Focused Australian mineral exploration company

TALISMAN
MINING LIMITED

ASX Code: TLM

AGM Presentation – 24 November 2014

A Transformation In Progress

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Information in this presentation 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 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 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Graeme Cameron consents to the inclusion in this presentation of the matters based on information in the form and context in which it appears.

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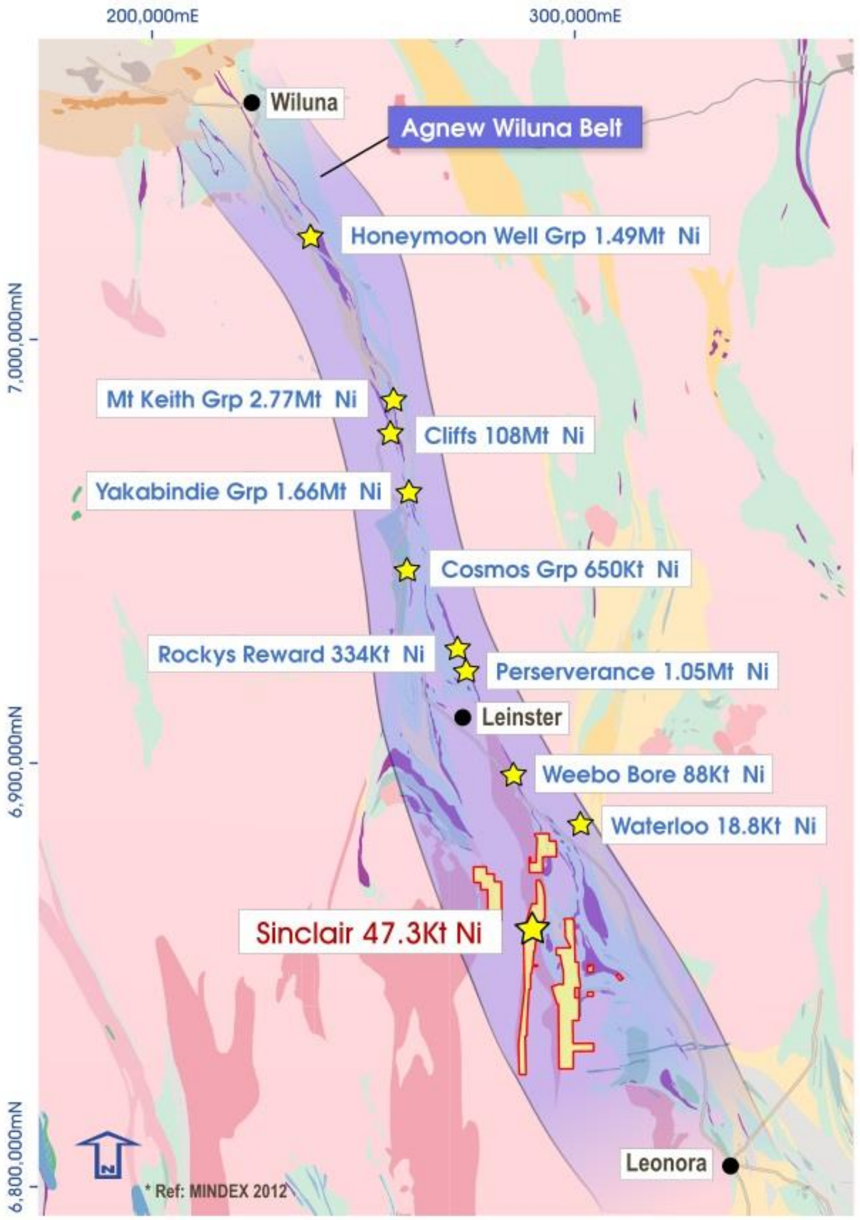
Sinclair Nickel Project

Exposure to Improving Nickel Market Fundamentals

Sinclair Nickel Project – Located within a Premier Nickel Province

- Advanced, high quality nickel sulphide project located within the southern portion of the prolific, world-class Agnew-Wiluna Greenstone belt.
- One of the world's premier nickel provinces with reported production of over **9Mt of nickel**:
  - *Hosts the giant Mt Keith (2.77Mt Ni), Perseverance (1.05Mt Ni), Cliffs (108Mt Ni) and Yakabindie (1.66Mt Ni) Projects*
  - *Located 100km south of the high-grade Cosmos Nickel Project (650kt Ni)*
  - *Other nearby deposits include Waterloo (18.8kt Ni) and Weebo Bore (88kt Ni)*



Sinclair Nickel Project – Transaction and History

Transaction Details *

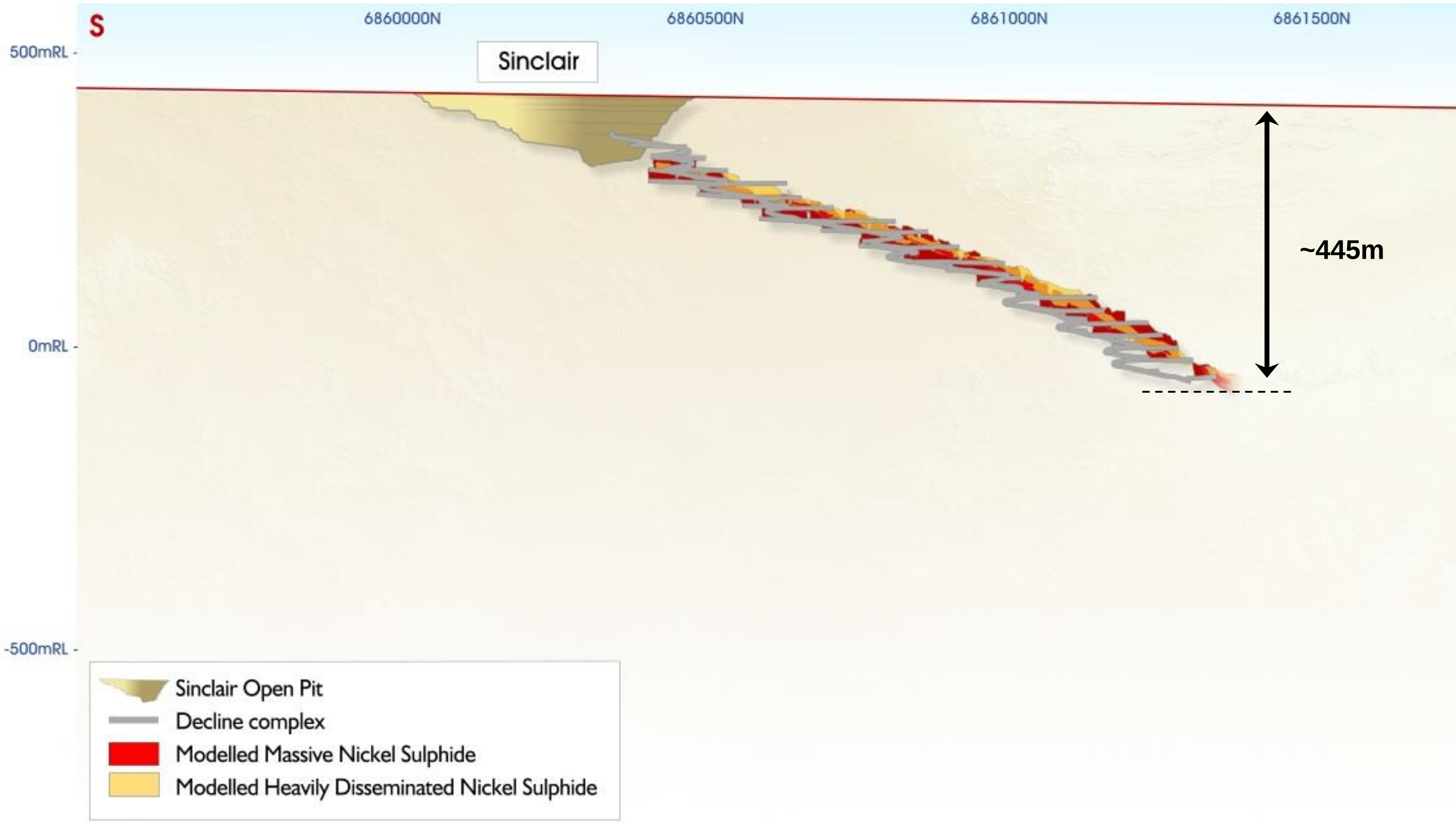
- *$8M payable on completion*
- *$2M deferred contingent payment triggered by production commencing within 6 years – payable 6 months after first offtake payment.*
- *Offtake optionality for first 20,000 tonnes nickel with Glencore*

** Refer to ASX announcement dated 20 October 2014 for further details*

Project History

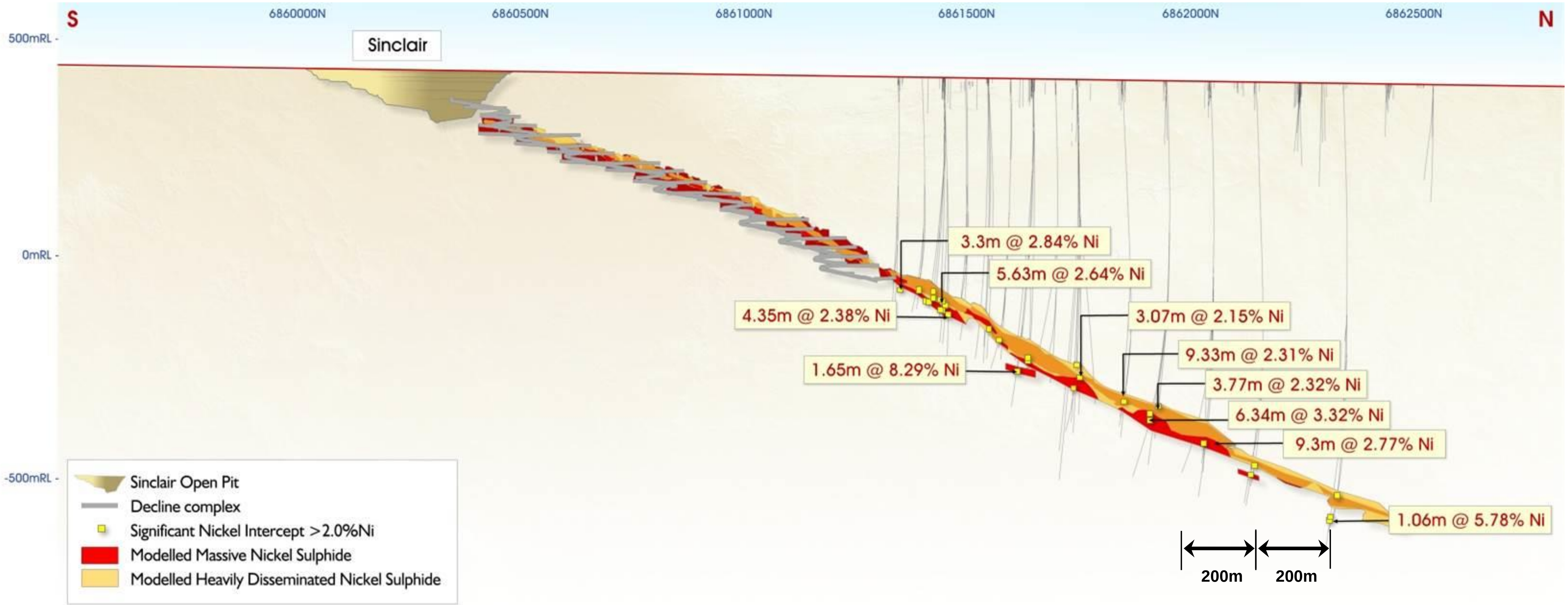
- *Discovered by Jubilee Mines NL in October 2005*
- *Developed in 2008/2009*
- *Historic mine production: 1.58 Mt @ 2.44% Ni for 38,500t contained Ni*
- *Placed on care and maintenance in August 2013*

Sinclair Nickel Project – Deposit and Mine Development



- Sinclair deposit comprises an elongated body of massive to disseminated sulphide mineralisation with a shallow plunge of around 20 degrees which was mined to ~445m below surface

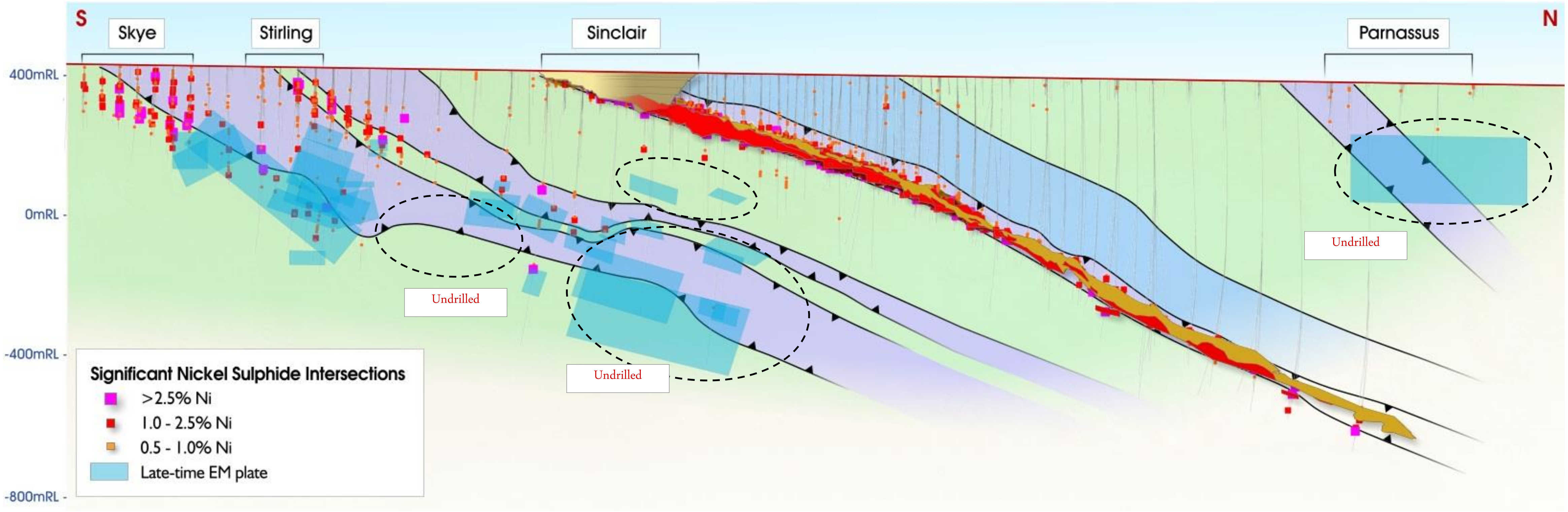
Sinclair Nickel Project – Sinclair Nickel Deposit Extension



- Broad spaced drilling of the deposit for 1km beyond current mine development has returned significant intersections*

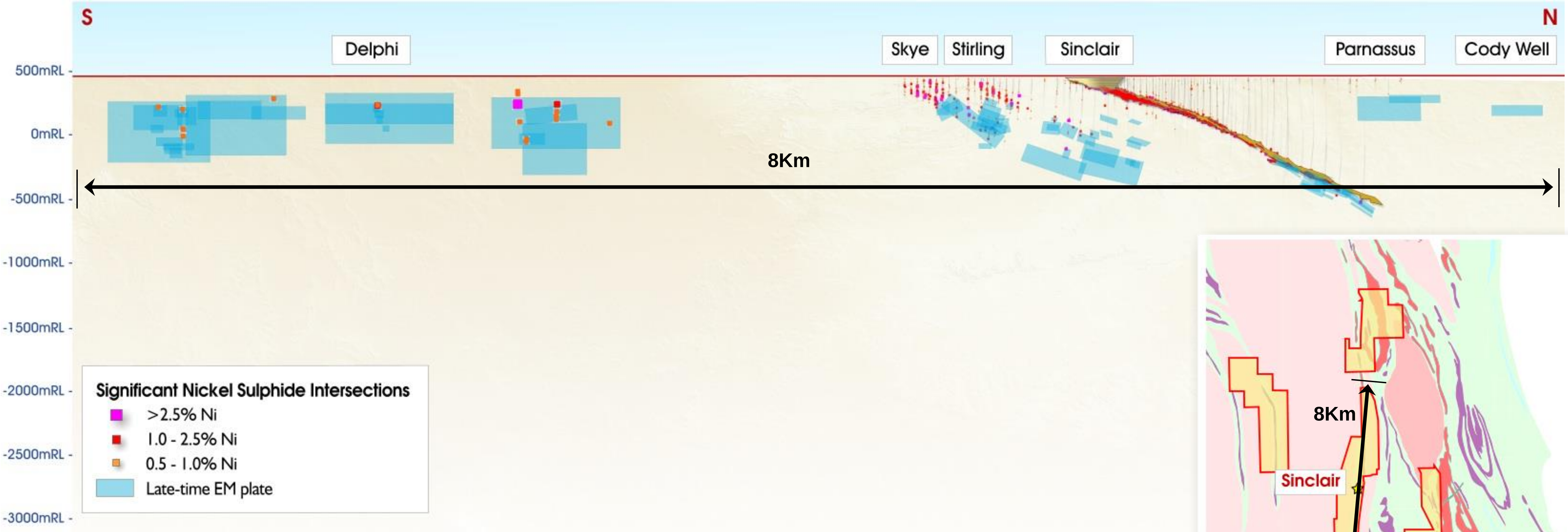
* Refer Talisman ASX Release 20th October 2014

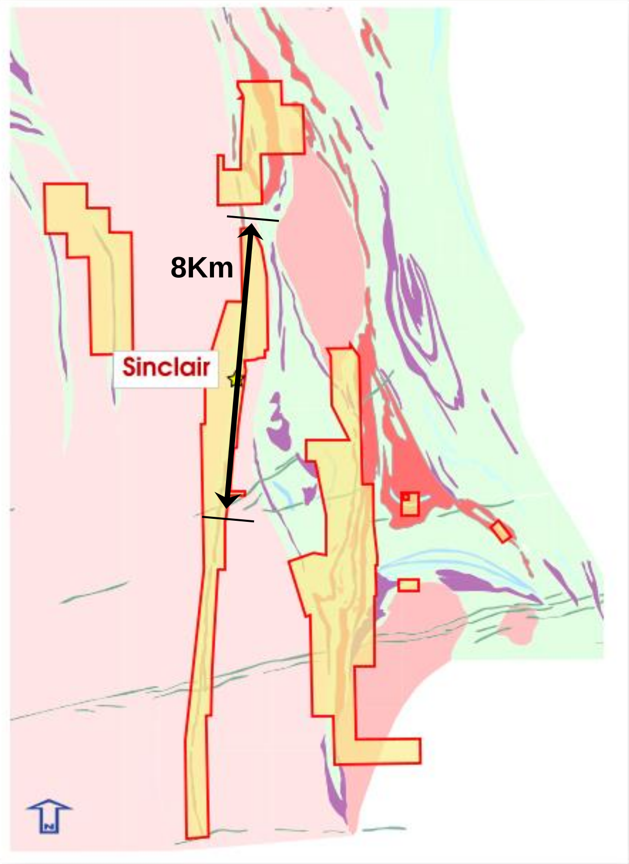
Sinclair Nickel Project – Near-Mine Potential



- Two parallel mineralised ultra-mafic channels similar to Sinclair at **Stirling** and **Skye** with greater ultra-mafic volumes
- Numerous significant mineralised intercepts from relatively broad spaced drilling
- Late-time EM plates identified directly below the Sinclair Trend
- Outstanding near-mine exploration potential with several highly prospective areas not tested by drilling

Sinclair Nickel Project – A Pipeline of Exploration Opportunities

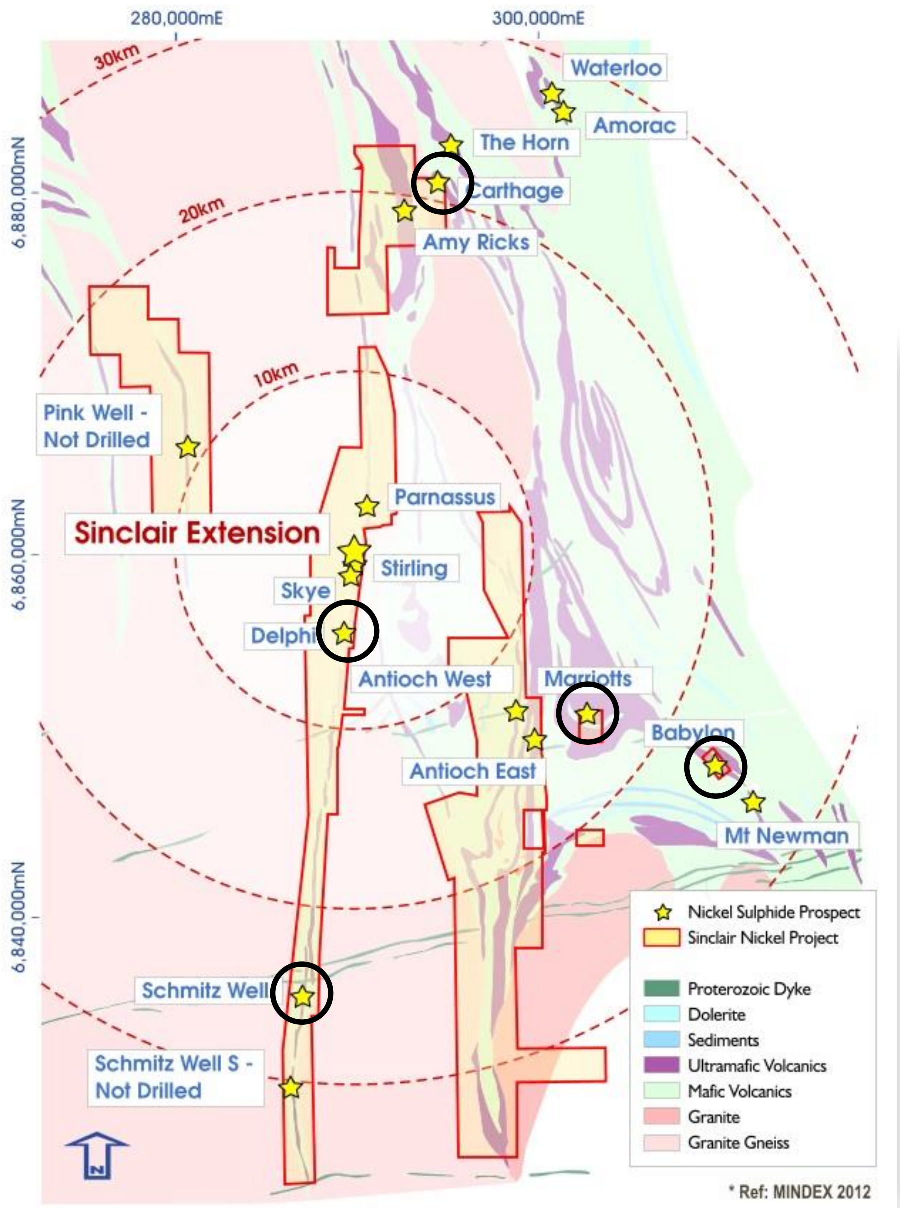




- The Sinclair Trend offers at least 8km of discovery opportunity with very little historical drilling
- Target areas include Delphi, Parnassus and Cody Well hosted along strike and within the Sinclair Trend
- Targets contain substantial volumes of prospective ultramafic rocks, surface and down-hole EM plates and historical nickel sulphide intersections

Sinclair Nickel Project – A Pipeline of Exploration Potential

- Nickel sulphides have been intersected in drilling along at least five ultra-mafic sequences across the Project at:
  - ***Delphi***
  - ***Schmitz Well***
  - ***Marriotts***
  - ***Carthage***
  - ***Babylon***
- Multiple exploration targets all exist within 30km of the Sinclair Concentrator



Sinclair Nickel Project – Project Infrastructure

- Sinclair comes with extensive quality, near-new infrastructure including:
  - *Open pit, decline and underground mine*
  - *300ktpa concentrate plant*
  - *200-person accommodation village*
  - *Administration buildings and stores*
  - *Exploration office and core yard*
  - *Borefield and pipelines*
  - *Mining contractor facilities*
  - *ROM pad and waste dump*
  - *Tailings storage facility*

Sinclair Acquisition – Current Activities

- Transaction completion activities underway & progressing well
- Initial exploration activities at the **Stirling** and **Skye** near mine prospects focussed on defining, confirming and prioritising potential drill targets including:
  - the creation of a 3 dimensional geological model; and
  - review of high-priority historic geophysical data (by Newexco)
- Review of the **Delphi** prospect also underway:
  - *Geological; and*
  - *Geophysical (Newexco)*
- Consultant engaged to assess the potential for initial JORC Code (2012) compliant resource estimates, based on existing historical drilling, for both the Sinclair mine area and the deposit extension.

Sinclair Acquisition – Tailor-made for Talisman

- **The right transaction**:
  - The acquisition is self-funded & follows an extensive Australia-wide search for acquisition opportunities
- **The right commodity:**
  - Nickel has very strong supply/demand fundamentals
- **The right project:**
  - Sinclair deposit extension potential
  - Excellent near-mine exploration potential
  - Excellent regional exploration potential
  - Extensive mine infrastructure

A Transformational Opportunity in a Commodity with Outstanding Fundamentals

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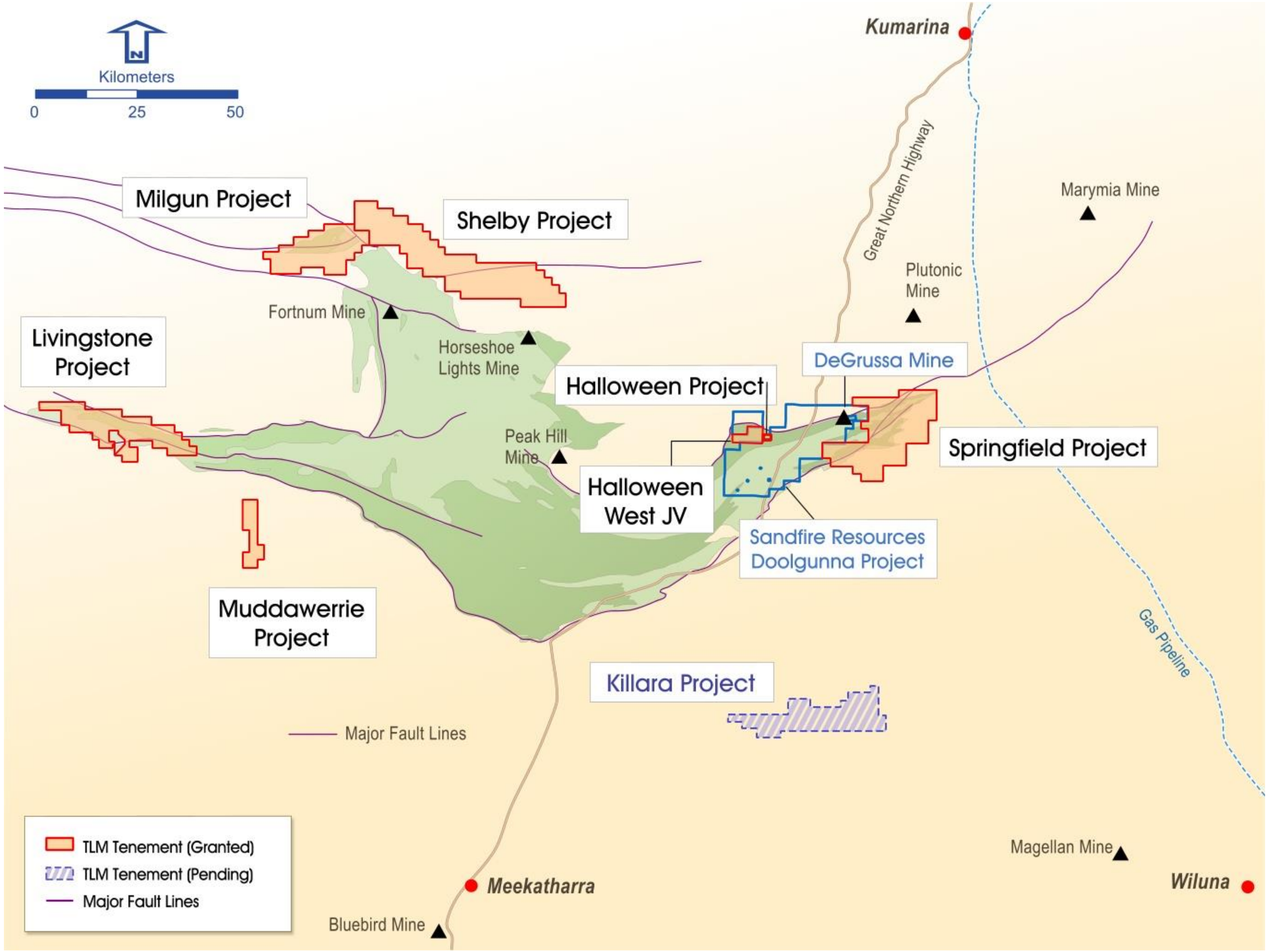
Doolgunna Copper-Gold Projects

Exposure to Potential New Copper-Gold Discoveries in a World-Class VMS Province

Talisman Doolgunna Project Locations

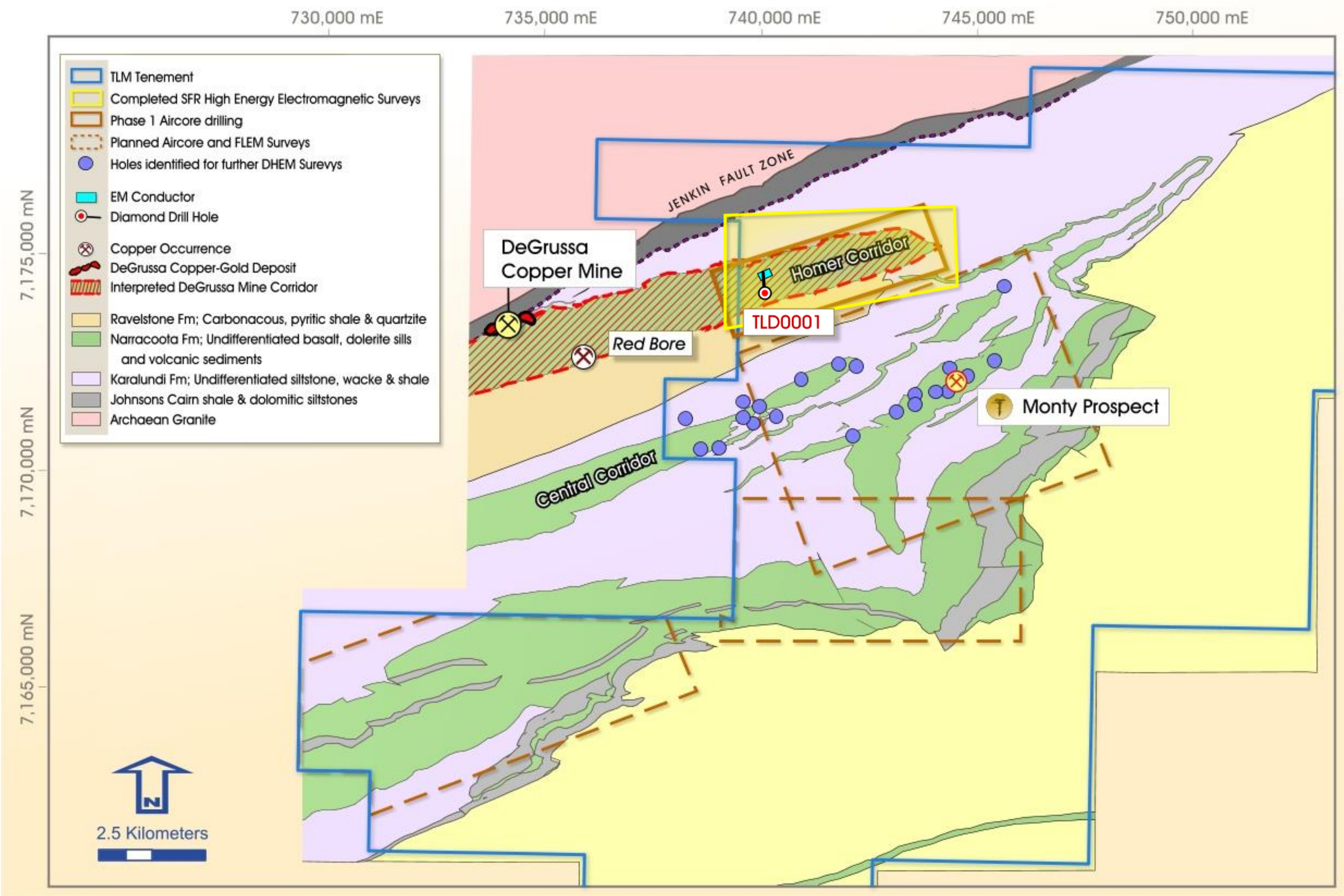


Doolgunna Projects Overview

- Projects located in an emerging copper province hosting the world-class, high-grade DeGrussa Copper-Gold Mine
- $15 million farm-in joint venture agreed with Sandfire in late December 2013
- Technical data integration and assessment of initial target areas undertaken by Sandfire during first half of 2014
- First phase of ground-based exploration by Sandfire commenced June 2014 delivering significant encouragement
- Extensive multi-pronged exploration programs now underway

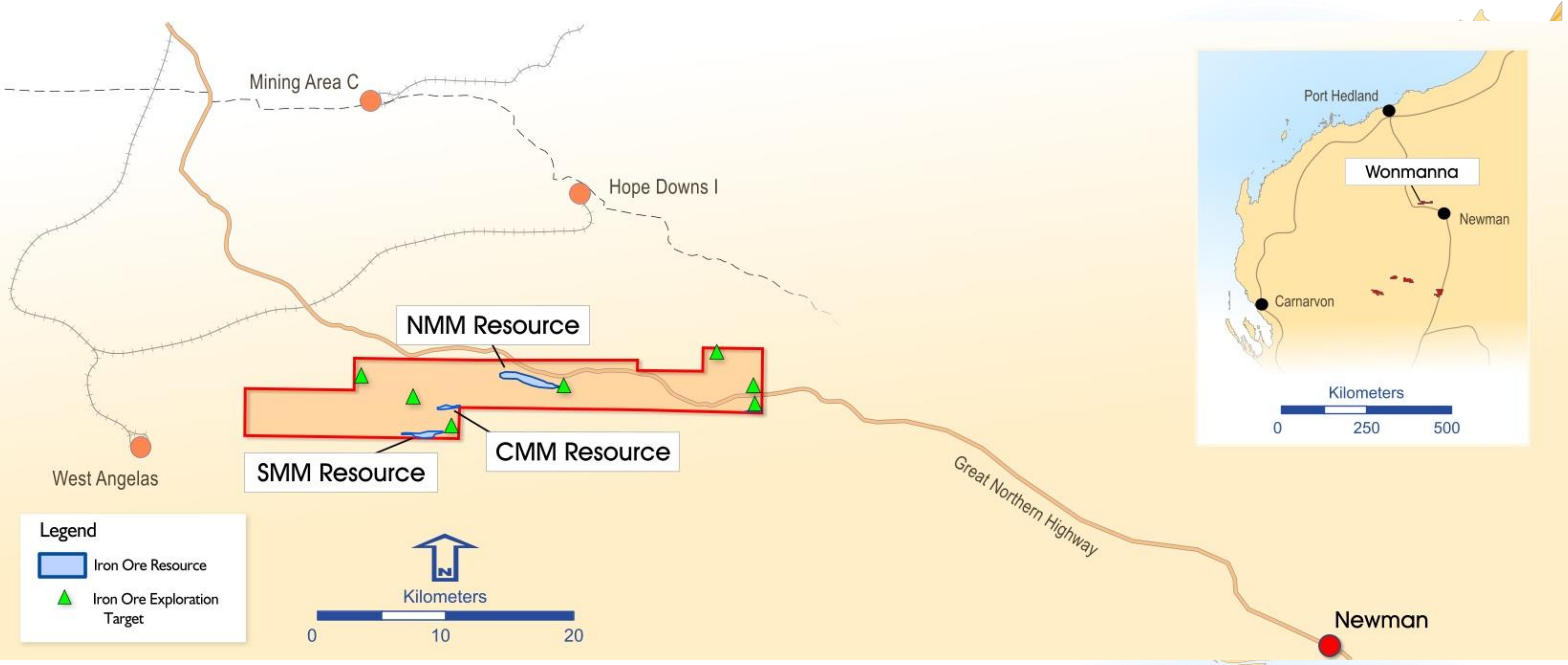
Doolgunna JV – Ongoing and Planned Exploration 2014

- Based on early encouragement Sandfire has advised that the following activities will be undertaken at Springfield this year:
  - *Preparation of historical deep holes for high-powered DHEM surveys;*
  - *~200-hole aircore drilling program along the Homer Trend to be followed by;*
  - *Geochemical aircore drilling programmes across the prospective sequence;*
  - *Extensive high-powered FLEM surveys, over the prospective sequence; and*
  - *Detailed litho-chemical re-analysis of historical drill samples*



Extensive ground-based exploration underway to generate drill targets

Iron Ore Exposure – Wonmunna Iron Ore Project



Exposure to Iron Ore – Wonmunna Iron Ore Project

- Strategically located Pilbara iron ore asset held by Ascot Resources Limited (ASX – AZQ)
- Ochre Group Holdings recently agreed to sell Wonmunna to Ascot Resources Limited for 50M Ascot shares, tranched payments totalling $21.95M and a 1% Gross Revenue Royalty[1]
- Talisman holds 35.5 million Ochre ordinary shares (~ 5.9% of Ochre's issued capital)
- Ascot is proposing to commence production from Wonmunna during 2015 at 3Mtpa [2]
- Talisman holds a 1% gross revenue royalty from all metals mined from Wonmunna

[1] *OGH & AZQ ASX announcements dated 3 July 2014 and 23 September 2014*

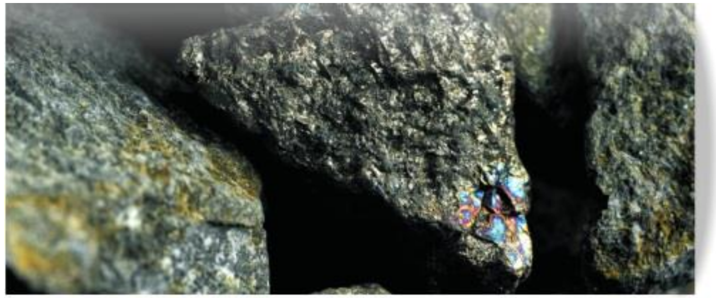
[2] *AZQ Wonmunna acquisition presentation dated 25 March 2014*

Talisman Mining – A clear strategy to grow shareholder value

- **Sinclair Nickel Project - A transformational growth opportunity**
  - *Sinclair deposit extension potential*
  - *Near mine exploration potential*
  - *Considerable regional exploration potential*
  - *Extensive mine infrastructure*

- **Exposure to ongoing copper-gold exploration at Doolgunna Projects**
  - *Located 4km from DeGrussa Copper-Gold Mine*
  - *Funded and managed by Sandfire Resources NL*

- **Potential future iron-ore royalty stream from Ascot Resources**



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Gary Lethridge, Managing Director

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