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FOR: TALISMAN ENERGY INC.

TSE, NYSE SYMBOL: TLM

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Talisman Announces Canadian Natural Gas Production Record

CALGARY--At today's CAPP Investment Symposium, Talisman announced that it has reached a new production record of 850 mmcf/d for natural gas in Canada. Natural gas production is expected to reach approximately 900 mmcf/d in the fourth quarter of this year. Talisman is currently employing 40 drilling and completion rigs in Canada, with the peak expected to reach 70 in the fourth quarter.

"New production records in the Arch, completion of the Petromet deal and continued drilling success all are very positive news for Talisman shareholders," said Dr. Jim Buckee President and Chief Executive Officer."

Ten successful wells have been drilled on Petromet lands since the April 10th acquisition announcement. The transition to Talisman has been very smooth and five rigs are in operation on Petromet properties, giving Talisman the capacity to drill 35 gross wells between June and December 2001. Talisman is planning to install compression at Wild River to provide the capability to overload an additional 40 mmcf/d of gas to the Talisman operated Central Alberta Foothills gathering system and surrounding plants.

Production in the Alberta Foothills core area continues to benefit from record activity levels. To date, eight of a planned 27 (gross) gas wells have been drilled, with a 100% success rate. Six new wells are producing 43 mmcf/d (gross), or 20 mmcf/d (net), and the remaining two wells are currently being tied in. Construction of the Chungo Pipeline, which will tie in seven gas wells, has commenced. Completion is anticipated in the fourth quarter of 2001, for an initial 17mmcf/d of gas on stream.

Talisman has also drilled a successful well at Monkman with test results to be announced shortly.

Exploration and development in the Northern Plains area continues at a rapid pace. A successful winter drilling program saw a success rate of 80% with four of five wells completed. Production increased by 3,000 boe/d, of which is 10 mmcf/d is natural gas. All locations have been tied in and put on production. Exploration and development drilling activity will be significantly increased for the upcoming 2002 winter season.

In the Greater Arch area, 37 gross wells have been drilled with an 81% success rate. Twenty-eight per cent of Talisman's Canadian natural gas production comes from this area. The current rate of 233 mmcf/d is a new record for the Arch.

In Chauvin, 37 of 147 wells have been drilled to date (100% success). At present, three drilling rigs are being utilized.

In Ontario, four wells have been drilled with a 100% success rate. Two offshore gas wells tested over 3.3 mmcf/d combined.

Talisman Energy Inc. is the largest independent Canadian oil and gas producer with operations (directly or through affiliates) in Canada, the North Sea, Indonesia and Sudan. Talisman is also conducting exploration in the United States, Algeria, Trinidad and Colombia. Talisman has adopted the International Code of Ethics for Canadian Business and is committed to maintaining high standards of excellence in corporate citizenship and social responsibility wherever it does business. The Company'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.

This press release contains "forward-looking statements" within the meaning of the US Private Securities Litigation Reform Act of 1995, including business plans for drilling and exploration, estimated reserves, estimated production rates, the assumptions upon which estimates are based and other expectations, beliefs, plans, objectives, assumptions or statements about future events or performance (often, but not always, using words such as "expects", "anticipates", "plans", "estimates", or "intends", or stating that certain actions, events or results "may", or "will" be taken, occur or be achieved). Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those reflected in the statements. These risks include, but are not limited to: the risks of the oil and gas industry (for example, operational risks in exploring for, developing and producing crude oil and natural gas; risks and uncertainties involving geology of oil and gas deposits; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to future production, costs and expenses; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; and health, safety and environmental risks); uncertainties as to the availability and cost of financing; fluctuations in oil and gas prices and foreign currency exchange rates; and the possibility that government policies may change or governmental approvals may be delayed or withheld. Additional information on these and other factors which could affect the Company's operations or financial results are included in the Company's other reports on file with Canadian securities regulatory authorities and the United States Securities and Exchange Commission. Forward-looking statements are based on the estimates and opinions of the Company's management at the time the statements are made. The Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

The US Securities and Exchange Commission normally permits oil and gas companies to disclose in their SEC filings only proved reserves that have been demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. Accordingly, the estimated reserves included in this press release do not meet the SEC's standards for inclusion in documents filed with the SEC.

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