



News Release  
TSX:TLO

## TALON METALS UPDATE: DRILLING RE-COMMENCES AT TAMARACK

**Road Town, British Virgin Islands (February 24, 2016)** – Talon Metals Corp. (“**Talon**” or the “**Company**”) (TSX: TLO) is pleased to provide an update on the Tamarack Nickel-Copper-PGE project (“**Tamarack Project**”), located in Minnesota, USA. The Tamarack Project comprises the Tamarack North Project and the Tamarack South Project. Talon currently owns an 18.45% interest in the Tamarack Project.

In December 2015, Talon announced the completion of its financing transaction with Resource Capital Fund VI L.P. (“**RCF**”) and Kennecott Exploration Company (“**Kennecott**”), a subsidiary of the Rio Tinto Group (collectively, the “**RCF Financing**”). Pursuant to the RCF Financing, Talon received a total of US\$15 million (approximately C\$20 million) from RCF. Immediately following the closing of the RCF Financing, Talon paid the entire US\$15 million to Kennecott for the primary purpose of further advancing the Tamarack Project, with none of the proceeds to be used to pay for Talon or Kennecott salaries or overhead expenses. Upon the advancement by Talon to Kennecott of the US\$15 million, Talon earned an 18.45% interest in the Tamarack Project.

Since the closing of the RCF Financing, Kennecott, in collaboration with Talon, has been hard at work planning the next phase of exploration at the Tamarack Project (the “**2016 Tamarack Winter Exploration Program**”). Drilling has recently re-commenced at the Tamarack Project.

*“Our industry operates within unpredictable up and down cycles. Talon’s completion of its earn-in at the Tamarack Nickel-Copper-PGE project was well timed as it enables Kennecott to conduct mineral exploration in a down commodity cycle when: (a) drilling and other services are available in abundance and costs are low; and (b) limited mineral exploration is occurring globally, which will lead to future supply shortages, of which nickel is expected to lead the charge.” said Henri van Rooyen, CEO of Talon. “During the 2016 Tamarack Winter Exploration Program, Kennecott will continue to test the Tamarack Intrusive Complex (TIC), with drilling planned: (a) approximately 1.6 kilometers to the north-east of the known mineral resource area (within the 221 Zone); (b) approximately 3.8 kilometers to the south of the known mineralized area (within the Neck); and (c) within the known mineral resource area (the Tamarack Zone), provided the cold weather persists. We look forward to updating our shareholders as results are received.”*

## 2016 Tamarack Winter Exploration Program

During the winter of 2016, KEX has planned an initial seven to nine hole drilling campaign focussed on three principal areas:

### (1) 221 Zone

On May 28, 2015, Talon reported a new discovery of massive sulphides located approximately 1.6 km northeast of the Tamarack Zone (drill hole 15TK0221), in an area within the Tamarack North Project now known as the 221 Zone (see Annex A). Following the drilling of this hole (as well as 15TK0228), Kennecott tested prominent off-hole conductors modelled from downhole electromagnetic (“**DHEM**”) surveys, in conjunction with 3D-DHEM modelling, by drilling hole 15TK0229.

On September 1, 2015, Talon announced that drill hole 15TK0229 intercepted a 9.88 meter zone of disseminated and massive nickel-copper-PGE sulphide mineralization from 693.79 meters depth assaying 2.35% nickel (“**Ni**”), 1.40% copper (“**Cu**”), 0.77g/t PGE’s and 0.17g/t gold (“**Au**”) which equates to a 3.04% nickel equivalent (“**NiEq**”) grade basis<sup>1</sup>. Talon also announced that the lower 2.84 meters of this intersection from 700.83 meters depth consists predominantly of massive nickel-copper-PGE sulphide mineralization assaying 7.68% Ni, 4.59% Cu, 2.41 g/t PGE’s and 0.53 g/t Au, which equates to a 9.87% NiEq grade basis, and also includes a 1.63 meter basal zone of high-grade massive sulphide mineralization assaying 9.33% Ni, 5.14% Cu, 3.65 g/t PGE’s and 0.71 g/t Au which equates to a 12.01% NiEq grade basis.

Based upon the positive results from drill hole 15TK0229, Talon and Kennecott wish to conduct additional drilling within the 221 Zone. During the 2016 Tamarack Winter Exploration Program, at least one hole will be drilled within the 221 Zone.

### (2) The Neck

On July 29, 2015, Talon announced the results from drill hole 15TK0218, which is located approximately 3.8 km south of the Tamarack Zone, within the Tamarack South Project (see Annex A). The results from drill hole 15TK0218 confirmed the potential for sulphide mineralization within the Neck, with results showing many similar characteristics to the Tamarack Zone. By way of example:

- Assay results within the fine grained peridotite (“**FGO**”) in drill hole 15TK0218 contain zones of disseminated sulphide mineralization similar to the FGO in the Tamarack Zone;
- Assays of the approximately 520 meter wide intercept of FGO from drill hole 15TK0218 confirm the same geochemical trends and magmatic layering observed in the Tamarack Zone;
- The lower units of the FGO stratigraphy are best developed along the central axis of the FGO (referred to as the keel) where they are often associated with the accumulation of massive sulphides at the base of the FGO as seen in the Tamarack Zone. These lower stratigraphic units have also been identified, geochemically, in drill hole 15TK0218, highlighting the potential for associated proximal sulphides; and

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<sup>1</sup> NiEq percentages quoted in this news release are calculated using the following formula:  $NiEq\% = Ni\% + Cu\% \times 2.91/9.20 + Co\% \times 14/9.20 + Pt [g/t]/31.103 \times 1,400/9.2/22.04 + Pd [g/t]/31.103 \times 600/9.2/22.04 + Au [g/t]/31.103 \times 1,300/9.2/22.04$

- A DHEM survey from drill hole 15TK0218 shows a proximal off-hole DHEM anomaly (conductive material).

The above-noted results confirmed the Neck as an exploration target which, due to the significantly larger size of the intrusion in this area as compared to the Tamarack Zone (as indicated by historical geophysical surveys), has the potential for hosting much larger scale sulphide mineralization, including the potential for massive sulphides at the base of the FGO. During the 2016 Tamarack Winter Exploration Program, at least one additional hole is planned to be drilled within the Neck.

### (3) The Tamarack Zone

On April 8, 2015, Talon issued an updated resource estimate for the Tamarack North Project. The entire current reported resource sits within the Tamarack Zone (see Annex A).

The updated independent mineral resource estimate for the Tamarack North Project was prepared by Brian Thomas (P.Geol), Senior Resource Geologist at Golder Associates Ltd. (“Golder”) and is summarized below. The effective date of the resource estimate is April 3, 2015. Mr. Thomas is an independent “Qualified Person” pursuant to National Instrument 43-101 (“NI 43-101”).

Domain	Mineral Resource Classification	Tonnes (000)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ni Eq (%)	Lbs NiEq (000,000)
SMSU	Indicated	3,751	1.81	1.00	0.05	0.41	0.25	0.19	2.35	194.3
SMSU	Inferred	949	1.12	0.62	0.03	0.25	0.16	0.14	1.47	30.8
<b>MSU</b>	<b>Inferred</b>	<b>422</b>	<b>6.00</b>	<b>2.48</b>	<b>0.13</b>	<b>0.78</b>	<b>0.53</b>	<b>0.26</b>	<b>7.26</b>	<b>67.5</b>
138 Zone	Inferred	2,012	0.95	0.78	0.03	0.23	0.14	0.17	1.33	59.0
<b>Total</b>	<b>Indicated</b>	<b>3,751</b>	<b>1.81</b>	<b>1.00</b>	<b>0.05</b>	<b>0.41</b>	<b>0.25</b>	<b>0.19</b>	<b>2.35</b>	<b>194.3</b>
<b>Total</b>	<b>Inferred</b>	<b>3,383</b>	<b>1.63</b>	<b>0.94</b>	<b>0.04</b>	<b>0.31</b>	<b>0.19</b>	<b>0.17</b>	<b>2.11</b>	<b>157.4</b>

Notes:

- All resources are reported at a 0.90% NiEq cut-off
- Tonnage estimates are rounded down to the nearest 1,000 tonnes
- Mining recovery and dilution factors have not been applied to the estimates
- Estimates do not include metallurgical recovery

On May 11, 2015, Talon announced that drilling within the Tamarack Zone continued to intercept high grade massive nickel-copper-PGE sulphide mineralization, with drill hole 15TK0219 intercepting three intersections, including 0.61 meters assaying 10.05% Ni, 5.78% Cu, 27.46 g/t PGEs and 1.93 g/t Au, which equates to a 17.91% NiEq grade basis. Further, a number of DHEM off-hole anomalies within the Tamarack Zone suggested the potential for additional massive nickel-copper-PGE sulphide mineralization in a number of locations within the Tamarack Zone.

Pending the continuation of sufficiently cold weather that will enable safe working conditions, follow-up drilling is planned within the Tamarack Zone during the 2016 Tamarack Winter Exploration Program with the goal of identifying further massive nickel-copper-PGE sulphide mineralization.

## Quality Assurance, Quality Control and Qualified Persons

Please see the technical report entitled “First Independent Technical Report on the Tamarack North Project, Tamarack, Minnesota” dated October 6, 2014 (the “**Tamarack North Technical Report**”) prepared by independent “Qualified Persons” Brian Thomas (P. Geo) of Golder, Paul Palmer (P. Eng) of Golder and Manochehr Oliazadeh Khorakchy (P. Eng) of Hatch Ltd. for information on the QA/QC, analytical and testing procedures employed by Kennecott at the Tamarack Project. Copies are available on the Company’s website ([www.talonmetals.com](http://www.talonmetals.com)) or on SEDAR at ([www.sedar.com](http://www.sedar.com)). The laboratory used by Kennecott is ALS Chemex who is independent of Kennecott and the Company.

Widths are drill intersections and not necessarily true widths. True widths cannot be consistently calculated for comparison purposes between holes because of the irregular shapes of the mineralized zones.

Drill intersections have been independently selected by Talon. Drill composites have been independently calculated by Talon.

James McDonald, Vice President, Resource Geology of Talon and Mike Shaw, Vice President, Exploration of Talon are both Qualified Persons within the meaning of NI 43-101. Messrs. McDonald and Shaw are satisfied that the analytical and testing procedures used are standard industry operating procedures and methodologies, and they have reviewed, approved and verified the technical information disclosed in this news release, including sampling, analytical and test data underlying the technical information.

The Qualified Person who is responsible for the mineral resource estimates in this news release is Brian Thomas, senior resource geologist at Golder and independent of Talon. Mr. Thomas is responsible for the mineral resource estimates in this news release and has reviewed, approved and verified the data disclosed in this news release relating to the Tamarack North Project mineral resource estimates (including sampling, analytical and test data underlying the mineral resource estimates)

### 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). 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:

Sean Werger  
President  
Talon Metals Corp.  
Tel: (416) 361-9636 x247  
Email: [werger@talonmetals.com](mailto: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 future nickel supply shortages, plans for the 2016 winter drill program, including drilling at least one hole in the 221 Zone, the Neck and follow-up drilling in the Tamarack Zone, the potential for the Neck to host a much larger scale sulphide mineralization than the Tamarack Zone, and the form and extent of mineralization, targets, goals, objectives and plans. 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, the uncertainties involved in interpreting DHEM surveys, drilling results and other geological data, 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 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.

The mineral resource figures disclosed in this news release are estimates and no assurances can be given that the indicated levels of nickel, copper, cobalt, platinum, palladium and gold will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that the resource estimates disclosed in this news release are accurate, by their nature resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. If such estimates are inaccurate or are reduced in the future, this could have a material adverse impact on the Company.

***Mineral resources are not mineral reserves and do not have demonstrated economic viability. Inferred mineral resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred mineral resources are too speculative geologically to have economic considerations applied to them to enable them to be categorized as mineral reserves. There is no certainty that mineral resources can be upgraded to mineral reserves through continued exploration.***

## Annex A

Map of TIC Showing the Locality of the Zones and the Drill Holes Referred to in this News Release

