



TALISMAN
MINING LIMITED

ASX Code: TLM

Creating Value through Mineral Discovery

Investor Presentation: September 2018



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NSW Lachlan Copper-Gold Project

- Commanding landholding in a current exploration hotspot with 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% Cu¹**
- Second TLM RC drill program to test 3 separate targets in progress (Sept 2018)

Sinclair Nickel Project

- Historic nickel mine with 350ktpa processing plant & associated infrastructure
- Resource base from Sinclair deposit remnants and extensional mineralisation - **720,000t @ 2.3% Ni for 16,200t of contained nickel²**
- Exploration target supports resource growth
- Near-mine and regional exploration opportunities

Springfield Copper-Gold Joint Venture (Talisman 30%)

- Agreement for sale of JV interest to Sandfire Resources NL³
- Consideration includes **\$72.3M cash** and **perpetual 1% NSR** on all Cu & Au mined outside of current Monty Mine Plan
- Transaction subject to Talisman shareholder approval



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



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>

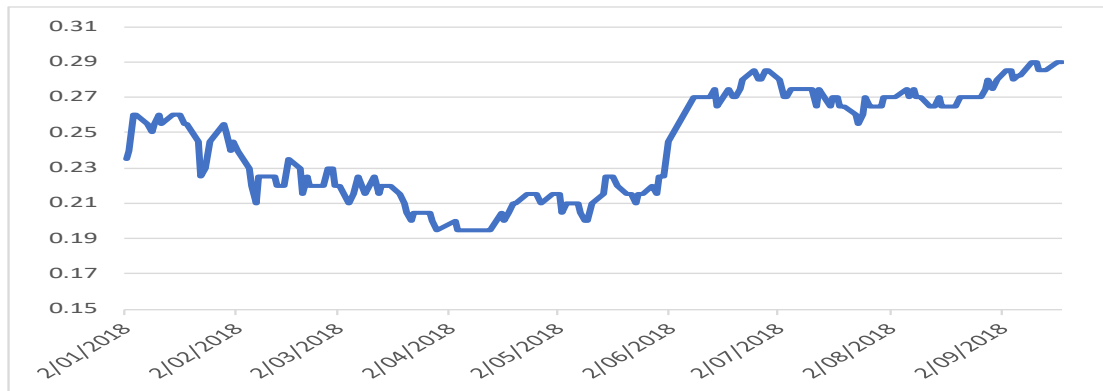
Capital Structure

Shares on Issue	185.7M
Unlisted Options	7.9M
Market Capitalisation (at 29c)	A\$54M
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



NSW Lachlan Cu-Au Project

Lachlan
Cu-Au Project

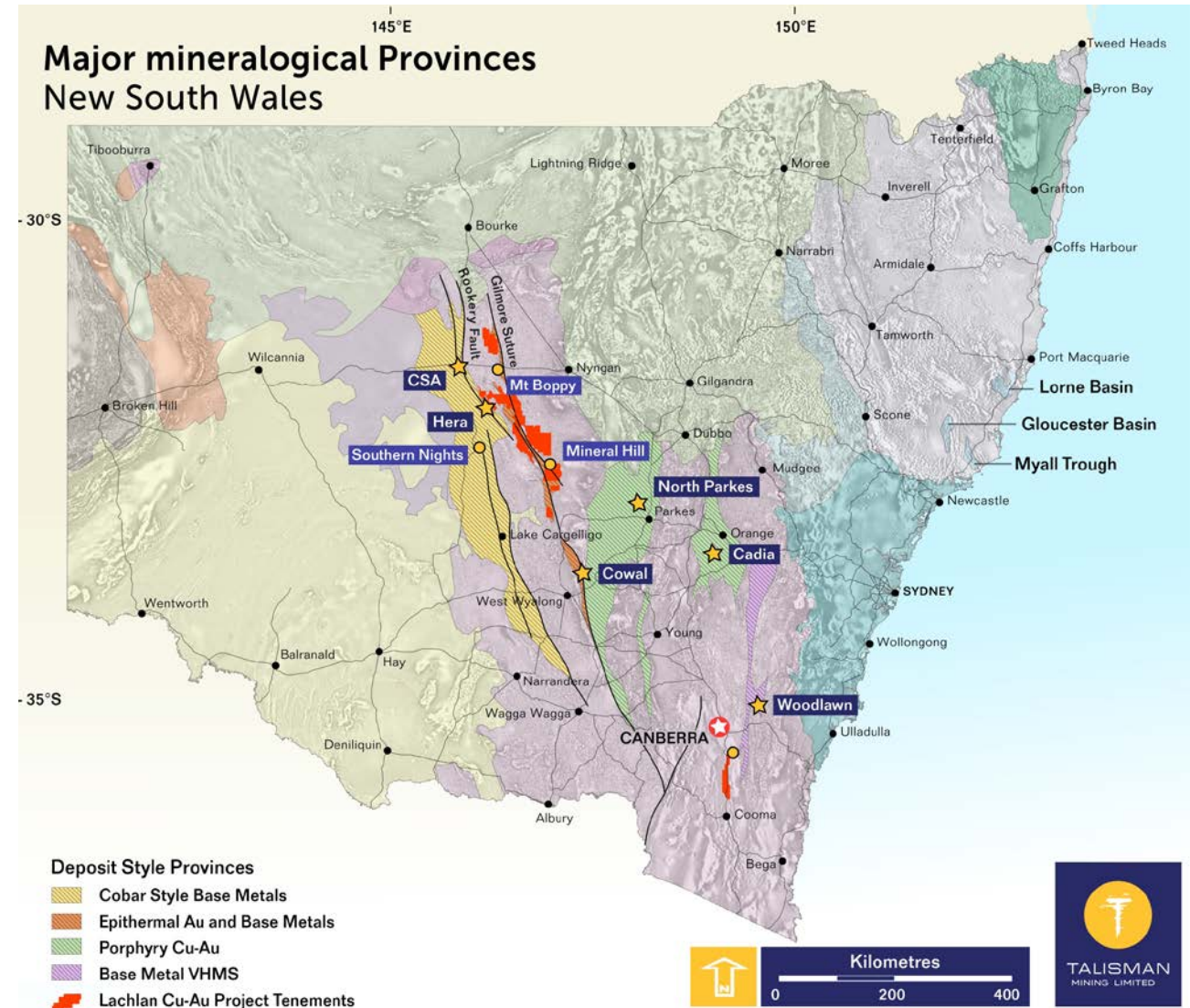
A New Exploration Focus

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
 - Peak gold-base metals mine
 - Tritton copper mine
 - Hera/Nymagee polymetallic mines
 - Mallee Bull copper-zinc deposit
- Production and current reserves estimate⁴ :
20.3Mt Cu; 104Moz Au; 1,193Moz Ag
- Exploration hotspot, 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 - Exploration Approach



Cost effective 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:

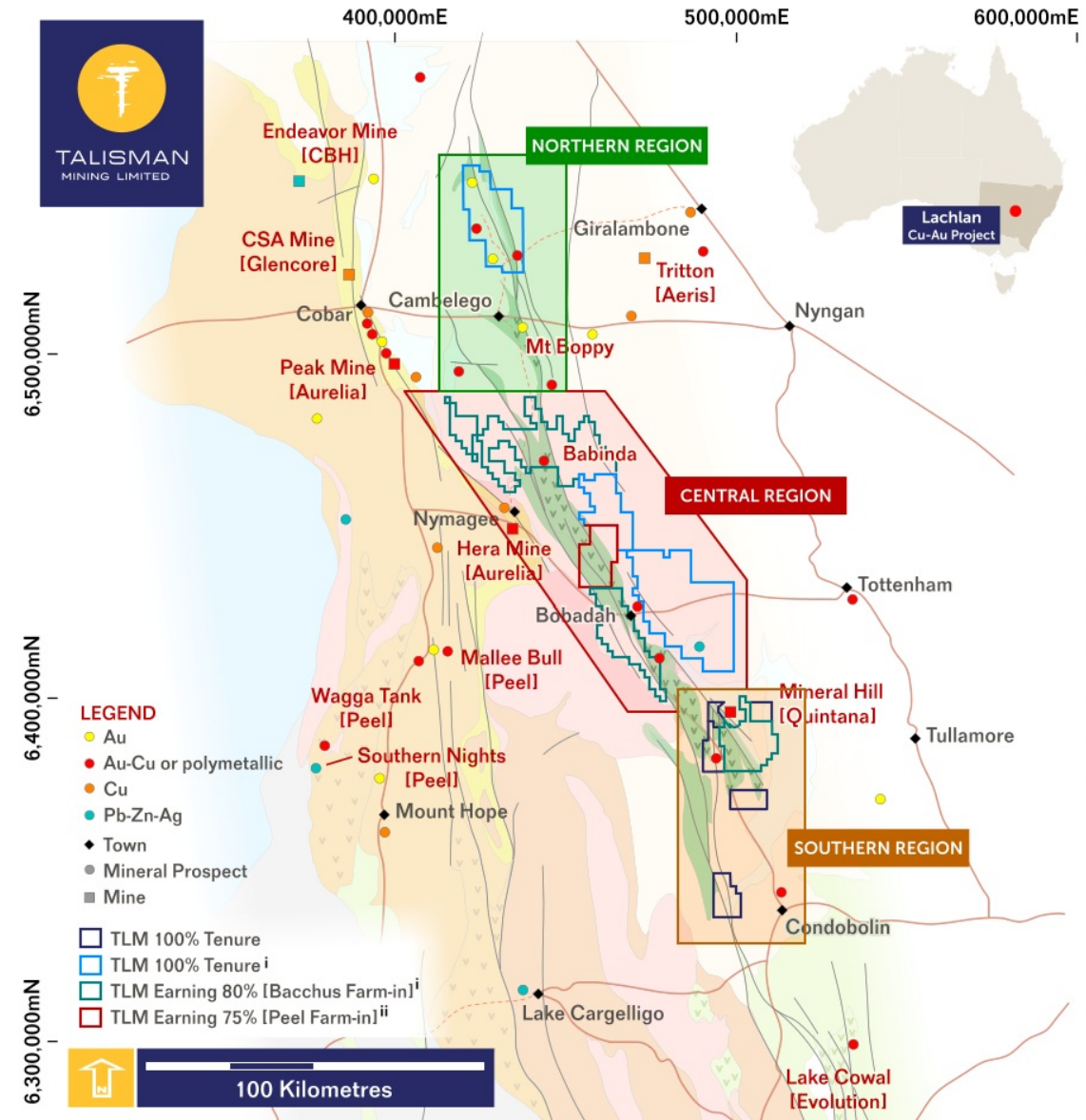
- Initial RC drilling and follow up DHEM

RC Drill program underway at Noisy Ned and Cumbine in Central Region.

■ Stage III - Refined Targeting:

- Follow up RC and Diamond Drilling

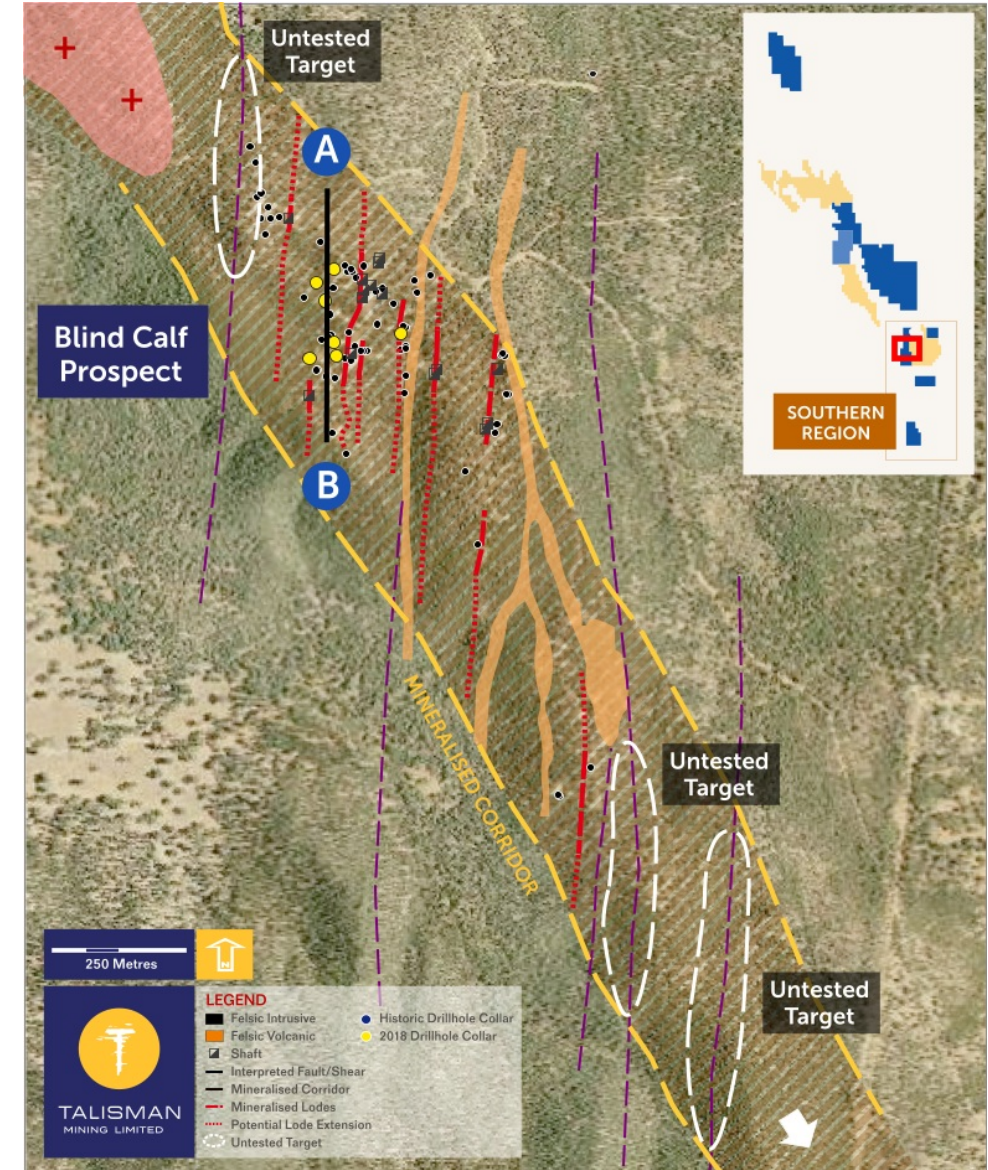
RC and diamond drilling to be undertaken in Oct 2018 at Blind Calf Prospect following recent successful Stage II RC drilling





Blind Calf Prospect

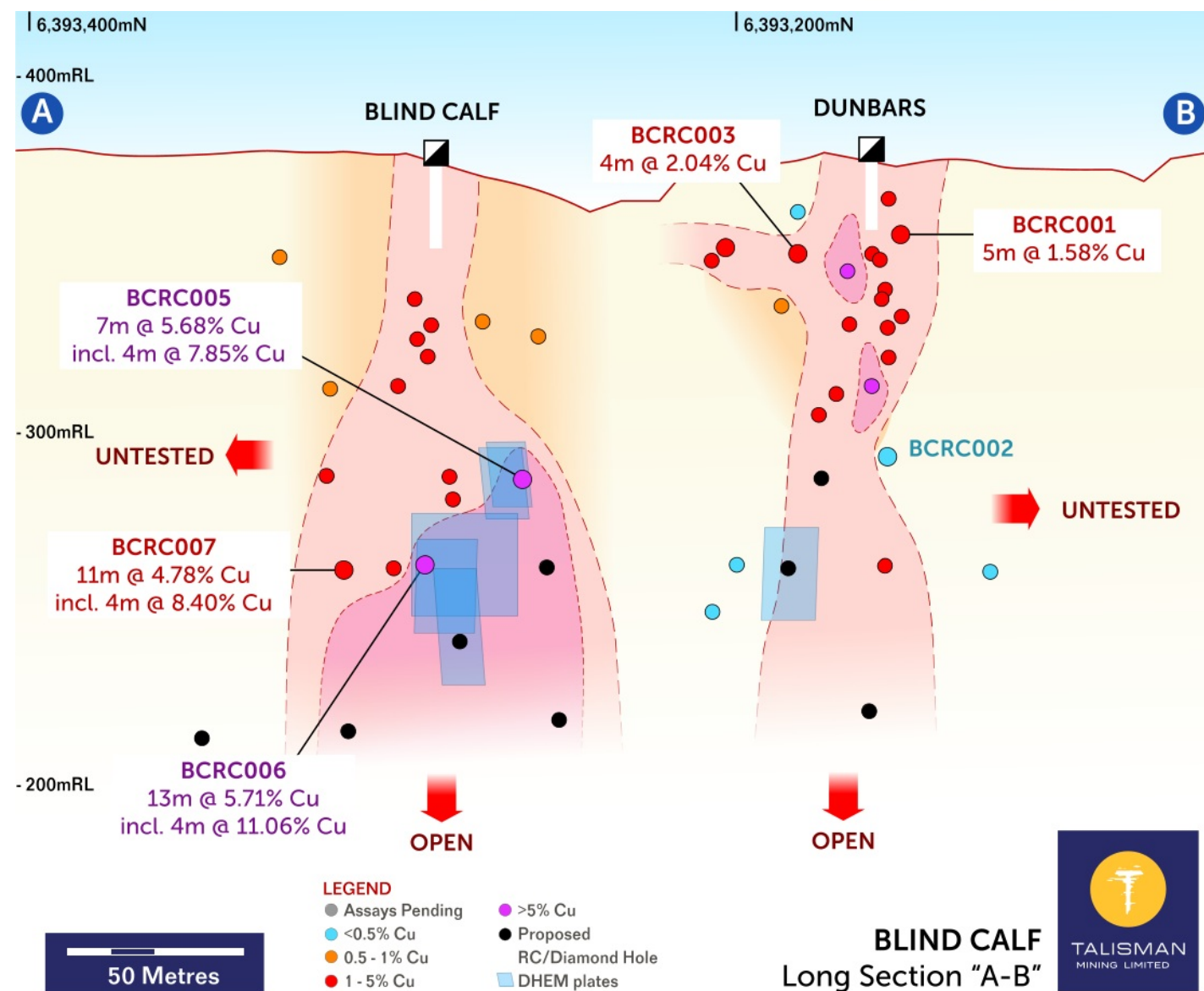
- Located in 100% owned Crawl Creek tenement package in Southern Region
- Crawl Creek is high priority due to:
 - Visible quartz veining outcrop at structurally important positions
 - Multiple mineralised lodes
 - Historic mineralisation from 1900's shafts and limited drilling in 2010/2011
- First TLM RC drill program in June 2018 at Blind Calf Prospect - 7 holes for 984 metres¹





Blind Calf Prospect

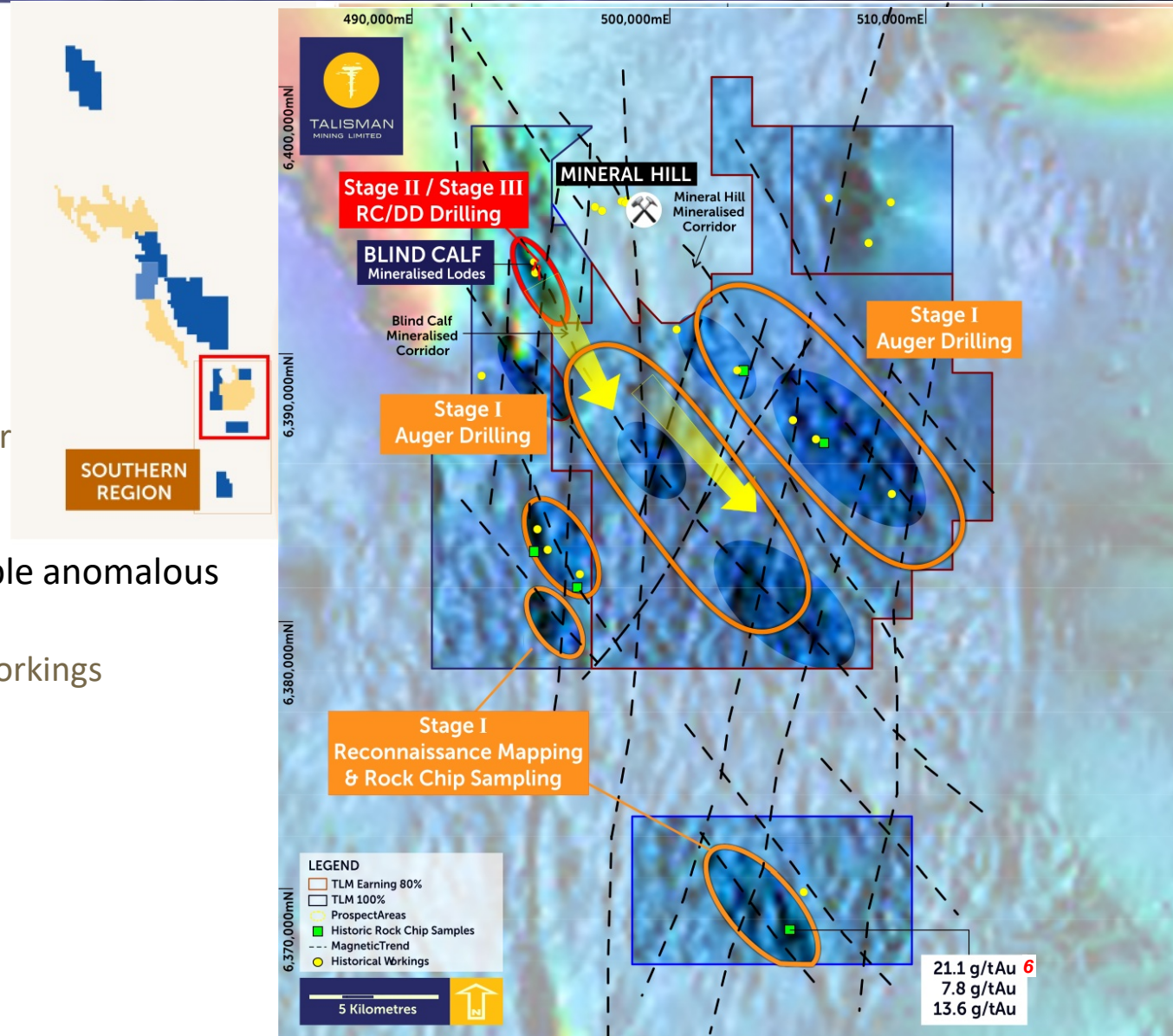
- Multiple high-grade copper lodes that remain open at depth and untested along strike
- Assay results returned include:
 - BCRC006: **13m @ 5.71% Cu**, from 129m downhole¹
 - BCRC007: **11m @ 4.78% Cu**, from 127m downhole⁵
- Significant Potential
 - Increasing grade at depth
 - Potential broadening of lode along strike
 - DHEM surveys have identified EM plates for testing at depth⁵
- Stage III RC/DD drill program to commence in October 2018
- Structural mapping and soil sampling underway along mineralised corridor at Crowl Creek





Boona Project current work and next steps

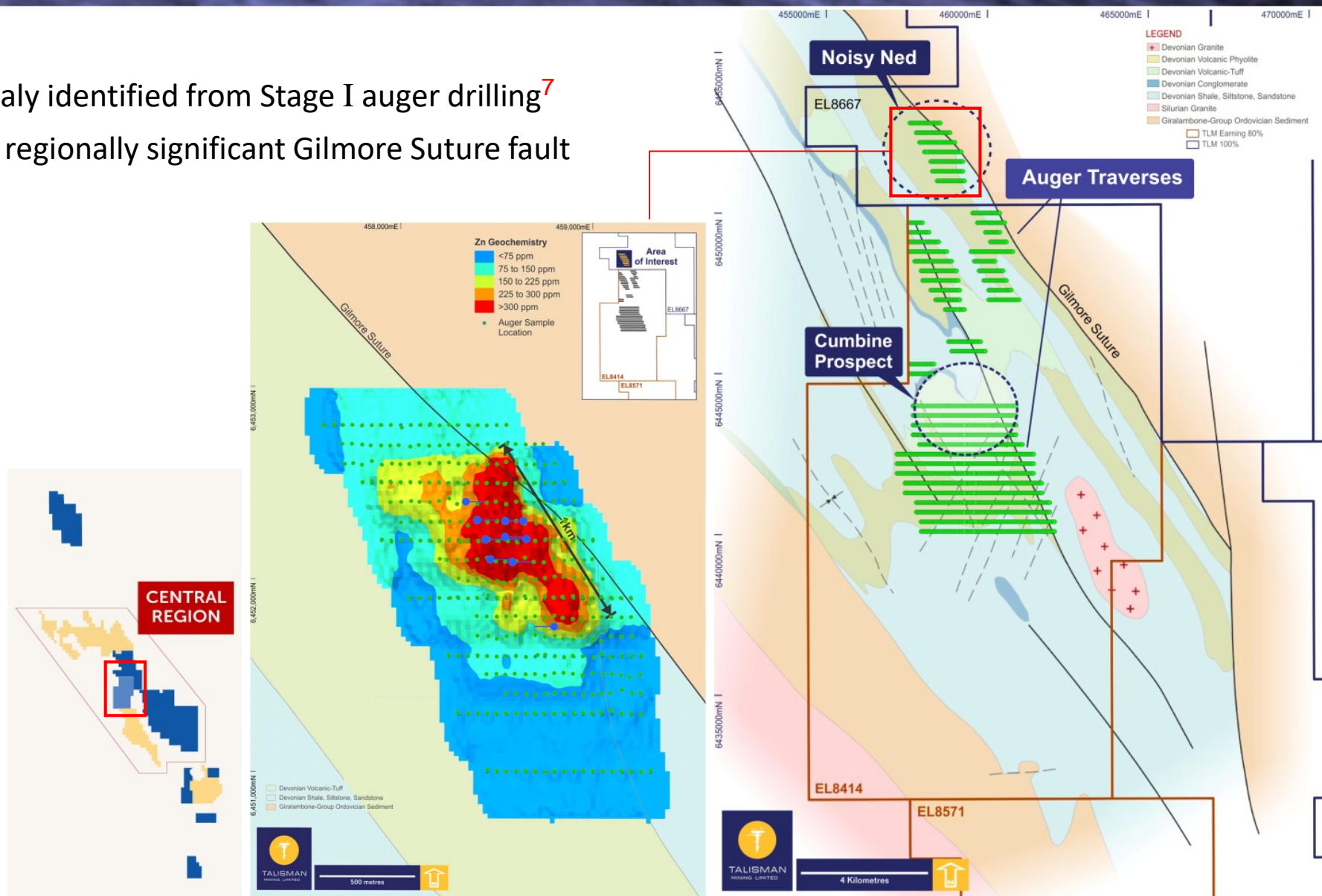
- Boona region is extension to South East of Blind Calf corridor and Mineral Hill corridor
- Initial Stage I auger drilling programs SE of mineralised Blind Calf mineral trends completed:
 - On site XRF of base metals - gold assays awaited
 - Further auger program scheduled for early 2019 calendar year
- Initial interpretation of XRF data has highlighted multiple anomalous areas for follow up testing:
 - Cu and Pb anomalism located around historic (1900's) workings (Durnings and Brookland shafts)
 - Cu anomalism along strike from Blind Calf trend
- Stage II RC drilling planned for late 2018/early 2019





Noisy Ned

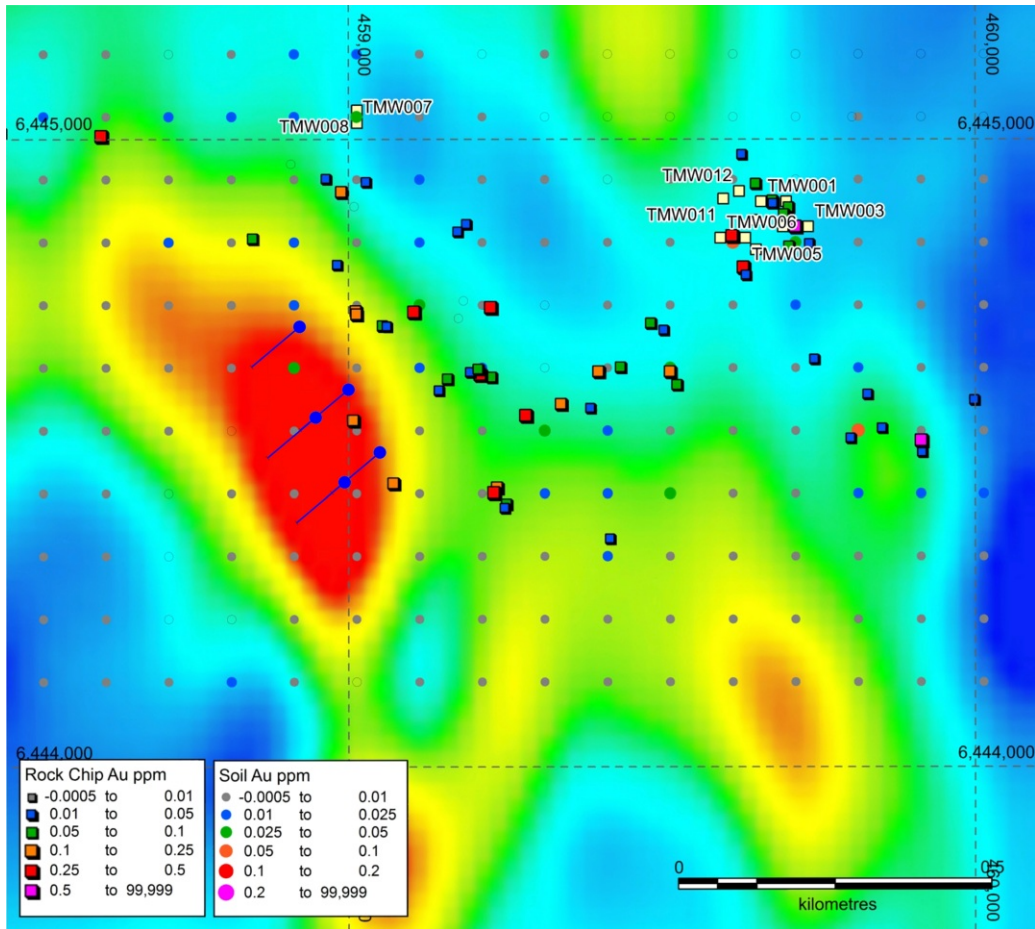
- Large, coherent base metal anomaly identified from Stage I auger drilling⁷
- Extends ~1 km along strike of the regionally significant Gilmore Suture fault zone:
 - Strong coincident copper-zinc-lead anomaly, consistently high grades for 400 – 600 metres across strike.
 - Coincident gold anomalism in 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.
- RC drill program underway⁸
- Geophysical survey planned to target geochemical anomaly



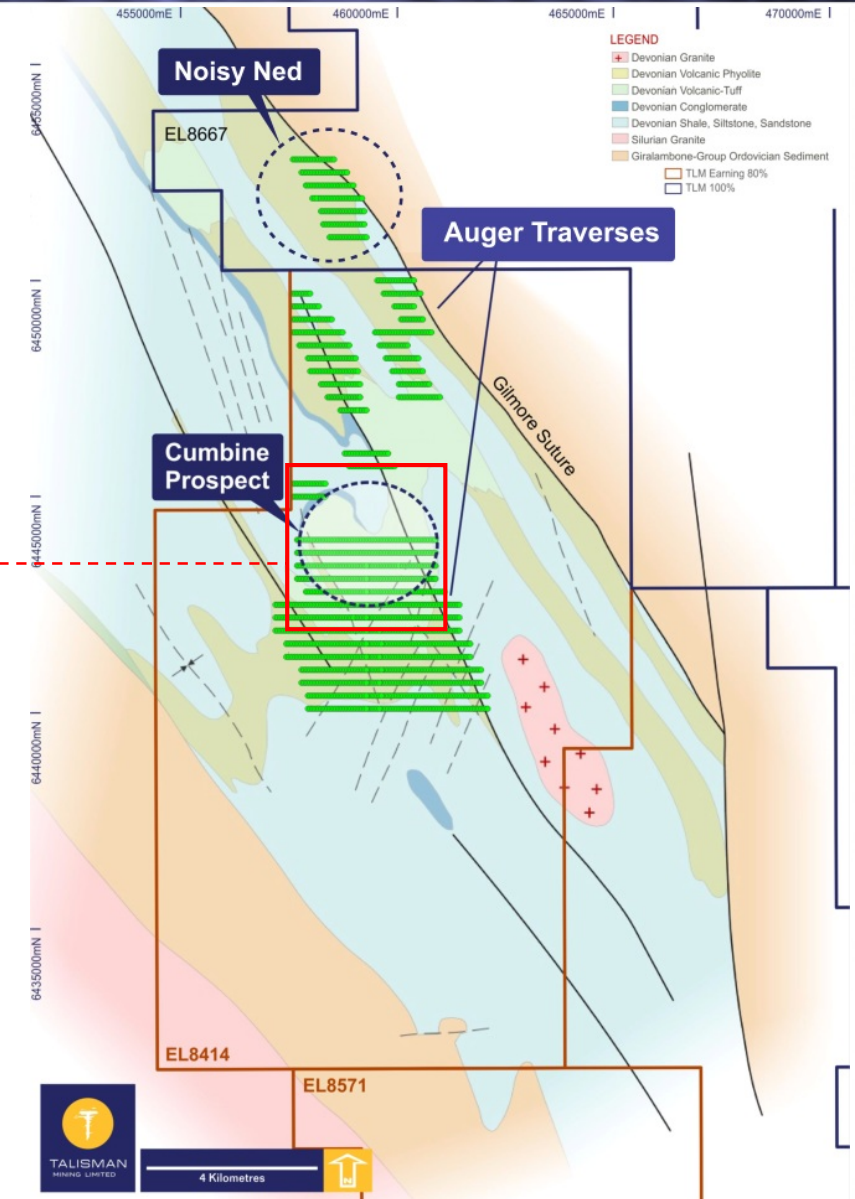
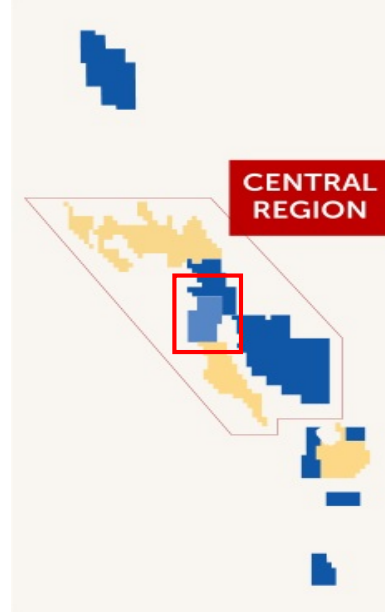


Cumbyne Prospect

- RC drilling program in early October to follow-up known historic gold mineralisation and to test an existing untested IP anomaly at the Cumbyne Prospect⁸



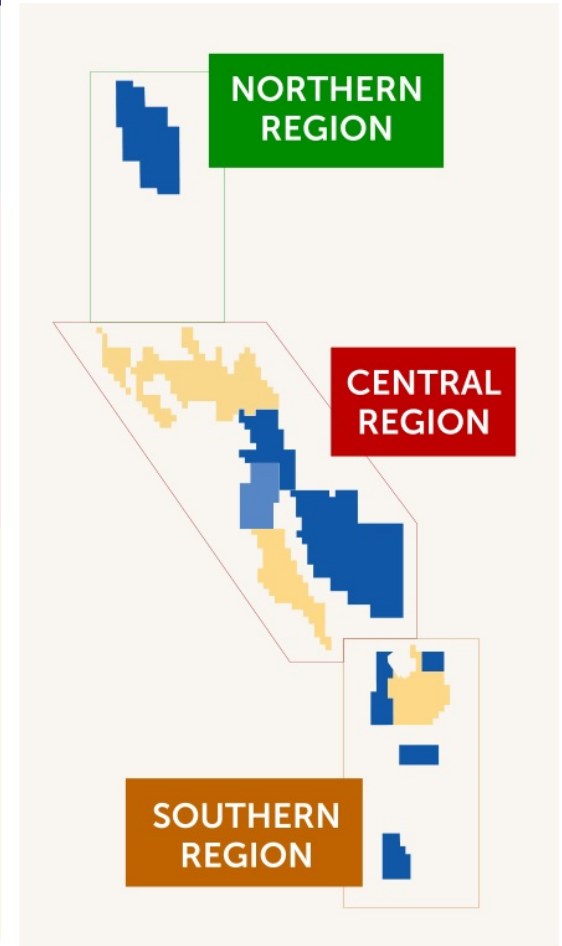
Cumbyne Prospect showing IP chargeability image (125m depth), drill collars, rock chip samples and soil samples





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>Noisy Ned Prospect 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 Noisy Ned & Cumbine</p>	<p>Stage II</p> <p>Stage II</p>	Stage III
<p>Southern Region – Boona Project</p> <p>Regional auger drilling</p> <p>Boona Region follow-up RC drilling</p> <p>Blind Calf Prospect targeted RC and diamond drilling</p> <p>Crowl Creek RC drilling</p>	<p>Stage I</p> <p>Stage III</p>	<p>Stage II</p> <p>Stage II</p>



Sinclair Nickel Project

• Sinclair
Ni Project

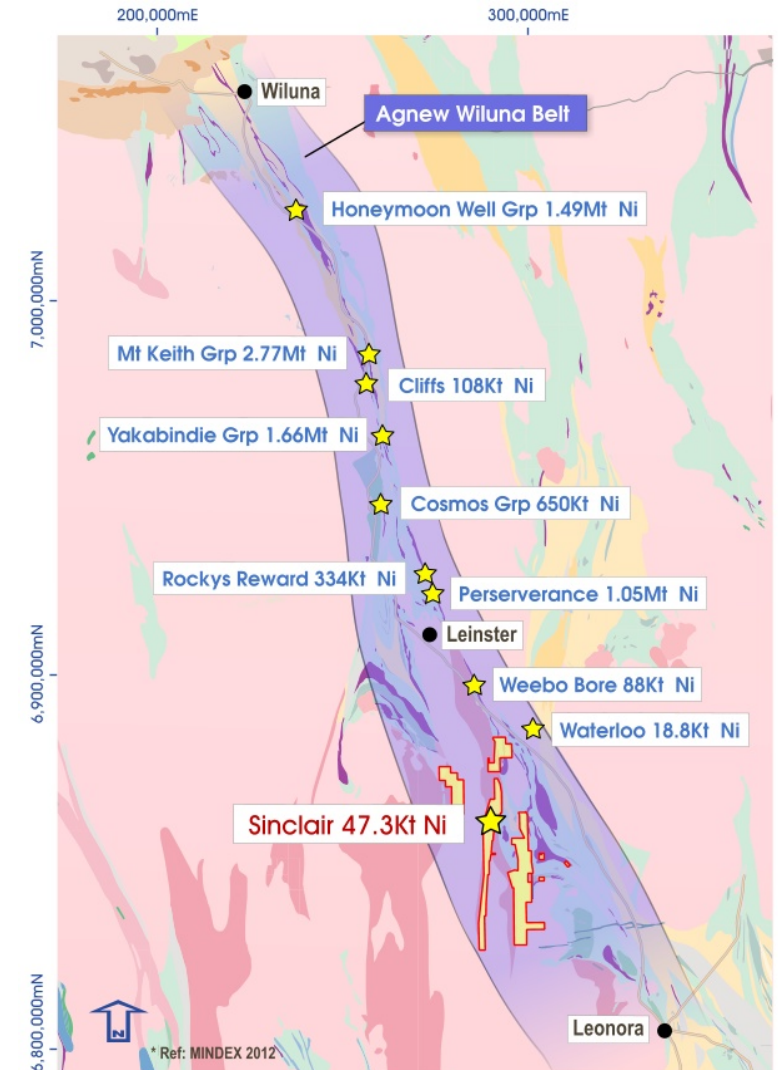


Advanced opportunity with exploration upside in a proven nickel province



A regionally strategic asset with established plant and infrastructure

- Strategically located in the world-class Agnew-Wiluna Greenstone belt
- Significant existing Infrastructure and asset base including 350ktpa concentrator
- Historic Production 1.58Mt @ 2.44% nickel for 38,599t of nickel from 2008-13
- JORC 2012 Indicated and Inferred Mineral Resource of
 - **720kt @ 2.3% Ni for 16,200t of contained Ni** from remnant and extensional mineralisation²
- Exploration Target from wide spaced drilling of down-plunge extension of Sinclair
 - Ranging between approx **670kt @ 2.0% Ni for 13,700t contained Ni and 790kt @ 2.5% Ni for 19,900t of contained Ni**²
- High-grade intercepts from exploration at Delphi North and Skye East:
 - Delphi North:
 - **9m @ 4.2% Ni** from 131m down-hole⁹
 - **4m @ 4.8% Ni** from 154m down-hole⁹
 - Skye East:
 - **7m @ 3.54% Ni from 51m down hole**¹⁰ ; including
 - **2m @ 7.47% Ni from 55m down hole**¹⁰



Sinclair: Development potential under right market conditions



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

- 350ktpa concentrator
- 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

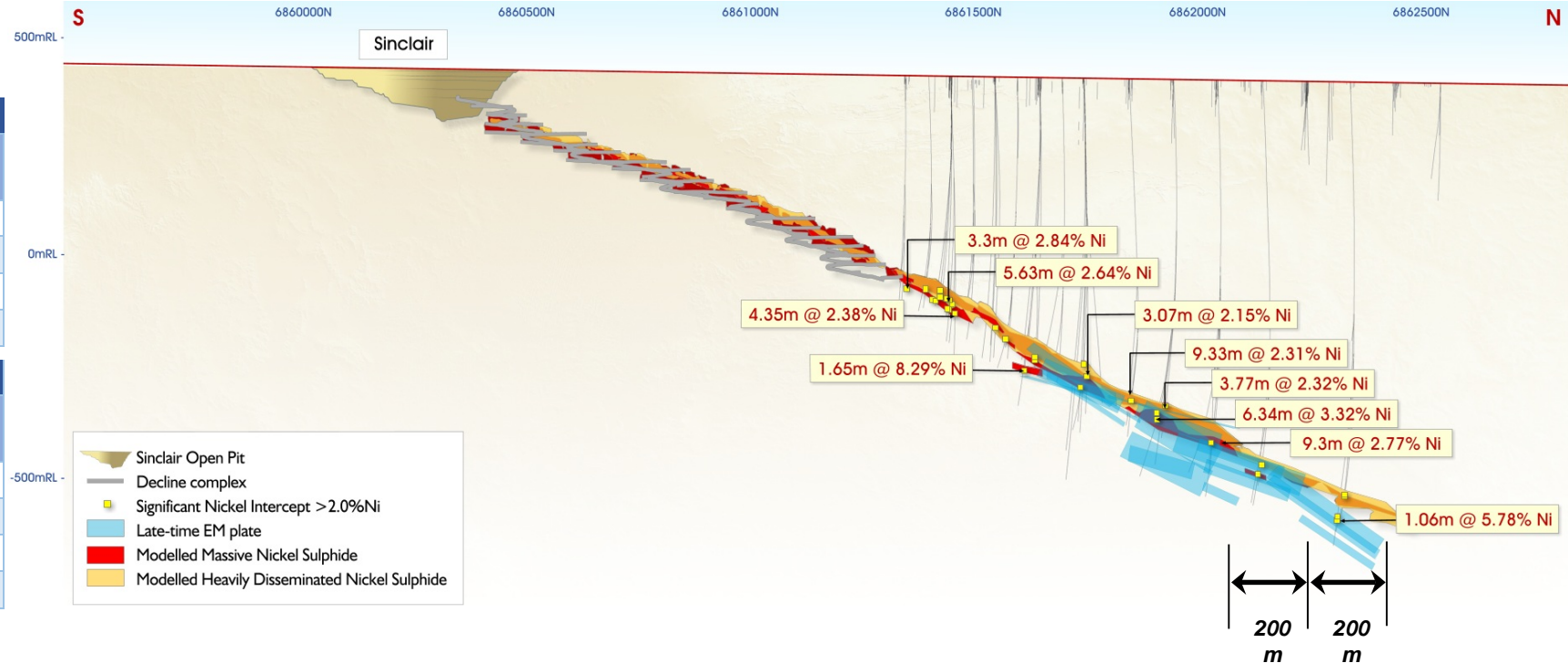


JORC 2012 Indicated and Inferred Resource underpins potential mining inventory

JORC 2012 Mineral Resources²

JORC Category - Indicated			
Grade Cut-off (Ni %)	Tonnage	Ni %	Ni t
0.5	370,000	2.0	7,400
1.0	350,000	2.1	7,300
1.5	250,000	2.4	6,000
2.0	140,000	2.9	4,100

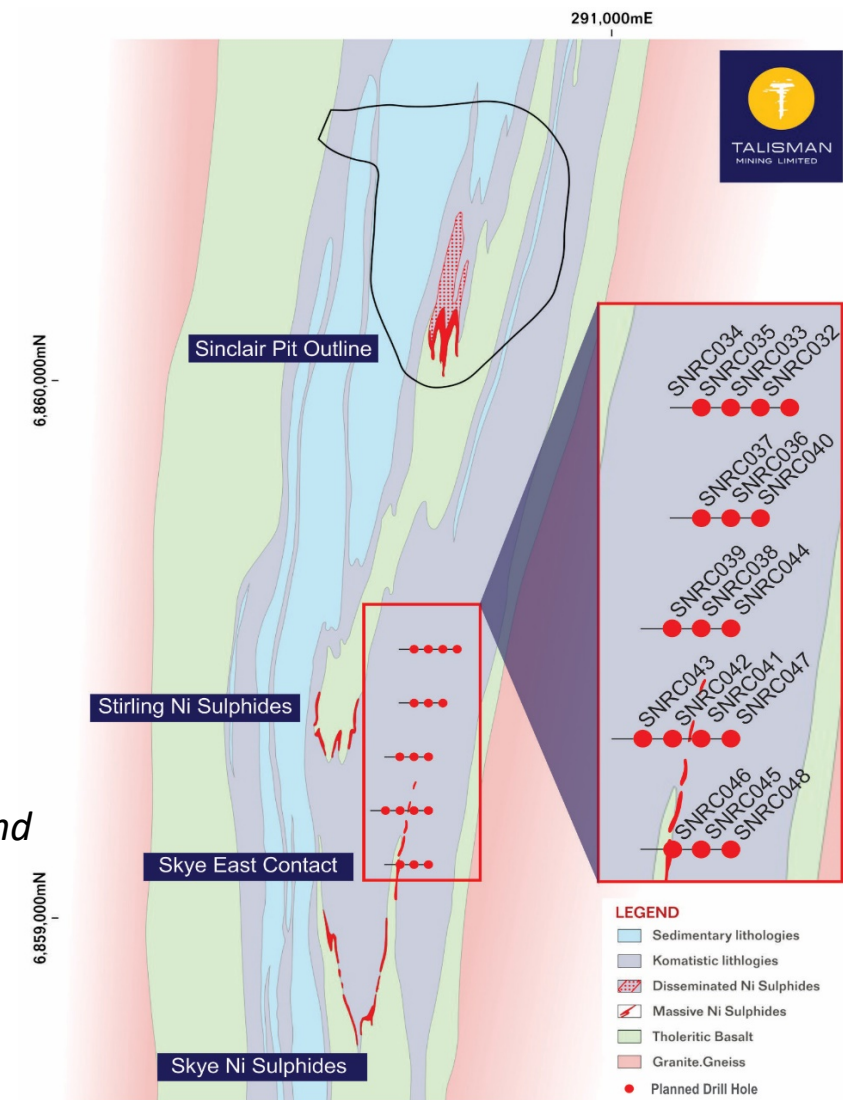
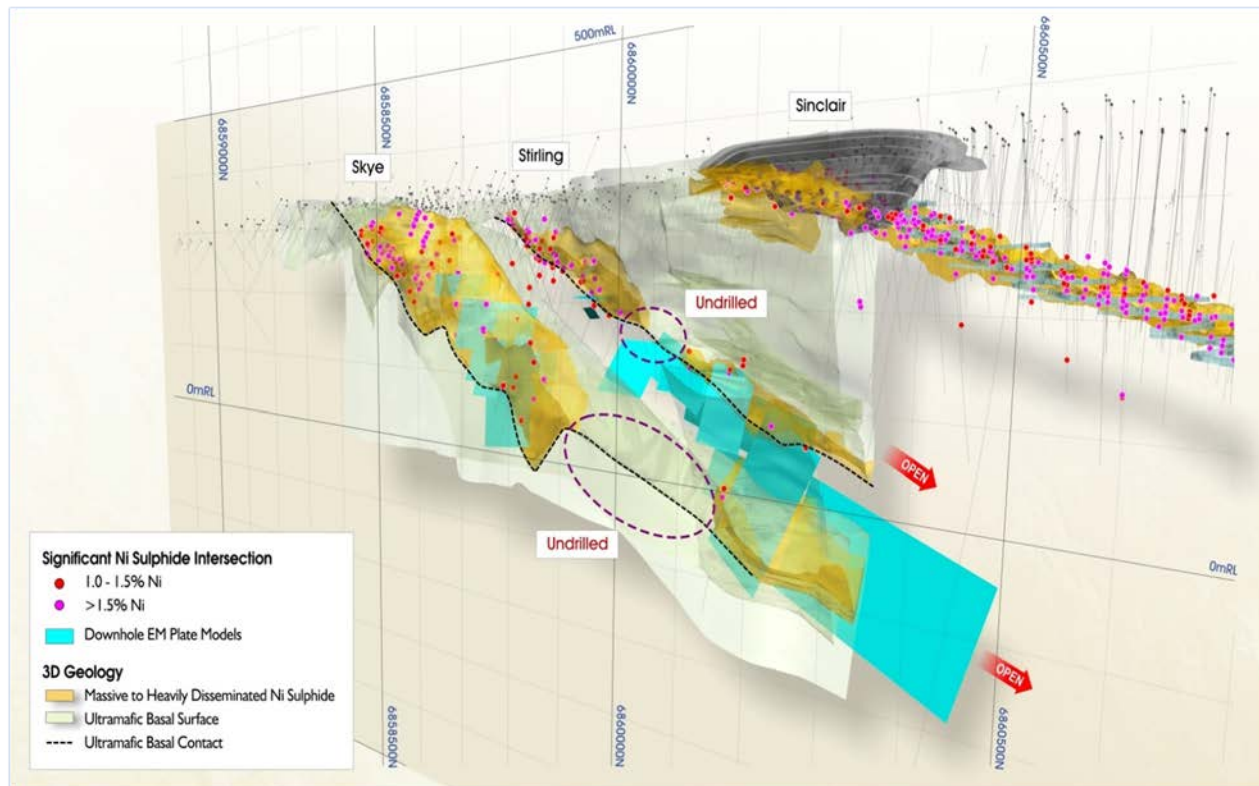
JORC Category - Inferred			
Grade Cut-off (Ni %)	Tonnage	Ni %	Ni t
0.5	1,080,000	1.6	17,200
1.0	910,000	1.7	15,900
1.5	460,000	2.2	10,200
2.0	180,000	2.9	5,400



- Total Indicated and Inferred Resource of **720kt @ 2.3% Ni** for **16,200t** of ctd Ni²
 - Indicated and Inferred -*remnant nickel sulphide adjacent to existing mine development*
 - Inferred -*extensional mineralisation continuing immediately down plunge for 500 metres*
- Supported by Exploration Target ranging between approximately **670kt @ 2.0% Ni** for **13,700t** ctd Ni and **790kt @ 2.5% Ni** for **19,900t** of ctd Ni² -*continuation of down-plunge mineralisation for a further 700m based on limited drilling*
- Multiple EM plates across support the potential for continuity of mineralisation down-plunge and along strike



Newly identified Prospect close to Sinclair deposit and extending Skye Trend

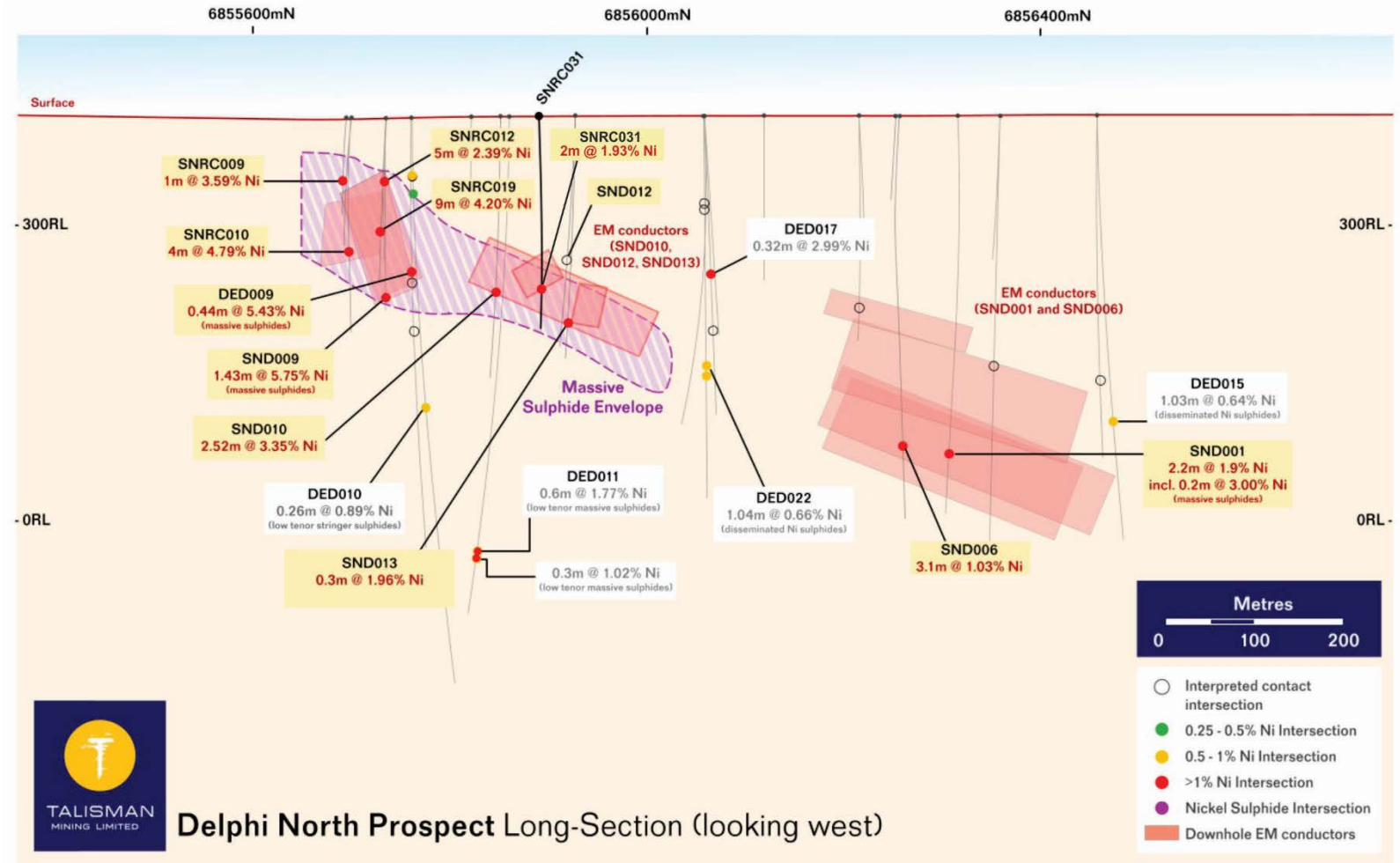


- Skye East contact position was a conceptual target - *hinge fold extension of Skye trend*
- Initial shallow drilling in August 2018 identified massive sulphide mineralization:
 - SNRC045 4m @ 1.28% Ni from 16m down hole¹⁰
 - SNRC048 7m @ 3.54% Ni from 51m down hole; including 2m @ 7.47% Ni from 55m down hole¹⁰



Mineralised corridor 3km to south of Sinclair deposit

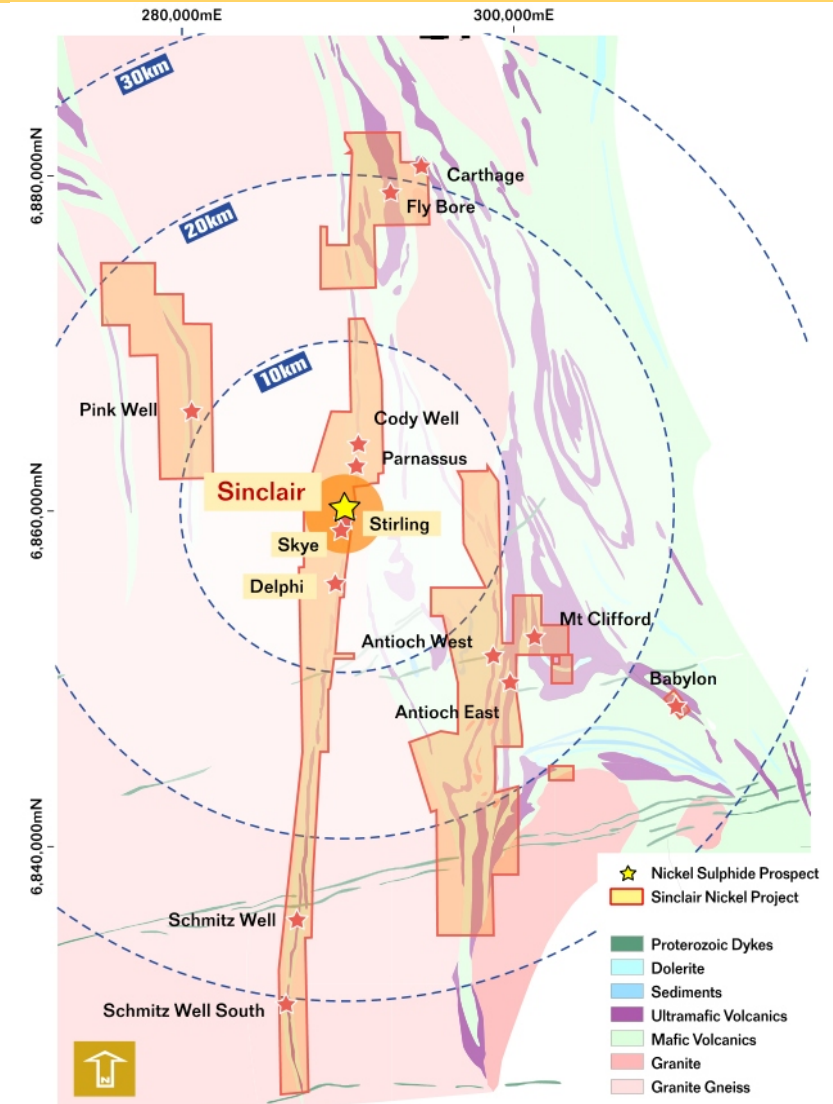
- Strong correlation with the Sinclair mine geological environment
- Confirmed historic nickel sulphide mineralisation over a strike length of 700m :
- SNRC010: 4m @ 4.79% Ni from 154m⁹*
- SNRC012: 5m @ 2.39% Ni from 73m⁹*
- SNRC019: 9m @ 4.20% Ni from 131m⁹*
- SND009: 2.6m @ 3.41% Ni from 174m
2m @ 2.11% Ni from 195m¹¹*
- SND010: 2.5m @ 3.35% Ni from 207m¹¹*
- Represents a fertile mineralised setting with near surface massive nickel sulphide mineralisation





Potential for discovery of nickel sulphide mineralisation close to existing infrastructure

- Multiple ultramafic trends over strike length approximately 80kms and within 30km of existing infrastructure
- Historic Talisman drilling undertaken on a restricted and highly selective targeted basis
- Multiple prospects with identified high-magnesian ultramafic rocks and/or stringer and matrix disseminated nickel sulphide mineralisation:
 - Fly Bore, Cody Well, Parnassus, Sinclair East, Schmitz Well South and Mt Clifford
- Drilling confirms prospectivity of the belt and continuation of the fertile Sinclair ultramafic sequence
- Multiple other regional interpreted ultramafic strike positions require initial bedrock or RC drilling
- Future exploration work to include regional aircore, RC/diamond drilling & geophysics – surface & DHEM.



Springfield JV (30% Talisman)

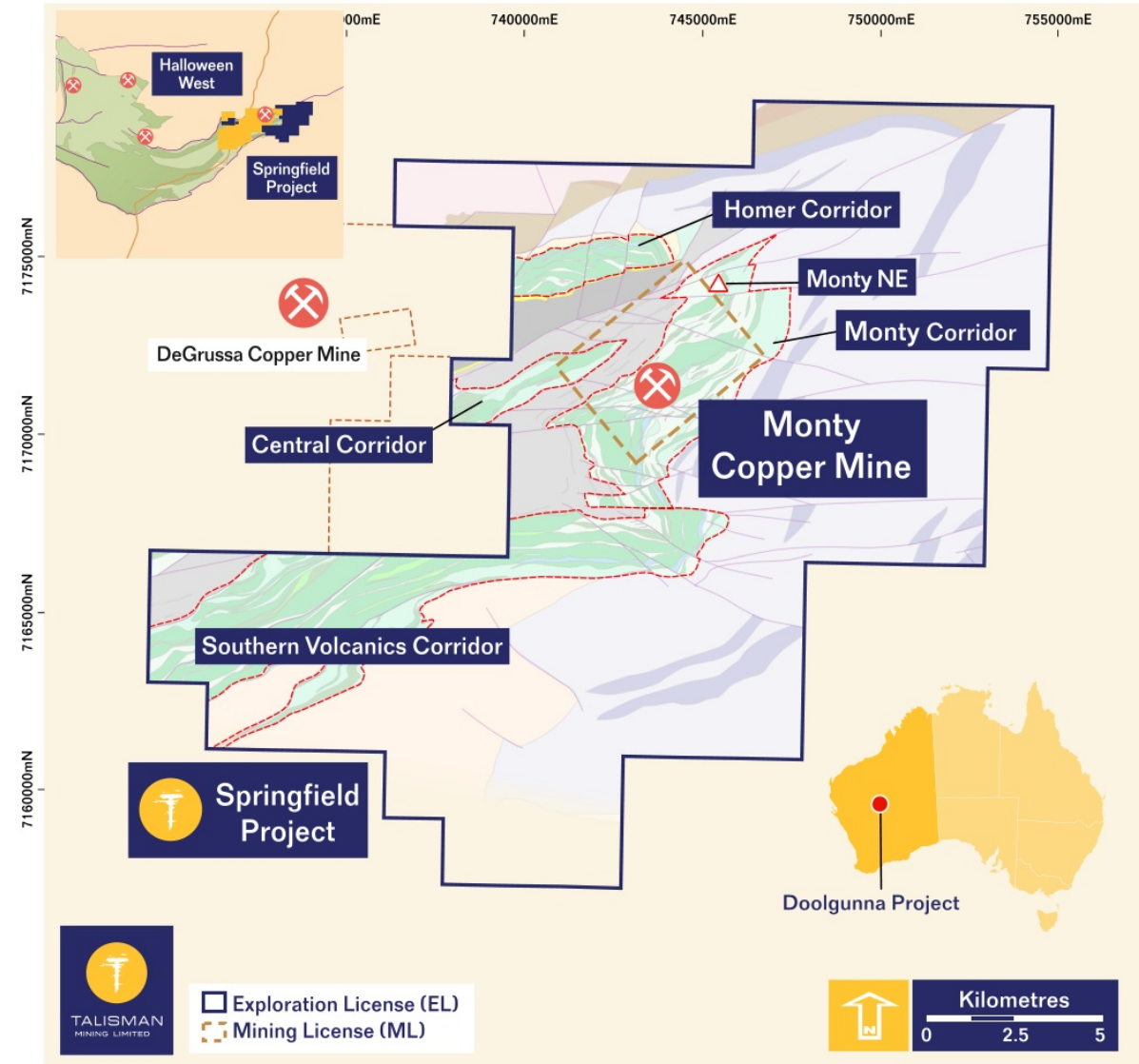
Proposed sale transaction allows Talisman to return significant value to shareholders

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



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

- Share Sale Agreement for sale of JV interest to Sandfire Resources NL crystallises significant up-front value
- Consideration for transaction comprises³:
 - Gross 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 Talisman shareholder approval





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The Talisman Investment Case

Creating value through Mineral Discovery



Exceptional exploration and development prospectivity in gold and copper

Lachlan Cu-Au Project, New South Wales

- Significant potential for discovery of substantial Cu, Au and base metal deposits
- Active exploration at multiple targets in 2018 including follow up of high grade Cu intersections at Blind Calf
- Pipeline of exploration targets

Sinclair Nickel Project, Western Australia

- Regionally strategic 350ktpa processing plant & associated infrastructure
- Potential scenario for fast track, low cost return to production
- Sinclair Resource underpins opportunity
- Exploration target from extension of Sinclair Deposit
- Near-mine and regional exploration opportunities

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

- Proposed transaction gross cash proceeds of \$72.3 million and ongoing exposure to exploration upside via perpetual 1% NSR Royalty.





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THANK YOU

Investor Presentation: September 2018

Creating value through Mineral Discovery



Exploration Results and Exploration Targets

Information in this presentation that relates to Exploration Results and Exploration Targets is based on, and fairly represents information and supporting documentation 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 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 has reviewed the contents of this presentation and consents to the inclusion in this presentation of all technical statements based on his information in the form and context in which they appear.

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.

References:

- ¹ Refer ASX Announcement dated 18 June 2018 “RC Drilling At Blind Calf Returns Strong Initial Cu Results”.
- ² Information in this release that relates to the Sinclair Nickel Project JORC Mineral Resource estimate is information previously published by Talisman and is available on the Talisman and ASX websites (see announcement “Sinclair Nickel - Talisman Maiden JORC Mineral Resource”, dated 31 August 2018 (Talisman Announcement)). For full details of the Sinclair Nickel Project Resource estimate, including the Competent Person’s Statement related to the estimation of the Sinclair Nickel Project Mineral Resource, please refer to the Talisman Announcement.
- ³ Refer ASX Announcements dated 8 August 2018 “Proposed Sale of Talismans Interest in the Springfield JV” and 28 August 2018 “Chairmans Letter, Notice of Meeting & Proxy Form”.
- ⁴ <http://www.resourcesandenergy.nsw.gov.au/miners-and-explorers/geoscience-information/products-and-data/factsheets>
- ⁵ Refer ASX Announcement dated 5 July 2018 “Further High-Grade Cu Hits & New EM Conductors at Blind Calf”.
- ⁶ 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.
- ⁷ Refer ASX Announcement dated 17 May 2018 “Lachlan Cu-Au Project Update - Cu-Zn-Pb Anomaly identified”.
- ⁸ Refer ASX Announcement dated 14 September 2018 “NSW Lachlan Project Update - Drilling Commencement”.
- ⁹ Refer ASX Announcement dated 7 October 2016 “Sinclair Nickel Project Drilling Results”.
- ¹⁰ Refer ASX Announcement dated 7 September 2018 “Sinclair Ni Project - new mineralised position identified”.
- ¹¹ Refer ASX Announcement dated 9 January 2017 “Sinclair Nickel Exploration Update”.

Appendix 2: Sinclair - Development potential under right market conditions



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



Sinclair Nickel Project – 300ktpa Crushing and Grinding Circuit



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



Sinclair Nickel Project – Flotation Cells and Mill Control Room



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



Sinclair Nickel Project – Underground Refuge Chambers and Mine Ventilation equipment

Appendix 2: Sinclair - Development potential under right market conditions



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



Sinclair Nickel Project – +200-person Accommodation Village



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



Sinclair Nickel Project – 2km Bitumen Airstrip