Market Announcement

For Immediate Release

Quarterly Activities Report to 30 Sept 2020

New Talisman Gold Mines Limited

Responsible, Environmentally Sustainable Mining

ASX/NZX Code **NTL**

Commodity Exposure
GOLD and SILVER

Board

Charbel Nader Chairman/Independent Director
Matthew Hill Chief Executive/ Managing Director
Murray Stevens Non-Executive Director
Jane Bell Company Secretary

Capital Structure

Ordinary Shares at 30/09/2020	2,792m

Share Price

Share Price at 30/10//2020 (NZX)	0.6cps
Share Price at 30/10//2020 (ASX)	0.5cps



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New Talisman Gold Mines Limited (NTL) is pleased to present the report on activities for the quarter ended 30 September, 2020.

HIGHLIGHTS

- **Mine reopened following second Covid-19 lockdown.**
- **Authority to Enter and Operate Talisman renewed by Department of Conservation.**
- **Access Agreement with Department of Conservation renewed.**
- **Strategic management review of the business underway.**
- **Driving on Mystery Vein to commence shortly.**
- **Terra Firma engaged to carry out work on the Mystery.**
- **Work programme to explore and define near mine resource targets commencing.**
- **Loyalty shares issued**

During the quarter the Company continued to progress the Talisman mine project, advancing the technical activities and analysis during the second lockdown which due to the 2m by 2m addits and a sole airway meant underground activities were halted and for a second time this year the team remobilised to site to undertake the planned activities previously outlined for the Mystery vein.

The primary focus is on securing a treatment route for processing extracted ore. This will ensure maximum volumes are extracted under the current consent while a longer-term consent is being prepared for full term of the mining permit currently held by NTL.

At the end of the quarter the team have finalised the planning and risk assessments for works at Mystery and currently await delivery of materials in order to commence ground support and blasting. The programme to be implemented by NTL's mine contractor, Terra Firma, will involve driving to the north on the Mystery Vein to produce ore and enable detailed sampling to expand the gold resource and increase confidence levels on grade and continuity.

Previous sampling of Mystery by NTL has shown grades up to 50g/t gold, while check sampling during the last phase of driving on vein showed a weighted average grade of the vein across the current face of 1.8m at 39.35g/t Au, 34.75g/t Ag, including narrow footwall stringers. (Please see https://www.asx.com.au/asxpdf/20180508/pdf/43tvlpmv420f4f.pdf).

This gives the Company confidence to continue driving on vein which will provide data to support plant design parameters as well as commercial discussions with third parties on potential treatment options.

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Resource Expansion and Target Identification

During the previous quarter NTL announced the results of reviewing past exploration data to identify opportunities to expand known resources and upgrade existing targets that lie within current resource blocks or nearby.

These targets that were first reported in a release to the ASX/NZX on 8 June, 2016, (https://www.asx.com.au/asxpdf/20160608/pdf/437rrdbmhdt90d.pdf), include the Mystery both the underground and surface exposures, the Crown Vein, in particular the area between the 5A level and the surface and the Imperial/Sutro vein system that lies approximately 100 m east of the Crown Vein.

Geological modelling is underway and necessary permits being sought from Department of Conservation for low impact surface activities associated with the target evaluation.

Corporate

During the quarter the board resolved to continue with a 20% reduction in corporate costs. While progressing technical activities with restrictions in place underground costs have remained minimal with management deciding to await delivery of specialist materials from Australia prior to commencing works with Terra Firma Ltd(TFM).

As announced Tony Haworth retired from the board during the period. As part of the current review the board is evaluating the skills in house and reviewing a number of potential candidates for appointment to the board.

During the quarter 100,041,038 shares were issued as a result of the loyalty shares which were attached to he previous rights issue for those shareholders who took up and held their entitlement for 12 months. This represents approx. 95% of shareholders retained their shares for the period and received the loyalty share.

Strategic review

As outlined at the AGM the management team have undertaken to provide the board with a review of the overall business and current mine plan in line with both the AMC report and data acquired in the first stage of the works underground. This is estimated to be completed in mid-November and will form the platform for the board to review the current strategic direction of the Company and any changes in line with the current project plan and budget.

Following the board strategy review a detailed outline of the project plan and strategic direction of the business will be provided in a detailed update to shareholders.

Regulatory

Annual Review Meeting

During the quarter the company undertook its annual review with NZPAM, DOC, WRC, HDC and Worksafe. Following the AMC review of the resource estimate a majority of queries by NZPAM were addressed. A follow up meeting has been arranged to address a number of technical queries as well as review the Rahu permit and options in that regard.

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Department of Conservation

During the period, the company lodged its annual renewal for its Authority to Enter and Operate the Talisman mine pursuant to the proposed bulk sampling project plan. This authority allows access for equipment to complete upgrading the access road in preparation for increased vehicle movements, and to the portal hardstand to begin construction of surface facilities.

The company also lodged its access agreement renewal with the Department of Conservation during the quarter.

Rahu Gold Project (100%) – Hauraki District, NZ

At the AGM, the company announced its intention to relinquish the Rahu permit. In discussion with NZPAM the company is exploring options which may allow amendment to the current work program on the permit which is currently restricted by access issues.

Tenements

Rahu Resources –EP60144 100% New Talisman

Talisman Mine – MP51326 100% New Talisman Gold Mines Limited

Competent Person Statement

The information in this report that relates to exploration results, exploration targets and mineral

resources is based on information compiled by or supervised by Mr Murray Stevens. Mr Stevens is a consulting geologist and 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 2004 and 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Stevens consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZSX & ASX: NTL) with over 2900 shareholders who are mainly from Australia and New Zealand and has been listed since 1986. It is a leading New Zealand minerals development and exploration company with a mining permit encompassing the Talisman mine, one of New Zealand's historically most productive gold mines. The company has commenced prospecting and upgrading activities at the mine and advance the exploration project to increase its considerable global exploration target into JORC 2012 resources.

Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including one of New Zealand's highest-grade underground gold mines.