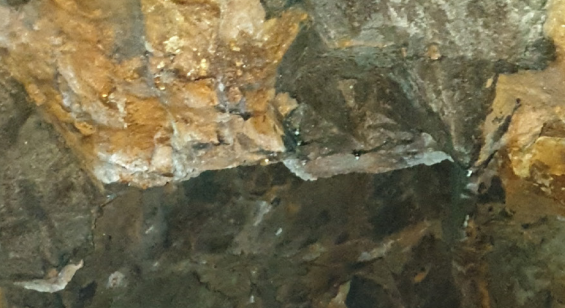




# HALF YEARLY REPORT

to 30 September 2018



## **REPORT TO THE SHAREHOLDERS OF NEW TALISMAN GOLD MINES LTD**

**Half year ended 30 September 2018**



- Underground mining related activities at Talisman resume for the first time since 1992;
- Mystery vein: - blasting, excavation and stockpiling of high-grade ore commenced;
- Traffic management plan approved by HDC;
- Independent review of Resource Estimate complete;
- Updated Pre-Feasibility Study released;
- Updated Ore Reserve Statement released;
- Independent valuation completed;
- Pilot plant installation commenced; and
- Applications for Rahu field work lodged.



The first six months of the 2019 financial year have been extremely productive for the Company with strong progress being made in all aspects of the Talisman project. Refurbishment works to the Mystery and Dubbo areas of the mine are complete and blasting of the face of the Mystery vein to extend the drive into the vein has commenced. The Mine has never in its recent history been in such a solid state of repair and has been refurbished to modern standards allowing deployment of mining vehicles and equipment in those areas. Power cables have been installed throughout level 8, the auxiliary fan installed and airflow now reaches all the way through to Dubbo.

Approximately 110 tonnes of ore, at an average grade of 4.5 g/t Au and 68g/t Ag, has been transported to the Run of Mine stockpile. The stockpile is now ready for transporting and processing at the pilot plant which is being installed at an off site location with commissioning expected before year end.

The main purpose of the pilot plant is to replicate the metallurgical testwork completed by Peacock and Simpson in which the majority of the gold and silver is recovered through a purely gravity based system which negates the use of cyanide and other potentially hazardous chemicals. The remaining gold and any other metals will be concentrated into a secondary saleable by-product leaving an inert sand which can be applied to industrial and commercial uses.

Once the pilot process has been established a commercial plant, which will allow processing of up to 1,000 tonnes per month, is planned to be commissioned to meet the future needs of the mine.

## Mine Refurbishment

Following on from the previous activities, a significant number of key milestones were achieved which resulted in the commencement of the mining activities at the Talisman Mine.

A major milestone was achieved in September when, following installation and commissioning of the 250kva generator and main fan, the company undertook the first blast on the Mystery Vein.

True to the company's commitment to environmentally sustainable mining, sound emissions from the heavily silenced fan are virtually imperceptible beyond the immediate mine site.

## Highlights for the period are:

- The Traffic Management Plan "TMP" was approved by HDC and the company has commenced activities under the resource consent granted by HDC in 2013. This allows transporting of ore from the mine offsite with one blast event per day which following completion of refurbishments of level 8 will continue for approximately 2 years as the definitive feasibility study is completed.
- Commissioning of the silenced 250KVA generator and control room is complete and the operation now has reliable power supply to the main ventilation fan and other site equipment.
- Installation and commissioning of the primary ventilation fan is complete. This fan, mounted above the airlock and connected to the mine via a reinforced concrete tunnel, is fitted with world leading silencing equipment to reduce noise emissions to conversational level. The fan is capable of delivering sufficient air to maintain a healthy respirable atmosphere underground while up to three diesel powered loaders are deployed in the workings, which has significantly increased the productivity of the mining team.
- Following the final metres of rehabilitation into the Mystery zone the company was able to commence the blasting at Mystery during the quarter. Approximately 8 tonnes of vein material



have been extracted which has provided promising results. A rescue mining method – blasting the vein material and surrounding waste in separate stages - is being tested with encouraging results from the first blast. This system will enable the vein material to be trammed separately from waste material which will maximise the grade of ore delivered to the plant and reduce transport costs. The blasts which have been undertaken to date have provided no measurable vibration or noise at surface.

Samples taken from ore generated by the first blast were independently analysed for gold and silver content at the SGS laboratory in Waihi and yielded an average grade of 7.1 g/t Au as announced on 20/09/2018 (Please see <https://www.asx.com.au/asxpdf/20180920/pdf/43yhcd15zcxsps5.pdf>)

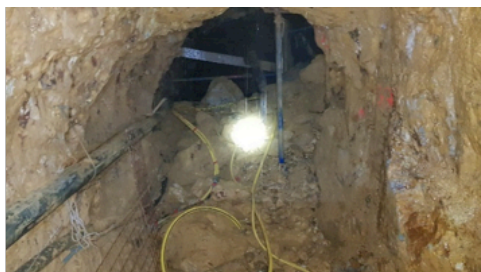
These results are in line with expectations and consistent with the range of grades in this section of the Mystery Vein. This is in the same area where recent check sampling of ore exposed at the drive face yielded grades of up to 40 g/t Au as announced to the market on 31 March 2018 (please see <https://www.asx.com.au/asxpdf/20180508/pdf/43tvlpmv420f4f.pdf>) While considerably more work is required to understand the full extent of this highly prospective vein system these results are encouraging and represent a very positive first step in this process.

Rehabilitation of old workings through to the start of the BM37 zone at Dubbo was completed in the half year and, once vehicle access is attained, loading of rock from the base of the BM37 rise can begin. Clearing of this rock will provide access to the high-grade Dubbo Zone of the Maria Vein. This is the site of the last mining by previous owners in the late 1980's and was identified by borehole BM37 which assayed 656 g/t Au over 1.8m including 1154 g/t Au over 1.0m. Sampling in this area has previously yielded results exceeding 1% gold (over 10,000g/t), please see <https://www.asx.com.au/asxpdf/20130705/pdf/42gx44jq96lzs.pdf>

- Maintenance of the mine road was completed in September and has significantly improved the drainage capability and trafficability of the road.

## Post Balance Date Mine Refurbishments

- Final cleanup of the 8 Level drive, including securing vehicular access through the “Bandaïd” and “Viaduct” was completed. There was considerable uncertainty regarding the quantity and quality of ore present in the area and thus timing was uncertain. Loading operations were carried out for two weeks with no sign of slow down before the decision was made to barricade the area and build a stopping to retain remaining ore in the stope. A reinforced retaining wall was constructed incrementally from the hanging wall of the drive and is fitted with drain pipes to ensure no build up of water behind the seal.



- The viaduct, the area where the historic fall of ground occurred, has been cleared of waste rock left over during construction.



- Stockpiling of ore underground has continued successfully. In total approximately 110 tonnes of ore have been loaded and transferred to the Run of Mine stockpile. Regular interval in stream sampling was carried out with 44 samples yielding grades that are characteristically variable and range from trace to 66.0g/t Au for an average of 4.5g/t Au, silver grades assayed in a range of 7.1g/t to 633g/t for an average of 68g/t Ag.

This ore will, in part, be used as the initial feed material to test the pilot plant, the final components of which have arrived in Auckland. Other feedstock totalling 90+ Tonnes removed for old workings is also currently stockpiled underground.

- Installation of the underground power cable and auxiliary fan is underway. This second fan is on site and will be transported to position at the Keillors crosscut junction to pump air into the Dubbo Drive. Upon completion there will be accessibility for vehicles from the Portal all the way through to Dubbo which will allow for accelerated clearing into the BM37 area.
- All components of the pilot processing plant, have arrived and are currently being installed offsite. It is expected the plant will be fully installed and operational with the crushing and grinding circuit by end of December with first production of gold from stockpiled ore by year end. While the capacity of the pilot plant is relatively low the aim is to replicate the recovery rates which were achieved using a similar flowsheet in the testwork carried out in South Africa in February 2018 (please see <https://www.asx.com.au/asxpdf/20180322/pdf/43sn63s00fjnz6.pdf>). Once recovery rates are confirmed a larger plant, suitable for the longer-term needs will be acquired.

## 2018 Prefeasibility study

In July the Company announced the completion of a revised Prefeasibility study on the Talisman Project. This study, based on the updated Mineral Resource Estimate, has demonstrated an increase in the Net Present Value of the project, **(NPV) from NZD15.4m to NZD35.9m** at a 9% Discount Rate. The updated study proposes a mine plan, focussed on high confidence areas adjacent to No 8 level, based on the **production of 45,000 tonnes at 30.6 g/t AUeq** with a significant drop in on **mine costs to NZD583** per ounce and **C2 cash costs of NZD710 per ounce**. The IRR increased significantly to 118% The key drivers for this increase in value are discussed below:

- Increased ounces available for extraction – this is a result of the Mineral Resource Upgrade which saw gold equivalent ounces in the Measured and Indicated categories increase by some 18,000 ounces. These are included in the mining plan which has seen an increase in gold production of some 18,800 Oz AuEq.
- Increased mine life – on the back of the increased ounces life of mine is extended by a year giving a current expectation of 6 years;
- Grade – Run of Mine grade, on a gold equivalent basis, has increased from 11.2g/t to more than 27 g/t.
- The USD gold price, based on independent forecasts, is expected to continue trading in a narrow range of between USD1300/Oz and USD1400/Oz;
- Continued USD strength is expected to result in a falling NZD:USD exchange rate over the project life
- Extended mine life has seen an increase in operating costs of approximately \$8m;
- Capital expenditure is reduced by \$1m because of the work already completed towards the Bulk Sampling Project;

Other key project metrics, in comparison with the previous PFS results, are tabulated below

Table 1 - Results of PFS

		Unit	2013	2018	Variance
Production	Life of Mine	Years	5	6	1
	Tonnes Milled	ktpa	107	64	-43
	Gold Recovered	Oz Total	32,200	51,000	18,800
Cost	Total Revenue	NZD(m)	68	109	41
	Total Opex (C3)	NZD(m)	34	42	8
	Total Capex	NZD(m)	11	12	1
Financial	Cash Surplus	NZD(m)	23	55	32
	NPV @9% (Pre-Tax)	NZD(m)	15	36	21
	IRR	%	83%	118%	35%
	Payback period	Yrs	3	2	-1
Unit Costs	C1 cash Cost	NZD/Oz	692	583	-109
	C2 Cost	NZD/Oz	904	710	-194
	C3 Cost	NZD/Oz	1,041	985	-56
	Breakeven Gold Price	NZD/Oz	1,075	820	-255

Full details of the Pre-Feasibility Study were released to the market on 26/06/2018. The release can be viewed here <https://www.asx.com.au/asxpdf/20180626/pdf/43w27wyn66hxx8.pdf> .







### Ore Reserve Update

The outcome of the PFS supports a 50% increase in the Ore Reserve attributable to the Talisman Mine. Ore Reserves, based on an average in-situ cut-off grade of 2.6 g/t, are 45,000 tonnes at 30.6 grams per tonne gold equivalent. Reserves are quoted at the point of delivery to the gold processing plant and are derived from and contained within, not additional to, the Measured and Indicated portions of the Mineral Resource.

The study was reviewed by independent experts who found that the proposed mining plan is appropriate for the style of deposit at Talisman, and that determination of Ore Reserves has been attained through reasonable evaluation of mining costs and process recoveries.

### Mineral Resource and Ore Reserve categories

Mineral Resources	Total NTL		Gold Equivalent	
	Category	Tonnes	Grade	Ounces
	Measured	19,600	17.4	57,480
	Indicated	62,900	7.4	23,100
	Inferred	82,500	15.9	389,200
	<b>Total Resources</b>	<b>165000</b>	<b>15.1</b>	<b>469,800</b>
Ore Reserves	Total NTL		Gold Equivalent	
	Category	Tonnes	Grade	Ounces
	Proved	30,294	35.7	34,791
	Probable	14,632	20.1	9,470
	<b>Total Reserves</b>	<b>44,926</b>	<b>30.6</b>	<b>44,260</b>

Full details of the Ore Reserve were released to the market on 26/06/2018. The release can be viewed here <https://www.asx.com.au/asxpdf/20180626/pdf/43w27wyn66hxx8.pdf>



A detailed Independent review of the Mineral resources estimate was completed which confirmed the 2012 JORC compliant resource of 469K oz AuEq at an average grade of 15.1g/t. This makes the Talisman Mine the highest grade underground active mine in NZ for which grades and resources have doubled in just over a year. The report concluded:

*In reviewing NTGM's MREs Geos Mining has found that the estimations, the data and the resource models they are based on, meet the guidelines set out in the 2004 and 2012 JORC Codes and have no serious errors or issues associated with them.*

Further work is being carried out on the remaining data for the fourth module relating to Talisman Deep's which will be included in the growing database as works are carried out. With significant development into Mystery and Dubbo, the substantial amount of data and knowledge of the orebody acquired from these activities will support a review of the MRE and upgrade of remaining areas to JORC 2012 compliance standards in H1 2019.

## Rahu

Applications for access and consent to initiate fieldwork at the Rahu Project have been lodged with the relevant authorities

## The Year Ahead

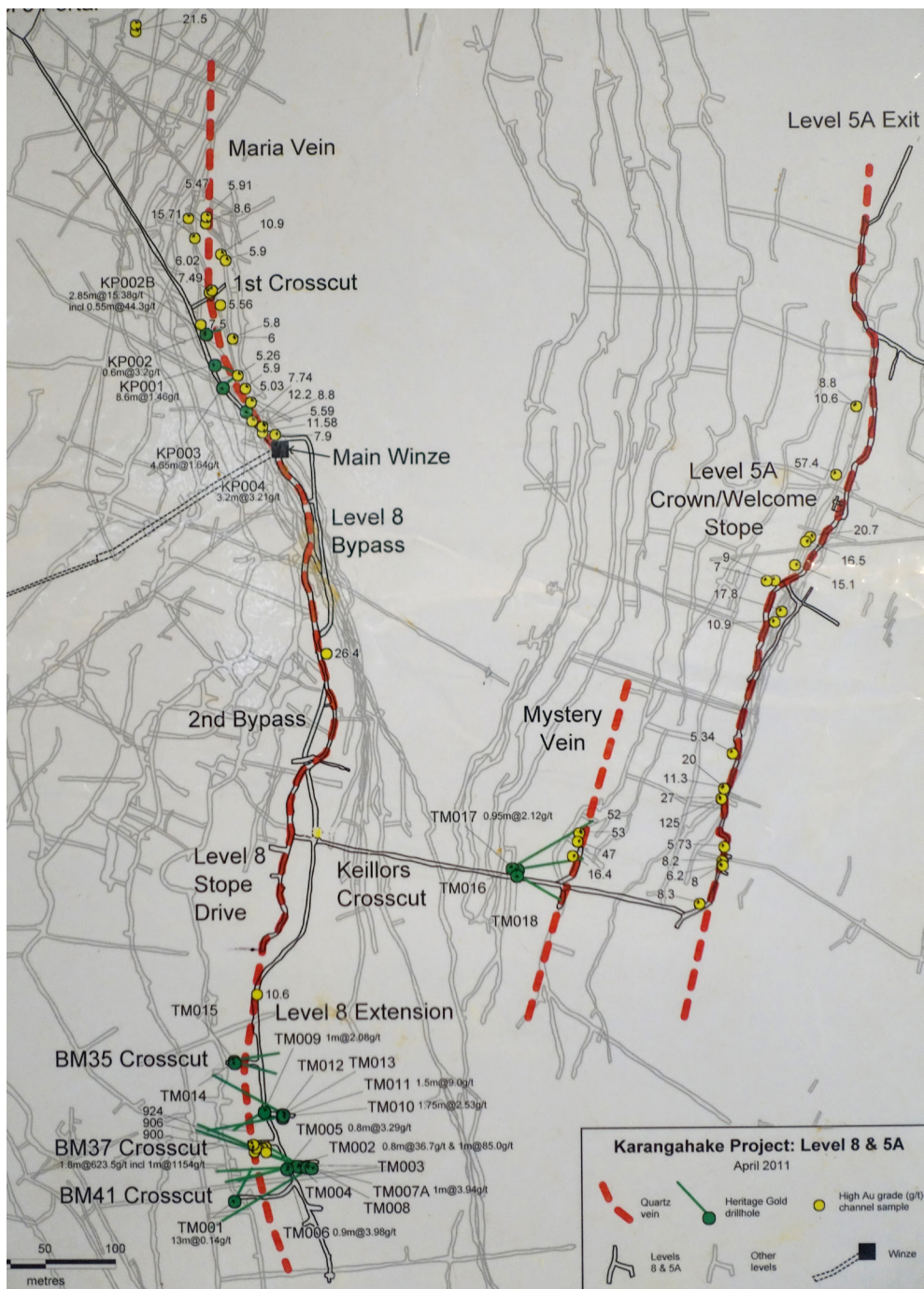
Over the next year the company intends accelerating rehabilitation and extraction activities in the existing Mystery and BM37 areas while commencing the development of the decline system required to open up the first significant ore reserve block in the Dubbo zone immediately below No 8 Level. Mineral resources in this area form part of the high confidence Measured Resources where grades are estimated to exceed 80g/t AuEq (please see <https://www.asx.com.au/asxpdf/20170712/pdf/43kl6294htscp.pdf>). Limited amounts of ore will be processed through the pilot plant with the balance being stockpiled for later processing through the final plant.

Opening up and rehabilitation of the BM37 rise will provide the company with access to the area where 1980's sampling indicates grades of up to 656 g/t Au over 1.8m including 1154 g/t Au over 1.0m. Sampling in this area has previously yielded results exceeding 1% gold (over 10,000g/t), please see <https://www.asx.com.au/asxpdf/20130705/pdf/42gx44jq96lrs.pdf>. Ore extracted from this area will be prioritised for treatment through the pilot plant although other opportunities will be investigated.

Several locations for siting of the final plant have been identified and securing a suitable site, in parallel with procurement of the plant, will be a high priority over the coming months.

The above works will set the company up for full execution of the mining plan proposed in the 2018 Pre-feasibility Study which indicates average production volumes, once steady state has been achieved of some 850 tonnes per month at an average Run of Mine grade of 27.3 g/t AuEq.





Schematic diagram of the Talisman Mine

# NEW TALISMAN GOLD MINES LIMITED

## Consolidated Statement of Financial Position

As at 30 September 2018

	Note	30-Sep-18 \$NZ Unaudited	31-Mar-18 \$NZ Audited	30-Sep-17 \$NZ Unaudited
<b>Equity</b>				
Attributable to parent company shareholders		16,559,193	17,229,806	12,999,911
<b>Term liabilities</b>				
Provision for closure and rehabilitation		28,395	17,795	16,755
Total term liabilities		28,395	17,795	16,755
<b>Current liabilities</b>				
Payables		264,846	213,584	222,096
Other		-	-	15,840
Employee benefits		24,228	21,330	40,558
<b>Total current liabilities</b>		<b>289,074</b>	<b>234,914</b>	<b>278,494</b>
<b>Total liabilities</b>		<b>317,469</b>	<b>252,709</b>	<b>295,249</b>
<b>Total equity and liabilities</b>		<b>16,876,662</b>	<b>17,482,515</b>	<b>13,295,160</b>
<b>Current assets</b>				
Cash		2,814,098	4,828,750	4,370,016
Receivables and prepayments		153,091	116,992	208,625
<b>Total current assets</b>		<b>2,967,189</b>	<b>4,945,672</b>	<b>4,578,641</b>
<b>Non-current assets</b>				
Property, plant & equipment		273,232	89,677	77,442
Assets under construction	6	10,859,876	9,638,268	8,607,398
Intangible assets	5	2,756,950	2,752,900	15,637
Investments		19,415	55,998	16,042
<b>Total non-current assets</b>		<b>13,909,473</b>	<b>12,536,843</b>	<b>8,716,519</b>
<b>Total assets</b>		<b>16,876,662</b>	<b>17,482,515</b>	<b>13,295,160</b>
<b>Net tangible assets per security</b>		0.64 cents	0.68 cents	0.62 cents

For and on behalf of the Board:



Charbel Nader  
Dated: 6 December 2018



M G Hill  
Dated: 6 December 2018

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.



# NEW TALISMAN GOLD MINES LIMITED

## Consolidated Statement of Comprehensive Income

For six months ended 30 September 2018

	Note	6 Months 30-Sep-18 \$NZ Unaudited	6 Months 30-Sep-17 \$NZ Unaudited
<b>Continuing Operations</b>			
Interest received		36,028	75,076
Gain/(Loss) on share revaluation		(36,583)	(1,496)
Operating and administrative expenses		(671,527)	(634,912)
<b>Loss from operations</b>		(672,082)	(561,332)
<b>Loss before tax for the period</b>		(672,082)	(561,332)
Income tax expense		-	-
<b>Total comprehensive income/(loss)</b>		(672,082)	(561,332)
Net loss attributable to equity holders of the parent		(672,082)	(561,332)
Comprehensive loss attributable to equity holders of the parent		(672,082)	(561,332)
<b>Earnings per share</b>			
Basic earnings/(loss) per share from continuing operations		(0.032) cents	(0.027) cents
Comprehensive earnings/(loss) per share from continuing operations		(0.031) cents	(0.026) cents

# NEW TALISMAN GOLD MINES LIMITED

## Consolidated Statement of Changes in Equity

For six months ended 30 September 2018

	Note	6 months 30-Sep-18 \$NZ Unaudited	6 months 30-Sep-17 \$NZ Unaudited
Total comprehensive income/(loss)		(672,082)	(561,332)
Prior Year Adjustment		1,471	-
Proceeds from share capital issued	4	-	1,250
Equity at beginning of period		17,229,804	13,559,993
Equity at end of period		16,559,193	12,999,911

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.

# NEW TALISMAN GOLD MINES LIMITED

## Consolidated Statement of Cash Flows

For six months ended 30 September 2018

	Note	6 months 30-Sep-18 \$NZ Unaudited	6 months 30-Sep-17 \$NZ Unaudited
<b>Cash flows from operating activities</b>			
Cash inflows		36,028	1,547
Cash outflows		(643,435)	(562,583)
<b>Net cash outflows from operating activities</b>	7	(607,407)	(561,036)
<b>Cash flows from investing activities</b>			
Cash inflows		-	-
Cash outflows		(1,418,147)	(824,282)
<b>Net cash inflows/(outflows) from investing activities</b>		(1,418,147)	(824,282)
<b>Cash flows from financing activities</b>			
Cash inflows	4	-	1,250
Cash outflows		-	-
<b>Net cash inflows from financing activities</b>		-	1,250
<b>Net increase / (decrease) in cash held</b>		(2,025,554)	(1,384,068)
Effect of changes in exchange rates		10,902	(314)
Cash at beginning of period		4,828,750	5,754,398
Cash at end of period		2,814,098	4,370,016
<b>CASH COMPRISES:</b>			
Cash at bank		1,209,098	265,016
Short term deposits		1,605,000	4,105,000
		2,814,098	4,370,016

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.

# NEW TALISMAN GOLD MINES LIMITED

## Notes to the interim financial statements

### 1. General

New Talisman Gold Mines Limited is a profit-oriented company incorporated and domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange (NZX) and the Australian Stock Exchange (ASX).

The company is an FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013 and the financial statements of the group have been prepared in accordance with the Financial Markets Conduct Act 2013 and comply with NZX Listing Rule 10.6.1. The group consists of New Talisman Gold Mines Limited (the "company") and its subsidiaries ("Group") and these financial statements are the consolidated financial statements of the group. The group is engaged in mine development and mineral exploration.

These financial statements were approved for issue by the Directors on 6 December 2018.

#### Statement of compliance

These interim consolidated financial statements presented are for New Talisman Gold Mines Limited and its wholly-owned subsidiaries, Coromandel Gold Limited, Northland Minerals Limited and Rahu Resources Pty Limited ("Group"). The information is presented in New Zealand currency which is the company's functional currency. The interim financial statements are condensed in accordance with NZ IAS-34, Interim Financial Reporting. These consolidated financial statements have not been audited. The comparative information for the year ended 31 March 2017 has been audited. The comparative information for the period ended 30 September 2017 has not been audited.

### 2. Accounting policies

The accounting policies and methods of computation adopted in the preparation of these financial statements are the same as those adopted in the preparation of the annual financial statements for the year ended 31 March 2018. Those policies are set out in the annual report for the year ended 31 March 2018. There have been no changes to those accounting policies.

### 3. Seasonality of operations

The results are unaffected to any significant extent by seasonality factors.

### 4. Share Capital

Share Capital Movement	6 months 30-Sep-18 \$NZ	6 months 30-Sep-17 \$NZ
Share Capital Opening balance	34,590,849	35,164,939
Proceeds from Rights issues	-	1,250
Balance at end of period	34,590,849	35,166,189

At balance date 2,164,503,303 shares, 17,036,384 listed options and 4,250,000 unlisted options were on issue.

### 5. Prospecting Costs

Prospecting costs & mining tenements	6 months 30-Sep-18 \$NZ	Year ended 31 Mar 18 \$NZ	6 months 30-Sep-17 \$NZ
Opening balance	2,752,900	2,744,900	11,637
Development expenditure	4050	8,000	4000
Balance at end of period	2,756,950	2,752,900	15,637



## 6. Mining Tenements

<b>Talisman Mine Development</b>	<b>6 months 30-Sep-18 \$NZ</b>	<b>Restated Year ended 31 Mar 18 \$NZ</b>	<b>6 months 30-Sep-17 \$NZ</b>
Opening balance	9,638,267	7,843,882	7,843,882
Development expenditure	1,221,609	1,794,385	763,516
Balance at end of period	10,859,876	9,638,267	8,607,398

Development expenditure consists of mining development costs, professional salaries, data acquisitions and a small portion of overhead expenses relating to the operation of the mine. Management assesses the allocation of directly attributable overheads at the end of each reporting date.

## 7. Reconciliation of net deficit and operating cash flow

	<b>6 months Sep 2018 \$NZ Unaudited</b>	<b>6 months Sep 2017 \$NZ Unaudited</b>
Net deficit after taxation	(672,082)	(561,332)
Add non-cash items:		
Depreciation	19,617	8,838
Exchange (gain)/loss	(10,902)	314
Loss / (Gain) on revaluation of shares	36,583	1,496
	45,298	10,648
Add (less) movement in working capital:		
Decrease (increase) in debtors	2,309	535
Increase (decrease) in creditors	54,160	144,482
Decrease (increase) in accrued income	7,071	(73,530)
Decrease (increase) in Prepayments	(22,505)	(44,039)
Decrease (increase) in GST	(21,658)	(37,800)
	19,377	(10,352)
Net cashflows from operating activities	(607,407)	(561,036)

## 8. Expenses

A percentage of certain expenses including wages, consulting fees and other operational expenditure are capitalised to exploration tenements and assets under construction based on a calculation prepared by management which is reviewed at each reporting date.

## 9. Commitments

Capital commitments at the end of the period were \$nil. The company has signed a lease agreement for office rental of \$1,705.40 per month plus GST which expires in March 2019.

## 10. Going concern

The financial report has been prepared on a going concern basis. The company has raised sufficient funds to commence bulk sampling. The directors expect to ensure that financial obligations can continue to be met for longer than 12 months.

**11. Events subsequent to balance date**

No major events occurred after balance date.

**12. Related Party Transactions**

Payments for consulting services to companies in which directors and major shareholders have a substantial interest amounted to NZ\$174,473. Director fees of \$121,144 were payable at the end of the reporting period. Related party receivables at balance date were \$2,194. No related party debts were written off during the year.

**13. Board Appointments and Retirements**

There were no changes to the board of directors during this period.

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE COMPANIES ACT 1993 TO THE DIRECTORS OF NEW TALISMAN GOLD MINES LIMITED

I declare that, to the best of my knowledge and belief, during the half year ended 30 September 2018 there has been:

- a. no contraventions of the auditor independence requirements as set out in the *Companies Act 1993* in relation to the audit; and
- b. no contraventions of any applicable code of professional conduct in relation to the audit.

The entities are in respect of New Talisman Gold Mines Limited and the entities it controlled during the period.

Scott Bennison  
A partner of KS Black & Co



Dated in Sydney on this *6th* day of *December* 2018



## INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of New Talisman Gold Mines Limited

### Report on the Half-Year Financial Report

#### *Conclusion*

We have reviewed the accompanying half-year financial report of New Talisman Gold Mines Limited ("the company") and its subsidiaries (together "the group"), which comprises the consolidated statement of financial position as at 30 September 2018, the consolidated half year statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year then ended of the group, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration of the entity comprising the company at the half-year's end or from time to time during the half-year.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half year financial report of New Talisman Gold Mines Limited does not present fairly, in all material respects, the financial position of New Talisman Gold Mines Limited as at 30 September 2018, and of its financial performance and its cash flows for the half year ended on that date, in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards applicable to review engagements.

#### **Directors' responsibility for the financial report**

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

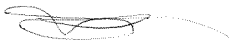
Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Companies Act 1993 including: giving a true and fair view of the consolidated entity's financial position as at 30 September 2018 and its performance for the half-year ended on that date; and complying with International Standards on Auditing.

(New Zealand). As the auditor of New Talisman Gold Mines Limited, NZ SRE 2410 required that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primary of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is subsequently less in scope than an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurances that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Independence

In conducting our review, we have complied with the independence requirements of the Companies Act 1993. We confirm that the independence declaration required by the Companies Act 1993, which has been given to the directors of New Talisman Gold Mines Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



Scott Bennison  
A partner of KS Black & Co

Dated: *6th December 2018*  
Sydney



## COMPANY DIRECTORY

### DIRECTORS

Charbel Nader (Chairman, Independent)  
Tony Haworth (Independent Director)  
Murray R Stevens (Non-executive Director)  
Matthew G Hill (Chief Executive Officer)

### COMPANY SECRETARY

S Jane Bell

### Registered (Head) Office

541 Parnell Road, Parnell  
Auckland, New Zealand  
Telephone (+64 9) 303-1893  
Facsimile (+64 9) 303-1612  
Email: [info@newtalisman.co.nz](mailto:info@newtalisman.co.nz)  
Website: [www.newtalisman.co.nz](http://www.newtalisman.co.nz)

### PRINCIPAL OFFICE IN AUSTRALIA

1st Floor, 25 Richardson Street  
West Perth  
Western Australia 6005  
Telephone (+61 8) 9481-2040  
Facsimile (+61 8) 9481-2041

### BANKERS

Westpac Bank, Auckland  
National Australia Bank, West Perth

### AUDITORS

K S Black & Co  
Level 5  
350 Kent Street,  
Sydney, 2000

### SOLICITORS

Chapman Tripp, Auckland  
Simpson Grierson, Auckland  
Williams & Hughes, Perth

### SECURITIES LISTED

New Zealand Stock Exchange  
Code: Shares NTL; Options NTLOB  
Australian Securities Exchange  
Code: Shares NTL; Options NTLOB

### SHARE REGISTRARS

#### New Zealand:

Computershare Investor Services Limited  
Private Bag 92119  
Auckland 1142  
159 Hurstmere Road  
Takapuna, Auckland 0622  
New Zealand  
Telephone (+64 9) 488-8777  
Facsimile (+64 9) 488-8787

#### Australia:

Computershare Investor Services Pty Limited  
Yarra Falls  
452 Johnston Street  
Abbotsford Victoria 3067, Australia  
Telephone 1300 850 505  
Overseas callers (+61 3) 9415-4000

### Managing your shareholding online:

To change your address, update your payment instructions and view your investment portfolio including transactions please visit

[www.computershare.co.nz/investorcentre](http://www.computershare.co.nz/investorcentre)

### General enquiries can be directed to:

[enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)

Please assist our registrar by quoting your CSN or shareholder number