

Companies Announcements Office  
Australian Securities Exchange Limited  
Exchange House  
Level 4, 20 Bridge Street  
Sydney, NSW 2000

2<sup>nd</sup> February 2009

Dear Sir

## **NEW MANAGING DIRECTOR COMMENCES WITH TALISMAN**

Further to its announcement of 23<sup>rd</sup> December, the Board is pleased to advise that Gary Lethridge has today commenced work with Talisman as the Company's Managing Director.

Mr Lethridge brings extensive management and leadership experience in the corporate and financial sectors to Talisman. He held the position of Executive General Manager-Corporate / Chief Financial Officer at the highly successful Australian nickel producer Jubilee Mines NL, where he was part of the senior executive management team from 2003 until that Company's acquisition by Xstrata Nickel in early 2008. Mr Lethridge often deputised for the Executive Chairman of Jubilee Mines during this period.

Prior to that, Mr Lethridge held senior executive positions with LionOre Mining International Limited in Australia (now Norilsk Nickel). A Chartered Accountant, he commenced his career with Ernst & Young in 1984. Over the past 14 years in the resource industry he has been involved in all phases and aspects of mining projects, from exploration, discovery, feasibility and development through to operations.

Mr Lethridge will lead Talisman's management team in progressing its exciting portfolio of iron ore, manganese, gold and base metal projects in the Pilbara region of Western Australia, including the advanced Womunna Iron Ore Project, where Talisman has defined a JORC Code compliant Inferred Resource and is in the process of completing a scoping study which is due for completion this Quarter.

In welcoming Mr Lethridge, Talisman's Executive Chairman, Mr Alan Senior, said: "Gary brings a depth of experience in the exploration and mining industry to the Company, both as a senior executive in two dynamic and highly successful mining companies (Jubilee and LionOre) and as a former non-executive Director of junior explorers, Falcon Minerals Ltd and Northern Star Resources Ltd. We are looking forward to Gary's leadership through these tough times."

The key terms of Mr Lethridge's employment contract with Talisman are as follows:

- Initial contract term of 3 years commencing on 2<sup>nd</sup> February 2009, with a two year extension at both parties' election for a further 2 years;
- Annual salary of \$275,000 plus statutory superannuation;
- An entitlement to 4,000,000 share options in the capital of the Company (subject to shareholder approval). 2,000,000 options will vest on the issue of the options, 1,000,000 options will vest on 30 June 2009 and the remaining 1,000,000 options will vest on 31 December 2009. The exercise price of the options will be 22 cents, which is based on

- the 3 month VWAP (volume weighted average price) of Talisman shares for the 3 months prior to the date of Mr Lethridge's acceptance of the role as Managing Director;
- The agreement may be terminated by either party with 3 months notice. If this notice is given by the Company, Mr Lethridge is entitled to an additional payment of 3 months salary at the end of the notice period.

An Appendix 3X disclosing Mr Lethridge's interests in the securities of the Company is attached.

With Mr Lethridge commencing his new role, Mr Senior will revert to his previous role of Non-Executive Chairman.

On behalf of the Board

Yours faithfully



Darren Crawte  
Company Secretary

**For further information, please contact:  
Alan Senior – Chairman on: +61 9380 4230**

**For media inquiries, please contact:  
Nicholas Read – Read Corporate on +61 419 929 046**

# Appendix 3X

## Initial Director's Interest Notice

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 30/9/2001.

<b>Name of entity:</b>	<b>TALISMAN MINING LIMITED</b>
<b>ABN:</b>	<b>71 079 536 495</b>

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

<b>Name of Director</b>	Gary Lethridge
<b>Date of appointment</b>	2 <sup>nd</sup> February 2009

### Part 1 - Director's relevant interests in securities of which the director is the registered holder

*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Number &amp; class of securities</b>
Nil

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+ See chapter 19 for defined terms.

**Part 2 – Director's relevant interests in securities of which the director is not the registered holder**

*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

<b>Name of holder &amp; nature of interest</b> <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	<b>Number &amp; class of Securities</b>
Nil	

**Part 3 – Director's interests in contracts**

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Detail of contract</b>	Employment contract between the Company and Mr. Lethridge.
<b>Nature of interest</b>	Unlisted incentive options to be issued subject to shareholder approval at a forthcoming EGM.
<b>Name of registered holder (if issued securities)</b>	Mr. Lethridge or his nominee.
<b>No. and class of securities to which interest relates</b>	4,000,000 unlisted incentive options exercisable at 22 cents each on or before 31 August 2011.

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+ See chapter 19 for defined terms.