



TALISMAN
MINING LIMITED

ASX Code: TLM

Creating Value through Mineral Discovery

Investor Presentation: May 2019



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NSW Lachlan Copper-Gold Project

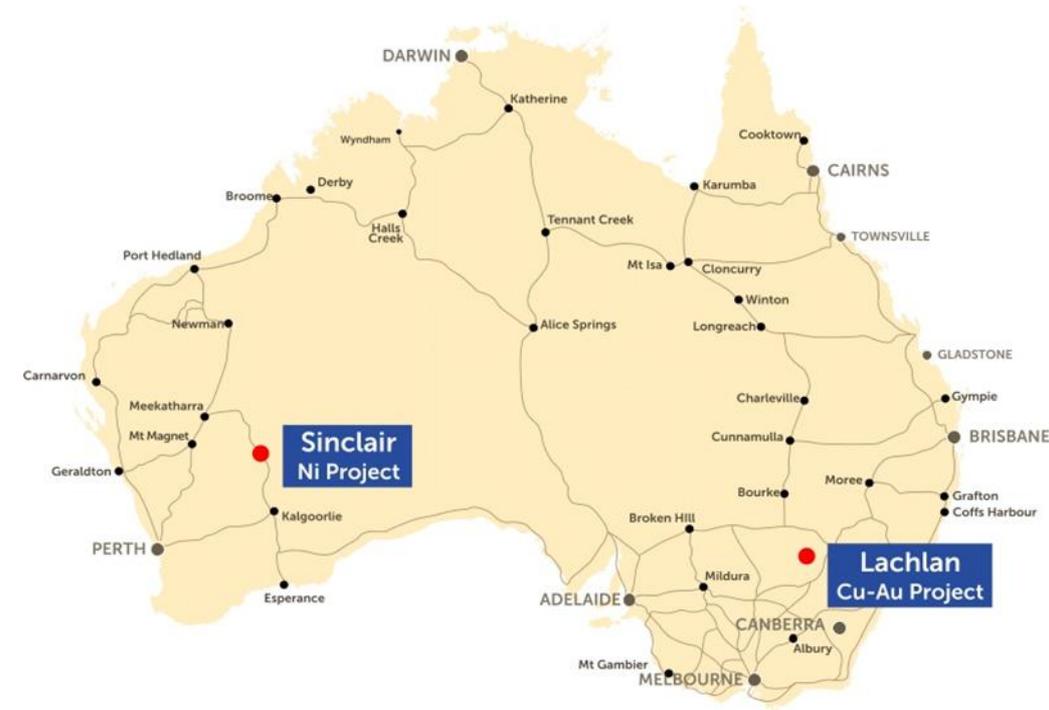
- Commanding landholding in highly mineralised region
- Immediate drill success at Blind Calf – **13m @ 5.7% Cu¹** and **21m @ 2.67% Cu⁶**
- +40 base metal and gold targets already identified
- Active drill programs planned through 2019

Sinclair Nickel Project

- Historic nickel mine and +350ktpa Processing Plant in prospective nickel belt
- Resource base of **720,000t @ 2.3% Ni for 16,200t of contained nickel²**
- **Exploration target** 13,700 – 19,900t of contained nickel² supports resource growth
- Near-mine and regional exploration opportunities

Strong Balance Sheet

- **Cash Balance of \$12.6M** at 31 March 2019 and no debt
- Sale of 30% JV interest in 2018 realised **net cash of \$58.2M⁷**
- Significant return to shareholders of \$41 million (\$0.22 per share)
- **1% NSR** retained on sale of JV tenements⁷





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> |

Experienced resource executives who have worked for junior and major resource companies and are supported by a Board with a wide range of experience across the resource spectrum and within investment banking.

Capital Structure

| | |
|-------------------------------|----------|
| Shares on Issue | 185.7M |
| Unlisted Options | 5.97M |
| Market Capitalisation (~8.5c) | ~A\$16M |
| Cash (at 1 April 2019) | A\$12.6M |

Substantial Shareholders

| | |
|----------------|------|
| Kerry Harmanis | ~18% |
|----------------|------|

Share Price



Research

EUROZ

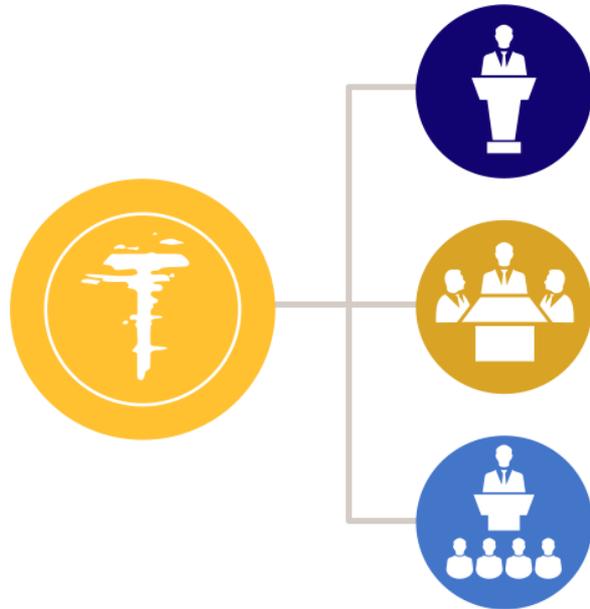
BELL POTTER

minelife

PATERSONS



Maximise value to shareholders through exploration, discovery and development or commercialisation of high value mineral resource opportunities in base and precious metals within Australia



OWNERSHIP

- ▶ Behave and **act as business owners**
- ▶ **Be accountable** for our decisions and actions - what **we say** is what **we do**
- ▶ Share our journey to **create value for all stakeholders**

VALUE CREATION

- ▶ Focused on **maximising the core value** of our assets
- ▶ Optimising the **effectiveness and efficiency** of money going into the ground to **shorten the time frame to success**
- ▶ **Remaining focused** on value-add exploration activities.

RELATIONSHIPS

- ▶ Develop **mutually beneficial partnerships** and opportunities
- ▶ Build **strong commitment across our team** and with stakeholders
- ▶ **Collaborative approach** to build solid relationships

Occupational Health, Safety, Environment and Community

-The health and well-being of our people is central to our approach to business and we are committed to ensuring a safe workplace for our employees and contractors.

-We aim to comply with all environmental requirements and to minimise the impact of our activities in the areas in which we operate.

-We engage with all stakeholder to ensure our activities are in line with the expectations and requirements of the communities in which we operate.



Lachlan
Cu-Au Project



NSW Lachlan Cu-Au Project

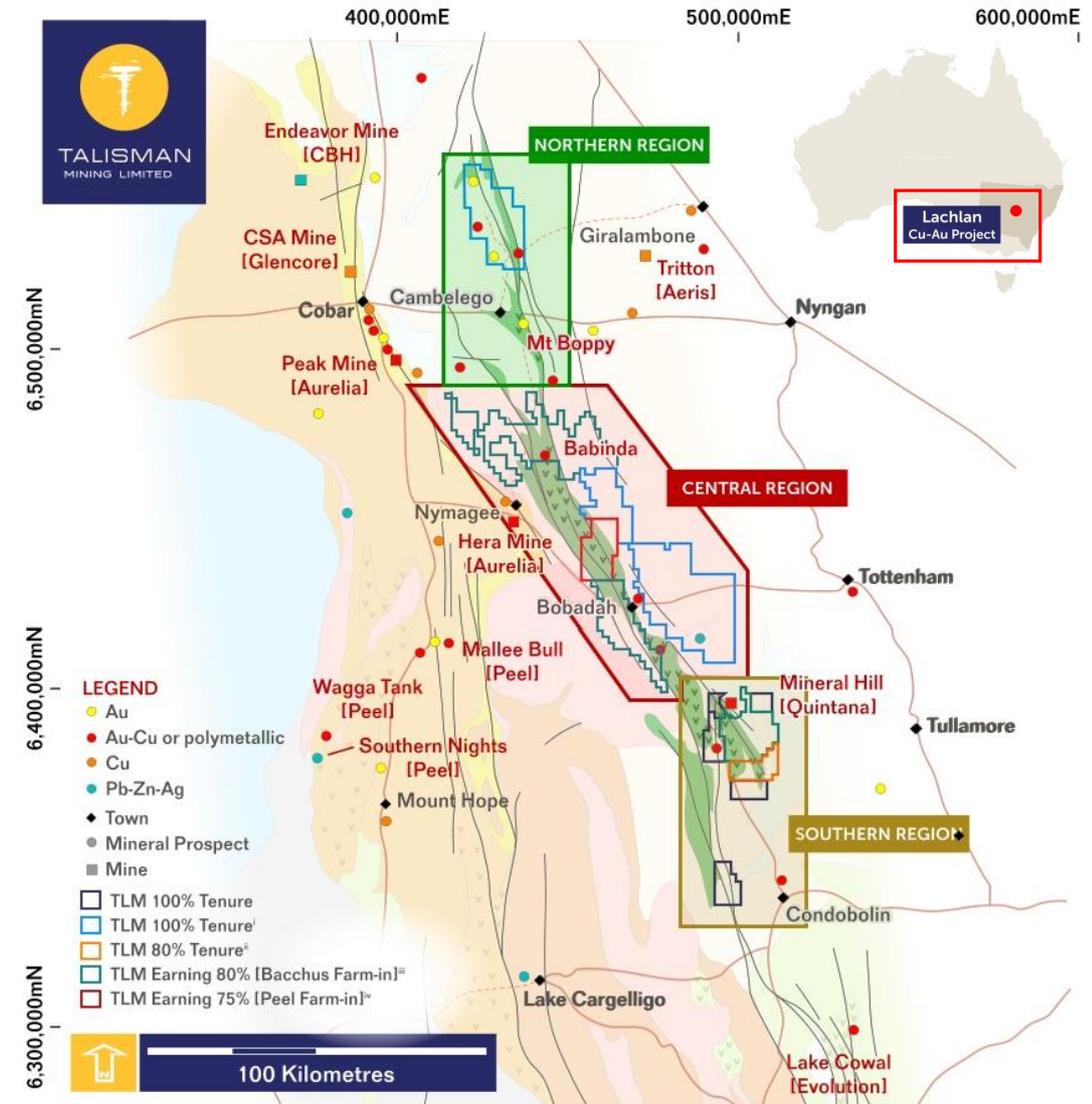
A New Exploration Focus

Lachlan Cu-Au Project – an exploration hotspot



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

- Dominant position in highly mineralised but underexplored mining district
 - Production and current reserves estimate: 20.3Mt Cu; 104Moz Au; 1,193Moz Ag³
- Exploration hotspot characterised by new discoveries and active corporate transactions
- Well developed infrastructure with multiple regional processing opportunities
- Covers an extensive strike extent along the Gilmore suture
- Prospective for a variety of deposit types:
 - *Low sulphidation epithermal gold and base metal deposits (similar to Mineral Hill)*
 - *Structurally controlled gold deposits (similar to Mt Boppy)*
 - *Structurally controlled copper deposits*
 - *Cobar-style gold and base metal deposits*
 - *Skarn deposits*





Cost effective staged exploration to identify and test drill targets

- Comprehensive geological/exploration review in late 2018/early 2019:
 - **44 exploration targets identified with potential to host significant gold or base metal mineralisation**⁸
- Highest priority targets are reviewed in conjunction with new exploration information in an ongoing iterative process

Stage 1 – Reconnaissance

Conceptual targets and Prospect areas with anomalies defined from surface sampling programs subject to geochemical analysis (soils, auger drilling) and regional geophysical survey



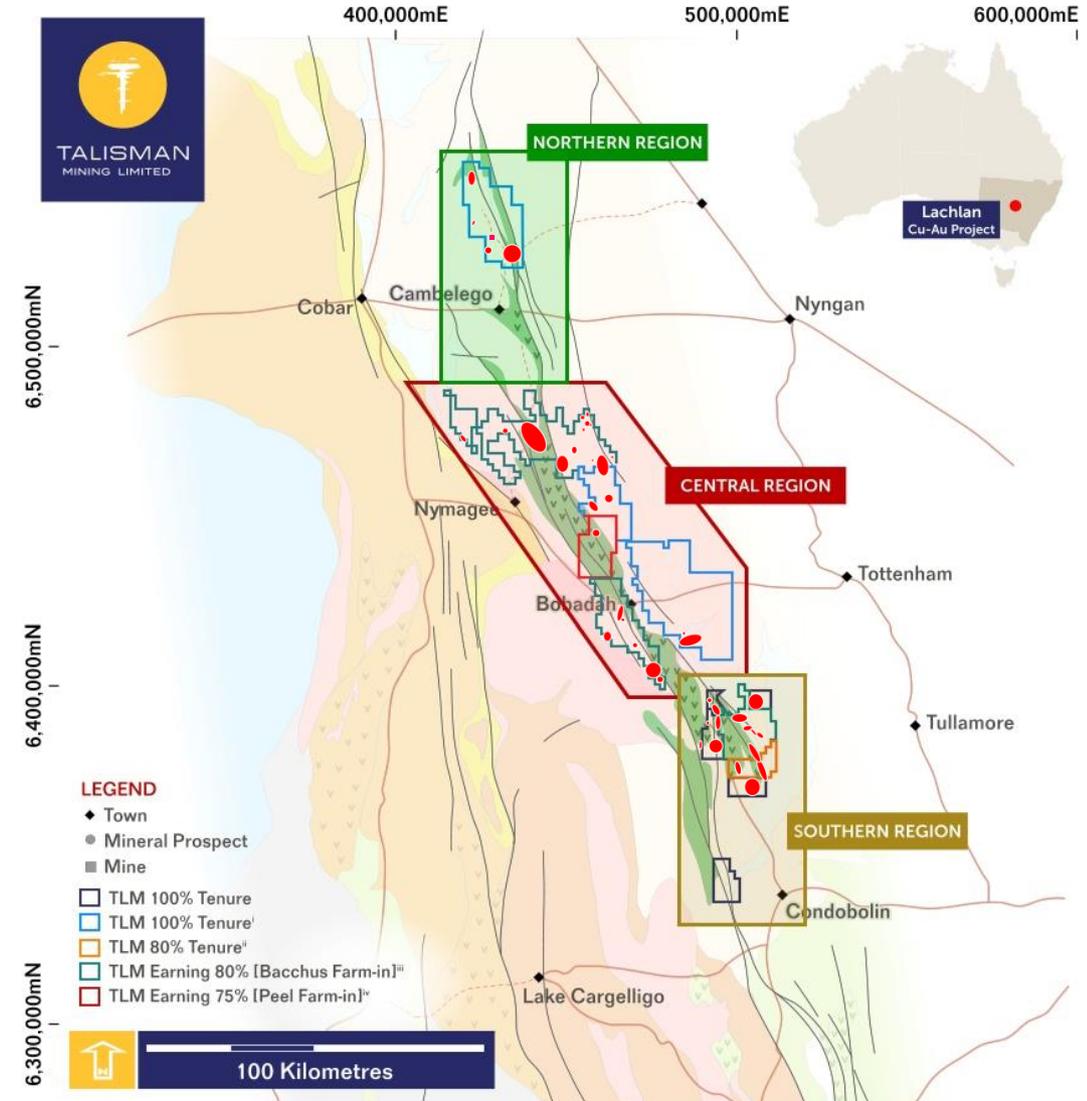
Stage 2 – Target Development

Prospect areas with known gold or base metal mineralisation intersected in bedrock drilling in addition to anomalies defined from surface sampling programs subject to initial RC drilling and DHEM



Stage 3 – Refined Targeting

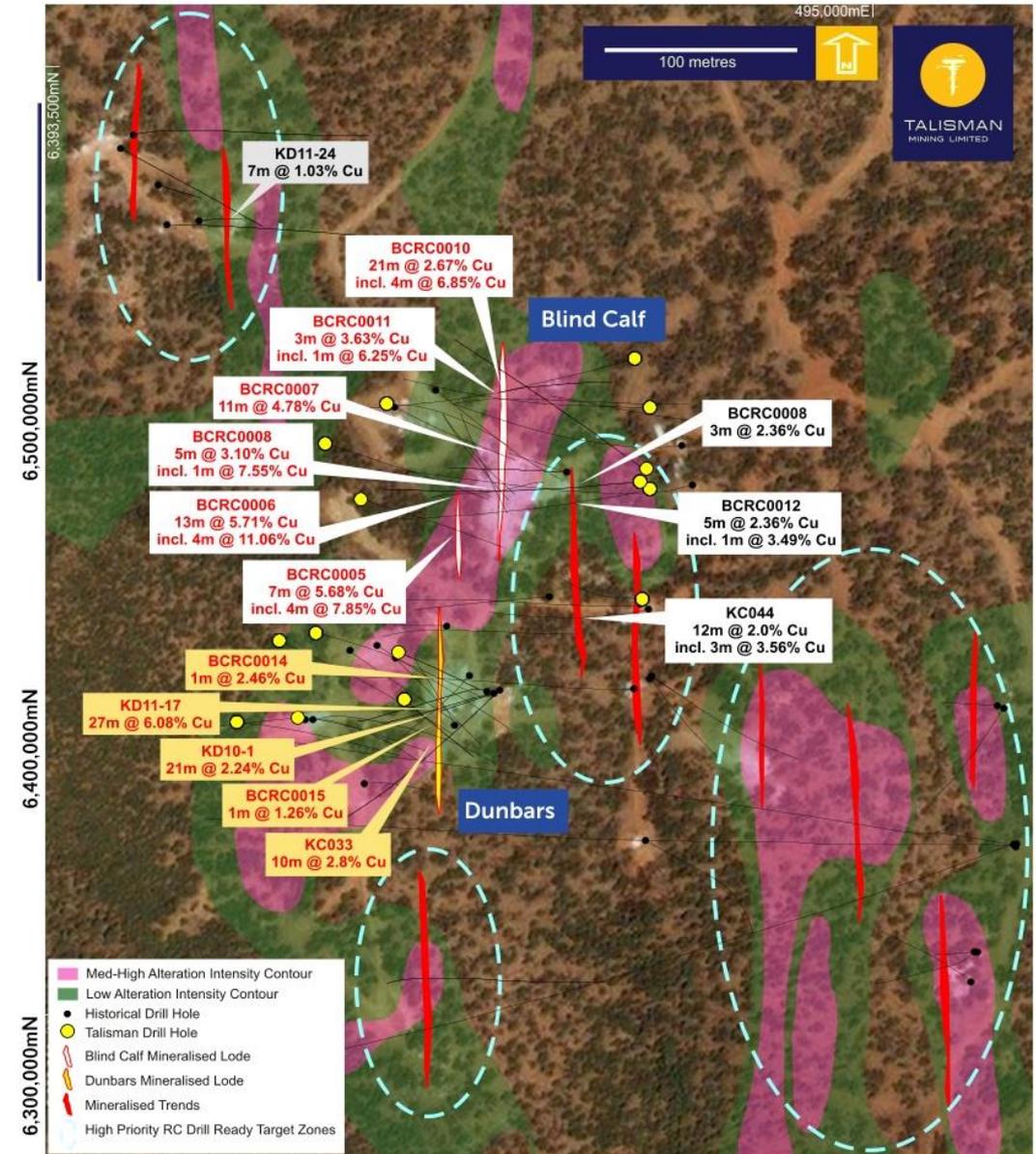
Prospect areas with economic grade mineralisation and/or economic width intersection subject to follow-up RC and Diamond Drilling





Promising targets surrounding Blind Calf to be drill tested

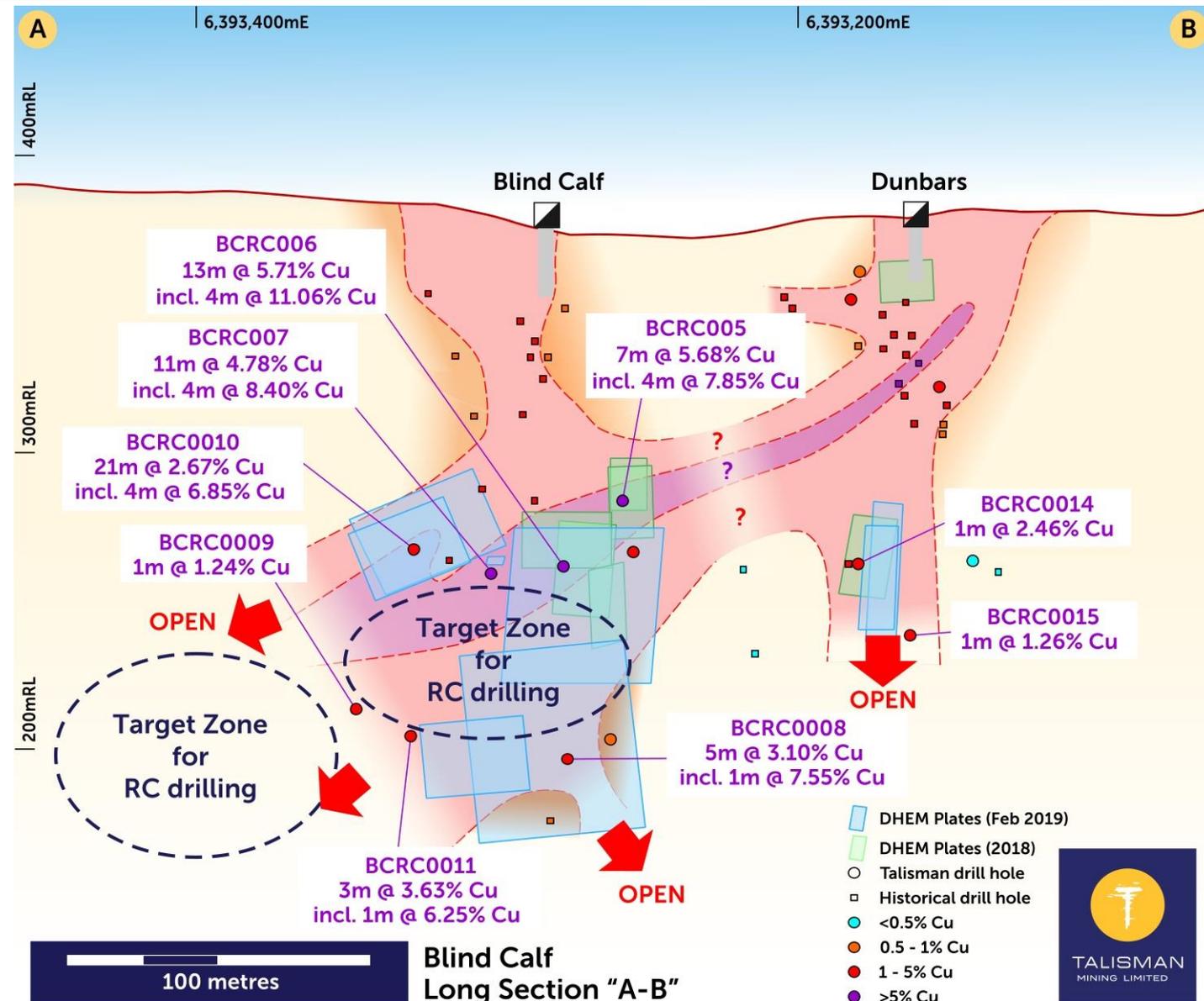
- Targeting structurally hosted high-grade Cu mineralisation on NW-SE and N-S cross cutting structures
- Regional structural mapping highlights multiple untested parallel lode systems
- Represent new high-priority drill-ready (Stage 3) targets and comprise:
 - Proximal high-grade parallel lodes in the immediate footwall to the Blind Calf mineralisation;
 - Down plunge extensions to the Blind Calf-Dunbars lode system;
 - Outcropping quartz veining with strong associated alteration and copper mineralisation to the southeast of Blind Calf;
 - Untested outcropping quartz veins with strong associated alteration along strike directly to the south of the Dunbars mineralisation; and
 - An outcropping lode system to the northwest of Blind Calf, where historic drilling has returned shallow copper mineralisation
- Drill testing of seven new target areas in June quarter 2019





High-grade Copper discovery at Blind Calf

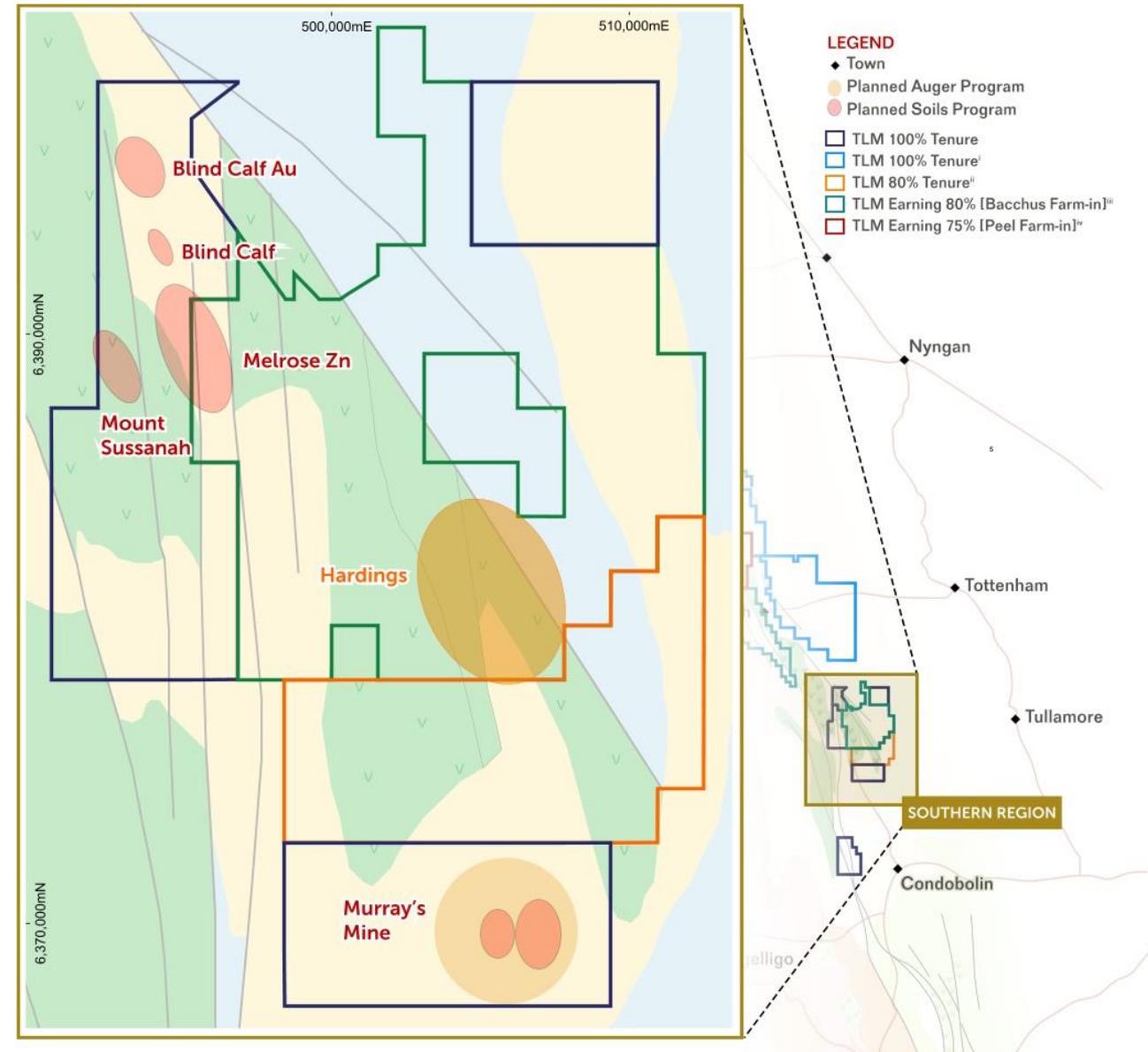
- The most advanced target within the Lachlan Cu-Au Project with immediate drilling success
- Multiple, high-grade copper lodes that remain open at depth and untested along strike
- Assay results returned from RC drilling include:
 - **BCRC006: 13m @ 5.71% Cu, from 129m downhole (incl 4m @ 11.06% Cu)**¹
 - **BCRC007: 11m @ 4.78% Cu, from 127m downhole (incl 4m @ 8.40% Cu)**⁴
 - **BCRC008: 5m @ 3.10% Cu, from 199m downhole (incl 1m @ 7.55% Cu)**⁶
 - **BCRC010: 21m @ 2.67% Cu, from 117m downhole (incl 4m @ 6.85% Cu)**⁶
- Significant potential:
 - Current interpretation consists of high-grade lodes within broader mineralisation
 - Mineralisation open down plunge in all directions
 - Multiple DHEM conductors to be tested
- Extended RC drilling program to be undertaken in June quarter 2019





Regional Work

- Distinct target areas identified over regional scale structures
- Target areas comprise:
 - Areas with historic shallow mining activity, with mapped strong alteration and quartz veining;
 - Conceptual target areas identified from regional geophysics, where field mapping / prospecting has identified outcropping gossanous material; and
 - Historic gold-in-regolith geochemical anomaly with historic workings
- Upcoming activities include:
 - Auger drilling and soil sampling across new Stage 2 target areas including: Hardings, Murrays Mine and Blind Calf Au target
 - Analysis of regional airborne magnetic survey data
 - Potential additional airborne and/or ground magnetics, gravity and electrical (IP/ EM) surveys

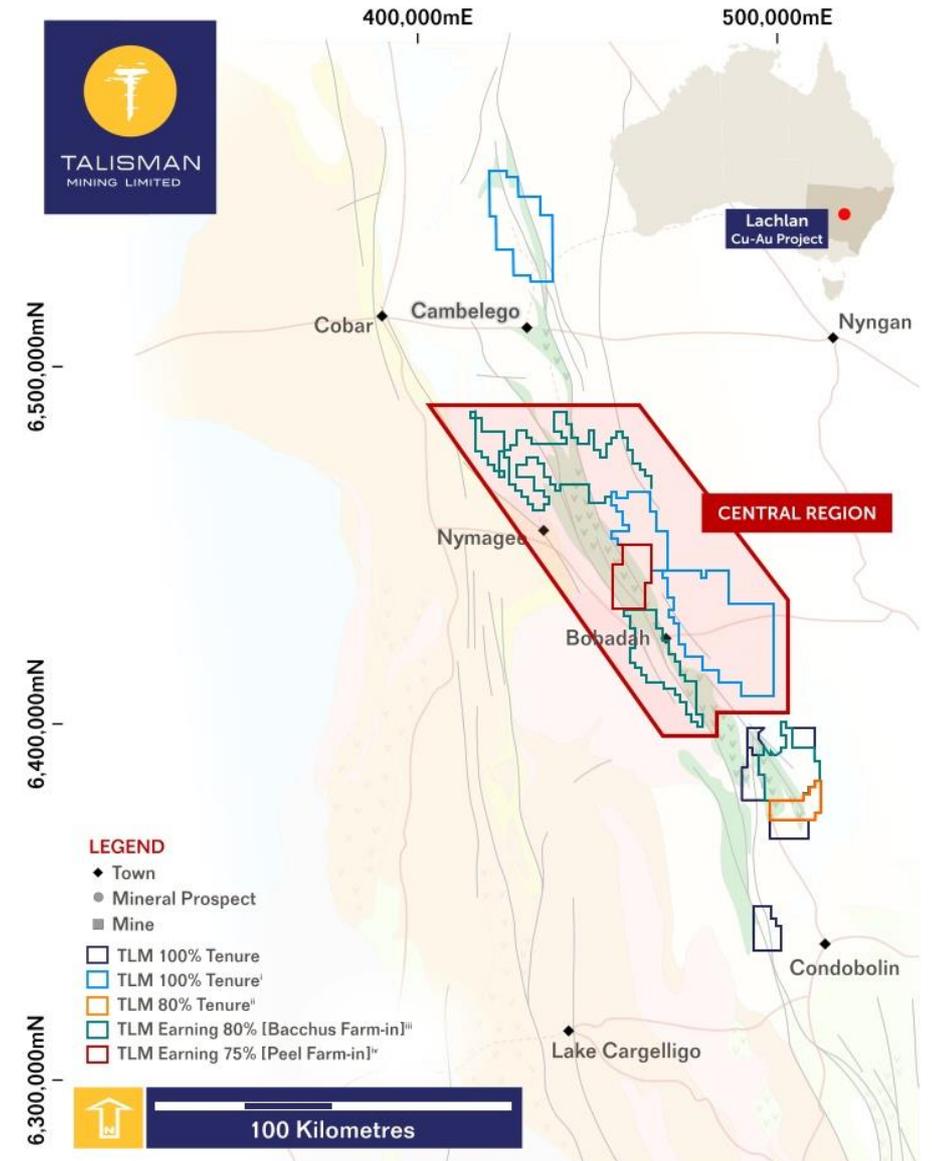


Lachlan Cu-Au Project - Central Region



Project Overview

- Straddles highly prospective Canbelego-Mineral Hill Rift sequence
- Prospective for Cu, Au and base metals
- Drill programs undertaken by Talisman to date includes auger and RC drilling at Noisy Ned and Cumbine Prospects
- Multiple target areas over regional scale structures identified for testing

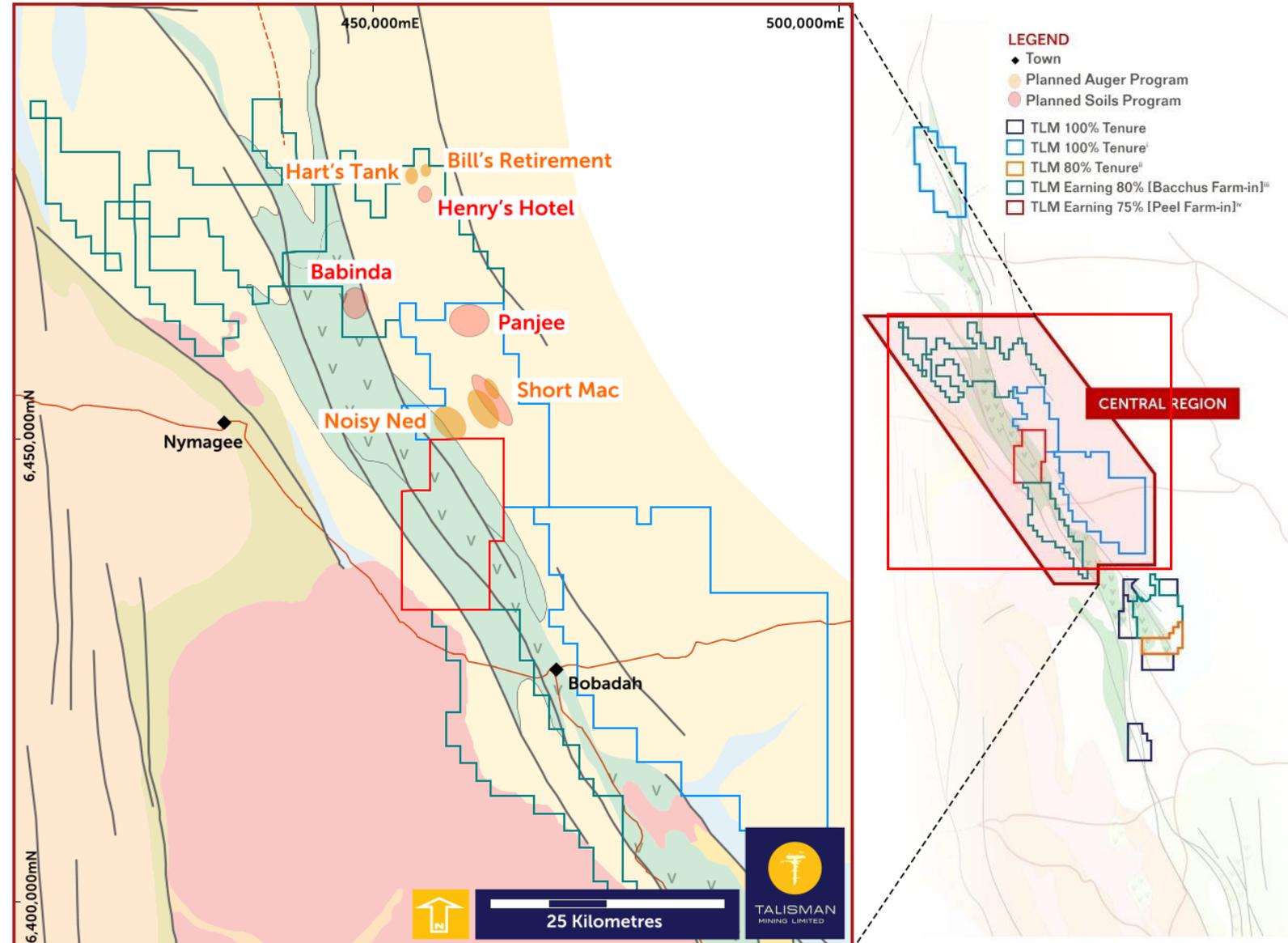


¹ & ² Refer to TLM ASX announcement "NSW Lachlan Cu-Au Project Update" dated 19 July 2018



Upcoming Activities

- Noisy Ned
 - Large, coherent base metal anomaly identified from Stage 1 auger drilling ⁵
 - First pass RC drilling in late 2018 returned broad zones of zinc, lead and copper mineralisation including zones of fresh metal sulphides ⁶
 - Auger drilling to extend geochemical coverage to the east where the geological model is untested and closer to structurally important Gilmore Suture
- Auger drilling and soil sampling across new Stage 2 target areas including: Bills Retirement, Short Mac, Babinda, Panjee and Henry's Hotel
- Analysis of regional airborne magnetic survey data
- Potential additional airborne and/or ground magnetics, gravity and IP/ EM surveys



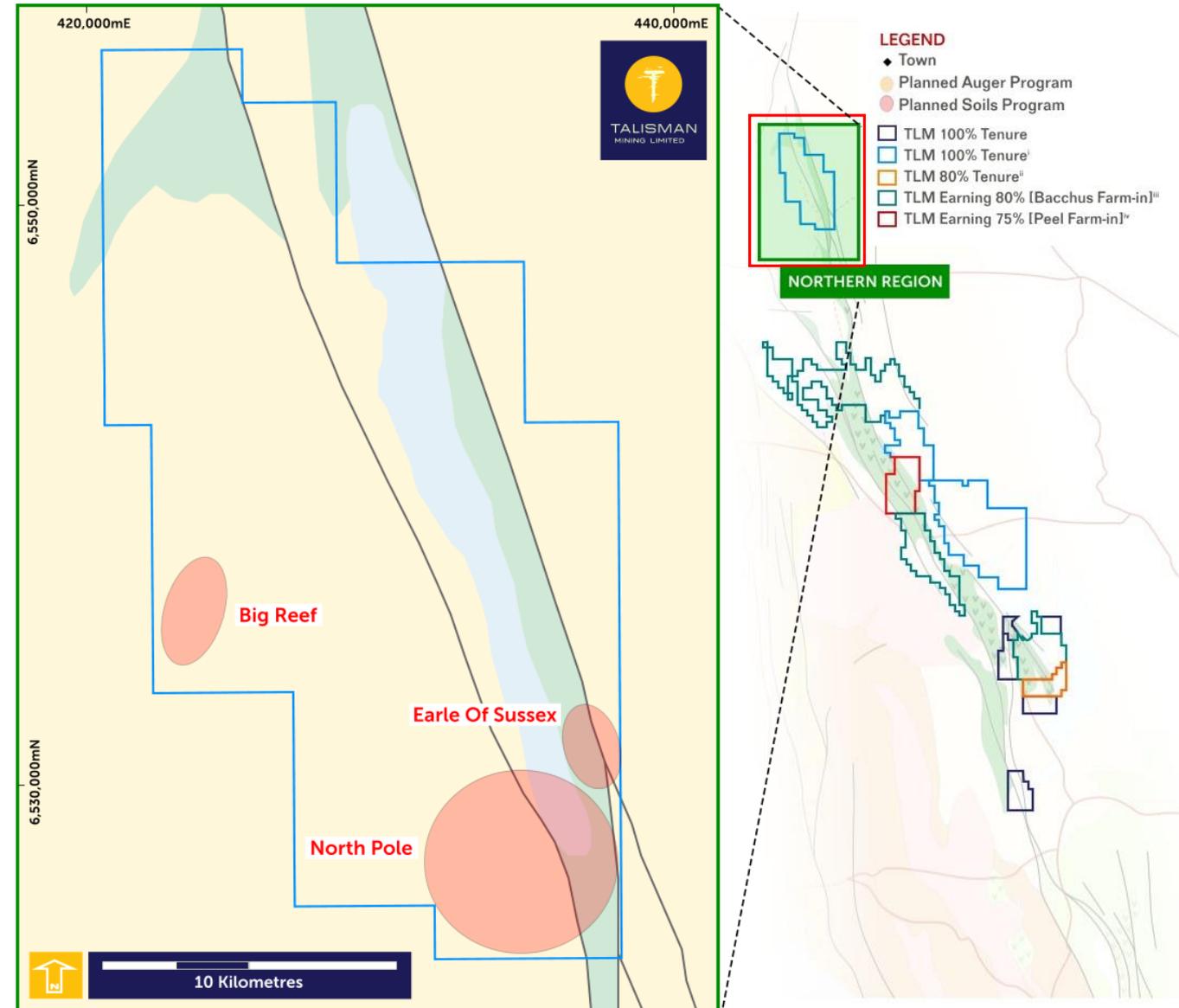


Widespread gold potential in historic gold mining region

- Located along the large crustal scale Gilmore Suture Zone, north of the Mt Boppy Mine (historic production +400koz Au)
- Multiple known historic mineral occurrences – Cobra Shaft, Earl of Sussex and Big Reef prospects
- Limited modern systematic exploration undertaken to date

Upcoming Activities

- Upcoming activities include soil sampling program across new Stage 2 target areas including; Big Reef, Earle of Sussex and North Pole
- Analysis of regional airborne magnetic survey data
- Potential additional airborne and/or ground magnetics, gravity and IP/ EM surveys



^{1 & 2} Refer to TLM ASX announcement "NSW Lachlan Cu-Au Project Update" dated 19 July 2018



Exploration Work for 2019 Financial Year

Southern Region

- Blind Calf Prospect targeted extensional RC drilling
- Blind Calf and Dunbar Lode system RC drilling
- Auger and soil sampling at multiple targets
- Review of airborne mag survey data and further target identification

Central Region

- Auger drilling at Noisy Ned Prospect targeting extension of known Zn-Cu-Pb anomaly
- Auger and soil sampling at multiple targets
- Further testing of Cumbine Prospect
- Review of airborne mag survey data and further target identification

Northern Region

- Auger and soil sampling at multiple targets
- Reconnaissance mapping
- Review of airborne mag survey data and further target identification





• Sinclair
Ni Project



Sinclair Nickel Project

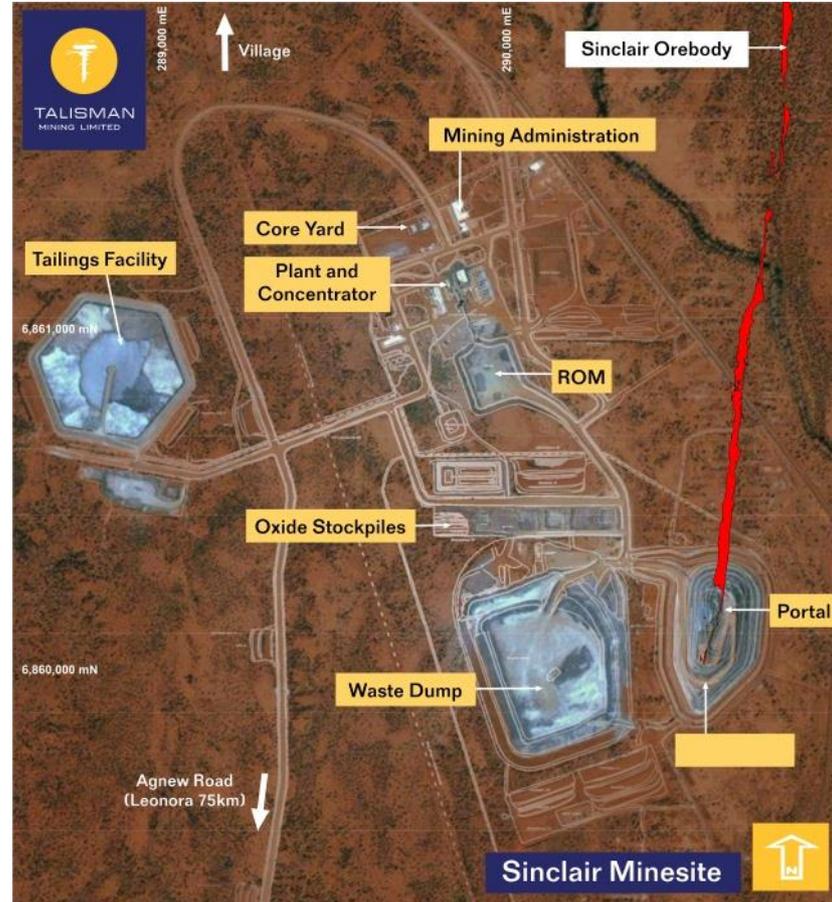
Development opportunity with exploration upside in a proven nickel province

Sinclair: Development potential under right market conditions



Substantial infrastructure in place with significant replacement value

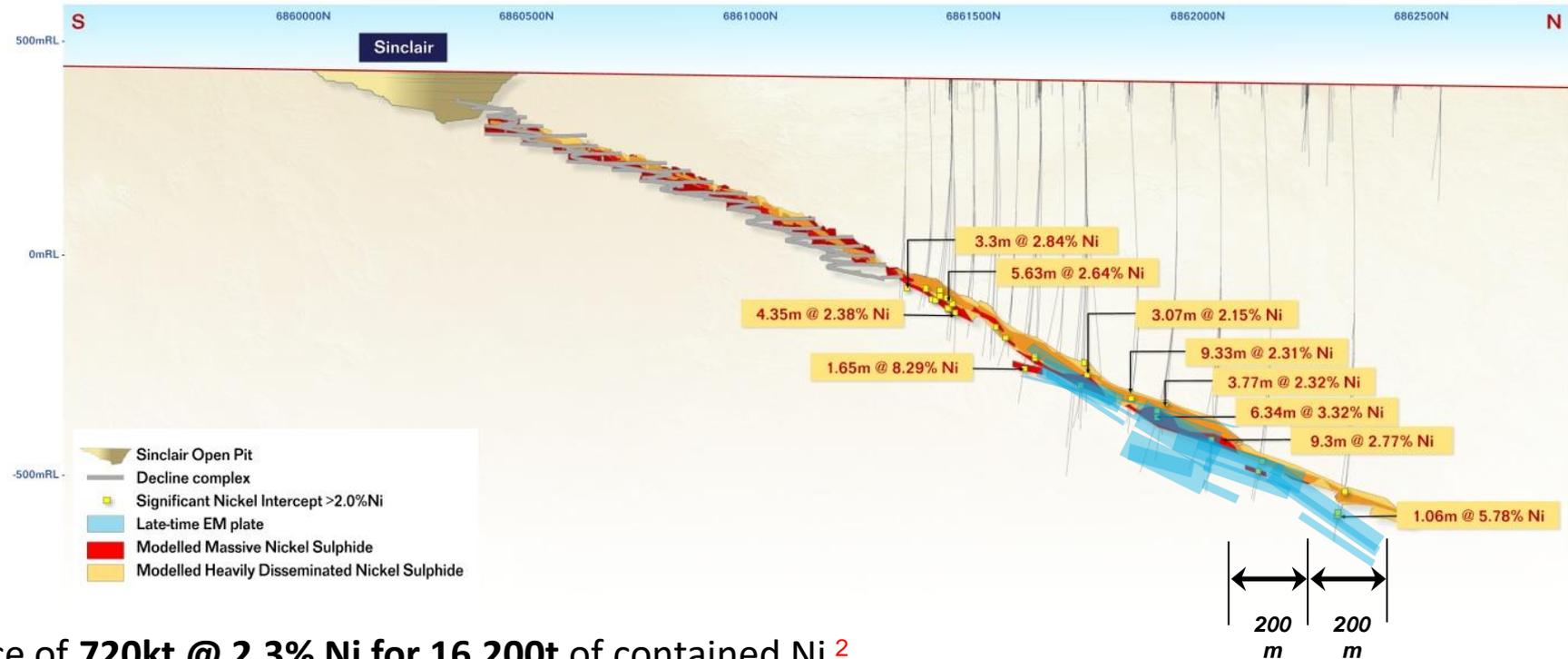
- 350ktpa concentrator
- Open pit, decline and underground mine
- 200-person accommodation village
- Administration buildings and stores
- Exploration office and core yard
- Mining contractor facilities



A recommencement 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



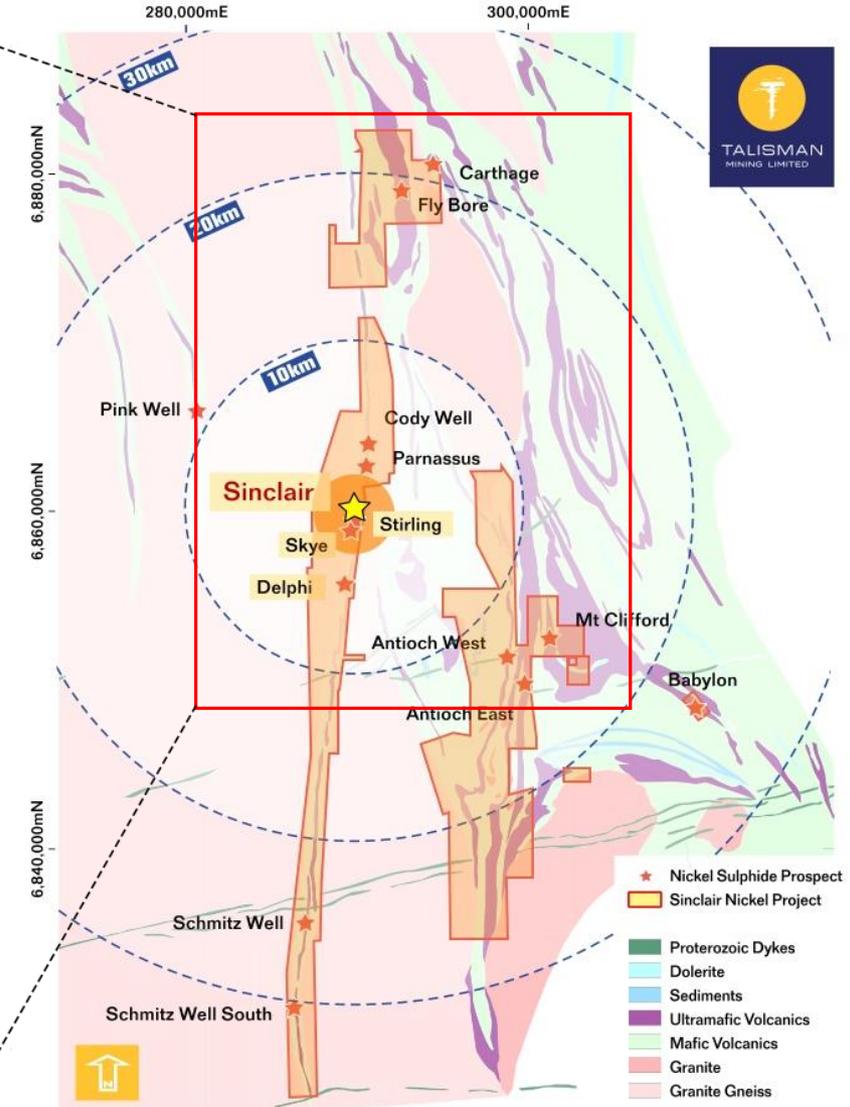
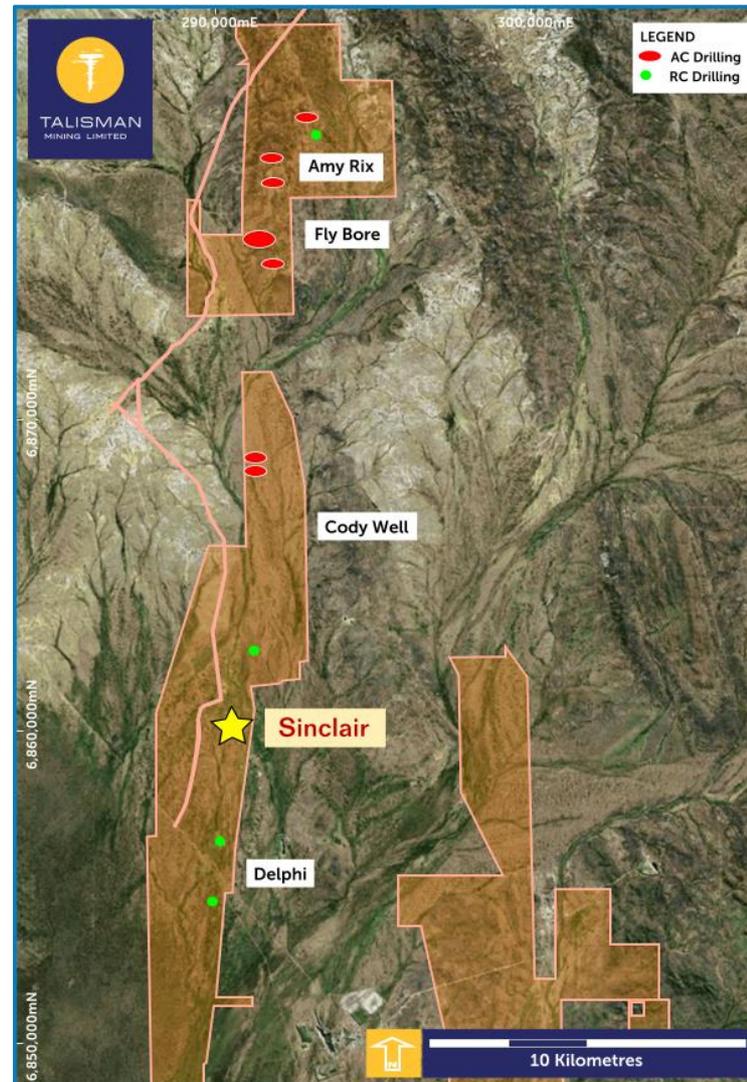
- Total Indicated and Inferred Resource of **720kt @ 2.3% Ni for 16,200t** of contained Ni ²
 - Indicated and Inferred - remnant nickel sulphide adjacent to existing mine development
 - Inferred - extensional mineralisation continuing immediately down plunge for 500 metres
- Supported by Exploration Target:
 - Range of **670kt @ 2.0% Ni for 13,700t** contained Ni and **790kt @ 2.5% Ni for 19,900t** of contained Ni ² - continuation of down-plunge mineralisation for a further 700m based on limited drilling
- Multiple EM plates support the potential for continuity of mineralisation down-plunge and along strike



Potential for discovery of nickel sulphide mineralisation close to existing infrastructure

2019 Exploration Plan

- Multiple ultramafic trends over strike length approximately 80km and within 30km of existing infrastructure on granted mining tenure
- Aircore and RC drill testing of multiple structural, geophysical and geochemical targets completed in the March 2019 quarter and results pending
- Continued focus on the cost-efficient generation and testing of potentially high value new targets into 2019





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MINING LIMITED

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The Talisman Investment Case

Creating Value through Mineral Discovery



A value-focussed team driving shareholder returns from exceptional gold, copper and nickel assets

Proven track record of creating value for Talisman shareholders

- *Realised \$58M from the sale of Springfield JV interest (net of debt) which facilitated a \$40M capital return and strong funding base for future activities*
- *Low cost entry into large, prospective NSW region provides ideal platform to create shareholder value*

Exploration ramping up at the Lachlan Cu-Au Project

- *Significant potential for discovery of substantial Cu, Au and base metal deposits*
- *Baseline work has generated a pipeline of 40+ exploration targets to be advanced in 2019*
- *Follow-up drilling of high grade Cu intersections at Blind Calf in June quarter the first of multiple, high impact programs planned for 2019*

Examining value creating opportunities at the Sinclair Nickel Project

- *Regionally strategic 350ktpa processing plant & associated infrastructure*
- *Sinclair Resource and Exploration Target underpin potential for fast track, low cost return to production*





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THANK YOU

Creating Value through Mineral Discovery

Investor Presentation: May 2019



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 <http://www.resourcesandenergy.nsw.gov.au/miners-and-explorers/geoscience-information/products-and-data/factsheets>
- ⁴ Refer ASX Announcement dated 5 July 2018 "Further High-Grade Cu Hits & New EM Conductors at Blind Calf".
- ⁵ Refer ASX Announcement dated 17 May 2018 "Lachlan Cu-Au Project Update - Cu-Zn-Pb Anomaly identified".
- ⁶ Refer ASX Announcement dated 30 November 2018 "Lachlan Project Update: More High-Grade Copper at Blind Calf".
- ⁷ Refer ASX Announcement dated 12 October 2018 "Talisman completes sale of its 30% interest in the Springfield Project".
- ⁸ Refer ASX Announcement dated 14 February 2019 "Lachlan Project Update: Drilling to test multiple DHEM anomalies at Blind Calf and other new target areas".

Figure References:

- ^{i & iii} As previously announced to the ASX, Haverford Holdings Ltd (Haverford), a 100% owned subsidiary of Talisman, has entered into a Farm-In Agreement (Farm-in) with Bacchus Resources Pty Ltd (Bacchus) over certain Lachlan Cu-Au Project tenements. In accordance with the terms of the Farm-in:
 - Haverford can earn up to a 80% interest in the Bacchus Tenements (EL8547, EL8571, EL8638, EL8657, EL8658 and EL8680) by sole funding \$2.3M of on-ground exploration expenditure over four years; and
 - Should Haverford earn an interest in the Bacchus Tenements, Bacchus is entitled to receive a 20% interest in the Haverford Tenements (EL8615, EL8659 and EL8677). Should Haverford not earn an interest in the Bacchus Tenements, Bacchus may elect to take a 20% interest in the Haverford Tenements.
 - Should Haverford earn into the Bacchus Tenements, a formal joint venture will be entered into which provides that Bacchus will be free carried for 10% of its joint venture interest until a decision to mine. Post a decision to mine, Bacchus can then elect whether to contribute or not, if Bacchus elects not to contribute, Haverford shall acquire Bacchus' interest in the joint venture for 95% of fair value as agreed by the joint venture participants.
- ⁱⁱ As previously reported, Haverford Holdings Pty Ltd (Haverford), a 100% owned subsidiary of Talisman, entered into a stand-alone joint venture with Bacchus Resources Pty Ltd (Bacchus) in relation to EL8814, to be owned by Haverford (80%) and Bacchus (20%) and to be known as the Mt Nobby JV. However, Talisman notes that activities have not yet commenced on EL8814 and that it has provided notice to Bacchus of its withdrawal from that joint venture. Accordingly, Talisman is progressing the transfer of its interest in EL8814 to Bacchus. This withdrawal in respect of the Mt Nobby JV does not affect the Farm-In Agreement between Haverford and Bacchus over certain of the Lachlan Cu-Au project tenements.
- ^{iv} As previously announced to the ASX, Haverford has entered into a Farm-In Agreement (Farm-in) with Peel Mining Limited (ASX:PEX) over PEX's Mt Walton (EL8414) and Michelago (EL8451) Projects (collectively the Peel Tenements). In accordance with the terms of the Farm-in, Haverford can earn up to a 75% interest in the Peel Tenements by sole funding \$0.7M of on-ground exploration expenditure over five years.



TOP 20 SHAREHOLDERS

| Rank | Name | 01 Apr 2019 |
|------|--|-------------------|
| 1 | HARMAN NOMINEES PTY LTD | 11,111,111 |
| 2 | ROCKET SCIENCE PTY LTD | 7,384,820 |
| 3 | TYCHE HOLDINGS PTY LTD | 6,400,001 |
| 4 | TWYNAM INVESTMENTS PTY LTD | 5,665,000 |
| 5 | JETOSEA PTY LTD | 5,071,592 |
| 6 | HARMANIS HOLDINGS PTY LTD | 4,437,575 |
| 7 | TYCHE HOLDINGS PTY LTD | 3,850,000 |
| 8 | TYCHE HOLDINGS PTY LTD | 3,510,000 |
| 9 | HARMANIS HOLDINGS PTY LTD | 3,080,451 |
| 10 | JAYLEAF HOLDINGS PTY LTD | 3,000,000 |
| 11 | BACK 9 INVESTMENT MANAGEMENT PTY LIMITED | 2,900,000 |
| 12 | INVESTMENT HOLDINGS PTY LTD | 2,500,000 |
| 13 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 2,470,425 |
| 14 | BACK9 INVESTMENT MANAGEMENT PTY LTD | 2,000,000 |
| 15 | SIREB PTY LTD | 1,904,464 |
| 16 | JETOSEA PTY LTD | 1,851,201 |
| 17 | MRS JA SMINE KAILIS | 1,825,000 |
| 18 | MR PETER CHARLES WIGHAM | 1,640,500 |
| 19 | MR BRIAN ERNEST ZUCAL & MR STEPHEN BRIAN ZUCAL | 1,550,000 |
| 20 | KLIP PTY LTD | 1,500,000 |
| | | 73,652,140 |

| Rank | Name | 01 Nov 2018 |
|------|---|-------------------|
| 1 | HARMAN NOMINEES PTY LTD | 11,111,111 |
| 2 | TYCHE HOLDINGS PTY LTD | 6,400,001 |
| 3 | TWYNAM INVESTMENTS PTY LTD | 5,665,000 |
| 4 | HARMANIS HOLDINGS PTY LTD | 4,437,575 |
| 5 | JETOSEA PTY LTD | 4,321,592 |
| 6 | TYCHE HOLDINGS PTY LTD | 3,850,000 |
| 7 | TYCHE HOLDINGS PTY LTD | 3,510,000 |
| 8 | HARMANIS HOLDINGS PTY LTD | 3,080,451 |
| 9 | GROSVENOR PIRIE MANAGEMENT LTD | 3,050,000 |
| 10 | JAYLEAF HOLDINGS PTY LTD | 3,000,000 |
| 11 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 2,854,446 |
| 12 | BACK9 INVESTMENT MANAGEMENT PTY LTD | 2,550,000 |
| 13 | INVESTMENT HOLDINGS PTY LTD | 2,500,000 |
| 14 | MR WILLIAM ANTHONY MURRAY | 2,415,298 |
| 15 | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 2,237,445 |
| 16 | NATIONAL NOMINEES LIMITED | 2,133,499 |
| 17 | JETOSEA PTY LTD | 2,090,396 |
| 18 | SIREB PTY LTD | 1,904,464 |
| 19 | BNP PARIBAS NOMINEES PTY LTD | 1,753,964 |
| 20 | MR PETER CHARLES WIGHAM | 1,530,500 |
| | | 70,395,742 |