



TALISMAN MINING LTD

PO Box 796, West Perth WA 6872
Tel/Fax: 61 8 9296 0256
www.talismanmining.com.au

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The Manager
Company Announcements Office
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DRILLING UPDATE

TRILLBAR PROJECT

The Company has completed follow up drilling of the Boundary gold mineralization at the Trillbar Project, with the completion of 26 reverse circulation drillholes for 1626 metres. Twenty-one of these drillholes were sited as infill to previous drilling in the Boundary resource and five to test for east and west strike extensions to the mineralisation.

All drillholes have been sampled over 4 metre composite intervals and the samples submitted for analysis. Mineralised intervals will be resampled at 1 metre intervals and assayed to provide firm results. Complete results are expected by mid-January 2006.

In addition to the Boundary drilling, two drillholes totalling 129 metres were completed at the Winja prospect before failure of the drilling rig. Drilling at Winja will recommence in January 2006, as will further drilling of the Boundary mineralisation together with first pass drill evaluation of other gold prospects in the Trillbar Project.

The Company is actively seeking to acquire further gold-prospective ground in the area of the Trillbar Project.

WONMUNNA PROJECT

Poondano Exploration Pty Ltd have announced their intention, under the terms of the agreement between Poondano and Talisman, to commence a drill program for iron ore on 2 January 2006. Talisman has taken the opportunity, whilst the drilling rig will be on-site, to complete a brief program of drilling to test outcropping copper mineralisation. Results of this drilling will be available by late January 2006.

DIAMOND JOINT VENTURE

De Beers Exploration (Australia) Ltd have notified the Company that they Intend to withdraw from the joint venture encompassing the Anticline and Tom Price Projects owing to lack of impetus from initial exploration results.

Yours sincerely

S. J. Elliott
Managing Director

Information in this report was compiled by Mr Steven Elliott who is a member of the Australasian Institute of Mining and Metallurgy and is employed by Talisman Mining Ltd. He has sufficient experience to qualify as Competent Persons and who consents to the inclusion in this report of the matters based on information in the form and context in which it appears.