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TAUNG GOLD

TAUNG GOLD INTERNATIONAL LIMITED
壇金礦業有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 621)

UPDATE ON RECENT DEVELOPMENTS SINCE SUSPENSION OF TRADING UPDATE ON BUSINESS OPERATIONS OF THE GROUP AND CONTINUED SUSPENSION OF TRADING

UPDATE ON RECENT DEVELOPMENTS SINCE THE RESUMPTION CONDITIONS ANNOUNCEMENTS

Reference is made to the Company's announcements dated 4 September 2013, 31 October 2013 and 20 November 2013 in relation to, among other things, the conditions for resumption of trading of the Shares (the "**Resumption Conditions Announcements**"). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those used in the Resumption Conditions Announcements.

Further to the disclosure made in the Resumption Conditions Announcements, the Company's auditors have already carried out substantive and in-depth scope of audit procedures for completing the 2012 Results Announcement and the 2013 Results Announcement. As the required audit work is more than expected, the Board wishes to inform the Shareholders and potential investors that the Company expects publication of the 2012 Results Announcement, the 2012 Interim Results Announcement, the 2013 Results Announcement and the 2013 Interim Results Announcement (collectively the "**Outstanding Result Announcements**") will be further postponed to the end of January 2014, barring any unforeseen circumstances. As the Company's internal control advisor is finalising relevant internal control report, announcement regarding results of the Company's internal control review will be published no later than 30 January 2014.

The Company is proactively taking appropriate steps to fulfill the resumption conditions as stated in the announcement dated 4 September 2013 and is using its best endeavor to facilitate the completion of the Outstanding Result Announcements and the internal control report.

UPDATE ON BUSINESS OPERATIONS OF THE GROUP

Reference is made to the Company's Circular dated 28 July 2011 and the Company's announcement dated 28 June 2013 ("**June Announcement**"). The Company holds via TGL, the Company's principal subsidiary, various rights with respect to the Evander Project and the Jeanette Project, both located in South Africa. The Evander Project and the Jeanette Project are the primary projects of the Group. The Board wishes to inform the Shareholders and potential investors on the updates relating to permitting of the two projects in this announcement. Unless otherwise stated, capitalised terms used in this section herein shall have the same meanings as those used in the Circular and the June Announcement.

* *For identification purpose only*

THE EVANDER PROJECT

Reference is made to the section headed “THE EVANDER PROJECT — The 2008 Earn-in Agreement and the 2011 Sale Agreement — Partial completion of the acquisition of the Sale Assets” of the June Announcement. As at the date of this announcement, save for the Surface Right Permits, TGL has already acquired all the Sale Assets in relation to the Evander Project. It was further disclosed in the June Announcement that the Surface Right Permits would be transferred to TGL once the Mining Right is registered in the name of TGL’s wholly-owned subsidiary, Taung Gold Secunda (Proprietary) Limited. Subsequent to the release of the June Announcement, the deed of cession for the mining right over the Evander Project has been registered in the name of Taung Gold Secunda (Proprietary) Limited, on 20 November 2013. The Mining Titles Registration Office registered the right under reference number MPT No 70/2013. Only the holder of a mining right is permitted to take transfer of the Surface Right Permits and the Surface Right Permits associated with the Evander Project is currently being transferred to Taung Gold Secunda (Proprietary) Limited, a process which ordinarily takes six months to complete.

THE JEANETTE PROJECT

Reference is made to the section headed “THE JEANETTE PROJECT — Update on prospecting rights and approvals for the Jeanette Project” of the June Announcement. As disclosed in the June Announcement, the Company then expected that the registration of the the Prospecting Right with the Mining Titles Registration Office to be completed by October 2013. Subsequent to the release of the June Announcement, the deed of cession to cede the Prospecting Right to TGL’s wholly-owned subsidiary, Taung Gold (Free State) (Proprietary) Limited, has been registered at the Mining Titles Registration Office on 1 November 2013. Taung Gold (Free State) (Proprietary) Limited is now the registered holder of the Prospecting Right.

CONTINUED SUSPENSION OF TRADING OF THE SHARES

Trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 8 June 2012 at the request of the Company. The Company shall make further announcements regarding any material developments and results in respect of the above matters as and when appropriate. The Board will inform the Shareholders and potential investors of the expected date of publication of all the Outstanding Result Announcements. Trading in the Shares will continue to be suspended until further notice.

SHAREHOLDERS AND POTENTIAL INVESTORS ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SECURITIES AND SHARES OF THE COMPANY.

By order of the Board
Taung Gold International Limited
Cheung Pak Sum
Executive Director

Hong Kong, 31 December 2013

As at the date of this announcement, the Board comprises eight Directors. The Executive Directors are Mr. Li Hok Yin, Mr. Christiaan Rudolph de Wet de Bruin, Mr. Neil Andrew Herrick, Ms. Cheung Pak Sum and Mr. Igor Levental. The Independent Non-executive Directors are Mr. Chui Man Lung, Everett and Mr. Li Kam Chung and Mr. Walter Thomas Segsworth.