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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)

GRANT OF OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of Taung Gold International Limited (the “**Company**”) wishes to announce that the Company has granted (subject to acceptances of the grantees and compliance with applicable laws and regulations) an aggregate of 32,500,000 share options (the “**Options**”) to subscribe for ordinary shares of par value HK\$0.01 each in the capital of the Company (the “**Shares**”) under and pursuant to its share option scheme adopted on 4 January 2010 (the “**Share Option Scheme**”).

A summary of such grant is set out below:

Date of grant:	13 December 2011
Exercise price of Options:	HK\$0.189 per Option
Number of Options granted:	32,500,000 Options, each carrying the right to subscribe for 1 Share at the aforesaid exercise price
Closing price of the Shares on the date of grant:	HK\$0.149 per Share
Validity period of the Options:	13 December 2011 to 13 December 2013

Among the total 32,500,000 Options, 25,000,000 Options were granted (subject to acceptances of the grantees and compliance with applicable laws and regulations) to certain Executive Directors and Independent Non-executive Directors of the Company, with details as follows:

Name of directors	Position	Number of Options granted
Li Hok Yin	Executive Director	5,000,000
Cheung Pak Sum	Executive Director	5,000,000
Chui Man Lung, Everett	Independent Non-executive Director	5,000,000
Hui Wah Tat, Anthony	Independent Non-executive Director	5,000,000
Li Kam Chung	Independent Non-executive Director	5,000,000

* *For identification purpose only*

Save as disclosed above, none of the grantees is a director, chief executive or substantial shareholder of the Company, or an associate of any of them.

The grant of Options to each of the Executive Directors and Independent Non-executive Directors has been approved by other Independent Non-executive Directors who are not the grantees of the Options concerned.

By Order of the Board
Taung Gold International Limited
Li Hok Yin
Chairman

Hong Kong, 13 December 2011

As at the date of this announcement, the Board comprises six Directors. The Executive Directors are Mr. Li Hok Yin, Ms. Cheung Pak Sum and Mr. Shen Junchen. The Independent Non-executive Directors are Mr. Chui Man Lung, Everett, Mr. Hui Wah Tat, Anthony and Mr. Li Kam Chung.