

TALON METALS SUBMITS ENVIRONMENTAL ASSESSMENT WORKSHEET FOR PROPOSED UNDERGROUND NICKEL MINE TO PRODUCE DOMESTIC SUPPLY OF MINERALS FOR US BATTERY SUPPLY CHAIN

Minnesota Department of Natural Resources will commence Environmental Review process for proposed underground mine, rail loading facility and water treatment plant in central Minnesota

Tamarack, Minnesota (June 21, 2023) – Talon Metals Corp. (TSX:TLO, OTC:TLOFF) through its subsidiary Talon Nickel (USA) LLC (“**Talon**” or the “**Company**”), today submitted its Environmental Assessment Worksheet (“**EAW**”) to the Minnesota Department of Natural Resources to begin the State’s Environmental Impact Statement scoping process for the Tamarack Nickel-Copper-Cobalt Project (the “**Tamarack Nickel Project**”), a proposed small-footprint, high-grade underground nickel mine that would be located near the City of Tamarack in Aitkin County, Minnesota.

“Our team in Tamarack is excited to have reached the milestone of submitting the initial worksheet form to begin Minnesota’s Environmental Review process, the starting point for any project seeking a permit in the state,” said Henri van Rooyen, CEO of Talon. He continued *“We have worked very hard and invested millions of dollars to understand the environment and cultural resources in the area where we are proposing the Tamarack Nickel Project outside the City of Tamarack. Environmental data collection started in 2006 and today includes data from the deep bedrock where the high-grade nickel deposit is found, to the surface water in the glacial till layer that contains wetlands, streams, rivers, lakes and homestead wells. This baseline data has helped the team to design the proposed project to safeguard the environment.”*

The submittal covers several key conceptual aspects of the Tamarack Nickel Project for scoping:

- A smaller above ground mine operation campus than previously planned, now down to approximately 60 acres (not including rail spur).
- No crushing or processing of ore at the mine site in Aitkin County.
- Ore will be extracted from the orebody in the underground mine and transported to the surface and loaded onto covered and enclosed railcars inside a building to control for dust and water.
- Talon proposes to use an innovative approach to mine development, using a Tunnel Boring Machine (“**TBM**”) that will create a sealed cement tunnel as it makes its way through the glacial till zone to the deep bedrock. Talon plans for the TBM to create a tunnel loop that will ensure dual means of safe access from the underground mineworks.
- Water that seeps from the bedrock into the underground mine will be collected and pumped to the surface for processing. Talon is exploring the highest level of membrane-based water treatment technology appropriate for the site with both private sector and state and federal research institutions.
- Over 300 new union jobs to be created (in addition to the nearly 100 people currently working at the Tamarack Nickel Project).

Information about the Environmental Review process is available on the Minnesota Department of Natural Resources website: [Home | Minnesota DNR \(state.mn.us\)](https://state.mn.us/dnr/)

“The project has had an open-door policy for over 15 years and as plans have been developed, our team has held quarterly community meetings to listen to interests and concerns. This feedback has been

incorporated into our design plans. Our decision to move the mineral processing operations and tailings storage to an existing industrial site in the drier area of Mercer County, North Dakota is an outcome of this process. In the mine planning process, we have been incorporating feedback into project design and utilizing innovative approaches and technology.” said Chris Wallace, VP Environmental and Permitting.

“Our community has been actively engaged as we have developed the plans that are outlined in the EAW submitted today for scoping,” said Jess Johnson, Community Outreach and Government Relations Manager. She added *“Our neighbors want to understand how we will contribute to the local economy, create good paying union jobs that can keep our kids in the region, protect the environment and cultural resources, as well as addressing America’s current dependence on China and Russia for the minerals required in the domestic battery supply chain. It’s a complex set of issues and we will continue to seek feedback. The Environmental Review process provides a broad forum for all views to be considered and we encourage everyone to participate. Public comment will inform the next stages of the process, including deciding on the scope and issues to be addressed, development of a draft Environmental Impact Statement (EIS) and a final EIS.”*

“The world is moving from a fossil fuel centered energy system to a mineral centered energy system and there is bipartisan consensus among elected leaders in the United States that security of supply for the inputs required for clean energy systems is a national priority,” said Todd Malan, Chief External Affairs Officer and Head of Climate Strategy. *“Minnesota is leading the way in clean energy with its “100 % clean energy by 2040” commitment, and it can lead the way in providing the raw materials required for those energy systems like iron, cobalt, copper and nickel.”*

Malan continued *“We are committed to producing the necessary ingredients like nickel for the US battery supply chain while also protecting the environment and cultural resources where we operate. We know that people have concerns about mining sulfide ores in a water rich environment. Our team shares these concerns which is why we have worked over the last two years to enhance the project design, make changes such as moving processing and waste storage to a dry, industrial location and are committed to using technology to protect the natural environment and cultural resources such as wild rice.”*

CEO van Rooyen concluded: *“We do not believe that addressing climate change should come at the expense of the natural environment. We can move to a clean energy system, protect the environment, respect tribal culture resources and self determination, involve front line communities and working people in project approvals and create good paying union jobs. It doesn’t have to be a choice. We are looking forward to participating in the rigorous, science based public consultation and review embodied in Minnesota’s Environmental Review process.”*

ABOUT TALON

Talon is a TSX-listed base metals company in a joint venture with [Rio Tinto](#) on the high-grade [Tamarack Nickel-Copper-Cobalt Project](#) located in central Minnesota. Talon’s shares are also traded in the US over the OTC market under the symbol TLOFF. The Tamarack Nickel Project comprises a large land position (18km of strike length) with high-grade intercepts [outside the current resource area](#). Talon has an earn-in right to acquire up to 60% of the Tamarack Nickel Project, and currently owns 51%. Talon is focused on (i) expanding and infilling its current high-grade nickel mineralization resource and (ii) following up on additional high-grade nickel mineralization in the Tamarack Intrusive Complex. [Talon has an agreement with Tesla Inc.](#) to supply it with 75,000 metric tonnes (165 million lbs) of nickel in concentrate (and

certain by-products, including cobalt and iron) from the Tamarack Nickel Project over an estimated six-year period once commercial production is achieved. Talon's Battery Minerals Processing Facility to be located in Mercer County, North Dakota was selected by the Department of Energy on October 19, 2022 for \$114m in grant funding provided by the *Bipartisan Infrastructure Law* (BIL). Talon has well-qualified experienced exploration, mine development, external affairs and mine permitting teams.

For additional information on Talon, please visit the Company's website at www.talonmetals.com or contact:

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QUALIFIED PERSON

Mr. Mark Groulx (P.Eng), Vice President, Project Development and Innovation of Talon, is a Qualified Person within the meaning of NI 43-101. Mr. Groulx has reviewed, approved and verified the technical information disclosed in this news release.

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 size of the above ground mine operation campus; the use of a TBM for mine development; the expected job creation; the project design; the timing and outcome of the environmental review process, including the EIS. 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 which risks includes (and is not limited to) the Company's ability to secure all necessary permits relating to the proposed operations. Other risks related to the Company and the Tamarack Nickel Project are set out in the Company's financial statements and Annual Information Form.

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.