



(ASX, NZX:NTL)

## **New Talisman – Chair’s Address to AGM 2024**

**September 17, 2024**

Good Afternoon Ladies and Gentlemen

I'm pleased to be addressing you with the highlights and progress we have made in the past 12 months and to look forward a little to what we hope to achieve in the coming year.

The last year has not been without its challenges. But I am delighted to say that we are in the final stages of achieving our goal of becoming a producing gold miner and we are on track to be mining at Talisman this next quarter and to be processing and producing revenue shortly thereafter.

In our view this is the most meaningful progress in NTL's history and I would like to thank our small and determined team for their concerted efforts, as well as you, our shareholders and stakeholders, for your support of the company.

Our focus during the last year has remained on completing all the key milestones for our Strategic Plan – which has always focused on bringing Talisman mine to production.

### **Highlights during the year**

Talisman Mine is ready for production. We have completed all preparations for a return to mining operations at Talisman. The structural integrity of the operational area is sound and all equipment above and below ground is in good condition. Our near-term Mine Development Plan has been completed – and remains focused on advancing the Mystery North vein on the existing drive. We have been delighted to discover more recently that there is also potential in Mystery South and thus we are considering expanding our initial workplan to include exploration of this adjacent area.

We appointed respected industry leaders Terra Firma Mining Ltd to operate Talisman Mine and to perform all related general management responsibilities. More recently, as we move into our production phase, we have now also appointed Terra Firma to process Talisman ore. As a signal of our partnership, Terra Firma will purchase \$300,000 of NTL shares, and this has begun by way of set-off of invoices.

We have located and purchased a fit for purpose used processing plant in excellent condition to process ore from Talisman Mine. The plant is in the final stages of being prepared for shipping – and we anticipate being able to load it onto a sailing from North America during October.

We have also hosted positive and constructive visits from both Worksafe and DOC rangers. And, after a lengthy process, we successfully renewed our Access Arrangements with the Department of Conservation for a further 5 year term.



We have a standing invitation to the Minister of Resources and the Minister of Conservation to visit the site whenever their schedules permit. And we continue to pursue constructive engagement with the community.

We applied to be included in the Fast-Track Approvals Bill and our application remains in consideration. Whilst NTL already has a Bulk Sampling Consent in place – we intend to consider the option of Fast Track Consenting for projects of national and regional significance for our full Mining Consent. Whilst our physical and environmental footprint is small, our economic and social contribution to New Zealand has significant potential.

In terms of other mining assets, I note that we still retain an application for an exploration permit for the Rahu tenement adjacent to Talisman, which has the potential to be a valuable asset, given its proximity to Talisman. We also hold a prospecting license PL1851 in Vanuatu, with an associated Exploration Workplan. We remain open to exploring this area with a joint venture partner, or other commercial arrangement.

From a financial perspective, our recently closed rights offer raised \$2.4m and was supported by the majority of our top 20 shareholders and NTL Board members. The capital raise was particularly well supported by our NZ shareholder base, but had minimal uptake from our Australian shareholders.

We partially converted the Convertible Loan note held by our largest shareholder Hamish Brown by the issue of shares taking Mr Brown's holding to just under 20%.

Mr Brown, plus Director Richard Tacon and myself also supported the company with unsecured loan facilities to support NTL's cashflow.

Significant investment/costs during the year and post Rights Issue have included:

- Mine maintenance in preparation for our return to operations, \$415k spend in the year ended 31 March 2024
- Purchase of processing plant amounted to \$398k and we estimate around \$150k in costs to have it installed and operational, plus some additional infrastructure costs at the processing site.
- Payment to professional advisors, registry and stock exchanges with the issue of new shares under the Rights Issue.
- Our bond required by Department of Conservation under the new Access Arrangements has increased from \$30,000 to \$100,000. (secured by way of term deposit)
- At the 2023 ASM shareholders appointed a new Auditor, UHY Haines Norton. NTL regularly considers its professional service providers and after having had the same auditor since 2017 recommended a change for the 2024 year. The change was not entirely seamless, with our former auditor not being cooperative in sharing their files for an opening balance review by the



new auditors. This resulted in additional time and work for the new auditor resulting in a one off larger than anticipated fee.

- NTL is one of a handful of companies maintaining a full dual listing on both NZX and ASX, and the challenges of maintaining a dual listing with differing rules remains a costly administrative burden.

Effective cost-management remains an important focus for us and is one of the reasons for us maintaining a virtual ASM, along with the fact that we have a wide and international shareholder base.

The coming 12 months will see us complete the transformation to exploring producer. We will begin our consented 2 year Bulk Sampling Programme. We look forward to unravelling the mysteries of Mystery Vein, assessing the extent of the vein system, and discovering whether the grades we find in Mystery match those previously obtained via chip sampling.

This data may be used to further the JORC resource knowledge of the mine and inform the nature of the full mining consent to be prepared and lodged during the Bulk Sampling period.

Despite the delays and frustrations we have encountered, the revenue and cashflow budgets within NTL's original Strategic Plan remain viable, with the Gold price remaining at all time highs. We are hopeful that this coming year will allow us to deliver positive cashflow from operations for shareholders.