

Rule 5.5

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

TALISMAN MINING LIMITED

ABN

71 079 536 495

Quarter ended ("current quarter")

31 Mar 2016

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(2,515)	(5,198)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(292)	(922)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	70	187
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		(2,737)	(5,933)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	(26)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		-	(26)
1.13	Total operating and investing cash flows (carried forward)	(2,737)	(5,959)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,737)	(5,959)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	16,713	24,713
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (share issue costs)	(836)	(1,236)
	Net financing cash flows	15,877	23,477
	Net increase (decrease) in cash held	13,140	17,518
1.20	Cash at beginning of quarter/year to date	9,082	4,704
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	22,222	22,222

Payments to directors of the entity and associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	141
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Remuneration to Directors

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

See commentary in section 6.1

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,500
4.2 Development	-
4.3 Production	-
4.4 Administration	350
Total	2,850

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	16,219	585
5.2 Deposits at call	6,003	8,497
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	22,222	9,082

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Doolgunna Projects			
	E52/2282	Farm-In Joint Venture	49%	30%*
	E52/2313	Farm-In Joint Venture	49%	30%*
	E52/2466	Farm-In Joint Venture	49%	30%*
	E52/2275	Farm-In Joint Venture	31%	18.8%*
	P52/1241	Relinquished	49%	0%**
6.2 Interests in mining tenements acquired or increased				

* During the December 2015 quarter, Sandfire provided a formal Notice to Talisman stating it had sole-funded a total of \$15 million of exploration expenditure in order to earn 70% interest in Talisman's interest in the Doolgunna Projects. Following the satisfactory audit of this expenditure a formal transfer of the final 19% interest in the Doolgunna Projects from Talisman to Sandfire was registered with the Department of Mines and Petroleum on 12 March 2016.

** Tenement P52/1241 was surrendered by the Joint Venture upon reaching expiry on 15 March 2016.

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 ⁺Ordinary securities	185,699,879	185,699,879		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	37,139,975 -	37,139,975 -	45 cents	45 cents
7.5 ⁺Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -		
7.7 Options <i>(description and conversion factor)</i>			Exercise price	Expiry date
	150,000	-	\$0.40	30/09/2016
	175,000	-	\$0.50	30/09/2016
	175,000	-	\$0.60	30/09/2016
	562,500	-	\$0.43	31/10/2016
	562,500	-	\$0.51	31/10/2016
	562,500	-	\$0.60	31/10/2016
	562,500	-	\$0.69	31/10/2016
	150,000	-	\$0.90	30/06/2017
	750,000	-	\$0.41	31/10/2017
	750,000	-	\$0.49	31/10/2017
	750,000	-	\$0.56	31/10/2017
	750,000	-	\$0.64	31/10/2017
	125,000	-	\$0.40	01/03/2018
	125,000	-	\$0.50	01/03/2018
	125,000	-	\$0.60	01/03/2018
	125,000	-	\$0.70	01/03/2018
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Daniel Madden
Company Secretary

Date: 18 Apr 2016



Print name: Daniel Madden

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==

+ See chapter 19 for defined terms.