



ANNUAL REPORT 2022



RESPONSIBLE, ENVIRONMENTALLY SUSTAINABLE MINING





TALISMAN GOLD MINE ESTABLISHED 1894

- 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
- 2013 – Bulk sampling Project Plan Completed
- 2013 – Resource consent granted
- 2013 – Access Arrangement approved
- 2014 – Authority to Enter and Operate obtained
- 2014 – Rahu Mineral Resource Estimate
- 2014 – First Gold Production of 64Oz Au @47g/t
- 2014 – Health and Safety plan lodged
- 2015 – Water Management Plan reviewed
- 2015 – Second ore treatment yields 16 Oz Au @ 37g/t
- 2015 – Judicial Review successfully defended
- 2016 – Traffic Management Plan Approved
- 2016 - Initiate Bulk Sampling Project
- 2016 – Identify and evaluate additional resources
- 2016 – Site Establishment
- 2016 – Initial Mine refurbishment
- 2016 – Finalisation of Proposed Newcrest JV
- 2016 – Rehabilitation to Mystery Vein
- 2016 – Development of Mystery Block
- 2017 – Rehabilitation to Dubbo
- 2017 – Development of Dubbo Block
- 2017 - Prefeasibility study
- 2018 – Initiate extraction activities
- 2019 – Commissioning of pilot plant,
- 2019 – Completion of metallurgical testwork,
- 2020 – Completion of Mineral Resource estimate update and review
- 2020 – Extraction activities at Mystery
- 2020 – Design and planning of larger plant

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REPORT TO THE SHAREHOLDERS OF NEW TALISMAN GOLD MINES LTD

CHAIRMAN'S REPORT

Dear Shareholders

New Talisman's Financial Year to 31st March 2022 saw Shareholder activism succeed at a level seldom seen in NZ, resulting in a transformed Board of Directors and a renewed focus on bringing the company's core asset, the Talisman gold mine, into production. Votes for the removal of two longstanding directors at the ASM in September were carried, resulting in both directors resigning in October and subsequently two new director appointments were made in November; they being Michael Stiasny and Samantha Sharif.

October also saw the termination of Asia Pacific Capital's management contract and the departure of its principal Matt Hill.

The following period was not without its distractions as the reconfigured Board dealt with a number of regulatory queries and also reviews of transactions inherited from previous management. As a result, the Broken Hills Historic Mine purchase was cancelled and the Board found the company to be bound to complete the Vanuatu exploration deal. While the quality of the exploration opportunity is attractive, the timing of the latter purchase in the middle of a pandemic was less than ideal and is probably emblematic of the reasons for the shareholder intervention.

Notwithstanding, I am of the view that the company is destined for better things. In the final quarter the Board was able to focus its efforts on developing a new Strategic Plan for the company, which was announced to the market post period, in April.

The Directors focused on development of the Strategic Plan for the Talisman Mine and testing the underlying assumptions and costings. The strategic plan includes:

HIGHLIGHTS

- **Recommending underground activities at the mine, including developing the required Second Egress.**
- **Advancing the Mystery Vein Drive.**
- **Advancing the Mystery Vein will trigger the existing 2 year Bulk Sampling Consent.**
- **Opening a second face on the Mystery vein once the Second Egress is complete.**
- **Funding the implementation of the Traffic Management Plan**
- **Funding the Resource Consent application for Full Mining Consent**

I would like to acknowledge the support of shareholders and fellow Board members through what has been a challenging, but in my opinion, transformational period for the company.



John Upperton
Chair, New Talisman Gold Mines Limited



TALISMAN MINE

Mine-site activity remained on hold throughout the year with the focus for the second half of the year on development of the Strategic Plan for the Talisman Mine and testing the underlying assumptions and costings. This ultimately culminated in the post period announcement of the Strategic Plan and how it is intended to be funded – refer release dated 27 April 2022 which can be found on the following link <https://www.asx.com.au/asxpdf/20220427/pdf/458bz20069nqgx.pdf>

The funding proposal will be put to a shareholder vote on 29th June, a vote that is pivotal to the company's future.

NTL's Access Agreement with the Department of Conservation was renewed in late January 2022. The company continues to engage with stakeholders to enable a rapid mobilisation when onsite activities are able to recommence.

TALISMAN PROCESSING PLANT

NTL continues to evaluate processing options with third parties, and has preliminary designs for its own small scale plant if required. Surety of a processing route for Talisman ore is an essential part of the Company's future and the Board remains focused on securing this through existing industry capacity or if need be, commissioning a small scale plant.

TALISMAN MINE-CURRENT RESOURCES

Resource Category	Ore Zone/Vein	Tonnes	Grade g/t Bullion equivalent	Ounces Bullion equivalent
Indicated	Talisman Bonanza	29,000	4.3	4,100
Indicated	Dubbo	15,000	9.0	4,400
Indicated	Dubbo splay	4,300	19.0	2,600
Indicated	Woodstock	35,000	5.1	5,600
Indicated	Woodstock splay	22,000	5.1	3,600
Total Indicated		110,000	6.0	20,000
Inferred	Talisman-Bonanza	300,000	19.0	190,000
Inferred	Dubbo	150,000	23.0	110,000
Inferred	Dubbo splay	560	14.0	250
Inferred	Woodstock	62,000	5.6	11,000
Inferred	Woodstock splay	20,000	4.7	2,900
Inferred	Mystery	14,000	25.0	11,000
Total Inferred		550,000	19.0	330,000
Total Resources (* Crown excluded)		660,000	17.0	350,000

Note: Data sources include historic bullion samples, drill holes and underground channel samples

- Mineral Resources are reported on a 100% basis to a nominal 2.2 Bullion equivalent grams per tonne cut-off grade which was determined in 2017 based on estimates of mining costs, metallurgical recoveries, treatment and refining costs, general and administration costs, royalties, and commodity prices.
- Ounces are estimates of metal contained in the Mineral Resource and do not include allowances for processing losses.
- For reporting purposes, all resources are reported as equivalent bullion values, due to bullion values rather than gold and silver grades being the only grade information that is available for historic channel samples. Conversion of more recent gold and silver values to equivalent bullion values uses the formula: Equivalent bullion grade = Gold grade + (Silver grade * 0.031609), which is based on historical prices of gold and silver. The equivalent bullion value of the resource is the same as an estimated gold equivalent grade due to the manner in which the historic and modern bullion values have been determined. Bullion conversions by NTL were based on a constant gold price of at £4-6s-0d/oz or USD20.47/oz during the period of historical production. Silver prices ranged from USD 0.49 to USD 1.03/oz.
- Tonnage and grade measurements are in metric units. Gold ounces are reported as troy ounces. Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade and contained metal content.

The table above excludes the Mineral Resource Estimate for the Crown/Welcome vein system, that were not reassessed during 2019 and were not included in the review by AMC but remain part of the total Talisman Mineral Resource. Resources attributable to the Crown/Welcome system were estimated previously at 31,000 equivalent bullion ounces. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The more detailed information, including JORC Table 1, was released to the market on 24/06/2020. Please see the full report at

<https://www.asx.com.au/asxpdf/20200624/pdf/44jxg7jlm05d5q.pdf>

NTL is aware that the updated estimate of mineral resources within the Maria and Mystery Veins is likely to have a material effect on the outcome of any previously announced studies and/or Ore Reserves.

VANUATU PROJECT

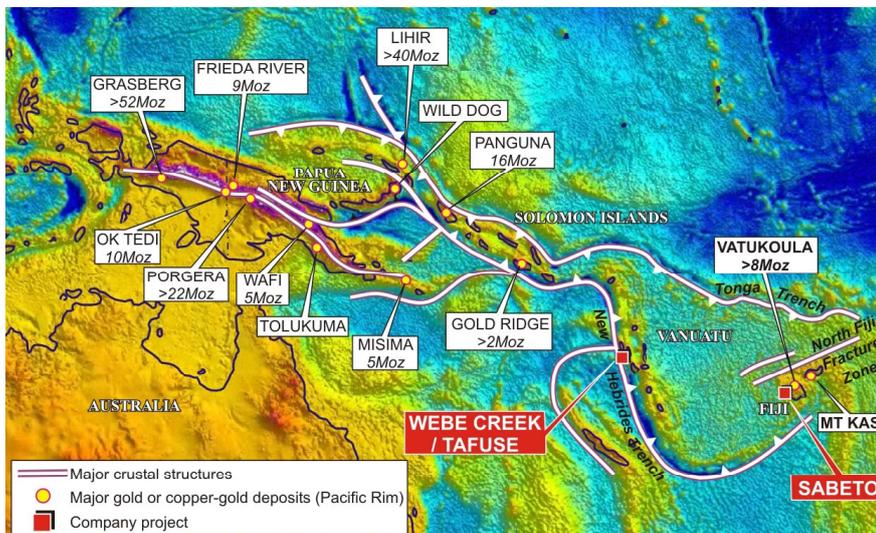
In December 2021 NTL finalised the acquisition of the Vanuatu assets of Canterbury Resources Limited (ASX:CBY)

By world standards Vanuatu is extremely underexplored. Modern exploration for gold started in the mid 1980's and with sporadic bursts mainly in the 1990's and briefly in the early 2000's. Further information about this acquisition can be found on the release dated 10 December 2020 <https://www.asx.com.au/asxpdf/20201210/pdf/44qts898964wsv.pdf>

This acquisition represents a rare opportunity to acquire a strategic holding in a highly prospective part of the Pacific Rim of Fire that extends from Japan through the Philippines, PNG, Solomons, Vanuatu, Fiji to New Zealand and identify opportunities for hard rock exploration and alluvial production opportunities.

Active mines in the region include OK Tedi (17Moz), Porgera (7 Moz), Lihir (30Moz) and Vatukoula (11Moz), Waihi (10 Moz), Talisman (3 Moz) plus several world class deposits slated for development such as Wafi Golpu, PNG, (28Moz), and Namosi, Fiji, (5.5Moz). The nearest significant deposits to Vanuatu are the Emperor (Vatukoula) gold mine to the east in Fiji and Gold Ridge gold deposit to the north in the Solomon Islands.

The Board will reassess the Vanuatu prospect once the recapitalisation of the company is complete and the world settles to a new normal post pandemic.



CORPORATE

NZ RegCo reviewed certain matters raised by shareholders during 2021. The outcome was that NZ RegCo found that NTL breached multiple provisions of the NZX Listing Rules, in relation to the 2019 capital raise and also in relation to subsequent events in 2021, when the previous Board and management were in place. NZ RegCo determined, that given the changes to the Board since the 2021 ASM, an educative outcome was appropriate, rather than taking enforcement action. Accordingly NZ RegCo published a report regarding its review, instead of referring the matter to the NZ Markets Disciplinary Tribunal.

The Company considers this is a fair result for shareholders who had already demonstrated their displeasure with the previous Board at the 2021 ASM. The process has been time consuming for the Board. Other than dealing with the current claim by Matthew Hill, we are pleased to now be able to concentrate our effort on looking forward.

In March 2022 Matthew Hill (former Director) filed a claim with the NZ Employment Relations Authority. Mr Hill asserted in the claim that he is entitled to various employment related entitlements and compensation, provisionally quantified at \$817,537.

NTL does not accept that Mr Hill has been an employee, continues to deny the claims and considers them to be without foundation. Mr Hill had specifically requested a management services contract for Asia Pacific Capital Group Limited (APC) As part of NTL's defense, Mr Hill has been asked to provide financial records for a number of entities APC and he were involved with whilst contracting to NTL.

The matter is currently in mediation and New Talisman will update the market if it is concluded. Further action against Mr Hill has not been ruled out by the Company.

Tenement Holdings

Talisman MMP 51326 100% New Talisman Gold Mines Ltd
Capella Vanuatu PL 1851

Competent Persons Statements

The information in the report to which this statement is attached that relates to Exploration Targets or Mineral Resources contained within the Maria and Mystery Vein systems is based on information compiled by Jackie Hobbins, a Competent Person who is a Member of the Australian Institute of Geoscientists. She has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Hobbins is an independent consultant employed by Hobbins Consulting Limited and has no financial interests in New Talisman Gold Mines Limited or any associated companies and was remunerated for this report on a standard fee for time basis.

The information in this report that relates to exploration results, exploration targets and mineral resources contained within the Crown and Welcome vein systems is based on information compiled by or supervised by Mr Murray Stevens. Mr Stevens is a consulting geologist and was a director of New Talisman Gold Mines Ltd, who is a corporate member of the AusIMM. Mr Stevens 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

BOARD OF DIRECTORS

Mr John Upperton

Chairman and Non-executive Director

Mr Upperton has a background in both Commercial and Residential Construction Project Management. Alongside these projects, Mr Upperton has garnered considerable experience in aspects of the RMA and District Planning requirements, including successfully representing himself in Environment Court.

Mr Upperton has 16 years' experience as Managing Director of a Limited Company. He has served on and chaired several community organisations over a 25 year period.

Mr Upperton has also previously held a senior management role for one of NZ's leading Manuka Honey producers, being responsible for the negotiation and placement of bee hives across the North Island involving more than 300 landowners.

First appointed September 29, 2021

Mr A Victor Rabone, BE(Civil Engineering)

Director

Mr Rabone is a Geotechnical Engineer with over 20 years of operational experience in all facets of mining gained in New Zealand and internationally. He has specialised expertise in hard rock underground mining.

Victor's experience includes feasibility analysis, management of operations, geotechnical stability analysis, ground support design and installation, drill and blast tunnel development, rail haulage system's design and installation, mineral processing, refining and environmental management.

Victor holds a number of certifications required to manage a hard rock underground gold mining operation including Controlled Substance License, Handlers Certificate for blasting, he holds an A Grade Tunnel Manager certification and a Site Senior Executive qualification.

Victor has in recent years been dedicated fulltime to the planning and development of the Broken Hills Gold Mine in the Puketui valley, Coromandel Peninsula .

Victor is a member of a number of professional organisations; Engineering NZ, NZ Geomechanics Society, NZ Tunnelling Society, International Society for Rock Mechanics and Rock Engineering and the Railway Technical Society of Australasia.

Victor has had experience in the project management of a variety of construction activities such as installation of screw piles, seismic reinforcement using stone columns, geotechnical drilling programmes, alluvial mining operations and underground mining and tunnelling projects.

First appointed September 13, 2021.

Ms Samantha Sharif, LLM (Hons), LLB (Hons), Grad Dip CSP, CMinstD

Independent Non-executive Director

Samantha Sharif is a Professional Director with extensive leadership experience in infrastructure, resources, safety critical industries, as well as investment and capital markets.

Ms Sharif is an experienced Board and Board Committee Chair, and a Chartered Member of the Institute of Directors.

Samantha has experience as a CEO and has also practised as a senior commercial lawyer, with post-graduate legal and finance qualifications. Current governance roles include: SIL/MFL Mutual Funds – Director, NZ Shareholders Association – Deputy Chair, Motor Trades Association Group – Director, Chair of Audit & Risk Committee, Chair of Investment Committee, Museum of Transport & Technology (MOTAT) – Director, Dept of Corrections Audit & Risk Committee – External Member

First appointed November 1, 2021.

Michael Stiassny LLB, BCom, FCA, CFInstD

Independent Non-executive Director

Michael has over 40 years' experience as a Chartered Accountant, specialising in strategic advice, insolvency, and turnaround activities.

Michael is currently Chair of Ngāti Whātua Ōrākei Whai Rawa Limited and Tower Limited, and a director of a number of other companies.

Michael is a Chartered Fellow of The Institute of Directors in NZ (Inc) (CFInstD) and is also past President of the Institute of Directors. He is a Fellow of Chartered Accountants Australia and New Zealand (retired) and a life member of RITANZ.

First appointed November 1, 2021.

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INDEPENDENT AUDITOR'S REPORT

To the Members of New Talisman Gold Mines Limited

Report on the Financial Statements.

Opinion

We have audited the financial report of New Talisman Gold Mines Limited ("the company") and its subsidiaries (together "the group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended of the group, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial report presents fairly, in all material respects, the financial position of the group as at 31 March 2022 and its financial performance and cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

This report is made solely to the company's shareholders, as a body. Our audit has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand). Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of our report.

We are independent of the group in accordance with Professional and Ethical Standard 1 (revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Other than our capacity as auditor, we have no other relationship with, or interest in New Talisman Gold Mines Limited and its subsidiaries.

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Material uncertainty related to going concern

We draw attention to Note 1 in the financial statements, which indicates that the Group's financial statements are prepared on a going concern basis.

The Group as at 31 March 2022 has NZ\$492,507 cash available and we note that the Group is undertaking a convertible note issue to raise \$NZ3.5m to allow the Group to further advance its underground mining activities.

We note that issue of convertible notes has not been approved by shareholders and if not approved, this may create a material uncertainty related to going concern.

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial report section of the audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment of Assets under construction Refer to note 12 (Assets under Construction)</p> <p>At 31 March 2022, the Group had originally capitalised mining tenement costs of NZ\$13.69m. IAS 136, 'Impairment of Assets' requires that the recoverable amount of an asset, or cash</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none">• Consideration of the Group's board paper, "Impairment of Assets under construction" dated 15 May 2022.• We have reviewed of the Technical Valuation 2021 prepared by GEOS Mining Minerals Consultants dated 17 November 2021 having regard to the underlying estimates, assumptions, licence requirements, discounted cash flow (DCF) inputs, discount rate and other risk factors.

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generating unit to which it belongs, be determined whenever an indicator of impairment exists.

The Market Capitalisation of the Group at reporting date was NZ\$6.9m compared with net assets of NZ\$14.916m.

We note that the market capitalisation of the Group from decreased by 47% compared with last financial year.

Post pandemic, the NZ economy is experiencing high interest rates, inflationary pressures and supply chain concerns impacting the cost to exploit resources and one consequence, may be a further deterioration of its Market Capitalisation.

We note the Group has now capitalised mining tenement costs to NZ\$9.029m only.

Due to the above identified issues, the Groups' mining assets under construction, and valuation thereto, are a key audit matter requiring disclosure.

- We have reviewed the "Project Dragon" report prepared by AMC Consultants Pty Limited dated 27 May 2020 which discussed the resource grade in estimates used by the Group
- We reviewed the Pre-Feasibility Update, and Technical Report, prepared by New Talisman Gold Mines Limited dated 8 June 2018 and compared consistency of assumptions and estimates to the recent 2021 independent valuation, current economic conditions, current licence conditions and future aspirations of the Group.
- We reviewed the Technical Valuation 2018 prepared by GEOS Mining Minerals Consultants dated 8 June 2018 and compared consistency of assumptions and estimates to the recent 2021 independent valuation, current economic conditions, current licence conditions and future aspirations of the Group.
- We have assessed whether the external expert engaged in the preparation of independent valuations and other reports was appropriately experienced and qualified.
- In reviewing impairment and fair value, we considered post COVID pandemic New Zealand economic forecasts of interest rates, inflation, and supply chain vulnerability, and its impact on the discount rate applied to estimated cash flows used for the purposes of consideration of impairment and determination of fair value.
- We undertook sensitivity analyses with respect to quantity and grade of resources, and licence requirements, in determining reasonableness of estimated timing, grade and volumes of resources to be drilled.
- We checked the mathematical accuracy of the cash flow models, testing inputs, from valuation reports produced, as well as external input, including spot and forecast prices for gold at the reporting date.
- We assessed the accuracy of management's forecasting by assessing the reliability of historical forecasts and reviewing whether current market conditions would impact those forecasts.
- Assessing whether appropriate disclosure regarding significant areas of uncertainty has been made in the financial report.

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- In our assessment of impairment, we considered the impact of historical gold prices on the market capitalisation of the Group.
- We have relied upon representations from management regarding cash flow projections, quality and grade of resources, ability to raise capital, cost estimate of extraction, licence requirements and other information.

Key audit matter

How our audit addressed the key audit matter

Going concern

Refer to note 1 (Going Concern)

At 31 March 2022, the Group has prepared its financial statements on a going concern basis.

The Group has \$NZ492k in available cash reserves and seeks to raise NZ\$3.5m through the issue of convertible notes.

In the event that the convertible note issue is not approved by shareholders, this may create a material uncertainty related to going concern and needs to be disclosed as a key audit matter.

Our procedures included, amongst others:

- We have reviewed the Groups 12-month cash flow forecast and reviewed whether the estimates are reasonable.
- We have reviewed the convertible note documentation and its impact on the available cash reserves should it not be approved by shareholders or issued in full.
- We have considered the economic impact of rising interest rates and inflation on cash flow projections.
- We have relied upon representations from management regarding cash flow projections.

Other Matter

We refer to note 3 to the financial statements, "Inventory" and note that the Group has included inventory valued at NZ\$314,275.

Inventory represents approximately 2.9% and whilst not considered a key audit matter for my report, inventory is of significance importance and in my view, requires disclosure by way of other matter.

Due to COVID travel and other restrictions we have not physically sighted inventory for the year end.

Inventory related to the stockpile of gold ore bearing material intended to be produced once the mine becomes operational pursuant to its current licence agreement.

The stockpile of gold ore bearing material is representative of the grade of resource included in the independent valuation reports prepared for the Group.

We have been provided with representations from management and other parties confirming the existence of inventory at year-end and due to the mine site being closed, the quantum of resource has not changed.

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Information Other than the Financial Statements and Auditor's Report

The directors of the company are responsible for the Annual Report, which includes information other than the financial statements and auditor's report which is expected to be made available to us after the date of the auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

When we read the Annual Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with the governance and, if uncorrected, to take appropriate action to bring the matter to the attention of users for whom our auditor's report was prepared.

Directors' Responsibilities for the Financial Report

The directors are responsible, on behalf of the Group, for the preparation and fair presentation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (New Zealand) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is

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located at External Reporting Board's website: https://www.xrb.govt.nz/Site/Auditing_AssuranceStandards/CurrentStandards/Page1.aspx. This description forms part of our auditor's report.

Report on the Other Legal and Regulatory Requirements

The engagement partner on the audit resulting in this independent auditor's report is Scott Bennison.

Scott Bennison
A Partner of KS Black & Co
Chartered Accountants



Dated: 28 June 2022
Sydney

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NEW TALISMAN GOLD MINES LIMITED

Statement of Comprehensive Income

For year ended 31 March 2022

	Note	Group		Parent	
		2022 NZ\$	2021 Restated NZ\$	2022 NZ\$	2021 Restated NZ\$
Continuing Operations					
Revenue		-	-	-	-
Cost of sales of goods	3	-	-	-	-
Gross Profit		-	-	-	-
Other Operating income	4	1,191	2,973	1,191	2,973
Operating and administrative expenses	5, 7	(1,067,314)	(763,892)	(944,074)	(751,729)
Impairment of mine development	12	(4,650,097)	-	(4,650,097)	-
Gain/(loss) from operations		(5,716,220)	(760,919)	(5,592,980)	(748,756)
Finance Costs	6	(3,100)	(1,483)	(3,100)	(1,483)
Net profit/(loss) for the year		(5,719,320)	(762,402)	(5,596,080)	(750,239)
Other Comprehensive Income / (Loss)		-	-	-	-
Total comprehensive income/(loss)		(5,719,320)	(762,402)	(5,596,080)	(750,239)
Net profit/(loss) attributable to equity holders of the parent		(5,719,320)	(762,402)	(5,596,080)	(750,239)
Comprehensive profit/(loss) attributable to equity holders of the parent		(5,719,320)	(762,402)	(5,596,080)	(750,239)
Earnings per share					
Basic earnings/(loss) per share					
From continuing operations		(0.01) cent	(0.03) cent	(0.01) cent	(0.02) cent
Diluted earnings/(loss) per share					
From continuing operations		(0.01) cent	(0.03) cent	(0.01) cent	(0.02) cent

The accompanying notes form part of these financial statements

NEW TALISMAN GOLD MINES LIMITED

Statement of Changes in Equity

For the Year Ended 31 March 2022

	Note	Group 2022				Group 2021 Restated			
		Share Capital NZ\$	Capital Reserves NZ\$	Accumulated Deficit NZ\$	Total Equity NZ\$	Share Capital NZ\$	Capital Reserves NZ\$	Accumulated Deficit NZ\$	Total Equity NZ\$
Profit/(Loss)		-	-	(5,719,320)	(5,719,320)	-	-	(762,402)	(762,402)
Other comprehensive income/(loss)		-	-	-	-	-	-	-	-
Net proceeds from share capital issued	10	847,774	-	-	847,774	-	-	-	-
Prior period adjustment		-	-	-	-	-	-	(69,530)	(69,530)
Transfer to accumulated income	10	-	-	-	-	-	-	-	-
Equity at beginning of year		38,216,371	-	(23,082,466)	15,133,905	38,216,371	-	(22,250,534)	15,965,837
Equity at end of year	10	39,064,145	-	(28,801,786)	10,262,359	38,216,371	-	(23,082,466)	15,133,905

	Note	Parent 2022				Parent 2021 Restated			
		Share Capital NZ\$	Capital Reserves NZ\$	Accumulated Deficit NZ\$	Total Equity NZ\$	Share Capital NZ\$	Capital Reserves NZ\$	Accumulated Deficit NZ\$	Total Equity NZ\$
Profit/(Loss)		-	-	(5,596,080)	(5,596,080)	-	-	(750,239)	(750,239)
Other comprehensive income/(loss)		-	-	-	-	-	-	-	-
Net proceeds from share capital issued	10	847,774	-	-	847,774	-	-	-	-
Prior period adjustment		-	-	-	-	-	-	(69,530)	(69,530)
Transfer to accumulated income	10	-	-	-	-	-	-	-	-
Equity at beginning of year		38,216,371	-	(23,004,928)	15,211,443	38,216,371	-	(22,185,159)	16,031,212
Equity at end of year	10	39,064,145	-	(28,601,008)	10,463,137	38,216,371	-	(23,004,928)	15,211,443

The accompanying notes form part of these financial statements

NEW TALISMAN GOLD MINES LIMITED

Balance Sheet
As at 31 March 2022

		Group		Parent	
	Note	2022 NZ\$	2021 Restated NZ\$	2022 NZ\$	2021 Restated NZ\$
Equity					
Attributable to parent company shareholders	10	10,262,359	15,133,905	10,463,137	15,211,443
		10,262,359	15,133,905	10,463,137	15,211,443
Term liabilities					
Long term lease liabilities	25	17,924	41,305	17,924	41,305
Rehabilitation Reserve	12	34,438	32,215	34,438	32,215
Total term liabilities		52,362	73,520	52,362	73,520
Current liabilities					
Payables	23	200,436	132,577	200,436	132,577
Employee benefits	24	-	-	-	-
Short Term Lease Liabilities	25	29,540	24,141	29,540	24,141
Total current liabilities		229,976	156,718	229,976	156,718
Total liabilities		282,338	230,238	282,338	230,238
Total equity and liabilities		10,544,697	15,364,143	10,745,475	15,441,681
Current assets					
Cash					
Inventories	3	314,275	314,275	314,275	314,275
Receivables and prepayments	26	92,379	100,368	644,980	179,178
Total current assets		899,161	1,525,338	1,451,762	1,604,148
Non-current assets					
Property, plant & equipment	12	163,097	191,388	163,097	191,388
Assets under construction	12	9,029,763	13,385,413	9,000,000	13,385,413
Right of use assets	12	46,057	64,539	46,057	64,539
Intangible assets	13	330,865	11,637	10,575	10,575
Investments	14	75,754	185,828	73,984	185,618
Total non-current assets		9,645,536	13,838,805	9,293,713	13,837,533
Total assets		10,544,697	15,364,143	10,745,475	15,441,681

For and on behalf of the Board:



J K Upperton (Chairman)
27 June 2022



M P Stiassny
27 June 2022

The accompanying notes form part of these financial statements.

NEW TALISMAN GOLD MINES LIMITED

Statement of Cash Flows

For year ended 31 March 2022

	Note	Group		Parent	
		2022 NZ\$	2021 NZ\$	2022 NZ\$	2021 NZ\$
Cash flows from operating activities					
<i>Cash was provided from:</i>					
Interest received		691	1,669	691	1,669
Other		-	-	-	-
		691	1,669	691	1,669
<i>Cash was disbursed to:</i>					
Interest expense on leases		(2,907)	(1,483)	(2,907)	(1,483)
Payments to suppliers and employees		(883,125)	(682,838)	(1,173,988)	(682,838)
Rent		(3,163)	(13,406)	(3,163)	(13,406)
		(889,195)	(697,727)	(1,180,058)	(697,272)
Net cash outflows used in operating activities	17	(888,504)	(696,068)	(1,179,367)	(696,068)
Cash flows from investing activities					
<i>Cash was provided from:</i>					
Intercompany loan repayments		-	-	-	-
Proceeds from disposal of property, plant and equipment		-	1,304	-	1,304
Proceeds from sale of shares		-	-	-	-
		-	1,304	-	1,304
<i>Cash was applied to:</i>					
Prospecting and mine development expenditure		(292,224)	(529,787)	(262,461)	(529,787)
Purchase of property, plant and equipment		(2,489)	-	(2,489)	-
Purchase of Investments		(264,104)	(164,472)	-	(164,472)
Intercompany loans		-	-	-	-
		(558,817)	(694,259)	(264,950)	(694,259)
Net cash outflows used in investing activities		(558,817)	(692,955)	(264,950)	(692,955)
Cash flows from financing activities					
<i>Cash was provided from:</i>					
Issue of shares		847,774	-	847,774	-
Other		-	-	-	-
		847,774	-	847,774	-
<i>Cash was applied to:</i>					
Issue of shares		-	-	-	-
Lease liabilities & right of use assets		(26,146)	(9,177)	(26,146)	(9,177)
		(26,146)	(9,177)	(26,146)	(9,177)
Net cash inflows from/(used in) financing activities		821,628	(9,177)	821,628	(9,177)
Net (decrease) / increase in cash held		(625,693)	(1,398,200)	(622,689)	(1,398,200)
Effect of changes in exchange rates		7,505	13,177	4,501	13,177
Cash and cash equivalents at beginning of year		1,110,695	2,495,718	1,110,695	2,495,718
Cash and cash equivalents at end of year		492,507	1,110,695	492,507	1,110,695
CASH AND CASH EQUIVALENTS COMPRISES:					
Cash		387,507	1,005,695	387,507	1,005,695
Short term deposits		105,000	105,000	105,000	105,000
		492,507	1,110,695	492,507	1,110,695

All cash balances are available without restriction except for NZ\$105,000 held on deposit as security for guarantees issued by the bank. The bank holds a \$75,000 bond on behalf of the NZ Stock Exchange for the term of the exchange listing and a \$30,000 bond on behalf of the Department of Conservation held for any potential mining rehabilitation.

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

1. STATEMENT OF ACCOUNTING POLICIES

Reporting entity

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 company and group have been prepared in accordance with the Financial Markets Conduct Act 2013 and comply with NZX Listing Rule 10.6.1 with the exception that separate financial statements for the parent have been presented as the parent engages in the majority of the group's business activities.

The group consists of New Talisman Gold Mines Limited (the "company") and its subsidiaries (the "group") and these financial statements comprise the separate financial statements of the parent company and 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 27 June 2022.

The financial report has been prepared on a going concern basis due to the company being in the process to raise additional funds through the issuing of convertible notes to ensure that financial obligations can continue to be met for longer than 12 months. Please refer to note 21 for further information.

Statement of compliance

These consolidated and parent financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP), the requirements of the Companies Act 1993 and comply with New Zealand equivalents to the International Financial Reporting Standards (NZ IFRS) and with International Financial Reporting Standards (IFRS).

Measurement base

The accounting principles adopted are those recognised as appropriate for the measurement and reporting of financial performance and financial position on the historical cost basis modified by the revaluation of certain assets. The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

The information is presented in New Zealand dollars which is the company's functional currency.

Use of estimates and judgements

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant assumptions and estimates is provided in the relevant accounting policy or will be provided in the relevant note.

The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The group has made significant accounting estimates in respect of:

- the assessment of impairment to capitalised exploration and development expenditure, and
- the anticipated rehabilitation costs at the conclusion of mining. The estimate does not have a profit effect in the current year.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected.

Specific accounting policies

The following specific accounting policies, which materially affect the measurement of financial performance and financial position, have been applied consistently.

(a) Inventories

Inventories are valued at the lower of weighted average cost and net realisable value. Costs include mining and production costs as well as commercial, environmental, health and safety expenses, and stock movements.

(b) Prospecting costs

Acquisition, exploration and development expenditure on exploration and mining tenements is initially recorded at cost. Exploration and evaluation costs are capitalised as deferred expenditure.

In the event where exploration demonstrates a permit area is no longer prospective for economically recoverable reserves, or the exploration or prospecting permit is relinquished, the value or cost of the tenement is immediately recognised as an expense in the statement of comprehensive income.

Prospecting costs are expected to be recovered from future mining revenues. The recoverability of exploration and evaluation assets is contingent upon future events, such as technical success and commercial development, sale of the area of interest, the results of further exploration, agreements entered into with other parties, and also upon meeting commitments under the terms of the permits.

(c) Mining tenements

When a tenement is assessed as capable of sustaining commercial mining operations, capitalised exploration and evaluation expenditure is reclassified as assets under construction and is disclosed as a component of property, plant and equipment. All subsequent development expenditure, net of any proceeds from ore sales during the development stage, is capitalised and classified as assets under construction. On completion of development, the value or cost of accumulated exploration and development costs will be reclassified as other mineral assets and amortised on the basis of units of production over the expected productive life of the mine. Provisions for closure and rehabilitation are initially recognised when an environmental disturbance first occurs. The estimate for the rehabilitation provision is reviewed by management at each reporting date and an assessment is made on whether the estimate continues to reflect the company's present legal and constructive obligations.

(d) Property plant and equipment

All property, plant and equipment is initially recorded at cost.

When an item of property, plant and equipment is disposed of, the gain or loss is recognised in the statement of comprehensive income and is calculated as the difference between the sale price and the carrying value.

(e) Depreciation

Depreciation is provided on all tangible property, plant and equipment on a straight line basis at rates calculated to allocate the difference between the cost and residual values of each asset over its estimated useful life. For this purpose, the company has adopted the depreciation rates set by the Inland Revenue Department as appropriate.

Rates used during the year were:

Computer software and hardware	Straight line	13.5-67%
Field equipment	Straight line	7-30%
Fixtures and fittings	Straight line	9-10%
Motor Vehicles	Straight line	10.5-30%

(f) Impairment of assets

At each reporting date, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication of impairment. If the recoverable amount of an item of property, plant and equipment is less than its carrying amount, the item is written down to its recoverable amount and the write down recognised as an expense in the statement of comprehensive income. Recoverable amount is the higher of fair value less costs to sell and value in use.

If the carrying value of intangible capitalised exploration expenditure exceeds the value determined by an independent valuation, the asset is written down and the write-down recognised

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

as an expense. A reversal of an impairment loss for an asset is recognised immediately in the statement of comprehensive income.

(g) Segment information

Operating segments are reported if:

- Revenue is 10% or more of combined operating segment revenues;
- The absolute value of profit or loss is greater than 10% of the combined reported profits or losses of all operating segments, whichever is greater;
- Assets are 10% or more of the combined assets of all operating segments; or
- Information about the segment would be useful to users of the financial statements.

(h) Income tax

The company is a mining company for New Zealand tax purposes. All exploration and development expenditure, including the cost of mining assets, is tax deductible in the year the expenditure is incurred. Mining losses can be set off against non-mining income in the ratio 3:2.

Deferred taxation assets are recognised in the financial statements only to the extent that it is probable that there will be future taxable profit to utilise them.

(i) Share capital

Ordinary shares and options are classified as equity. Direct costs of issuing shares and options are deducted from the proceeds of the issue.

(j) Cash flows

For the purpose of the statement of cash flows, cash includes cash on hand, deposits held at call with banks and short-term highly liquid investments with original maturities of three months or less.

(k) Employee entitlements

The liability for annual leave is accrued and recognised in the statement of financial position. Annual leave is recorded at the undiscounted amount expected to be paid for the entitlement earned.

(l) Foreign currencies

Transactions in foreign currencies are converted into NZ currency at the rate of exchange ruling at the date of the transaction. At balance date foreign monetary assets and liabilities are translated at the closing rate and exchange variations resulting from these translations are recognised in the statement of comprehensive income.

(m) Leases

A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A depreciation charge for right-of-use assets for lease liabilities and an interest charge for lease liabilities will be recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Leases on a short term basis or of low value assets are recognised as lease payments which are included in the statement of comprehensive income in equal instalments over the lease term.

(n) Basis of consolidation

The consolidated financial statements include the parent company

and all subsidiaries over which the parent company has the power to control the financial reporting and operating policies. The purchase method is used to prepare the consolidated financial statements, which involves adding together like terms of assets, liabilities, income and expenses on a line-by-line basis. All significant intercompany transactions are eliminated on consolidation. In the parent company's separate financial statements, the investment in subsidiaries is stated at cost less any impairment losses.

(o) Financial instruments

Financial instruments recognised in the statement of financial position include cash balances, receivables, payables, investments in and loans to others and borrowing. The parent and group have no off-balance sheet financial instruments.

(1) Receivables and payables

Receivables and payables are initially recorded at fair value and subsequently at amortised cost using the effective interest method. Due allowance is made for impaired receivables (doubtful debts). The resulting carrying amount for receivables is not materially different from estimated realisable value.

(2) Share investments

Share investments in listed companies are designated as financial assets at fair value. They are initially recorded at cost and subsequently at market value. Gains or losses are recorded in the statement of comprehensive income. Share investments in unlisted companies cannot be reliably valued. They are therefore carried at cost less any impairment losses. Impairment losses, once recognised, are not reversed even if the circumstances leading to the impairment are resolved.

A gain or loss on financial instruments stated at market value is recognised in the statement of comprehensive income.

(p) Goods and Services Tax

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST. The net amount of GST recoverable or payable is included as part of the receivables or payables balance in the balance sheet.

(q) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shareholders outstanding, adjusted for the effects of all dilutive potential ordinary shares, comprising share options.

(r) Revenue recognition

Revenue is recognised at the fair value of the consideration received net of the amount of GST.

(s) Change in Accounting Policies

There have been no significant changes in accounting policies. All policies have been applied on bases consistent with those used in the prior period.

2. CORRECTION OF A TECHNICAL ERROR

Subsequent to the publishing of the year ended 31 March 2021 financial statements, an adjustment to the financial statements was made to correct a technical error. Previously, gold inventories held by New Talisman Gold Mines Limited was recorded within sundry receivables in the Balance Sheet, and any net changes in gold inventories were recorded within sundry income in the Statement of Comprehensive Income. No exploration costs had been released to the Statement of Comprehensive Income as costs attributed to acquiring the inventories had been capitalised.

The classification of gold inventories within sundry receivables represents an incorrect application of accounting policy 1(o), as this balance is not a financial instrument or financial asset.

The changes to the prior period comparatives are as follows:

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

Statement of Comprehensive Income

	Group 2021 Original	Group 2021 Restated
Continuing operations		
Revenue	-	-
Cost of sales of goods *	-	-
Gross Profit	-	-
Other operating income	247,718	2,973
Operating and administrative expenses	(763,892)	(763,892)
Gain/(loss) from operations	(516,174)	(760,919)
Finance costs	(1,483)	(1,483)
Net profit/(loss) for the year	(517,657)	(762,402)

Statement of Changes in Equity – Changes Only

	Group 2021 Retained Earnings Original	Group 2021 Retained Earnings Restated
Profit/(Loss)	(517,657)	(762,402)
Prior period adjustment	-	(69,530)
Equity at beginning of year	(22,250,534)	(22,250,534)
Equity at end of year	(22,768,191)	(23,082,466)

Balance Sheet – Changes only

	Group 2021 Original	Group 2021 Restated
Equity – Attributable to parent company shareholders		
	15,448,180	15,133,905
Current Assets		
Inventories	-	314,275
Receivables and prepayments	414,643	100,368
Non-current assets		
Assets under construction	13,699,688	13,385,413
Total assets	15,678,418	15,364,143

There are no other changes to the prior period comparatives.

3. COST OF SALES OF GOODS

	Group Mar 2022 NZ\$	Group Mar 2021 Restated NZ\$	Parent Mar 2022 NZ\$	Parent Mar 2021 Restated NZ\$
Opening inventories	314,275	-	314,275	-
Current year mining exploration costs released (refer to note 12)	-	244,745	-	244,745
Correction of an error (refer to note 2)	-	69,530	-	69,530
Less closing inventories	(314,275)	(314,275)	(314,275)	(314,275)
Total operating income	-	-	-	-

Inventories comprises of gold held by the company obtained through its mining exploration activities.

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

4. OPERATING INCOME

	Group Mar 2022 NZ\$	Group Mar 2021 Restated NZ\$	Parent Mar 2022 NZ\$	Parent Mar 2021 Restated NZ\$
Interest	691	1,669	691	1,669
Reimbursement of Expenditure	-	-	-	-
Sundry income	500	1,304	500	1,304
Total operating income	1,191	2,973	1,191	2,973

5. OPERATING AND ADMINISTRATION EXPENSES BY NATURE

	Group Mar 2022 NZ\$	Group Mar 2021 NZ\$	Parent Mar 2022 NZ\$	Parent Mar 2021 NZ\$
Accountancy fees	156,224	110,273	150,676	110,273
Auditor's fees – auditing and review of the financial statements	49,093	37,813	49,093	37,813
Consultancy fees	32,419	68,224	32,419	68,224
Depreciation	57,426	41,769	57,426	41,769
Director fees	142,418	85,333	142,418	85,333
Foreign exchange loss/(gain)	(7,505)	(13,177)	(4,501)	(13,177)
Insurance	80,743	59,836	80,743	59,836
Legal fees	119,399	23,979	119,399	23,979
Loss on Investments	112,366	-	-	-
Rental and lease costs	3,163	13,406	3,163	13,406
Secretarial expenses	69,250	52,000	69,250	52,000
Security	64,115	79,282	64,115	79,282
Share registry	99,650	59,514	99,650	59,514
Share revaluation loss/(gain)	(54,397)	(15,775)	(52,838)	(15,775)
Stock exchange fees	58,281	56,690	58,281	56,690
Other	84,669	104,725	74,780	92,562
Total administration expenses	1,067,314	763,892	944,074	751,729

6. FINANCE COSTS

	Group Mar 2022 NZ\$	Group Mar 2021 NZ\$	Parent Mar 2022 NZ\$	Parent Mar 2021 NZ\$
Interest paid on bank overdraft	193	-	193	-
Interest and finance charges paid on lease liabilities	2,907	1,483	2,907	1,483
Total operating income	3,100	1,483	3,100	1,483

7. DIRECTOR REMUNERATION

Director remuneration	2022 NZ\$	2021 NZ\$
M G Hill (Former Executive Director – resigned 8 October 2021)*	192,000	288,000
C Nader	27,500	40,000
A V Haworth	-	13,333
M R Stevens	18,658	32,000
A V Rabone**	33,808	-
J K Upperton	39,231	-
M P Stiassny	16,666	-
S H Sharif	16,666	-

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

*Of which \$24,960 (2021: \$37,440) is expensed as office consultancy fees and the remainder is capitalised in the Statement of Financial Position as Talisman development expenditure. The development expenditure amount is based on time spent on directly attributable mine development activities.

**Mr Rabone was appointed as Operations Manager effective 18 October 2021 and was paid an additional \$12,000 (2021: \$nil) for this role on top of his directors remuneration of \$21,808 during the period. This expense was capitalised in the Balance Sheet as Talisman development expenditure. The development expenditure amount is based on time spent on directly attributable mine development activities.

All director fees paid were reduced by 20% from 1 September 2019 to 30 June 2021. All director fees were reinstated to 100% from 1 July 2021 onwards.

A V Rabone was appointed as Director effective 13 September 2021.

K Wyse was appointed as Director effective 13 September 2021. The election of Ms Wyse as Director at the company's annual general meeting was not resolved and she subsequently resigned as Director effective 29 September 2021.

J K Upperton was appointed as Director effective 29 September 2021 and was elected as Chair effective 11 October 2021.

M R Stevens resigned as Director effective 6 October 2021.

M G Hill resigned as Director effective 8 October 2021.

C Nader resigned as Chair and Director effective 8 October 2021.

Calum McKenzie was appointed as Director effective 11 October 2021 and resigned as a Director effective 1 November 2021.

M P Stiassny was appointed as Director effective 1 November 2021.

S H Sharif was appointed as Director effective 1 November 2021.

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

During the reporting period, no options were issued to directors or employees. In the prior year, no options were issued to directors or employees.

Remuneration of Employees

There were no employees during the reporting period.

8. TAXATION

	Group 2022 NZ\$	Group 2021 Restated NZ\$	Parent 2022 NZ\$	Parent 2021 Restated NZ\$
Net profit / (loss) before taxation	(5,719,320)	(762,402)	(5,596,080)	(762,402)
Prima facie income tax at 28%	(1,601,410)	(213,473)	(1,566,902)	(213,473)
Add/(subtract) the taxation effect of permanent differences:				
Impairment of mine development	1,302,131	-	1,302,131	-
Non- Deductible Entertainment Adjustment	104	155	104	155
Loss on Investment	31,462	-	-	-
Other Non-Deductible Expenses	-	-	-	-
Tax losses not recognised	(267,713)	(213,318)	(264,667)	(213,318)
Temporary differences not recognised	-	-	-	-
Income tax expense/(benefit) not recognised	(267,713)	(213,318)	(264,667)	(213,318)

Deferred tax will not be recognised unless future taxable profit is probable.

The parent company has the following estimated taxation losses available:

- mining losses to offset against future mining income of NZ\$10,915,653 (2021: NZ\$10,911,653) and
- non-mining taxation losses of NZ\$19,035,456 (2021: NZ\$19,552,999).

The mining losses are currently being assessed by the IRD and the company is working closely with their representatives to confirm balances brought forward from previous years. Such losses will only be available to be offset if:

- the company derives future assessable income of a nature and an amount sufficient to enable the benefit of the losses to be realised;
- the company continues to comply with the conditions for deductibility imposed by the law;
- there are no adverse changes in tax legislation or tax rates which affect the company in realising the benefit from the deduction for the losses.

At balance date the company's imputation credit account balance was \$559 (2021: \$559).

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

9. SEGMENT INFORMATION

During the current period, the company had one business segment - mineral exploration, within New Zealand and Vanuatu.

10. EQUITY & RESERVES

Equity	Group 2022 NZ\$	Group 2021 Restated NZ\$	Parent 2022 NZ\$	Parent 2021 Restated NZ\$
Share capital	39,064,145	38,216,371	39,064,145	38,216,371
Accumulated deficit	(28,801,786)	(23,082,466)	(28,601,008)	(23,004,928)
Total parent shareholder equity	10,262,359	15,133,905	10,463,137	15,211,443

The group's capital is managed with the objective of maintaining adequate working capital so that all obligations can be met when they fall due. All components of equity are regarded as "capital". All internal capital management objectives have been met. There has been no change to the management of capital since the prior year.

Accumulated deficit	Group 2022 NZ\$	Group 2021 Restated NZ\$	Parent 2022 NZ\$	Parent 2021 Restated NZ\$
Balance at beginning of year	(23,082,466)	(23,082,466)	(23,004,928)	(23,004,928)
Net profit / (loss) attributable to shareholders	(5,719,320)	(762,402)	(5,596,080)	(750,239)
Other Comprehensive Income	-	-	-	-
Correction of an error (refer to note 2)	-	(69,530)	-	(69,530)
Transfer of Reserves	-	-	-	-
Balance at end of year	(28,801,786)	(23,082,466)	(28,601,008)	(23,004,928)

Share capital

Ordinary shares	Group and Parent			
	2022 Number	2021 Number	2022 NZ\$	2021 NZ\$
Balance beginning of year	2,792,225,363	2,692,184,325	38,216,371	38,216,371
Proceeds from Rights issues	-	100,041,038	-	-
Proceeds from Private Placement	335,000,000	-	647,774	-
Proceeds from Settlement of Capella Vanuatu Limited	62,080,075	-	600,000	-
Proceeds from Settlement of Broken Hills Historic Mine Limited	80,000,000	-	-	-
Cancellation of shares issued (refer to note 14)	(80,000,000)	-	(400,000)	-
Transfer from Reserves	-	-	-	-
Balance at end of year	3,189,305,438	2,792,225,363	39,064,145	38,216,371

All authorised shares have been issued, have equal voting rights and will share equally in dividends and surplus on winding up. The shares have no par value.

New Talisman Gold Mines Limited issued 397,080,075 ordinary shares during the period by way of:

- Private placement of 335,000,000 new ordinary shares for the value of A\$670,000 (less associated costs) as announced on 14 September 2021.
- Issue of 80,000,000 new ordinary shares for the value of \$400,000 as announced on 28 September 2021 as part of the partial settlement of the acquisition of 100% of the shares in Broken Hills Historic Mine Limited. These new shares were subsequently cancelled on termination of the contract to purchase of 100% of the shares in Broken Hills Historic Mine Limited as announced on 25 November 2021.
- Issue of 62,080,075 new ordinary shares for the value of \$200,000 as announced on 31 December 2021 as part of the partial settlement of the acquisition of 100% of the shares in Capella Vanuatu Limited.

Share based payments

There were no share-based payment arrangements that existed during the year. (2021: Nil)

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

Listed options

	Group and Parent	
	2022 Number	2021 Number
Balance at beginning of year	17,036,384	17,036,384
Expired Options	-	-
Issued Options	-	-
Balance at end of year	17,036,384	17,036,384

Listed options can be exercised on or before 30 September 2022. Conversion price is A\$0.055. When exercised, one option will convert to one ordinary share.

Unlisted Options

	Group and Parent	
	2022 Number	2021 Number
Options issued to employees:		
Opening Balance of options on issue	-	-
Unlisted options cancelled during period	-	-
Unlisted options converted to fully paid share at A 1.1 cent each	-	-
Total unlisted options on issue to employees	-	-
Options issued to directors:		
Unlisted options issued during the period	-	-
Total unlisted options on issue to directors	-	-
Total unlisted options on issue at end of year	-	-
Total listed and unlisted options on issue at end of year	17,036,384	17,036,384

Nil unlisted employee options were converted during the year (Last Year Nil).

11. RELATED PARTY TRANSACTIONS

Payments for consulting services to companies in which directors and major shareholders have a substantial interest amounted to NZ\$221,287 (2021:NZ\$338,499). These payments are detailed as follows:

	Group and Parent	
	2022 NZ\$	2021 NZ\$
Asia Pacific Capital Group Limited (related to M G Hill)	186,300	331,200
Stevens and Associates (related to M R Stevens)	22,987	7,299
A V Rabone	12,000	-
Total	221,287	338,499

At balance date, creditors included NZ\$83,586 payable to former directors and other related companies (2021:NZ\$48,394). Related party debtors totalled \$7,395 at balance date (2021:NZ\$3,972) and no related party debts were written off during the year.

The former NTL Board agreed to purchase Capella Vanuatu Limited during 2021. Mr M R Stevens was a member of the NTL Board during the relevant time. Mr M R Stevens was also engaged and remunerated by Canterbury Resources Limited in relation to the sale of Capella Vanuatu Pty Limited.

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

12. PROPERTY, PLANT & EQUIPMENT

	Group and Parent				
	Fixtures & fittings	Office equipment	Field equipment	Motor Vehicles	Total
	NZ\$	NZ\$	NZ\$	NZ\$	NZ\$
Year ended 31 March 2021					
Carrying amount 1 April 2020	140	3,683	205,019	18,579	227,421
Additions	-	-	-	(4,349)	(4,349)
Depreciation	(95)	(1,622)	(28,243)	(1,724)	(31,684)
Carrying amount	45	2,061	176,776	12,506	191,388
31 March 2021					
Cost	1,260	51,547	262,878	44,655	360,340
Depreciation	(1,215)	(49,486)	(86,102)	(32,149)	(168,952)
Carrying amount	45	2,061	176,776	12,506	191,388
Year ended 31 March 2022					
Carrying amount 1 April 2021	45	2,061	176,776	12,506	191,388
Additions	-	2,489	-	-	2,489
Disposals	-	-	-	-	-
Depreciation	(20)	(1,280)	(27,905)	(1,575)	(30,780)
Carrying amount	25	3,270	148,871	10,931	163,097
31 March 2022					
Cost	1,260	51,547	262,878	44,655	360,340
Depreciation	(1,235)	(48,277)	(114,007)	(33,724)	(197,243)
Carrying amount	25	3,270	148,871	10,931	163,097

ASSETS UNDER CONSTRUCTION

Mine development	Group 2022 NZ\$	Group 2021 Restated NZ\$	Parent 2022 NZ\$	Parent 2021 Restated NZ\$
Balance at beginning of year	13,385,413	13,149,901	13,385,413	13,149,901
Development expenditure	294,447	549,787	264,684	549,787
Mining exploration costs released during the period	-	(244,745)	-	(244,745)
Impairment of mine development	(4,650,097)	-	(4,650,097)	-
Correction of an error (refer to note 2)	-	(69,530)	-	(69,530)
Balance at end of year	9,029,763	13,385,413	9,000,000	13,385,413

A mine is currently being developed on the Talisman Mining permit and the Company holds a prospecting license at Capella in Vanuatu. All development expenditure has been recorded at cost in the statement of financial position.

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

The directors have provided for rehabilitation costs of the Talisman mine site on its closure. The estimated cost is \$34,438 (2021: \$32,215). The same value has been included in the development expenditure.

Impairment of Assets

The Group assesses each mining development at the end of each period to determine whether there are any indicators of impairment. Where an indicator of impairment exists, an estimate of the recoverable amount is made.

The key assumptions and factors considered as part of this assessment of impairment includes:

- The current state of the mine
- The status of the mining permits held
- A formal independent valuation report on the mine
- Market capitalisation
- The strategic plan

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

Talisman Mine Development

An independent Technical Valuation of the Talisman Gold Project was provided by Geos Mining Minerals Consultants as at 30 September 2021. The report concluded that a preferred valuation of the Project was NZ \$15.6 million. This valuation is based on a six year period discounted cash flow.

Furthermore, the mining permit consists of a two year bulk sampling period and will require an application for full mining. A two year period discounted cash flow results in an indicative valuation of \$9 million.

The Directors reviewed other factors as mentioned above that may indicate impairment.

Given the conditional nature of the mining permit, the difference in indicative valuation between the two abovementioned valuations, and that no commercial activity has yet been generated from mining activities, the Directors concluded that an impairment to the Talisman mine development would be appropriate. The Talisman mine development has therefore been impaired down to a net book value of \$9 million.

Vanuatu Mine Development

The Directors reviewed all factors as mentioned above that may indicate impairment to the Vanuatu mine development. Given this is a relatively new development, acquired back in July 2021, the Directors believes the noted carrying values relating CVL are appropriate.

RIGHT OF USE ASSETS

The company has recognised a right of use asset for the lease of the premises situated at 547 Parnell Road, Auckland. The Group had entered into a lease agreement on 6 October 2020 for a lease term of three years. The Group had previously held a short term lease agreement for its previous premises situated at 541 Parnell Road, Auckland, hence no right of use asset for these premises were previously recorded.

Movements in right of use assets are summarised below:

	Group		Parent	
	2022 NZ\$	2021 NZ\$	2022 NZ\$	2021 NZ\$
Balance at beginning of year	64,539	-	64,539	-
Additions	8,164	74,624	8,164	74,624
Depreciation Charge	(26,646)	(10,085)	(26,646)	(10,085)
Balance at end of year	46,057	64,539	46,057	64,539

13. INTANGIBLE ASSETS

	Group		Parent	
	2022 NZ\$	2021 NZ\$	2022 NZ\$	2021 NZ\$
Prospecting costs				
Balance at beginning of year	11,637	11,637	11,637	10,575
Development expenditure	-	-	-	-
Impairment of prospecting costs	-	-	-	-
Balance at end of year	11,637	11,637	11,637	10,575

	Group		Parent	
	2022 NZ\$	2021 NZ\$	2022 NZ\$	2021 NZ\$
Gross prospecting costs				
Gross cost of current permit	11,637	11,637	10,575	10,575
Balance at end of year	11,637	11,637	10,575	10,575

Exploration and evaluation expenditure is recorded at cost. The Group recorded an impairment in the carrying value of the Rahu exploration asset due to uncertainty around access to the land at that time. Subsequently the Company has relinquished the exploration license for the Rahu area and applied to extend the land area of the Talisman tenement to cover a large part of the area previously under the Rahu tenement.

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

	Group		Parent	
	2022 NZ\$	2021 NZ\$	2022 NZ\$	2021 NZ\$
Goodwill				
Balance at beginning of year	-	-	-	-
Additions	319,228	-	-	-
Amortisation Charge	-	-	-	-
Impairment of Goodwill	-	-	-	-
Balance at end of year	319,228	-	-	-
Total Intangible Assets	330,865	11,637	10,575	10,575

The goodwill has arisen from the acquiring of a business combination associated with the acquisition of the shares in Capella Vanuatu Limited which was completed during the period. Management has assessed the above costs and believed that these costs are representative of its fair value and thus, no amortisation of goodwill has been recorded.

TENEMENT SCHEDULE:

Permits held by New Talisman Gold Mines Limited Group:

51 326 Talisman (Mining) – Granted mining permit, Coromandel, New Zealand

1851 Capella Vanuatu - Prospecting License, Vanuatu

14. SHARE INVESTMENTS

	Group 2022 NZ\$	Group 2021 NZ\$	Parent 2022 NZ\$	Parent 2021 NZ\$
Investment in listed companies – at fair value	75,754	21,356	73,984	21,146
Unlisted options to acquire – at cost value	-	109,348	-	109,348
Capella Vanuatu Limited	-	55,124	-	55,124
Total share investments	75,754	185,828	73,984	185,618

Investment in listed companies includes the investment in American Rare Earths Limited.

Unlisted options to acquire

As announced on 27 January 2021, the company had entered a binding option for the purchase of 100% of the shares in Broken Hills Historic Mine Limited. The Final purchase price of the shares in Broken Hills Historic Mine Limited was \$750,000. Settlement, along with a final payment, of this share purchase was due to be completed by 31 December 2021. The company announced on 25 November 2021 that the company had terminated this binding agreement as the condition of obtaining consent under the Crown Minerals Act 1991 by 31 December 2021 had become incapable of being satisfied. As part of this termination, 80 million ordinary shares valued at \$400,000 that were initially issued have subsequently been cancelled. All other associated costs were recorded as investment in unlisted options to acquire until the company gains control of Broken Hills Historic Mine Limited at which point, the financial statements of Broken Hills Historic Mine Limited would be consolidated with the rest of the Group. It was mutually agreed between both parties that the \$100,000 deposit paid on signing of the Term Sheet would not be refunded by Broken Hills Historic Mine Limited to the company. This termination has been reflected in these financial statements and the original cost value of the Broken Hills Historic Mine Limited of \$112,367 has been written off. The treatment of this cost value are as follows:

80 million New Talisman Gold Mine Limited shares issued	\$400,000
Cancellation of 80 million New Talisman Gold Mine Limited shares issued	(\$400,000)
Funds paid on signing of the Term Sheet	\$100,000
Investment for the period	\$12,367
Total cost value	\$112,367

Capella Vanuatu Limited

As announced on 10 December 2020, the company had signed a binding term sheet for the purchase of 100% of the shares in Capella Vanuatu Limited. The purchase of these shares was completed on 5 July 2021. All associated costs were recorded as investment in unlisted options to acquire until the company gained control of Capella Vanuatu Limited at which point, the financial statements of Capella Vanuatu Limited have been consolidated with the rest of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

15. SUBSIDIARY COMPANIES

	Percent held		Incorp	Balance	Activity
	2022	2021	in	date	
Subsidiaries					
Coromandel Gold Limited	100%	100%	NZ	31 March	Share investment
Critical Minerals Resources Limited	100%	100%	NZ	31 March	Minerals exploration
Rahu Resources Pty Limited	100%	100%	NZ	31 March	Minerals exploration
Capella Vanuatu Limited	100%	0%	Vanuatu	31 March	Minerals exploration

Capella Vanuatu Limited is a direct subsidiary of Coromandel Gold Limited. All other subsidiaries are direct subsidiaries of the company. The investment in each subsidiary is recorded at cost (NZ\$Nil) in the company's statement of financial position. Critical Minerals Resources Limited did not trade during the year.

Critical Minerals Resources Limited was previously known as Northland Minerals Limited.

16. FINANCIAL INSTRUMENTS

Credit Risk

Financial instruments which potentially subject the company to credit risk principally consist of bank balances and receivables. Surplus funds are placed in interest bearing accounts with major trading banks and the company does not anticipate non-performance by those parties. Maximum exposure to credit risk at balance date is represented by the carrying value of the financial instruments. No collateral is held on these assets and the balances are stated net of recognised impairment losses. Cash at bank represented 97% of total cash and receivables. The group deals only with banks having at least an A credit rating.

Currency Risk

At present the Company does not hedge foreign currency transaction or translation exposures. The company has exposure to foreign exchange risk as a result of transactions from normal trading activities mainly denominated in Australian currencies. The company holds funds in an Australian currency bank account.

Liquidity Risk

Management supervises liquidity through cashflow forecasting, budgeting and by carefully controlling cash outflows from existing cash resources. The group relies on new equity to fund exploration and mine development expenditure.

Interest Rate Risk

At balance date the company had no exposure to interest rate risks. The table below shows short term deposits held at balance date:

Re-pricing Analysis	Effective Interest Rate	Total NZ\$	6 months or less NZ\$
Short term bank deposits	0.55-2.25%	105,000	105,000

Fair Values

Fair values used in the measurement of financial instruments may vary from values directly observed in active markets to those that must be derived without reference to observable data. Investments in listed companies are measured at fair value based on quoted prices in active markets. As stated in Note 10, the fair value of unlisted shares cannot be reliably measured and are stated at cost. Except for unlisted shares, there is no material difference between the carrying amounts and estimated fair values of the company's financial assets and liabilities.

17. RECONCILIATION OF OPERATING CASHFLOW AND REPORTED DEFICIT

	Group		Parent	
	2022 NZ\$	2021 Restated NZ\$	2022 NZ\$	2021 Restated NZ\$
Net profit / (loss) after taxation	(5,719,320)	(762,402)	(5,596,080)	(750,239)
Add non-cash items:				
Depreciation	57,426	41,769	57,426	41,769
Impairment of mine development	4,650,097	-	4,650,097	-
Loss on disposal of property, plant & equipment	-	3,044	-	3,044
Loss on investment	109,346	-	-	-
Share revaluation (gain)/loss	(54,397)	(15,775)	(52,838)	(15,775)
Exchange (gain)/loss	(7,505)	(13,177)	(4,501)	(13,177)
	4,754,967	15,861	4,650,184	15,861
Add (less) movement in working capital:				
Decrease (increase) in debtors	(3,423)	748	(3,423)	748
Increase (decrease) in creditors	67,860	59,992	67,860	59,992

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

Increase (decrease) in employee benefits	-	(18,240)	-	(18,240)
Decrease (increase) in accrued income	-	-	-	-
Decrease (increase) in Development WC	-	-	-	-
Decrease (increase) in prepayments	18,860	5,447	18,860	5,447
Decrease (increase) in intercompany loans	-	-	(312,750)	(9,163)
Decrease (increase) in GST	(7,448)	2,526	(4,018)	(474)
	72,516	50,473	(233,471)	38,310
Net cash outflows used in operating activities	(888,504)	(696,068)	(1,179,367)	(696,068)

18. COMMITMENTS

The group has capital commitments of NZ\$Nil (2021:Nil).

19. CONTINGENT LIABILITIES

	Group and Parent	
	Mar 2022 NZ\$	Mar 2021 NZ\$
Contingent liabilities	817,537	-

As announced on 23 March 2022, Matthew Hill has filed a claim with the NZ Employment Relations Authority for \$817,537 against the company. The company does not accept that Mr Hill has been an employee of the Company and considers the claim has no merit. Mr Hill had specifically requested a management services contract for Asia Pacific Capital Limited under which he provided services to the Company since early 2014. No provision has been recorded in the financial statements in relation to this matter.

20. NET TANGIBLE ASSETS PER SECURITY

	Group and Parent	
	Mar 2022 NZ\$	Mar 2021 NZ\$
Net tangible assets	9,931,494	15,568,058
Net tangible assets per security	0.31 cent	0.56 cent

21. GOING CONCERN

The Group and Parent financial statements are prepared on a going concern basis which anticipates the Company and entities it controls will be able to continue its operations for the foreseeable future and will be able to realise its assets and discharge its liabilities and commitments in the ordinary course of business.

The ability of the Company to continue as a going concern depends upon its ability to access suitable debt or equity capital to fund its operations through to production. No assurance can be given that such capital will be available at all or on terms acceptable to the Company. The directors announced on 27 April 2022 that the company will be offering a convertible debt security up to the value of \$3.5m on an 18 month term from drawdown in order to implement the company's strategy plan. Refer to note 27 for further details.

22. EARNINGS PER SHARE

	Group Mar 2022	Group Restated Mar 2021	Parent Mar 2022	Parent Restated Mar 2021
Profit/(loss) from continuing operations	(5,719,320)	(762,402)	(5,596,080)	(750,239)
Weighted average number shares	2,991,094,423	2,765,090,944	2,991,094,423	2,765,090,944
Basic earnings per share	(0.01) cent	(0.03) cent	(0.01) cent	(0.02) cent
Diluted average shares on issue	3,008,130,807	2,782,127,328	3,008,130,807	2,782,127,328
Diluted earnings per share	(0.01) cent	(0.03) cent	(0.01) cent	(0.02) cent
Weighted average number shares	2,991,094,423	2,765,090,944	2,991,094,423	2,765,090,944
Weighted average number options	17,036,384	17,036,384	17,036,384	17,036,384
Diluted average share on issue	3,008,130,807	2,782,127,328	3,008,130,807	2,782,127,328

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2022

23. PAYABLES

	Group Mar 2022 NZ\$	Group Mar 2021 NZ\$	Parent Mar 2022 NZ\$	Parent Mar 2021 NZ\$
Trade payables	167,941	112,253	167,941	112,253
Audit Accrual	20,043	20,324	20,043	20,324
Accruals	12,452	-	12,452	-
	200,436	132,577	200,436	132,577

Trade Payables

Trade payables are unsecured and are usually paid within 30 days of recognition.

24. EMPLOYEE BENEFITS

	Group Mar 2022 NZ\$	Group Mar 2021 NZ\$	Parent Mar 2022 NZ\$	Parent Mar 2021 NZ\$
Balance at beginning of year	-	18,240	-	18,240
Additional provision	-	-	-	-
Amount utilised	-	(18,240)	-	(18,240)
Balance at end of year	-	-	-	-

Employee benefits accrued comprise holiday pay.

25. LEASE LIABILITIES

Lease commitments under non-cancellable operating leases:

	Group Mar 2022 NZ\$	Group Mar 2021 NZ\$	Parent Mar 2022 NZ\$	Parent Mar 2021 NZ\$
Balance at beginning of year	65,446	-	65,446	-
Additions	8,164	74,624	8,164	74,624
Interest Expense	2,907	1,483	2,907	1,483
Principal repayments	(29,053)	(10,661)	(29,053)	(10,661)
Balance at end of year	47,464	65,446	47,464	65,446
Short term lease liabilities	29,540	24,141	29,540	24,141
Long term lease liabilities	17,924	41,305	17,924	41,305
	47,464	65,446	47,464	65,446

26. RECEIVABLES AND PREPAYMENTS

	Group Mar 2022 NZ\$	Group Mar 2021 Restated NZ\$	Parent Mar 2022 NZ\$	Parent Mar 2021 Restated NZ\$
Sundry receivables	35,583	24,712	35,583	24,712
Prepayments	56,796	75,656	56,796	75,656
Intercompany advances	-	-	552,601	78,810
	92,379	100,368	644,980	179,178

Trade Receivables

All financial assets are within the contractual terms. None are overdue and none are impaired. No collateral is held for receivables.

27. SIGNIFICANT EVENTS SINCE BALANCE DATE

As announced on 27 April 2022, the company is proposing to seek additional funding of up to \$3.5m through the issuing of convertible debt security. These funds will be used by the company to carry out its strategic plan which includes:

- Recommending underground activities at the mine, including developing the required Second Egress.
- Advancing the Mystery Vein face.
- Advancing the Mystery Vein will trigger the existing 2 year Bulk Sampling Consent.
- Opening a second face on the Mystery vein once the Second Egress is complete.
- Funding the implementation of the Traffic Management Plan.
- Funding the Resource Consent application for Full Mining Consent.

In summary, it is proposed that the convertible debt security will be for a period of 18 months from initial drawdown, and attached an annual interest rate of 9.5% which will be paid quarterly. This convertible debt security proposal will be subject to shareholder approval.

No other significant events have occurred since balance date.

ADDITIONAL INFORMATION

DIRECTOR INFORMATION AND DISCLOSURE OF DIRECTORS INTERESTS

The following general disclosures of interest were received in relation to the year ended 31 March 2022:

Director	Relevant interest in Ordinary Shares	Relevant Interest in listed Options
John Upperton	84,000,000	-
Samantha Sharif	3,000,000	-

TOP 20 OPTION HOLDERS as of 14 JUNE 2022			
Rank	Name	Units	% of Units
1.	COSMO BRYAN BOREHAM	1,000,000	5.87
2.	BANKIMCHANDRA NIRANJANBHAI PATEL & HIRALBEN BANKIMCHANDRA PATEL	663,638	3.90
3.	CHARLES PLEWINSKI	383,636	2.25
4.	KA FU TSE	287,064	1.69
5.	MURRAY LAWRENCE CAMERON	286,364	1.68
6.	STEPHEN BAGGETT	254,545	1.49
7.	WARWICK JOHN LANGE	216,090	1.27
8.	MICHAEL MCGOWAN	200,000	1.17
9.	CITICORP NOMINEES PTY LIMITED	181,818	1.07
10.	ALAENA THERESA WILLIAMS	136,364	0.80
11.	ANDREW WARREN MCLAUGHLIN	136,364	0.80
12.	BART KLUMPERS & MARYKE CORNELIA KLUMPERS	136,364	0.80
13.	BEAZER INVESTMENT LIMITED	136,364	0.80
14.	BENJAMIN PETER WOOLLCOMBE	136,364	0.80
15.	BOON SIN LIEW	136,364	0.80
16.	BOYI WEI	136,364	0.80
17.	BRUCE JEFFREY DALTON & KAREN JOY DALTON	136,364	0.80
18.	CHRISTOPHER DAVID ENGLISH & JACQUELINE ENGLISH	136,364	0.80
19.	CHRISTOPHER JOHN POSTLEWAIGHT	136,364	0.80
20.	CHUNG KAN CHOW	136,364	0.80
Total top 20 holders of 30/09/2022 Aud \$0.05 Options		4,973,159	29.19
Total listed options		17,036,384	

Holding Range		Ordinary Shares as of 31 May 2022		
Range	Total holders	Shares Held	% of Issued Capital	
1 - 1,000	121	28,937	0.00	
1,001 - 5,000	252	869,423	0.03	
5,001 - 10,000	192	1,654,912	0.05	
10,001 - 100,000	968	47,153,685	1.48	
100,001 Over	1,440	3,139,598,481	98.44	
Total	2,973	3,189,305,438	100.00	

TOP 20 ORDINARY SHAREHOLDERS as of 14 June 2022				
Rank	Name	Units	% of Units	
1.	HAMISH EDWARD ELLIOT BROWN	430,000,000	13.48	
2.	NEW ZEALAND DEPOSITORY NOMINEE LIMITED <A/C 1 CASH ACCOUNT>	257,658,250	7.40	
3.	BEVERLEY IDA EVANS	136,000,000	4.26	
4.	JOHN KILDARE UPPERTON	84,000,000	2.63	
5.	CANTERBURY RESOURCES LIMITED	62,080,075	1.95	
6.	CHRISTOPHER DAVID ENGLISH + JACQUELINE ENGLISH <KRINGLES SUPER FUND A/C>	35,758,910	1.12	
7.	RA KOURA LIMITED	31,422,404	0.99	
8.	VAN CHUONG TRAN	30,000,000	0.94	
9.	HILL FAMILY GROUP PTY LIMITED	28,096,507	0.88	
10.	THOMAS HERBERT TEBBS GOTHORP	25,500,874	0.80	
11.	PETER WILLIAM HALL	25,000,000	0.78	
12.	RONALD JOHN SCOTT	22,000,000	0.69	
13.	CHI HUA CHEN	21,982,742	0.69	
14.	RUSSELL BARRY JAMES	21,424,157	0.67	
15.	WILLIAM GEOFFREY KROON	21,021,999	0.66	
16.	CHUNHANG LI	20,000,000	0.63	
17.	CHUNG KAN CHOW	19,455,913	0.61	
18.	ALLAN MICHAEL NOBILO + LYNNE NOBILO	18,953,587	0.59	
19.	SHARESIES NOMINEE LIMITED <CHILD A/C>	18,053,863	0.57	
20.	HOI YEE JULIE TSE	17,554,467	0.55	
Total Top 20 holders of Ordinary Shares		1,325,964,362	41.58	
Total issued Capital		3,189,305,438		

CORPORATE GOVERNANCE

In accordance with the NZX Corporate Governance Code 2020 ("NZX Code"), and the ASX Corporate Governance Council's Principles and Recommendations (4th Edition) ("ASX Recommendations") New Talisman Gold Mines Ltd ("Company") has adopted systems of control and accountability as the basis for corporate governance best practice.

Policies and Charters (for the board and its committees), including the Company's Code of Ethics and other policies and procedures relating to the Board and its responsibilities are available on the Company's website www.newtalisman.co.nz

Commensurate with the spirit of the NZX Code and the ASX Recommendations, the Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices, taking into account factors such as the size of the Company and the Board, resources available and activities of the Company.

After due consideration by the Board during the Company's 2021/2022 financial year ("reporting period") the Company's corporate governance practices departed from the NZX Code or ASX Recommendations only as set out below.

The information in this statement is current at 31 March 2022.

EXPLANATIONS FOR DEPARTURES FROM NZX CORPORATE GOVERNANCE CODE 2020

Recommendation	Notification of Departure	Explanation for Departure
2.5: An issuer should have a written diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. The issuer should disclose the policy or a summary of it.	The Company has established a diversity policy, a copy of which is disclosed on the Company's website. However, the policy does not include requirements for the board to establish measurable objectives for achieving gender diversity, or for the board to assess annually the objectives and the progress towards achieving them.	The Board considers the size of the Company's operations make it impractical to establish meaningful measurable objectives for achieving gender diversity.

EXPLANATIONS FOR DEPARTURES FROM ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS (4th Edition)

The Company has followed each of the ASX Recommendations during the reporting period, except in relation to the matters specified below:

Recommendation	Notification of Departure	Explanation for Departure
1.5(b): The Company should establish and disclose a diversity policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and the progress towards achieving them.	The Company has established a diversity policy, a copy of which is disclosed on the Company's website. However, the policy does not include requirements for the board to establish measurable objectives for achieving gender diversity, or for the board to assess annually the objectives and the progress towards achieving them.	The Board considers the size of the Company's operations make it impractical to establish meaningful measurable objectives for achieving gender diversity.
1.5(c): Disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them.	No measurable objectives for achieving gender diversity have been set by the Board.	The Board considers the size of the Company's operations make it impractical to establish meaningful measurable objectives for achieving gender diversity. However, the Board recognises the importance of diversity and has therefore adopted a diversity policy, a copy of which is available on the Company's website.

BOARD COMPOSITION AND EXPERTISE

The Company has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in a Statement of Board and Management Functions, which is disclosed on the Company's website.

A profile of each director containing the skills, experience, expertise, formal qualifications and term of office of each director is set out in the director profiles in this Annual Report.

The mix of skills and diversity that the Board is seeking to achieve in its membership is significant experience and expertise in: mine development and underground operations, geological modelling, financial reporting, financial markets, risk management, statutory compliance, resource management, health and safety and employment. Each of these skills are represented in the Board's current composition. The size of the Board and the development of the Company's projects places constraints on the mix of skills the Board is able to achieve.

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It is the policy of the Board that in determining candidates for the Board, the following process shall occur:

- The Nomination Committee (or equivalent) evaluates the range of skills, experience and expertise of the existing Board. In particular, the Nomination Committee (or equivalent) is to identify the particular skills that will best increase the Board's effectiveness. Consideration is also given to the balance of independent directors on the Board.
- A potential candidate is considered with reference to their skills and expertise in relation to other Board members.
- If relevant, the Nomination Committee recommends an appropriate candidate for appointment to the Board. Any appointment made by the Board is subject to ratification by shareholders at the next general meeting.

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. Re-appointment of directors is not automatic. The Company's Policy and Procedure for Selection and (Re)Appointment of Directors is disclosed on the Company's website.

IDENTIFICATION OF INDEPENDENT DIRECTORS

In considering independence of directors, the Board refers to the criteria for independence as set out in NZX Listing Rule 2.1.1 and Box 2.1 of the ASX Recommendations ("Independence Criteria"). Applying the Independence Criteria during the reporting period and at balance date the Board comprises a majority of independent directors. The independent directors of the Company were the Chair, John Upperton, Samantha Sharif, and Michael Stiassny. Victor Rabone is not an independent director as he has a operational contract with the Company.

STATEMENT CONCERNING AVAILABILITY OF INDEPENDENT PROFESSIONAL ADVICE

If a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of his/her office as a director then, provided the director first obtains approval for incurring such expense from the Chair, the Company will pay the reasonable expenses associated with obtaining such advice.

DIRECTOR REMUNERATION

Details of remuneration are contained in the Notes to the Financial Statements forming part of this report.

The Company's Remuneration Policy is disclosed on the Company's website. Remuneration of Directors and senior executives is set by reference to payments made by other companies of similar size and industry, and by reference to the skills and experience of the Directors and executives.

There is currently no direct link between remuneration paid to any of the non-executive directors and corporate performance such as bonus payments for achievement of key performance indicators. There are no termination, retirement or Company superannuation scheme benefits for non-executive directors.

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND SENIOR EXECUTIVES

The board reviews the size and composition of the board and the mix of existing and desired competencies across members from time to time. Criteria considered by the directors when evaluating prospective candidates are contained in the board's charter. The chair of the board is responsible for ensuring a regular review of the performance of the board, committees and individual directors occurs at least annually. The chair is responsible for determining the process under which this evaluation takes place. The board reviews annually the size and composition of the board and the mix of existing and desired competencies across members.

The board is responsible for evaluating the performance of senior executives. The board evaluates the performance of

senior executives via an ongoing process of assessment and a formal annual review in December. During the formal review, the senior executive's performance is measured against their role's assessment criteria.

The Company's Process for Performance Evaluations is disclosed on the Company's website.

CORPORATE CODE OF CONDUCT

The board has adopted a Corporate Code of Conduct (available on the Company's website). Directors, employees and consultants must comply with the policies which the Board has endorsed to achieve ethical behaviour and efficiency within the authorities and discretions designated to them, avoiding putting themselves in a position where they stand to benefit personally or be accused of insider trading. Compliance with all laws and regulations and maintenance of confidentiality and honesty is expected. The Corporate Code of Conduct forms part of every employment and consultancy agreement. Failure to comply can result in disciplinary action, including, where appropriate, dismissal. The Board has not adopted a Whistleblower Policy. However, employees have direct access to the Chair and are encouraged to contact the Chair with any suspected departure from the Company's Code of Conduct.

GENDER DIVERSITY

The board has adopted a Diversity Policy (available on the Company's website). As noted above, the Diversity Policy does not include requirements for the board to establish measurable objectives for achieving gender diversity. Gender diversity at balance date for the reporting period:

Component	Total	Female Component	% Female Component
Board of Directors	4	1	25%
Consultants	4	2	50%
TOTAL*	8	3	37.5%

* Total comprises the figures for the whole organisation.

The Board considers that the Company complied with its diversity policy during the reporting period.

AUDIT COMMITTEE

The Audit Committee as at the end of the reporting period consists of the following non-executive independent directors: Michael Stiassny (Chair), Samantha Sharif, John Upperton and Victor Rabone. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Audit Committee by ensuring that any director with conflicting interests is not party to the relevant discussions.

During the reporting, period the Audit Committee had the opportunity to meet with the external auditor in respect of the financial reports. The Audit Committee is responsible for reviewing Annual and Interim Financial Statements, related stock exchange announcements and all other financial information published or released to the market; monitoring and making recommendations for improvement in internal control environment, including effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations; overseeing the risk management and compliance framework; the appointment, removal and remuneration of the external auditors; reviewing the terms of their engagement and the scope and quality of the audit, reviewing and approving the nature and scope of non-audit services and ensuring rotation of the external audit engagement partner.

Details of each of the director's qualifications are included in the Board of Director's Profiles. All members of the sub committee consider themselves to be financially literate and have financial experience and industry knowledge. Mr Rabone is a Geotechnical Engineer with over 20 years of operational experience in all facets of mining gained in New Zealand and internationally. He has specialised expertise in hard rock underground mining. Ms Sharif

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is a Professional Director with extensive leadership experience in infrastructure, resources, safety critical industries, as well as investment and capital markets. Michael is a Chartered Fellow of The Institute of Directors in NZ (Inc) (CFInstD) and is also past President of the Institute of Directors. He is a Fellow of Chartered Accountants Australia and New Zealand (retired). He has both a Commerce and Law degree. Mr Stiassny is currently Chairman of Tower Insurance and Ngati Whatua Orakei Whai Rawa Limited, and a director of a number of other companies.

Mr Upperton has a background in both Commercial and Residential Construction Project Management. Alongside these projects, Mr Upperton has garnered considerable experience in aspects of the RMA and District Planning requirements, including successfully representing himself in the Environment Court.

The Company has established a Procedure for the Selection, Appointment and Rotation of its External Auditor, which is disclosed on the Company's website. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as recommended by the Audit Committee (or its equivalent). Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Audit Committee (or its equivalent) and any recommendations are made to the Board.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (N&R) as at the end of the reporting period consists of the following non-executive independent directors: John Upperton, Samantha Sharif, Victor Rabone and Michael Stiassny. The responsibilities of the N&R Committee were also addressed by the full Board at Board and Strategy meetings during the reporting period. The Board has adopted, and the N&R Committee applies a Nomination Committee Charter and a Remuneration Policy which is available on the Company's website.

Duties of the N&R Committee includes reviewing remuneration of executive and non-executive directors, incentive schemes and reviewing the Remuneration Committee Policy (disclosed on the Company's website).

The Board has adopted, and the Remuneration Committee applies, a Remuneration Committee Charter which is available on the Company's website.

HEALTH SAFETY SECURITY AND ENVIRONMENT COMMITTEE

The Health Safety Security and Environment Committee (HSSE) as at the end of the reporting period consists of the following directors: Samantha Sharif, John Upperton and Victor Rabone. Some responsibilities of the HSSE Committee were also addressed by the full Board at Board and Strategy meetings during the reporting period. The Board has adopted, and the HSSE Committee applies a HSSE Committee Charter which is available on the Company's website.

The Company's Policy for Trading, which is disclosed on the Company's website, states that key management personnel must not enter into transactions or arrangements which operate to limit the economic risk of their security holding in the Company without first seeking and obtaining written acknowledgement from the Chair, Audit Committee Chair or Executive Director; and Key Management Personnel are prohibited from entering into transactions or arrangements which limit the economic risk of participating in invested entitlements.

MEETING ATTENDANCE

Director/Consultant	Board	Audit	HSSE
M Hill	7/8	1/3	
M Stevens	8/8	3/3	
C Nader	8/8	3/3	
J Upperton	18/18	1/1	1/1
V Rabone	15/15	1/1	1/1
C McKenzie	1/1		
M Stiassny	14/14	1/1	
S Sharif	14/14	1/1	1/1

*M Stevens directorship ceased effective 6 October 2021

*M Hill directorship ceased effective 8 October 2021

*C Nader directorship ceased effective 8 October 2021

*V Rabone directorship commenced effective 13 Sept 2021

*J Upperton directorship commenced effective 29 Sept 2021

*C McKenzie directorship commenced effective 11 Oct 2021 and ceased effective 1 Nov 2021

*M Stiassny directorship commenced effective 1 Nov 2021

*S Sharif directorship commenced effective 1 Nov 2021

RISK MANAGEMENT

The Company has continued to develop its strategies for managing risk during the reporting period, particularly where internal controls are concerned. The Company's internal controls are reviewed by the external auditor twice a year, and are monitored regularly by the independent directors. The Board relies on the sign-off of its contracted CFO with respect to the financial reports, which sign-off has been provided in respect of the Company's 2021/2022 financial statements.

The Company has adopted a Risk Management Policy (a summary is available on the Company's website). Under the Policy, the Board delegates day-to-day management of risk to the Chief Executive Officer and in the absence of a Chief Executive Officer the responsibility falls to the Chairman of the Board. The Policy sets out the role of the Chief Executive Officer and accountabilities. It also contains the Company's risk profile and describes some of the policies and practices the Company has in place to manage specific business risks.

The process of management of material business risks is allocated to the relevant business risk owners within the management team or its contracted suppliers. The Board relies on risk controls being implemented effectively and the primary risk controls reviewed monthly through a standing item on the Board agenda. The Company is in the process of updating its Risk Management Policy to include formal processes to identify, manage and mitigate risk, using a risk register. As the mine was not operational during the period there were no operational risk reports prepared. Certain risks pertinent to the sector in which the Company operates are not able to be managed at this time, for example the price of gold.

Material business risks reported on during the reporting period included statutory compliance, health and safety in the operational environment, sustainability of the company's ore resources, environmental risk working in a conservation estate, internal audit compliance, adequacy of computer systems, ethical conduct and business practice, retention of key staff, financial reporting and liquidity risk.

The Board has required management to design, implement and maintain risk management and internal control systems to manage the Company's material business risks. The Board also requires management to report to it confirming that those risks are being

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managed effectively. The Board receives on a regular basis reports from management as to the effectiveness of the Company's management of its material business risks, risk evaluation, analysis and treatment. Risk management is a standing item on the Board agenda, giving opportunity for Board discussion. The Audit Committee and the full Board addresses areas of risk and evaluates the effectiveness of controls.

ASSURANCES TO THE BOARD

The Chief Executive Officer (CEO) and the Chief Financial officer (CFO) are not required to provide a declaration to the Board in accordance with section 295A of the Corporations Act (Australia) as the Company is instead subject to the laws of New Zealand. However, the Board requires the virtual CFO to provide a declaration confirming that the financial reports for the reporting period present a true and fair view, in all material respects, of the Company's financial condition and operational results, and are in accordance with relevant accounting standards. Assurance is also given that the financial statements are founded on a sound system of risk management and internal compliance and control and that the Company's risk management and internal compliance and control is operating efficiently and effectively.

CONTINUOUS DISCLOSURE

The Company has adopted a Continuous Disclosure Policy which sets out obligations for directors, employees and consultants in relation to continuous disclosure. The Company has also adopted Compliance Procedures to ensure compliance with the ASX Listing Rule requirements in relation to continuous disclosure, and to ensure accountability at a senior executive level for that compliance. Summaries of both these documents are available on the Company's website. In accordance with the NZX and ASX Listing Rules, the Company is required to disclose to the market matters which could be expected to have a material effect on the price or value of the Company's securities. Management processes are in place to ensure that all material matters which may potentially require disclosure are promptly reported to the Chief Executive Officer or the Company Secretary who is responsible for ensuring that such information is not released to any person until the NZX and ASX have confirmed its release to the market.

SHAREHOLDER COMMUNICATION

The Board has adopted a Shareholder Communication Policy, a copy of which is disclosed on the Company's website.

DIRECTOR AND OFFICER LIABILITY INSURANCE

The Company maintains director and officer liability insurance and indemnifies directors and officers of the Company against all liabilities which may arise out of the performance of normal duties as directors or officers, unless the liability relates to conduct involving a lack of good faith. This includes indemnity of costs and expenses incurred in defending an action that falls within the scope of the indemnity.

MATERIALITY

Independence of directors, the Board refers to the thresholds for qualitative and quantitative materiality as adopted by the Board and contained in the Board Charter, which is disclosed in full on the Company's website. Balance sheet items are material if they have a value of more than 10% of pro-forma net asset. Profit and loss items are material if they have an impact on the current year operating result of 10% or more. Items are also material if they impact on the reputation of the Company, they involve a breach of legislation; they are outside the ordinary course of business; they could affect the Company's rights to its assets; if accumulated, they would trigger the quantitative tests; they involve a contingent liability that would have a probable effect of 10% or more on balance sheet or profit and loss items; or they will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 10%. Criteria for determining the materiality of contracts can be found in "Board and Management" under Corporate Governance on the Company's website.

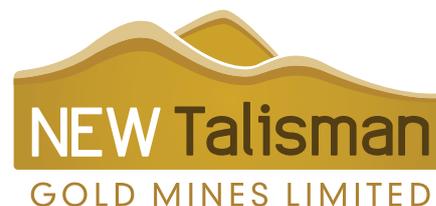
SHARE TRADING

The Company has adopted a Share Trading Policy to assist with compliance with insider trading regulations under the Securities Market Act 1988 (New Zealand) and the Corporations Act 2001 (Australia). This policy restricts directors, employees and consultants from trading in a number of ways and is available on the Company's website. Application must be made by directors, employees and consultants to the Company for approval prior to trading in the Company's securities. A requirement to comply with this policy forms part of every employment or consultancy agreement.

SUMMARY OF WAIVERS

No waivers to the rules were requested to the Stock Exchanges during the reporting period.

COMPANY DIRECTORY



DIRECTORS

John Upperton (Chairman, Non Executive Director)
Michael Stiassny (Independent Director)
Samantha Sharif (Independent Director)
Victor Rabone (Director)

COMPANY SECRETARY

S Jane Bell

REGISTERED (HEAD) OFFICE

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Sydney, 2000

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

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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

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Please assist our registrar by quoting your CSN or shareholder number