



24 November 2021

Talisman Mining Limited 2021 Annual General Meeting Chairman's Address

*To be delivered at the Company's Annual General Meeting to be held at 12 noon, Wednesday
24 November 2021*

Good afternoon everyone. It is my pleasure to welcome you to Talisman's 2021 Annual General Meeting.

I would like to make some brief introductory comments on the key events of the past year, while also looking ahead to what we expect to be a significantly increased level of exploration activity across our NSW projects in the coming months.

One of the key highlights of 2021 has been the commencement of royalty payments from the Wonmunna iron ore mine in the Pilbara region, where we are entitled to an uncapped 1% gross revenue royalty on all metals produced and sold on a monthly basis.

Since the receipt of the first royalty payment from Mineral Resources Limited, the operator of the mine, in April 2021, we have received a total of approximately \$3.2 million to date as the operation has ramped up to its currently designed rate of 5 million tonnes per annum.

The amount received under this royalty is of course sensitive to iron ore prices, which have fallen recently, however the ongoing royalty stream remains an extremely valuable asset which puts Talisman in a unique funding position for a junior exploration company.

Ongoing royalty receipts have effectively covered all of our exploration and corporate overheads during the year, allowing us to maintain a cash balance of approximately \$11 million and putting us in an excellent position as we ramp-up exploration activity at our Lachlan copper-gold project in the months ahead.

During the year, we received a highly encouraging report from an independent geological review of the Lachlan project by the well-respected consulting geologist Dr Jon Hronsky OAM which resulted in the identification of numerous compelling gold and base metal targets. This prompted us to secure additional ground, increasing our overall landholding in the highly prospective Cobar Basin to over 4,000 square kilometres.

We also simplified the commercial arrangements relating to the Lachlan project by making a \$1.1 million cash payment to a former farm-in partner to secure 100% ownership of a number of tenements.

However, the twin challenges of COVID-19 outbreaks and border closures and, more recently, an extreme wet weather event in NSW has seriously hampered our ability to execute exploration programs during the year – which has been an enormous frustration to all of us.





The programs completed during the year included RC drilling and down-hole EM surveys across a number of gold and base metal targets – including initial wide-spaced drilling at the large gold target at Cumbine, where potential still remains, plus completing our maiden diamond drilling program at the Lucknow gold project and RC drilling and down-hole EM surveys at the Blind Calf and Noisy Ned copper prospects.

We believe these programs have barely scratched the surface of what is a large and very valuable exploration portfolio in one of Australia's most active exploration districts, and we are very keen to advance our exploration as quickly as possible.

The recently announced transaction by Kingston Resources to acquire the recently re-commissioned Mineral Hill Mine, located next door to our tenements, and the active exploration programs being undertaken by a range of companies such as Peel Mining, Sandfire Resources, DevEx Resources and a host of others, has reinforced the significant geological potential of this region.

We will shortly commence an extensive VTEM survey over a large part of our tenement package in order to further evaluate some of the exciting target areas identified by Dr Hronsky. We are also investigating the application of other geophysical survey techniques to complement a revised, region specific, multi-vector targeting approach to generate and progress further targets. Additionally, we will commence RC drilling early in the new year at a number of gold, copper and polymetallic prospects.

Thanks to our strong balance sheet and potential ongoing income stream from the Wonmunna royalty, we are in a strong position to further accelerate exploration and, in the event of a discovery, rapidly scale-up our drilling.

In conclusion, I would like to extend my sincere thanks to Shaun Vokes for his diligent stewardship of the Company during the year, including the safe execution of our exploration programs in NSW, the consolidation of our key assets and the recruitment of additional talented individuals to our exploration team – including highly experienced geologist Russell Gregory as Exploration Manager.

The Board was unanimous in endorsing Shaun's appointment as Chief Executive Officer on a fixed-term basis in September, having done a great job as Interim CEO since September last year.

I would also like to thank my fellow Directors, as well as the Company's small but loyal and hard-working team of employees and contractors for their efforts throughout the year. My sincere thanks also to my fellow shareholders for your continued support.

I am confident Talisman has the quality of land tenure to make a significant exploration discovery in the new year with the potential to deliver outstanding returns to our shareholders.

As the flow of results begins to increase and the pace of our exploration begins to step-up, we are all looking forward to making strong progress in the year ahead.

Kerry Harmanis
Chairman





Ends

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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 a joint venture agreement. 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.

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

