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The Manager
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By Electronic Lodgement

TALISMAN RAISES \$9.5 MILLION THROUGH STRONGLY SUPPORTED SHARE PLACEMENT

Talisman Mining Limited (ASX: **TLM** – “Talisman”), is pleased to advise that it has firm commitments and undertakings to raise a total of approximately **\$9.515 million** (before issue costs) through a private placement to sophisticated investors.

The placement will be completed in one tranche comprising 10,572,227 million ordinary shares at 90 cents each. The funds raised will be used to strengthen Talisman’s working capital position, to enable it to continue to pursue exploration activities including forthcoming drilling programs within its extensive portfolio of copper-gold projects in the Bryah Basin in Western Australia.

The funds will also be used to underpin Talisman’s broader growth strategy.

The ordinary share issue is within the limit set out in the ASX Listing Rules and will be issued next week under the Company’s 15% placement capacity once cleared funds are received. The placement shares will rank *pari passu* with the Company’s existing ordinary shares.

The share placement has been strongly supported by several Australian institutional investors and the Company’s existing major shareholder, Mr Kerry Harmanis.

Following allotment of the shares under the placement, Talisman will have approximately 104.63 million ordinary shares on issue and cash reserves of approximately \$15.5 million.

Talisman holds an extensive portfolio of exploration projects across the prospective Bryah Basin region in Western Australia which are considered prospective for the discovery of volcanogenic massive sulphide (VMS) deposits following the recent discovery of the high grade copper-gold DeGrussa Deposit by Sandfire Resources. In particular, recent exploration on Talisman’s Springfield Project has developed a strong pipeline of exploration targets that will be the subject of an initial reconnaissance drilling program commencing in March 2010.

Talisman’s Managing Director, Mr Gary Lethridge, said he was delighted with the strong response to the share placement and thanked investors for their support.

“The funds will strengthen our financial position and enable us to progress our concerted exploration programme at Springfield together with our other regional Bryah Basin exploration projects,” Mr Lethridge said.

“The ability to continue the exploration and development of our portfolio of exploration projects across the Bryah Basin positions Talisman to take advantage of the emergence of what may be a new highly prospective VMS province,” he said.

Competent Persons’ Statement

Information in this ASX release that relates to Exploration Results is based on information compiled by Mr Harry Cornelius, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Harry Cornelius is a full time employee of Talisman Mining Ltd and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activities 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 Harry Cornelius consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

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