

5 May 2014

Client Market Services
NZX Limited
Level 1, NZX Centre
11 Cable Street
Wellington 6011

**NEW TALISMAN GOLD MINES LIMITED (NZX: NTL)
NOTICE OF OFFER OF SAME CLASS FINANCIAL PRODUCTS FOR ISSUE**

New Talisman Gold Mines Limited (***New Talisman***) intends to undertake a pro-rata 1 for 2 renounceable rights offer of new listed shares (the *Offer*).

Pursuant to clause 17(1)(a) of Schedule 1 of the Financial Markets Conduct (Phase 1) Regulations 2014 (*FMC Regulations*) and clause 59 of Schedule 1 of the Financial Markets Conduct Act 2013 (*FMCA*), New Talisman advises that:

- 1 The Offer is being made in reliance upon the exclusion in clause 19 of Schedule 1 of the FMCA and New Talisman is giving this notice under clause 17(1)(a) of Schedule 1 of the Regulations.
- 2 As at the date of this notice, New Talisman is in compliance with:
 - 2.1 the continuous disclosure obligations that apply to it in relation to New Talisman listed shares;
 - 2.2 its "financial reporting obligations" within the meaning set out in clause 17(4) of Schedule 1 of the Regulations.
- 3 As at the date of this notice, there is no information that is "excluded information" within the meaning set out in clause 17(4) of Schedule 1 of the Regulations, other than that New Talisman is continuing to negotiate definitive documentation for the convertible note facility advised to the market on 28 April 2014.
- 4 The potential effects that the Offer and acquisition of new shares will have on the "control" (within the meaning of clause 48 of Schedule 1 of the FMCA) of New Talisman and the consequences of those effects are as follows:
 - 4.1 As at the date of this notice, the substantial security holders in New Talisman are Hamish Edward Elliot Brown (reported percentage holding of 8.3%) and HFT Nominees Pty Limited (reported percentage holding of 6.40%). None of the substantial shareholders control New Talisman.
 - 4.2 If all eligible shareholders take up their pro rata entitlements to new shares under the Offer, their percentage shareholding in New Talisman will remain the same and there will be no effect on the control of New Talisman, provided that the entitlements of ineligible shareholders are taken up by third parties.
 - 4.3 Although shareholders with registered addresses outside of New Zealand and Australia are not eligible to participate in the Offer (and their percentage shareholding will be diluted as a result of the issue of new shares), the combined percentage interest of those ineligible shareholders is not sufficiently significant for its dilution to have a material effect on the control of New Talisman if all eligible shareholders take up their entitlements.

- 4.4 If some eligible shareholders do not take up their full entitlement, such shareholders' percentage shareholding will be reduced (relative to those who did take up their full entitlement), and New Talisman will be entitled to allocate that shortfall to other parties who have taken up their full entitlement.
- 4.5 In addition, if there is a shortfall under the Offer (following any applications for additional new shares, as described above), New Talisman will be entitled to place the shortfall to any persons (subject to complying with applicable securities laws and listing rules).
- 4.6 New Talisman has not sought a waiver from NZX Main Board Listing Rule 7.5 (regulating issues of shares which could affect the effective control of New Talisman), and the Takeovers Code will also prevent any person holding or controlling 20% or more of the voting securities in New Talisman as a result of the Offer.
- 4.7 Accordingly, the Offer is not expected to have any material effect or consequence on the control of New Talisman.

Yours sincerely,

Sue Sangster
Company Secretary
New Talisman Gold Mines Limited
+ 64 9 303 1893

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) leading New Zealand minerals development company with 1800 shareholders who are mainly from Australia and New Zealand.

The company's flagship asset the Talisman mine holds a JORC compliant mineral resource, a JORC compliant reserve and has been granted resource consents and access arrangements for the initial phase of the project. The company is currently initiating bulk sampling at Talisman and continues to advance the development of the mine. New Talisman's wholly owned subsidiary Coromandel Gold Limited holds a portfolio of high quality mineral interests and gold properties in the Hauraki and Northland Districts of New Zealand.

New Talisman Gold owns 21.7% of Broken Hill Prospecting Limited, which holds a cobaltiferous pyrite 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