

TSX:TLO : OTC:TLOFF



# *Moving Forward In Michigan*

**Discovering & Developing the USA's High-Grade Nickel Resources for the Domestic Battery Supply Chain**

August 2022

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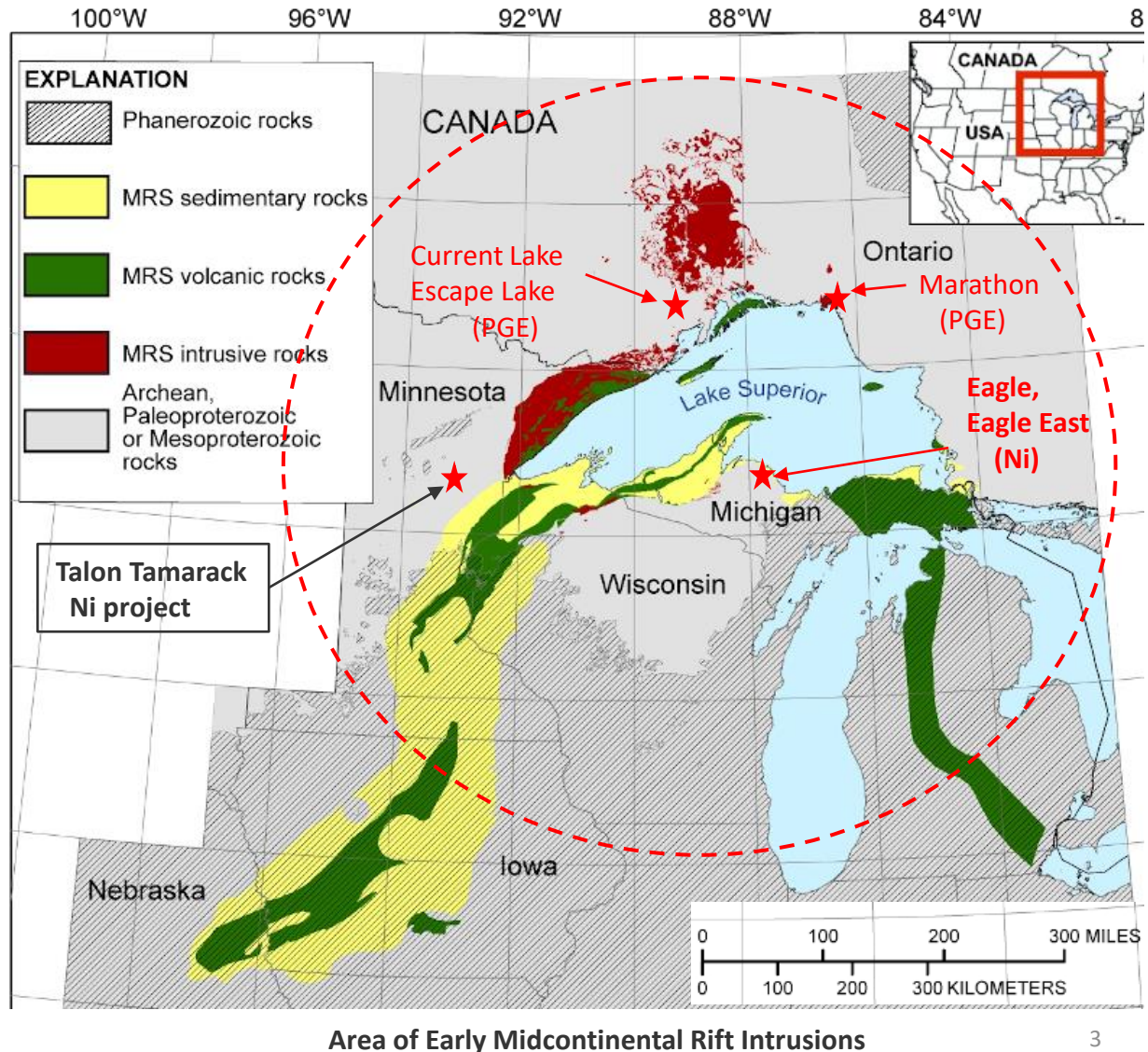
# Strategic Growth: Talon obtains historic Ford land package in Michigan to explore for more high-grade nickel

## Upper Peninsula of Michigan highly prospective for high-grade nickel deposits

- Eagle Mine currently the only operating nickel mine in the United States (owned and operated by Lundin Mining)
- Eagle was discovered in 2002 by Dean Rossell of Rio Tinto/Kennecott
  - Dean is currently part of the Talon exploration team – he also discovered the Tamarack Nickel Project in Minnesota

## Similar geology to Tamarack and Eagle

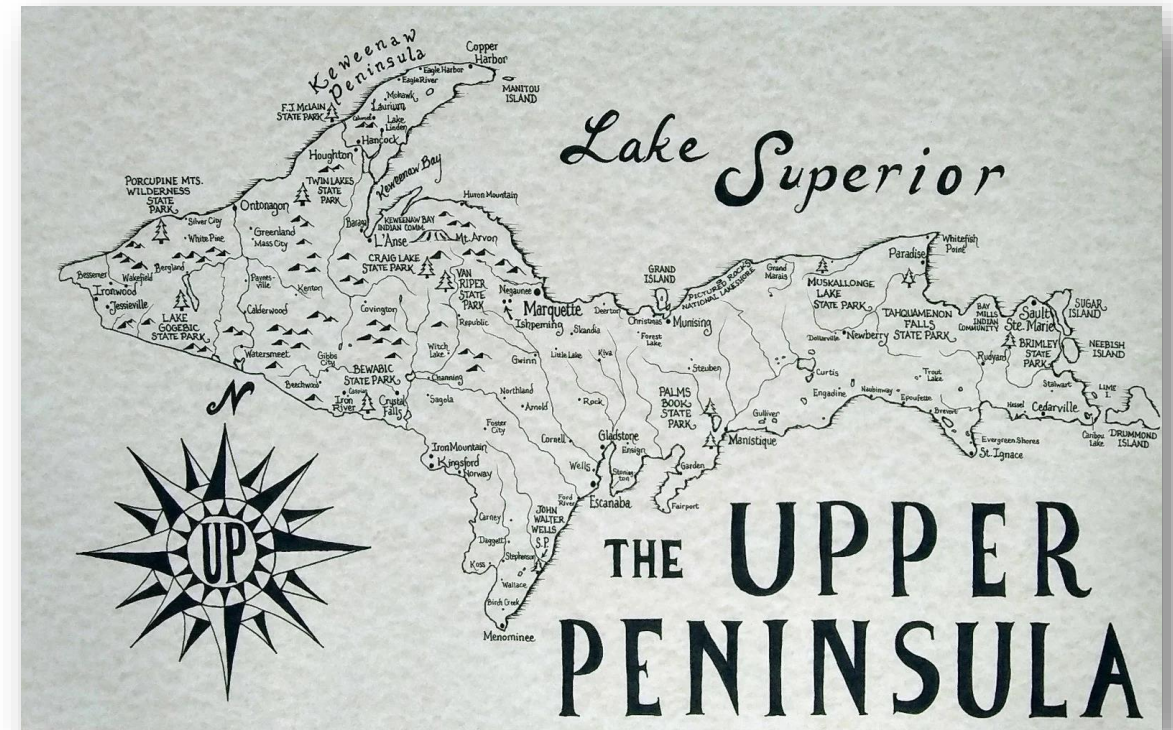
- Large land package (~400,000 acres) with similar geology as the high-grade Eagle Mine in Michigan and the Tamarack Nickel Project
- Historic grades up to 7.4% Ni within the land package (similar grades to the Tamarack Nickel Project)
- Land package sits within 1.7 miles (2.8 km) from the Eagle Mine and 0.4 miles (0.6 km) from the Humboldt Mill
- Talon believes the Mid-continent Rift geology has attributes to host numerous high-grade nickel deposits



# A National Priority: Talon steps-up to find more domestic nickel and other critical minerals in Lake Superior region

## Henry Ford's Historic Legacy of Supply Chain Security:

- The ~400,000-acre land package originates from land purchased by Henry Ford in the early 1900's for lumber and iron ore supply chain security
- Ford never anticipated the need for battery materials like nickel, or realized that Michigan had prospects for nickel and copper
- Rio Tinto purchased the land package from Ford and explored for nickel/copper from 1995 to 2013. During this time, they collected immense geophysical data and drilled over 80 holes
- Talon has acquired the full Rio data package and has already identified more than 10 key targets taking a new approach
- Land package comprised of only private land, as opposed to State or Federal land
- Michigan has modern and sophisticated mining legislation that permitted the Eagle mine



Historic Illustration of the Upper Peninsula of Michigan in the Lake Superior region



# Talon's Approach: "Nickel Hunters" using in house drilling, geophysics and new technology to accelerate discovery

## Talon's Plan for Rapid Discovery in Michigan and Minnesota:

- Replicate unique in-house approach to drilling, geophysics and modeling from Minnesota to Michigan
- Talon is focused on finding the next high-grade nickel deposit as quickly as possible in both Michigan and Minnesota. *Addresses the national priority in battery minerals.*
- Tamarack Nickel Project remains Talon's top focus, where Talon is currently testing various geophysical targets and exploring previous high-grade intercepts located several km's outside of the current resource area
- Completion of the drilling and logging for Tamarack's Feasibility Study allows Talon to split off some of its geoscience and drill resources to explore Michigan
- Seasonal synergies to operating in Michigan and Tamarack allowing for the programs to expand during the seasons that offer the greatest access (winter months for Tamarack, summer months for Michigan)



# A National Priority: Exploration in Michigan and Minnesota Answers Bipartisan Call for Domestic Battery Supply Chain

## Biden and Congress Target Domestic Nickel Capability:

- President Biden added nickel to US Critical Minerals List in 2020.
- President Biden added battery minerals like nickel and cobalt to the Defense Production Act (DPA) Title III authorities on March 31, 2022. DPA can support mine and mine operations.
- Opens new funding for exploration, mine operations, facilitative infrastructure, processing and recycling.
- Congress provided Department of Energy over US\$3b funding in the Bipartisan infrastructure bill for critical mineral processing.
- President's action and forthcoming investments will demonstrate that a domestic battery supply chain is a rare bipartisan national priority.
- New Manchin-Schumer bill requires domestic nickel for batteries to qualify for consumer tax credits.

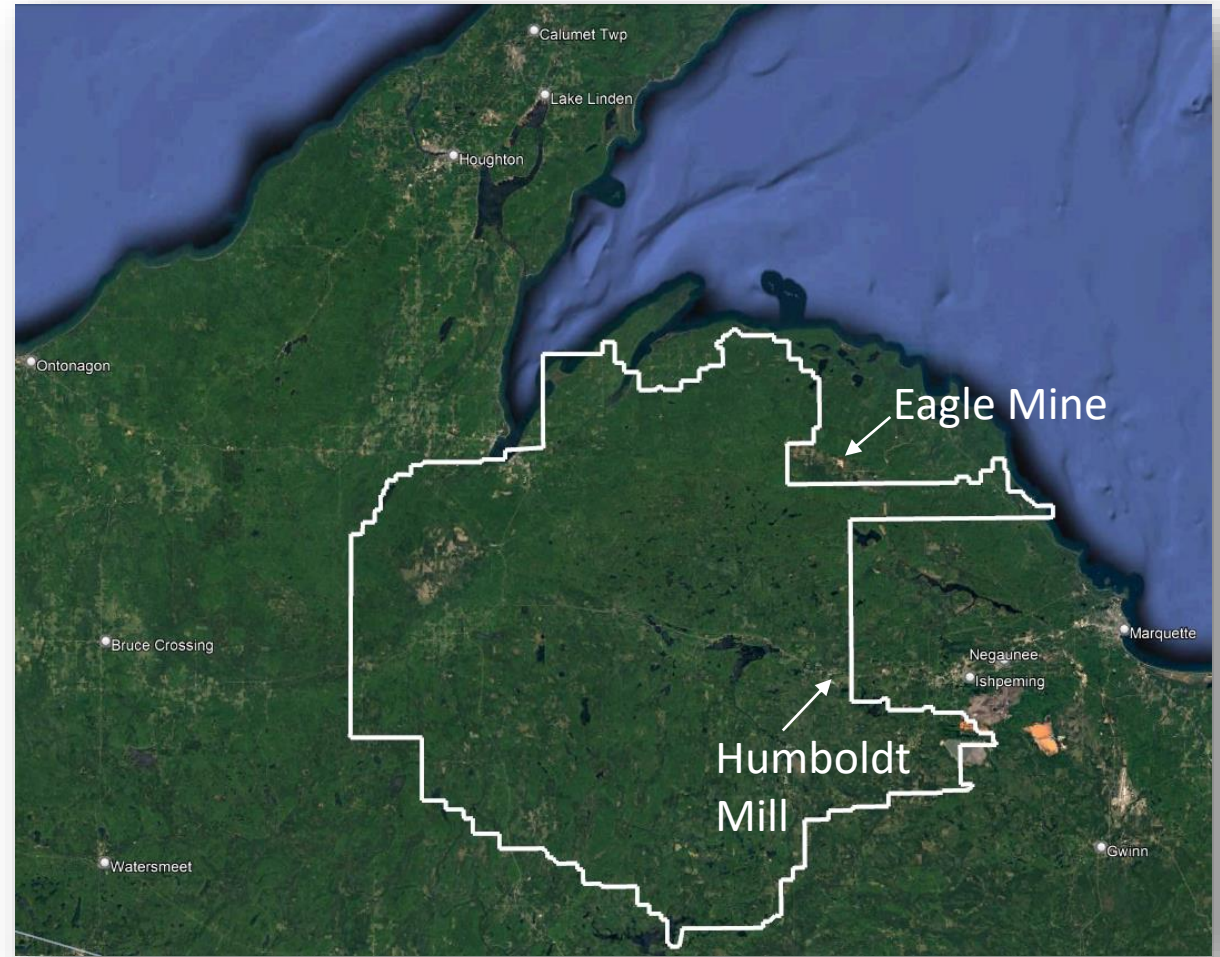


\*See: <https://www.whitehouse.gov/briefing-room/statements-releases/2022/03/31/fact-sheet-president-bidens-plan-to-respond-to-putins-price-hike-at-the-pump/>

# Michigan Option Structure: Key Commercial Terms

## Significant Upside for Talon in Michigan:

- Talon has an option to acquire up to an 80% interest in an ~400,000 acre land package in Michigan from UPX Minerals Inc. (a subsidiary of Sweetwater Royalties)
- Key Option Terms:
  - Talon earns a 51% interest upon completion of 25,000 meters of drilling by August 2027 (minimum commitment of 7,500 meters of drilling or US\$5m)
  - Talon earns a total of an 80% interest upon delivery of a Feasibility Study prepared in accordance with NI 43-101 (within 8 years of defining a “mineral resource”)
  - 2% NSR granted to UPX Minerals Inc.



~400,000 Acre Michigan Land Package is Contained in the Depicted Area