

ANNOUNCEMENT BY NEW TALISMAN GOLD MINES LIMITED [ASX, NZSX: NTL]

FOR PUBLIC RELEASE

Quarterly Activities Report to 31 March 2013

New Talisman Gold Mines Limited is pleased to present its quarterly report for the period ended 31 March 2013.

HIGHLIGHTS

- Execution of option to acquire majority stake in Mpokoto Gold project
- Metallurgical testwork on broken ore at Talisman
- Prefeasibility study submitted to board for review

Corporate

Mr Murray McKee was appointed to the role of chairman during the Quarter.

During the period a number of potential investor groups engaged in discussions with the company on its Talisman Mine. A major investor from Hong Kong completed a site visit and is currently looking at a potential investment into the company.

Discussions with brokers on a placement were initiated with an agreed timeline for placement underway.

The company continues to review potential board candidates with an aim of selecting a candidate by mid 2013.

Mpokoto Gold Project

During the period NTL executed an option agreement to acquire an interest in the Mpokoto Gold in DR Congo. The option was acquired by way of a loan to Netcom Inc for \$250K in return for 10% free carry equity and an ability to acquire 62% stake in Netcom in return for a 1.75M spend over the next 18 months. The Mpokoto Project is located in Kisenge in the South west of the Katanga province in DR Congo. The project was discovered by Cluff and further explored by major Goldfields and has had over \$20M USD spent on exploration.

Due Diligence is currently being carried out on the project by NTL and a review of budgets for the feasibility study due out in June is being revised.

TALISMAN GOLD PROJECT (100%) – Hauraki District, NZ

The prefeasibility study was completed on the 31st March with detailed modelling and mine plan analysis which has identified the options available to NTL for sustainable development at Talisman. The board is currently reviewing the detailed document and will release its findings in due course.

Discussions were initiated with companies who could potentially treat the Talisman mine ore. These discussions continue.

Works were completed on upgrading the road to the mine and the hardstand area at the entrance to the No. 8 level. Both the pad and the road are now clear and drainage points upgraded, paving the way for further development.

Removal of pad ore material for metallurgical testwork was completed during the period and the samples are currently being assayed by SGS Waihi. This will provide the various treatment options available to NTL in

processing ore.

The prefeasibility study has identified each mineable resource for removal from the initial Woodstock target through to the bonanza grade Dubbo vein which can be accessed via existing workings. The mine will be a low-impact, high-grade, small-scale gold and silver mine utilising best practice methods for sustainable development.

SUBSIDIARY COMPANY – COROMANDEL GOLD LIMITED (100%) [Not Listed]

Northland Base and Precious Metals Project (100%) - Northland region, NZ

Routine work on researching the exploration permit continued.

The most recent exploration undertaken in the region was more than 30 years ago, although this was relatively limited in area.

Principal targets are gold and copper mineralisation, based on historic evidence of small scale mining activity and some prospecting data.

Broken Hill Prospecting Ltd (21.7%) – NSW, Australia [ASX/NZSX: BPL]

During the period, Broken Hill Prospecting Ltd (BPL) completed a deep diamond drill hole at its Railway Cobalt Prospect near Broken Hill in western NSW.

Diamond drill hole BED001 was angled to intersect high-grade cobaltiferous pyrite mineralisation at a vertical depth of approximately 270 metres beneath the western edge of a mineralized zone which trends for more than 1.5 kilometres and is up to 300 metres wide (Railway Cobalt Deposit).

The drill results have shown that the cobalt-pyrite rock extends to considerable depth and as such may form a very much larger deposit than indicated by the shallow drilling of previous work. Drilled intersections included*:

- 44.5 metres of 1.48lb/t cobalt between 247-291.5 metres, including;
- 19.5 metres of 2.26lb/t cobalt between 272-291.5 metres.
- Narrow intervals of silver, zinc, and lead mineralisation including 0.9m of 62g/t silver, 2.63% zinc and 1.05% lead between 245.2-246.1 metres

BPL lodged an application for a new exploration licence (ELA4663) over five one-minute units which are contiguous to the southern margin of the current tenement (EL6622). The new area covers southern extensions of the quartz-albite host rocks of the cobalt mineralisation and is considered to have excellent prospectivity for new cobalt-pyrite deposits. BPL plans to undertake surface mapping and sampling when the tenement is granted.

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) with 1800 shareholders who are mainly from Australia and New Zealand. It is a leading New Zealand minerals development and exploration company with a portfolio of high quality mineral interests. Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including a mineral resource within the original Talisman underground mine, and an adjacent exploration permit along strike from the mine. The company is now advancing its plans to develop the mine, and advance the exploration project.

Through a subsidiary company, New Talisman Gold owns 21.7% of Broken Hill Prospecting Limited, which is planning to develop a cobalt project at Thackaringa, about 25 kilometres south-west of Broken Hill in Australia. BPL is listed on both the ASX and NZSX (Code: BPL). More about New Talisman Gold at www.newtalisman.co.nz

***Competent Person Statement**

Exploration activities and results contained in this report are based on information compiled by Dr Ian Pringle, a Member of the Australasian Institute of Mining and Metallurgy. Dr Pringle is the Managing Director of Broken Hill Prospecting Ltd and also a Director of Ian J Pringle & Associates Pty Ltd, a consultancy company in minerals exploration. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Dr Pringle has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.

