



TALISMAN MINING LTD

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The Manager
Company Announcements Office
Australian Stock Exchange

By Electronic Lodgement

\$9,000,000 WORKING CAPITAL RAISED IN PLACEMENT

The Company is pleased to announce that it is in the process of completing a nine million dollars (\$9,000,000) capital raising via placement to sophisticated investors of nine million new fully paid shares at \$1.00. Response to this raising has been excellent and it is anticipated that the raising will be complete by 20 December, 2007.

The monies raised will be used primarily for resource drilling and development of the Company's 100% owned Wonmunna iron ore project, Pilbara region, Western Australia. Initial wide-spaced reconnaissance drilling completed by the Company, and previously announced, has produced near-surface drill intercepts to 20m @ 61.41% iron in mineralised Marra Mamba Iron Formation.

Two million of the shares are to be placed with Tyche Holdings Pty Ltd ('Tyche'), a company associated with well known mining identity and Jubilee Mines NL Executive Chairman Mr Kerry Harmanis. Agreement has also been reached for an additional three million shares to be sold to Tyche and associates by Mr Steven Elliott, Managing Director of the Company. Mr Elliott will use the derived funds to exercise a minimum 4 million unlisted options in the Company. These transactions, together with shares already held, will on completion of the placement give Tyche a 7.1% holding in the Company.

Yours sincerely

S. J. Elliott
Managing Director

Information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Steven Elliott who is a member of the Australasian Institute of Mining and Metallurgy. Mr Steven Elliott is a full time employee of Talisman Mining Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Steven Elliott consents to the inclusion in this report of the matters based on information in the form and context in which it appears.