



15 April 2021

Talisman Receives First Royalty Payment from the Wonmunna Iron Ore Mine

Talisman Mining Ltd (ASX: TLM, **Talisman**) is pleased to advise that it has received its first royalty payment from Wonmunna Iron Ore Pty Ltd (**Wonmunna**), a wholly-owned subsidiary of Mineral Resources Limited (ASX: MIN, **MRL**), the owner and operator of the Wonmunna Iron Ore Mine in the Pilbara region of Western Australia.

Although nominal in value, this first payment signals the commencement of sales from the Wonmunna Iron Ore Mine to third parties. The payment covers iron ore sales that took place during the month of March 2021.

Wonmunna Royalty

As previously announced¹, Talisman is entitled to an uncapped 1% gross royalty on all metals produced and sold from the Wonmunna Iron Ore Mine (**Royalty**), which includes mining leases M47/1423, M47/1424 and M47/1425 (**Wonmunna Mining Leases**). The Royalty is payable to Talisman on a monthly basis.

The Wonmunna Iron Ore Mine produced first ore in March 2021 and is expected to ramp up to a 5 million tonnes per annum (**Mtpa**) production level in the June Quarter 2021². Additionally, MRL believes there is potential to expand the mine's output to 10Mtpa upon the successful grant of additional approvals².

As Talisman has previously announced³, Fortescue Metals Group Limited has commenced proceedings against MRL in relation to the validity of the Wonmunna Mining Leases. Talisman's right to receive the Royalty may be adversely impacted depending on the outcome of those proceedings.

Talisman's Interim CEO, Shaun Vokes, said: *"The potential ongoing royalty revenue stream from the Wonmunna Iron Ore Mine puts Talisman in a unique funding position for a junior explorer. It will allow us to pursue ongoing systematic exploration of our Lachlan and Lucknow copper-gold and gold projects in NSW in parallel with a proactive business development strategy aimed at identifying potential precious and base metal growth opportunities that complement our existing assets."*

Talisman's Chairman, Kerry Harmanis, said: *"We are pleased to have received the first monthly payment from our royalty interest in the Wonmunna Project. While this is a small start, we expect it to grow incrementally as production ramps-up at this significant new Pilbara iron ore mine. The royalty stream will complement our strong existing cash position of around \$10 million, allowing us to rapidly advance the exciting gold and copper-gold targets we have defined in NSW and pursue new growth opportunities in WA and elsewhere."*

¹ Refer Talisman ASX announcement dated 17 February 2011.

² Refer MRL ASX announcement dated 22 March 2021.

³ Refer Talisman ASX announcement dated 30 October 2020.





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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 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 and is undertaking active exploration to test a number of these targets.

Talisman has also entered into a farm-in 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 gold⁴. 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.

⁴ NSW DIGS report, First Annual Exploration Report EL5770, 2001 -R00030162

