



2 April 2020

Operational and Corporate Update

Talisman Mining Limited (ASX: **TLM, Talisman**) provides the following update on its response to the COVID-19 pandemic and current work priorities.

The health and well-being of our people is central to Talisman's approach to business and we are committed to ensuring a safe workplace for our employees and contractors. This principle is at the forefront during normal business conditions and has become even more heightened following the impact of the COVID-19 virus.

Following the suspension of all field work, including drilling, at its NSW projects in late March 2020 and the implementation of all Perth based staff working from home, the Board of Talisman has determined to implement the following changes to ensure the strength of the business:

- All Directors will take an immediate 50% reduction in their Director fees.
- Salaries for Executives have been reduced by 25%.
- All employees are working from home on either a three or four day work week from 1 April 2020 and salaries will be pro-rated accordingly until further notice. Employees will be given the option of taking annual or unpaid leave for the reduced day/s per week reduction in working hours.
- Changes implemented are intended to be temporary and will be subject to regular review as the impact of COVID-19 continues to evolve.

A project-wide geological review has commenced to inform future work priorities following the suspension of field programs. Business development activities will continue in parallel to assess potential growth opportunities.

The suspension of field activities means planned upcoming drilling programs have been delayed at the Blind Calf regional downhole electromagnetic targets, the Blind Calf Au and Cumbine Au prospects at the Lachlan Copper-Gold Project and Talisman's maiden drilling program at the Lucknow high-grade gold project. These programs all have NSW DPIE approval and can be reinstated at a time of Talisman's choosing when it is safe and practical to do so.





Commenting on the changes, Managing Director Dan Madden said:

“We’re facing highly uncertain times that are having a severe economic impact across the world and restricting our ability to carry out day-to-day business and daily life.

Talisman has responded to this environment with these difficult decisions and we are very mindful of the impact these changes will have on our employees. Our goal has been to act fairly and equitably to reduce Talisman’s cost base as we temporarily scale back our operational activities until we have more certainty about our ability to operate safely and sensibly.

Talisman has a highly skilled team and a strong cash balance. This ensures we have the necessary pillars in place to continue to deliver capital growth for our shareholders when conditions stabilise. In the meantime, we will remain judicious with our expenditure and look for opportunities within and outside our portfolio to generate future value.”

Talisman will continue to monitor the COVID-19 situation, including all government regulations and protocols, to ensure it maintains the safety of its workplaces for all our employees, contractors, and other stakeholders. Future updates on the expected timing of proposed work programs will be communicated to shareholders.

Ends

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Dan Madden - Managing Director





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 has also secured tenements in the Cobar/Mineral Hill region in Central NSW through the grant of its own Exploration Licenses and through separate farm-in 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 Lachlan Cu-Au Project 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.

Talisman has also entered into a farm-in with privately-owned Lucknow Gold Limited in relation to the Lucknow Gold Project (EL6455) in New South Wales. The Lucknow Goldfield was discovered in 1851 and was one of the earliest goldfields to be mined commercially in Australia. Historic production records at the Project are incomplete, however in excess of 400,000 ounces of gold has reportedly been produced at grades of 100 to 200 g/t gold¹. Very little modern exploration has been completed outside of the existing mine workings and Talisman intends to undertake a program of geochemical surface sampling and mapping at the Project ahead of a drilling program to test for potential down plunge extensions of the high-grade gold ore shoots and repeat structures throughout the Project area.

