

28th June 2016

FOR IMMEDIATE RELEASE

ANNOUNCEMENT BY NEW TALISMAN GOLD MINES LIMITED (NTL)

NTL EXECUTES BINDING AGREEMENT WITH NEWCREST

The Board of New Talisman Gold Mines Limited (NTL) is delighted to announce that it has executed a binding agreement over the Rahu Project with Newcrest International Pty Ltd a wholly owned subsidiary of Newcrest Mining Limited (ASX:NCM) following the signing of a non-binding Heads of Agreement on 19 May, 2015.

Newcrest international Pty Ltd was awarded a five year exploration permit (MEP 60144) for the Rahu Project by the New Zealand Government in May 2016. Since then NTL and Newcrest have been discussing their on-going relationship in light of the original non-binding Heads of Agreement.

Key terms of the agreement include:

- Should Newcrest spend NZ\$5.0 million on the Rahu Project a Joint Venture will be established at that time and a direct 20% interest transferred to NTL.
- In the interim 20% of the Rahu project will be held on Trust by Newcrest on behalf of NTL subject to Ministerial consent.
- Newcrest will manage the exploration activity on the Rahu Project.
- If a joint venture is not established 100% of the project would be transferred to NTL subject to Ministerial consent.
- Upon formation of a joint venture each party will be required pay their respective exploration and development costs on a pro-rata basis.
- If NTL dilutes to below 10% equity, this equity would convert to a Net Smelter Return, (NSR) of 2.5%.

Matthew Hill said “We are delighted to be working with Newcrest on Rahu, a project where New Talisman made the discovery, and which we have always felt was a big company project due to the conceptual modelling that suggests Rahu hosts a major vein system at depth, possibly similar to other gold deposits in the Waihi Gold District such as Talisman, Golden Cross and Martha Hill. The signing of this agreement with Newcrest supports our view of the potential of this key target immediately north of and along strike from the historically highly productive Talisman Mine.”

About Rahu

Geological evidence points to the fact that Rahu is the northward extension of the gold mineralisation found at Talisman and is part of the overall approximately 4km by 3km epithermal gold system.

Exploration by NTL has previously defined gold silver mineralisation in 11 diamond drill holes and 8 reverse circulation percussion holes with broad intercepts of strongly anomalous gold and narrower intervals of higher grade gold mineralisation hosted in hydrothermal breccia and quartz vein zones. Studies by the Company, specialist consultants and University of Auckland point to the potential for high grade mineralisation at depth beneath the current mineralisation.

The exploration programmes Newcrest are planning will involve developing and refining exploration targets and testing these with deep diamond drilling.

Matthew Hill

CEO

New Talisman Gold Mines Limited

Direct +64 27 5557737

Matt@newtalisman.co.nz

For more information on New Talisman Gold Mines go to www.newtalisman.co.nz

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) leading New Zealand minerals development company with 1890 shareholders who are mainly from Australia and New Zealand. The company's flagship asset the Talisman mine holds a JORC compliant mineral resource, a JORC compliant reserve and has been granted resource consents and access arrangements for the initial phase of the project. The company is currently initiating bulk sampling at Talisman and continues to advance the development of the mine. New Talisman's wholly owned subsidiary Coromandel Gold Limited with a separate management and board, holds a portfolio of highly prospective mineral interests and gold properties in the Hauraki and Northland Districts of New Zealand. CGL is currently working toward establishing itself as a separate listed entity. Through a subsidiary company, New Talisman Gold owns 20.29% of Broken Hill Prospecting Limited, which holds a significant cobalt project at Thackaringa, about 25 kilometres south-west of Broken Hill in Australia and a heavy mineral sands exploration portfolio. BPL is listed on the ASX (Code: BPL). More about New Talisman Gold at www.newtalisman.co.nz