

TALON METALS UPDATE: DRILLING AT TAMARACK INTERCEPTS 15.94 METERS OF MASSIVE SULPHIDE AT 7.14% Ni, 2.43% Cu, 0.81 g/t Pt AND 0.68 g/t Pd

Road Town, Tortola, British Virgin Islands (December 1, 2014) – Talon Metals Corp. (“**Talon**” or the “**Company**”) (TSX:TLO) is pleased to provide an exploration update on the Tamarack North Nickel-Copper-PGE project (“**Tamarack North Project**”) located in Minnesota, USA.

HIGHLIGHTS

- Drill hole 14TK0211 intercepted 15.94 meters of massive nickel-copper-PGE sulphide mineralization at 7.14% nickel (“**Ni**”), 2.43% copper (“**Cu**”), 0.81g/t platinum (“**Pt**”) and 0.68 g/t palladium (“**Pd**”), which equates to a 8.49% nickel equivalent (“**NiEq**”) grade basis.
- The massive nickel-copper-PGE sulphide mineralization intercepted in hole 14TK0211 is located approximately 41 meters to the east from the current Massive Sulphide Unit Mineral Zone (“**MSU**”) (see Figures 3 and 4 below) that was defined in the Company’s independent mineral resource estimate prepared in accordance with National Instrument 43-101 (“**NI 43-101**”) dated August 29, 2014.
- The distance from the previously reported MSU, as well as the width of this exceptionally high grade intercept, is significant and further work is planned for the 2015 winter program.
- Net textured and disseminated mineralization continues to the east of the previously reported Semi Massive Sulphide Unit Mineral Zone (“**SMSU**”) with a 47 meter intercept of 0.63% Ni, 0.44% Cu, 0.21 g/t Pt and 0.12 g/t Pd, which equates to a 0.88% NiEq grade basis, within hole 14TK0204. Several massive sulphide veins have been intercepted.
- Net textured and disseminated mineralization continues to the east of the 138 Mineral Zone (“**138 Zone**”), including a 24.5 meter intercept of 0.66% Ni, 0.52% Cu, 0.31 g/t Pt and 0.18 g/t Pd, which equates to a 0.98% NiEq grade basis, within hole 14TK0206. Several massive sulphide veins have been intercepted.
- The continuation of mineralization, combined with the intercept of massive sulphide veins to the east of both the previously reported SMSU and the 138 Zone, will require follow-up drilling in future resource expansion programs, as these veins are typically proximal to high grade nickel and copper mineralization.

“The results from the recent drill program at Tamarack are outstanding”, said Warren Newfield, Executive Chairman of Talon. “Tamarack has proven itself to be one of the highest grade nickel-copper sulphide deposits currently being explored globally, and has the potential to significantly increase in size. The recent drill program has clearly demonstrated this potential.”

“It’s a privilege to work with Kennecott’s world-class exploration team on the Tamarack Project, which continues to deliver exceptional results” said Henri van Rooyen, CEO of Talon.

TAMARACK: A LARGE INTRUSIVE COMPLEX – APPROXIMATELY 18 KM OF STRIKE LENGTH

The Tamarack Igneous Complex (“**TIC**”) is an ultramafic to mafic intrusive, hosting nickel-copper sulphide mineralization with associated cobalt, platinum and palladium (“**PGE**”) as well as gold. The TIC has a strike length of approximately 18 km, which is comparable in footprint size to some of the world’s largest and most prolific nickel-copper-PGE producing intrusive complexes.

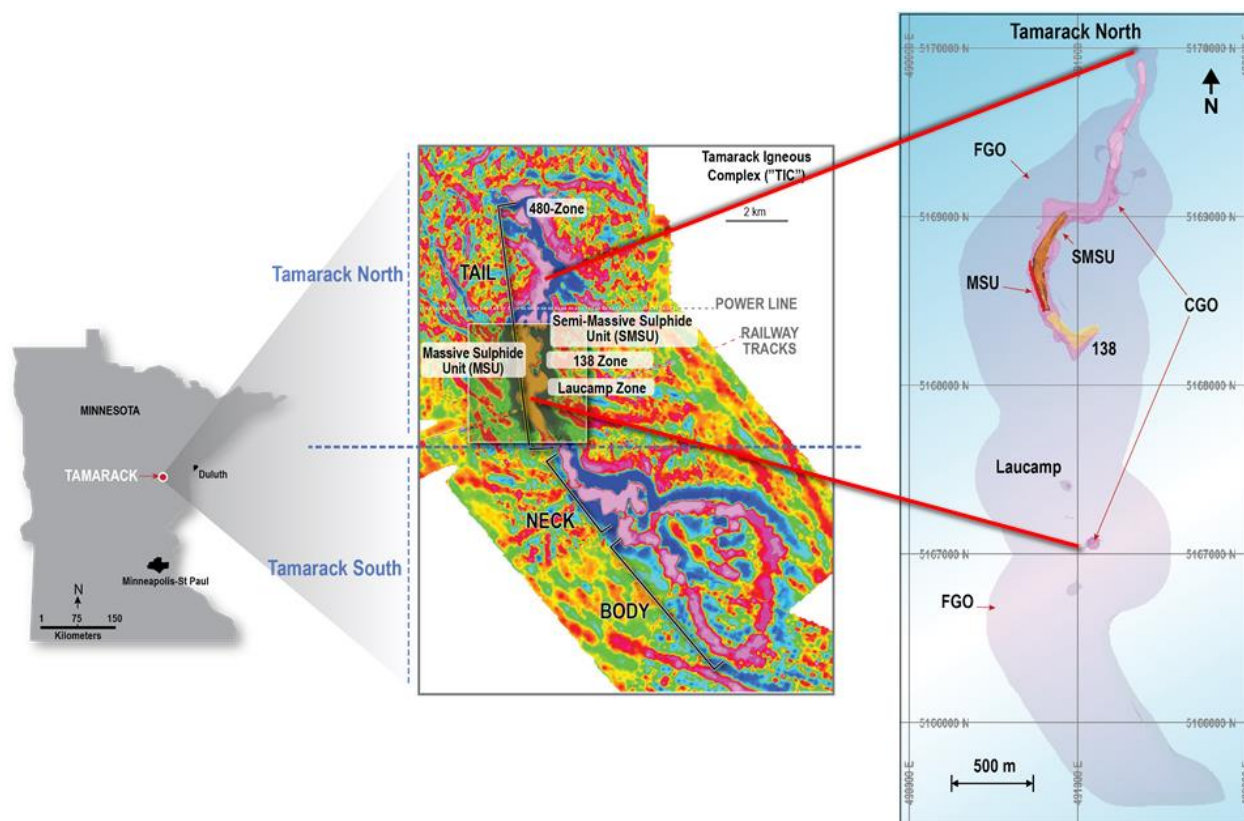


Figure 1: Airborne magnetic survey, first derivative image (centre) showing the 18 km long strike of the TIC with the long narrow intrusion that hosts the currently defined mineralization (right) termed the “Tail” of the Tamarack North Project and the large layered intrusion to the south termed the “Neck” and “Body” (in an analogy to a tadpole). Kennecott Airborne Magnetic Survey (2001 to 2009), modified by Talon, 2014.

RESOURCE HIGHLIGHTS

Effective August 29, 2014, an independent mineral resource estimate was prepared in accordance with NI 43-101 on a small portion of the Tamarack North Project, with resource highlights as follows:

- 3.75 million tonnes in the *indicated category* at average grades of 1.81% Ni, 1.00% Cu, 0.05% Cobalt (“Co”), 0.41 g/t Pt, 0.25 g/t Pd and 0.19 g/t Au (which equates to a 2.35% NiEq grade basis¹) at a 0.9% NiEq cut-off; and
- An additional 3.12 million tonnes in the *inferred category* at average grades of 1.22% Ni, 0.82% Cu, 0.03% Co, 0.26 g/t Pt, 0.16 g/t Pd and 0.16 g/t Au (which equates to a 1.63% NiEq grade basis) at a 0.9% NiEq cut-off.

Talon published a technical report prepared in accordance with NI 43-101 to support the disclosure of this resource estimate on the Tamarack North Project. The technical report is entitled “First Independent Technical Report on the Tamarack North Project, Tamarack, Minnesota” dated October 6, 2014 (the “**Tamarack North Technical Report**”) and was 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. Please refer to the Tamarack North Technical Report for further information. Copies are available on the Company’s website (www.talonmetals.com) or on SEDAR at (www.sedar.com).

For an overview of the Tamarack Project please refer to Annex “B” of this news release.

PREVIOUSLY STATED GOALS OF THE 2014 EXPLORATION PROGRAM

As previously reported by Talon, the 2014 exploration program has been focused on better defining the path of the coarse grained feldspathic peridotite (CGO) intrusion, which hosts the SMSU, as it moves towards the east. The program has also been focused on testing the limits of the 138 Zone to the east, west, and south.

STATUS OF THE 2014 EXPLORATION PROGRAM

The 2014 drilling program commenced at the Tamarack North Project on August 6, 2014. Since then, two rigs have been drilling simultaneously, completing 6,969 meters.

Due to the early winter weather, and the consequent freezing of the ground, all mats (which are used during summer drilling to protect the natural vegetation), are currently being removed from site. One rig is presently being winterized in anticipation of the planned 2015 winter program, expected to commence in January 2015, while the other rig will complete the 2014 drilling program

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

in the 480 Mineral Zone (“**480 Zone**”), where drilling continues to be possible due to the accessibility of higher ground, which does not require the use of mats.

A list of assay results for drill holes completed during the 2014 drilling program, for which assays or partial assays have been received and which have already passed Kennecott Exploration Company’s (“**Kennecott**”) QA/QC procedures, is attached as **Annex “A”**.

As of the date of this news release, the status of each of the holes collared during the 2014 drilling program is shown below:

Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Length	Assays Received
14TK0203	490909.9	5168937.7	388.5	325.6	-80.2	651.7	Partial
14TK0204	490909.1	5169083.4	388.4	141.3	-83.1	557.2	Complete
14TK0205	490759.8	5169048.7	388.3	91.8	-81.7	443.5	Pending
14TK0206	491094.7	5168293.1	388.4	356.5	-86.3	786.0	Partial
14TK0207	490693.2	5168350.5	388.2	115.6	-85.5	599.5	Pending
14TK0208	490829.1	5169012.5	388.4	3.0	-89.7	811.7	Pending
14TK0209	491094.8	5168292.2	388.4	185.3	-86.6	582.9	Pending
14TK0210	491257.0	5168687.6	388.6	270.9	-85.3	489.0	Pending
14TK0211	490856.6	5168536.0	388.0	264.9	-85.3	648.0	Partial
14TK0212	490946.3	5168191.2	388.0	164.5	-65.8	781.8	Pending
14TK0213	490856.6	5168536.0	388.0	216.0	-84.9	618.0	Pending

Table 1: List of 2014 Drill Hole Collar Coordinates, General Dip and Azimuth, as well as status of Kennecott QA/QC.

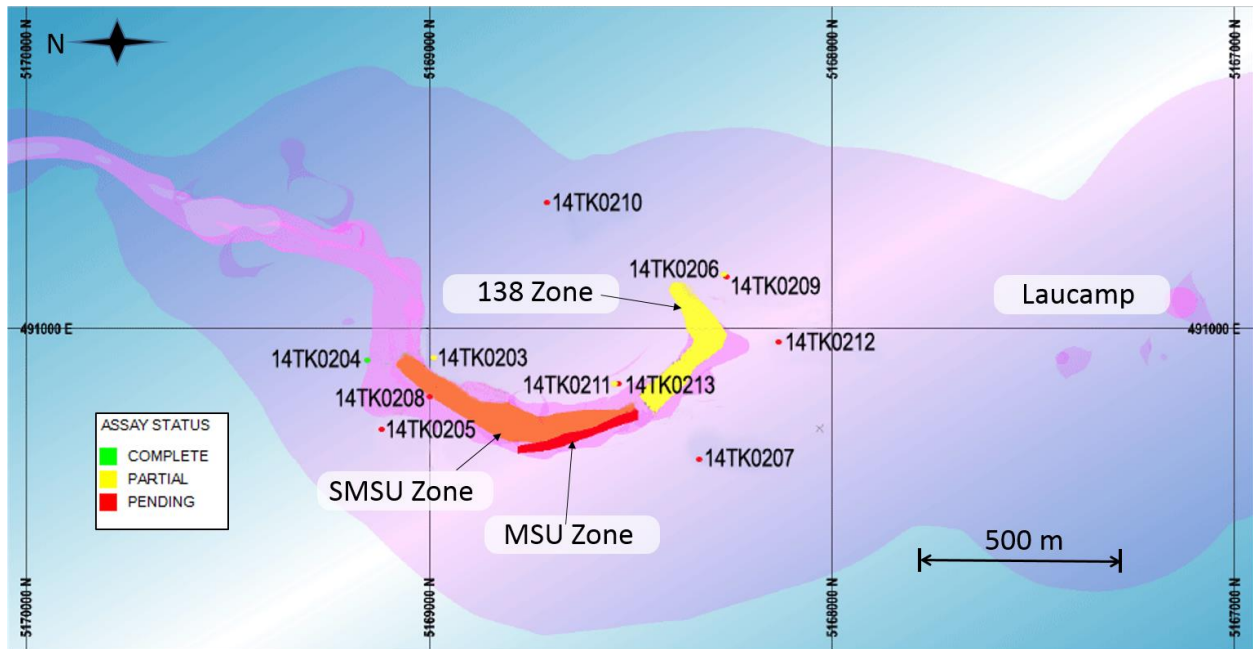


Figure 2: Location of 2014 drill holes and status of assay results

DISCUSSION AND ANALYSIS OF THE 2014 DRILLING PROGRAM RESULTS TO DATE

(1) *The Massive Sulphide Unit Mineral Zone (“MSU”)*

MSU type mineralization is defined as containing 80-90% sulphide. The MSU refers to an ore-body hosted by intensely metamorphosed and partially melted meta-sediments occurring as fragments or wedges of country rock between the base of the fine grained peridotite (FGO) and the top of the coarse grained feldspathic peridotite (CGO) with typical dimensions of 20 to 30 meters across by 10 meters high. Drilling suggests that these massive sulphides form southward plunging, pipe-like zones. The MSU has been drill intersected intermittently over 600 meters from the SMSU to the 138 Zone and appears to be spatially related to the SMSU (occurring approximately 50 meters above the SMSU).

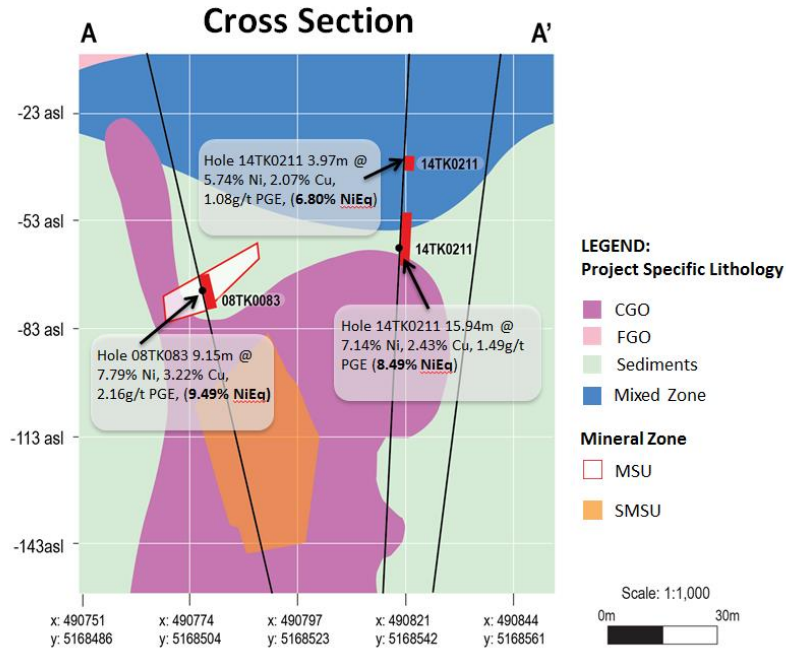


Figure 3: Cross section through the MSU showing massive nickel-copper-PGE sulphide mineralization intercepted in hole 14TK0211 in relation to massive nickel-copper-PGE sulphide mineralization previously intercepted in hole 08TK0083 as part of the MSU. Only MSU intersections are displayed.

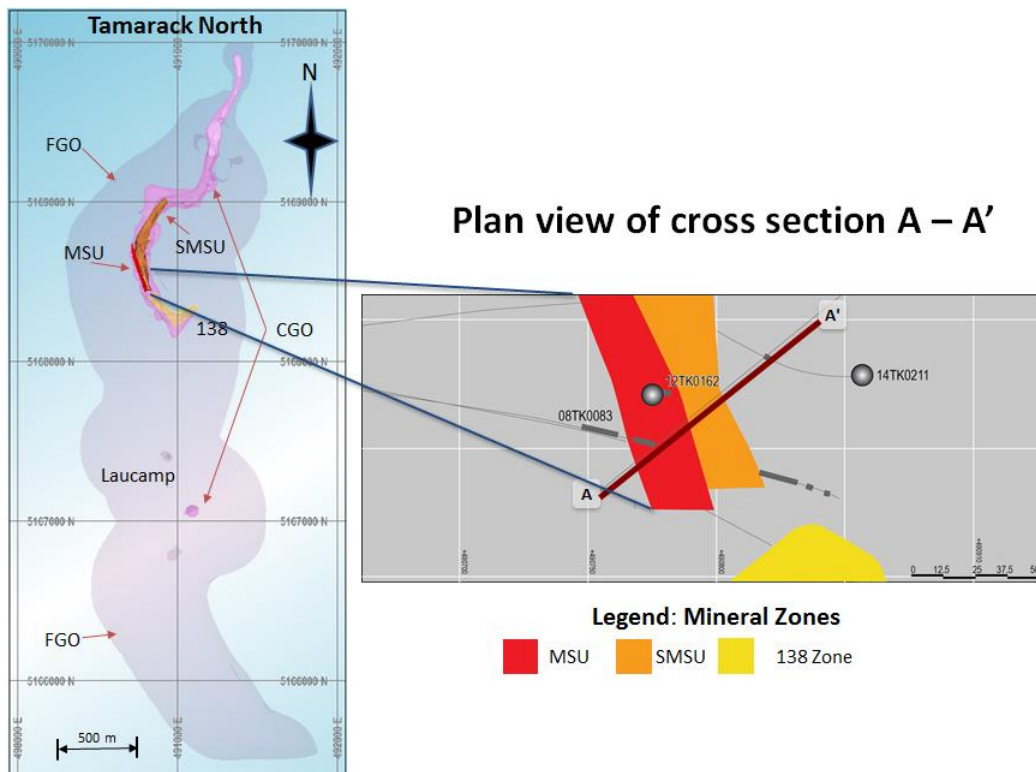


Figure 4: Plan view showing cross section A - A' (in Figure 3).

The objective of drill hole 14TK0211 (see Figure 3 and Figure 4 above) was to step-out from the SMSU in order to follow its continuation towards the south-east. Hole 14TK0211 was drilled approximately 53 meters to the east of hole 08TK0083, which is the nearest, wide massive sulphide intercept from 498.66 meters to 507.81 meters (9.15 meters width) at 7.79% Ni, 3.22% Cu, 1.38 g/t Pt and 0.79 g/t Pd (2.16 g/t PGE), which equates to a 9.49% NiEq grade basis.

Drill hole 14TK0211 has two intercepts of massive nickel-copper-PGE sulphide mineralization of 3.97 meters from 425.03 meters to 429 meters at 5.74% Ni, 2.07% Cu, 0.68 g/t Pt and 0.40 g/t Pd (1.08 g/t PGE) which equates to a 6.80% NiEq grade basis and 15.94 meters of massive nickel-copper-PGE sulphide mineralization from 441 meters to 456.94 meters at 7.14% Ni, 2.43% Cu, 0.81 g/t Pt and 0.68 g/t Pd (1.49 g/t PGE) which equates to a 8.49% NiEq grade basis. As is the case with hole 08TK0083, the MSU intercept is located within meta-sediments at the top of the coarse grained feldspathic peridotite (CGO).



Figure 5: Core photo of massive nickel-copper-PGE sulphide mineralization intercept in hole 14TK0211.

The intercept of MSU over a 15.94 meter interval is significant, as:

- It is the widest intercept of massive nickel-copper-PGE sulphide mineralization seen at the Tamarack Project to date (substantially more than previously intercepted in hole 08TK0083); and
- It is a substantial step-out from the current, modelled MSU mineralization, being approximately 41 meters from the previously defined MSU boundary.

(2) The Area North-East of the SMSU

The Tamarack North Project has been interpreted to consist of at least two separate phases of intrusions based on contact relationships, textural, and geochemical differences. These include a fine grained peridotite (FGO) that forms the wider, upper part of the intrusion in the mid and southern part of the tail and a coarse grained, intrusive phase of feldspathic peridotite (CGO) interpreted to have intruded dyke-like along structures at the base of the FGO in the form of a keel that subcrops as a result of pre-Cretaceous erosion in the north of the Tamarack Zone. The SMSU is located within the CGO dyke proximal to the base of the FGO keel. Important to note is that some liquid sulphide penetrated out into the cooling intrusion as massive sulphide veins and are thus interpreted to be important vectors to MSU or SMSU type mineral zones.

Massive sulphide veins are present in proximity to the SMSU, MSU and the 138 Zone.

Associated with the contact between these two intrusions is also a hybrid phase (termed the Mixed Zone) that is interpreted either as a zone of mixing of the two intrusions or possibly a separate intrusion altogether.

A key objective of the 2014 drilling program has been met, as the program was focused on better defining the path of the coarse grained feldspathic peridotite (CGO) intrusion as it moves towards the east, away from the currently outlined SMSU. More specifically:

- Holes 14TK0203, 14TK0204, 14TK0205 and 14TK0208 were successful in better defining the path of the coarse grained feldspathic peridotite (CGO) intrusion as it bends towards the east, away from the SMSU.
- Both holes 14TK0203 and 14TK0204 (see Figure 6 and Figure 7 below) intercepted net textured and disseminated nickel and copper sulphide mineralization. Highlights are as follows:
 - Drill hole 14TK0203 intercepted 0.69% Ni, 0.39% Cu, 0.67 g/t Pt and 0.34 g/t Pd (1.01 g/t PGE) over 23.93 meters at shallow depths, from 263.07 meters to 287.00 meters, which equates to a 1.07% NiEq grade basis.
 - Drill hole 14TK0204 intercepted 0.63% Ni, 0.44% Cu, 0.21 g/t Pt and 0.13 g/t Pd (0.34 g/t PGE) over 47 meters at shallow depths, from 288 meters to 335 meters, which equates to a 0.88% NiEq grade basis. Drill hole 14TK0204 is located 46 meters away from hole 10TK0127, being the closest hole in the SMSU that forms part of the mineral resource estimate in the Tamarack North Technical Report.

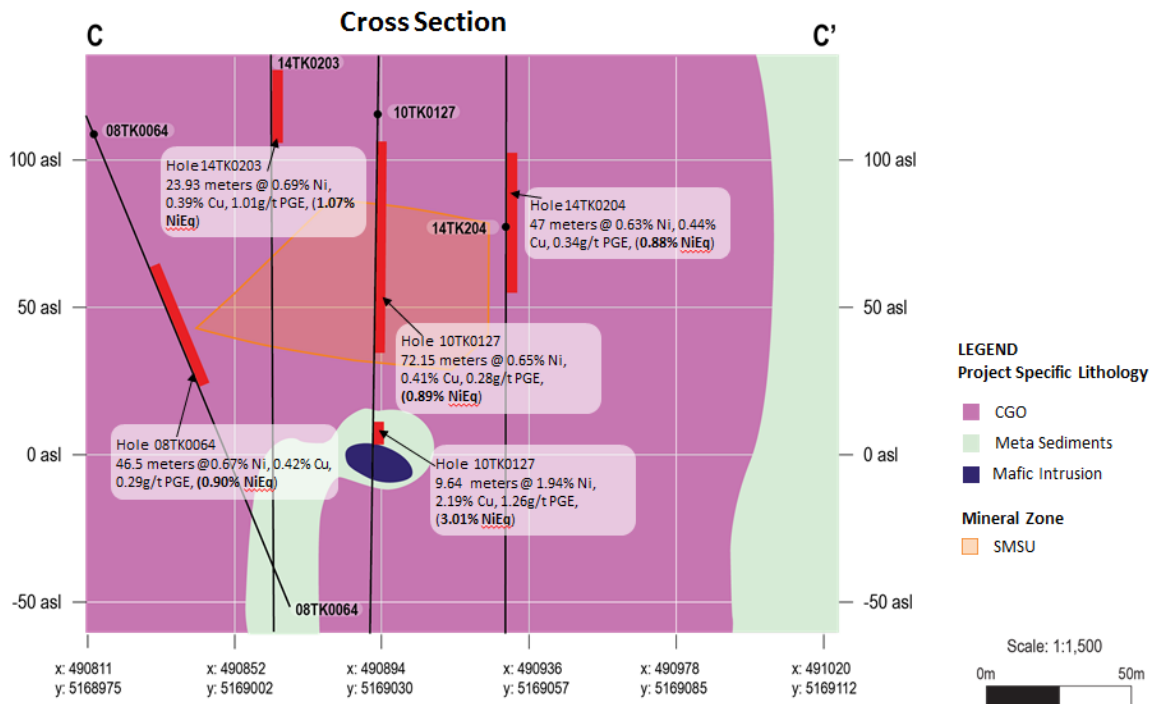


Figure 6: Cross section showing 14TK0203 and 14TK204 in relation to previously drilled 08TK0064 and 10TK0127.

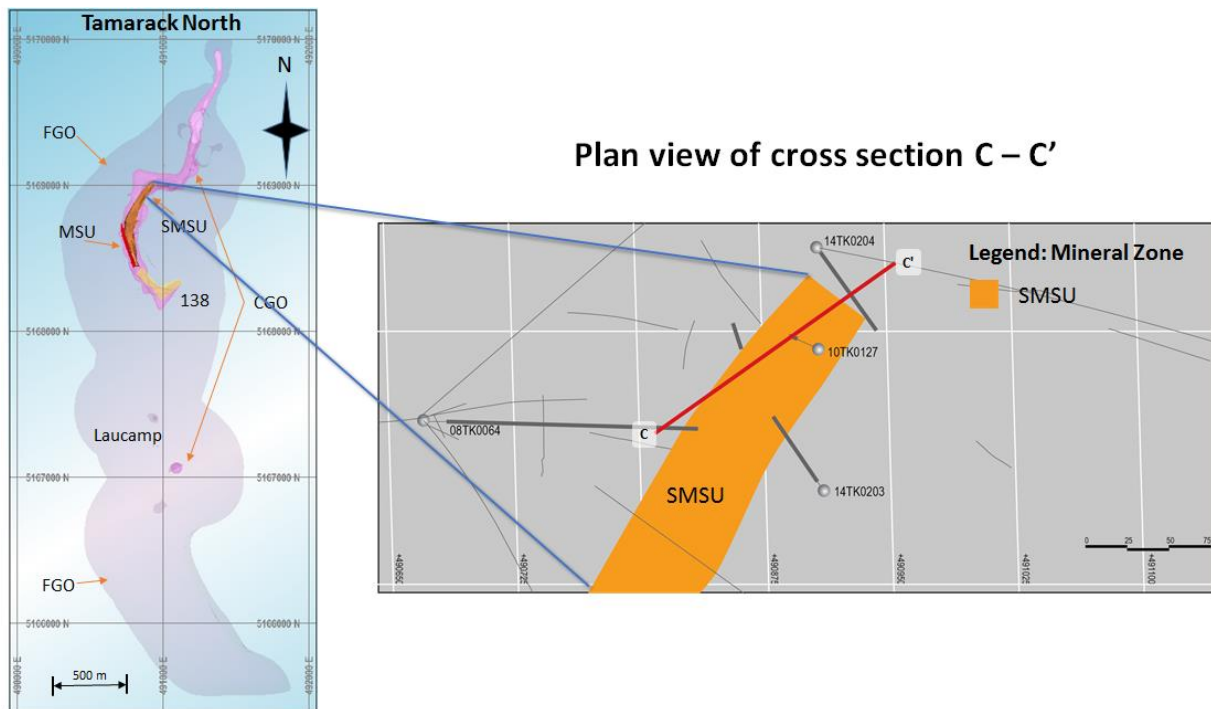


Figure 7: Plan view showing cross section C-C' (in Figure 6).

These results are significant, as:

- They confirm that mineralization continues along strike within the CGO dyke towards the east and remains open and therefore follow-up drilling, along the CGO dyke, will be required as part of a future resource expansion program.
- Massive sulphide veins in drill hole 14TK204 have been intercepted at 418.43 meters, 431.13 meters, 434.34 meters and 443.8 meters and will require a follow-up investigation and exploration program, with the aim of intercepting a proximate mineral zone that reflects nickel and copper grades more typical of the SMSU or 138 Zone.

(3) The 138 Zone

The 2014 drilling program also aimed to test the limits of the open 138 Zone to the east, west, and south. Drill hole 14TK206 was therefore drilled approximately 35 meters to the east of hole 13TK0189 (see Figure 8 and Figure 9 below), which was the last hole to the east that intercepted the 138 Zone prior to the 2014 drilling program.

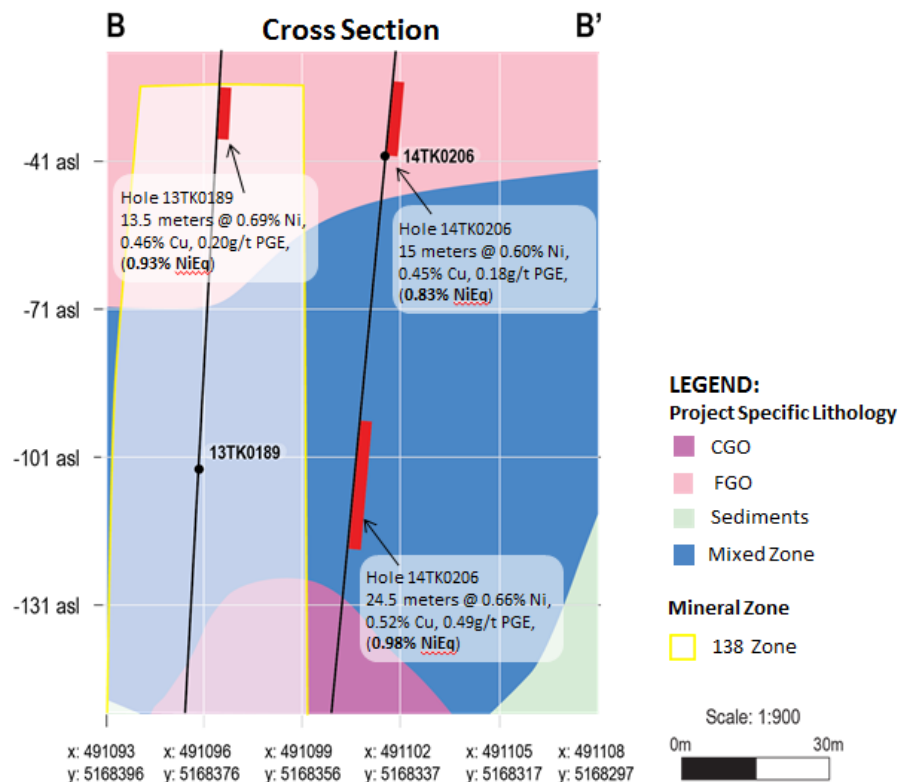


Figure 8: Cross section showing drill hole 14TK0206 in relation to previously drilled hole 13TK0189. Only intersections of greater than 0.72% NiEq and greater than 10 meters are displayed.

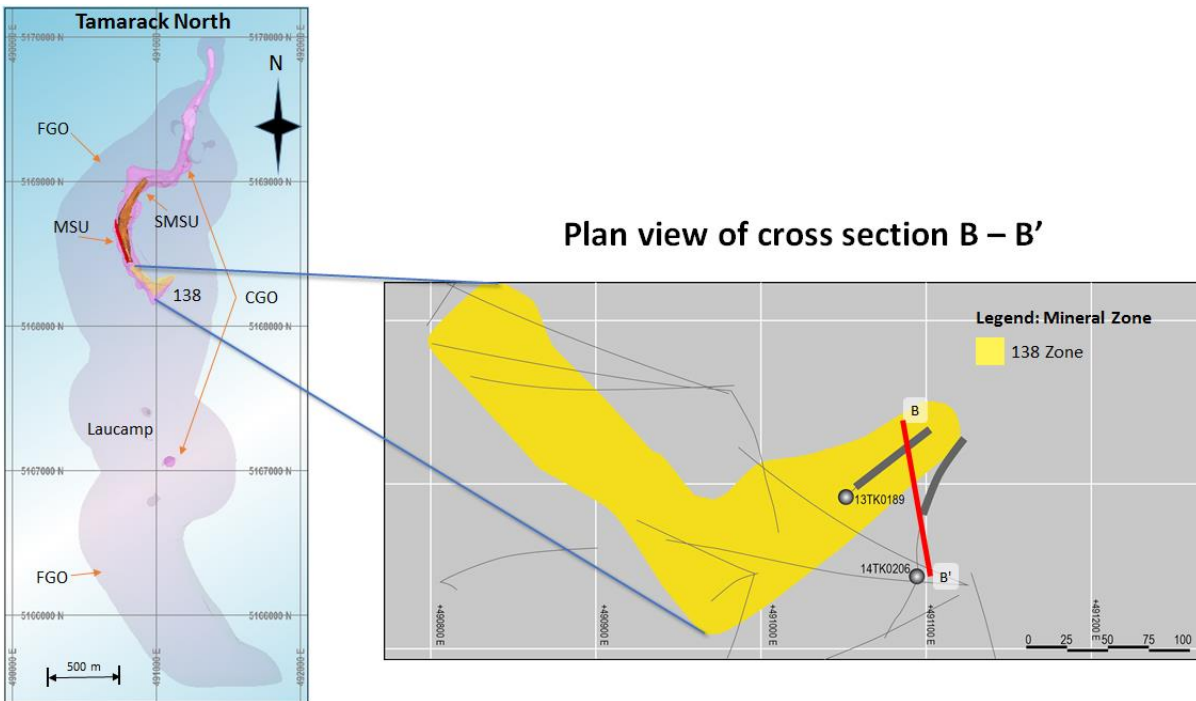


Figure 9: Plan view showing section B-B' in the 138 Zone (in Figure 8).

Drill hole 14TK0206 intercepted 15 meters of disseminated and net textured sulphides from 417 meters to 432 meters with grades as follows: 0.60% Ni, 0.45% Cu, 0.12 g/t Pt and 0.07 g/t Pd (0.18 g/t PGE), which equates to a 0.83% NiEq grade basis and also intercepted 24.5 meters of disseminated and net textured sulphides from 487.5 meters to 512 meters with grades as follows: 0.66% Ni, 0.52% Cu, 0.31 g/t Pt, 0.18 g/t Pd (0.49 g/t PGE) which equates to a 0.98% NiEq grade basis.

These results are significant, as:

- They confirm that the 138 Zone continues to the east. Follow-up drilling to the east will therefore be required as part of a future resource expansion program.
- Massive sulphide veins in drill hole 14TK206 have been intercepted at 449.63 meters, 458.26 meters, 477.15 meters and 483.76 meters and requires further investigation to better understand their relationship with MSU intercepts as part of a future resource expansion program to the east of the 138 Zone.

PLANNED 2015 WINTER PROGRAM

It is expected that the 2015 winter program will commence in early January 2015. Massive sulphide mineralization intercepted in drill hole 14TK0211 will be followed up using downhole electromagnetic surveys (“**DHEM**”). The 2015 winter program will also explore areas along the TIC that are significant step-outs from the current SMSU, MSU and 138 Zone. Data from this program will be used to design follow-up programs with the aim of locating and drilling SMSU,

MSU and 138 Zone type mineralization along the TIC strike. Several areas are geologically highly prospective, based on limited, historical drill results. Of these, three additional targets in the Tamarack North Project will be tested during the 2015 winter program:

(1) 3.3 km of Strike Starting in the 480 Zone and Moving South

FGO and CGO have already been intercepted approximately 3.3 km north of the SMSU in hole 08TK044 within an area that indicates strong but reversed magnetization. Reversed magnetization is typical of some of the mafic intrusives associated with the mid-continent rift. This area appears to be extensive as the Total Magnetic Intensity (TMI) shows around 2.5 km of potential strike length. Further work is planned in order to determine the existence of the CGO dyke in this area and its relationship to the FGO intrusion and to follow-up of off-hole DHEM anomalies that could provide vectors towards high grade mineralization.

(2) 1.1 km of Strike from the 138 Zone to the Laucamp Zone

CGO has previously been intercepted in the Laucamp Zone, which is approximately 1.4 km from the most southern tip of the SMSU. One of the objectives of the 2015 winter program is to locate the CGO dyke at the base of the FGO keel and to follow-up on off-hole DHEM anomalies that could provide vectors towards high grade mineralization.

(3) The Laucamp Zone

Drilling in the Laucamp Zone, located approximately 1.4 km south of the most southern tip of the SMSU, has previously intercepted massive sulphide veins, which will be followed up as part of the 2015 winter program in order to determine if a proximate mineral zone that hosts SMSU, MSU or 138 Zone type mineralization exists.

Quality Assurance, Quality Control and Qualified Persons

Please see the Tamarack North Technical Report for information on the QA/QC, analytical and testing procedures employed by Kennecott at the Tamarack Project.

Widths are drill intersections and not true widths. True widths cannot be consistently calculated for comparison purposes between holes because of the irregular shapes of the mineralized zones. Therefore some drill holes drilled down-plunge may have mineralized intersections greater than the average width and thickness of the mineralized zone. Some drill holes have intersected the margins of the mineralized zones and have intersections less than the average thickness of the mineralized zone.

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 (other than the mineral resource estimates), including sampling, analytical and test data underlying the technical information.

The Qualified Person who is responsible for the mineral resource estimates in the Tamarack North Technical Report 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 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) 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:

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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 Tamarack Project with respect to estimates of mineral resource quantities (including, any future expansion of the mineral resource estimate), mineral resource qualities, the form and extent of mineralization, targets, goals, objectives and plans, including plans for follow-up exploration work and the timing thereof (i.e. the 2015 winter drilling program). 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 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”

ASSAY RESULTS FROM THE 2014 DRILL PROGRAM

Zone	Hole No.	Easting	Northing	Elev.	Azm	Dip	From	To	Sample Length	Total Hole Length	NiEq%	Cu%	Ni%	Co%	Pt g/t	Pd g/t	Au g/t
MSU	14TK0211	490857	5168536	388	264.9	-85.3	425.03	429.00	3.97	648.00	6.80	2.07	5.74	0.13	0.68	0.40	0.10
MSU	14TK0211	490857	5168536	388	264.9	-85.3	441.00	456.94	15.94	648.00	8.49	2.43	7.14	0.17	0.81	0.68	0.39
incl	14TK0211	490857	5168536	388	264.9	-85.3	454.00	454.64	0.64	648.00	10.56	2.61	8.83	0.21	2.02	1.12	0.14
SMSU	14TK0203	490910	5168938	388	325.6	-80.2	263.07	287.00	23.93	651.67	1.07	0.69	0.39	0.02	0.67	0.34	0.20
SMSU	14TK0204	490909	5169083	388	141.3	-83.1	288.00	335.00	47.00	557.17	0.88	0.44	0.63	0.02	0.21	0.13	0.13
138	14TK0206	491095	5168293	388	356.5	-86.3	417.00	432.00	15.00	786.00	0.83	0.45	0.60	0.02	0.12	0.07	0.10
138	14TK0206	491095	5168293	388	356.5	-86.3	487.50	512.00	24.50	786.00	0.98	0.52	0.66	0.02	0.31	0.18	0.16
138	14TK0206	491095	5168293	388	356.5	-86.3	519.00	520.00	1.00	786.00	2.65	1.61	1.90	0.04	0.46	0.16	0.34

All samples were analysed by ALS Chemex. Nickel, copper, and cobalt grades were first analysed by a 4 acid digestion and ICP AES (ME-4ACD81). Grades reporting approximately 1%, using ME-4ACD81, triggered an AAS finish. If the results were greater than 1% then a Sodium Peroxide Fusion with ICP-AES finish was used (ICP81). Platinum, palladium and gold are initially analysed by fire assay with a mass spectral finish (PGM-MS24). Over limits triggered an ICP-AES finish (PGM-ICP27).

Drill intersections have been independently selected by Talon. Drill composites have been independently calculated by Talon using a 0.72% NiEq cut-off, which is consistent with the approximate 0.72% NiEq cut-off that was used to constrain the 3D mineral envelopes in areas of continuous mineralization as per the Tamarack North Technical Report.

NiEq percentages are calculated using the following formula: $\text{NiEq\%} = \text{Ni\%} + \text{Cu\%} \times 2.91/9.20 + \text{Co\%} \times 14/9.20 + \text{Pt [g/t]}/31.103 \times 1,400/9.2/22.04 + \text{Pd [g/t]}/31.103 \times 600/9.2/22.04 + \text{Au [g/t]}/31.103 \times 1,300/9.2/22.04$.

Sample lengths and grades have been rounded to two decimals.

ANNEX “B”

ABOUT THE TAMARACK NICKEL-COPPER-PGE PROJECT

- The Tamarack Project is located adjacent to the town of Tamarack in north-central Minnesota approximately 100 km west of Duluth and 200 km north of Minneapolis, in Aitkin and Carlton Counties. The Tamarack Project comprises more than 35,000 acres of land. The attractiveness of the project is enhanced by good local and regional infrastructure, including on-site grid power, a railway line that passes through the project area and its proximity to other nickel sulphide projects and iron ore mines.
- Kennecott has been exploring in the Lake Superior Region for a number of decades and found the first nickel-copper peridotite boulders in Michigan in 1991. Nickel-copper exploration was first officially commissioned in 1994, discontinued in 1996 and restarted in 2000.
- Disseminated mineralization was first intersected at the Tamarack Project in 2002, and the first significant mineralization of massive and semi-massive sulphide was intersected in 2008 – the discovery hole (08LO42) intersected 138.37 metres of high grade mineralization with 1.61%Ni, 1.06% Cu and 0.54 g/t PGM.
- To date, over 74,356 metres have been drilled by Kennecott at the Tamarack North Project. The drilling has focussed on defining the boundaries of the magma conduits and associated structures and features, such as very large magma chambers where the multiple pulses of mineral carrying magmas would have originated.
- Downhole electromagnetic (DHEM) surveys have proven to be an effective guide in locating and expanding the SMSU, MSU and 138 Zones. Electromagnetic (EM) techniques operate under the principle of electromagnetic induction.
- In the Tamarack North Technical Report, an approximate 0.72% NiEq cut-off was used to constrain the 3D mineral envelopes in areas of continuous mineralization, however, some lower grade material was included to maintain continuity and some higher grade mineralization was excluded as there was little continuity observed to form the basis of a resource. The Tamarack North Project mineral resource estimate is based entirely on these samples captured inside the three main domains. The mineral domains illustrated in this news release are the same as the mineral domains contained in the Tamarack North Technical Report.
- Talon has the right to acquire a 30% interest in the Tamarack Project from Kennecott over a three year period by making \$7.5 million in installment payments to Kennecott, and incurring \$30 million in exploration expenditures. During the earn-in, Kennecott will continue to be the operator of the Tamarack Project, thereby enabling Talon to benefit from Kennecott's competence as a top global explorer. Further, Talon and Kennecott

have formed a Technical Committee with both parties having appointed representatives to provide strategic input in regards to ongoing and upcoming exploration programs.

- Further information on the terminology used on this news release is as follows:

Project	Area	Mineral Zone	Host Lithology	Project Specific Lithology	Mineralization Type
Tamarack North Project	Tamarack Zone	SMSU	Feldspathic Peridotite	CGO	Net Textured and Disseminated Sulphides
		MSU	Meta-Sediments	Sediments	Massive Sulphides
		138	Peridotite and Feldspathic Peridotite	Mixed Zone	Disseminated and Net Textured Sulphides
	Other	480	Peridotite	FGO	Disseminated Sulphides
		Laucamp	Peridotite	FGO	Massive Sulphide Veins