

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. Name and Address of Company

Talon Metals Corp.
c/o Tau Capital Corp.
110 Sheppard Avenue East
Suite 610
Toronto, Ontario
M2N 6Y8

2. Date of Material Change

April 29, 2011

3. News Release

The news release of Talon Metals Corp. (the “**Corporation**”) attached hereto as Schedule “A” announcing the material change described herein were released through CNW Group at Toronto, Ontario on April 29, 2011.

4. Summary of Material Change

The Corporation announced the completion of its previously announced bought deal prospectus offering of a total of 11,274,600 units of the Corporation. The material change is described in the news release attached hereto as Schedule “A”, which news release is incorporated herein.

5. Full Description of Material Change

5.1 Full Description of Material Change

The Corporation announced the completion of its previously announced bought deal prospectus offering of 9,804,000 units (each a “**Unit**”) at a price of \$2.55 per unit for gross proceeds of \$25,000,2000 (the “**Offering**”). The Offering was led by Dundee Securities Ltd. and Salman Partners Inc., and included Haywood Securities Inc. and Raymond James Ltd. (The Underwriters”). The Underwriters exercised their full over-allotment option to acquire 1,470,600 additional Units for additional gross proceeds of \$3,750,030. In total, 11,274,600 Units were sold for gross proceeds of \$28,750,230.

Each Unit consists of one common share in the Capital of the Corporation (each a “**Common-Share**”) and one-half of one common share purchase warrant (each whole common share purchase warrant, a “**Warrant**”). Subject to acceleration of the expiry time in certain circumstances, each Warrant entitles the holder thereof to purchase one Common Share at a price of \$3.10 at any time up to 5:00 p.m. (Toronto time) on October 29, 2012.

The Corporation intends to use the net proceeds of the Offering for continued exploration and development of the Trairão Iron Ore Project and for general corporate purposes.

5.2 Disclosure for Restructuring Transactions

Not Applicable

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

The following is the name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and this report.

Stuart Comline
President and Chief Executive Officer
(416) 361-9636

9. **Date of Report**

May 3, 2011.



News Release
TSX:TLO
News Release
TSX:TLO

TALON METALS COMPLETES \$28.7 MILLION PROSPECTUS OFFERING

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT INTENDED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

Road Town, Tortola, British Virgin Islands (April 29, 2011) – Talon Metals Corp. (“Talon” or the “Company”) (TSX: TLO) is pleased to announce that it has completed its previously announced bought deal prospectus offering of 9,804,000 units (each a “Unit”) at a price of \$2.55 per unit for gross proceeds of \$25,000,200 (the “Offering”). The Offering was led by Dundee Securities Ltd. and Salman Partners Inc., and included Haywood Securities Inc. and Raymond James Ltd. (the “Underwriters”). The Underwriters exercised their full over-allotment option to acquire 1,470,600 additional Units for additional gross proceeds of \$3,750,030. In total, 11,274,600 Units were sold for gross proceeds of \$28,750,230.

“With the completion of this financing, we are well funded to undertake a substantial exploration program at our flagship project, the Trairão Iron Project in Brazil,” said Mr. Stuart Comline, President and CEO of Talon Metals.

Each Unit consists of one common share in the capital of Talon (each, a “Common Share”) and one-half of one common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Subject to acceleration of the expiry time in certain circumstances, each Warrant will entitle the holder thereof to purchase one Common Share at a price of \$3.10 at any time up to 5:00 p.m. (Toronto time) on October 29, 2012.

Talon intends to use the net proceeds of the Offering for continued exploration and development of the Trairão Iron Ore Project and for general corporate purposes.

An electronic copy of the final prospectus is available on the SEDAR website at www.sedar.com.

About Talon Metals

Talon Metals is a TSX-listed company focused on the exploration and development of its 100% owned Trairão Iron Project in Pará State, Brazil. The Company has a well-qualified exploration and management team with extensive experience in exploration and project management.

With the completion of this bought deal, Talon has a treasury of approximately \$34 million and holds strategic equity investments in a number of other public and private companies including 500,000 common shares in Lago Dourado Minerals Ltd. (TSXV: LDM). Talon also holds approximately 19.2 million shares in Tlou Energy Limited and 25.6 million shares in Rio Verde, both of which are unlisted companies. Talon has 91,547,037 common shares outstanding and 105,546,189 shares on a fully diluted basis.

For additional information on Talon please visit the Company's website at www.talonmetals.com or contact:

Erica Belling
VP Investor Relations
Tau Capital Corp.
Tel: (416) 361-9636 x 243
Email: ebelling@taucapital.com

United States Advisory

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold in the United States unless the securities are registered under the U.S. Securities Act, or an exemption from the registration requirements of the U.S. Securities Act is available. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state in the United States in which such offer, solicitation or sale would be unlawful.

Forward-Looking Statements

This press release contains certain "forward-looking information". All information, other than information pertaining to historical fact, which addresses activities, events or developments that Talon believes, expects or anticipates will or may occur in the future constitutes forward-looking information. Forward-looking information reflects the current expectations or beliefs of Talon based on information currently available to Talon. Such forward-looking information includes, without limitation, the completion and proposed terms of RV Distribution and timing related thereto; and the anticipated effect of the RV Distribution on shareholder value.

Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, risks related to the exploration stage of the Company's properties, the possibility that future exploration results will not be consistent with the Company's expectations (including identifying additional and/or deeper mineralization), changes in the price of iron ore, changes in equity markets, political developments in Brazil, uncertainties relating to the availability and costs of financing needed in the future, changes to regulations affecting the Company's activities, delays in obtaining or failures to obtain required regulatory approvals, the uncertainties involved in interpreting exploration results and other geological data and the other risks involved in the mineral exploration business.

Forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update forward-looking information, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.