



Iron Ore Exploration Company
Focused on Brazil

November 25, 2011



TALON
METALS CORP



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The mineral resource figures included in this presentation are estimates and no assurances can be given that the indicated levels of iron 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, including as a result of future exploration activities. While Talon believes that such estimates are well established, by their nature resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. Measured and indicated resources are sufficiently well defined to allow geological and grade continuity to be reasonably assumed and permit the application of technical and economic parameters in assessing the economic viability of the resource. Inferred 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 resources are too speculative geologically to have economic considerations applied to them to enable them to be categorized as mineral reserves as there is no certainty that mineral resources can be upgraded to mineral reserves through continued exploration.

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Company Overview

- Iron ore exploration company, with a portfolio of iron projects in Brazil
- Trairão Iron Project - estimated 1.1 billion tonnes inferred resource at an average grade of 36% Fe ¹
- Management team with proven track record to fast track project development

¹ Please see the technical reference on slide 31 of this presentation





Talon's Advantages

Brazil – favourable jurisdiction

Experienced Management

Robust Treasury

Large Iron Ore Resource

Infrastructure Options

Talon Metals

Iron Projects - Introduction

- Two iron ore exploration projects in Pará, one of Brazil's two largest iron ore producing states
 - Trairão Project
 - Inajá South Project

- Trairão drilling programs have delineated an estimated 1.1 billion tonnes (to date) inferred resource at an average grade of 36% Fe* (NI 43-101 compliant)¹

- Multiple options being evaluated for export routes from Trairão



¹ Please see the technical reference on slide 31 of this presentation

Trairão Iron Project



Trairão Project – 2011 Achievements

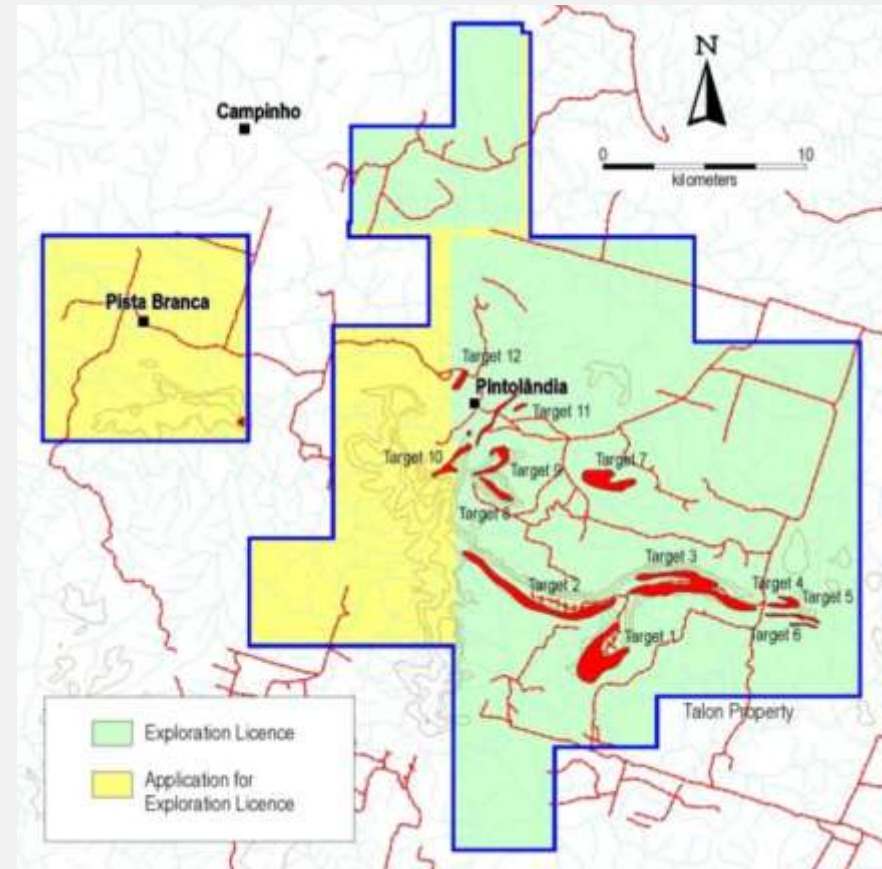
- Inferred resource estimate for Areas 4, 5 & 6 (*November*)
- First phase Reverse Circulation (“RC”) drilling (444 holes and 24,200 metres) and preliminary geological mapping on Target Areas 1-13 (*October*)
- Diamond drilling, 80 holes and 10,900 metres (*October*)
- Exceeded 1 Bt NI 43-101 resource estimate (inferred) ¹ for Areas 1, 2, & 3 (*August*)
- Expansion of technical and management team (*May*)
- Talon Board approval of \$22 million exploration budget for iron projects (*May*)
- \$29 million financing completed (*April*)



¹ Please see the technical reference on slide 31 of this presentation

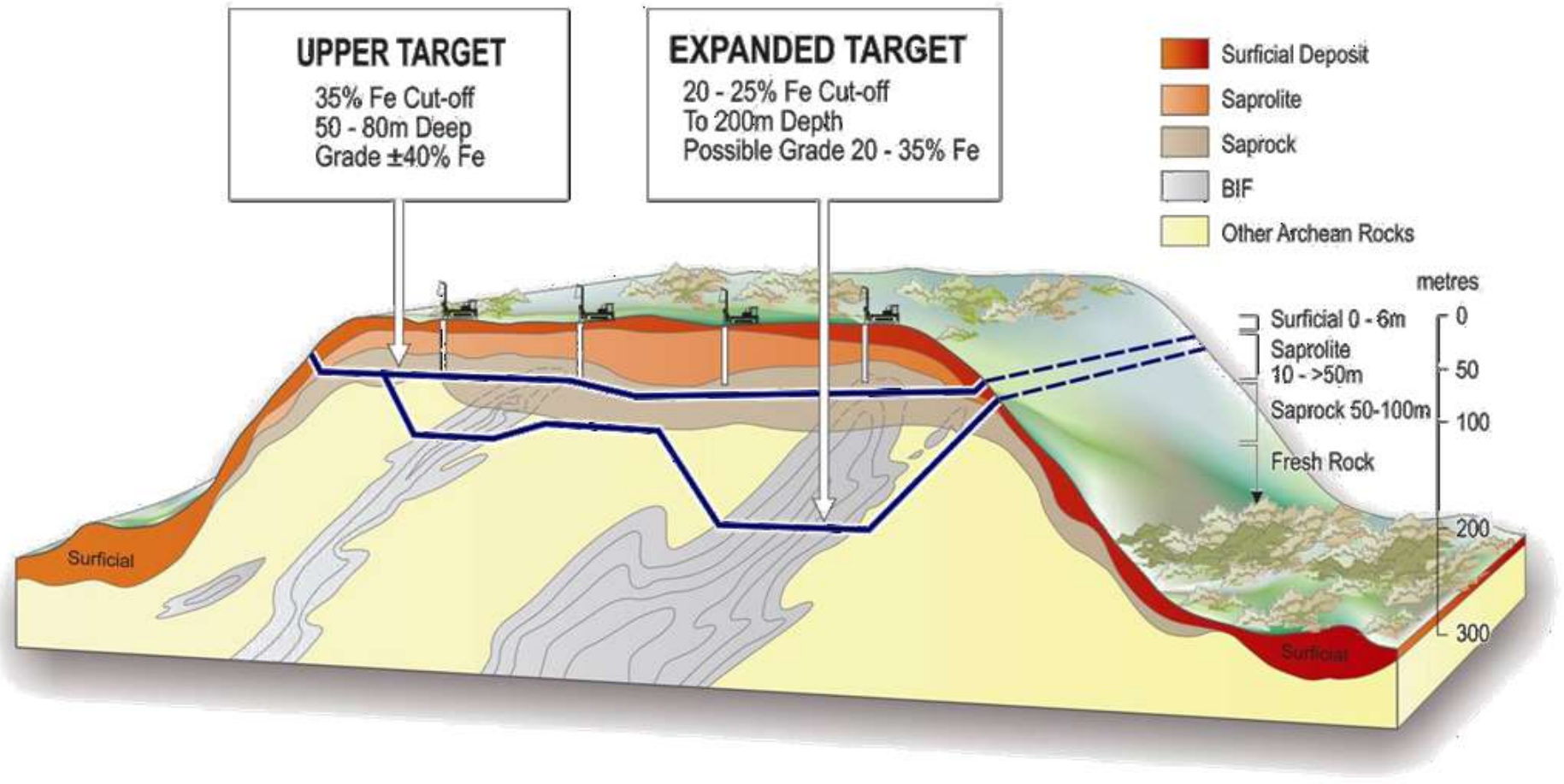
Trairão Project - Overview

- Set within Greater Carajás mineral province, which produces around 26% of Brazilian iron ore
- Trairão is a large surface lateritic deposit underlain by Banded Iron Formations (“BIFs”)
- Exploration has been advancing rapidly since the project was acquired in Sept 2010
- Prefeasibility Study to be completed in Q4 2012



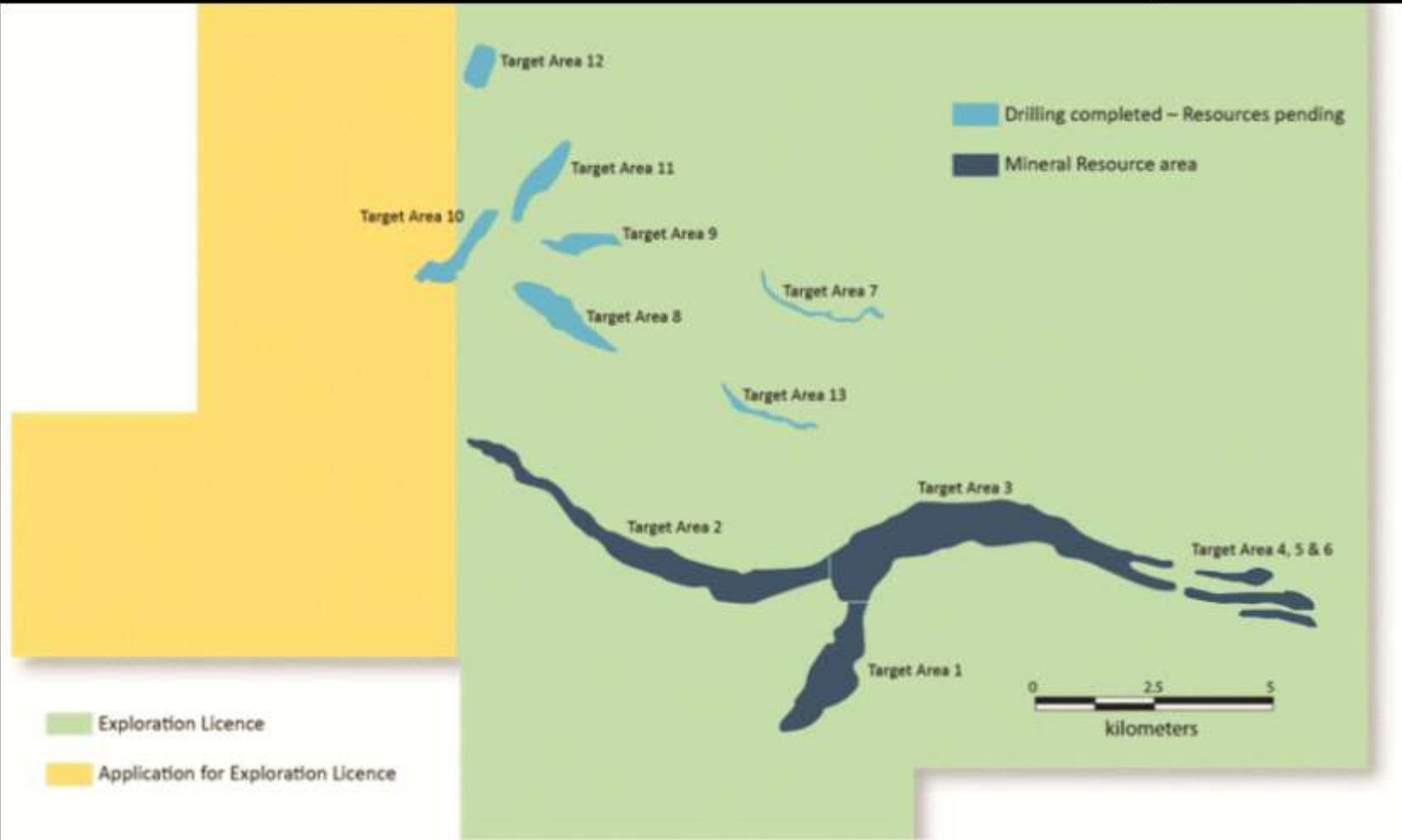
Trairão Project

Illustrative Exploration / Mining Targets



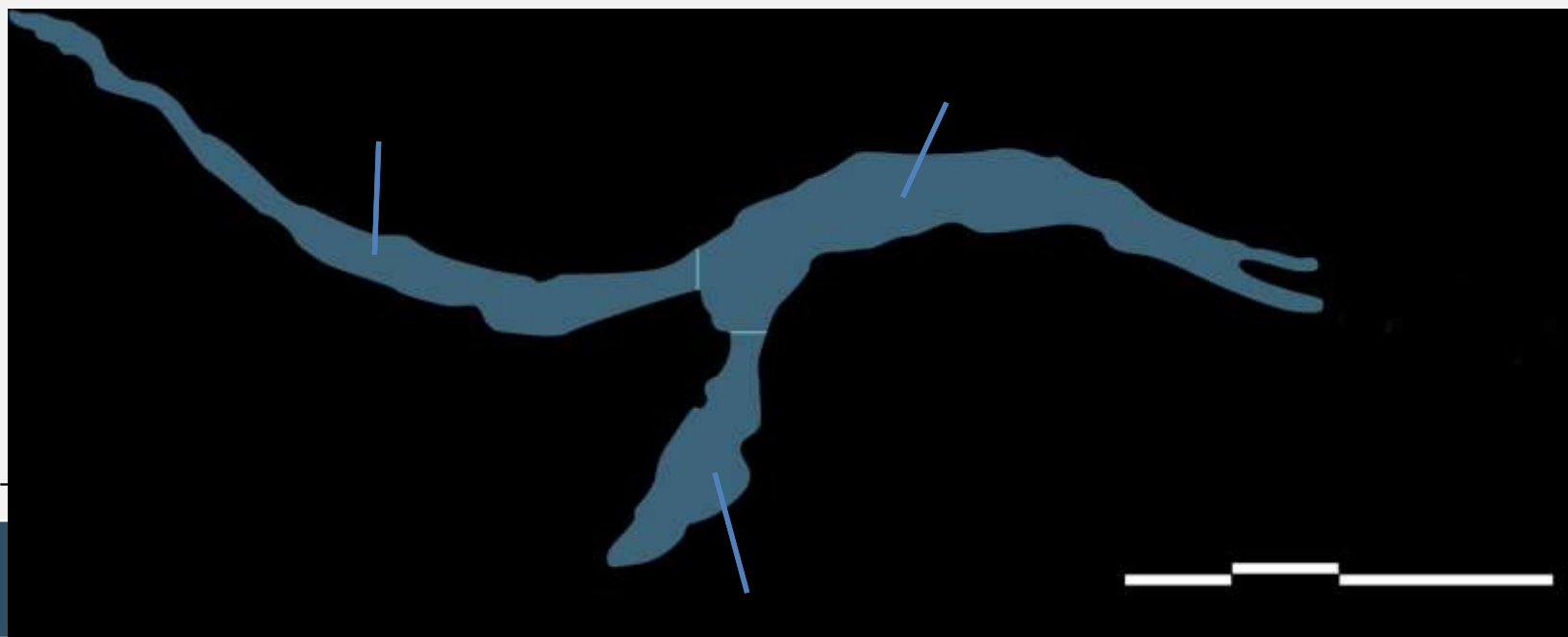
Source: Based on drilling on Target Areas 1 and 2. These are notional targets as part of Talon's exploration strategy and require further exploration.

Trairão Project – Target Locality



Trairão Project – Primary Targets

Targets Areas 1 to 3¹



NI 43-

Target 1	25	238	39
Target 2	25	450	36
Target 3	25	414	33
Total	25	1,102	36

Indicated Resource
25%Fe Cut-off: 238Mt @39%Fe

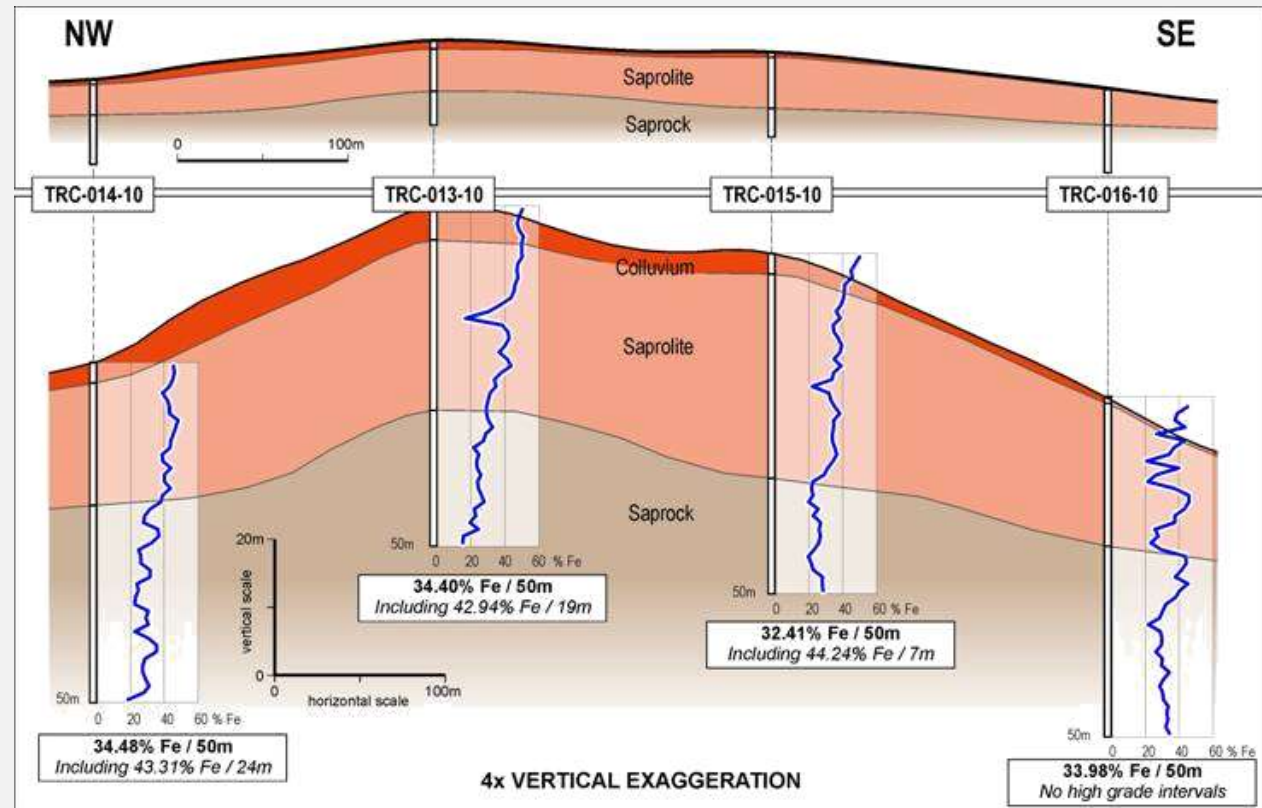
¹ Please see the technical reference on slide 31 of this presentation

Trairão Project

Typical Section of RC Drill Holes¹



Cross section shows good lateral continuity while demonstrating a higher grade Fe enrichment zone near surface



¹ Please see the technical reference on slide 31 of this presentation.

Trairão Drill Samples

Colluvium and Saprolite Mineralization



Banded Iron Formation Mineralization

Detailed Resource Estimate and Grade Profile: 2010-11 RC drilling program



Trairão Iron Ore Project

Target Areas 1, 2 and 3

Grade Tonnage Table – Effective Date: August 3, 2011

NI 43-101 Inferred Mineral Resources¹

Cut-off Grade (Fe %)	Tonnes (Mt)	Fe (%)	SiO2 (%)	Al2O3 (%)	Mn (%)	P (%)	LOI (%)
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Surficial Deposit

25	141.99	45.82	12.45	12.50	0.04	0.06	8.53
35	137.13	46.32	12.03	12.35	0.04	0.06	8.50

Saprolite

25	507.47	36.96	27.54	11.52	0.12	0.04	6.99
35	306.04	41.54	21.24	11.07	0.12	0.05	7.42

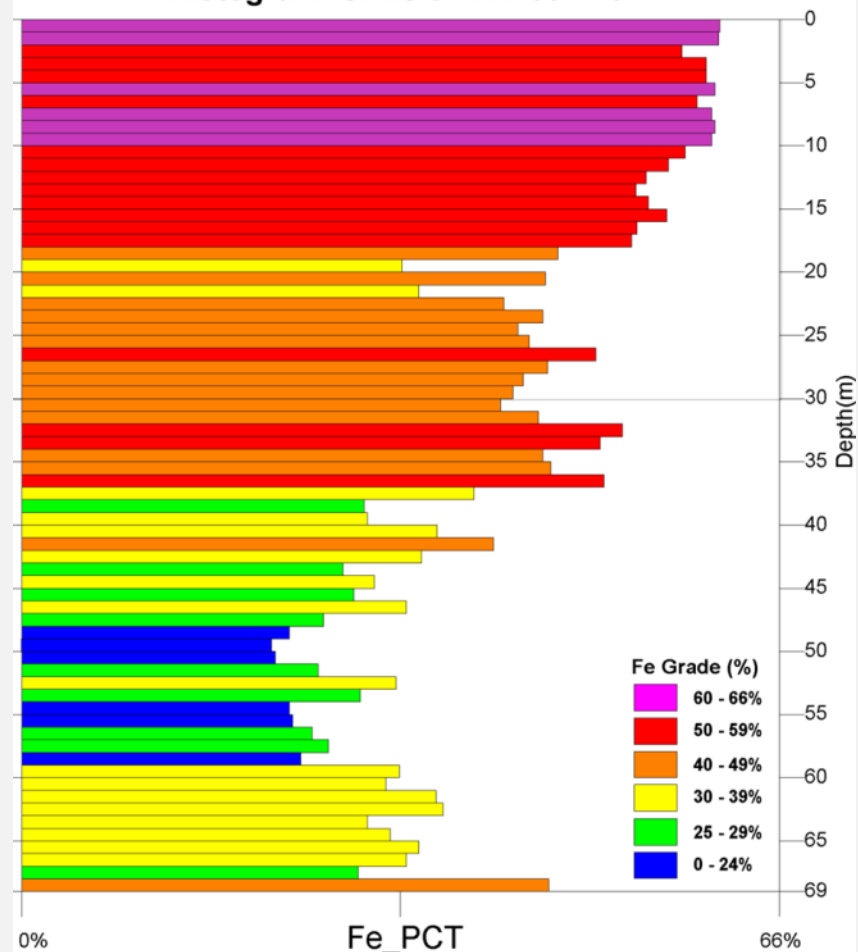
Saprock

25	453.26	30.56	42.60	8.16	0.11	0.03	4.58
35	76.83	40.04	28.26	8.61	0.11	0.04	5.58

Grand Total

25	1102	35.52	31.79	10.27	0.11	0.04	6.20
35	520	42.58	19.85	11.05	0.10	0.05	7.43

Histogram for hole TRC-001-10



¹ Please see the technical reference on slide 31 of this presentation

Trairão Project – Metallurgical Testing

- Objectives
 - Final product qualities
 - Mass yield
 - Beneficiation process
- A number of laboratories are currently conducting metallurgical testwork using a variety of analytical techniques
- Initial metallurgical results are expected in December 2011





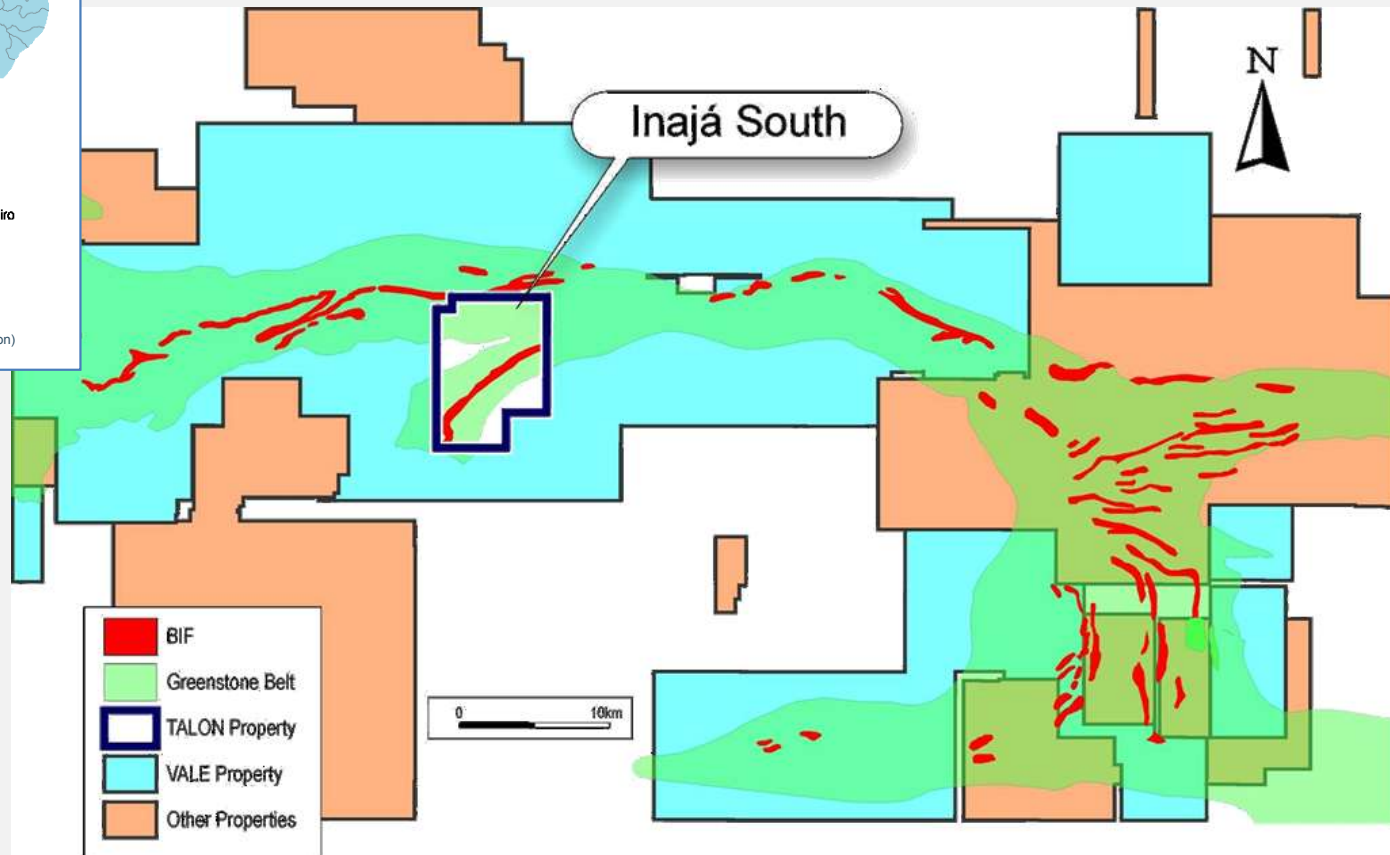
2011-2012 Trairão Milestones

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Exploration and Resource Estimates	█	█	█		
Preliminary Economic Assessment		█	█		
Metallurgical, Mining & Infrastructure Studies	█	█	█		
Environmental Studies	█	█	█	█	
Prefeasibility Study				█	█
Apply for Mining Lease					█
<i>Resource Estimate Updates</i>	<i>Inferred for Target Areas 4-6</i>	<i>Indicated for Target Areas 1-3</i> <i>Inferred for Target Areas 7-13</i>	<i>Indicated for Target Areas 4-13</i>		

Inajá South Iron Project

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Inajá Regional Iron Formations

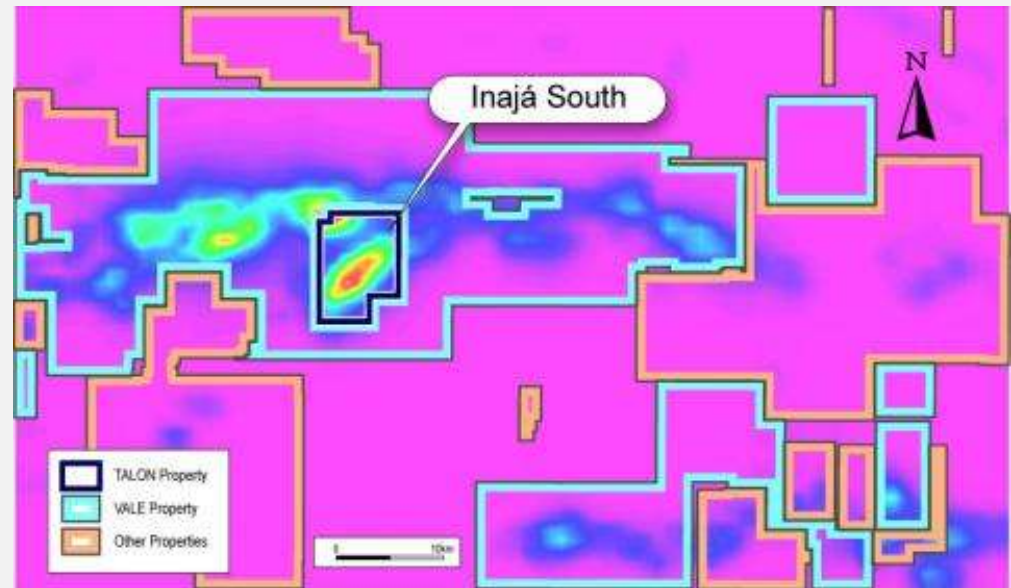


Inajá South Project

Regional Geology and Airborne Magnetic



- Exploration budget of \$2 million (April 2011-Sept 2012)
- Mapping and trenching complete
- Drilling started Oct 2011. Expected completion Dec 2011.
- Preliminary metallurgical test work on mineralized trench samples is underway



Inajá South Project Trenching



TRENCH 01 (193 metres long)

Anticline structure with a NE-SW axis, showing the eastern limb dipping 55 degrees to SE

The mineralization is exposed along 81 metres thickness grading 40% Fe, on average, and is composed by a Banded Iron Formation (“BIF”) package with local compact hematite horizon (12m thick)



TRENCH 02 (473 metres long)

The mineralization is exposed along 252 metres of BIF grading 39% Fe with an internal zone of more compact hematite (15m thick)

TRENCH 03 (349 metres long)

The mineralization is exposed along 104 metres of BIF grading 35% Fe



Inajá South Project

Mapping, Trenching and Planned Drill Program



Talon's three trenches were excavated to depths of approximately two metres.

Highlights of the trench intersections are approx.*:

Trench 01

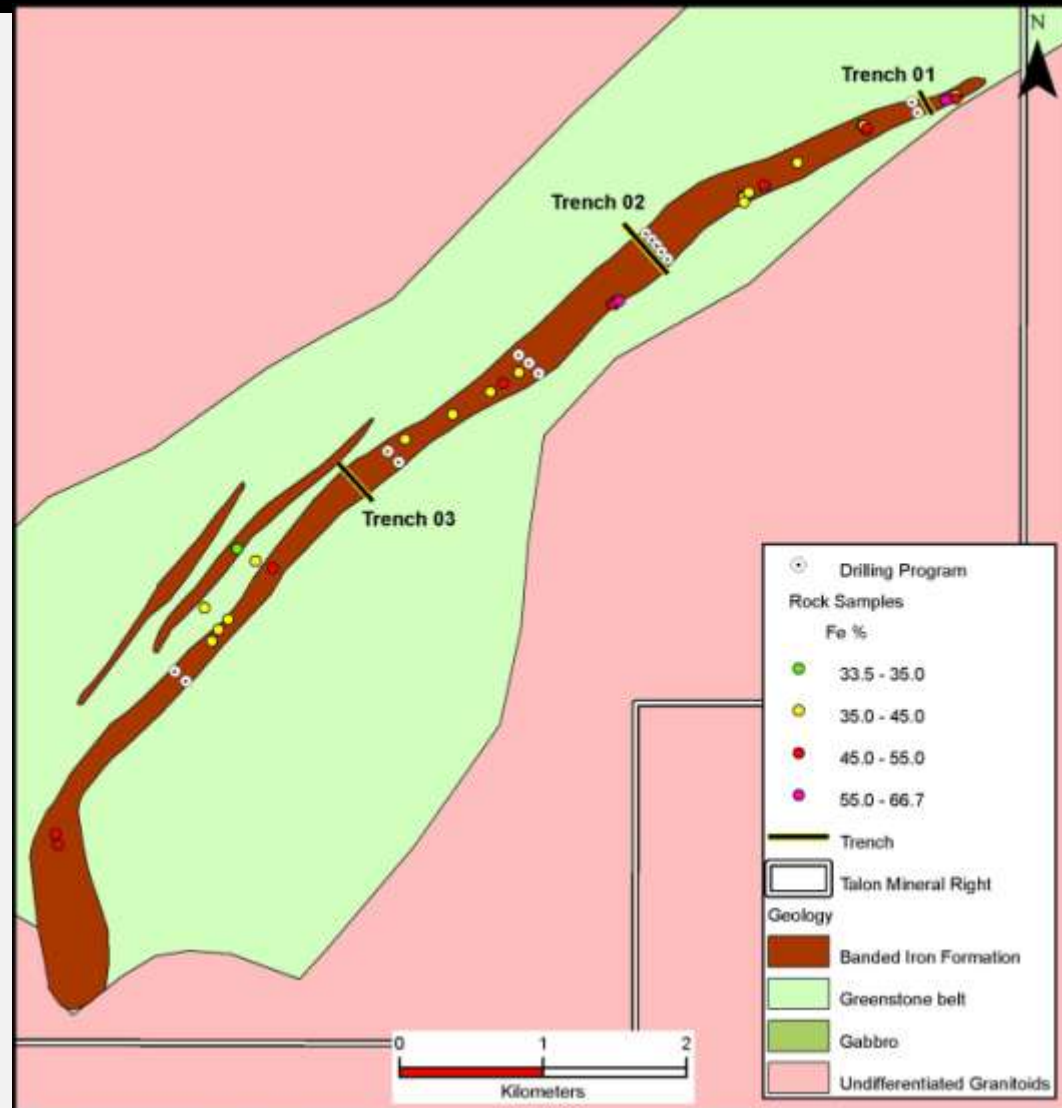
81 metres at 40% Fe

Trench 02

252 metres at 39% Fe

Trench 03

104 metres at 35% Fe



*See Talon's news release of Oct 6, 2011 for complete results.

Additional Iron Properties

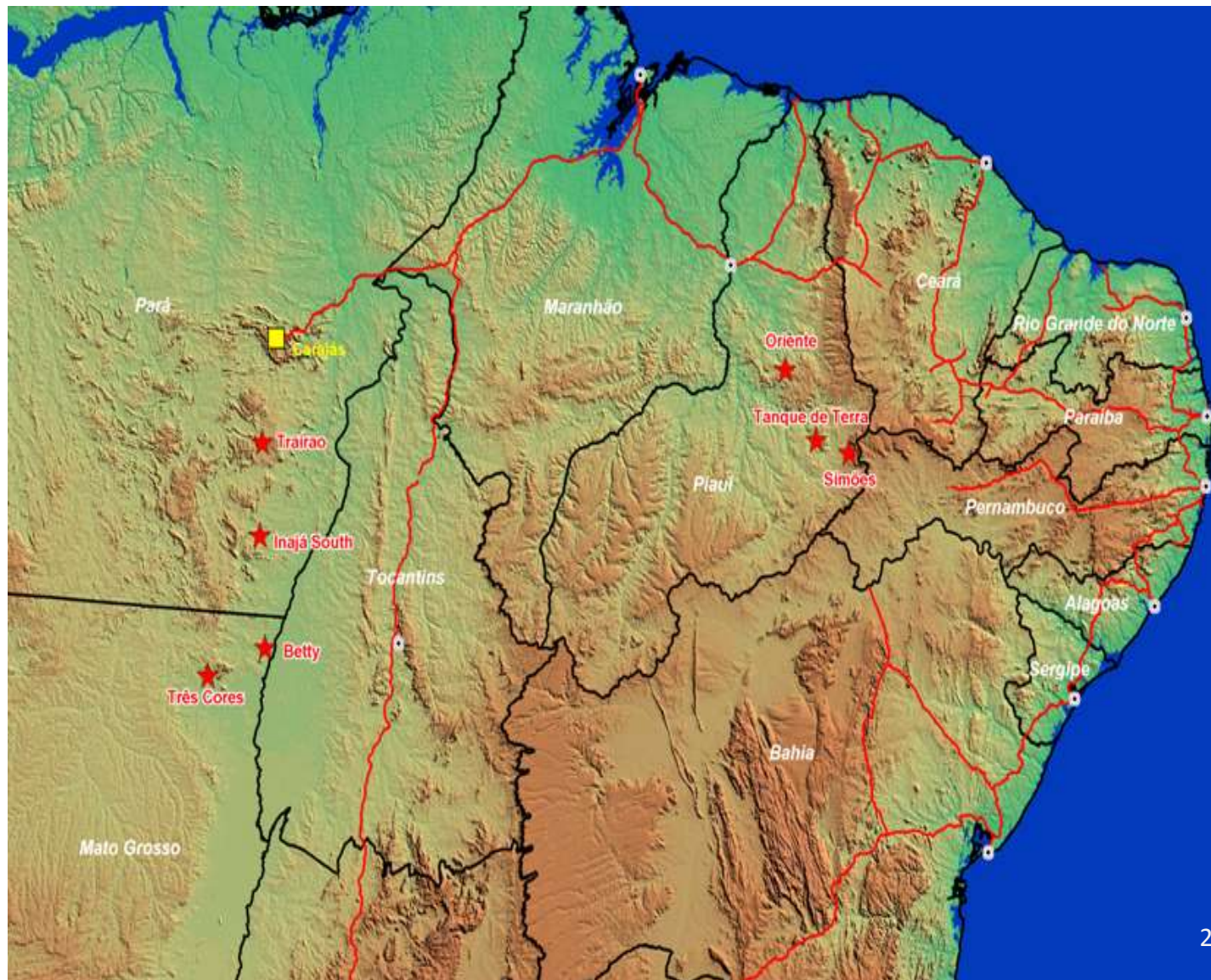


Mato Grosso State (licences granted)

- Betty
- Três Cores

Piauí State (licence applications pending)

- Oriente
- Tanque de Terra
- Simões



Trairão Project

Export Sales Options Being Evaluated



Ports

- New Marabá inland port under construction
- Transshipping option at or near Vila do Conde (“VDC”) port
- Itaquí or “New Alternative” near São Luís

Export destinations

- Europe, India, China

Transportation from site to ship

Base Case, Option 1

Slurry pipeline to Itaquí Port or “New Alternative” Port

- Pipeline envisaged to run along existing Carajás railway right-of-way, simplifying social and environmental approvals



Trairão Project

Export Sales Options 2 & 3



Transportation from site to ship

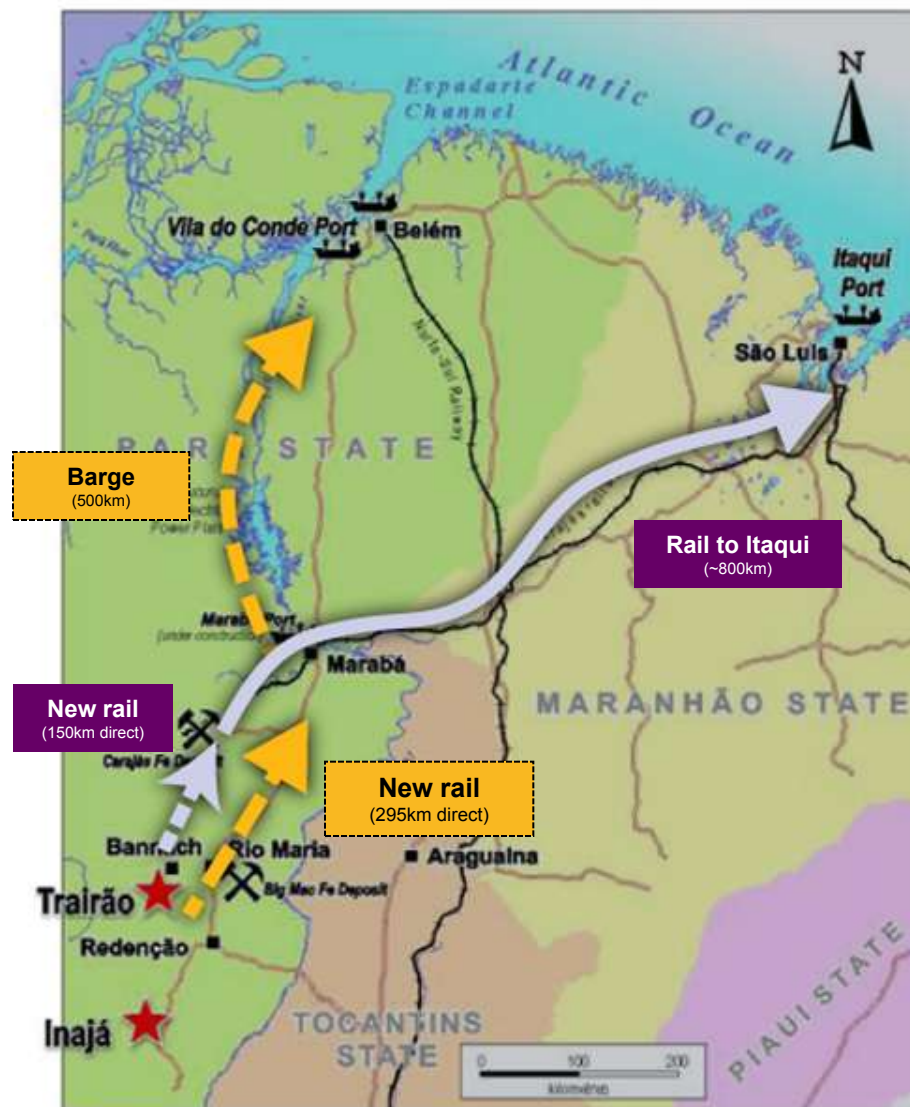
Option 2

New rail to Carajás Mine, existing rail* to Itaqui Port or New Alternative Port

Option 3

New rail to Marabá, new barge to VDC port

*new resolution passed in July 2011 from Brazil's National Land Transport Ministry (Agência Nacional de Transportes Terrestres, or ANTT)





Capital Structure

Share Price	\$0.53
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Market Cap	\$50M
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Cash	\$25M
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Shares outstanding

Basic	91.8M
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Fully Diluted	107.9M
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Options	9.7M
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Warrants	6.2M
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52 week price range

High	\$3.14
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Low	\$0.36
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As of November 25, 2011

Investments

Talon also has investment positions in:



TLOU Energy

Gas project in Botswana

- 31% of Tlou+ 7% option
- 22 million shares, 4.9 million options
- Estimated worth \$13 million



Rio Verde Minerals

- TSX:RVD; 0.8 million shares (unencumbered)
- \$0.3 million



Brazilian Gold Corp.

- TSXV:BGC; 1,150,000 shares
- \$0.6 million



LagoDourado Minerals

- TSXV:LDM; 500,000 shares
- \$0.2 million

\$14M estimated total value in listed and private shares

Directors



Warren Newfield

- Chairman
- Founder and Chairman of Tau Capital Corp.
- Chairman and CEO of CIC Energy Corp. (TSX:ELC)
- Co-Founder, former Pres & CEO of AfriOre Ltd

Stuart Comline

- Technical Director
- Former Chairman, TSX listed AfriOre Ltd

Luis Azevedo

- Chief Operating Officer

Frank Crothers

- Chairman & CEO, Island Holdings Limited
- Director of Templeton Funds Ltd, Fortis Inc. and others

Greg Kinross

- President, CIC Energy Corp.

Carl Ravinsky

- Lawyer, Lavery De Billy, LLP

Jonathan Schneider

- Co-Founder and Managing Partner, Novator Credit Opportunities Fund



Management and Consultants

Eddie Scholtz

President & Chief Executive Officer

- Mining engineer with 40 years experience in the mining industry
- 37 years with BHP Billiton

Luis Azevedo

Chief Operating Officer

- Lawyer & Geologist with 25 years mining industry experience in South America
- Formerly with Barrick Gold Corp. and WMC

Manoel Cerqueira

CFO

- 27 years accounting and finance experience. Mostly with resources companies

Stuart Comline

Technical Director

- Geologist with 40 years experience in mining and exploration

Paulo I. Brito

VP Exploration

- 26 years mining industry experience
- Former Senior Geologist for Teck Cominco and WMC in Brazil

Ricardo A. C. Cordeiro

Manager, Mining Engineering –
Trairão Project

- Mining Engineer with 32 years in mining industry
- Formerly with VALE with focus on Iron and Manganese deposits

Maurício Prado

Chief Geologist, Trairao Project
Manager Geostatistics

- 13 years mining industry experience
- Former Mine Manager for Votorantim Metais and Senior Geologist for VALE

Elton Zimmermann

Senior Consulting Geologist

- +35 years experience in mining and exploration
- Iron ore specialist in Carajás region, Brazil

Tau Capital



Current Public Companies



Talon Metals Corp.

Brazil

Acquisition, exploration and development of mineral resource projects, focused on iron ore



CIC Energy Corp.

Botswana

Developing several energy projects at its Mmamabula Coal Field

Past Successes



AfriOre Limited

South Africa

Engaged in the exploration and development of platinum and gold projects in South Africa.
33 million oz PGM resource



Platexco Inc.

South Africa

Engaged in the exploration and development of platinum and gold projects in South Africa.
28 million oz PGM resource

Tau Capital also has a portfolio of private companies

Summary

Trairão Iron Project

- Large deposit
- Exploration is rapidly advancing
- Surface deposit - offers relatively easy mining options
- Export market options

Inajá South Iron Project offers additional upside



Technical Reference



¹Additional information with respect to the National Instrument 43-101 mineral resource estimates for the Trairão Iron Ore Project can be found in Talon's news releases dated December 23, 2010, March 22, 2011, June 29, 2011 and August 4, 2011. Please also see Talon's technical report dated December 23, 2010 titled "Independent Technical Report on Exploration and Mineral Resources Estimation"; its technical report dated March 29, 2011 titled "Second Independent Technical Report on Mineral Resources"; and its technical report dated August 12, 2011 titled "Third Independent Technical Report on Mineral Resources". Copies of the foregoing news releases and technical reports are available under Talon's SEDAR profile at www.sedar.com.

Talon's exploration programs are being managed by Talon's Mining Engineer, Mr. Ricardo Álvares de Campos Cordeiro and Talon's VP Exploration, Mr. Paulo Ilidio de Brito. Mr. Cordeiro is a "Qualified Person" within the meaning of National Instrument 43-101 and has reviewed, approved and verified the data disclosed in this presentation (including sampling, analytical and test data underlying the technical information, disclosed herein).

The Qualified Person who prepared the mineral resource estimates is Mr. Bernardo Horta de Cerqueira Viana, who is a geologist, independent of Talon and an employee of Coffey Consultoria e Serviços Ltda., a branch of Coffey International in Brazil. Mr. Viana is a member of the Australian Institute of Geoscientists. In Coffey's opinion the mineral resource estimates disclosed herein are compliant with National Instrument 43-101.

For more information



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