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

### **FOR PUBLIC RELEASE**

#### **Quarterly Activities Report to 30 June 2015**

New Talisman Gold Mines Limited (NTL) is pleased to present the report on activities for the quarter ended 30 June 2015:

#### **HIGHLIGHTS**

- **Application for Judicial review discontinued**
- **\$898,747 raised through SPP and shortfall placement**
- **Chinese Investor signs term sheet**
- **Acquisition of substantial geological database**
- **Rahu application and Newcrest Joint Venture**
- **BPL releases maiden resource on heavy mineral sands**

For the quarter through to June 30, New Talisman was focussed primarily on completing precursor work for its bulk sampling project at the Talisman mine. During this period a body of work pertaining to the Traffic Management plan and Health and Safety management plan was completed and submitted for review. Once the revised Traffic Management Plan (TMP) has been finalised and processed truck movements to and from the mine may commence under the consents granted.

During the period the board implemented cash conservation strategies with both the board and management taking significant reduction in their remuneration. Whilst the market climate for junior mining companies and gold companies in particular remains depressed the company continued to raise funds for development of the Talisman mine project plan. Over the coming months the board will focus its efforts on completing the funding requirements for the Talisman mine bulk sampling project.

While the price of gold expressed in US dollars has declined in recent months, the significant shift in the USD/NZD cross rate over the same period has meant the price of gold expressed in NZ dollars has increased. This bodes well for companies such as Talisman to continue to develop its high grade gold project while many other projects worldwide with lower grades and USD overheads have either closed or minimised their footprint.

The team recently completed a comprehensive project study which was submitted to New Zealand Petroleum and Minerals to support its application for an Extension of Land "EOL" over Rahu. It is expected the application process will shortly be completed and as announced in the annual report NTL has an agreement in place with Newcrest over the Rahu project area should the extension be granted. Once the application process is complete and the company has received formal notification of the outcome it will update shareholders.

Following the successful capital raising the company will begin securing the site with the approval from the Department of Conservation "DOC" under the terms of its access arrangement in order to

establish its surface operating facilities on the hardstand area at the mine portal.

## **Corporate**

The company recently completed a capital raising via a Share Purchase Plan “SPP” to its shareholders at a price of .007 cents per share. Inclusive of shortfall take up this raised in excess of 898,000 NZD which will be applied to the Talisman project, Rahu and working capital requirements.

As recently announced the company signed a binding term sheet with a Chinese investor for which an extension has been granted. Discussions with the investor continue to be advanced.

## **Talisman Mine Project (100% NTL), Gold and Silver Karangahake Gorge, New Zealand**

### ***Judicial Review discontinued***

The company alongside Hauraki District Council “HDC” completed its detailed defence of the judicial review application brought by an anti-mining group. Following receipt of the detailed information in affidavits submitted that the effects on recreational, fauna and the environment would be no more than minor, and as such did not require notification the group sought for the proceedings to be discontinued.

### ***Donation of Material to DOC to assist reopening windows walk***

The Windows Walk which attracts thousands of visitors to the old mine workings at Talisman has recently undergone repair work to ensure the Health and Safety of visitors. At the request of DOC New Talisman provided a significant amount of material to assist in the completion of upgrades being undertaken by the Department of Conservation. A section of the walkway has already reopened and further work is being completed. As part of the local community New Talisman were more than happy to assist by this donation of material.

### ***Iwi consultation***

Discussions were undertaken with a local official Iwi representative during the period. The official advised NTL that the Iwi they represented were not opposed to mining per se but needed to be kept abreast of our plans and work programme in order to clearly understand the impacts of any mining which may be undertaken by the company. We will continue to work closely with local Iwi to ensure they are aware of the work being carried out at the Talisman mine and plans for future developments.

### ***Annual NZPAM Review***

Following the period under review the company completed its annual review meeting in Auckland with NZPAM. The meeting which included representatives from NZPAM, HDC, Waikato Regional Council, Worksafe NZ and the Department of Conservation allowed NTL to outline the work programme over the next 12 months and discuss any other issues regarding our plans at Talisman and Rahu

### ***Acquisition of extensive database***

As previously noted and announced the Company has completed the acquisition of an extensive database of the historical Talisman mine workings some dating back to initial mining in the 1880's. The data base has been completely digitised for use with the latest geological and mining software tools.



A unique opportunity now exists to integrate this historic data with NTL's own extensive data of the upper levels of the Talisman mine to target extensions of known gold mineralisation and new areas with resource potential where information was insufficient to direct exploration previously.

In addition there is information on parallel vein systems to the main Maria and Welcome/Crown and Mystery veins within the more than one kilometre wide mineralised zone that hosts the Karangahake gold deposits. Many of these were mined historically but there has, until now been scant data on their location and gold grades.

Subject to meeting JORC requirements it is anticipated that this historic data will enable expansion of the resource targets, generate new exploration targets and possibly enable some areas with defined JORC compliant resources to have their resource category upgraded. Over the coming weeks the data will be analysed and a comprehensive dataset developed and included in the development of the longer term strategy at Talisman.

### ***Karangahake Project Study***

The pre-feasibility study on the combined Talisman and Rahu project (Karangahake Project) was completed during the period and was submitted to NZPAM in support of its application at Rahu. As outlined in the annual report the data from bulk sampling will provide the required information to complete the full feasibility study. The recent acquisition of the historical database provides a platform for the further development of the feasibility study which is likely to impact both the resources and the mine life. This is a significant body of work which commenced late last year and will require the data from its planned activities to complete.

### **Rahu Project (100% NTL) base metals project Karangahake Gorge, New Zealand**

The Rahu area which is considered to be a generally contiguous mineralisation and an extension of the Talisman vein systems is currently under an application for an extension of land to be included in the Talisman permit area. The Company has long recognised that the gold mineralised vein systems at Talisman extend into Rahu where less erosion has preserved the upper levels of the mineralisation and the likelihood of high grade veins at moderate depth.

As outlined above a study was completed and submitted to NZPAM in May which encompassed an extension of the Talisman mine plan with the inclusion of Rahu. The company is now awaiting the final processing of the application which is due to be finalised in the coming weeks, following which if successful the company will enter into final binding agreements with Newcrest who have recently entered into a Joint venture agreement with the company. Newcrest has also recently entered into a joint venture arrangement with Laneway resources for all the area surrounding Rahu and Talisman.

### **Broken Hill Prospecting Limited 'BPL' (14.4%) – NSW, Australia [ASX: BPL] Thackaringa Cobalt-Pyrite Project, Heavy Mineral Sands Project, New South Wales, Australia**

#### ***Maiden resource announced for the Copi North Mineral Sands Deposit***

On 27<sup>th</sup> July Broken Hill Prospecting Ltd announced a maiden resource estimate for the Copi North Heavy Mineral Sands Deposit in the Murray Basin, NSW. The titanium-zirconium resource has 11.6 million tonnes at an average 6.9% Heavy Minerals and is a major step forward for BPL. Main features of the resource include:

- High-grade heavy mineral content (about double nearby operating mines)
- High contents of valuable zircon (11.3%) and rutile (10.8%)



- Shallow cover (ranging between 7-48 metres, average 23m)
- Relatively coarse grain size (slimes content 2.8%)
- Deposit length could extend from 10km (drilled) to up to 30km

The Resource was determined by Geos Mining, a Sydney-based Mineral Consultant company, in accordance with Joint Ore Reserves Committee 2012 guidelines (JORC) and is summarized in Table 1.

Resource Status	Tonnes (millions)	THM (%)	Average Density (g/cm <sup>3</sup> )	Slimes <53um (%)	Oversize >2mm (%)
Inferred	4.6	6.5	1.82	3.0	1.8
Indicated	7.0	7.1	1.84	2.6	2.0
<b>Total</b>	<b>11.6</b>	<b>6.9</b>	<b>1.83</b>	<b>2.8</b>	<b>1.9</b>

Tonnes (millions)	THM (%)	Ilmenite (%)	Rutile (%)	Zircon (%)	Monazite (%)	Leucoxene (%)	Other HM (%)
<b>11.6</b>	<b>6.9</b>	<b>54.4</b>	<b>10.8</b>	<b>11.3</b>	<b>1.0</b>	<b>10.0</b>	<b>12.6</b>

Table 1: Copi North Resource and Heavy Mineral assemblage (2.5% Total Heavy Mineral (THM) cut-off).

BPL is planning to commence a scoping study and complete pre-feasibility studies on the Copi North HMS Deposit in late 2015.

### New Talisman Tenements

The interests in mining tenements held by New Talisman Gold Mines Limited (and fully owned subsidiaries) at the end of the quarter and the related percentage of ownership:

Permit Number	Type	Permit Name	Location	Interest
MP 51326	Mining	Talisman	Coromandel, NZ	100%
EP 40117	Exploration	Rahu	Coromandel, NZ	100%
EP 53706	Exploration	Parakao	Northland, NZ	100%

During the period under review the company relinquished the Golden Valley Tenement as previously noted in its recent annual report. The company maintains its primary focus on its Talisman Mine project and development of Rahu.

CEO Matthew Hill said “With all legal hurdles well behind us and with a very successful capital raising now complete, the company continues to move forward toward production. We will be focussed over the next quarter on preparing the site and analysis of the significant geological database acquired this week which may provide significant upside to our current resources. We hope to be in a position to report the results of our application over Rahu and joint venture with Newcrest in the not too distant future”

Matthew Hill

**CEO**

**New Talisman Gold Mines Limited**

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For more information on New Talisman Gold Mines go to [www.newtalisman.co.nz](http://www.newtalisman.co.nz)

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

New Talisman Gold is a dual listed (NZX & ASX: NTL) leading New Zealand minerals development company with about 2,000 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 and Northland Districts of New Zealand. New Talisman owns 14.4% of Broken Hill Prospecting Limited, which holds a significant cobalt project at Thackaringa, about 25 kilometres south-west of Broken Hill in Australia and a heavy mineral sands exploration portfolio. BPL is listed on the ASX (Code: BPL).

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

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### **Competent Persons Statement**

*The information in this report that relates to Exploration Results and Mineral Resources for the Copi North HMS Deposit is based on information reviewed by Sue Border, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Sue Border has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the exploration 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'. Sue Border consents to the inclusion in the report of the matters based on this information in the form and context in which it appears. Sue Border is not an employee or a related party of the Company or its subsidiaries. Sue Border is a Director/Principal Geologist of Geos Mining.*

The information in this report that relates to Exploration Targets, Exploration Results, and Mineral Resources is based on information compiled by Murray Stevens, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Stevens is employed by Stevens and Associates and is an independent consultant engaged by New Talisman Goldmines Limited from time to time on a consulting basis. Mr Stevens has sufficient experience that 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 Stevens consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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