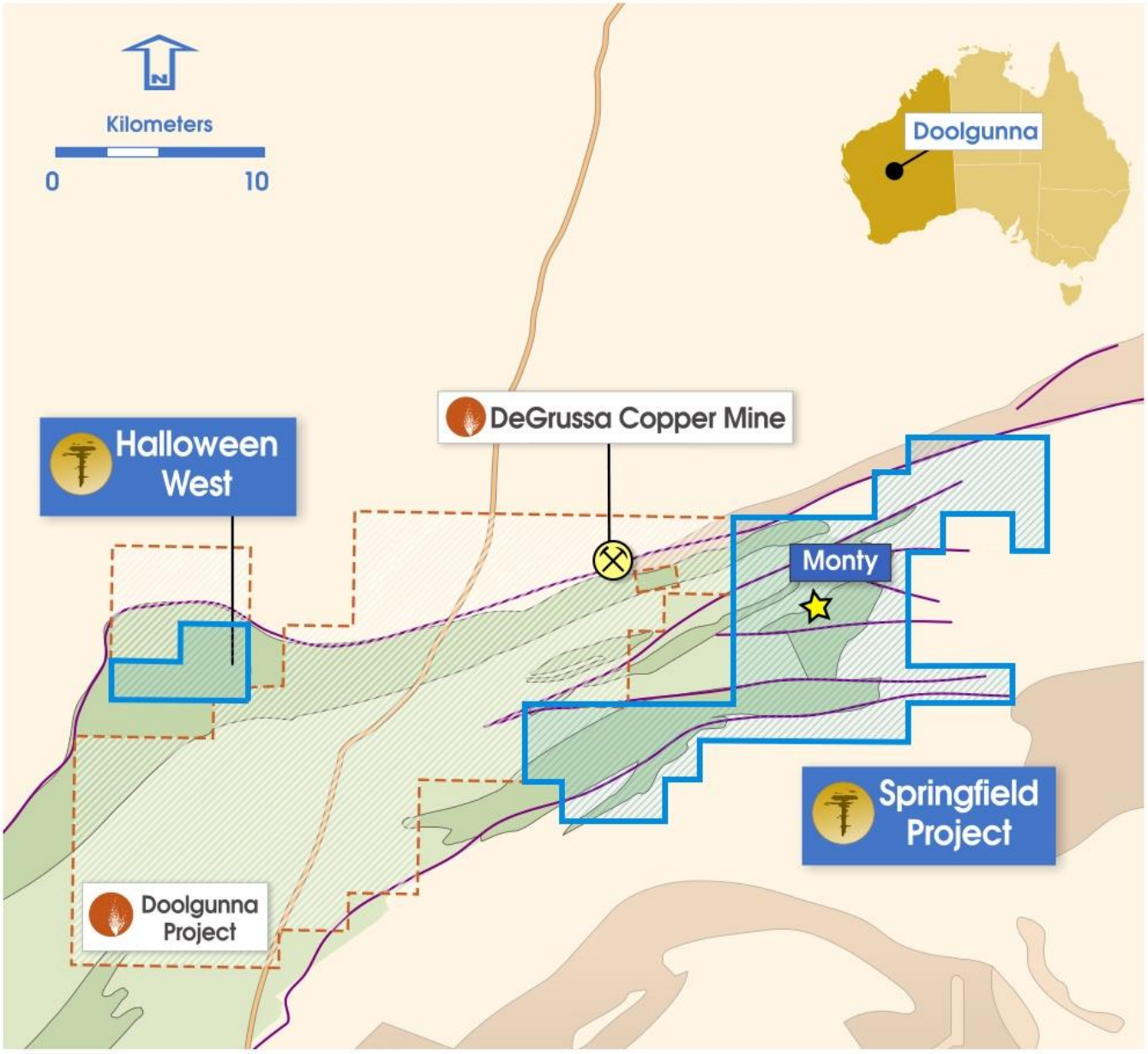


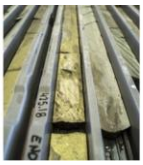
Hole ID	Interval	From (m)	To (m)	Downhole Width (m)	Estimated True Width (m)	Intersection		
						Cu (%)	Au (g/t)	Zn (%)
TLDD0078		209.0	212.4	3.4	2.2	2.0	0.8	0.6
TLDD0079	No Significant Results							
TLDD0080	1	126.4	131.3	4.9	3.1	6.6	1.6	3.2
TLDD0081	No Significant Results							
TLDD0082	1	168.0	170.1	2.1	1.1	13.8	1.7	0.5
TLDD0083	No Significant Results							
TLDD0084	DDH Not Sampled (RC Precollar Sampled with NSR)							
TLDD0085	1	359.5	371.9	12.4	8.9	8.1	2.7	2.0
TLDD0086	1	276.5	279.7	3.2	1.2	3.9	1.7	2.0
TLDD0087A	1	158.8	162.1	3.3	2.2	3.0	1.8	4.1
TLDD0088	1	131.8	133.3	1.5	1.2	11.0	1.9	1.0
TLDD0089	1	140.8	148.4	7.6	4.3	5.0	1.7	1.2
TLDD0090	1	162.5	168.0	5.5	4.2	7.1	1.9	2.3
TLDD0091	1	531.0	534.9	3.9	1.6	7.2	1.3	0.9
TLDD0092	No Significant Results							
TLDD0093	No Significant Results							
TLDD0094	1	372.4	377.4	5.0	4.2	6.1	2.6	2.2
	2	389.7	391.7	2.0	1.8	3.6	0.1	0.0
TLDD0095	DDH Not Sampled (RC Precollar Sampled with NSR)							
TLDD0096		165.3	171.0	5.7	3.6	4.2	1.3	2.2
TLDD0097		207.6	209.2	1.6	1.4	1.2	0.2	0.0
TLDD0098		158.9	160.0	1.1	0.9	1.6	0.9	0.1
TLDD0099	Not Sampled							
TLDD0100	No Significant Results							
TLDD0101		116.1	122.4	6.3	4.6	3.4	1.0	1.3
TLDD0102A	No Significant Results							
TLDD0103		111.5	116.5	5.0	3.7	1.0	0.2	0.1
TLDD0104A	Results Pending							
TLDD0106	Results Pending							
TLDD0107	Results Pending							
TLDD0108	1	56.2	61.1	4.9	3.4	2.9	2.4	0.1
TLDD0109	No Significant Results							
TLDD0110	No Significant Results							
TLGT0001	1	370.0	398.7	28.7	22.6	23.5	10.8	0.7

Note: For the purposes of Figure 2, a Significant Intersection is defined as any intersection ≥ 3m estimated true width that has a grade of ≥ 2.0% Cu, inclusive of non-mineralised material.

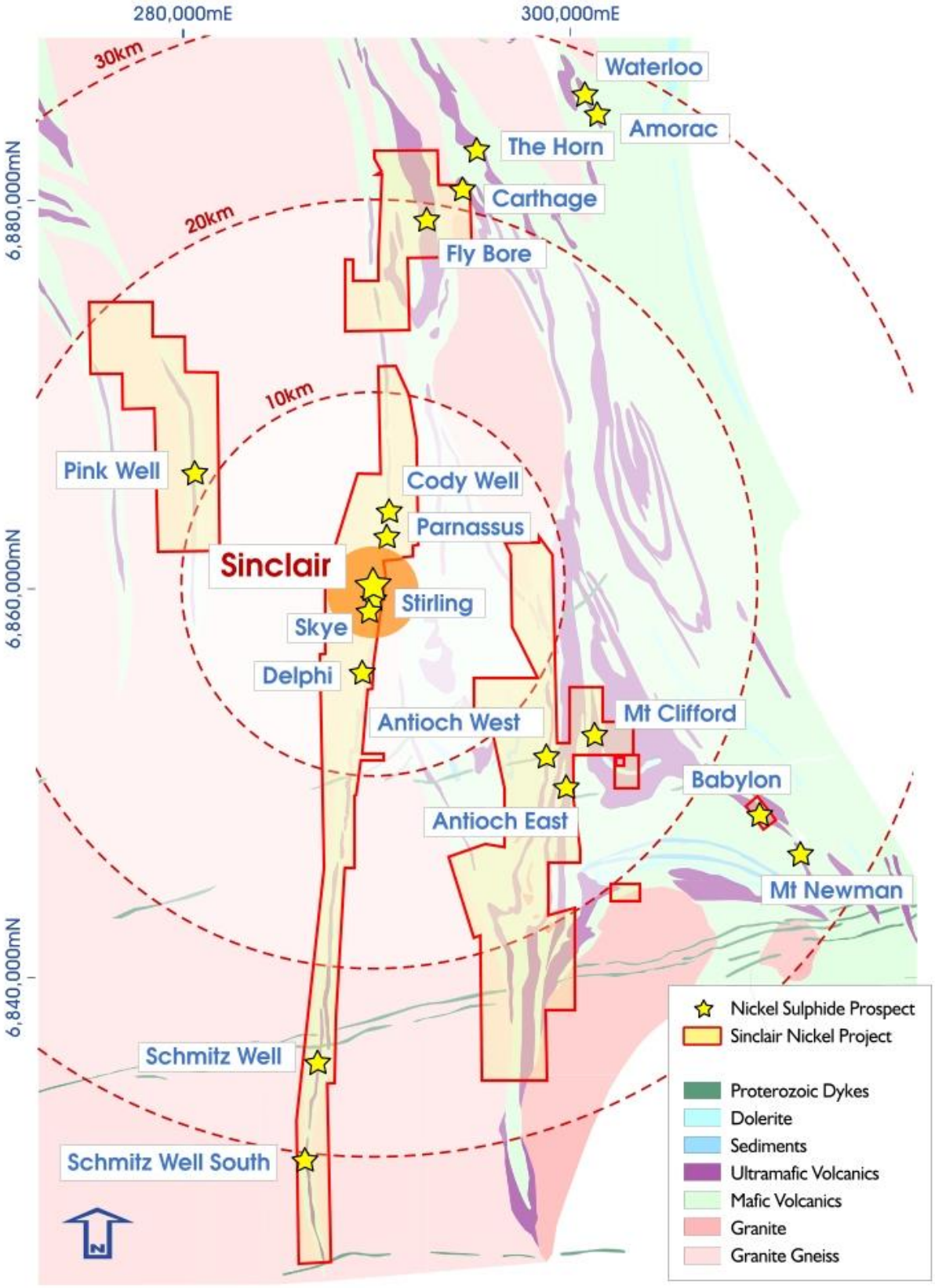
Intersections that are <3m estimated true width are defined as significant if the overall grade remained >2.0% Cu when non-mineralised material has been included at a grade of 0.0% Cu (weighted by width) until a 3m estimated true width is reached.

Appendix 1: Talisman's Doolgunna Copper-Gold Projects in Joint Venture with Sandfire Resources NL

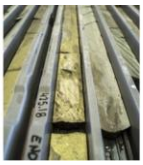




Appendix 2: Talisman's tenement holding at the Sinclair Nickel Project and selected prospect names







Appendix 3: Talisman Mining Tenement Schedule as at 31 March 2016

Project / Tenement	Location and Blocks (Area)	Interest at Beginning Quarter	Interest at End Quarter	Acquired during Quarter	Surrendered during Quarter	Joint Venture Partner / Farm-In Party
HALLOWEEN WEST	W.Australia					JV - Sandfire Resources NL*
E52/2275	6	31%	19.0%	-	-	
HALLOWEEN	W.Australia					JV - Sandfire Resources NL*
P52/1241	(200 HA)	49%	0%	-	*(200 HA)***	
SPRINGFIELD	W.Australia					JV - Sandfire Resources NL*
E52/2282	42	49%	30%	-		
E52/2313	8	49%	30%	-		
E52/2466	14	49%	30%	-	*6****	

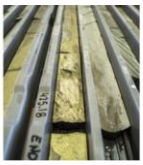
***** During the December 2015 quarter, Sandfire provided a formal Notice to Talisman stating it had sole-funded a total of $15 million of exploration expenditure in order to earn 70% interest in Talisman's interest in the Doolgunna Projects. Following the satisfactory audit of this expenditure a formal transfer of the final 19% interest in the Doolgunna Projects from Talisman to Sandfire was registered with the Department of Mines and Petroleum on 12 March 2016.*

*** Tenement P52/1241 was surrendered by the Joint Venture.*

**** Under compulsory surrender provisions of Section 65(3) of the Mining Act 1978 (as amended), all exploration licences applied for on or after 10 February 2006 must be reduced by at least 40 per cent at the end of the sixth year of their term.*

In consultation with Joint Venture partners, Sandfire Resources NL, the areas interpreted to be least prospective for the discovery of economic mineralisation within E52/2466 were identified and in compliance with the compulsory surrender provisions of the Mining Act 1978 (as amended) subsequently surrendered 40% of the land holding of tenement E52/2466 during the quarter.

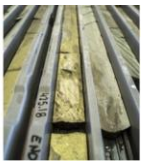




Appendix 3 continued: Talisman Mining Tenement Schedule as at 31 March 2016

Project / Tenement	Location and Blocks (Area)	Interest at Beginning Quarter	Interest at End Quarter	Acquired during Quarter	Surrendered during Quarter	Joint Venture Partner / Farm-In Party
SINCLAIR NICKEL PROJECT	W.Australia					
E37/903	13	100%	100%	-	-	
E37/1231*	3	0%	0%*	*		
L36/198	(103.10 HA)	100%	100%	-	-	
L37/175	(83.90 HA)	100%	100%	-	-	
M36/444	(568 HA)	100%	100%	-	-	
M36/445	(973 HA)	100%	100%	-	-	
M36/446	(843 HA)	100%	100%	-	-	
M37/362	(981.50 HA)	100%	100%	-	-	
M37/383	(841.75 HA)	100%	100%	-	-	
M37/384	(536.70 HA)	100%	100%	-	-	
M37/385	(926.85 HA)	100%	100%	-	-	
M37/386	(983.80 HA)	100%	100%	-	-	
M37/424	(891 HA)	100%	100%	-	-	
M37/426	(505 HA)	100%	100%	-	-	
M37/427	(821 HA)	100%	100%	-	-	
M37/590	(120.05 HA)	100%	100%	-	-	
M37/692	(136 HA)	100%	100%	-	-	N/A
M37/735	(959 HA)	100%	100%	-	-	
M37/816	(818.40 HA)	100%	100%	-	-	
M37/818	(806.50 HA)	100%	100%	-	-	
M37/819	(380.18 HA)	100%	100%	-	-	
M37/1063	(604 HA)	100%	100%	-	-	
M37/1089	(574 HA)	100%	100%	-	-	
M37/1090	(478 HA)	100%	100%	-	-	
M37/1126	(603 HA)	100%	100%	-	-	
M37/1127	(603 HA)	100%	100%	-	-	
M37/1136	(986 HA)	100%	100%	-	-	
M37/1137	(850 HA)	100%	100%	-	-	
M37/1148	(44.78 HA)	100%	100%	-	-	
M37/1168	(190 HA)	100%	100%	-	-	
M37/1223	(675 HA)	100%	100%	-	-	
M37/1275	(1,961 HA)	100%	100%	-	-	
P37/7228	(61.57 HA)	100%	100%	-	-	
P37/7233	(116.01 HA)	100%	100%	-	-	
*** EL37/1231 Exploration licence application lodged 16 June 2015**						





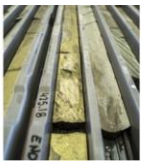
Appendix 4: JORC Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

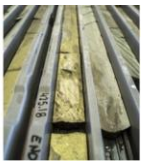
Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Sampling techniques employed by Sandfire on the Doolgunna Project include half core sampling of NQ2 Diamond Drill (DD) core, Reverse Circulation (RC) drilling samples collected by a cone splitter for single metre samples or sampling spear for composite samples, and Air Core (AC) sample collected using spear techniques for both composite and single metre samples. • Sampling is guided by Sandfire DeGrussa protocols and QAQC procedures as per industry standard. • RC sample size reduction is completed through a Boyd crusher to -10mm and pulverised via LM5 to nominal -75µm. Pulp size checks are completed. • Diamond core size reduction is through a Jaques jaw crusher to -10mm and all samples Boyd crushed to -4mm and pulverised via LM5 to nominal 90% passing -75µm using wet sieving technique. • Samples are assayed using Mixed 4 Acid Digest (MAD) 0.3g charge and MAD Hotbox 0.15g charge methods with ICPOES or ICPMS. • Fire Assay is completed by firing 40g portion of the sample with ICPMS finish.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Sandfire drilling is completed using industry standard practices. RC drilling with a face sampling hammer of nominal 140mm size and diamond drilling is completed using NQ2 size coring equipment. • All drill collars are surveyed using RTK GPS. • All core, where possible is oriented using a Reflex ACT II RD orientation tool. • Downhole surveying is undertaken using a gyroscopic survey instrument.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Sandfire core is meter marked and orientated to check against the driller's blocks, ensuring that all core loss is taken into account. Diamond core recovery is logged and captured into the database with weighted average core recoveries of approximately 99%. • Surface RC sampling is good with almost no wet sampling in the project area. AC drilling recovery is good with sample quality captured in the database. • Samples are routinely weighed and captured into a central secured database. • No indication of sample bias with respect to recovery has been established.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• Sandfire geological logging is completed for all holes and is representative across the ore body. The lithology, alteration, and structural characteristics of drill samples are logged directly to a digital format following standard procedures and using Sandfire DeGrussa geological codes. Data is imported into the central database after validation in LogChief™. • Logging is both qualitative and quantitative depending on field being logged.





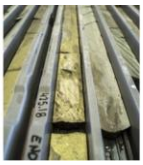
Criteria	JORC Code explanation	Commentary
		• All drill-holes are logged in full. • All cores are digitally photographed and stored.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sandfire DD Core orientation is completed where possible and core is marked prior to sampling. Half core samples are produced using Almonte Core Saw. Samples are weighed and recorded. • RC samples are split using a cone or riffle splitter. A majority of RC samples are dry. On occasions that wet samples are encountered they are dried prior to splitting with a riffle splitter. • All samples are dried at 80° for up to 24 hours and weighed. DD Samples are then crushed through Jaques crusher to nominal -10mm. Second stage crushing uses Boyd crusher to nominal -4mm. Pulverising is completed using LM5 mill to 90% passing 75%µm. RC samples are Boyd crushed to -4mm. • Sample splits are weighed at a frequency of 1:20 and entered into the job results file. Pulverising is completed using LM5 mill to 90% passing 75%µm using wet sieving technique. • 1:20 grind quality checks are completed for 90% passing 75%µm criteria to ensure representativeness of sub-samples. • Sampling is carried out in accordance with Sandfire protocols as per industry best practice. • The sample size is appropriate for the VHMS and Gold mineralisation styles.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Sandfire samples are assayed using Mixed 4 Acid Digest (MAD) 0.3g charge and MAD Hotbox 0.15g charge methods with ICPOES or ICPMS. The samples are digested and refluxed with a mixture of acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric acids and conducted for multi elements including Cu, Pb, Zn, Ag, As, Fe, S, Sb, Bi, Mo, Re, Mn, Co, Cd, Cr, Ni, Se, Te, Ti, Zr, V, Sn, W and Ba. The MAD Hotbox method is an extended digest method that approaches a total digest for many elements however some refractory minerals are not completely attacked. The elements S, Cu, Zn, Co, Fe, Ca, Mg, Mn, Ni, Cr, Ti, K, Na, V are determined by ICPOES, and Ag, Pb, As, Sb, Bi, Cd, Se, Te, Mo, Re, Zr, Ba, Sn, W are determined by ICPMS. Samples are analysed for Au, Pd and Pt by firing a 40g of sample with ICP AES/MS finish. Lower sample weights are employed where samples have very high S contents. This is a classical FA process and results in total separation of Au, Pt and Pd in the samples. • No geophysical tools are used in the analysis. • Sandfire DeGrussa QAQC protocol is considered industry standard with standard reference material (SRM) submitted on regular basis with routine samples. SRMs and blanks are inserted at a minimum of 5% frequency rate.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage*	• Sandfire primary data is captured on field tough book laptops using Logchief™ Software. The software has validation routines and data is then imported into a secure central database. • The primary data is always kept and is never replaced





Criteria	JORC Code explanation	Commentary
	(physical and electronic) protocols. • *Discuss any adjustment to assay data.*	by adjusted or interpreted data.
Location of data points	• *Accuracy and quality of surveys used to locate drill-holes (collar and down- hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Sandfire DeGrussa Survey team undertakes survey works under the guidelines of best industry practice. All surface drilling is located using RTK-GPS. • All drill collars are accurately surveyed using RTK GPS system within +/-50mm of accuracy (X, Y, Z). • For the Springfield project MGA94 Zone 50 grid coordinate system is used. • Topographic control was established using LiDar laser imagery technology.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Infill drilling on a nominal 30m x 40m grid. • Exploration drill spacing and distribution of exploration results is not sufficient to support Mineral Resources or Ore Reserves at this stage. • No sample compositing has been applied to the exploration results.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• No significant orientation based sampling bias is known at this time. • The drill holes may not necessarily be perpendicular to the orientation of the intersected mineralisation.
Sample security	• *The measures taken to ensure sample security.*	• Appropriate security measures are taken to dispatch samples to the laboratory. Chain of custody of samples is being managed by Sandfire Resources NL. Samples are stored onsite and transported to laboratory by a licenced transport company in sealed bulker bags. The laboratory receipts received samples against the sample dispatch documents and issues a reconciliation report for every sample batch.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Sandfire have not completed any external audits or reviews of the sampling techniques and data.



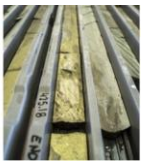


Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Sinclair Nickel Project is held 100% by Talisman Nickel Pty Ltd, a wholly owned subsidiary of Talisman Mining Ltd. • There are no known Native Title Claims over the Sinclair Nickel Project. • All tenements are in good standing and there are no existing known impediments to exploration or mining.
		• Sandfire Resources NL and Talisman Mining Limited have formed a Joint Venture which covers Talisman's Doolgunna Project tenements (E52/2282, E52/2313, E52/2466, E52/2275). • Sandfire and Talisman hold a 70%:30% interest respectively in the Joint Venture, with the exception of tenement E52/2275 where interests of approximately 81%:19% respectively are held. • Both parties are contributing proportionately to expenditure. • Sandfire Resources NL has been appointed as the Joint Venture Manager. • All tenements are current and in good standing. • The Talisman tenements are currently subject to a Native Title Claim by the Yungunga-Nya People (WAD6132/98). Sandfire currently has a Land Access Agreement in place with the Yungunga-Nya Native Title Claimants and have assumed management of Heritage Agreements which were executed by Talisman. These agreements allow Sandfire to carry out mining and exploration activities on their traditional land. •
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• M37/1275 hosts the Sinclair Nickel Mine which was operated by XNAO from 2007-2013 and produced approximately 38,500 tonnes of contained nickel metal. • The Sinclair Nickel Deposit was discovered in 2005 by Jubilee Mines NL drill testing a ground EM anomaly. • Exploration work on has included diamond, RC and Air Core drilling, ground and downhole EM surveys, soil sampling, geological interpretation and other geophysics (magnetics, gravity).
		• Exploration work at Springfield completed prior to Talisman's tenure included geochemical soil and rock chip sampling combined with geological mapping. Some targeted RC drilling was completed over gold and diamond targets.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Sinclair project lies within the Archean aged Norseman-Wiluna Greenstone Belt. • The Sinclair Nickel Deposit is an example of an Archaean-aged komatiite-hosted nickel deposit, with massive nickel- iron sulphides hosted at or near the basal contact of high-MgO ultramafic lava channels with footwall basaltic volcanic and sedimentary rocks.
		• The Doolgunna Project lies within the Proterozoic-aged Bryah rift basin enclosed between the Archaean Marymia Inlier to the north and the Proterozoic Yerrida basin to the south.



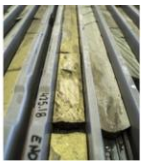


Criteria	JORC Code explanation	Commentary
		• The principal exploration targets at the Doolgunna Projects are Volcanogenic Massive Sulphide (VMS) deposits located with the Proterozoic Bryah Basin of Western Australia.

Drill-hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill-holes:*
	  • *easting and northing of the drill-hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill-hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Drill hole information relating to the Doolgunna Project is included In Table 3: Drill-hole Information Summary, Springfield Project.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Significant intersections are based on greater than 0.5% Cu and may include up to a maximum of 3.0m of internal dilution, with a minimum composite grade of 1.0% Cu. • Cu grades used for calculating significant intersections are uncut. • Minimum and maximum DD sample intervals used for intersection calculation are 0.3m and 1.2m respectively. • RC reported intersections are based on regular 1m sample intervals. • No metal equivalents are used in the intersection calculation. • Where core loss occurs; the average length-weighted grade of the two adjacent samples are attributed to the interval for the purpose of calculating the intersection. The maximum interval of missing core which can be incorporated with the reported intersection is 1m.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Drill-hole intercepts relating to the Doolgunna Project in this release are reported as both down-hole intersection widths and estimated true width intersections (refer Table 4: Drill hole assay intersections >1% for the Monty Prospect). • The geometry of the mineralisation has been interpreted using top of mineralisation surfaces that link mineralised zones, thought to be continuous, between neighbouring drillholes. Given the variable, and often steeply dipping orientation of the mineralisation, the angle between mineralisation and drillholes is not consistent. Downhole intercepts for each drillhole are converted to estimated true widths using a trigonometric function that utilises the dip and dip direction of the interpreted top of mineralisation surface (at the intersection point of that drillhole) as well as the dip and azimuth of the drillhole at that position.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being*	• Appropriate maps with scale are included within the body of the accompanying document.





Criteria	JORC Code explanation	Commentary
	reported These should include, but not be limited to a plan view of drill-hole collar locations and appropriate sectional views.	
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The accompanying document is considered to represent a balanced report.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Other exploration data collected is not considered as material to this document at this stage. Other data collection will be reviewed and reported when considered material.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Additional drilling and geophysical surveys at Sinclair in the future will be dependent on the outcomes of current review of previous exploration results. • Planned exploration across the Springfield Joint Venture Project area includes reconnaissance and exploration drilling with Diamond, Reverse Circulation and Aircore drilling techniques.