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**TALISMAN
MINING LIMITED**

ASX Code: TLM

Discovering & Developing Opportunities in Copper-Gold and Nickel

Annual General Meeting - Presentation November 2016 - Dan Madden, Managing Director

Disclaimer and Competent Person's Statements



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Competent Person's Statement

Information in this presentation 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. (Please also see Appendix 1).

Corporate Overview



“Maximise value to shareholders through exploration, discovery and development of complementary opportunities in base & precious metals”.

Experienced and diverse Executive Team and Board

Dan Madden - Managing Director

- ▶ +15 years' experience across base & precious metals from exploration to operations.

Tony Greenaway - General Manager Geology

- ▶ +25 years' base & precious metal exploration experience from grass roots evaluation to advanced feasibility studies

Shaun Vokes – Chief Financial Officer & Company Secretary

- ▶ +25 years' experience in senior commercial and financial roles from project evaluation to financing and metals marketing

Ben Wilson - General Manager Project Development

- ▶ +20 years' experience across multiple commodities from project evaluation to management of mining operations.

Capital Structure

Shares on Issue	185.7M
Unlisted Options	2.4M
Market Capitalisation (38c)	~\$70M
Cash (30 Sept 2016)	\$17.9M

Substantial Shareholders

Kerry Harmanis	16.0%
Hunter Hall	13.3%

Board

Jeremy Kirkwood (Non-Exec. Chair)	Investment Banking, Corporate Strategy
Daniel Madden (MD)	Financial and Resources background
Karen Gadsby (NED)	Finance, Commercial & Board Experience
Brian Dawes (NED)	Operational Executive
Alan Senior (NED)	Resources Project Development



Advanced Opportunities in WA

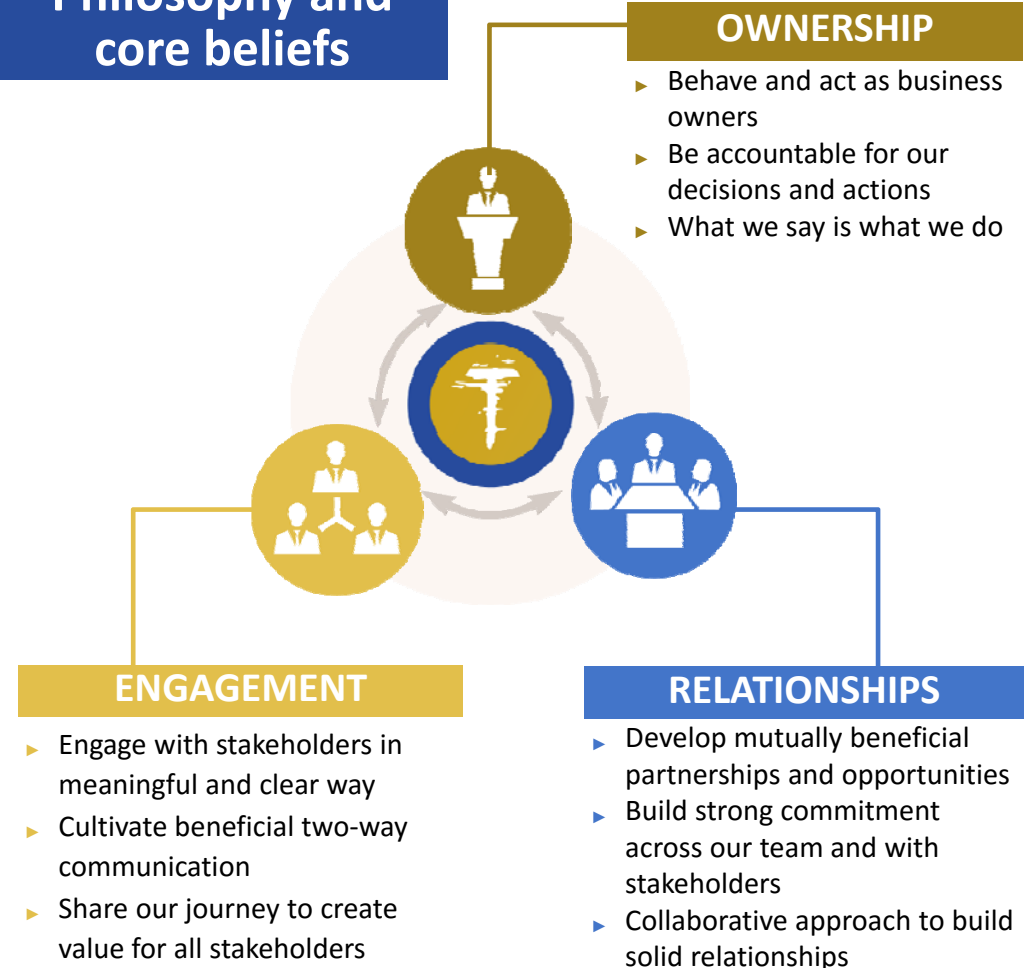
30 % interest in Springfield Cu-Au Joint Venture

- ▶ High grade Monty Deposit located 10km DeGrussa
- ▶ Monty Feasibility Study well advanced with potential decision to mine in first half of 2017
- ▶ Located in proven world-class VMS province with multiple prospective corridors and active exploration activities

100% owned Sinclair Nickel Project

- ▶ Fertile mineralised environment with potential to host significant nickel deposits
 - ▶ Recent results at Delphi North including **9m @ 4.2% Ni**
- ▶ Extensive infrastructure including processing plant with potential fast-track to production
- ▶ Multiple near-mine & regional exploration opportunities

Philosophy and core beliefs





Springfield Copper-Gold Project

Growth through discovery and development in a proven world-class VMS province

Springfield Copper-Gold Joint Venture



Monty discovery provides tremendous confidence in exceptional exploration potential of Springfield Joint Venture ground

- ▶ 30% interest in joint venture with Sandfire Resources NL
- ▶ Located in eastern part of Bryah Basin
- ▶ High-grade Monty Resource - Feasibility Study on track for completion in Q1 2017 calendar year
- ▶ Proven world-class VMS province
- ▶ Geological model - deposits occur in clusters
- ▶ Multiple VMS horizons are key areas of exploration focus



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Monty Deposit – Beyond Discovery



One of the highest grade copper deposits discovered globally in recent years

▶ Mineral Resource estimate

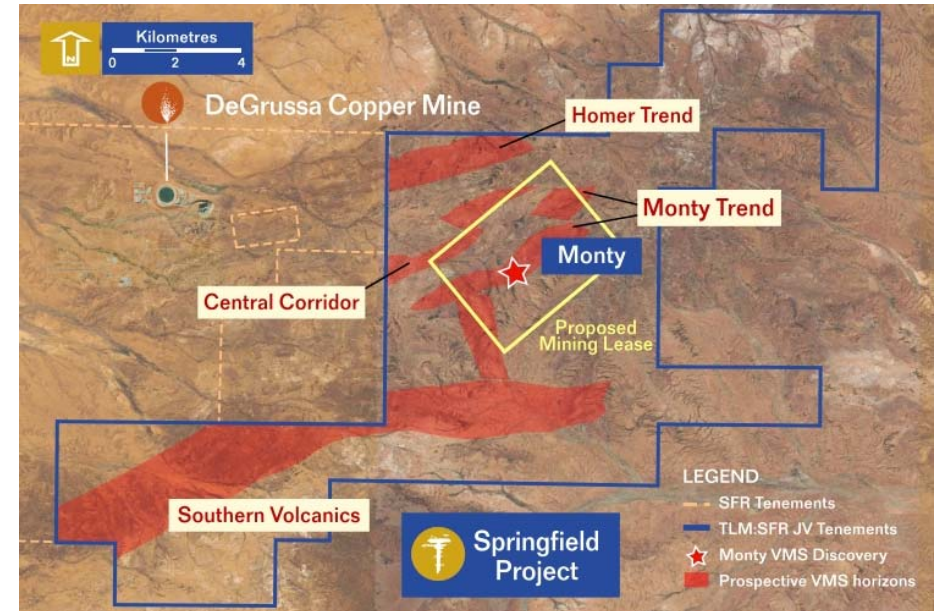
- ▶ *High-grade – 1.05Mt @ 9.4% Cu & 1.6g/t Au for 99kt Cu & 55kOz Au¹ contained*
- ▶ *Massive Sulphide Component - 763kt @ 12.1% Cu & 2.1g/t Au¹*
- ▶ *Bornite – ultra-high grade, DSO potential-intersections include 21.6m @ 34.4% Cu and 8.5m @ 41.8% Cu*

▶ Feasibility Study underway

- ▶ *On track for completion in first quarter of 2017*
- ▶ *Mining Lease application submitted to DMP*

▶ Potential for development decision in first half of 2017 calendar year

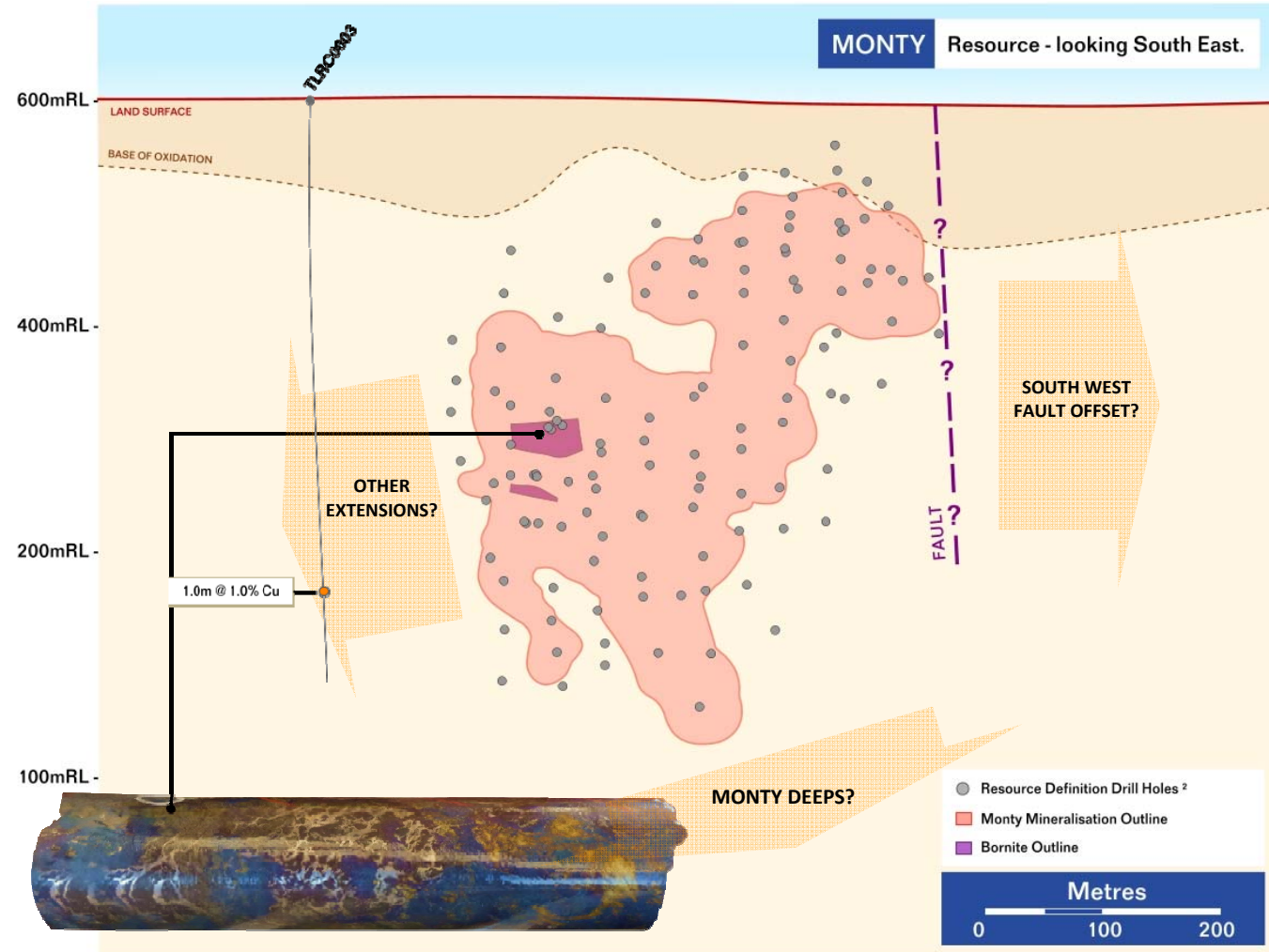
¹ Refer to Appendix 1



Monty Deposit - Upside Potential Remains



- ▶ Limited drilling beyond currently defined resource envelope
- ▶ Potential for fault displaced extensions
- ▶ Deep diamond drill hole completed in Oct 2016 for DHEM platform to test for extensions of Monty Deposit
- ▶ Potential for resource growth from future grade control drilling
- ▶ Bornite to be further understood

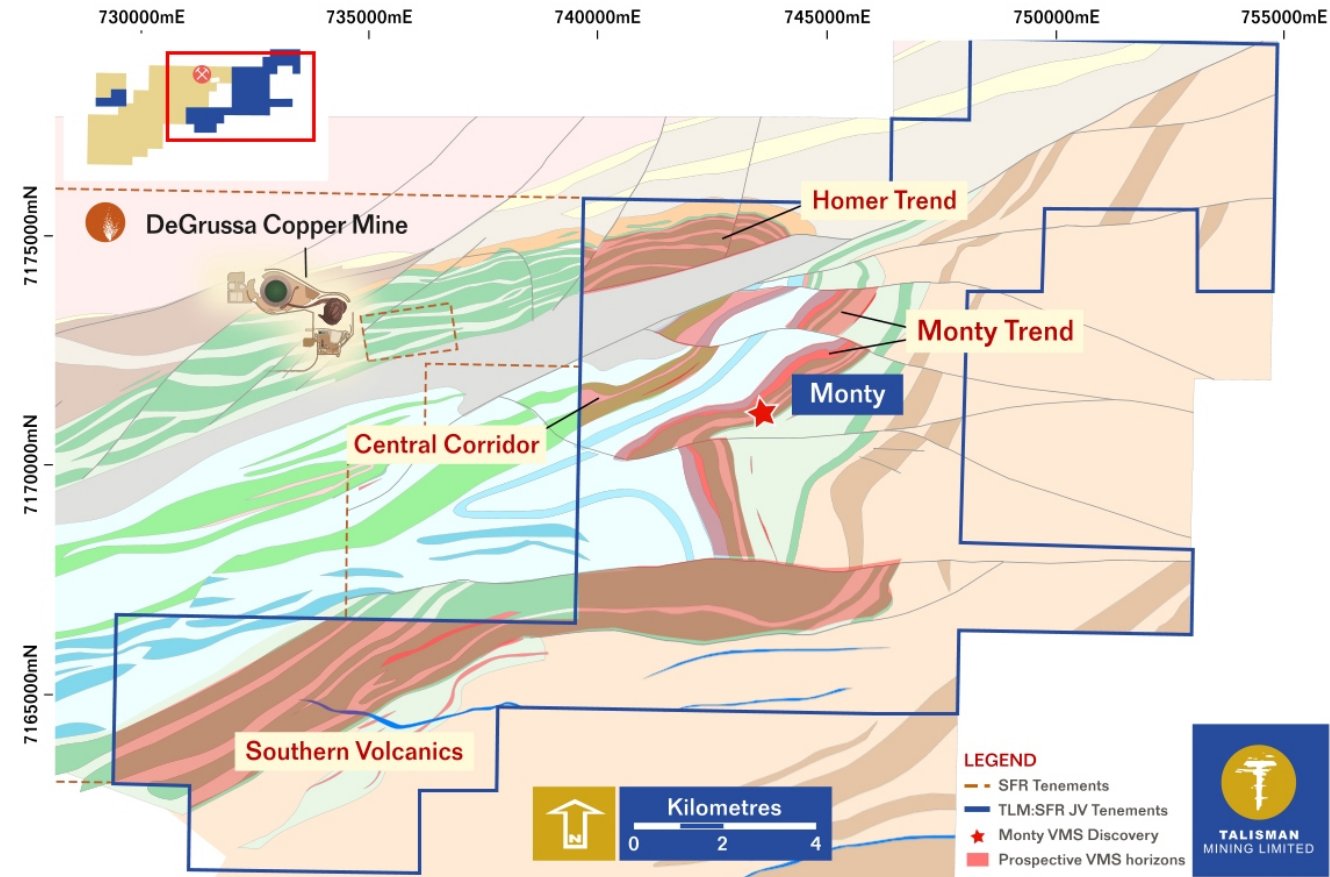


2 Refer to Appendix 1

Springfield Exploration Potential – Multiple Prospective Horizons



- ▶ VMS exploration model –deposits occur in clusters/camps
- ▶ Springfield Project hosts multiple prospective VMS corridors
 - ▶ *Monty*
 - ▶ *Homer*
 - ▶ *Central*
 - ▶ *Southern Volcanics*
- ▶ Staged and systematic exploration process adopted by Joint Venture
 - ▶ *AC drilling to delineate VMS host horizons*
 - ▶ *RC drilling and DHEM surveys to target host horizons*
 - ▶ *Follow up diamond drilling as required*



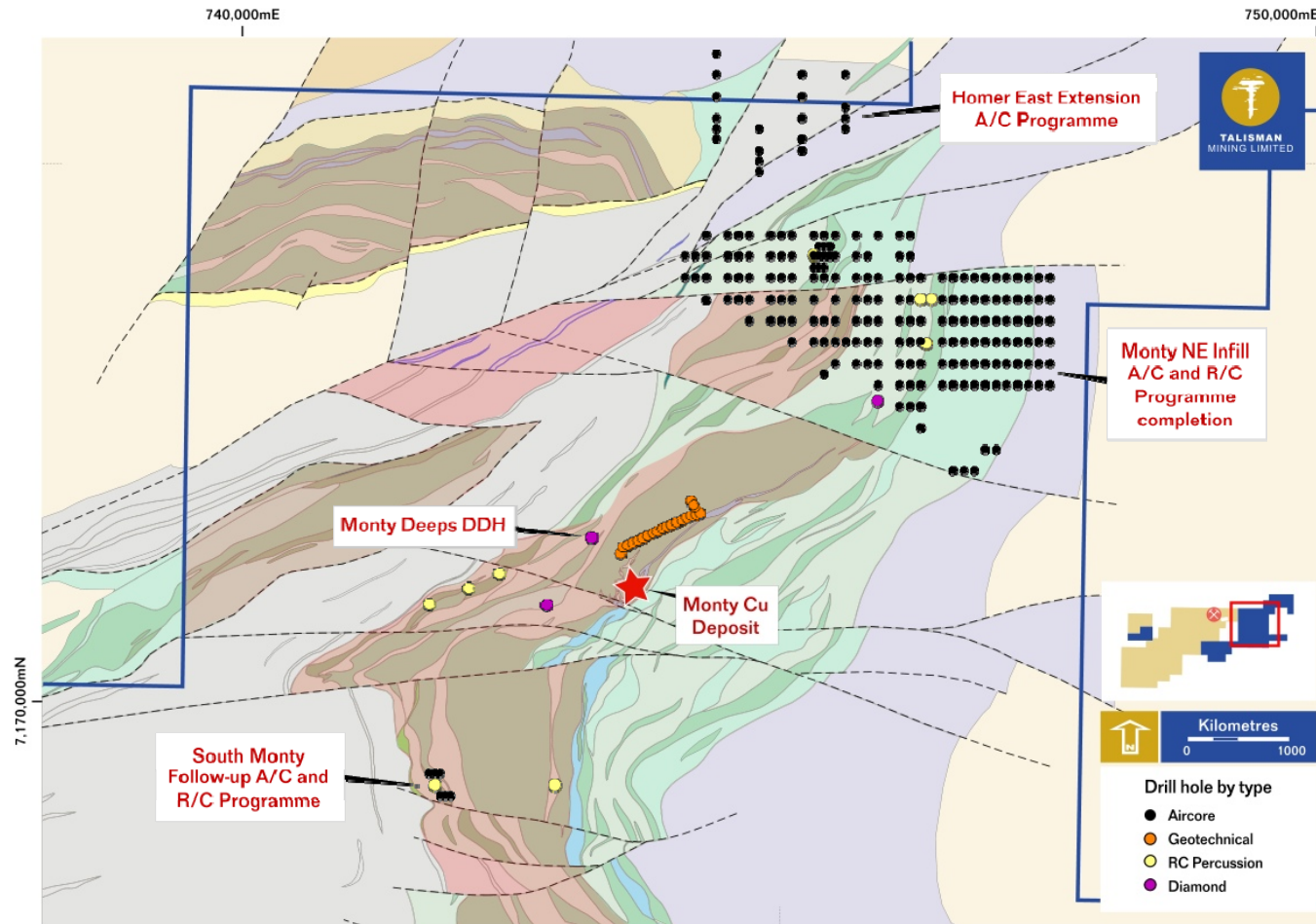
Exploration is an iterative process



Springfield Exploration Potential – Current and planned activities



- ▶ Multi-pronged exploration activities continue at Springfield Project
- ▶ Exploration primarily focused at Monty Region:
 - ▶ *DHEM surveys planned at Monty NE region and Monty Deeps*
 - ▶ *Interpreted sediment horizon intersected at Monty fault offset position -further work planned*
 - ▶ *Anomalous Cu mineralisation at Monty NE region, 5m @ 4.11% Cu – further work required*
 - ▶ *AC and RC drilling at Monty South*
 - ▶ *IP geophysical program over Monty deposit*
- ▶ Activity outside Monty Region:
 - ▶ *First pass drilling at Homer East*
 - ▶ *Systematic AC program at Southern Volcanics*



Much work remains to fully assess Springfield and Halloween's potential



Sinclair Nickel Project

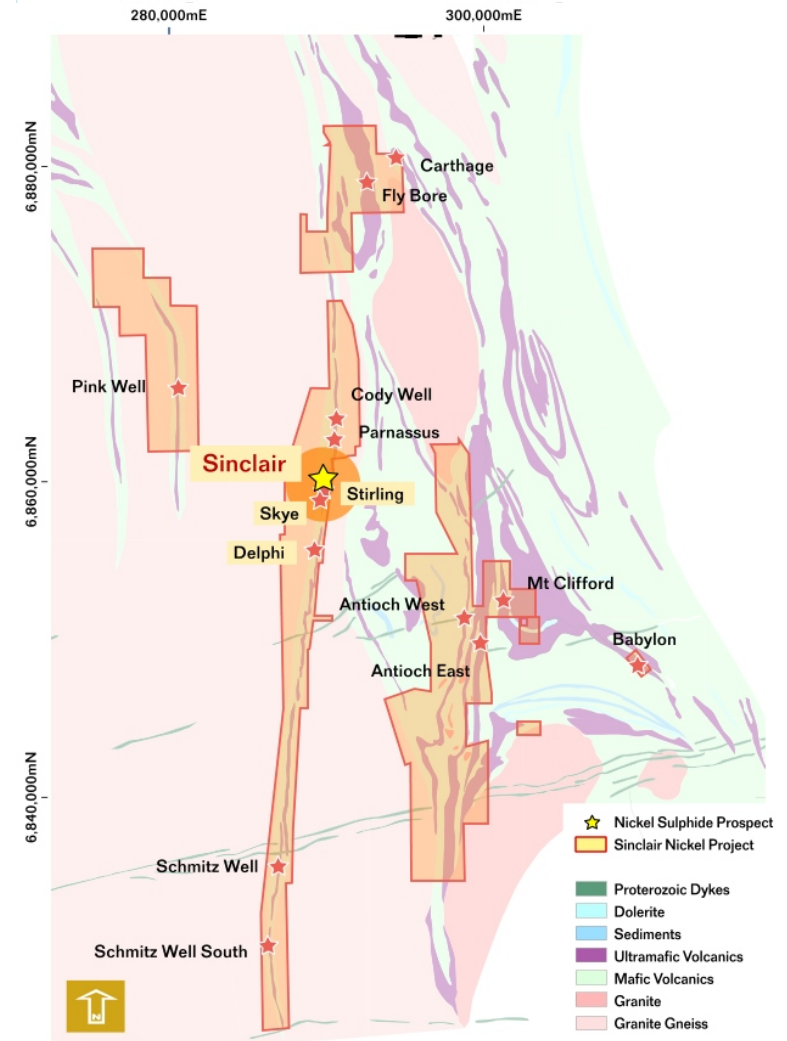
Advanced opportunity in a proven nickel province

Sinclair Nickel Project – Counter Cyclical Nickel Sulphide Opportunity



- ▶ Located in world-class Agnew-Wiluna Greenstone belt (over 9Mt of reported nickel production)
- ▶ Historical Sinclair mine production (2008-2013):
 - ▶ **1.58 Mt @ 2.44% Ni for 38,500t of contained Ni**
- ▶ Sinclair Nickel Mine & infrastructure
 - ▶ *Potential for low capital, fast track to production*
- ▶ Multiple exploration opportunities
 - ▶ **Delphi North Prospect** –including 9m @ 4.2% Ni
 - ▶ **Sinclair Trend** – near mine ~8km strike ultramafic/basal contact with multiple target horizons
 - ▶ **Regional Targets** – over 80km strike of prospective ultramafic contact

Potential for discovery of new nickel sulphide mineralisation in close proximity to existing infrastructure



Sinclair Nickel Project – The Year so Far...



Pursuit of potential development opportunities based on the current known deposit and remnants in parallel with low-cost, targeted exploration activities aimed at discovering new nickel sulphide deposits

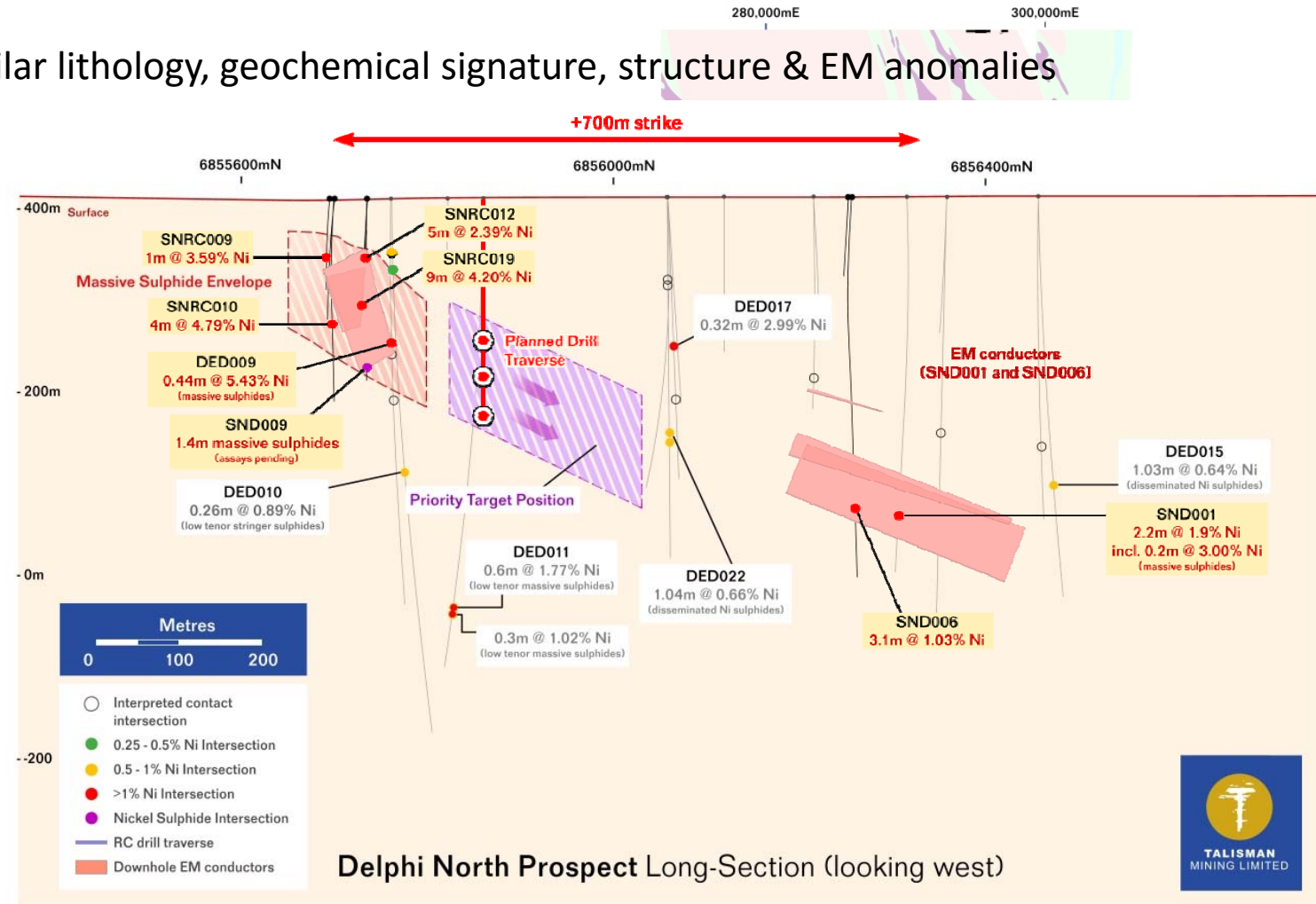
- ▶ Regional targeting exercise completed early in Sept 2015
- ▶ Initial TLM exploration drill campaign in Oct 2015 intersected massive nickel sulphides at Delphi North prospect
- ▶ Second drill campaign at Delphi, Delphi North and Schmitz Well produces encouraging nickel sulphide intersections including
 - ▶ *9m at 4.2% Ni and 4m at 4.8% Ni at Delphi North*
- ▶ Follow up drilling at Delphi North now underway.
- ▶ Detailed remodelling of the Sinclair Trend (8km ultramafic basal contact in near mine environment) completed in June 2016.
- ▶ Multiple mineralised positions identified at Sinclair Trend with drill testing of selected shallow targets currently underway



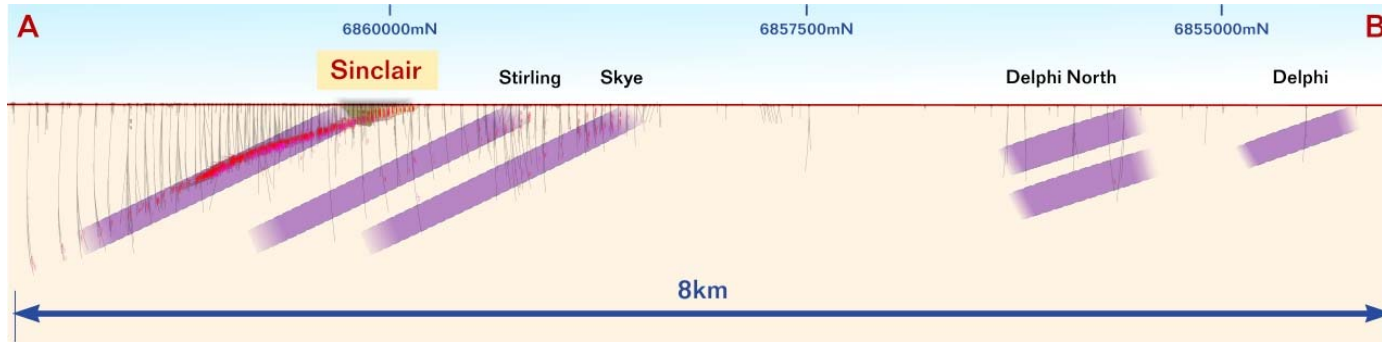
Delphi North



- ▶ Potential Sinclair style target similar lithology, geochemical signature, structure & EM anomalies
- ▶ Shallow mineralisation identified from recent RC drill program (Sept-Oct) including **9m @ 4.20% Ni**
- ▶ Deeper mineralisation identified in historic drilling and recent diamond drill hole.
- ▶ Nickel sulphide mineralisation over 700m strike
- ▶ DHEM surveys provided EM plates that assist with targeting
- ▶ Follow up diamond drill program now underway

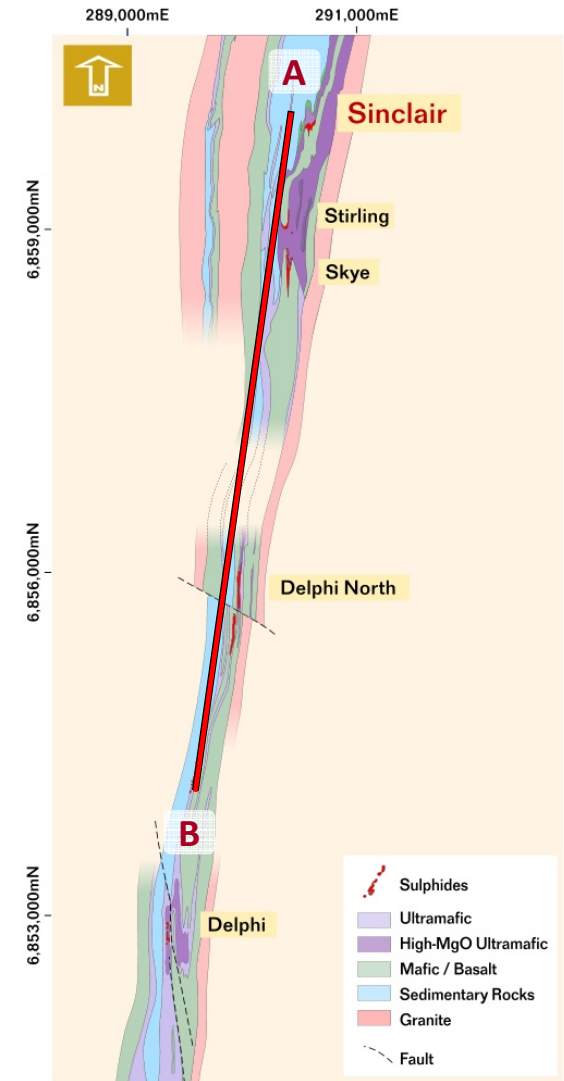


Sinclair Trend – Near Mine Opportunities



- ▶ Refinement of the model for “Sinclair style” deposits included reinterpretation of historic drilling, lithology, geochemical signature, structure & supporting geophysical datasets.
- ▶ Remodeling of ultramafic/basal contact in near mine environment identified multiple mineralised positions;
 - ▶ *Sinclair deposit remnants & extensions,*
 - ▶ *Newly identified positions parallel to Sinclair*
 - ▶ *Skye and Stirling*
 - ▶ *Sinclair North and Parnassus*
 - ▶ *Delphi North and Delphi*
- ▶ Cost efficient and focused program to test selected shallower targets underway

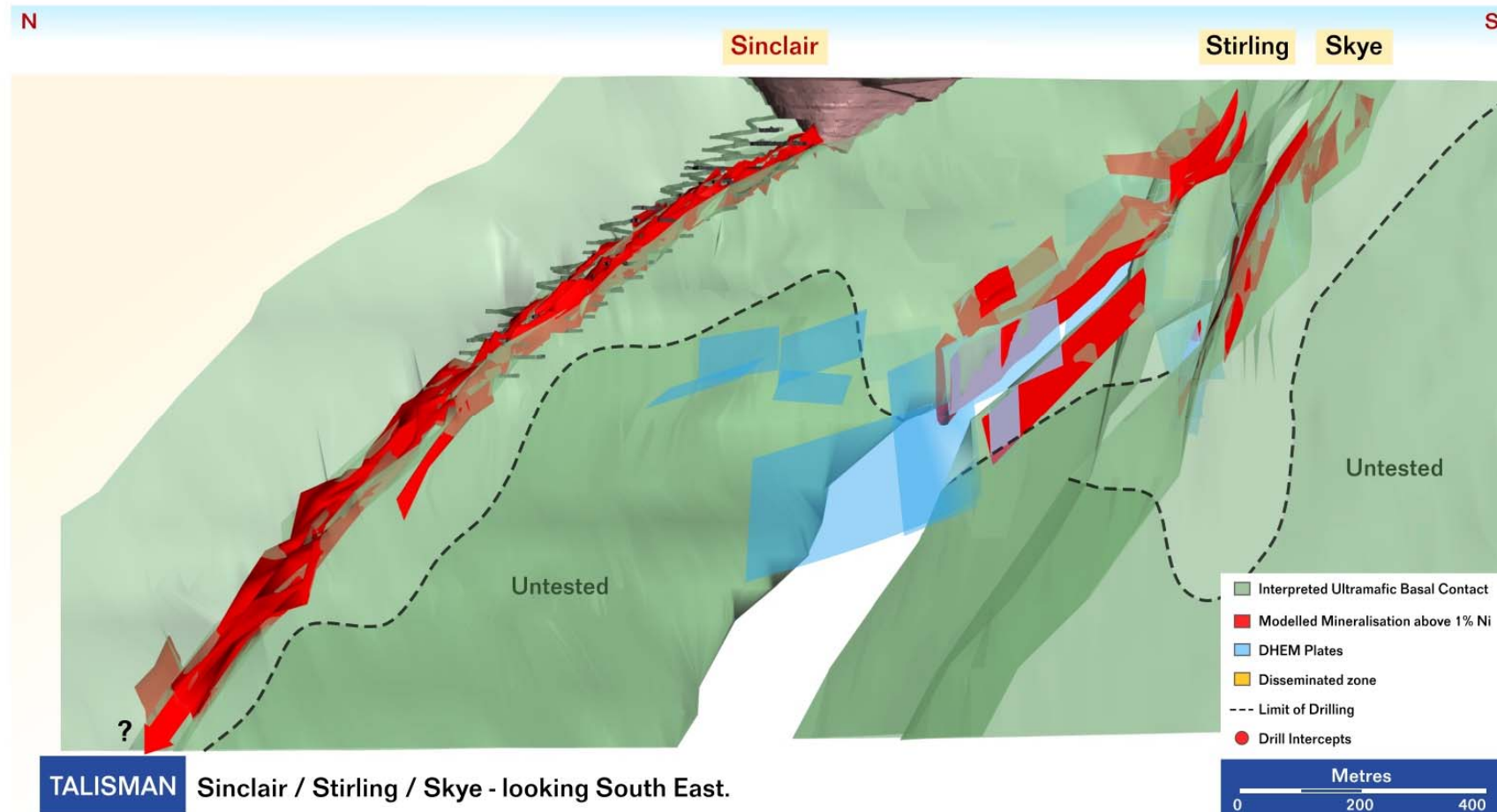
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Sinclair Trend – Stirling



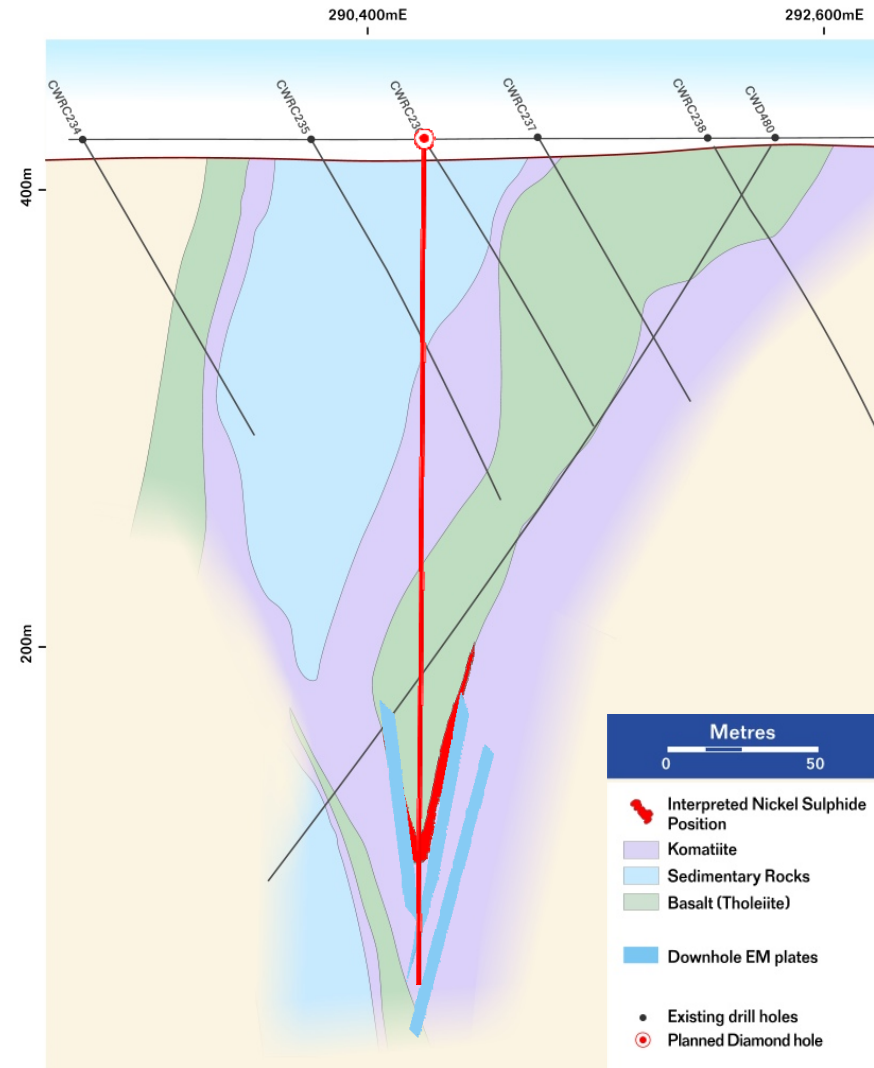
- ▶ Parallel mineralised contacts close to Sinclair
- ▶ Limited coverage of mineralised position in existing drilling
- ▶ Potential to host significant thickness of massive and disseminated mineralisation in fold hinge structure



Sinclair Trend – Stirling



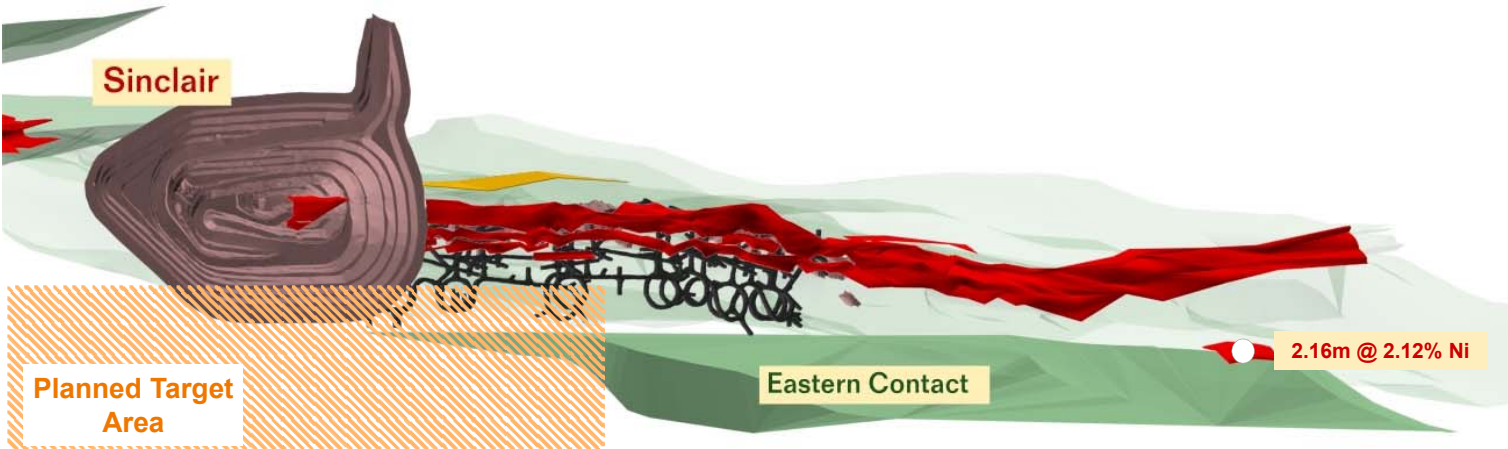
- ▶ Folding and faulting has resulted in the structural repetition of the prospective basal contact
- ▶ Potential to host significant thickness of massive and disseminated mineralisation in fold hinge structure
- ▶ Untested DHEM plates in targeted position support interpretations
- ▶ Diamond drill hole to test interpreted position and form basis for ongoing future work



Sinclair Trend – Eastern Contact

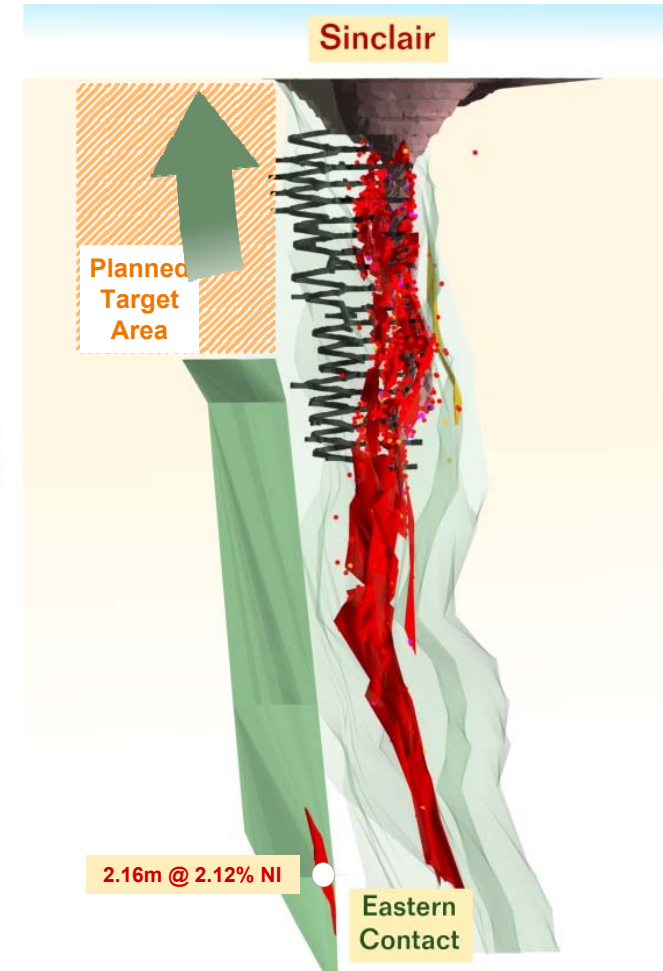


Fertile basal contact horizons identified parallel to Sinclair

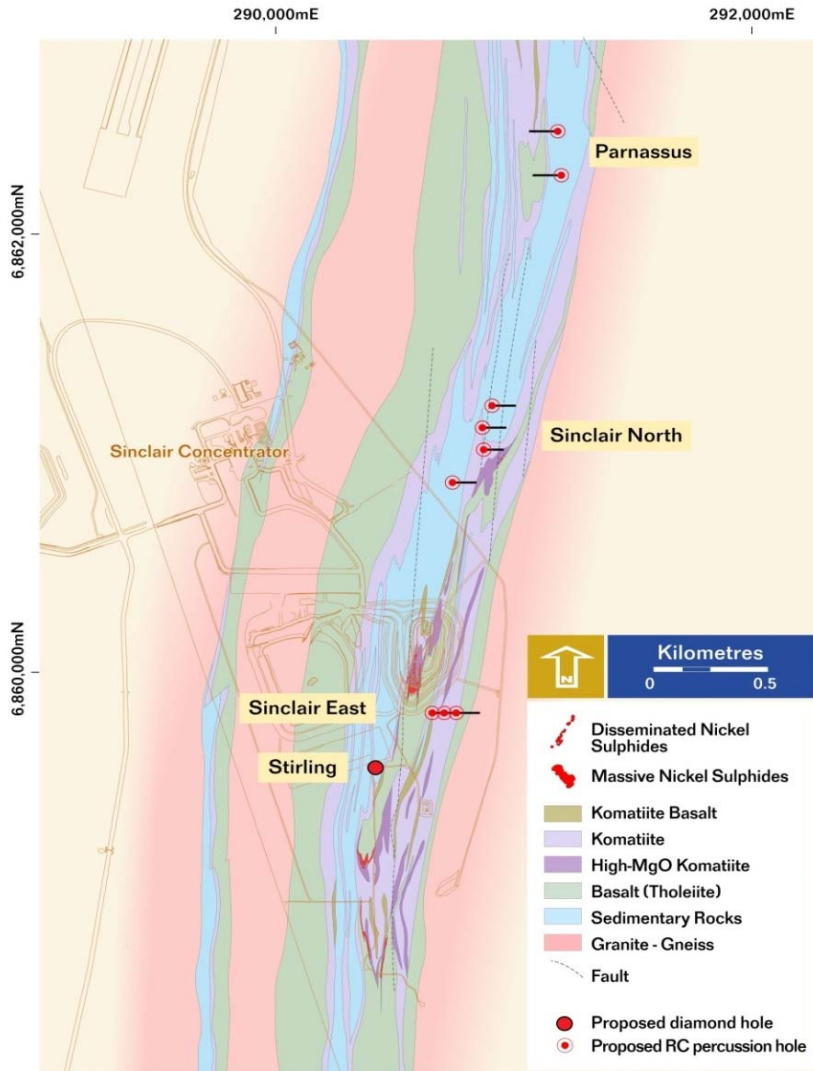


► Eastern Contact:

- Fertile ultramafic unit to east of Sinclair and proximal to decline
- Historic drilling at depth returned massive sulphide intersection of **2.16m @ 2.12% Ni**
- Mineralised position effectively untested, notably in shallow environment
- Traverse of RC holes to test for potential of contact position to extend close to surface



Sinclair Trend - Sinclair North and Parnassus



Sinclair North

- ▶ Limited drilling up dip and to the north of the Sinclair deposit
- ▶ Historic, shallow RC drill holes (CWWS003) up dip of the main deposit intersected disseminated nickel sulphide mineralisation (2m @ 0.68% Ni).
- ▶ Potential for repeats of Sinclair-style mineralised environments
- ▶ Series of RC drill holes planned to test the potential of the Sinclair ultramafic unit in the shallow environment.

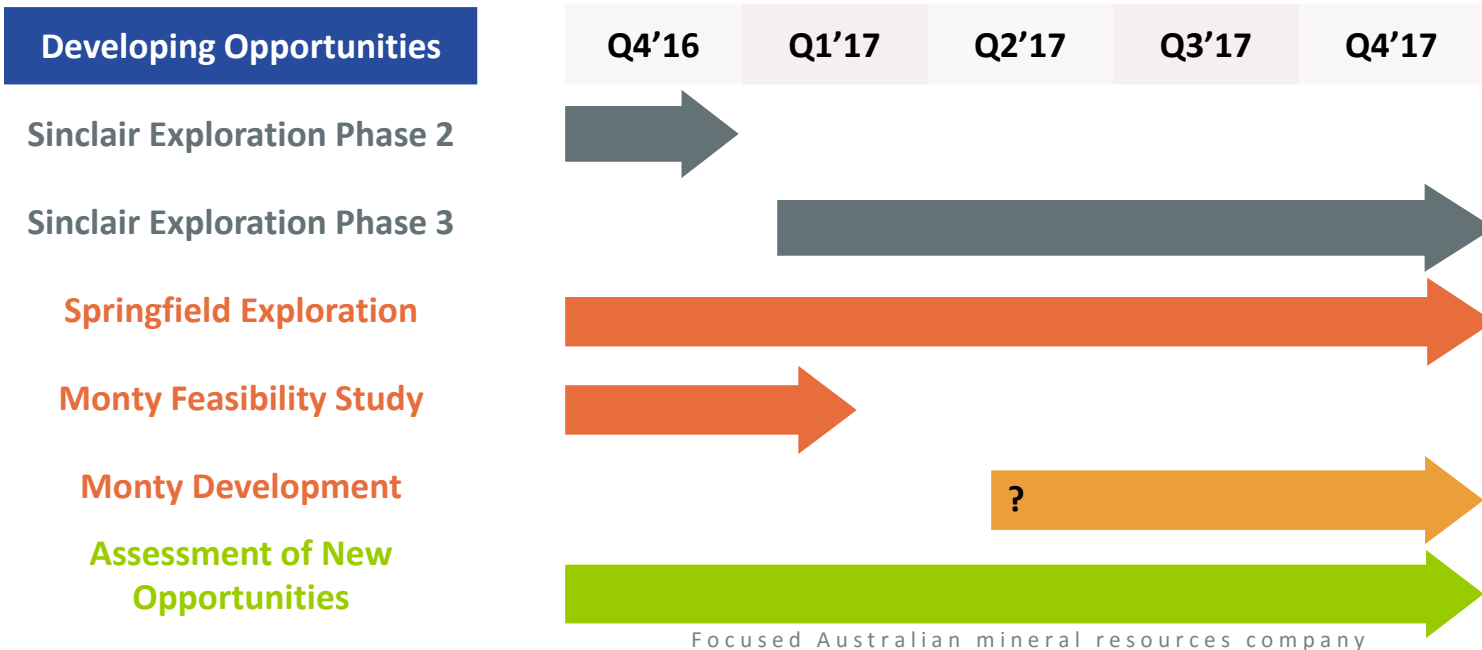
Parnassus

- ▶ Historical drilling intersected an additional interpreted basal contact position together with narrow intervals of disseminated nickel sulphides.
- ▶ Two RC holes planned to test the interpreted basal contact position for the presence of high-MgO ultramafic rocks and nickel sulphide mineralisation

The Last Year and Looking Forward to Multiple Growth Opportunities



- ▶ June 2015 – Massive sulphides intersected at Monty
- ▶ Mar 2016 – Monty Maiden Mineral Resource, feasibility study commences
- ▶ Sept 2016 – Exploration program at Sinclair commences
- ▶ Oct 2016 – Nickel mineralisation returned from drilling at Delphi North
- ▶ Nov 2016 – Follow up program at Sinclair including Delphi North and Sinclair Trend



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Looking Ahead – Building on a diversified Growth Platform



VMS Copper / Gold (Doolgunna Copper-Gold Projects)

- ▶ *Highly leveraged to exploration success from active programs on joint venture ground*
- ▶ *Feasibility Study for the strategically important Monty Copper-Gold Project well advanced*
- ▶ *Development decision expected in first half of 2017 calendar year*



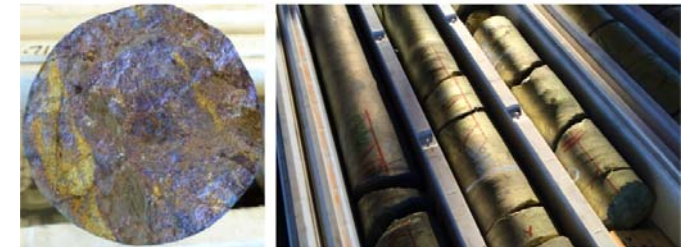
Nickel Sulphides (Sinclair Nickel Project)

- ▶ *Nickel mineralisation identified at Delphi North 9m @ 4.20% Ni (131m down-hole)*
- ▶ *Follow up drilling at Delphi North and new nickel targets across near mine Sinclair Trend*
- ▶ *Potential for reduced capital intensity and fast-tracked transition to production for any possible re-start scenario at Sinclair*



Other opportunities in base & precious metals under assessment

- ▶ *Seeking quality opportunities to create value which are complementary to our assets, experience and expertise*



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THANK YOU

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- ▶ ¹Information in this release that relates to the Monty JORC 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.
- ▶ ² Monty Vertical Long Projection – Explanatory Note. Pierce points depicted on vertical longitudinal projections 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 where the hole is interpreted to have intersected the host horizon, and then horizontally onto the vertical plane.

