

Talon Metals Reports First Quarter 2026 Results

Road Town, Tortola, British Virgin Islands – May 15, 2026 – Talon Metals Corp. (TSX:TLO/OTC:TLOFF) (“**Talon**” or the “**Company**”) today reported its first quarter 2026 financial results. This is the first quarter in which results from the recently acquired Eagle Mine and Humboldt Mill (“Eagle”) are included. Results from Eagle have been included commencing January 9, 2026, the closing date of the Company’s acquisition of Eagle from Lundin Mining Corporation. All dollar amounts presented in this news release are in U.S. dollars. On January 1, 2026, the Company changed its presentation currency from Canadian dollars to U.S. dollars.

Highlights

For the three-month period ending March 31, 2026, the Company reported:

- Revenue of \$46.9 million (Q1 2025: \$nil million);
- Net income of \$1.6 million or \$0.01 per share (basic and diluted) (Q1 2025: net loss of \$0.6 million or (\$0.01) per share (basic and diluted));
- EBITDA¹ of \$7.8 million (Q1 2025: negative EBITDA of \$0.6 million);
- Adjusted EBITDA¹ of \$8.7 million (Q1 2025: negative EBITDA of \$0.6 million);
- Cash provided by operating activities was \$5.2 million (Q1 2025: \$5.1 million);
- Capitalized exploration and evaluation costs on the Tamarack Nickel-Copper-Cobalt Project for the three months ended March 31, 2026, amounted to \$7.2 million (Q1 2025: \$4.0 million).

As at March 31, 2026, the Company reported:

- Cash, cash equivalents, treasury bills, and term deposits of \$31.5 million (December 31, 2025 - \$25.4 million);
- Working capital of \$48.6 million (December 31, 2025 - \$19.3 million).

As at May 15, 2026, the Company reported cash, cash equivalents, treasury bills, and term deposits of \$55.1 million.

Darby Stacey, Chief Executive Officer of Talon, commented: *“We’re pleased to report our first quarterly results since our transformational acquisition of Eagle Mine on January 9, 2026. The integration of the Eagle assets has progressed to plan, and we’re excited to see these excellent teams begin working together toward our exciting future for the Company. Operationally, it was a challenging period with historical snowfall and issues related to excessive blocky material in the active mining stopes that negatively impacted ore flow. Our operations teams have successfully navigated through these challenges, and now resolved, we’re executing well with stable performance in Q2. With \$55.1 million of cash and short-term investments as of May 15, 2026, the Company is well-positioned to execute on its exploration and development plans in Minnesota and Michigan.”*

Consolidated Financial Statements for the three months ending March 31, 2026, and 2025, together with Management’s Discussion and Analysis, have been filed under the Company’s profile on SEDAR+ and are available at www.sedarplus.com.

¹ EBITDA and Adjusted EBITDA are non-GAAP financial measures. Refer to the “Non-GAAP Performance Measures” section in this news release for more information, including reconciliations to the nearest comparable IFRS measure.

Table 1 – Financial and Operating Metrics⁴**Summary Financial Results and Operating Statistics***All dollar amounts in US\$ thousands except per share amounts and where noted*

	2026 Q1⁵
Revenue	\$ 46,947
Cost of goods sold	
Production costs	(37,288)
Depreciation, depletion and amortization	(6,082)
Gross profit	\$ 3,577
Net income (loss)	1,646
Basic net income (loss) per share	\$ 0.01
Diluted net income (loss) per share	\$ 0.01
Revenue Breakdown	
Nickel	52%
Copper	43%
Other	5%
Total	100%
EBITDA and Adjusted EBITDA	
EBITDA	\$ 7,820
Adjusted EBITDA	8,681
Production Statistics	
Ore mined (kt)	125
Ore milled (kt)	140
Ore milled (tpd)	1,710
Nickel head grade (%)	1.41
Copper head grade (%)	1.20
Nickel recovery (%)	81.8
Copper recovery (%)	95.4
Nickel production (contained metal tonnes)	1,613
Copper production (contained metal tonnes)	1,600
Nickel sales volume (payable metal tonnes)	1,342
Copper sales volume (payable metal tonnes)	1,574
Cash cost metrics	
Cash cost excluding royalties ¹ per pound of nickel (\$/lb)	\$ 3.73
Cash cost including royalties ² per pound of nickel (\$/lb)	5.00
All-in sustaining cost ("AISC") ³ per pound of nickel (\$/lb)	7.16
Sustaining capital expenditures (thousands of US\$)	\$ 4,900

¹ Cash cost includes at-mine cash operating costs, treatment and refining charges, selling costs, and transportation costs, and is reported on a \$/lb of nickel sold basis. Cash cost may also include royalties, and so cash cost has been presented excluding and including royalties.

² Royalties include state and private royalties, and Michigan severance tax. Michigan severance tax, which is in lieu of state tax, is calculated similarly to a royalty as a percentage of revenue.

³ All-in sustaining cost ("AISC") includes cash cost (as defined above), sustaining capital expenditure, current period closure costs (cash basis), and lease payments (cash basis).

⁴ EBITDA, Adjusted EBITDA, cash costs, AISC, and sustaining capital expenditures are non-GAAP financial measures or ratios. Refer to the "Non-Performance Measures" section in this News Release for more information, including reconciliations to the nearest comparable IFRS measure.

⁵ Results from Eagle have been included commencing January 9, 2026.

Qualified Person

Etienne Dinel, Vice President, Geology of Talon, is a Qualified Person within the meaning of National Instrument 43-101. Mr. Dinel has reviewed and approved the scientific and technical information disclosed in this news release.

Non-GAAP Performance Measures

The Company uses certain performance measures in its analysis and disclosure. These performance measures have no standardized meaning within generally accepted accounting principles under IFRS Accounting Standards, and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards. The following are non-GAAP performance measures that the Company uses as key performance indicators that are included in this news release. The tables below provide a reconciliation of these non-GAAP performance measures to the most directly comparable IFRS measure as contained within the Company's issued financial statements for the three months ended March 31, 2026.

EBITDA and Adjusted EBITDA

EBITDA represents net earnings or loss for the period before income tax expense or recovery, depreciation and amortization, and finance costs, net.

Adjusted EBITDA removes the effects of items that do not reflect the Company's underlying operating performance and are not necessarily indicative of future operating results. These may include: unrealized foreign exchange, unrealized gains or losses from derivative contracts, revaluation gains or losses on marketable securities, derivative liabilities, contingent consideration and purchase options, expenses for acquisition-related fair value adjustments to inventory, non-cash impairment charges and reversals, non-cash stockpile inventory or fixed asset write-downs or reversals, goodwill impairment, insurance proceeds, and litigation and settlements. The following is a reconciliation from net income (loss) under IFRS to EBITDA and Adjusted EBITDA:

	US\$ 000's
Net income (loss)	\$ 1,646
Add back:	
Depreciation, depletion and amortization	6,082
Finance income	(113)
Finance costs	783
Income tax	(578)
EBITDA	\$ 7,820
Exploration, project development and business development	442
Other (expense) income	(11)
Foreign currency gain (loss)	94
Non-cash inventory adjustment	336
Adjusted EBITDA	\$ 8,681

Cash Cost Including and Excluding Royalties

Cash cost excluding royalties includes costs directly attributable to mining operations (including mining, processing, and administration), treatment, refining, and transportation charges, but excludes royalty expenses, expenses associated with non-cash fair value adjustments to inventory, depreciation and amortization, and capital expenditures. Revenue from sales of by-products reduce cash cost.

Cash cost, including royalties, includes cash cost excluding royalties plus state royalties, private royalties, and state severance tax, which is administered as a royalty.

Cash cost per pound sold is calculated by dividing cash cost, including or excluding royalties, by the sales volume of the primary metal, which is nickel in the case of Eagle.

All-in Sustaining Costs

All-in sustaining cost ("AISC") includes cash cost (as defined above), sustaining capital expenditure (including underground mine development), current period closure costs (cash basis), and lease payments (cash basis). As this measure seeks to reflect the full cost of production from current operations, expansionary capital and certain exploration costs are excluded as these are costs typically incurred to extend mine life or materially increase the productive capacity of existing assets, or for new operations. Corporate general and administrative expenses have also been excluded, as any attribution of these costs to an operating site would not necessarily be reflective of costs directly attributable to the administration of the site. Certain other cash expenditures, including tax payments, financing charges (including capitalized interest), and costs related to business combinations, asset acquisitions, and asset disposals, are also excluded.

AISC per pound sold is calculated by dividing AISC by the sales volume of the primary metal, which is nickel in the case of Eagle. The following is a reconciliation from total production costs under IFRS to cash cost, including and excluding royalties, and to AISC.

	Unit	
Nickel sales volume (payable metal)		
Tonnes	tonnes	1,342
Pounds	lbs.	2,958,600
Total production costs	US\$ 000's	\$ 37,288
Less: Royalties and severance tax (royalty)		(3,772)
Less: Non-cash inventory adjustment		(336)
Total cost excluding royalties	US\$ 000's	\$ 33,180
Less: By-product revenue		(22,155)
Cash cost excluding royalties	US\$ 000's	\$ 11,025
Royalties and severance tax (royalty)		3,772
Cash cost including royalties	US\$ 000's	\$ 14,797
Cash cost excluding royalties per pound sold	\$/lb of Ni sold	\$ 3.73
Cash cost including royalties per pound sold	\$/lb of Ni sold	\$ 5.00
Cash cost including royalties	US\$ 000's	\$ 14,797
Sustaining capital expenditures		4,900
Lease cash payments		920
Closure cost payments		555
All-in sustaining cost ("AISC")	US\$ 000's	\$ 21,172
AISC per pound sold	\$/lb of Ni sold	\$ 7.16

Sustaining capital expenditures

The following is a reconciliation from total property, plant, and equipment additions under IFRS to sustaining capital expenditures:

Total property, plant and equipment additions	US\$ 000's	\$ 4,969
Less: Property, plant and equipment additions not related to Eagle		(69)
Sustaining capital expenditures	US\$ 000's	\$ 4,900

ABOUT TALON

Talon is a TSX-listed base metals company advancing and operating high-grade nickel-copper assets in the United States, including 100% ownership of the Eagle Mine and Humboldt Mill in Michigan, the only primary nickel mine currently operating in the United States, and the [Tamarack Nickel-Copper-Cobalt Project](#) in Minnesota. Talon is 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-Copper-Cobalt 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-Copper-Cobalt Project and currently owns 51%. Talon has a [neutrality and workforce development agreement](#) in place with the United Steelworkers union. Talon's Beulah Mineral Processing Facility in Mercer County was [selected by the US Department of Energy](#) for a US\$114.8 million funding grant from the Bipartisan Infrastructure Law, and the [US Department of War awarded Talon a grant of US\\$20.6 million](#) to support and accelerate Talon's exploration efforts in both Minnesota and Michigan. Talon has well-qualified and experienced exploration, mine permitting, mine development, operations, and community relations teams.

For additional information on Talon, please visit the Company's website at 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 delivering stable performance in Q2 2026 and the Company being well-positioned to execute on its exploration and development plans in Minnesota and Michigan. 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.