

30 May 2019

**FOR IMMEDIATE RELEASE**

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

**Preliminary Announcement – Full Year Results**

	<b>Current Reporting Period</b> <b>31 March 2019</b> <b>(12 months)</b>	<b>Previous Reporting Period</b> <b>31 March 2018</b> <b>(12 months)</b>	<b>Change</b> <b>%</b>
	<b>\$</b>	<b>\$</b>	
Revenue for ordinary activities	86,734	128,597	(33%)
Loss from ordinary activities attributable to members of the listed issuer	1,203,327	1,002,157	20%
Tenement expenditure	2,396,308	1,794,386	34%
Prospecting Expenditure	8,050	10,575	(24%)
Total Net Expenditure	3,607,685	2,807,118	29%

No dividend attributed to this period.

Tenement expenditure for the reporting period was \$2,396,308 compared to \$1,794,386 in the previous reporting period. No exploration expenditure was written off during the current reporting period (last year Nil). The higher overall expenditure in the period represents the high level of activity undertaken at the Talisman mine to complete the development phase resulting in all services installed at the mine and upgrades allowing access to both the Mystery and Maria veins for extraction and ore transport.

At the end of the year the Company had a cash balance of \$1,243,656

**HIGHLIGHTS OF THE YEAR**

- During the year NTL completed all the necessary refurbishment and upgrades of over 1.5km of the No 8 Level tunnel network connecting the portal with the Dubbo and Mystery vein zones;
- Completed the installation and commissioning of the primary and secondary ventilation systems and all associated engineering and communications infrastructure required for the mine plan;
- Commenced blasting of the Mystery vein north drive and proved the extension of mineralisation which has greatly improved our confidence in pushing forward with planned developments on this vein. Testwork on the blast design and mining method for this vein system is complete;
- Reopened the BM37 crosscut to allow clear access to the uppermost areas of the highly mineralized ore body in the Dubbo zone for the first time since 1993;
- Blasted extracted and stockpiled some 500 tonnes of ore in preparation for commissioning of the gold processing plant;
- Imported and constructed a gravity-based pilot gold processing plant which uses no hazardous chemicals for gold extraction and applied for resource consent for this activity;
- Released an updated Pre-Feasibility study demonstrating robust project economics;
- Completed preparation for resource consent application to support full mining on completion of the bulk sampling programme.

## SUMMARY

During the year the company completed the final steps in cementing the transition to developer with upgrades to the entire level 8 area. The mine now has full access through to both the Mystery and Dubbo veins for extraction of ore and has over 500 tonnes stockpiled ready for processing.

The metallurgical route for processing of ore was developed during the year, the plant is in place and the application for resource consent has been lodged. It is important to note that the resource consent requirements for the pilot plant are much less complex than those for bulk sampling consent and are expected to be processed expediently. Ore for processing continues to be stockpiled while the consenting process is complete. Once the pilot plant has received consent and processed sufficient ore to confirm recovery rates and other data, the plant can be scaled up to match planned extraction volumes from the mine.

The company has recently advanced discussions for 3<sup>rd</sup> party processing of Talisman ore and has received an indicative proposal by a company that has expressed interest in operating, constructing and financing the processing plant for the Talisman mine.

The company has commenced discussions with a NZ based end buyer of concentrate. Should a formal agreement be reached the plant will be constructed to the end specifications of the customer.

The next phase will see the company will commence extraction and processing of ore with high grade batches being selected for processing through the pilot plant while other ROM ore will be stockpiled for processing once upgrades to increase volumes are completed. This will allow for gold and concentrate to be produced in small batches from high grade ore delivering the first revenues from production.

From a financial perspective the last year has seen an increased investment in the mine development as the rehabilitation phase was completed

The company ended the financial year in a position that, with the ongoing support of its shareholders will complete the final stage toward gold production over the coming months cementing New Talisman as the newest underground producer in NZ.

**Consolidated Statement of Comprehensive Income**

	<b>Reporting Period 31 March 2019</b>	<b>Previous Reporting Period 31 March 2018</b>
	<b>\$</b>	<b>\$</b>
Revenue	86,734	128,597
Total revenue	86,734	128,597
Audit fees	34,058	33,846
Capital Loss on Disposal of Investments	-	-
Depreciation	46,906	23,084
Director fees	140,000	170,000
Foreign exchange loss/(gain)	11,426	10,274
Fair Value of Investments Movement	44,685	(38,461)
Rent and leasing	25,508	24,248
Operating expenses	987,478	907,763
Total operating expenses	1,290,061	1,130,754
Loss from operations	1,203,327	1,002,157
Exploration Costs written off	-	-
Other Comprehensive Income	1,783	8,137
Net deficit attributable to members	1,201,544	(994,020)
<b>Earnings per share</b>		
Basic earnings/(loss) per share	(0.06) cents	(0.05) cents
Diluted earnings/(loss) per share	(0.06) cents	(0.05) cents

**Consolidated Statement of Financial Position**

	<b>Reporting Period 31 March 2019</b>	<b>Reporting Period 31 March 2018</b>
	<b>\$</b>	<b>\$</b>
Cash	1,243,656	4,828,750
Receivables and prepayments	172,066	116,922
Advances to related parties	-	-
Current assets	1,415,722	4,945,672
Property, plant & equipment	259,960	89,677
Assets Under Construction	12,034,575	9,638,268
Intangible assets (prospecting expenditure)	2,760,950	2,752,900
Investments	11,313	55,998
Non-current assets	15,066,798	12,536,843
Total assets	16,482,520	17,482,515
Payables	384,046	192,966
Other	18,000	20,618
Employee entitlements	19,997	21,330
Total Current liabilities	422,043	234,914
Total Non-Current liabilities	32,215	17,795
Total liabilities	454,258	252,709

Capital	34,590,849	34,590,849
Reserves	-	-
Retained profit/(loss)	(18,562,587)	(17,361,043)
Total equity	16,028,262	17,229,806
Total Equity and Liabilities	16,482,520	17,482,515
<b>Net tangible assets per security</b>		
Net tangible assets	13,267,312	14,473,595
Net tangible assets per security	0.61 cent	0.67 cent

#### **Consolidated Statement of Cash Flows**

	<b>Reporting Period 31 March 2019 \$</b>	<b>Reporting Period 31 March 2018 \$</b>
Cash flows relating to operating activities		
Cash inflows	62,081	128,597
Cash outflows	(1,140,861)	(1,085,291)
Net operating cash flows	(1,078,780)	(956,694)
Cash flows relating to investing activities		
Cash inflows	-	-
Cash outflows	(2,484,892)	(1,884,590)
Net investing cash flows	(2,484,892)	(1,884,590)
Cash flows relating to financial activities		
Cash inflows	-	1,925,910
Cash outflows	-	-
Net financing cash flows	-	1,925,910
Net increase/(decrease) in cash held	(3,563,672)	(915,374)
Cash at beginning of period	4,828,750	5,754,398
Exchange rate gain/(loss)	(11,422)	(10,274)
Cash at end of period	1,243,656	4,828,750

#### **Consolidated Statement of Changes in Equity**

	<b>Reporting Period 31 March 2019 \$</b>	<b>Reporting Period 31 March 2018 \$</b>
Equity at start of period	17,229,806	13,559,993
Net profit / (loss)	(1,203,327)	1,739,243
Shares issued	-	1,925,910
Prior Period Adjustment	1,783	4,660
Equity at end of period	16,028,262	17,229,806

These annual financial statements are subject to completion of the audit.

No dividends or distributions were paid or are planned.

All statements are prepared in accordance with New Zealand equivalents to International Financial Reporting Standards.

There are no accounting policies which the directors believe are critical to the portrayal of New Talisman's financial condition and results which require the directors to make judgements and estimates about matters that are inherently uncertain.

All accounting policies have been applied on bases consistent with those used in previous years.

#### **About New Talisman Gold Mines Ltd**

New Talisman Gold is a dual listed (NZX & ASX: NTL) leading New Zealand minerals development company with approximately 2,800 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 District of New Zealand.

New Talisman Gold Mines Limited purchased an Australian subsidiary company which held the exploration permit for the Rahu tenement. New Talisman Gold Mines Limited now has control and direction over the mining activities relating to the Rahu tenement.

More about New Talisman Gold at [www.newtalisman.co.nz](http://www.newtalisman.co.nz)