



29 May 2018

RC drilling commences at Blind Calf, Lachlan Cu-Au Project

Highlights

- 1,000m seven-hole RC drilling program underway at the Blind Calf Prospect within the Boona Project
- Drilling to test existing high-grade Blind Calf lodes down dip and along strike
- Downhole EM surveys to be completed on all drill holes at Blind Calf
- Drilling anticipated to be completed within two weeks and assay results to follow
- Final phase of initial auger drilling at the Bobadah Project completed and assay results from both phases pending
- Auger rig moving to Boona Project to test Mineral Hill and Blind Calf corridor extensions
- Further RC drilling anticipated to test parallel lode systems at Blind Calf Prospect, structural and new geochemical targets



Figure 1: Historic Blind Calf mining centre, Lachlan Cu-Au Project





Talisman Mining Ltd (ASX: **TLM**) is pleased to advise the commencement of a 1,000 metre reverse circulation (RC) drill program at the 100% owned Blind Calf Prospect within the Boona Project area of the Lachlan Cu-Au Project (Appendix 1).

The Blind Calf Prospect comprises a cluster of 13 historic mining shafts developed on a series of shear hosted copper sulphide rich quartz lodes with mapped outcrop strike extents of between 40m to 100m and widths of 5m at surface.



Figure 2: Drill site preparation – Blind Calf Prospect, Lachlan Cu-Au Project

Drilling by previous explorers in early 2011 confirmed that these lodes contain significant, high-grade copper mineralisation¹.

Talisman has modelled 10 separate, north-south striking, roughly parallel lodes at Blind Calf with a steep, sub-vertical dip (Figures 3 and 4). Historic drilling has been mostly shallow (sub 150m) and concentrated beneath the historic workings. All identified lodes are open at depth and along strike.



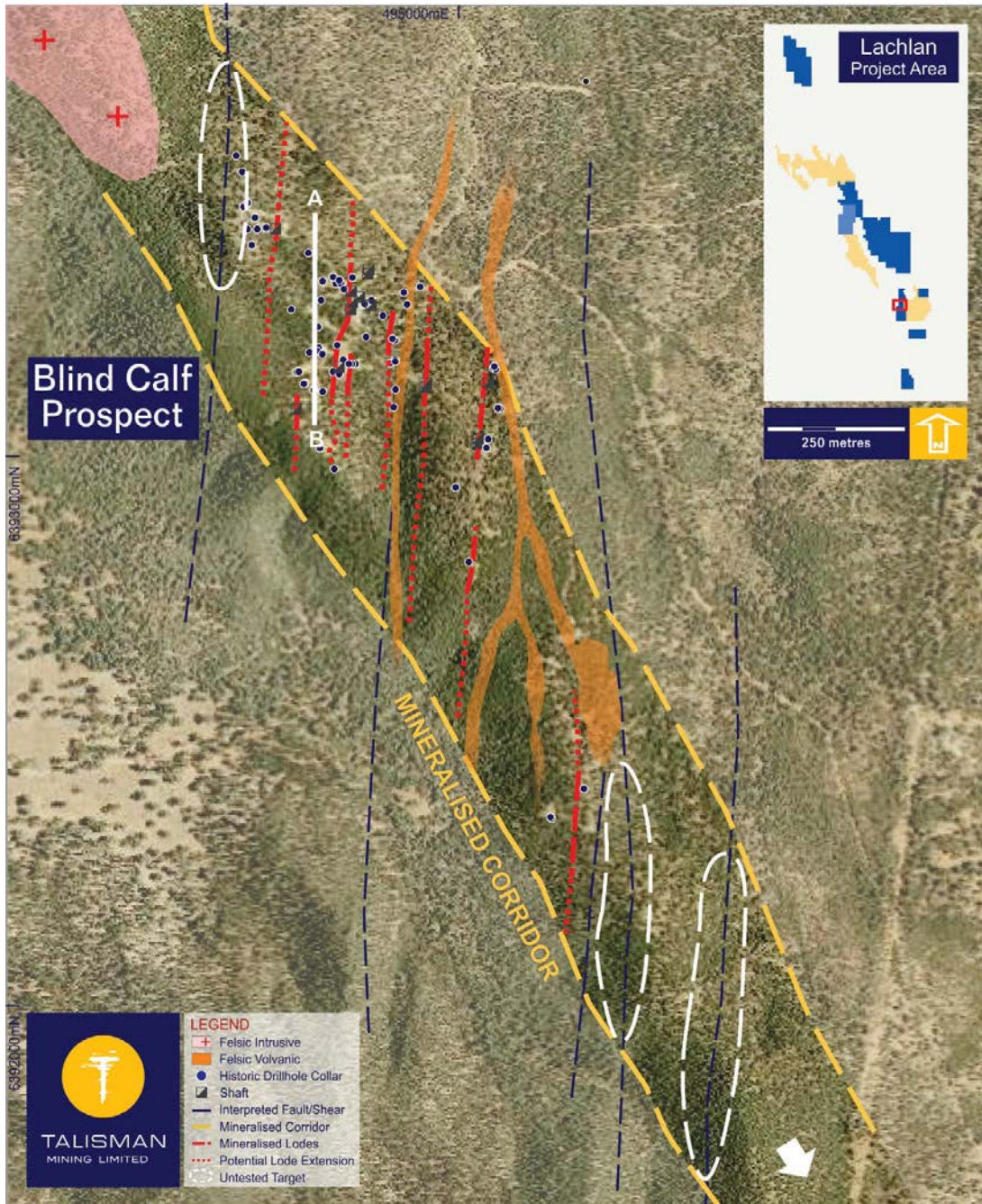


Figure 3: Blind Calf Prospect area, highlighting high-grade copper lodes and untested parallel N-S oriented structures

The RC drilling program currently underway will test existing Blind Calf lode extensions and historic intersections, as well as extend the modelled lenses down dip and along strike. Initial drilling is planned to a maximum depth of 180m down hole (Figure 4).



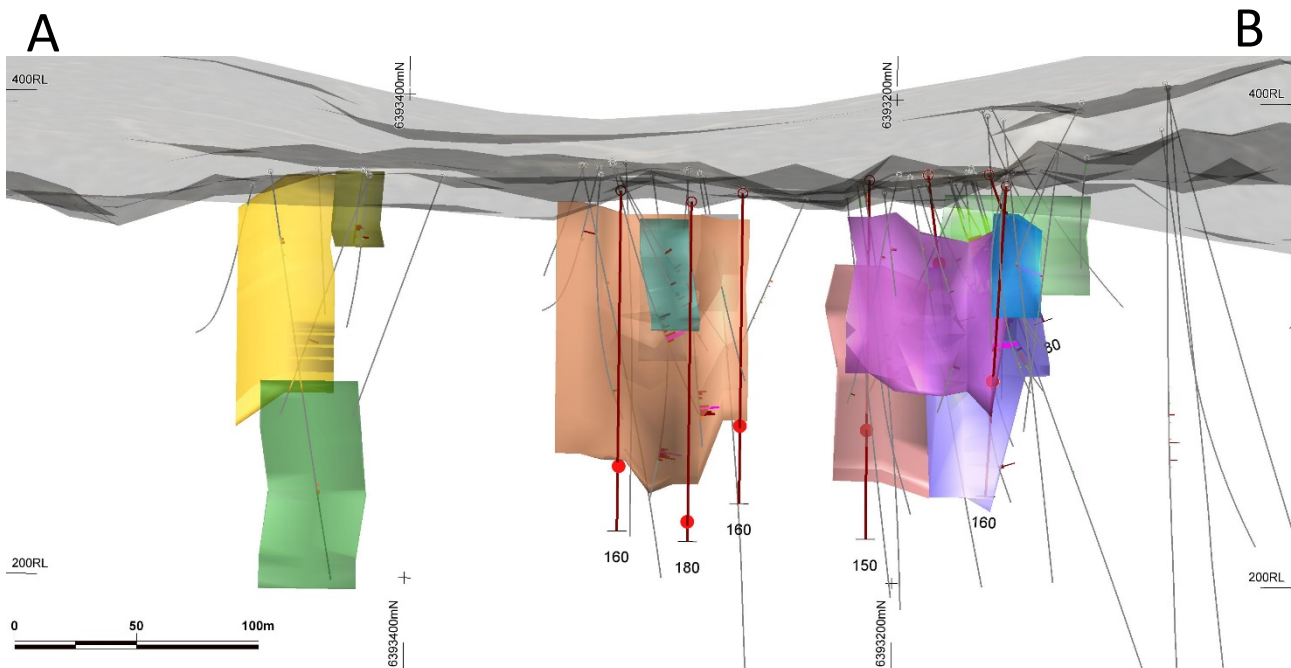


Figure 4: Blind Calf Prospect long section showing existing mineralised lode wireframes and TLM proposed drilling (shown in red), designed to test below and along strike from existing intersections

The Blind Calf area has complex structural deformation and understanding the structural controls to mineralisation is critical to unlocking the full potential of this highly prospective region. A separate program of detailed structural mapping and a study of the specific controls to the mineralisation is ongoing. The results will be combined with new data from the upcoming drill program and DHEM surveys to design a further phase of drilling at Blind Calf.

The second phase of drilling will test parallel lode systems identified in historic drilling and structural targets at Blind Calf and the wider Boona Project area. RC drilling will also be undertaken to test the newly identified Cu-Zn-Pb geochemical anomaly¹ and the Cumbine Prospect within the Bobadah Project area to the north west (*Appendix 1*).

In parallel with the current RC drilling at Blind Calf, the auger sampling program is continuing and initial testing within the Bobadah Project area is now complete (*Appendix 1*). The auger rig will shortly move south-east onto the Boona Project area, to focus on testing the south-eastern extensions of the Blind Calf and Mineral Hill mineralised corridors.

Full assay results for the Phase 1 and Phase 2 auger drilling are anticipated to be returned from the laboratory in the coming weeks.

Ends

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¹ Refer Talisman ASX announcement “*Lachlan Cu-Au Project Update – Cu-Zn-Pb Anomaly Identified*” 17 May 2018





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.

ⁱ for full details, refer to Kidman Resources (ASX: KDR) ASX announcement "Mineralisation Extended at Blind Calf" dated 07 July 2011





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

