

30 May 2017

FOR IMMEDIATE RELEASE

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

Preliminary Announcement – Full Year Results

	Current Reporting Period 31 March 2017 (12 months)	Previous Reporting Period 31 March 2016 (12 months)	Change %
Revenue for ordinary activities	21,571	9,689	123%
Loss from ordinary activities attributable to members of the listed issuer	751,338	2,841,879	-74%

No dividend attributed to this period.

Tenement expenditure for the reporting period was \$553,210 compared to \$341,413 in the previous reporting period. Exploration expenditure of \$9,950 was written off during the current reporting period (last year \$1,801,137).

At the end of the year the Company had a cash balance of \$5,754,398.

HIGHLIGHTS OF THE YEAR

- Completed a very successful capital raising of NZ\$6.5m
- Renewed the Department of Conservation consent to enter and operate
- Renewed the access agreement with Department of Conservation
- Secured a binding agreement on Rahu with Newcrest Mining Limited
- Traffic Management Plan lodged and approved in principal by Hauraki District Council
- New Audit firm appointed – KS Black
- New Board members and Chairman appointed and orientated
- Newcrest completes first quarter activities at Rahu
- Certificate of compliance issued which allows establishment of site activities at Talisman Mine site
- Continued development of the Talisman Deeps project with data providing evidence of potential to significantly increase gold resources and mine potential
- Consents now granted for bulk sampling and certificate of compliance at Talisman site.

PROJECTS

The quarterly activities report lodged with the exchanges on 21st April provides investors with the latest update on the company's activities and its projects. The company will provide updates in the Annual Report on any further activities.

Asset Values

During the year the Company has successfully secured funding and consents to ensure the near term operational plans can come to fruition. Once the activities currently being undertaken at Talisman are underway and Directors have further results from data analysis, the Directors will be in a position to determine if an increased valuation is warranted. The Directors have considered if there are any indications of impairment and concluded there are none.

During the period under review the management team identified an error in the carrying values of two balance sheet items. The two errors related to the carrying value of the Talisman Mine Development asset (Non-Current Asset) and the Provision for Rehabilitation Reserve (Non-Current Liability). An entry in the March 2014 reporting period brought a \$666,023 provision for mine rehabilitation onto the balance sheet as a current liability while capitalising the same amount into the Talisman Mine development asset. NZIAS 16 Property, Plant & Equipment requires a provision to be recognised when financial rehabilitation at the end of the asset's useful life is probable. After discussions with the company's mining engineer and employees of the Department of Conservation it was clear that no obligation existed at balance date and that the full provision should be reversed.

Consequently, the Balance Sheet comparative figures do not include a Non-Current liability for the Rehabilitation Provision of \$666,023. The Assets Under Construction figures in the balance sheet for both the year ended 31 March 2016 and the year ended 31 March 2017 have been restated to reflect the reversal of the provision. The prior period error did not affect the earnings per share calculations or the net tangible assets per share calculations.

<u>Consolidated Statement of Comprehensive Income</u>	Reporting Period 31 March 2017	Previous Reporting Period 31 March 2016
Revenue	\$ 21,571	\$ 9,689
Total revenue	21,571	9,689
Audit fees	35,030	35,645
Capital Loss on Disposal of Investments	284,361	579,946
Depreciation	2,549	2,704
Director fees	143,560	65,000
Foreign exchange loss/(gain)	17,946	(7,718)
Fair Value of Investments Movement	(385,693)	(234,329)
Rent and leasing	19,454	16,652
Operating expenses	645,752	592,531
Total operating expenses	762,959	1,050,431
Loss from operations	741,388	1,040,742
Exploration Costs written off	9,950	1,801,137
Net deficit attributable to members	751,338	2,841,879
Earnings per share		
Basic earnings/(loss) per share	(0.04) cents	(0.36) cents
Diluted earnings/(loss) per share	(0.04) cents	(0.31) cents

<u>Consolidated Statement of Financial Position</u>	Reporting Period 31 March 2017	Reporting Period 31 March 2016
Cash	5,754,398	456,181
Receivables and prepayments	53,790	40,508
Advances to related parties	-	-
Current assets	5,808,188	496,689
Property, plant & equipment	12,761	2,625
Assets Under Construction	7,843,882	7,290,672
Intangible assets (prospecting expenditure)	11,637	1,162
Investments	17,538	201,648
Non-current assets	7,885,818	7,496,107
Total assets	13,694,006	7,992,796
Payables	103,866	81,945
Other	49,973	-
Employee entitlements	30,147	22,506
Total Current liabilities	183,986	104,451
Total liabilities	183,986	104,451
Capital	35,164,939	28,791,926
Reserves	335,341	335,341
Retained profit/(loss)	(21,990,260)	(21,238,922)
Total equity	13,510,020	7,888,345
Total Equity and Liabilities	13,694,006	7,992,796
Net tangible assets per security		
Net tangible assets	13,498,383	7,887,182
Net tangible assets per security	0.80 cent	1.00 cent
<u>Consolidated Statement of Cash Flows</u>	Reporting Period 31 March 2017	Reporting Period 31 March 2016
Cash flows relating to operating activities		
Cash inflows	16,231	35,243
Cash outflows	(839,006)	(560,267)
Net operating cash flows	(822,775)	(525,024)
Cash flows relating to investing activities		
Cash inflows	293,684	336,172
Cash outflows	(579,339)	(397,412)
Net investing cash flows	(285,655)	(61,240)

Cash flows relating to financial activities		
Cash inflows	6,422,986	449,998
Cash outflows	Nil	Nil
Net financing cash flows	6,422,986	449,998
Net increase/(decrease) in cash held	5,314,556	(136,266)
Cash at beginning of period	456,181	584,729
Exchange rate gain/(loss)	(16,339)	7,718
Cash at end of period	5,754,398	456,181

Consolidated Statement of Changes in Equity

	Reporting Period	Reporting Period
	31 March 2017	31 March 2016
	\$	\$
Equity at start of period	7,888,344	10,115,225
Net loss	(751,338)	(2,841,879)
Shares issued	6,373,013	614,998
Equity at end of period	13,510,020	7,888,344

These annual financial statements are subject to completion of the audit.

No dividends or distributions were paid or are planned.

All statements are prepared in accordance with New Zealand equivalents to International Financial Reporting Standards.

There are no accounting policies which the directors believe are critical to the portrayal of New Talisman's financial condition and results which require the directors to make judgements and estimates about matters that are inherently uncertain.

All accounting policies have been applied on bases consistent with those used in previous years.

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) with over 2,300 shareholders who are mainly from Australia and New Zealand. It is a leading New Zealand minerals development and exploration company with a mining permit encompassing the Talisman mine one of New Zealand's historically most productive gold mines. Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including a JORC compliant mineral resource within the original Talisman underground mine, and a Heads of agreement with Newcrest on 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.

More about New Talisman Gold at www.newtalisman.co.nz