



TALISMAN MINING LTD

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The Manager
Company Announcements Office
Australian Stock Exchange Ltd

By Electronic Lodgement

MARKET UPDATE

EXPLORATION

WONMUNNA COPPER-ZINC-GOLD-SILVER PROJECT

RC drilling designed to evaluate the Brendans, Jasons, Kendalls and Main Road polymetallic (copper-zinc-gold-silver) geochemical anomalies (Figure 1) is scheduled to commence in late July, 2007, pending completion of Aboriginal Heritage clearance. Some follow up drill evaluation of the previously reported copper in disseminated sulphides intercept at Bull (16m @ 0.34% Cu, including 1m @ 1.14% Cu) will also be completed.

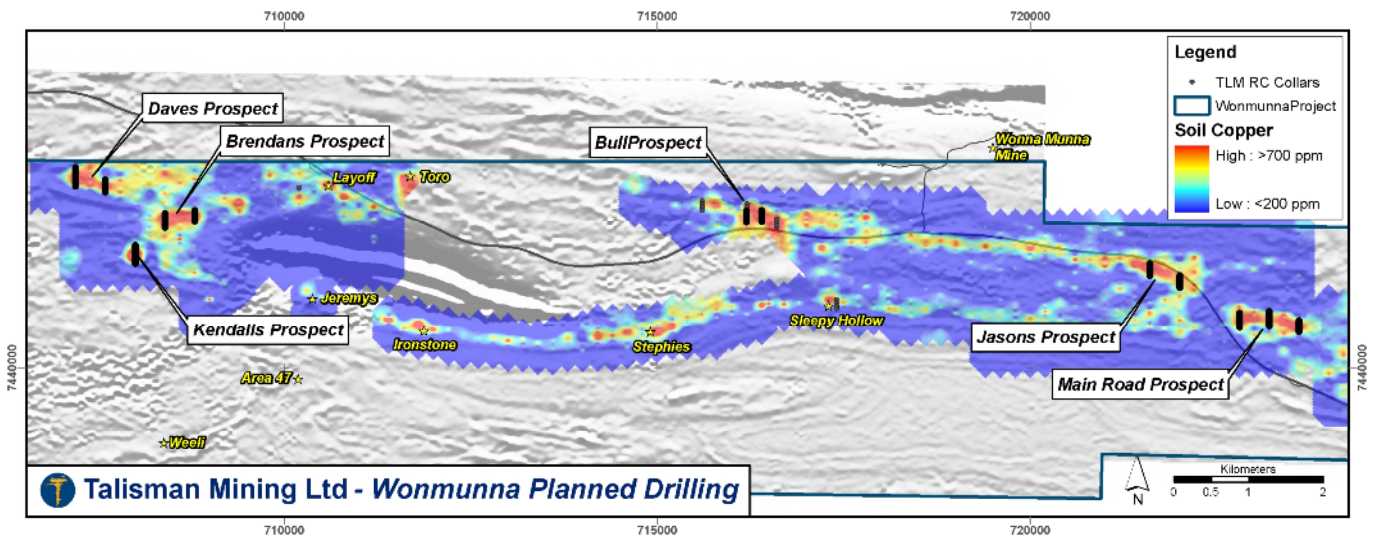


Figure 1

A total of 2,000m of RC drilling has been budgeted with complete results expected by late September, 2007.

Further RC and diamond drilling will be completed in the latter half of 2007 in follow up to any significant base and precious metals mineralisation intersected in this initial program of drilling.

Further soil geochemistry has been completed with the mineralised horizon within the Jeerinah Formation black shales, the host to the significant polymetallic anomalies at Bull, Brendans, Jasons, Main Road, Kendalls, Sleepy Hollow, now defined over a total strike length of at least 20km. This soil geochemistry has defined several new significant anomalies. Interpretation of these results is ongoing.



TRILLBAR GOLD PROJECT

Exploration aircore drilling has recommenced Monday, June 11, 2007, with a program of 2,000m of drilling to be completed over a two week period. This drilling is designed to infill and extend the series of gold geochemical anomalies defined by the previous program of aircore drilling (September 2006 Quarterly Report) (Figure 2).

It is anticipated that complete results of the aircore drilling will be available by mid-July, 2007.

Depending upon the results of these drilling programs, Follow up RC drilling will be completed in the second half of 2007 in an effort to substantially expand the current JORC-compliant resource of 50,000 ozs gold.

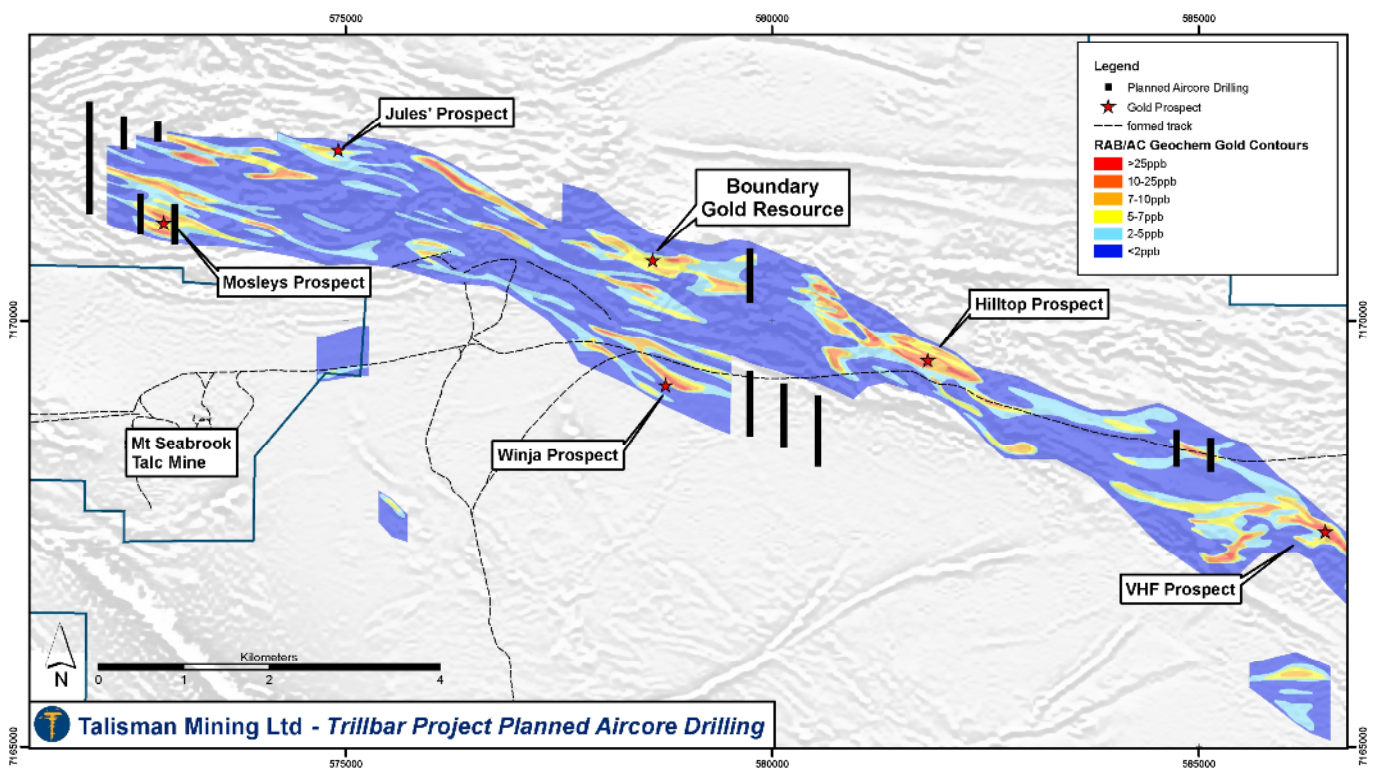


Figure 2



CORPORATE

CAPITAL RAISING

Further to the Company's release of 31st May, the Notice of General Meeting to approve and ratify the share issues referred to therein has been dispatched to shareholders with the meeting to be held 11 July 2007. The primary purpose of this meeting will be to seek shareholder ratification of a placement of 7,042,870 fully paid shares at 14c, and approval for the placement of an additional 8,580,000 fully paid shares at 14c, together with 8,000,000 free attaching options to raise a total of \$2,100,000 before costs. RM Capital, managers to the issue, have advised the first tranche of 6,600,000 shares has been fully subscribed.

On completion of the capital raising the Company will have access to approximately \$2,350,000 to continue evaluation of its gold and base metals assets.

PROTAL METALS GROUP LTD

Work is continuing in the joint venture with Proto Resources and Investments Ltd to place both Company's uranium assets in a new vehicle to be known as Protal Metals Group Ltd, the intention being to raise capital via an IPO and apply for listing on the Australian Stock Exchange in the second half of 2007.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. J. Elliott', written over a light grey rectangular background.

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.