

Dear (first name),

Further to today's press release and conference call, we are pleased to highlight the following items for your reference and convenience:

1) Key items to note on the quarter:

- a) Liftings- volumes in inventory decreased from 3.5mmbbls at the end of Q1 to 3.0mmbbls at the end of Q2. The reduction in inventory increased Q2 cash flow by approximately \$40mm- Q2 MD&A and CFO comments on Conference Call
- b) Cash interest expense totaled \$41mm, net of capitalized interest- Q2 Financial Statements
- c) Realized stock based compensation expense of \$3 million- Q2 Financial Statements
- d) Realized hedging loss on financial instruments totaled \$119 million with a \$140mm loss on the oil collars offset by gains in gas hedges- Q2 Financial Statements
- e) Realized gains on North American natural gas physical commodity contracts were immaterial as only 3.6mmcf/d of volumes are hedged- Q2 Financial Statements
- f) Please note that fully diluted EPS under IFRS excludes Share-based payment recovery

2) Key items for remainder of 2011:

Full year production guidance of 430-440mboe/d, including 11mboe/d from Colombia- Q2 Press Release

The revised guidance reflects the following key assumptions:

- Three month ramp-up delay in the Eagle Ford resulting in few wells and lower production for the year than anticipated- Q2 Press Release and CEO comments on Conference Call
- Slight commissioning delay in the non-operated Kitan project. A month or two slower than expected- Q2 Press Release and CEO comments on Conference Call
- North Sea maintenance activity extends into the third quarter, and we are expecting the North Sea as a whole to have slightly lower production in 3Q than in 2Q- CEO comments on Q2 Conference Call
- North Seas as a whole, we believe this year will be at the bottom of the range of 110-140mboe/d- CEO comments on Q2 Conference Call
- Expect operating expenses in 3Q to similar to 2Q because of continued turnarounds in the North Sea and Asia- CFO comments on Q2 Conference Call
- First oil from Yme pushed to the end of the first half of 2012- Q2 Press Release and CEO comments on Conference Call

3) Country level segmented netbacks & gross of royalties production (p. 2)

4) Updated Hedging contract summary (p. 3)

Please contact the TLM IR team if you have questions or require anything further.

Thank You.

Netbacks

		1Q 2011		2Q 2011		3Q 2011		4Q 2011		FY 2011	
		Oil (US\$/bbl)	Gas (US\$/mcf)	Oil (US\$/bbl)	Gas (US\$/mcf)	Oil (US\$/bbl)	Gas (US\$/mcf)	Oil (US\$/bbl)	Gas (US\$/mcf)	Oil (US\$/bbl)	Gas (US\$/mcf)
Canada	Sales price	68.78	3.75	79.33	3.90	-	-	-	-	74.29	3.82
	Royalties	10.43	0.26	13.98	0.04	-	-	-	-	12.28	0.16
	Transport	0.93	0.16	0.34	0.18	-	-	-	-	0.62	0.17
	Op Cost	12.34	1.38	10.37	1.30	-	-	-	-	11.31	1.35
	Netback	45.08	1.95	54.64	2.38	-	-	-	-	50.08	2.14
USA	Sales price	-	4.44	-	4.52	-	-	-	-	-	4.48
	Royalties	-	0.69	-	0.67	-	-	-	-	-	0.68
	Transport	-	0.20	-	0.16	-	-	-	-	-	0.18
	Op Cost	-	0.73	-	0.66	-	-	-	-	-	0.69
	Netback	-	2.82	-	3.03	-	-	-	-	-	2.93
North America	Sales price	68.78	4.06	79.33	4.22	-	-	-	-	74.29	4.14
	Royalties	10.43	0.45	13.98	0.36	-	-	-	-	12.28	0.41
	Transport	0.93	0.18	0.34	0.17	-	-	-	-	0.62	0.17
	Op Cost	12.34	1.07	10.37	1.00	-	-	-	-	11.31	1.03
	Netback	45.08	2.36	54.64	2.69	-	-	-	-	50.08	2.53
UK	Sales price	104.50	5.76	117.80	7.15	-	-	-	-	110.45	6.34
	Royalties	0.30	-	1.51	0.62	-	-	-	-	0.84	-
	Transport	1.12	1.54	1.29	-	-	-	-	-	1.20	1.16
	Op Cost	24.62	0.01	37.38	0.37	-	-	-	-	30.32	0.16
	Netback	78.46	4.21	77.62	6.16	-	-	-	-	78.09	5.02
Scandinavia	Sales price	106.02	9.27	114.87	9.25	-	-	-	-	109.84	9.26
	Royalties	-	-	-	-	-	-	-	-	-	-
	Transport	2.28	1.03	3.30	1.24	-	-	-	-	2.72	1.12
	Op Cost	29.01	0.65	40.72	0.94	-	-	-	-	34.06	0.77
	Netback	74.73	7.59	70.85	7.07	-	-	-	-	73.06	7.37
Indonesia	Sales price	106.71	9.00	108.81	10.36	-	-	-	-	107.76	9.69
	Royalties	67.04	2.85	66.22	3.21	-	-	-	-	66.63	3.04
	Transport	1.28	0.39	2.05	0.33	-	-	-	-	1.67	0.36
	Op Cost	16.56	0.49	17.40	0.57	-	-	-	-	16.98	0.53
	Netback	21.83	5.27	23.14	6.25	-	-	-	-	22.48	5.76
Malaysia	Sales price	122.00	7.86	123.62	7.90	-	-	-	-	122.82	7.88
	Royalties	74.69	1.92	79.00	1.92	-	-	-	-	76.89	1.92
	Transport	-	-	-	-	-	-	-	-	-	-
	Op Cost	17.15	1.00	17.30	1.01	-	-	-	-	17.22	1.00
	Netback	30.16	4.94	27.32	4.97	-	-	-	-	28.71	4.96
Vietnam	Sales price	117.74	-	129.81	-	-	-	-	-	123.46	-
	Royalties	20.10	-	21.94	-	-	-	-	-	20.97	-
	Transport	-	-	-	-	-	-	-	-	-	-
	Op Cost	30.11	-	27.16	-	-	-	-	-	28.72	-
	Netback	67.53	-	80.71	-	-	-	-	-	73.77	-
Australia	Sales price	127.30	-	118.20	-	-	-	-	-	122.99	-
	Royalties	3.35	-	2.62	-	-	-	-	-	3.00	-
	Transport	-	-	-	-	-	-	-	-	-	-
	Op Cost	35.87	-	35.88	-	-	-	-	-	35.87	-
	Netback	88.08	-	79.70	-	-	-	-	-	84.12	-
SE Asia	Sales price	117.27	8.74	118.74	9.78	-	-	-	-	118.01	9.26
	Royalties	62.38	2.64	65.57	2.91	-	-	-	-	63.98	2.78
	Transport	0.41	0.30	0.66	0.25	-	-	-	-	0.54	0.27
	Op Cost	19.45	0.61	19.38	0.67	-	-	-	-	19.41	0.64
	Netback	35.03	5.19	33.13	5.95	-	-	-	-	34.08	5.57
Algeria	Sales price	114.27	-	117.72	-	-	-	-	-	116.01	-
	Royalties	61.98	-	68.73	-	-	-	-	-	65.39	-
	Transport	1.35	-	1.35	-	-	-	-	-	1.35	-
	Op Cost	4.16	-	4.42	-	-	-	-	-	4.29	-
	Netback	46.78	-	43.22	-	-	-	-	-	44.98	-
Colombia	Sales price	114.68	5.64	102.73	3.04	-	-	-	-	107.44	4.03
	Royalties	24.75	0.75	18.87	0.84	-	-	-	-	21.19	0.81
	Transport	-	-	0.43	0.09	-	-	-	-	0.22	0.04
	Op Cost	7.41	0.83	13.67	1.33	-	-	-	-	11.23	1.15
	Netback	82.52	4.06	69.76	0.78	-	-	-	-	74.80	2.03
Other	Sales price	114.37	5.64	112.67	3.04	-	-	-	-	113.46	4.03
	Royalties	52.56	0.75	51.92	0.84	-	-	-	-	52.22	0.81
	Transport	0.99	-	1.04	0.09	-	-	-	-	1.01	0.04
	Op Cost	5.00	0.83	7.53	1.33	-	-	-	-	6.36	1.15
	Netback	55.82	4.06	52.18	0.78	-	-	-	-	53.87	2.03
Total Company	Sales price	104.07	5.89	111.88	6.25	-	-	-	-	107.77	6.07
	Royalties	17.08	1.16	21.58	1.23	-	-	-	-	19.21	1.19
	Transport	1.17	0.27	1.30	0.23	-	-	-	-	1.23	0.25
	Op Cost	21.16	0.88	27.03	0.89	-	-	-	-	23.94	0.89
	Netback	64.66	3.58	61.97	3.90	-	-	-	-	63.39	3.74

Production

	1Q 2011			2Q 2011			3Q 2011			4Q 2011			FY 2011		
	Oil (bbl/d)	Gas (mmcf/d)	BOE (mboe/d)	Oil (bbl/d)	Gas (mmcf/d)	BOE (mboe/d)	Oil (bbl/d)	Gas (mmcf/d)	BOE (mboe/d)	Oil (bbl/d)	Gas (mmcf/d)	BOE (mboe/d)	Oil (bbl/d)	Gas (mmcf/d)	BOE (mboe/d)
Canada	20,371	489	101.8	21,625	429	93.1	-	-	-	-	-	-	21,002	458	97.4
USA	711	396	66.8	1,105	447	75.6	-	-	-	-	-	-	909	422	71.2
North America	21,082	885	168.6	22,730	875	168.6	-	-	-	-	-	-	21,911	880	168.6
UK	89,216	17	92.0	71,308	12	73.2	-	-	-	-	-	-	80,212	14	82.6
Scandinavia	33,142	65	44.0	24,879	44	32.3	-	-	-	-	-	-	28,988	55	38.1
Indonesia	10,603	380	73.9	10,619	382	74.3	-	-	-	-	-	-	10,611	381	74.1
Malaysia	17,241	114	36.2	17,752	119	37.5	-	-	-	-	-	-	17,498	116	36.8
Vietnam	2,056	-	2.1	1,831	-	1.8	-	-	-	-	-	-	1,943	-	1.9
Australia	2,959	-	3.0	2,630	-	2.6	-	-	-	-	-	-	2,793	-	2.8
SE Asia	32,859	493	115.0	32,832	500	116.2	-	-	-	-	-	-	32,845	497	115.6
Algeria	15,054	-	15.1	15,236	-	15.2	-	-	-	-	-	-	15,146	-	15.1
Colombia	5,103	24	9.1	7,747	39	14.2	-	-	-	-	-	-	6,432	32	11.7
Other	20,157	24	24.2	22,983	39	29.5	-	-	-	-	-	-	21,578	32	26.8
Total	196,456	1,484	443.8	174,732	1,471	419.8	-	-	-	-	-	-	185,534	1,478	431.9

Talisman Energy Inc
Hedging Contract Summary (as disclosed in May 4, 2011 MD&A)
2Q 2011

Natural Gas Financial Contracts (Reported under held-for-trading financial instruments)

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
ICE	Swap	6.07	6.07	16,886	1-Apr-11	30-Jun-11	91
ICE Swaps Average		6.07	6.07	16,886	1-Apr-11	30-Jun-11	91

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
NYMEX	Swap	6.12	6.12	23,734	1-Apr-11	30-Jun-11	91
NYMEX	Collar	5.27	6.66	94,936	1-Apr-11	30-Jun-11	91
NYMEX	Collar	6.14	6.59	71,202	1-Apr-11	30-Jun-11	91
NYMEX Contracts Average		5.70	6.57	189,872	1-Apr-11	30-Jun-11	91

Natural Gas Physical Contracts (Reported under sales revenue)

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
AECO	Swap	3.00	3.00	3,671	1-Apr-11	30-Jun-11	91
Physical Contracts Average		3.00	3.00	3,671	1-Apr-11	30-Jun-11	91

2011 Gas Contracted Volumes				210,429	1-Apr-11	30-Jun-11	91
------------------------------------	--	--	--	---------	----------	-----------	----

Oil Financial Contracts (Reported under held-for-trading financial instruments)

Benchmark	Contract	Price Floor (\$US/bbl)	Price Ceiling (\$US/bbl)	Volume (bbls/d)	Contract Start	Contract Expiry	Days
Brent	Collar	80.00	92.41	20,000	1-Apr-11	30-Jun-11	91
WTI	Collar	80.00	92.00	9,000	1-Apr-11	30-Jun-11	91
Brent	Collar	80.00	91.27	21,000	1-Apr-11	30-Jun-11	91
Brent	Collar	84.00	97.57	20,000	1-Apr-11	30-Jun-11	91
Collars Average		81.14	93.49	70,000	1-Apr-11	30-Jun-11	91
Financial Contracts Average		81.14	93.49	70,000	1-Apr-11	30-Jun-11	91

2011 Oil Contracted Volumes		81.14	93.49	70,000	1-Apr-11	30-Jun-11	91
------------------------------------	--	-------	-------	--------	----------	-----------	----

Talisman Energy Inc
Hedging Contract Summary (as disclosed in May 4, 2011 MD&A)
3Q 2011

Natural Gas Financial Contracts (Reported under held-for-trading financial instruments)

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
NYMEX	Swap	6.12	6.12	23,734	1-Jul-11	30-Sep-11	92
NYMEX	Collar	6.14	6.59	71,202	1-Jul-11	30-Sep-11	92
NYMEX Contracts Average		6.14	6.47	94,936	1-Jul-11	30-Sep-11	92

Natural Gas Physical Contracts (Reported under sales revenue)

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
AECO	Swap	3.00	3.00	3,671	1-Jul-11	30-Sep-11	92
Physical Contracts Average		3.00	3.00	3,671	1-Jul-11	30-Sep-11	92

2011 Gas Contracted Volumes	98,607	1-Jul-11	30-Sep-11	92
------------------------------------	--------	----------	-----------	----

Oil Financial Contracts (Reported under held-for-trading financial instruments)

Benchmark	Contract	Price Floor (\$US/bbl)	Price Ceiling (\$US/bbl)	Volume (bbls/d)	Contract Start	Contract Expiry	Days
WTI	Collar	80.00	92.00	9,000	1-Jul-11	30-Sep-11	92
Brent	Collar	80.00	91.27	21,000	1-Jul-11	30-Sep-11	92
Brent	Collar	84.00	97.57	20,000	1-Jul-11	30-Sep-11	92
Collars Average		81.60	93.92	50,000	1-Jul-11	30-Sep-11	92
Brent	Put	90.00		20,000	1-Jul-11	30-Sep-11	92
Put Average		90.00		20,000	1-Jul-11	30-Sep-11	92

2011 Oil Contracted Volumes	70,000	1-Jul-11	30-Sep-11	92
------------------------------------	--------	----------	-----------	----

Talisman Energy Inc
Hedging Contract Summary (as disclosed in May 4, 2011 MD&A)
4Q 2011

Natural Gas Financial Contracts (Reported under held-for-trading financial instruments)

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
NYMEX	Swap	6.12	6.12	23,734	1-Oct-11	31-Dec-11	92
NYMEX	Collar	6.14	6.59	71,202	1-Oct-11	31-Dec-11	92
NYMEX Contracts Average		6.14	6.47	94,936	1-Oct-11	31-Dec-11	92

Natural Gas Physical Contracts (Reported under sales revenue)

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
AECO	Swap	3.00	3.00	3,671	1-Oct-11	31-Dec-11	92
Physical Contracts Average		3.00	3.00	3,671	1-Oct-11	31-Dec-11	92

2011 Gas Contracted Volumes	98,607	1-Oct-11	31-Dec-11	92
------------------------------------	--------	----------	-----------	----

Oil Financial Contracts (Reported under held-for-trading financial instruments)

Benchmark	Contract	Price Floor (\$US/bbl)	Price Ceiling (\$US/bbl)	Volume (bbls/d)	Contract Start	Contract Expiry	Days
WTI	Collar	80.00	92.00	9,000	1-Oct-11	31-Dec-11	92
Brent	Collar	80.00	91.27	21,000	1-Oct-11	31-Dec-11	92
Brent	Collar	84.00	97.57	20,000	1-Oct-11	31-Dec-11	92
Collars Average		81.60	93.92	50,000	1-Oct-11	31-Dec-11	92
Brent	Put	90.00		20,000	1-Oct-11	31-Dec-11	92
Put Average		90.00		20,000	1-Oct-11	31-Dec-11	92

2011 Oil Contracted Volumes	70,000	1-Oct-11	31-Dec-11	92
------------------------------------	--------	----------	-----------	----

Talisman Energy Inc
Hedging Contract Summary (as disclosed in May 4, 2011 MD&A)
Full Year 2011

Natural Gas Financial Contracts (Reported under held-for-trading financial instruments)

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
ICE	Swap	6.49	6.49	17,824	1-Jan-11	31-Mar-11	90
ICE	Swap	6.07	6.07	16,886	1-Apr-11	30-Jun-11	91
ICE Swaps Annualized		6.28	6.28	8,605	1-Jan-11	31-Dec-11	365

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
NYMEX	Swap	6.12	6.12	23,734	1-Jan-11	31-Dec-11	365
NYMEX	Collar	5.27	6.66	94,936	1-Jan-11	30-Jun-11	181
NYMEX	Collar	6.14	6.59	71,202	1-Jan-11	31-Dec-11	365
NYMEX Contracts Annualized		5.85	6.53	142,014	1-Jan-11	31-Dec-11	365

Natural Gas Physical Contracts (Reported under sales revenue)

Benchmark	Contract	Price Floor (\$US/mcf)	Price Ceiling (\$US/mcf)	Volume (mcf/d)	Contract Start	Contract Expiry	Days
AECO	Swap	3.00	3.00	3,671	1-Jan-11	31-Dec-11	365
Physical Contracts Annualized		3.00	3.00	3,671	1-Jan-11	31-Dec-11	365

2011 Gas Contracted Volumes	154,290	1-Jan-11	31-Dec-11	365
------------------------------------	---------	----------	-----------	-----

Oil Financial Contracts (Reported under held-for-trading financial instruments)

Benchmark	Contract	Price Floor (\$US/bbl)	Price Ceiling (\$US/bbl)	Volume (bbls/d)	Contract Start	Contract Expiry	Days
Brent	Collar	80.00	92.41	20,000	1-Jan-11	30-Jun-11	181
WTI	Collar	80.00	92.00	9,000	1-Jan-11	31-Dec-11	365
Brent	Collar	80.00	91.27	21,000	1-Jan-11	31-Dec-11	365
Brent	Collar	84.00	97.57	20,000	1-Jan-11	31-Dec-11	365
Collars Annualized		81.34	93.67	59,918	1-Jan-11	31-Dec-11	365
Brent	Put	90.00		20,000	1-Jul-11	31-Dec-11	184
Brent Put Annualized		90.00		10,082	1-Jan-11	31-Dec-11	365

2011 Oil Contracted Volumes	70,000	1-Jan-11	31-Dec-11	365
------------------------------------	--------	----------	-----------	-----

Talisman Energy Inc
Hedging Contract Summary (as disclosed in May 4, 2011 MD&A)
Full Year 2012

Oil Financial Contracts (Reported under held-for-trading financial instruments)

Benchmark	Contract	Price Floor (\$US/bbl)	Price Ceiling (\$US/bbl)	Volume (bbls/d)	Contract Start	Contract Expiry	Days
Brent	Collar	90.00	148.32	20,000	1-Jan-12	31-Dec-12	366
Collars Annualized		90.00	148.32	20,000	1-Jan-12	31-Dec-12	366

2012 Oil Contracted Volumes				20,000	1-Jan-12	31-Dec-12	366
------------------------------------	--	--	--	--------	----------	-----------	-----