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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**

Reference is made to the Company's announcement dated 29 April 2013 in relation to, among other things, the execution of the Settlement Agreement (the "**Announcement**"). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those used in the Announcement. This announcement is made by the Company to inform the Shareholders and potential investors of the development of the matters relating to the suspension of trading in the Shares of the Company.

As stated in the Announcement, the Company is considering its position regarding the Electrum Warrants following the execution of the Settlement Agreement. The Board wishes to inform Shareholders that the Company is seeking to hold discussions with Electrum regarding the Electrum Warrants. The Company's auditors have also commenced the relevant audit procedures for the preparation of the annual results of the Company. The Company will keep the Shareholders and potential investors informed of the progress on the above as and when appropriate.

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. Trading in the Shares will remain 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 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.*

\* For identification purpose only