

TAMARACK PROJECT

HIGH-GRADE NICKEL-COPPER-COBALT

THE NEXT LOW-COST PRODUCER OF NICKEL IN THE USA



TALON METALS CORP. (TSX:TLO)
RIO TINTO (KENNECOTT EXPLORATION COMPANY) JOINT VENTURE

December 2020

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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 North Project, including the potential expansion of the resource and strike length; the potential for additional geophysics to cost-effectively identify and drill targets to unlock the potential of the Tamarack Project (including, the Tamarack South Project); the conversion of a portion of the high-grade resource from the inferred category to the indicated category; near-term growth potential to increase mine life; the Company’s ability to complete an earn-in up to a 60% ownership interest in the Tamarack Project (comprised of the Tamarack North Project and the Tamarack South Project); the Company’s planned work program for the Tamarack North Project, including potential drill results; the Company’s investigations into producing battery-grade nickel sulphate from Tamarack nickel concentrate; the Company’s expectations with respect to the electric vehicle and related battery market; the Company’s expectations relating to timing of and results of future studies, including a further updated PEA based on an approx. 8 Mt mine plan and a prefeasibility study; the Company’s expectations of demand for Nickel, supply of nickel and the price of nickel; the Company’s expectations concerning ongoing and future metallurgical test work; the Company’s expectations concerning the economic viability of the Tamarack Project; the Company’s plans for tailings and permitting; the Company’s goal to become the lowest cost and at the same time the first Green-Nickel producer by working with partners to remove the most energy and emission intensive parts of the process; the Company’s plans to secure an off-take partner for an integrated battery supply chain or produce a concentrate for the stainless steel supply chain; 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); 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; 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.

TECHNICAL REFERENCE

The mineral resource figures disclosed in this presentation are estimates and no assurances can be given that the indicated levels of nickel, copper, cobalt, platinum, palladium and gold will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that the resource estimates disclosed in this presentation are well established, by their nature resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. If such estimates are inaccurate or are reduced in the future, this could have a material adverse impact on the Company.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. Inferred mineral resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred mineral resources are too speculative geologically to have economic considerations applied to them to enable them to be categorized as mineral reserves. There is no certainty that mineral resources can be upgraded to mineral reserves through continued exploration.

Please see the technical report entitled “NI 43-101 Technical Report Updated Preliminary Economic Assessment (PEA) of the Tamarack North Project – Tamarack, Minnesota” with an effective date of March 12, 2020 (the “**Updated PEA**”) prepared by independent “Qualified Persons” (as that term is defined in National Instrument 43-101 (“NI 43-101”)) Leslie Correia (Pr. Eng), Andre-Francois Gravel (P. Eng.), Tim Fletcher (P. Eng.), Daniel Gagnon (P. Eng.), David Ritchie (P. Eng.), Oliver Peters (P. Eng.), Christine Pint (P.G.) and Brian Thomas (P. Geo.) 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.

Where used in this presentation:

$\text{NiEq \%} = \text{Ni\%} + \text{Cu\%} \times \$3.00/\$8.00 + \text{Co\%} \times \$12.00/\$8.00 + \text{Pt [g/t]}/31.103 \times \$1,300/\$8.00/22.04 + \text{Pd [g/t]}/31.103 \times \$700/\$8.00/22.04 + \text{Au [g/t]}/31.103 \times \$1,200/\$8.00/22.04$

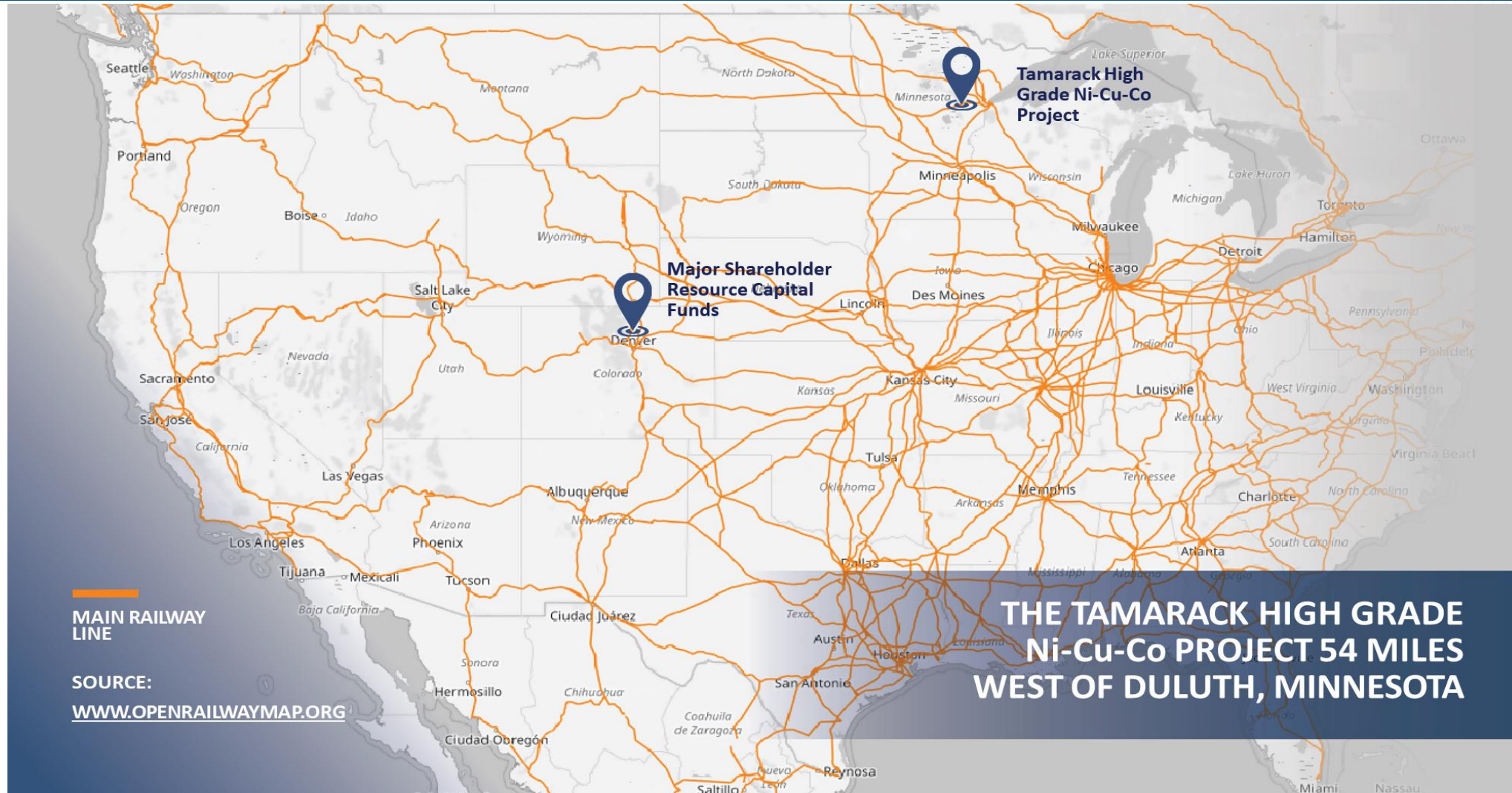
$\text{CuEq\%} = \text{Cu\%} + \text{Ni\%} \times \$8.00/\$3.00 + \text{Co\%} \times \$12.00/\$3.00 + \text{Pt [g/t]}/31.103 \times \$1,300/\$3.00/22.04 + \text{Pd [g/t]}/31.103 \times \$700/\$3.00/22.04 + \text{Au [g/t]}/31.103 \times \$1,200/\$3.00/22.04$

The Updated PEA is preliminary in nature. The Updated PEA includes inferred mineral resources. Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the Updated PEA will be realized.

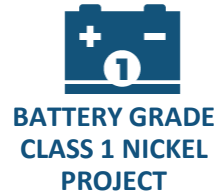
The mineral resource estimate contained in this presentation was prepared by or under the supervision of Mr. Brian Thomas (P. Geo.), who is a geologist independent of Talon and an employee of Golder Associates Ltd. In addition, Mr. Thomas has reviewed the sampling, analytical and test data underlying such information and has visited the site and reviewed and verified the QA/QC procedures used at the Tamarack North Project and found them to be consistent with industry standards. For further detail please see the Technical Report entitled “Second Independent Technical Report on the Tamarack North Project – Tamarack, Minnesota”, dated March 26, 2018, which is available under the Company’s issuer profile on SEDAR (www.sedar.com) or on the Company’s website (www.talonmetals.com). Dr. Etienne Diné, Vice President, Exploration of Talon, is a Qualified Person within the meaning of NI 43-101. Dr. Diné 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.

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.

LOCATED IN THE UNITED STATES ON INFRASTRUCTURE



TAMARACK PROJECT - KEY HIGHLIGHTS



The Tamarack Project is one of two high-grade Ni-Cu-Co projects on infrastructure discovered in the 21st century with a resource prepared in accordance with NI 43-101 suitable for batteries that is pre-development. The only high-grade development stage nickel project in USA



To date, the Company has been predominantly funded by sophisticated resource funds with specific focus on the mining or electric vehicle industries



The resource, prepared in accordance with NI 43-101, comprises 1 km along the 18 km Tamarack Intrusive Complex (TIC). Because of the January to May 2020 Exploration Program, significant exploration potential can now be unlocked cost effectively using various geophysical techniques



Over 75% of the shares are held by management, board and institutions



Combined Talon Metals and Rio Tinto's Kennecott Exploration (Rio Tinto) team. During Talon's first exploration program as Operator (Jan-May 2020), the combined Talon/Rio team completed one of the most successful, cost-effective programs at Tamarack to date. Targets were hit 100% of the time using directional drilling



Paradigm Capital commenced coverage on Sept. 18, 2019, with a follow-up report on March 6, 2020. The Company expects further coverage.



Talon has worked with Rio Tinto since 2014. Talon secured the right to be the Operator and become the majority JV partner in October 2019. This is the first time that a junior exploration company has operated a Rio Tinto project



Talon management and board have previously developed, built and sold numerous companies that realized significant returns to investors. The Tamarack Project is the group's sole focus



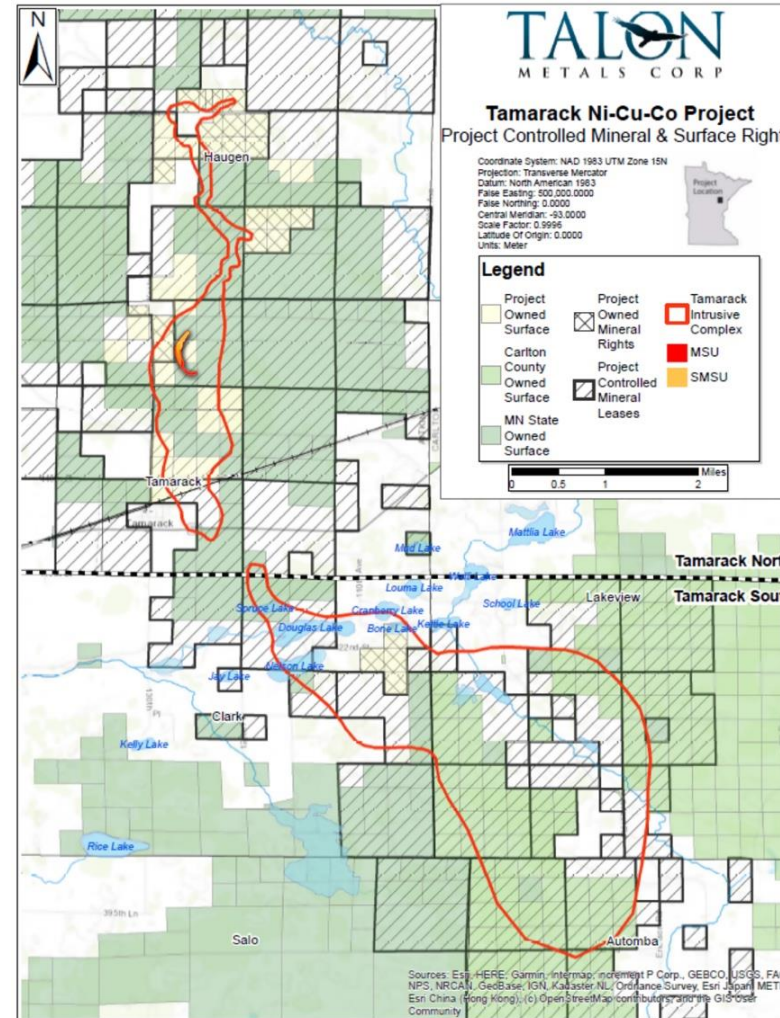
Approximately C\$16 million in the treasury as of December 11, 2020



The Company's PEA (effective date of March 12, 2020) shows robust economics even under low nickel prices due to the high-grade nature of the Tamarack Project. A new, updated PEA is planned for Q4 2020

RIO TINTO, THROUGH SUBSIDIARY KENNECOTT EXPLORATION COMPANY (KEX), IS OUR ACTIVE JOINT VENTURE PARTNER

- The Tamarack Project is comprised of the Tamarack North Project and the Tamarack South Project with 31,000 acres of Private Land and State Leases
- To earn a 51% interest in the Tamarack Project, Talon is required to (by March 2022):
 - ✔ Pay US\$6 million in cash and US\$1.5 million in shares to Rio (completed in March 2019);
 - ▶ Spend US\$10 million on exploration & development (approx. US\$9 million already spent to date) and pay US\$5 million to Rio
- To earn an additional 9% interest for a total of 60% (by March 2026):
 - Complete a feasibility study and pay US\$10 million to Rio Tinto
- Under the Option Agreement, Talon is appointed as the operator of the Tamarack Project, with total control over future exploration strategy: Rio Tinto has no back-in right and Talon controls 100% off-take rights



Plan view of the Tamarack Intrusive Complex (TIC) showing the intrusions, the Semi-Massive Sulphide Unit (SMSU) and the Massive Sulphide Unit (MSU)

A COMBINED TALON AND RIO TINTO* TEAM



Henri van Rooyen
CEO

B. Com (Hons), CA (SA)

Previously COO at Tau Capital. Secured and managed large exploration projects across 3 continents since 2007. Started working with Rio Tinto's KEX/Tamarack team in 2014. Responsible for strategy and project delivery

Sean Werger

President, Head of Investor Relations

LL.B, MBA

Previously General Counsel and Director of Mergers & Acquisitions at Tau Capital, with project divestments of mining projects totalling in excess of C\$700M. Started working with Rio Tinto's Tamarack team in 2014. Responsible for corporate and legal matters and investor relations

Brian Goldner*

Head of Exploration

(Seconded from Rio Tinto together with the Tamarack team)

Bachelors in Geology, Masters in Geology

Exploration Geologist with Rio Tinto since 2006. Completed a MSc degree on the Tamarack Intrusive Complex in 2012. Seconded by Rio Tinto to lead exploration at the Tamarack Project

Mark Groulx

VP Mine Engineering

B.Sc.E Mine Engineering, MBA

Mining engineer with more than 20 years of global experience that includes mine operations, consulting and project execution. Previously, held senior positions with Rio Tinto and PT Freeport Indonesia

Brian Bengert

Head of Geophysics

(B.Sc Geophysics, M.Sc)

Geophysicist 15 years- Inco (now Vale). Major responsibility was Voisey's Bay nickel project. Principal member of the team that discovered the underground deposit

Vince Conte

CFO, Head of HR

B.Math, CPA, CFA

Previously Senior Manager with Deloitte in the audit and financial advisory/valuations groups. Responsible for financial modelling of the Tamarack Project since 2014 as well as Talon's accounting, financial controls, auditing, reporting and HR

Dr. Etienne Dinel

VP Geology

Bachelor of Geology, Physics (Honours), PH.D, Economic Geology

Twenty years of experience in structural geology, petrology and geochemistry. Since 2014, he has been instrumental in predicting massive sulphide extensions at the Tamarack Project

Oliver Peters

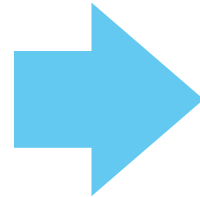
Head of Metallurgy

Masters in Engineering, MBA

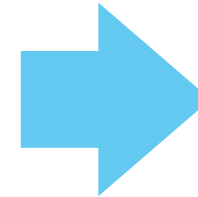
Previously Falconbridge (now Glencore). Experience with over twenty Ni, Cu and PGM projects. Has been working on the Tamarack Project since 2016

HIGH-GRADE SULPHIDE DEPOSITS ARE THE PREFERRED, LOW-COST SOURCE OF NICKEL BUT ARE EXTREMELY RARE

NEW HIGH-GRADE NICKEL SULPHIDE DISCOVERIES ARE DIFFICULT TO FIND



AND EXISTING NICKEL SULPHIDE MINE GRADES CONTINUE TO DECLINE

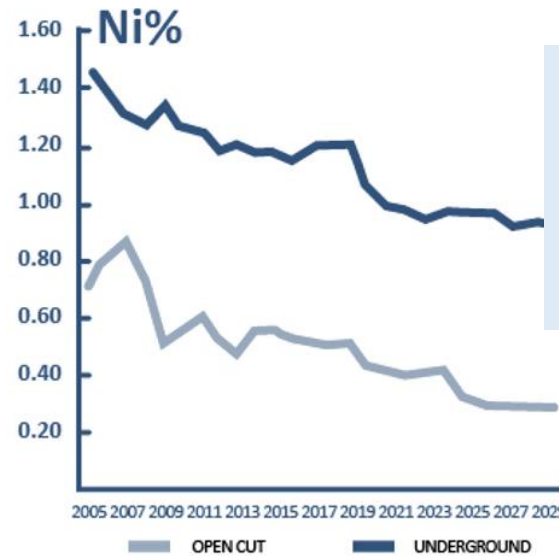


THEREFORE NICKEL SULPHIDE MINE PRODUCTION AS A % OF TOTAL NICKEL PRODUCTION WILL CONTINUE TO DECLINE

Only two 21st century discoveries with resources on infrastructure are in the pre-development stage

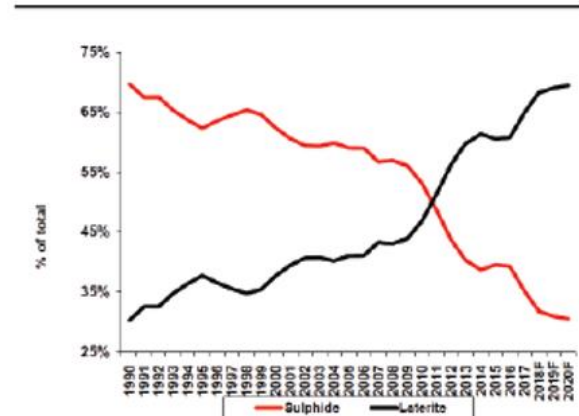
2008 - Tamarack Intrusive Complex (TIC) – Minnesota Talon-Rio Tinto (through subsidiary KEX) Joint Venture

2009 – Sakatti (Anglo-American): PFS Completed; Environmental & Social Impact Assessment submitted in 2019



Source: AME, Nickel Mine Grade Decline, November 2015

SHARE OF FINISHED NICKEL PRODUCTION FROM SULPHIDE AND LATERITE ORES



Source: Company reports, INSG, Macquarie Research, March 2018

It is more expensive to produce nickel from laterites than from high-grade sulphides. As the industry moves to more laterite production, the industry or marginal cost of production increases and prices are expected to follow

High-grade nickel sulphide projects benefit from comparatively low cost compared to laterite projects. Laterite projects with their higher operating and capital costs are the marginal or high cost producer and set industry prices over the long-term.

THE TAMARACK INTRUSIVE COMPLEX (TIC) STRIKES OVER APPROXIMATELY 18 KM. FOLLOW-UP DRILLING TO THE FIRST DISCOVERY HOLE CULMINATED IN A RESOURCE*

* Tamarack North Project NI 43-101 Mineral Resource Estimate
(February 15, 2018) - Tamarack and 138 Zones

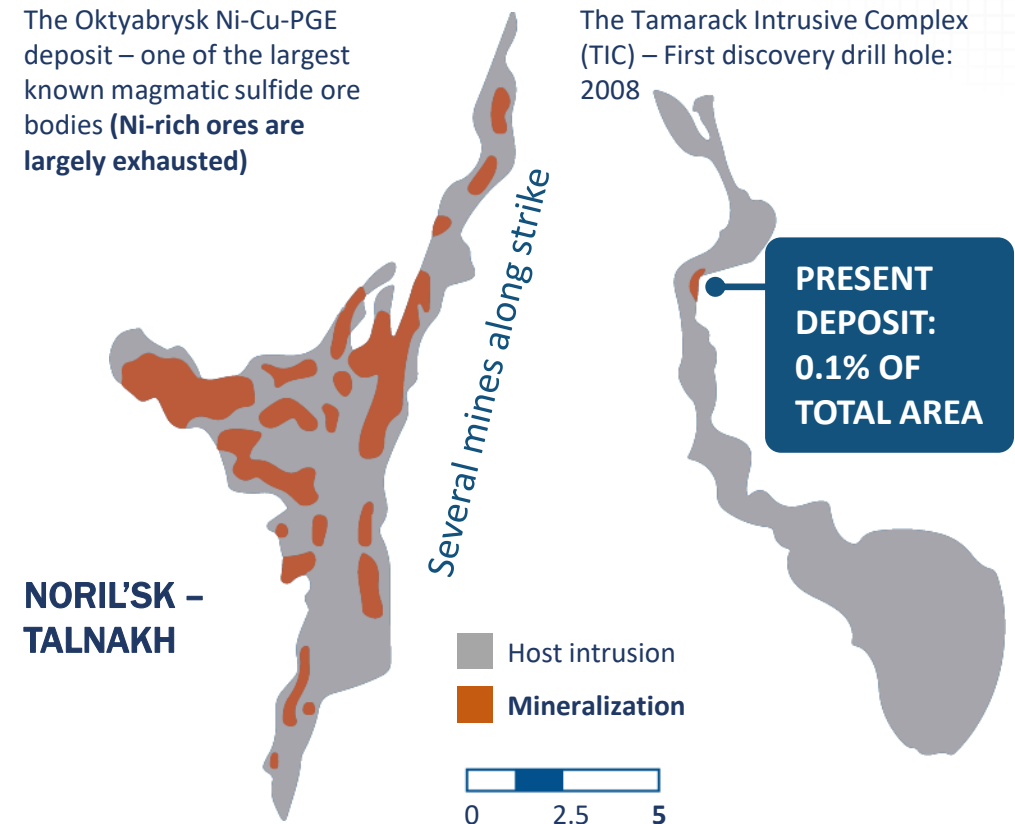
Domain	Resource Classification	Tonnes (000)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Calc NiEq (%)
SMSU	Indicated	3,639	1.83	0.99	0.05	0.42	0.26	0.20	2.45
TOTAL	Indicated	3,639	1.83	0.99	0.05	0.42	0.26	0.20	2.45
SMSU	Inferred	1,107	0.90	0.55	0.03	0.22	0.14	0.12	1.25
MSU	Inferred	570	5.86	2.46	0.12	0.68	0.51	0.25	7.24
138 Zone	Inferred	2,705	0.95	0.74	0.03	0.23	0.13	0.16	1.38
TOTAL	Inferred	4,382	1.58	0.92	0.04	0.29	0.18	0.16	2.11

Effective date of resource estimate February 15th 2018. All resources reported at a 0.83% NiEq cut-off. No modifying factors have been applied to the estimates. Tonnage estimates are rounded to the nearest 1,000 tonnes. Metallurgical recovery factored in to the reporting cut-off. Where used in the Mineral Resource Estimate, NiEq% = Ni% + Cu% x \$3.00/\$8.00 + Co% x \$12.00/\$8.00 + Pt [g/t]/31.103 x \$1,300/\$8.00/22.04 + Pd [g/t]/31.103 x \$700/\$8.00/22.04 + Au [g/t]/31.103 x \$1,200/\$8.00/22.04 . See Technical Reference slide for further information regarding the Initial PEA, which is available under the Company's issuer profile on SEDAR (www.sedar.com)

One of the most prolific nickel producers (Talnakh - Russia) was discovered over a century ago. It has several mines along strike

The Oktyabrysk Ni-Cu-PGE deposit – one of the largest known magmatic sulfide ore bodies (Ni-rich ores are largely exhausted)

The Tamarack Intrusive Complex (TIC) – First discovery drill hole: 2008



JANUARY TO MAY 2020 EXPLORATION PROGRAM RESULTS: INCREASED RESOURCE CONFIDENCE THROUGH A SUCCESSFUL DEFINITION DRILL PROGRAM; INTERSECTED MIXED MASSIVE SULPHIDES OUTSIDE OF THE COMPANY'S RESOURCE AREA

Talon Approved as Operator in October 2019

- First Rio Tinto project operated by a junior exploration company

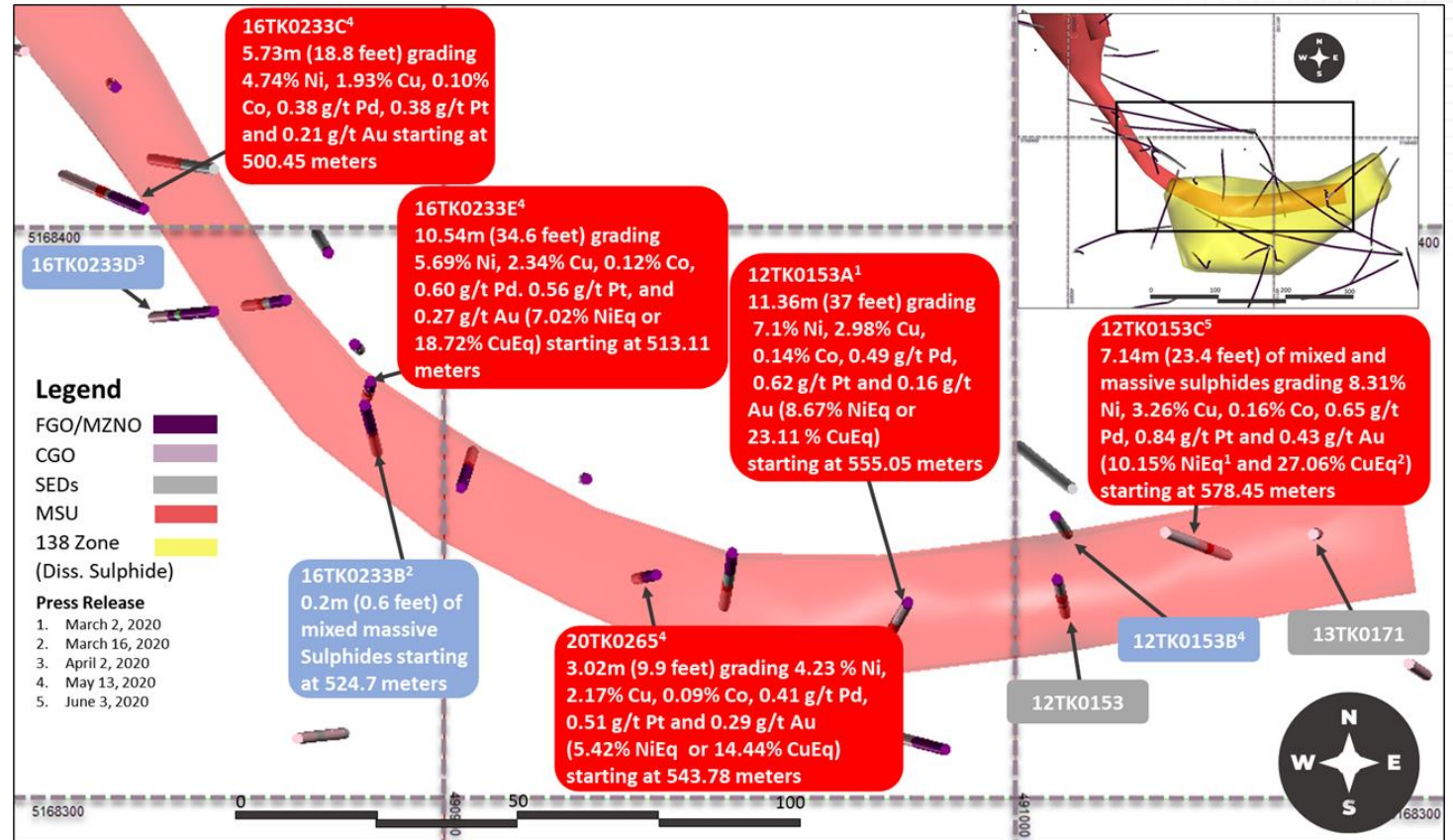
Drilled 8 holes of which 6 intersected massive and/or mixed massive sulphides

- Used 3 drill pads and historical parent holes to drill offshoots (branches), thereby optimizing cost and reducing environmental footprint
- Assays received, including:

7.14 meters; 10.15% NiEq (27.06% CuEq)

8.31% Ni 3.26% Cu 0.16% Co

1.49 g/t PGEs 0.43 g/t Au



- Intersected a total of 38 meters (125 feet) of mixed and massive sulphides in 6 drill holes; drill hole 16TK0233D is outside of the resource model; Drill hole 16TK0233E shows significantly wider massive sulphides than predicted
- Intersected an additional total of 363 meters (1,190 feet) of disseminated sulphides in 3 drill holes

TALON'S STRATEGY

1 Expand the present resource: Targeting 2.3 km strike length

- ✓ Present resource strike length: 0.8 km
- ✓ Expansion strike length: 1.5 km: Target both massive and disseminated sulphides

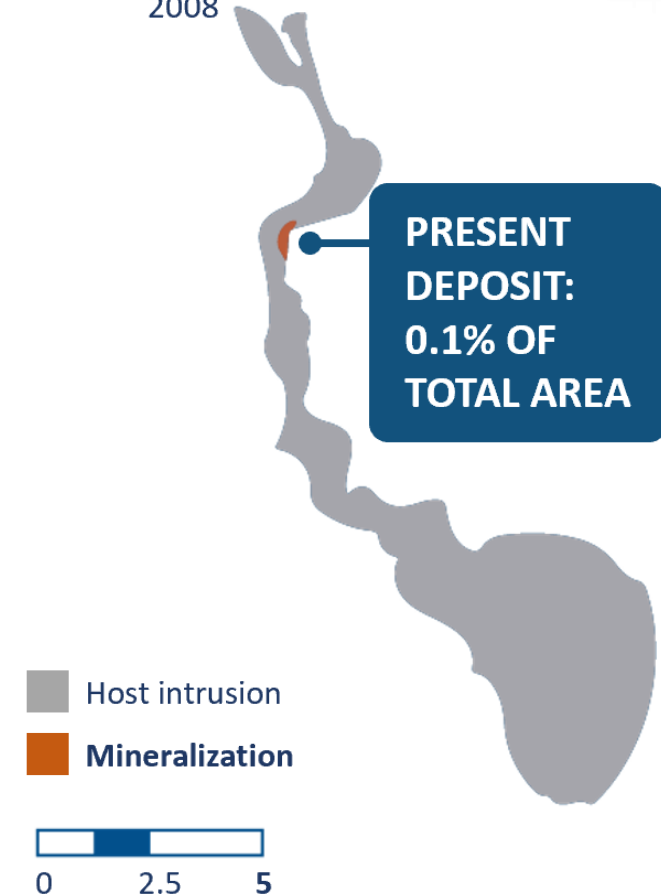
2 Complete a Prefeasibility Study

- ✓ Secure an off-take partner for an integrated battery supply chain or produce a concentrate for the stainless steel supply chain – based on the expanded resource
- ✓ Commence permitting

3 Explore the remaining 16.5 km of the Tamarack Intrusive Complex (TIC)

- ✓ Follow-up on historical >9% Ni intercepts outside of the expanded resource area
- ✓ Continue-cost effective, advanced surface and borehole Electro-Magnetic (EM) surveys

The Tamarack Intrusive Complex (TIC) – First discovery drill hole: 2008



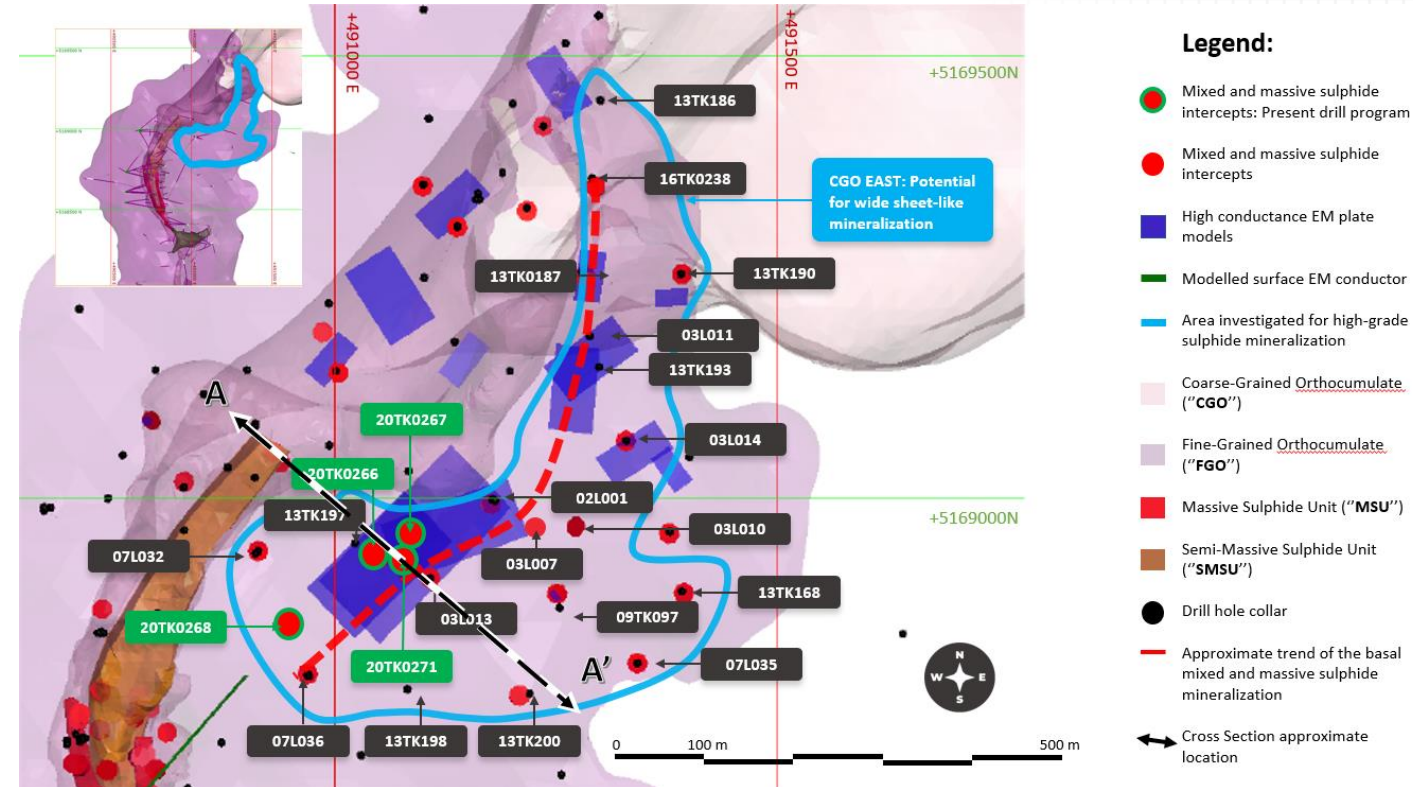
(1) EXPAND PRESENT RESOURCE: CURRENT DRILLING FOCUS (350 METERS NORTH OF THE RESOURCE)

Priority Drill Target Area: CGO EAST

- Vast exploration target of 500m x 900 meters of shallow sheet-like sulphide mineralization

 - Sulphide mineralization thickness varies 2 to 40 meters that consist of disseminated sulphide and a basal mixed an massive sulphides.
- Large step-out 350 meters north-east of the Company's current resource area
- Historical holes demonstrate sheet-like sulphide mineralization with average thickness of 15 meters up to 1% NiEq, including high-grade massive sulphide mineralization at the base grading up to 5% NiEq
- New holes announced targeting the eastern trend announced (assays pending):

 - Hole 266 intersected 44.75 meters of mineralization, including 2.15 meters of mixed massive sulphide mineralization, starting at only 203 meters
 - Partial Assays: 11.75 meters at 1.03% Ni, 0.72% Cu, 0.03% Co, 0.45 g/t PGE's and 0.25 g/t Au (1.50% NiEq)**
 - Hole 271 intersected 9.55 meters of 2.12% Ni, 0.97% Cu, 0.06% Co, 0.14 g/t Pd, 0.28 g/t Pt and 0.23 g/t Au (2.71% NiEq or 7..22% CuEq) starting at 236 meters including 2.71 meters 5.13% Ni, 1.70% Cu, 0.16% Co, 0.20 g/t Pd, 0.35 g/t Pt and 0.21 g/t Au (6.15% NiEq or 16.41% CuEq) starting at 242.84 meters
 - Hole 267 intersected 24.69 meters of mineralization, including 1.94 meters of mixed massive sulphide mineralization starting at only 247.08 meters



Plan view map of the CGO East mineralization. The solid blue line shows the potential extent of the sulphide mineralization in the area. The dashed red line represents an approximate 800-meter trend

$$\text{NiEq \%} = \text{Ni\%} + \text{Cu\%} \times \$3.00/\$8.00 + \text{Co\%} \times \$12.00/\$8.00 + \text{Pt [g/t]}/31.103 \times \$1,300/\$8.00/22.04 + \text{Pd [g/t]}/31.103 \times \$700/\$8.00/22.04 + \text{Au [g/t]}/31.103 \times \$1,200/\$8.00/22.04$$

$$\text{CuEq \%} = \text{Cu\%} + \text{Ni\%} \times \$8.00/\$3.00 + \text{Co\%} \times \$12.00/\$3.00 + \text{Pt [g/t]}/31.103 \times \$1,300/\$3.00/22.04 + \text{Pd [g/t]}/31.103 \times \$700/\$3.00/22.04 + \text{Au [g/t]}/31.103 \times \$1,200/\$3.00/22.04$$

(1) EXPAND PRESENT RESOURCE: CURRENT DRILLING FOCUS (350 METERS NORTH OF THE RESOURCE)

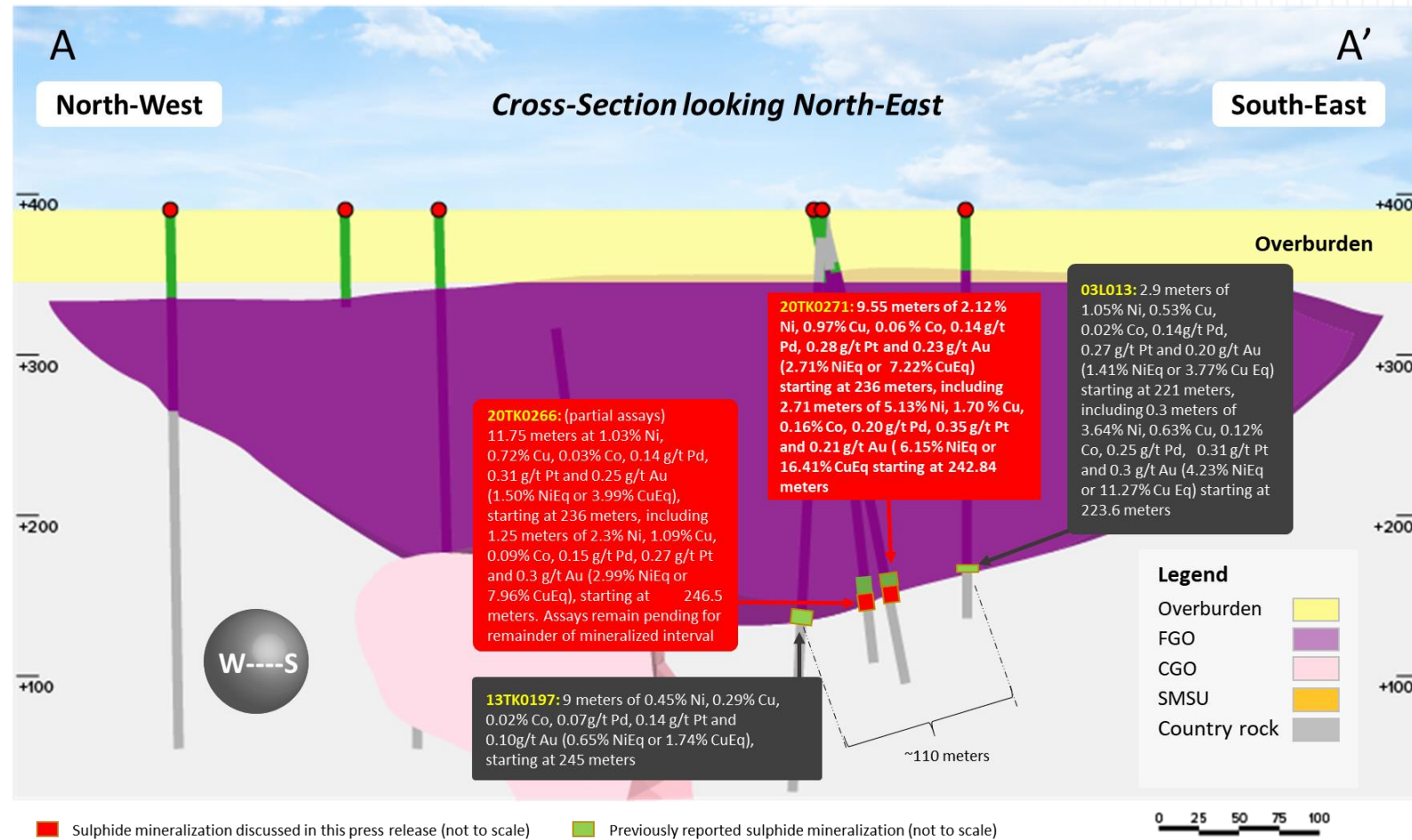
Drill Holes 20TK0271 and 20TK0266:

○ Cross Section A-A' showing potential mineralization width of over 100 meters with up to 11.75 meters thick (2.9 to 11.75 meters) of high-grade Ni-Cu sulphide mineralization:

○ Hole 20TK0266: 11.75 meters at 1.03% Ni, 0.72% Cu, 0.03% Co, 0.45 g/t PGE's and 0.25 g/t Au (1.50% NiEq or 3.99% CuEq) starting at 236 meters.

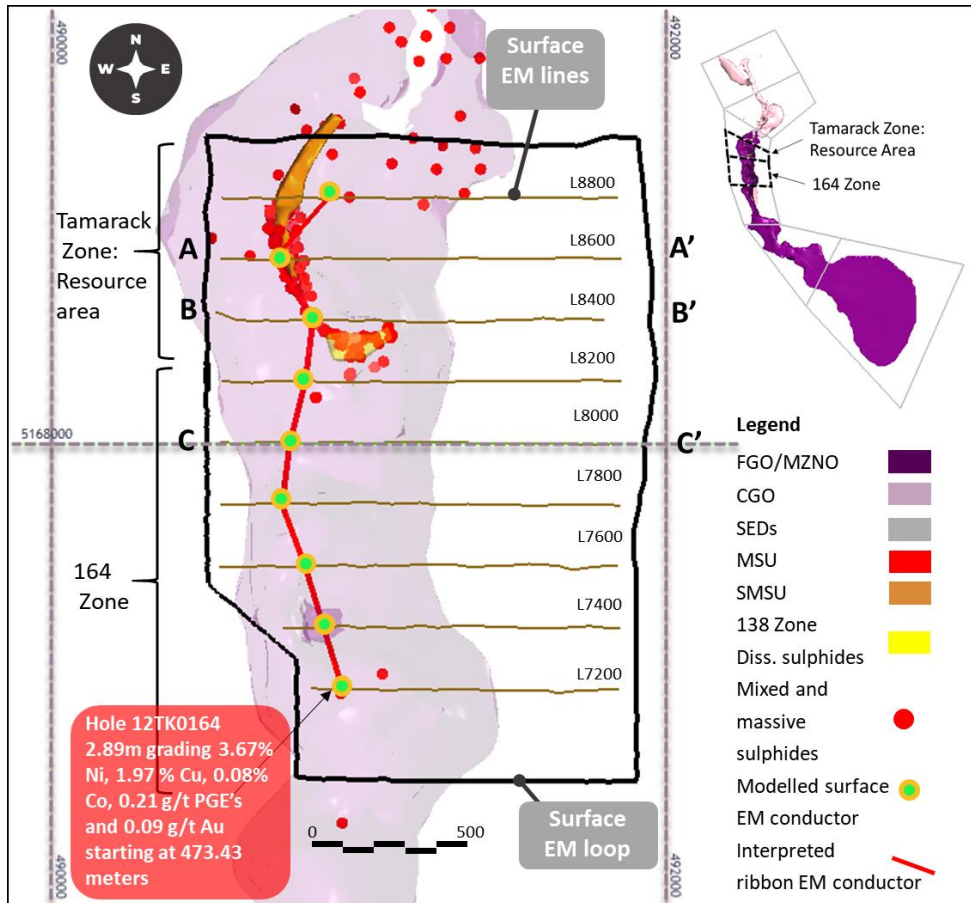
○ Hole 20TK0271: 9.55 meters of 2.12% Ni, 0.97% Cu, 0.06% Co, 0.14 g/t Pd, 0.28 g/t Pt and 0.23 g/t Au (2.71% NiEq or 7.22% CuEq) starting at 236 meters, including 2.71 meters 5.13% Ni, 1.70% Cu, 0.16% Co, 0.20 g/t Pd, 0.35 g/t Pt and 0.21 g/t Au (6.15% NiEq or 16.41% CuEq) starting at 242.84 meters.

○ With a potential strike length of 600-800 meters, drilling will occur from Jan-April 2021 to define a resource in the area



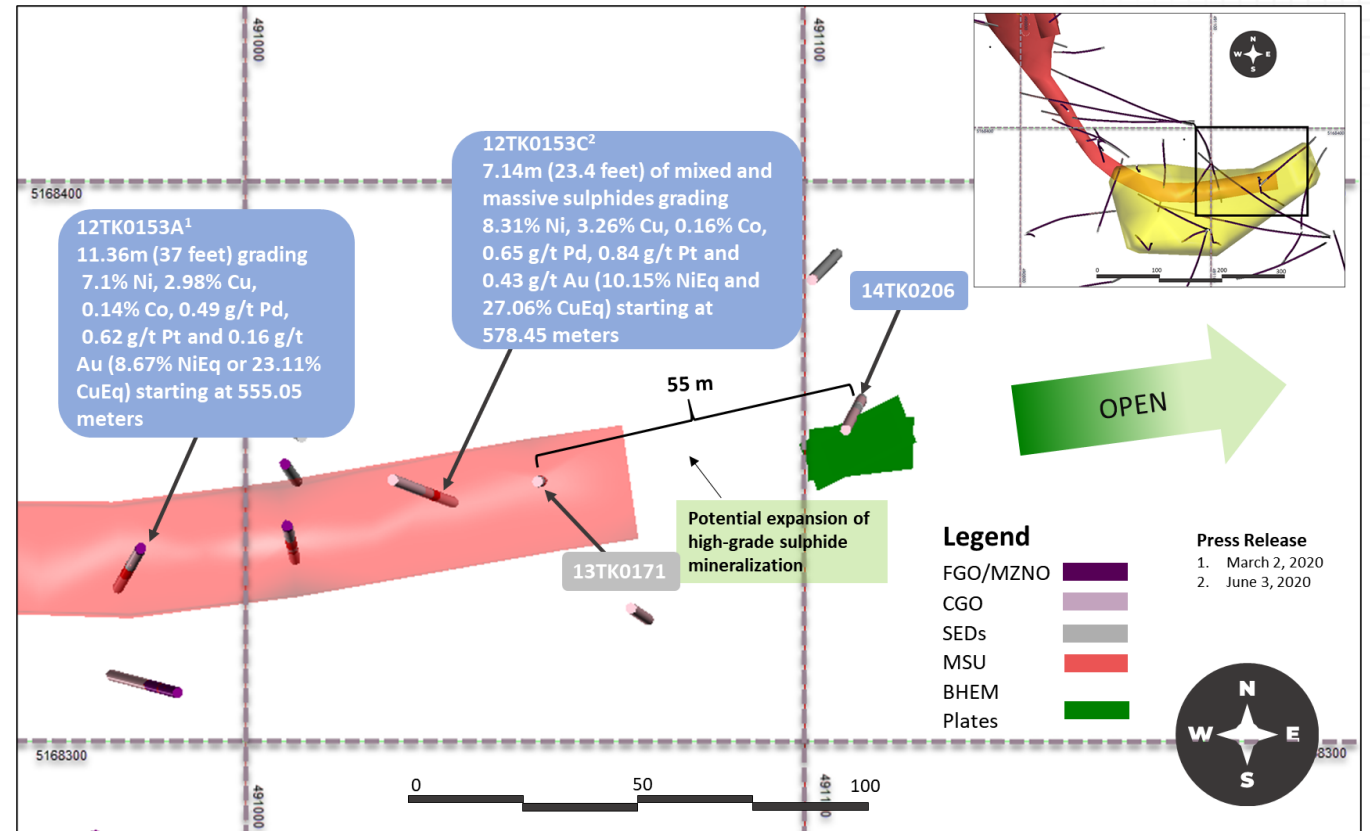
(1) EXPAND THE PRESENT RESOURCE TO THE SOUTH AND EAST: TARGETING 2.3 KM STRIKE LENGTH (DEC. 2020 TO MARCH 2021)

TO THE SOUTH OF THE TAMARACK AND THE 138 ZONES



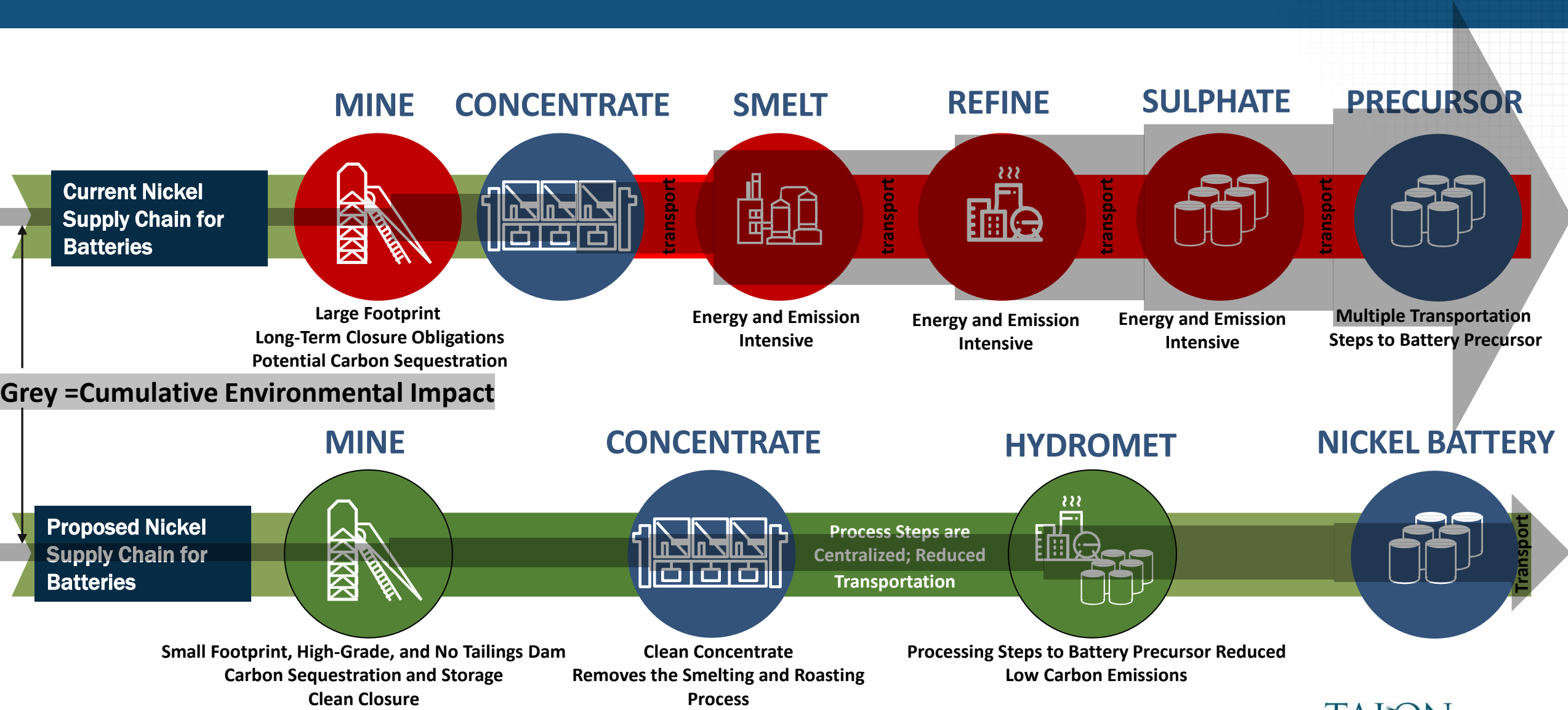
Long, linear conductor detected using surface electromagnetic surveys. Note the stations in the north (see (A-A') and (B-B') above) correspond to the present high-grade massive sulphide unit resource

TO THE EAST OF THE TAMARACK AND THE 138 ZONES



Borehole electromagnetic plates (in green) indicating that the high-grade massive sulphide unit may extend to the east of the present resource: The area to the east is completely open (i.e. has not been drilled before)

(2) COMPLETE A PRE-FEASIBILITY STUDY: GREEN NICKEL™ – FROM MINE TO THE FINAL BATTERY



(2) COMMENCE PERMITTING

*"Wherever you are in the world, please mine more nickel and **don't wait** for nickel to go back to some high point that you experienced some five years ago or whatever, **go for efficiency**."*

-Elon Musk (July 23, 2020)
(Co-founder and CEO of Tesla)

(2) WHAT IS “EFFICIENCY” IN MINING?

- Elon nailed it: If you are efficient you don't have to wait. But what drives efficiency?
- Efficiency is a function of high-grade, high recovery of metal from rock and low capex:
 - Consider three high-grade, underground nickel sulphide projects:



- Both Nova and Eagle were highly profitable at an average nickel price of ~\$11,785 (\$5.30/lb Ni) from 2015 to 2019

*“Tesla will give you a giant contract for a long period of time if you mine nickel efficiently and in an **environmentally sensitive way**”*

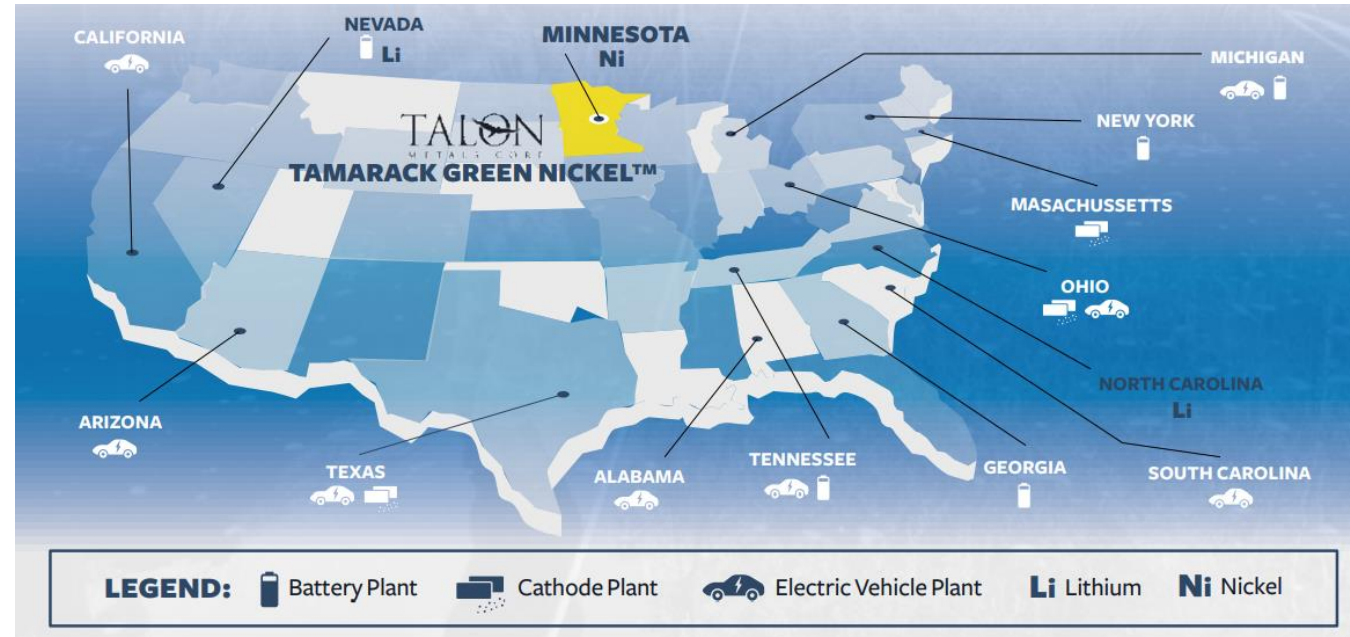
-Elon Musk (July 23, 2020)
(Co-founder and CEO of Tesla)

(2) WHAT IS GREEN 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 23, 2020)
(Co-founder and CEO of Tesla)

- ✓ NO SMELTING OR ROASTING
- ✓ NICKEL FROM MINE TO BATTERY IN THE USA
- ✓ NO TAILINGS DAM OR DEEP-SEA TAILINGS DISPOSAL
- ✓ SMALL FOOTPRINT
- ✓ GREEN ENERGY FOR AN ELECTRIC MINE FLEET
- ✓ CARBON CAPTURE AND STORAGE
- ✓ COMMUNITY DEVELOPMENT:
SUPPORTING SUSTAINABLE GROWTH BEFORE, DURING, & POST-MINE CLOSURE

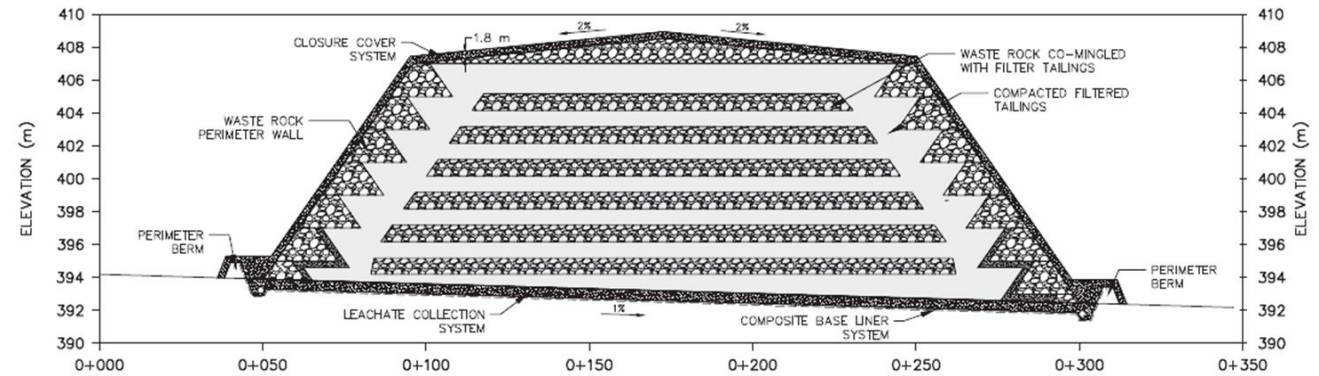


(2) GREEN NICKEL™: DON'T BUILD TAILINGS DAMS!!!



Precedent of a Filtered Tailings Facility, Greens Creek, Alaska

Independent Expert Engineering Investigation and Review Panel, Report on Mount Polley Tailings Storage Facility Breach, “Where do we go from here: Best Available Technologies (BAT) for closure”, Figure 9.1.1, January 30, 2015



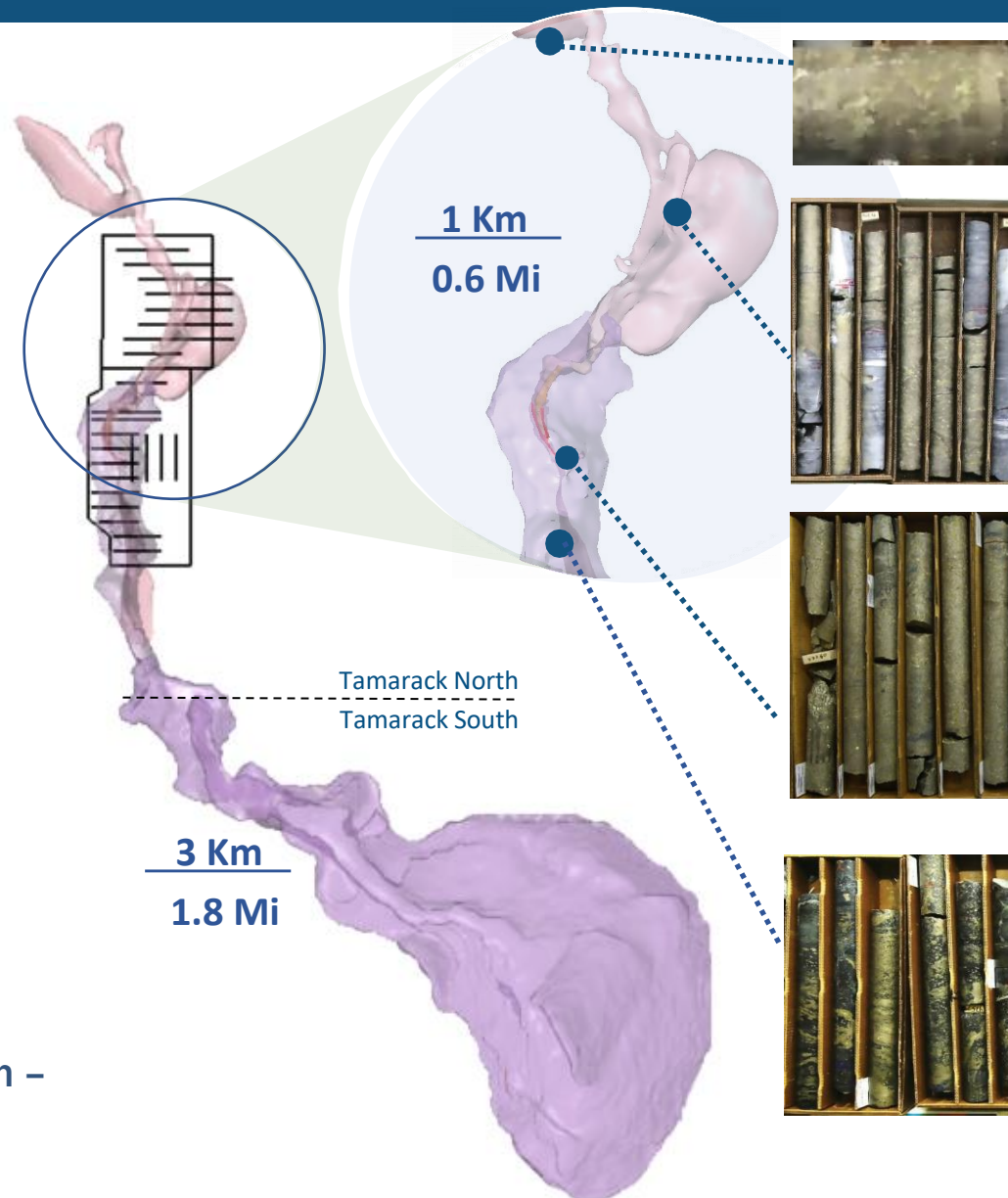
CROSS SECTION OF A CONCEPTUAL CO-DISPOSED FILTERED TAILINGS FACILITY (CFTF)

At the high-grade Tamarack Project:

- No tailings dam (repeat: No tailings dam)
- Tailings will be cemented underground
- Remaining (low grade sulphur) tailings will be stored in an Encapsulated Co-Disposed Filtered Tailings Facility (“CFTF”)

(3) Explore the remaining 16.5 km of the Tamarack Intrusive Complex (TIC)

- Follow-up on historical >9% Ni intercepts outside of the expanded resource area
- Continue cost effective, advanced surface and borehole Electro-Magnetic (EM) surveys
- ✓ Advanced borehole EM probe; Narrow spacing between recordings down the hole
- ✓ A large number of historical drill holes are being re-surveyed
- ✓ Advanced surface EM using long wave lengths are showing promising results (no drill holes needed)
- ✓ Talon owns and operates the equipment – continual, cost effective data collection
- ✓ In-house data processing and interpretation – allows for continuous improvement



264 Zone

Hole 18TK0264 intersected 0.25m grading 9.95% Ni, 5.74% Cu, 0.16% Co, 2.46 g/t PGE's and 0.32 g/t Au starting at 539.04meters (**3km away from resource**)

221 Zone

Hole 15TK0229 intersected 1.63m grading 9.33% Ni, 5.14% Cu, 0.18% Co, 3.64 g/t PGE's and 0.71 g/t Au starting at 702.04 meters (**1.6km away from resource**)

Tamarack Zone


Hole 13TK0171 intersected 7.34m grading 8.3% Ni, 2.95% Cu, 0.15% Co, 0.93 g/t PGE's and 0.19 g/t Au starting at 573.3 meters (**Open to the east**)

164 Zone







Hole 12TK0164 intersected 2.89m grading 3.67% Ni, 1.97% Cu, 0.08% Co, 0.21 g/t PGE's and 0.09 g/t Au starting at 473.43 meters (**1.1km away from resource**)

RECENT ACHIEVEMENTS AND UPCOMING CATALYSTS

RECENT ACHIEVEMENTS (2020)

-  Successful drill program (ended in March 2020): 38 meters (125 feet) of mixed and massive sulphides drilled in 6 holes
-  Geophysics successfully used by the Company to identify new targets outside the Company's resource area, creating an opportunity to cost-effectively unlock the 18 km Tamarack Intrusive Complex (TIC) by making new discoveries
-  Updated PEA with after-tax NPV of US\$291M (an increase from US\$210M in prior PEA) based on a mine plan of just 4.9 mt
-  Pre-concentration (metallurgical) testing showed that mineralization currently below cut-off grade can be upgraded to above cut-off grade

UPCOMING CATALYSTS

-  Additional geophysics to cost-effectively identify and drill targets to unlock the potential of the 18 km project
-  Continued drilling program through into 2021
-  Test program to determine if battery-grade nickel sulphate can be produced from Tamarack nickel concentrate
-  Additional pre-concentration testing on a representative sample of disseminated sulphide mineralization to increase the resource size
-  Conversion of a portion of the high-grade resource from the inferred category to the indicated category
-  Updated PEA based on ~8.0 Mt mine plan that may show economics of two scenarios relating to EV supply chain: (1) Nickel Concentrates (2) Nickel Sulphates

CAPITAL STRUCTURE



Shares issued **604.7M**

Warrants outstanding **34.3M**

Options outstanding **56.7M**

Fully diluted **695.7M**

Share price **C\$0.36**

Exchange symbol **TLO.TSX**

Market capitalization **C\$218M / US\$170M**

Cash **C\$16.0M / US\$12.5M**

(At December 11, 2020)

Major shareholders

Resource Capital Funds **43.0%**

Rio Tinto **5.0%**

Management and directors **4.4%**



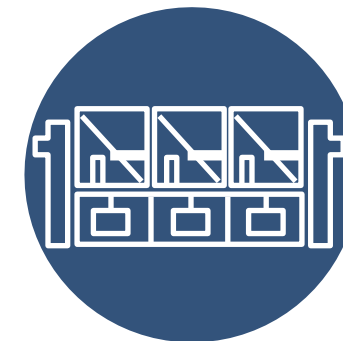
Annex 1

RESULTS OF PRELIMINARY ECONOMIC ASSESSMENT (PEA)

Please see the technical report entitled “NI 43-101 Technical Report Updated Preliminary Economic Assessment (PEA) of the Tamarack North Project – Tamarack, Minnesota” with an effective date of March 12, 2020 for further information. Copies are available on the Company’s website (www.talonmetals.com) or on SEDAR at (www.sedar.com)

EXCELLENT METALLURGICAL RECOVERIES AND LOW DELETERIOUS ELEMENTS IN CONCENTRATES

- Ni recovery to Ni concentrate: **83.4%**
- Ni grade in Ni concentrate: **13.3%**
- Cu recoveries to Ni and Cu concentrates: **94.4%**
- Cu grade in Cu concentrate: **28.9%**



Simple Flowsheet, Proven Process

EXCELLENT QUALITY

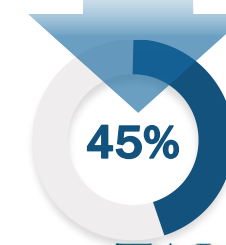
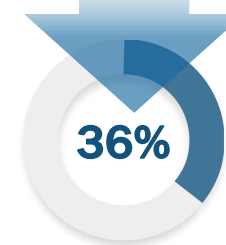
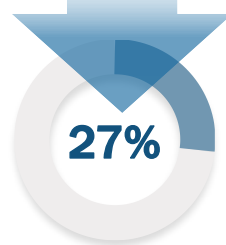
- High quality nickel concentrates are in high demand. We expect this trend to continue
- We are therefore investigating two possibilities:
 1. Producing concentrates for smelters; or
 2. Producing nickel sulphates for the Electric Vehicle (EV) market

TAMARACK IS EXPECTED TO BE A LOW COST PRODUCER

THE PEA RESULTS SHOW STRONG ECONOMICS EVEN AT LOW METAL PRICES

	Unit	Low	Base case	Incentive pricing
Ni	US\$/lb	\$6.75	\$8.00	\$9.50
Cu	US\$/lb	\$2.75	\$3.00	\$3.25
Co	US\$/lb	\$15.00	\$25.00	\$35.00
Pt	US\$/oz	\$1,000	\$1,000	\$1,000
Pd	US\$/oz	\$1,000	\$1,000	\$1,000
Au	US\$/oz	\$1,300	\$1,300	\$1,300
C1 Costs	US\$/lb of Ni	\$2.56	\$2.67	\$2.85
Payback period	Years (Pre/After-tax)	2.7/2.9	2.3/2.5	2.0/2.1
After-tax NPV	US\$ millions	\$191M	\$291M	\$398M

AFTER-TAX IRR:



PEA: SUMMARY OF RESULTS

WORLD CLASS IRR DRIVEN BY HIGH-GRADE MSU AND LOW CAPITAL INTENSITY
NPV INCREASED 39% RELATIVE TO INITIAL PEA AND FURTHER ROOM FOR IMPROVEMENT



After tax NPV-7% ¹	US\$291M
After tax IRR ¹	36.0%
Tonnes processed	4.91 Mt
NiEq grade of tonnes processed	2.82%
Payback period	2.3 / 2.5 years pre-tax/after-tax
Mine life	8 years (7.5 years excl. partial years)
Production capacity	2,000 tpd
Total CAPEX over LOM	US\$258.73M
C1 costs ²	\$2.67/lb of nickel in concentrate
C1 costs + royalties	\$3.35/lb of nickel in concentrate
C1 cost + royalties + sustaining CAPEX ("All-in sustaining cost")	\$3.57/lb of nickel in concentrate
C1 costs + royalties + total CAPEX	\$4.72/lb of nickel in concentrate
Ni recovery to Ni concentrate	83.4%
Cu recovery to Cu concentrate	80.2%
Overall Cu recovery	94.4%
Payable Ni production	21.2 million lbs/year 140M lbs over LOM
Payable Cu production	13.3 million lbs/year 88M lbs over LOM
Ni concentrate grades	13.3% Ni, 1.13% Cu, 0.36% Co
Cu concentrate grades	27.6% Cu, 2.91 g/t Au
Revenue split (% of NSR)	Ni 77%, Cu 19%, Co 3%, PGE-Au 1%

Only 4.91 Mt of ~8 Mt of material included in this iteration of mine plan

CAPITAL COSTS (USD millions)

Initial mine	\$83.33
Initial process and surface facilities	\$122.32
Working capital	<u>\$12.95</u>
Total initial CAPEX	\$218.60
Sustaining CAPEX	<u>\$40.13</u>
Total CAPEX	\$258.73

OPERATING COSTS (USD/tonne of ore milled)

Mining	\$50.34/tonne
Processing	\$14.69/tonne
Transportation and product handling	\$13.52/tonne
Co-mingled filtered tailings facility	\$1.67/tonne
G&A	<u>\$7.50/tonne</u>
Total	\$87.73/tonne

1. Base case pricing assumed to be US\$8.00/lb nickel; US\$3.00/lb copper; US\$25/lb cobalt; \$1300 Au; \$1000 Pt and \$1000 Pd
2. C1 cost includes on-site costs, value of metal claimed by smelter (metal units, treatment charges & refining charges), insurance, losses and transportation costs, less by-products metals.

PEA: SENSITIVITY ANALYSIS

LOW CAPITAL INTENSITY AND ROBUST ECONOMICS

The Updated PEA illustrates a high after-tax and pre-tax IRR, low C1 costs, low capital intensity and a quick payback. Capital intensity is \$21,000 per annual tonne of payable nickel equivalent and \$15,000 per annual tonne of nickel produced in concentrate (excluding the impact of ramp-up/partial years in the first and last two years of the mine plan).

The project economics are robust as illustrated by satisfactory IRR's at -30% metal prices and grade and +30% OPEX and CAPEX as illustrated in the graph on the bottom right. Low

		After-tax			Pre-tax		
		Metal price scenario			Metal price scenario		
		Low	Base	Incentive	Low	Base	Incentive
Discount Rate	NPV 7%	191	291	398	242	362	492
	NPV 8%	174	268	370	222	335	458
	NPV 10%	142	227	318	185	287	397
IRR		27.3%	36.0%	44.6%	31.4%	41.0%	50.5%
C1 Cost per lb of Ni in concentrate		\$2.56	\$2.67	\$2.85	\$2.56	\$2.67	\$2.85
Payback from start of production in years		2.9	2.5	2.1	2.7	2.3	2.0

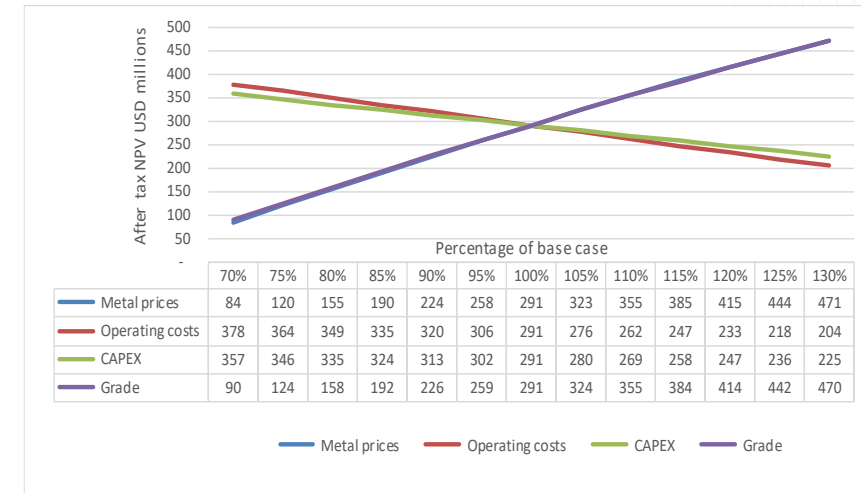
* All amounts in U.S. dollars.

Metal prices assumptions are: Low: \$6.75 Ni, \$2.75 Cu, \$15.00 Co; Base: \$8.00 Ni, \$3.00 Cu,

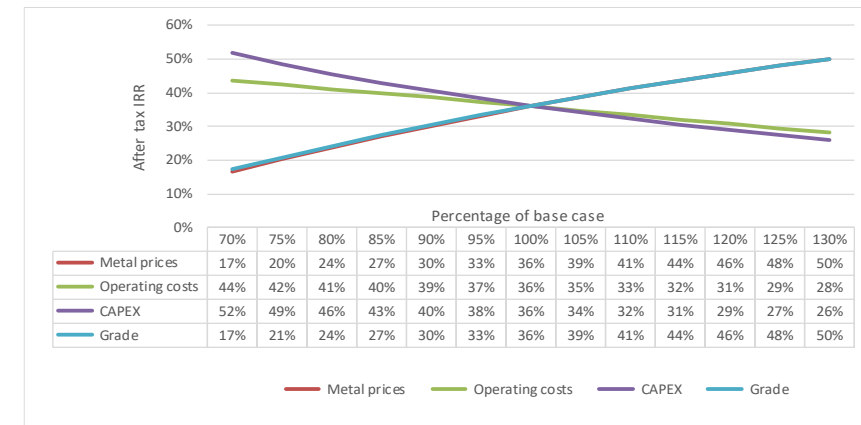
** \$25.00 Co, Incentive: \$9.50 Ni, \$3.25 Cu, \$35.00 Co. All pricing scenarios use \$1,300 Au, \$1000 Pt, and \$1000 Pd.

*** C1 cost includes on-site costs, value of metal claimed by smelter (metal units, treatment charges & refining charges), insurance, losses and transportation costs, less by-products metals.

Sensitivity of Base Case after-tax NPV to changes in metal prices, grade, operating costs and capital costs

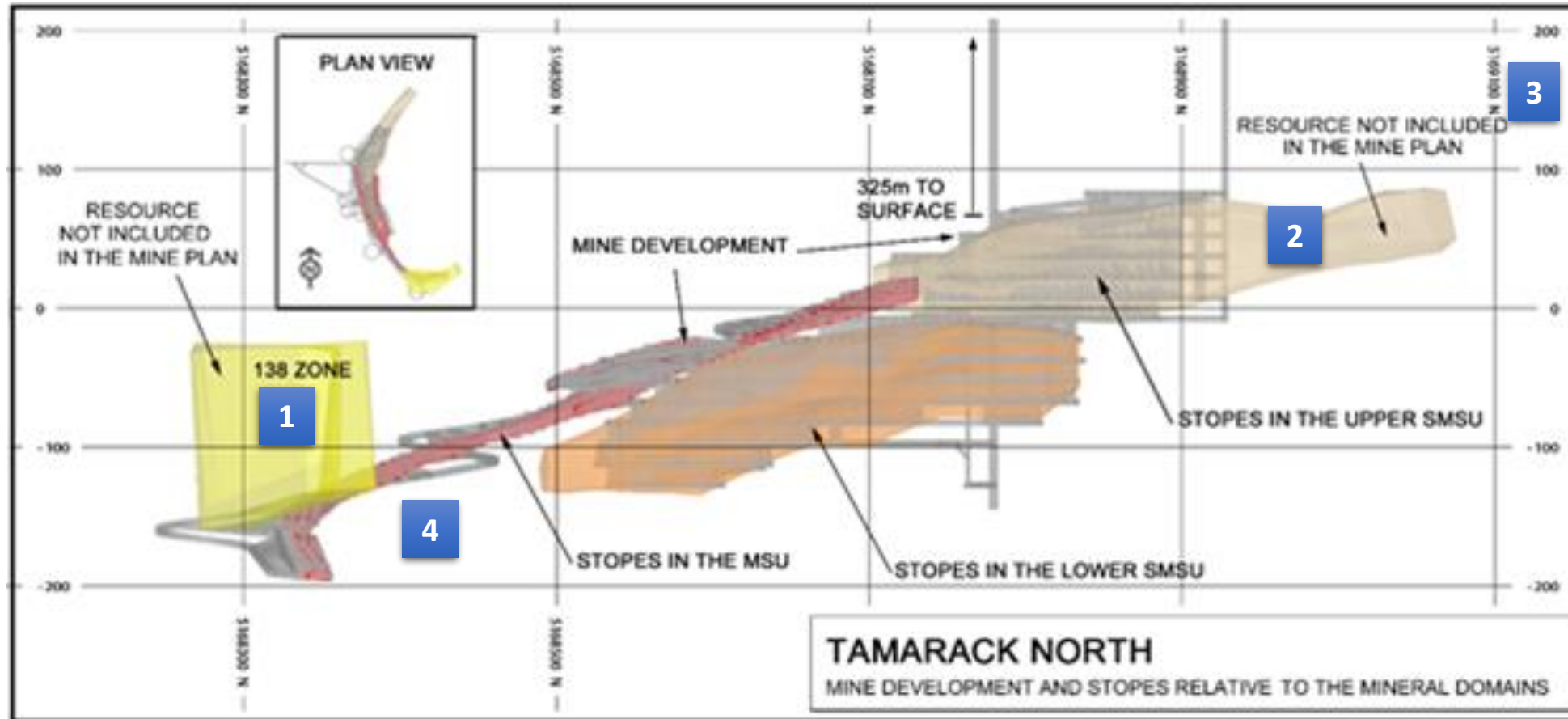


Sensitivity of Base Case After-tax IRR to changes in metal prices, grade, operating costs and capital costs



PEA BASED ON A SUBSET OF THE TOTAL RESOURCE AND ASSUMED PRODUCTION OF NICKEL CONCENTRATES FOR SMELTERS

PEA mine plan based on 4.91 Mt (slide 21) whereas NI 43-101 resource is 3.6 Mt Indicated + 4.4 Mt Inferred (slide 10).



Near-term growth potential to increase mine life:

- 1** Resources in the 138 Zone*
- 2** Resources in the Upper SMSU*
- 3** Area north of the Upper SMSU – further potential to expand the resource through pre-concentration (see slides 16 and 17)
- 4** Recent drill results potentially expand the MSU

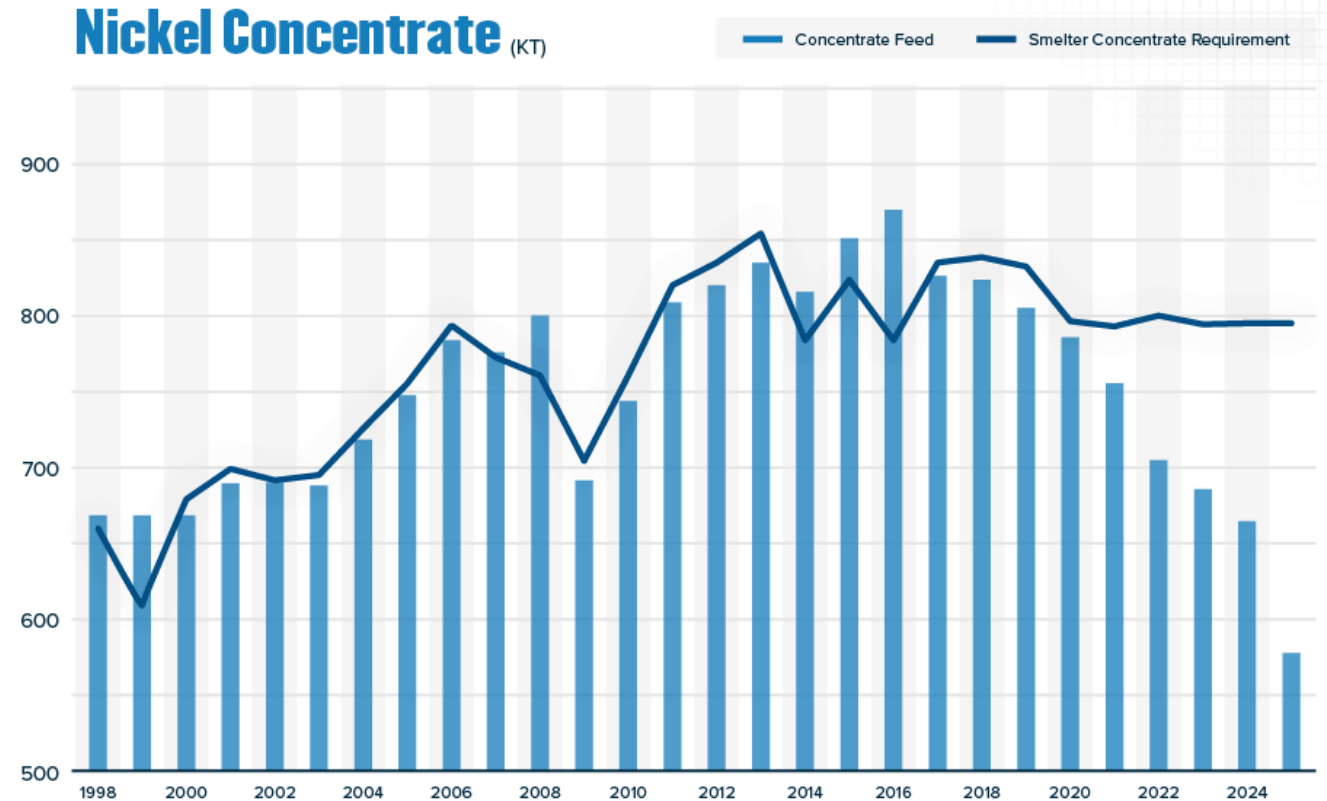
*Presently included in NI 43-101 Resource, not included in PEA, and may be included in a future PEA

Long Section (looking west) of the PEA Conceptual Mine Plan Development and Stopes in Relation to the Wireframes for Resource Domains.

Annex 2

STAINLESS STEEL NEEDS CLEAN SULPHIDE CONCENTRATES MAYBE EVEN MORE THAN EV

- EV or no EV, the demand for nickel concentrates is expected to rapidly exceed supply
- More so for clean nickel concentrates with low deleterious elements
- “Payabilites” of Ni from the stainless steel supply chain are therefore expected to increase...without EV



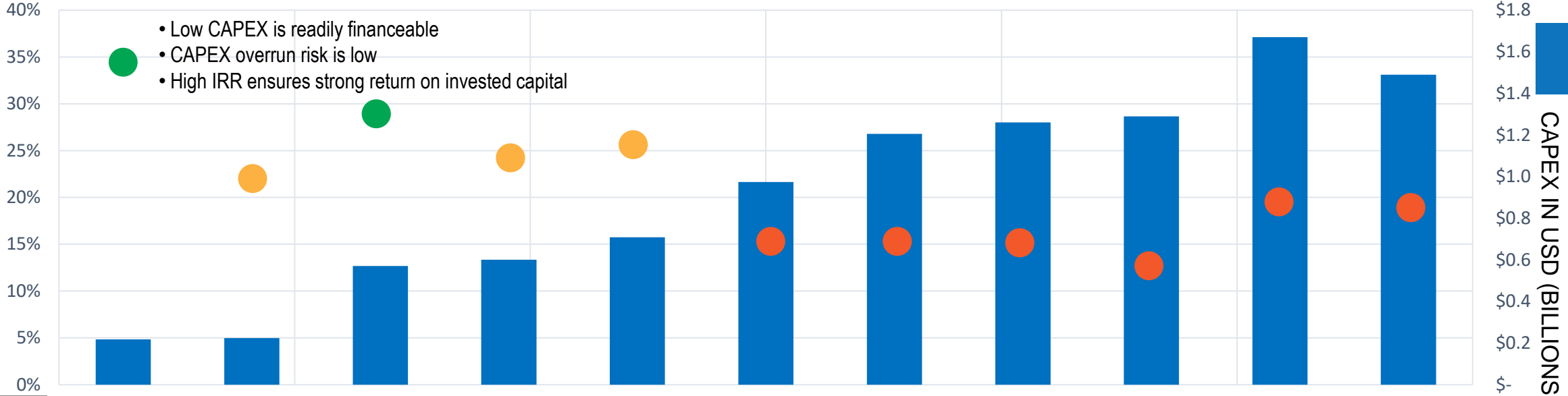
Wood Mackenzie, The future of nickel production – Page 19, February 2015

Annex 3

Undeveloped Class 1 Nickel Projects (Publicly-traded)

After-tax IRR and CAPEX comparison

AFTER-TAX INTERNAL RATE OF RETURN ("IRR")

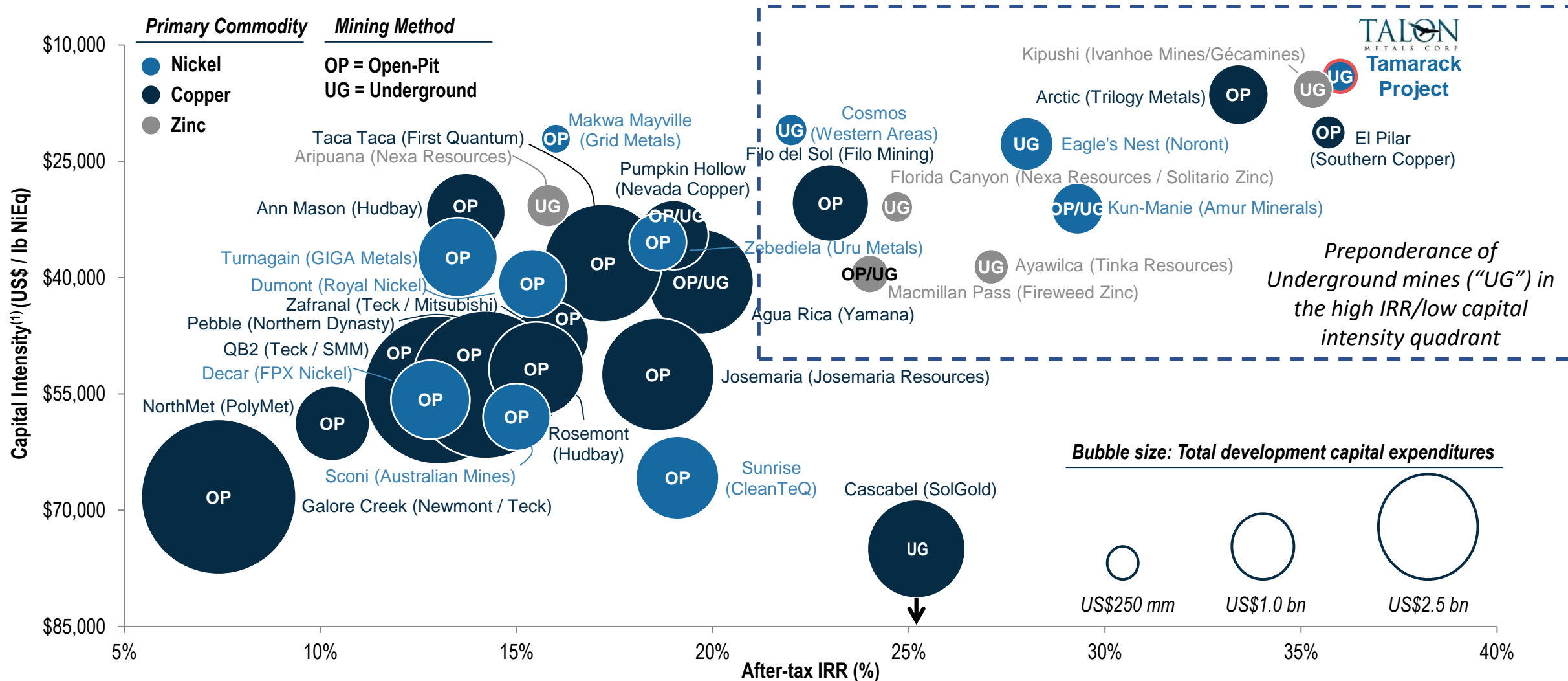


PROJECT	TAMARACK Talon / Rio Tinto	WESTERN AREAS ODYSSEUS	AMUR MINERALS	NORONT	URU METALS	AUSTRALIAN MINES	DUMONT WATERTON	ARCHELON	GIGA METALS	FPX NICKEL	CLEANTEQ
METAL PRICE ASSUMPTIONS	\$8.00 Ni \$3.00 Cu	\$7.50 Ni \$12.00 Co	\$8.00 Ni	\$8.22 Ni \$3.57 Cu	Prices not Disclosed	\$7.00 Ni \$30.00 Co	\$7.75 Ni \$25.00 Co	\$9.00 Ni	\$8.50 Ni	\$7.75 Ni	\$7.00 Ni \$30.00 Co
INFRASTRUCTURE	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Some	Yes
COUNTRY	USA	Australia	Russia	Canada	S. Africa	Australia	Canada	Sweden	Canada	Canada	Australia
METALLURGY	Sulphide	Sulphide	Sulphide	Sulphide	Sulphide	Laterite (HPAL)	Sulphide	Sulphide	Sulphide	Sulphide	Laterite (HPAL)
MINING	Under- ground	Under- ground	Open pit	Under- ground	Open pit	Open pit	Open pit	Open pit	Open pit	Open pit	Open pit

Source: Company reports and Talon research. Talon endeavours to update data when new reports are published, however, figures may not be completely up to date.

Base Metal Asset Benchmarking

After-tax IRR, Capital Intensity and CAPEX comparison



Source: BMO Capital Markets, company reports, SNL

Note: Nickel equivalent calculated using long-term consensus commodity prices of US\$7.50/lb Ni, US\$3.00/lb Cu, US\$20.00/lb Co, US\$1,188/oz Pd, US\$1,090/oz Pt, US\$1.09/lb Zn, US\$9.00/lb Mo, US\$0.93/lb Pb, US\$1,500/oz Au and US\$18.00/oz Ag.

1. Calculated as total development and sustaining capital expenditures (inclusive of closing costs) divided by annual NiEq production.

Precedent Transactions

Majority of transactions are underground (“UG”) and high-grade

Acquiror	Target	Project	Location	Acquisition value (USD M)	Year	Mine type	Lbs of NiEq in Millions	Grade NiEq	US\$ per lb of NiEq			Comments
									Nominal	Inflation-adjusted	Adjusted to \$8 Ni price	
Vale-Inco	Diamond Fields	Voisey's Bay	Canada	~3,150	1996	OP and UG	2,700	3.17%	\$1.17	\$1.88	n/a	Feasibility study stage
Glencore-Xstrata	Jubilee Mines	Cosmos and Sinclair	Australia	~2,600	2007	UG	892	0.74% and 2.52%	\$2.91	\$3.56	\$1.37	Price and acquisition value reflects very high nickel price that averaged \$17/lb in 2007 and that Sinclair mine was in production
Nornickel	Lionore	Multiple mines	Australia, South Africa, Botswana	~5,700	2007	OP and UG	5,192	0.3% to 3.5% (Avg. 0.42%)	\$1.10	\$1.34	\$0.52	Price and acquisition value reflects very high nickel price that averaged \$17/lb in 2007 and that mines were in production
IGO	Sirius Resources	Nova-Bollinger	Australia	~1,060	2015	UG	964	3.06%	\$1.10	\$1.20	n/a	Feasibility study, early-earthworks stage
n/a	Talon / Rio Tinto	Tamarack	USA	263 (Market cap less cash – Note 5)	n/a	UG	400	2.26%	\$0.66	n/a	n/a	PEA stage. Significant re-rating potential possible as project is 1) de-risked, 2) grows and 3) Rio Tinto earn-in is completed.

Notes:

1. All amounts in millions or USD millions, net of cash, where information available
2. OP = Open pit mine; UG = Underground mine
3. Inflation adjustment based on U.S. CPI
4. Jubilee and Lionore acquisition normalized for nickel price given very high nickel price of \$20/lb+ in 2007

5. Talon “acquisition value” based on Talon market cap less cash converted to USD at 1.2776 FX rate and grossed up to 100% relative to 60% earn-in percentage. Lbs of NiEq (Nickel-equivalent) is on a 100% basis.
6. Number of Ni lbs, not NiEq lbs in the case of Jubilee and Lionore since other metals minor or not disclosed in historical reports
7. Source: Talon research and company disclosures

CONTACT INFORMATION

Talon Metals Corp.
Sean Werger, President
swerger@talonmetals.com
B: (416) 361-9636 ext.102

www.talonmetals.com

<https://www.linkedin.com/company/talon-metals-corp>

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