



# NEW TALISMAN GOLD MINES

*Responsible, environmentally sustainable mining.*

## Company Update

5 September 2017

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## U.S. Securities Laws

Any securities issued by NTL have not been and will not be registered by NTL under the United States Securities Act of 1933 (the "U.S. Securities Act"). Accordingly, such securities may not be offered or sold in the United States except in transactions that are exempt from, or not subject to, the registration requirements of the U.S. Securities Act.

# JORC Code & Competent Persons Statement



## Mineral Resources and Ore Reserves

Recipients of this presentation outside Australia and New Zealand should note that it is a requirement of the Australian Securities Exchange listing rules and the NZX Market Rules that the reporting of ore reserves and mineral resources in Australia and New Zealand respectively comply with the Australasian Joint Ore Reserves Committee Code for Reporting of Mineral Resources and Ore Reserves (the "JORC Code"), whereas mining companies in other countries may be required to report their ore reserves and/or mineral resources in accordance with other guidelines (for example, SEC Industry Guide 7 in the United States). Recipients should note that while NTL's mineral resource and ore reserve estimates comply with the JORC Code, they may not comply with the relevant guidelines in other countries, and do not comply with SEC Industry Guide 7. In particular, SEC Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources, including indicated and inferred resources, in SEC filings. Accordingly, if NTL were reporting in accordance with SEC Industry Guide 7, it would not be permitted to report any mineral resources, including indicated and inferred resources, and the amount of reserves reported by NTL may be lower than its estimates. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that NTL will be able to legally and economically extract them. In addition, investors should note that under SEC Industry Guide 7, mine life may only be reported based on ore reserves. Mine life estimates in this presentation assume that a portion of non-reserve resources will be converted to ore reserves, which would not be permitted under SEC Industry Guide 7.

## 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 their information in the form and context in which it appears.

## Exploration Targets

Reference to Exploration Targets, targets, mineral potential and mineralisation in this presentation are deemed under JORC 2012 to constitute Exploration Targets, where the potential quantity and grade is conceptual in nature, and that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

## Metal Equivalents

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 USD20.67. All more recent exploration data has been converted to gold equivalents at the same metal prices for consistency of resource estimation and reporting.

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# Highlights



- New Talisman Gold Mines Ltd (NTL) is dual listed on the NZX and ASX share markets.
- Developing the 100% owned Talisman Gold Project, New Zealand.
- **One the highest grade gold projects in New Zealand.**
- Recent work has provided a major lift in known gold resources including the Dubbo Zone **452kt at 21.98 g/t for 312,829 oz gold equivalent** <sup>1</sup>
- The historic Talisman mine produced an estimated 1 Moz gold and 3Moz silver.
- Granted Mining Permit and access arrangements in place.
- Established development plan in progress with bulk sampling programme to commence early 2018.
- Solid cash position – NZ\$5.3 million <sup>2</sup>
- Updated Pre-Feasibility study underway.
- Opportunities to expand and accelerate the mine development plan and related activities.
- **Equity offer** <sup>3</sup> **launched to provide existing shareholders with the opportunity for secure additional equity exposure and upside potential in the form of new shares and options.**

<sup>1</sup> Refer to ASX/NZX Announcement – Quarterly Report of Activities for the Period ending 30 June 2017.

<sup>2</sup> Refer to ASX/NZX Announcement – Quarterly Report of Consolidated Cash Flows for the Period ending 30 June 2017.

<sup>3</sup> Refer to Refer to the New Talisman Gold Mines Limited Offer Document – Offer of ordinary shares and attaching options, dated 28 August 2017.

# Summary of the Offer <sup>1</sup>

- NTL has launched an offer to eligible shareholders to acquire new shares and options in the Company to raise up to NZ\$ 13.7 million.
- A range of acceleration/expansions opportunities are available to the Company subject to the level of funds raised.
- Shares are being offered at NZ 2.2 cents (A 2.035 cents) per share, representing a discount of 18.5% to the prior closing share price <sup>2</sup>.
- Shareholders will receive one 5-year option (for no additional consideration) for every 5 shares issued under the offer.
- Each option will entitle the holder to subscribe for 1 new share at a price of NZ 5.5 cents.
- The Board of NTL estimates that each option has a current value of approximately NZ 1.25 cents <sup>3</sup>.
- After deducting the estimated per share value of each option this represents an implied discount of 27.7% to the prior closing share price <sup>2</sup>.
- Each eligible shareholder may subscribe for up to a maximum of NZ\$15,000 (A\$13,875).

## Use of Funds (Subject to Amount Raised)

- To accelerate developments into the high grade Dubbo zone.
- To investigate and develop multiple sampling operations on the Talisman permit area.
- To investigate a pilot plant option for underground concentration of ore.
- To gain access into level 9 and 10 and commence further extraction operations at deep levels of the mine recently announced.
- To accelerate completion of a bankable feasibility study.
- To finalise toll treatment either in NZ or export of concentrate offshore.
- To explore and implement initiatives to expedite activity, and potentially a greater interest in Rahu and other targeted areas.
- To fund alternatives that may allow full mining at Talisman including alternate access to the orebody.

<sup>1</sup> Refer to the New Talisman Gold Mines Limited Offer Document – Offer of ordinary shares and attaching options, dated 28 August 2017.

<sup>2</sup> Based on the closing share price on the NZX of NZ 2.7c on the prior working day to announcement, being 25 August 2017.

<sup>3</sup> Based on the midpoint of an indicative valuation of NZ 1.1c to 1.4c as at 29 August 2017. The Board notes that sensitivity analysis using higher stock volatility (e.g. based on recent 90 days to 25 August 2017) increases the indicative option value to 2.1c per option.

# Corporate Overview

## Capital Structure <sup>1</sup>

Shares on issue		Market capitalisation <sup>2</sup>	
2,077m		NZ\$56m	
Options		Cash	Debt
Listed NZ\$0.02 exercise	Unlisted	NZ\$5.3m	Nil
119.8m	5.75m		

<sup>1</sup> As at 30 June 2017 other than Market Capitalisation.

<sup>2</sup> Based on Closing Price of NZ\$0.026 on NZX on 25 August 2017.

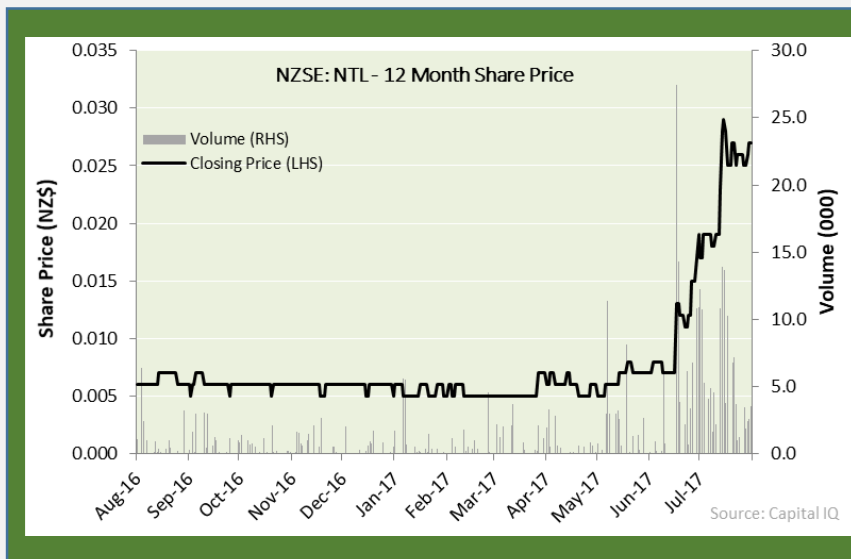
## Major Shareholders (>5%)

H. Brown	13.0%
M. Hill (CEO) <sup>1</sup>	4.93%
Total % held by top 20 shareholders	39.65%
Total number of shareholders	2,760

<sup>1</sup> Inclusive of all relevant interests – refer to NZX announcement dated 25 August 2017.

## Board and Management

Charbel Nader	Non-Executive Chairman
Matthew Hill	Executive Director and CEO
Murray McKee	Non-Executive Director
Murray Stevens	Non-Executive Director
Tony Haworth	Non-Executive Director
Wayne Chowles	Chief Operating Officer
Jane Bell	Company Secretary



# Gold Price Trend

- NTL is one of the few companies that provides investors with exposure to the NZ\$ gold price through its equity securities.
- **The NZD 12 Month gold price has ranged between NZ\$1,603/oz and NZ\$1,844/oz with a current price of NZ\$1,785/oz <sup>1</sup>**
- The USD 12 Month gold price has ranged between circa US\$1,128/oz and US\$1,349/oz with a current price of US\$1,292/oz <sup>1</sup>.

*“Gold has always been viewed as a safe haven and recent geopolitical uncertainty has underscored the importance of that role. At the same time, bond yields remain at low levels, particularly at the long end of the curve, even as inflationary threats increase. Again, this draws attention to gold, an asset traditionally associated with long-term wealth preservation. ”*

Aram Shishmanian  
Chief Executive Officer  
World Gold Council  
Gold Investor - June 2017 Report, World Gold Council



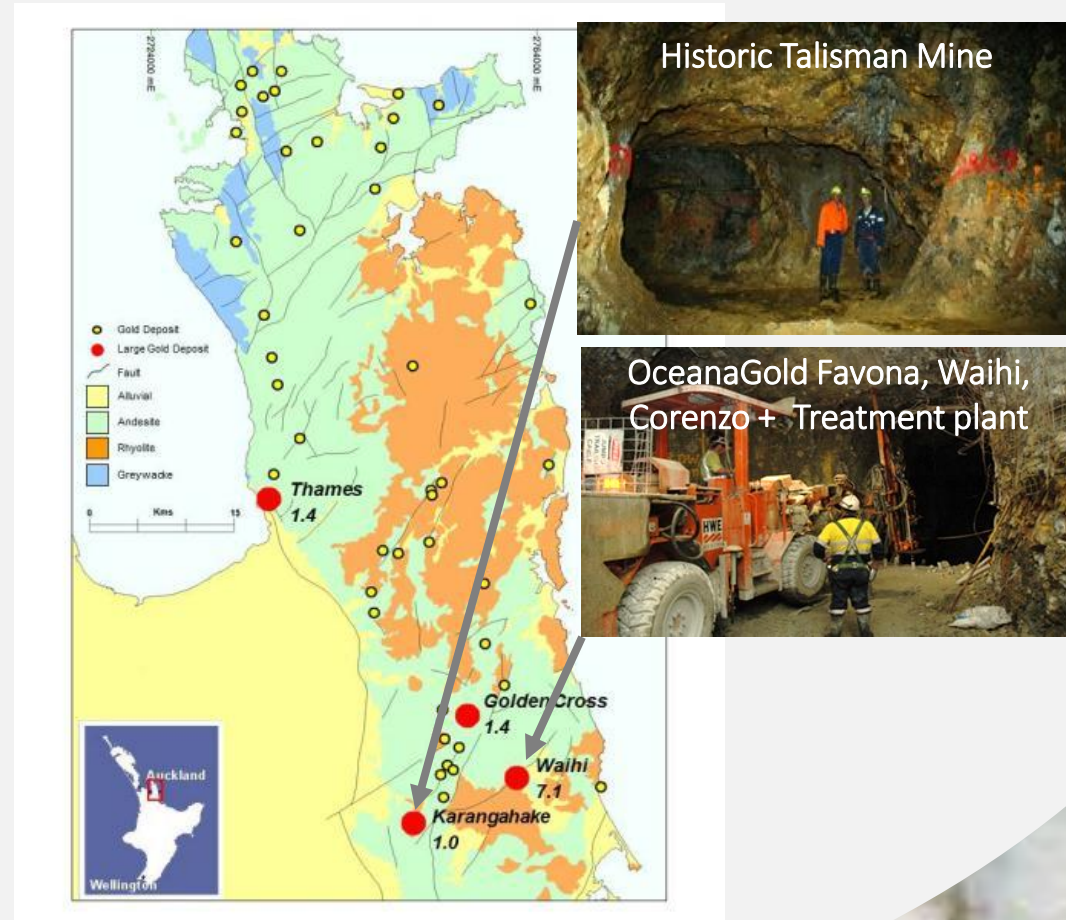
Source: goldprice.org

<sup>1</sup> As at 27 August 2017



# World Class Gold Province

- NTL Projects are located within the historically rich Hauraki Goldfield.
- The Hauraki Goldfield contains around 50 known gold deposits.
- Historic production from the Hauraki Goldfield since the 1850's has totalled more than 10 million oz of gold and more than 48 million oz of silver <sup>1</sup>.
- The Talisman Gold Project includes the historic Crown and Talisman mines at Karangahake which are estimated to have already historically produced more than 4 million oz of gold-silver bullion at an estimated average grade of approximately 23 g/t gold and 86 g/t silver <sup>2</sup>.
- The Waihi gold mine owned by OceanaGold Corporation lies only 15km east of the Talisman Gold Project has been in continuous operation since modern mining commenced in 1988.



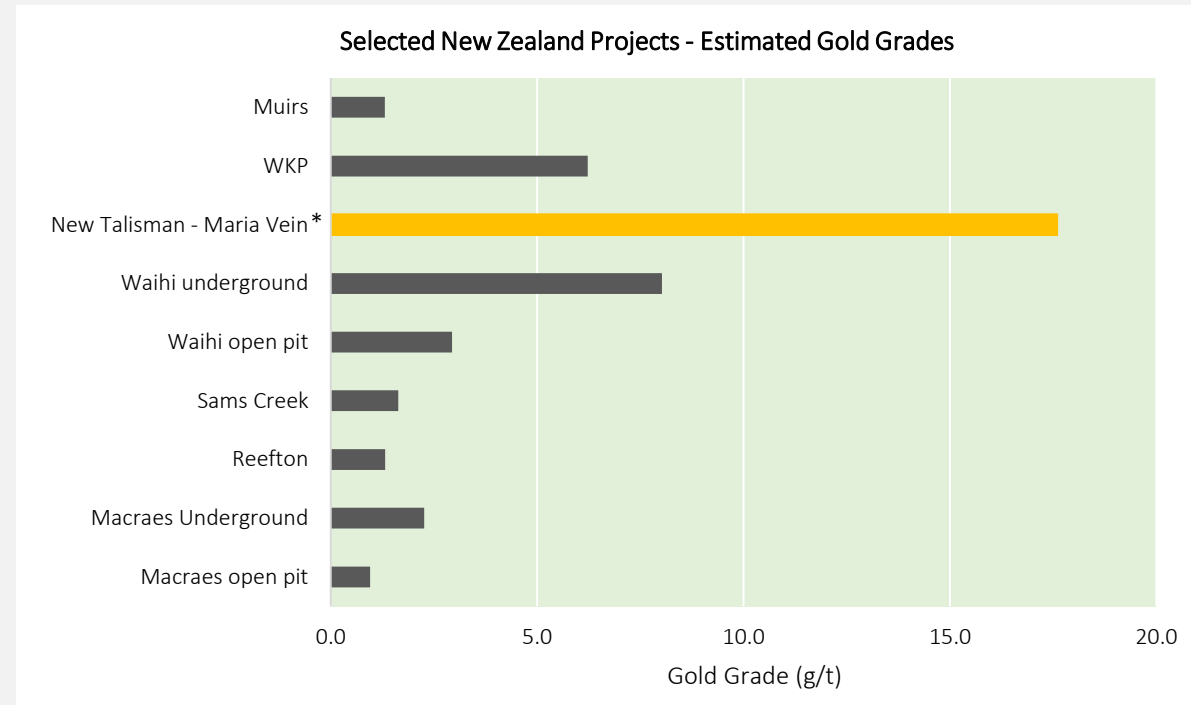
<sup>1</sup> Christie, et. al, 2006: in Geology and Exploration of NZ Mineral Deposits, Monograph 25.

<sup>2</sup> Stevens & Boswell, 2006: in Geology and Exploration of NZ Mineral Deposits, Monograph 25.

# Talisman Gold Project - Advancing Towards Development



- 100% owned by NTL.
- One of the highest grade gold deposits in New Zealand.
- Mining Permit and access arrangements in place.
- Site operations established.
- Underground mine access upgrades underway.
- Resource modelling of Talisman Deeps almost complete with major upgrade to gold equivalent resource inventory already identified.
- Bulk sampling planned to commence early 2018.
- Updated Pre-feasibility Study underway.
- Acceleration/expansion options available.

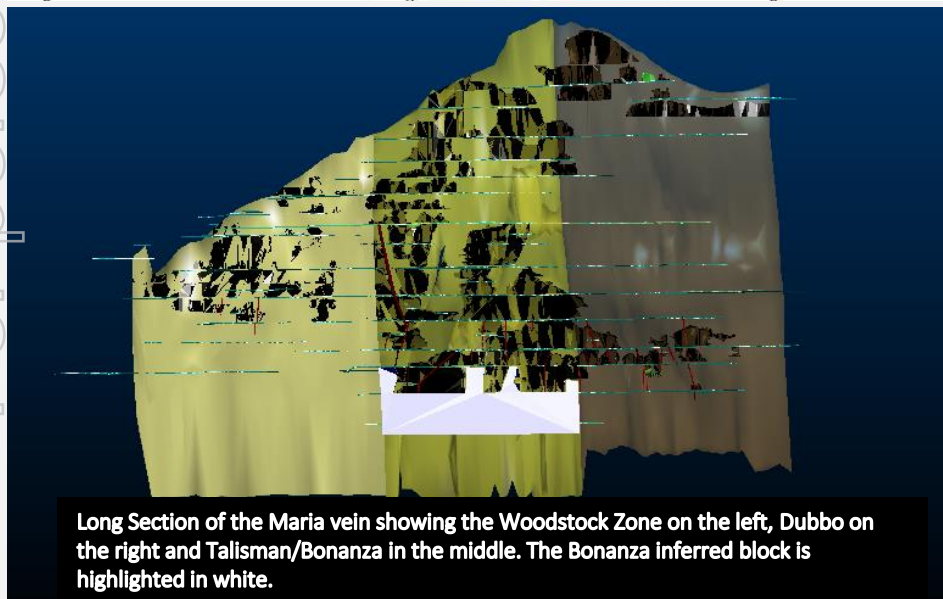
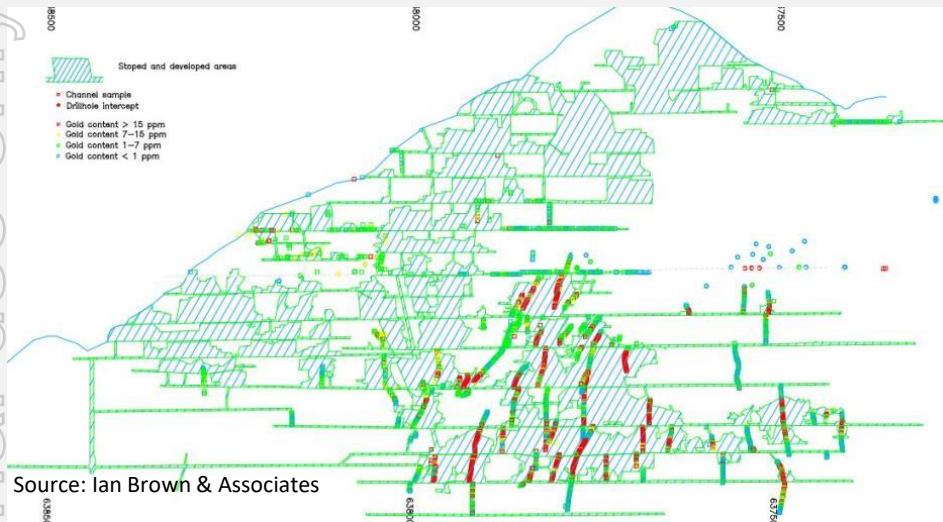


**Sources:** Data for Macraes open pit, Macraes underground, Reefton, Sams Creek, Waihi open pit and Waihi underground is estimated based on information contained in the Oceanagold Resource and Reserve Statement dated 31 December 2016. Data from WKP and Muir's is estimated based on information contained in the paper by Barker, Haworth & Christie, Monograph 31 - Mineral Deposits of New Zealand, 2016.

Grades are based on published Measured, Indicated and Inferred Resources under the JORC Code.

\* Data for New Talisman – Maria Vein is on a gold equivalent basis. Refer to NZX Announcement dated 5 September 2017.

# Talisman Gold Project - Multiple Gold Orebodies



- Multiple historic high-grade gold mining operations – Talisman Mine, Crown Mine.
- Historic production of over 4 million oz of gold-silver bullion with circa 1 Moz gold and 3 Moz silver.
- Multiple gold-silver vein systems – Maria, Crown, Welcome, Mystery, Sutro/Imperial.
- 16 levels of historic underground workings.
- Direct access to all three vein systems through the No. 8 level of the historic Talisman Mine.
- Multiple ore zones along the Maria Vein – Woodstock, Dubbo, Talisman/Bonanza.
- Recent resource modelling of Maria Vein partially complete, resulting in major upgrade in JORC compliant gold resources.



# Talisman Gold Project - Increasing High Grade Gold Resources

For personal use only

- Completion of Resource modelling of the Maria Vein Talisman Deeps to JORC 2012 compliance.

- **Maria Vein Measured, Indicated, and Inferred resources increased to 427,600 oz at a grade of 17.6g/t gold equivalent (Au Eq).**

- Includes Dubbo Zone - 312,800 oz Inferred resource at a grade of 21.98g/t Au Eq using a cut-off grade of 3.0 g/t Au Eq.

- Mystery and Crown Veins have not yet been reassessed. Current JORC 2004 compliant Measured, Indicated, and Inferred resources total 42,218 oz at 6.6 g/t Au Eq.

- Additional high grade Global Exploration Targets have been identified within the Dubbo Zone and the Bonanza/Talisman Zones with potential to add significantly to the existing JORC compliant resource base.

Talisman Gold Project - Tables of Mineral Resources <sup>1</sup>  
Maria Vein

Mineral Resources	JORC 2012 Compliant		
Category	Tonnes	Au Eq g/t	Ounces
Measured	63,426	24.1	49,204
Indicated	49,733	8.0	12,816
Inferred	639,181	17.7	365,579
<b>Total Resources</b>	<b>752,339</b>	<b>17.7</b>	<b>427,600</b>

Mystery and Crown Vein

Mineral Resources	JORC 2004 Compliant		
Category	Tonnes	Au Eq g/t	Ounces
Measured	39,300	6.5	8,274
indicated	48,000	6.7	10,291
inferred	111,000	6.6	23,653
<b>Total Resources</b>	<b>198,300</b>	<b>6.6</b>	<b>42,218</b>

<sup>1</sup> Refer to NZX Announcement 5 September 2017 and the NTL Quarterly Report for the period ended 30 June 2017. Restated Mineral Resources on the Maria Vein incorporate the remodelled Dubbo and Woodstock Resources and maiden Bonanza/Talisman resources reported in compliance with the 2012 JORC code. Note there will be slight differences due to rounding during calculation.



# Talisman Gold Project - Community & Environment

- NTL is committed to responsible, environmentally sustainable mining.
- The Karangahake area attracts numerous visitors drawn by its rich blend of scenery and gold mining history.
- The Mine portal pad covers a very small footprint of less than 0.5 Ha.
- We operate under strict environmental conditions and are proud of our excellent record on the site.
- Recent establishment of site operations at the mine portal pad has enabled NTL to considerably improve the site including installing a new silt pond, native plant nursery, culverts and implementation of a weed/pest eradication plan.
- Substantial support has been received from the local community.
- NTL is targeting net long-term benefits to the environment and community through development of the Talisman Gold Project.



Silt dam and Native Plant Nursery established on site



Mine Portal Entrance – No. 8 Level



# Talisman Gold Project - Health and Safety

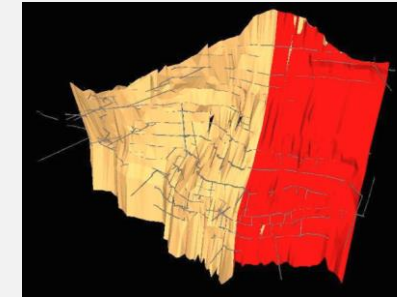
- The health and safety of our workers and all operations on the Talisman Gold Project is critical to the Company.
- Site hazards and underground activities are actively managed.
- We are developing fit for purpose hazard management plans and the accompanying procedures for future mining operations.
- The current upgrade of the No.8 level workings will significantly improve the safety of the main underground access level to the mine.
- Underground communication system is in place and will be extended as the crew advance.
- The control room located on the mine portal pad is permanently manned when people are underground and the crew report in hourly.
- Since establishment on site in [Month] 2017 there have been no reported safety incidents underground.





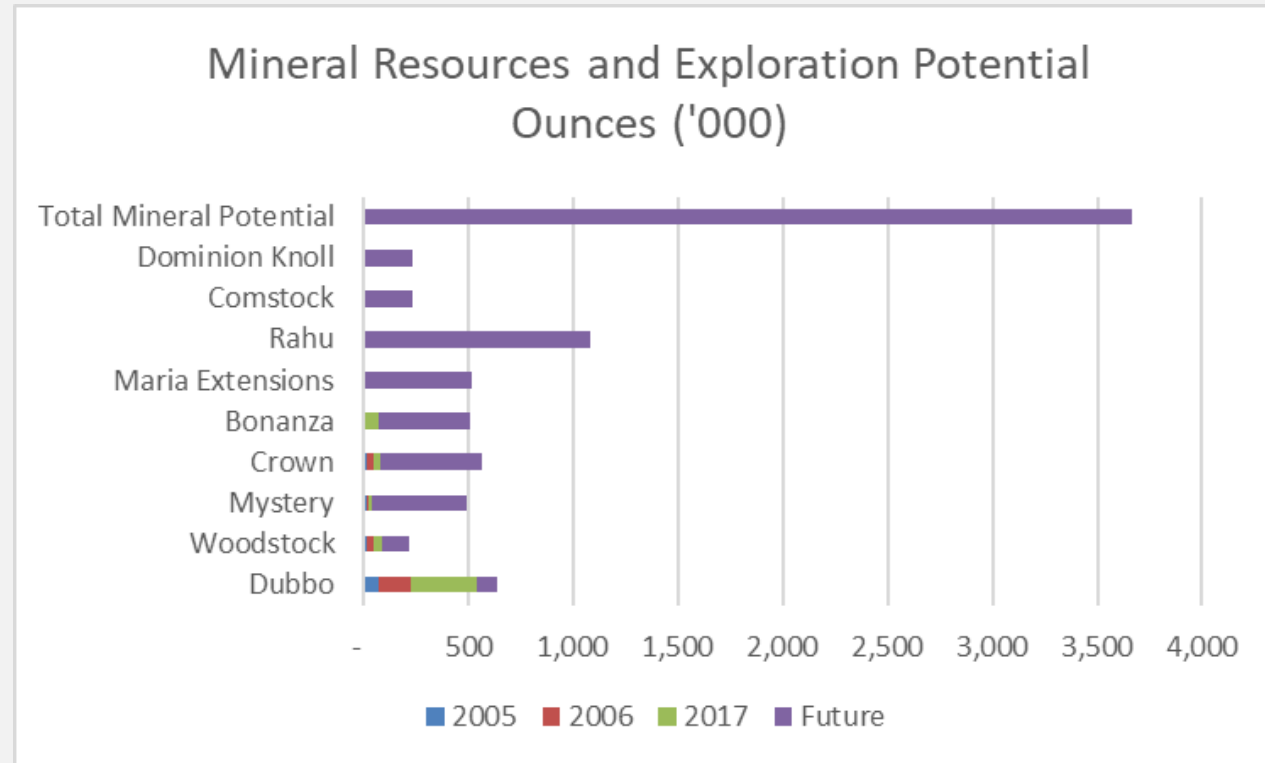
# Talisman Gold Project - Acceleration / Expansion Opportunities

- Accelerate developments into the high-grade resources; and increase production levels to the maximum allowable under the resource consent being 20,000 cubic metres per annum.
- Investigate and develop multiple sampling operations on the Talisman permit area.
- Investigate and seek to install a pilot plant for underground concentration of ore which will reduce tonnage by 80% while increasing grade by a factor of approximately 4 times in concentrate form.
- Gain access into level 9 and 10 and commence further extraction operations at deeps levels of the mine recently announced.
- Accelerate completion of a bankable feasibility study.
- Finalise toll treatment options in NZ and look at other options including domestic processing in NZ or concentrate production.
- Expand exploration programs aimed at building a +1m ounce minerals inventory.
- Investigate alternatives that may allow full mining at Talisman including alternate access to the orebody.



# Potential Future Expansion

- Significant upside within the Talisman permit area and adjacent Rahu permit area to increase gold resources in the future.
  - Exploration potential identified during 2017 Resource Estimate
  - Extensions to the Maria Vein
  - Rahu
  - Comstock
  - Dominion Knoll

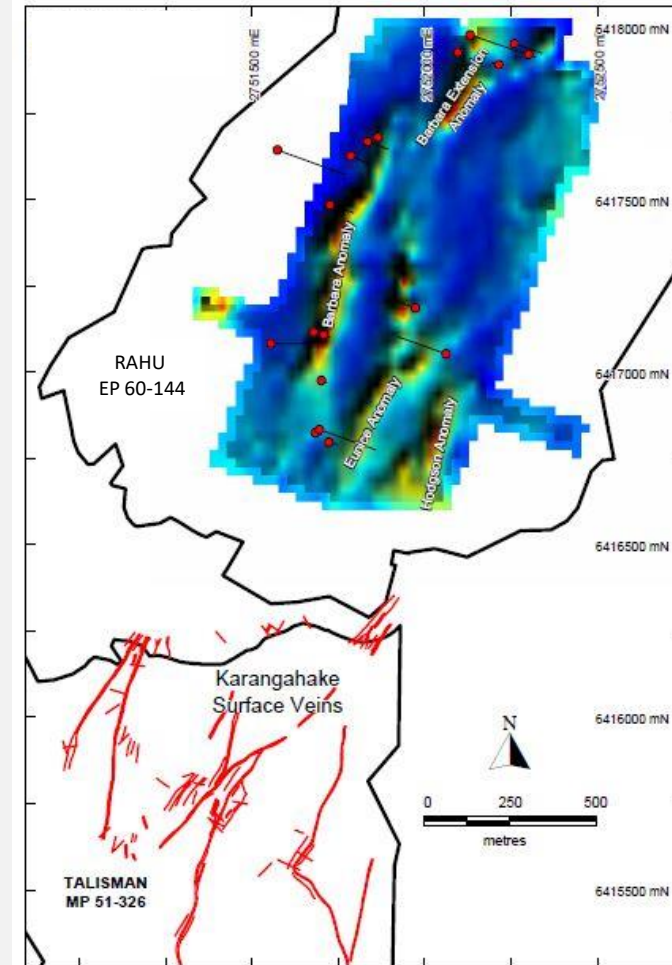


NOTE: Based on Exploration Targets identified in 2017 resource Estimate and 2008 Scoping Study. Midrange figures are used in this table. These targets constitute a global Exploration Target as defined in the 2012 JORC Code. The potential quantity and grade is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.



# Rahu Project

- The Rahu tenement lies immediately to the north of the Talisman Mine and on the same strike line as the gold bearing veins at Talisman. Exploration has defined a 2km long zone of coincident geochemical, resistivity and ground magnetic anomalies.
- This area is believed to have similar potential to Talisman and is the focus of continuing exploration. Previous drilling intersected anomalous gold in several holes. The initial drilling, which was relatively shallow and still within the upper zone of the epithermal system, confirmed the company's geological model for the property.
- Structurally the Rahu block is believed to have been downthrown, supporting the potential for Talisman-type grades to be intersected in deeper drilling beneath these strong indications.
- Newcrest Mining is the holder of the exploration permit for the area and entered into a binding heads of agreement in 2016 with NTL whereby 20% of the project is held in trust for NTL.
- NTL has opportunities to explore and implement initiatives to expedite activity and potentially a greater interest in Rahu.



# Company Directory



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## SOLICITORS

Chapman Tripp, Auckland  
Simpson Grierson, Auckland  
Williams & Hughes, Perth

## SECURITIES LISTED

New Zealand Stock Exchange  
Code: Shares NTL; Options NTLOA  
Australian Securities Exchange  
Code: Shares NTL; Options NTLO

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