

NEW Talisman

GOLD MINES LIMITED

HALF YEARLY REPORT

to 30 September 2019



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REPORT TO THE SHAREHOLDERS OF NEW TALISMAN GOLD MINES LTD
Half year ended 30 September 2019



The directors are pleased to report the company achieved a number of key milestones during the half year period as follows:

- Completion of rehabilitation works opening up both Mystery and Dubbo veins
- Completion of Phase 1 Metallurgical testwork – Gold and precious metals recovery rates achieved
- Phase 2 metallurgical testwork commenced
- Completion of successful capital raising of 3.6M
- Commencement of design and planning for larger volume plant

Rehabilitation work to provide access to the Dubbo and Mystery areas at Talisman was substantively completed in the last quarter of FY2018. The primary effort in the first half of the 2019 financial year has been directed towards securing a means of processing the ore produced at the mine. This has involved procurement, consenting and operation of a pilot processing plant to verify previous metallurgical testwork results. The ability to replicate the results is of primary importance to the consent, design and commissioning of a commercial scale gold processing plant capable of processing the mines planned output.

Phase 1 of the testwork has been successfully completed and has proven that recovery of 64% of contained gold into 15% of the ore mass is reliably achievable through the gravity circuit. An average feed grade of approximately 10g/t yielded a primary concentrate of approximately 40g/t from the centrifuge. This concentrate can be further upgraded by passing it over the shaker table. 40kg of primary concentrate was treated in two batches yielding 650g and 600g of secondary concentrate at grades of 989g/t gold and 4,120g/t silver, and 876g/t gold and 2800 g/t silver respectively. While further optimisation of the process is planned these results are sufficient to underpin the design and procurement of a suitable, commercial scale plant.

Phase 2 of the metallurgical testwork which aims to gather data on the plant outputs sufficient to meet council requirements for a resource consent for a larger volume plant, has commenced. The sampling from processing small quantities of various ore grades will ensure sufficient sample size for ore treatment data to be collected and included as part of final plant application.

Once the required data is sufficient, final design work can be carried out for the larger gravity plant. Initial design work is underway with Terra Firma who have expressed interest in working with the company to develop a larger capacity plant and, with completion of Phase 1, both parties are now in a position to progress discussions on commercial terms.

Other efforts have focused on the detailed design and costing of the short decline system from BM35 crosscut to access the extension of the Dubbo shoot approximately 7m below number 8 level. A key risk identified in this process is the potential for encountering unknown excavations below 8 Level. In order to quantify those risks NTL has aligned with a local company to investigate the possibility of deploying digital electro seismic mapping underground to identify possible extensions of the vein systems within the mine and to assist with the mapping of unknown excavations. If successful, this innovative approach will greatly assist with identifying exploration opportunities and aid mine planning.

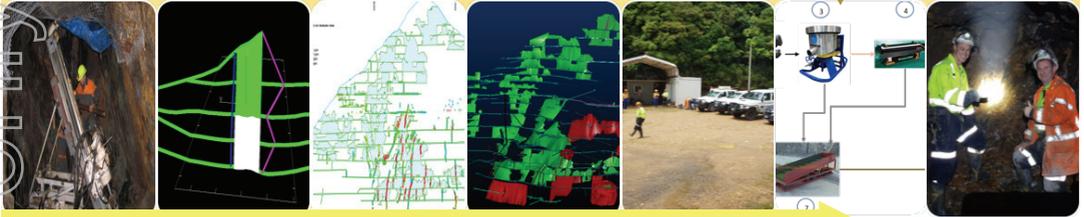
Work also continues on the planning and costings to attain a resource consent application for full mining in line with the 15 years remaining on the mine permit. The NZ political climate towards the minerals industry continues to be ambiguous with a bias towards the negative, and highlights the importance of ongoing security of tenure to ensure continuity of the operation on completion of the bulk sampling programme.

During the period the company progressed discussions with a number of parties who have approached the company on the Talisman Mine project, once the initial metallurgical testwork and independent review of the resource estimate currently underway is complete the board will be in a better position to contemplate commercial proposals.

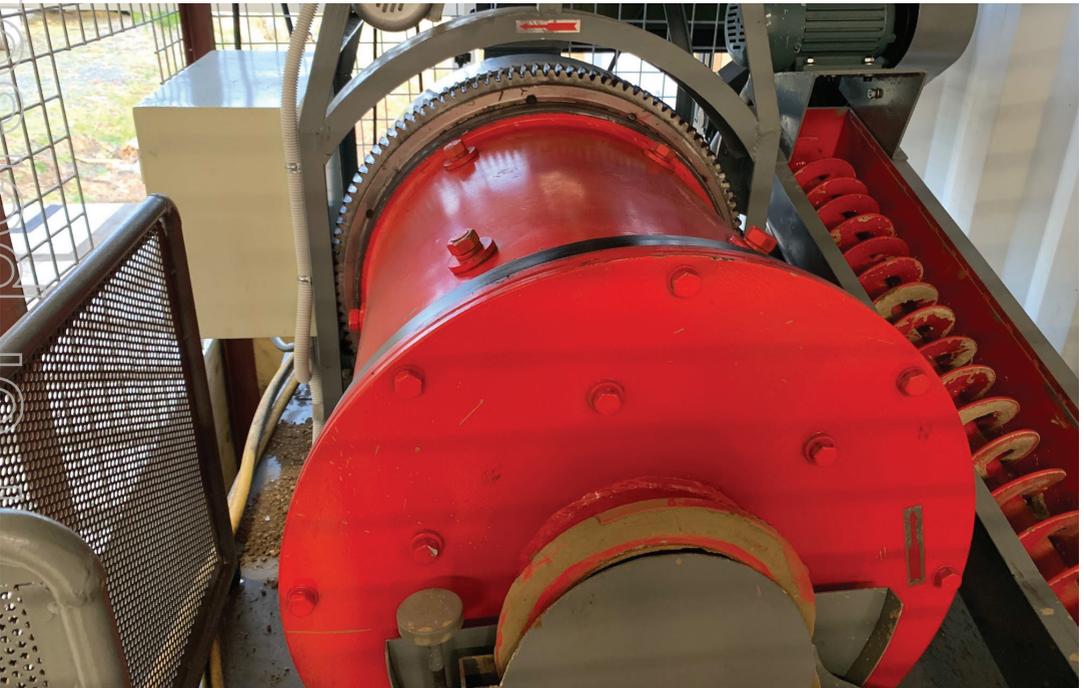


TALISMAN MINE PROJECT

The Diagram below shows the stages of development and evolution the mine has taken since Heritage commenced exploration activities through to mine development and planning.



Exploration	Pre - Feasibility	Data Acquisition	Ore Reserve	Mine Establishment	Metallurgical Testing	Mine development and Plant Establishment
Initial Exploration identified a JORC 2004 compliant Mineral Resource of 205,000 Oz Au	PFS completed in 2013 proposes a 5 year mine with a NPV of \$15m Ore Reserve of 28.8k Oz Au	Acquisition of historic data allows modelling of extensions to mineral resource and identifies a JORC 2012 compliant Mineral Resource of 469k Oz AuEq	Revised PFS proposes small scale mine with 6 year mine life producing >51k Oz AuEq Ore Reserve of 51k Oz AuEq	Site established, 1.5 km of tunnels rehabilitated giving access to Mystery and Dubbo areas Extraction of ore from Mystery underway	Pilot plant established to verify gold recovery from gravity concentration	Development to open up reserve blocks in Dubbo Zone Procure and construct a commercial scale plant while stockpiling ore from Talisman Mine

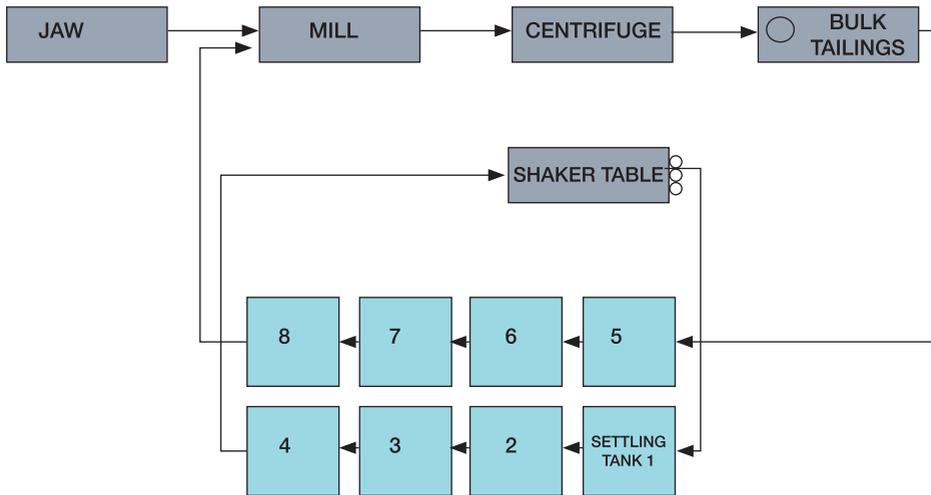


Metallurgical Testwork Pilot Plant

Resource consent for operation of the pilot plant was granted in early July. The plant was commissioned shortly after that and processing of samples taken from the Talisman Mine commenced early in the September quarter.

The pilot plant comprises scaled-down processing units (jaw crusher, rod mill, centrifuge, shaker table) that replicate the operations of a commercial plant to the same design as was used in metallurgical testwork carried out in South Africa,

The process schematic is shown below.



As detailed in previous announcements (please see <https://www.asx.com.au/asxpdf/20190920/pdf/448ph1pf0k83hn.pdf>) The process for separating metals from ore extracted from the Talisman Mine, as advised by Peacock and Simpson, to suit the very fine (sub 150 micron) grain size at which gold can be most efficiently recovered is as follows:

1. Ore is passed through the crusher which breaks it down to sub 10mm particle sizes;
2. The crushed ore is passed through the rod mill where steel rods in a rotating drum break it down further to sub 150-micron sizes;
3. The ground ore is passed through a 150 micron screen before entering the centrifuge which rotates at between 25,000 and 50,000 rpm and uses the gravitational forces generated by that rotation to trap the heavier metallic elements into a primary concentrate while discharging the lighter clay and silica particles to waste;
4. The primary concentrate is passed over the shaker table which uses the effect of differing specific gravity to further separate metals from host minerals resulting in a cleaner secondary concentrate.

Testwork Results

Phase 1 of the testwork is now complete and the results have demonstrated that the recovery rates achieved by Peacock can be replicated and as such met the basis for proceeding with gravity-based treatment of the ore. Recovery rates as high as 72% were achieved with an average above 60%. It is expected that further optimisation of the pilot plant, primarily through increasing the capacity of the centrifuge during phase 2 testwork, recovery rates will continue to improve with an aim of achieving an average of 73%.

Grind size

Grind size achieved in the phase 1 testwork was successful in confirming the grind size for Talisman mine ore of under 100 micron is required for achieving optimal recovery rates using gravity.

Previous testwork has indicated that a grind size of 106 µm is sufficient to liberate the electrum (gold/silver alloy) from host rock.

The technical team were delighted with the results of the initial grind test work upon which is the one of major deliverables required to finalise the metallurgical process to be used in a larger scale plant. The completion of the grind testworks allows for the final designs for ore crushing and grinding circuit are well underway.

Gold Recovery

The major component in completing phase 1 testwork was the % of gold recovered in order to confirm the results of testwork completed overseas can be replicated in field settings at a plant scale and can produce the data of required size to base the design of a larger scale plant to meet the production planned during bulk sampling. This is achieved in 2 areas Primary recovery and concentrate.

Primary Recovery

In order to quantify the effectiveness of gold recovery into the primary concentrate a total of nine test batches were run, six on ore sourced from the Dubbo Zone and three from Mystery. The results are as follows:

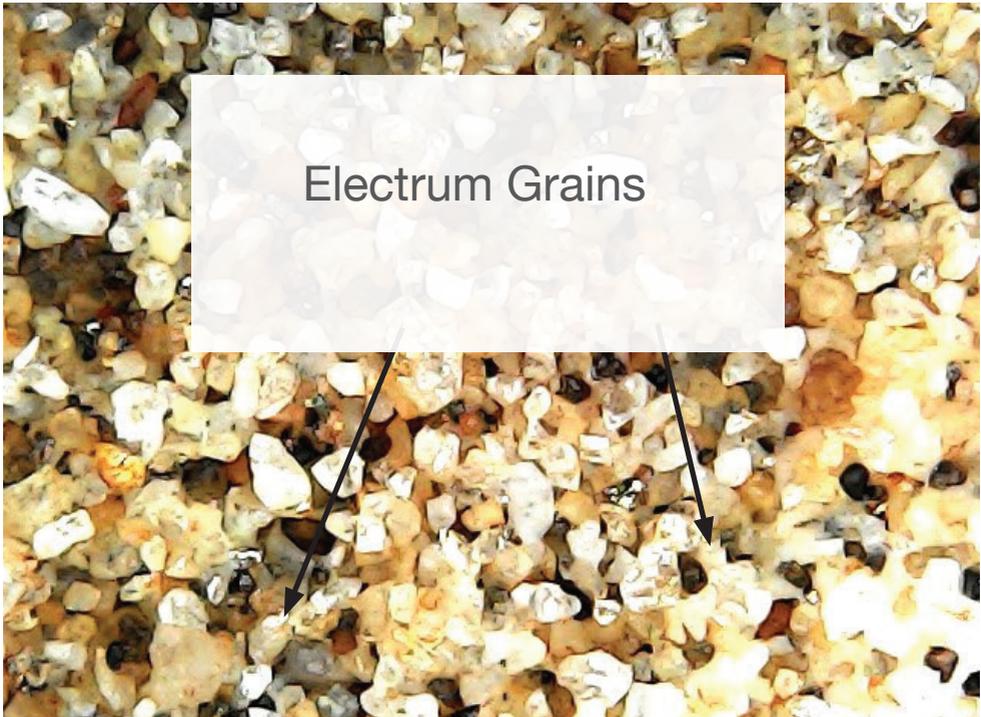
- On average 64% of the gold and 38% of the silver is recovered into 15% of the ore i.e. each tonne of ore treated yields 150kg of concentrate;
- The average feed grade for Maria Ore was 10.05 g/t and for the Mystery Vein 9.61g/t both measured through sampling of mill output;
- Concentrate grade of 41.5g/t was achieved for the Maria vein and 40.7g/t for the Mystery Vein;
- There was no significant difference in recovery between the two ore types;
- There was considerable variance between batches, with gold recovery ranging between 48% and 79% for Maria ore, and between 56% and 78% for Mystery ore. There is no relationship between feed grade and recovery, so this variance is attributable to the presence of coarse gold.

The results prove that the process is capable of producing a concentrate that can be sold directly to a third-party operator with the above specifications exceeding the minimum specifications [provided to the company by a NZ buyer of gold concentrate.

Secondary Concentrate processing testwork

Testing of the effectiveness of further processing primary concentrate over the shaker table was quantified in phase 1 through the treatment of approximately 40kg of primary concentrate in two batches which yielded 650g and 600g of secondary concentrate at grades of 989g/t gold and 4,120g/t silver, and 876g/t gold and 2800 g/t silver respectively. High levels of other metals such as iron, copper and zinc are reported in the concentrate. Further data will be sampled as phase 2 metallurgical testwork required to gain additional data which will form the basis for an application for final plant consent.

It is important to note as a New Zealand company New Talisman can acquire land for use in its activities without further OIO approvals required by a foreign owned company.



Phase 1 of the metallurgical testwork has successfully achieved commercial recovery rates of optimal grind size of the equipment. Whilst improving on those results is of importance the primary focus of phase 2 is test work on the outputs of metals concentrate, bullion and sand processed from the ore (which can be used in a variety of building and civil works applications) with the data from further batches processed through the pilot plant forming the basis for the higher volume plant design consent and construction.

Talisman Underground operations

Design and costing of the decline from BM35 crosscut to access the Dubbo shoot approximately 7m below number 8 level is well under way. The decline, which will be developed on vein where possible, aims to intersect a high-grade ore block in the area intersected by borehole TM002, drilled by NTL in 2004, which averaged 85g/t and 117g/t Ag over a 1.0m intersection on the Maria vein (please see <https://www.asx.com.au/asxpdf/20170712/pdf/43kl6294htcscp.pdf> for further details).

Figure 3 - Installing support



The decline can then be extended downwards in 7m lifts progressively exposing more of the ore body for sampling and delineation of extractive blocks. The work completed during the bulk sampling phase creates a solid platform for the Company's full scale mine plans contemplated in the Prefeasibility Study. Underground 3d Mapping of Dubbo

A key risk to this work programme is the potential occurrence of unknown excavations in the area. In order to quantify and mitigate these risks the company has aligned with ATS, a local company to investigate the possibility of deploying digital electro seismic mapping underground to identify possible extensions of the vein systems within the mine and to assist with the mapping of unknown excavations. A beta test of the technology application for the Talisman mine is underway and results have shown promise. This technology is traditionally used for aquifer mapping, but an initial test has indicated that the system can potentially be adapted to work in the underground environment. A detailed test regime was developed to enable seismic readings to be correlated with known features identified in exploration boreholes which will allow the equipment to be calibrated to interpret the Talisman Mines geological environment. If successful, this innovative approach will greatly assist with identifying exploration opportunities and aid mine planning.



Figure 4 - Seismic Survey testing

Mystery Vein

Updating of the mineral resource estimate for the Mystery vein, compliant with JORC 2012 reporting standards, is progressing well. The estimate will inform further development and exploration of this vein system which poses the most significant potential for mine expansion given the positive results achieved on proving the extension of high-grade gold and silver mineralization.

The Mystery Vein was discovered in the 1980's and sits approximately mid-way between the historically productive Maria and Crown vein systems. It is believed that this vein had not been identified previously because of its location on the boundary between the two historic mining permits, although there is evidence that the vein may have been encountered in the lower levels of the Talisman Mine. The vein

has been exposed over a strike length of some 50m and regular sampling carried out by New Talisman (then called Heritage Gold) identified samples on the face of Mystery with grades of up to 50 g/t. Recent check sampling of ore exposed at the drive face yielded grades of up to 40 g/t Au (please see <https://www.asx.com.au/asxpdf/20180508/pdf/43tvlpmv420f4f.pdf>.)

Corporate

During the period after analysis of the commercial data available following phase 1, Terra Firma Limited expanded the original proposal to include a number of commercial options including both contract mining and processing. These are being further advanced as the data from the pilot plant has provided the finer details upon which to base any commercial terms.

Annual Review Meeting

In September 2019 the company completed its annual review meeting with NZPAM. At that meeting the agreed work programme for the previous 12 months had been completed. Stakeholders who attended the meeting were most supportive of the progress made and compliance with the permit conditions confirmed.

Looking Ahead

- Peer review of Talisman resource expected to be completed by year end.
- Completion of the costings and timings for lodgement of full mine consent aligned with the 15 years remaining on the permit is expected by end April.
- The detailed planning and design work for the decline development into the Dubbo area is progressing well and will be completed over the next quarter
- Completion of larger scale plant design following completion of phase 2 pilot plant testwork.

Tenements Held

Rahu Resources – EP90144 100% New Talisman

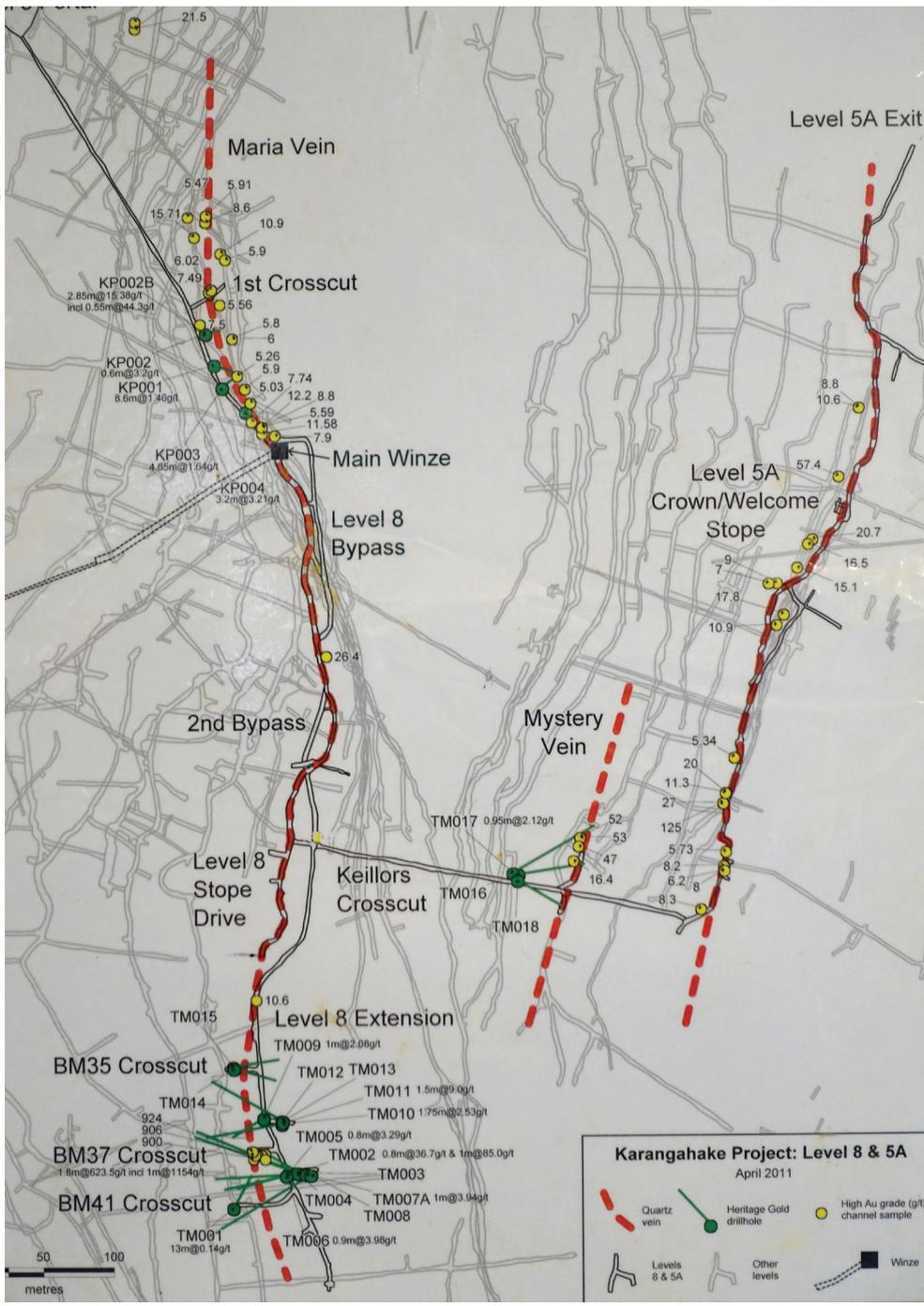
Talisman Mine – MP51326 100% New Talisman Gold Mines Limited

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) with over 2850 shareholders who are mainly from Australia and New Zealand and has been listed since 1986. It is a leading New Zealand minerals development and exploration company with a mining permit encompassing the Talisman mine, one of New Zealand's historically most productive gold mines. The company has commenced prospecting and upgrading activities at the mine and advance the exploration project to increase its considerable global exploration target into JORC 2012 resources.

Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including one of New Zealand's highest-grade underground gold mines, a JORC 2012 compliant mineral resource of over 469,000 ounces AuEq at an average above 15 g/t AuEq and a JORC compliant reserve statement. The Company owns 100% of the Rahu exploration permit, which lies along strike from the Talisman mine of which 80% was recently acquired from Newcrest Mining. The company will shortly commence exploration activities at Rahu.

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Schematic diagram of the Talisman Mine

NEW TALISMAN GOLD MINES LIMITED

Consolidated Statement of Financial Position

As at 30 September 2019

	Note	30-Sep-19 \$NZ Unaudited	31-Mar-19 \$NZ Audited	30-Sep-18 \$NZ Unaudited
Equity				
Attributable to parent company shareholders		16,432,037	16,028,262	16,559,193
Term liabilities				
Provision for closure and rehabilitation		32,215	32,215	28,395
Total term liabilities		32,215	32,215	28,395
Current liabilities				
Payables		290,342	402,046	264,846
Other		-	-	-
Employee benefits		27,664	19,997	24,228
Total current liabilities		318,006	422,043	289,074
Total liabilities		350,221	454,258	317,469
Total equity and liabilities		16,782,258	16,482,520	16,876,662
Current assets				
Cash		3,538,262	1,243,656	2,814,098
Receivables and prepayments		179,709	172,066	153,091
Total current assets		3,717,971	1,415,722	2,967,189
Non-current assets				
Property, plant & equipment		250,875	259,960	273,232
Assets under construction	6	12,787,399	12,034,575	10,859,876
Intangible assets	5	11,637	2,760,950	2,756,950
Investments		14,376	11,313	19,415
Total non-current assets		13,064,287	15,066,798	13,909,473
Total assets		16,782,258	16,482,520	16,876,662
Net tangible assets per security		0.61 cents	0.68 cents	0.64 cents

For and on behalf of the Board:



Charbel Nader
Dated: 6 December 2019



M G Hill
Dated: 6 December 2019

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.

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NEW TALISMAN GOLD MINES LIMITED
Consolidated Statement of Comprehensive Income
For six months ended 30 September 2019

	Note	6 Months 30-Sep-19 \$NZ Unaudited	6 Months 30-Sep-18 \$NZ Unaudited
Continuing Operations			
Interest received		2,570	36,028
Gain/(Loss) on share revaluation		3,063	(36,583)
Operating and administrative expenses		(3,227,380)	(671,527)
Loss from operations		(3,221,747)	(672,082)
Loss before tax for the period		(3,221,747)	(672,082)
Income tax expense		-	-
Total comprehensive income/(loss)		(3,221,747)	(672,082)
Net loss attributable to equity holders of the parent		(3,221,747)	(672,082)
Comprehensive loss attributable to equity holders of the parent		(3,221,747)	(672,082)
Earnings per share			
Basic earnings/(loss) per share from continuing operations		(0.120) cents	(0.032) cents
Comprehensive earnings/(loss) per share from continuing operations		(0.120) cents	(0.031) cents

NEW TALISMAN GOLD MINES LIMITED
Consolidated Statement of Changes in Equity
For six months ended 30 September 2019

	Note	6 months 30-Sep-19 \$NZ Unaudited	6 months 30-Sep-18 \$NZ Unaudited
Total comprehensive income/(loss)		(3,221,747)	(672,082)
Prior Year Adjustment		-	1,471
Proceeds from share capital issued	4	3,625,522	-
Equity at beginning of period		16,028,262	17,229,804
Equity at end of period		16,432,037	16,559,193

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.

NEW TALISMAN GOLD MINES LIMITED

Consolidated Statement of Cash Flows

For six months ended 30 September 2019

	Note	6 months 30-Sep-19 \$NZ Unaudited	6 months 30-Sep-18 \$NZ Unaudited
Cash flows from operating activities			
Cash inflows		2,570	36,028
Cash outflows		(565,454)	(643,435)
Net cash outflows from operating activities	7	(562,883)	(607,407)
Cash flows from investing activities			
Cash inflows		-	-
Cash outflows		(775,303)	(1,418,147)
Net cash inflows/(outflows) from investing activities		(775,303)	(1,418,147)
Cash flows from financing activities			
Cash inflows	4	3,625,522	-
Cash outflows		-	-
Net cash inflows from financing activities		3,625,522	-
Net increase / (decrease) in cash held			
Effect of changes in exchange rates		7,270	10,902
Cash at beginning of period		1,243,656	4,828,750
Cash at end of period		3,538,262	2,814,098
CASH COMPRISES:			
Cash at bank		3,433,262	1,209,098
Short term deposits		105,000	1,605,000
		3,538,262	2,814,098

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.

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NEW TALISMAN GOLD MINES LIMITED

Notes to the interim financial statements

1. General

New Talisman Gold Mines Limited is a profit-oriented company incorporated and domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange (NZX) and the Australian Stock Exchange (ASX).

The company is an FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013 and the financial statements of the group have been prepared in accordance with the Financial Markets Conduct Act 2013 and comply with NZX Listing Rule 10.6.1. The group consists of New Talisman Gold Mines Limited (the "company") and its subsidiaries ("Group") and these financial statements are the consolidated financial statements of the group. The group is engaged in mine development and mineral exploration.

These financial statements were approved for issue by the Directors on 5 December 2019.

Statement of compliance

These interim consolidated financial statements presented are for New Talisman Gold Mines Limited and its wholly-owned subsidiaries, Coromandel Gold Limited, Northland Minerals Limited and Rahu Resources Pty Limited ("Group"). The information is presented in New Zealand currency which is the company's functional currency. The interim financial statements are condensed in accordance with NZ IAS-34, Interim Financial Reporting. These consolidated financial statements have not been audited. The comparative information for the year ended 31 March 2019 has been audited. The comparative information for the six month period ended 30 September 2018 has not been audited.

2. Accounting policies

The accounting policies and methods of computation adopted in the preparation of these financial statements are the same as those adopted in the preparation of the annual financial statements for the year ended 31 March 2019. Those policies are set out in the annual report for the year ended 31 March 2019. There have been no changes to those accounting policies.

3. Seasonality of operations

The results are unaffected to any significant extent by seasonality factors.

4. Share Capital

Share Capital Movement	6 months 30-Sep-19 \$NZ	6 months 30-Sep-18 \$NZ
Share Capital Opening balance	34,590,849	34,590,849
Proceeds from Rights issues	3,625,522	-
Balance at end of period	38,216,371	34,590,849

At balance date 2,962,184,325 shares, 17,036,384 listed options and 1,250,000 unlisted options were on issue.

New Talisman Gold Mines Limited issued 527,681,022 ordinary shares during the period. These newly issued shares were issued as part of a share purchase plan whereby New Talisman Gold Mines Limited will issue or transfer to each shareholder that were issued shares under the share purchase plan 1 loyalty share for every 5 shares provided the shareholder continues to hold those shares on 26 June 2020. The loyalty shares will be issued for nil additional consideration. The share purchase plan loyalty shares will give rise to up to 105,536,204 new shares being issued.

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5. Prospecting Costs

Prospecting costs & mining tenements	6 months 30-Sep-19 \$NZ	Year ended 31 Mar 19 \$NZ	6 months 30-Sep-18 \$NZ
Opening balance	2,760,950	2,756,950	2,752,900
Development expenditure	4,000	4,000	4,050
Impairment of Prospecting Costs	(2,753,313)	-	-
Balance at end of period	11,637	2,760,950	2,756,950

New Talisman Gold Mines Limited have recognised an impairment of the prospecting costs previously capitalised in Rahu Resources Pty Limited totalling \$2,753,313 as a result of uncertainty around access to Department of Conservation land and ability to complete the work programme in relation to MEP 60144

6. Mining Tenements

Talisman Mine Development	6 months 30-Sep-19 \$NZ	Year ended 31-Mar-19 \$NZ	6 months 30-Sep-18 \$NZ
Opening balance	12,034,575	9,638,267	9,638,267
Development expenditure	752,824	2,396,308	1,221,609
Balance at end of period	12,787,399	12,034,575	10,859,876

Development expenditure consists of mining development costs, professional salaries, data acquisitions and a small portion of overhead expenses relating to the operation of the mine. Management assesses the allocation of directly attributable overheads at the end of each reporting date.

7. Reconciliation of net deficit and operating cash flow

	6 months Sep 2019 \$NZ Unaudited	6 months Sep 2018 \$NZ Unaudited
Net deficit after taxation	(3,221,747)	(672,082)
Add non-cash items:		
Depreciation	27,563	19,617
Exchange (gain)/loss	(7,269)	(10,902)
Impairment of Prospecting Costs	2,753,313	-
Loss / (Gain) on revaluation of shares	(3,062)	36,583
	17,232	45,298
Add (less) movement in working capital:		
Decrease (increase) in debtors	-	2,309
Increase (decrease) in creditors	(104,039)	54,160
Decrease (increase) in accrued income	5,365	7,071
Decrease (increase) in Prepayments	(39,128)	(22,505)
Decrease (increase) in GST	26,121	(21,658)
	(111,681)	19,377
Net cashflows from operating activities	(562,883)	(607,407)

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8. Expenses

A percentage of certain expenses including wages, consulting fees and other operational expenditure are capitalised to exploration tenements and assets under construction based on a calculation prepared by management which is reviewed at each reporting date.

9. Commitments

Capital commitments at the end of the period were \$nil. The company has signed a lease agreement for office rental of \$1,705.40 per month plus GST which expires in March 2020.

10. Going concern

The financial report has been prepared on a going concern basis. The company has raised sufficient funds to commence bulk sampling. The directors expect to ensure that financial obligations can continue to be met for longer than 12 months.

11. Events subsequent to balance date

No major events occurred after balance date.

12. Related Party Transactions

Payments for consulting services to companies in which directors and major shareholders have a substantial interest amounted to NZ\$184,760. Director fees of \$175,769 were payable at the end of the reporting period. Related party receivables at balance date were \$2,194. No related party debts were written off during the year.

13. Board Appointments and Retirements

There were no changes to the board of directors during this period.

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Scott Bennison

Chartered Accountants
Level 1, 251 Elizabeth Street, Sydney, 2000
Phone: (02) 8839 3000

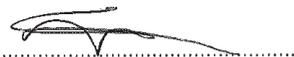
**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE COMPANIES ACT
1993 TO THE DIRECTORS OF NEW TALISMAN GOLD MINES LIMITED**

I declare that, to the best of my knowledge and belief, during the half year ended 30 September 2019 there has been:

- a. no contravention of the auditor independence requirements as set out in the *Companies Act 1993* in relation to the audit; and
- b. no contraventions of any applicable code of professional conduct in relation to the audit.

The entities are in respect of New Talisman Gold Mines Limited and the entities it controlled during the period.

Dated in Sydney on this *6th* day of *December* 2019.



Scott Bennison
New Zealand Overseas Licenced Auditor
Australian Registered Company Auditor
Number 276008

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of New Talisman Gold Mines Limited

Report on the Half-Year Financial Report

Conclusion

I have reviewed the accompanying half-year financial report of New Talisman Gold Mines Limited ("the company") and its subsidiaries (together "the group"), which comprises the consolidated statement of financial position as at 30 September 2019, the consolidated half year statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year then ended of the group, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration at the half-year's ended or from time to time during the half year.

Based on my review, which is not an audit, nothing has come to my attention that causes me to believe that the half year financial report of New Talisman Gold Mines Limited does not present fairly, in all material respects, the financial position of New Talisman Gold Mines Limited as at 30 September 2019, and its financial performance and cash flows for the half year ended on that date, in accordance with New Zealand equivalents to International Financial Reporting Standards and International Finance Reporting Standards applicable to review engagements.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express a conclusion on the half-year financial report based on my review. I conducted my review in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, I have become aware of any matter that makes me believe that the half-year financial report is not in accordance with Companies Act 1993 including giving a true and fair view of the group's financial position as at 30 September 2019 and its performance for the half-year ended on that date and complying with International Standards on Auditing (New Zealand). As the auditor of the New Talisman Gold Mines Limited, NZ SRE 2410 required that I comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is subsequently less in scope than an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

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Scott Bennison

Chartered Accountants
Level 1, 251 Elizabeth Street, Sydney, 2000
Phone: (02) 8839 3000

Independence

In conducting my review, I have complied with the independence requirements of the Companies Act 1993. I confirm that the independence declaration required by the Companies Act 1993, which has been given to the directors of New Talisman Gold Mines Limited, would be in the same terms if given to the directors as at the time of the audit report.



Scott Bennison
New Zealand Overseas Licenced Auditor
Australian Registered Company Auditor
Number 276008

Dated: *6 December 2019*
Sydney

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COMPANY DIRECTORY

DIRECTORS

Charbel Nader (Chairman, Independent)
Tony Haworth (Independent Director)
Murray R Stevens (Director)
Matthew G Hill (Chief Executive Officer)

COMPANY SECRETARY

S Jane Bell

Registered (Head) Office

541 Parnell Road, Parnell
Auckland, New Zealand
Telephone (+64 9) 303-1893
Facsimile (+64 9) 303-1612
Email: info@newtalisman.co.nz
Website: www.newtalisman.co.nz

PRINCIPAL OFFICE IN AUSTRALIA

1st Floor, 25 Richardson Street
West Perth
Western Australia 6005
Telephone (+61 8) 9481-2040
Facsimile (+61 8) 9481-2041

BANKERS

Westpac Bank, Auckland
National Australia Bank, West Perth

AUDITORS

Scott Bennison
Chartered Accountants
Level 1, 251 Elizabeth Street, Sydney, 2000
Phone: (02) 8839 3000
Australian Registered Company Auditor
Number 276008

SOLICITORS

Chapman Tripp, Auckland
Williams & Hughes, Perth

SECURITIES LISTED

New Zealand Stock Exchange
Code: Shares NTL; Options NTLOB
Australian Securities Exchange
Code: Shares NTL; Options NTLOB

SHARE REGISTRARS

New Zealand:

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
159 Hurstmere Road
Takapuna, Auckland 0622
New Zealand
Telephone (+64 9) 488-8777
Facsimile (+64 9) 488-8787

Australia:

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford Victoria 3067, Australia
Telephone 1300 850 505
Overseas callers (+61 3) 9415-4000

Managing your shareholding online:

To change your address, update your payment instructions and view your investment portfolio including transactions please visit www.computershare.co.nz/investorcentre

General enquiries can be directed to:

enquiry@computershare.co.nz

Please assist our registrar by quoting your CSN or shareholder number