

New Talisman Gold Mines Limited

Offer Document

Offer of ordinary shares and attaching options

28 August 2017

**This is an important document
If you have any doubts on what you should do, please consult your financial adviser**

IMPORTANT INFORMATION

General Information

This document has been prepared by New Talisman Gold Mines Limited in connection with an offer of new ordinary shares, with one Option to subscribe for an ordinary Share (ranking equally with other ordinary Shares) for every five ordinary Shares issued under the Offer. No amount is payable for the issue of Options. The offer is made to Eligible Shareholders under the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) and ASIC Class Order CO 09/425 (Australia). This document is not a product disclosure statement or prospectus and does not contain all of the information which may be required in order to make an informed investment decision or about the Offer or New Talisman.

Additional information available under continuous disclosure obligations

New Talisman is subject to continuous disclosure obligations under the NZX Main Board Listing Rules and the ASX Listing Rules. Market releases by New Talisman, including its most recent financial statements, are available at www.nzx.com and www.asx.com.au under stock code **NTL**.

Offering restrictions

No action has been taken to permit a public offering of the Shares or Options in any jurisdiction outside New Zealand and Australia. The distribution of this document in a jurisdiction outside New Zealand and Australia may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions.

No person may subscribe for, purchase, offer, sell, distribute or deliver the Shares or Options, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the Shares or Options, in any jurisdiction other than in compliance with all applicable laws and regulations. Without limiting the foregoing, this document may not be sent into or distributed in the United States.

No Guarantee

No person named in this document (nor any other person) guarantees the Shares or Options to be issued pursuant to the Offer or warrants the future performance New Talisman or any return on any investment made pursuant to this document.

Forward Looking Statements

This document contains certain statements that relate to the future. Such forward looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other factors, many of which are beyond the control of New Talisman and which may cause the actual results, performance or achievements of New Talisman to differ materially from those expressed or implied by such statements. Under no circumstances should you regard the inclusion of forward looking statements as a representation or warranty by New Talisman or its directors or officers or any other person with respect to the achievement of the results set out in any such statement, or that underlying assumptions used will in fact be realised.

Decision to participate in the Offer

The information in this document does not constitute a recommendation to acquire Shares or Options or financial product advice. This document has been prepared without taking into account the investment objectives, financial, or taxation situation or particular needs of any Applicant or investor.

Dividend Policy

New Talisman has a policy of not paying dividends and the Directors are unable to predict when any dividend may be paid in the future. This will depend on a number of factors including the future success, profitability and financial position of New Talisman.

Enquiries

Enquiries about the Offer can be directed to an NZX Primary Market Participant, or your solicitor, accountant or other professional adviser. If you have any questions about the number of Shares shown on the Entitlement and Acceptance Form that accompanies this document, or how to complete the Entitlement and Acceptance Form, please contact the Registry.

Times

All references in this document to time is to New Zealand time.

CONTENTS

Chairman's letter	Page 4
Questions and Answers	Page 6
Terms and Conditions	Page 10
Glossary	Page 16
Directory	Page 18

Defined words and expressions used in this booklet are capitalised - see the Glossary for their definition.

KEY DATES*

25 th August 2017	Record Date	Date on which New Talisman determined the Eligible Shareholders
29 th August 2017	Opening Date	Offer opens
22 nd September 2017	Closing Date	Offer closes. Applications must be received by 5 pm NZ time
29 th September 2017	Allotment Date	Shares and Options allotted. Trading expected to commence on NZX Main Board and ASX on next Trading Day
By 6 th October 2017	Despatch Date	New Share and Option Statements sent to Shareholders

* New Talisman Gold Mines Limited reserves the right to alter the key dates.



28 August 2017

Dear Shareholder

Share Purchase Plan for Existing Shareholders

Thank you for your support, we hope that our significant progress over the last 12 months has provided you with some indication of the trajectory of your Company and the clarity of purpose with which it operates.

Over this period your Company's significantly increased share price on both the NZX and ASX, is we believe at least a partial recognition of the value the Company's key assets and prospects.

In terms of the Company's development asset, the high grade New Talisman Mine at Karangahake the Company cannot take credit for finding it, nor for the kilometers of tunnels developed. The discovery dates back to 1852 and The Talisman Gold Mining Company was registered in November 1894 and marked the beginning of large scale mining operations in Karangahake. As the mine grew the company assimilated several other claims and by 1905, the Talisman had expanded from the original 30 acres to 506 acres by taking over the Bonanza claim (1896), the Talisman Extended, Royal Mail, Victor-Waihou, and finally, Woodstock in 1904. The tunneling is a testament to the hard work and determination of the intrepid miners who risked life, and limb between 1906 and 1914 when extensive mining was carried out between No. 8 and No. 13 levels. Production climbed steadily from 4,194 tons in 1898 to 13,396 tons in 1902 then jumped to 47,267 tons in 1903. The peak was reached in 1914 with 52,210 tons of ore mined to extract 3,510,691 oz. of bullion from the mine that underwrote the development of the region, lifted many from poverty and created an asset of considerable value for future generations.

What your Company can take credit for is being a persistent and determined custodian of the New Talisman Mine and its other assets. Undertaking with limited resources the at times frustratingly slow and painstaking work required to provide the greater understanding of the resource required to advance the realization of its plans for the New Talisman Mine and indirectly advance its Rahu asset in conjunction with its joint venture partner.

As many of you will be aware from our quarterly reports and regular market updates your Company, has over the last twelve months, with sufficient funding and the right expertise, been able to significantly quicken the pace of its activities and make great strides particularly in relation to the New Talisman Mine. So much so that we have before us a wider range of opportunity and optionality particularly around the "New Talisman Deeps" resource identified.

Your Company is conducting this Share Purchase Plan for Existing Shareholders to broadly speaking expand the pace, breadth and scale of its activities. The Company can continue and is funded to continue on with its 'base plan' however the opportunity exists to move faster and aim higher.

The funds raised from the SPP will be used (depending on the amount raised):

- To accelerate developments into the high-grade resources; and increase production levels to the maximum allowable under the resource consent being 20,000 cubic metres per annum

- To investigate and develop multiple sampling operations on the Talisman permit area
- To investigate and seek to install a pilot plant for underground concentration of ore which will reduce tonnage by 80% while increasing grade by a factor of approximately 4 times in concentrate form
- To gain access into level 9 and 10 and commence further extraction operations at deep levels of the mine recently announced
- To accelerate completion of a bankable feasibility study
- To finalise toll treatment either in NZ or export of concentrate offshore
- Expand exploration programs aimed at building a +1m ounce minerals inventory
- To explore and implement initiatives to expedite activity, and potentially a greater interest in Rahu and other targeted areas such as Taukani Hill (where previous bonanza samples at surface were taken) and Dominion knoll which is highly prospective.
- To fund alternatives that may allow full mining at Talisman including alternate access to the orebody.

Offer to Shareholders. I am pleased to inform you that the Directors have agreed to offer shares up to the value of NZ\$15,000 (or A\$13,875) each to all shareholders in Australia and New Zealand, under the terms of a Share Purchase Plan (SPP). This will ensure every Australian and New Zealand shareholder has the opportunity to participate at an exciting stage in the company's transition from explorer to producer and to benefit from the anticipated uplift in value as the market rerates the stock.

Shareholders who choose not to participate will have their percentage shareholding diluted.

The issue price of the SPP has been set at NZ 2.2 cents per share or AUD 2.035 cents per share.

In addition, one Option exercisable for NZD 5.5 cents by 30 September 2022 will be issued for every five Shares applied for. No amount is payable for the issue of Options.

Payment may be made in Australian or New Zealand dollars in parcels of NZ\$1,000 (up to a maximum of NZ\$15,000) or A\$925 (up to a maximum of A\$13,875).

Please note that application to participate in the SPP can only be made on the **individualised application form** enclosed with this letter. Only shareholders on the register at the record date with an address in New Zealand or Australia can participate in this offer.

Please read the enclosed documentation carefully and return the completed application form and cheque, as soon as possible.

We commend the offer to you and thank you for your support.

Charbel Nader
Chairman



QUESTIONS AND ANSWERS

What is the Offer?

The Offer allows Eligible Shareholders to subscribe for additional Shares in New Talisman Gold Mines Limited ("**New Talisman**") without incurring brokerage or other transaction costs. All Shares issued under the Offer will be of the same class and rank equally with all existing fully paid ordinary Shares, which are listed on the NZX Main Board and the ASX, and, on issue, will carry the same voting rights and other entitlements. **One Option exercisable for NZD 5.5 cents by 30 September 2022 will be issued for every five Shares applied for. No amount is payable for the issue of Options.**

Why is New Talisman issuing more Shares?

The company intends to apply the funds:

- To accelerate developments into the high grade Dubbo zone which recently was upgraded 312,800oz gold equivalent at 21.98g/t; and increase production levels to the maximum allowable under the resource consent being 20,000 cubic metres per annum
- To investigate and develop multiple sampling operations on the Talisman permit area
- To install a pilot plant for underground concentration of ore which will reduce tonnage by 80% while increasing grade by a factor of approximately 4 times in concentrate form
- To gain access into level 9 and 10 and commence further extraction operations at deep levels of the mine recently announced
- To accelerate completion of a bankable feasibility study
- To finalise toll treatment either in NZ or export of concentrate offshore
- Expand exploration programs aimed at building a +1m ounce minerals inventory
- To explore and implement initiatives to expedite activity, and potentially a greater interest in Rahu and other targeted areas such as Taukani Hill (where previous bonanza samples at surface were taken) and Dominion knoll which is highly prospective for gold.
- To fund alternatives that may allow full mining at Talisman including alternate access to the orebody.

The above is in addition to those items already funded to complete the bulk sampling project plan to drive and accelerate the company into full mining and higher production levels and ultimately earnings.

These activities currently fully funded include:-

- Completion of 24 months of bulk sampling which produces positive cashflows
- Extracting from the mystery and higher levels of Dubbo vein
- Completion of a prefeasibility study on the mine
- Upgrading all resources to JORC 2012 by 2018
- Installation of underground mining robots which are used specifically for narrow vein applications
- Purchase of all equipment necessary for bulk sampling
- Vermin eradication and disease prevention policies in conjunction with the regulatory bodies and the local community.

Do I have to participate in the Offer?

No - participation is entirely voluntary. Before you apply for Shares under the Offer, we recommend that you seek independent financial advice from your financial adviser.

Can I participate in the Offer?

You are eligible to participate in the Offer if (such persons being "**Eligible Shareholders**"):

- You were registered as a holder of Shares at 7.00 pm (NZ time) on 25 August 2017 (the "**Record Date**");

- Your registered address on the Share register is in Australia or New Zealand, provided that you do not hold Shares on behalf of another person who resides outside New Zealand or Australia. For the avoidance of doubt, no U.S. Person (as defined in Regulation S under the US Securities Act of 1993) can participate in the Offer.

New Talisman has decided that the Offer is not available to Shareholders who are not resident in New Zealand or Australia so as to avoid the risk of breaching laws in the relevant jurisdictions. New Talisman, in making this decision, has taken into account the small number of overseas Shareholders not resident in New Zealand or Australia.

If you are a Custodian, or you hold shares through a Custodian, please read paragraphs 3.4 and 3.5 of the Offer Terms and Conditions.

How much can I invest under the Offer?

The amount you may invest under the Offer is limited. Eligible Shareholders may elect to apply for a Parcel of Shares with a value of NZ\$1000 or A\$925 or any multiple of NZ\$1,000 (A\$925) up to a maximum of NZ\$15,000 (A\$13,875).

If you receive more than one copy of this booklet, or if you hold Shares in more than one capacity (e.g., because you are both a sole and joint holder of Shares), the total value of the Parcels that you may apply for in all capacities is NZ\$15,000. By applying to purchase Shares under the Offer, you give the certification set out in the terms and conditions of the Offer and the Application Form. Custodians that hold Shares on behalf of one or more beneficial owners may apply for Shares to the value of up to NZ\$15,000 on behalf of beneficial owners who are New Zealand or Australian residents), provided that they comply with certain certification requirements and other conditions set out in the terms and conditions of the Offer.

For this purpose, in summary, a Custodian is a trustee company, nominee, or bare trustee that is permitted to act as custodian under applicable laws. In particular, Custodians in Australia may need to satisfy the financial services licensing requirements described in the glossary under the definition of "Custodian".

The offer set out under the Offer is made to the Custodian as the registered holder (not the beneficiary directly). This means it is at the discretion of the Custodian whether to extend the offer to their beneficiaries.

Joint holders are treated as a single Shareholder under the Offer and together can only make one application up to a maximum of NZ\$15,000. If you own Shares through a trustee or Custodian and also own Shares in your own name, then you may either purchase Shares yourself or instruct your trustee or Custodian to purchase Shares on your behalf, up to a maximum of NZ\$15,000; you may not do both.

The Offer is non-renounceable, so you cannot transfer your right to purchase Shares under the Offer to anyone else.

Why are investments limited to the maximum subscription amount of NZ\$15,000 or A\$13,875?

The Offer must comply with securities laws and regulatory requirements applicable in Australia and New Zealand and the conditions imposed by NZX, ASX and the ASIC.

Under these requirements, the maximum amount that Eligible Subscribers may elect to invest is the lesser of NZ\$15,000 and A\$13,875. In order not to exceed the lesser of these two amounts, New Talisman has set the maximum Australian dollar application amount at A\$13,875 to allow for NZ\$:A\$ exchange rate movements. However, if the NZ\$:A\$ exchange rate varies such that the dollar amount you applied for exceeds either of the NZ\$15,000 or A\$13,875 regulatory limits, shares having a total issue price equal to the relevant regulatory limit will be issued to you and you will be refunded the excess cash amount. No interest will be paid on application money refunded to you.

What is the Issue Price of the Shares under the Offer?

Shareholders will be able to pay in either New Zealand or Australian dollars.

The Issue Price is **NZ 2.2 cents** or **AUD 2.035 cents**. The number of Shares to be issued will be the subscription amount divided by the Issue Price in the currency applicable subject to any rounding as described in the Terms and Conditions. For example NZ\$1,000 will purchase 45,454 shares. **One Option exercisable for NZD 5.5 cents by 30 September 2022 will be issued for every five Shares applied for. No amount is payable for the issue of Options.**

What are the risks of investing in the Offer?

The market price of Shares may rise or fall between the date of this offer and the date when Shares issued under the Offer are allotted to you. As a result, the Issue Price you pay for Shares issued to you under the Offer may exceed the price of Shares trading on the NZX Main Board and the ASX. In other words, the value of the Shares issued to you under the Offer may be, at the time of issue, lower than the Issue Price.

There can be no certainty that New Talisman Shares will trade at or above the Issue Price following the issue of the Shares under the Offer. Accordingly, you should seek your own financial advice in relation to this offer and your participation in the Offer.

How do I apply for Shares under the Offer?

If you wish to participate in the Offer, follow the step-by-step instructions set out on the reverse of the enclosed personalised Application Form.

You must send your completed Application Form with your cheque or money order made payable to "New Talisman Gold Mines Limited" to New Talisman's share registry, Computershare Investor Services Limited, as per the instructions on the Application Form, to be received no later than 5.00 pm (NZ time) on 22 September 2017 (unless extended).

You will not be able to withdraw or revoke your application once you have sent it in.

Share Registry

Computershare Investor Services Limited

159 Hurstmere Road, Takapuna,
Private Bag 92119
Auckland 1142, New Zealand

Computershare Investor Services Pty Limited

GPO Box 3329
Melbourne
Victoria 8060, Australia

You may also lodge the Application Form and your cheque with any Primary Market Participant or any other channel approved by NZX, but you should allow sufficient time to enable forwarding to Computershare prior to 5:00 pm NZ time on the Closing Date.

If you do not wish to participate in the Offer you do not have to take any action.

How long is the Offer open?

The Offer opens on 29 August 2017 and is expected to close at 5.00 pm (NZ time) on 22 September 2017, unless extended.

Please allow adequate time for mail deliveries. Applications received after this time may not be accepted.

When will I receive my Shares?

You will receive Shares issued to you under the Offer on the Allotment Date, which is currently expected to be by 29 September 2017.

A statement confirming the number of Shares issued to you under the Offer will be sent by 6 October 2017.

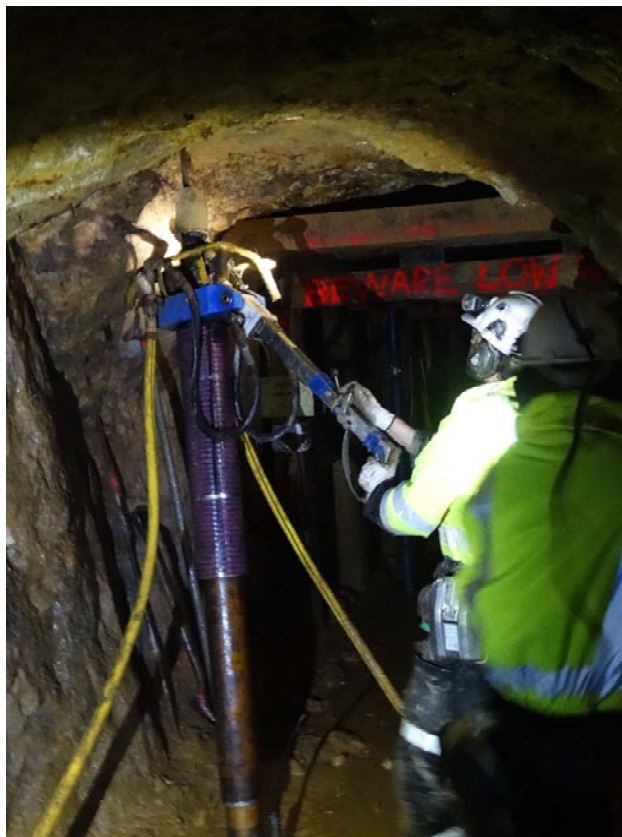
When will the Shares be quoted?

Shares issued under the Offer will be quoted on the NZX Main Board, and application will be made for Shares to be quoted on the ASX, and are expected to commence trading on the Trading Day after the Allotment Date (which will be 29 September 2017 based on the current timetable). Application will be made for the Options to be quoted on NZX and on the ASX. The NZX Main Board is a licensed market operated by NZX Limited, which is a licensed market operator regulated under the Financial Markets Conduct Act 2013. NZX and ASX accept no responsibility for any statement in this booklet, the Offer Terms and Conditions or in the Application Form.

Further assistance

If you have any questions, please contact your financial adviser before making an investment.

If you need to contact New Talisman you can do so by contacting the Company Secretary on +64 217 95559 or info@newtalisman.co.nz



TERMS AND CONDITIONS

IMPORTANT NOTICE:

If you apply to participate in the Offer by completing and returning the Application Form, you are accepting the risk that the market price of Shares may change between the Record Date, the date at which you send in an Application Form and the Allotment Date. This means that it is possible that up to or after the Allotment Date, you may be able to acquire Shares at a lower price than the Issue Price.

The information contained in these terms and conditions, the Offer and the Application Form does not constitute financial advice and does not take into consideration the investment objectives or other particular needs of individuals. We encourage you to seek your own financial advice regarding your participation in the Offer.

Defined words and expressions used in this booklet are capitalised – see the Glossary for their definition.

These Terms and Conditions set out the terms and conditions of the offer made pursuant to the Offer. Please read these Terms and Conditions carefully.

1 Offer timetable

- 1.1 This offer is dated, and taken to be made on, 28 August 2017.
- 1.2 The offer opens on the Opening Date, 29 August 2017.
- 1.3 The offer closes at 5.00 pm (NZ time) on the Closing Date, being 22 September 2017, unless extended. Applications Forms and cheques or money orders may not be processed or considered valid if they have not been received by New Talisman at this time.
- 1.4 The Issue Price is NZ 2.2 cents or AUD 2.035 cents.
- 1.5 The Shares and Options are proposed to be allotted on the Allotment Date, being 29 September 2017. In the event that the Offer is extended, New Talisman reserves the right to allot applications for shares on or about the time of the extension, and weekly thereafter as any further applications are received.
- 1.6 New Talisman expects the Shares and Options will commence trading on the NZX Main Board and the ASX on the Trading Day after the Allotment Date.
- 1.7 New Talisman expects that a transaction confirmation will be dispatched to you on the Despatch Date, being by 6 October 2017.
- 1.8 New Talisman has a discretion to change, at any time, any of the Closing Date, the Allotment Date and the Dispatch Date (notwithstanding that the offer has opened or Application Forms have been received) by lodging a revised timetable with NZX and ASX.
- 1.9 Any Shares and Options that are not issued under the Offer may be issued by New Talisman to such persons and in such manner as the Board considers equitable and in the interests of New Talisman within three months of the Closing Date, provided that the price and terms and conditions of the issue are not materially more favourable to the offerees than those offered under the Offer.

2 Eligible Shareholders

- 2.1 You may participate in the Offer if you are an Eligible Shareholder.
- 2.2 Joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and the certification on the Application Form is taken to have been given by all of them.

- 2.3 If you are an Eligible Shareholder, your rights under this offer are personal to you and non-renounceable, so you may not transfer them.

3 Applications for Parcels of Shares

Limitations on applications

- 3.1 Subject to clause 3.4, if you are an Eligible Shareholder you may apply for Shares to the value of the Parcel that you specify on your Application Form, up to the Maximum Subscription Amount (\$NZ15,000 or A\$13,875). Eligible Shareholders who receive more than one offer under the Offer (for example, because they hold Shares in more than one capacity) may apply on different Application Forms for more than one Parcel, but may not, subject to clause 3.4, apply for Shares with an aggregate value of more than the Maximum Subscription Amount.
- 3.2 The total issue price of all Shares issued by New Talisman to an Eligible Shareholder under the Offer or any similar arrangement in the 12 months prior to and including the date of an application for Shares under the Offer (as if Shares up to the value of the Parcel applied for in this Offer were issued and whether the Shares are issued through any Custodian or to the Eligible Shareholder in his or her own right) must not exceed the Maximum Subscription Amount. This limit applies only to Shares issued by New Talisman under this Offer (since there has been no other similar arrangement in the last 12 months) and does not include any Shares the Eligible Shareholder may have acquired on the ASX or the NZX Main Board or through a rights offer.
- 3.3 Eligible Shareholders must give the certification set out in the Application Form, that the total of the application price does not exceed A\$13,875 calculated by aggregating:
- (a) the total Shares applied for under the Offer; and
 - (b) any other Shares issued under the Offer or any similar arrangement in the last 12 months; and
 - (c) any other Shares which the Eligible Shareholder has instructed a Custodian to acquire on their behalf under the Offer; and
 - (d) any other Shares issued to a Custodian in the 12 months before the date of this application as a result of an instruction given to the Custodian to apply for Shares on their behalf under an arrangement similar to the Offer.

Custodians

- 3.4 Custodians may apply for Shares for greater than the Maximum Subscription Amount but only up to the total value of Shares applied for by each beneficial owner (who must be either New Zealand resident or Australian resident) for which the Custodian acts as a custodian. Custodians must confirm to New Talisman that they are holding shares as a custodian for that beneficial holder by providing the written certification to New Talisman as described in clause 3.5 below and set out in the Application Form. Each such beneficial owner may only direct the Custodian to apply on behalf of that beneficial owner for Parcels up to the value of Maximum Subscription Amount (subject to clause 3.5).
- 3.5 The total issue price of all Shares issued directly or indirectly by New Talisman to a beneficial owner under the Offer or any similar arrangement in the 12 months prior to and including the date of an application for Shares under the Offer (as if the Shares up to the value of the Parcel applied for through the Custodian pursuant to the Offer were issued and whether the Shares are issued through any Custodian or to the beneficial owner in his or her own right) must not exceed the Maximum Subscription Amount. This limit applies only to Shares issued by New Talisman under this Offer (since there has been no other similar arrangement in the last 12 months) and does not include any Shares the beneficial owner may have acquired on the NZX Main Board or through a rights offer. If a Custodian applies for Shares pursuant to clause 3.4, the Custodian must certify the following to New Talisman as set out in the Application Form:
- (a) that the Custodian holds Shares directly or indirectly as a custodian for beneficial owners;
 - (b) the number of those beneficial owners;

- (c) the name and address of each of those beneficial owners;
- (d) in respect of each of those beneficial owners, the number of Shares that the Custodian holds on their behalf;
- (e) that each beneficial owner has a registered address in New Zealand or Australia;
- (f) in respect of each of the beneficial owners, how many Shares the beneficial owner or the beneficial owner's agent has instructed the Custodian to apply for on behalf of that beneficial owner;
- (g) that the Custodian undertakes not to accept on behalf of any of those beneficial owners on whose behalf it holds Shares, in any 12 month period, Shares under the Offer or any similar arrangement the total issue price of which is more than the lesser of NZ\$15,000 or A\$13,875;
- (h) that the beneficial owner on whose behalf the Custodian is submitting an application is not making an application as an Eligible Shareholder for Shares under the Offer, and no other Custodian is submitting an application under the Offer for that beneficial owner; and
- (i) that there are no participating beneficiaries in respect of which the total of the application price for the following exceeds the lesser of NZ\$15,000 or A\$13,875:
 - (i) the Shares applied for by the Custodian on their behalf under the Offer;
 - (ii) any other Shares in the class issued to the Custodian in the 12 months before the application as a result of an instruction given by them to the Custodian to apply for Shares on their behalf under an arrangement similar to the Offer.

Rounding

- 3.6 The Parcels (including those to be issued to Custodians) are subject to rounding (see Part 5 below).

Completing the Application Form and paying for Shares

- 3.7 If you wish to participate in the Offer, you must complete the Application Form and provide a cheque or money order in accordance with the instructions on the Application Form. Cheques must be drawn on either an Australian or a New Zealand bank account. If the NZ\$:A\$ exchange rate varies such that the dollar amount of Shares you have applied for exceeds the regulatory limit (being the lesser of NZ\$15,000 and A\$13,875), Shares having a total issue price equal to the relevant regulatory limit will be issued to you and you will be refunded the excess cash amount.

New Talisman's discretions regarding applications

- 3.8 New Talisman has complete discretion to accept or reject your application for Shares under the Offer, including (without limitation) if:
- (a) your Application Form is incorrectly completed or incomplete or otherwise determined by New Talisman to be invalid; or
 - (b) your cheque is dishonoured or has not been completed correctly; or
 - (c) the cheque or money order that you enclose with your Application Form is not made out for the exact amount of the Parcel that you have selected on the Application Form; or
 - (d) you are applying for more than the Maximum Subscription Amount (in aggregate) of Shares (except if you are a Custodian applying on behalf of more than one beneficial owner in accordance with clause 3.3); or
 - (e) you are applying for Shares as a Custodian on behalf of any beneficial owner under the Offer the total issue price of which is more than the Maximum Subscription Amount; or

- (f) your Application Form is received after the Closing Date. While New Talisman has discretion to accept late Application Forms and cheques or money orders, there is no assurance that it will do so. Late Application Forms and cheques or money orders, if not processed, will be returned to you at your registered address; or
- (g) New Talisman believes that you are not an Eligible Shareholder; or
- (h) New Talisman considers that your application does not comply with these Terms and Conditions including but not limited to any public commentary regarding New Talisman in social media or members of Anti mining groups

Interest

- 3.9 No interest will be paid on any application money returned to you.

Significance of sending in an application

- 3.10 If you apply to participate in the Offer by completing and returning the Application Form:

- (a) your application, on these Terms and Conditions, will be irrevocable and unconditional (it cannot be withdrawn);
- (b) you certify to New Talisman that you are an Eligible Shareholder entitled to apply for Shares and Options under these Terms and Conditions;
- (c) you agree to be bound by the constitution of New Talisman;
- (d) you certify to New Talisman that you are not applying for Shares and Options with an aggregate application price in excess of the lesser of NZ\$15,000 or A\$13,875 under the Offer (including applications made through a Custodian) even though you may have received more than one offer under the Offer or received offers in more than one capacity under the Offer and the total issue price of those Shares for which you are applying, if issued, together with the total issue price of all and any other Shares applied for by you under the Offer or any similar arrangement and issued by New Talisman to you in the 12 months prior to and including the date of the application for Shares under the Offer will not exceed the lesser of NZ\$15,000 or A\$13,875 (excluding any Shares you may have acquired in that period on the NZX Main Board or ASX or under any rights offer);
- (e) you authorise New Talisman (and its officers or agents) to correct any error in, or omission from, your Application Form and to complete the Application Form by the insertion of any missing details;
- (f) you acknowledge that New Talisman may at any time irrevocably determine that your Application Form is valid, in accordance with these Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (g) you accept the risk associated with any refund that may be dispatched to you by cheque to your address shown on New Talisman's share register;
- (h) you consent to not being refunded any excess of your application monies over the value of the Shares you are issued due to rounding under Part 5 below;
- (i) you agree to indemnify New Talisman for, and to pay to New Talisman within five Business Days of demand, any dishonour fees or other costs New Talisman may incur in presenting a cheque for payment which is dishonoured;
- (j) you acknowledge that none of New Talisman, its advisors or agents has provided you with investment advice or financial product advice, and that none of them has an obligation to provide advice concerning your decision to apply for and subscribe for Shares;
- (k) you acknowledge the risk that the market price for the Shares may change between the Record Date, the date you apply for Shares under the Offer and the Allotment Date;

- (l) you acknowledge that New Talisman may disclose any information in or relating to your application and accompanying cheque or money order to Computershare Investor Services Limited and Computershare Investor Services Pty Limited in connection with their management of the Offer;
- (m) you acknowledge that New Talisman is not liable for any exercise of its discretions referred to in these Terms and Conditions; and
- (n) you irrevocably and unconditionally agree to these Terms and Conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the Offer.

If a Custodian applies for Shares for a beneficial owner pursuant to clause 3.3, the certification referred to in clause 3.10(d) will be taken to be given by both the Custodian and the beneficial owner on whose behalf the Custodian is applying for Shares.

4 Issue Price

You agree to pay the Issue Price per Share up to a maximum of the Parcel you have selected on the Application Form.

5 Rounding of Shares

- 5.1 If you apply for Shares under the Offer, the number of Shares you receive will be determined by dividing the value of the Parcel you have applied for by the Issue Price (in the applicable currency). If this calculation produces a fractional number, the number of Shares you will be allotted will be rounded down to the nearest whole number of Shares.
- 5.2 If the number of Shares you are allotted is rounded down, your application monies will be slightly greater than the value of the Shares you are allotted. The excess amount per application will always be less than the Issue Price for one Share.
- 5.3 Any refunds of application monies (including under paragraph 3.7) will be made in the same currency as the application and without interest by direct credit to your bank account or by cheque forwarded to you, in each case on or before the Despatch Date.

6 The Shares and Options

- 6.1 Shares issued under the Offer will rank equally with, and have the same voting rights, dividend rights and other entitlements as, existing fully paid Shares quoted on the ASX and the NZX Main Board.
- 6.2 The Shares to be issued under the Offer have been accepted for quotation on the NZX Main Board. New Talisman will take any necessary steps to ensure that immediately after the Shares are issued, the Shares remain quoted on the NZX Main Board. New Talisman will also apply for the Shares to be quoted on the ASX, with effect on or shortly after the Allotment Date. You cannot trade in any Shares issued to you pursuant to the Offer, either as principal or agent, until official quotation on the ASX and the NZX Main Board in accordance with the Listing Rules. New Talisman expects the Shares will commence trading on the ASX and the NZX Main Board on the Trading Day after the Allotment Date (that is, on 29 September 2017 on the current timetable). The NZX Main Board is a licensed market operated by NZX Limited, which is a licensed market operator regulated under the Financial Markets Conduct Act 2013. Neither NZX nor ASX accepts any responsibility for any statement in this booklet, the Offer Terms and Conditions or in the Application Form.
- 6.3 Each Option can be exercised at the Option Price from the issue date of the Options. Options expire on the earlier of the date that they are exercised or, if they are not exercised, on 7:00 pm (NZ time) on 30 September 2022.
- 6.4 Options are exercisable by the holder lodging with the Registry a notice in writing of exercise of Options together with payment of the Option Price for all Options being exercised. Options can be exercised in minimum parcels of 100,000 (or any smaller number which represents all of the holder's Options). If the Company considers that the exercise of an Option would cause the holder or the Company to breach the Listing Rules or any applicable laws, the Company may give notice to the holder and defer the exercise of the Option until the earliest Business Day on which the Company considers there would be no such breach.
- 6.5 Except as stated otherwise, each Option does **not** entitle the holder to:

- vote at meetings of the Company's shareholders;
- participate in any dividends declared by the Board; or
- participate with other securities in the residual assets upon the liquidation of the Company.

6.6 Each Option **does** entitle the holder to:

- certain information from the Company (including its annual and half yearly reports and notices of meeting);
- any other rights conferred by the Constitution, the Companies Act or the Listing Rules; and
- attend (but not vote at) any general meetings of the Company.

6.7 If, after the issue of the Options, a rights issue, bonus issue, consolidation or subdivision or similar proportionate reconstruction or other event or circumstance occurs in relation to the Shares, the Board may, if and to the extent permitted by the Listing Rules, amend the exercise price and/or number of underlying securities in respect of the Options.

6.8 Each Share issued on exercise of an Option will be fully paid and rank equally with existing Shares at the time of issue.

7 No Underwriting of the Offer

The Offer is not subject to any underwriting arrangement.

8 Amendments to the Offer and waiver of compliance

8.1 New Talisman will not change these Terms and Conditions (subject to its discretion to revise the timetable under clause 1.8 and subject to clause 9.2 below). However, New Talisman reserves the right to waive compliance with any provision of these Terms and Conditions. If New Talisman waives compliance with any provision of these Terms and Conditions, that waiver may, if so expressed, apply to all Eligible Shareholders.

8.2 New Talisman reserves the right to, in its absolute discretion, modify, suspend, withdraw, terminate or correct the Offer, at any time. New Talisman will notify the NZX and ASX if it does so modify, suspend, withdraw, terminate or correct the Offer.

8.3 New Talisman may issue fewer Shares than an Eligible Shareholder applies for under this offer (or none at all) if New Talisman believes that issuing those Shares would break any law or any of the Listing Rules.

9 Interpretation of Documents

In the event of any conflict between these Terms and Conditions (including the Glossary) and the accompanying letter from the Chairman and Questions and Answers and the Application Form, these Terms and Conditions will take precedence.

10 Governing Law

These Terms and Conditions are governed by, and are to be construed in accordance with, the laws of New Zealand.

11 Dispute Resolution

If any dispute arises in connection with the Offer, New Talisman may settle it in any manner it thinks fit. It may do so generally or in relation to any particular participant, or application for Shares and Options. New Talisman's decision will be final and binding.

12 Inconsistency

Unless otherwise determined by the directors of New Talisman, in the event of any inconsistency between the terms and conditions of the Offer and New Talisman's constitution, New Talisman's constitution shall prevail.

GLOSSARY

Allotment Date	29 September 2017, unless extended. In the event that the Offer is extended, New Talisman reserves the right to allot applications for Shares on or about the time of the extension, and weekly thereafter as any further applications are received.
Application Form	The personalised application form relating to the Offer that you received with this booklet, including the instructions on the reverse of the form.
ASX	ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;
Business Day	A business day as defined in the Listing Rules.
Closing Date	22 September 2017, unless extended.
Custodian	<p>Custodian means a person that:</p> <ul style="list-style-type: none"> a. is a trustee corporation or a nominee company and holds Shares by reason only of acting for another person in the ordinary course of business of that trustee corporation or nominee company; or b. otherwise holds Shares by reason only that the person is a bare trustee of a trust to which the Shares are subject, and is permitted to operate as a custodian under all relevant laws. In the case of custodians that have a registered address in Australia, the custodian must: <ul style="list-style-type: none"> i. hold an Australian financial services licence that covers the provision of a custodial or depositary service or includes a condition requiring the holder to comply with the requirements of ASIC Class Order CO02/294; or ii. be exempt under paragraph 7.6.01(1)(k) of the Corporations Regulations 2001 or ASIC Class Order CO 05/1270 to the extent that it relates to ASIC Class Order CO 03/184, from the requirement to hold an Australia financial services licence for the provision of a custodial or depositary service.
Despatch Date	by 6 October 2017, unless extended.
Eligible Shareholder	A person who, at 7.00 pm (NZ time) on the Record Date, was recorded in New Talisman's share register as being a registered holder of Shares and having an address in New Zealand or Australia, unless that person holds Shares on behalf of another person who resides outside New Zealand or Australia. For the avoidance of doubt, no U.S. person (as defined in Regulation S under the US Securities Act of 1933) will be regarded as an Eligible Shareholder.
Issue Price	NZ 2.2 cents or AUD 2.035 cents.
New Talisman	New Talisman Gold Mines Limited (ARBN 009 474 702).
Listing Rules	The listing rules of the NZX Main Board and/or the ASX, as the context requires.

Maximum Subscription Amount	The maximum aggregate dollar amount of Shares, at the Issue Price, that you may apply for under the Offer, being NZ\$15,000 (A\$13,875) as amended under paragraph 3.7.
NZX	NZX Limited.
NZX Main Board	The main board equity security market operated by NZX.
Offer	The offer detailed in this document.
Opening Date	29 August 2017.
Option	means an Option to subscribe for a Share in New Talisman before 7.00 pm (New Zealand time) on 30 September 2022 for an exercise price of the Option Price. One Option will be issued for every five Shares applied for.
Option Price	means NZD 5.5 cents (or the Australian dollar equivalent calculated by New Talisman using the Official Exchange Rate published by Westpac Banking Corporation as at the exercise date), as may be adjusted in accordance with paragraph 6.7.
Parcel	The value of the parcel of Shares that you apply for, which may be NZ\$1,000 (A\$925) or multiples thereof up to the Maximum Subscription Amount, in each case at the Issue Price per Share. Accordingly, the minimum subscription amount under the offer is one Parcel of Shares.
Record Date	25 August 2017.
Shares	Fully paid ordinary shares in New Talisman.
Shareholder	A registered holder of Shares.
Trading Day	A full day on which the Shares are quoted, and not suspended from quotation or made subject to a trading halt, on the ASX and the NZX Main Board. A day on which the ASX or NZX Main Board is closed or on which trading on the ASX or the NZX Main Board is suspended is not a Trading Day.

DIRECTORY Registered Office

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www.newtalisman.co.nz

Share Registry

Computershare Investor Services Limited
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Private Bag 92119
Auckland 1142, New Zealand

Computershare Investor Services Pty Limited
GPO Box 3329
Melbourne
Victoria 8060, Australia

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