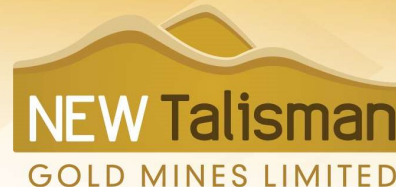


Market Announcement

ASX:NTL, NZX:NTL

For Immediate Release



Quarterly Activities Report to 30 September 2017

Commodity Exposure

GOLD and SILVER

Board and Management

Charbel Nader

Chairman/Independent Director

Matthew G Hill

Chief Executive/Managing Director

Murray McKee

Independent Director

Murray Stevens

Non executive Director

Tony Haworth

Independent Director

Jane Bell

Company Secretary

Ash Clark

CFO

Wayne Chowles

COO

Capital Structure

Ordinary Shares on issue -

2,163,498,520

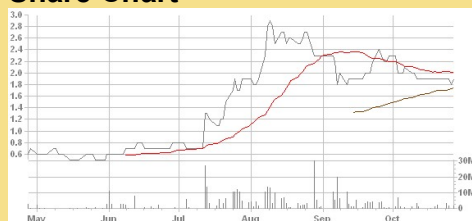
Listed Options – 118,530,578

A 2 cent – expiring Nov 2017

Listed Options – 17,036,384

NZ 5.5 cent – expiring Sept 2022

Share Chart



HIGHLIGHTS

- High Grade Bonanza resource module completed
- NTL acquires Newcrest NZ
- Substantial progress underground
- SPP Successfully completed raising approx. 2M NZD

New Talisman Gold Mines Limited is pleased to present the quarterly report on activities for the period ended 30 September 2017.

During the Period under review the company has progressed substantially on a number of corporate fronts including the acquisition of Newcrest New Zealand Pty Ltd which holds the Rahu permit providing New Talisman 100% ownership of the Rahu Project.

More recently the company made a site visit to Fiji looking at a number of opportunities. A review of options for toll treatment was also reviewed given the close proximity to Fiji and available transportation for high grade ore or concentrate export.

During the period the company continued to look at other gold projects in New Zealand, Fiji, Vanuatu, and the USA

New Talisman is building its Gold resources and establishing a world class high grade project and has commenced updating its Prefeasibility Study(PFS) to meet the significant uplift in these resources. The company is continuing along its path and upon completion of prospecting and commencement of bulk sampling will be well positioned as the newest underground gold mine in NZ to commence underground operations for many years. With the acquisition of Rahu Talisman is well poised for the longer term with significant potential for further resource upgrades as drilling and bulk sampling provide further data for the Feasibility study.

Gold Price in NZD



Gold Price Performance NZD		
Change	Amount	%
Today	1.56	0.08%
30 Days	71.79	4.04%
6 Months	7.33	0.40%
1 Year	64.57	3.61%
5 Years	-236.06	-11.31%
16 Years	1178.62	175.35%
goldprice.org - 17:15 NY Time		

Gold is up over \$70 NZD over the past 30 days, trading consistently above NZ \$1,800 per ounce. New Talisman is one of the very few equity investments which allows investors to take advantage of NZD gold price.

Capital

During the period under review the company completed a successful SPP raising just under 2M NZD at a premium to the prevailing share price traded during the issue period. This demonstrates the significant support for the project by current shareholders who have been rewarded with an attaching 1 for 5 option with a generous 5 year term which has recently traded at 0.7 providing investors long term incentives.

The current 2017 listed options which expire in November have begun to be exercised and further applications to convert have been recently received. Funds from the exercise of these options coupled with the recent \$2M raised will be applied to exploration at Rahu and the test work being undertaken with regard to concentration plant for Talisman.

With approximately 6M NZD in cash the company is in a healthy position with the bulk sampling project having a phase 1 budget including prospecting activities of \$2.2M previously approved.

Share performance

In just the last six months, New Talisman shares have risen from 0.5 cents per share to a high of 3.1 cents per share and currently are consistently trading on the NZX at 1.9 to 2 cents following the SPP. The market capitalisation has increased to 40M NZD which is up over 280% during the last 6 months.

The significant uplift has coincided been the substantial gold resource upgrade which recently doubled and with high grades placing Talisman as one of the highest grade underground mines in NZ, as well as the extensive activity at site being undertaken which has established the platform for the reopening of this highly productive mine once prospecting phase is complete.

TALISMAN GOLD PROJECT (100%) – Hauraki District, NZ

During the quarter the company continued to make progress on upgrading all resources to 2012 JORC. The completion of these upgrades to include mystery and other areas is expected to be completed in the coming quarter.

As announced NTL is investigating the possibility of installing a modular gravity separation/flotation plant. This would mean that the company is able to despatch a saleable product directly from the mine site and greatly increase the gold content of ore dispatched.

The preliminary design of the concentrator is well underway and NTL have removed 300kg of ore from the face of the Mystery vein which will be sent to the designer to conduct crush and grind testing along with more detailed flow sheet analysis to estimate recovery percentages and other key data.

With mine refurbishments for prospecting having upgraded the mine through to the underground bridge which is approximately 550M inside the level 8 portal, the team now has commenced making clear access to the Mystery vein for small scale sampling and extraction of small quantities of gold bearing ore during the prospecting phase.

Further work is being undertaken which will allow higher volumes catered for in the previously announced project plan.

Consistent quantities of gold bearing ore extracted during prospecting phase and subsequent bulk sampling are the focus discussions which have been initiated with NZPAM as part of the permit conditions which require that an extraction rate is agreed.

Prospecting and Bulk Sampling

The prospecting phase is progressing well with numerous geological samples having been extracted from various parts of the permit area at surface and along the areas of refurbishments underground with high grade results from a series of grab samples.

Reconnaissance work is being undertaken looking at areas accessible within the deeps to sample as part of the prospecting phase.

Recent developments have made Mystery accessible for a 300kg sample taken as outlined above for concentrator design and further refurbishments are required before commencing a fuller prospecting and geological sampling program at Mystery.

The mine team intend to commence small scale extraction under the current prospecting certificate by end November on low volumes increasing toward the fuller bulk sampling plan later in the year once a number of refurbishments are complete and ventilation system installed.

With the high grades outlined in the recent resource upgrades the use of a concentrator may provide readily saleable concentrate material without the need for further processing.

The company has received an initial approach by a NZ group keen on acquiring high grade concentrate and will explore this further upon completion of the testwork being undertaken.

Talisman Deeps Project

The Talisman Deeps project was completed during the quarter with the final Bonanza module making up the first phase of upgrades at Deeps comprising of 3 modules. The overall resulted in a significant upgrade to the overall Jorc compliant resources and providing an extensive global mineral target.

A gap analysis is currently underway to ascertain potential for further resources and will scope the requirements and costs to determine the ability to convert inferred resource components to indicated resources.

With the recent increase of resources and grades inclusive of the Talisman deeps project NTL has initiated the revised PFS for which data from both prospecting currently being undertaken and Bulk sampling provide opportunities for extension of both mine life and increased extraction potential compared to the original PFS completed in 2013.

Rahu

The wholly owned subsidiary now renamed Rahu Resources Pty Ltd holds access agreements and substantial data provided as part of the acquisition from Newcrest which will allow NTL to fast track exploration development.

To date 31 drill holes, totalling 4585 metres, have been completed into this structure and have intersected highly anomalous Au and Ag values with some high-grade gold and silver intercepts.

Resource estimation carried out based on these results has determined a **JORC 2012 compliant resource of 41,590 oz. gold and 258,400 oz. silver** in the indicated and inferred categories.

As previously announced Exploration Targets have been estimated at **14 million tonnes ranging between 0.5g/t and 2.0g/t Au for between 225,000 oz. and 902,000 oz. gold**. This target constitutes a global Exploration Target as defined in the 2012 JORC Code. The potential quantity and grade is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

A Drill rig has been identified which has the ability to complete deep drill holes to a depth of over 1000 metres is currently being independently inspected and a cost benefit analysis carried out with an aim to develop an inhouse drilling capability which could be used at both Rahu and other highly prospective target areas at the Talisman permit such as Takani Hill and Dominion Knoll.

Tenements

The interest in Mining Tenements Held by New Talisman Gold Mines (and its subsidiaries) at the end of the quarter and related percentage of ownership.

Permit Number	Type	Permit Name	Interest
MP51326	Mining	Talisman	100%
EP60144	Exploration	Rahu	100% through wholly owned subsidiary Rahu Resources Pty Ltd

Matthew Hill
Chief Executive Officer
New Talisman Gold Mines Limited
+64 217 95559

FOR MEDIA ENQUIRIES PLEASE CONTACT MATTHEW HILL ON +64 217 9 5559

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 17 gt AU/eq and a JORC compliant reserve statement. The company owns 100% exploration permit Rahu which holds a 2012 JORC resource and a significant global exploration target. The project lies contiguously along strike from the Talisman mine of which 80% was recently acquired from Newcrest Mining. The company will shortly commence exploration activities at Rahu.

Competent Persons Statement

The information in this report that relates to exploration results, exploration targets and mineral resources is based on information compiled by or supervised by Mr Murray Stevens and Mr Wayne Chowles. Mr Stevens is a consulting geologist and director of New Talisman Gold Mines Ltd, who is a corporate member of the AusIMM. Mr Stevens has sufficient experience which 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 Chowles is a Mining Engineer and member of the AusIMM. Mr Chowles is a full-time employee of New Talisman Gold Mines Limited, he has sufficient experience which 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".

Both Mr Chowles and Mr Stevens consent to the inclusion in this report of the matters based on his information in the form and context in which it appears.