



News Release
TSX:TLO

TALON METALS REPORTS POSITIVE METALLURGICAL RESULTS FOR THE TRAIRÃO IRON PROJECT, BRAZIL

Road Town, Tortola, British Virgin Islands (November 22, 2012)– Talon Metals Corp. (“Talon” or the “Company”) (TSX: TLO) is pleased to announce positive metallurgical results from its 100% owned Trairão Iron Project (“Trairão Project”), located in Pará State, Brazil.

Following the Company’s press release dated September 27, 2012, the magnetite-rich mineralization samples (from the fresh rock portion of the Trairão Project), which were previously tested using Davis Tube at P100 passing 45 microns, were selected for further Davis Tube testing at a finer grind of 25 microns. The metallurgical test results from these samples confirm that in the vast majority of cases, the concentrate grades increase significantly with finer grinding, indicating that a premium grade product can be attained from the Trairão Project.

“The latest batch of results from the Davis Tube metallurgical tests conducted on the fresh rock is in line with our expectations”, said Henri van Rooyen, CEO of Talon. “These results confirm that a high grade concentrate product can be produced from both the BIF and magnetite-rich mineralization, where the potential for resource expansion at the Trairão Project lies. Due to this positive development, we are in the process of retaining CRU Group to work with Talon and Ausenco to identify an optimal product for each rock type in the stratigraphic column in order to serve both local and export markets, which we expect will maximize future cash flows.”

Metallurgical Test Work Details

Thirty samples of magnetite-rich mineralization were submitted to SGS in Lakefield, Ontario for Davis Tube testing at a grind P100 of 25 microns (as compared to 45 microns previously) using low magnetic intensity separation of 800 Gauss to produce a Fe concentrate.

Concentrate grades increased significantly with finer grinding, with grades ranging between 58.9% and 71.3% Fe (notably, only three samples produced concentrate grades below 62% Fe), with the average Fe grade increasing from 60.1% to 67.1%. Mass yield ranged from 6.4% to 26.9% (compared to 10.3% to 28.6% at 45 microns), while the average mass yield was reduced from 20.2% to 17.4%. Metallurgical recoveries ranged from 21% to 63% (compared to 16% to 64% at 45 microns), with the average metallurgical recovery remaining constant at 46%. Aluminum grades ranged from 0.15% to 2.8% (compared to 0.2% to 5.1% at 45 microns), while average aluminum grades were reduced from 1.56% to 0.83%. Silica ranged from 1.62% to 11.9%

(compared to 2.5% to 31.1% at 45 microns), while average silica was reduced from 11.7% to 4.9%. Phosphorous varied between 0% and 0.05%.

Next Steps for the Trairão Project

There a number of ongoing initiatives in respect of the Trairão Project, each of which is important to enable the Company to secure a suitable strategic partner for developing the Trairão Project going forward:

- As previously reported, the Company appointed Ausenco (a global, diversified engineering, project management and mining services company), who is independent of Talon, to evaluate all mineralogical and metallurgical test results received from the Trairão Project. Ausenco has already completed its evaluation, and is now devising a test work program with the view of creating flow sheets for each of the saprolite, saprock and fresh rock material. This test program and flow sheet design will form part of a Preliminary Economic Assessment, which is expected to be commissioned after a suitable strategic partner has been secured.
- Due to the requirement for finer grinding of the fresh rock, Talon has identified a number of energy efficient, proven, large scale fine grinding technologies capable of handling high rock volumes. To this end, Xstrata Technology, who is independent of Talon, has engaged with Talon to assess the applicability of its IsaMill™ Technology on the Trairão Project. The IsaMill™ Technology is an energy efficient, large scale grinding machine, which, if applicable to the Trairão Project, would allow for large scale, economically efficient fine grinding at the Trairão Project in order to maximize liberation while controlling energy consumption.
- The Company is in the process of retaining CRU Group, a global leader in iron ore market analysis, who is independent of Talon, to work with Talon and Ausenco to define a range of products that will optimize profits from the Trairão Project's distinctly different types of mineralized rocks.

In regards to developing high grade iron ore supply for the local Brazilian market from the surficial deposit at the Trairão Project, evaluation of samples collected during the Company's recent exploration program (commissioned after a signed Letter of Intent with a potential off-taker) remains on-going. In addition, the Company is currently reviewing the suitability of the high grade iron ore supply from the Trairão Project to an existing processing facility, which is owned by the potential off-taker.

New Opportunity Update

In line with the Company's updated corporate strategy that was previously announced on September 27, 2012, the Company has already commenced due diligence on a number of advanced opportunities that could generate cash flow for the Company in the near-term. Many of these opportunities also have substantial exploration upside potential. The Company will provide a further update as soon as any of these opportunities materialize.

Qualified Person

Talon's exploration programs are being managed by Mr. Mauricio Prado (MAIG), Vice President, Resource Modeling of Talon. Mr. Prado is a Qualified Person within the meaning of National Instrument 43-101 ("NI 43-101"). Mr. Prado is satisfied that the processes used by SGS are standard industry operating procedures and methodologies, and he has reviewed, approved and verified the technical information disclosed in this news release including sampling, analytical and test data underlying the technical information.

For further information on the Trairão Project, please refer to the technical report entitled "Fourth Independent Technical Report on Mineral Resources" dated March 30, 2012, a copy of which is available under Talon's SEDAR profile at www.sedar.com.

The metallurgical test work discussed in this news release was conducted by SGS in Lakefield, Ontario. SGS is independent of Talon.

About Talon

Talon is a TSX-listed company focused on the exploration and development of its iron projects in Brazil. The Company has a well-qualified exploration and mine management team with extensive experience in project management.

Talon has approximately 92 million common shares outstanding and approximately 105 million shares on a fully diluted basis.

For additional information on Talon please visit the Company's website at 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, among other things, statements relating to the Trairão Project with respect to the ability of the Company to obtain a premium grade product from future production, the ability of the Company to maximize future cash flows from an optimal product from each rock type, the preparation by Ausenco of a test work program with the view of creating flow sheets for each of the saprolite, saprock and fresh rock material, the commissioning of a preliminary economic assessment, the Company's ability to secure a development partner, the applicability of the IsaMill™ Technology, the Company's expectations with respect to its financial resources, and targets, goals, objectives and plans and the timing associated therewith, including actively looking for

opportunities that could generate additional cash flow for the Company in the near-term. 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: failure to establish estimated mineral resources, the grade, quality and recovery of mineral resources varying from estimates, risks related to the exploration stage of the Company's properties, the possibility that future exploration results and metallurgical testing will not be consistent with the Company's expectations, failure to enter into a definitive off-take agreement on terms and conditions acceptable to the Company or at all, changes in the price of iron ore, changes in equity markets, political developments in Brazil, the inability of the Company to generate cash flow in the near-term, uncertainties relating to the availability and costs of financing needed in the future, changes to regulations affecting the Company's activities, delays in obtaining or failures to obtain required regulatory approvals, the uncertainties involved in interpreting drilling and exploration results and other geological data and other factors (including exploration, development and operating risks). 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.