

ANNOUNCEMENT BY NEW TALISMAN GOLD MINES LIMITED [ASX, NZX: NTL]

FOR PUBLIC RELEASE

Quarterly Activities Report to 31 December 2015

New Talisman Gold Mines Limited (NTL) is pleased to present the report on activities for the quarter ended 31 December 2015:

HIGHLIGHTS

- **Executive meeting in China**
- **Site Security agreed with Department of Conservation**
- **BPL shares provide further funds**

Corporate

During the period under review the company undertook a visit to China, to the headquarters of a major Chinese group who have entered into discussions pertaining to the company. The group hosted directors and discussed the possibility of co-operation with New Talisman. The meetings that took place allowed for a greater understanding of the experience and expertise brought by both entities. Though the discussions are at an early stage, there is an opportunity to continue such discussions with the potential of further co-operation in the future.

Talisman Mine Project (100% NTL), Gold and Silver Karangahake Gorge, New Zealand

For the quarter through to December 30, New Talisman focussed primarily on finalising the revised Traffic Management Plan (TMP). This has now been submitted and approval is expected shortly. Approval will mean that NTL has satisfied the conditions of the resource consent and is free to undertake traffic movements on the road subject to the conditions stipulated in the plan.

During the period the company sought authority from the Department of Conservation to exclude the public and secure the site at Talisman. Plant and equipment stored on site have been the subject of continued vandalism and theft. DOC has confirmed that under the terms of the access agreement, they will allow NTL secure the site and restrict any access from the public once the TMP has been approved and the company has confirmed operations have commenced.

Rahu Project base metals project Karangahake Gorge, New Zealand

On 12 January 2016, some 19 months after the Company lodged its application for an extension of land over the Rahu discovery area, the Company received advice its application had been declined. The Company does not accept that the reasons advanced by the licencing authority, NZ P & M, for declining the application are well founded. The company has taken a pragmatic and expedient approach to the licencing authority's decision and as already advised the company is actively pursuing other alternatives under the Heads of Agreement signed with Newcrest.

Newcrest has also recently entered into a joint venture arrangement with Laneway resources for all the surrounding area around Rahu and Talisman.

Broken Hill Prospecting Limited 'BPL' (14.4%) – NSW, Australia [ASX: BPL]
Thackaringa Cobalt-Pyrite Project, Heavy Mineral Sands Project, New South Wales, Australia

During the quarter Broken Hill Minerals Pty Ltd (a 100% owned subsidiary of BPL) progressed exploration for heavy mineral sand ('HMS') deposits in western NSW. The Company is planning to establish a foothold in the HMS industry where emerging technology is making significant advances in processing and recovery of titanium (Ti) and zirconium (Zr) minerals (ilmenite, leucoxene, rutile and zircon) from HMS deposits.

In November, BPL commissioned a Scoping Study to assess the potential viability of open cut mining and processing operation to exploit the Copi North HMS Deposit (Resource 11.7 million tonnes of 6.9% heavy minerals). Completion of the Scoping Study is expected in February.

Flora, fauna and Aboriginal cultural heritage surveys of selected areas in Copi (EL8312) and western extension (Sunshine EL8385) were completed to provide an early indication of the ecological and cultural constraints that may need to be considered during the design of any future mining within the Copi North HMS deposit area.

Air-core drilling plans to test both the extension of the Copi North HMS Deposit within the recently granted Sunshine tenement (EL8385) as well as a high grade area in the Copi South HMS Deposit (in bv EL8312) were prepared. The work will explore the western extent of the Copi North deposit within a ten kilometer trend and could add considerable upside to the Copi North project if shallow, high-grade heavy mineral sands are defined. The drill programmes are expected to commence during the next quarter.

BPL is also progressing with exploration and evaluation of cobalt-pyrite deposits in the Broken Hill area within two exploration tenements (EL6622 and EL8143) and two mining leases (ML86 and ML87).

New Talisman Tenements

The interests in mining tenements held by New Talisman Gold Mines Limited (and fully owned subsidiaries) at the end of the quarter and the related percentage of ownership:

Permit Number	Type	Permit Name	Location	Interest
MP 51326 EP 53706	Mining Exploration	Talisman Parakao	Coromandel, NZ Northland, NZ	100% 100%

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For more information on New Talisman Gold Mines go to www.newtalisman.co.nz

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZX & ASX: NTL) leading New Zealand minerals development company with about 1900 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 highly prospective mineral interests and gold properties in the Hauraki and Northland Districts of New Zealand. New Talisman owns 14.4% of Broken Hill Prospecting Limited, which holds a significant cobalt project at Thackaringa, about 25 kilometres south-west of Broken Hill in Australia and a heavy mineral sands exploration portfolio. BPL is listed on the ASX (Code: BPL).

More about New Talisman Gold at www.newtalisman.co.nz

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources for the Copi North HMS Deposit is based on information reviewed by Sue Border, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Sue Border has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the exploration 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'. Sue Border consents to the inclusion in the report of the matters based on this information in the form and context in which it appears. Sue Border is not an employee or a related party of the Company or its subsidiaries. Sue Border is a Director/Principal Geologist of Geos Mining.

The information in this report that relates to Exploration Targets, Exploration Results, and Mineral Resources is based on information compiled by Murray Stevens, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Stevens is employed by Stevens and Associates and is an independent consultant engaged by New Talisman Goldmines Limited from time to time on a consulting basis. Mr Stevens has sufficient experience that 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 Stevens consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration activities and results contained in the Broken Hill Prospecting Ltd section of this report are based on information compiled by Dr Ian Pringle, a Member of the Australasian Institute of Mining and Metallurgy. Dr Pringle is the Managing Director of Broken Hill Prospecting Ltd and also a Director of Ian J Pringle & Associates Pty Ltd, a consultancy company in minerals exploration. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). The Inferred Mineral Resource was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Potential is reported under JORC Code 2012. It is conceptual in nature and more drilling is required to further define it. However, there is no certainty that additional work will result in an upgrade of potential to Mineral Resource. Dr Pringle has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.

