

5 September 2013

Dear Shareholder

## **Development of Talisman Gold Mine Project – Next Steps**

### **Explorer to Producer**

Fifteen months ago the company announced its intention to move the focus of the company from exploration to gold production. In recent months we have made substantial progress towards that objective. We have reconstructed the access road to the Talisman mine site, cleared the hard stand area immediately outside the mine portal, completed a Prefeasibility Report on proposed mining methods and submitted ore samples for analysis to identify the optimal treatment process. We have also advanced negotiations with the regulatory agencies on the terms and conditions of the resource consents necessary to operate the mine and the provisions of the land access arrangements. We expect to be in a position to announce the final terms and conditions shortly.

Importantly, in light of the recent volatility in the gold price, we have also reconsidered the financial projections in the previously reported Prefeasibility Study undertaken by the company's principal mining engineer. We are satisfied we have a very resilient project and are committed to advancing the project as rapidly as possible. To do that we now require additional funding.

### **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\$12,600) 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.

The issue price of the SPP has been set at NZ 1 cent per share, being approximately 9% less than the volume weighted average share price of New Talisman's ordinary shares traded on the NZX Main Board in the five trading days prior to the Offer Date, or A0.86 cent (being the Australian equivalent using the Westpac Bank exchange rate applicable at close of business on the day on the Record Date).

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\$900 (up to a maximum of A\$12,600).

The funds raised from the SPP will be used to:

- initiate underground bulk sampling and evaluation at New Talisman Mine in Karangahake (including mining and processing options);
- safety and environmental requirements and relevant consents; and
- fund working capital requirements.

### **Background**

The Company holds a Mining Permit covering the Talisman mine workings, which is current for approximately another 22 years and 8 months, subject to compliance with the conditions of grant. The permit includes virtually all of the former mines at Karangahake, which previously produced a total of 1 million ounces of gold and 3 million ounces of silver.

## The Prefeasibility Report

The Prefeasibility Study was completed on 31 March 2013 and reported to the stock exchanges on 18 April 2013. The Study elaborated on the phased approach identified in the Mining One Scoping Study and concentrated on the first phase of the project - namely the establishment of a low impact, small scale operation extracting the high confidence resources immediately adjacent to the accessible 8 Level drives. This would create the infrastructure, and generate cash flow, to support further exploration activities necessary for the delineation of additional ore resources to support future mine expansion. The Study analysed a range of options around the mining method, materials handling and backup services required to support these endeavors and arrived at a preferred option for mine development.

The highlights include:

- A mine plan which takes advantage of the flexibility provided by independent resource blocks and offers resilience in the event of ongoing price volatility
- Peak annual gold output of 12,115 oz Au and 36,000 oz Ag within four years
- Robust on mine production cost of US\$588/oz and total cost, inclusive of capital requirements, of US\$1075/oz – well below current prices
- A capital requirement of NZ\$1.5 million initially, which based on current information is expected to be sufficient for the project to become self-funding. A total of NZ\$5.4 million phased over 3 years to take advantage of internally generated cashflow.

Based on the output from the Pre-Feasibility study this phase of the project is expected to deliver more than NZ\$50 million in revenue and a cash surplus exceeding NZ\$20 million over 5 years. Progression to a larger, long term operation is subject to resource proving. Refer stock exchange release 4 September 2013 *“Talisman Mine Ore Reserve Statement and Metallurgy Testing”*.

Considerable care has been exercised during the design process to restrict the mine’s footprint to the existing disturbed areas and to minimise environmental impacts.

**SPP Application Process** On 5 September 2013 the company reported to the stock exchange on its Share Purchase Plan for shareholders (see SPP Booklet).

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 with cheque or details of internet banking transfer, as soon as possible.**

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



**Murray McKee**  
**Chairman**  
**New Talisman Gold Mines Limited**

4 September 2013

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

**FOR IMMEDIATE RELEASE**

**Talisman Mine Maiden Ore Reserve Statement**

- **28,800 Oz Gold and 127,800 Oz Silver Ore Reserve for start-up phase of the mine development underpinned by Pre-feasibility Study**
- **Analysis of Pre-Feasibility Study Conducted by International Consultancy**

**Metallurgical Testwork and sampling**

- **Recovery of visible physical gold and silver from metallurgical samples using non chemical extraction equipment recently purchased**
- **Recent samples of Talisman ore tested by SGS showed up to 453g/t gold which was processed.**

New Talisman Gold Mines Limited (NTL) is pleased to announce the maiden JORC compliant Ore Reserve for the Talisman Mine. Ore Reserves at the Talisman gold project, based on an average in-situ cut-off grade of 1.7g/t, are 82,500 tonnes at 10.8 grams per tonne gold and 48.1 grams per tonne silver. Ore Reserves are derived from and contained within, not additional to, the Measured and Indicated portions of the Mineral Resource. This ore reserve estimate reflects the outcome of the Pre-Feasibility Study conducted on Phase 1 of the Talisman Mine Project, and forms a solid basis for the company to proceed with further project development.

A gap analysis on the Pre-Feasibility Study was carried out by Hatch Goba. Hatch Goba is an employee-owned, multidisciplinary professional services firm that delivers a comprehensive array of technical and strategic services, including consulting, information technology, engineering, process development, and project and construction management to the Mining, Metallurgical, Energy, and Infrastructure sectors. Hatch has served clients for over 80 years and has project experience in more than 150 countries around the world. With over 11,000 people in over 65 offices, the firm has more than \$35 billion in projects currently under management.

Based on the Hatch analysis NTL are confident that the Pre-Feasibility Study conforms to the requirements of a Technical Study as defined in the *Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2004* (the JORC Code).

While the volatility in gold price has affected other juniors gold operations particularly in New Zealand, New Talisman has continued to press forward. This has paid off with these positive results showing the potential for an accelerated development in getting Talisman into production. With the

development of an ore reserve New Talisman has continued to de-risk the project on the path to bulk sampling and mining.

Significant progress has been made with regard to consents and we are confident that consenting arrangements will be finalised in the coming months.

The company has more recently entered into discussions with a major group for the toll treatment of the Talisman ore and test work and sampling is underway to test the suitability of the ore for processing by the potential treatment plant.

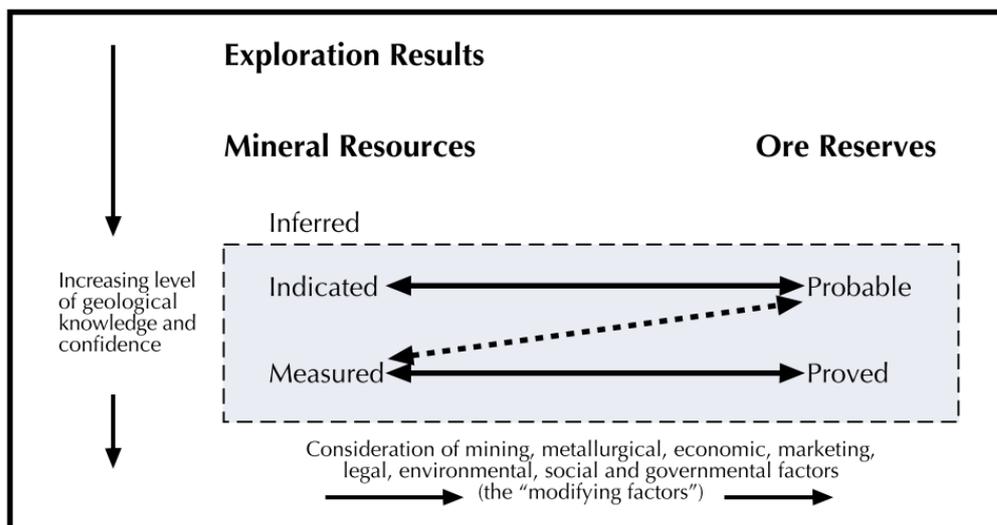
Matthew Hill Executive Director said “We continue with the company’s strategy to reopen the Talisman mine and the recent analysis of the Pre-Feasibility study by an international firm gives us great confidence in our pathway chosen and phased approach toward production. This is the first Ore reserve from Talisman since the mine was in full production many years ago.

With a difficult climate and depressed gold price felt by junior and major gold companies alike NTL has been able to deliver positive outcomes to our shareholders”.

**Ore Reserves**

Mineral Resources are converted to Ore Reserves via the application of a range of technical and economic factors (modifying factors) such as metal prices, dilution and estimated recovery, in order to assess project viability. Ore reserves are defined as follows:

*Ore Reserves are those portions of Mineral Resources which, after the application of all mining factors result in an estimated tonnage and grade which, in the opinion of the Competent Person making the estimates, can be the basis of a viable project, after taking account of all relevant Modifying Factors. The relationship between Mineral Resources and Ore Reserves is illustrated in the following graphic.*



A technical report, titled “Ore Reserves Definition – Talisman Gold Project, August 2013”, in support of this maiden ore reserve statement has been prepared in accordance with the JORC Code. This

technical report “Ore Reserves Definition – Talisman Gold Project, August 2013”, has been prepared at the request of the board of New Talisman Gold Mines Limited with the purpose of supporting the definition of a maiden Ore Reserve attributable to NTL’s Talisman Gold Project, based on the outcome of the Pre-Feasibility Study completed in March 2013. The report is for the general information of Directors and shareholders of the company, potential investors and for the general disclosure of information to the market and is a Public Report as defined under the JORC Code 2004. The full report is available on the company website.

Information on Mineral Resources has been sourced mainly from the companies own exploration activities. The Mineral Resource estimate used as the basis for conversion to Ore Reserve is set out in the public report titled “TALISMAN GOLD RESOURCE INCREASES TO 205,000 OZ” released to the market on 11 May 2005 also available on the company website.

The Pre-Feasibility Study on which conversion of Mineral Resources to Ore Reserves is based, has been carried out and determined a mine plan that is technically achievable and economically viable; all material Modifying Factors have been considered.

Mineral Resource and Ore Reserve categories are tabulated below.

Mineral Resources	Category	Tonnes	Au		Ag	
			Grade	Ounces	Grade	Ounces
	Inferred	507,200	8.5	139,100	27.2	442,800
	Indicated	197,690	5.0	31,660	26.5	168,140
	Measured	212,500	5.0	34,000	27.5	187,900
	<b>TOTAL</b>	<b>917,390</b>	<b>6.9</b>	<b>204,760</b>	<b>27.1</b>	<b>798,840</b>

Ore Reserves	Category	Tonnes	Au		Ag	
			Grade	Ounces	Grade	Ounces
	Probable	19,600	8.5	5,400	36.9	23,300
	Proved	62,900	11.6	23,400	51.6	104,500
	<b>TOTAL</b>	<b>82,500</b>	<b>10.8</b>	<b>28,800</b>	<b>48.1</b>	<b>127,800</b>

Wayne Chowles, Principal Mining Engineer commented that “the rigorous approach taken in the Pre-Feasibility Study has identified a robust course of action to bring the Talisman asset to account. Upon initiating the bulk sampling program currently under application we are confident in our ability to develop a sustainable high grade mining operation. With areas such as the Mystery vein relatively untouched, NTL has the flexibility needed in the current climate for junior miners”

## Metallurgical Testwork

The recent purchase of non-chemical recovery equipment to test samples recovered from Talisman has given us further insight into the various non-chemical processing routes which have resulted in recovery of sample amounts of physical gold and silver using gravity concentration and flotation techniques.

Samples were sent for chemical analysis at SGS New Zealand's Waihi Laboratory with the following preliminary results:

METHOD	FAA505	FAA505	FAA505	FAD505
<b>LDETECTION</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.1</b>
<b>UDETECTION</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>10000</b>
UNITS	Au PPM	Au PPM	Au PPM	Au PPM
44901	0.86	-	-	-
44902	>100	-	-	162
44903	6.22	-	-	-
44904	5.4	-	-	-
44905	2.89	-	-	-
44906	7.85	-	-	-
44907	14.5	-	-	-
44908	18.3	-	-	-
44909	>100	-	-	153
44910	>100	-	-	190
44911	78.2	-	-	-
44912	7.93	-	-	-
44913	13.4	-	-	-
44914	>100	-	-	358
44915	22.2	-	-	-
44916	>100	-	-	148
44917	16	-	-	-
44918	>100	-	-	453
44919	>100	-	-	258
44920	>100	-	-	103

**Au Gold** **LDETECTION** Lower Detection Limit **UDETECTION** Upper Detection Limit

**PPM** Parts Per Million (grams per tonne) > Greater than

*Analytical methods used by SGS New Zealand, according to gold content of sample  
 FAA505 : Gold, Platinum & Palladium byAAS after Fire Assay, 50g, Lead Collection  
 AD505 : Gold, Fire Assay, AAS, 50g, Over-Range  
 Further testwork is in process to ascertain recovery efficiency.*

The purpose of the testwork was to identify an efficient grain size required to extract and concentrate gold and silver using gravity and flotation methods. This information will assist in developing the most efficient route for the processing of the ore once mining commences.

**Matthew Hill**

**Executive Director**

**New Talisman Gold Mines Limited**

### **Competent Person Statements:**

The information in this announcement that relates to the Talisman Project Pre-Feasibility Study and the Ore Reserve estimates were prepared by Mr Wayne J Chowles, a Mining Engineer and member of the AusIMM. Mr Chowles is a full time employee of New Talisman Gold Mines Limited and the author of the Talisman Prefeasibility Study referred to in this release. 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Chowles consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to exploration results, exploration targets and mineral resources is extracted from the report entitled "**HERITAGE GOLD NEW ZEALAND LIMITED, KARANGAHAKE GOLD PROJECT, EXPLORATION AND RESOURCE DEFINITION PROGRAMME – PHASE 2, TALISMAN MINE, EXPLORATION PERMIT 40-081**" created on 09/06/2006. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcement.

### **Hatch Goba Disclaimer**

The Gap Analysis report was prepared "Hatch", for the sole and exclusive benefit of New Talisman Gold Mines Ltd for the purpose of providing a GAP analysis for the New Talisman Pre-feasibility Study (FEL2) and may not be provided to, relied upon or used by any third party. Any use of this report by the Owner is subject to the terms and conditions of the Services Agreement between Hatch and the Owner dated, including the limitations on liability set out therein.

This report is meant to be read as a whole, and sections should not be read or relied upon out of context. The report includes information provided by the Owner, the Third Party Consultants and by certain other parties on behalf of the Owner. Unless specifically stated otherwise, Hatch has not verified such information and disclaims any responsibility or liability in connection with such information. In addition, Hatch has no responsibility for, and disclaims all liability in connection with, the sections of this report that have been prepared by the Owner or by the Third Party Consultants.

This report contains the expression of the professional opinion of Hatch, based upon information available at the time of preparation. The quality of the information, conclusions and estimates contained herein is consistent with the intended level of accuracy as set out in this report, as well as the circumstances and constraints under which this report was prepared.

However, this report is a GAP Analysis review and, accordingly, all estimates and projections contained herein are based on limited and incomplete data. Therefore, while the work, results, estimates and projections herein may be considered to be generally indicative of the nature and quality of the Project, they are not definitive. No representations or predictions are intended as to the results of future work, nor can there be any promises that the estimates and projections in this report will be sustained in future work.

### **Disclaimer**

Although New Talisman Gold Mines Ltd (NTL) commissioned the geological information and mining data referred to in this presentation, NTL does not guarantee or otherwise warrant the accuracy or currency of such information or data. Further, no representation is given or warranty is made in respect of any future performance of the share price of shares in NTL or any company associated with it. This document is not intended to, and does not, represent an offer of any securities.

The terms geological potential, potential, exploration target and target where used in this report do not constitute and should not be interpreted as Mineral Resources or Ore Reserves under the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code 2012). The potential quantity and grade is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource or an Ore Reserve and it is uncertain if further exploration will result in the estimation of a Mineral Resource or Ore Reserve.

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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.newtalismangold.co.nz](http://www.newtalismangold.co.nz)

# NEW Talisman

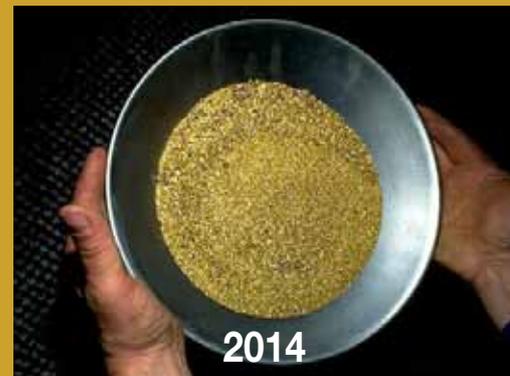
GOLD MINES LIMITED



## SHARE PURCHASE PLAN

5 September 2013

*Going for Gold!*



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

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## KEY DATES\*

<b>4 September 2013</b>	Record Date	Date on which New Talisman determined the Eligible Shareholders
<b>5 September 2013</b>	Opening Date / Offer Date	Share Purchase Plan opens
<b>26 September 2013</b>	Closing Date	Share Purchase Plan closes. Applications must be received by 5pm NZ time
<b>By 2 October 2013</b>	Allotment Date	Shares allotted. Trading expected to commence on NZX Main Board and ASX on next Trading Day
<b>2 October 2013</b>	Despatch Date	New Share Statements sent to Shareholders

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

**Defined words and expressions used in this booklet are capitalised - see the Glossary (on page 14) for their definition.**

The directors of New Talisman certify that at the time the Issue Price was fixed (5 September 2013), New Talisman had no information not publicly available that would, or would be likely to, have a material effect on the market price of New Talisman shares if the information were publicly available.

**Signed by** the New Talisman Gold Mines Limited Directors



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M.G. Hill



\_\_\_\_\_  
J.M. McKee



\_\_\_\_\_  
I. J. Pringle

## QUESTIONS AND ANSWERS

### What is the Share Purchase Plan (SPP)?

The SPP allows Eligible Shareholders to apply for additional Shares in New Talisman Gold Mines Limited (“**New Talisman**”) without incurring brokerage or other transaction costs. All Shares issued under the SPP will be of the same class and rank equally with all existing fully paid ordinary Shares and, on issue, will carry the same voting rights and other entitlements.

### Why is New Talisman issuing more Shares?

The funds raised from the SPP will be used to initiate underground bulk sampling and evaluation at New Talisman Mine in Karangahake (including mining and processing options, safety and environmental requirements and relevant consents) and for working capital. In the event the maximum amount is raised, New Talisman expects that to be sufficient to complete all of the works necessary to commence production at the Talisman mine.

New Talisman Gold Mines Limited is the holder of Mining Permit No 51-326 covering the company’s Karangahake assets, which was granted December 2009, when it was known as Heritage Gold NZ Limited. In 2012 the company changed its name to New Talisman Gold Mines Limited to reflect the company’s focus on developing the Talisman Mine.

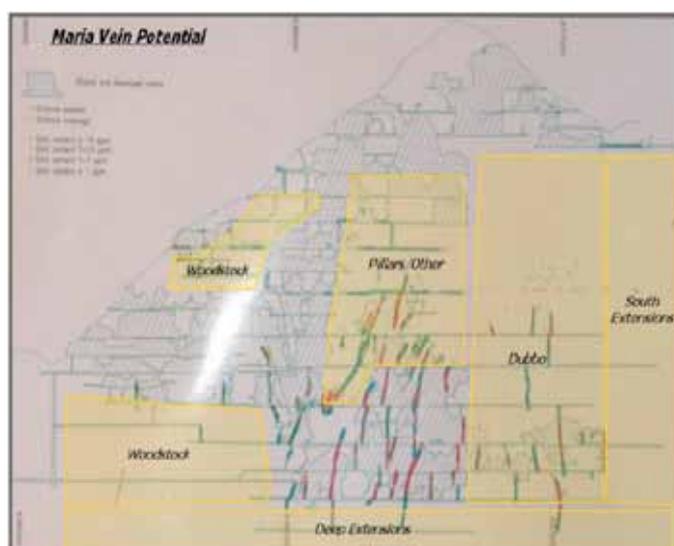


**Figure 1 shows a photograph of the historic Talisman mine taken in 1903**

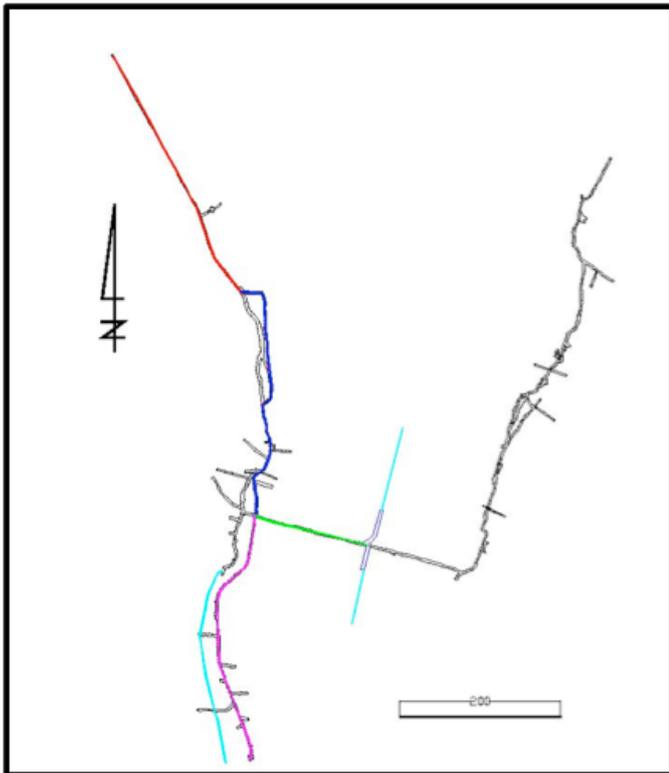
The Talisman, Woodstock and Crown mines, situated in Karangahake, New Zealand, began operations in the late 1880’s and mining proceeded until 1932 when the Crown mine finally closed. The last operating mine in the area was the Talisman Dubbo Mine which extracted a portion of the resource previously inaccessible to either the Talisman or Crown mines. The Talisman Dubbo Company ceased operation in 1940. Over its life the Talisman produced just over 3.5 million ounces of bullion at an average yield of 27 g/t gold and 128 g/t silver.

Southern Cross Minerals began exploration activities at the Talisman mine in 1971. New Zealand Goldfields acquired the company in the 1980’s and, together with a series of partners including Freeport Australia and Cyprus Mines, drilled several boreholes, developed a series of cross cuts to explore continuity of the Maria Vein, discovered the high grade shoot currently referred to as BM37 within the Dubbo Zone, and discovered the Mystery vein while developing Keillors Crosscut to connect the Crown and Talisman Mines on 8 Level. The company’s Mining License expired in 1992

In 1995 Heritage Gold was granted an Exploration Permit covering the Talisman and Crown areas and successfully mounted a two stage exploration campaign which resulted in the announcement, in 2006, of a 205,000 Oz, JORC 2004 compliant gold resource and 799,000 Oz of silver. A scoping study was carried out in 2004, updated in 2008 and reviewed in 2012. In 2012 Heritage Gold was renamed New Talisman Gold Mines Limited and the company’s exploration assets housed in a new, 100% owned vehicle named Coromandel Gold. New Talisman Gold Mines Limited was given the specific mandate of developing the Talisman Mine.



**Figure 2 shows a cross section of the Maria Reef indicating historically mined areas together with areas in which the company intends focussing further prospecting.**



**Figure 3 shows a plan view of the Talisman 8 Level and the position of the initial drives through which the bulk sample will be removed.**

A Pre-Feasibility Study on the re-establishment of the Talisman Mine in Karangahake was completed in March 2013. This study identified the opportunity to begin a small scale mining operation as a precursor to a larger mine. The small scale mine would provide an opportunity to rehabilitate parts of the mine and establish operations to generate short term cash flow while undertaking further evaluation to assess the potential for an expanded operation. On the basis of the Pre-Feasibility Study the company announced an expected maiden Ore Reserve of 28,800 Ounces of gold in August 2013.

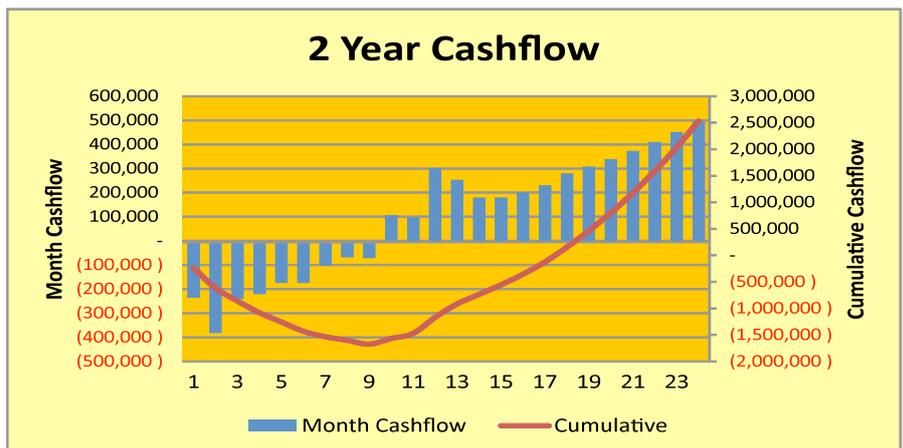
New Talisman intends to progress the development of the Talisman Mine Project through two projects, which will be run in parallel to each other. The first is the Talisman Feasibility Study which will further develop the preferred option for mining the Talisman orebody as outlined in the Pre-Feasibility Study. This Study will be informed by the Talisman Bulk Metallurgical Sampling Project which will contribute information pertaining to the geology and metallurgical characteristics of the ore bodies planned for mining.

The envisaged test work will enable informed decision-making on the “most effective metallurgical route for efficient processing of the Talisman ore.

Historically cyanidation was the primary method of gold extraction while New Talisman intends to investigate alternative methods such as gravity separation and flotation. In order to further this effort New Talisman has recently purchased equipment which will be used to carry out gravity concentration testwork. The Bulk Sampling Project will enable more accurate delineation of the ore zones identified for the full mining phase which will allow more detailed mine design and scheduling of the stoping (removal of underground ore) and development operations. The bulk samples will be extracted through the development of a network of small drives situated within the ore.

Negotiations with New Zealand gold producers are at an advanced stage with regard to a toll treating agreement for the Talisman ore.

Bulk sampling development during the first year is intended to be on the Mystery vein and the Dubbo Zone of the Maria vein. It is intended to extend the north and south faces of the Mystery reef by 60m each. This will generate valuable information on the vein while also creating the infrastructure for future stoping. Similar operations are planned for the Dubbo Zone.



**Figure 4 shows the anticipated cash flow from gold and silver production**

Based on an average development face advance of 12 metres per month per drive, New Talisman expects to generate approximately 650 tonnes of material per month once sampling operations are fully established. Estimates of the ore reserves extracted during this period indicate that this will contain an average of 12.0g/t of gold.

One of the key benefits of the Talisman mine is the ability to mine multiple sections in parallel which allows the company flexibility to accelerate mine development by scaling up production in the event of a buoyant gold price, and scale down and focus on high grade paydirt should the gold price collapse. It is this attribute which sets the Talisman mine project apart for many others in today's marketplace giving the potential to generate profitable revenues in varying market climates.

Gold and silver produced through the metallurgical test work is expected to produce sufficient revenue to enable the mine to become self-sustaining. Based on a gold price of USD1200/Oz (approximately 15% below current spot prices) and an exchange rate of NZD:USD of 1:0.8, an initial investment of NZD1.5m is expected to be sufficient to fund the establishment and refurbishment of the mine and get New Talisman to the position that sufficient funds are generated internally to finance the future mine expansion.

The anticipated timeline for development of the project is shown in Figure 5. The dates set out in this timeline, and aspects of the commentary above, are based on New Talisman's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of New Talisman and its Directors, that could cause actual results, performance or achievements to differ materially from future results performance or achievements expressed or implied by the forward looking statements. There is no assurance that New Talisman will be able to successfully implement the strategies outlined above and no person guarantees the shares to be issued under the SPP.

### **Do I have to participate in the SPP?**

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

## **HISTORICAL TIMELINE**

- 1852 – Gold discovered on the Coromandel
- 1875 – Ohinemuri goldfield opened for prospecting
- 1882 – Maria Vein discovered at Mt Karangahake
- 1883 – Crown Mine established
- 1887 – Woodstock Mine established
- 1894 – Historical Talisman Mine established
- 1904 – Woodstock Mine incorporated into Talisman
- 1919 – Talisman Closure
- 1928 – Crown Mine closure
- 1971 – Southern Cross Minerals begin exploration
- 1980 – NZ Goldfields registered
- 1985 – NZ Goldfield/Freeport JV
- 1987 – NZ Goldfields/Cyprus Minerals JV
- 1989 – Discovery of Dubbo Zone
- 1993 – Southern Mining license lapses
- 1995 – Exploration Permit granted to Heritage Gold
- 2003 – 1st Phase exploration – 109 600 Oz
- 2006 – 2nd Phase exploration – 205 000 Oz
- 2012 – Renamed New Talisman Gold Mines Limited
- 2012 – Scoping Study completed
- 2013 – Pre-Feasibility Study completed
- 2013 – Advanced stage access negotiations
- 2013 – Detailed planning in process for Bulk Sampling
- 2013 – Feasibility Study commissioned

## **MINE ESTABLISHMENT PLAN**

- 2013 – Complete Part A Access Negotiations
- 2013 – Site Establishment
- 2013 – Initial Mine refurbishment
- 2013 – Feasibility Study complete
- 2013 – Rehabilitation to Woodstock Zone
- 2014 – Pre-Development of Woodstock Block
- 2014 – Rehabilitation to Mystery Vein
- 2014 – Pre-Development of Mystery Block
- 2014 – Rehabilitation to Dubbo
- 2014 – Pre-Development of Dubbo Block

Figure 5 – Historic Timeline and Mine Establishment Plan

## Can I participate in the SPP?

You are eligible to participate in the offer under the SPP if (such persons being “**Eligible Shareholders**”):

- You were registered as a holder of Shares at 7.00pm (NZ time) on 4 September 2013 (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 SPP 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 SPP Terms and Conditions.

## How much can I invest under the SPP?

The amount you may invest under the SPP is limited. Eligible Shareholders may elect to apply for one or more Parcels of Shares with a value of NZ\$1,000 or A\$900 up to a maximum of NZ\$15,000 or A\$12,600.

If you receive more than one copy of this booklet, or if you hold Shares in more than one capacity (eg, 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 or A\$12,600. By applying to purchase Shares under the SPP, you give the certification set out in the terms and conditions of the SPP 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 or A\$12,600 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 SPP.

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 SPP 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 SPP and together can only make one application up to a maximum of NZ\$15,000 or A\$12,600. 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 or A\$12,600; you may not do both.

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

## Why are investments limited to the maximum subscription amount of NZ\$15,000 or A\$12,600?

The offer under the SPP 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 laws, the maximum amount that Eligible Subscribers may elect to invest is the lesser of NZ\$15,000 and A\$15,000. In order not to exceed the lesser of these two amounts, New Talisman has set the maximum Australian dollar application amount at A\$12,600 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\$15,000 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 within 5 Business Days. No interest will be paid on application money refunded to you.

## What is the Issue Price of the Shares under the SPP?

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

The Issue Price is NZ 1 cent, being 9% less than the Volume Weighted Average Share Price of New Talisman ordinary shares traded on the NZX Main Board in the 5 Trading Days prior to the Offer Date. The Australian dollar equivalent is calculated using the Westpac Bank exchange rate applicable at close of business on the Record Date. 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 and/or scaling as described in the Terms and Conditions. For example, at an issue price of NZ 1 cent, NZ\$1,000 will purchase 100,000 shares.

The Issue Price was fixed on the Offer Date and the procedure used to determine the Issue Price was to calculate the Volume Weighted Average Share Price of New Talisman ordinary shares as described above and apply a discount considered appropriate by the New Talisman board.

## What are the risks of investing in the SPP?

The market price of New Talisman Shares may rise or fall between the date of this offer and the date when Shares issued under the SPP are allotted to you. As a result, the Issue Price you pay for Shares issued to you under the SPP may exceed the prevailing market price of New Talisman Shares trading on the NZX Main Board and the ASX. In other words, the value of the Shares issued to you under the SPP 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 SPP. Accordingly, you should seek your own financial advice in relation to this offer and your participation in the SPP.

## How do I apply for Shares under the SPP?

If you wish to participate in the SPP, 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 5.00pm (NZ time) on Thursday 26 September 2013 (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 5:00pm NZ time on the Closing Date.

## How long is the SPP open?

The SPP opens on 5 September 2013 and is expected to close at 5.00pm (NZ time) on 26 September 2013, 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 SPP on the Allotment Date, which is currently expected to be by 2 October 2013.

A statement confirming the number of Shares issued to you under the SPP will be sent on or around 2 October 2013.

## How many Shares will I receive?

Under NZSX Listing Rule 7.3.4(c) and in accordance with ASX requirements New Talisman may issue up to 30% of the number of fully paid ordinary shares already on issue under the Plan without Shareholder approval provided certain conditions are met. Given the number of Shareholders in New Zealand and Australia it is possible to receive applications under the Plan for more than 30% of the number of fully paid shares already on issue. Accordingly, New Talisman will scale applications on a pro-rata basis (in proportion to the number of New Talisman shares held by the applicant on the record date) so that the number of new Shares issued under the Plan is equal to or less than 30% of the Shares already on issue.

If New Talisman scales applications it may mean, for example, if you apply for a NZ\$15,000 (A\$12,600) Parcel and applications are scaled back 10% then your application will be scaled back to NZ\$13,500 (A\$11,340). In that event you will receive a refund cheque for NZ\$1,500 (A\$1,260) at the same time as your transaction confirmation statement.

## When will the Shares be quoted?

Shares issued under the SPP 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 2 October 2012 based on the current timetable). NZX is a registered exchange, and the NZX Main Board is a registered market, regulated under the Securities Markets Act 1988. NZX and ASX accept no responsibility for any statement in this booklet, the SPP 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 (0) 9 303 1893 or by email: [sue@newtalisman.co.nz](mailto:sue@newtalisman.co.nz)

# TERMS AND CONDITIONS

## IMPORTANT NOTICE:

If you apply to participate in the SPP 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 SPP 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 SPP.

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 SPP. Please read these Terms and Conditions carefully.

## 1. Offer timetable

- 1.1 This offer is dated, and taken to be made on 5 September 2013.
- 1.2 The offer opens on the Opening Date, being 5 September 2013.
- 1.3 The offer closes at 5.00pm (NZ time) on the Closing Date, being 26 September 2013, 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 1 cent or Australian dollar equivalent using the Westpac Bank NZ\$:A\$ exchange rate at close of business on the Record Date.
- 1.5 The Shares are proposed to be allotted on the Allotment Date, being 2 October 2013.
- 1.6 New Talisman expects the Shares 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 despatched to you on the Despatch Date, being on or around 2 October 2013.
- 1.8 New Talisman has a discretion to change, at any time, any of the Closing Date, the Allotment Date and the Despatch 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 that are not issued under the SPP 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, provided that the price and terms and conditions of the issue are not materially more favourable to the offerees than those offered under the SPP.

## 2. Eligible Shareholders

- 2.1 You may participate in the SPP 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 (NZ\$15,000 or A\$12,600). Eligible Shareholders who receive more than one offer under the SPP (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 SPP or any similar arrangement in the 12 months prior to and including the date of an application for Shares under the SPP (as if Shares up to the value of the Parcel applied for in this SPP 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 SPP (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 in the form required by ASIC Class Order 09/425 set out in the Application Form, that the total of the application price does not exceed A\$12,600 calculated by aggregating:
- (a) the total Shares applied for under the SPP; and
  - (b) any other Shares issued under the SPP 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 SPP; 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 SPP.

#### 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 SPP or any similar arrangement in the 12 months prior to and including the date of an application for Shares under the SPP (as if the Shares up to the value of the Parcel applied for through the Custodian pursuant to the SPP 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 SPP (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 (among other things) the following to New Talisman in the form required by ASIC Class Order 09/425 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 SPP or any similar arrangement the total issue price of which is more than the lesser of NZ\$15,000 or A\$12,600;
- (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 SPP, and no other Custodian is submitting an application under the SPP 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\$12,600:
  - (i) the Shares applied for by the Custodian on their behalf under the SPP;
  - (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 SPP.

### **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 SPP, 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\$15,000), Shares having a total issue price equal to the relevant statutory 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 SPP, 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 SPP 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.

### **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 SPP 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 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 with an aggregate application price in excess of the lesser of NZ\$15,000 or A\$12,600 under the SPP (including applications made through a Custodian) even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP 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 SPP 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 SPP will not exceed the lesser of NZ\$15,000 or A\$12,600 (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 Offer Date, the date you apply for Shares under the SPP 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 SPP;
- (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 SPP.

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 and scaling**

- 5.1 If you apply for Shares under the SPP, 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 The SPP is for a maximum number of Shares of 158,644,819 (being 30% of the 528,816,064 Shares currently on issue). If valid applications are received for a number of Shares which exceeds this number, New Talisman may scale applications on a proportionate basis in accordance with the number of New Talisman shares held by the applicant on the Record Date.

- 5.4 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 Dispatch Date.

## **6. The Shares**

- 6.1 Shares issued under the SPP 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 New Talisman currently 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.
- 6.3 The Shares to be issued under the SPP have been accepted for quotation on the NZX Main Board, and New Talisman will 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 SPP, 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 2 October 2013 on the current timetable). NZX is a registered exchange, and the NZX Main Board is a registered market, regulated under the Securities Markets Act 1988. Neither NZX nor ASX accepts any responsibility for any statement in this booklet, the SPP Terms and Conditions or in the Application Form.

## **7. Financial Statements**

You may obtain free of charge the most recent annual report and financial statements of New Talisman by contacting New Talisman, or you may download the reports from the New Talisman website [www.newtalisman.co.nz](http://www.newtalisman.co.nz)

## **8. No Underwriting of the Offer**

The SPP is not subject to any underwriting arrangement.

## **9. Amendments to the Offer and waiver of compliance**

- 9.1 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.
- 9.2 New Talisman reserves the right to, in its absolute discretion, modify, suspend, withdraw, terminate or correct the offer and the SPP, at any time. New Talisman will notify the NZX and ASX if it does so modify, suspend, withdraw, terminate or correct the offer or the SPP.
- 9.3 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.

## **10. 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.

## **11. Governing Law**

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

## **12. Dispute Resolution**

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

## **13. Inconsistency**

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

## GLOSSARY

<b>Allotment Date</b>	By 2 October 2013, unless extended.
<b>Application Form</b>	The personalised application form relating to the SPP that you received with this booklet, including the instructions on the reverse of the form.
<b>ASX</b>	ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;
<b>Business Day</b>	A business day as defined in the Listing Rules.
<b>Closing Date</b>	26 September 2013, unless extended.
<b>Custodian</b>	<p>Custodian means a person that:</p> <ol style="list-style-type: none"> <li>1. 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</li> <li>2. 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:</li> <li>3. 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</li> <li>4. 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.</li> </ol>
<b>Despatch Date</b>	The date on which new Share statements are sent to Shareholders, being on or around 2 October 2013, unless extended.
<b>Eligible Shareholder</b>	A person who, at 7pm (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.
<b>Issue Price</b>	NZ 1 cent or Australian dollar equivalent using Westpac Bank exchange rate at close of business on the Offer Date.
<b>New Talisman</b>	New Talisman Gold Mines Limited (ARBN 009 474 702).
<b>Listing Rules</b>	The listing rules of the NZX Main Board and/or the ASX, as the context requires.
<b>Maximum Subscription Amount</b>	The maximum aggregate dollar amount of Shares, at the Issue Price, that you may apply for under the SPP, being NZ\$15,000 (A\$12,600) as amended under paragraph 3.7.
<b>NZX</b>	NZX Limited.
<b>NZX Main Board</b>	The main board equity security market operated by NZX.
<b>Offer Date</b>	5 September 2013.
<b>Opening Date</b>	5 September 2013.

<b>Parcel</b>	The value of the parcel of Shares that you apply for, which may be NZ\$1,000 (A\$900) 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.
<b>Record Date</b>	4 September 2013.
<b>Shares</b>	Fully paid ordinary shares in New Talisman.
<b>Shareholder</b>	A registered holder of Shares.
<b>SPP</b>	The Share Purchase Plan detailed in this booklet.
<b>Trading Day</b>	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.
<b>Volume Weighted Average Share Price</b>	The volume weighted average share price of New Talisman ordinary shares traded on the NZX Main Board over a particular period.



## DIRECTORY

### Registered Office

New Talisman Gold Mines Limited  
541 Parnell Road  
Parnell  
Auckland, New Zealand  
[www.newtalisman.co.nz](http://www.newtalisman.co.nz)

### 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**

These materials do not constitute an offer of securities for sale in the United States or to "U.S. persons" (as defined in Regulation S under the U.S. Securities Act 1933, as amended (the **U.S. Securities Act**)) (**U.S. Persons**) and may not be sent or disseminated, directly or indirectly, in the United States or to any U.S. Person in any place. New Talisman Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States.

[www.newtalisman.co.nz](http://www.newtalisman.co.nz)

