ASX ANNOUNCEMENT

TARUGA GOLD

15 February 2013

Taruga Gold Exploration Update
RC Drilling Continues at Kossa Project, Niger

Taruga Gold Limited ("Taruga" or "the Company") (ASX: TAR) is pleased to provide an update on the progress of its extensive exploration campaign consisting of reverse circulation (RC) drilling, auger geochemical sampling and aeromagnetic surveys at the Company's Kossa Project in Niger, West Africa.

Taruga re-commenced field exploration in late January and maintained a fast pace completing over 2,800m of RC drilling and over 2,000m of auger drilling. The Company has dispatched more than 1,000 samples to the laboratory in Ouagadougou and is awaiting assay results. In addition to the ground-based exploration, Taruga has completed a detailed aeromagnetic survey of the entire project with final data expected in February.

"We are continuing the major exploration program commenced in November 2012. RC drill testing has continued on the Borobon Prospect, following up from exciting results reported in January including ***5m at 3.16g/t gold from 2m and 9m at 1.74g/t gold from 26m****," Taruga's Executive Chairman Bernard Aylward said.*

"Taruga continues to target high-grade gold mineralisation at the Kossa Propsect where we are following significant intersections including ***4m at 35.5g/t gold*** *in our first phase of drilling as well as previous intersections up to* ***1m at 278g/t gold****.*

"We are expecting initial results from this phase of RC drilling in March with strong news flow anticipated from the regional exploration program consisting of extensive auger geochemistry and the final data from the detailed airborne magnetic survey testing our pipeline of targets."

Borobon Prospect RC Drilling
Taruga is completing an additional phase of RC drilling at the Borobon Prospect with a further 1,700m drilling completed to date targeting parallel lodes and depth extensions of this exciting prospect. All samples have been dispatched to the laboratory and initial assay results are expected in March.

The Borobon prospect is defined by drilling, anomalous geochemistry and artisanal workings. Extensive gold mineralisation has been defined at the Borobon prospect with drilling completed by Taruga and previous explorers. The mineralised system is hosted in multiple parallel lodes in a sheared and folded sedimentary sequence. The gold mineralised system remains open along strike and at depth and will be the focus of ongoing exploration drilling

The current drilling is following up results released in January including **5m at 3.16g/t gold from 2m and 9m at 1.74g/t gold from 26m** as well as earlier results including **12m at 3.35g/t gold from 9m**, **12m at 2.23g/t gold from 15m**, **10m at 1.13g/t gold from 29m** and **2m at 19.97g/t gold from 84m**.

Kossa Prospect RC Drilling

The Kossa Prospect is defined by extensive artisanal workings and strong geochemical anomalism. Taruga completed a maiden drilling program in this area in May 2012 returning intersections including **4m at 35.5g/t gold and 8m at 1.22g/t gold**. This high grade gold mineralised prospect is located at the northern end of the Kossa-Borobon trend, a 10km strike length of gold anomalism defined by historic drilling, artisanal workings and geochemical anomalism.

Taruga is completing a follow-up RC drilling program designed to test the down-dip and strike extensions of our initial mineralised intersections as well as targeting the continuity of the gold mineralisation linking historic intersections up to **1m at 278g/t gold.**

Results of the drilling are pending and are expected in March.

Regional Exploration

Taruga is continuing its extensive auger drilling campaign designed to complete a first-pass test of the project area and allow ranking of multiple gold mineralised targets that are awaiting drill testing. In addition the Company has completed the detailed airborne magnetic survey and is awaiting the interpretation and analysis of the final data to assist in target generation and ranking.

For further information see the Company's website www.tarugagold.com.au or contact:

Bernard Aylward
Executive Chairman
Taruga Gold Limited
Mob: +61 418 943 345

Simon Hinsley
Investor Relations
NWR Communications
Mob: +61 401 809 653

Competent person's statement

The information in this report that relates to geological information and exploration results is based on information compiled by Mr Bernard Aylward. Mr Aylward is the Executive Chairman and Managing Director of Taruga Gold Limited and is a full-time employee of the company. Mr Aylward is a member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Aylward consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

About Taruga Gold

Taruga Gold Limited listed on the ASX on 7 February 2012 with a portfolio of exciting exploration projects in West Africa containing more than 3,960km² of Birimian greenstone geology located in Niger, Ghana and Cote d'Ivoire. The West African region is one of the world's best gold districts and has had significant rates of discovery and development of new gold mines over recent decades.

Taruga's projects have been carefully selected by the Company and include the Kossa Project in Niger, the Ducie Project in northwest Ghana and the Mangkono and Tortiya projects in Cote d'Ivoire.

The Kossa Project consists of two granted exploration licences covering 970km² located in northwest Niger, 230km northwest of the capital city Niamey. The eastern boundary of the Kossa Project is defined by the border with Burkina Faso and lies approximately 15km east of the Essakane Gold Mine, located in Burkina Faso. The Essakane Gold Mine is operated by IAMGold of Canada and produces approximately 350,000oz gold per annum.

The Ducie Project is located in northern Ghana. The Company has the rights to explore and an option to purchase 100% of the Ducie project that consists of 1,126km² of reconnaissance and prospecting licences covering the gold mineralized Bole-Bolgatanga greenstone belt.

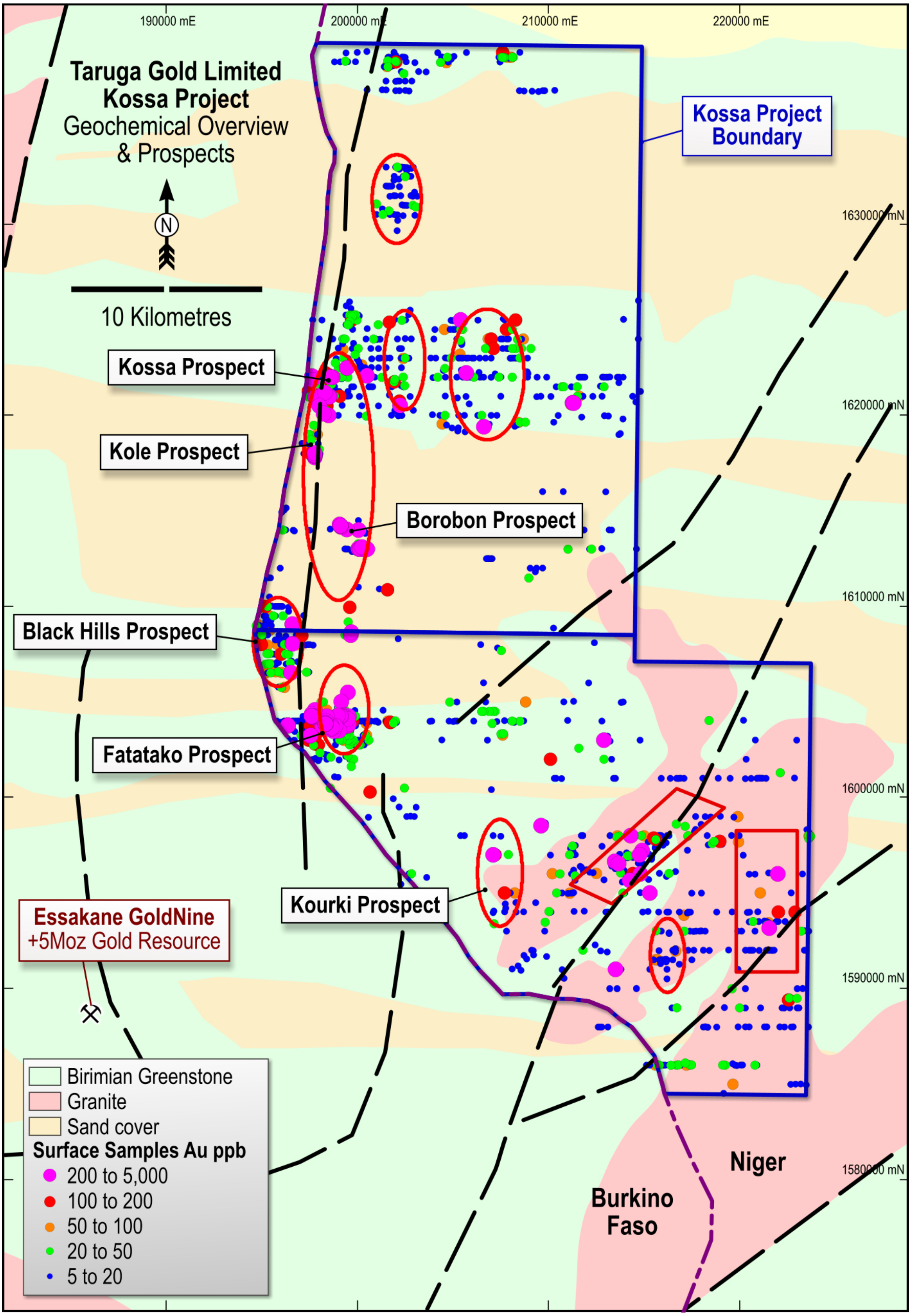

Figure 1: Kossa Project location and historic geochemical samples highlighting gold anomalous zones

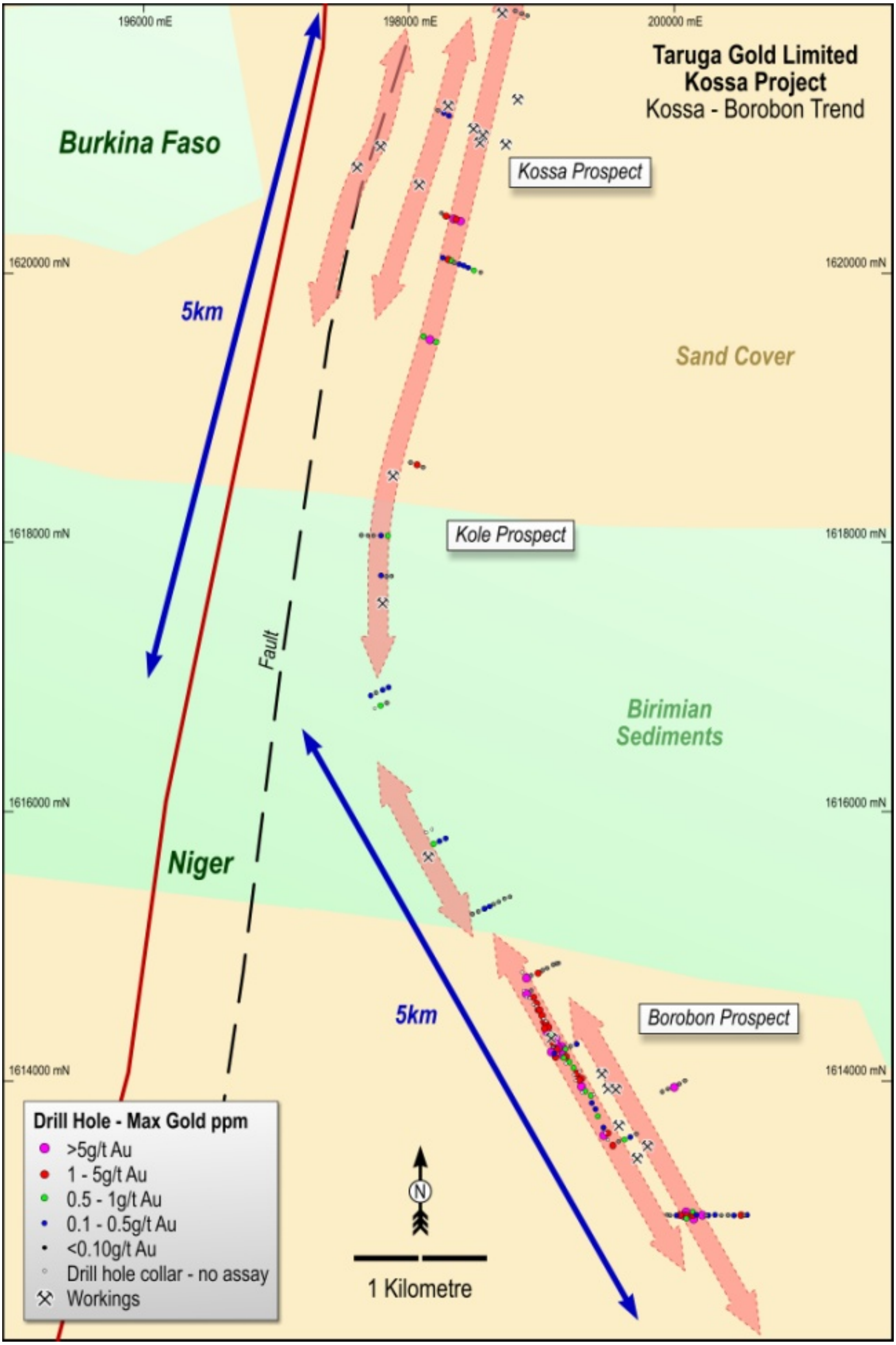

Figure 2: Kossa-Borobon Trend – Drill hole location and RC drill targets

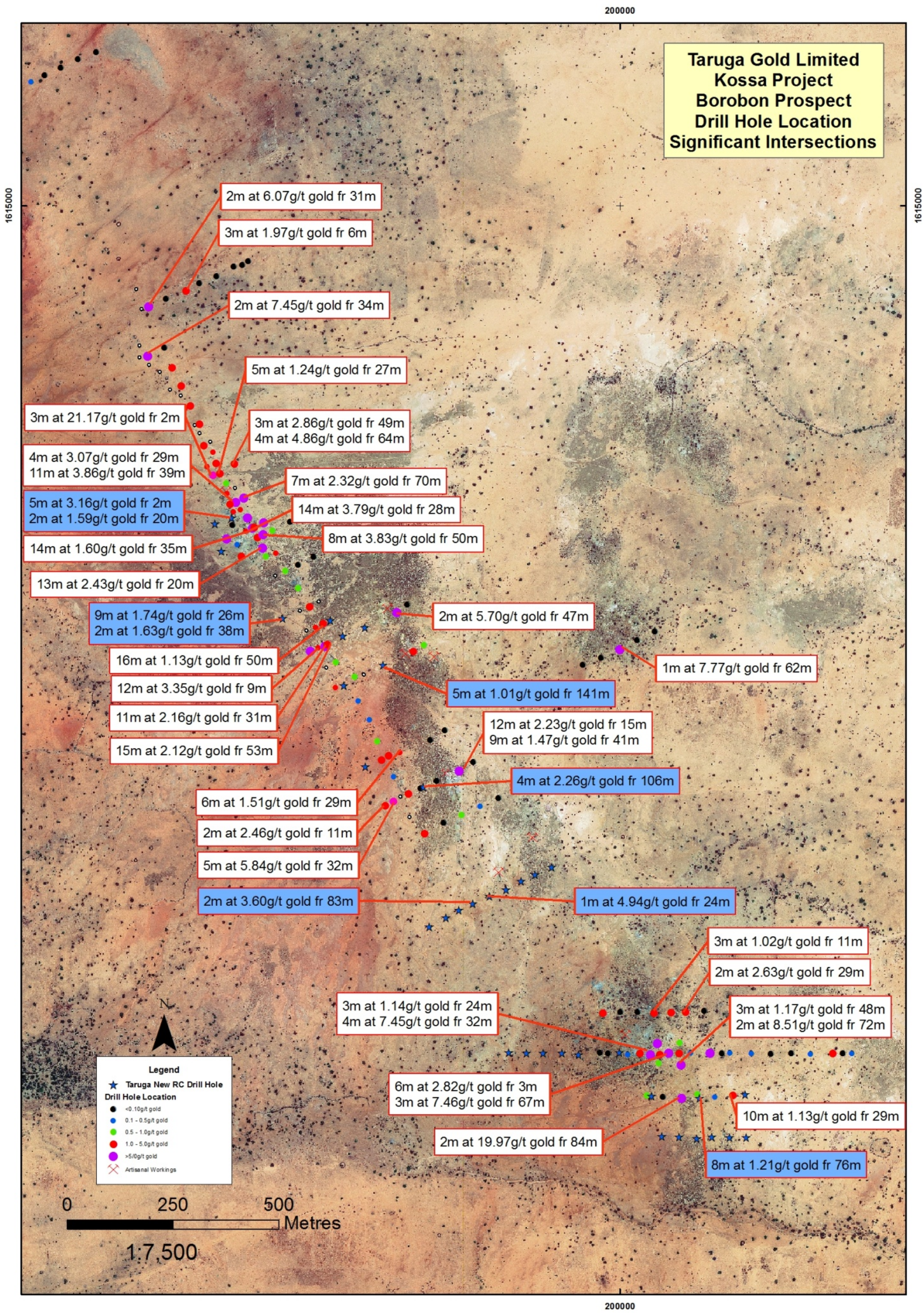

Figure 3: Borobon prospect drill results and gold mineralised trends.