

Market Announcement

ASX:NTL, NZX:NTL

For Immediate Release



TALISMAN PROJECT UPDATE

Commodity Exposure

GOLD and SILVER

Board and Management

Charbel Nader

Chairman/Independent Director

Matthew Hill

Chief Executive/Managing Director

Murray McKee

Independent Director

Murray Stevens

Non executive Director

Tony Haworth

Independent Director

Jane Bell

Company Secretary

Wayne Chowles

Chief Operating Officer

Ash Clarke

Chief Financial Officer

Capital Structure

Ordinary Shares on issue -
2,076,995,855

Listed Options – 119,851,516
2 cent – expiring Nov 2017

Market Cap – 60M NZD

Share Chart



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HIGHLIGHTS

- **Project progress on schedule and within budget;**
- **Compressed air system installed and commissioned;**
- **Water reticulation system in place;**
- **Revision of mine plan targeting areas identified in Talisman Deeps Project.**
- **Bonanza module nearing completion**
- **NZD Gold Price nears \$1800 NZD/Oz**

New Talisman is pleased to announce that progress at the Talisman Project is on schedule and within budget. Water and compressed air reticulation systems have been installed and are providing services for ongoing refurbishment works of the No 8 Level Drive.

With access to the workings secured and the first three timber sets replaced work has now focused on the bridge area some 330m into the mine.

Several generations of timber support in this area have constricted the size of the drive and must be removed to allow access for the small loader to the workings beyond. In order to do this safely temporary support is drilled between the timbers before they can be removed and the condition of the hangingwall and sidewalls inspected before a decision is made on the final support requirements.

Geological conditions have required the installation of 8ft, fully encapsulated rock bolts to address jointing and fractures in the area. This work is progressing well.

Draining of an old ore pass, just beyond the bridge area, is also underway with several tonnes of waste material having been removed to date. Once the ore pass is fully drained the supporting structure will be removed and the pass permanently sealed.



Figure 1 - Miners using a compressed air powered gopher to install rockbolts in the hangingwall of the No 8 level Drive

Safety and Health

The safety of our workforce remains of prime importance to your company. Having developed the health and safety modules for our resource consent for bulk sampling lodged and submitted in 2014 (the first of any health and safety management plan in this country under the new regulations introduced at that time). We are proud of our focus and aim toward being the leader in underground health and safety. As the Resource consent and activities for bulk sampling have not yet commenced such will be a transition phase currently being finalised. The project has robust health and safety management systems in place and we are pleased to report that no incidents have been reported since commencement of the prospecting activities.

Commencement of the Bulk Sampling project in December will trigger compliance with the full HSWA Mining Regulations. The Company lodged these plan in October 2014 and is in discussion with Worksafe NZ on managing the transition. In the meantime the company is using the highest levels of health and safety in its

prospecting phase in order to create a culture which is a best practice case study as we progress towards the extraction phase.



Figure 2:- Completed rockbolts no installed throughout the mine Project Schedule

The Prospecting project remains on schedule for completion in late 2017. While there has been activity by a minority group of anti-miners this has had no effect on the Company's ability to execute the scope of works.



Figure 3: Talisman and Terra Firma underground teams hard at work finalizing sets

Gold Price

1,771.21 ▲ +7.13 +0.40%

Gold ▼ NZD ▼ oz ▼



New Talisman is the sole NZX listed Gold developer with exposure to the NZD gold price. The NZ dollar gold price has climbed significantly over the past month. Macro economic conditions and the Korea issue appear to be increasing the momentum toward gold as a storage of wealth and as a safe haven asset as has traditionally been the case.

Project Development

The Talisman Deeps project has provided the Company with a wealth of information on the areas available for mining below No 8 Level. Of prime importance in potentially increasing the levels of extraction in the bulk sampling project plan is gaining access of deeper levels of the ore body below the 8 level. Considerable effort is being expended on evaluating options to achieve this.

Bonanza Module

The Bonanza Deeps module is currently undergoing final review which requires a significant amount of complex calculations as modules are checked and rechecked prior to finalising the table one resource model. At this stage it is expected the Bonanza module which is the second last module of Talisman deeps is to be released in the next 2 weeks.

The final module which will also include all of Talismans resources ie Mystery, Crown, etc are to be upgraded to JORC 2012 will be completed by November. Work will commence on such following Bonanza completion.

Community

We are pleased with the community support for our project and our hard working mine staff. We are continuing with our efforts to eradicate pests such as rats and invasive species such as gorse from our site and we hope to be able to work with DOC with a plan for the entire area as the rats in particular pose a potential disease hazard. We are grateful for the support and hard work by DOC and HDC and the Police who have made keeping the public road to our site open and safe, a priority.

Matthew Hill Said “ We are very pleased with the work progress underground by Terra Firma and our NTL Team. With the gold price in NZ at recent highs and investors recognizing the value of the company, the share price has reacted accordingly. We are the best performing junior on the NZX in the last 24 months and continue to go from strength to strength as we progress this world class project towards the extraction phase and beyond. The recent international articles have attracted interest from around the world on our project and we continue to see opportunities in projects where we can focus the unique skills in historical epithermal vein systems we have”.

Matthew Hill
Chief Executive Officer
New Talisman Gold Mines Limited

Competent Persons Statement

The information in this report that relates to exploration results, exploration targets and mineral resources is based on information compiled by or supervised by Mr Murray Stevens and Mr Wayne Chowles. Mr Stevens is a consulting geologist and director of New Talisman Gold Mines Ltd, who is a corporate member of the AusIMM. Mr Stevens has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

Mr Chowles is a Mining Engineer and member of the AusIMM. Mr Chowles is a full-time employee of New Talisman Gold Mines Limited, he has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

Both Mr Chowles and Mr Stevens consent to the inclusion in this report of the matters based on his information in the form and context in which it appears.

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) with over 2300 shareholders who are mainly from Australia and New Zealand. It is a leading New Zealand minerals development and exploration company with a mining permit encompassing the Talisman mine, one of New Zealand’s historically most productive gold mines. Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including a JORC compliant mineral resource and a JORC compliant reserve statement within the original Talisman underground mine, and a binding Agreement for Newcrest Mining to spend up to \$5M on an adjacent exploration permit along strike from the mine, Rahu. The company is now advancing its plans to develop the mine, and advance the exploration project

