

# TALISMAN

E N E R G Y

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FOR: TALISMAN ENERGY INC.

TSE, NYSE SYMBOL: TLM

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## Talisman Repurchases Over \$150 Million of Shares

CALGARY, ALBERTA--Talisman Energy Inc. today announced that it has purchased for cancellation an aggregate of 3,103,700 Talisman common shares, through market purchases from February 2000 to and including October 20. The aggregate cost of these shares was approximately \$152.8 million (\$49.22/share). Purchases to date represent approximately 44.9% of the 6,918,064 common shares authorized to be purchased pursuant to a normal course issuer bid filed in February 2000. Talisman currently has 136,456,224 common shares outstanding.

"We have spent over \$150 million on share repurchases and are still buying," said Dr. Jim Buckee, President and Chief Executive Officer. "Commodity prices are higher than anyone anticipated, so we are taking the opportunity to pass some of the benefit directly back to our shareholders. The process also instills capital discipline and maintains a high degree of internal competition for project funding.

"Strong commodity prices have allowed us to increase capital spending, pay down debt and repurchase shares. Shares repurchased to date will increase cash flow per share by 2% on a go forward basis. We find no shortage of investment opportunities, but are taking care to ensure that we are adding real value as represented by growing cash flow, production and reserves per share. All else being equal, unless commodity prices fall dramatically, we intend to continue the program in 2001."

Talisman Energy Inc. is the largest independent Canadian oil and gas producer. The Company has operations in Canada, the North Sea, Indonesia and Sudan. Talisman is also conducting exploration in Algeria, Trinidad and Colombia. Talisman's shares are listed on The Toronto Stock Exchange in Canada and the New York Stock Exchange in the United States under the symbol TLM.

## FORWARD-LOOKING STATEMENTS

Statements in this press release may contain forward-looking statements including expectations of future production and capital expenditures. Information concerning reserves may also be deemed to be forward-looking statements as such estimates involve the implied assessment that the resources described can be profitably produced in future. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated. These risks include, but are not limited to: the background risks of the oil and gas industry (e.g., operational risks in development, exploration and production; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), risks in conducting foreign operations (e.g. political and fiscal instability), price and exchange rate

fluctuation and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Additional information on these and other factors which could affect Talisman's operation or financial results are included in Talisman's Annual Report under the headings "Management's Discussion and Analysis - Sensitivities," "Risks and Uncertainties," and "-Outlook," and in Talisman's other reports on file with Canadian securities regulatory authorities and the U.S. Securities and Exchange Commission.

This release is available on Talisman's Internet Web Site:  
WWW.TALISMAN-ENERGY.COM

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