



News Release  
TSX:TLO

## **TALON METALS ENTERS INTO LOAN EXTENSION WITH RESOURCE CAPITAL FUNDS**

**Road Town, British Virgin Islands (June 26, 2018)** – Talon Metals Corp. (TSX: TLO) (“**Talon**” or the “**Company**”) announced today that it has entered into an agreement (the “**Loan Extension**”) with Resource Capital Fund VI L.P (“**RCF**”) to extend the maturity date of the current \$16 million convertible loan facility (the “**Convertible Loan**”) with the Company to April 2, 2019. All other terms and conditions of the Convertible Loan will remain in full force and effect. In addition to agreeing to extend the maturity date of the Convertible Loan, RCF has also agreed to extend the maturity date of the \$1 million unsecured promissory note to April 2, 2019.

The Loan Extension will provide the Company with time to, among other things, consider all of its options in respect of the Convertible Loan.

RCF is a “related party” of the Company pursuant to Multilateral Instrument 61-101 (“**MI 61-101**”) as RCF, assuming the exercise of the conversion rights under the Convertible Loan, has beneficial ownership of, and control or direction over, directly or indirectly securities of the Company carrying more than 10% of the voting rights attached to all of the Company’s outstanding voting securities. The Loan Extension may constitute a “related party transaction” under MI 61-101 because such transaction is a material amendment of the terms of an outstanding debt or liability owed to a related party.

The Company is seeking “minority approval” (as defined in MI 61-101) of the Loan Extension pursuant to section 5.6 of MI 61-101. In determining minority approval for a related party transaction, the Company is required to exclude the votes attached to common shares that, to the knowledge of the Company or any “interested party” or their respective directors and senior officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised by “interested parties” and their “related parties” and “joint actors” (all as defined in MI 61-101). At the shareholders meeting, the common shares held by (i) RCF and (ii) any of its respective related parties, associates or affiliates, and any joint actors of the foregoing will be excluded for the purposes of determining minority approval of the Loan Extension. In accordance with section 5.4 of MI 61-101, a formal valuation is not required for a “related party transaction” where the transaction materially amends the terms of an outstanding debt or liability owed by or to the related party.

The effectiveness of the Loan Extension is subject to shareholder approval and the approval of the Toronto Stock Exchange. The shareholders meeting to consider the Loan Extension and other matters is scheduled for July 26, 2018 at 10:00am (Barbados time). The Company will be providing a management information circular in due course which will contain important additional information relating to the Loan Extension.

## **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:

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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 date and time of the new meeting, the required shareholder approval is obtained, options in respect of the Convertible Loan. 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.