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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)

COMPLETION OF PLACING OF NEW SHARES

The Board is pleased to announce that the conditions set out in the Placing Agreement have been fulfilled and the Placing was completed on 21 November 2016. An aggregate of 2,974,920,000 Placing Shares, representing approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares as at the date of this announcement, have been successfully placed to not fewer than six Places at the Placing Price of HK\$0.0883 per Placing Share.

Reference is made to the announcements of the Company dated 9 November 2016 and 10 November 2016 (the “**Announcements**”) in relation to the Placing. Unless the context requires otherwise, terms used herein shall have the same meanings as those defined in the Announcements.

COMPLETION OF THE PLACING

The Board is pleased to announce that the conditions set out in the Placing Agreement have been fulfilled and the Placing was completed on 21 November 2016 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 2,974,920,000 Placing Shares, representing approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares as at the date of this announcement, have been successfully placed to not fewer than six Places, at the Placing Price of HK\$0.0883 per Placing Share. The net proceeds from the Placing are approximately HK\$258 million (after deducting the placing commission for the Placing and other relevant expenses).

* For identification purpose only

The table below sets out the changes to the shareholding structure of the Company as a result of completion of the Placing:

	As at the date of this announcement		Immediate upon completion of the Placing	
	Number of Shares	Approximate % of shareholding	Number of Shares	Approximate % of shareholding
Shareholders				
Electrum Strategic Exploration Limited (<i>Note 1</i>)	2,295,047,831	15.34	2,295,047,831	12.86
Mandra Materials Limited (<i>Note 2</i>)	1,608,854,156	10.82	1,608,854,156	9.01
Mandra Esop Limited (<i>Note 2</i>)	28,218,369	0.19	28,218,369	0.16
Woo Foong Hong Limited (<i>Note 2</i>)	426,530,727	2.87	426,530,727	2.39
Gold Commercial Services Limited (<i>Note 3</i>)	1,441,073,509	9.69	1,441,073,509	8.07
Li Hok Yin (<i>Note 4</i>)	17,380,622	0.11	17,380,622	0.10
Public				
Placees	–	–	2,974,920,000	16.67
Other public Shareholder	9,057,528,479	60.89	9,057,528,479	50.74
Total	<u>14,874,633,693</u>	<u>100</u>	<u>17,849,553,693</u>	<u>100</u>

Notes:

- (1) The entire share capital of Electrum Strategic Exploration Limited is wholly-owned by GRAT Holdings LLC. Hence, GRAT Holdings LLC is deemed to be interested in the Shares held by Electrum Strategic Exploration Limited for the purpose of SFO.
- (2) Mandra Materials Limited, Mandra Esop Limited and Woo Foong Hong Limited are 50% owned by Mr. Zhang Songyi. Hence, Mr. Zhang Songyi is deemed to be interested in the Shares held by Mandra Materials Limited, Mandra Esop Limited and Woo Foong Hong Limited for the purpose of SFO.
- (3) On 8 September 2011, the Company issued 1,130,141,116 new shares of the Company to Gold Commercial Services Limited (“**GoldCom**”) for granting the put options to South African resident shareholders of TGL in relation to the sale to the Company through GoldCom of 21,174,316 shares of TGL. As at the date of this announcement, the Company has, pursuant to the New TG Optionholders Put Option Agreement dated 5 September 2014, subsequently issued 775,997,492 new Shares to GoldCom upon TGL shareholder exercised 14,539,084 New TG Optionholders Put Options in relation to sale of 14,539,084 TG Shares to the Company through GoldCom (as defined under the Company’s circular dated 4 November 2014). The New TG Optionholder Put Option Agreement expired on 7 September 2016.

(4) Li Hok Yin is a Co-chairman and an Executive Director of the Company.

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

Hong Kong, 21 November 2016

As at the date of this announcement, the Board comprises nine 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 Non-executive Director is Mr. Phen Chun Shing Vincent. The Independent Non-executive Directors are Mr. Chui Man Lung, Everett, Mr. Li Kam Chung and Mr. Tsui Pang.