



TALISMAN
MINING LIMITED

ASX Code: TLM

Creating Value through Mineral Discovery

Investor Presentation: August 2018



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NSW Lachlan Cu-Au Project

- Commanding landholding in a current exploration hotspot
 - Significant potential for the discovery of large Cu, Au and base metal deposits
- Highly mineralised region with advanced drill targets and large areas subjected to little modern exploration
- Immediate success in first RC drilling – 13m @ 5.7% Cu

Sinclair Nickel Project

- 350ktpa processing plant & associated infrastructure
 - Near-mine and regional exploration opportunities
 - Regionally strategic asset

Springfield Cu-Au Joint Venture (Talisman 30%)

- Recent in-principle agreement for proposed sale of JV interest to Sandfire Resources NL realises significant up-front value
- Consideration includes \$72.3M cash and perpetual 1% NSR on all Cu & Au mined outside of current Monty Mine Plan
- Proposed transaction subject to number of key conditions including Talisman shareholder approval



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

NSW Lachlan Cu-Au Project

Lachlan
Cu-Au Project

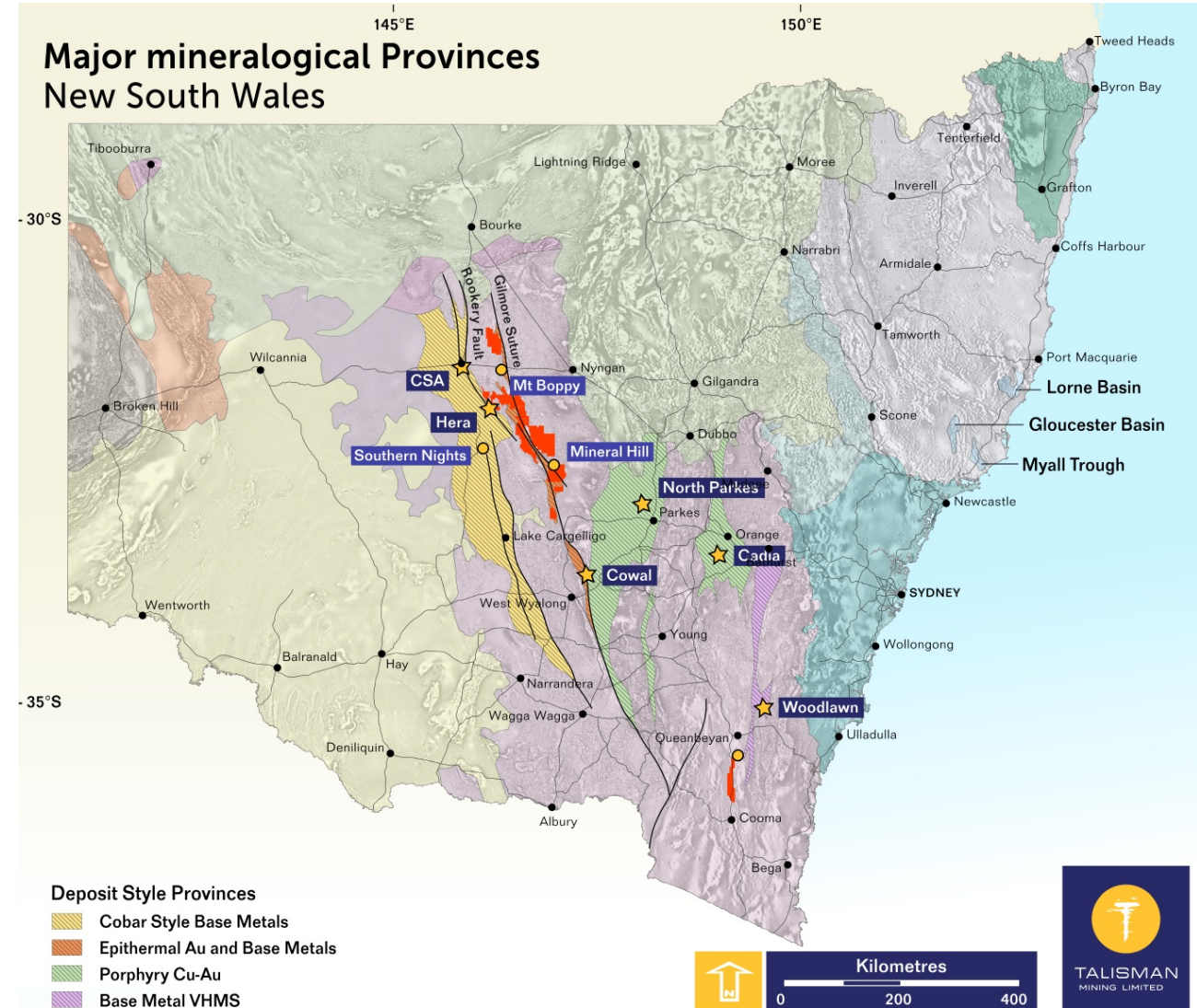
A New Exploration Focus

Lachlan Cu-Au Project - Cornerstone Asset



Highly prospective geology and significant potential for further substantial base/precious metal discoveries

- Meaningful tenement position in highly mineralised but under-explored mining district
- Multiple significant base and precious metals mines and deposits including:
 - CSA copper mine
 - Endeavour (Elura) lead-zinc silver mine
 - Peak gold-base metals mine
 - Tritton copper mine
 - Hera/Nymagee polymetallic mines
 - Mallee Bull copper-zinc deposit
- Production and current reserves estimate¹ : 20.3Mt Cu; 104Moz Au; 1,193Moz Ag
- Exploration hot spot, recent discovery by Peel Mining:
 - Southern Nights–Wagga Tank copper-zinc-gold and lead-zinc-silver
- Well developed infrastructure with multiple regional processing opportunities

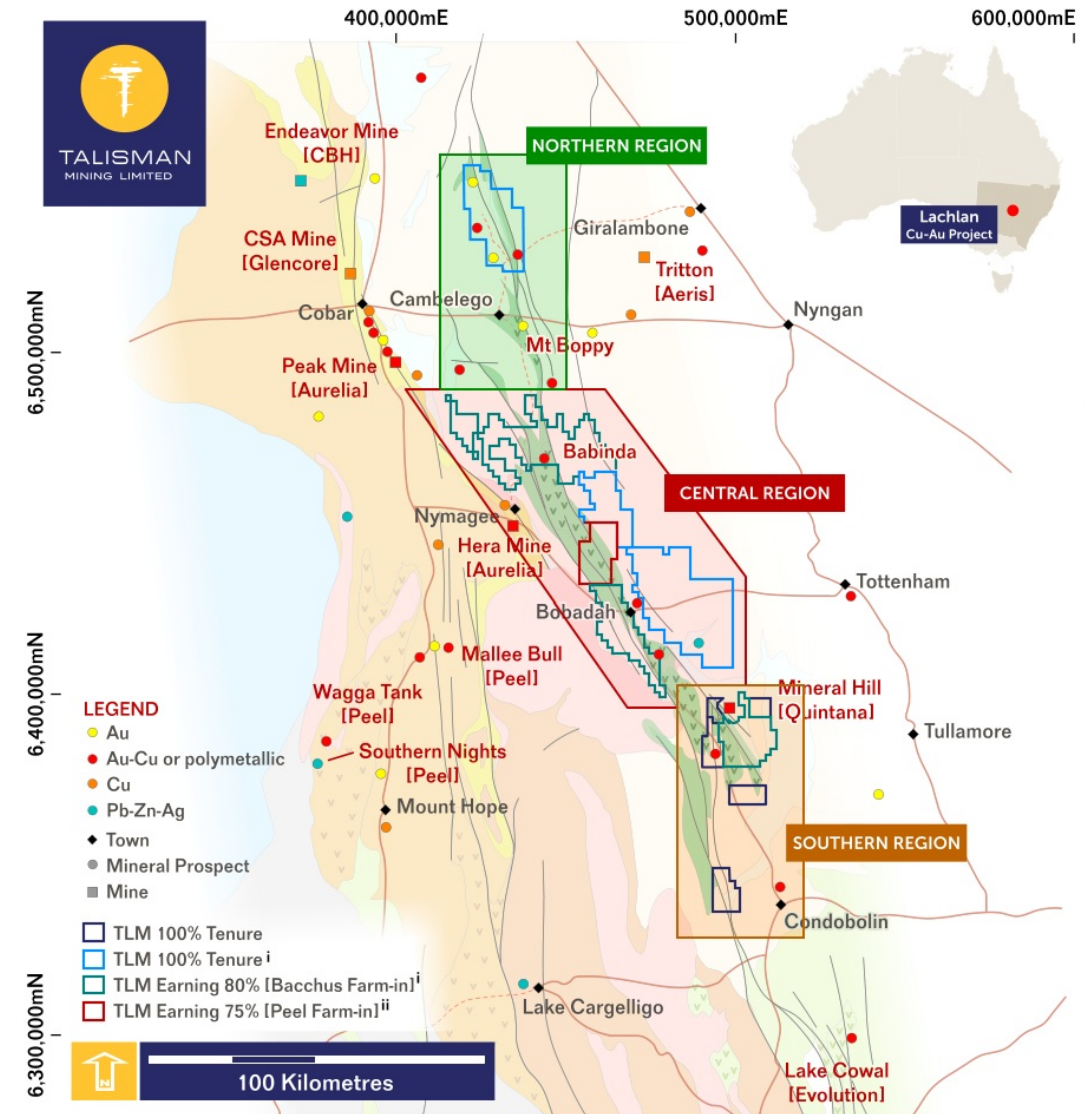


Lachlan Cu-Au Project - High quality address in exploration hotspot



Consolidation of well endowed tenure with multiple opportunities and targets

- All areas subject to limited modern day exploration
- Structural analysis of Lachlan underway to provide high level targeting and prioritising of regional work.
- **Southern Region**
 - Geological extension of known mineralised corridors (Mineral Hill and Blind Calf)
 - Initial RC drill program at historic shallow Blind Calf Prospect returned high grade Cu at depth and along strike
 - Multiple structural targets and historic soil and rock chip geochemistry
- **Central Region**
 - Straddles highly prospective Canbelego-Mineral Hill Rift sequence
 - Prospective for Cu, Au, base metals
 - Initial auger drilling identified significant Cu-Zn-Pb anomaly
 - Historic IP anomaly for testing
- **Northern Region**
 - Au project located along Gilmore Suture with multiple known historical occurrences



ⁱ & ⁱⁱ Refer to TLM ASX announcement "NSW Lachlan Cu-Au Project Update" dated 19 July 2018



Staged exploration to identify and test drill targets

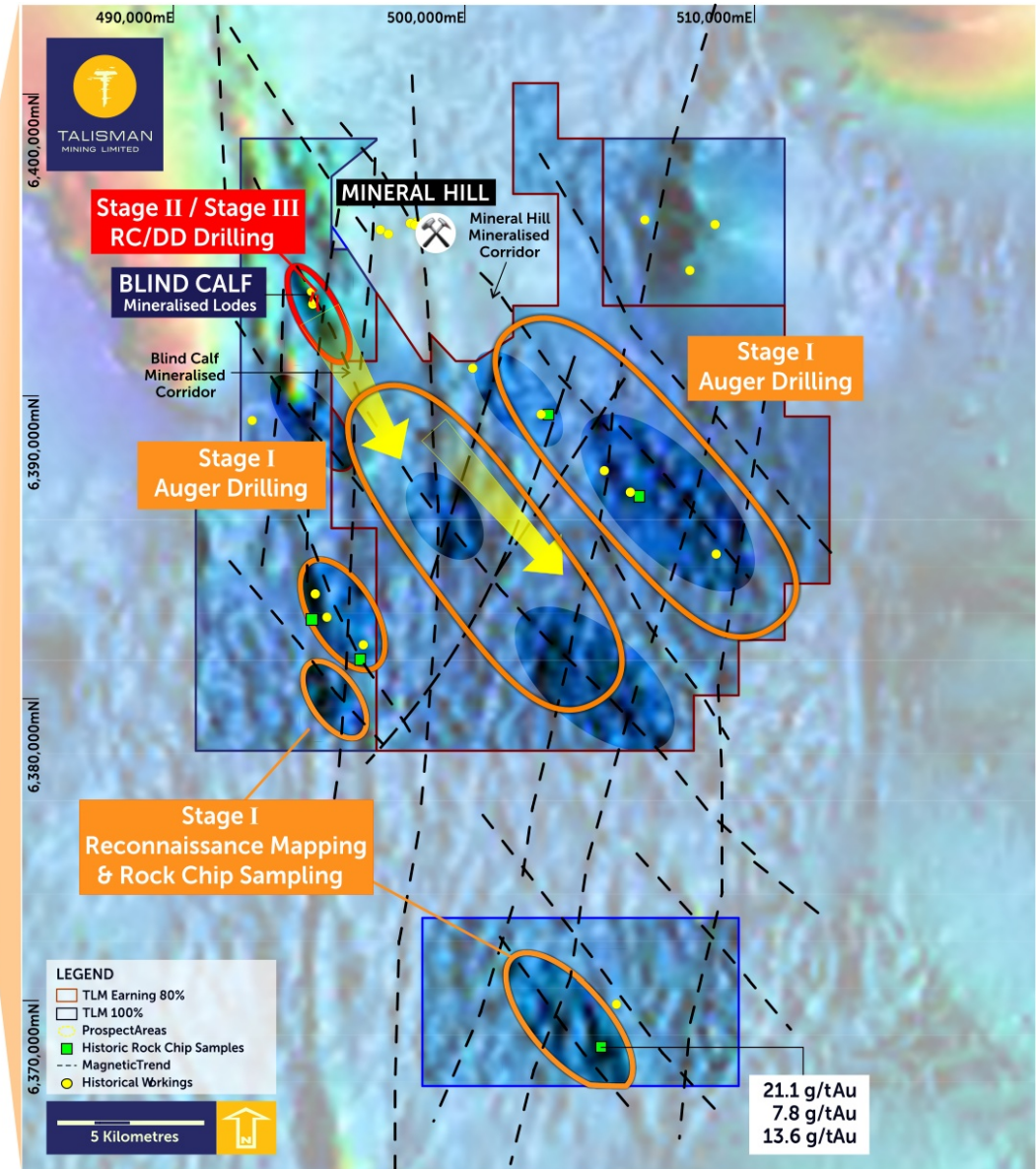
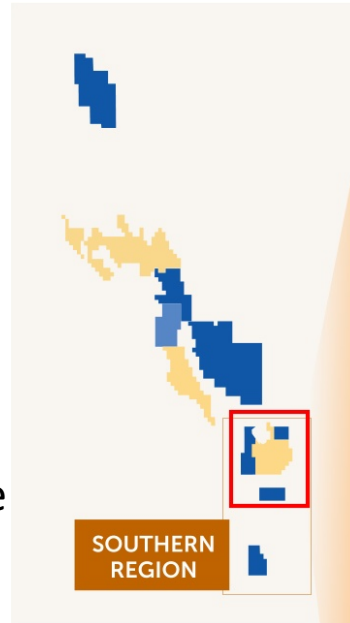
- **Stage I - Reconnaissance:**
 - Extensive geochemical analysis (principally auger drilling)
 - MLEM surveys over identified anomalies
- *Pipeline of Stage I work programs for 12-18 months to identify and deliver targets for Stage II work*
- **Stage II - Target Development:**
 - Initial RC drilling
 - Follow up DHEM
- *Drill program approved for Stage II follow up work at Mt Walton and Cumbine in Central Region.*
- **Stage III - Refined Targeting:**
 - Follow up RC drilling
 - Diamond Drilling
- *Stage III targeted RC and diamond drilling to be undertaken at Blind Calf Prospect following recent successful Stage II RC drilling*





Initial focus - Crowl Creek and Boona tenements

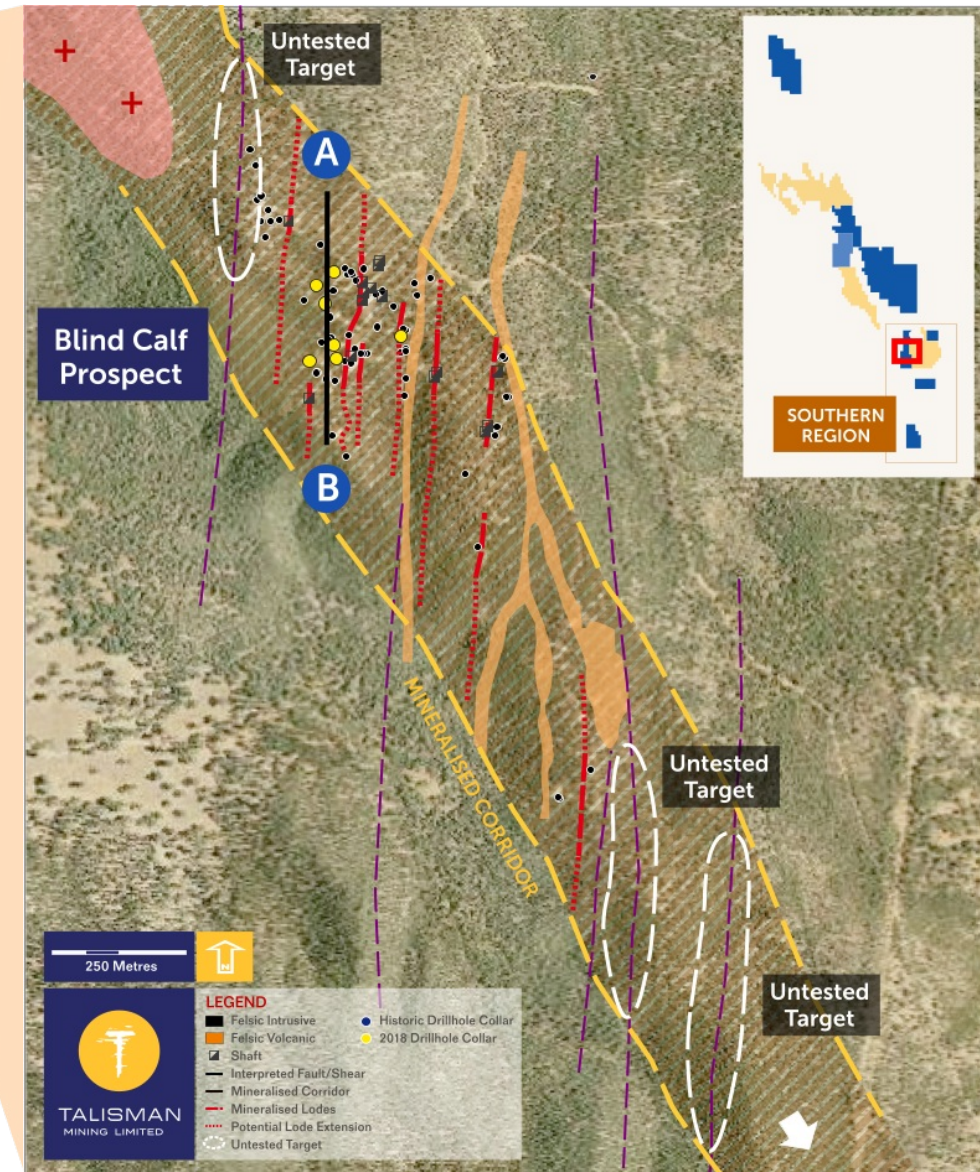
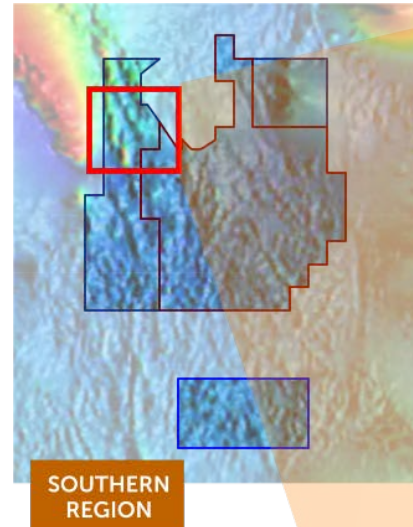
- Southern Extension of the Mineral Hill host volcanic sequence, over a strike length of ~10km
- Numerous historical mine workings (early 1900's)
- High-grade Au/Cu/Pb mineralisation at surface identified in historic rock-chip sampling²
- Previous drilling has been focused proximal to historical workings and has intersected high-grade gold and base metal mineralisation





Crowl Creek and Blind Calf Prospect

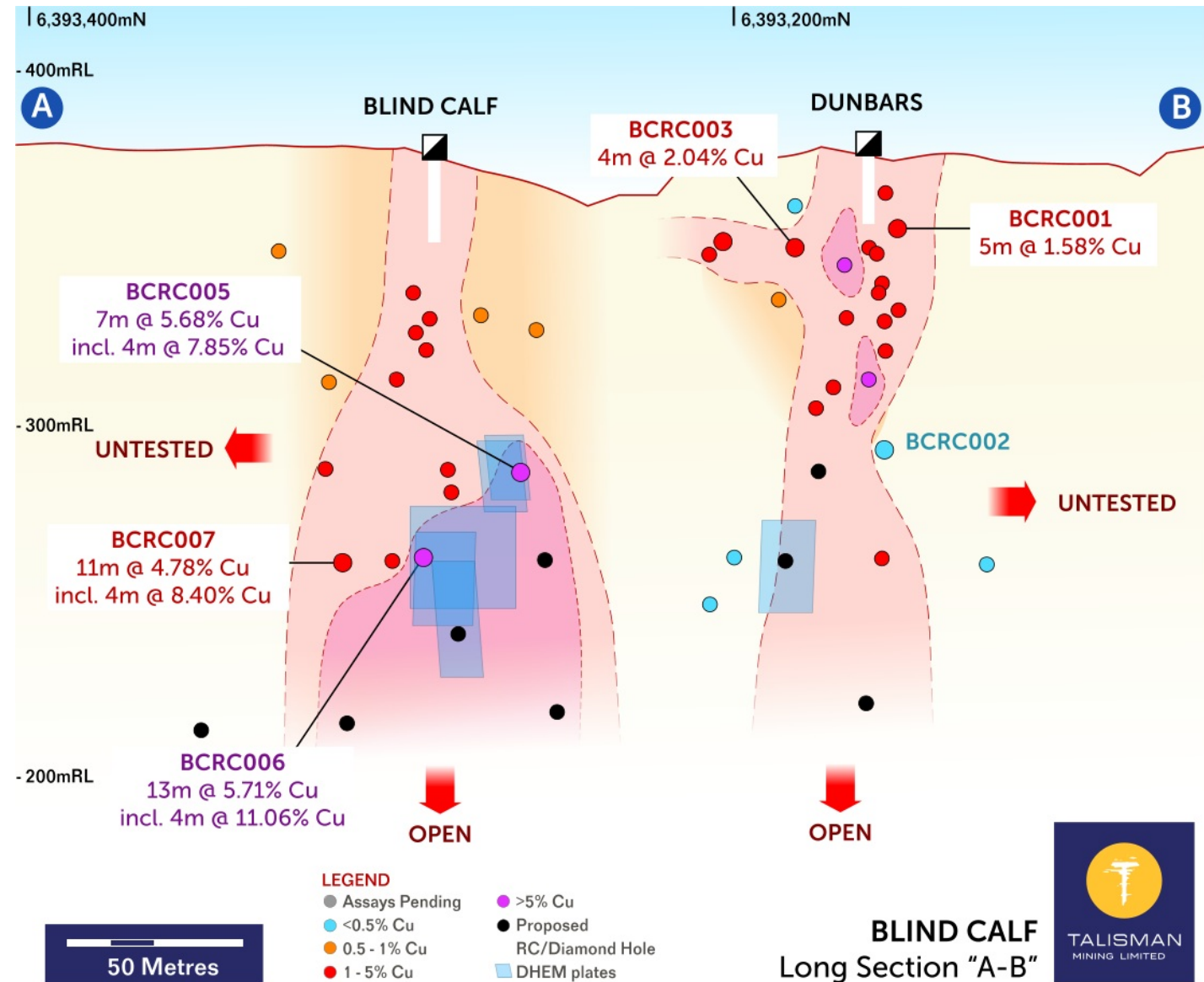
- Multiple mineralised lodes identified for follow up or initial drill testing
- Visible quartz veining outcrop at structurally important positions which will be subject to further assessment
- Initial drill testing at Blind Calf Prospect:
 - High grade Cu mineralisation returned





Blind Calf Prospect

- **Stage II RC drilling** confirms multiple high-grade copper lodes that remain open at depth and untested along strike.
- Assay results returned include:
 - BCRC006: 13m @ 5.71% Cu, from 129m down hole
 - BCRC007: 11m @ 4.78% Cu, from 127m down hole
- Strong quartz veining and copper sulphide mineralization
- Increasing grade at depth
- Potential broadening of lode along strike
- **Stage II downhole electromagnetic surveys** have identified EM plates for testing at depth
- **Stage III RC/DD drill program** planned for Q3 2018 calendar year



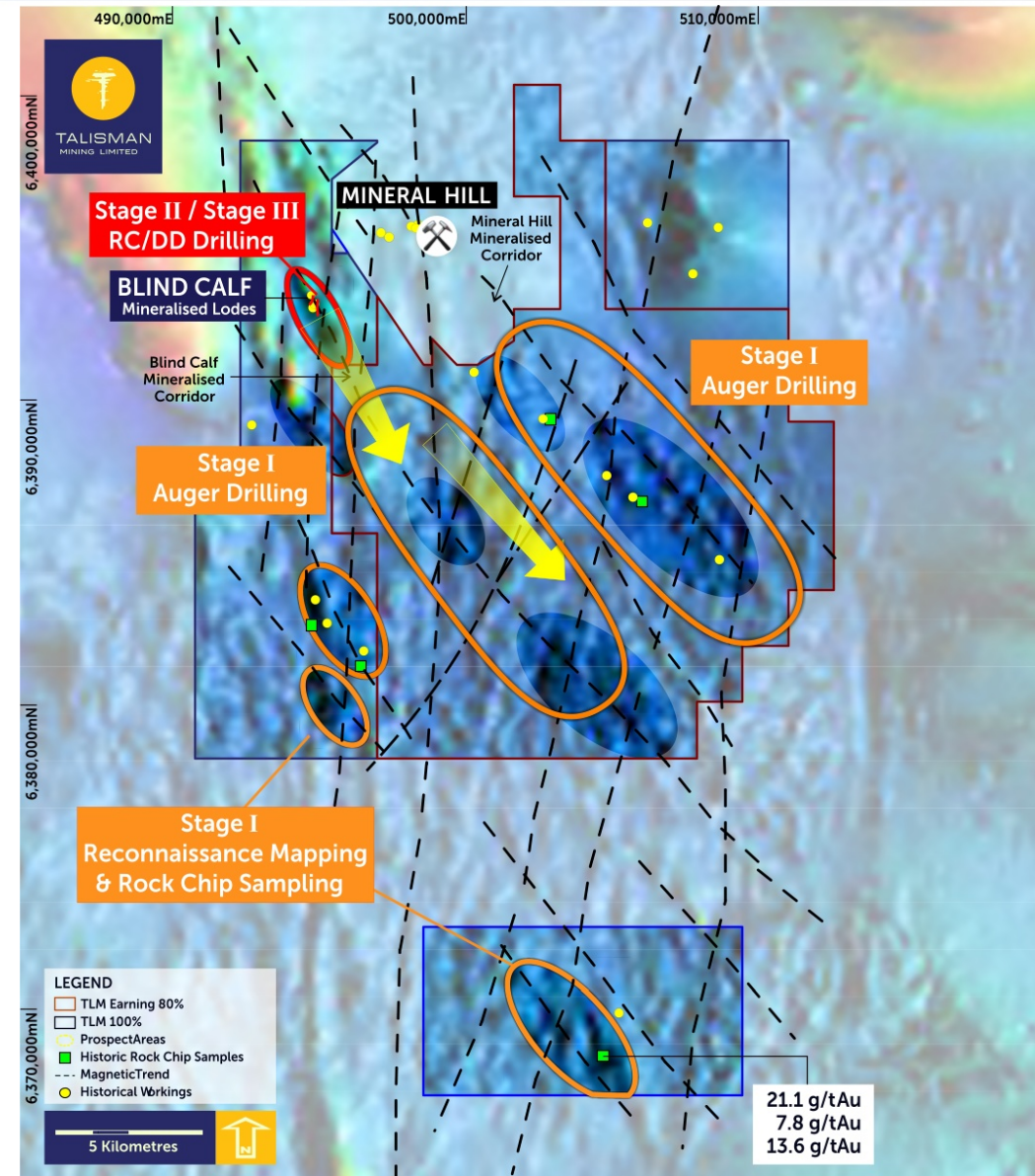


Blind Calf Prospect, Crowl Creek and Boona next steps

- Comprehensive **Stage III RC and DD program** at Blind Calf Prospect to test:
 - Extensions to mineralisation identified from Stage II drilling
 - EM plates identified from DHEM surveys
- Stage II RC drilling** at Crowl Creek to test visible quartz veining outcrop at structurally important positions
- Stage I detailed structural mapping program** to focus on mineralisation controls at Blind Calf Prospect, and other nearby target areas within the identified mineralisation corridor.

Boona Project current work and next steps

- Stage I reconnaissance mapping and rock chip sampling** along strike extensions of mineralised corridor
- Stage I auger drilling program** SE of mineralised Blind Calf mineral trends
- Stage II RC drilling** of any anomalous positions identified from Stage I work

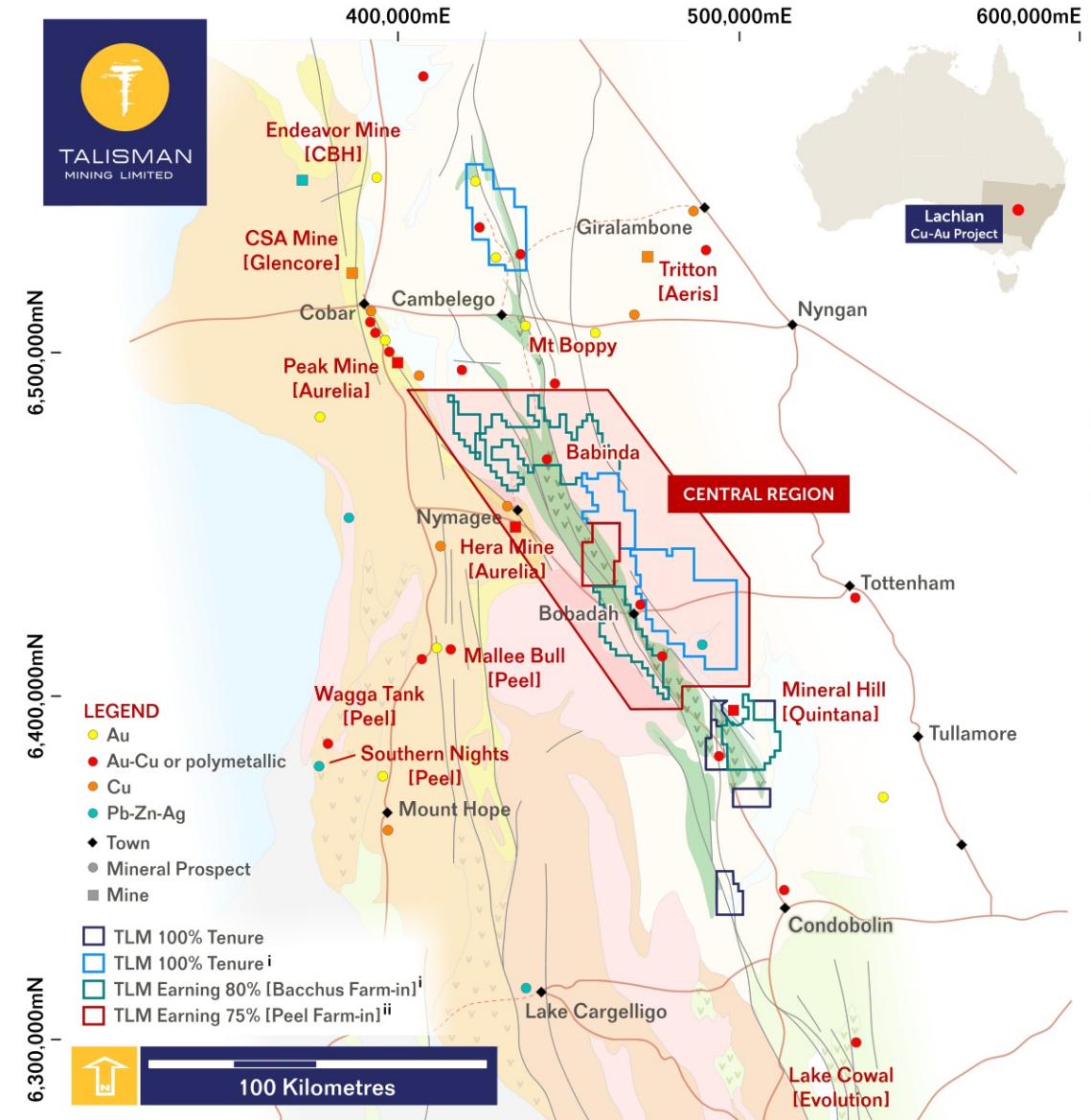


Lachlan Cu-Au Project - Central Region



Project Overview

- Straddles highly prospective Canbelego-Mineral Hill Rift sequence
- Prospective for Cu, Au and Base metals
- Cu-Zn-Pb anomalism at Mt Walton
- Historic untested IP anomaly at Cumbine Prospect

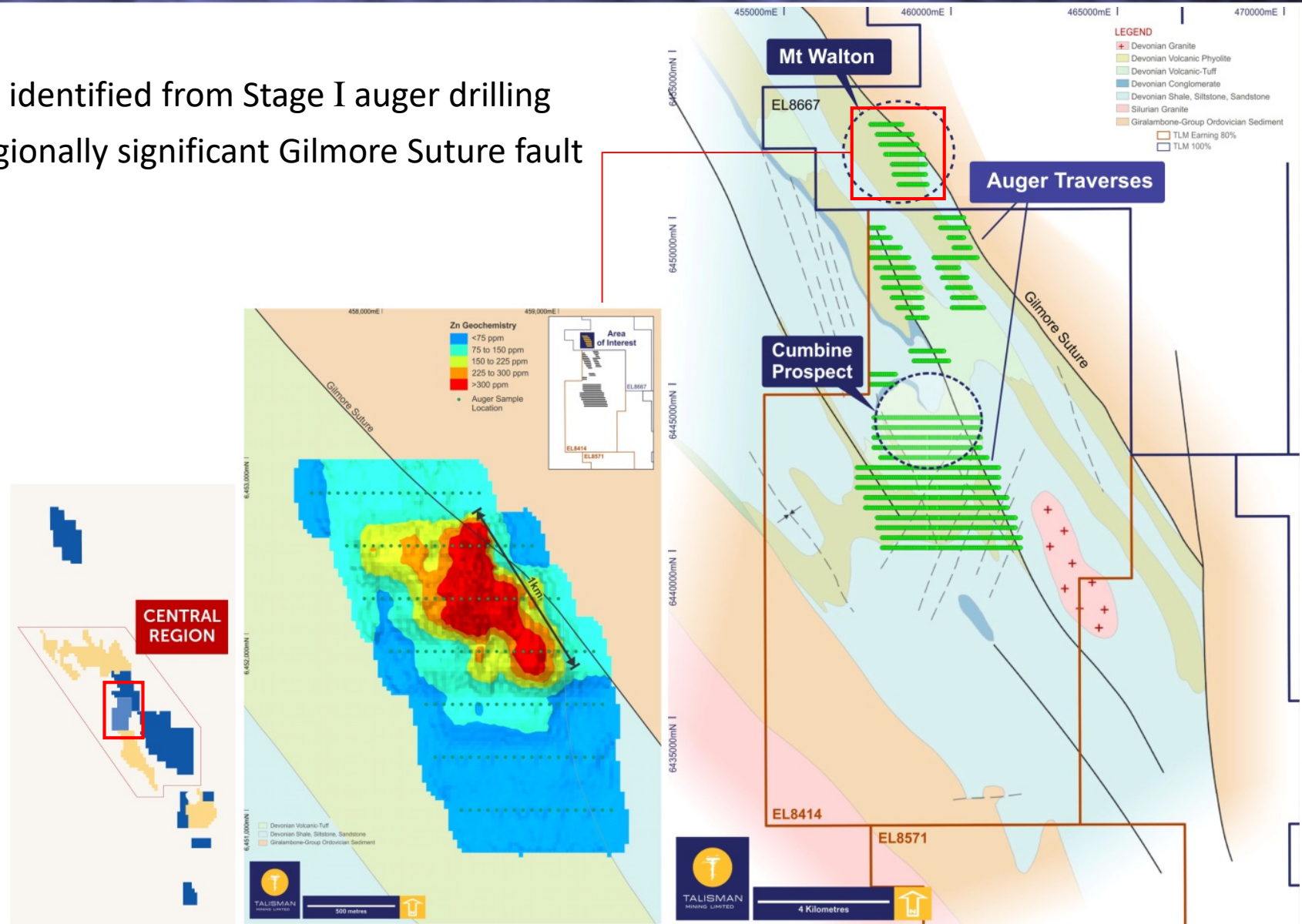


^{i & ii} Refer to TLM ASX announcement "NSW Lachlan Cu-Au Project Update" dated 19 July 2018



Mt Walton

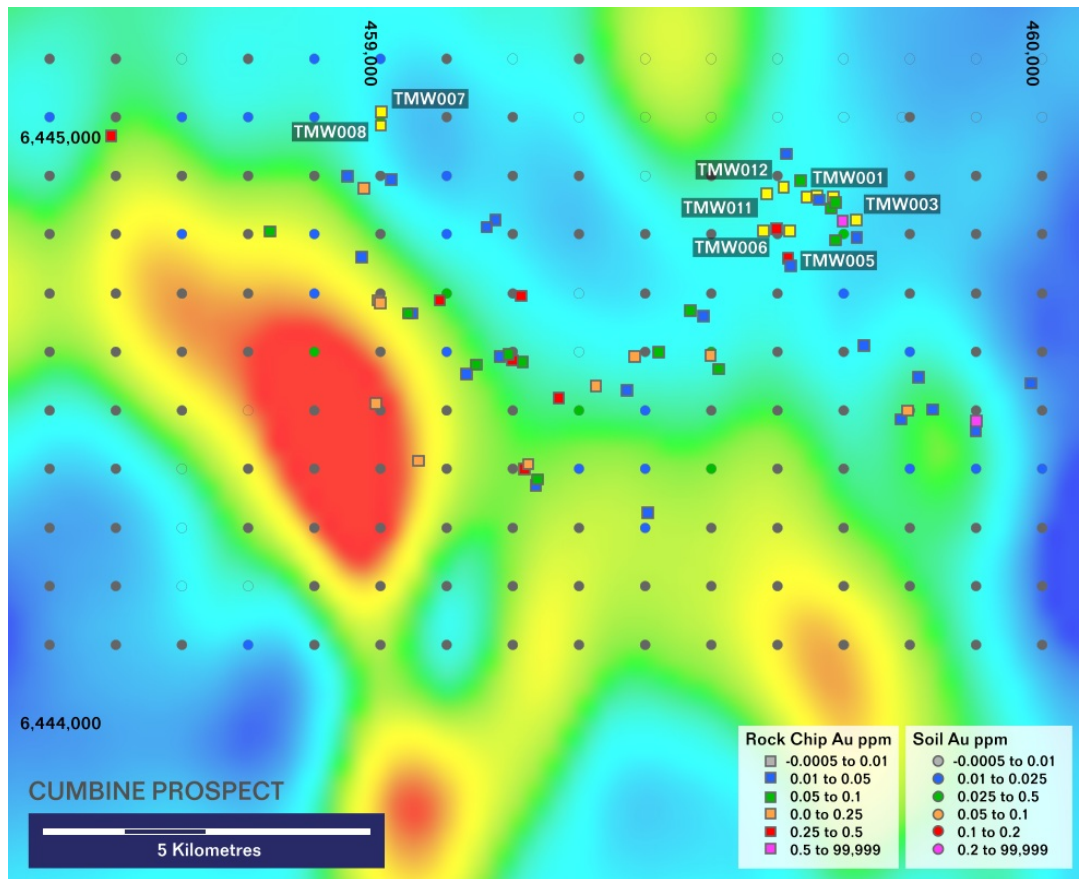
- Large, coherent base metal anomaly identified from Stage I auger drilling
- Extends ~1 km along strike of the regionally significant Gilmore Suture fault zone
- Strong coincident copper-zinc-lead anomaly, consistently high grades for 400 – 600 metres across strike.
- Coincident gold anomalism in central part of anomaly
- Abundant brecciated and gossanous iron rich quartz vein outcrop and strong manganese alteration of the surrounding host rocks, indicative of epithermal style mineralisation.
- **Stage II RC drill program submitted**, geophysical survey planned to target geochemical anomaly



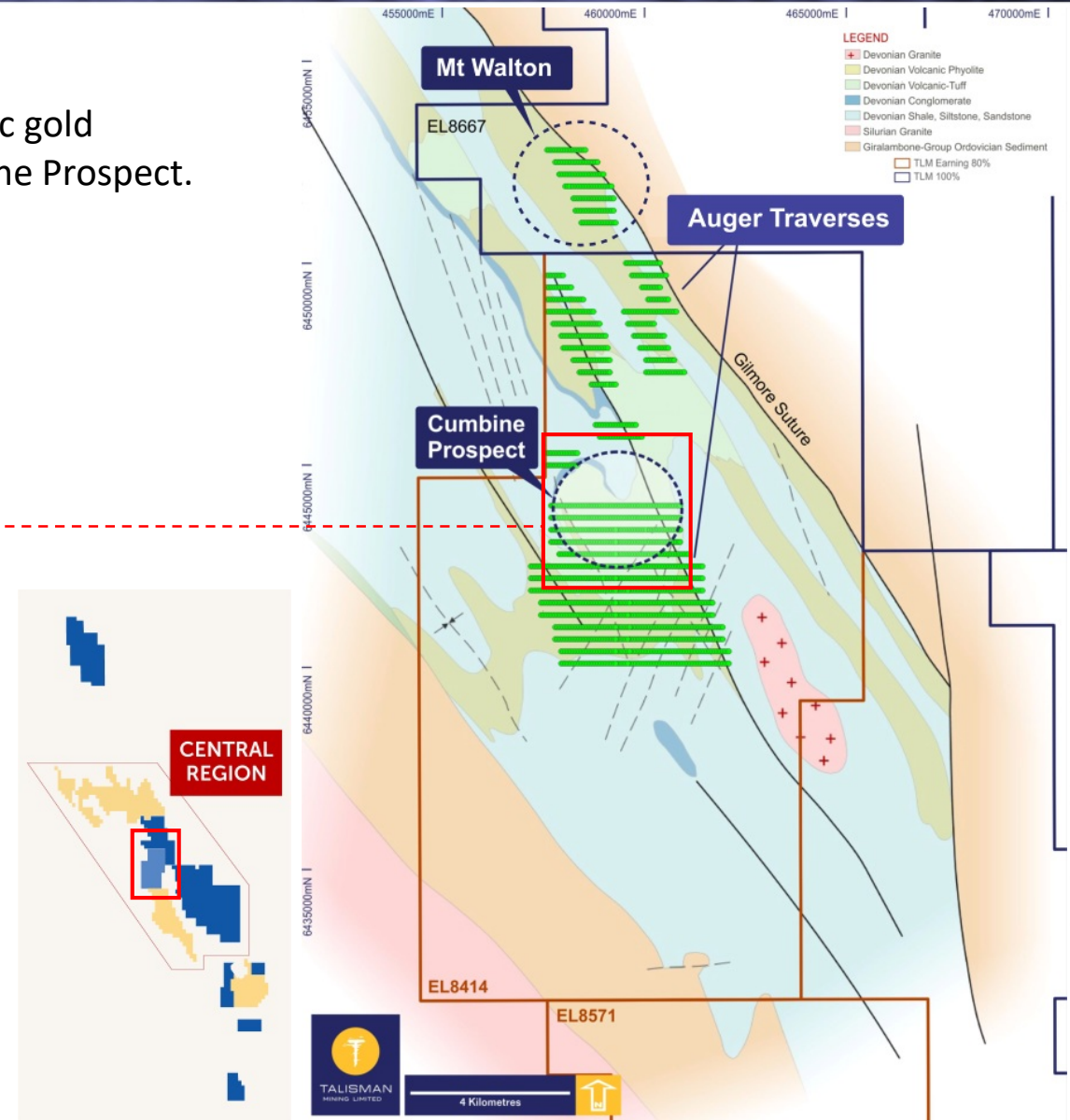


Cumbyne Prospect

- **Stage II RC drilling program submitted** to follow-up known historic gold mineralisation and to test an existing untested IP anomaly at the Cumbyne Prospect.



Cumbyne Prospect showing IP chargeability image (125m depth), drill collars, rock chip samples and soil samples



Lachlan Cu-Au Project - Northern Region



Sussex Gold Project area overview

- Located along the large crustal scale Gilmore Suture Zone, north of Mt Boppy Mine
- Known historic mineral occurrences – Cobra Shaft, Earl of Sussex and Big Reef prospects
- Limited modern systematic exploration undertaken to date
- Mulga Prospect
 - Historic lag sampling has identified a large Au anomaly over a strike extent of 3km, with (historic) RAB and RC percussion drilling intersecting significant gold mineralisation
- Cobra Shaft prospect
 - Historic shallow percussion drilling at the Cobra Shaft returned significant gold mineralisation
- Planning for Stage I reconnaissance mapping and auger drilling program underway

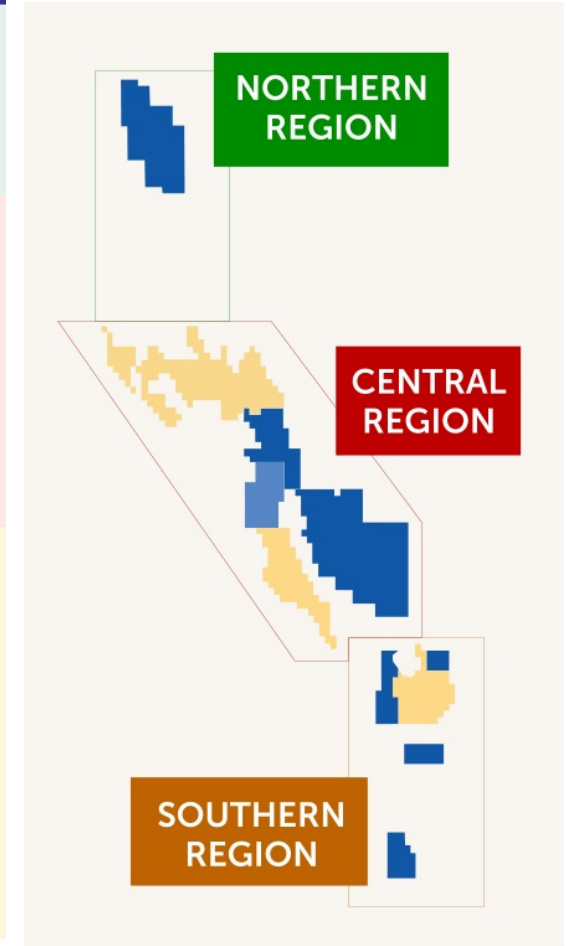


^{i & ii} Refer to TLM ASX announcement "NSW Lachlan Cu-Au Project Update" dated 19 July 2018



Next Steps

Lachlan Cu-Au Project Exploration Work	Q3 CY18	4Q CY18
<p>Northern Region</p> <p>Sussex Project regional auger drilling</p>		Stage I
<p>Central Region</p> <p>Mt Walton RC drilling to target Zn-Cu-Pb anomaly</p> <p>Cumbine Prospect RC drilling to test IP anomaly</p> <p>Refined targeted work from RC drilling at Mt Walton & Cumbine</p>	<p>Stage II</p> <p>Stage II</p>	Stage III
<p>Southern Region – Boona Project</p> <p>Boona reconnaissance mapping and rock chip sampling</p> <p>Boona auger drilling</p> <p>Boona Region follow-up RC drilling</p> <p>Blind Calf and Crawl Creek structural modelling</p> <p>Blind Calf Prospect targeted RC and diamond drilling</p> <p>Crawl Creek RC drilling</p>	<p>Stage I</p> <p>Stage I</p> <p>Stage I</p> <p>Stage III</p>	<p>Stage II</p> <p>Stage II</p>





• Sinclair
Ni Project

Sinclair Nickel Project

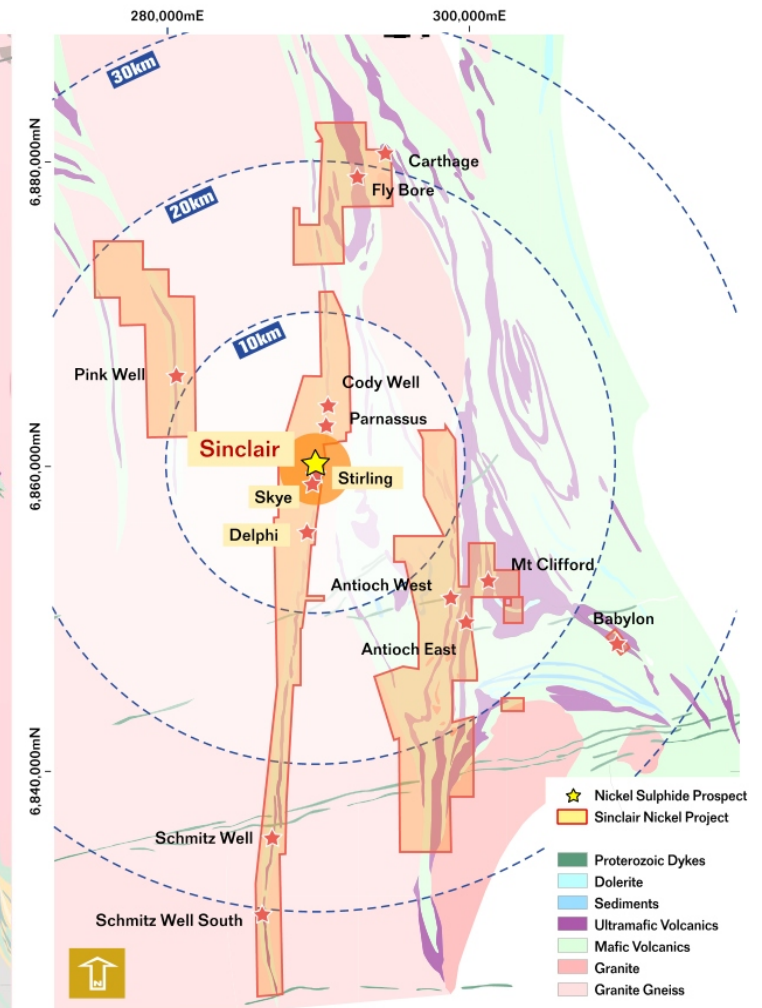
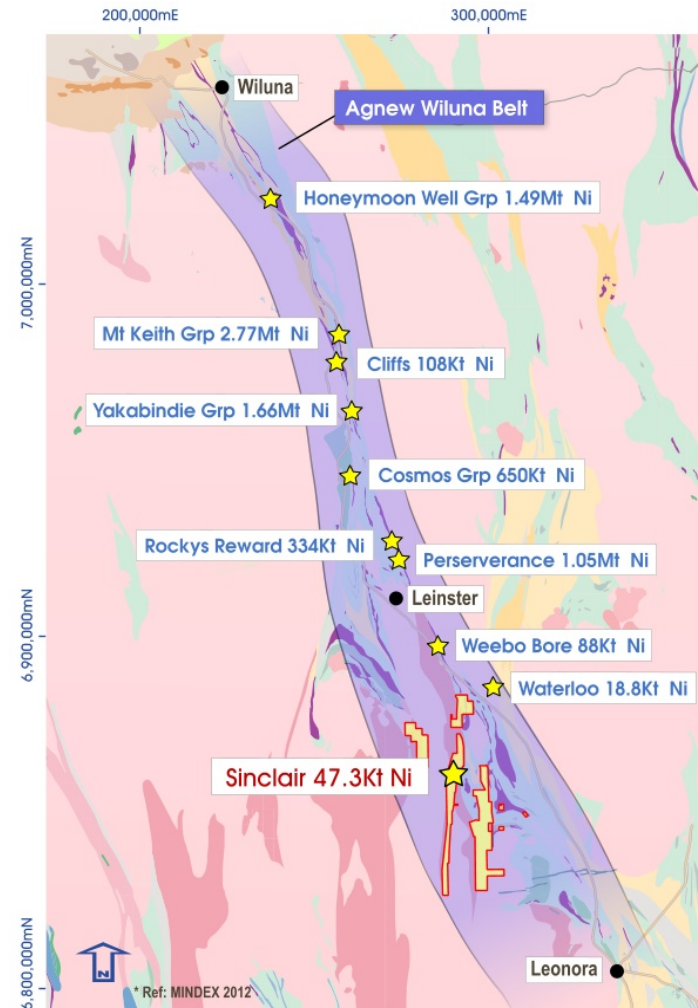


Advanced opportunity with exploration upside in a proven nickel province



A regionally strategic asset with established plant and infrastructure

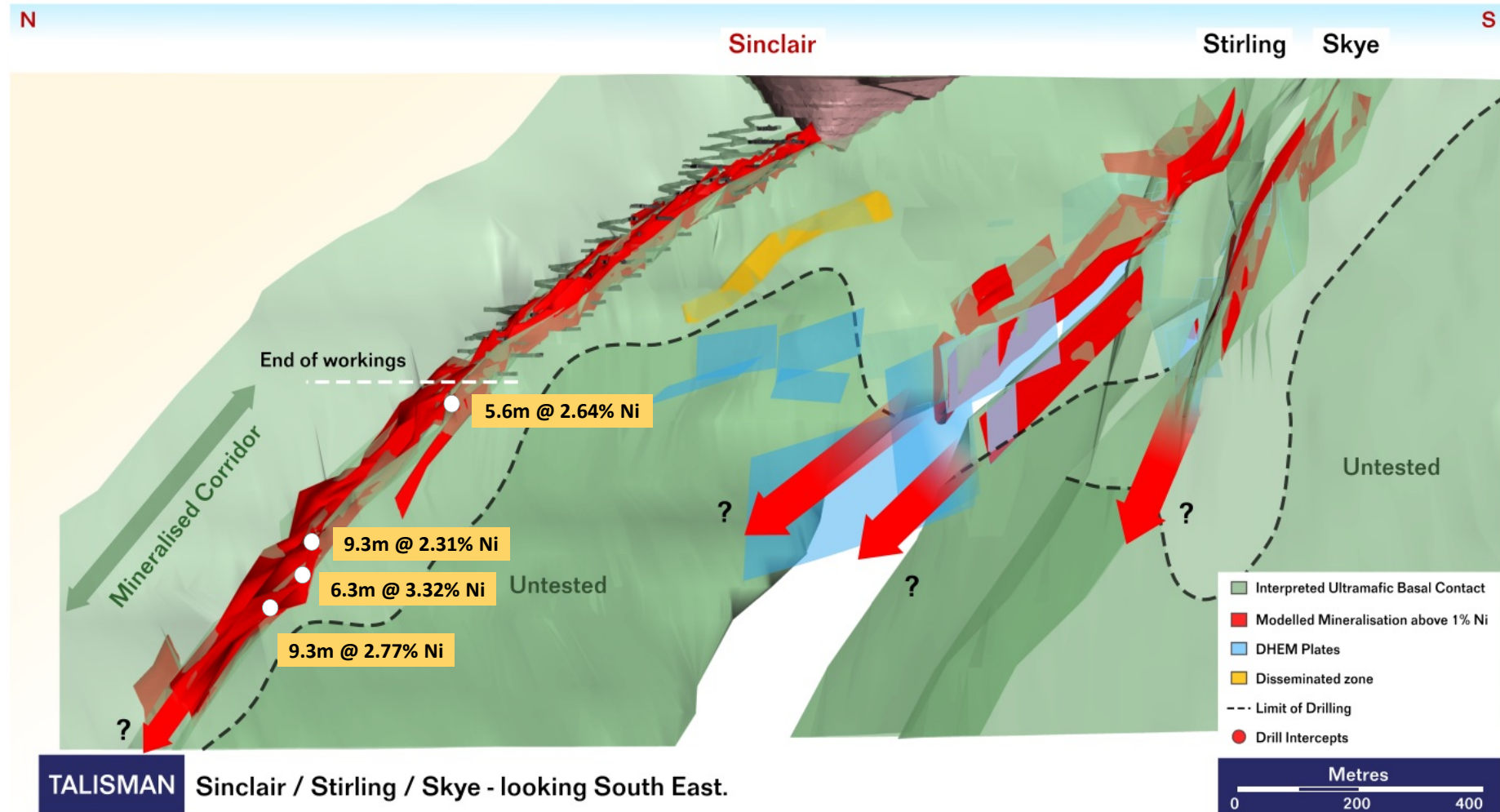
- Strategically located in the world-class Agnew-Wiluna Greenstone belt
- Historic Production 1.58Mt @ 2.44% nickel for 38,599t of nickel from 2008-13
- Significant existing Infrastructure and asset base including:
 - 350ktpa concentrator, underground mine, 200-person accommodation village, airstrip
- Assessment of potential mineral inventory underway
- Recent exploration has returned high-grade intercepts in new areas including:
 - 9m at 4.2% Ni from 131m down-hole (Delphi North)
- Regionally strategic asset with ongoing assessment of value maximising options





Potential for discovery of nickel sulphide mineralisation close to existing infrastructure

- Assessment underway of potential resource target for known mineralization at Sinclair mine extension plus Sinclair remnants
- Other potential resource targets at Skye/Stirling
- Follow up drill ready exploration targets
 - Delphi North, Skye & Stirling, Schmitz Well
- Regional prospects at early stages
- Future exploration work to include regional aircore, RC/DD & geophysics – surface & DHEM



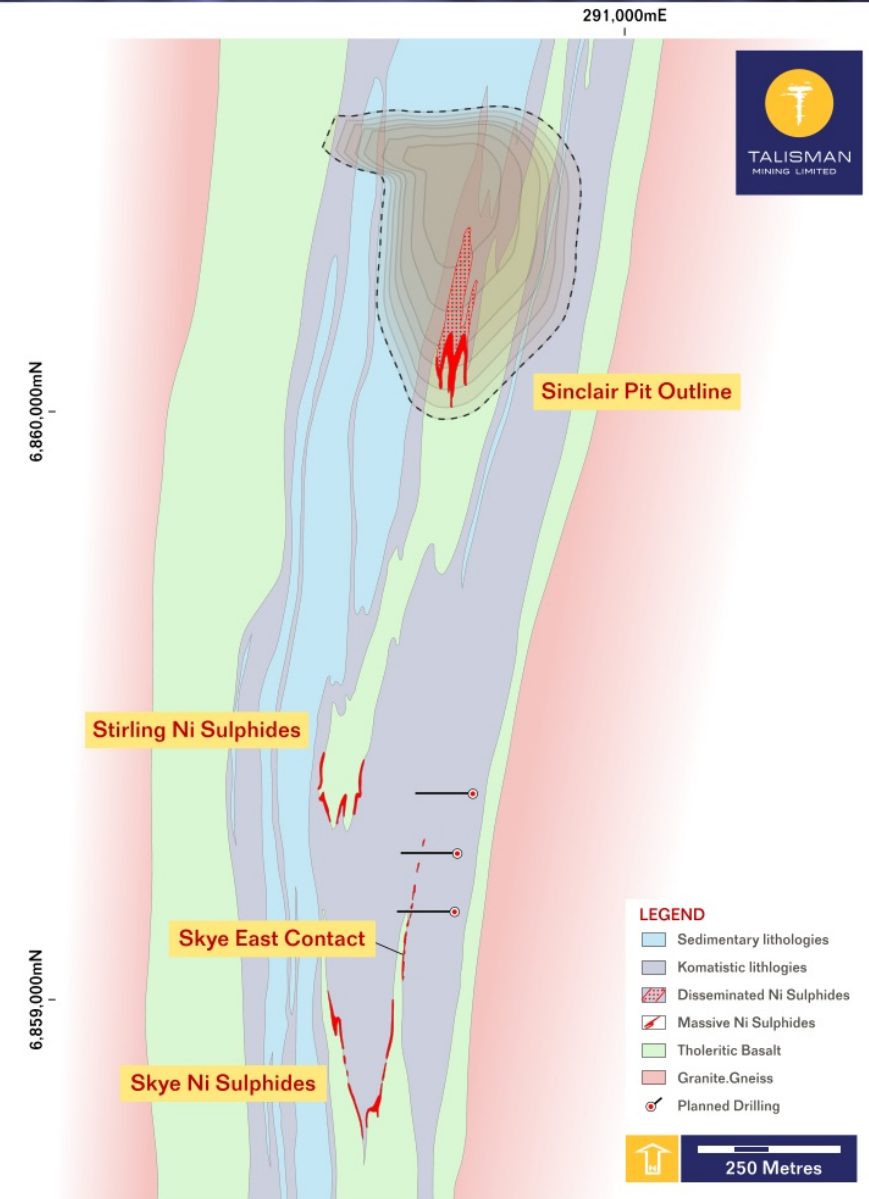


Skye East Contact:

- Conceptual drill target along the eastern extension of the Skye basal target area
- Target down dip of weak-moderate mineralisation intersected in three holes at 80-100mtrs depth:
 - CWD105 – 0.57m @ 1.82% Ni
 - CWD005 – 2.0m @ 1.49% Ni
 - CWD011 – 0.45m @ 0.98% Ni
- DHEM on CWD105 showed a weak anomaly associated with the intersection that was not modelled
- The target contact is a structural repetition of the Skye mineralised contact further to the west

Current Work:

- 3 x RC traverses undertaken across interpreted basal contact position, results pending
- Potential for diamond drilling extensions with DHEM to follow



Sinclair: Development potential under right market conditions



Significant infrastructure in place with replacement value of approx. A\$120M

- 350ktpa concentrator
 - Operated at ~440ktpa
- Open pit, decline and underground mine
- 200-person accommodation village
- Administration buildings and stores
- Exploration office and core yard
- Mining contractor facilities



A re-commencement of operations at Sinclair, subject to near-mine exploration success, has the potential for reduced capital intensity and fast-tracked transition to production

Springfield JV (30% Talisman)

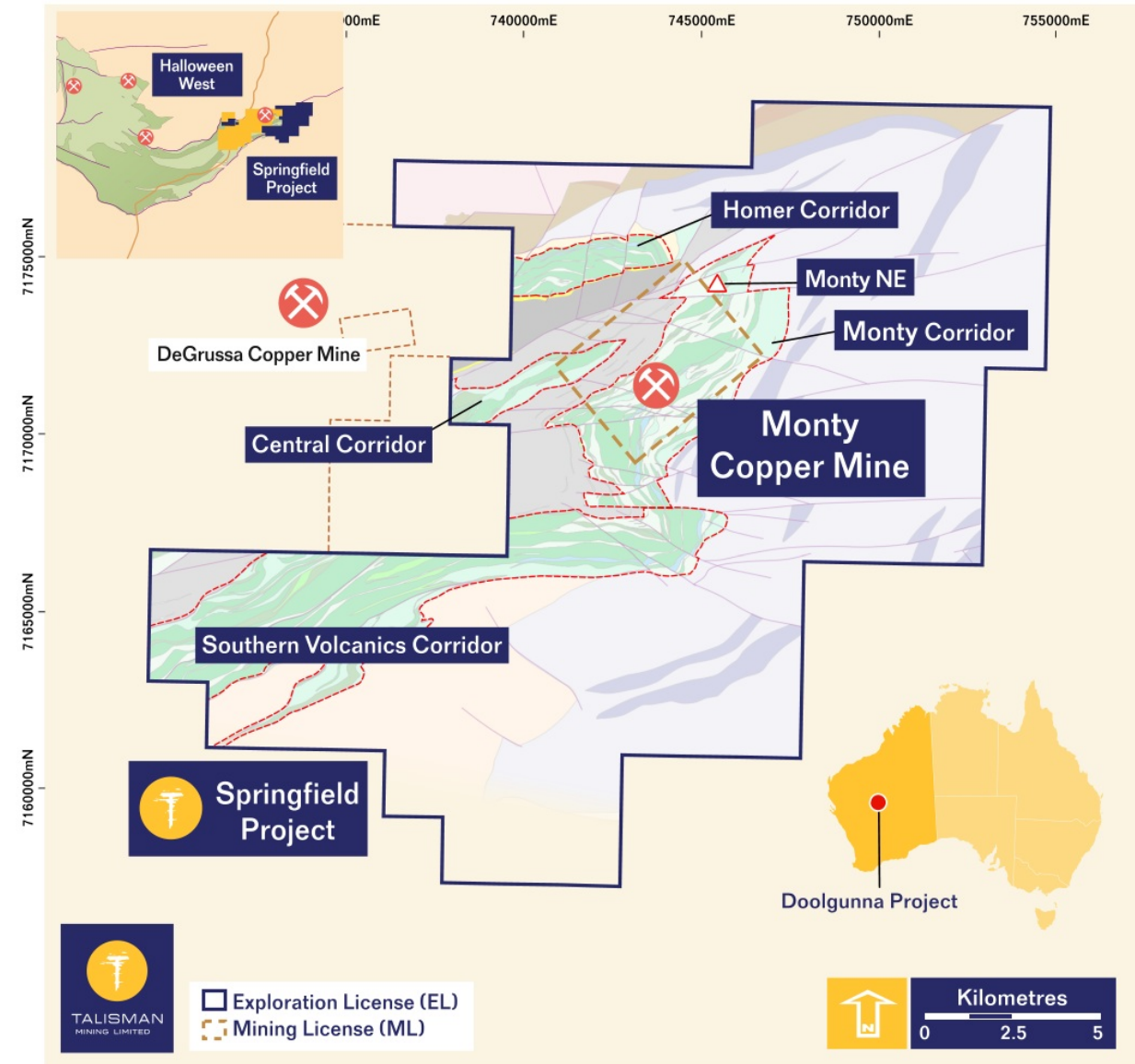
Development of the world's highest grade copper mine underway

Springfield Cu-Au Joint Venture - Transaction (TLM 30%, SFR 70%)



\$72.3M cash component of transaction allows Talisman to return value to shareholders

- Recent in-principle agreement for sale of JV interest to Sandfire Resources NL crystallises significant up-front value
- Consideration for transaction comprises:
 - Up-front cash proceeds of \$72.3M
 - Ongoing exposure to exploration upside via perpetual, uncapped 1% NSR Royalty on 100% of Cu or Au extracted from the JV tenements beyond the current Monty Mine Plan
 - Assumption by Sandfire Resources NL of Talisman's obligations under the existing 2.25% gross revenue royalty held by Taurus Mining Finance Fund
- Proposed transaction subject to number of key conditions including Talisman shareholder approval





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The Talisman Investment Case

Emerging metals producer with exceptional prospectivity



Exceptional exploration prospectivity in gold, copper and base metals

Lachlan Cu-Au Project, New South Wales

- Large consolidated landholding in an Australian exploration hotspot
- Significant potential for discovery of substantial Cu, Au and base metal deposits
- Staged exploration program being conducted over a large, mineralised region with immediate drilling success at Blind Calf copper discovery

Sinclair Nickel Project, Western Australia

- Regionally strategic 350ktpa processing plant & associated infrastructure
- Near-mine and regional exploration opportunities

Realisation of Value from Springfield Cu-Au Joint Venture (Talisman 30%)

- Proposed transaction to deliver up-front cash proceeds of \$72.3 million
- Ongoing exposure to exploration upside via perpetual 1% NSR Royalty on 100% of Cu or Au extracted from the JV tenements beyond the current Monty Mine Plan
- Proposed transaction subject to number of key conditions including Talisman shareholder approval





Experienced and Diverse Executive Team and Board

Dan Madden	- <i>Managing Director</i>
Tony Greenaway	- <i>General Manager Geology</i>
Shaun Vokes	- <i>Chief Financial Officer and Company Secretary</i>
Jeremy Kirkwood	- <i>Non-Exec Chairman</i>
Brian Dawes	- <i>Non-Exec Director</i>
Karen Gadsby	- <i>Non-Exec Director</i>
Alan Senior	- <i>Non-Exec Director</i>

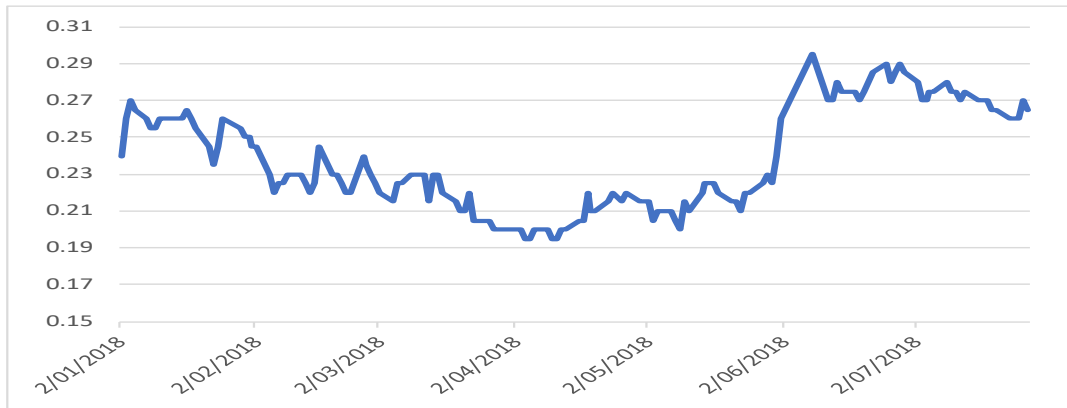
Capital Structure

Shares on Issue	185.7M
Unlisted Options	9.7M
Market Capitalisation (at 28c)	A\$52M
Cash at 30 June 2018 (incl restricted cash)	A\$5.3M

Substantial Shareholders

Kerry Harmanis	~18.4%
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Share Price



Philosophy and Core Beliefs

- Behave and act as business owners
- Be accountable for our decisions and actions
- What we say is what we do
- Engage with stakeholders in meaningful and clear way
- Develop mutually beneficial partnerships and opportunities
- Build strong commitment across our team and with stakeholders
- Collaborative approach

Recent Research





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THANK YOU

Investor Presentation: August 2018

Discovering and Developing Opportunities in Base and Precious Metals



Note i: Mineral Resources

Information in this presentation 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.

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.

Note ii: Ore Reserves

Information in this presentation that relates to Ore Reserves and Exploration Results and Exploration Targets as defined under the 2012 Edition of the “Australian Code for Reporting of Mineral Resources and Ore Reserves”, is information previously published by Talisman Mining Ltd (“Talisman”) and is available on the Talisman and ASX websites (see announcement “Monty Feasibility Study Results”, dated 6 April 2017 (“Talisman Announcement”)). For full details of the Ore Reserve estimate, including the Competent Person’s Statement related to the estimation of the Ore Reserve, please refer to the Talisman Announcement.

Talisman confirms that it is not aware of any new information or data that materially affects the information included in the Talisman Announcement, and that all material assumptions and technical parameters underpinning the estimates in the Talisman 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 Talisman Announcement.



Exploration Results and Exploration Targets

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.

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 <http://www.resourcesandenergy.nsw.gov.au/miners-and-explorers/geoscience-information/products-and-data/factsheets>

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