



**TALISMAN
MINING LIMITED**

ASX Code: TLM



17 June 2015

COMPANY SNAPSHOT

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Capital Structure

Shares on Issue:

131,538,627 (TLM)

Options on Issue:

7,250,000 (Unlisted)

ASX: TLM

Springfield Project Exploration Update

Drilling at Monty Prospect intersects massive sulphide mineralisation

Talisman Mining Limited (ASX: **TLM** "Talisman") is pleased to announce that Sandfire Resources NL (ASX: **SFR**; "Sandfire") has advised that diamond drilling undertaken by Sandfire as part of an exploration farm-in joint venture at Talisman's Springfield Project, has intersected a zone of massive sulphides at the Monty Prospect, approximately 10km east of Sandfire's DeGrussa Copper Mine.

Diamond drill hole **TLDD004A** intersected **14 metres of massive sulphides** from 411m down-hole to 425m (for hole details see *Table 1*). Based on field observations by Sandfire, the interval contains visible chalcopyrite and is similar to the massive sulphides seen at DeGrussa.

Drilling is continuing with the hole currently in fragmental siltstone and basalt with trace chalcopyrite and pyrrhotite to 427m down-hole. Note, all widths are down hole as true widths are not currently known.

TLDD004A was drilled as a follow-up hole to TLDD002A, completed by Sandfire last month, which intersected a sedimentary package that closely resembles the exhalative VMS sequence observed in proximity to the massive sulphide mineralisation at the Conductor 5 deposit.

TLDD004A was designed to intersect an off-hole EM response identified from DHEM surveys undertaken by Sandfire on the original Talisman drill-hole SPD021 and refined by Sandfire in subsequent DHEM surveys.

Sandfire have advised that diamond drill core from TLDD004A will be dispatched for priority assaying, with results expected in the coming weeks.

Talisman and Sandfire are very encouraged by the intercepted massive sulphide in TLDD004A, which represents the first significant accumulation of massive sulphides to be intersected within either Talisman's or Sandfire's Doolgunna projects outside of the four known lenses of VMS mineralisation at DeGrussa.

Sandfire have advised that follow-up diamond drilling will be undertaken as a priority.

Sandfire has the right to earn up to a 70% interest in Talisman Mining's Doolgunna Projects by the expenditure of \$15 million on exploration at the Projects.

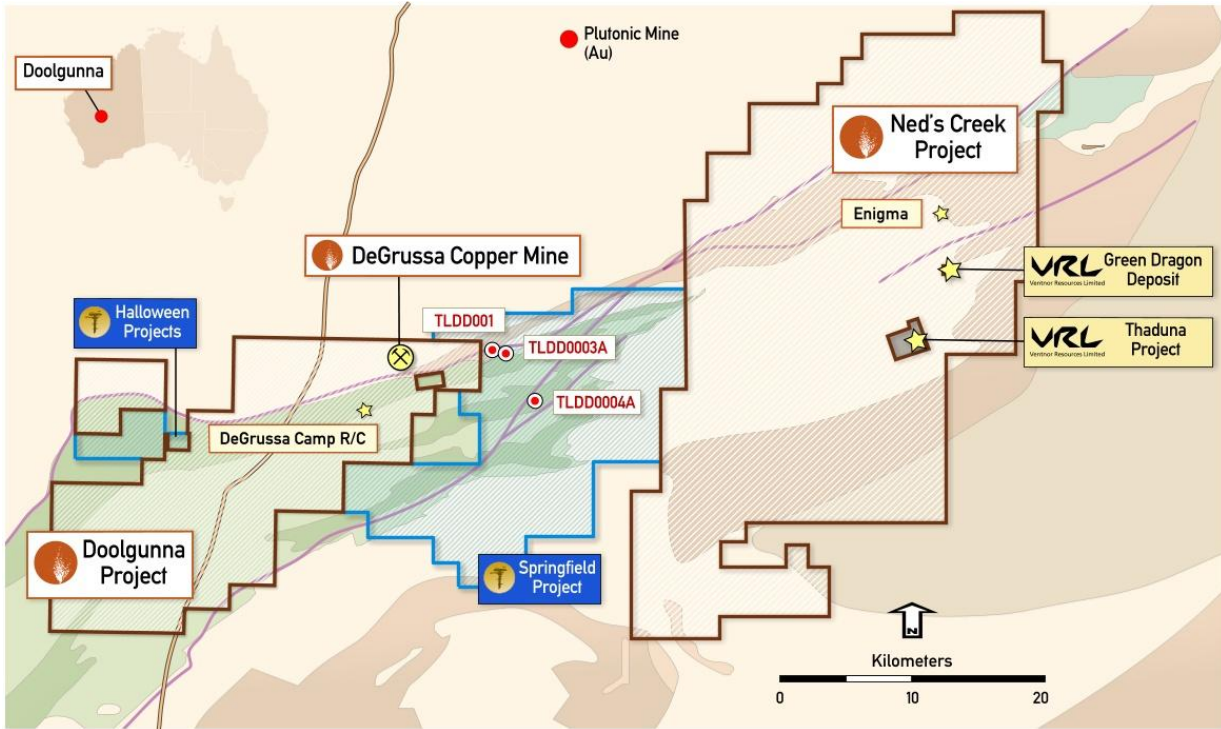


Figure 1: Plan view of Sandfire's Greater Doolgunna Project, showing the Springfield Project and the location of drill hole TLDD0004A (in progress)

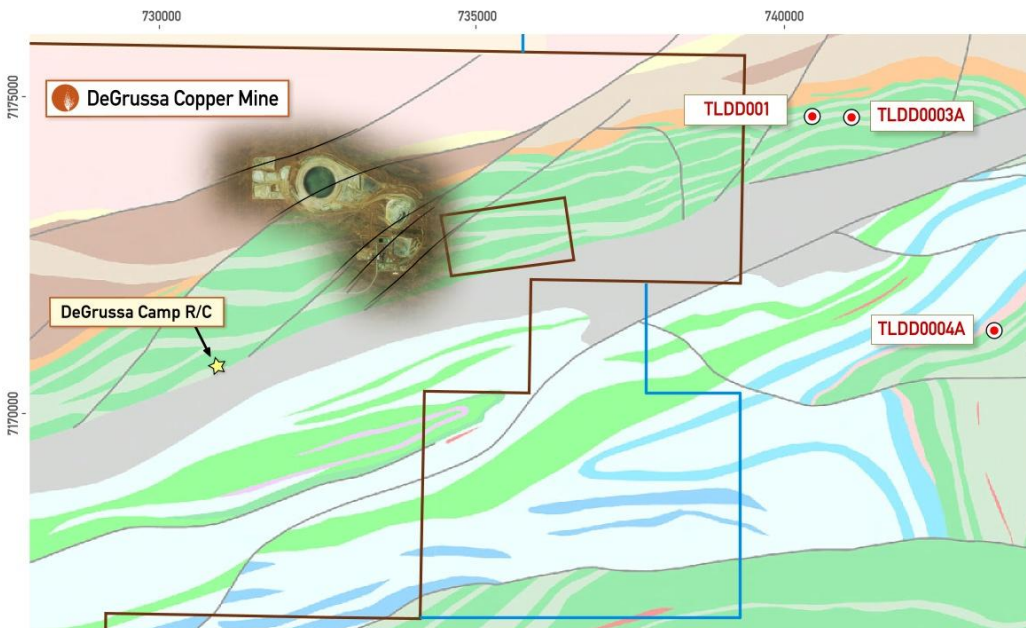


Figure 2: Plan view showing location of recent drilling by Sandfire (including TLDD0004A) relative to the DeGrussa Copper Mine

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Competent Persons' Statement

Information in this ASX release that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Graham Leaver, who is a member of the Australian Institute of Geoscientists. Mr Leaver 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 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Leaver consents to the inclusion in this report of the matters based on information in the form and context in which it appear.

Table 1 – Monty Prospect Drill-hole Information Summary

Details and coordinates of the historical drill-hole SPD021 and recent drill holes completed by Sandfire at the Springfield Project, TLDD0001, TLDD0002A, TLDD0003 and TLDD0004A, are provided below:

Hole ID	Depth	Dip	Azimuth	Grid_ID	East	North	RL	Lease ID	Hole Status
SPD021	552.80	-60°	180°	MGA94_50	743598	7171437	598	E52/2282	Complete
TLDD0001	1099.1	-60°	360°	MGA94_50	740146	7174149	588	E52/2313	Complete
TLDD0002A	500	-60°	112°	MGA94_50	743540	7171212	602	E52/2282	Complete
TLDD0003	658	-60°	360°	MGA94_50	740600	7174550	594	E52/2313	Complete
TLDD0004A	ongoing	-57°	141°	MGA94_50	743588	7171282	601	E52/2282	In Progress



Appendix 1 - JORC TABLE 1

Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Sampling is intended. Not applicable to this release.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Sandfire diamond drilling is completed by DD rig using NQ2 coring equipment. All drill collars are surveyed using an RTK GPS survey instrument. All core is oriented, where possible, using an electronic core orientation tool (Reflex ACT). Downhole surveying is undertaken using a gyroscopic survey instrument.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Sandfire diamond core recovery is logged and captured into the database. Core recoveries are measured by drillers for every drill run. The core length recovered is physically measured for each run, recorded and used to calculate the core recovery as a percentage core recovered. Sandfire ensure appropriate measures are taken to maximise sample recovery and ensure the representative nature of the samples. This includes diamond core being reconstructed into continuous intervals on angle-iron racks for orientation and reconciled against core block markers. No sample recovery issues have impacted on reported width of mineralisation.



Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • Sandfire completes geological logging for all holes that is representative across the ore body. The lithology, alteration, and structural characteristics of core are logged and captured in digital format using Sandfire Resources NL geology codes and following established procedures. Data is imported into Sandfire Resources NL's central database after validation in LogChief™. • Logging is both qualitative and quantitative depending on the attribute being logged. • Sandfire photograph all drill core. • All drill holes are fully logged by Sandfire.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • Sampling is intended. Not applicable to this release.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • Analyses are intended. Not applicable to this release. • Sandfire have not used any geophysical tools or hand held analytical instruments in the preparation of this release.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • Determination of reported down hole intervals of visible mineralisation have been verified by alternate Sandfire personnel • None of the drill holes in this report are twinned. • Primary data is captured by Sandfire personnel on field tough book laptops using Logchief™ Software. The software has validation routines and data is then imported into a secure central database. • The primary data is always kept and is never replaced by adjusted or interpreted data.



<p>Location of data points</p>	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill-holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Sandfire Survey team undertakes survey works under the guidelines of best industry practice. • All drill collars are accurately surveyed using RTK GPS system within +/-50mm of accuracy (X, Y, Z). • Coordinates are based on control previously established by MHR Surveyors which was derived by ties into the Government SSM/BM network. • Downhole survey completed by gyroscopic survey at regular intervals • Coordinate and azimuth are reported in MGA 94 Zone 50. • Topographic control was established from aerial photography using a series of 33 surveyed control points.
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • As TLDD0004a is the first drill hole to intersect the modelled EM plate, it is not possible to make any conclusions regarding sample spacing and distribution.
<p>Orientation of data in relation to geological structure</p>	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • Drill hole TLDD0004a was orientated to intersect a modelled EM plate. The drill hole may not necessarily be perpendicular to the orientation of the intersected mineralisation. • No significant orientation based sampling bias is known at this time. • All reported mineralised intervals are down hole intervals not true widths.
<p>Sample security</p>	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Appropriate security measures are taken by Sandfire to dispatch samples to the laboratory. Chain of custody of samples is being managed by Sandfire Resources NL. Samples are stored onsite and transported to laboratory by a licence transport company in sealed bulka bags. The laboratory receipts received samples against the sample dispatch documents and issues a reconciliation report for every sample batch.
<p>Audits or reviews</p>	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • Sampling is intended. Not applicable to this release



Section 2 Reporting of Exploration Results

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> Diamond drilling by Farm-in Partner Sandfire is on tenement E52/2282. Tenements E52/2282, E52/2313 and E52/2466 form Talisman's 100% owned Springfield Project, 150km north-east of Meekatharra, WA. Sandfire is currently farming into the project on a staged basis with the right to earn 70% interest in the project These tenements fall within the Department of Conservation-managed Doolgunna pastoral lease. All tenements are current and in good standing. The Talisman tenements are currently subject to a Native Title Claim by the Yungunga-Nya People (WAD6132/98). Sandfire currently has a Land Access Agreement in place with the Yungunga-Nya Native Title Claimants and have assumed management of Heritage Agreements which were executed by Talisman. These agreements allow Sandfire to carry out exploration activities on their traditional land.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Exploration work at Springfield completed prior to Talisman's tenure included geochemical soil and rock chip sampling combined with geological mapping. Some targeted RC drilling was completed over gold and diamond targets.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Talisman's Springfield Project lies within the Proterozoic-aged Bryah rift basin bounded by the Archaean Marymia Inlier to the north and the Proterozoic Yerrida basin to the south. The principal exploration targets at the Springfield Project are Volcanogenic Massive Sulphide (VMS) deposits located with the Proterozoic Bryah Basin of Western Australia.
Drill-hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill-holes: <ul style="list-style-type: none"> easting and northing of the drill-hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill-hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Refer to Table 1 of the accompanying document for details regarding the position of drill holes.



<p>Data aggregation methods</p>	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No analyses are reported in this release
<p>Relationship between mineralisation widths and intercept lengths</p>	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported. If it is not known and only the down-hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Downhole intercepts of mineralisation reported in this release are from a drill hole orientated perpendicular to a modelled EM plate. The drill hole may not necessarily be perpendicular to the mineralised zone. All widths reported are downhole intervals. The geometry of the mineralisation, relative to the drill hole, is unknown at this stage. All intersection reported in this release are down hole intervals. True widths are not known.
<p>Diagrams</p>	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill-hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Appropriate maps with scale are included within the body of the accompanying document.
<p>Balanced reporting</p>	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> The accompanying document is considered to represent a balanced report.
<p>Other substantive exploration data</p>	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Other exploration data collected in not considered as material to this document at this stage. Further data collection will be reviewed and reported when considered material.
<p>Further work</p>	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Sandfire advise that additional work will be planned once analytical results are received for drill hole TLDD0004A.