



TALISMAN MINING LTD

PO Box 1262, Subiaco WA 6904
Tel: 61 8 9380 4230 / Fax: 61 8 9382 8200
www.talismanmining.com.au

29 July, 2008

The Manager
Company Announcements Office
Australian Securities Exchange

By Electronic Lodgement

RELINQUISHMENT OF MOUNT JAMES AND BUSTLER WELL GOLD PROJECTS

In order to continue with and further enhance the Company's focus on iron ore, and in particular the Wonmunna Project, several of the Company's grass roots gold projects in the Gascoyne region have been relinquished.

The Company has opted to withdraw from the joint venture with Giralia Resources NL at Mount James (E52/1685). Talisman had been earning up to 60% in the tenement but had not yet earned any equity. The tenement will therefore revert to being held 100% (unencumbered) by Giralia.

At Bustler Well (M52/800, E52/1547) Talisman will be divesting its 80% interest in the tenements to Giralia Resources NL.

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.