



05 July 2018

Further High-Grade Copper Hits and New EM Conductors at Blind Calf

Highlights

- New assay results from RC drilling at Blind Calf have returned further wide, high-grade copper intersections:
 - **BCRC005:** 7m @ 5.68% Cu, from 98m down hole
Inc. 4m @ 7.85% Cu from 100m down hole;
 - **BCRC007:** 11m @ 4.78% Cu, from 127m down hole
Inc. 4m @ 8.40% Cu from 127m down hole;
- Results demonstrate significantly higher grades compared to historic drilling and confirm the broadening of the Blind Calf lode at depth where it remains open
- DHEM surveys completed in five of the seven holes drilled at Blind Calf show:
 - several coherent, off-hole chargeability anomalies consistent with the possible extensions of the high-grade mineralisation below the existing Blind Calf lode; and
 - a separate DHEM anomaly in an untested area beneath Dunbar lode drilling
- Planning underway for a comprehensive follow-up RC and diamond drilling program to target the DHEM conductors and provide greater drill density beneath the known high-grade lodes



BCRC007: 11m @ 4.78%

Figure 1: Blind Calf RC drill chips from BCRC007





Talisman Mining Ltd (ASX: **TLM**, **Talisman**) is pleased to advise that all assay results have now been received for the recently completed reverse circulation (**RC**) drill program at the 100%-owned Blind Calf Prospect in the Lachlan Cu-Au Project in NSW (*Appendix 1*).

The new results are consistent with the initial reported results (*refer TLM ASX announcement dated 18 June 2018*), which show a broadening of the Blind Calf copper lode at depth, as well as a significant increase in the grades compared to those reported by previous explorers (*Figure 2*).

New results include:

- o **BCRC005:** 7m @ 5.68% Cu, from 98m down hole
Inc. 4m @ 7.85% Cu from 100m down hole;
- o **BCRC007:** 11m @ 4.78% Cu, from 127m down hole
Inc. 4m @ 8.40% Cu from 127m down hole;

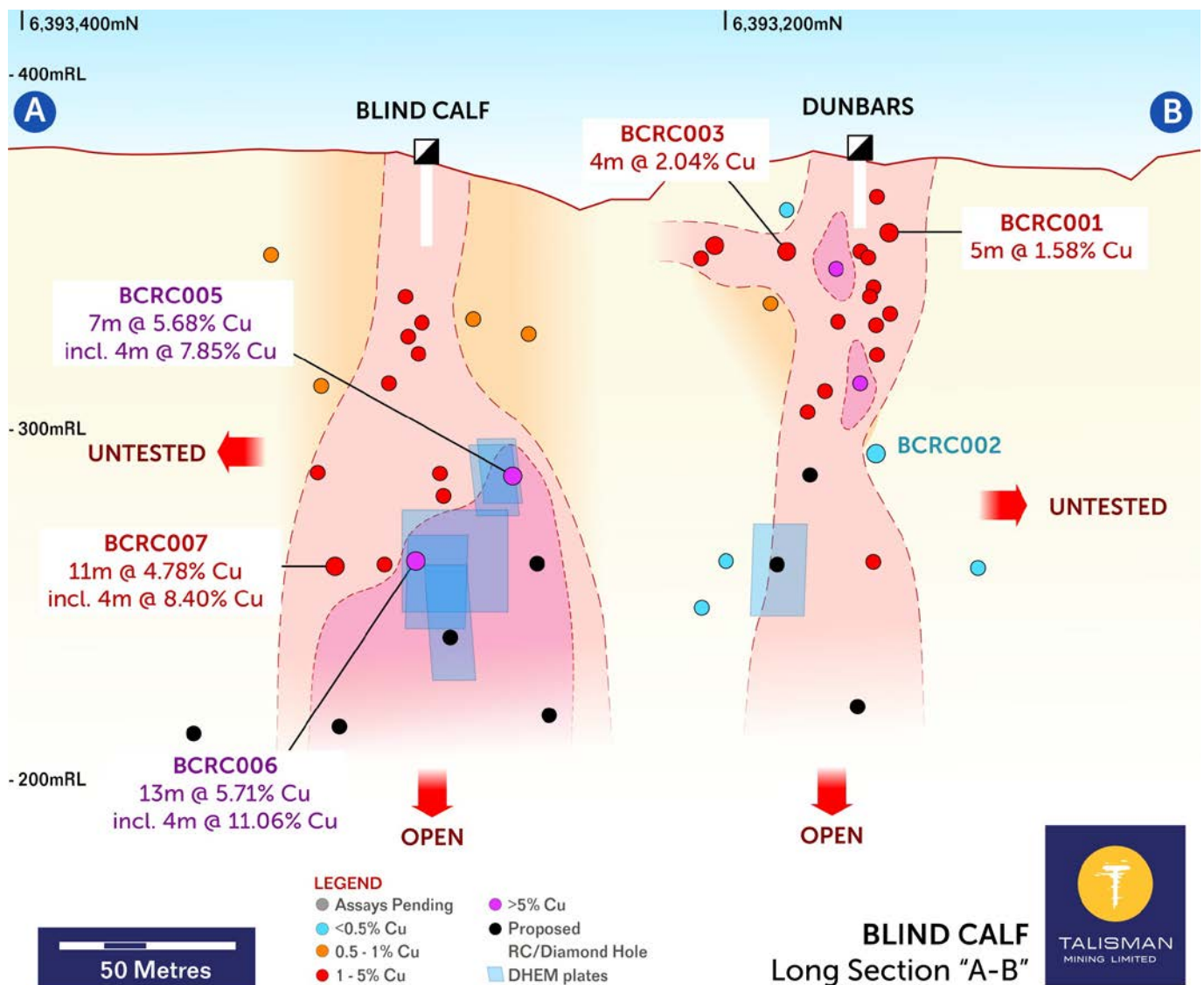


Figure 2: Blind Calf long section showing historic drilling, and recent high-grade Intersections from Talisman drilling.





Copper mineralisation at Blind Calf is associated with a sheared quartz lode system with moderate sulphide mineralisation (chalcopyrite/ pyrite) logged in RC drill chips. The main quartz lode is encased in a zone of altered siliceous host rock with disseminated sulphides, which has returned copper grades of between 0.5% – 1% Cu for some distance on both the hanging wall and foot wall. Further drilling, including diamond core, is required and is being planned to fully understand the geological setting and nature of this high-grade copper system.

Downhole electromagnetic (**DHEM**) surveys were completed on five of the seven drill holes. The survey results have shown several coherent off-hole conductors, which appear to be mapping the high-grade core of copper mineralisation at Blind Calf (*Figure 2*). The modelled DHEM plates are coincident with the >5% Cu intersections reported in Talisman's recently completed RC drilling and, importantly, extend down-dip beyond the limit of the existing drilling.

A similar, separate, moderate off-hole DHEM anomaly has been modelled in an untested zone beneath the current drill testing of the adjacent Dunbar lode. The presence of this DHEM anomaly is highly encouraging and may represent a similar high-grade core within the Dunbar lode system.

Both new target positions will be drill tested in the follow-up drilling program that is currently being planned to target the identified DHEM anomalies at depth, as well as providing a more systematic fence of RC drilling to extend the known mineralisation lodes at depth and along strike. This program will include diamond drilling to enable structural logging of the lode systems and provide suitable drill core samples for geophysical property analysis.

Talisman Managing Director Dan Madden commented the Company was pleased by the success of the first RC drilling of its Lachlan Cu-Au Project in NSW.

"Blind Calf was identified as the highest priority of one of a number of prospective initial targets in the Lachlan Copper-Gold Project area and this has been validated by our recent work," Mr Madden said.

"The team has worked very hard to get drilling underway within three months after the grant of the new exploration licence and has been rewarded with drilling intersections that contain higher than previously reported copper grades and coincident DHEM anomalies below previously known mineralisation.

"It has been a highly encouraging first set of results which provide compelling evidence to support our belief that the Lachlan Copper-Gold Project has the potential for significant discoveries.

"Applications for immediate follow-up RC and diamond drilling are now being completed as a priority and we hope to be drilling at Blind Calf again before the end of the current quarter."

Talisman anticipates providing a progress update on wider exploration activities at the Lachlan Cu-Au Project in the coming weeks.

Ends

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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 holds a 30% interest in the Springfield Joint Venture with Sandfire Resources NL (70% and JV manager). Springfield is located in a proven VMS province in Western Australia's Bryah Basin and contains multiple prospective corridors and active exploration activities. Springfield hosts the high-grade Monty copper-gold deposit which is located 10 kilometres from Sandfire's DeGrussa operations. Monty is one of the highest-grade copper-gold discoveries made globally in recent decades and a Feasibility Study on its development was completed in March 2017. The Feasibility Study highlighted the strong technical and financial viability of Monty. The Monty deposit is currently under development and Talisman has secured project debt financing for 100% of its share of pre-production capital costs.

Talisman also holds 100% of the Sinclair Nickel Project located in the world-class Agnew-Wiluna greenstone belt in WA's north-eastern Goldfields. The Sinclair nickel deposit, developed and commissioned in 2008 and operated successfully before being placed on care and maintenance in August 2013, produced approximately 38,500 tonnes of nickel at an average life-of-mine head grade of 2.44% nickel. Sinclair has extensive infrastructure and includes a substantial 290km² tenement package covering more than 80km of strike in prospective ultramafic contact within a 35km radius of existing processing plant and infrastructure.

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.

Competent Person's Statement

Information in this ASX release that relates to Exploration Results and Exploration Targets is based on information completed 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 consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Forward-Looking Statements

This ASX release may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Talisman Mining Ltd.'s current expectations, estimates and assumptions about the industry in which Talisman Mining Ltd operates, and beliefs and assumptions regarding Talisman Mining Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Talisman Mining Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Talisman Mining Ltd does not undertake any obligation to update or revise any information or any of the forward looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.





Table 1: Drill-hole information summary, Lachlan Cu-Au Project

Details and co-ordinates of drill-hole collars for RC drilling completed in June 2018

Hole ID	Grid ID	Dip	Azimuth	East (m)	North (m)	Hole Type	Max Depth	Comment
BCRC001	MGA94_Z55	-55 ⁰	120 ⁰	494755	6393162	RC	79	Dunbars
BCRC002	MGA94_Z55	-62 ⁰	83 ⁰	494705	6393157	RC	156	Dunbars
BCRC003	MGA94_Z55	-55 ⁰	102 ⁰	494751	6393187	RC	80	Dunbars
BCRC004	MGA94_Z55	-68 ⁰	265 ⁰	494889	6393217	RC	151	Blind Calf - East
BCRC005	MGA94_Z55	-65 ⁰	85 ⁰	494733	6393264	RC	163	Blind Calf
BCRC006	MGA94_Z55	-62 ⁰	95 ⁰	494718	6393298	RC	168	Blind Calf
BCRC007	MGA94_Z55	-73 ⁰	102 ⁰	494753	6393313	RC	187	Blind Calf

Table 2: RC drill-hole assay intersections for the Lachlan Cu-Au Project

Details of Blind Calf drilling intersections received by Talisman are provided below.

Calculation of intersections for inclusion into this table are based a nominal 1% Cu cut-off, no more than 3m of internal dilution and a minimum composite grade of 1% Cu.

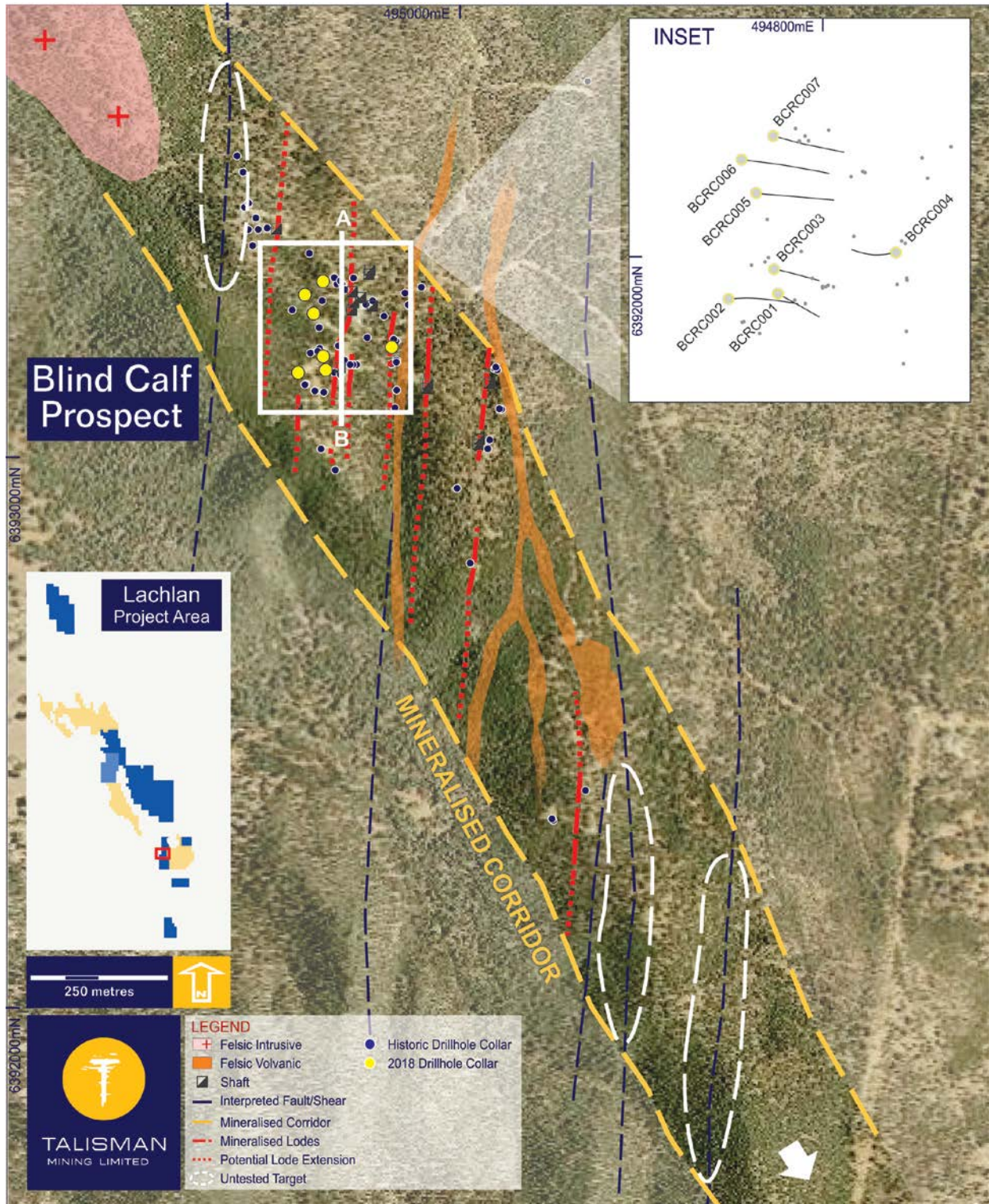
Intersections relating to the Lachlan Cu-Au Project are reported as down hole intersections. True widths of the reported mineralisation are not known at this time.

Hole ID	Depth From (m)	Depth To (m)	Interval (down-hole) (m)	Cu (%)
BCRC001	32	37	5	1.58
BCRC002	No Significant results			
BCRC003	97	101	4	2.04
BCRC004	No significant results			
BCRC005 <i>Inc.</i> <i>and</i>	98	105	7	5.68
	100	104	4	7.85
	122	125	3	2.96
BCRC006 <i>Inc.</i>	129	142	13	5.71
	136	140	4	11.06
BCRC007 <i>Inc.</i>	127	138	11	4.78
	127	131	4	8.40





Appendix 1 Blind Calf Prospect – Drill Collar plan





Appendix 2 JORC Tables Section 1 & 2

Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	- Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	- Drilling cited in this report was completed by Haverford Holdings, a wholly owned subsidiary of Talisman Mining Limited. - Sampling techniques employed at the Lachlan Copper-Gold Project include - auger bottom of hole sampling. - Reverse Circulation (RC) drilling samples collected by a cone splitter for single metre samples or sampling scoop for composite samples - Sampling is controlled by Talisman protocols and QAQC procedures as per industry standard - Auger samples were sieved on-site to minus 175µ and analysed for base metals on-site via Portable XRF ("PXRF"). Sieved samples were dispatched for analysis by aqua regia digest digest with an ICP/AES or AAS finish at ALS laboratories. - RC samples were dried, crushed (where required), split and pulverised (total prep) to produce a sub sample for base metal analysis by four acid digest with an ICP/AES and a 50g sub sample for gold analysis by fire assay
Drilling techniques	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	- Geochemical auger drill holes at the Lachlan Copper-Gold Project were completed using auger drilling techniques. - RC drilling is completed with a face sampling hammer of nominal 140mm size
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	- Auger sample recovery is generally good with no wet sampling in the project area - RC drill sample recovery is generally high with sample recoveries and quality recorded in the database. - No known relationship exists between recovery and grade and no known bias exists.
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. - The total length and percentage of the relevant intersections logged.	- Qualitative logging of the bottom-of-hole auger sampling is completed according to the nature, weathering and interpreted protolith of the sample. - RC logging records lithology, mineralogy, mineralisation, alteration, structure, weathering, colour and other primary features of the rock samples and is considered to be representative across the intercepted geological units. - RC logging is both qualitative and quantitative depending on the field being logged. - All RC drill-holes are logged in full to end of hole.





Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	- A single bottom of hole auger samples is collected from each location and sieved to minus 175µm on site. - Sieved samples are analysed for base metals on-site via PXRF. Sieved samples were dispatched for wet chemical analysis by aqua regia digest with an ICP/AES or AAS finish. - RC samples were dried, crushed (where required), split and pulverised (total prep) to produce a sub sample for base metal analysis by four acid digest with an ICP/AES and a 50g sub sample for gold analysis by fire assay - QAQC protocols for all auger sampling involved the use of Certified Reference Material (CRM) as assay standards. - All QAQC controls and measures were routinely reviewed. - Sample size is considered appropriate for low-level geochemical sample for base-metal and gold mineralisation
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometres, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	- QAQC protocols for all auger sampling involved the use of CRM as assay standards. - All assays are required to conform to the procedural QAQC guidelines as well as routine laboratory QAQC guidelines. - All QAQC controls and measures were routinely reviewed. - Laboratory checks (repeats) occurred at a frequency of 1 in 25. - PXRF instrument Innovex Delta Gold is used for qualitative and semi-quantitative field analysis of base-metals in regolith geochemical auger samples. The PXRF instrument is routinely calibrated using a calibration standard. CRM samples are included at a frequency of 1:50 and field duplicate samples are included at a frequency of 1:50. No PXRF results are reported
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i>	- Significant intercepts have been verified by alternate company personnel - Logging and sampling data is captured and imported using Ocris software. - Assay data is downloaded directly from the PXRF machine, or uploaded directly from the CSV filed provided by the laboratory. - Primary laboratory assay data is always kept and is not replaced by any adjusted or interpreted data.
Location of data points	<i>Accuracy and quality of surveys used to locate drill-holes (collar and down-hole surveys), trenches, mine workings and other</i>	Sample locations are collected using a handheld GPS. Saved data is downloaded directly into GIS mapping software





Criteria	JORC Code explanation	Commentary
	<i>locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i>	- Talisman RC drill collar locations are pegged using a hand-held GPS. - The coordinate system used is the Geocentric Datum of Australia (GDA) 1994. Coordinates are in the Map Grid of Australia zone 55 (MGA).
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i>	- Auger sample spacing at the Lachlan Copper-Gold Project was nominally 300m x 50m. - Drill spacing at the Lachlan Copper-Gold Project varies depending on requirements - No mineral resource is being reported for the Lachlan Copper-Gold Project. - No sample compositing has been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	Samples were taken according to observations at the time in the field.
Sample security	<i>The measures taken to ensure sample security.</i>	- Samples are sieved on site and placed in bags in the field. - Samples are transported to a field base camp and analyses for base metals via PXRF - RC samples were stored on site at the Lachlan project prior to submission under the supervision of the Senior Project Geologist. Samples were transported to ALS Chemex Laboratories Orange by an accredited courier service.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No external audits or reviews of the sampling techniques and data have been completed.





Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	- Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	- The Lachlan Copper-Gold Project is held 100% by Haverford Holdings Pty Ltd, a wholly owned subsidiary of Talisman Mining Ltd. - There are no known Native Title Claims over the Lachlan Copper-Gold Project. - All tenements are in good standing and there are no existing known impediments to exploration or mining.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	- The Lachlan Copper-Gold Project has been subject to exploration by numerous previous explorers. - Exploration work on has included diamond, RC and Air Core drilling, ground and down-hole EM surveys, soil sampling, geological interpretation and other geophysics (magnetics, gravity).
Geology	Deposit type, geological setting and style of mineralisation.	- The Lachlan Copper-Gold Project project lies within the Central Lachlan Fold belt in NSW. - The Lachlan Copper-Gold Project is considered prospective for epithermal style base-metal and precious metal mineralisation, orogenic mineralisation, and Cobar style base-metal mineralisation.
Drill-hole Information	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill-holes: - easting and northing of the drill-hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill-hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length. - If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Relevant drill hole information relating to the Lachlan Copper - Gold Project is included in Table 1 <i>Drill-hole Information Summary, Lachlan Copper-Gold Project</i>.
Data aggregation methods	- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated. - Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated	- Significant intersections reported from the Lachlan Copper-Gold Project are based on a nominal greater than 1% Cu and may include up to 3m of internal dilution, with a minimum composite grade of 1% Cu (Table 2). - Cu grades used for calculating significant intersections are uncut.





Criteria	JORC Code explanation	Commentary
	<i>and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	- All results reported in this document have been derived from 1m split samples. - Length weighted intercepts are reported for mineralised intersections.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	Drill-holes relating to the Lachlan Copper-Gold Project are reported as down hole intersections. True widths of reported mineralisation are not known at this time.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill-hole collar locations and appropriate sectional views.</i>	Appropriate maps with scale are included within the body of the accompanying document.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	- Contouring of geochemical PXRF data provides an appropriate representation of the results - The accompanying document is considered to represent a balanced report.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	- This report includes results from recent Geophysical Surveys. Results from these surveys are included in the body of this report - Parameters for the Blind Calf Down Hole Electromagnetic (DHEM) Survey are provided below - DigiAtlantis probe and HPTX70 transmitting at 130amps - Figure eight loop (300mx300mx2) with a rapid turn-off time of 0.262ms
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Planned future work at the Lachlan Copper-Gold Project includes auger sampling, RC/ diamond drilling and geophysical surveys.

