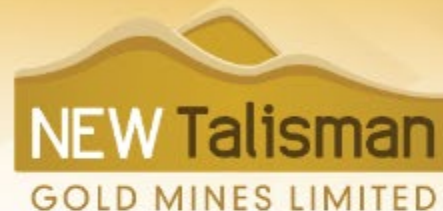


Market Announcement

For Immediate Release



Quarterly Activities Report to 30 June 2022

New Talisman Gold Mines Limited

***Responsible,
Environmentally
Sustainable Mining***

ASX/NZX Code **NTL**

Commodity Exposure
GOLD and SILVER

Board

John Upperton Chairman/Independent Director
Samantha Sharif Independent Director
Michael Stiassny Independent Director
Victor Rabone Non-Executive Director

Jane Bell Company Secretary

Capital Structure
Ordinary Shares at 30/06/2022 3,189m

Share Price
Share Price at 28/07//2022 (NZX) \$0.002
Share Price at 28/07//2022 (ASX) \$0.001



New Talisman Gold Mines Limited

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New Talisman Gold Mines Limited (NTL) is pleased to present a report on activities for the quarter ended 30 June 2022.

HIGHLIGHTS

- **Strategic Plan and Funding Mechanism Announced**
- **Independent Report Supportive of Proposal**
- **Shareholders Overwhelmingly Support Convertible Note**

In April NTL announced its Strategic Plan and associated funding proposal by way of issue of Convertible Notes. (refer release dated 27 April 2022 which can be found on the following link
<https://www.asx.com.au/asxpdf/20220427/pdf/458bz20069nqqx.pdf>)

The Strategic Plan will see the return of underground activity at the Talisman mine and a commencement of the bulk sampling programme.

Ahead of putting the plan to shareholders, the company engaged independent report writers Armillary Private Capital to assess the proposed method of capital raising. The independent appraisal resulted in a favourable view of the proposal, and that it was, on the whole, fair to existing shareholders.

(<https://www.asx.com.au/asxpdf/20220609/pdf/459sh24xd7n71n.pdf>)

A special shareholder meeting was held on 29th June to vote on the proposed issue of notes and also to approve the issue of 1 million dollars worth to the company's largest shareholder Hamish Brown. Both resolutions received more than 92% support of votes cast.

The company has engaged corporate advisors Campbell Macpherson to manage the offer to eligible and wholesale investors.

Tenements

Talisman Mine – MP51326
Capella Vanuatu – PL1851

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

NEW TALISMAN GOLD MINES LIMITED

ABN

009 474 702

Quarter ended ("current quarter")

30 June 2022

| Consolidated statement of cash flows | | Current quarter \$NZ'000 | Year to date (3 months) \$NZ'000 |
|--------------------------------------|---|-----------------------------|--|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | Nil | Nil |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | Nil | Nil |
| | (b) development | (10) | (10) |
| | (c) production | Nil | Nil |
| | (d) staff costs | Nil | Nil |
| | (e) administration and corporate costs | (242) | (242) |
| 1.3 | Dividends received (see note 3) | Nil | Nil |
| 1.4 | Interest received | Nil | Nil |
| 1.5 | Interest and other costs of finance paid | Nil | Nil |
| 1.6 | Income taxes paid | Nil | Nil |
| 1.7 | Government grants and tax incentives | Nil | Nil |
| 1.8 | Other (provide details if material) | Nil | Nil |
| 1.9 | Net cash from / (used in) operating activities | (252) | (252) |

| | | | |
|-----------|---|-----|-----|
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | Nil | Nil |
| | (b) tenements | Nil | Nil |
| | (c) property, plant and equipment | Nil | Nil |
| | (d) exploration & evaluation | Nil | Nil |
| | (e) investments | Nil | Nil |
| | (f) other non-current assets | Nil | Nil |

| Consolidated statement of cash flows | | Current quarter \$NZ'000 | Year to date (3 months) \$NZ'000 |
|---|---|-------------------------------------|---|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | Nil | Nil |
| | (b) tenements | Nil | Nil |
| | (c) property, plant and equipment | Nil | Nil |
| | (d) investments | Nil | Nil |
| | (e) other non-current assets | Nil | Nil |
| 2.3 | Cash flows from loans to other entities | (8) | (8) |
| 2.4 | Dividends received (see note 3) | Nil | Nil |
| 2.5 | Other (provide details if material) | Nil | Nil |
| 2.6 | Net cash from / (used in) investing activities | (8) | (8) |

| | | | |
|-------------|---|------------|------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | Nil | Nil |
| 3.2 | Proceeds from issue of convertible debt securities | Nil | Nil |
| 3.3 | Proceeds from exercise of options | Nil | Nil |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | Nil | Nil |
| 3.5 | Proceeds from borrowings | Nil | Nil |
| 3.6 | Repayment of borrowings | Nil | Nil |
| 3.7 | Transaction costs related to loans and borrowings | Nil | Nil |
| 3.8 | Dividends paid | Nil | Nil |
| 3.9 | Other (provide details if material) | Nil | Nil |
| 3.10 | Net cash from / (used in) financing activities | Nil | Nil |

| | | | |
|-----------|--|-------|-------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 493 | 493 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (252) | (252) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (8) | (8) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | Nil | Nil |

| Consolidated statement of cash flows | | Current quarter \$NZ'000 | Year to date (3 months) \$NZ'000 |
|---|---|-------------------------------------|---|
| 4.5 | Effect of movement in exchange rates on cash held | Nil | Nil |
| 4.6 | Cash and cash equivalents at end of period | 233 | 233 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$NZ'000 | Previous quarter \$NZ'000 |
|-----------|---|-------------------------------------|--------------------------------------|
| 5.1 | Bank balances | 128 | 388 |
| 5.2 | Call deposits | Nil | Nil |
| 5.3 | Bank overdrafts | Nil | Nil |
| 5.4 | Other (provide details) | 105 | 105 |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 233 | 493 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$NZ'000 |
|---|---|-------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | (63) |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | (8) |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> | | |

The Company paid \$56,428 for director fees to companies in which directors and major shareholders have a substantial interest

The Company paid \$6,720 to Victor Rabone in capacity as Operations Manager.

The Company advanced \$7,947 to Coromandel Gold Limited; a subsidiary of the Company.

The Company advanced \$29 to Rahu Resources Pty Limited; a subsidiary of the Company.

| | | | |
|-----------|---|--|---|
| 7. | Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | Total facility amount at quarter end \$NZ'000 | Amount drawn at quarter end \$NZ'000 |
| 7.1 | Loan facilities | Nil | Nil |
| 7.2 | Credit standby arrangements | Nil | Nil |
| 7.3 | Other (please specify) | Nil | Nil |
| 7.4 | Total financing facilities | Nil | Nil |
| 7.5 | Unused financing facilities available at quarter end | | Nil |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| | | | |

| | | |
|-----------|---|-----------------|
| 8. | Estimated cash available for future operating activities | \$NZ'000 |
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (252) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | Nil |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (252) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 233 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | Nil |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 233 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 0.92 |
| | <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 | If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| | Answer: NTL anticipates incoming funds from the Capital Raising that is currently underway (ref 8.8.2) | |
| 8.8.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| | Answer: Shareholders have approved a Capital Raise by way of Convertible Note to raise up to NZ\$3.5m. The company has engaged Campbell MacPherson to place the Convertible Notes and expects to conclude the Placement in coming weeks. | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, Shareholders have approved a Capital Raise by way of Convertible Note to raise up to NZ\$3.5m. The company has engaged Campbell MacPherson to place the Convertible Notes.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

29 July 2022

Date:



Authorised by:
(Jane Bell – Director/Company Secretary)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.