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Multiple New V-TEM Anomalies Identified at Springfield Copper-Gold Project

Three VTEM anomalies at the Kink prospect are coincident with geochemical anomalism – follow up exploration underway

Key Points

- Multiple late-time V-TEM anomalies identified at the Kink and Wedge Prospects, located within the Southern Volcanic Trend at Springfield.
- Several V-TEM targets have coincident anomalous copper-gold geochemistry defined by previous surface sampling and shallow drilling.
- Targets hosted within prospective mafic volcanics proximal to the intersection of the Goodin Fault Zone and major cross-basin transfer fault structures.

Talisman Mining Ltd (ASX: TLM) is pleased to advise that it has identified three high priority electromagnetic target areas from a recently completed airborne Versatile Time Domain Electromagnetic (V-TEM) survey at its 100%-owned **Springfield Copper-Gold Project** in Western Australia (see **Figure 1**).

The extensive survey was designed to test for near-surface conductive bodies possibly associated with massive sulphide copper-gold mineralisation across largely untested areas of the **Southern Volcanic** sequence at Springfield.

The results have opened up a promising new front for exploration at Springfield within a volcanic sequence located to the south of the DeGrussa Copper-Gold Mine and based on a fresh geological interpretation of major regional and cross-basin transfer fault structures. Drill targets across these anomalies are being refined ahead of drill testing.

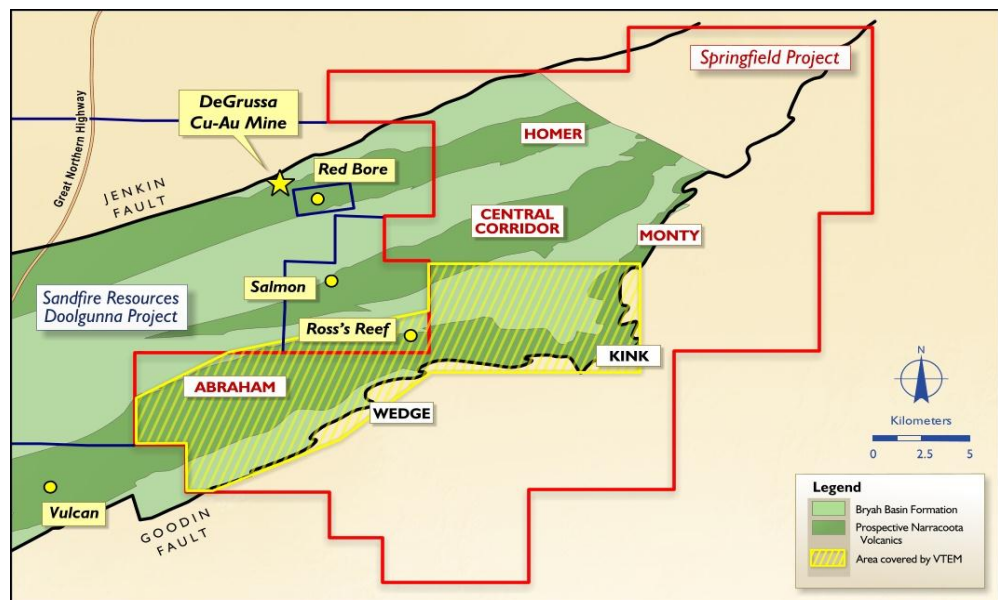


Figure 1 – Springfield Project showing the Southern Volcanics area covered by recent V-TEM survey



Springfield Project – Southern Volcanic Sequence

A recent extensive technical review of Springfield, drawing on external expert involvement, has significantly elevated the potential for the relatively unexplored Southern Volcanics to host massive sulphide copper-gold deposits. In particular, two new high priority prospects within the Southern Volcanics – the **Kink** and the **Wedge** – were identified from this review process.

These prospects are interpreted to comprise a thick sequence of prospective Narracoota basalts, volcanic sediments and dolerites in close proximity to the **Goodin Fault Zone (GFZ)** – a major basin boundary structure and possible focus for VMS and other copper (+/- gold) rich mineralising fluids (see **Figure 2**).

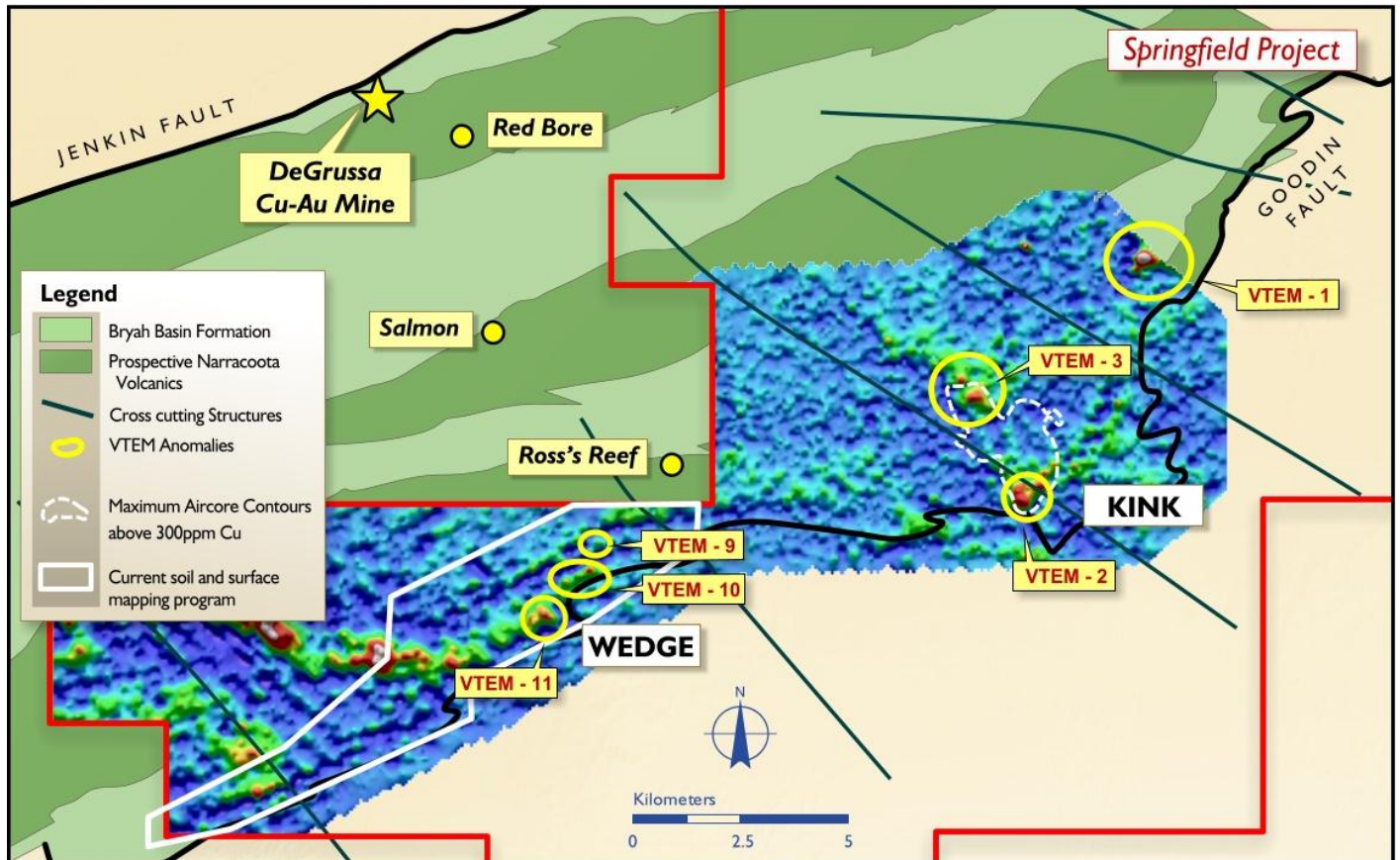


Figure 2 – Springfield Project showing the geochemical contours and high priority VTEM anomalies at the Kink and Wedge Prospects

Previous Work

An extensive reconnaissance geochemical aircore and RAB drilling program over the eastern extension of the Southern Volcanics was completed during the December 2012 Quarter. This drill program was designed to test for base metal and gold anomalism under extensive alluvial cover.

This drilling programme returned encouraging geochemical results at the **Kink** prospect, where it defined a significant coherent zone of elevated copper and gold anomalism. This anomalous zone is located adjacent to the Goodin Fault within a major complex NW-trending fault zone (see **Figure 2**). Better results from this geochemical drill programme included (see **Appendix 1**):

- SPRB871: **8m @ 0.10% Cu** from 34m
- SPRB873: **26m @ 0.09% Cu** from 37m
- SPRB796: **13m @ 0.08% Cu** from 3m
- SPRB872: **8m @ 0.08% Cu** from 39m
- SPRB766: **11m @ 0.07% Cu** from 32m



These anomalous geochemical results are considered highly encouraging as they are hosted by volcanic basalts and sediments of the Narracoota Formation within a zone of significant structural complexity where a major NW-trending fault zone intersects the Goodin Fault. This setting is considered prospective for structurally controlled copper-gold mineralisation.

To the west of the **Kink**, previous surface sampling at the **Wedge** prospect has returned several coherent zones of elevated copper mineralization along the Goodin Fault zone with copper values up to 1,240ppm Cu. A sequence of prospective basalts and interflow jasperoidal cherty sediments are interpreted to collide with the Goodin Fault Zone at the Wedge and, as such, are prospective for structurally-controlled copper mineralization.

V-TEM Survey Results

The recent expansive V-TEM survey across the Southern Volcanics was designed to identify potential metallic conductors associated with mineralization in mafic volcanic rocks adjacent to the Goodin Fault Zone, and across areas of interpreted structural complexity (with supporting Cu-Au geochemical anomalism).

The V-TEM survey has defined several electromagnetic anomalies with signals that persist through to the later time receiver channels (Ch40-Ch43). Late time channels are those typically assessed for massive-sulphide style mineralization and reflect features with stronger conductive characteristics.

The Kink Prospect

At the **Kink** Prospect, three anomalies in particular have been identified that warrant immediate follow up and have now been elevated as priority targets (V-TEM-1, V-TEM 2 and V-TEM-3; see **Figure 2**):

- **V-TEM-1** is a clear late time anomaly persisting to channel 43 on several lines, but with a relatively discrete core (200-300m) which may indicate the presence of multiple layered conductors. A direct RC drilling programme is currently being planned to test this anomaly (see **Figure 2**).
- **V-TEM-2** is a strong, but broad cluster of late-time anomalies apparently associated with paleo-drainage, but with a discrete "hot-spot" over a strike length of 500-600m. It is possible that the drainage lines have had a masking effect and may conceal a deeper, more conductive zone. Recent geochemical drilling returned maximum bedrock copper values to 1,140ppm Cu in the vicinity of V-TEM-2 (see **Figure 2**).
- **V-TEM-3** is another strong, but broad cluster of late-time anomalies located immediately north of VTEM-2 along an interpreted NNW trending fault structure which also has elevated bedrock copper geochemistry in shallow drilling (up to 1,700ppm Cu; see **Figure 2**).

Encouragingly, the V-TEM-2 and V-TEM-3 anomalies are located in a prominent structural break at the **Kink** as noted above, and are strongly coincident with highly anomalous bedrock copper geochemistry in nearby shallow RAB drilling. A detailed Fixed Loop Electromagnetic survey (FLEM) is planned within the next few weeks to test for bedrock conductors over the target area at V-TEM-2 and V-TEM-3. These surveys have been designed to better define targets for potential drill testing.

The Wedge Prospect

Several mid-late time anomalies have been identified at the **Wedge** prospect and warrant further investigation.

Anomalies V-TEM-9 to 11 are discrete, linear mid-late time features associated with the Goodin Fault and appear to cluster near the confluence of the Goodin Fault with a prospective mafic-sediment volcanic sequence known as the **Wedge**.



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ASX Code: TLM V-TEM Anomalies identified at Springfield Project



Detailed mapping and soil sampling (1,600 samples) is currently underway to test for surface indications of copper-gold mineralization over these anomalies and along the length of the Wedge volcanic sequence to further refine possible future drill targets (see **Figure 2**).

ENDS

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Competent Persons' Statement

Information in this ASX release that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Graeme Cameron, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Graeme Cameron 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 2004 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Graeme Cameron consents to the inclusion in this report of the matters based on information in the form and context in which it appear.

Appendix 1 - Springfield Southern Volcanics Aircore and RAB significant intercepts (refer ASX release 30/01/13 for full results)

| HOLE | HOLE TYPE | EAST MGA94 | NORTH MGA94 | DIP/ AZ | FROM (M) | TO (M) | WIDTH (M) | INTERCEPT |
|---------|-----------|------------|-------------|--------------|----------|--------|-----------|----------------|
| SPRB766 | AC | 744545 | 7166890 | -90/360 | 32 | 43 | 11 | 11m @ 0.07% Cu |
| SPRB766 | | | | (incl.) | 32 | 33 | 1 | 1m @ 0.11% Cu |
| SPRB766 | | | | (also incl.) | 39 | 40 | 1 | 1m @ 0.11% Cu |
| SPRB796 | RAB | 741577 | 7170158 | -90/360 | 3 | 16 | 13 | 13m @ 0.08% Cu |
| SPRB796 | | | | (incl.) | 13 | 15 | 2 | 2m @ 0.12% Cu |
| SPRB871 | AC | 743556 | 7167701 | -90/90 | 34 | 42 | 8 | 8m @ 0.10% Cu |
| SPRB871 | | | | (incl.) | 39 | 40 | 3 | 1m @ 0.17% Cu |
| SPRB872 | AC | 743680 | 7167707 | -90/90 | 39 | 47 | 8 | 8m @ 0.08% Cu |
| SPRB872 | | | | (incl.) | 43 | 47 | 4 | 4m @ 0.11% Cu |
| SPRB872 | | | | | 50 | 62 | 12 | 12m @ 0.05% Cu |
| SPRB872 | | | | (incl.) | 58 | 59 | 1 | 1m @ 0.11% Cu |
| SPRB873 | AC | 743796 | 7167697 | -90/90 | 28 | 32 | 4 | 4m @ 0.06% Cu |
| SPRB873 | | | | | 37 | 63 | 26 | 26m @ 0.09% Cu |
| SPRB873 | | | | (incl.) | 44 | 45 | 1 | 1m @ 0.13% Cu |
| SPRB873 | | | | (also incl.) | 57 | 58 | 1 | 1m @ 0.11% Cu |
| SPRB873 | | | | (also incl.) | 61 | 63 | 2 | 2m @ 0.14% Cu |

Cu results calculated using a minimum cut off of 0.05% with a maximum internal waste of 2m.

Au results calculated using a minimum cut off of 0.1g/t with a maximum internal waste of 2m.

All results have been rounded to 2 decimal points