

November 28th 2013

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

FOR IMMEDIATE RELEASE

TALISMAN MINE ACCESS ARRANGEMENT AND RESOURCE CONSENTS

- **NTL concludes agreement for access arrangement at Talisman Mine with Department of Conservation and Ministry of Business, Innovation and Employment**
- **Hauraki District Council grants NTL resource consents for bulk sampling and underground development work plan at Talisman Mine**
- **New Talisman Gold Mines Limited positioned to commence development of Talisman**

New Talisman Gold Mines Limited is pleased to announce that it has signed an agreement with the Department of Conservation and Ministry for Business, Innovation and Employment covering the access arrangement for its Talisman Mine project. The terms and conditions of the access arrangement will enable the company to complete the bulk sampling and development work programme NTL proposes as a lead-in to full mining operations.

The company is equally pleased to confirm that Hauraki District Council has granted NTL the resource consents necessary to undertake the same bulk sampling and underground development work programme. The underground work programme includes operations such as drilling and blasting and the consents specify the terms and conditions on which these and other operations may be undertaken.

Commenting on these developments NTL Chairman Murray McKee stressed just how important the access arrangement and resource consents were to the company's future. "Two years ago the new board set out for shareholders a bold plan to transform the company from explorer to producer. At that time we identified two critical milestones – completion of a Pre-Feasibility Study and conclusion of an access arrangement and resource consents – on the journey through development to production. Passing those milestones today represents a huge achievement and I congratulate all those involved. NTL is now well positioned for the challenge of earning full value from the gold and silver resources contained on the Talisman mining permit while running a safe and environmentally sound operation. I am confident the board and management team are up to that challenge" said Mr McKee.

Completion of the access arrangement and grant of the resource consents brings to a successful conclusion over 8 months of detailed, complex work for NTL and officials from the principal agencies involved. These include the Department of Conservation, the Ministry of Business, Innovation and

Employment, Hauraki District Council, Environment Waikato, the New Zealand Transport Agency and Historic Places Trust. “The company appreciates the professional and courteous way in which officials from all the agencies processed the various applications and agreements” McKee said.

The company consulted a broad range of stakeholders during the process and is acutely aware of the high regard New Zealand communities have for their natural environment. The company shares that regard and has sought to address concerns raised in consultation. The company further emphasises that its proposed operations at Talisman are very small and effectively confined to the footprint of the historic Talisman mine workings. The company is confident that its own operational procedures together with the terms and conditions of the access arrangement and resource consents will ensure that conservation, recreation, historic and other amenity values will be protected and maintained. NTL also notes that development of the Talisman mine will offer new employment opportunities in a sector that has seen considerable contraction in employment numbers in recent years.

Executive Director Matthew Hill said “Progress on the Talisman Project has been very pleasing and further underlines the company’s commitment to delivering value to our shareholders. We are now in a position to establish New Talisman as a recognised developer and producer of precious metals in New Zealand and deliver the first ore from the mine since Southern Gold Ltd ceased operations in the early 1990’s.”

Underground development work and bulk sampling operations during the next twelve months will focus on the Mystery vein and the Dubbo Zone of the Maria vein. It is intended to remove the bulk samples through a series of small reef drives which will generate valuable information on the metal content and metallurgical behaviour of the ore.

Initially the company will concentrate on refurbishing the primary access tunnel and establishing the power, water, electrical and ventilation systems required for safe and efficient operations underground. This is expected to take approximately six months to complete, following which sample removal will commence. Material recovery is expected to build up to a steady state level of between 600 and 700 tonnes per month over the ensuing six months.

Highlights of the Talisman project include:-

- The Pre-Feasibility Study completed in March 2013 found that a first-stage development of an underground mine could deliver 32,200 ounces of gold during its five-year life. It also concluded that the mine would have an estimated production cost (C2) of US\$750 per ounce.
- 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.
- Estimates of the ore reserves in the Mystery and Dubbo Zone, targeted for initial development indicate that they will contain an average of 12.0g/t of gold. Individual samples collected from the Dubbo BM37 Bonanza Zone have previously assayed gold grades in excess of 1% (10,000g/t).
- The project is expected to generate between 180oz and 200oz of gold per month at steady state.

Matthew Hill
Executive Director
027 555 7737



COMPETENT PERSONS REPORT

The information in this announcement that relates to the Talisman Project Pre-Feasibility Study, Ore Reserve estimates and Exploration Results 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.

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 target, potential and geological potential should not be interpreted as mineral resources as defined in the JORC Code 2004. The terms refer to the potential quantity of metal that may be discovered with further exploration, and are conceptual in nature. There has been insufficient exploration to date to define Mineral Resources in these targets (except where reported as JORC-compliant), and it is uncertain if further exploration will result in such determination.

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 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.newtalismandgold.co.nz

