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TALON
METALS CORP

Moving Forward

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

January 2023

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Dr. Etienne Dinel, Vice President, Geology of Talon, is a Qualified Persons within the meaning of National Instrument 43-101. Dr. Dinel is 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 in this presentation, including sampling, analytical and test data underlying the technical information.

Please see the technical report entitled “November 2022 National Instrument 43-101 Technical Report of the Tamarack North Project – Tamarack, Minnesota” with an effective date of November 2, 2022 (“November 2022 Technical Report”) prepared by independent “Qualified Persons” (as that term is defined in NI 43-101) Brian Thomas (P. Geo), Roger Jackson (P. Geo), Oliver Peters (P. Eng) and Christine Pint (P.G) 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).

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 the Tamarack Project providing a domestic source of nickel for US made electric vehicles; establishing a domestic supply chain for battery-grade nickel; commercializing iron for use in iron-based electric vehicles; future exploration potential at the Tamarack Project, including further drilling; upcoming environmental and engineering studies; the preliminary mine facilities footprint; the surface facilities; the North Dakota Battery Minerals Processing Facility; the receipt of DOE funding; utilizing coal fly ash to neutralize tailings; and supplying nickel concentrate to Tesla.

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; funding from the DOE; 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; inflation; the war in Ukraine and other worldwide instability; risks inherent in exploration results, timing and success, including the failure to identify mineral resources or mineral reserves; the uncertainties involved in interpreting geophysical 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 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.

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Project Overview

Talon's Goal:

Tamarack is currently the only development stage high-grade nickel project in the US, with a goal to provide a domestic source of nickel for US made electric vehicles

Talon has an agreement with Tesla to supply nickel and other by-products from the Tamarack Nickel Project once production is achieved

Our team is focused on developing a modern mine plan that promotes safety for the environment and community

| Top countries that produce nickel sulfide (high-grade) | Tonnes |
|--|---------|
| Russia | 270,000 |
| Canada | 180,000 |
| Australia | 180,000 |
| China | 110,000 |
| United States (Eagle Mine, Michigan) | 14,000 |

80% of Talon employees live in Minnesota

Talon Metals is a mining exploration and development company that is publicly listed on the Toronto Stock Exchange. Here in Tamarack, the on-site team leads the exploration efforts with drilling, safety, geology, environmental studies and community outreach.

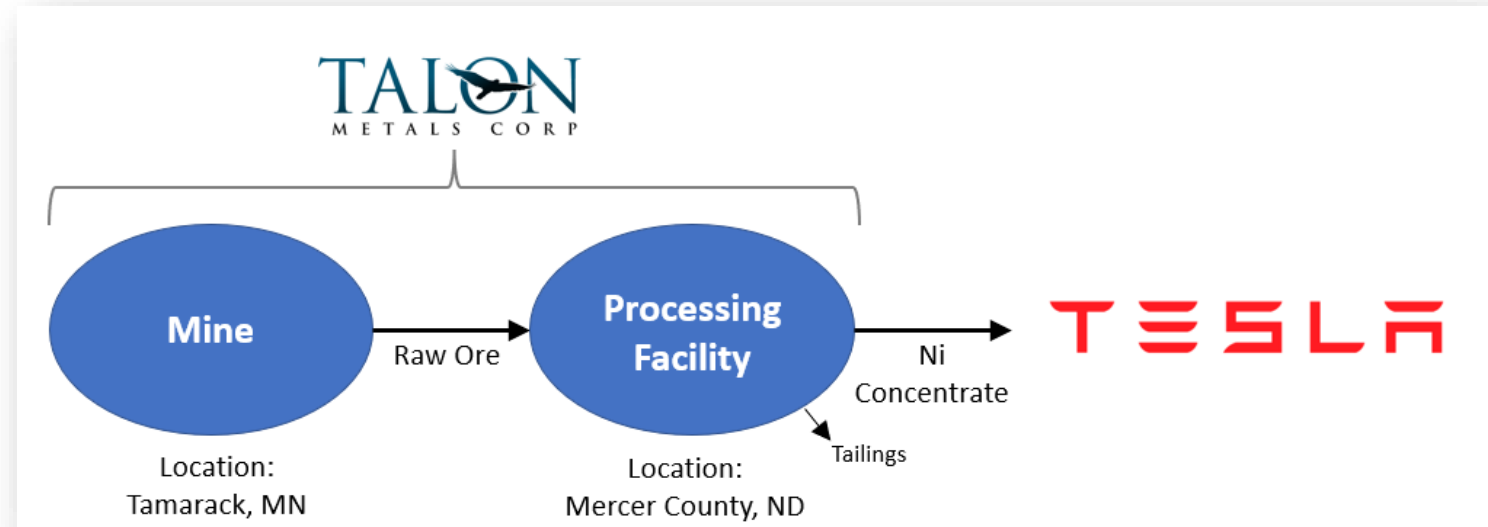


Nickel Supply Chain: from Mine to Battery

Objective #1: Establish a domestic supply chain for battery-grade nickel

Objective #2: Commercialize the iron content of Tamarack ore for use in iron-based electric vehicle batteries

Talon/Tesla Partnership Model



Mineralization sample from Tamarack

Core sample from drill hole 20TK0278 See Press release dated March 23, 2021 for details

Pentlandite
(Nickel, Iron, Sulfur, Cobalt)

Pyrrhotite
(Iron, Sulfur,)

Chalcopyrite "Fools Gold"
(Copper, Iron, Sulfur, Platinum, Palladium, Gold, Silver)

A background image showing a construction worker wearing a yellow safety vest and blue gloves, working with a large metal pipe. The worker is holding the pipe with both hands, and the pipe is being moved or positioned. The scene is outdoors, likely at a construction site.

Current On-Site Activities

Environmental Studies

Ongoing baseline data collection:

- Surface and groundwater
- Wetlands
- Cultural resources
- Wild rice
- Air quality
- Biological resources
- Aquatic/Terrestrial wildlife
- Noise/Visual

What happens with all the data?

- Information is compiled into models and reports that summarize the environmental conditions and provide estimates of potential impacts.
- These reports are used by regulatory agencies during the environmental review process

Why is baseline monitoring important?



Collecting data now gives us a baseline to compare to in the future. Strong baseline data will let regulators and the community have a point of comparison when the mine is operating to quickly spot any environmental changes.

Tamarack Exploration Area

Exploration Area:

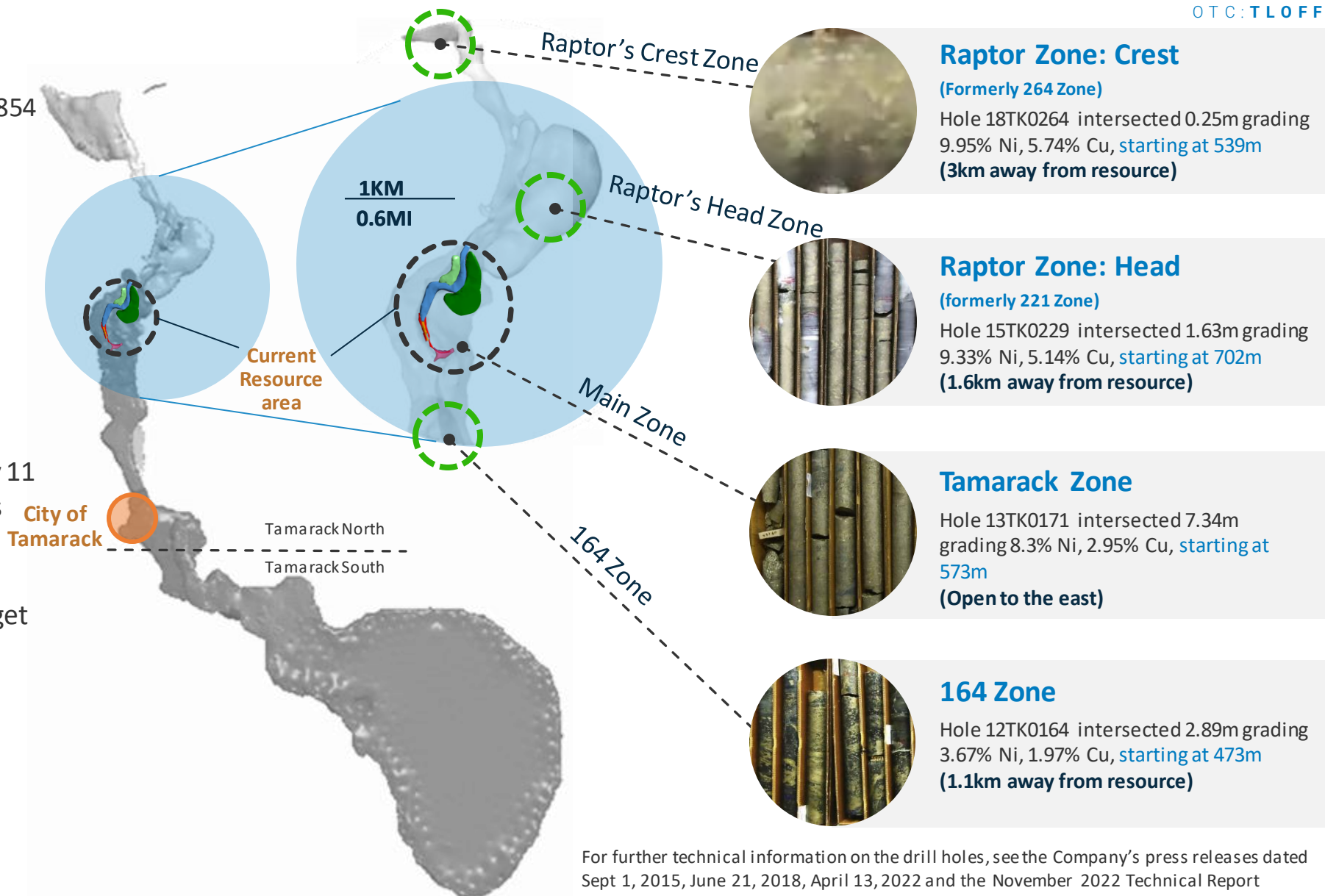
- Traditional Anishinaabe lands 1854 & 1855 Ceded Territories
- Aitkin/Carlton Counties
- City of Tamarack, Minnesota

Project Size:

- Current resource area:** Spans approximately ½ mile underground
- Area to explore:** Approximately 11 miles long and ½ mile to 3 miles wide

Exploration team is focusing on target areas outside of the current known resource

Goal is to find new pools of nickel, similar to what has already been discovered in the current resource area



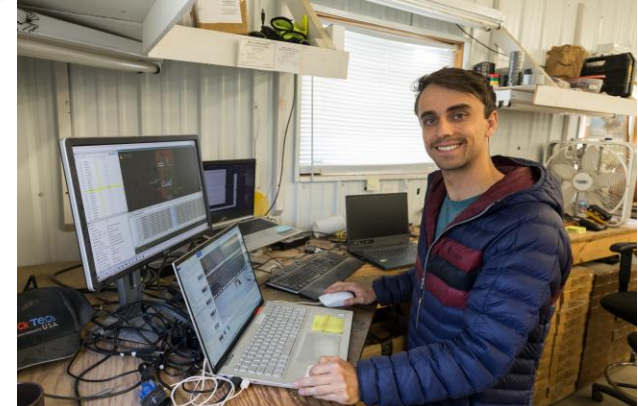
Mineral Exploration Process

Geophysics team surveys the area and models targets for drilling

Drill crew drills the target areas for core samples

Geologists examine the core samples, collect data, then ship to lab for assays

Data is incorporated into the resource model for shaping the underground mine design



Safety in our Operations

| Talon Team (still growing) | # of staff* | |
|--------------------------------------|---------------|--------------|
| Drilling, Safety & Operations | 46 | |
| Geology & Geophysics | 19 | |
| Environmental & Engineering | 13 | |
| External Affairs & Business Strategy | 11 | |
| Total | 89 | |
| | 71 on site | 18 remote |

Incident Totals 2021:

- Lost-Time Accidents = 0
- Medical Recordable Accident = 1
- First Aid Cases = 2

Incident Totals 2022:

- Lost-Time Accidents = 0
- Medical Recordable Accident = 0
- First Aid Cases = 2

Example of our current drill site reclamation process



Our team strives to be a responsible steward of the environment in our day-to-day activities. All current exploration activities are approved and monitored by regulatory agencies.

Community Engagement

2022 Highlights

- Continued Open-door policy
- >30 tours
- >300 people receiving quarterly newsletter
- Hosted 9 community information meetings to gather input

Economic Benefits

- To-date, over \$11 million spent on state mineral leases
 - These funds have a direct impact on local schools, counties, cities and townships
- In addition, over \$56 million spent on local goods and services within Minnesota



As the project progresses, Talon is committed to supporting sustainable growth driven by the community's goals and interests

As the project continues, our Talon team commits to actively engaging on all project interests and working to be a trusted partner with the community



Community Information Session – March 2nd, 2022

A top-down photograph of two individuals wearing grey long-sleeved shirts and white baseball caps with the 'TALON DISCOVERY' logo. They are in a warehouse or storage area, surrounded by numerous cardboard boxes and large, dark, cylindrical rock samples. One person is holding a white marker and writing on a sample labeled '215-80'. The other person is holding a sample labeled '212-75'. The text 'Preliminary Configuration/ Underground Mine Shaping' is overlaid in a white box in the center of the image.

Preliminary Configuration/ Underground Mine Shaping

Project Location & Infrastructure

- **Site Location:**

- North of Tamarack, MN approximately 1.5mi

- **Rail:**

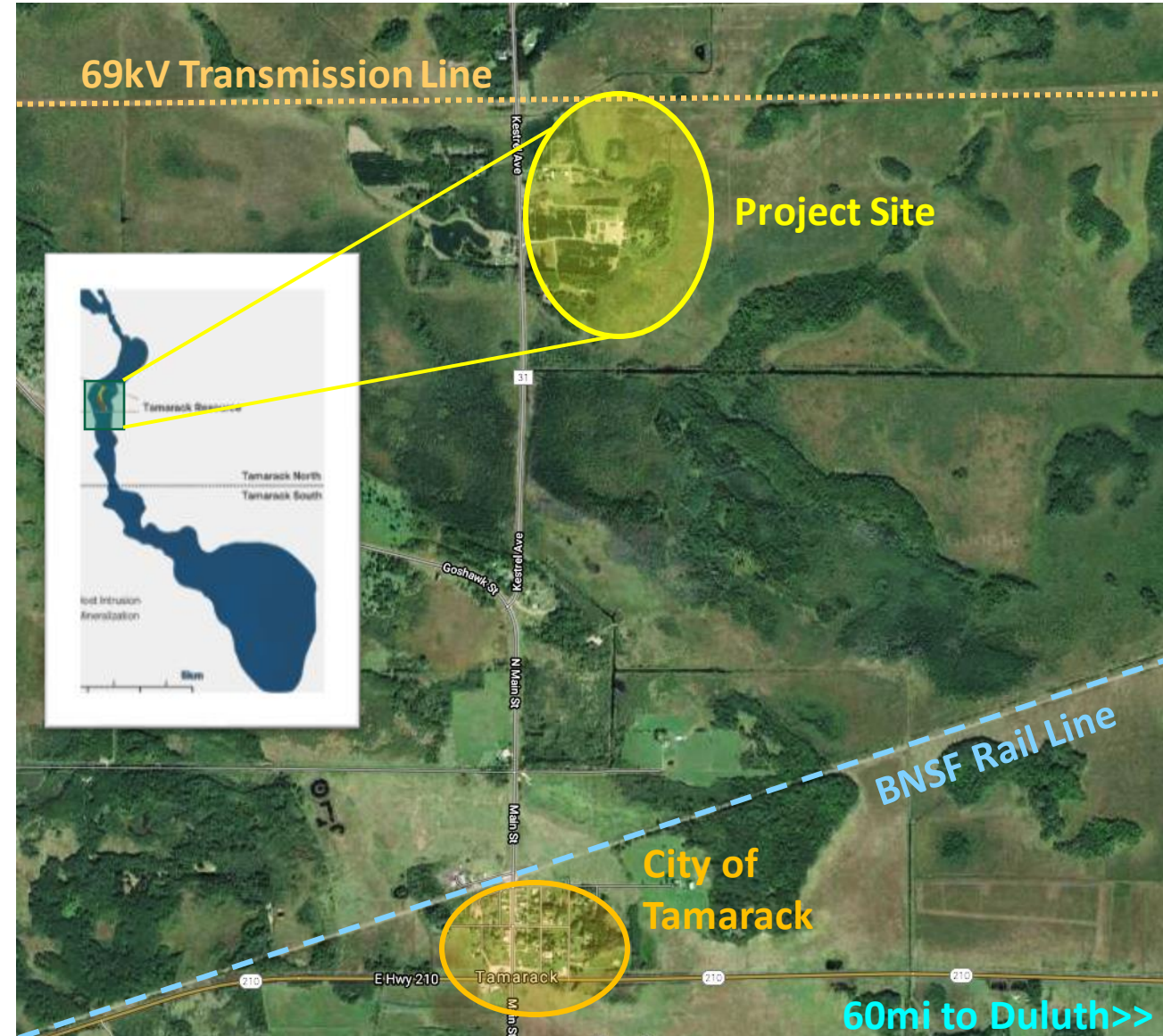
- Existing BNSF rail line 1.5mi from project site

- **Electrical Power:**

- Existing high-voltage transmission line passes through site

- **Land Tenure:**

- Proposed ore extraction will be from state leases
- Surface infrastructure will primarily be located on private land owned by Talon or Rio Tinto (Kennecott)
- Some surface infrastructure would be built on state land for which Talon holds mineral leases



Ore Storage & Handling



Ore from approximately up to 2,000ft deep will be brought to surface using an underground tunnel



Then ore will be stored in an enclosed building with robust dust-control systems



Ore will be loaded onto railcars and secured with a rigid lid which will not be removed until the railcar enters the unloading building at the North Dakota processing plant

Preliminary Mine Site Facilities Footprint



- Moving the processing activities and tailings storage to North Dakota enables the Tamarack Mine site footprint to be far smaller than if these facilities were located on site
- New rail spur will connect the site with the existing BNSF rail line
- The mine site facilities are contained in a very small footprint – but how does the size of this footprint compare to other local landmarks?

Size Comparison vs Minnesota National Golf Course (near McGregor)



Size Comparison vs US Steel Minntac Operations



Continuing to Develop Detailed Mine Plans

What do we currently know:

- Location of nickel resource
- Design will be an underground mine

What information is in development:

- Surface building layout
- Nickel processing plans in North Dakota
- Tailings management in North Dakota (leftover material)
- Water management
- Transportation methods
- Noise/Visual

What are Talon's next steps for the mine design:

- Engineering and environmental studies to understand unknowns, look at potential impacts and evaluate options



A woman wearing a white hard hat, safety glasses, and a high-visibility yellow safety vest stands in the center of the frame. She is holding a clipboard and looking towards the camera. Behind her is a large, dark, arched tunnel entrance with corrugated metal walls. A yellow sign above the entrance reads "BEFORE ENTERING". To the left and right of the tunnel are chain-link fences and industrial buildings. The scene is set outdoors under a clear blue sky.

Future Battery Mineral Processing Plans

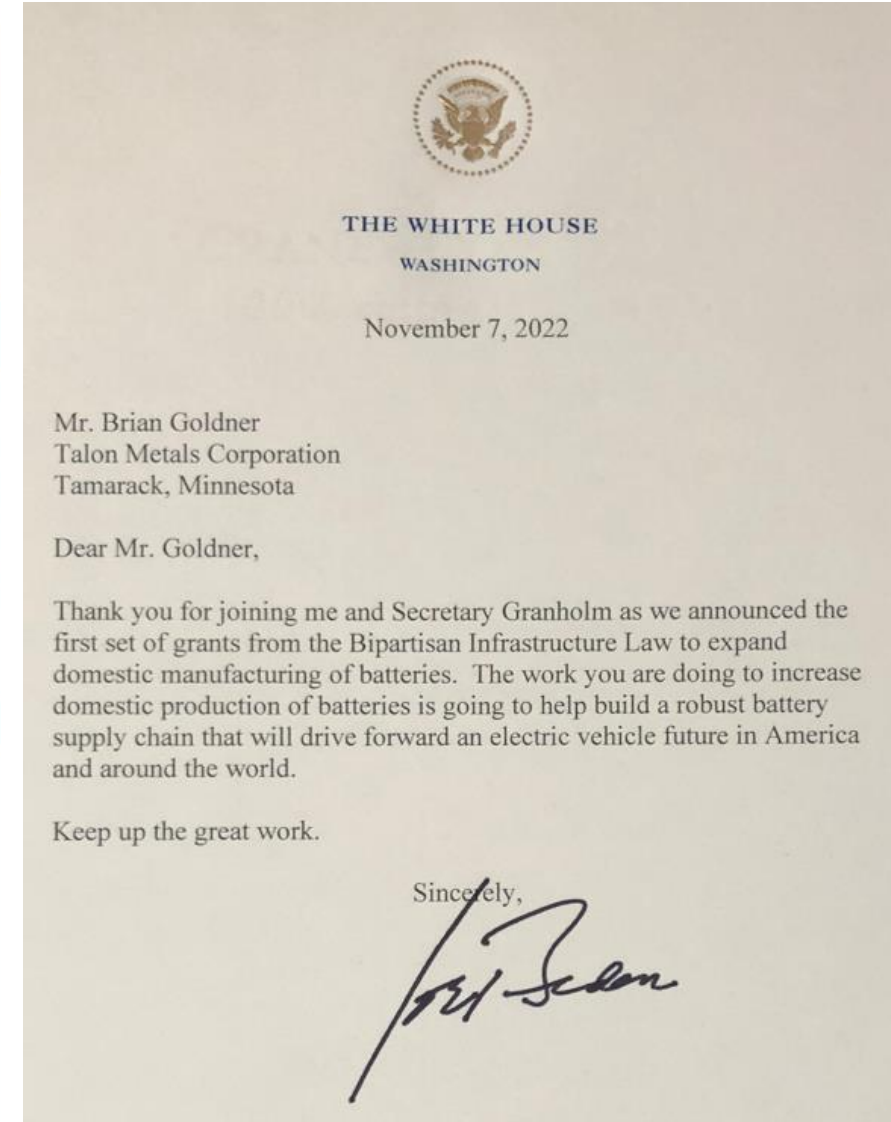
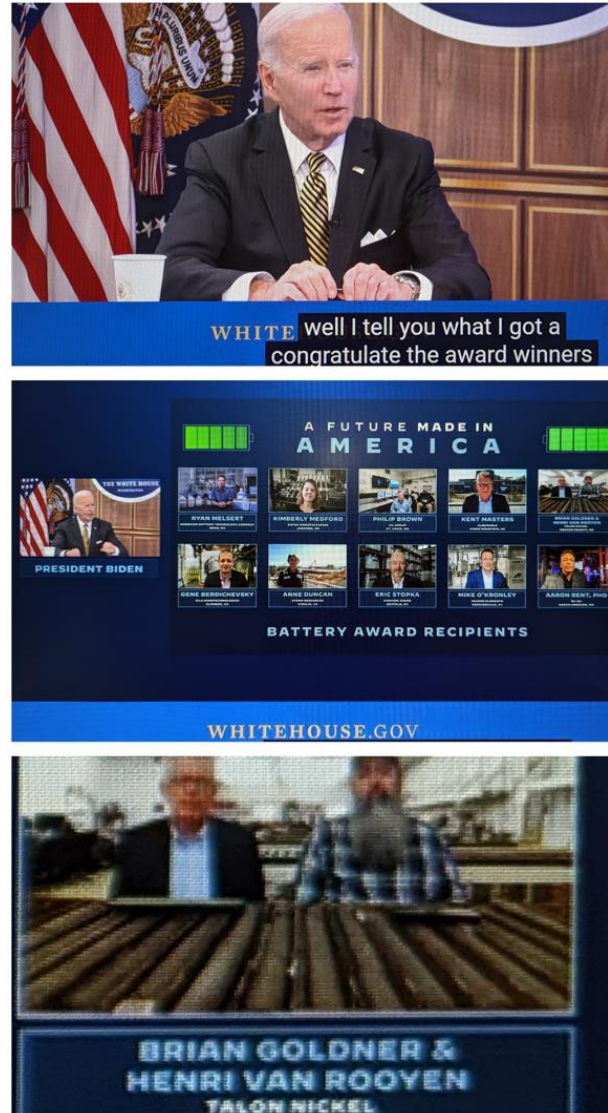
\$114.8m US Government Funding for Mineral Processing in North Dakota

Support from the US Government via Bipartisan Infrastructure Law

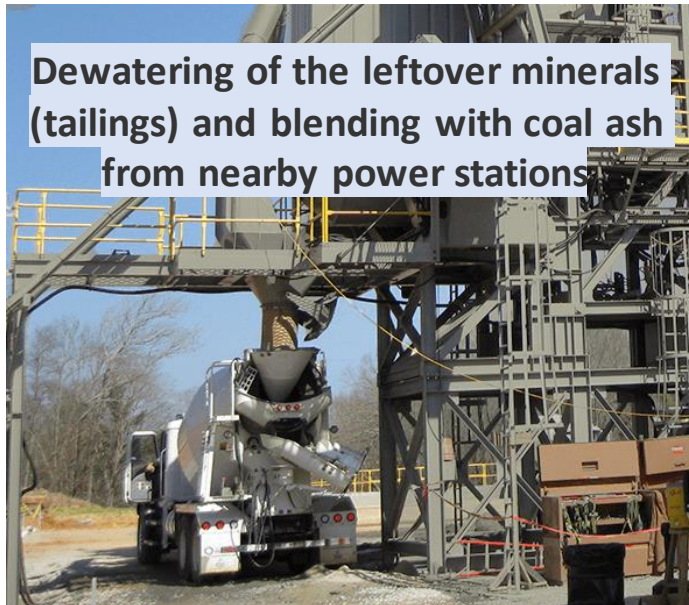
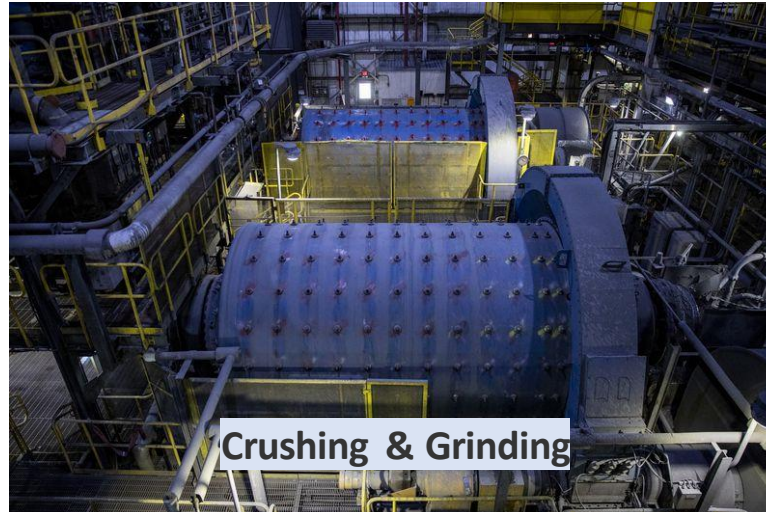
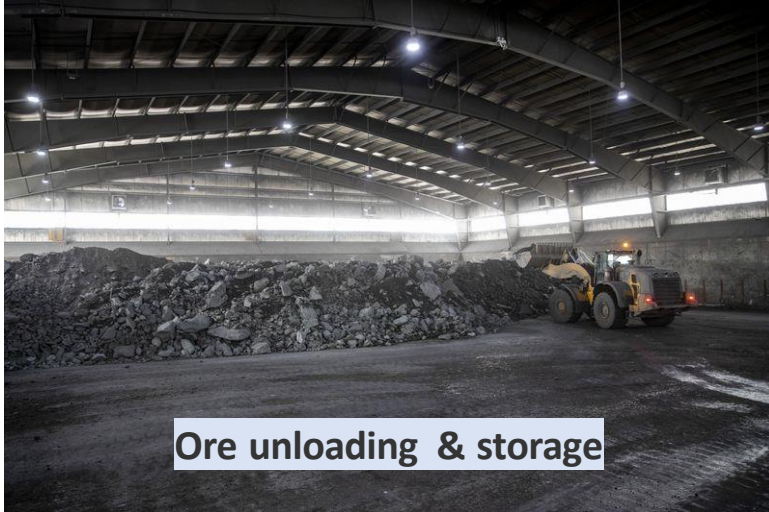
- Talon has been selected by US Department of Energy (DOE) to receive US\$114.8m grant for the construction of a Battery Mineral Processing Facility in Mercer County, North Dakota

“Nearly 200 companies applied for these grants. Only 20 were selected...Together, these 20 companies are going to build new commercial-scale battery production and processing facilities all across America.”

**- President Biden
October 19, 2022**



What Will Take Place at the North Dakota Battery Minerals Processing Facility?



Why did Talon decide to move the processing plant and tailings facility away from the mine?

Consistent community feedback about processing and waste storage

- Community has expressed concern about long term tailings storage in Aitkin County and processing.
- Led to consideration of alternate sites for processing and tailings management– reviewed over 18 sites in Minnesota and surrounding states.
- Focused on drier environment, industrial site, rail access and potential for new approach to waste storage.

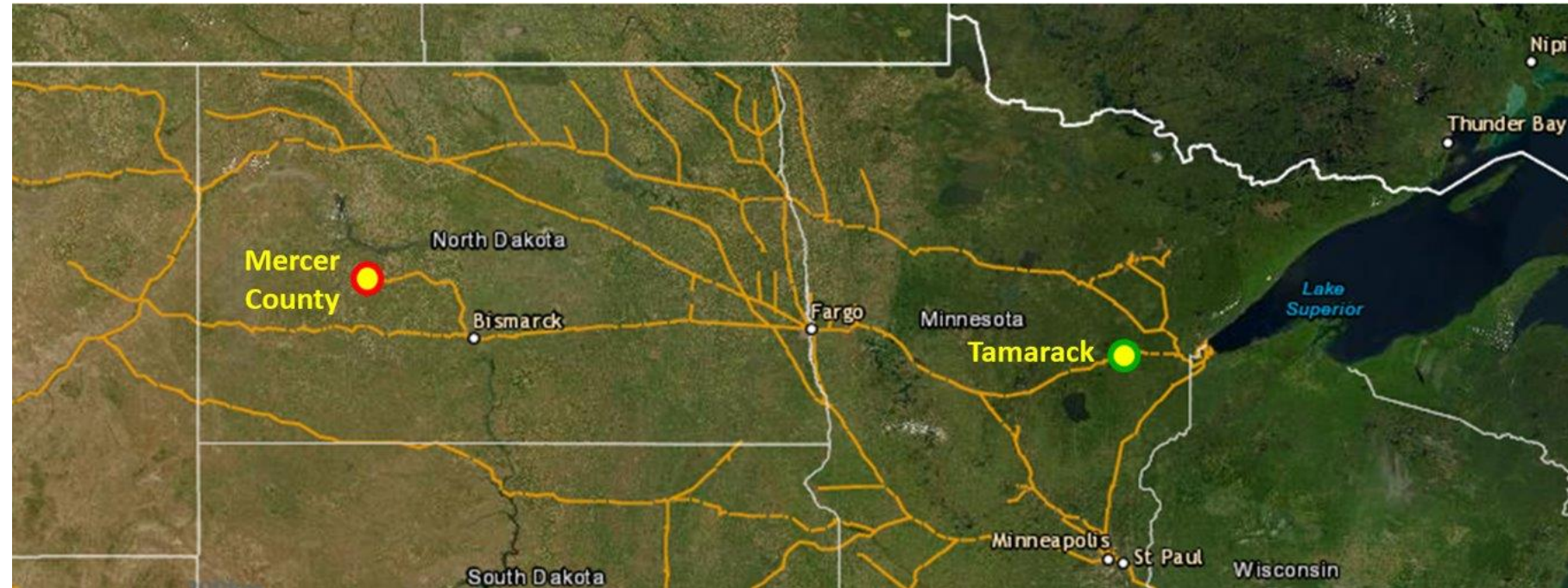


Why did Talon decide on North Dakota?

#1 Climate

Western North Dakota has a **very dry climate** compared to central Minnesota

In the Mercer County region, annual evaporation exceeds annual precipitation by approximately 20 inches



Approx 475 miles on the BNSF

Why did Talon decide North Dakota?

#2: Availability of Coal Fly Ash

- Western North Dakota is a region which is host to a significant number of coal-fired power plants
- These plants generate fly ash, which is primarily a waste product stored in local landfills

Fly ash neutralizes the tailings due to the alkalinity from its calcium content

- Chemically stabilizes the tailings, preventing acid generation & metals release

Fly ash has a cementing effect, hardening the tailings into a solid mass

- Greatly reduces permeability (water runs off the surface instead of entering the material)
- Greatly reduces the potential for physical degradation & dust generation



Fly ash/tailings mixture hardened into a solid block



Fly ash/tailings blocks undergoing long-term chemical stability testing



Next Steps

Environmental Review Process

How does the Environmental Review Process Work?

- Environmental Review is the first public step toward getting permission to mine
- Data is incorporated into technical reports to submit to State and Federal agencies for Environmental Review
- Environmental Review is a process that identifies, evaluates and minimizes the environmental effects of a project



[Environmental Assessment Worksheet \(EAW\) Process | Minnesota Environmental Quality Board \(state.mn.us\)](#)

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THANK YOU!

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Picture:

Tesla's first battery cathode factory
(Austin, Texas – August 30th 2022)