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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)**

**CLARIFICATION ANNOUNCEMENT AND  
CANCELLATION OF OPTIONS**

Reference is made to the announcements of Taung Gold International Limited (the “**Company**”) dated 26 April 2013 and 29 April 2013 in relation to, among other things, (i) the cancellation of 30,000,000 unexercised Granted Options previously granted to the Grantees and the grant of Options to certain directors of the Company (the “**New Grantees**”) (who are also some of the Grantees) to subscribe for 30,000,000 Shares; and (ii) the signing of the Settlement Agreement. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those used in the Announcements.

**Cancellation of the proposed grant of Options**

It was disclosed in the Company’s announcement dated 26 April 2013 that the Options have been granted to the New Grantees on 26 April 2013. The Company would like to clarify that the New Grantees have not accepted the grant of Options as of the date of this announcement and therefore the Options are not deemed to have been granted nor have they become effective as of 26 April 2013. As disclosed in the Company’s announcement dated 29 April 2013, following the signing of the Settlement Agreement, the Company will resume and commence preparation of the 2012 Results Announcement, the 2012 Annual Report, the 2012 Interim Results Announcement, the 2012 Interim Report, the 2013 Results Announcement and the 2013 Annual Report as soon as possible. The Company noted that the documents are being prepared and also its obligations under the Listing Rules. The New Grantees have subsequently confirmed with the Company that they have no intention to accept the Options within the specified period as required under the terms of the Share Option Scheme. The Options are therefore deemed to have been irrevocably declined (the “**Cancellation**”).

**Non-completion of the cancellation of certain Granted Options**

It was disclosed in the Company’s announcement dated 26 April that 30,000,000 of the unexercised Granted Options have been cancelled with effect from 26 April 2013. The Company would like to clarify that the cancellation of the Granted Options granted to the New Grantees (the “**Preserved Granted Options**”) were made conditional upon the grant of Options to the New Grantees. Due to the Cancellation, the Company has been notified that the New Grantees would not accept the cancellation of the Preserved Granted Options and therefore the cancellation of Preserved Granted Options will not become effective pursuant to the terms of the Share Option Scheme.

\* For identification purpose only

However, the other Grantees (other than the New Grantees) have accepted the cancellation of their Granted Options (representing 10,000,000 out of the 30,000,000 Granted Options) and their cancellations have become effective.

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

Hong Kong, 3 May 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, Mr. Stefanus David Steyn and Dr. David Twist. The Independent Non-executive Directors are Mr. Chui Man Lung, Everett and Mr. Li Kam Chung.*