



New Talisman Gold Mines Limited
OFFER DOCUMENT

Offer of Ordinary Shares
10 June 2015



This is an important document
If you have any doubts on what you should do,
please consult your financial adviser

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KEY DATES*

9th June 2015	Record Date	Date on which New Talisman determined the Eligible Shareholders
10th June 2015	Announcement Date	Announcement to NZX of Offer
10th June 2015	Mailing Date	Letters of Entitlement mailed
11th June 2015	Opening Date	Offer opens
30th June 2015	Closing Date	Offer closes. Applications must be received by 5pm NZ time
7th July 2015	Allotment Date	Shares allotted. Trading expected to commence on NZX Main Board and ASX on next Trading Day
13th July 2015	Despatch Date	New Share Statements sent to Shareholders

* New Talisman Gold Mines Limited reserves the right to alter the key dates.

Defined words and expressions used in this booklet are capitalised - see the Glossary for their definition.

IMPORTANT INFORMATION

DEFINED TERMS

General Information

This document has been prepared by New Talisman Gold Mines Limited (**New Talisman**) in connection with an offer of new ordinary shares. The offer is made to Eligible Shareholders under the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) and ASIC Class Order 09/425 (Australia). This document is not a product disclosure statement or prospectus and does not contain all of the information which may be required in order to make an informed investment decision or about the Offer or New Talisman.

Additional information available under continuous disclosure obligations

New Talisman is subject to continuous disclosure obligations under the NZX Main Board Listing Rules and the ASX Listing Rules. Market releases by New Talisman, including its most recent financial statements, are available at www.nz.com and www.asx.com under stock code NTL.

Offering restrictions

No action has been taken to permit a public offering of the Shares in any jurisdiction outside New Zealand and Australia. The distribution of this document in a jurisdiction outside New Zealand and Australia may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions.

No person may subscribe for, purchase, offer, sell, distribute or deliver the Shares, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the Shares, in any jurisdiction other than in compliance with all applicable laws and regulations. Without limiting the foregoing, this document may not be sent into or distributed in the United States.

No Guarantee

No person named in this document (nor any other person) guarantees the Shares to be issued pursuant to the Offer or warrants the future performance New Talisman or any return on any investment made pursuant to this document.

Forward Looking Statements

This document contains certain statements that relate to the future. Such forward looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other factors, many of which are beyond the control of New Talisman and which may cause the actual results, performance or achievements of New Talisman to differ materially from those expressed or implied by such statements. Under no circumstances should you regard the inclusion of forward looking statements as a representation or warranty by New Talisman or its directors or officers or any other person with respect to the achievement of the results set out in any such statement, or that underlying assumptions used will in fact be realised.

Decision to participate in the Offer

The information in this document does not constitute a recommendation to acquire Shares or financial product advice. This document has been prepared without taking into account the investment objectives, financial, or taxation situation or particular needs of any Applicant or investor.

Dividend Policy

New Talisman has a policy of not paying dividends and the Directors are unable to predict when any dividend may be paid in the future. This will depend on a number of factors including the future success, profitability and financial position of New Talisman.

Enquiries

Enquiries about the Offer can be directed to an NZX Primary Market Participant, or your solicitor, accountant or other professional adviser. If you have any questions about the number of Shares shown on the Entitlement and Acceptance Form that accompanies this document, or how to complete the Entitlement and Acceptance Form, please contact the Registry.

Times

All references in this document to time are to New Zealand time.

CHAIRMAN'S LETTER

10 June 2015

Dear Shareholder

Talisman Gold Mine Project You will be aware that New Talisman holds a Mining Permit covering the Talisman mine workings, which for approximately another 19 years subject to compliance with the conditions of the permit. The permit includes virtually all of the former mines at Karangahake, which previously produced a total of 1 million ounces of gold and 3 million ounces of silver.

Those of you who read our quarterly reports to the exchanges will have noted the solid progress we have made advancing the Talisman mine project over recent months.

We were particularly pleased to negotiate satisfactory changes to the terms and conditions of the Talisman mining permit. The new terms protect our tenure and support our timeline through the duration of the bulk sampling project to production.

We were also excited to demonstrate our ability to process Talisman ore at an off-site but nearby treatment facility on terms and conditions satisfactory to both ourselves and Newmont. The very high grades present in the ore (greater than 1oz per tonne) were significantly higher than most ore processed in NZ and were the subject of considerable favourable comment from knowledgeable shareholders. The proceeds of the sale of this ore extracted from Talisman underpinned the final steps on New Talisman's journey from Exploration Company to producer.

On the compliance, consenting and permitting front independent reports have validated and substantiated New Talisman's position on water management within the mine and on traffic management on the road to the mine site. Key aspects of the Health and Safety Management plan are in place and the last elements are being finalized.

We have responded vigorously to the application for a judicial review of the decision by Hauraki District Council (HDC) to grant us consents for the bulk sampling project. We have now seen the affidavits filed by HDC and they too have taken a very positive and definitive view that their decision to grant the consents was entirely correct. To protect shareholder funds during this period while still progressing the Talisman project we have taken cuts in both management salaries and directors fees.

All the advice we have received and our own analysis indicates our consent applications were properly processed and correctly granted. We remain very upbeat that this distraction will be behind us in short order and continue to progress our mine project plan.

On other fronts we have applied for an "extension of land" that would effectively bring the Rahu area into the Talisman mining permit and entered into an exclusive agreement with a significant gold producer to undertake further resource extension work at Rahu. This has the potential to add very significant value to New Talisman in the medium term and discussions are underway with a significant producer pending the result of the application process.

Finally, the gold price appears to have stabilized and possibly even firmed in recent months which has strengthened our confidence in the resilience of the Talisman Mine project. The current NZD gold price is holding at around \$1660 per ounce. Against that background we are committed to progressing the project as rapidly as possible. To do that we now require additional funding.

The funds raised from the Offer will be used for:

- Initiate the extraction of ore from the mine via its bulk sampling project
- Complete the requirements for a joint venture on Rahu
- To provide additional working capital.

Offer to Shareholders. I am pleased to inform you that the Directors have agreed to offer Shares up to the value of NZ\$15,000 (or A\$12,600) each to all Shareholders in Australia and New Zealand, under the terms of this Offer. This will ensure every Australian and New Zealand Shareholder has the opportunity to participate at an exciting stage in New Talisman's transition from explorer to producer and to benefit from the anticipated uplift in value as the market rerates the stock.

The issue price of the Offer has been set at NZD 0.007 per Share, being 30% less than the volume weighted average price of Shares traded on the NZX Main Board in the five Trading Days prior to Friday 5 June, or AUD 0.007 per Share, being a discount of 14% from the volume weighted average price of Shares traded on the ASX in the 5 Trading Days on which trades in Shares have occurred prior to Friday 5 June.

Payment may be made in Australian or New Zealand dollars in parcels of NZ\$1,000 (up to a maximum of NZ\$15,000) or A\$900 (up to a maximum of A\$12,600).

Offer Application Process On 10th June 2015 New Talisman reported to the stock exchange on the Offer.

Please note that application to participate in the Offer can only be made on the **individualised application form** enclosed with this letter. Only Shareholders on the register at the Record Date with an address in New Zealand or Australia can participate in this Offer.

Please read the enclosed documentation carefully and return the completed application form and cheque, as soon as possible.

I commend the Offer to you and thank you for your support.



Murray McKee
Chairman

QUESTIONS AND ANSWERS



Underground Sampling at the Talisman Mine



Beach Family reviews Heritage project plan



Water samples taken from the Talisman site

What is the Offer?

The Offer allows Eligible Shareholders to subscribe for additional Shares in New Talisman Gold Mines Limited (“**New Talisman**”) [without incurring brokerage or other transaction costs]. All Shares issued under the Offer will be of the same class and rank equally with all existing fully paid ordinary Shares, which are listed on the NZX Main Board and the ASX, and, on issue, will carry the same voting rights and other entitlements.

Why is New Talisman issuing more Shares?

The funds raised from the Offer will be used to continue to progress the bulk sampling at New Talisman Mine in Karangahake this would include:

- Office and site development at the mine
- Upgrading of the adits
- Removal of material for further processing
- Purchase or leasing of necessary equipment.
- Installation of ventilation
- Installation of water management system

At Rahu this may also include, subject to the granting of an Extension of Land (EOL), an investment into a potential joint venture (further details of this are outlined below) and for working capital.

In the event the maximum amount is raised the company expects that to be sufficient to complete all of the works necessary to commence production at the Talisman mine and fully fund the company for the next 18 months, as well as develop the Rahu project in conjunction with a proposed partner. In the event that there is an under-subscription of the Offer, New Talisman may progressively stage the bulk sampling process.

New Talisman Gold Mines Limited is the holder of Mining Permit No 51-326 covering the companies Karangahake assets, which was granted December 2009, when it was known as Heritage Gold NZ Limited.

In 2012 the company changed its name to New Talisman Gold Mines Limited to reflect the company’s focus on developing the Talisman Mine.

The Talisman, Woodstock and Crown mines, situated in Karangahake, New Zealand, began operations in the late 1880’s and mining.

Underground sampling at the Talisman Mine proceeded uninterrupted until 1932 when the Crown mine finally closed. The last operating mine in the area was the Talisman Dubbo Mine which extracted a portion of the resource previously inaccessible to either the Talisman or Crown mines. The Talisman Dubbo Company ceased operation in 1940. Over its life the Talisman produced just over 3.5 million ounces of gold at an average yield of 27 g/t. IT has been one of the most productive and High grade mines in New Zealand.

In 1993 Heritage Gold was granted an Exploration Permit covering the Talisman and Crown areas and successfully mounted a two stage exploration campaign which resulted in the announcement, in 2005, of a 205,000 Oz, JORC 2004 compliant gold resource.

A scoping study was carried out in 2004, updated in 2008 and reviewed in 2012. In 2012 Heritage Gold was renamed New Talisman Gold Mines Limited and the company Limited was given the specific mandate of developing the Talisman Mine.

A Pre-Feasibility Study on the re-establishment of the Talisman Mine in Karangahake was completed in March 2013.

On the basis of the Pre-Feasibility Study the company announced a maiden Ore Reserve of 28,800 Ounces of gold in August 2013.

Since completion of the Pre-feasibility study New Talisman has forged ahead completing all consenting requirements which were granted in full in December 2013 and has completed its health and safety management plan for which further review is being undertaken by WorkSafe NZ. The company has also been granted approval to enter and operate following granting of resource consents by Hauraki District Council in December 2013.

These consents were unopposed until October 2014 and are currently subject to a judicial review initiated by a third party. NTL's Quarterly Activities Report released to the market on 30 April 2015 raised this issue. NTL remains confident of the process undertaken by Hauraki District Council in granting the consents and is continuing to exercise its valid consents to progress the project.

As previously announced, the Company has started producing its first gold from the Talisman mine stockpiles and received its first revenues from gold sales. The first two batches of this ore were processed at Newmont Waihi Gold's processing plant where they were crushed and sampled for grade control prior to treatment. Recovered grade averaged 39.68 g/t or 1.5 oz/t gold.

New Talisman has recently begun its feasibility study. This Study will leverage upon information gained during execution of the project, the Talisman Bulk Metallurgical Sampling Project which will contribute information pertaining to the geology and metallurgical characteristics of the ore bodies planned for mining.

Development during the first year is intended to be on the Mystery Vein and the Dubbo Shoot of the Maria Vein. It is intended to extend the north and south faces of the Mystery reef and to install a sublevel above the main drive. This will generate valuable information on the vein ahead while also creating the lower infrastructure for subsequent stoping. Similar operations are planned on the Dubbo. The Dubbo Shoot when it was last mined in 1992 produced significant grades as high **3000g/t gold (around 100oz/t)** NTL intends to increase its level of confidence in and expand its current JORC 2004 resource in Dubbo during this phase and to determine the extent of the continuation of the Dubbo Shoot at depth and along strike.

Based on an average development face advance of 12 metres per month per drive, the Company expects to be in a position to generate an approximated average during its bulk sampling phase at 229 ounces of gold per month and approximately 687 oz of silver per month

Minor Environmental Footprint

The project carries a minimal environmental footprint with no discharge of contaminated water into the river system. The Company will utilize a closed loop water system which will capture and reuse any water. Recently the Waikato Regional Council completed an independent study of the system being contemplated and publicly confirmed that there would be no effects on the water supply or river systems. In good faith New Talisman agreed not to progress further with works at the mine until the report was complete. As this has now been completed and validates the fact there will be no impact on the water system, New Talisman is progressing with its consented project plan at Karangahake.

New Talisman is committed to sustainable mining within the Department of Conservation land and its project was classed as having effects which were no more than minor given that there are 4 truck movements per day moving approximately 600t of ore per month. The exploratory and sampling test work, whilst producing a modest but significant amount of revenue, will enable completion of the definitive feasibility study which will be completed by late 2016 or early 2017 and applications will be well underway at that time for full production in the Karangahake project area.

Having completed two separate deliveries of ore to the Waihi Newmont plant NTL is confident of continuing this treatment path which provides for no chemical usage by New Talisman whatsoever in its gold production.

GOLD PRICE

It is interesting to note that whilst the gold price has remained relatively stable around the 1200-1250 mark the fall in the NZD has meant that the company has received a considerably higher gold price per ounce than when gold was slightly higher than this range 12 months ago. One of the unique attributes of the Talisman mine is the ability to mine multiple sections in parallel which



allows the company flexibility to accelerate mine development by scaling up production in the event of a buoyant gold price, and scale down and focus on high grade pay dirt (ore containing gold) should the gold price fall. Such notwithstanding the current price in NZD terms has considerably increased and consensus forecasts suggest this may continue.

The company is currently evaluating a number of options to focus on the high grade areas early in the project to generate the maximum revenues. This is be dependent on a number of factors currently being explored. It is this attribute which sets the Talisman mine project apart for many others in today's marketplace giving a robust and flexible capability in driving profitable revenues in varying market climates.

Gold and silver produced through the exploratory sampling project is expected to produce sufficient revenue to enable the mine to become self-sustaining. Based on a gold price of NZD 1500/Oz (approximately 15% below current spot prices) and an exchange rate of NZD:USD of 1:0.73, an initial investment of NZD1.5m is expected to be sufficient to fund the establishment and refurbishment of the mine and get New Talisman to the position that sufficient funds are generated internally to finance the future mine expansion and the completion of its definitive feasibility study which will allow for project financing options to be available.

Whilst the company had previously anticipated an earlier start for its operations, due to a number of unforeseen circumstances including the new health and safety laws and finalization of the change of conditions of the Talisman mine permit which have now been

completed.

It is important that shareholders recognize the company is dependent on the funding to fully commence its operations. Whilst there are other options open to the company the board in the first instance would like to provide the opportunity for shareholders to benefit from any rerating of the company which is expected once production begins in earnest.

Recent Progress Since the completion of the rights issue in November 2014 the company has continued to progress significantly the Talisman project. Following survey work to determine any roadworks required the company engaged Beca to complete an independent specialist road survey which was a requirement under the company's resource consent. The survey showed the low number of pedestrians on the road leading up to the mine and that the effect of 4 trucks a day to existing traffic is minimal which was not unexpected as such was also considered by HDC in their decision to grant the consent. The traffic management plan is currently being lodged with HDC.

The health and safety plan which was submitted in October has been significantly reviewed and amended and it is expected this will be completed shortly. Once complete this allows the company to enter and remove ore samples for processing.

The site at the pad (the area outside the number eight level portal) is currently being designed for office sites and storage facilities and once the area has been secured to ensure the safety of the public equipment will begin to be mobilized to site. Under the access arrangement with the Department of Conservation the company is required to and has requested for the site to be secured and will begin to initiate such measures in the near future.



Road survey work at the minesite



Ore recently treated at Waihi being removed



Drill Program works at Rahu Ridge

Further ore was transported to Waihi for processing and further significant high grades of greater than 1oz per tonne were extracted. The company has identified further stockpiles within the mine site area which it will remove upon completion of the traffic management plan and the meeting of WorkSafe NZ requirements for its health and safety management plan.

RAHU

The company has more recently completed a comprehensive Karangahake project study covering the Talisman mine and the Rahu project area. The prefeasibility study completed on such provides for the expansion of the project and mine life through prefeasibility drilling which is expected to commence immediately when the application for the Extension of Land (EOL) to the Talisman Mining Permit over Rahu is granted by the Government Agency, New Zealand Petroleum and Minerals, (NZPAM).

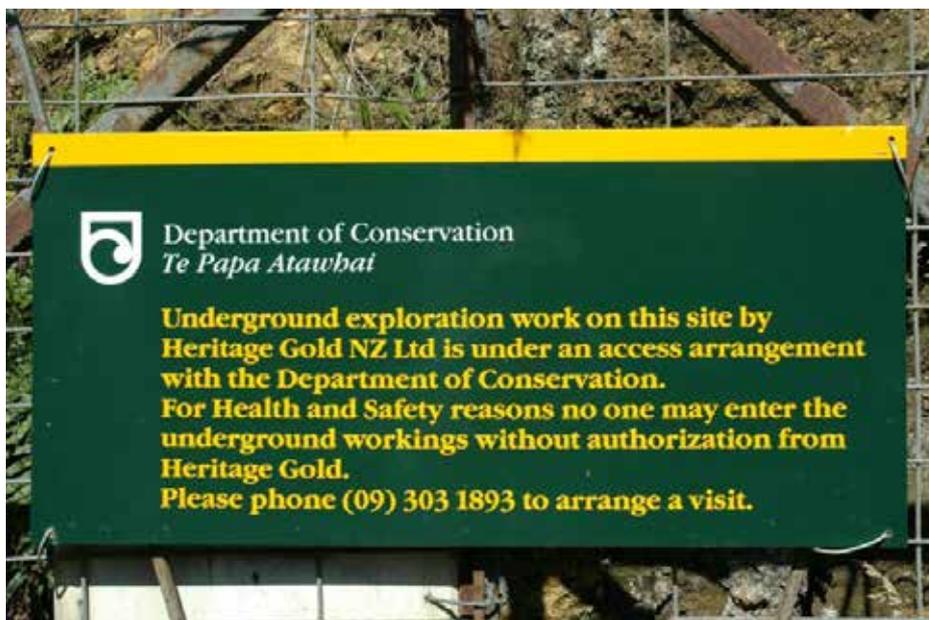
NTL are confident that the technical requirements for its EOL application have been met and are working closely with NZPAM regarding the application process. If granted NTL will immediately begin works for its prefeasibility work program.

As previously announced the Company is in advanced joint venture discussions with a significant producer for which as at the date of this Offer is subject to a number of factors, primarily the granting of the EOL and satisfactory due diligence by the potential joint venture partner. As

such the negotiations are as yet incomplete and it is not expected that further updates will be provided until both the completion of the results from NZPAM review of the EOL application and completion of satisfactory due diligence on the project and Talisman.

Drilling campaigns and geological investigations by NTL show evidence that gold silver mineralisation and hydrothermal alteration present at Rahu represent the northern extension of the Talisman epithermal gold system. Most of the drilling has intersected, broad zones of low-medium grade gold and silver mineralisation with narrower higher grade intervals. This is characteristic of the upper parts of epithermal gold deposits. Highly mineralised quartz vein fragments (up to 7.6g/t gold) in hydrothermal breccia zones present within drill core attest to the presence of deeper higher-grade quartz veining that is characteristic of the veins mined within the Talisman Mine and provides further evidence that Rahu is an extension of the Talisman.

There have been a number of research projects on the whole more than 4 kilometre long Karangahake mineralised zone including Talisman and Rahu by researchers and students from Auckland University, GNS Science and the United States Geological Survey and by NTL geologists. The results of these studies are currently being compiled into a review paper on New Zealand mineral deposits and results to date show the common evolutionary history of Rahu and Talisman.



New Talisman (previously heritage Gold has worked closely in the area for many years

Do I have to participate in the Offer?

No - participation is entirely voluntary. There is a risk that your shareholding in New Talisman may be diluted if you do not participate in the Offer.

Before you apply for Shares under the Offer, we recommend that you seek independent financial advice from your financial adviser.

Can I participate in the Offer?

You are eligible to participate in the Offer if (such persons being **“Eligible Shareholders”**):

- You were registered as a holder of Shares at 7.00pm (NZ time) on 9 June 2015 (the **“Record Date”**);
- Your registered address on the Share register is in Australia or New Zealand, provided that you do not hold Shares on behalf of another person who resides outside New Zealand or Australia. For the avoidance of doubt, no U.S. Person (as defined in Regulation S under the US Securities Act of 1993) can participate in the Offer.

New Talisman has decided that the Offer is not available to Shareholders who are not resident in New Zealand or Australia so as to avoid the risk of breaching laws in the relevant jurisdictions. New Talisman, in making this decision, has taken into account the small number of overseas Shareholders not resident in New Zealand or Australia.

If you are a Custodian, or you hold shares through a Custodian, please read paragraphs 3.4 and 3.5 of the Offer Terms and Conditions.

How much can I invest under the Offer?

The amount you may invest under the Offer is limited. Eligible Shareholders may elect to apply for a Parcel of Shares with a value of NZ\$1000 or A\$900 or any multiple of NZ\$1,000 (A\$900) up to a maximum of NZ\$15,000 (A\$12,600).

If you receive more than one copy of this booklet, or if you hold Shares in more than one capacity (eg, because you are both a sole and joint holder of Shares), the total value of the Parcels that you may apply for in all capacities is NZ\$15,000. By applying to purchase Shares under the Offer, you give the certification set out in the terms and conditions of the Offer and the Application Form. Custodians that hold Shares on behalf of one or more beneficial owners may apply for Shares to the value of up to NZ\$15,000 on behalf of beneficial owners who are New Zealand or Australian residents), provided that they comply with certain certification requirements and other conditions set out in the terms and conditions of the Offer.

For this purpose, in summary, a Custodian is a trustee company, nominee, or bare trustee that is permitted to act as custodian under applicable laws. In particular,

Custodians in Australia may need to satisfy the financial services licensing requirements described in the glossary under the definition of “Custodian”.

The offer set out under the Offer is made to the Custodian as the registered holder (not the beneficiary directly). This means it is at the discretion of the Custodian whether to extend the offer to their beneficiaries.

Joint holders are treated as a single Shareholder under the Offer and together can only make one application up to a maximum of NZ\$15,000. If you own Shares through a trustee or Custodian and also own Shares in your own name, then you may either purchase Shares yourself or instruct your trustee or Custodian to purchase Shares on your behalf, up to a maximum of NZ\$15,000; you may not do both.

The Offer is non-renounceable, so you cannot transfer your right to purchase Shares under the Offer to anyone else.

Why are investments limited to the maximum subscription amount of NZ\$15,000 or A\$12,600?

The Offer must comply with securities laws and regulatory requirements applicable in Australia and New Zealand and the conditions imposed by NZX, ASX and the ASIC.

Under these laws, the maximum amount that Eligible Subscribers may elect to invest is the lesser of NZ\$15,000 and A\$12,600. In order not to exceed the lesser of these two amounts, New Talisman has set the maximum Australian dollar application amount at A\$12,600 to allow for NZ\$:A\$ exchange rate movements. However, if the NZ\$:A\$ exchange rate varies such that the dollar amount you applied for exceeds either of the NZ\$15,000 or A\$12,600 regulatory limits, shares having a total issue price equal to the relevant regulatory limit will be issued to you and you will be refunded the excess cash amount. No interest will be paid on application money refunded to you. You should expect to receive a refund on, or before, the Despatch Date.

What is the Issue Price of the Shares under the Offer?

Shareholders will be able to pay in either New Zealand or Australian dollars.

The Issue Price is either NZ\$0.007 or A\$0.007. The price in New Zealand dollars represents a discount of 30% from the volume weighted average share price of Shares traded on the NZX Main Board in the 5 Trading Days prior to Friday 5 June 2015. The price in Australian dollars represents a discount of 14% from the volume weighted average share price of Shares traded on the ASX in the 5 Trading Days on which trades in Shares have occurred prior to Friday 5 June 2015. The number of Shares to be issued will be the subscription amount divided by the Issue Price in the

currency applicable subject to any rounding and/or scaling as described in the Terms and Conditions. For example NZ\$1,000 will purchase 142,857 Shares.

The Issue Price was fixed on the Offer Date and the procedure used to determine the Issue Price was to calculate the volume weighted average share price of Shares referred to above and apply a discount considered appropriate by the New Talisman board.

What are the risks of investing in the Offer?

The market price of Shares may rise or fall between the date of this offer and the date when Shares issued under the Offer are allotted to you. As a result, the Issue Price you pay for Shares issued to you under the Offer may exceed the price of Shares trading on the NZX Main Board and the ASX. In other words, the value of the Shares issued to you under the Offer may be, at the time of issue, lower than the Issue Price.

There can be no certainty that New Talisman Shares will trade at or above the Issue Price following the issue of the Shares under the Offer. Accordingly, you should seek your own financial advice in relation to this offer and your participation in the Offer.

How do I apply for Shares under the Offer?

If you wish to participate in the Offer, follow the step-by-step instructions set out on the reverse of the enclosed personalised Application Form.

You must send your completed Application Form with your cheque or money order made payable to "New Talisman Gold Mines Limited" to New Talisman's share registry, Computershare Investor Services Limited, as per the instructions on the Application Form, to be received no later than 5.00pm (NZ time) on 30 June 2015 (unless extended).

You will not be able to withdraw or revoke your application once you have sent it in.

Share Registry

Computershare Investor Services Limited

159 Hurstmere Road, Takapuna,
Private Bag 92119
Auckland 1142, New Zealand

Computershare Investor Services Pty Limited

GPO Box 3329
Melbourne
Victoria 8060, Australia

You may also lodge the Application Form and your cheque with any Primary Market Participant or any other channel approved by NZX, but you should allow sufficient time to enable forwarding to Computershare prior to 5:00pm NZ time on the Closing Date.

If you do not wish to participate in the Offer you do not have to take any action.

How long is the Offer open?

The Offer opens on 11 June 2015 and is expected to close at 5.00pm (NZ time) on 30 June 2015, unless extended.

Please allow adequate time for mail deliveries. Applications received after this time may not be accepted.

When will I receive my Shares?

You will receive Shares issued to you under the Offer on the Allotment Date, which is currently expected to be by 7 July 2015.

A statement confirming the number of Shares issued to you under the Offer will be sent on or around 13 July 2015.

How many Shares will I receive?

Pursuant to the NZX Listing Rules and in accordance with ASX requirements, under the Offer New Talisman may issue up to 30% of the number of fully paid ordinary shares already on issue without Shareholder approval provided certain conditions are met. Given the number of Shareholders in New Zealand and Australia it is possible to receive applications under the Offer for more than 30% of the number of fully paid shares already on issue. Accordingly, New Talisman will scale applications on a pro-rata basis (in proportion to the number of new Shares applied for under the Offer) so that the number of new Shares issued under the Offer is equal to or less than 30% of the Shares already on issue.

If New Talisman scales applications it may mean, for example, if you apply for a NZ\$15,000 (A\$12,600) Parcel and applications are scaled back 10% then your application will be scaled back to NZ\$13,500 (A\$11,340). In that event you will receive a refund cheque for NZ\$1,500 (A\$1,260) at the same time as your transaction confirmation statement.

When will the Shares be quoted?

Shares issued under the Offer will be quoted on the NZX Main Board, and application will be made for Shares to be quoted on the ASX, and are expected to commence trading on the Trading Day after the Allotment Date (which will be 7 July 2015 based on the current timetable). The NZX Main Board is a licensed market operated by NZX Limited, which is a licensed market operator regulated under the Financial Markets Conduct Act 2013. NZX and ASX accept no responsibility for any statement in this booklet, the Offer Terms and Conditions or in the Application Form.

Further assistance

If you have any questions, please contact your financial adviser before making an investment.

If you need to contact New Talisman you can do so by contacting the Company Secretary on +61 2 9252 53 00 or franco@newtalisman.co.nz

TERMS AND CONDITIONS

IMPORTANT NOTICE:

If you apply to participate in the Offer by completing and returning the Application Form, you are accepting the risk that the market price of Shares may change between the Record Date, the date at which you send in an Application Form and the Allotment Date. This means that it is possible that up to or after the Allotment Date, you may be able to acquire Shares at a lower price than the Issue Price.

The information contained in these terms and conditions, the Offer and the Application Form does not constitute financial advice and does not take into consideration the investment objectives or other particular needs of individuals. We encourage you to seek your own financial advice regarding your participation in the Offer.

Defined words and expressions used in this booklet are capitalised – see the Glossary for their definition.

These Terms and Conditions set out the terms and conditions of the offer made pursuant to the Offer. Please read these Terms and Conditions carefully.

1. Offer timetable

- 1.1 This offer is dated, and taken to be made on, 10 June 2015.
- 1.2 The offer opens on the Opening Date, 11 June 2015.
- 1.3 The offer closes at 5.00pm (NZ time) on the Closing Date, being 30 June 2015, unless extended. Applications Forms and cheques or money orders may not be processed or considered valid if they have not been received by New Talisman at this time.
- 1.4 The Issue Price is NZ\$0.007 or AUD\$0.007.
- 1.5 The Shares are proposed to be allotted on the Allotment Date, being 7 July 2015.
- 1.6 New Talisman expects the Shares will commence trading on the NZX Main Board and the ASX on the Trading Day after the Allotment Date.
- 1.7 New Talisman expects that a transaction confirmation will be dispatched to you on the Despatch Date, being on or around 13 July 2015.
- 1.8 New Talisman has a discretion to change, at any time, any of the Closing Date, the Allotment Date and the Dispatch Date (notwithstanding that the offer has opened or Application Forms have been received) by lodging a revised timetable with NZX and ASX.
- 1.9 Any Shares that are not issued under the Offer may be issued by New Talisman to such persons and in such manner as the Board considers equitable and in the interests of New Talisman within three months of the Closing Date, provided that the price and terms and conditions of the

issue are not materially more favourable to the offerees than those offered under the Offer.

2. Eligible Shareholders

- 2.1 You may participate in the Offer if you are an Eligible Shareholder.
- 2.2 Joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and the certification on the Application Form is taken to have been given by all of them.
- 2.3 If you are an Eligible Shareholder, your rights under this offer are personal to you and non-renounceable, so you may not transfer them.

3. Applications for Parcels of Shares

Limitations on applications

- 3.1 Subject to clause 3.4, if you are an Eligible Shareholder you may apply for Shares to the value of the Parcel that you specify on your Application Form, up to the Maximum Subscription Amount (\$NZ15,000 or A\$12,600). Eligible Shareholders who receive more than one offer under the Offer (for example, because they hold Shares in more than one capacity) may apply on different Application Forms for more than one Parcel, but may not, subject to clause 3.4, apply for Shares with an aggregate value of more than the Maximum Subscription Amount.
- 3.2 The total issue price of all Shares issued by New Talisman to an Eligible Shareholder under

the Offer or any similar arrangement in the 12 months prior to and including the date of an application for Shares under the Offer (as if Shares up to the value of the Parcel applied for in this Offer were issued and whether the Shares are issued through any Custodian or to the Eligible Shareholder in his or her own right) must not exceed the Maximum Subscription Amount. This limit applies only to Shares issued by New Talisman under this Offer (since there has been no other similar arrangement in the last 12 months) and does not include any Shares the Eligible Shareholder may have acquired on the ASX or the NZX Main Board or through a rights offer.

- 3.3. Eligible Shareholders must give the certification in the form required by ASIC Class Order 09/425 set out in the Application Form, that the total of the application price does not exceed A\$12,600 calculated by aggregating:
- a. the total Shares applied for under the Offer; and
 - b. any other Shares issued under the Offer or any similar arrangement in the last 12 months; and
 - c. any other Shares which the Eligible Shareholder has instructed a Custodian to acquire on their behalf under the Offer; and
 - d. any other Shares issued to a Custodian in the 12 months before the date of this application as a result of an instruction given to the Custodian to apply for Shares on their behalf under an arrangement similar to the Offer.

Custodians

3.4 Custodians may apply for Shares for greater than the Maximum Subscription Amount but only up to the total value of Shares applied for by each beneficial owner (who must be either New Zealand resident or Australian resident) for which the Custodian acts as a custodian. Custodians must confirm to New Talisman that they are holding shares as a custodian for that beneficial holder by providing the written certification to New Talisman as described in clause 3.5 below and set out in the Application Form. Each such beneficial owner may only direct the Custodian to apply on behalf of that beneficial owner for Parcels up to the value of Maximum Subscription Amount (subject to clause 3.5).

3.5 The total issue price of all Shares issued directly or indirectly by New Talisman to a beneficial owner under the Offer or any similar arrangement in the 12 months prior to and including the date of an application for Shares under the Offer (as if the Shares up to the value of the Parcel applied

for through the Custodian pursuant to the Offer were issued and whether the Shares are issued through any Custodian or to the beneficial owner in his or her own right) must not exceed the Maximum Subscription Amount. This limit applies only to Shares issued by New Talisman under this Offer (since there has been no other similar arrangement in the last 12 months) and does not include any Shares the beneficial owner may have acquired on the NZX Main Board or through a rights offer. If a Custodian applies for Shares pursuant to clause 3.4, the Custodian must certify the following to New Talisman in the form required by ASIC Class Order 09/425 as set out in the Application Form:

- a. that the Custodian holds Shares directly or indirectly as a custodian for beneficial owners;
- b. the number of those beneficial owners;
- c. the name and address of each of those beneficial owners;
- d. in respect of each of those beneficial owners, the number of Shares that the Custodian holds on their behalf;
- e. that each beneficial owner has a registered address in New Zealand or Australia;
- f. in respect of each of the beneficial owners, how many Shares the beneficial owner or the beneficial owner's agent has instructed the Custodian to apply for on behalf of that beneficial owner;
- g. that the Custodian undertakes not to accept on behalf of any of those beneficial owners on whose behalf it holds Shares, in any 12 month period, Shares under the Offer or any similar arrangement the total issue price of which is more than the lesser of NZ\$15,000 or A\$12,600;
- h. that the beneficial owner on whose behalf the Custodian is submitting an application is not making an application as an Eligible Shareholder for Shares under the Offer, and no other Custodian is submitting an application under the Offer for that beneficial owner; and
- i. that there are no participating beneficiaries in respect of which the total of the application price for the following exceeds the lesser of NZ\$15,000 or A\$12,600:
 - i. the Shares applied for by the Custodian on their behalf under the Offer;
 - ii. any other Shares in the class issued to the Custodian in the 12 months before the application as a result of an instruction given by them to the

Custodian to apply for Shares on their behalf under an arrangement similar to the Offer.

Rounding

3.6 The Parcels (including those to be issued to Custodians) are subject to rounding (see Part 5 below).

Completing the Application Form and paying for Shares

3.7 If you wish to participate in the Offer, you must complete the Application Form and provide a cheque or money order in accordance with the instructions on the Application Form. Cheques must be drawn on either an Australian or a New Zealand bank account. If the NZ\$:A\$ exchange rate varies such that the dollar amount of Shares you have applied for exceeds the regulatory limit (being the lesser of NZ\$15,000 and A\$12,600), Shares having a total issue price equal to the relevant statutory limit will be issued to you and you will be refunded the excess cash amount. No interest is payable on Application money refunded to you. You should expect to receive a refund on, or before, the Despatch Date.

New Talisman's discretions regarding applications

3.8 New Talisman has complete discretion to accept or reject your application for Shares under the Offer, including (without limitation) if:

- a. your Application Form is incorrectly completed or incomplete or otherwise determined by New Talisman to be invalid; or
- b. your cheque is dishonoured or has not been completed correctly; or
- c. the cheque or money order that you enclose with your Application Form is not made out for the exact amount of the Parcel that you have selected on the Application Form; or
- d. you are applying for more than the Maximum Subscription Amount (in aggregate) of Shares (except if you are a Custodian applying on behalf of more than one beneficial owner in accordance with clause 3.3); or
- e. you are applying for Shares as a Custodian on behalf of any beneficial owner under the Offer the total issue price of which is more than the Maximum Subscription Amount; or
- f. your Application Form is received after the Closing Date. While New Talisman has discretion to accept late Application Forms and cheques or money orders, there is no assurance that it will do so. Late Application

Forms and cheques or money orders, if not processed, will be returned to you at your registered address; or

- g. New Talisman believes that you are not an Eligible Shareholder; or
- h. New Talisman considers that your application does not comply with these Terms and Conditions.

Interest

3.9 No interest will be paid on any application money returned to you.

Significance of sending in an application

3.10 If you apply to participate in the Offer by completing and returning the Application Form:

- a. your application, on these Terms and Conditions, will be irrevocable and unconditional (it cannot be withdrawn);
- b. you certify to New Talisman that you are an Eligible Shareholder entitled to apply for Shares under these Terms and Conditions;
- c. you agree to be bound by the constitution of New Talisman;
- d. you certify to New Talisman that you are not applying for Shares with an aggregate application price in excess of the lesser of NZ\$15,000 or A\$12,600 under the Offer (including applications made through a Custodian) even though you may have received more than one offer under the Offer or received offers in more than one capacity under the Offer and the total issue price of those Shares for which you are applying, if issued, together with the total issue price of all and any other Shares applied for by you under the Offer or any similar arrangement and issued by New Talisman to you in the 12 months prior to and including the date of the application for Shares under the Offer will not exceed the lesser of NZ\$15,000 or A\$12,600 (excluding any Shares you may have acquired in that period on the NZX Main Board or ASX or under any rights offer);
- e. you authorise New Talisman (and its officers or agents) to correct any error in, or omission from, your Application Form and to complete the Application Form by the insertion of any missing details;
- f. you acknowledge that New Talisman may at any time irrevocably determine that your Application Form is valid, in accordance with these Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- g. you accept the risk associated with any refund that may be dispatched to you by cheque to

- your address shown on New Talisman's share register;
- h. you consent to not being refunded any excess of your application monies over the value of the Shares you are issued due to rounding under Part 5 below;
 - i. you agree to indemnify New Talisman for, and to pay to New Talisman within five Business Days of demand, any dishonour fees or other costs New Talisman may incur in presenting a cheque for payment which is dishonoured;
 - j. you acknowledge that none of New Talisman, its advisors or agents has provided you with investment advice or financial product advice, and that none of them has an obligation to provide advice concerning your decision to apply for and subscribe for Shares;
 - k. you acknowledge the risk that the market price for the Shares may change between the Record Date, the date you apply for Shares under the Offer and the Allotment Date;
 - l. you acknowledge that New Talisman may disclose any information in or relating to your application and accompanying cheque or money order to Computershare Investor Services Limited and Computershare Investor Services Pty Limited in connection with their management of the Offer;
 - m. you acknowledge that New Talisman is not liable for any exercise of its discretions referred to in these Terms and Conditions; and
 - n. you irrevocably and unconditionally agree to these Terms and Conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the Offer.

If a Custodian applies for Shares for a beneficial owner pursuant to clause 3.3, the certification referred to in clause 3.10(d) will be taken to be given by both the Custodian and the beneficial owner on whose behalf the Custodian is applying for Shares.

4. Issue Price

You agree to pay the Issue Price per Share up to a maximum of the Parcel you have selected on the Application Form.

5. Rounding of Shares and scaling

- 5.1 If you apply for Shares under the Offer, the number of Shares you receive will be determined by dividing the value of the Parcel you have applied for by the Issue Price (in the applicable currency). If this calculation produces a fractional number, the number of Shares you will be allotted will be rounded down to the nearest whole number of Shares.

5.2 If the number of Shares you are allotted is rounded down, your application monies will be slightly greater than the value of the Shares you are allotted. The excess amount per application will always be less than the Issue Price for one Share.

5.3 The Offer is for a maximum number of Shares of **[219,426,397]** (being 30% of the **[731,421,325]** Shares currently on issue). If valid applications are received for a number of Shares which exceeds this number, New Talisman may scale applications on a proportionate basis.

5.4 Any refunds of application monies (including under paragraph 3.7) will be made in the same currency as the application and without interest by direct credit to your bank account or by cheque forwarded to you, in each case on or before the Despatch Date.

6. The Shares

6.1 Shares issued under the Offer will rank equally with, and have the same voting rights, dividend rights and other entitlements as, existing fully paid Shares quoted on the ASX and the NZX Main Board.

6.2 The Shares to be issued under the Offer have been accepted for quotation on the NZX Main Board, and New Talisman will apply for the Shares to be quoted on the ASX, with effect on or shortly after the Allotment Date. You cannot trade in any Shares issued to you pursuant to the Offer, either as principal or agent, until official quotation on the ASX and the NZX Main Board in accordance with the Listing Rules. New Talisman expects the Shares will commence trading on the ASX and the NZX Main Board on the Trading Day after the Allotment Date (that is, on 7 July 2015 on the current timetable). The NZX Main Board is a licensed market operated by NZX Limited, which is a licensed market operator regulated under the Financial Markets Conduct Act 2013. Neither NZX nor ASX accepts any responsibility for any statement in this booklet, the Offer Terms and Conditions or in the Application Form.

7. No Underwriting of the Offer

The Offer is not subject to any underwriting arrangement.

8. Amendments to the Offer and waiver of compliance

8.1 New Talisman will not change these Terms and Conditions (subject to its discretion to revise the timetable under clause 1.8 and subject to clause 9.2 below). However, New Talisman reserves the right to waive compliance with any provision of these Terms and Conditions. If New

Talisman waives compliance with any provision of these Terms and Conditions, that waiver may, if so expressed, apply to all Eligible Shareholders.

- 8.2 New Talisman reserves the right to, in its absolute discretion, modify, suspend, withdraw, terminate or correct the Offer, at any time. New Talisman will notify the NZX and ASX if it does so modify, suspend, withdraw, terminate or correct the Offer.
- 8.3 New Talisman may issue fewer Shares than an Eligible Shareholder applies for under this offer (or none at all) if New Talisman believes that issuing those Shares would break any law or any of the Listing Rules.

9. Interpretation of Documents

In the event of any conflict between these Terms and Conditions (including the Glossary) and the accompanying letter from the Chairman and Questions and Answers and the Application Form, these Terms and Conditions will take precedence.

10. Governing Law

These Terms and Conditions are governed by, and are to be construed in accordance with, the laws of New Zealand.

11. Dispute Resolution

If any dispute arises in connection with the Offer, New Talisman may settle it in any manner it thinks fit. It may do so generally or in relation to any particular participant, application or Shares. New Talisman's decision will be final and binding.

12. Inconsistency

Unless otherwise determined by the directors of New Talisman, in the event of any inconsistency between the terms and conditions of the Offer and New Talisman's constitution, New Talisman's constitution shall prevail.

GLOSSARY

adit	An entrance to an underground mine.
Allotment Date	By 7 July 2015, unless extended.
Application Form	The personalised application form relating to the Offer that you received with this booklet, including the instructions on the reverse of the form.
ASX	ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;
Business Day	A business day as defined in the Listing Rules.
Closing Date	30 June 2015, unless extended.
Custodian	<p>Custodian means a person that:</p> <ol style="list-style-type: none"> a. is a trustee corporation or a nominee company and holds Shares by reason only of acting for another person in the ordinary course of business of that trustee corporation or nominee company; or b. otherwise holds Shares by reason only that the person is a bare trustee of a trust to which the Shares are subject, and is permitted to operate as a custodian under all relevant laws. In the case of custodians that have a registered address in Australia, the custodian must: <ol style="list-style-type: none"> i. hold an Australian financial services license that covers the provision of a custodial or depositary service or includes a condition requiring the holder to comply with the requirements of ASIC Class Order [CO02/294]; or ii. be exempt under paragraph 7.6.01(1)(k) of the Corporations Regulations 2001 or ASIC Class Order [CO 05/1270] to the extent that it relates to ASIC Class Order [CO 03/184], from the requirement to hold an Australia financial services license for the provision of a custodial or depositary service.
Despatch Date	On or around 13 July 2015, unless extended.
Eligible Shareholder	A person who, at 7pm (NZ time) on the Record Date, was recorded in New Talisman's share register as being a registered holder of Shares and having an address in New Zealand or Australia, unless that person holds Shares on behalf of another person who resides outside New Zealand or Australia. For the avoidance of doubt, no U.S. person (as defined in Regulation S under the US Securities Act of 1933) will be regarded as an Eligible Shareholder.
HDC	Hauraki District Council
Issue Price	NZ\$0.007 or AUD\$0.007.
New Talisman or the company	New Talisman Gold Mines Limited (ARBN 009 474 702).
Listing Rules	The listing rules of the NZX Main Board and/or the ASX, as the context requires.
Maximum Subscription Amount	The maximum aggregate dollar amount of Shares, at the Issue Price, that you may apply for under the Offer, being NZ\$15,000 or A\$15,000) as amended under paragraph 3.7.

NZX	NZX Limited.
NZX Main Board	The main board equity security market operated by NZX.
Offer	The offer detailed in this document.
Offer Date	10 June 2015.
Opening Date	11 June 2015.
Parcel	The value of the parcel of Shares that you apply for, which may be NZ\$1,000 (A\$900) or multiples thereof up to the Maximum Subscription Amount, in each case at the Issue Price per Share. Accordingly, the minimum subscription amount under the offer is one Parcel of Shares.
Record Date	9 June 2015.
Shares	Fully paid ordinary shares in New Talisman.
Shareholder	A registered holder of Shares.
Trading Day	A full day on which the Shares are quoted, and not suspended from quotation or made subject to a trading halt, on the ASX and the NZX Main Board. A day on which the ASX or NZX Main Board is closed or on which trading on the ASX or the NZX Main Board is suspended is not a Trading Day.

DIRECTORY

Registered Office

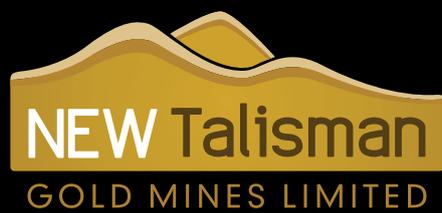
New Talisman Gold Mines Limited
541 Parnell Road
Parnell
Auckland, New Zealand
www.newtalisman.co.nz

Share Registry

Computershare Investor Services Limited
159 Hurstmere Road, Takapuna,
Private Bag 92119
Auckland 1142,
New Zealand

Computershare Investor Services Pty Limited
GPO Box 3329
Melbourne
Victoria 8060,
Australia

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www.newtalisman.co.nz