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By Electronic Lodgement

SULPHIDE COPPER MINERALISATION AT WONMUNNA

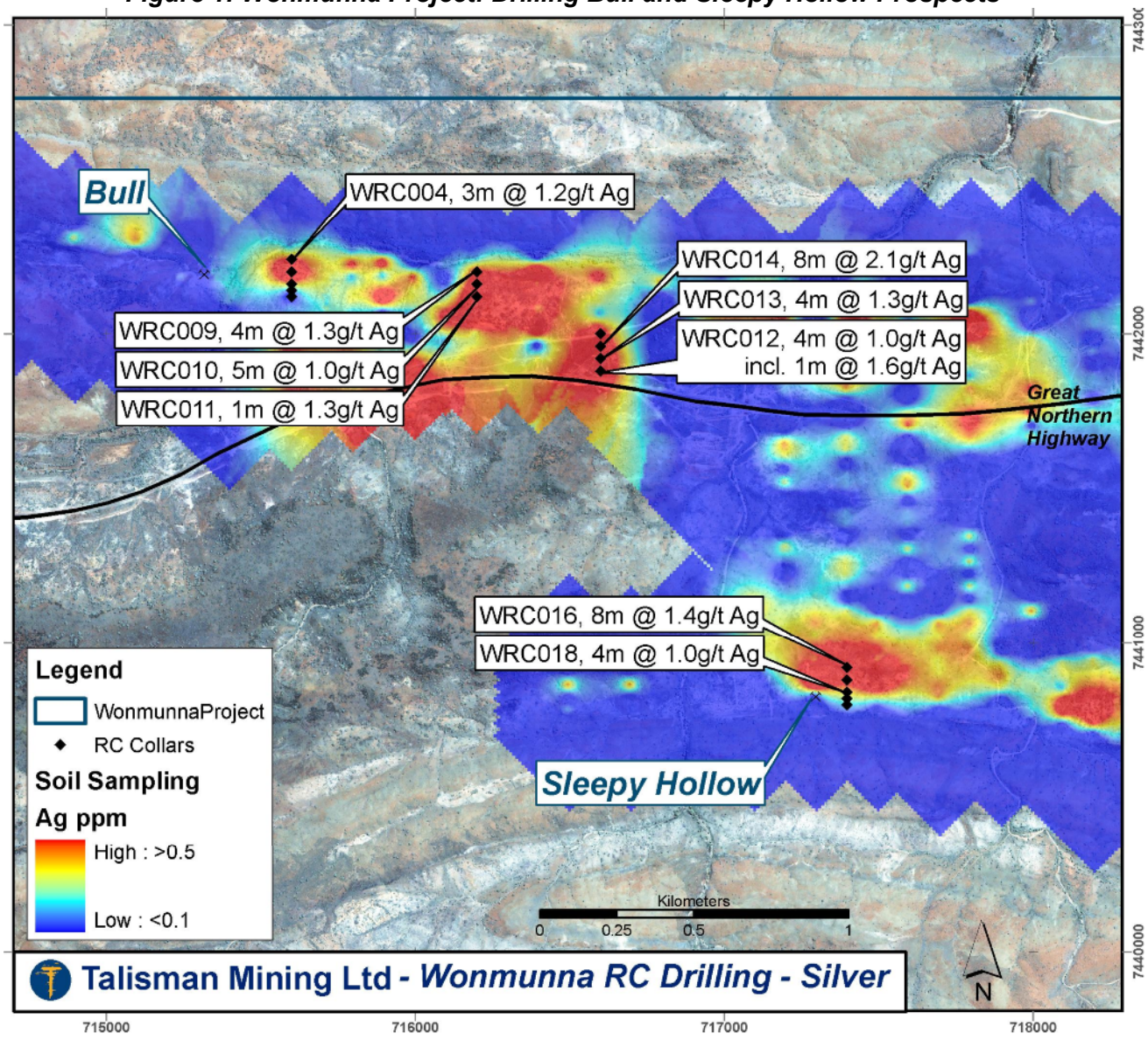
HIGHLIGHTS

- **First pass drilling at the Wonmunna project intersects primary (sulphide) copper mineralisation to 1m @ 1.14% copper.**
- **Soil geochemistry at the Wonmunna project defines strongly copper - anomalous horizon over >20km of strike with definition of structure - associated targets for massive sulphide copper – zinc – gold - silver.**

First pass RC drilling of the Bull and Sleepy Hollow soil geochemical anomalies has been completed for a total of 20 drillholes for 1044m (Figure 1). Significant (>0.1% copper) drill intercepts are listed in Table 1 below and anomalous silver intercepts are shown on Figure 1.

An unexpected result of the drilling program was the intersection of copper sulphides to ore - grade concentrations in fresh black shales. This sulphide zone returned an intercept of **13m @ 0.34% copper, including 1m @ 1.14% copper. This intercept is the first known ore-grade intercept of primary (sulphide) base metal mineralisation in the entire southern Hamersley Basin and adds considerable impetus to the Company's concept for World-class base and precious metal mineralisation in this previously ignored terrane.**

Figure 1: Wonmunna Project: Drilling Bull and Sleepy Hollow Prospects



The completed drilling was planned to assess the potential for near surface oxide copper – (zinc-gold-silver) and, whilst widespread low-grade mineralisation was intersected, the potential for economically viable oxide mineralisation has been downgraded at these two prospects. This is largely the result of the preservation of only a thin (<25m) zone of weathering with much of the supergene blanket having been stripped by weathering. **Other areas of the tenement appear to have much better preserved weathering profiles with a corresponding increased potential for commercially viable oxide mineralisation.**

On examination of the drill data together with structural data it has now been determined that, although structurally complex, the sediments at Sleepy Hollow probably dip to the north rather than the south as previously thought. The drilling at Sleepy Hollow, designed for a south dip, was therefore only partially effective and did not provide a complete section through the target zone.

Table 1: Wonmunna Project: Significant (>0.1%) Copper Drill Intercepts, Nov. 2006 – Feb. 2007

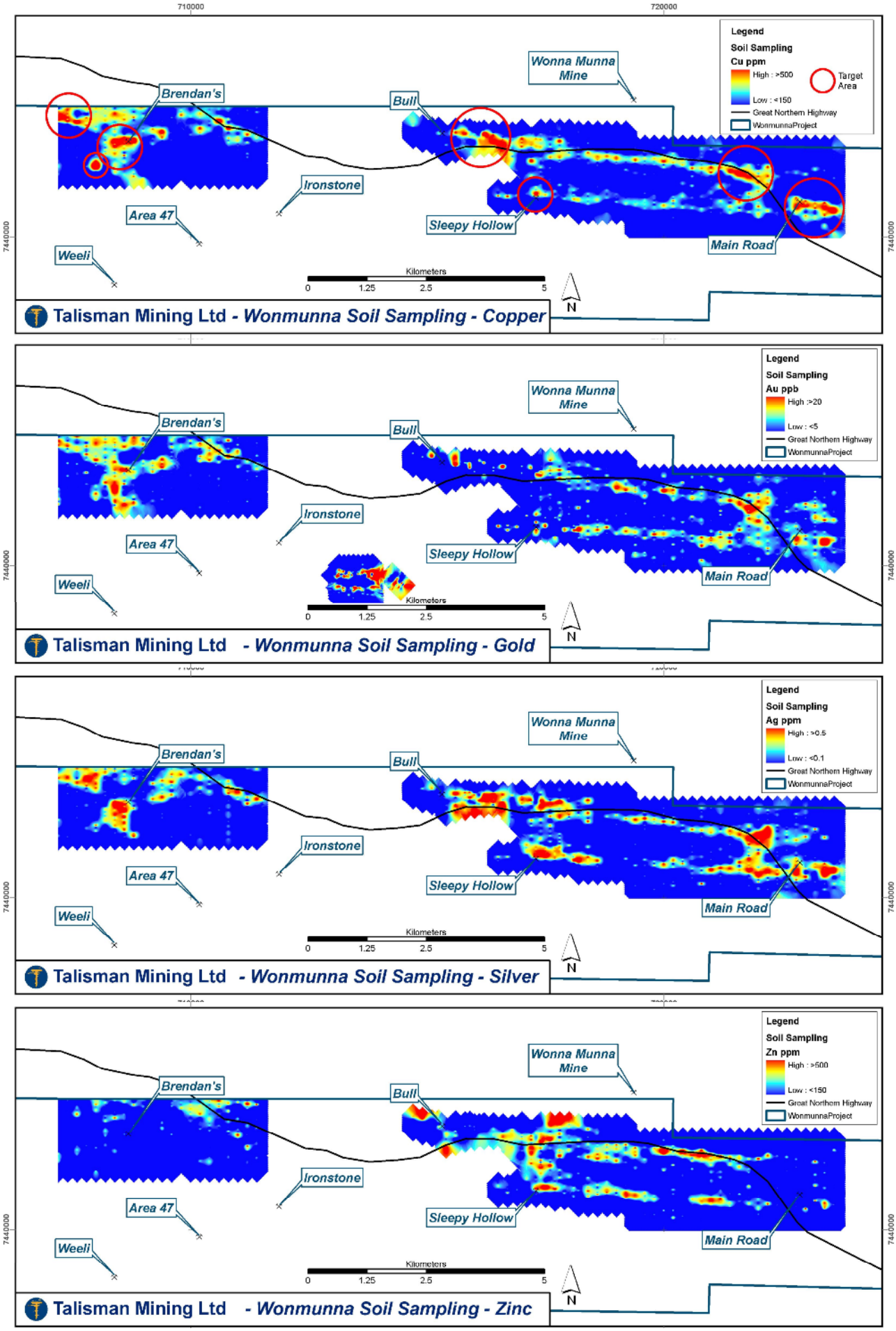
Bull Prospect								
Hole	**East**	**North**	**From**	**To**	**Intercept**	**Grade**		
						Cu (%)	**Ag (g/t)**	
WRC004	715600	7442240	*no significant results*					
WRC005	715600	7442200	4	8	4	**0.16**	0.4	**o**
WRC006	715600	7442160	0	2	2	**0.15**	0.7	**o**
WRC007	715600	7442140	*no significant results*					
WRC008	715600	7442120	*no significant results*					
WRC009	716200	7442200			*no significant results*			**c**
WRC010	716200	7442160	6	15	9	**0.25**	0.4	**o**
		(including	***13***	***14***	***1***	***0.90***	***0.3)***	**o**
WRC011	716200	7442120	58	71	13	**0.34**	**0.5**	**f**
		(including	***59***	***60***	***1***	***1.14***	***1.3)***	**f**
		(including	***60***	***63***	***3***	***0.58***	***0.9)***	**f**
WRC012	716600	7441880	0	4	4	**0.20**	**1.0**	**o**
		(including	***2***	***3***	***1***	***0.24***	***1.6)***	**o**
WRC013	716600	7441920	24	27	3	**0.43**	0.3	**o**
		(including	***24***	***26***	***2***	***0.55***	***0.4)***	**o**
WRC014	716600	7441960	12	15	3	**0.17**	0.3	**o**
WRC015	716600	7442000	*no significant results*					
Sleepy Hollow Prospect								
Hole	**East**	**North**	**From**	**To**	**Intercept**	**Grade**		
						Cu (%)	**Ag (g/t)**	
WRC016	717400	7440920	12	16	4	**0.14**	0.9	**c**
WRC017	717400	7440880	*no significant results*					
WRC018	717400	7440840	*no significant results*					
WRC019	717400	7440820	12	20	8	**0.19**	0.3	**c**
WRC020	717400	7440800	*no significant results*					

Notes: **o** = fresh rock, **f** = fresh rock, **e** = end of hole, **c** = composite sample

Soil geochemistry has been extended beyond the Bull and Sleepy Hollow prospects and has now defined the copper – anomalous black shale horizon over a total **strike length in excess of 20km**, remaining open (Figure 2a). Copper anomalism is particularly strong (>0.1% copper) and broad at Bull and in the Brendans and Main Road areas at the western and eastern closures respectively of the Parmelia Syncline. All of the principal anomalies, with the exception of Sleepy Hollow, are closely associated with closures of subsidiary fold structures to the main syncline. This is a similar structural setting to the Nifty copper deposit (39Mt @ 2.5% copper) in the East Pilbara.

Gold (Figure 2b) and silver (Figure 2c) are also strongly anomalous coincident with copper. Zinc (Figure 2d) also defines the anomalous black shale horizon although the strongest zinc anomalies rarely coincide with strong copper anomalies. This may reflect lateral zonation of base metals, a feature common to volcanogenic and exhalative mineralisation systems.

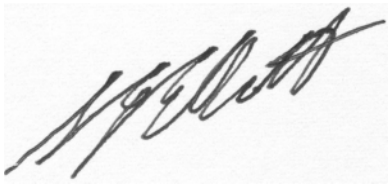
Figure 2: Wonmunna Project – Soil Geochemistry



Whilst the drilling failed to identify any significant oxide copper mineralisation, the unexpected intercept of 1.14% copper in disseminated sulphides offers considerable encouragement in the search for massive sulphide copper – zinc – gold – silver mineralisation. This is particularly pertinent given that the 1.14% copper intercept contained less than 10% sulphides. Massive sulphides (>60% sulphide) concentrated in a stratigraphic or structural trap therefore might reasonably be considered to be probably of much higher grade. It is this form of mineralisation that the Company is targeting, with the soil geochemistry offering excellent targets for follow up drilling.

Follow up drilling is planned for completion at the earliest opportunity.

Yours sincerely



S. J. Elliott
Managing Director

Information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Steven Elliott who is a member of the Australasian Institute of Mining and Metallurgy. Mr Steven Elliott is a full time employee of Talisman Mining Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Steven Elliott consents to the inclusion in this report of the matters based on information in the form and context in which it appears.