

TALON METALS AND KENNECOTT FORM THE MINING VENTURE AND AGREE TO ACCELERATE THE WINTER EXPLORATION PROGRAM AT TAMARACK

Road Town, British Virgin Islands (January 11, 2018) – Talon Metals Corp. (TSX: TLO) (“Talon” or the “Company”) is pleased to provide an update on the Tamarack Nickel-Copper-PGE project (“Tamarack Project”), located in Minnesota, USA. The Tamarack Project comprises the Tamarack North Project and the Tamarack South Project.

Talon and Kennecott Exploration Company (“KEX”) have made certain amendments to the Exploration and Option Agreement and the Mining Venture Agreement to allow for a 2018 winter exploration program at the Tamarack Project.

More specifically, under the Mining Venture Agreement, KEX has proposed the following exploration program at the Tamarack Project:

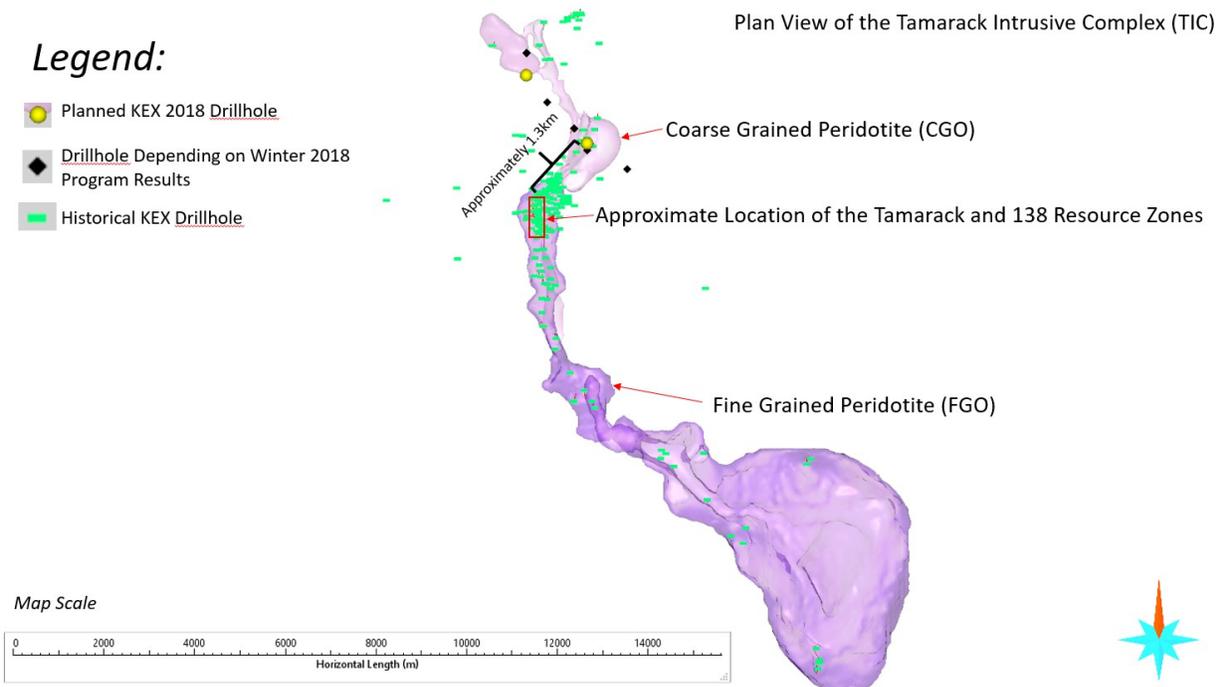


Figure 1: Plan View of Historical and Planned 2018 KEX Winter Program Drillholes

In order to allow for the 2018 winter exploration program to proceed, certain amendments were required under the agreements between Talon and KEX:

- Under the Exploration and Option Agreement, Talon and KEX have agreed that the Mining Venture Agreement will be entered into with immediate effect, rather than in February 2018; and
- Under the Mining Venture Agreement, Talon and KEX have agreed to accelerate the timing for the approval process of the 2018 winter exploration program, so that the program is approved with immediate effect.

After an analysis of the potential impact of the 2018 winter exploration program on a future mine at the Tamarack Project, Talon has advised KEX that it has elected to not financially participate in the 2018 winter exploration program. Consequently, in return for KEX's further expected investment of US\$5.4 million, Talon's interest in the Tamarack Project will be diluted by a maximum of approximately 1.48%, from 18.45% to 16.97% (note that dilution may be less if KEX elects to spend less money during the 2018 winter exploration program).

"Talon's 1.48% expected dilution in return for an additional US\$5.4 million (approximately C\$6.7 million) investment at Tamarack is akin to Talon raising money in the capital markets at a substantial premium to its current share price", said Sean Werger, President of Talon. "To be clear, our decision not to participate in the 2018 winter exploration program has no bearing whatsoever on future decisions we make as to whether to participate in future exploration programs. We remain focussed on the strategy of further developing the known mineralized Tamarack and 138 zones, as we believe this is what will create near term value for Talon shareholders."

About Talon

Talon is a TSX-listed company focused on the exploration and development of the Tamarack Nickel-Copper-PGE Project in Minnesota, USA (which comprises the Tamarack North Project and the Tamarack South Project). The Company has a well-qualified exploration and mine management team with extensive experience in project management.

For additional information on Talon, please visit the Company's website at www.talonmetals.com or contact:

Sean Werger
President
Talon Metals Corp.
Tel: (416) 361-9636 x102
Email: werger@talonmetals.com

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 expected amount of dilution of Talon's interest in the Tamarack Project, Talon's participation in future exploration programs and Talon's strategy of further developing the known mineralized Tamarack and 138 zones. 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. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: whether KEX changes the amount it will spend on the 2018 winter exploration program and the consequential impact on dilution to Talon. 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.