

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ALBERTA, ONTARIO, BRITISH COLUMBIA, MANITOBA, NOVA SCOTIA,
SASKATCHEWAN AND NEWFOUNDLAND

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
TALISMAN ENERGY INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Ontario, British Columbia, Manitoba, Nova Scotia, Saskatchewan and Newfoundland has received an application from Talisman Energy Inc. ("Talisman") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation for Talisman to send to its shareholders its comparative annual audited financial statements and the auditors' report thereon relating to its financial year ended December 31, 2001 (the "2001 Financial Statements") concurrently with the filing of the 2001 Financial Statements as required by the Legislation shall not apply to Talisman on the basis below;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Alberta Securities Commission is the principal regulator for this application;

AND WHEREAS Talisman has represented to the Decision Makers that:

1. Talisman is a company incorporated under the *Canada Business Corporations Act* with a head office located in Calgary, Alberta.
2. Talisman is an international upstream oil and gas company with interests in Canada, the North Sea, Indonesia, Malaysia/Vietnam, Sudan and certain other countries.
3. The authorized share capital of Talisman consists of an unlimited number of common shares without nominal or par value and first and second preferred shares.
4. The Common Shares of Talisman are listed and posted for trading on the Toronto Stock Exchange and the New York Stock Exchange.
5. Talisman is a reporting issuer in each of the following provinces and territories which incorporates such a concept in its legislation: Alberta, Ontario, British Columbia, Manitoba,

Nova Scotia, Saskatchewan, Newfoundland, Quebec, New Brunswick, Prince Edward Island, Northwest Territories, Nunavut, and the Yukon.

6. To its knowledge, Talisman is not in default of any requirements of the applicable securities legislation in any of the provinces or territories in which it is a reporting issuer.

7. Talisman is preparing its 2001 Financial Statements.

8. Talisman will issue, substantially concurrently with the filing of the 2001 Financial Statements with the Decision Makers, a press release that will be posted on Talisman's web site and will include disclosure relating to the 2001 Financial Statements. The press release will specifically include: (i) the approximate date on which the 2001 Financial Statements will be mailed to Talisman's shareholders; and (ii) a statement that any Talisman shareholder entitled to receive the 2001 Financial Statements may obtain a copy of the 2001 Financial Statements in advance upon request to Talisman.

9. The 2001 Financial Statements will be available for dissemination to shareholders prior to the time that Talisman's Notice of Meeting and Management Proxy Circular in respect of its 2002 Annual Meeting of Shareholders will be sent to shareholders in accordance with the applicable provisions of the *Canada Business Corporations Act* and National Policy Statement No. 41.

10. Talisman proposes to deliver the 2001 Financial Statements to the shareholders of Talisman entitled to receive them concurrently with the Notice of Meeting and Management Proxy Circular for the 2002 Annual Meeting of Shareholders and, in any event, not later than the last date upon which they could have been filed with the Decision Makers in compliance with the Legislation.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

The Decision of the Decision Makers under the Legislation is that the requirement contained in the Legislation requiring Talisman to concurrently send to its shareholders the 2001 Financial Statements filed with the Decision Makers pursuant to the Legislation shall not apply to Talisman provided that:

1. Talisman issues, substantially concurrently with the filing of the 2001 Financial Statements with the Decision Makers, a press release that will be posted on Talisman's web site, disseminated via a Canadian newswire service and filed on SEDAR and will include:

(i) the approximate date on which the 2001 Financial Statements will be mailed to Talisman's shareholders; and

(ii) a statement that any Talisman shareholder entitled to receive the 2001 Financial Statements may obtain a copy of the 2001 Financial Statements in advance upon request to Talisman or; alternatively, securityholders will be able to access the 2001 Financial Statements on the website maintained by the Canadian securities regulators (www.sedar.com); and

2. Talisman sends the 2001 Financial Statements to the shareholders of Talisman entitled to receive them in accordance with the procedures outlined in National Policy Statement No. 41 and, in any event, not later than the last date upon which they could have been filed with the Principal Regulator and the Non-Principal Regulators in compliance with the Legislation.

DATED at Edmonton, Alberta on March 6, 2002.

"*Agnes Lau*"
Agnes Lau, CA
Deputy Director, Capital Markets

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - granted exemptive relief from the requirement to concurrently send its Annual Financial Statements to its security holders at the time of filing the Annual Financial Statements.

Applicable Alberta Statutory Provision

Securities Act, RSA 2000, c. S-4, as amended, ss. 151(c)