

**TALON METALS UPDATE:  
STRATEGIC IMPORTANCE OF THE TAMARACK HIGH GRADE  
NICKEL-COPPER-COBALT PROJECT TO THE FUTURE OF  
TRANSPORTATION IN THE U.S.A.**

**Road Town, British Virgin Islands (May 7, 2019)** – Talon Metals Corp. (“**Talon**” or the “**Company**”) (TSX: TLO) is pleased to announce that on May 2, 2019, the Company made a presentation concerning the Tamarack high grade nickel-copper-cobalt project located in Minnesota, USA (the “**Tamarack Project**”) to various members of U.S. government, electric vehicle battery and automobile manufacturers at the Benchmark Minerals Summit 2019 (the “**Summit**”). The Summit was entitled “*Securing 21<sup>st</sup> Century U.S. Supply Chains for EVs and Energy Storage*”. A copy of the presentation can be found on the Company’s website at:

[http://talonmetals.com/resources/Benchmark\\_summit\\_2019\\_05\\_02\\_FINAL\\_website.pdf](http://talonmetals.com/resources/Benchmark_summit_2019_05_02_FINAL_website.pdf)

The private, invitation-only event was held in Washington, D.C. and for the first time ever, brought together U.S. government participants, including U.S. senators and representatives, and other U.S. government agencies with industry and developers of U.S.-based strategically important raw-material assets for electric vehicles, including nickel, cobalt, lithium and graphite. Media was not permitted to attend the event, which was held under Chatham House Rules.

*“Present and planned Giga/megafactory electric vehicle battery production is expected to consume 500ktpa of Class 1 nickel by 2023 compared to the estimated 82kt of consumption in 2018,”* said Henri van Rooyen, CEO of Talon. *“One large HPAL plant for limonites can potentially produce 50kt per annum of nickel, should it reach capacity. Even if a new HPAL plant does reach capacity by 2023, it would likely all but make a dent in the forecast demand for Class 1 nickel. Furthermore, it may not be available for electric vehicle battery production within the USA. Contrast that with the Tamarack high-grade nickel-copper-cobalt project, a U.S.-based, low cost source of Class 1 nickel that can help secure the future of electric vehicle production within the USA.”*

*“The Tamarack Project is therefore viewed as strategic to the future of electric vehicles and more importantly, the security of batteries for electric vehicles in the USA, given that the Tamarack Project is the only known, undeveloped high-grade nickel-copper-cobalt project on infrastructure globally,”* said Sean Werger, President of Talon.

Some key take-aways from the Summit, include:

- Nickel, the key ingredient to increasing range for electric vehicles (EVs), currently comprises approximately 45% of the metal value of the NMC 811 Lithium-ion battery cathode at present day spot prices.
- “Range anxiety” is an impediment to present day electric vehicle adoption. The trend towards higher nickel content in the battery cathode is therefore expected to continue, driving electric vehicle adoption, which in turn will increase the demand for nickel.
- According to Benchmark Minerals, in 2018, the electric vehicle battery market consumed 82kt of nickel (which is less than 4% of global nickel production). This number is expected to increase to 500kt by 2023 (assuming a 100% utilization rate of present and planned Giga/megafactory capacity).
- The phrase “shortism” was used a number of times in response to the disconnect between the predicted Class 1 nickel deficit and the lack of interest from traditional mining investors, who have been focussing their attention on non-mining industries. This lack of investment will only exacerbate the already dire situation for battery manufacturers; therefore, unless battery and electric vehicle manufacturers step up to fund new nickel exploration and mine construction immediately, future electric vehicle production could be severely hampered.

## **About Talon**

Talon is a TSX-listed company focused on producing nickel responsibly for the electric vehicle industry. The high-grade Tamarack Ni-Cu-Co Project is located in Minnesota, USA (which comprises the Tamarack North Project and the Tamarack South Project). The Company has a well-qualified exploration and mine management team with extensive experience in project management.

For additional information on Talon, please visit the Company’s website at [www.talonmetals.com](http://www.talonmetals.com) or contact:

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## **Forward-Looking Statements**

This news release contains certain “forward-looking statements”. All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward-

looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Such forward-looking statements include statements relating to the key take-aways from the Summit, including increased demand for nickel, possible nickel shortages in the future, use of nickel in electronic vehicles, time required to build a nickel mine, inefficiencies in nickel supply as well as the strategic importance and value creation opportunities of the Tamarack Project. Forward-looking statements are subject to significant risks and uncertainties and other factors that could cause the actual results to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.