

Market Announcement

ASX: NTL, NZX: NTL

NEW Talisman
GOLD MINES LIMITED

For Immediate Release

EXTRACTION OF HIGH GRADE ORE COMMENCES AT TALISMAN

Commodity Exposure

GOLD and SILVER

Board and Management

Charbel Nader

Chairman/Independent Director

Matthew Hill

Chief Executive/Managing Director

Murray McKee

Independent Director

Murray Stevens

Non executive Director

Tony Haworth

Independent Director

Jane Bell

Company Secretary

Wayne Chowles

Chief Operating Officer

Ash Clarke

Chief Financial Officer

Capital Structure

Ordinary Shares on issue -
2,164,503,303

Listed Options
17,036,384 Expiry 30/09/2022
exercise price NZ\$0.055 each

www.newtalisman.co.nz

Phone - +64 27 5557737

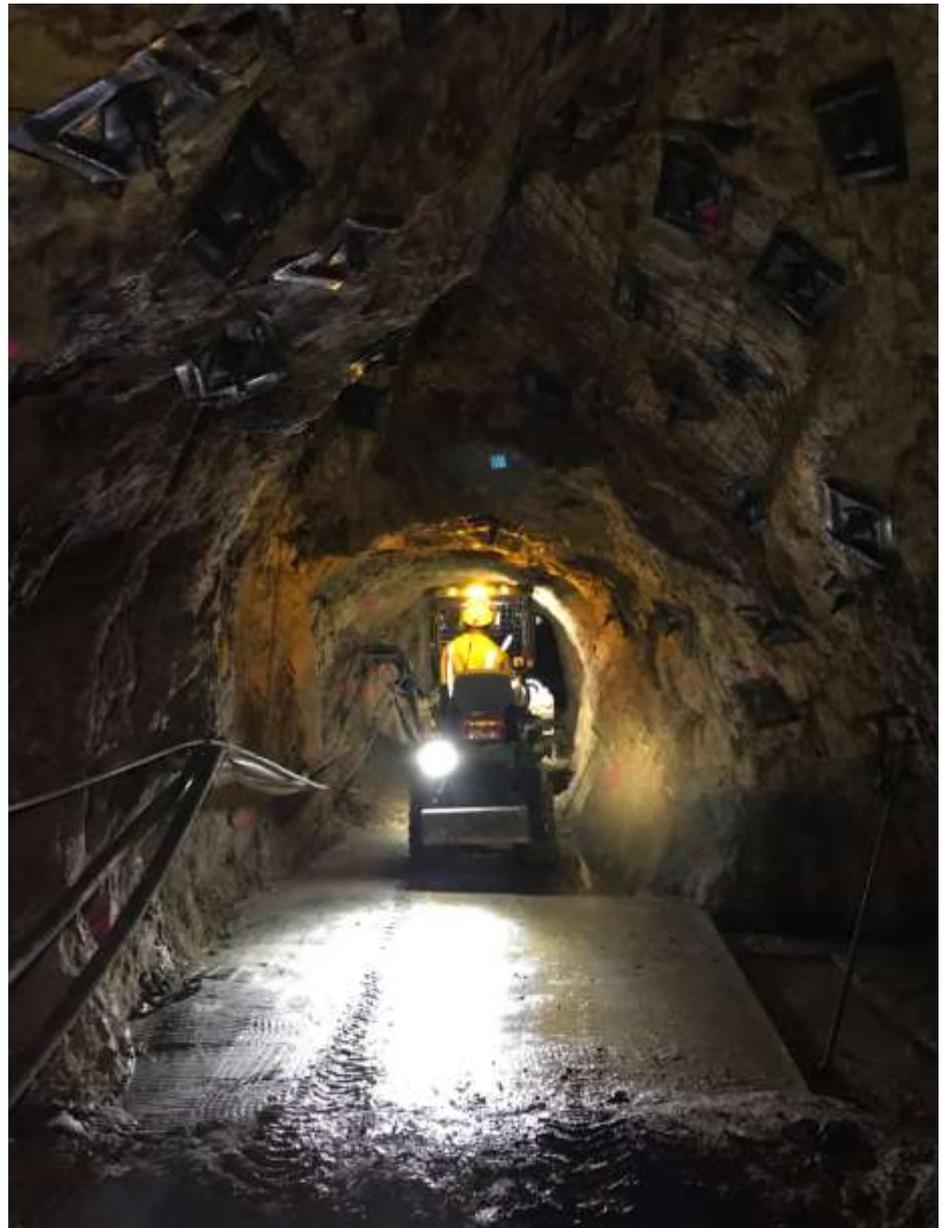
Email – matt@newtalisman.gold

541 Parnell Road, Parnell, Auckland

HIGHLIGHTS

- Rehabilitation reaches 600m underground;
- Sampling of broken ore stockpiles underground yields positive results;
- Metallurgical testwork for concentrator plant underway;
- Extraction of high grade ore commences

New Talisman Gold Mines is delighted to announce that extraction and stockpiling of ore has commenced at the Talisman mine site. The ore is currently being stockpiled while preparation for treatment options are being reviewed.



Mine Development

Refurbishment of the underground workings continues with excellent progress being made by the underground team. Remedial works on the underground bridge are now complete and vehicle access into the workings beyond is possible.

Works have now progressed more than 600m into the mine and are now at the location of the second bypass.

This area forms the intersection between several historic tunnels and has posed some unique challenges to the team. In one area, when removing the existing sets, it became apparent that a septum separating the 8 Level Drive from an old rise over the drive, had collapsed. Working through this area involved creating an artificial septum from timber. We are pleased that this was accomplished without incident. This is the final step to make the No 8 level drive fully trafficable all the way to the Mystery Workings. The project remains on schedule to commence blasting on the Mystery vein in early 2018.

Activities continue in full swing at the Talisman Mine with two locations having been identified through which access to No's 9 and 10 level may be achieved. A detailed geotechnical assessment of these areas is underway. Access to these levels will allow the team to undertake sampling activities in the highly prospective areas of the high-grade Dubbo Zone directly below the area delineated by the 2004 exploration programme. The intersection of the Maria vein by borehole BM37 assayed at 623g/t over 1.8m which included 1154g/t over 1.0m. the presence of a high-grade shoot was further supported by analysis carried out in the recent mineral resource upgrade. Several sources of broken ore having been identified.

Grab samples taken of an ore stockpile on 7 Level has yielded assay results of between 5.8g/t and 8.18g/t Gold and between 16g/t and 70g/t Silver. It is estimated that the pile contains between 90 and 140 tonnes of ore which is readily available at a very low cost.

Grab samples taken from broken ore flowing from an historic stope adjacent to the No 8 Level Second Bypass have assayed at between 4.53 and 7.68 g/t gold and 38 and 45 g/t silver.

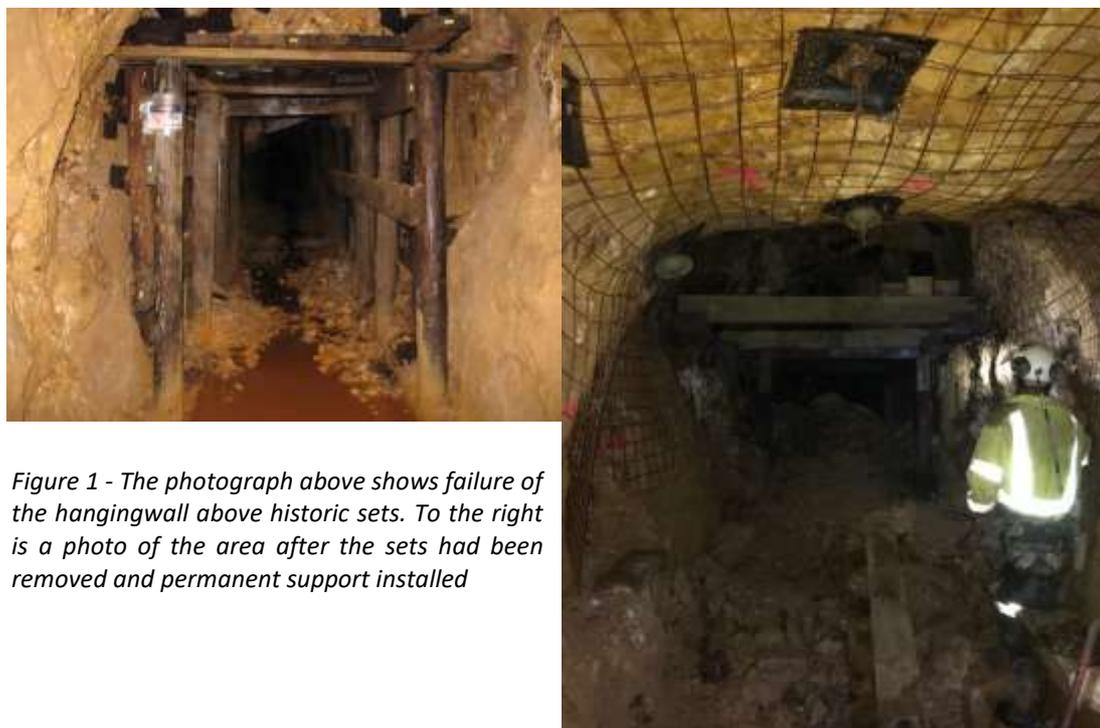


Figure 1 - The photograph above shows failure of the hangingwall above historic sets. To the right is a photo of the area after the sets had been removed and permanent support installed

Transport of this ore to a stockpile close to the portal is now underway in preparation for transport to an off-site storage location pending finalisation of the concentrator design.

Concentrator Plant Design.

Representative samples of ore from both the Mystery and Dubbo veins have been despatched for testwork in South Africa. This testwork will inform the final design of the plant to ensure that metal recovery is fit for purpose at rates commensurate with other treatment options.

A detailed update on progress at Talisman project areas is currently being finalised which will be released as part of the Half Yearly report to be released by the 14th December.

Matthew Hill said “With the commencement of removal of gold and silver bearing material we have reached yet another milestone as we continue well on our way to reestablishing the Talisman mine. Various treatment options are in the process of being evaluated which will provide for the production of a high-grade concentrate and we are expecting to have the final processing route at around the same time as mystery comes online”.

Matthew Hill

Chief Executive Officer

New Talisman Gold Mines Limited

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) with over 2250 shareholders who are mainly from Australia and New Zealand and has been listed since 1986. 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. The company has commenced prospecting and upgrading activities at the mine, and advance the exploration project and increase its considerable global exploration target into JORC 2012 resources.

Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including New Zealand’s highest-grade underground gold mine, a JORC 2012 compliant mineral resource of over 427,000 ounces au/eq at an average above 15 gt AU/eq and a JORC compliant reserve statement. The company owns 100% exploration permit Rahu, which lies along strike from the Talisman mine of which 80% was recently acquired from Newcrest Mining. The company will shortly commence exploration activities at Rahu.

Cautionary Statement for Public Release

Certain information contained in this public release may be deemed “forward-looking” within the meaning of applicable securities laws. Forward-looking statements and information relate to future performance and reflect the Company’s expectations regarding execution of business strategy, business prospects and opportunities of New Talisman Gold Mines and its related subsidiaries. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those expressed in the forward-looking statements and information. They include, among others, the accuracy of mineral reserve and resource estimates and related assumptions and inherent operating risks. There are no assurances the Company can fulfil forward-looking statements and information.

Such forward-looking statements and information are only predictions based on current information available to management as of the date that such predictions are made; actual events or results may differ materially as a result of risks facing the Company, some of which are beyond the Company's control. Although the Company believes that any forward-looking statements and information contained in this press release is based on reasonable assumptions, readers cannot be assured that actual outcomes or results will be consistent with such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information. The Company expressly disclaims any intention or obligation to update or revise any forward looking statements and information, whether as a result of new information, events or otherwise, except as required by applicable securities laws. The information contained in this release is not investment or financial product advice.