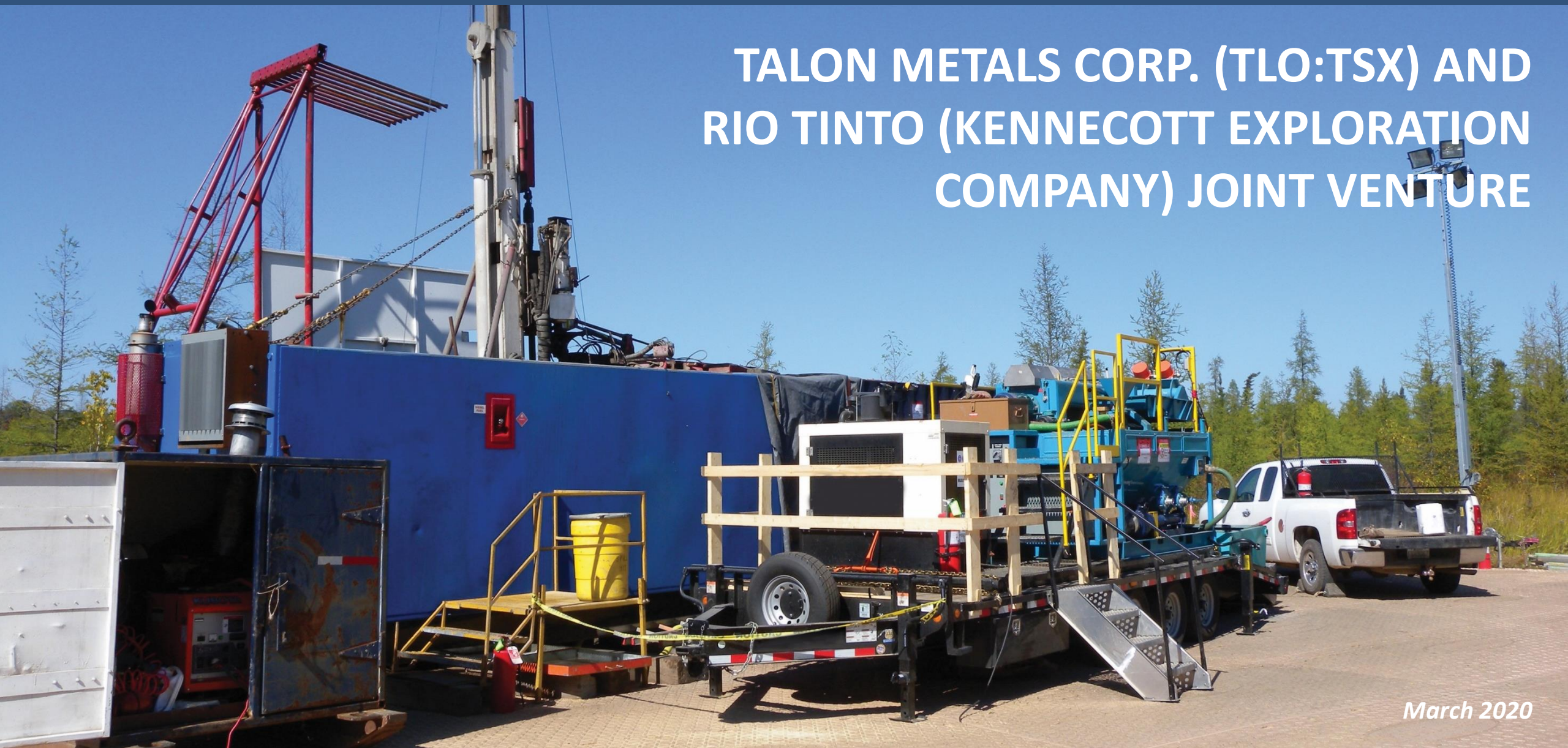
TAMARACK NORTH PROJECT

HIGH-GRADE NICKEL-COPPER-COBALT IN THE USA



TALON METALS CORP. (TLO:TSX) AND RIO TINTO (KENNECOTT EXPLORATION COMPANY) JOINT VENTURE

March 2020

CONDITIONS OF PRESENTATION

This presentation has been prepared by Talon Metals Corp. ("**Talon**" or the "**Company**") and is being delivered for informational purposes only. The information contained herein may be subject to updating, completion, revision, verification and further amendment. Except as may be required by applicable securities laws, Talon disclaims any intent or obligation to update any information herein, whether as a result of new information, future events or results or otherwise. Neither Talon nor any of its shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortuous, statutory or otherwise, in respect of the accuracy or completeness of the information or for any errors, omissions or misstatements or for any loss, howsoever arising from the use of this presentation.

This presentation should not be considered as the giving of investment advice by Talon or any of its shareholders, directors, officers, agents, employees or advisors. Each person to whom this presentation is made available must make its own independent assessment of Talon after making such investigations and taking such advice as may be deemed necessary. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumption and each recipient should satisfy itself in relation to such matters. Neither the issue of this presentation nor any part of its contents is to be taken as any form of commitment on the part of Talon to proceed with any transaction and Talon reserves the right to terminate any discussions or negotiations with prospective investors. In no circumstances will Talon be responsible for any costs, losses or expenses incurred in connection with any appraisal or investigation of Talon.

This presentation does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer to subscribe for or purchase any securities in Talon, nor shall it, or the fact of its distribution, form the basis of, or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment whatsoever with respect to such securities.

FORWARD-LOOKING INFORMATION

This presentation contains certain "forward-looking statements". All statements, other than statements of historical fact that address activities, events or developments that Talon 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 Talon based on information currently available to Talon. Such forward-looking statements include, among other things, statements relating to future exploration potential at the Tamarack North Project, including the potential expansion thereof, whether using techniques such as Borehole Electro-Magnetic (BHEM) surveys, Magno-Metric Resistivity (MMR) surveys or otherwise; infill drilling the Massive Sulphide Unit to move resources from the inferred to indicated category; near-term growth potential to increase mine life from (i) resources in the 138 Zone, (ii) resources not included in mine plan in the Upper SMSU, (iii) "CGO bend" area north of the Upper SMSU, and (iv) recent drill results are potentially expanding the MSU; the Company's ability to complete an earn-in up to a 60% ownership interest in the Tamarack Project (comprised of the Tamarack North Project and the Tamarack South Project); the Company's planned work program for the Tamarack North Project, including potential drill results; the Company's investigations into producing concentrates for smelters and producing sulphates for Electric Vehicle batteries; the results of a metallurgical study being completed to determine if disseminated mineralization can be incorporated into the mine plan; the Company's expectations with respect to the electric vehicle and related battery market; the Company's expectations relating to timing of future studies; the Company's expectations of demand for Nickel; the Company's expectations concerning ongoing and future metallurgical test work; the Company's expectations concerning the economic viability of the Tamarack Project; the Company's expectations with respect to its financial resources, royalties, and targets, opex, capex, goals, NPV, objectives and plans and the timing associated therewith.

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 Talon. 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; the Company's inability to raise capital and/or pay Kennecott Exploration Company pursuant to the Option Agreement dated November 7, 2018 (and the amendments thereto); the lack of electric vehicle adoption or in the event of such adoption, such not resulting in an increased demand for nickel or there being a nickel deficit; negative metallurgical results; changes in interest rates; risks inherent in exploration results, timing and success, including the failure to identify mineral resources or mineral reserves; the uncertainties involved in interpreting DHEM and MMR 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 mineral resources); uncertainties relating to the financing needed to further explore and develop the Tamarack North Project 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, Talon 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 Talon 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

TECHNICAL REFERENCE

The mineral resource figures disclosed in this presentation 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 presentation are well established, 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.

Please see the technical report entitled "NI 43-101 Technical Report Updated Preliminary Economic Assessment (PEA) of the Tamarack North Project – Tamarack, Minnesota" with an effective date of March 12, 2020 (the "**Updated PEA**") prepared by independent "Qualified Persons" (as that term is defined in National Instrument 43-101 ("NI 43-101")) Leslie Correia (Pr. Eng), Andre-Francois Gravel (P. Eng.), Tim Fletcher (P. Eng.), Daniel Gagnon (P. Eng.), David Ritchie (P. Eng.), Oliver Peters (P. Eng.), Christine Pint (P.G.) and Brian Thomas (P. Geo.) for information on the QA/QC, data verification, analytical and testing procedures at the Tamarack Project. Copies are available on the Company's website (www.talonmetals.com) or on SEDAR at (www.sedar.com). The laboratory used is ALS Minerals who is independent of the Company.

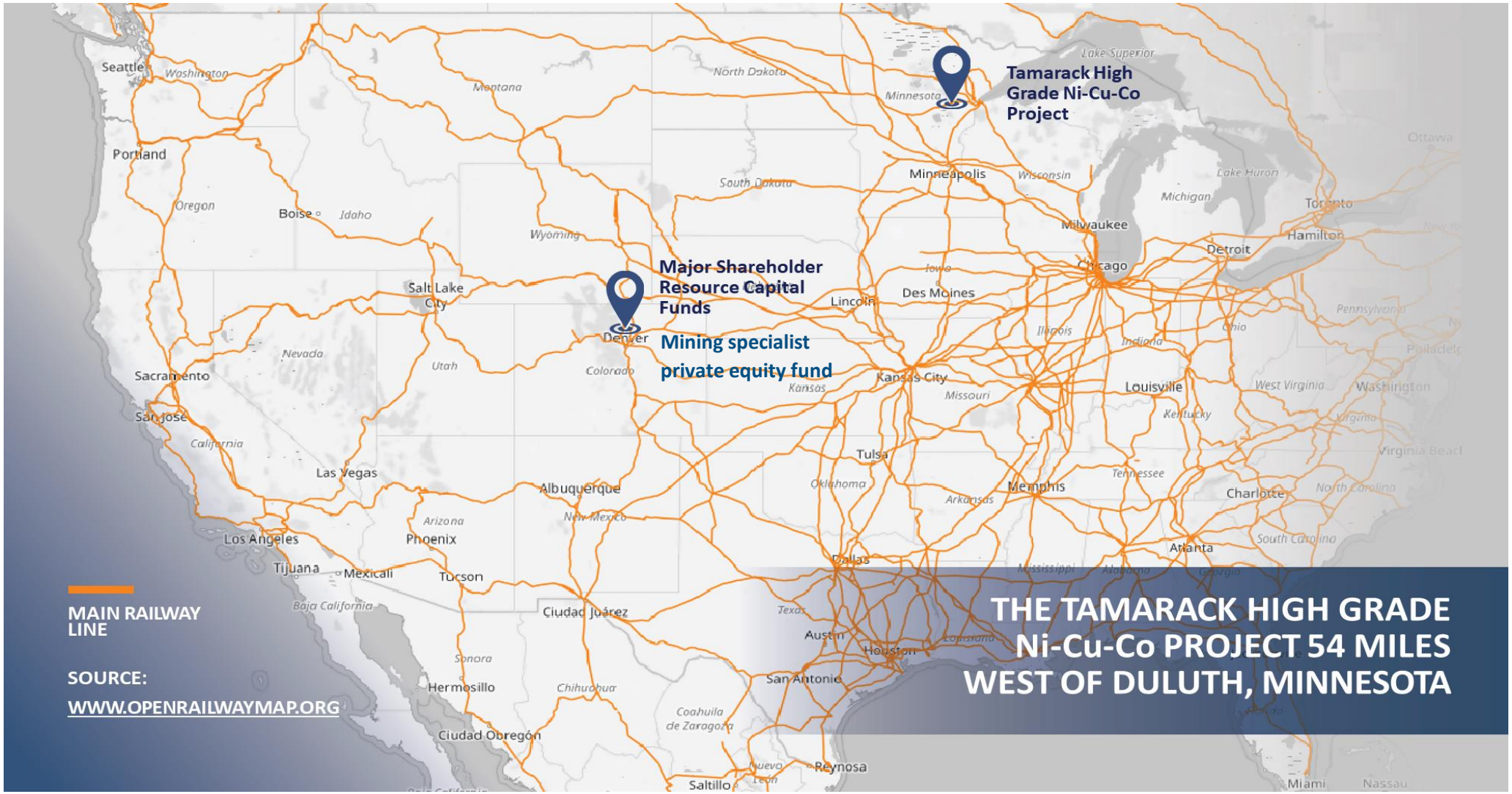
The Updated PEA is preliminary in nature. The Updated PEA includes inferred mineral resources. Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the Updated PEA will be realized.

The mineral resource estimate contained in this presentation was prepared by or under the supervision of Mr. Brian Thomas (P.Geo.), who is a geologist independent of Talon and an employee of Golder Associates Ltd. In addition, Mr. Thomas has reviewed the sampling, analytical and test data underlying such information and has visited the site and reviewed and verified the QA/QC procedures used at the Tamarack North Project and found them to be consistent with industry standards. For further detail please see the Technical Report entitled "Second Independent Technical Report on the Tamarack North Project – Tamarack, Minnesota", dated March 26, 2018, which is available under the Company's issuer profile on SEDAR (www.sedar.com) or on the Company's website (www.talonmetals.com).

Dr. Etienne Dinel, Vice President, Exploration of Talon, is a Qualified Person within the meaning of NI 43-101. Dr. Dinel is satisfied that the analytical and testing procedures used are standard industry operating procedures and methodologies, and he has reviewed, approved and verified the technical information in this presentation, including sampling, analytical and test data underlying the technical information.

Lengths in this presentation 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.

LOCATED IN THE UNITED STATES ON INFRASTRUCTURE



RIO TINTO, THROUGH SUBSIDIARY KENNECOTT EXPLORATION COMPANY (KEX), IS OUR ACTIVE JOINT VENTURE PARTNER

- **The Tamarack Project is comprised of the Tamarack North Project and the Tamarack South Project with 31,000 acres of Private Land and State Leases**

- **To earn a 51% interest in the Tamarack Project, Talon is required to (by March 2022):**

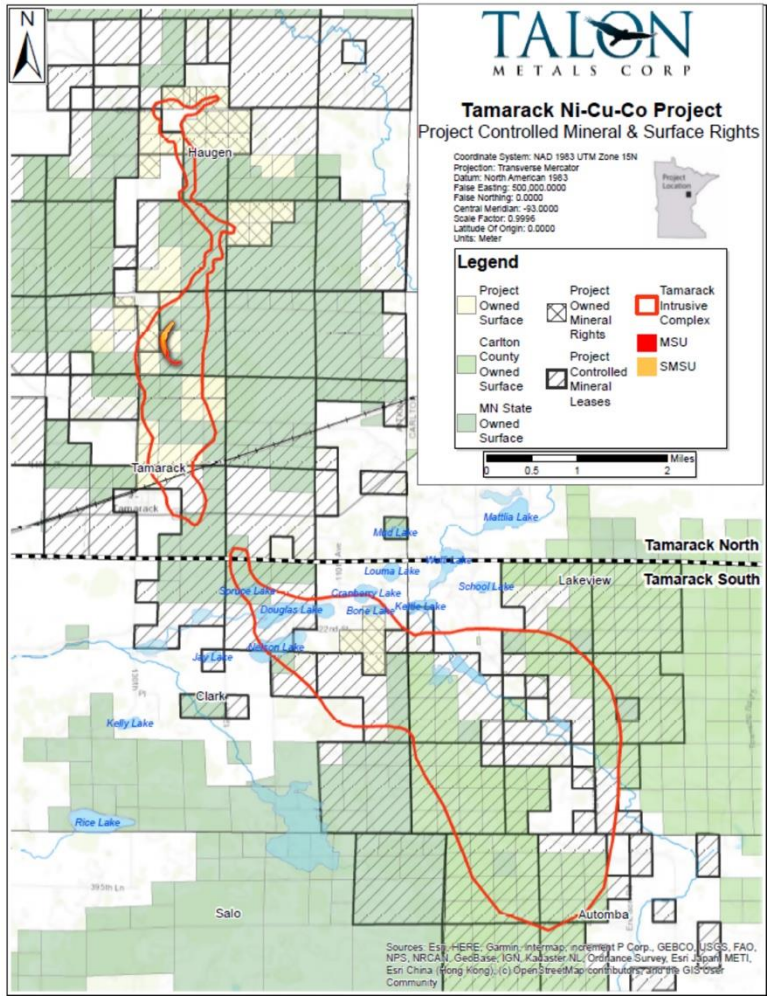
  - ✓ *Pay US$6 million in cash and US$1.5 million in shares to KEX (completed in March 2019);*

  - ○ *Spend US$10 million on exploration & development and pay US$5 million to KEX*

- **To earn an additional 9% interest for a total of 60% (by March 2026):**

  - ○ *Complete a feasibility study and pay US$10 million to KEX*

- **Under the Option Agreement, Talon is appointed as the operator of the Tamarack Project, with certain KEX employees being seconded to Talon on a full-time basis**



Plan view of the Tamarack Intrusive Complex (TIC) showing the intrusions, the Semi-Massive Sulphide Unit (SMSU) and the Massive Sulphide Unit (MSU)

A COMBINED TALON AND RIO TINTO* TEAM

Henri van Rooyen ***CEO*** ***B. Com (Hons), CA (SA)***	Previously COO at Tau Capital. Secured and managed large exploration projects across 3 continents since 2007. Started working with Rio Tinto's KEX/Tamarack team in 2014. Responsible for strategy and project delivery
Brian Goldner ***Head of Exploration (Seconded from Rio Tinto together with the Tamarack team)*** ***(Bachelors in Geology and Geography, Masters in Geology)***	Exploration Geologist with Rio Tinto since 2006. Completed a MSc degree on the Tamarack Intrusive Complex (TIC) in 2012. Seconded by Rio Tinto to lead exploration at the TIC
Brian Bengert ***Head of Geophysics*** ***(B.Sc Geophysics, M.Sc)***	Geophysicist 15 years- Inco (now Vale). Major responsibility was Voisey's Bay nickel project. Principal member of the team that discovered the underground deposit
Dr. Etienne Dinel ***VP Geology*** ***(Bachelor of Geology, Physics (Honours), PH.D, Economic Geology)***	Twenty years of experience in structural geology, petrology and geochemistry. Since 2014, he has been instrumental in predicting massive sulphide extensions at the TIC

Sean Werger **President, Head of Investor Relations** ***(LL.B, MBA)***	Previously General Counsel and Director of Mergers & Acquisitions at Tau Capital, with project divestments of mining projects totalling in excess of C$700M. Started working with Rio Tinto's KEX/Tamarack team in 2014. Responsible for corporate and legal matters and investor relations.
Dr. Anthony J. Naldrett **Talon Technical Committee Member and Director)** ***(PH.D, Geology)***	Globally acknowledged as the leading authority on magmatic sulphide deposits: His research has covered nearly all of the world's magmatic sulphide ores with 254 referenced publications and writing or editing of 7 books. Presently Professor Emeritus at the University of Toronto
Mark Groulx **VP Mine Engineering** ***(B.Sc.E Mine Engineering, MBA)***	Mining engineer with more than 20 years of global mining experience that includes mine operations, consulting and project execution. Previously held senior positions with Rio Tinto, Amec Foster Wheeler and PT Freeport Indonesia.
Oliver Peters ***Head of Metallurgy*** **(Masters in Engineering, MBA)**	Previously Falconbridge (now Glencore). Experience with over twenty Ni, Cu and PGM projects. Started part-time at the Tamarack Project since 2016, moving towards fulltime since March 2019

** Through subsidiary Kennecott Exploration Company (KEX)*

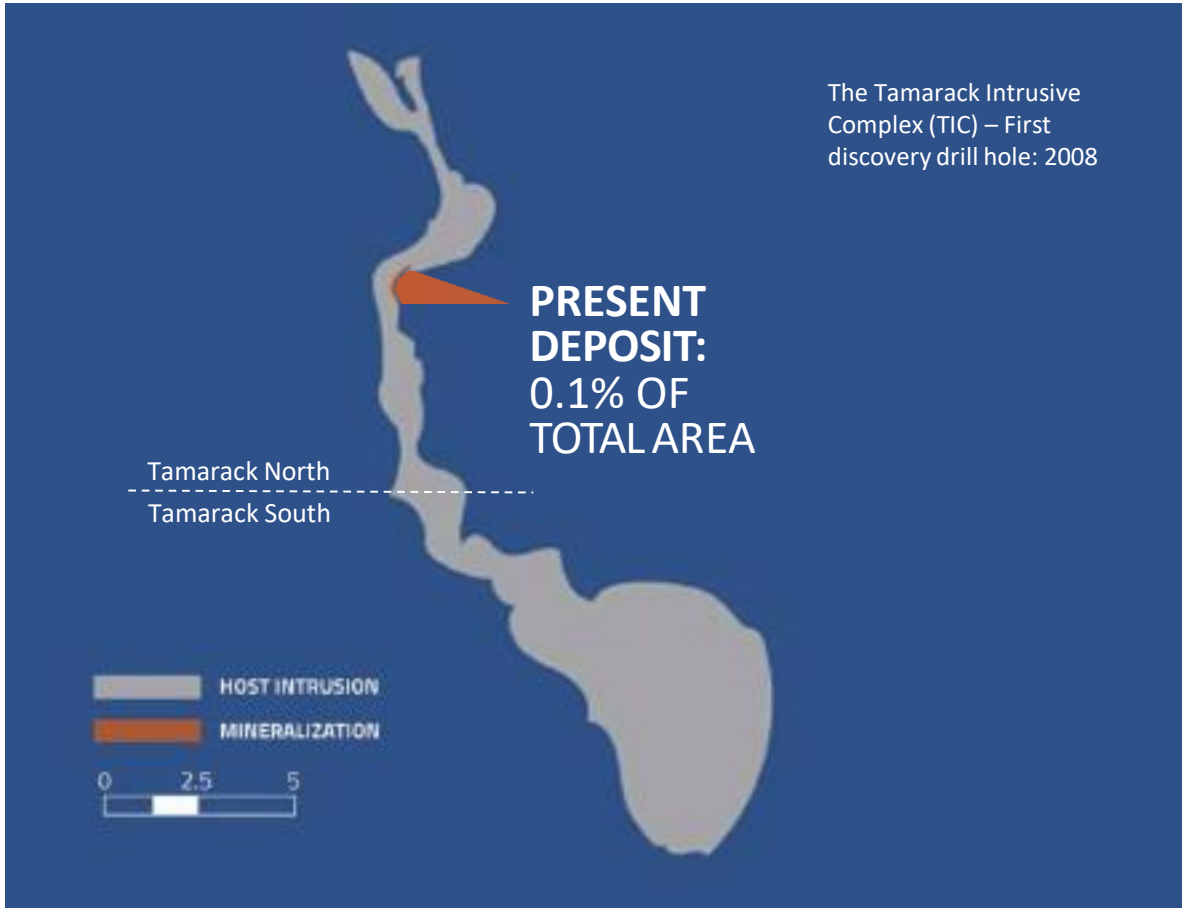
CAPITAL STRUCTURE

Shares issued	494.3M
Warrants outstanding	32.0M
Options outstanding	56.4M
Fully diluted	582.8M
Share price (Feb. 28/20)	$0.10
Exchange symbol	TLO:TSX
Market capitalization	C$49M
Cash (Feb. 27/20)	C$4.8M

Major shareholders*	
Resource Capital Funds	48.3%
Rio Tinto	6.1%
Management and directors	3.8%

*Based on publicly available information

THE TAMARACK INTRUSIVE COMPLEX (TIC) STRIKES OVER APPROXIMATELY 18 KM. FOLLOW-UP DRILLING TO THE FIRST DISCOVERY HOLE CULMINATED IN A RESOURCE*



*Tamarack North Project NI 43-101 Mineral Resource Estimate
***(February 15, 2018)* - Tamarack and 138 Zones**

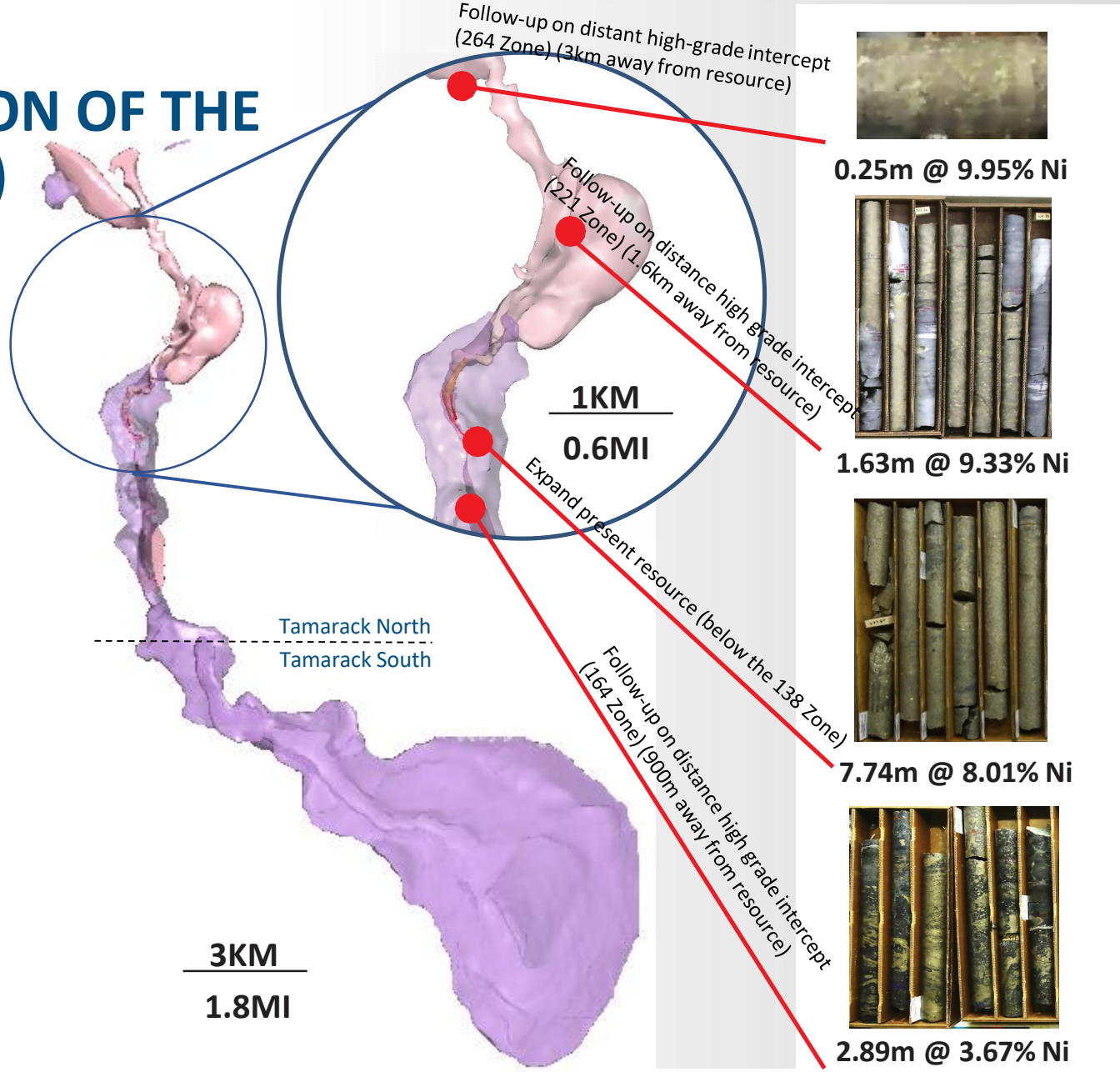
Domain	Resource Classification	Tonnes (000)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Calc NiEq (%)	
SMSU	Indicated Resource	3,639	1.83	0.99	0.05	0.42	0.26	0.20	2.45	
TOTAL	Indicated Resource	3,639	1.83	0.99	0.05	0.42	0.26	0.20	2.45	
SMSU	Inferred Resource	1,107	0.90	0.55	0.03	0.22	0.14	0.12	1.25	
MSU	Inferred Resource	570	5.86	2.46	0.12	0.68	0.51	0.25	7.24	*
138 Zone	Inferred Resource	2,705	0.95	0.74	0.03	0.23	0.13	0.16	1.38	
TOTAL	Inferred Resource	4,382	1.58	0.92	0.04	0.29	0.18	0.16	2.11	

Effective date of resource estimate February 15th 2018. All resources reported at a 0.83% NiEq cut-off. No modifying factors have been applied to the estimates. Tonnage estimates are rounded to the nearest 1,000 tonnes. Metallurgical recovery factored in to the reporting cut-off. Where used in the Mineral Resource Estimate, NiEq% = Ni%+ Cu% x $3.00/$8.00 + Co% x $12.00/$8.00 + Pt [g/t]/31.103 x $1,300/$8.00/22.04 + Pd [g/t]/31.103 x $700/$8.00/22.04 + Au [g/t]/31.103 x $1,200/$8.00/22.04
See Technical Reference slide for further information regarding the Initial PEA, which is available under the Company's issuer profile on SEDAR (www.sedar.com)

***Talon's focus is on expansion of the Massive Sulphide Unit (MSU)**

TALON'S FOCUS IS ON EXPANSION OF THE MASSIVE SULPHIDE UNIT (MSU)

- **TWO WAYS TO POTENTIALLY EXPAND:**
  - (1) Expand present resource
  - (2) Follow-up on distant high-grade intercepts
- **WE ARE PURSUING BOTH THROUGH:**
  - (1) Effective drilling techniques
  - (2) Advanced geophysical methods



(1) EXPAND THE PRESENT RESOURCE

Massive Sulphide Unit (MSU) Tamarack

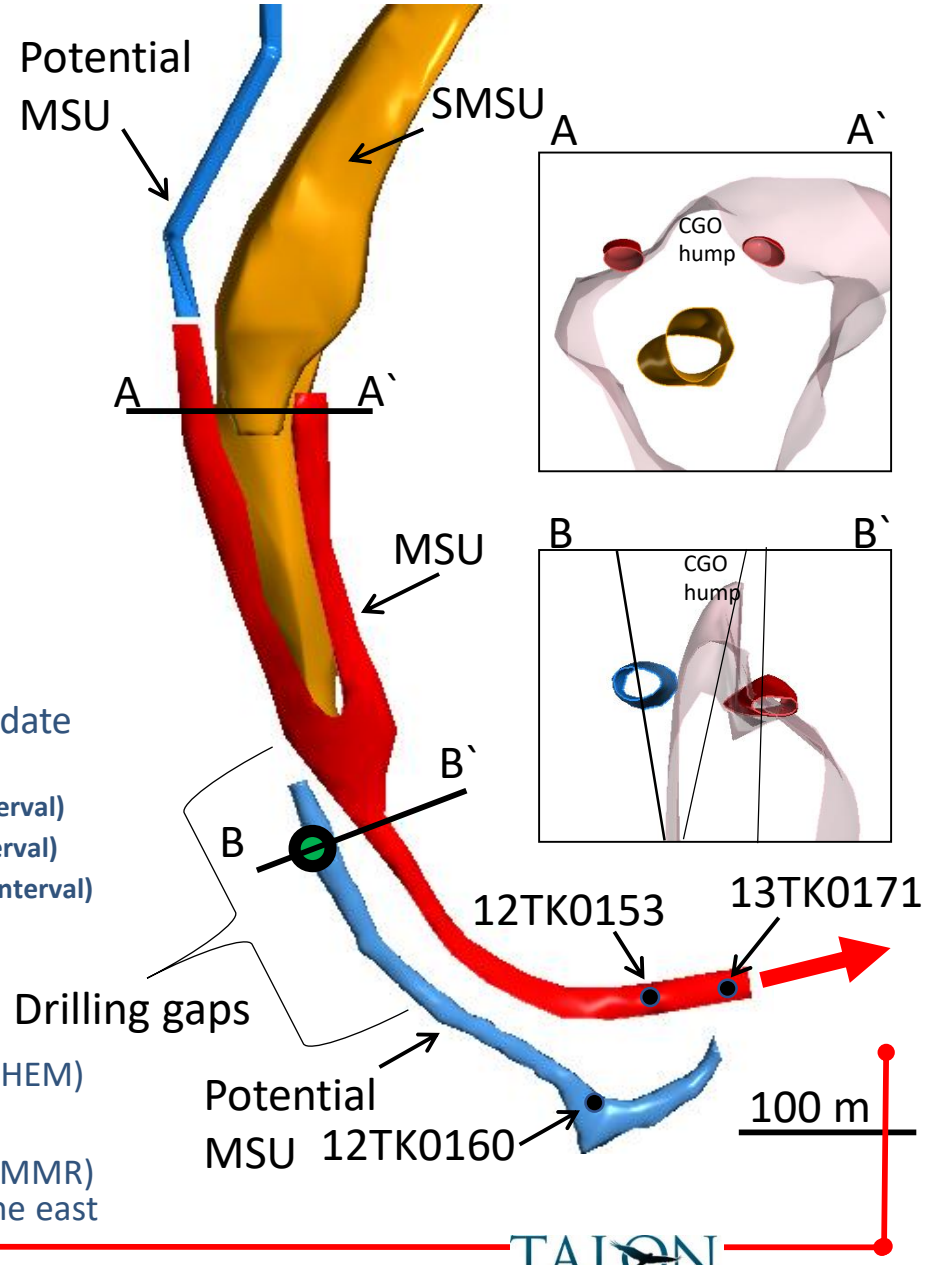
- MSU has grown over time and remains open in all directions:
  - Western MSU discovered in 2008
  - 138 Zone MSU discovered in 2012
  - Eastern MSU discovered in 2015
- Drill hole 12TK0160 intersected 6.67m of MMS outside of the MSU trend
- There is a 250m long gap in drilling where the western MSU is modeled

Massive Sulphide Unit (MSU) 138 Zone

- The last three MSU intercepts in the 138 Zone MSU were three of the best intercepts to date (included in the Initial PEA)
  - 12TK0153: **6.16% Ni**, 2.72% Cu, 0.11%Co, 0.11g/t Au, 0.44g/t Pt, 0.45g/t Pd from 554.5m to 568.05 **(13.55m interval)**
  - 12TK0153: **6.69% Ni**, 2.25% Cu, 0.12% Co, 0.31g/t Au, 0.79g/t Pt,0.5g/t Pd from 572.75m to 575.25m **(2.5m interval)**
  - 13TK0171: **8.01% Ni**, 2.87% Cu, 0.14% Co, 0.21g/t Au, 0.41 g/t Pt, 0.54 g/t Pd from 573.3m to 581.04m **(7.74m interval)**
    - Contains highest grade sample collected on the project at 10.1% Ni

Methodology

- Previous expansion of the MSU has successfully relied on Borehole Electromagnetic Surveys (BHEM) with a significant increase in MSU as a result
- Talon plans to further increase the effectiveness of BHEM by using Magnetometric Resistivity (MMR) in combination with BHEM. A previous MMR survey pointed to a possible MSU extension to the east of the 138 Zone (see red arrow pointing east)



(2) FOLLOW UP ON DISTANT HIGH-GRADE INTERCEPTS

High grade intercepts from drill holes* show potential for resource expansion over a large distance

264 Zone

Drill hole 18TK0264 : 9.95% Ni, 5.4% Cu, 0.16% Co, 1.66 g/t Pd, 0.8 g/t Pt, 0.22 g/t Au over 0.25 m starting at 539.04 m

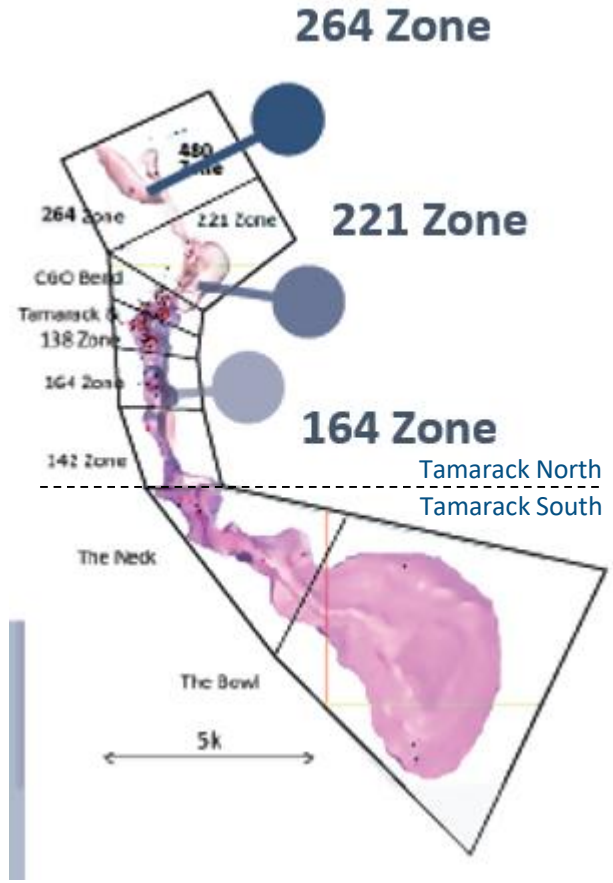
Last drill hole prior to Talon's March 2019 agreement with Rio Tinto (KEX)

221 Zone

Drill holes 15TK0229:
9.4% Ni, 5.47% Cu, 0.18% Co, 1.42 g/t Pd, 2.41 g/t Pt, 0.86 g/t Au over 0.71 m starting at 702.04 m

164 Zone

Drill hole: 12TK0164 : 3.67% Ni, 1.97% Cu, 814 ppm Co, 0.12 g/t Pt, 0.11 g/t Pd and 0.10 g/t Au from 473.43 m to 476.32 m in the flank of the FGO keel

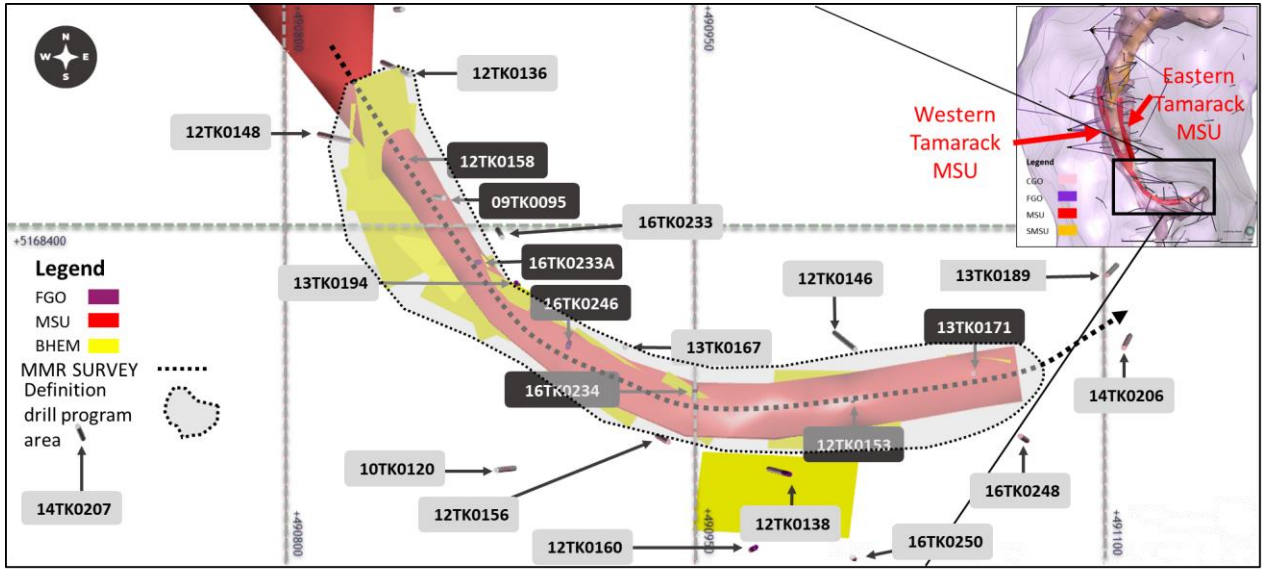


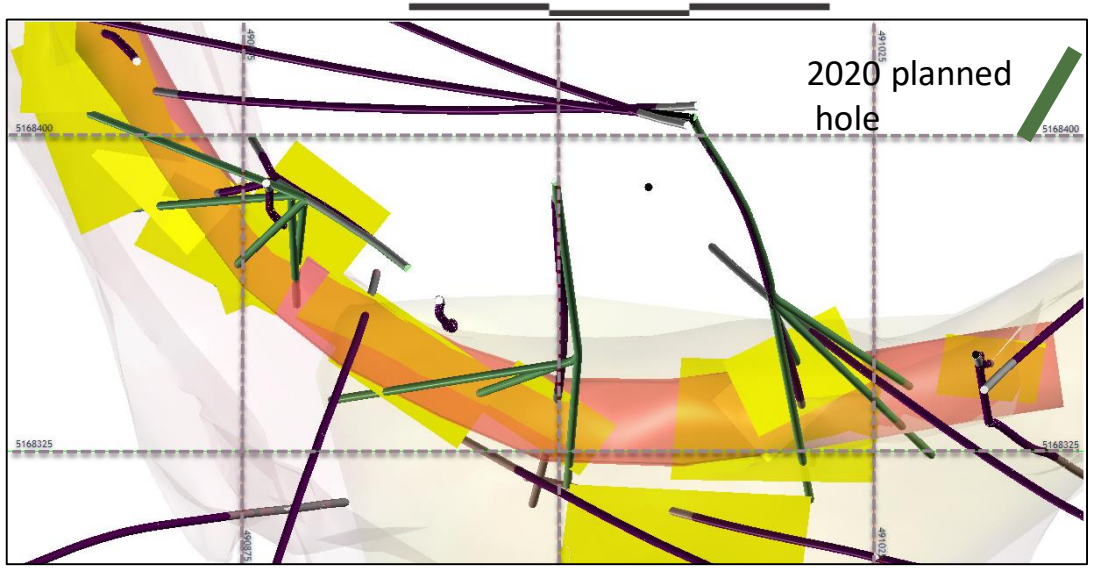
We are using various geophysical techniques over the Tamarack Zone where the Massive Sulphide Unit (MSU) exists. These techniques will then be tested in satellite areas where Kennecott has previously intersected massive sulphides.

*included in the Updated PEA

WINTER 2020 DRILL PROGRAM

- **January 21, 2020: Talon begins multiple hole drilling program with 3 rigs mobilized on site**
  - ***Goal 1:*** *Convert resources from the "inferred" category to the "indicated" category in the high-grade MSU;*
  - ***Goal 2:*** *Utilize various geophysical techniques to identify new targets to grow the high-grade MSU*
- **Initial results from the drill program announced on March 2nd and March 16th -- Talon intersects massive sulphides!!!**
- **Additional drill results expected over the coming weeks**
- **Updated PEA results announced on March 5, 2020**
- **Geophysical techniques include borehole electromagnetic surveys (BHEM), magnometric resistivity (MMR) and radio imaging surveys (RIM)**
- **Evaluation to be completed based on results to determine next program**
- **Preconcentration (metallurgical) study being completed to determine if disseminated mineralization can be incorporated into the mine plan**



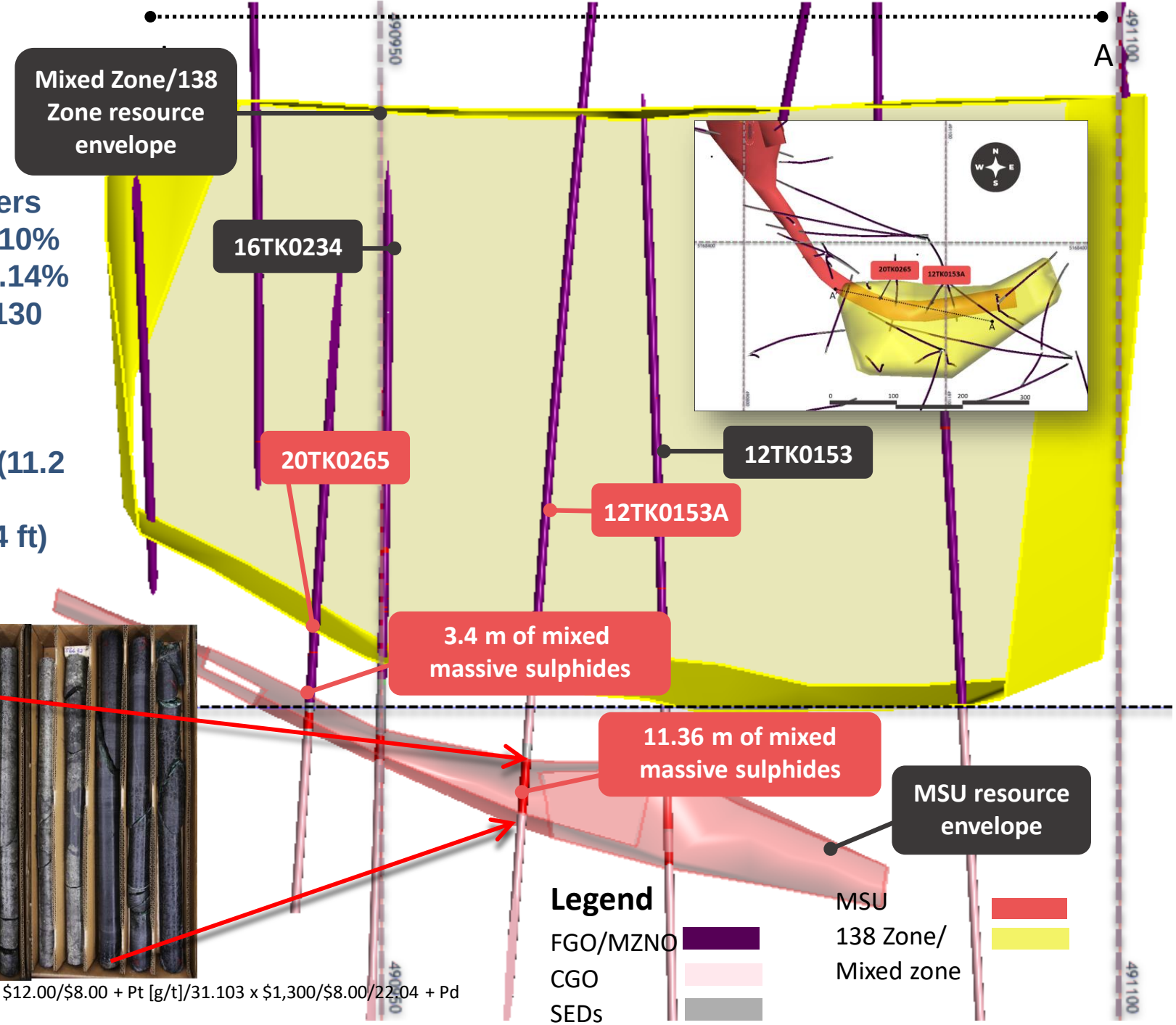


DRILL RESULTS:

Press release March 2, 2020

-- Drill hole 12TK0153A intersected 11.36 meters (37 ft) of mixed massive sulphides grading 7.10% Ni, 2.98% Cu, 1.11 g/t PGEs, 0.16 g/t Au and 0.14% Co (8.67% NiEq*) from 555.05 meters, below 130 meters (425 ft) of additional Mixed Zone mineralization (assays pending).

-- Drill hole 20TK0265 intersected 3.4 meters (11.2 ft) of mixed massive sulphides from 422.61 meters, below an additional 118 meters (387.4 ft) of Mixed Zone mineralization (assays are pending)

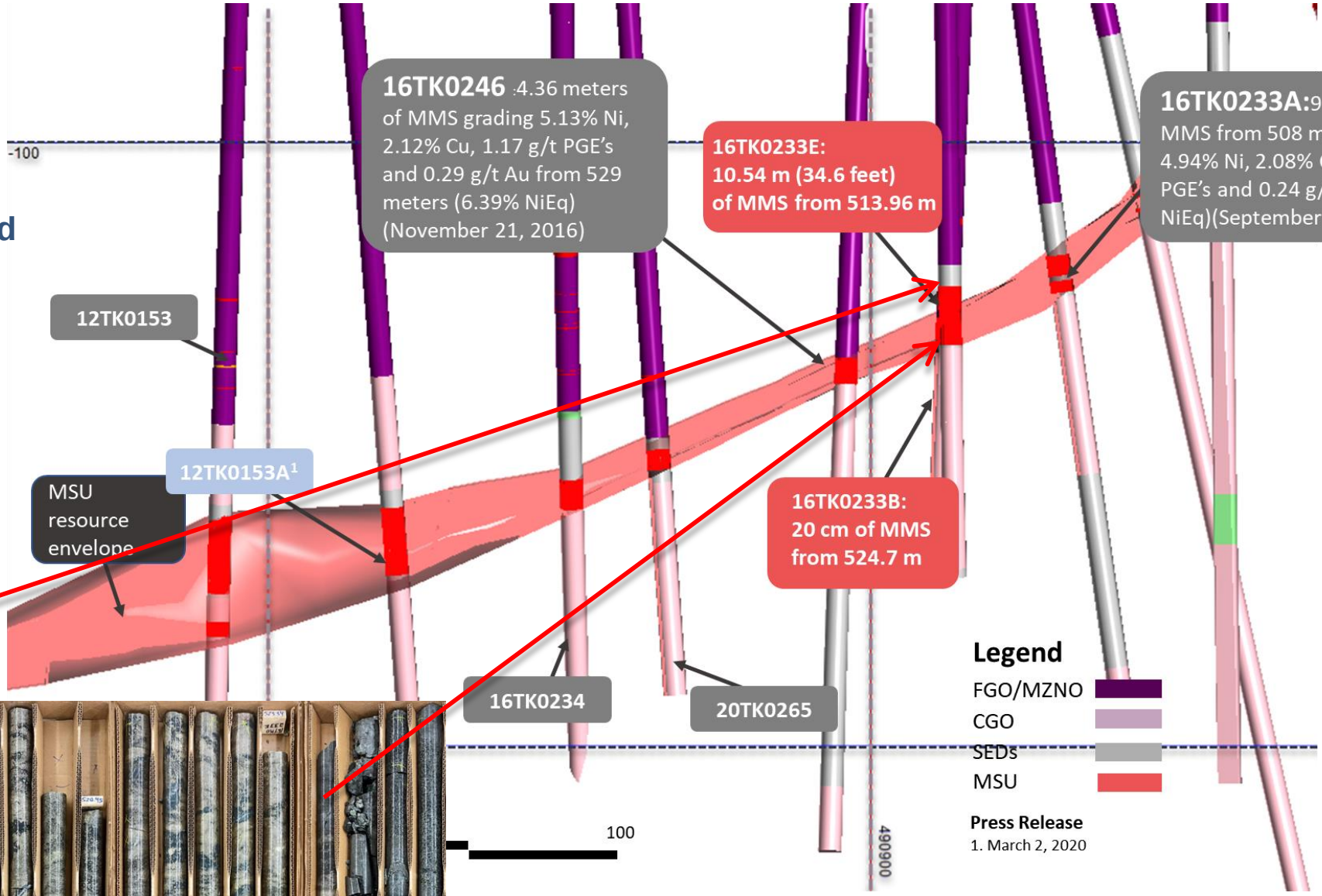


See Press Release, March 2, 2020. *NiEq% = Ni%+ Cu% x $3.00/$8.00 + Co% x $12.00/$8.00 + Pt [g/t]/31.103 x $1,300/$8.00/22.04 + Pd [g/t]/31.103 x $700/$8.00/22.04 + Au [g/t]/31.103 x $1,200/$8.00/22.04

DRILL RESULTS:

Press release March 16, 2020

-- Drill hole 16TK0233E intersected 10.54 meters (34.6 ft) of mixed massive sulphides starting at 513.96 meters (assays pending)



NiEq% = Ni%+ Cu% x $3.00/$8.00 + Co% x $12.00/$8.00 + Pt [g/t]/31.103 x $1,300/$8.00/22.04 + Pd [g/t]/31.103 x $700/$8.00/22.04 + Au [g/t]/31.103 x $1,200/$8.00/22.04

RESULTS OF UPDATED PRELIMINARY ECONOMIC ASSESSMENT (PEA)

Please see the technical report entitled “NI 43-101 Technical Report Updated Preliminary Economic Assessment (PEA) of the Tamarack North Project – Tamarack, Minnesota” with an effective date of March 12, 2020 (the “Updated PEA”) for further information. Copies are available on the Company’s website (www.talonmetals.com) or on SEDAR at (www.sedar.com).

EXCELLENT METALLURGICAL RECOVERIES AND LOW DELETERIOUS ELEMENTS IN CONCENTRATES

Ni 83.4%

RECOVERY

13.3% Grade

Cu 94.4%

TOTAL RECOVERY

28.9% Grade

EXCELLENT QUALITY

- High quality nickel concentrates are in high demand. We expect this trend to continue
- We are therefore investigating two possibilities:
  1. Producing concentrates for smelters; or
  2. Producing nickel sulphates for the Electric Vehicle (EV) Market

TAMARACK IS EXPECTED TO BE A LOW COST PRODUCER

THE UPDATED PEA RESULTS SHOW POSITIVE AND STRONG ECONOMICS EVEN AT LOW METAL PRICES

	Unit	Low	Base case	Incentive pricing
Ni	US$/lb	$6.75	$8.00	$9.50
Cu	US$/lb	$2.75	$3.00	$3.25
Co	US$/lb	$20.00	$30.00	$40.00
Pt	US$/oz	$1,000	$1,000	$1,000
Pd	US$/oz	$1,000	$1,000	$1,000
Au	US$/oz	$1,300	$1,300	$1,300
C1 Costs	US$/lb of Ni	$2.56	$2.67	$2.85
Payback period	Years (Pre/After-tax)	2.7/2.9	2.3/2.5	2.0/2.1
After-tax NPV	US$ millions	$191M	$291M	$398M
AFTER-TAX IRR		27%	36%	45%

UPDATED PEA: SUMMARY OF RESULTS

After tax NPV-7%	US$291M
After tax IRR	36.0%
Payback (undiscounted)	2.3 years (pre-tax), 2.5 years (after-tax)
Mine life (excluding construction period)	8 years (7.5 years excl. partial years)
Production capacity	2,000 tpd
Total CAPEX over LOM	US$258.73M
C1 costs	$2.67/lb of nickel in concentrate
C1 costs + royalties	$3.35/lb of nickel in concentrate
C1 cost + royalties + sustaining CAPEX ("All-in sustaining cost")	$3.57lb of nickel in concentrate
C1 costs + royalties + total CAPEX	$4.72/lb of nickel in concentrate
Ni recovery to Ni concentrate	83.4%
Cu recovery to Cu concentrate	80.2%
Overall Cu recovery	94.4%
Payable Ni production	21.2 million lbs/year; 140M lbs over LOM
Payable Cu production	13.3 million lbs/year; 88M lbs over LOM
Ni concentrate grades	13.3% Ni, 1.13% Cu, 0.36% Co
Cu concentrate grades	27.6% Cu, 2.91 g/t Au
Revenue split (% of NSR)	Ni 77%, Cu 19%, Co 3%, PGE-Au 1%

CAPITAL COSTS (USD millions)

Initial mine	$83.33
Initial process and surface facilities	$122.32
Working capital	$12.95
Total initial CAPEX	$218.60
Sustaining CAPEX	$40.13
Total CAPEX	$258.73

OPERATING COSTS (USD/tonne of ore milled)

Mining	$50.34/tonne
Processing	$14.69/tonne
Product handling	$13.52/tonne
Co-mingled filtered tailings facility	$1.67/tonne
G&A	$7.50/tonne
Total	$87.73/tonne

1. Base case pricing assumed to be US$8.00/lb nickel; US$3.00/lb copper; US$25/lb cobalt
2. C1 cost includes on-site costs, value of metal claimed by smelter (metal units, treatment charges & refining charges), insurance, losses and transportation costs, less by-products metals.

UPDATED PEA: SENSITIVITY ANALYSIS

The Updated PEA illustrates a high after-tax and pre-tax IRR, low C1 costs, low capital intensity and a quick payback.

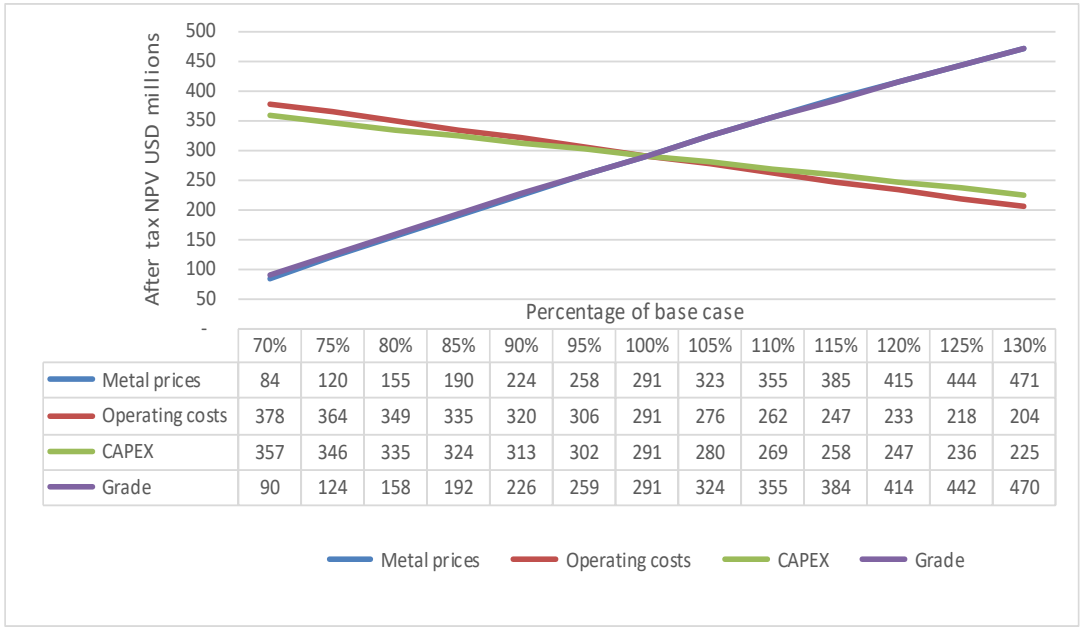
Capital intensity is $21,000 per annual tonne of payable nickel equivalent and $15,000 per annual tonne of nickel produced in concentrate (excluding the impact of ramp-up/partial years in the first and last two years of the mine plan).

The project economics are robust as illustrated by satisfactory IRR's at -30% metal prices and grade and +30% OPEX and CAPEX as illustrated in the graph on the bottom right.

		After-tax			Pre-tax		
		Metal price scenario			Metal price scenario		
		Low	Base	Incentive	Low	Base	Incentive
Discount rate	NPV 7%	191	291	398	242	362	492
	NPV 8%	174	268	370	222	335	458
	NPV 10%	142	227	318	185	287	397
IRR		27.3%	36.0%	44.6%	31.4%	41.0%	50.5%
C1 Cost per lb of Ni in concentrate		$2.56	$2.67	$2.85	$2.56	$2.67	$2.85
Payback from start of production in years		2.9	2.5	2.1	2.7	2.3	2.0

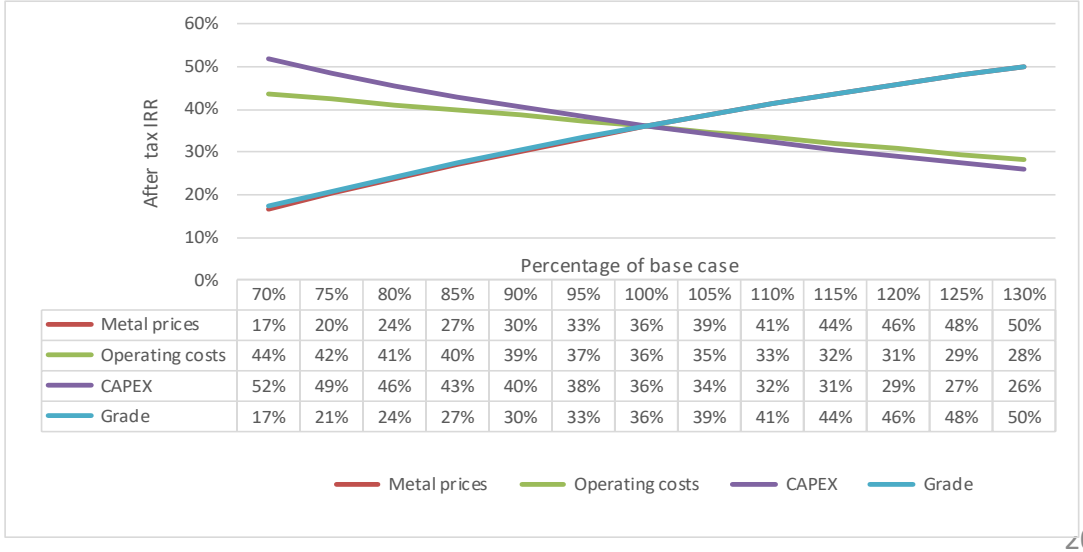
* All amounts in U.S. dollars.
** Metal prices assumptions are: Low: $6.75 Ni, $2.75 Cu, $15.00 Co; Base: $8.00 Ni, $3.00 Cu, $25.00 Co, Incentive: $9.50 Ni, $3.25 Cu, $35.00 Co. All pricing scenarios use $1,300 Au, $1000 Pt, and $1000 Pd.
***C1 cost includes on-site costs, value of metal claimed by smelter (metal units, treatment charges & refining charges), insurance, losses and transportation costs, less by-products metals.

Sensitivity of Base Case after-tax NPV to changes in metal prices, grade, operating costs and capital costs



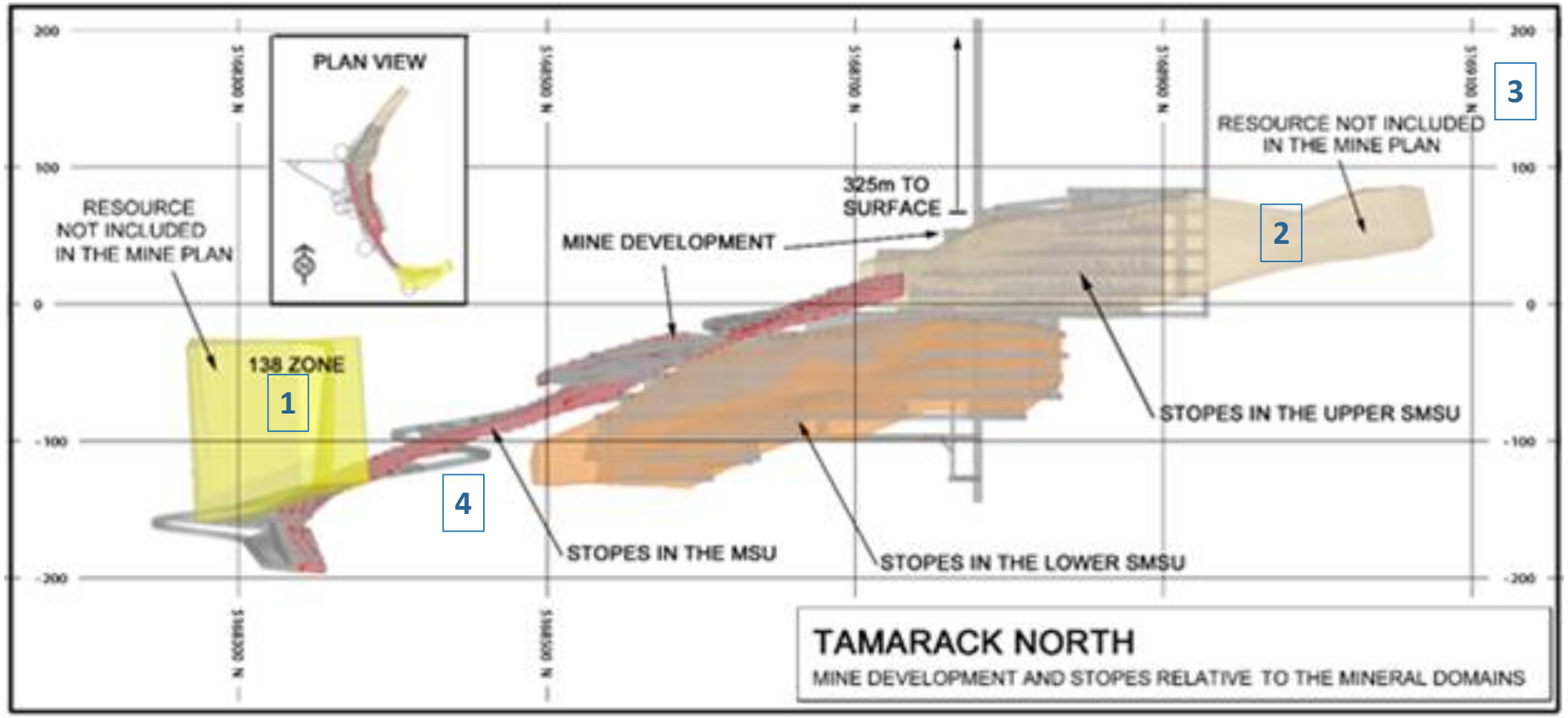
	70%	75%	80%	85%	90%	95%	100%	105%	110%	115%	120%	125%	130%
Metal prices	84	120	155	190	224	258	291	323	355	385	415	444	471
Operating costs	378	364	349	335	320	306	291	276	262	247	233	218	204
CAPEX	357	346	335	324	313	302	291	280	269	258	247	236	225
Grade	90	124	158	192	226	259	291	324	355	384	414	442	470

Sensitivity of Base Case After-tax IRR to changes in metal prices, grade, operating costs and capital costs



	70%	75%	80%	85%	90%	95%	100%	105%	110%	115%	120%	125%	130%
Metal prices	17%	20%	24%	27%	30%	33%	36%	39%	41%	44%	46%	48%	50%
Operating costs	44%	42%	41%	40%	39%	37%	36%	35%	33%	32%	31%	29%	28%
CAPEX	52%	49%	46%	43%	40%	38%	36%	34%	32%	31%	29%	27%	26%
Grade	17%	21%	24%	27%	30%	33%	36%	39%	41%	44%	46%	48%	50%

OUR UPDATED PRELIMINARY ECONOMIC ASSESSMENT ASSUMED PRODUCTION OF NICKEL CONCENTRATES FOR SMELTERS FROM A SUBSET OF THE TOTAL RESOURCE



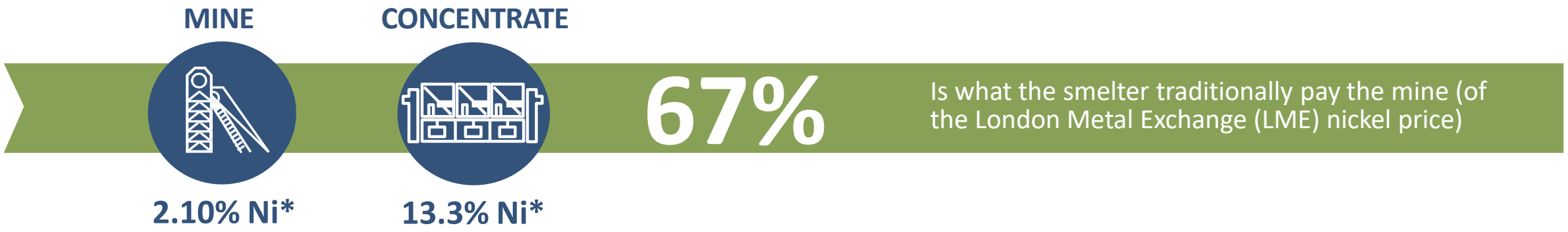
Long section looking west showing the Updated PEA mine plan against the mineral resource domain outline

Near-term growth potential to increase mine life:

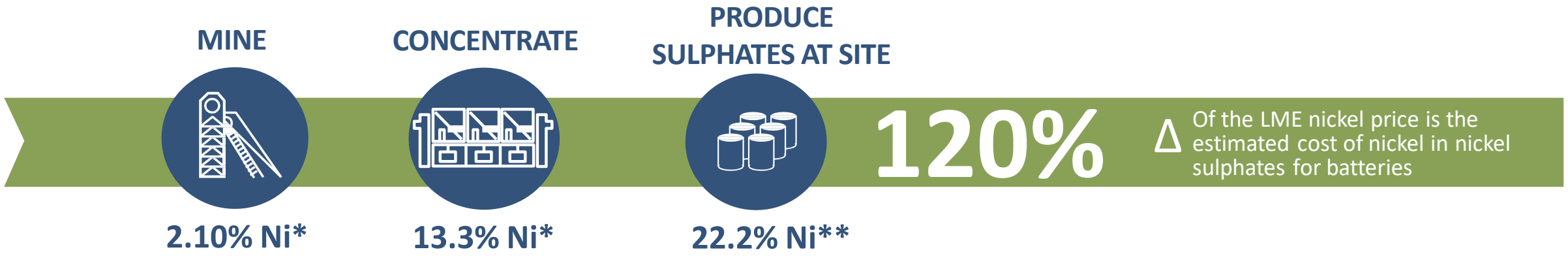
1. Resources in the 138 Zone
2. Resources not included in mine plan in the Upper SMSU
3. "CGO bend" area north of the Upper SMSU
4. Recent drill results are potentially expanding the MSU

POTENTIAL PRODUCTION OPTIONS

OPTION 1: Produce Concentrates for Smelters (Subject of Updated PEA)



OPTION 2: Produce Sulphates for Electrical Vehicle Batteries (At Site)



** Updated PEA*

*** Estimates – numbers may vary for different processes and facilities*

Δ McKinsey & Company estimated this to be +30% premium - The Future of Nickel – A Class Act – November 2017

IMMEDIATE VALUE CATALYSTS

Expand the Massive Sulphide Unit (MSU)

Conduct a metallurgical test program to try to develop a process for a domestic US supply chain of nickel sulphates

Start to infill drill the Massive Sulphide Unit with an intention of moving resources from the inferred to the indicated category

CONTACT INFORMATION

Talon Metals Corp.
Sean Werger, President
swerger@talonmetals.com
B: (416) 361-9636 ext.102

www.talonmetals.com