



**TALISMAN MINING LTD**

PO Box 1262  
Subiaco WA 6904  
Tel: +61 8 9380 4230 / Fax: +61 8 9382 8200  
[www.talismanmining.com.au](http://www.talismanmining.com.au)

31 October 2007

The Manager  
Company Announcements Office  
Australian Stock Exchange

By Electronic Lodgement

Dear Sir

**NOTICE OF ANNUAL GENERAL MEETING**

Please find attached the Notice of Annual General Meeting which has been dispatched to shareholders today.

Yours faithfully,  
**Talisman Mining Limited**

**Steve Elliott**  
Managing Director

# **TALISMAN MINING LIMITED**

ABN 71 079 536 495

## **NOTICE OF ANNUAL GENERAL MEETING EXPLANATORY MEMORANDUM AND PROXY FORM**

### **Date of Meeting**

Thursday 29 November, 2007

### **Time of Meeting**

10.00 am

### **Place of Meeting**

Ground Level, 6 Centro Avenue  
SUBIACO WA 6904

# **TALISMAN MINING LIMITED**

**ABN 71 079 536 495**

Notice is given that the Annual General Meeting of the members of Talisman Mining Limited (the Company) will be held at Ground Level, 6 Centro Avenue, Subiaco, Western Australia 6904, on Thursday 29 November 2007 at 10.00 am for the purposes of transacting the following business.

An Explanatory Memorandum containing information in relation to the following resolutions accompanies this Notice of Annual General Meeting.

## **Ordinary Business**

To receive and consider the annual financial report of the Company for the year ended 30 June 2007 and the reports by the Directors and Auditors thereon.

To consider and if thought fit, to pass, with or without amendment, the following ordinary resolutions:

### **RESOLUTION 1 – REMUNERATION REPORT**

*“To adopt the Remuneration Report for the year ended 30 June 2007”.*

Note – the vote on this resolution is advisory only and does not bind the Directors of the Company.

### **RESOLUTION 2 – THE ELECTION OF MR MICHAEL BUNYARD.**

*“Mr. Michael Bunyard, who was appointed by the Directors since the last general meeting and retires in accordance with 13.4 of the Company’s Constitution and is eligible for election, be elected as a director of the Company”..*

### **RESOLUTION 3 – PLACEMENT OF SHARES**

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 15% of Talisman Mining Limited’s share capital at an issue price of not less than 80% of the average market price for Shares over the last 5 trading days prior to the date of issue on the terms set out in the Explanatory Memorandum”.*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the Resolution is passed and any associates of those persons.

### **RESOLUTION 4 – APPOINTMENT OF AUDITOR**

*“That the Company, having received the consent of HLB Mann Judd (“HLB”), appoint HLB as auditors to the Company with effect from the end of the Meeting and subject to ASIC approval”*

## **OTHER BUSINESS**

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act 2001.

**TALISMAN MINING LIMITED**  
**ABN 71 079 536 495**

**NOTES**

**Who may Vote**

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that members holding ordinary shares as at 10.00 am on 27 November 2007 will be entitled to attend and vote at the Annual General Meeting.

**Proxies**

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. To be valid, a proxy form must be received by the Company by 10.00 am WDST on Tuesday 27 November 2007 ("Proxy Deadline"). Proxies may be submitted:-
  - a. By hand delivery to the Company's principal place of business at Ground Level, 6 Centro Avenue, Subiaco, Western Australia 6904; or
  - b. By post addressed to Talisman Mining Limited, PO Box 1262, Subiaco WA 6904; or
  - c. By facsimile at (08) 9382 8200.

A proxy appointment must be signed by the Shareholder or the Shareholder's attorney. Where the appointment is signed by the appointer's attorney, a certified copy of the authority, or the authority itself, must be lodged with the Company in one of the above ways by the Proxy Deadline. If facsimile transmission is used, the authority must be certified.

**BY ORDER OF THE BOARD**



Darren Crawte  
Company Secretary

Dated 26 October 2007

**TALISMAN MINING LIMITED**  
**ABN 71 079 536 495**

**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide shareholders in Talisman Mining Limited (the Company) with sufficient information to assess the merits of the resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

**RESOLUTION 1 – REMUNERATION REPORT**

The Board is voluntarily submitting its Remuneration Report to shareholders for consideration and adoption by way of non-binding resolution.

The Remuneration Report is set out in and forms part of the Director's Report. The Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive directors and senior executives of the Company;
- explains the Board's remuneration policy; and
- sets out remuneration details for each Director.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.

**RESOLUTION 2 – THE ELECTION OF MR MICHAEL BUNYARD.**

Resolution 2 seeks the election of Mr. Michael Bunyard, who was appointed by directors during the year and retires in accordance with clause 13.4 of the Company's Constitution and, being eligible, offers himself for election by shareholders as a Director of the Company, with effect from the end of the meeting.

Mr. Bunyard has over 36 years experience in the minerals industry in research, operation and management and projects development both in Australia and overseas. He has gained operating and management experience in South Africa and was worked as a consulting engineer for a number of major engineering companies since coming to Australia in 1988. He has participated in and managed all aspects of ore testing, process development, feasibility studies, plant design and commissioning for base metals, gold, uranium, iron ore and industrial minerals.

Mick is a graduate from the University of Leeds in 1970 with a BSc in Minerals Processing followed by a Ph D in 1973.

Mick is a fellow of the Australian Institute of Mining and Metallurgy, member of the IOM<sup>3</sup> and a Chartered Engineer.

The Board unanimously recommends that shareholders vote in favour of the election of Mr. Bunyard as a director.

## **RESOLUTION 3 – PLACEMENT OF SHARES**

### **General**

ASX Listing Rule 7.1 requires a listed company to obtain shareholder approval prior to the issue of shares, or securities convertible into shares, representing more than 15% of the issued capital of that company in any 12 month period.

Resolution 3 seeks Shareholder approval for the allotment and issue of up to 15% of Talisman Mining Limited's share capital.

The effect of Resolution 3 will be to allow the Directors to issue the Shares pursuant to the General Offer during the period of 3 months after the Annual General Meeting (or a longer period, if allowed by ASX), without using the Company's annual 15% placement capacity.

### **Technical Information Required by ASX Listing Rule 7.1**

The following information is provided in relation to the General Offer pursuant to and in accordance with ASX Listing Rule 7.3:

- (a) the maximum number of Shares to be issued is 7,131,754 (15%);
- (b) the Shares will be issued at not less than 80% of the average market price of Shares over the last 5 trading days prior to the date of issue;
- (c) the Shares will rank equally with the Company's current issued Shares;
- (d) the Shares will be issued no later than three (3) months after the date of the Annual General Meeting (or such later date to the extent permitted by and ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (e) the Directors will determine to whom the Shares will be issued but these persons will not be related parties of the Company;
- (f) the Shares are fully paid ordinary shares in the capital of the Company and will rank equally with the company's current issued Shares; and
- (g) the Company intends to use the funds raised from the General Offer for:
  - (i) general working capital purposes – 30% of funds raised;
  - (ii) to fund costs associated with the commercialisation of its existing products – 40% of funds raised; and
  - (iii) for research and development expenditure – 30% of funds raised.

The Board intends to apply funds exclusively to the Company's existing business operations.

#### **RESOLUTION 4 – APPOINTMENT OF AUDITOR**

Following the resignation (subject to ASIC approval) of Stantons International as auditors to the Company, the Company seeks to appoint HLB Mann Judd as auditors to the Company. Pursuant to Section 328 of the Corporations Act 2001, HLB Mann Judd, having been nominated by a shareholder (refer to Annexure A of this Explanatory Memorandum for a copy of the nomination), consent to act as auditors to the Company and seek shareholder approval to be appointed as such.

Under the Corporations Act 2001, the resignation of an auditor is subject to approval by the Australian Securities and Investments Commission (“ASIC”) and appointment of a new auditor is subject to approval at an Annual General Meeting. Stantons International has sought ASIC approval to resign and the Company seeks approval at this meeting for HLB Mann Judd to be appointed auditors subject to receiving this ASIC approval.

The Directors have confidence in HLB Mann Judd’s professionalism, independence and competence and therefore support the nomination.

**TALISMAN MINING LIMITED**  
**ABN 71 079 536 495**

**ANNEXURE A**

**F.A.T.S. PTY LTD**  
**Funds Administration & Trustee Services**

*PO Box 359*  
*WEST PERTH WA 6872*

ACN: 008 899 474

*Telephone: (08) 9321 3514*  
*Facsimile: (08) 9321 3523*

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26 October 2007

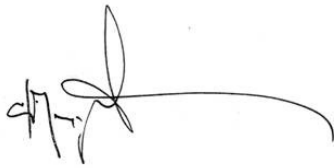
The Directors  
Talisman Mining Limited  
PO Box 1262  
SUBIACO WA 6904

Dear Sirs

**NOMINATION OF HLB MANN JUDD AS AUDITOR OF THE COMPANY**

I, Ian Macpherson, as director of F.A.T.S. Pty Ltd, a shareholder in Talisman Mining Limited, hereby nominate HLB Mann Judd to be appointed as auditors to the Company (subject to ASIC approval) at the forthcoming Annual General Meeting or any adjournment thereof.

Yours faithfully

A handwritten signature in black ink, appearing to be 'I. Macpherson', with a long horizontal flourish extending to the right.

Ian Macpherson  
Director



# TALISMAN MINING LIMITED

ABN 71 079 536 495

## PROXY FORM

The Secretary  
Talisman Mining Limited  
Ground Level, 6 Centro Avenue  
Subiaco WA 6008  
Ph (08) 9380 4230  
Fax (08) 9382 8200

I/We \_\_\_\_\_ being a member(s) of Talisman Mining Limited and entitled to attend and vote hereby appoint

☐ the **Chairman of the Meeting** (mark box) ☐ **OR** write here the name of the person or body corporate (excluding the registered security holder) you are appointing if this person/body corporate is **someone other** than the Chairman of the Meeting

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following instructions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held at 10.00 am WDST on Thursday 29 November 2007 and at any adjournment of that meeting. Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available on request from the share registry. Proxies will only be valid and accepted by the Company if they are signed and received in the Registrar's office no later than 48 hours before the meeting.

IF YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, PLEASE PLACE A MARK IN THIS BOX \*



\* By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. **The Chairman intends to vote in favour of all resolutions if no directions are given.**

**Should you desire to direct your proxy how to vote on any resolution please insert **X** in the appropriate box below:**

Resolution	For	Against	Abstain
1 To approve the remunerations report (non binding vote)	<input type="text"/>	<input type="text"/>	<input type="text"/>
2 To approve the election of Mr. Michael Bunyard as Director	<input type="text"/>	<input type="text"/>	<input type="text"/>
3 To approve the placement of shares	<input type="text"/>	<input type="text"/>	<input type="text"/>
4 To approve the appointment of Auditor	<input type="text"/>	<input type="text"/>	<input type="text"/>

\*If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item.

### Appointing a Second Proxy (if applicable)

or  % Contact Telephone Number   
The number of Shares applicable to this proxy form The percentage of your voting rights Area Code Telephone Number

### Signature(s)

Shareholder 1  Shareholder 2  Shareholder 3   
Director Director/Secretary Sole Director and Secretary

Company Seal (if required)

Proxies may be lodged either by **facsimile on (08) 9382 8200**, or by mail or delivery to the principal office of the Company at PO Box 1262, Subiaco WA 6904. To be valid, a proxy form (and any authority under which the proxy form is signed or a certified copy of the authority) must be received by the Company not less than 48 hours before the time scheduled for commencement of the Meeting. For further instructions on voting, please refer to the rear of this form.

## INSTRUCTIONS ON VOTING

### 1. How to Vote

Shareholders may vote by attending the Meeting in person, by proxy or authorised representative.

### 2. Voting in Person

To vote in person, attend the Meeting on the date and at the time and place specified in this Notice of General Meeting.

### 3. Voting by Proxy

Shareholders are entitled to appoint up to 2 individuals to act as proxies to attend the Meeting and vote on their behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

The proxy form must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the *Corporations Act 2001*. In the case of Shares jointly held by 2 or more persons, all joint holders must sign the proxy form.

Completion of a proxy form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.

The proxy may, but need not, be a shareholder of the Company.

### 4. Voting Entitlements

For the purposes of determining voting entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares 48 hours before the time scheduled for commencement of the Meeting. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.