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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 2024

Conditions of Presentation, Technical Reference and QPs



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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 National Instrument 43-101 ("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). The laboratory used is ALS Minerals who is independent of the Company. 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.

Where used in this presentation: : NiEq% = Ni% + Cu% x \$3.75/\$9.50 + Co% x \$25.00/\$9.50 + Pt[g/t]/31.103 x \$1,000/\$9.50/22.04 + Pd[g/t]/31.103 x \$1,000/\$9.50/22.04 + Au[g/t]/31.103 x \$1,400/\$9.50/22.04

Dr. Etienne Dinel, Vice President, Geology 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.

The resource estimate disclosed in this presentation did not apply mining recovery factors, however, there would be no material change to the nickel-equivalent grades reported in the resource estimate if reasonable assumptions for those factors were applied.

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 Nickel Project and at the Company’s Michigan land package, including the potential expansion of mineralization; the district scale potential of the Tamarack Nickel Project; the Company’s supply of Nickel Concentrate to Tesla and the timing thereof; the planned Talon/Tesla supply chain model; the Company’s planned work program for the Tamarack Nickel Project, including to the extent applicable, its ability to replicate its unique in-house approach to drilling, geophysics and modelling at the Tamarack Nickel Project and at the Michigan properties and the potential drill results, drill plan optimization, drilling capacity and number of drill rigs at both projects; the Company’s expectations with respect to the electric vehicle and related battery market; the Company’s strategy for exploring the remaining 16.5km of the Tamarack Intrusive Complex and the approximate 400,000 acres at the Michigan land package; the Company’s expectations relating to timing of and results of future studies, including the Company’s expectations that moving the processing facilities from the Tamarack mine site in Minnesota will reduce the scope for the Minnesota environmental review and the permitting process; the timing of the start of the environmental review process in Minnesota; the Company’s expectations that simultaneously seeking environmental review and permits for an underground mine and rail loadout facility in Minnesota, as well as the Battery Mineral Processing Facility in North Dakota will be successful and will take less time than making application for permits in only one jurisdiction; the expected above ground Tamarack mine footprint; the Company’s expectations of demand for nickel, supply of nickel and the price of nickel; the Company’s expectations concerning the economic viability of the Tamarack Nickel Project and to the extent applicable, the Company’s land package in Michigan; the Company’s expectation that the separation of mine (Minnesota) and processing operations (North Dakota) is expected to reduce the critical path to nickel production; the Company’s expectation that it will successfully negotiate with the US Department of Energy (DOE) to receive US\$114.8m in the form of a grant in respect of the Battery Minerals Processing Facility in North Dakota; the interpretation of the Inflation Reduction Act; the Company’s goal to produce the world’s most responsible, lowest environmental footprint nickel concentrates that will be the feedstock for both nickel and Lithium Iron Phosphate (LFP) batteries; the Company’s goal to have the lowest quartile embedded CO2 footprint per tonne of metal globally; carbon mineralization potential; 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); US Government funding pursuant to the Bipartisan Infrastructure Law; the terms of the definitive supply agreement with Tesla; 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; COVID-19; the war in Ukraine and other civil unrest; 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 (including DHEM, MMR, Surface EM, RIM), 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 statements due to the inherent uncertainty therein.

Talon Metals: Discovering & Developing the USA's Only High-Grade Nickel Resources for the Domestic EV Battery Supply Chain

Experienced Team and World-Class Nickel Explorers with US Government Support

- Highly **experienced management team** with direct experience in exploration, mine design, operations, external relations and finance
- In September 2023, the **US Department of Defense** awarded Talon a **US\$20.6m grant** to help accelerate its nickel exploration efforts in the United States

Owner/Operator of Only Known Undeveloped High-Grade Nickel in USA

- Talon is the 51% owner and operator of the **Tamarack Nickel Project in central Minnesota**, with an **option to earn up to 60% from its JV partner Rio Tinto***
- Tamarack Nickel Project is **one of only three high-grade nickel sulphide deposits** discovered globally in the 21st century (Eagle Mine (USA), Nova-Bollinger (Australia), Tamarack Nickel Project (USA))

Strategic Partners: Tesla, Steelworkers & Building Trades Union, Rio Tinto

- **Off-take agreement in place with Tesla**
- Workforce development and neutrality agreement with US Steelworkers union
- Project Labor agreement with Minnesota Building Trades union for the building and maintenance of mine operations in Minnesota

Focus on US Nickel Production at a Critical Time with US Government Support

- In August 2022, **Talon announced the acquisition of a large land package** (~400,000 acres, more than 10x larger than Tamarack) with similar geology as the high-grade Eagle Mine in **Michigan** and the Tamarack Nickel Project
- In October 2022, the Tamarack Nickel Project was selected by the **US Department of Energy to receive a US\$114m grant** for the construction of the Battery Minerals Processing Facility in Mercer County, ND
- Separation of mine (Minnesota) and processing operations (North Dakota) is expected to reduce the critical path to nickel production to meet both commercial (Tesla) and national (Biden administration) timelines



* To earn a 60% interest in the Tamarack Nickel Project, Talon must complete a Feasibility Study and pay Rio Tinto US\$10m by March 2026

The Tamarack Nickel Project: A Strategic US Resource

Right Place, Right Time

- Strategically located in the heartland of U.S. manufacturing in central Minnesota
- Thirteen manufacturers have announced plans to spend over \$75 billion to open new or renovated plants in the U.S. to build EVs in six different states*
- Bipartisan support for electric transportation -- over US\$1 trillion in government support for charging, critical mineral processing & recycling, EV subsidies

Market Ready

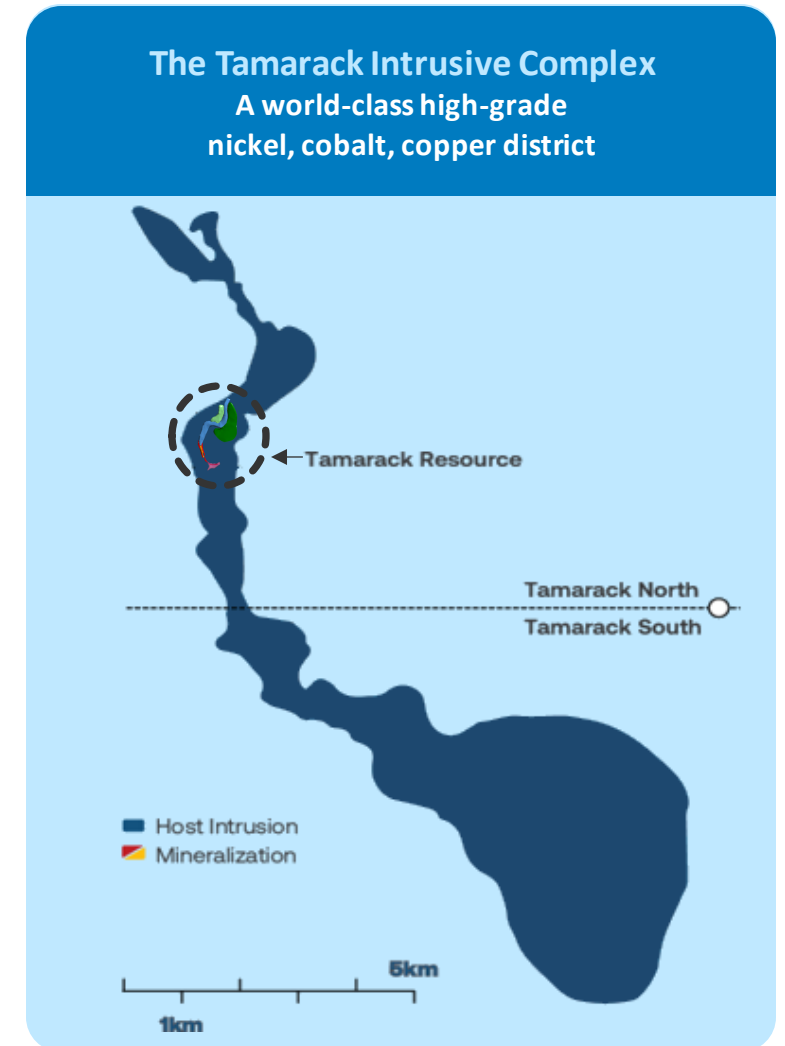
- Tesla as a foundation customer for a significant portion of first production. Fully inclusive of key by-products found in the nickel concentrate (iron, cobalt and PGMs) allowing for full value recovery
- Additional nickel concentrate not yet committed, copper concentrate to be marketed separately

Green Product

- On track to have the lowest quartile embedded CO2 footprint per tonne of metal globally
- Potential for significant carbon storage through carbon mineralization, generating operational carbon offsets

* See: [electric_vehicle_market_report_v6_april2022.pdf \(edf.org\)](#)

** See Company's press release dated February 14, 2022 ([Tamarack Nickel Project Selected for Climate Innovation Funding By US Department of Energy - Talon Metals Corp](#))



Department of Defense Doubles Talon's Exploration Budget

Accelerating exploration for high-grade nickel in Michigan and Minnesota

Support from the US Government via Defense Production Act (Title III) – Granted in September 2023

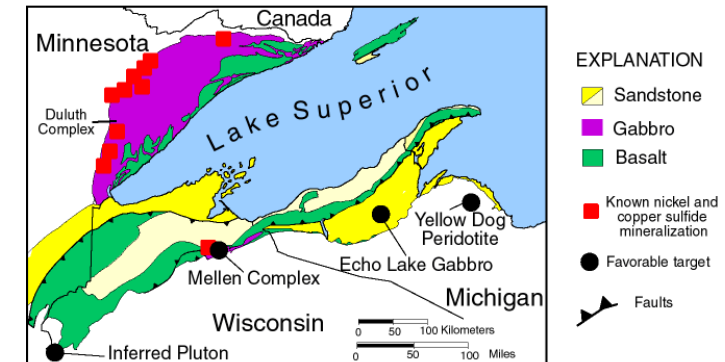
- **US\$20.6m** grant from the Department of Defense (DoD) will go towards the purchasing of additional drill rigs and hiring of key personnel in Michigan and Minnesota
- DoD indicated that it considers domestic sources of nickel for defense platforms and clean energy to be a national security priority
- Talon expects to prioritize the deployment of this funding in Michigan around the only producing nickel mine in the U.S., the Eagle Mine in the Upper Peninsula of Michigan
- Talon is exploring 410,000 acres of mineral rights in around the Eagle Mine (the historic Henry Ford land package)
- Talon has applied for an additional 38,000 acres of mineral rights from the state of Michigan to augment the Henry Ford land package
- Builds on a USGS paper (1997) that predicted “district-scale” potential for high-grade nickel in the Lake Superior region



President Biden's Plan to Respond to Putin's Price Hike at the Pump



Potential for New Nickel-Copper Sulfide Deposits in the Lake Superior Region



US Government Grant Funding: DOE, DOD, IRA

Announcement of a 10% production cost tax credit against US refined nickel (99%+) or nickel sulphate produced from US nickel feedstock



Department of Defense (DOD) enters into agreement with Talon Metals to accelerate discovery and production of nickel in the United States (first since 1927) – US\$20.5m



Feb 20, 2022

Aug 16, 2022

Oct 19, 2022

Sep 12, 2023



Securing a Made in America Supply Chain for Critical Minerals – US nickel added

Who is mentioned in the Whitehouse fact sheet? Talon Metals and Tesla



Department of Energy (DOE) selects Talon Metals Battery Minerals Processing Facility for a US\$114.85m grant





Talon Advantage: People and Technology

Talon's Exploration Approach: In-House Team

More Meters Drilled = Rapid Resource Expansion

Primary Objective: To rapidly discover, delineate and develop a series of high-grade nickel depositions along the 18 km Tamarack Intrusive Complex, while maintaining a single mine design basis

Unique approach

- Recruit and train the best people
- Invest in equipment and technology
- Innovative methods and use of cutting-edge technology

Outcome: Greater efficiency, continuously improving targets and motivated team

Talon Team (still growing)	# of staff*	
Drilling, Safety & Operations	43	
Geology & Geophysics	19	
Environmental & Engineering	14	
External Affairs & Business Strategy	11	
Total	87	
	71 on site	16 remote



Talon Team: Proven Nickel Hunters



Dean Rossell was previously Rio Tinto's Chief Nickel Geologist and Prospector. Dean joined Talon in August 2021 after 30 years with Rio Tinto. Dean is known for having discovered the only two known high-grade nickel-copper projects in the USA – Tamarack Nickel Project, Minnesota and Eagle Mine, Michigan.



Brian Goldner joined Talon as its Chief Exploration and Operations Officer after 15 years with the Rio Tinto Nickel Team and in 2021, led the discovery of two new high-grade zones at the Tamarack Nickel Project (CGO East and CGO West).



Brian Bengert was previously Vale's Chief Geophysicist. Brian is currently leading geophysical collection and data processing, as Head of Geophysics for Talon. Brian has 20 years of nickel experience with much of it at the world-class Voisey's Bay nickel mine.

Cohesive team of geologists, geophysicists, and drillers has allowed drilling to be accelerated on a cost-effective basis

In-House Drill Rigs: Disrupting Drilling

- In 2020, Talon purchased 2 drill rigs to bring drilling in-house
- Owning our drill rigs and running them with Talon employees has revolutionized the Company's drill program
- Drilling has seen a cost reduction of 56% (2020-21)
- Drill production up 22% (2021)
- Drilled a record 33,273 meters of core (2021)
- Drilled a record 356 meters of high-grade massive nickel mineralization (2021)
- Insulated against common contractor delays

Talon owns 5 drill rigs –

“The more we drill, the more we can discover”



In-House Geophysics: Disrupting Geophysics

Our team of geophysicists has revolutionized borehole electromagnetic surveys (BHEM)

Description	Historical	Today
Borehole Electromagnetic Data (BHEM)	Contracted	In-house team of 7 geophysicists
Predictability of high-grade nickel	50%	95%
Cost	85% reduction	
Time to guide next drill hole	Up to 1 week	Same day





Talon Advantage: Exceptional Resources in the USA

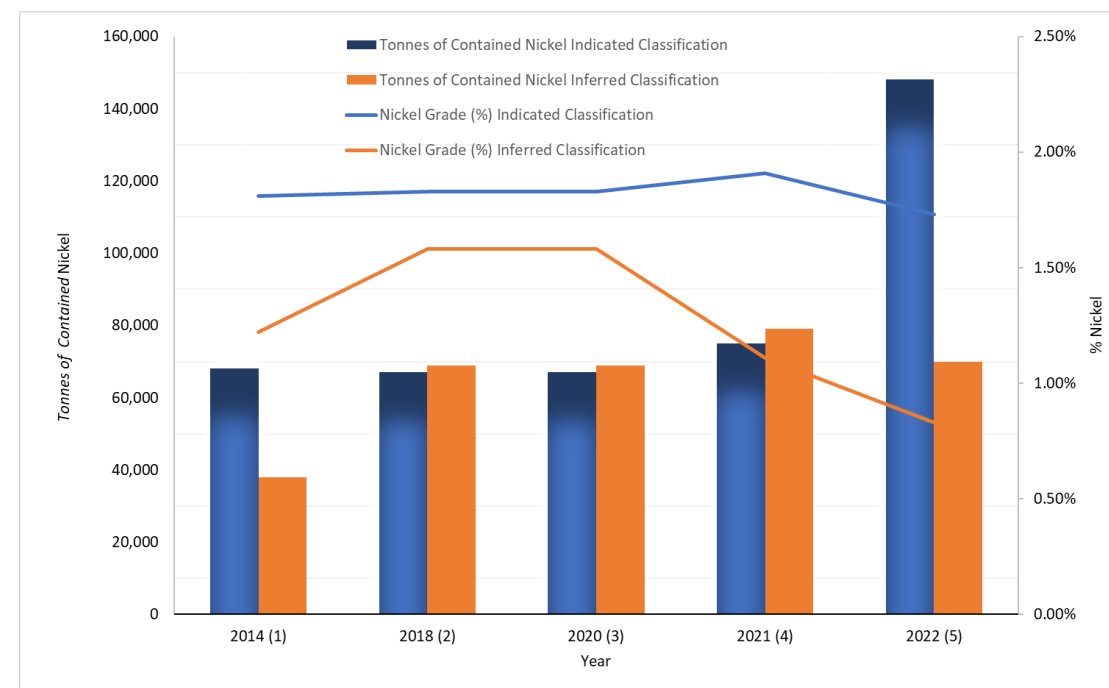
October 2022 Update: Significant Increase in Mineral Resource Estimate for Minnesota*

Mineral Resource Classification	Tonnes (000's)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Fe in sulphides (%)	NiEq (%)
Total Indicated	8,564	1.73	0.92	0.05	0.34	0.21	0.17	8	2.34
Total Inferred	8,461	0.83	0.55	0.02	0.23	0.13	0.13	3	1.19

All resources are *in situ* and reported at a 0.50% Ni cut-off; Tonnage estimates are rounded down to the nearest 1,000 tonnes; Fe% in sulphides is based on a calculation of stoichiometric Fe concentration in Pentlandite and Pyrrhotite; NiEq grade based on metal prices of \$9.50/lb Ni, \$3.75/lb Cu, \$25.00/lb Co, \$1,000/oz Pt, \$1,000/oz Pd and \$1,400/oz Au using the following formula: $NiEq\% = Ni\% + Cu\% \times \$3.75/\$9.50 + Co\% \times \$25.00/\$9.50 + Pt[g/t]/31.103 \times \$1,000/\$9.50/22.04 + Pd[g/t]/31.103 \times \$1,000/\$9.50/22.04 + Au[g/t]/31.103 \times \$1,400/\$9.50/22.04$; Fe is not included in the NiEq calculation; Mining recovery and dilution factors have not been applied to the estimates; No adjustments were made for recovery or payability

Talon's Proven Exploration Capabilities in a Short Timeframe

- 98% increase in the amount of contained nickel in the indicated mineral resource category
- 570% increase in massive and mixed massive sulphide contained nickel in the indicated mineral resource category
- Recoverable iron (Fe in sulphides %) is a payable under the Talon-Tesla Supply Agreement



* Effective Date of resource estimate is October 10, 2022

1-First Independent Technical Report on the Tamarack North Project, Tamarack, Minnesota dated October 6, 2014; 2-Second Independent Technical Report on the Tamarack North Project - Tamarack, Minnesota dated March 26, 2018; 3- NI43-101 Technical Report UPDATED Preliminary Economic Assessment (PEA) #2 4-NI 43-101 Technical Report Preliminary Economic Assessment (PEA) #3 of the Tamarack North Project – Tamarack, Minnesota dated January 8, 2021; 5-November 2022 Technical Report

October 2022 Update: Significant Increase in the Mineral Resource Estimate in Minnesota

Resource Increase Due to Success of Talon's Advanced Exploration System (AES)

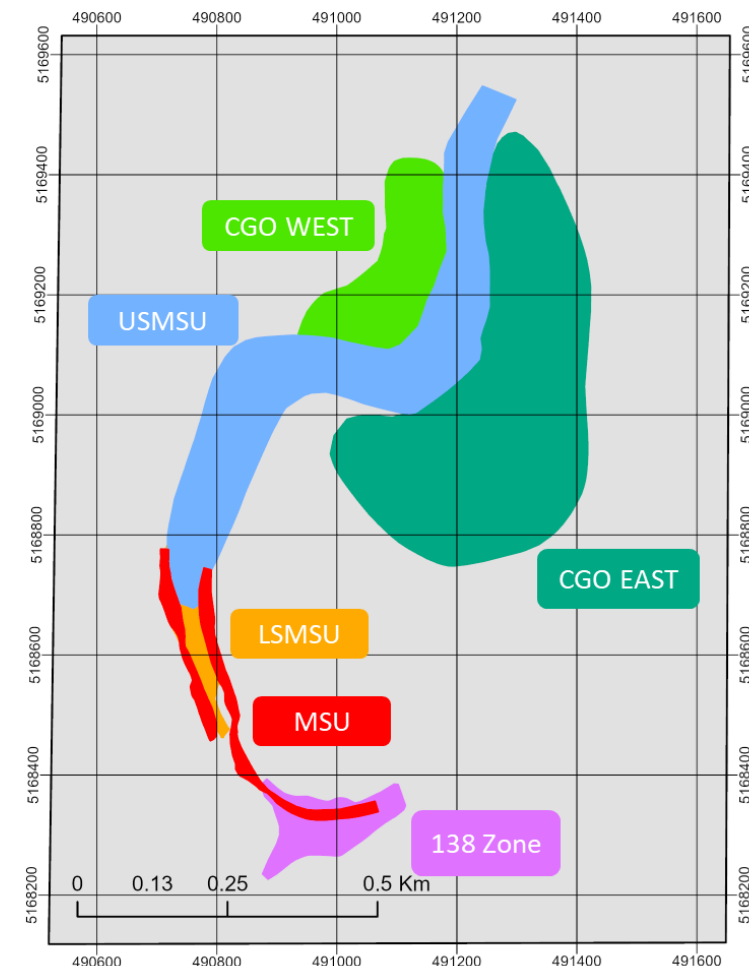
- Talon has developed a systemic approach to nickel exploration, the Company's Advanced Exploration System (AES). The AES is composed of Talon's in-house drillers, geophysicists, geologists, engineers and environmental scientists, which has resulted in two new high-grade nickel-copper discoveries (CGO East and CGO West exploration area)
- Shallow high-grade mineralization resulted in increased resource size and will accelerate development plan for an underground mine
- Resource estimate only accounts for drilling up to July 2022 (all subsequent drilling excluded)

Advanced Exploration System (AES) will now be used along the Tamarack Intrusive Complex

- Unified set of technologies utilized by Talon's in-house team of drillers, geophysicists, geologists, engineers and environmental scientists
- Talon's interdisciplinary teams and technologies make Talon's AES extremely efficient at identifying new nickel deposits
- Talon's AES is presently deployed to the north of the resource area, with a plan to go south in the winter

Advanced Exploration System (AES) will also be used in Michigan

- Michigan roll-out will consist of the use of new and innovative surface geophysical techniques, combined with Talon's AES
- Numerous high-priority drilling targets have already been identified

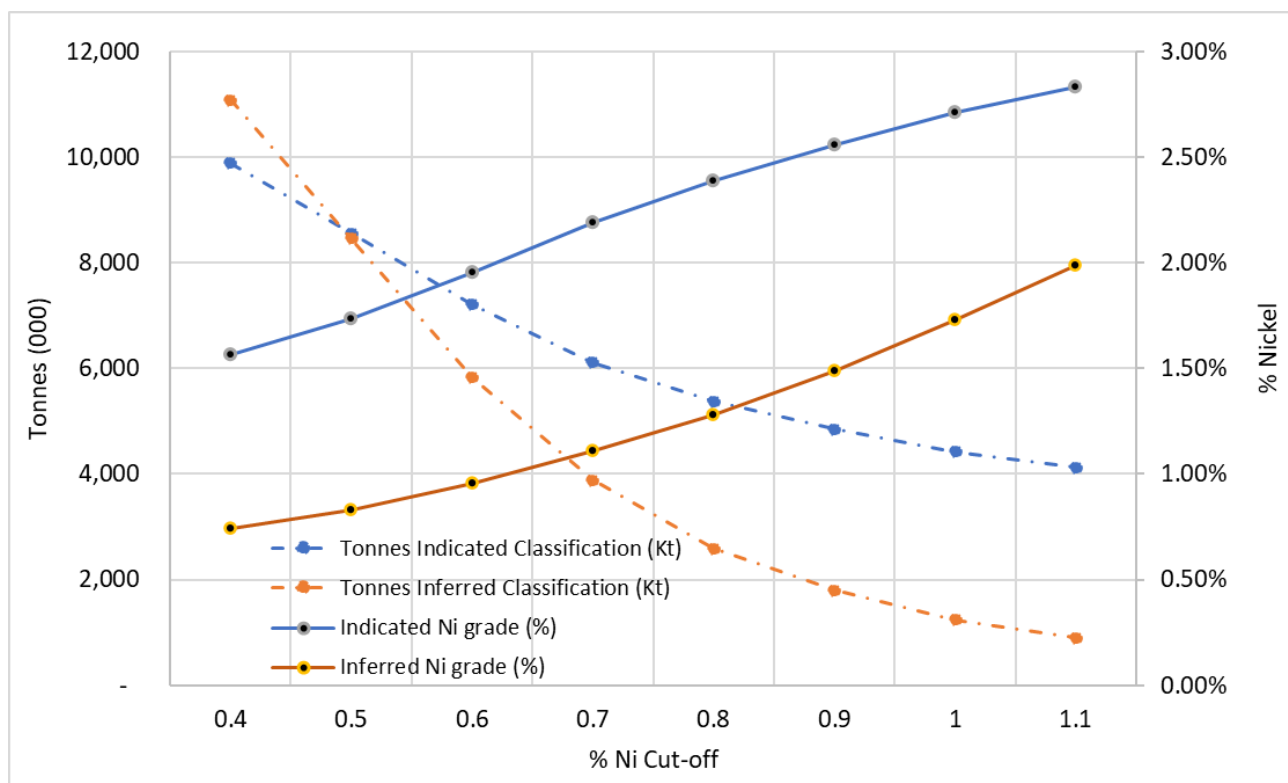


Plan view of the expanded mineral resource area at the Tamarack Nickel Project

Lower and Upper Semi-Massive Sulphide Unit ("LSMSU" and "USMSU"); 138 Mixed Zone ("138 Zone"); Massive Sulphide Unit ("MSU"), and the "CGO West" and "CGO East" domain.

Grade Tonnage Curves: Moving Towards a Robust Mine Plan in Minnesota

- The grade and tonnage curves for both the indicated and inferred mineral resource classifications demonstrate a predictable pattern between a 0.4% nickel cut-off and a 1.1% nickel cut-off
- The grade tonnage curve supports a broad range of potentially economic mining scenarios and engineering work is ongoing to determine the optimal cut-off and mining scenario / NPV



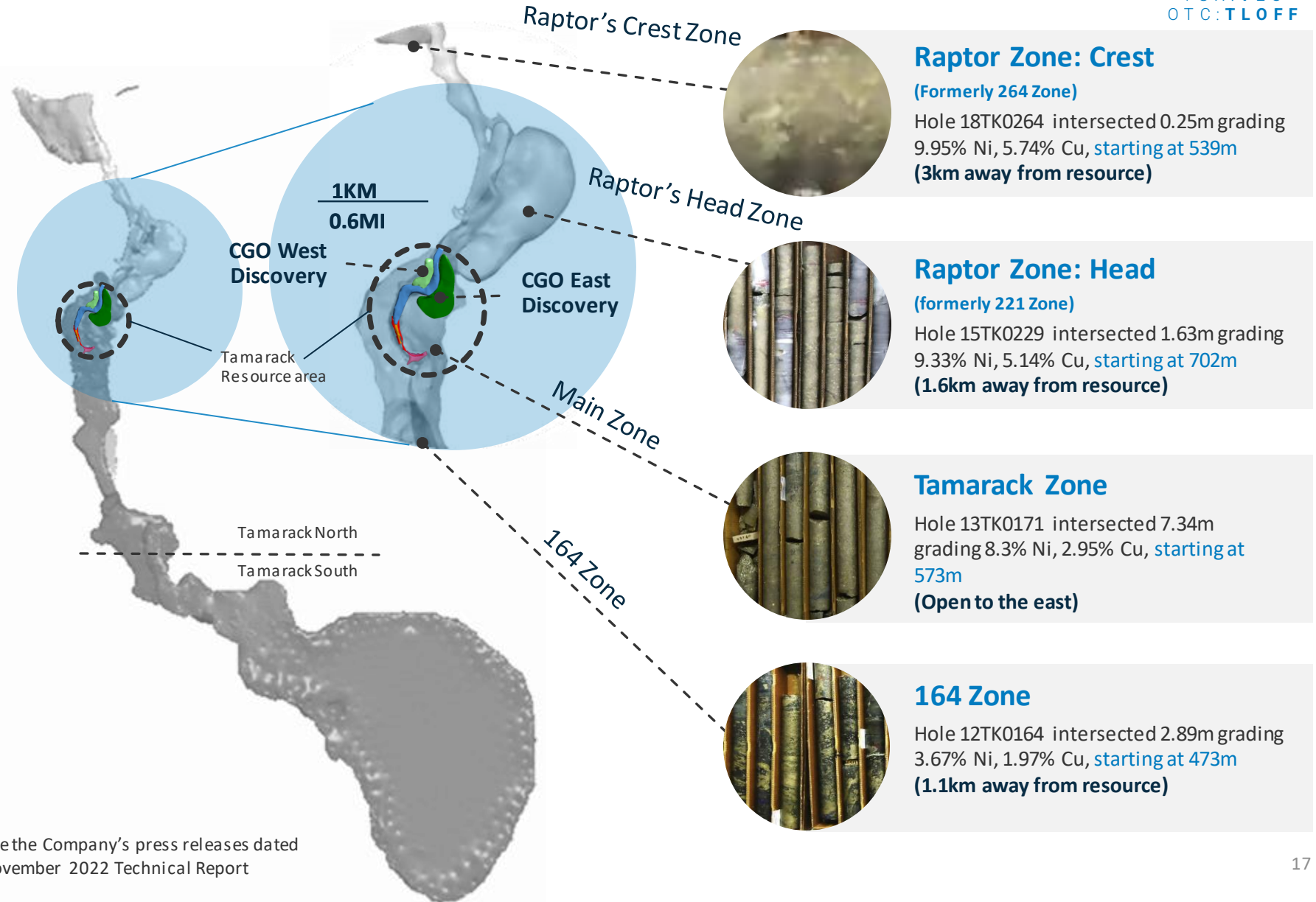
Effective Date of resource estimate is October 10, 2022

Cut-Off (Ni %)	Mineral Resource Classification	Tonnes (000)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Fe in sulphides (%)	NiEq (%)
0.4	Indicated	9,891	1.56	0.84	0.04	0.31	0.19	0.16	7	2.11
	Inferred	11,079	0.74	0.49	0.02	0.21	0.12	0.12	2	1.07
0.5	Indicated	8,564	1.73	0.92	0.05	0.34	0.21	0.17	8	2.34
	Inferred	8,461	0.83	0.55	0.02	0.23	0.13	0.13	3	1.19
0.6	Indicated	7,215	1.96	1.03	0.05	0.36	0.23	0.18	9	2.62
	Inferred	5,824	0.96	0.64	0.03	0.25	0.15	0.15	3	1.37
0.7	Indicated	6,114	2.19	1.13	0.06	0.38	0.24	0.19	10	2.92
	Inferred	3,888	1.11	0.74	0.03	0.26	0.16	0.16	4	1.58
0.8	Indicated	5,377	2.39	1.21	0.06	0.39	0.25	0.20	12	3.17
	Inferred	2,590	1.28	0.84	0.04	0.25	0.16	0.16	5	1.80
0.9	Indicated	4,853	2.56	1.28	0.06	0.41	0.26	0.20	12	3.38
	Inferred	1,795	1.49	0.94	0.04	0.27	0.17	0.18	7	2.08
1	Indicated	4,424	2.71	1.34	0.07	0.41	0.27	0.21	13	3.57
	Inferred	1,238	1.73	1.04	0.05	0.30	0.19	0.19	8	2.38
1.1	Indicated	4,121	2.84	1.39	0.07	0.42	0.27	0.21	14	3.72
	Inferred	896	1.99	1.13	0.05	0.31	0.20	0.19	10	2.70

All resources are *in situ* and reported at a 0.50% Ni cut-off; Tonnage estimates are rounded down to the nearest 1,000 tonnes; Fe% in sulphides is based on a calculation of stoichiometric Fe concentration in Pentlandite and Pyrrhotite; NiEq grade based metal prices of \$9.50/lb Ni, \$3.75/lb Cu, \$25.00/lb Co, \$1,000/oz Pt, \$1,000/oz Pd and \$1,400/oz Au using the following formula: $NiEq\% = Ni\% + Cu\% \times \$3.75/\$9.50 + Co\% \times \$25.00/\$9.50 + Pt[g/t]/31.103 \times \$1,000/\$9.50/22.04 + Pd[g/t]/31.103 \times \$1,000/\$9.50/22.04 + Au[g/t]/31.103 \times \$1,400/\$9.50/22.04$; Fe is not included in the NiEq calculation; Mining recovery and dilution factors have not been applied to the estimates; No adjustments were made for recovery or payability

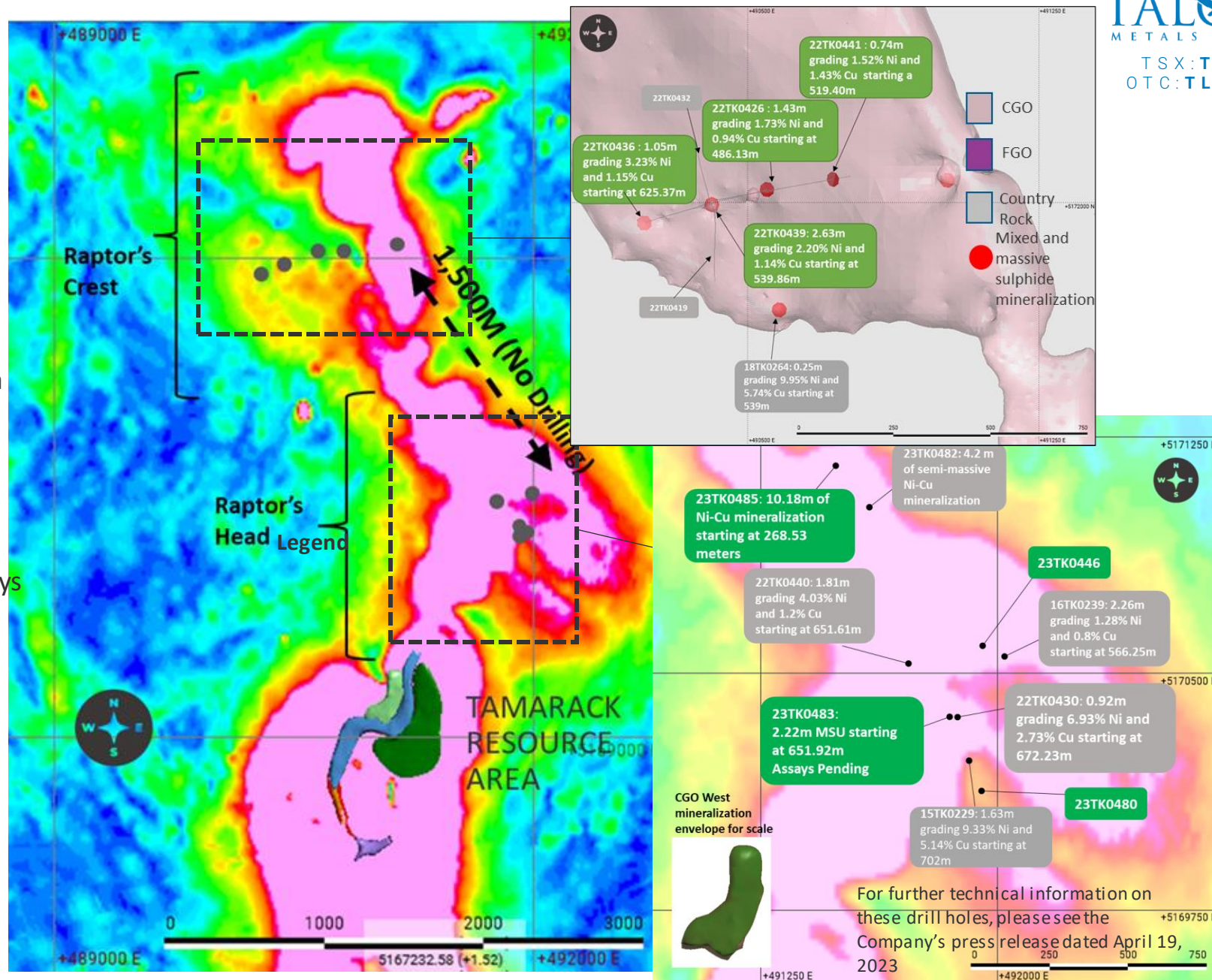
Prospects for Growth: Minnesota

- Tamarack has multiple areas where high-grade nickel-copper mineralization has been intersected historically but not (yet) followed up on – process has commenced
- Talon geophysics surveyed historic holes in these prospective zones and is already producing BHEM plates for drill follow up
- The one-mile area in between the Raptor's Crest and Raptor's Head Zones have never been drilled
- 11-mile (18 km) intrusion from North to South; present resource is on ~0.6 miles (~1 km)



New High-Grade Nickel Zone: The Raptor Zone

- New intrusive system containing high-grade nickel-copper mineralization – new zone called the “Raptor Zone” (See Company’s press release dated April 19, 2023)
- Initially, 6 of 9 holes in the Raptor Zone intersected massive sulphide and followed a parallel trend to the current resource
- On July 13, 2023, Talon announced that drilling in the Raptor Zone – which was 450 meters from the nearest drill hole - resulted in 4.21 meters of nickel mineralization (assays pending) at a depth of only 296.3 meters (drill hole 23TK0482)
- The new drill hole increases the level of confidence relating to the district-scale potential of the Tamarack Nickel Project



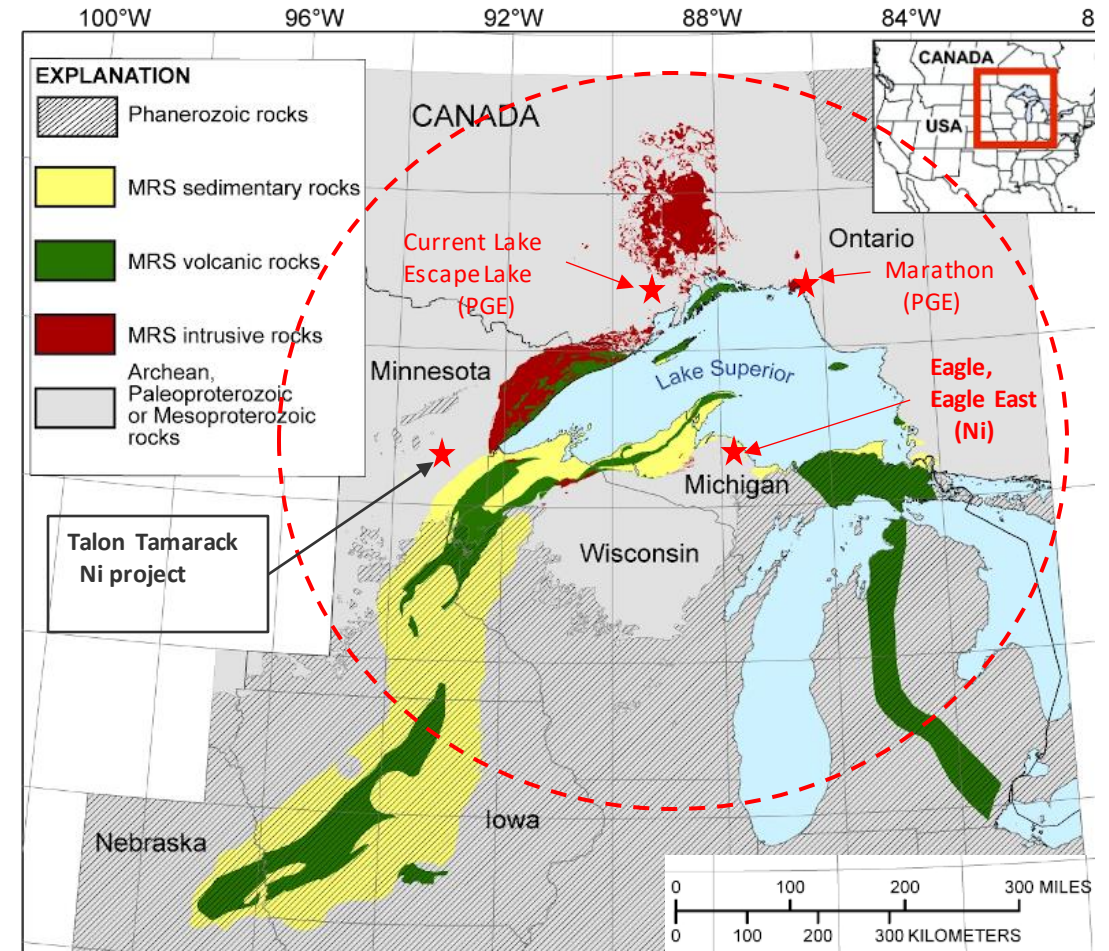
Strategic Growth: Talon Obtains Historic Ford Land Package in Michigan to Explore For More High-grade Nickel

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 Rossell 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

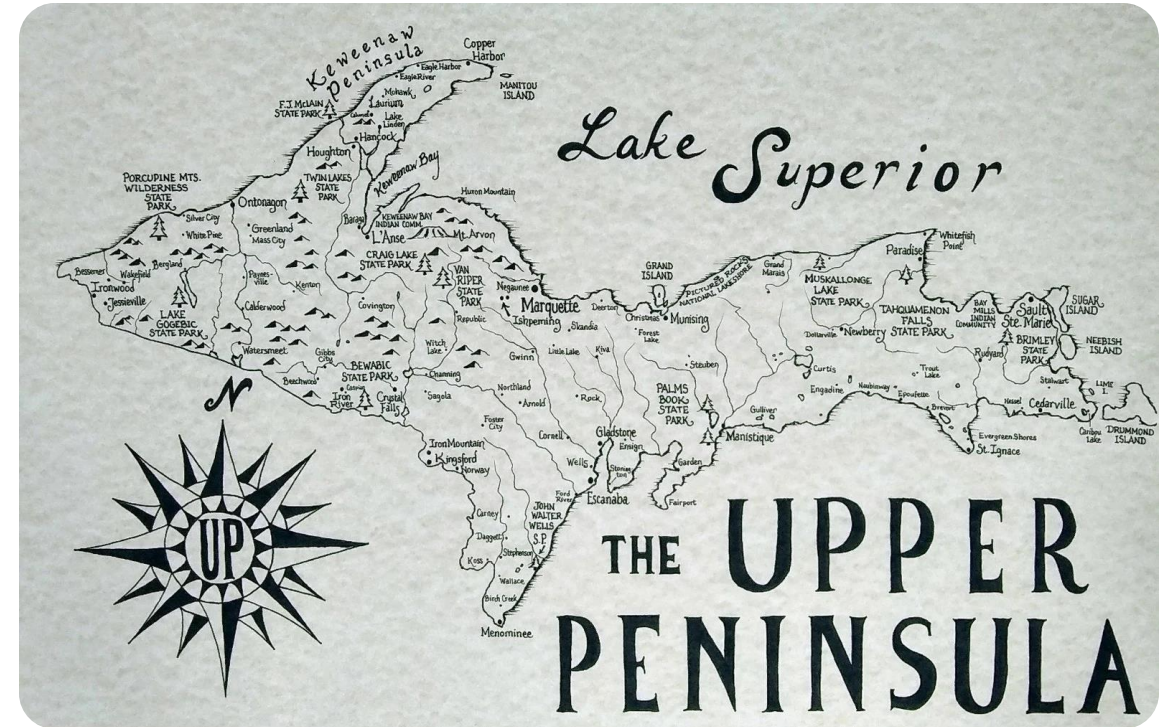


Area of Early Midcontinental Rift Intrusions

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 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

Pathway to Production

**Mercer
County**



Bismarck

Fargo

Minnesota

Tamarack



Lake
Superior

Minneapolis

St. Paul

Wisconsin

South Dakota

North Dakota Processing Decision Facilitates Permitting Pathway

Support from the US Government via Bipartisan Infrastructure Law

- The Tamarack Nickel Project 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
- Battery Mineral Processing Facility will process nickel and other battery minerals, moving processing and tailings management away from the Minnesota mine site
- Leverages industrial brownfield facility, new approach to tailings management with existing rail access and dry environment in North Dakota

Smoother Pathway to Production

- Proposed separation of mine and processing operations will create a new domestic battery-grade nickel and iron production capability in the USA
- This approach is expected to reduce critical path to nickel production to meet both the commercial (Tesla-Talon Supply Agreement) and national (President Biden's Supply Blueprint) timelines
- Removing the processing facilities from the Tamarack mine site in Minnesota significantly reduces land disturbance and reduces scope for the Minnesota environmental review and permitting process
- Talon will simultaneously progress the fulsome permitting process in North Dakota for the Battery Minerals Processing Facility
- Talon/Tesla supply chain provides "double play" of (i) nickel for nickel-based battery chemistries; and (ii) battery grade iron for LFP batteries

ESG Benefits

- Responsive to community and tribal government concerns around processing and tailings
- Unions and tribal governments involved from the beginning on planning
- Storage facility for neutralized & cemented tailings

NEWS LOCAL

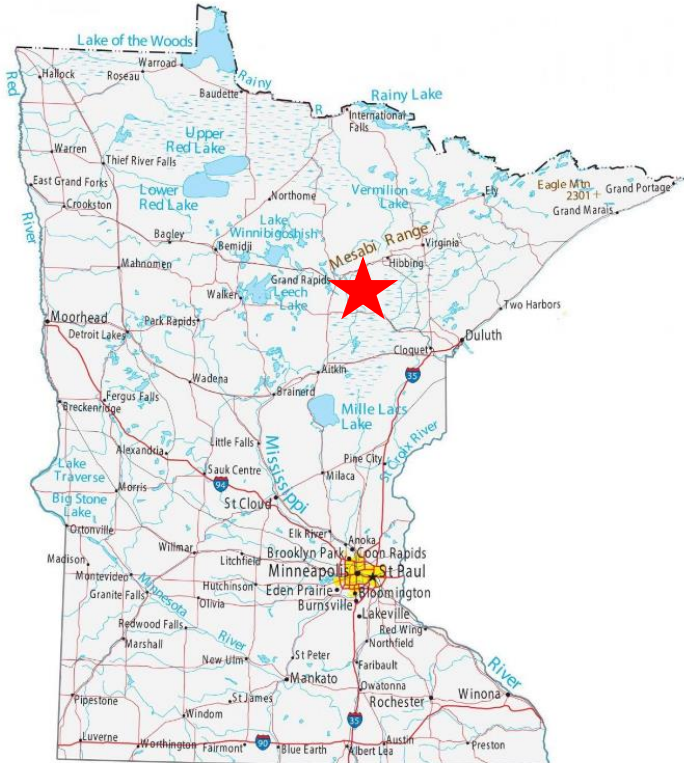
Proposed Aitkin County nickel mine gets \$114M from infrastructure bill for North Dakota processing plant

The plan would move processing facilities and tailings storage away from Talon's proposed underground mine near Tamarack and into North Dakota.



Operating Plan: Minnesota and North Dakota

Minnesota – Tamarack Mine Project Site



- Underground mine producing raw ore
- Supporting infrastructure for mine
- Rail loadout facility
- Water treatment facilities
- **No ore processing in Minnesota**
- **No tailings generated or stored**

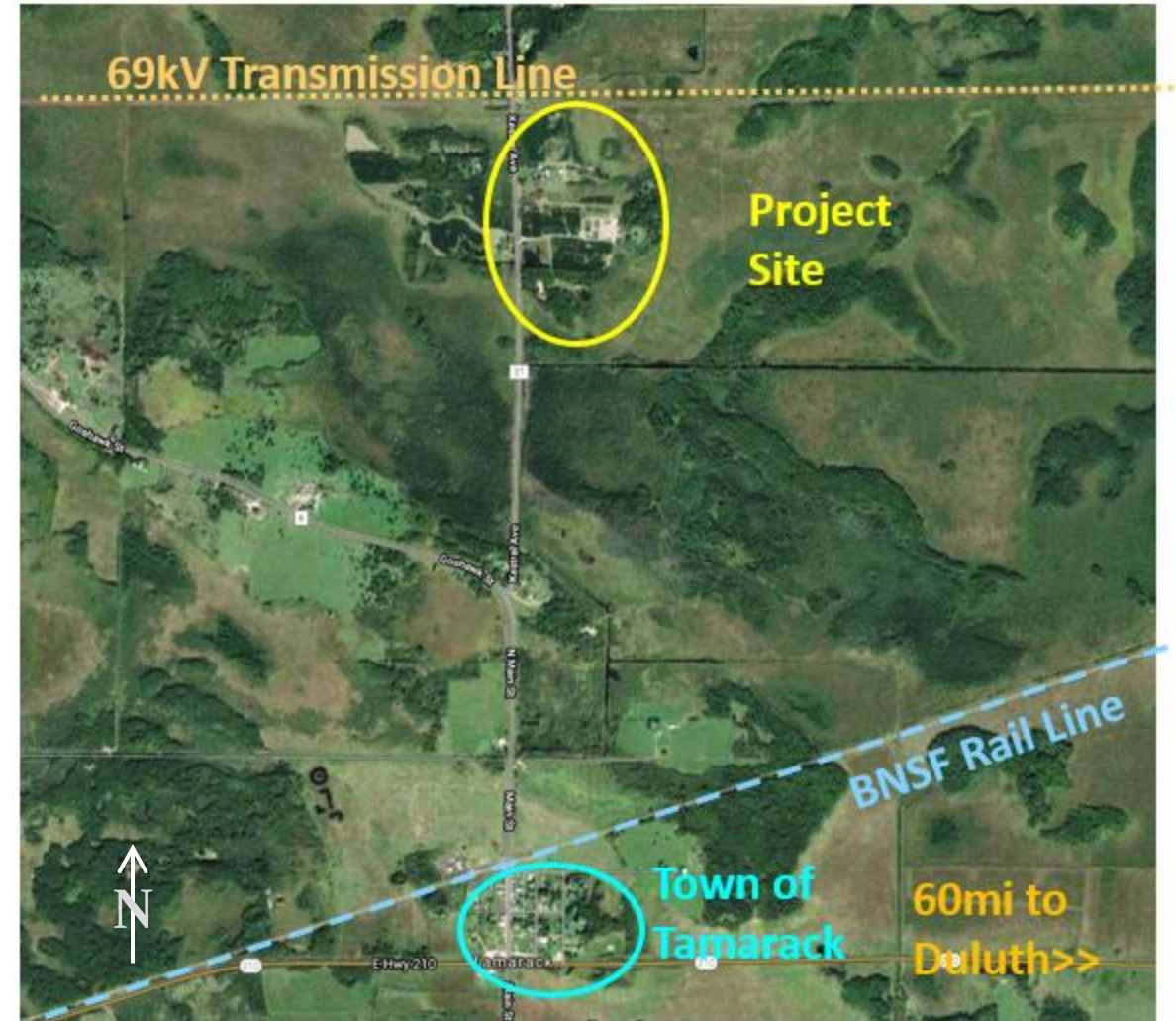
North Dakota – Battery Minerals Processing Facility



- Processing plant to separate metals from raw ore
- Rail facility for receiving ore and shipping metals products to customers
- Facilities for tailings storage
- Benefit from a combination of local characteristics making this area uniquely appropriate for the facility

Mine Site (Minnesota): Proximate to Existing Infrastructure

- Former homestead and agricultural property
- Most required infrastructure already in place, or available nearby:
 - Year-round road access at site
 - High-voltage power line at site
 - BNSF rail line located 1.5 miles to south (with direct rail access to North Dakota)

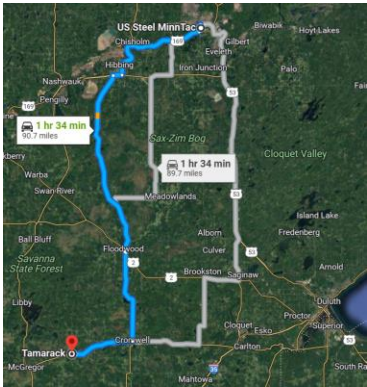


Small Footprint (Minnesota): Mine Design Process Limits Land Disturbance



Tamarack vs US Steel Minntac Operations (Minnesota)

Comparison shown to scale



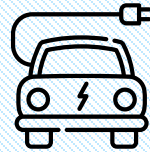
A white Tesla Model X is parked in a wooded area. The rear door is open, revealing a bed inside. Two people are sitting on chairs nearby. The background is filled with trees and greenery.

The Tesla Partnership

Tesla Partnership: “Mine More Nickel!” (July 2020)



In January 2022, Talon signed a contract to supply Tesla with 75kt of nickel-in-concentrate over the period 2026-2032



The transition to electric vehicles requires tremendous new supplies of nickel:

- “Please mine more nickel.... Tesla will give you a giant contract for a long period of time if you mine nickel efficiently and in an environmentally sensitive way” (Elon Musk, July 2020)
- "Nickel is our biggest concern for scaling lithium-ion cell production” (Elon Musk, February 2021)

Why is the 2026-2032 period so important?

- New nickel demand for batteries is expected to be in the steepest portion of the exponential growth phase before levelling off post-2030
- This is our last chance to develop a domestic battery supply chain
- Otherwise, new production capacity from China will fill this supply gap and become entrenched for the rest of the 21st century

Key Terms: Talon/Tesla Partnership Agreement

- Tesla has committed to purchasing 75,000 metric tones (165 million lbs.) of nickel in concentrate over 6 years
 - Purchase price is linked to the LME price of nickel, providing positive exposure to the price of nickel
 - Tesla/Talon have agreed to share in by-product revenues, including from iron, cobalt and PGMs (smelters would have penalized Talon for iron)
- Talon and Tesla will work together as partners to achieve commercial production by 2027

“This agreement is the start of an innovative partnership between Tesla and Talon for the responsible production of battery materials directly from the mine to the battery cathode”

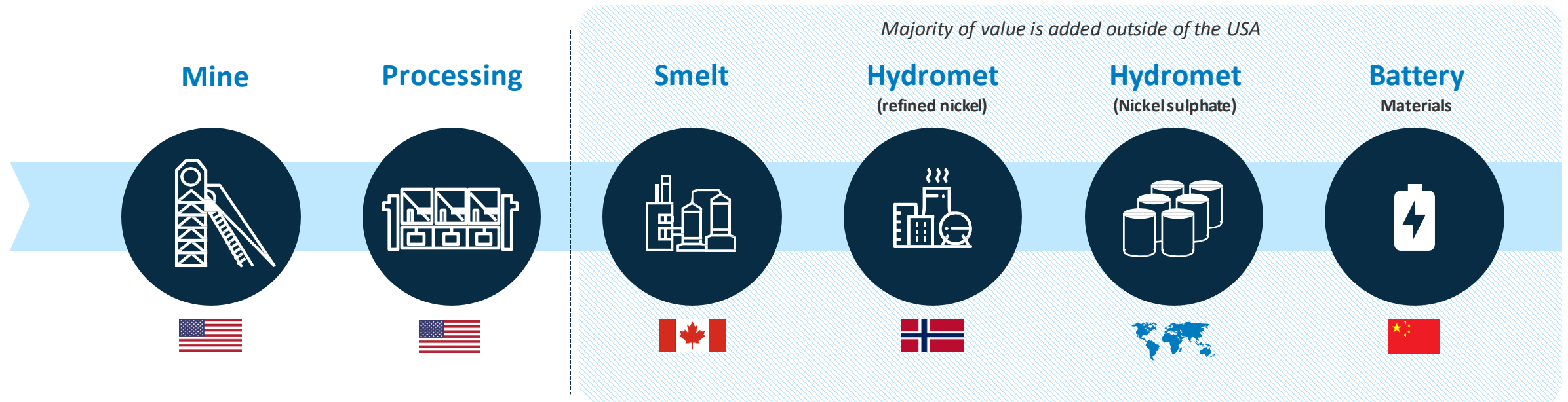
Henri van Rooyen, CEO



Talon CEO Henri van Rooyen and President Sean Werger, 2019

Where does American Nickel Go Today?

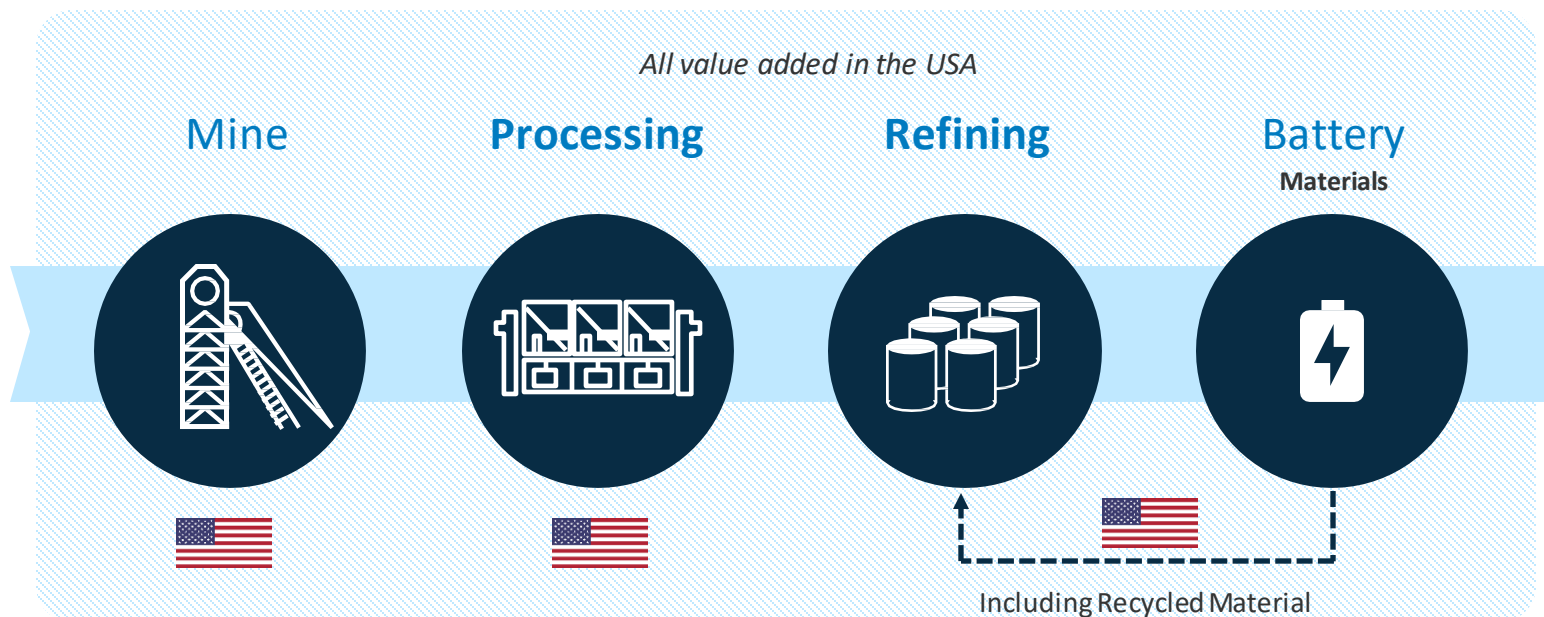
Nickel from the Eagle Mine in Michigan is processed abroad and ironically ends up in the Chinese battery supply chain



"It's insanely complicated. It's a small world journey of, 'I am a nickel atom, what happens to me?' And it is crazy. You're going around the world three times, it's the equivalent of digging the ditch, filling the ditch and digging the ditch again, it's total madness basically."

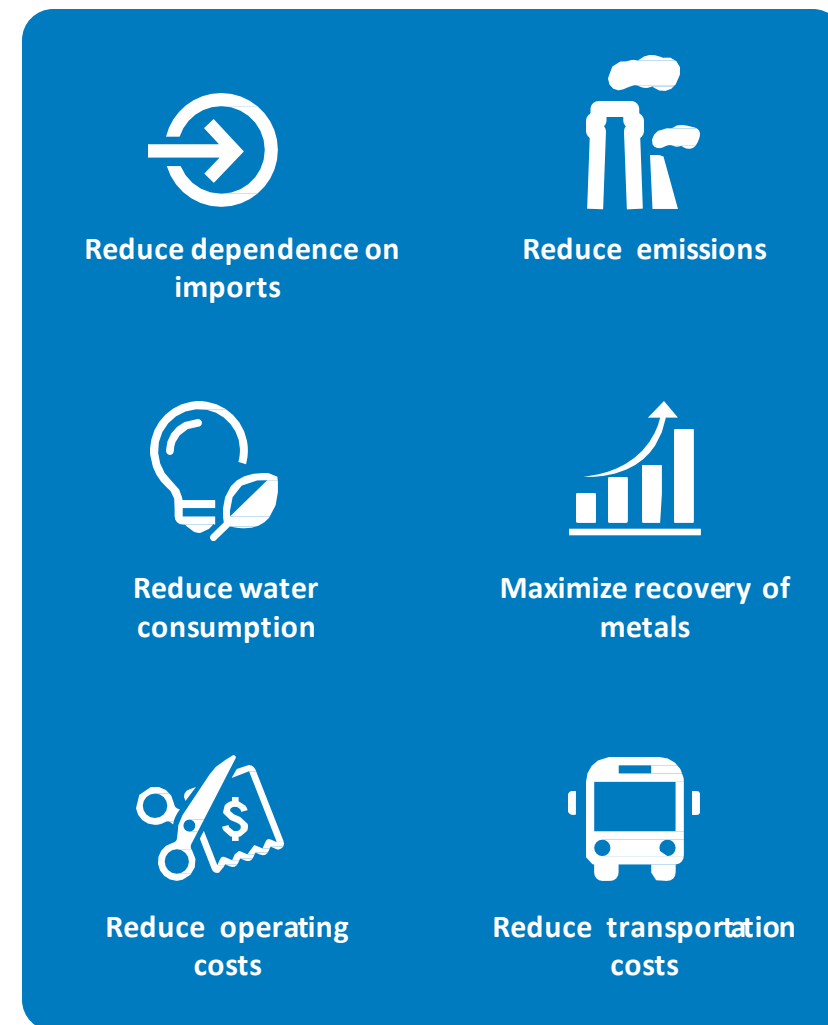
Elon Musk, Battery Day, September 22, 2020

What happens to Minnesota nickel in the Tesla/Talon model?



“The Talon team has taken an innovative approach to the discovery, development and production of battery materials, including to permanently store carbon as part of mine operations and the investigation of the novel extraction of battery materials. Responsible sourcing of battery materials has long been a focus for Tesla, and this project has the promise to accelerate the production of sustainable energy products in North America,”

Drew Baglino, SVP of Powertrain and Energy Engineering at Tesla (see Talon press release dated January 10, 2022).



Nickel in Concentrate for Multiple Battery Chemistries: Nickel, Cobalt, Copper, PGMs and Iron (for NMC and LFP Batteries)

- Our nickel concentrates contain nickel, cobalt and iron
- In 2021, Talon initiated the development and build out of a lab facility to produce high purity nickel and iron powders
- Talon plans to produce the world's most responsible, lowest environmental footprint nickel concentrates that will be the feedstock for both nickel and Lithium Iron Phosphate (LFP) batteries



pv magazine

Plans announced for a US lithium-ferro-phosphate battery gigafactory network

American Battery Factory said it is developing a US-based material processing and cell manufacturing network for LFP battery cells.

MARCH 8, 2022 **RYAN KENNEDY**

electrek

Tesla is rumored to be behind giant deal to bring LFP battery cell production to the US

Fred Lambert - Dec. 21st 2021 3:20 am PT [@FredericLambert](#)



Leading a New Era of Responsible Mining

Engaged Community



Open Door Policy

- Talon strives for transparent communication and welcomes anyone who is interested to come for a tour



Proactive Engagement

- Talon recognizes the importance of an informed community to earn our social license to operate
- Through meetings, presentations and 1:1 dialogue, our team works to both share project updates and listen to community interests



Access to information

- Through newsletters, social media and our website, Talon is building out a “transparency library” with access to project data and mine plans



Responsible Practices at Every Stage of Development

- Current exploration activities approved and monitored by regulatory agencies
- Safety is our top priority with zero lost time accidents to date
- 15-years worth of baseline water data with environmental studies ramping up



**Rotosonic drill rig
installing new water
monitoring well**



**Baseline water data
collected since 2006**

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, and we are committed to developing a mine plan that is focused on safety for the environment and community

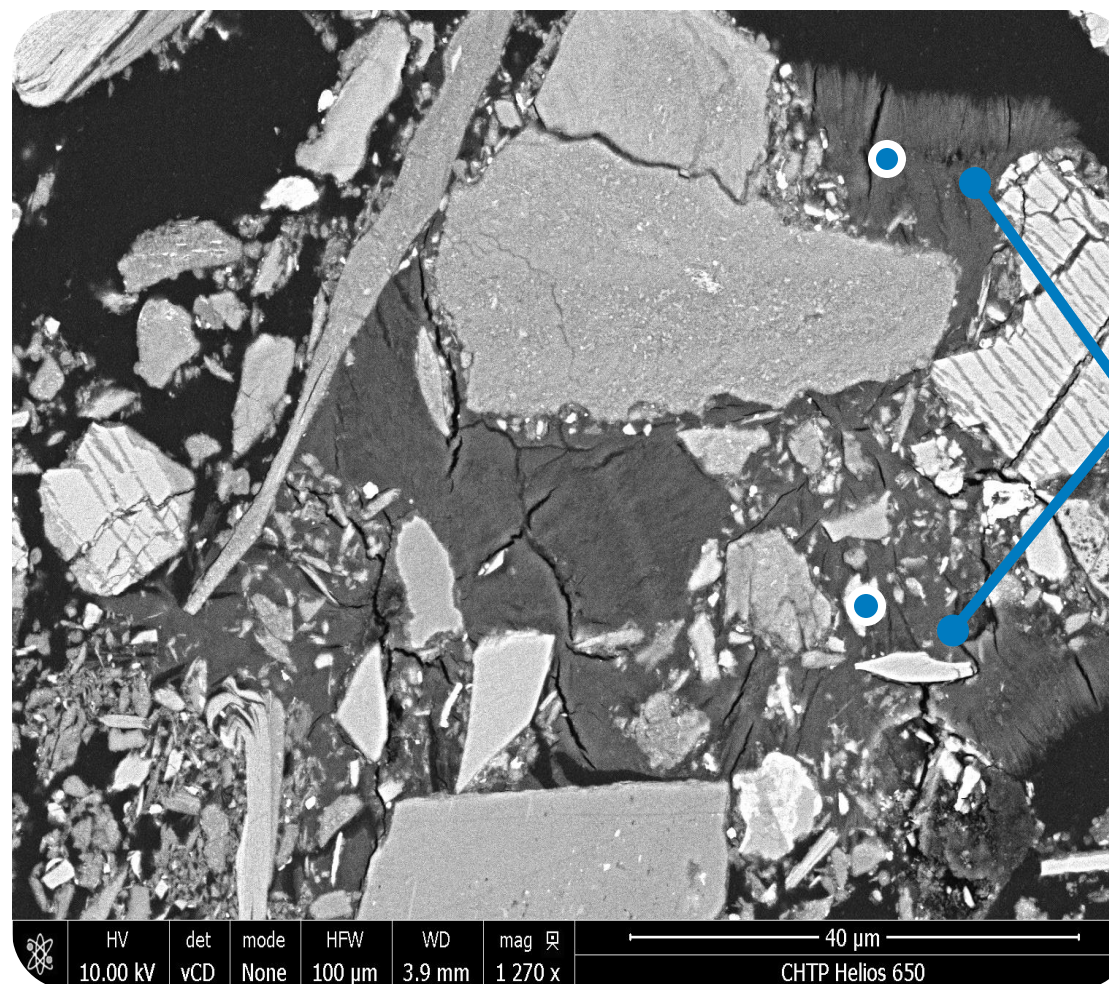
Carbon Mineralization Potential: Climate Science Leadership and New Revenue Potential

Carbon Capture Utilization and Storage (CCUS): Major New Focus in Climate Science

- Carbon Mineralization – turning carbon dioxide into carbon mineral is emerging as Leading Carbon Sequestration Strategy (CCUS)
- Private and public funding opportunities for the development and implementation of CCUS rising (Microsoft, Stripe, etc.)
- Carbon Removal – removing carbon from the atmosphere also emerging as a key strategy backed by significant private and government funding for Direct Air Capture

Tamarack Nickel Project Uniquely Positioned To Participate in CCUS

- Talon/Rio consortium awarded US\$2.2 million from ARPA-e to conduct US\$6.2 million scientific study of **potential for the Tamarack Nickel Project to store gigatons** of carbon from hard to abate industries or removed from atmosphere in the “Bowl” area of the Tamarack Intrusive Complex (Tamarack South Project)
- If successful and scaled, this could make nickel produced carbon neutral – and could also produce revenue from sale of carbon credit offsets



New Carbonate minerals showing potential for cementation of tailings particles

Mine Planning and Operating Goals:

Reduced Land Disturbance, Decarbonized Mine Operations, Water Treatment

- Currently finishing exploration drilling to finalize resource and shaping the mine plan to be submitted to Minnesota regulators
- Secured supply of certified renewable power for all miner operations that can be electrified
- Mine plans will utilize electric vehicles for all operations
- New mining techniques will be utilized to limit environmental disturbance and access high grade areas
- Focus on water protection, conservation, recycling and treatment using latest technology and approaches



A FUTURE MADE IN A M E R I C A

*Right Place,
Right Time*



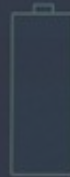
ELECTRIC CARS



ELECTRIC SCHOOL BUSES



**SECURING
CRITICAL
MINERALS**



WIND
TURBINES



Inflation Reduction Act (IRA): Prioritizes Domestic and Ally Mineral Sourcing

Inflation Reduction Act (Section 30D) Sets Mineral Sourcing Requirements for US\$7500 Per Vehicle Tax Credit

- Only minerals from domestic or free trade agreement countries (e.g., Australia, Canada, Chile) count towards mineral requirements
- No minerals sourced from Foreign Entity of Concern (e.g., China, Russia) can count (includes Chinese companies in countries like Indonesia)
- “Provenance Preference” puts nickel from US at the top of qualification parameters
- May lead to premium pricing in some battery materials

Inflation Reduction Act (Section 45x) (Production Tax Credit) Provides Significant Benefit for Critical Mineral Production

- Tax credit equal to 10% of production costs (per year, no sunset)
- Additional guidance expected from Treasury on definition of “production costs.” Talon advocating for definition that only counts US sourced raw materials in “production cost.”

Reuters

[U.S. Treasury to release EV battery sourcing rules next week](#)

The U.S. Treasury Department on Wednesday said it will release guidance next week on sourcing requirements for electric vehicle battery tax...

22 Mar 2023



[New US Climate Bill Seeks to Bolster Domestic Critical Minerals Supply Chain](#)

On July 27, Senate Majority Leader Chuck Schumer (D-NY) unveiled a budget reconciliation bill entitled the Inflation Reduction Act of 2022...

2 Aug 2022



MT Mining Technology

[Biden updates IRA tax credits for electric vehicles](#)

Changes to the US government's clean vehicle credit came into effect on Tuesday, which reduce international manufacturers' access to...

1 month ago



Reuters

[Automakers need more time to meet U.S. minerals requirements for EVs -execs](#)

U.S. legislators need to give automakers operating in the United States more time to achieve the required sourcing levels of battery...

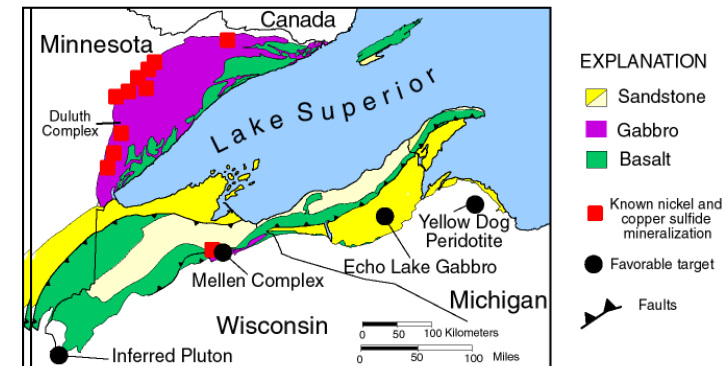


Nickel a Priority for US Government

- Nickel added to U.S. Critical Minerals list in 2021*
- Nickel and nickel processing a major focus of Biden Administration EV Battery supply chain report**
- Emerging realization that U.S. and Canada have significant potential in high-grade nickel deposits in the Lake Superior Mid-Continental Rift area



Potential for New Nickel-Copper Sulfide Deposits in the Lake Superior Region



Column: A nickel refinery tops U.S. battery metals wish list: Andy Home

By Andy Home

* See [Column: A nickel refinery tops U.S. battery metals wish list: Andy Home | Reuters](#)

** See <https://www.globenewswire.com/news-release/2021/11/30/2342809/0/en/United-States-Adds-Zinc-and-Nickel-to-Critical-Minerals-List.html#:~:text=Nickel%20and%20zinc%20are%20the,consumption%2C%20according%20to%20the%20USGS>

President Biden Elevates Domestic Battery Minerals to National Priority

- President Biden added battery minerals like nickel and cobalt to the Defense Production Act Title III authorities on March 31, 2022*
- Opens new funding for exploration, mine operations, facilitative infrastructure, processing and recycling (in addition to the over \$3b funding in the Bipartisan infrastructure bill)
- DPA can support mine and mine operations
- Does not impact permitting timelines or scope, but will ensure that projects with DOD Title III funding are viewed as “national priority”
- President’s action and forthcoming investments will demonstrate that a domestic battery supply chain is a rare bipartisan national priority



*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/>

A first-person perspective from the driver's seat of a car traveling on a two-lane asphalt road that curves through a dense forest of tall evergreen trees. The driver's hands are visible on the steering wheel, and the car's side mirror and window are in the foreground. The sky is overcast with grey clouds. A blue L-shaped graphic element is positioned to the left of the text.

Next Steps

December 2023

Building Momentum in 2024

Commencing Permitting for Underground Mine in Minnesota

- Talon started the state's "Environmental Review" process in June 2023
- Kick's off public engagement process
- Team is continuously participating in community listening sessions with the goal of making the above ground land disturbance small and limit wetlands impacts
- No ore crushed in Minnesota, no tailings storage in Minnesota

Access to US\$114 million DOE Grant Commenced in November 2023

- Tamarack Nickel Project finalized its agreement with the Department of Energy in November 2023. Talon is currently able to use this money.

Talon Conviction: More Nickel in USA – Exploration Continues in Minnesota and Michigan with funding from Department of Defense

- Talon has started using US\$20 million from Department of Defense to find more nickel in the United States (Minnesota and Michigan)
- Drilling for feasibility study (Main Zone, CGO East, CGO West) has now been completed; other feasibility-related work ongoing
- Talon drill rigs have moved to targets well outside of the current resource area (Raptor Zone and 164 Zone) to explore for high-grade nickel deposits – goal is a new discovery
- Drilling continues in the Main Zone, CGO East and CGO West areas, with extensions of further high-grade nickel being identified (outside of the current resource)
- Plans to deploy Talon-owned drill rigs to Michigan (May 2024)



Financial Strength: Strong Shareholder Base and Government Support



- C\$23m cash on hand as of December 31, 2023
- US\$114.8m grant from the Department of Energy for North Dakota processing facility
- US\$20.6m grant from the Department of Defense for exploration in Minnesota and Michigan
- Strong shareholder base including The Pallinghurst Group, Resource Capital Funds, Rio Tinto and a new “Strategic Investor” announce in October 2023
 - The Pallinghurst Group is a specialist battery metals investment fund
 - Resource Capital Funds based in Denver, Colorado has been a Talon shareholder since 2015 and is one of the largest and oldest mining private equity groups globally
 - Rio Tinto is the 2nd largest mining company globally
 - Strategic Investor owns approx. 9.9% of Talon Metals

Capital Structure	
Shares issued	934.1M
Warrants outstanding	Nil
Options outstanding @ avg. exercise price of C\$0.36	124.1M
Fully diluted shares outstanding	1,058.2M
Share price	C\$0.18
Exchange symbol	TLO.TSX
Market capitalization	C\$170M
Cash (December 31, 2023)	C\$23M

Major shareholders	
The Pallinghurst Group	15.7%
Resource Capital Funds	14.3%
Rio Tinto	6.0%
Management and directors	3.5%
Total of above	39.5%

Analyst Coverage
Sprott Capital Partners
Cantor Fitzgerald
Roth Capital
Paradigm Capital
TD Securities
Stifel GMP

TSX:TLO : OTC:TLOFF

TALON
METALS CORP

THANK YOU!

Contact:

TODD MALAN, CHIEF EXTERNAL AFFAIRS OFFICER

TMALAN@TALONMETALS.COM

(202) 714-9187

OR

SEAN WERGER, PRESIDENT

SWERGER@TALONMETALS.COM

(416) 500-9891