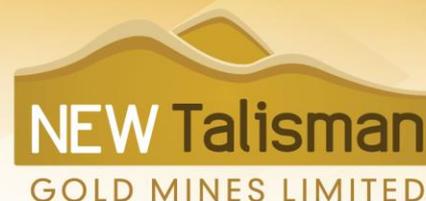


# Market Announcement

ASX:NTL, NZX:NTL

For Immediate Release



## TALISMAN PROJECT UPDATE

### Commodity Exposure

GOLD and SILVER

### Board and Management

**Charbel Nader**

Chairman/Independent Director

**Matthew Hill**

Chief Executive/Managing Director

**Murray McKee**

Independent Director

**Murray Stevens**

Non executive Director

**Tony Haworth**

Independent Director

**Jane Bell**

Company Secretary

**Wayne Chowles**

Chief Operating Officer

**Ash Clarke**

Chief Financial Officer

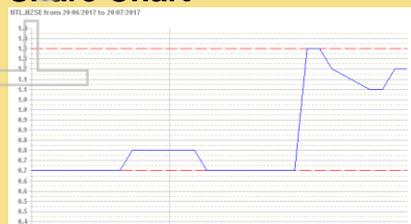
### Capital Structure

Ordinary Shares on issue -  
2,076,995,855

Market Cap – NZD 24.9M

Listed Options – 119,851,516  
2 cent – expiring Nov 2017

### Share Chart



## HIGHLIGHTS

- **Underground work has commenced and is 300 Metres into the mine**
- **Communications from Site office to underground workers installed**
- **Revision of mine plan targeting areas such as Dubbo to increase grade**
- **Samples currently being collected for assay at SGS**
- **Ventilation Lock framework has commenced at portal entrance**
- **Next Module for Talisman Resource Upgrades due to be released**
- **Significant International and local interest following Deeps upgrade**

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541 Parnell Road, Parnell, Auckland

New Talisman today announced an update to its progress at the Talisman mine in the Karangahake Gorge. Site works at surface are complete and refurbishments of old sets underground. The underground refurbishments are progressing well and ahead on both time and budget. It is expected these works will be complete by end of September. 5KG Samples are being taken currently and will be sent off to SGS for lab testing in areas of the old stopes and workings.

#### At Site

The small, 0.4 hectare surface footprint of the site has been once again closed off and secured as it has been for over 26 years. Future work will be mainly done underground and once strengthening and widening of sets is complete there will be sufficient to allow a small underground loader to traverse all areas of the mine being targeting for prospecting and future small-scale mining/Bulk Sampling.



Talisman and Terra Firma team commencing portal entrance upgrades.



*Completed portal support upgrades underground near mine entrance*

Surface disturbances have been small and a silenced generator is being used while we investigate restoring mains power to the mine.



*Development complete at surface with perimeter fencing*

Terra Firma and the Talisman team have done a tremendous amount of work

- The site has been completely cleaned of gorse and other invader species and a site office set up;
- Wifi has a permanent installation now on site.
- The buried culvert on the left hand side of the portal has been recovered and water from the stream now runs into the pond as it should, not over the pad;
- A nursery for native species has been set up along with silt dams
- Fencing has been erected around the perimeter of the pad and a secondary gate established;
- The old portal structure has been dismantled and a new, much stronger structure erected which is likely to be used as the structure for the ventilation lock;
- A barricade has been erected around the pond to prevent unintentional access;
- Scaling of the hanging and sidewalls of the No 8 Drive is complete to the 280m mark and the first of the old sets dismantled and new, wider sets erected in their place;
- Underground communication via a Pageboss intercom system is in place and will be extended as the crew advance. The control room is permanently manned when people are underground and the crew report in hourly.
- The Team is now 300M underground and commencing work on the third sets The focus is on ensuring stable ground through the mine and works will shortly commence on installation of services.



*Portal entrance structure which will form part of the ventilation airlock*

Establishing a reliable pipeline for material procurement and transport is complete and we now have a reliable supply route and have at least two day of supplies on site at any time.

Much effort has been expended over the last month on developing fit for purpose hazard management plans and the accompanying procedures. With considerable input from the team this has progressed well and we now have a robust system to underpin our vision of a safe and healthy workplace.

### **Environment and Community**

The company's environmental policy has been implemented and site inspections by WRC, HDC and DOC have been well received.

- Silt Dams have been completed.
- Culverts for water flow through to other side of the pond at level 8 are complete.
- Hay Bales and silt dams continue to ensure water which flows across in heavy rains is well managed.
- Procedures to control spread of Kauri Dieback have been put in place and we are advised by the Department of Conservation that these are appropriate. We will continue to engage with DOC on any other measures required in the future.
- A Nursery for native plants has been set up.
- An eradication plan for invasive species of animals has commenced with traps already in place.

The company has a very good relationship with the Department of Conservation and we continue to support DOC wherever possible. Over the years our donations have significantly enhanced the experience of tourists who visit Karangahake and walk through the workings known as Windows Walk which was recently refurbished with materials donated by New Talisman. The Walking track which will take walkers along the "New Talisman Track" and off the public road has been designed and work will commence on this in the coming months.

For personal use only



*Silt Dam and Native plant nursery*

**Talisman Deeps**

The recent announcement of the Dubbo Deeps Resource Estimate has resulted in significant international interest in the Company together with resurgent local interest from smaller kiwi investors wishing to be part of the development of this mine. Highlights of the Resource estimate are as follows:

- Resource modelling of the Dubbo Zone has resulted in Measured, Indicated, and Inferred resources increasing to 312,800 oz gold equivalent (Au Eq) at a grade of 21.98g/t Au Eq. This is an increase of 102% over the 2004 resource estimate of 140,600 oz gold and 445,800 oz Ag for this zone (154,690 oz Au Eq). Reporting standards are compliant with those set out in the 2012 version of the JORC Code.

A lower cut-off grade of 3.0g/t Au Eq (previously 0g/t) was applied to reflect the mine cut-off grade estimated for the financial modelling in the 2013 prefeasibility study.

Gold equivalents have been used as the historic data is expressed in bullion values. These have been converted to gold equivalents based on the gold price during the main historic mining period to 1919 where gold price was a constant £4.25 or USD20.47. All more recent exploration data has been converted to gold equivalents at the same metal prices for consistency of resource estimation and reporting. The gold/silver ratio in the orebody averages approximately 1:4.

<b>MINERAL RESOURCES- DUBBO ZONE</b>					
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CATEGORY	VOLUME	TONNES	AU_EQ G/T	GRAMS	OUNCES
Measured	5,164	13,065	96.91	1,266,175	40,708
Indicated	1,227	3,104	74.87	232,413	7,472
Inferred	144,981	366,802	18.87	6,920,406	264,648
<b>Total Resources</b>	<b>151,372</b>	<b>382,971</b>	<b>21.98</b>	<b>8,418,994</b>	<b>312,829</b>

- An Exploration Target of a possible further 95,000 oz Au Eq has also been identified within a potential grade range of 12g/t to 31g/t. This constitutes a global Exploration Target as defined in the 2012 JORC Code. The potential quantity and grade is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource

Matthew Hill stated "While it has taken over 2 decades to be an overnight success we are very proud of the work which has been accomplished in such a short space of time. The development of this national treasure which historically employed thousands of people before slowing down due to a world war is once again well on its way to production. We are delighted at the support by most of the local community. As they say Grade is King and the Talisman mine which is up there in the world's highest grade gold deposits is well set on its pathway towards to becoming a world class mine.



Underground sets upgraded



Communication system running from site underground

Terra Firma Mining Ltd an experienced local company has been engaged to provide civil engineering services to the project. The company's knowledge and experience operating in the local mining and underground construction sectors, coupled with a strong track record in health and safety management, will be of considerable value in the safe and efficient execution of the project.

Matthew Hill  
Chief Executive Officer  
New Talisman Gold Mines Limited

**Competent Persons Statement**

The information in this report that relates to exploration results, exploration targets and mineral resources is based on information compiled by or supervised by Mr Murray Stevens and Mr Wayne Chowles. Mr Stevens is a consulting geologist and director of New Talisman Gold Mines Ltd, who is a corporate member of the AusIMM. Mr Stevens has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Mr Chowles is a Mining Engineer and member of the AusIMM. Mr Chowles is a full-time employee of New Talisman Gold Mines Limited, he has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Both Mr Chowles and Mr Stevens consent to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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**About New Talisman Gold Mines Ltd**

New Talisman Gold is a dual listed (NZSX & ASX: NTL) with over 1900 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 and a JORC compliant reserve statement within the original Talisman underground mine, and a binding Agreement for Newcrest Mining to spend up to \$5M on an adjacent exploration permit along strike from the mine, Rahu. The company is now advancing its plans to develop the mine, and advance the exploration project