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**FOR IMMEDIATE RELEASE: ANNOUNCEMENT BY NEW TALISMAN GOLD MINES LIMITED
[ASX, NZSX: NTL]**

HISTORIC DATA SHOWS INCREASED DUBBO POTENTIAL AND ENHANCED TARGET AREAS AT TALISMAN

Talisman Exploration Potential

The Company sees a significant upside to the whole Talisman project from increased exploration potential based on further analysis of its own exploration data and incorporating historic data now available to it. This follows acquisition a large amount of historic data in 2015 that was not previously available. Analysis is ongoing but preliminary results are extremely encouraging.

Work over the last several years has focused on obtaining the necessary consents and permits for the staged development of the Talisman Mine. Now that this is well advanced it is timely to look to the future to increase mine life and future production.

Once its development targets are reached the company plans to use surplus funds to expand its exploration to increase gold resources within the Talisman Permit area which is part of the 4km by 3km epithermal gold system that the Talisman and Rahu gold projects lie within.

Exploration attention will be directed in the immediate future to those areas that are likely to be more accessible from within areas slated for early development. These are:

- Extensions to the Dubbo Zone, mainly at depth
- The Mystery Vein and its possible northward extensions in the Roderick Dhu workings around 600m north.
- The Sutro workings to the east of the
- The Crown Mine above 5A Level
- Crown Mine

A number of other exploration targets exist namely, Talisman Depth Extensions, Talisman South, Taukani Hill, Crown-Welcome Depth Extensions, the Comstock workings, Dominion Knoll.

Reference in the following text to targets, exploration targets, mineralisation, extensions to resources, exploration potential are defined as Exploration Targets in the 2012 JORC Code and that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The historic data being cited here is based on examination of old mine plans, drawings and

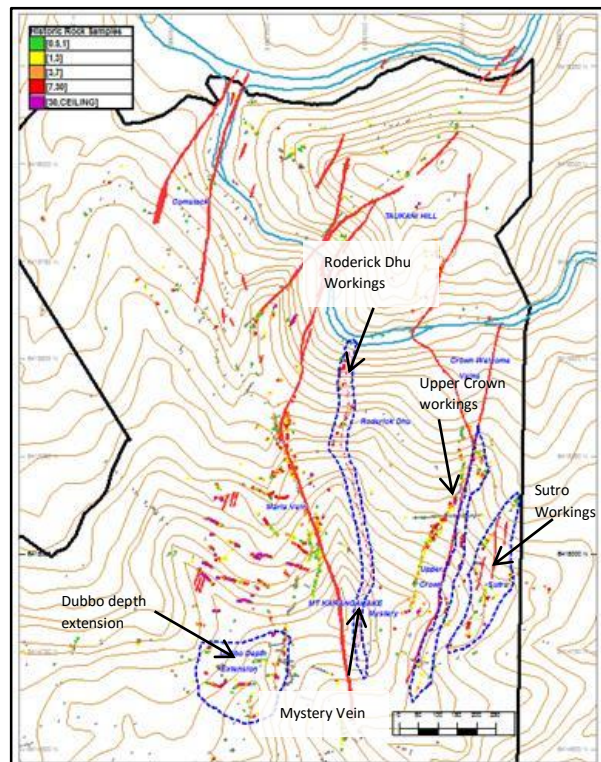


Figure 1 - Plan showing surface topography with veins, targets and sample positions overlain

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digital data. Information on quality control procedures, analytical methods, sampling methods are not known and have not been verified.

Exploration Targets

Dubbo Zone

The Dubbo zone occurs on the Maria Vein some 800m inside the mine along No 8 Level and is the largest of the mines existing ore blocks containing some 145,000 oz gold of the mines 204,600 oz mineral resource at an average gold grade of 10.1 g/t Au.

Of particular significance to immediate extensions to the current resource is that the historic data acquired in 2015 includes plans showing data that suggests potential depth extensions of the Dubbo Zone.

One such plan, thought to have been compiled circa 1919, is a long section of the Talisman Mine showing the results and location of approximately 2142 channel samples that were taken up rises and winzes within the mine. As was the convention of the day, the grade of these samples is presented as the cash value of bullion (combined gold and silver) contained in a ton of ore based on a gold price of £4.25 per troy ounce.



Figure 2 – North to South oriented long section on Maria Vein showing location and gold grades of samples taken in lower Dubbo Zone

From the records gold:silver ratios range generally from 1.4 to 1:6 with considerable variation. Hence in analysing the data the prevailing gold price at the time of £4.25 per troy ounce has been used as the best method to convert the cash values to equivalent gold ounces.

The data shows the results of 541 samples taken in raises from 10, 11, 12 and 13 Levels immediately below the occurrence of the Dubbo zone on No 8 Level. Analysis of all these samples yields a mean of 13.26 g/t gold equivalent. Using a 3.0 g/t Au lower cut off to these samples yields a mean of 28.61 g/t Au equivalent within a sample range of 125.17

g/t. This lower cutoff is the same as applied in the company's ore reserve calculations.

This grade is significantly higher than the 10.1 g/t Au value in the company's mineral resource estimate for the Dubbo and demonstrates potential upside for production planning. The extension of the Dubbo Zone lies immediately below workings planned in the Five Year production plan and can be readily accessed by extending the planned ramp system downwards at a very small incremental capital cost.

While the quality control and assurance procedures in place at the time that the samples were taken cannot be verified and the data cannot be used to generate mineral resource or reserve estimates that will comply with the requirements of the JORC code, the information certainly confirms the company's view that the Dubbo Zone extends further to depth and that this zone will play an important role in the future operational plans of the mine.

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Mystery Vein

The Mystery Vein is a high priority target for development and will be tested as part of the bulk sampling phase.

It was discovered in the late 1980's when Keillors Crosscut was driven to connect the Talisman 8 Level with the Crown Mine 5A Level to provide ventilation flow. The previous mine owners drove on the Mystery Vein 30m north and 20m south of Keillors Crosscut.

NTL have channel sampled and drilled 3 diamond holes. There is currently a small resource of 10,300 oz Au and 17,100 oz Ag. The vein lies between the Maria and Welcome/Crown Veins approximately 200m east of the Maria Vein. Its orientation, width and character are consistent with the two main veins mined historically.

Examination of surface and underground geochemical sampling results from the newly acquired historic data shows the possibility that the Roderick Dhu veins that occur around 600m north of the Mystery vein may well be the same vein system.

NTL has long speculated that this might be the case and analysis of the new data supports this. The grades recorded in the historical data set from 39 surface outcrop and underground channel samples range from below detection to 84.0 g/t gold with an average of 11.89 g/t Au and 107.4 g/t Ag. Sample widths range from around 10cm to 1.8m and average 0.4m.

Crown Mine above 5A Level

The Crown mine which historically extracted gold from two main veins the Welcome and the Crown has JORC 2004 compliant measured, indicated and inferred resources of 29,500 oz gold and 59,400 oz silver delineated.

This was based on channel sampling carried out by NTL in 2004 on the 5A level which runs parallel to the Talisman mine 300m to the west. The 5A Level has a known length of over 500m. Most historic mining occurred below the 5A level with limited prospecting drives on the surface. NTL have seen the continuation of the Crown Vein between this level and the surface approximately 180m above as an exploration target that if results warranted could be accelerated into production.

Examination of the historic data from 123 surface or near surface samples of the Crown Vein show that what appear to be mainly channel samples, to be averaging 10.47 g/t gold, 19.0 g/t silver with an average sample width of 0.86 metres. Sample widths ranged from 0.1m to 3.0m, while gold grades range from 0.05 g/t to 147.5 g/t.

Sutro Workings

The Sutro workings lie approximately 100m east of the Crown Mines surface outcrop. These appear to be a southward extension of the north east trending Imperial veins. Their significance is now apparent from the historic data and they require further work to develop the target but do demonstrate the potential for the permit area.

Preliminary observations are that the veins in the Sutro workings from which 39 channel samples were taken range in gold values from below detection to 94.0 g/t gold, averaging 8.46 g/t Au and 22.8 g/t silver. Sample widths average 0.5m and range from 0.1m to 1.2m.

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targets. The targets provide the technical evidence for what has always been a view of the company, that is, the historically highly productive Talisman mine has the potential to once again become a significant producer of gold and silver. As shareholders are aware the company is currently completing a capital raising which will allow for an extensive exploration program alongside the bulk sampling project as New Talisman makes its steps from a developer to producer.”

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Further Work

This release contains information pertaining to only a small selection of the available data, the company will continue to analyse the data for potential exploration targets that may contribute towards the overall mining plan and increased shareholder value.

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) with over 1950 shareholders who are mainly from Australia and New Zealand. It is a leading New Zealand minerals development and exploration company. Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including a JORC compliant mineral resource within the original Talisman underground mine, and a Heads of agreement with Newcrest over an adjacent exploration permit along strike from the mine. The company is now advancing its plans to develop the mine, and advance an agreement with Newcrest over the exploration project.

More about New Talisman Gold at www.newtalismangold.co.nz

Competent Person’s Statements

The information in this report that relates to Exploration Targets, Exploration Results, and Mineral Resources is based on information compiled by Murray Stevens, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Stevens is employed by Stevens and Associates and is an independent consultant engaged by New Talisman Goldmines Limited from time to time on a consulting basis. Mr Stevens 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’. Mr Stevens consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to the Talisman Project Pre-Feasibility Study and the Ore Reserve estimates was prepared by Mr Wayne J Chowles, a Mining Engineer and member of the AusIMM. Mr Chowles is a full time employee of New Talisman Gold Mines Limited and the author of the Talisman Prefeasibility Study referred to in this release. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Chowles consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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