

Market Announcement

For Immediate Release



Quarterly Activities Report to 30 Sept 2024

New Talisman Gold Mines Limited

***Responsible,
Environmentally
Sustainable Mining***

ASX/NZX Code **NTL**

Commodity Exposure
GOLD and SILVER

Board

Samantha Sharif Chair/Independent Director

John Upperton Director

Michael Stiassny Independent Director

Richard Tacon Independent Director

Jane Bell Company Secretary

Capital Structure

Ordinary Shares at 30/09/2024 625,448,205

Share Price

Share Price at 30/09/2024 (NZX) \$0.025

Share Price at 30/09/2024 (ASX) \$0.021



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New Talisman Gold Mines Limited (NTL) is pleased to present a report on activities for the quarter ended 30 Sept 2024.

Key activities include:

- Temporary unsecured loan facilities provided by largest shareholder and 2 Directors
- Completed a Rights Issue raising a total of \$2.41m
- Independent Director Michael Stiassny reappointed at ASM
- Approval at ASM for Director uptake of \$170k in Shortfall
- Purchased a processing plant and readied it for shipment
- Satisfied all DOC Access Arrangement conditions and received Authority to Enter and Operate (AEO) at Talisman
- Converted to shares \$558k of the Convertible Loan Note held by NTL's largest Shareholder
- Appointed General Manager

Talisman Mine Operations

NTL has been coordinating with Mine Operator Terra Firma to time its run in stockpiling ore for processing through the recently acquired plant, and thereby align expenditure with anticipated generation of revenue once the plant is operational. Thus, in line with this plan, early stage work in preparation for mining has taken place, and the company announced the potential upside to expectations for Mystery vein South, that has been exposed for the first time in many years. The appearance of the vein has led to a consensus of the mining team to recommend blasting and sampling to ascertain if the grades warrant further development of this area. It is anticipated that samples from Mystery South will be sent for assay in November. Sampling Mystery vein both North and South is an exciting prospect with an opportunity to add considerable value to the Bulk sampling project.

Long Term Access Arrangements with Dept of Conservation

During the previous quarter the Company was granted a five year Access Arrangement (AA) with the Department of Conservation for the Talisman Mine. The AA term of 5 years is a material improvement on recent renewals, which were limited to periods of less than a year. Following the granting of the AA, and the Company working through the routine conditions related to the AA, the Department of Conservation has also issued the associated Authority to Enter and Operate. (AEO)

Processing

NTL has completed the purchase of the processing plant for which it had paid a deposit in the previous quarter. The processing plant has now been cleaned, containerised and prepared for shipping to New Zealand. We now anticipate its arrival in mid-December 2024, approximately one month later than originally anticipated due to extensive disruption caused by rolling strikes at US and Canadian ports.

The Company remains in discussions with refiners interested in purchasing the high grade concentrate the plant will produce.



Fast Track Application

In May, the Company applied to be considered as a listed project for Full Mining Consent in the Fast Track Approvals Bill. In September the Company was informed that the Talisman project would not be expressly included in Schedule 2 when the Bill goes before Parliament later this year. However, the company was also informed that “Not being listed in Schedule 2 is not a commentary on the merits of the project, nor any future indication on how the project would be assessed if you were to make a future referral application under the Bill once enacted.”

Subsequently, the government released the expert panel’s recommendations to Ministers for Schedule 2 inclusion. The Talisman Mine Project was recommended by the expert panel and received a rating of 2 in a 1-5 priority scale (1 being highest). NTL believes this justifies the application and bodes well for future consideration once the Bill is enacted. Obtaining Full Mining Consent will enable a seamless continuation of production post the 2 year Bulk Sampling Consent that NTL will trigger in the coming months.

NTL still intends to apply for full mining Consent during the Bulk Sampling phase, and will decide whether to utilise the Fast Track or usual mining consent process in due course.

Capital Raise

In July 2024 NTL made a Rights Offer to shareholders.

Prior to the Rights Offer, NTL entered into unsecured loan facilities from the company’s largest shareholder and two Directors to satisfy Audit requirements for the company’s cash position. Subsequent to the capital raise the loan facility with the largest shareholder was cancelled. The other two facilities remain in place but currently undrawn.

The Rights Offer to existing shareholders in New Zealand and Australia opened on 11 July 2024. The offer gave existing shareholders the opportunity to take up to 1 new share for every 1 share they held on the record date at a price of NZ\$0.018 or AU\$0.017 per share. The offer of new shares was made under NZX Listing Rules 4.3.1(a) and ASX Listing Rule 7.2, exception1. The Offer closed on Friday 26th July 2024 and shortfall placement from the offer closed on 23rd August 2024. The entire Rights Offer, including participation from three NTL Directors, raised a total of NZ\$2.41m.

Since closing this successful Rights Offer, we have moved forward immediately with our strategic plan, including purchasing processing plant, progressing the processing site, and preparing for bulk sampling on the Mystery Vein at Talisman.

Convertible Loan Note

During the quarter NTL made two conversions of the loan note totaling \$558,611 this brought the outstanding loan balance down to \$165,014. A full conversion of the Note to ordinary shares would have contravened the New Zealand Takeovers Code threshold of 20%. Mr Hamish Brown now holds 19.99% of the Company. For the time being, the balance of the Note will continue on existing terms for the remainder of the term in accordance with the Boards discretion. However, further conversion of the Note to shares may occur during that period where permissible within the current regulatory framework.

ASM

The ASM was held in September, which saw experienced Independent Director and Audit Committee Chair Michael Stiasny re-elected to the Board. The ASM also passed a Resolution, as required by ASX listing rules, to enable NTL Board Chair Samantha Sharif and Director Richard Tacon, to take up \$170k of Shortfall from the Capital Raise.

Vanuatu

Progress in coming to an agreement with a JV partner or sale for the Vanuatu permit continues to be slow, but we will continue to engage with interested parties and remain open to interest in partnership or sale.

Rahu

During the quarter NTL reviewed and updated the workplan for an application for exploration over the Rahu permit 61017. This was then resubmitted to NZ Petroleum & Minerals (NZPAM). We have recently been advised by NZPAM that they expect to process our application within the next few months.

Administration

On 1 July 2024 the Company revised its existing contract with John Upperton to provide the service of General Manager on a full-time basis for a twelve month period to support NTL's move to its production phase.

During the quarter the Company paid \$48,333 for director fees to companies in which directors and major shareholders have a substantial interest. The Company paid \$41,000 to John Upperton in his capacity as General Manager.

Tenements

Talisman Mine – MP51326
Capella Vanuatu – PL1851

We thank shareholders for their continued support as the company prepares for production through Bulk Sampling of the Talisman Mine.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

NEW TALISMAN GOLD MINES LIMITED

ABN

009 474 702

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$NZ'000	Year to date (6 months) \$NZ'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	Nil	Nil
1.2	Payments for		
	(a) exploration & evaluation	Nil	Nil
	(b) development	(206)	(363)
	(c) production	Nil	Nil
	(d) staff costs	Nil	Nil
	(e) administration and corporate costs	(349)	(498)
1.3	Dividends received (see note 3)	Nil	Nil
1.4	Interest received	4	4
1.5	Interest and other costs of finance paid	(35)	(56)
1.6	Income taxes paid	Nil	Nil
1.7	Government grants and tax incentives	Nil	Nil
1.8	Other (provide details if material)	Nil	Nil
1.9	Net cash from / (used in) operating activities	(586)	(913)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	Nil	Nil
	(b) tenements	Nil	Nil
	(c) property, plant and equipment	(503)	(538)
	(d) exploration & evaluation	Nil	Nil
	(e) investments	Nil	Nil
	(f) other non-current assets	nil	(30)

Consolidated statement of cash flows		Current quarter \$NZ'000	Year to date (6 months) \$NZ'000
2.2	Proceeds from the disposal of:		
	(a) entities	Nil	Nil
	(b) tenements	Nil	Nil
	(c) property, plant and equipment	Nil	Nil
	(d) investments	Nil	Nil
	(e) other non-current assets	Nil	Nil
2.3	Cash flows from loans to other entities	(1)	-
2.4	Dividends received (see note 3)	Nil	Nil
2.5	Other (provide details if material)	Nil	Nil
2.6	Net cash from / (used in) investing activities	(504)	(568)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities) (net of issuance costs)	2,279	2,279
3.2	Proceeds from issue of convertible debt securities	Nil	Nil
3.3	Proceeds from exercise of options	Nil	Nil
3.4	Transaction costs related to issues of equity securities or convertible debt securities	Nil	Nil
3.5	Proceeds from borrowings	Nil	Nil
3.6	Repayment of borrowings	Nil	Nil
3.7	Transaction costs related to loans and borrowings	Nil	Nil
3.8	Dividends paid	Nil	Nil
3.9	Other (provide details if material)	Nil	Nil
3.10	Net cash from / (used in) financing activities	2,279	2,279

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	195	586
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(586)	(913)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(504)	(568)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,279	2,279

Consolidated statement of cash flows		Current quarter \$NZ'000	Year to date (6 months) \$NZ'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,384	1,384

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$NZ'000	Previous quarter \$NZ'000
5.1	Bank balances	8	90
5.2	Call deposits	1,201	Nil
5.3	Bank overdrafts	Nil	Nil
5.4	Other (provide details)	175	105
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,384	195

6.	Payments to related parties of the entity and their associates	Current quarter \$NZ'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(86)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

The Company paid \$44,999 for director fees to companies in which directors and major shareholders have a substantial interest

The Company paid \$41,000 to John Upperton in capacity as General Manager.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$NZ'000	Amount drawn at quarter end \$NZ'000
7.1	Loan facilities	550	Nil
7.2	Credit standby arrangements	Nil	Nil
7.3	Other (please specify)	Nil	Nil
7.4	Total financing facilities	550	Nil
7.5	Unused financing facilities available at quarter end		550
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>At the quarter end the Company had two unsecured loan facilities totalling \$550k. The interest rate on these facilities, if drawn is 19% per annum paid quarterly. If drawn they are to be repaid by 31 Dec 2025.</p>		

8.	Estimated cash available for future operating activities	\$NZ'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(586)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	Nil
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(586)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,384
8.5	Unused finance facilities available at quarter end (item 7.5)	550
8.6	Total available funding (item 8.4 + item 8.5)	1,934
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.3
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

30 September 2024

Date:



Authorised by:
(Jane Bell – Company Secretary)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.