

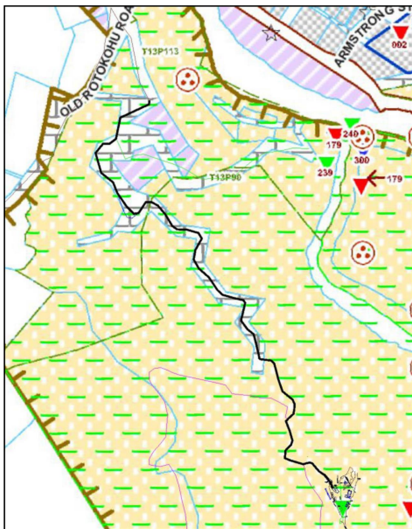
Dear Karangahake Residents and stakeholders,

After significant planning and effort, New Talisman Gold Mines are pleased to announce that our initial preparation works will commence at site. We understand that some of you may have concerns about how this will affect the community in the future. This newsletter is just one way we hope to address those concerns and keep you up to date with progress.

So where are we at with our plans?

We have found a lot information about the workings of the old mine over the last few months from research of documents and records and small scale works. This has provided us a lot of information to help guide future decisions about the mine but we need to take a closer look underground before we can commit to any viable mining activity.

We have applied through the Hauraki District Council and been granted a Certificate of Compliance with the District Plan to undertake low-level activity on site to tidy up the No 8 Level portal pad (see map of location) and equip and make safe the drives on No 8 Level. This will allow us to access parts of the underground workings that we haven't previously had an opportunity to examine closely. The intent is to take small samples (less than 5kg) of ore so that we can get a better idea of the gold and silver content and determine what may be possible in the future.



The majority of this work will take place underground, so you won't see much of it. We will be installing ventilation and power systems on the surface to support the underground work. You may hear some activity at the site while this is happening but it is no different to usual construction activity on any building site. You may notice a slight increase in traffic along Crown Hill Road when we transport the initial equipment to site. We will do our best to keep this traffic flow as low as possible and manage the timing so that it doesn't interfere with residents. Initially we may airlift some of the equipment to site. After this the only visible activity will be our people going to work and general deliveries to the site.

This is a very low impact operation.

- There will be no blasting underground nor will we be transporting ore from the site.
- The equipment is designed to be very quiet so we don't expect any noise from the site that would exceed the sound of road traffic on SH2.
- Surface equipment will be switched off at night and lighting has been designed to eliminate any light spill.
- We are not undertaking mining at this point in time.

What hours will we be working there?

- We will be on site Monday to Friday during normal working hours.

Will our work interfere with the Windows Walk or Rail Trail?

- No it won't. We won't be undertaking any activity that will detract from people's enjoyment of the area. The only interaction between our work and the tourist area will be an occasional vehicle on Crown Hill Road.

Distributed to residents of Karangahake

Its exciting times for the former Talisman Mine as we set about bringing her back to life.

This is the first of a series of monthly newsletters to keep you up to date with progress at site.

Do our activities have the potential to pollute water supplies and the river?

Independent experts from the Waikato Regional Council and anti-mining groups own expert agreed that the Company's consented activities will have no impact on water quality.

If you would like further information or have concerns you would like to discuss please see our website www.newtalismangoldmines.co.nz or email us at community@newtalisman.co.nz or give us a call on the numbers below:

Matt Hill – 027 555 7737

Wayne Chowles – 027 678 9752

Media release Hauraki District Council – 4 May 2017

Certificate of compliance issued for prospecting within Mount Karangahake

(Reference from District Council website - <http://www.hauraki-dc.govt.nz/news-page/2017/may/04/ccc-prospecting/>)

A certificate of compliance has been issued to New Talisman Gold Mines Ltd for prospecting within old mine workings within Mount Karangahake. The certificate also covers associated activities on the portal pad such as the construction of office facilities. This work is separate to the bulk sampling and exploratory underground drilling the company received resource consent for in 2013, but has not yet carried out.

Hauraki District Council Chief Executive Langley Cavers says the current certificate of compliance was issued following a thorough assessment by Council's planning team and a peer review.

"It was agreed by all parties that the proposed work was a permitted activity, which means it complies with the rules in the Council's District Plan and can be lawfully carried out without a resource consent," he said.

He acknowledges the prospecting work may lead to further applications, but clarifies the company does not currently have consent to mine there or anywhere else on Mount Karangahake.

"We understand how people might be feeling about this proposal. The Karangahake Gorge is a national attraction and one of our most valued assets. If actual mining were ever to take place it would only be following a robust resource consent process as prescribed by the Resource Management Act," he said.

This part of the Karangahake Gorge is zoned Conservation (Indigenous Forest) in the Council's District Plan in recognition of its importance in terms of indigenous forest cover and its high significance as a wildlife habitat as well as its scenic, scientific and recreational value.

There are special rules in place for the District's Conservation Zones and all activities undertaken in these areas are subject to these rules.