

**NEW VENTURES UPDATE AND
TALON PETROLEUM SHORTLISTED FOR GAMBIA LICENSING ROUND**

Talon Petroleum Limited (**ASX: TPD**) ("**Talon**" or "**Company**") is pleased to provide the following update on its new asset acquisition activities since its December 2017 capital raising.

1. Talon shortlisted for Licensing Round, The Republic of the Gambia

Since the completion of a successful fund raising by Talon in December 2017, the Company has been undertaking a thorough screening and review process to identify and capture value accretive oil and gas exploration assets.

Through this process, the Company submitted documentation as part of the first stage of requirements for a licensing round for a total of six onshore and offshore exploration blocks being undertaken by The Republic of the Gambia.

Whilst Talon is yet to receive official notification from the Gambian Ministry of Petroleum and Energy, a notice on the Ministry website states that Talon has been shortlisted for the next stage of the licensing process. Other companies shortlisted include CNOOC, FAR Limited, Petronas, Total, Woodside Petroleum and Svenska Petroleum.

A copy of the notice can be found at:

<http://www.mop.gov.gm/sites/default/files/PUBLIC%20UPDATE%20ON%20LICENSING%20OFF%20PETROLEUM%20BLOCKS.pdf>

The Republic of the Gambia is the smallest country in mainland Africa and is surrounded by Senegal, save for its coastline on the Atlantic Ocean. Geologically, The Gambia is part of the Mauritania, Senegal, Gambia, Bissau, Conakry (MSGBC) Basin.

In recent years, the MSGC Basin has seen the drilling of several giant oil and gas discoveries with more than 5 billion barrels of oil equivalent intersected including the SNE oil field (641mmbbls 2C resource), Yakaar-1 discovery well (estimates of 15Tcf), Guembeul-1 discovery (estimates of ~25Tcf) and Tortue-1 (estimates of 5-8 TCF).

The Gambia is very lightly explored but its location in the MSGBC Basin and potential for source rocks and play types responsible for so much recent regional success makes it a highly desirable exploration destination.

The Company advises that the Licensing process being undertaken by the The Republic of the Gambia is a competitive bid process and that whilst the Company is encouraged by its inclusion on the shortlist of candidate companies, there are no guarantees that it will be successful in being awarded a block.

Further updates on Talon's participation in the Gambian Licensing Round will be provided as and when material information comes to hand.

2. New Venture Process

The recent strengthening in the oil price has fortified the investment climate for exploration and production assets. In addition to the Gambian licensing process, Talon continues to actively screen new asset opportunities to bring additional, high value assets into the Company's portfolio. Talon's present focus is on assets that meet the following criteria:

- Low cost of entry
- Non-operated
- Conventional play types with a preference for oil
- High initial, near term upside with significant follow on potential in project areas

Several high impact opportunities are currently being assessed by Talon and while the Company is hopeful that it will make meaningful progress in its process over the coming months, investors should note that the Company's ability to successfully capture any new assets and the timing of any such capture remains uncertain.

Updates will be provided as and when appropriate.

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