

## TALON TO RECEIVE US\$2.47 MILLION IN FUNDING FROM THE DEFENSE LOGISTICS AGENCY

*Funding from the 2024 Defense Appropriations Act will support scientific studies of new approaches to enhance nickel recovery*

**Washington, DC (December 11, 2024)** – Talon Metals Corp. (“**Talon**” or the “**Company**”) (TSX:TLO/OTC:TLOFF), through its wholly owned subsidiary Talon Nickel (USA) LLC, has been awarded a research and development contract from the Department of Defense’s Defense Logistics Agency (“**DLA**”) to fund scientific research on new approaches for extracting nickel, cobalt and iron from domestic nickel sulphide ores and tailings. Research will focus on Talon’s Tamarack Nickel Project, comprised of its proposed underground nickel-copper mine in central Minnesota and its proposed Battery Mineral Processing Facility in Mercer County, North Dakota. Both projects are in the early stages of state and federal permitting.

### Highlights

- DLA will provide funding in the fixed amount of US\$2.47M over a 15-month period for a R&D project titled “*Building a Domestic Supply Chain of +99% Pure Nickel Powders and Value-Added Products for Clean Energy and Defense Related Manufacturing through a Novel Flowsheet to Process Domestically Sourced Polymetallic Sulphide Ores.*”
- Funding underscores the long-term strategic importance of nickel for defense platforms, electric batteries and other clean energy systems.
- Aligns with views from Talon and the U.S. Geological Survey (USGS) that the Midcontinent Rift in the Lake Superior region is highly prospective for nickel sulfide deposits with potential for “district scale” mineralization.
- Leverages technology developed by U.S. national labs and premiere U.S. research institutions.
- Challenges Chinese and Russian dominance in supply of nickel for clean energy systems.
- If successful, will help ensure that nickel produced for U.S. defense requirements and battery supply chains is produced at high labor standards, environmental protections and participation of indigenous people.
- Specific funding from Congress demonstrates strong bipartisan focus on using American innovation to address dependence on China for critical mineral processing.

The research project funded by the Defense Logistics Agency and led by Talon will study the efficacy and viability of novel sulphuric acid and sodium hydroxide recycling technologies with Argonne National Laboratory’s Bipolar Membrane Electrodialysis process, hydrometallurgical precipitation of co-products through neutralization of leachates, and Reductive Leach with Electrochemical Reagent Regeneration Technology from the Columbia Electrochemical Energy Center in a two-phase pilot initiative. This initiative aims to produce U.S. nickel for U.S. battery Cathode Active Material (“**CAM**”), high-quality U.S. iron for Lithium Iron Phosphate (“**LFP**”) battery CAM and recover more U.S. nickel lost during the traditional flotation process. Additionally, valuable co-products such as Supplementary Cementitious Material<sup>1</sup> (“**SCM**”) and

<sup>1</sup> SCM can be used as a replacement of Portland cement in concrete mixtures.

magnesium carbonate will be studied as a way to reduce process waste (tailings) and enhance value from each ton of ore extracted.

*“China is executing a long-term strategy to control the global nickel market through investing billions of dollars in Indonesian nickel mining and refining. Today, over half the world’s supply of nickel is produced by Sino-Indonesian firms and funded by Chinese state banks,”* said Henri van Rooyen, CEO of Talon. He continued, *“This funding from the DLA, as appropriated by Congress, enhances the United States’ ability to responsibly and sustainably extract nickel from its own mineral resources through new approaches to extraction that can yield high nickel recovery, recovery of by-products and waste reduction. American innovation is required to reduce our dependency on China and Indonesia for critical minerals like nickel.”*

Todd Malan, Chief External Affairs Officer at Talon added: *“This funding from the FY 2024 Defense Appropriations Bill was advanced by Senator John Hoeven, who has been a tireless advocate for North Dakota’s ability to produce critical minerals. Senator Hoeven has been focused on how American innovation can be harnessed to make projects like Talon’s Battery Mineral Processing Facility in Mercer County, North Dakota, even more competitive against Chinese suppliers. Mercer County is developing into a hub for critical mineral innovations.”*

## 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 U.S. over the OTC market under the symbol TLOFF. The Tamarack Nickel Project comprises a large land position (18km of strike length) with additional 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 prepared in accordance with NI 43-101 to shape a mine plan for submission to Minnesota regulators, and (ii) following up on additional high-grade nickel mineralization in the Tamarack Intrusive Complex. Talon has a [neutrality and workforce development agreement](#) in place with the United Steelworkers union. Talon’s Battery Mineral Processing Facility in Mercer County was [selected by the U.S. Department of Energy](#) for US\$114.8 million funding grant from the Bipartisan Infrastructure Law and the [U.S. Department of Defense awarded Talon a grant of U.S. \\$20.6 million](#) to support and accelerate Talon’s exploration efforts in both Minnesota and Michigan. 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](http://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 statements relating to the receipt of funding from DLA and the results of the research being undertaken pursuant to the DLA funding and the potential future commercial use thereof. 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.

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.