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Australian Stock Exchange
Company Announcements Office

FUNDING PROPOSAL FOR PNG EXPLORATION LICENCE APPLICATIONS

TasGold Ltd has agreed in principle with a company listed on the Toronto Stock Exchange – Venture Board, for that company to assume funding responsibility for 10 of TasGold's 14 Papua New Guinea (PNG) Exploration Licence Applications (ELAs).

Under the proposal Tasgold (PNG) Ltd will retain a 15% free carried interest to completion of bankable feasibility and be granted a 20% equity in the TSX-V company. Peter McNeil (Managing Director of TasGold Ltd) is likely to join the Board of Directors of the TSX-V company and have significant operational input. Details are still being finalised but the directors are hopeful that formal agreement will be concluded in the near future.

Funding opportunities, including a rights issue to TasGold shareholders are currently being considered to fund exploration and drilling on the Tasmanian properties and possibly the 4 remaining PNG ELAs.

A handwritten signature in black ink, appearing to read "Peter McNeil".

Peter McNeil M.Sc.
Managing Director