



06 May 2021

Major New Gold Targets Identified at Lachlan Project as Regional Review Upgrades Prospectivity

Exploration gathering momentum at NSW Project as multiple new targets emerge

Highlights:

- Highly encouraging results received from in-fill soil sampling at the ***Carpina Ridge North and Plantation Gold Prospects***, located within the ***Lachlan Copper-Gold Project*** in NSW. A total of 765 samples were collected with all assays now received and processed.
- At ***Carpina Ridge North***, soil sampling has identified a **+20ppb Au** anomaly which **covers a total area of 1km x 1.5km**.
- At the ***Plantation gold prospect***, soil sampling has identified two discrete gold anomalies, with in-fill sampling planned to better define these anomalies.
- A regional targeting review has also been completed, resulting in the identification of **several highly prospective conceptual targets** on existing tenure as well as **new opportunities** on vacant ground.

Talisman Mining Ltd (ASX: TLM, **Talisman**) is pleased to advise that it has further upgraded the exploration potential of its Lachlan Copper-Gold Project in NSW after receiving highly encouraging results from recent systematic soil sampling programs and a regional targeting review.

The soil sampling programs have delineated extensive and highly prospective gold-in-soil anomalies at the Carpina Ridge North and Plantation Gold Prospects, located within the central portion of the Lachlan Project on Talisman's 100%-owned tenure (*refer Appendix 1*).

A total of 735 samples were collected at the two prospects, samples were sieved, and the minus 177-micron fraction submitted to the ALS Global Laboratory in Orange NSW for gold and multi-element analysis using an aqua regia digest and an ICP-MS finish. All assays have now been received and processed.

A soil sampling program completed by Talisman in April 2021 at the Carpina Ridge North Gold Prospect on a 100m x 50m spacing has delineated a **+20-ppb gold anomaly** covering a total area of 1km x 1.5km. Given the scale and tenor of this anomaly, Talisman intends to move rapidly to the next stage of planned exploration activity, which will include mapping, rock chip sampling and RC percussion drilling.

Mapping undertaken by previous explorers at the Carpina Ridge North Gold Prospect identified silica alteration bands trending in a north-south orientation (*Figure 1*). Such silica alteration is commonly associated with gold bearing hydrothermal fluids. The identified gold-in-soil anomaly and potential gold mineralisation is hosted within a folded sequence of Ordovician sedimentary lithologies and has not been previously drill tested.



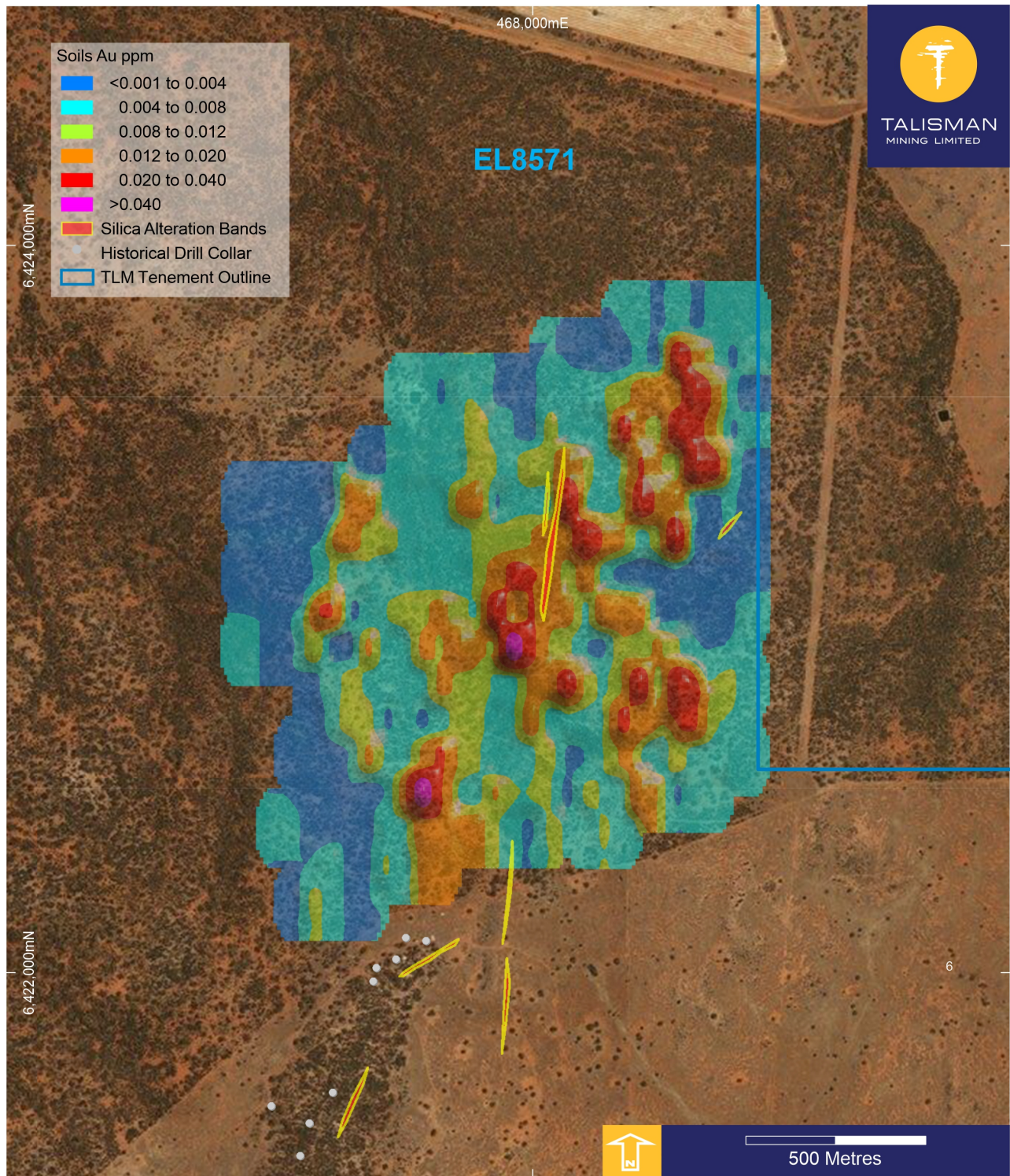


Figure 1: Carpina Ridge North Gold Prospect showing gold-in-soil anomaly over aerial photo.

A soil sampling program was also completed during April 2021 at the Plantation Gold Prospect utilising a 200m x 50m spacing. The sampling has identified two discrete gold-in-soil anomalies (Figure 2) which will require in-fill sampling to better define the geometry and extent of the anomalies.



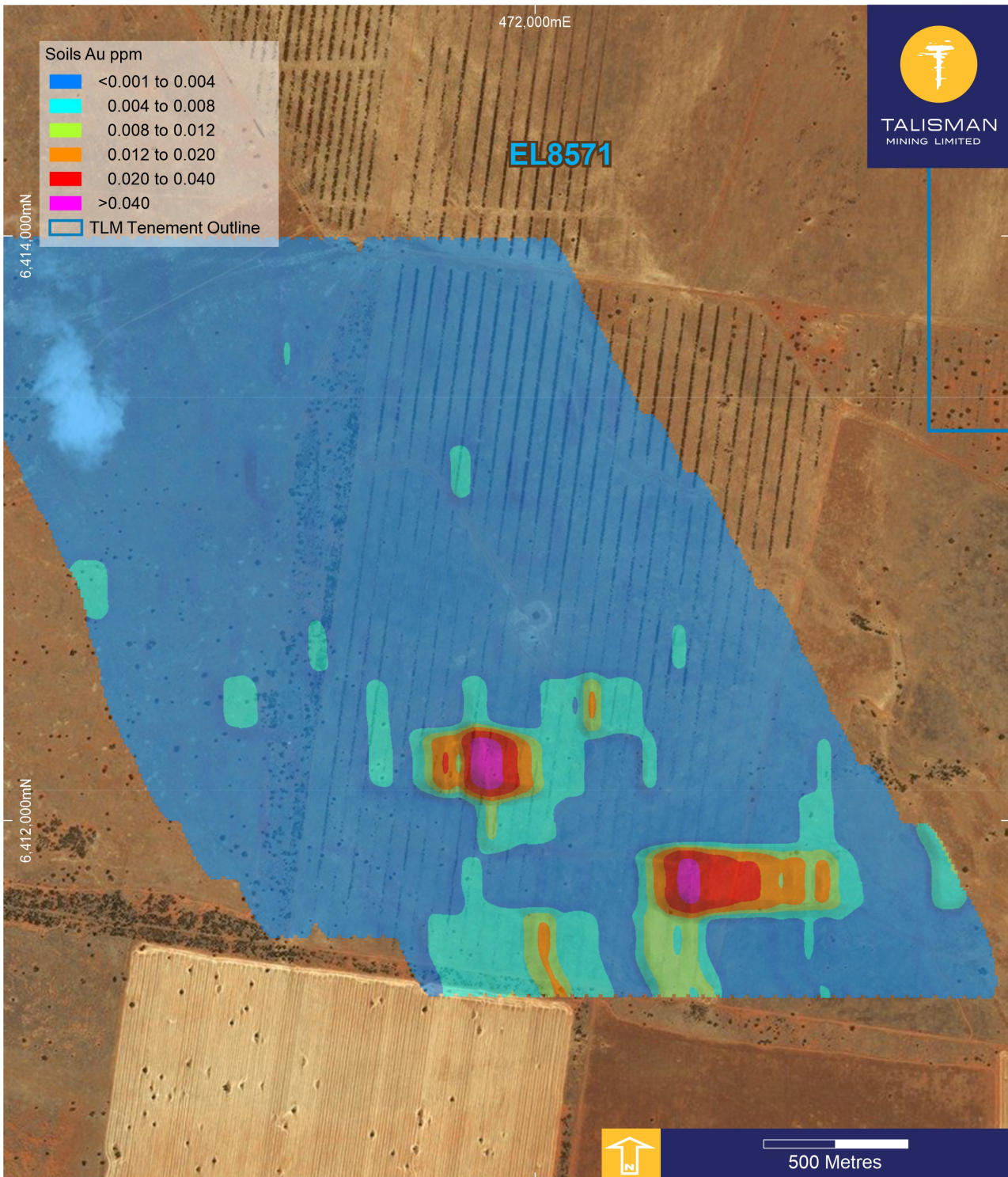


Figure 2: Plantation Gold Prospect showing gold-in-soil anomaly over aerial photo.

Talisman's Interim CEO, Shaun Vokes, commented: "Again the Talisman team, by employing a methodical and systematic exploration effort, has done an outstanding job in identifying these large and highly prospective gold-in-soil anomalies, adding to our pipeline of compelling near-term drill targets at the Lachlan Project."





“These new gold targets are in addition to the exciting Cumbine gold target announced recently and show that our exploration endeavours are really beginning to deliver exciting results. We intend to move quickly to further evaluate these opportunities in the hope of making a significant discovery.”

Regional Targeting Review

Talisman has engaged independent mineral exploration expert, Dr Jon Hronsky, to undertake a review of the prospectivity within the Cobar Basin and complete a re-interpretation of the major structures potentially controlling mineralisation within the region.

The results of this review have highlighted that the regional-scale Cobar metallogeny is interpreted to have three main controlling elements (*Figure 3*), which are:

- The fundamental NNW trending rift-controlling architecture, with the (reactivated) Gilmore Suture and Mineral Hill Rift controlling structures being the most important at a regional scale;
- Two discrete sub-parallel, WNW trending zones within the broader Lachlan River Metallogenic corridor; and
- A NE-trending corridor called the Girilambone Metallogenic Corridor.

The review has confirmed that the Talisman tenement portfolio is well positioned within what is a well-endowed metallogenic province and has identified a number of compelling gold and base metal conceptual targets on our existing tenure (refer *Figure 3*).

These targets are additional to Talisman’s current pipeline of compelling near-term drill-ready targets. Planning of suitable exploration programmes has already begun to expedite the testing of these conceptual targets.

The review has also identified a number of potential opportunities on vacant ground which the Company has now secured with tenement applications submitted covering an additional 1,550km² in this highly prospective region (refer *Figure 3*). Exploration activities will commence on these tenements as soon as tenure is granted.

While these potential opportunities are conceptual in nature, Talisman believes that the existing and historic mineral deposits in these interpreted metalliferous corridors provide substantial encouragement regarding the prospectivity of these underexplored areas.



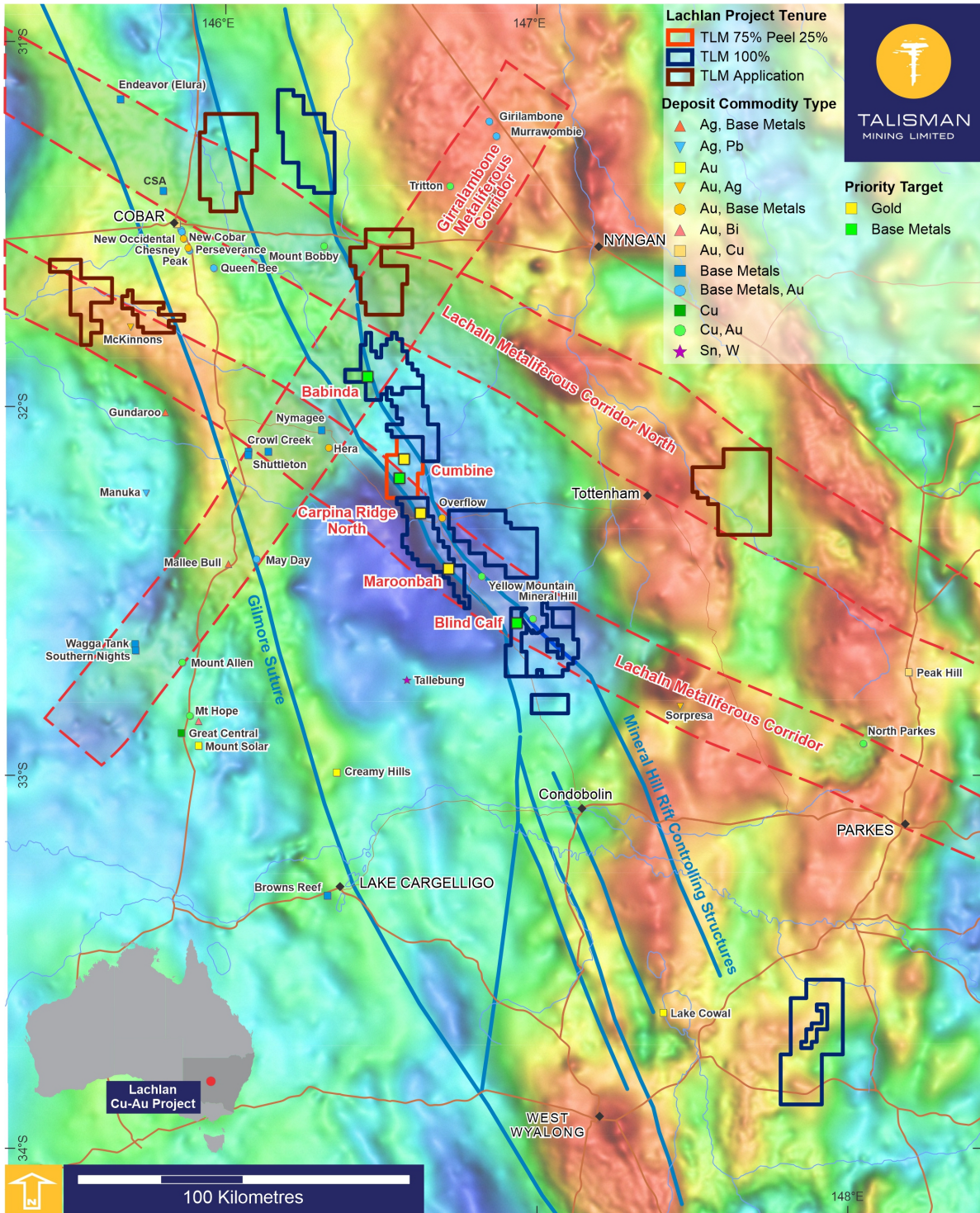


Figure 3: Talisman’s Lachlan Cu-Au Project, showing key tenements and applications, nearby mines and prospects and regional gravity.





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For further information, please contact:

Shaun Vokes – Interim CEO
on +61 8 9380 4230

Nicholas Read (Media inquiries)
on +61 419 929 046

This release has been authorised by the Board of Talisman Mining Limited.

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 secured tenements in the Cobar/Mineral Hill region in Central NSW through the grant of its own Exploration Licenses and through joint venture 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 and is undertaking active exploration to test a number of these targets.

Talisman also has a majority participating interest in a joint venture 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.

Competent Person's Statement

Information in this announcement that relates to Exploration Results and Exploration Targets is based on, and fairly represents information and supporting documentation compiled by Mr Donald Huntly, who is a member of the Australasian Institute of Geoscientists. Mr Huntly 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 "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Huntly has reviewed the contents of this announcement and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which they appear.

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.

¹ NSW DIGS report, First Annual Exploration Report EL5770, 2001 -R00030162





Appendix 1 Lachlan Copper- Gold Project Tenure

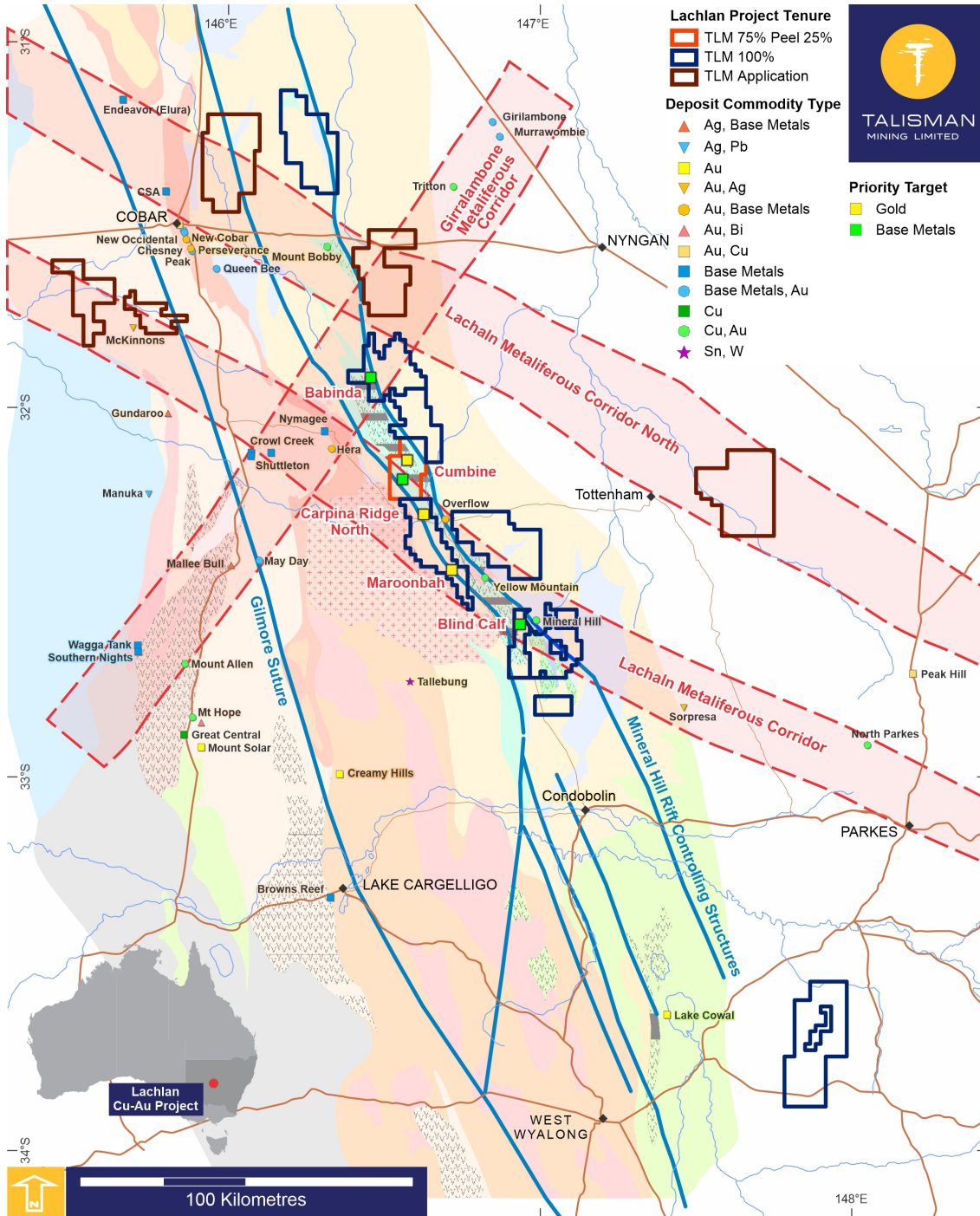


Figure 4: Talisman’s Lachlan Cu-Au Project, showing key tenements and applications, nearby mines and prospects and underlying geology.





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	<ul style="list-style-type: none"> 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 3 kg 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. 	<ul style="list-style-type: none"> Soil samples were collected at a depth of 30 cm below surface. Samples are sieved on site and 100 to 200 grams of the minus 177-micron fraction is retained for analysis. Sampling is controlled by Talisman protocols and QAQC procedures as per industry standard. Samples were dispatched for analysis using an aqua regia digest with an ICP/AES or AAS finish at ALSGlobal laboratories.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> N/A
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> N/A
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> N/A
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 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. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Soil samples were sieved on-site to minus 177 microns, a 100-to-200-gram sample is analysed for base metals on-site via Portable XRF ("pXRF") and then submitted for Au and multi-element analysis.





Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, 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. 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. 	<ul style="list-style-type: none"> QAQC protocols for all soil sampling involved the use of CRM as assay standards. Duplicate samples are collected at a frequency of 1 in 50 samples. 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. A portable XRF (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	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Sample locations are collected using a handheld GPS. Saved data is downloaded directly into GIS mapping software. 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	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 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. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Soil samples were collected using a 50 by 25 metre grid spacing. Sample spacing is adequate for the style and size of mineralisation being explored for.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 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. 	<ul style="list-style-type: none"> Samples were taken according to observations at the time in the field.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> 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 ALSGlobal Laboratories Orange by an accredited courier service.





Criteria	JORC Code explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Lachlan Copper Gold Project currently comprises 9 granted exploration licences: <ul style="list-style-type: none"> EL8547, EL8571, EL8658 and EL8680 currently held jointly by Haverford Holdings Pty Ltd (“Haverford”), a wholly owned subsidiary of Talisman Mining Limited (“Talisman”) and Bacchus Resources P/L (“Bacchus”). Talisman has purchased Bacchus’ share of these tenements and is currently processing transfer of ownership (Refer Talisman ASX announcement 30 April 2021 for full details); EL8414 held in joint venture by Haverford (75% participating interest) and Peel Mining Limited (25% participating interest) (Refer Talisman ASX announcement 20 October 2020 for full details); and EL8615, EL8659, EL8677 and EL8719 held 100% by Haverford. 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	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Lachlan Copper-Gold 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	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> No new drill-hole information is presented in this report. Historical drilling intercepts have been appropriately referenced to source information.





Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> ○ 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. 	
Data aggregation methods	<ul style="list-style-type: none"> ● 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 and some typical examples of such aggregations should be shown in detail. ● The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> ● Contouring of geochemical sampling results is undertaken using an Inverse Distance weighting method, search ellipsoids are determined based on sample spacing and geological controls on mineralisation.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> ● These relationships are particularly important in the reporting of Exploration Results. ● If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. ● 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'). 	<ul style="list-style-type: none"> ● N/A
Diagrams	<ul style="list-style-type: none"> ● 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. 	<ul style="list-style-type: none"> ● Appropriate maps with scale are included within the body of the accompanying document.
Balanced reporting	<ul style="list-style-type: none"> ● Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> ● 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	<ul style="list-style-type: none"> ● 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. 	<ul style="list-style-type: none"> ● All meaningful and material information is reported.
Further work	<ul style="list-style-type: none"> ● The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling). ● Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> ● Planned future work at the Lachlan Copper-Gold Project includes mapping, rock chip sampling, RC/ diamond drilling and geophysical surveys.

