



19 March 2018

NSW Lachlan Cu-Au Project Update

Boona Project Area Tenure Secured Initial on-ground geochemical sampling programme underway

Highlights

- Notice received of Intent to Grant for Boona Project which includes the Blind Calf Prospect
- Further geological interpretation of Blind Calf highlights multiple copper lodes within SE trending mineralised corridor
- Additional untested parallel, structurally controlled, targets identified by Talisman
- Reprocessing of historic geophysical data underway
- Initial RC/diamond drilling work program planning underway with proposed drilling to test:
 - existing Blind Calf lode extensions (along strike and at depth)
 - parallel lode systems identified in historic drilling
- Reconnaissance mapping and geochemical sampling to focus on:
 - initially the Cumbine Prospect and prospective areas within the Bobadah Project Area, then
 - SE extensions of the Blind Calf and Mineral Hill mineralised corridors
- Specialist regional geochemical sampling team mobilising to site

Talisman Mining Ltd (ASX:TLM; “Talisman”) is pleased to announce that it has received a notice of the intention to grant two new tenements covering the area adjacent to the west and south of the existing Talisman-Bacchus Joint Venture tenements (Appendix 1) from the NSW Department of Planning and Environment – Division of Resources and Geoscience. This is the final step in the grant process of the new tenements, which were required to consolidate and renew the existing underlying tenure.

These new applications will be granted for a period of six years and secures the Blind Calf historic mining centre which will be the initial focus of a planned RC/diamond drilling campaign by Talisman.





Boona Project Area

Blind Calf Prospect (100% Talisman)

Talisman recently completed a review and interpretation of historic drill data for Blind Calf. Modelling has outlined a series of north-south striking, roughly parallel lodes with a steep, sub-vertical dip (Figure 1 and Figure 2). All the identified lodes appear open at depth and along strike.

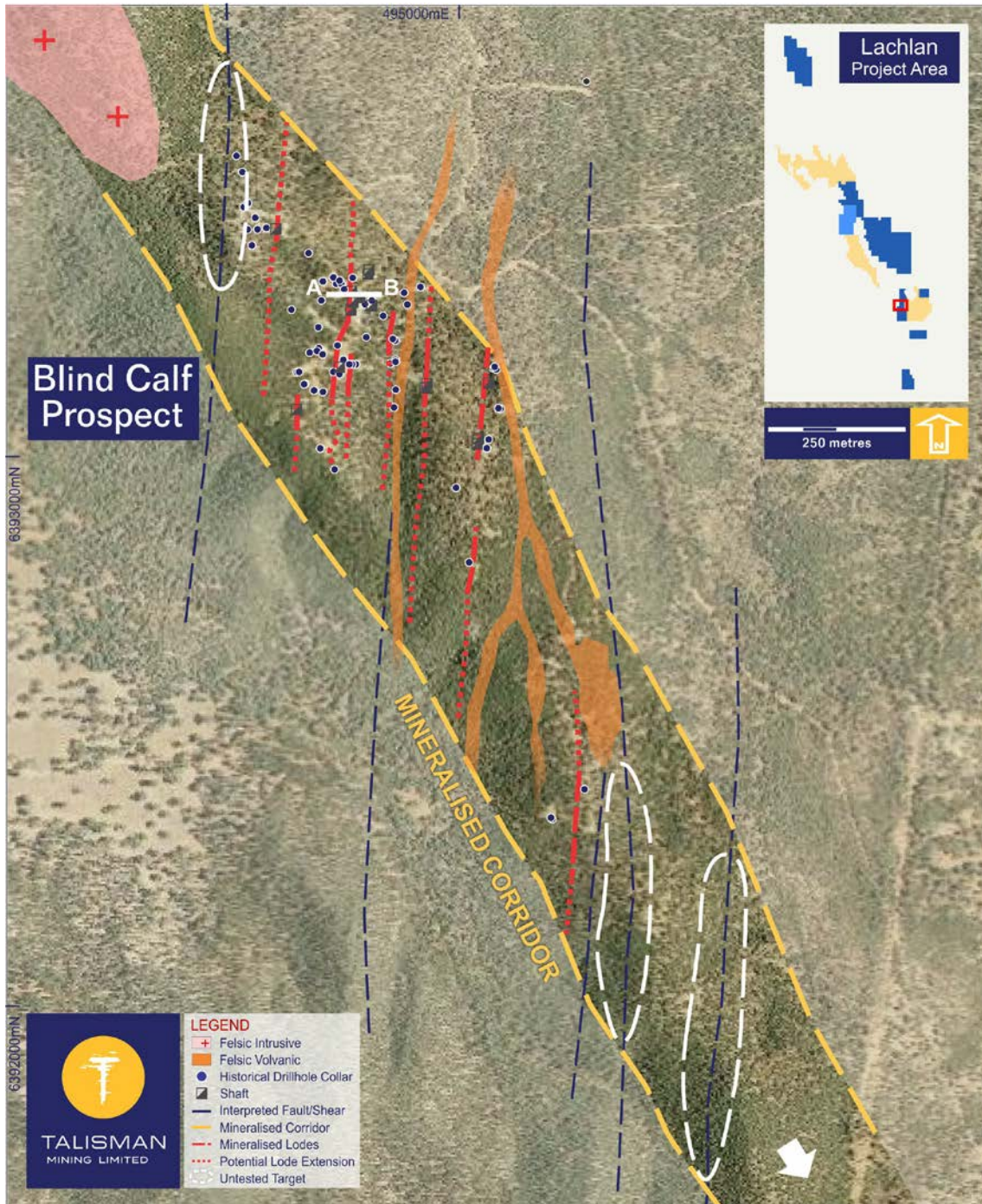


Figure 1: Blind Calf Prospect area, highlighting high-grade copper lodes and untested parallel N-S oriented structures





A similar system comprising a series of stacked mineralised lodes is seen at the Mineral Hill Mine (less than 5km to the east), where previous mining has extracted copper, gold and other base metals from a number of sulphide rich lodes via both open-cut and underground methods.

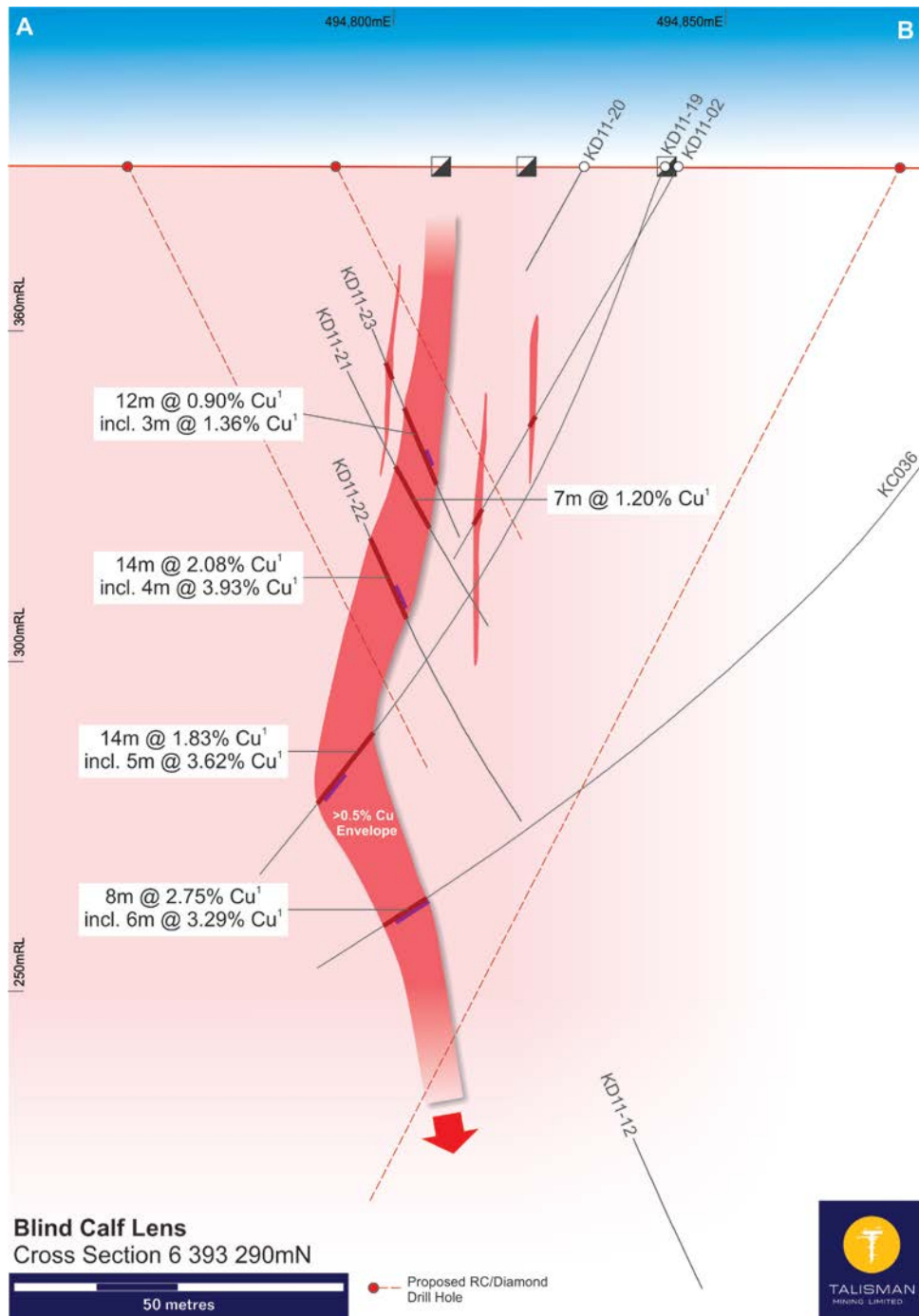


Figure 2: Blind Calf Prospect mineralisation cross section showing >0.5% Cu envelope

At a more regional scale, mineralisation in this area appears to be associated with the intersection of the regional north-south orientated structures and northwest-southeast cross cutting structures. This essentially creates a prospective corridor that bounds the north-south striking lodes, as evidenced at both Mineral Hill and Blind Calf. Both the Mineral Hill and the Blind Calf corridors trend





to the southwest into Talisman joint venture tenure, where additional untested target areas have been identified. These target areas are supported by historic rock-chip sampling which has returned high-grade gold and lead assay results (Figure 3).

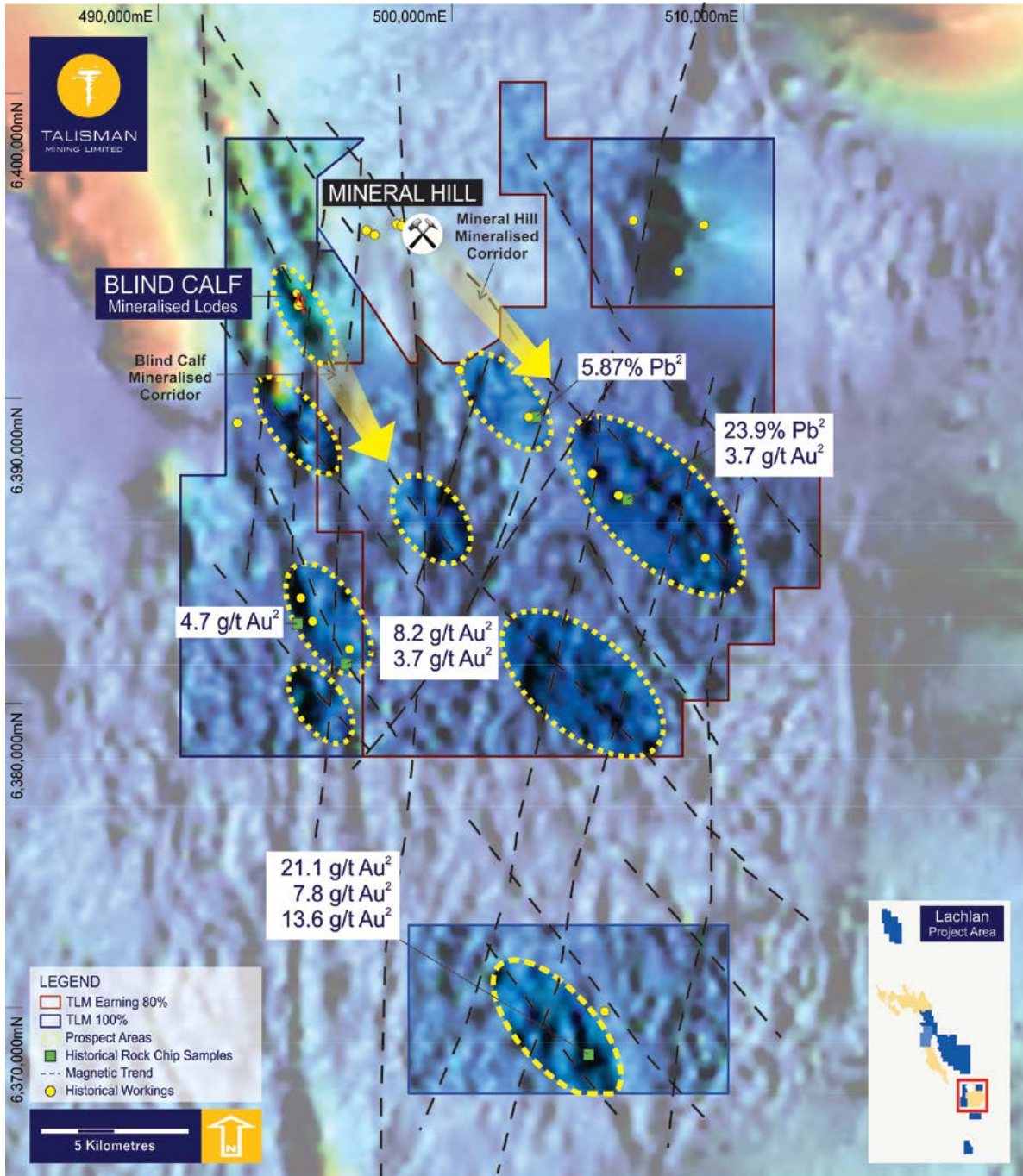


Figure 3: Regional RTP Magnetic image showing N-S and NW-SE trending structures, and interpreted target areas

Talisman is currently in the process of finalising details for an initial RC/diamond drilling program targeting the Blind Calf Prospect. Drilling will focus on confirming historic intersections, as well as testing depth and strike extensions of the known copper lodes. Additional parallel target areas identified by Talisman within the Blind Calf mineralised corridor will also be tested.





Regional Geochemical Survey

A specialist geochemical sampling team is mobilising to the Bobadah Project area to commence a regional sampling campaign. The program will focus on two separate areas, starting with the Cumbine Prospect area within the Peel Joint Venture tenement before moving south onto 100% Talisman tenure (Appendix 1).

A total of approximately 4,500 sample sites are proposed on a 50m x 200m grid over areas highlighted by Talisman's recent regional targeting exercise. This initial phase of work is estimated to run for two months, following which the program will be reviewed, modified if necessary, and subsequently extended to other areas.

Preparations have begun for the next phase of geochemical work which will target the Boona Project area. This program is likely to focus on the Bacchus Joint Venture tenements, the southwest extension of the Blind Calf and Mineral Hill mineralised corridors, and other structural target areas (Figure 3). These areas will be systematically tested with shallow geochemical sampling prior to RC drilling of any defined targets.

A program of detailed structural mapping is also being planned in order to further understand the regional and localised controls on mineralisation.

Ends

For further information, please contact:

Dan Madden – Managing Director
on +61 8 9380 4230

Michael Vaughan (Media inquiries)
on +61 422 602 720

About Talisman Mining

Talisman Mining Limited (ASX:TLM) is an Australian mineral development and exploration company. The Company's aim is to maximise shareholder value through exploration, discovery and development of complementary opportunities in base and precious metals.

Talisman holds a 30% interest in the Springfield Joint Venture with Sandfire Resources NL (70% and JV manager). Springfield is located in a proven VMS province in Western Australia's Bryah Basin and contains multiple prospective corridors and active exploration activities. Springfield hosts the high-grade Monty copper-gold deposit which is located 10 kilometres from Sandfire's DeGrussa operations. Monty is one of the highest-grade copper-gold discoveries made globally in recent decades and a Feasibility Study on its development was completed in March 2017. The Feasibility Study highlighted the strong technical and financial viability of Monty. The Monty deposit is currently under development and Talisman has secured project debt financing for 100% of its share of pre-production capital costs.

Talisman also holds 100% of the Sinclair Nickel Project located in the world-class Agnew-Wiluna greenstone belt in WA's north-eastern Goldfields. The Sinclair nickel deposit, developed and commissioned in 2008 and operated successfully before being placed on care and maintenance in August 2013, produced approximately 38,500 tonnes of nickel at an average life-of-mine head grade of 2.44% nickel. Sinclair has extensive infrastructure and includes a substantial 290km² tenement package covering more than 80km of strike in prospective ultramafic contact within a 35km radius of existing processing plant and infrastructure.





Talisman has also secured tenements in the Cobar/Mineral Hill region in Central NSW through the grant of 100% owned Exploration Licenses and through separate earn-in Joint Venture and tenement purchase agreements. The Cobar/Mineral Hill region is a richly mineralised district that hosts several base and precious metal mines including the CSA, Tritton, and Hera/Nymagee mines. This region contains highly prospective geology that has produced many long-life, high-grade mineral discoveries. Talisman has identified a number of areas within its own and Joint Venture tenements that show evidence of base and precious metals endowment which have had very little modern systematic exploration completed to date. Talisman believes there is significant potential for the discovery of substantial base metals and gold mineralisation within this land package.

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.

¹ For full details of drilling results, refer to Kidman Resources (ASX: KDR) ASX announcements dated 07 July 2011, 02 August 2011 and 10 November 2012

² Result taken from CRA Exploration Pty Ltd report GS1978/259.R00023043 and Result taken from Triako Resources Ltd report R000300065. Geological Survey of NSW DIGS reporting system

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.





Appendix 1

Lachlan Copper- Gold Project tenure

