

ASX Media Release – 7 November 2016

Sinclair Nickel Project Exploration Update

Commencement of follow-up Drilling Activities

Highlights

Talisman Mining Ltd (ASX: TLM) is pleased to announce the commencement of an estimated 3,000m diamond and reverse circulation (RC) drill programme at its 100% owned Sinclair Nickel Project.

The programme will commence with diamond drilling at the Delphi North Prospect to follow-up the recent highly encouraging results which included a massive nickel sulphide intersection of **9m @ 4.20% Ni** from 73m in hole SNRC019 (*refer ASX release 7 October 2016*).

Several new areas across the Sinclair ultramafic trend are also being tested as a part of this programme which includes down-hole electromagnetic (DHEM), geochemical and conceptual geological targets at the Stirling, Sinclair North, Sinclair East and Parnassus Prospects (*refer ASX release 27 October 2016*).

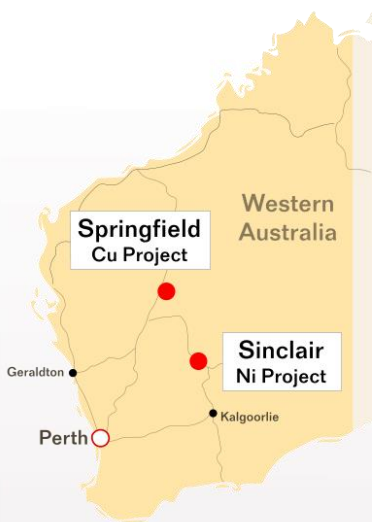
DHEM surveys will be completed throughout the course of the drilling campaign for all diamond and selected RC drill holes.

As part of Talisman's cost effective and focused exploration strategy at Sinclair, this drilling programme aims to continue adding to the current known massive nickel sulphide mineralisation occurrences at Sinclair, while building on Talisman's geological understanding of the broader mineralising controls throughout the Sinclair trend.

ENDS

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Capital Structure

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

Options on Issue:
2,400,000 (Unlisted)

Competent Person's Statement

Information in this ASX release that relates to Exploration Results and Exploration Targets is based on information completed 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 deposits 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.

No new information that is considered material is included in this document. All information relating to exploration results has been previously released to the market and is appropriately referenced in this document. JORC tables are not considered necessary to accompany this document.

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 presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. 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 announcement or any changes in events, conditions or circumstances on which any such forward-looking statement is based.