

28th April 2014

FOR IMMEDIATE RELEASE

ANNOUNCEMENT BY NEW TALISMAN GOLD MINES LIMITED (NTL, NTLOA or NTLO)

TALISMAN MINE FINANCING OFFER ACCEPTED

New Talisman Gold Mines Limited announced today that it has accepted an offer of a structured financing facility for the Talisman Mine project. The terms of the acceptance letter signed by NTL provide for A\$1.6M of an A\$2M converting note facility to be advanced subject to satisfaction of certain conditions, including entering into satisfactory security and other facility documentation. The converting note provides for NTL at its sole discretion to either:

- 1) Upon repayment of 30% of the loan Convert 70% of the loan to equity at the end of the 12 month period, or
- 2) Repay the loan in full, or
- 3) Upon repayment of 30% of the loan, roll the loan over the remaining 70% for a further 12 month term.

The funds drawn down from this facility will be applied to the Talisman mine bulk sampling project and working capital requirements. NTL anticipates the \$1.6M will be sufficient capital to allow NTL to initiate the bulk sampling program outlined to shareholders at the 2013 AGM. The bulk sampling project provides for the first cash flows from New Talisman's mining operations and will allow NTL to be cashflow positive within 12 months from the start of bulk sampling operations which are expected to begin in the second half of 2014.

Under the terms of the accepted offer NTL expects to be in a position to execute documentation and have access to the funds within 30 days. NTL will announce the detailed terms of the facility once documentation has been executed.

Executive Director Matthew Hill said, "In a very difficult climate for junior miners' particularly gold-related juniors, NTL is particularly pleased to have been able to attract an offer to finance the development of the Talisman mine through to first production. It is an indication of the very attractive investment proposition the Talisman mine represents. We remain on track to reopen the Talisman Mine; historically a highly productive, high grade gold mine in one of the most productive gold mining areas in NZ and our transition from developer to producer status is nearly complete. We are mindful that our shareholders have indicated a strong interest to participate in the funding of Talisman and the board is currently reviewing options to allow such participation."

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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) 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 JORC compliant 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.newtalismangold.co.nz