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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

References are made to the Company's announcements dated 13 June 2012, 19 September 2012, 27 November 2012 and 21 January 2013 in relation to, among other things, the Incident and the Potentially Unlawful Events (the "Announcements"). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those used in the Announcements. 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.

The Board wishes to inform the Shareholders that it is still in discussions with TGL about possible ways to resolve and settle the Incident. As a result, as at the date hereof, the Company has not agreed to terminate any legal proceedings against TGL nor has it entered into any legally-binding agreement to settle the disputes with TGL regarding the Incident. The legal actions taken against TGL as highlighted in the Announcements have continued to be put on hold.

The Company will issue further announcement on the progress of the Incident and the Potentially Unlawful Events as and when appropriate before the publication of the 2012 Results Announcement, the 2012 Annual Report, the 2012 Interim Results Announcement and the 2012 Interim Report.

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, 21 February 2013

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.

** For identification purpose only*