

10<sup>th</sup> July 2013

**ANNOUNCEMENT BY NEW TALISMAN GOLD MINES LIMITED (NTL, NTLOA or NTLO)**

**FOR IMMEDIATE RELEASE**

### **Talisman Mine Progress Update**

- **Metallurgical Sampling Project Plan approved by Board**
- **Good progress made on negotiations with consenting agencies**
- **Negotiations advancing on funding for the project**
- **Key focus for NTL remains on developing Talisman gold project on an accelerated path**
- **Mpokoto gold update**

The Pre-Feasibility Study on the re-establishment of the Talisman Mine in Karangahake was completed in March 2013 and identified the opportunity to begin a small scale mine as a precursor to an expanded operation. The small scale mine would provide a low risk approach to rehabilitating parts of the mine and establishing operations to generate short term cash flow while undertaking further evaluation work to increase the resource base.

NTL has commissioned a Feasibility Study on the Talisman Project as the next logical step in the project development cycle in order to optimise the plan identified in the Pre-Feasibility Study. As an integral part of the Feasibility Study the company will undertake a metallurgical sampling program to recover bulk ore samples from the resources targeted for early mining. These samples will be subjected to rigorous metallurgical testwork.

Planning for this stage of the project is now complete and has been presented to the NTL Board.

The work programme consists of three parts namely establishing the surface infrastructure required to support underground operations, refurbishment of the underground workings to provide safe access to the sampling sites, and metallurgical sampling via a series of small drives (tunnels) developed on the ore. Infrastructure establishment and underground refurbishment is expected to take approximately five months to complete.

This will allow for both the detailed testwork required to support the design of a processing facility and provide additional information on the geological structure and continuity of the ore ahead of the known workings to further inform the mine design process.

Rock specimens from the BM37 Bonanza zone were sent for chemical analysis at SGS New Zealand's Waihi laboratory with the following results:

<b>ROCK SAMPLE</b>	<b>Au PPM</b>	<b>Au(R) PPM</b>	<b>Ag PPM</b>	<b>Ag(R) PPM</b>
BIN 1-6	2130	-	3660	3690
PRA 2-1	882	885	>4000	-
PRA 2-2	300	-	2540	-
PRA 4-1	766	755	2670	-
PRA 4-6	1.02%	1.05%	>4000	>4000

**Au** gold **Ag** silver **(R)** repeat analysis **PPM** parts per million (grams per tonne)

% percent > greater than

Analytical methods used by SGS New Zealand, according to gold and silver content of sample

AAS15Q: AAS after DIG15Q (Aqua Regia Digest, 0.2g)

FAD303: Gold, Fire Assay, AAS, 30g, Over-Range

FAD2V: Gold, Fire Assay, AAS, 10g, Over-Range

An independent geometallurgical report on these rock specimens suggests testwork to assess the recoverability of gold via gravity concentration and flotation methods is essential.

The company continues to hold discussions with various companies in Australia and New Zealand for the possible toll treatment of ore.

Negotiations with consenting agencies for the planned low impact bulk sampling are progressing well.

Funding discussions for the low capital required for the bulk sampling phase have commenced and NTL will update the market on the progress of these discussions in due course.

Matthew Hill Executive director stated "We are continuing in our sole focus to drive the Talisman Mine into its initial bulk sampling phase and initiate production on the timelines announced in the annual report. It is a clear advancement of the company's steps toward production in a climate where other developers are unable to advance their projects particularly in NZ. With considerable flexibility in the high grades of Talisman the project appears well shielded from the current depressed gold price and we believe we will be in a solid position when gold price cycle changes".

## **Mpokoto Gold Project Update**

NTL today announces that it has decided not to exercise its earn in right on the Mpokoto Gold project to spend a up to a further US\$1.75M to earn a 37.5% interest as it was unable to complete satisfactory technical, legal and financial due diligence with the information provided in the deadline set out by Netcom of July 3.

NTL continues to have exposure to the project by way of its current 12.5% holding in Netcom and its US\$250k convertible loan.

For more information on NTL go to [www.newtalisman.co.nz](http://www.newtalisman.co.nz)

Shareholder enquiries: Matthew G Hill, Executive Director +64 27 5557737



### **Competent Person Statement**

The information in this report that relates to gold and silver exploration results in New Zealand is based on information compiled by or supervised by Mr Peter Atkinson, a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Atkinson is a director of Coromandel Gold Ltd and also a director of Up Minister Ltd, an independent consultancy company and he 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Atkinson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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

New Talisman Gold is a dual listed (NZX Main Board & ASX: NTL) with 1800 shareholders who are mainly from Australia and New Zealand. It is a leading New Zealand minerals development and exploration company with a portfolio of high quality mineral interests. Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including a JORC compliant mineral resource within the original Talisman underground mine, and an adjacent exploration permit along strike from the mine. The company is now advancing its plans to develop the mine, and advance the exploration project. Through a subsidiary company, New Talisman Gold owns 21.7% of Broken Hill Prospecting Limited, which is planning to develop a cobalt project at Thackaringa, about 25 kilometres south-west of Broken Hill in Australia. BPL is listed on the ASX (Code: BPL). More about New Talisman Gold at [www.newtalisman.co.nz](http://www.newtalisman.co.nz)