

27 November 2012

ANNOUNCEMENT BY NEW TALISMAN GOLD MINES LIMITED (NTL) FOR IMMEDIATE RELEASE

RIGHTS ISSUE CLOSURE AND NOTICE OF SHORTFALL

New Talisman Gold Mines advises that it has received valid applications from shareholders for 62,454,405 shares pursuant to the renounceable rights issue announced to the market on 29 August 2012 ("Rights Issue"). The Rights Issue offered existing shareholders one new share and one attaching option for every three shares held at the Record Date at an issue price of AU\$0.010 or NZ\$0.013.

Number of Shares on Offer	119,851,516
Number of Applications Received	379
Shares Validly Applied for	62,474,405
Value of Shares applied for	NZ\$804,172
Shortfall Shares	57,377,111
Shortfall Value	AU\$573,771 (NZ \$728,228)

Total funds raised from the Rights Issue, including the underwritten shortfall and before expenses, is NZ\$1,532,400. The offer is underwritten by Canaccord Genuity (Australia) Limited. Allotment under the offer is anticipated to occur on 28 November 2012 and quotation of the shares and options is scheduled to occur on 29 November 2012.

The funds raised will be used to advance the Talisman project through prefeasibility, including a project development study to include mining and processing options, safety and environmental requirements; and to fund general working capital.

Matthew Hill
Executive Director
New Talisman Gold Mines Ltd

About New Talisman Gold Mines Ltd

New Talisman Gold is a dual listed (NZX Main Board & ASX: NTL) with 1800 shareholders who are mainly from Australia and New Zealand. It is a leading New Zealand minerals development and exploration company with a portfolio of high quality mineral interests. Its gold properties near Paeroa in the Hauraki District of New Zealand are a granted mining permit, including a JORC compliant mineral resource within the original Talisman underground mine, and an adjacent exploration permit along strike from the mine. The company is now advancing its plans to develop the mine, and advance the exploration project.

Through a subsidiary company, New Talisman Gold owns 21.7% of Broken Hill Prospecting Limited, which is planning to develop a cobalt project at Thackaringa, about 25 kilometres south-west of Broken Hill in Australia. BPL is listed on both the ASX and NZSX (Code: BPL).

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