

5 July 2016

ANNOUNCEMENT BY NEW TALISMAN GOLD MINES LIMITED (NTL)

FOR IMMEDIATE RELEASE

RIGHTS ISSUE CLOSURE & NOTICE OF SHORTFALL

New Talisman Gold Mines Limited ("the Company") is pleased to announce the results of the 3 for 1 renounceable rights issue announced on 17 May 2016.

Up to 2,453,167,758 ordinary shares were offered at an issue price of NZ or AU \$0.005 per share to enable shareholders to participate in further production at the Talisman Mine.

The Company received acceptances for a total of 905,535,515 new shares, raising NZ\$4,694,130 before expenses.

There is a consequential short fall under the rights issue of 1,547,632,243 new shares.

The allotment of new shares under the offer is scheduled for 5 July 2016.

Subject to compliance with applicable securities laws, and NZX and ASX listing rules, the shortfall shares can be placed at the discretion of the Board no later than 3 months after the closing date of the offer, which is 30 September 2016.

For further information concerning the shortfall shares please contact Matthew Hill, CEO New Talisman, on 021 795 559 or matt@newtalisman.co.nz

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About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) with over 1900 shareholders who are mainly from Australia and New Zealand. It is a leading New Zealand minerals development and exploration company with a mining permit encompassing the Talisman mine, one of New Zealand's historically most productive gold mines. Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including a JORC compliant mineral resource a JORC compliant reserve statement within the original Talisman underground mine, and a binding Agreement for Newcrest to spend up to 5M on an adjacent exploration permit along strike from the mine, Rahu. The company is now advancing its plans to develop the mine, and advance the exploration project.

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