



News Release
TSX:TLO

TALON METALS ANNOUNCES UNSECURED LOAN PROVIDED BY KENNECOTT EXPLORATION COMPANY

HIGHLIGHTS

- Talon secures funding to meet current exploration and other contractual commitments to Kennecott, with:
 - a US\$4,000,000 unsecured loan provided by Kennecott, with a maturity date of December 21, 2015; and
 - a deferral until December 21, 2015 of the US\$2,500,000 option payment, due by Talon to Kennecott on June 26, 2015.
- Kennecott has also agreed that no further cash calls will be made beyond the amount of the loan until Q4 2015.

Road Town, Tortola, British Virgin Islands (March 26, 2015) – Talon Metals Corp. (“**Talon**” or the “**Company**”) (TSX:TLO) is pleased to announce that Kennecott Exploration Company (“**Kennecott**”), a subsidiary of the Rio Tinto Group, has provided the Company with an unsecured loan (the “**Unsecured Loan**”) in the principal amount of US\$4,000,000. The Unsecured Loan will be used by Talon to continue to fund exploration activities and make certain land option payments at the Tamarack Nickel-Copper-PGE Project (the “**Tamarack Project**”), located in Minnesota, USA. The Unsecured Loan will mature on December 21, 2015 and will bear interest at the rate of LIBOR plus 8% per annum.

Kennecott also agreed to:

- defer a US\$2,500,000 option payment due by Talon on June 26, 2015 pursuant to the Exploration and Option Agreement dated June 25, 2014 between Talon Nickel (USA) LLC (a subsidiary of Talon) and Kennecott (the “**Earn-in Agreement**”) until December 21, 2015; and
- not make any cash calls from Talon beyond the amount of the Unsecured Loan until the fourth quarter of 2015.

As a result of the above, Talon:

- has time to pursue various funding options to enable the Company to finance its funding and payment obligations under the Earn-in Agreement in order to acquire a 30% interest in the Tamarack Project; and
- will remain in good standing under the terms of the Earn-in Agreement.

“This funding arrangement, whereby Kennecott has effectively agreed to fund ongoing and future activities at Tamarack on Talon’s behalf, demonstrates Kennecott’s commitment to the Tamarack Project and the strength of its relationship with Talon”, said Henri van Rooyen, CEO of Talon. “Despite having no obligations to do so, and in the spirit of true partnership, Kennecott has agreed to provide Talon with the time it needs to arrange for financing on reasonable terms in these challenging capital markets for junior exploration companies. At the same time, Talon and Kennecott both recognize the importance of continued exploration at Tamarack, and consequently, Kennecott has agreed to fund ongoing and future exploration expenditures at Tamarack on Talon’s behalf.”

EXPLORATION UPDATE

The 2015 winter exploration program, which commenced in January 2015, has been progressing well, and is in the process of winding down. The Company looks forward to providing an update shortly as and when results from the program are received.

Kennecott and Talon have already started planning for the next phase of exploration at the Tamarack Project.

About Talon

Talon is a TSX-listed company focused on the exploration and development of the Tamarack Nickel-Copper-PGE Project in Minnesota, USA (which comprises the Tamarack North Project and the Tamarack South Project) and the Trairão Iron Project in Pará State, Brazil. 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 or contact:

Sean Werger
President
Talon Metals Corp.
Tel: (416) 361-9636 x247
Email: werger@talonmetals.com

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, among other things, statements relating to the time and ability of Talon to arrange for financing on reasonable terms, the ability of Talon to remain in good standing under the terms of the Earn-in Agreement, Kennecott’s future commitment to the Tamarack Project and the continued exploration at 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. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: changes in commodity prices, including nickel and copper; changes in interest rates; risks inherent in exploration results, timing and success, including failure to identify mineral resources or mineral reserves; inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources); uncertainties relating to the financing needed to further explore and develop the properties or to put a mine into production; the costs of commencing production varying significantly from estimates; unexpected geological conditions; changes in power prices; unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications, cost escalation, unavailability of materials, equipment and third-party contractors, inability to obtain or delays in receiving government or regulatory approvals, industrial disturbances or other job action, and unanticipated events related to health, safety and environmental matters); political risk, social unrest, and changes in general economic conditions or conditions in the financial markets.

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.