



TALISMAN
MINING LIMITED

ASX Code: TLM



Discovering & Developing Opportunities in Copper-Gold and Nickel

Investor Presentation July 2016 - Dan Madden, Managing Director

Disclaimer and Competent Person's Statements



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Competent Person's Statement

Information in this presentation that relates to Exploration Results and Exploration Targets as defined under the 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves", is based on information 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 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 Greenaway consents to the inclusion in this report of the matters based on information in the form and context in which it appears. (Please also see Appendix 1).



Dan Madden - Managing Director

- ▶ Previous CFO and Co Sec of Talisman 2009-April 2016.
- ▶ +15 years' experience in the resources sector across base & precious metals from exploration to operations.

Tony Greenaway - General Manager Geology

- ▶ +25 years' experience conducting and managing exploration from grass roots evaluation to advanced feasibility studies.
- ▶ Base & precious metals across a broad range of mineralisation styles.

Shaun Vokes – Chief Financial Officer & Company Secretary

- ▶ +25 years' experience in senior operational and management roles.
- ▶ Project evaluation, financing, business development, contract negotiation and metals marketing.

Ben Wilson - General Manager Project Development

- ▶ +20 years' experience in the mining industry across multiple commodities.
- ▶ Project evaluations, feasibility study management, project development and management of mining operations.

Capital Structure

Shares on Issue	185.7M
Unlisted Options	5.6M
Market Capitalisation (42c)	~\$78M
Cash (30 June 2016)	\$20.2M

Substantial Shareholders

Kerry Harmanis	16.0%
Hunter Hall	10.6%

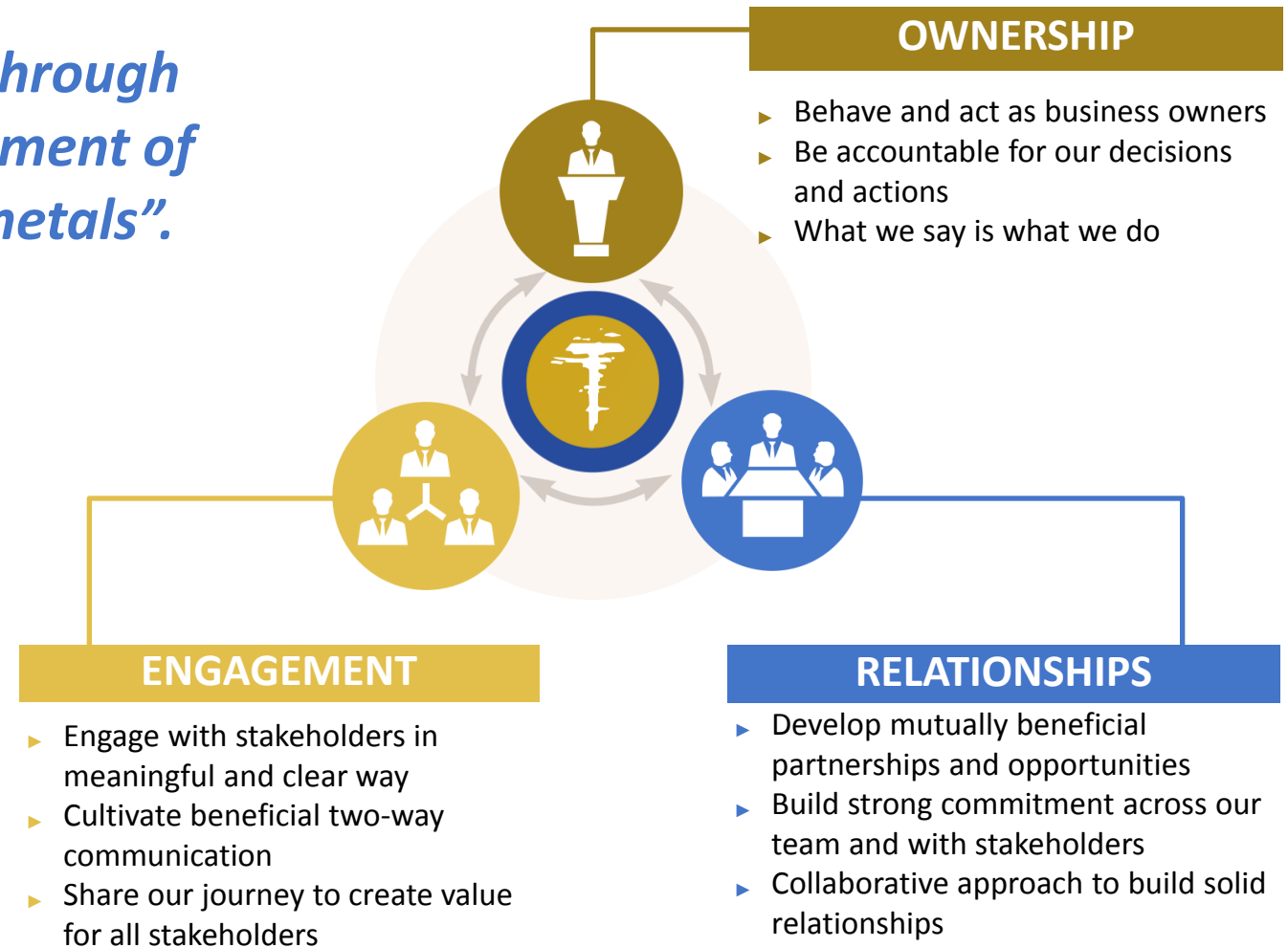
Board

Jeremy Kirkwood (Non-Exec. Chair)	Investment Banking, Corporate Strategy (Credit Suisse, Morgan Stanley)
Daniel Madden (MD)	Financial and Resources background (Jubilee Mines, Perilya)
Alan Senior (NED)	Resources Project Development (Jubilee Mines, Tanami Gold)
Brian Dawes (NED)	Operational Executive (Jubilee, Western Areas & LionOre)
Karen Gadsby (NED)	Finance, Commercial & Board Experience (North Ltd)



“Maximise value to shareholders through exploration, discovery and development of opportunities in base & precious metals”.

- ▶ We are custodians of our shareholders' capital
- ▶ We seek to maximise the value of our significant assets in highly prospective mineral provinces
- ▶ We pursue opportunities to create value which are complementary to our assets, experience and expertise



Underpinned by a responsible approach to Health & Safety, Environment and Community

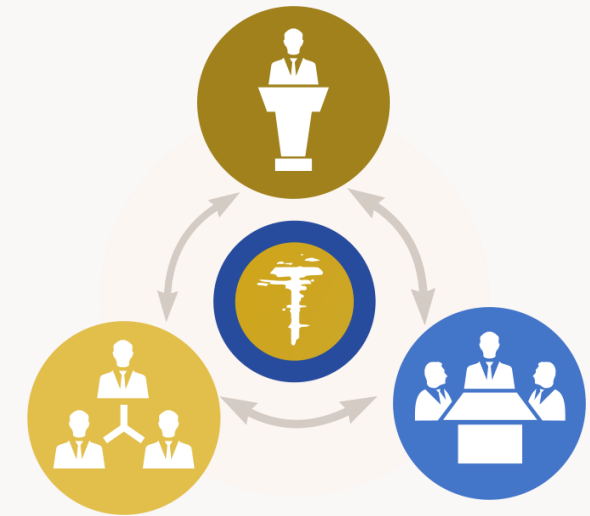


30% interest in Springfield Cu-Au Joint Venture

- ▶ High grade Monty Deposit located 10km DeGrussa
- ▶ Proven world-class VMS province
- ▶ Monty Feasibility Study commenced, MLA submitted
- ▶ Contains multiple prospective VMS corridors
- ▶ Exploration focus on wider Monty & Homer trends

100% owned Sinclair Nickel Project

- ▶ Located in a proven world class nickel province Agnew-Wiluna Greenstone Belt
- ▶ Extensive infrastructure including processing plant with potential fast-track to production
- ▶ Multiple near-mine & regional exploration opportunities
- ▶ ~1km Mineralised extension to Sinclair Deposit



Experienced Team

- ▶ Exploration
- ▶ Project development
- ▶ Operations
- ▶ Commercial
- ▶ Base & precious metals in Western Australia



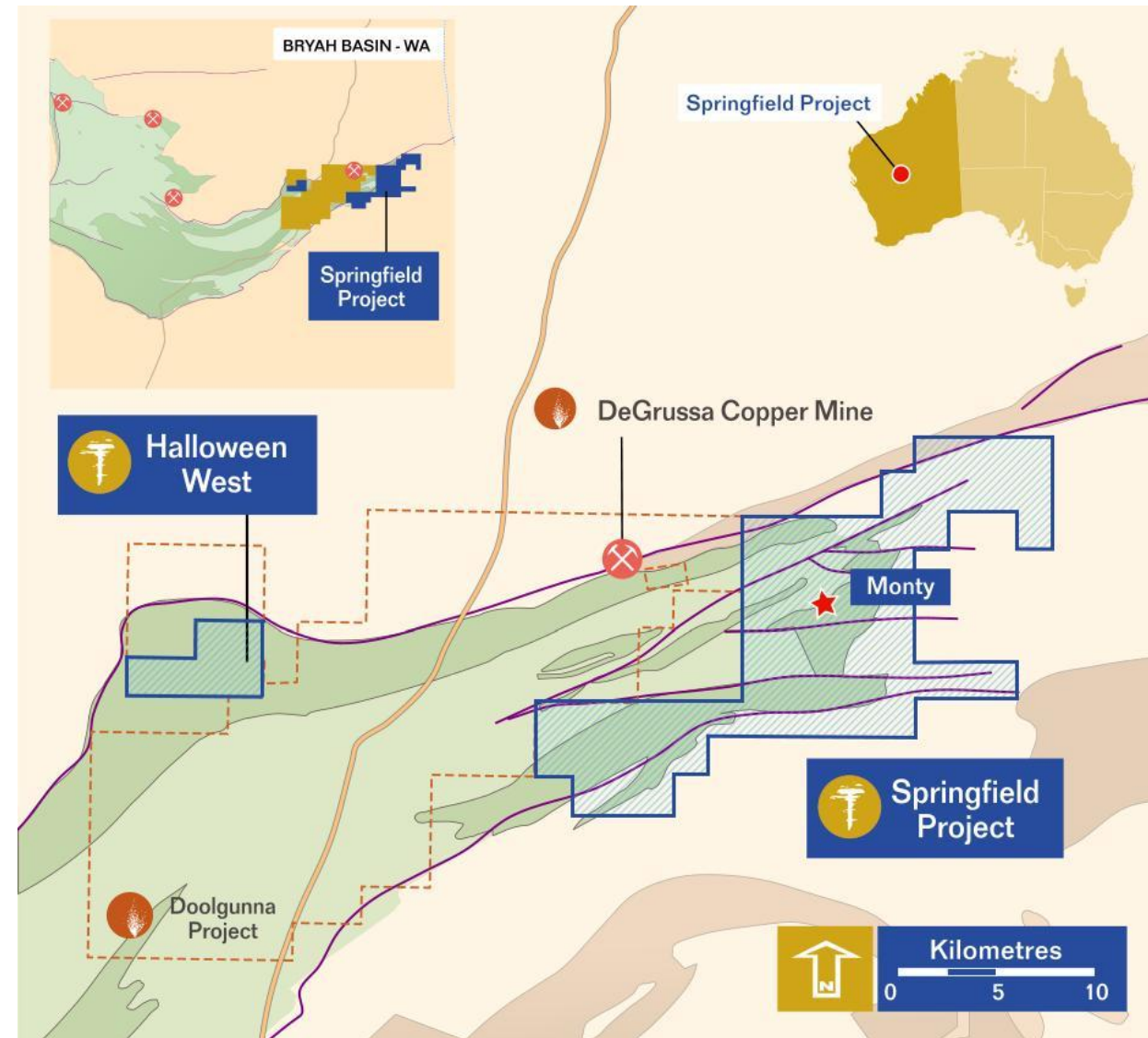
Springfield Copper-Gold Project

Growth through discovery and development in a proven world-class VMS province

Springfield Copper-Gold Joint Venture



- ▶ Talisman 30% interest in joint venture with Sandfire Resources
- ▶ Located in eastern portion of Bryah Basin
- ▶ High-grade Monty Mineral Resource - Feasibility Study underway
- ▶ Proven world-class VMS province
- ▶ Geological model - deposits occur in clusters
- ▶ Multiple VMS horizons

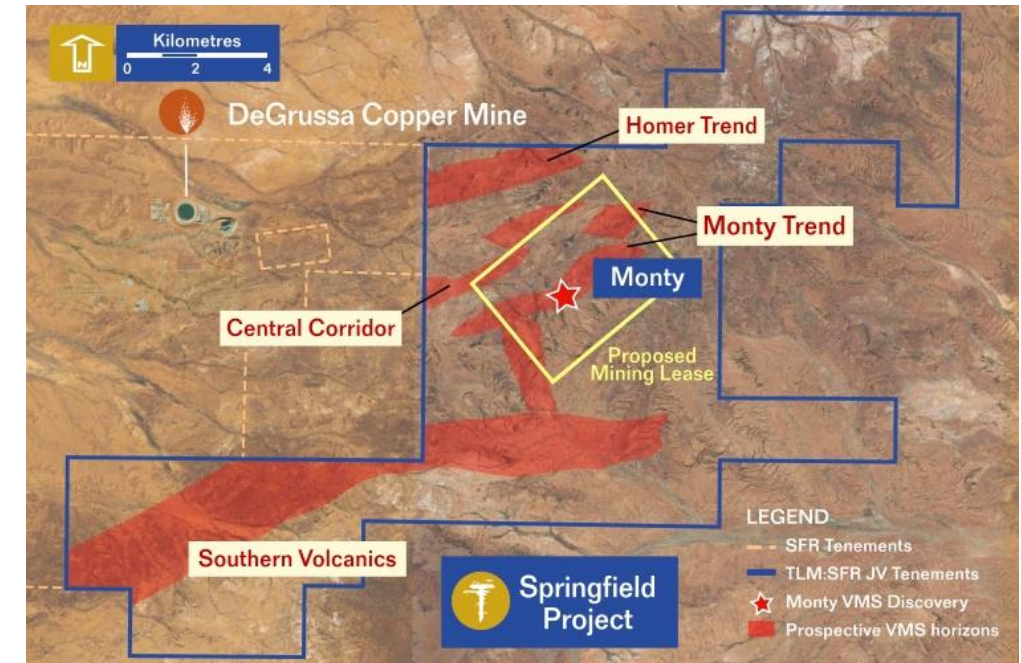


Monty Deposit – Moving Beyond Discovery



- ▶ High-grade & high quality Mineral Resource estimate
 - ▶ *High-grade – 1.05Mt @ 9.4% Cu & 1.6g/t Au for 99kt Cu & 55kOz Au¹ contained*
 - ▶ *Massive Sulphide Component - 763kt @ 12.1% Cu & 2.1g/t Au¹*
- ▶ Feasibility Study commenced - \$3.9M budget
 - ▶ *Metallurgical flotation test work*
 - ▶ *Geotechnical and structural geology studies*
 - ▶ *Mine & infrastructure design*
 - ▶ *Preferred boxcut location selected*
 - ▶ *Due for completion in Q1 2017*
- ▶ Mining Lease application submitted to DMP

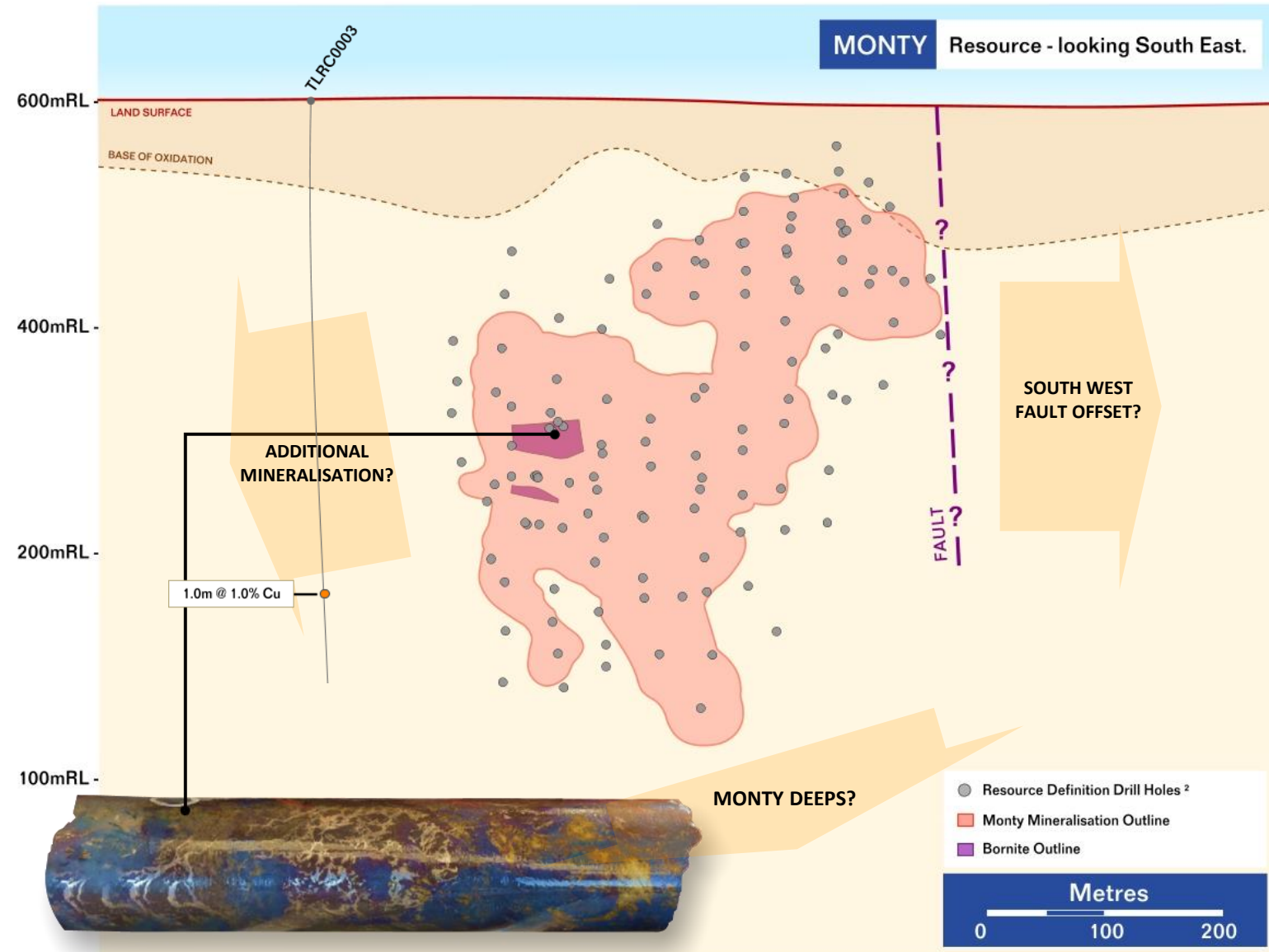
¹ Refer to Appendix 1



Monty Deposit - Significant Upside Potential



- ▶ Limited drilling beyond currently defined Mineral Resource envelope
- ▶ Potential for fault displaced extensions
- ▶ Bornite – ultra-high grade, DSO potential
- ▶ Planned diamond drilling and DHEM to test for additional mineralisation
- ▶ Potential for resource growth from future drilling



2 Refer to Appendix 1

Monty Deposit - Potential for additional VMS lenses?



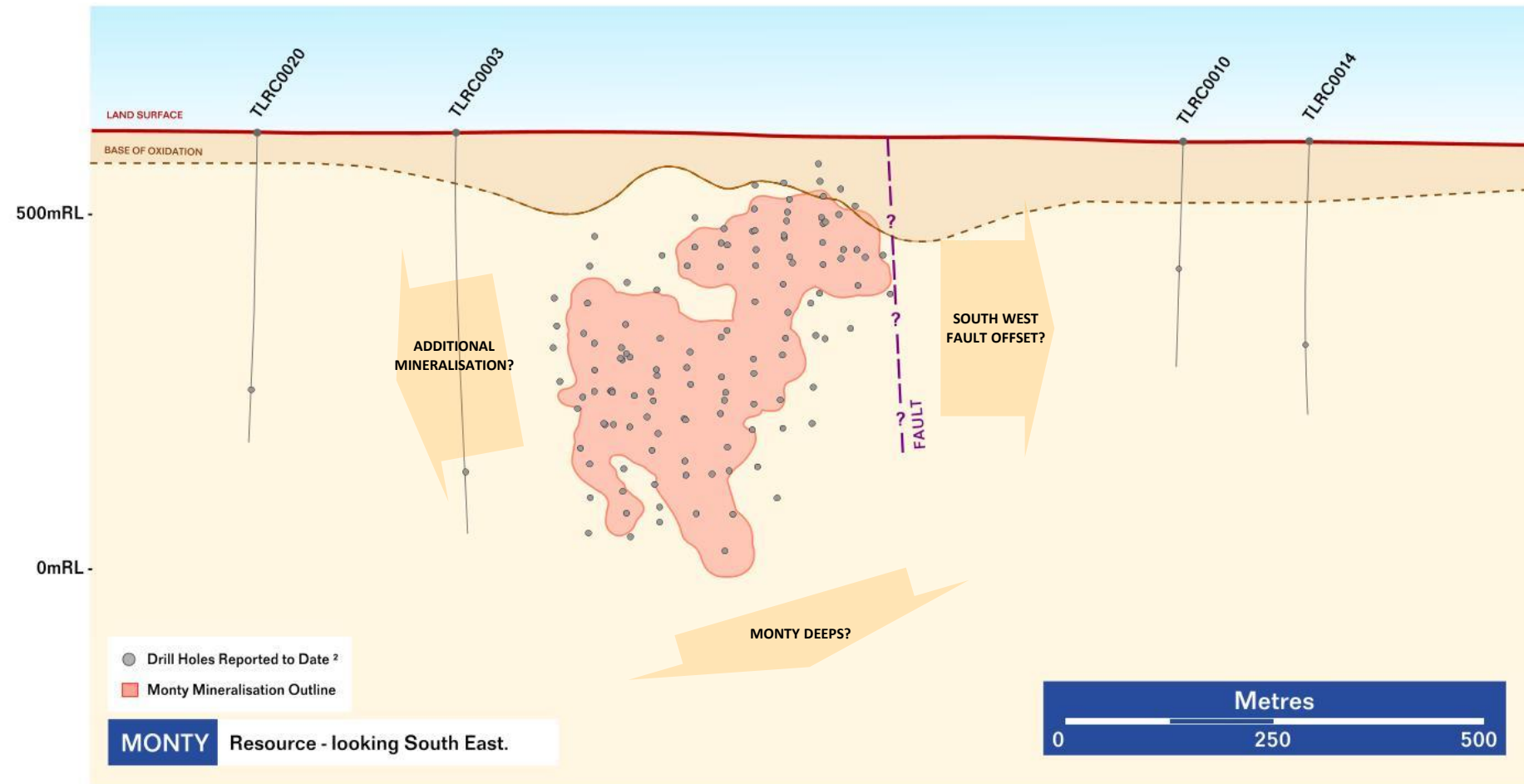
Forensic, systematic exploration approach, the pathway to success

DeGrussa:

- ▶ 2 years & +200,000m of drilling delineated DeGrussa & discovered C1, C4 & C5
- ▶ “Mineral resource has been increased by 100% since first discovery in 2009” - SFR ASX Release 28/01/15

Monty:

- ▶ 9 months & 45,000m of drilling delivered Maiden Mineral Resource.
- ▶ **Significant growth potential remains**



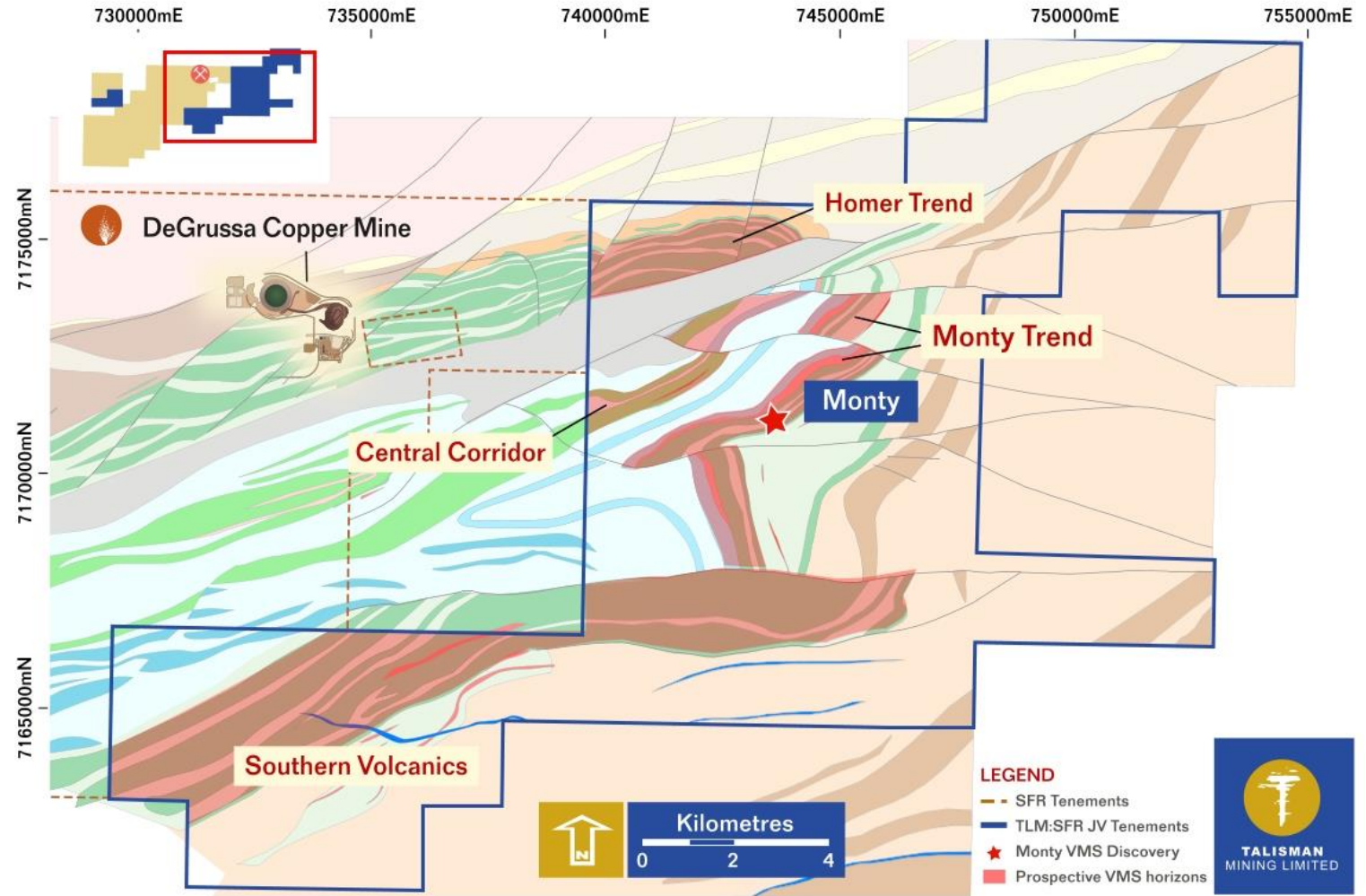
2 Refer to Appendix 1

Springfield Exploration Potential – Multiple Prospective Horizons



- ▶ Exploration over wider Springfield Project at early stages
- ▶ Multi-pronged Exploration activities planned in region
 - ▶ Systematic AC program to delineate interpreted VMS host horizons
 - ▶ RC drilling and DHEM surveys targeting host horizons with follow up diamond drilling as required
 - ▶ Structural geological modelling
 - ▶ SQUID EM & IP geophysical programs

Iterative process





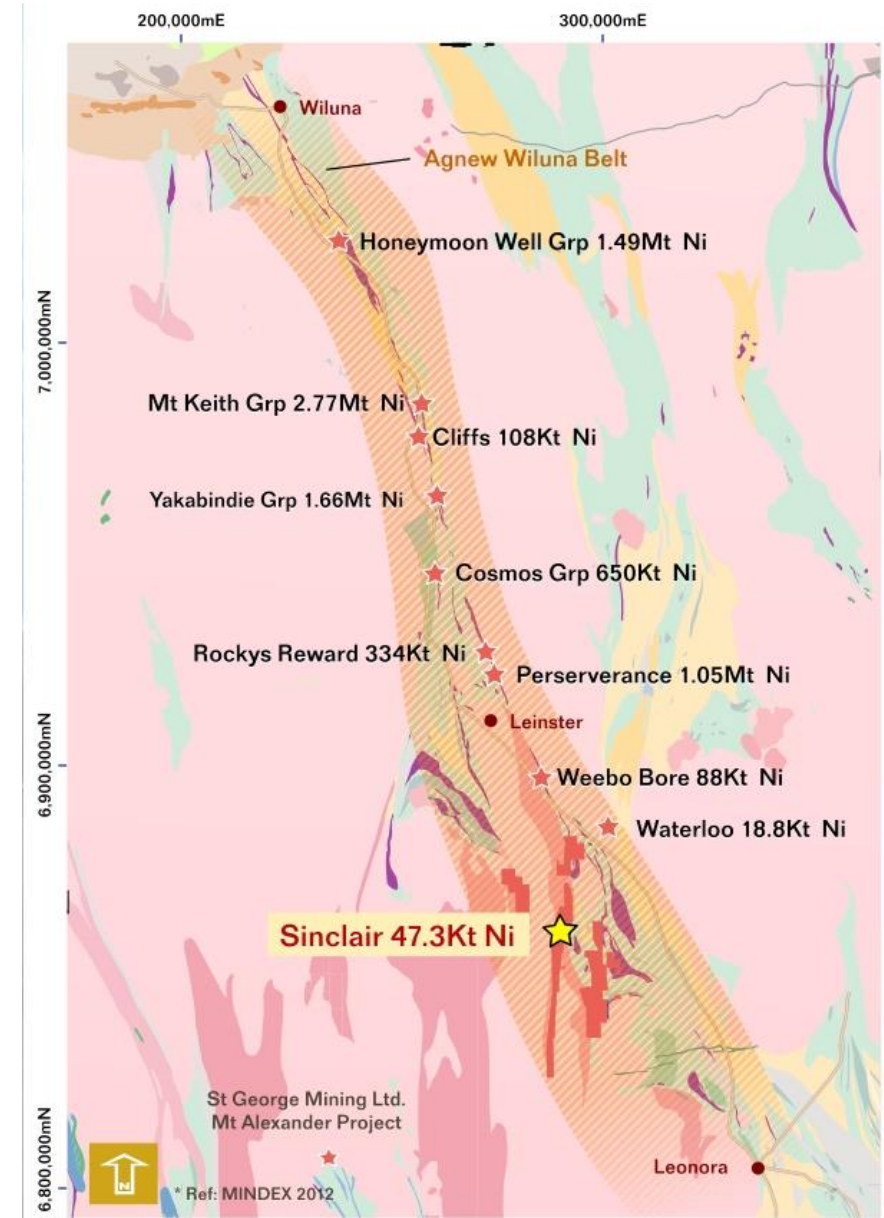
Sinclair Nickel Project

Advanced Opportunity in a Proven Nickel Province

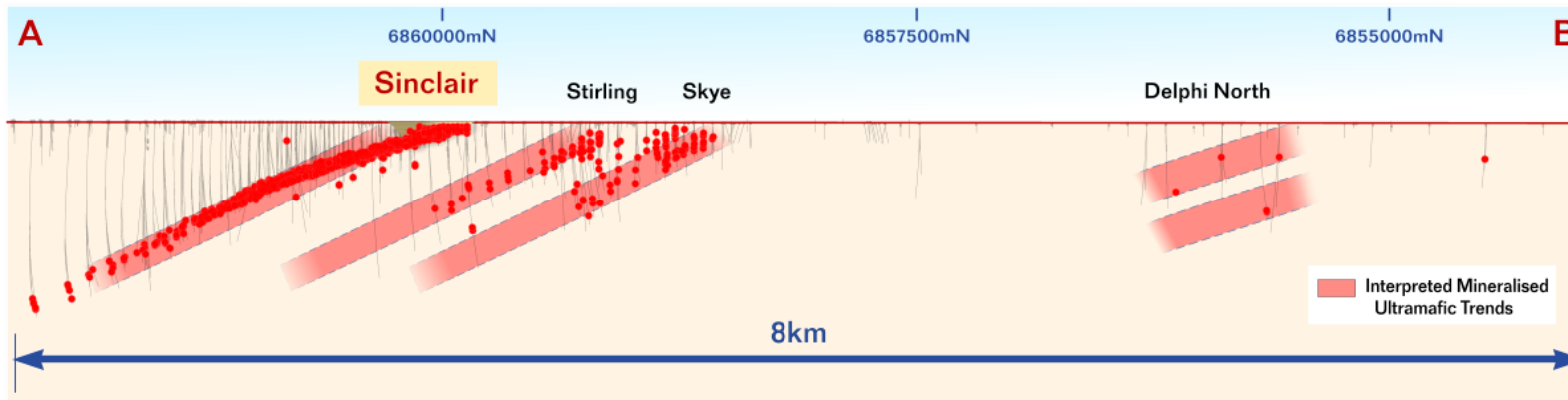
Sinclair Nickel Project – Overview



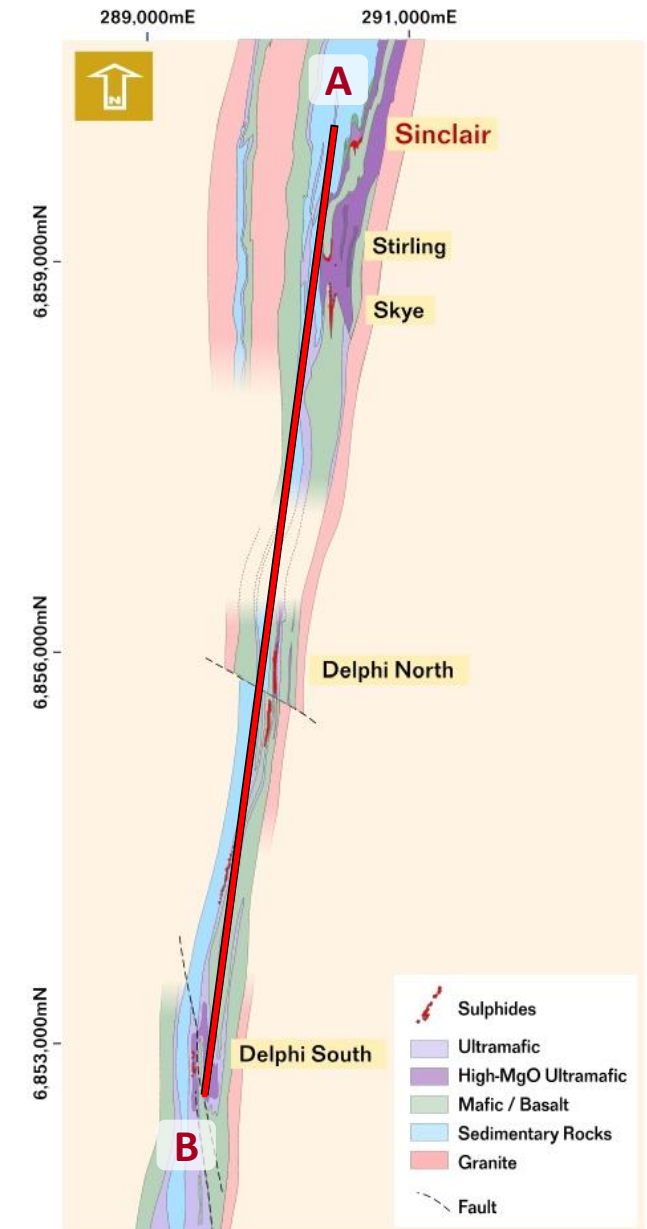
- ▶ Located in world-class Agnew-Wiluna Greenstone belt, over 9Mt of reported nickel production
- ▶ Historical Sinclair mine production (2008-2013)
 - ▶ 1.58 Mt @ 2.44% Ni for 38,500t of contained Ni
- ▶ Sinclair Nickel Mine & infrastructure
 - ▶ Potential for low capital, fast track to production
- ▶ Multiple exploration opportunities
 - ▶ Sinclair Trend – near mine ~8km strike ultramafic/basal contact
 - ▶ Regional Targets – over 80km strike of prospective ultramafic contact



Sinclair Trend – Generating Near Mine Opportunities



- ▶ Recent work undertaken to refine the targeting model for “Sinclair style” deposits
 - ▶ Understand controls on mineralisation
 - ▶ Reinterpretation of the historic drilling; lithology, geochemical signature, structure & supporting geophysical datasets
- ▶ Remodelling of ultramafic/basal contact in near mine environment identifies multiple mineralised positions
 - ▶ Sinclair deposit remnants & extensions,
 - ▶ Newly identified positions parallel to Sinclair
 - ▶ Skye and Stirling
 - ▶ Delphi North

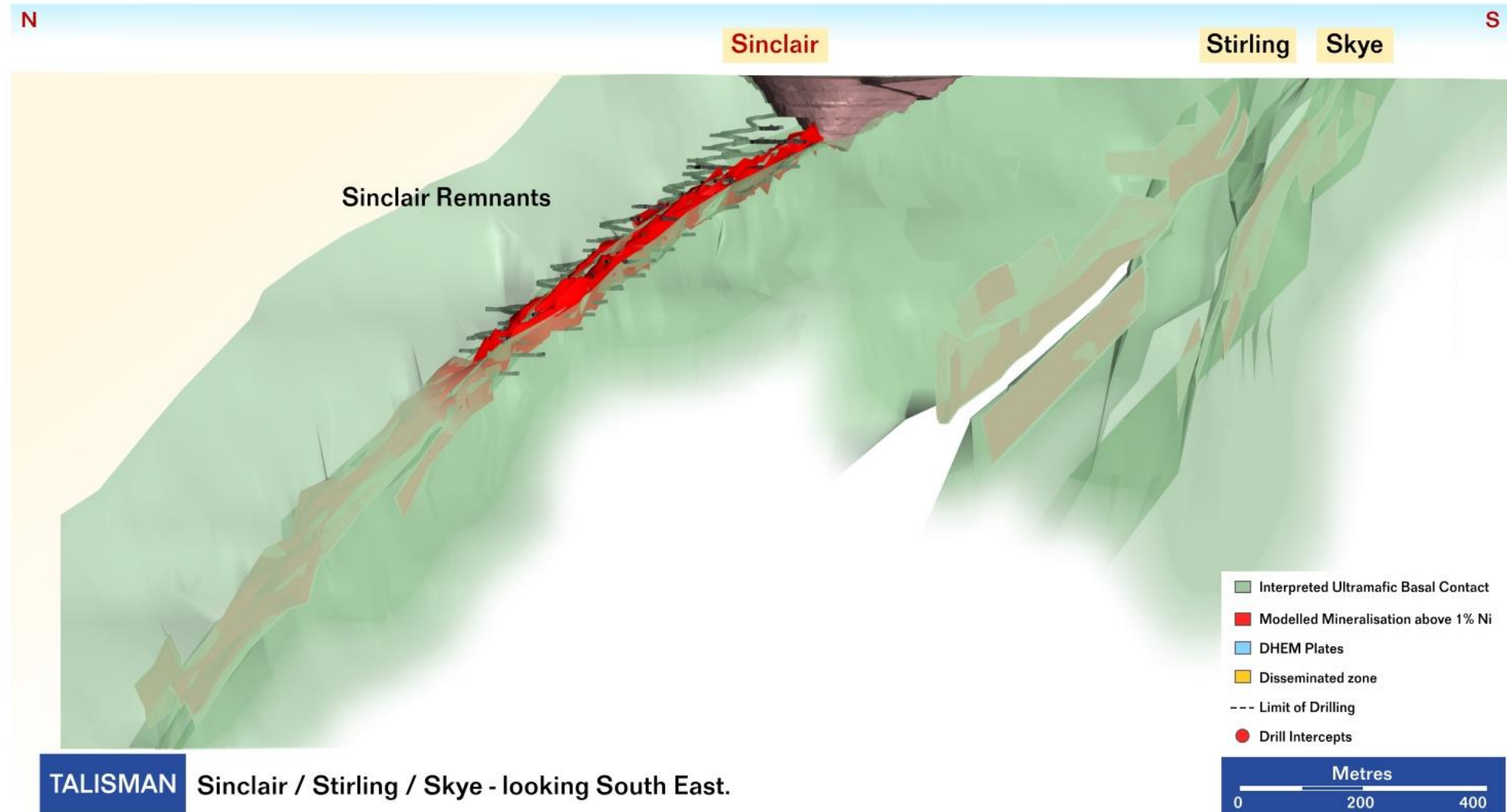




► Sinclair Remnants

- Sinclair deposit mined to ~445m vertical depth at average 2.44% Ni
- Situated along the strike extent of existing mine
- Accessible from existing underground development

Potential
resource
targets

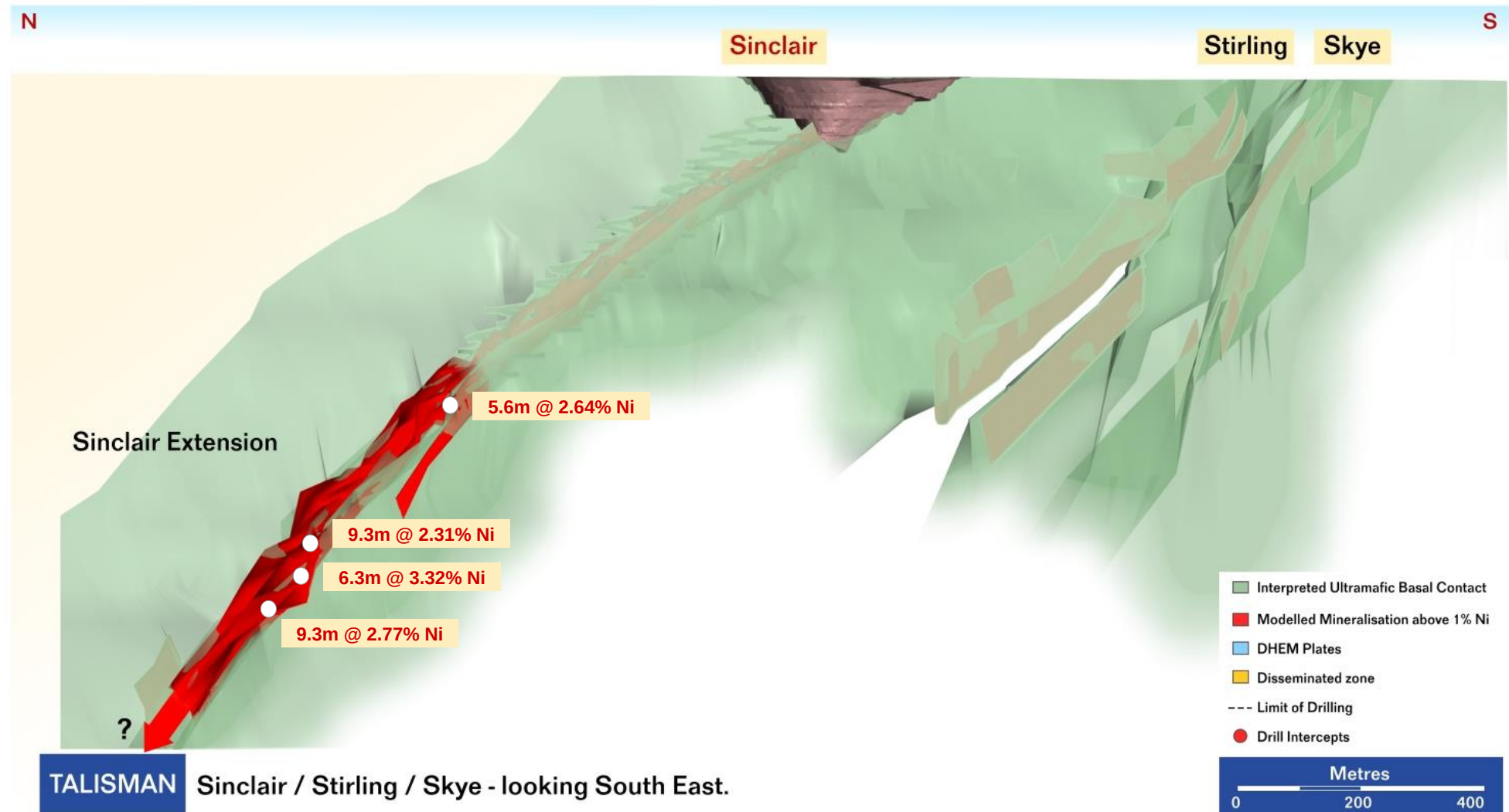




► Sinclair Extension

- Mineralised along 1km strike beyond existing mine
- Wide spaced drilling (50-200m sections)
- Open at depth

Potential
resource
targets





▶ Stirling & Skye

- ▶ Parallel mineralised contacts close to Sinclair
- ▶ Limited coverage of mineralised position in existing drilling
- ▶ Untested DHEM conductors
- ▶ Interpreted extension of mineralisation is untested

Drill
ready
targets



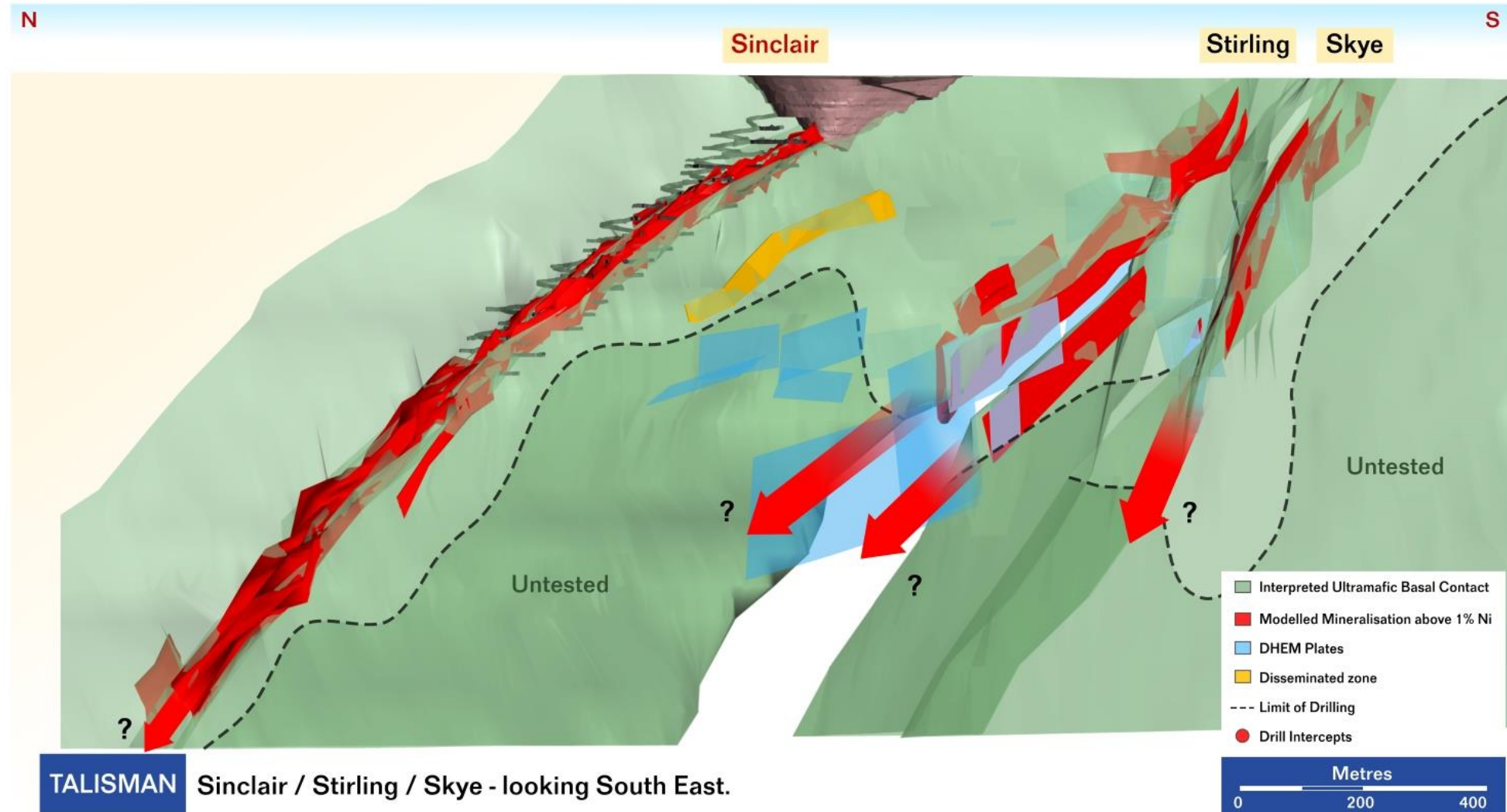
Sinclair Trend – Sinclair, Stirling & Skye



Potential
resource
targets

Drill
ready
targets

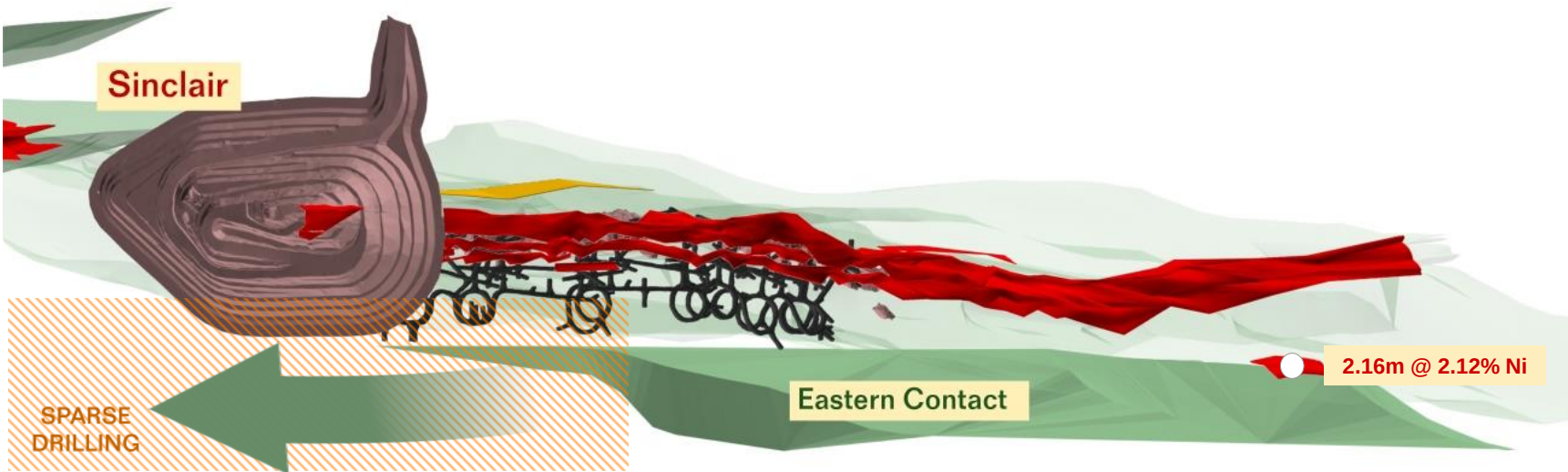
Future work
programs
under
development



Sinclair Trend – Eastern Contact



Fertile basal contact horizons identified parallel to Sinclair

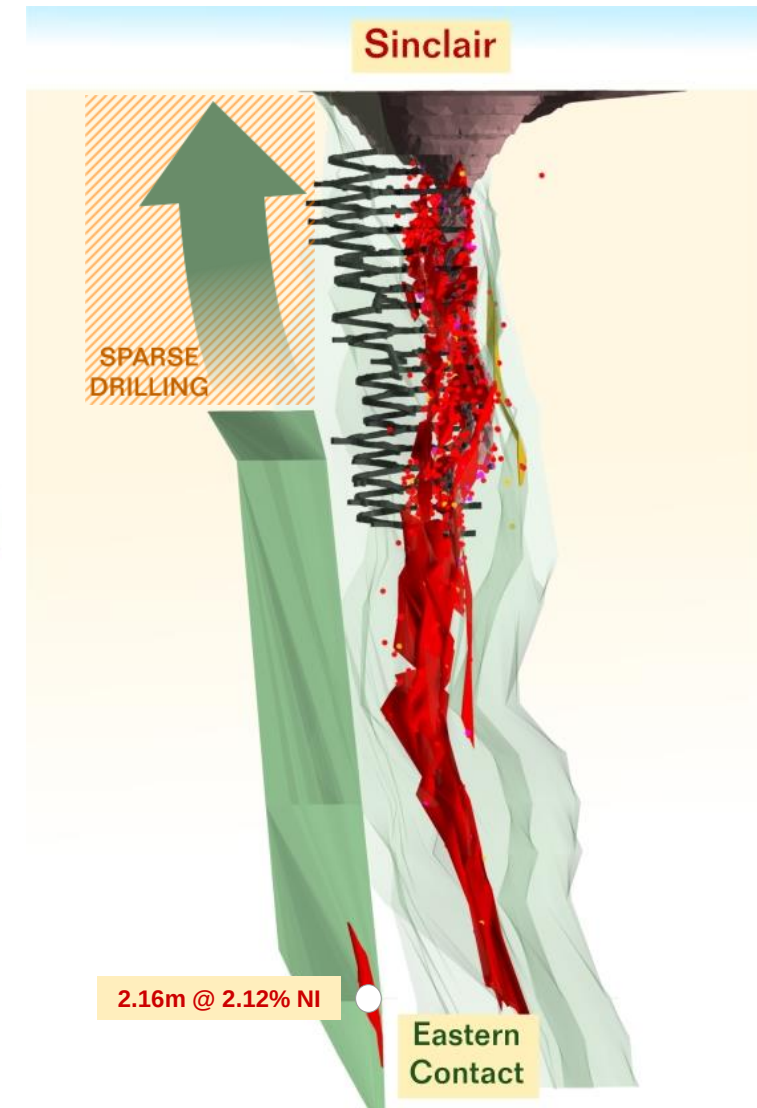


► Eastern Contact

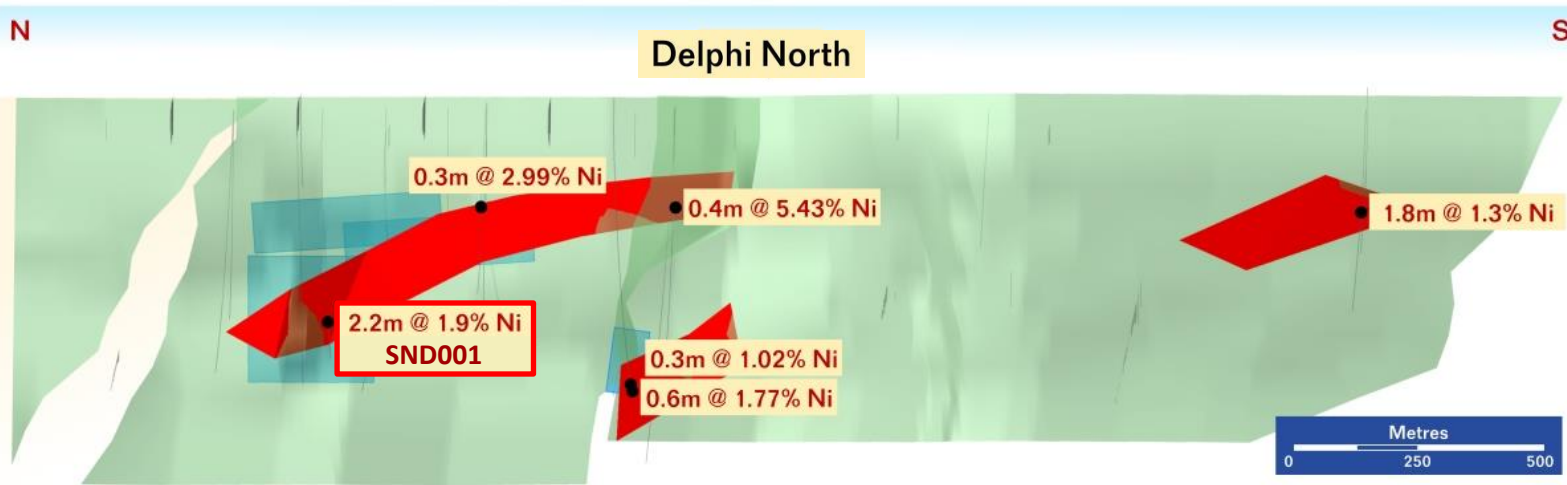
- Proximal to decline
- Massive sulphide intersected in CWD536B 2.16m @ 2.12% Ni confirming fertile contact
- Limited drilling to date, untested potential

► Next steps

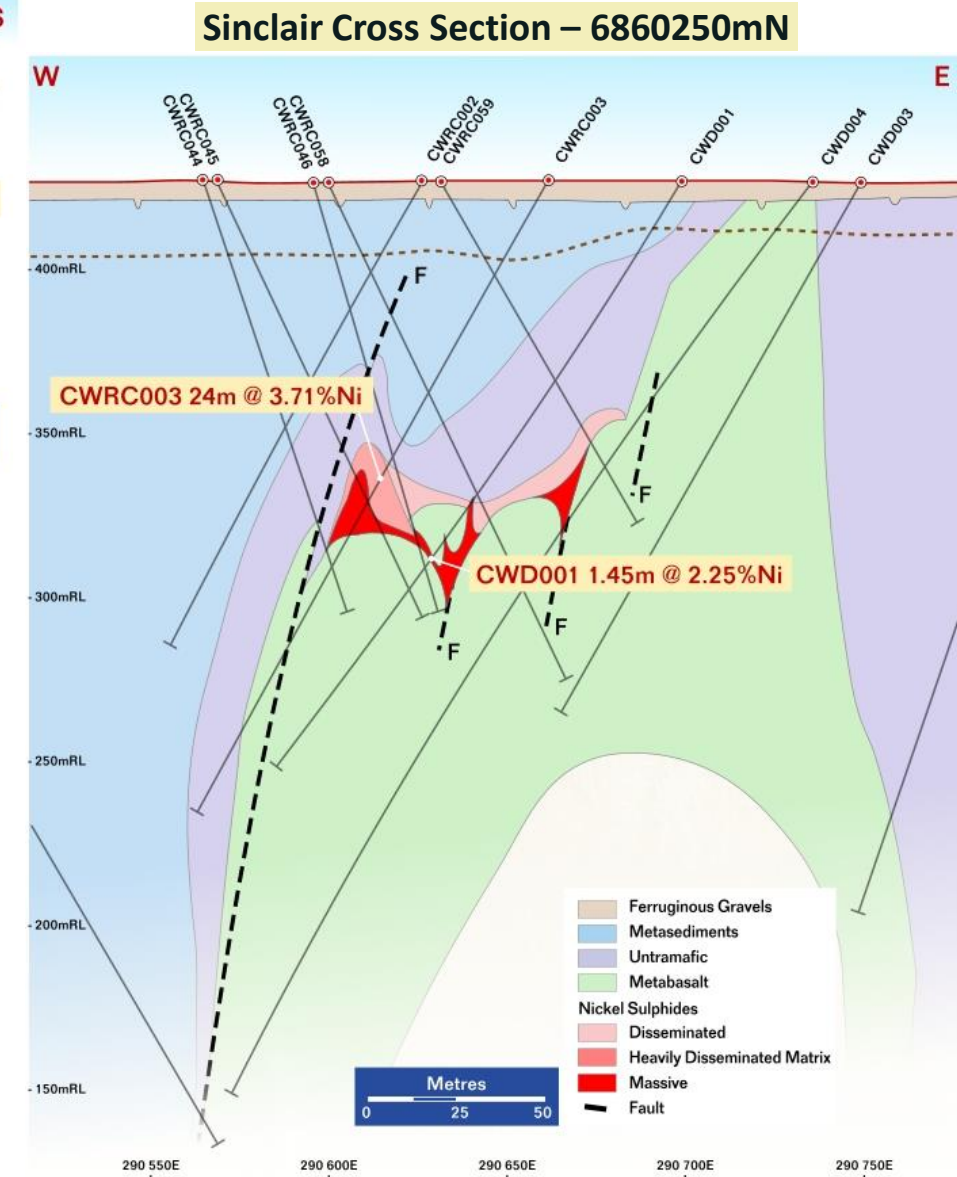
- Relogging existing core, Revisit historic geophysics, new DHEM from existing holes, drilling



Sinclair Trend – Delphi North



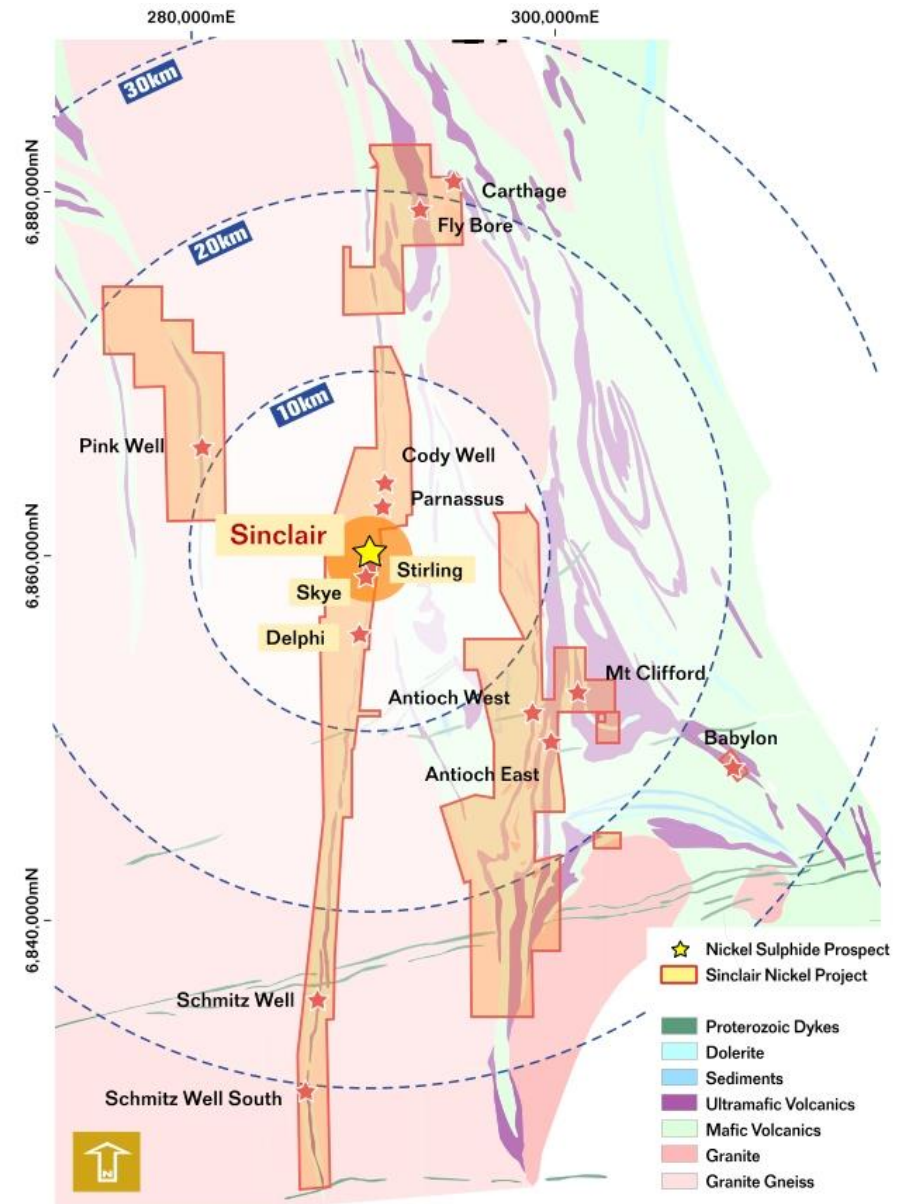
- ▶ Priority Target - exploration program to commence shortly
- ▶ Lightly drilled, potential Sinclair style target exists
 - ▶ Similar lithology, geochemical signature, structure & EM anomalies
 - ▶ Intercepts to date analogous to pre-discovery intercept at Sinclair
 - ▶ Sinclair CWD001 (1.45m @ 2.25%Ni) comparable to SND001 (2.2M @ 1.9%Ni)
- ▶ Nickel sulphide mineralisation over 600m strike
- ▶ Exploration program includes
 - ▶ Relogging existing core
 - ▶ DHEM of 2015 drilling program
 - ▶ Drilling of existing targets and potential new DHEM targets



Sinclair Nickel Project – Multiple Exploration Opportunities



- ▶ Greenfield opportunities
 - ▶ 80 strike km prospective ultramafics
 - ▶ Within 35km radius of existing infrastructure
- ▶ Priorities from 2015 regional targeting exercise
 - ▶ Schmitz Well South – Mapping, sampling & EIS co-funded RC drilling
 - ▶ Cody Well Prospect – fertile Sinclair ultramafic identified, DHEM planned
- ▶ Multiple other regional targets - subject to further review and prioritisation



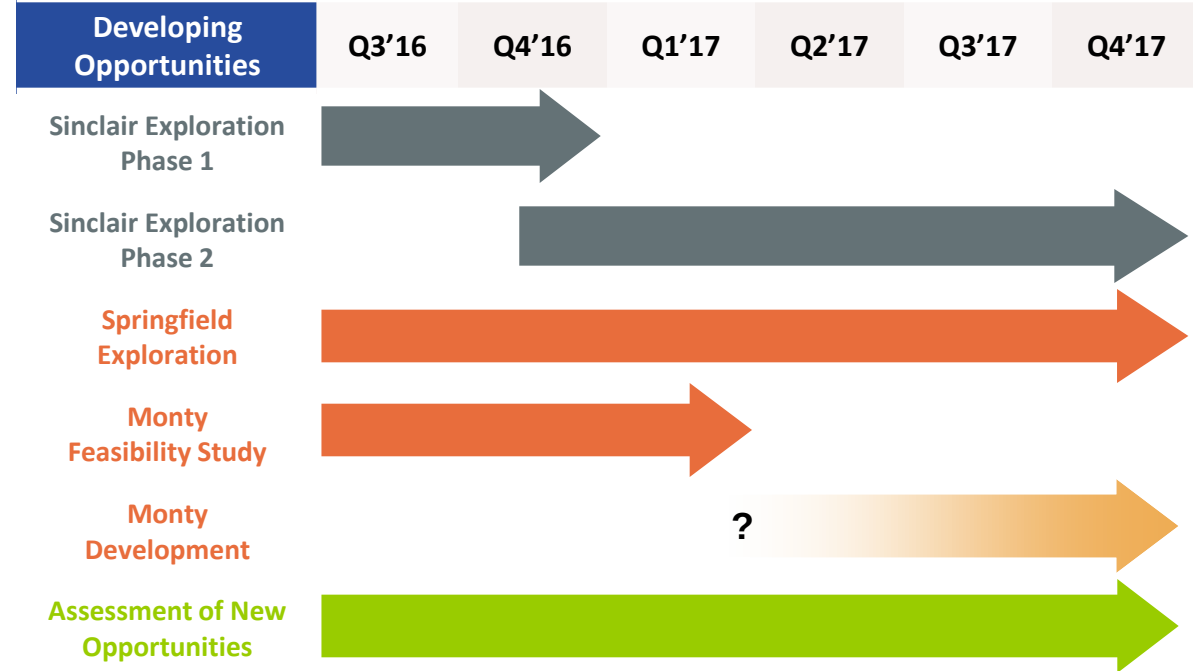
Looking Forward - Multiple Growth Opportunities



ASX Talisman - as at 30 June 2016



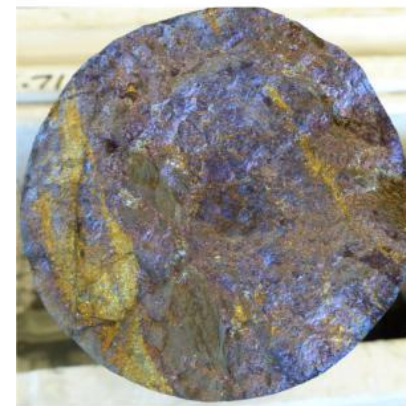
- 17 June 2015 – **Massive sulphides intersected at Monty**
- 10 July 2015 – **Talisman raises \$8 million**
- 10 March 2016 – **Talisman raises \$16.7 million**
- 31 March 2016 – **Maiden Monty Mineral Resource**
- 14 July 2016 – **MLA submitted & Feasibility Study commenced**



Looking Ahead – Multiple Growth Opportunities



- ▶ *Highly leveraged to success from active exploration programs*
 - ▶ *Regional exploration activities underway and gathering momentum at Springfield*
 - ▶ *Drilling the first in a series of new nickel targets near established infrastructure at Sinclair in September*
- ▶ *Feasibility Study for the strategically important Monty Copper-Gold Project well advanced*
- ▶ *Clear opportunity to grow the Monty Resource down-dip, down-plunge and from new lenses*
- ▶ *Finalising Springfield Joint Venture Agreement and ore sales agreement for Monty being investigated*
- ▶ *Potential for reduced capital intensity and fast-tracked transition to production for any possible re-start scenario at Sinclair*





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Investor Presentation July 2016 - Dan Madden , Managing Director



- ▶ ¹Information in this release that relates to the Monty JORC Mineral Resource estimate is information previously published by Sandfire Resources NL (“Sandfire”) and is available on the Sandfire and ASX websites (see announcement “Maiden High-Grade Mineral Resource for Monty VMS Deposit: 99,000t of Copper and 55,000oz of Gold”, dated 13 April 2016 (Sandfire Announcement)). For full details of the Monty Resource estimate, including the Competent Person’s Statement related to the estimation of the Monty Mineral Resource, please refer to the Sandfire Announcement.
- ▶ ² Monty Vertical Long Projection – Explanatory Note. Pierce points depicted on vertical longitudinal projections are shown at what Talisman interprets to be the uppermost point of the drill hole intersection with the interpreted primary mineralisation lens and are projected horizontally onto the vertical plane. Where a drill hole has not intersected mineralisation (i.e. no significant results returned), a pierce point has been derived by Talisman where the hole is interpreted to have intersected the host horizon, and then horizontally onto the vertical plane.

