TARUGA GOLD

ASX ANNOUNCEMENT

25 February 2013

High-Grade Surface Samples up to 1.46g/t Gold Extensive Auger Geochemical Anomalism Kossa Project, Niger

Taruga Gold Limited ("Taruga" or "the Company") (ASX: TAR) is very pleased to provide an update on the extensive gold anomalism defined by the ongoing auger geochemical and surface rock chip sampling at the Company's Kossa Project in Niger, West Africa.

Highlights:

- High-grade auger geochemical anomalies up to **1.46g/t gold**
- Rock –chip sampling returns results up to **3.64g/t gold** from sampling in the Kossa-Borobon area
- Confirms historic soil geochemistry that previously returned assays up to **19.91g/t gold** (2km x250m, 20ppb Au untested anomaly) and **13.63g/t gold** (minimum 2km x 2km zone at Fatatako Prospect)
- Exciting pipeline of prospects with majority of geochemical anomalies untested by drilling
- Coherent geochemical anomalies extending for over 5km x 500m (20ppb contour, maximum 250ppb Au) in strike defined
- Extensions and parallel anomalies to the gold mineralised Kossa-Borobon trend highlighted (
- Kossa Project remains under-explored and infill and extension auger geochemical sampling ongoing throughout the field season
- Results from RC drilling expected next month

"We have completed more than 3,800 auger samples since commencing the regional exploration program at our Kossa Project. This sampling is continuing to define zones of extensive surface gold anomalism and identifying new prospect areas in first-pass wide spaced sampling. We have seen the strong correlation between the surface gold anomalism and primary gold mineralisation in areas where drilling has been undertaken, so we are excited by the numerous gold anomalies that have been defined with no previous drill testing," Taruga's Executive Chairman Bernard Aylward said.

"We are continuing our regional exploration program with first pass sampling of previously untested areas as well as infill of anomalous zones to prepare for initial drill testing of new prospects in 2013.

"We are maintaining our aggressive exploration program and expecting initial assay results from the recently completed RC drilling in early March and will undertake follow-up RC drilling leading to an a maiden resource by mid-2013."

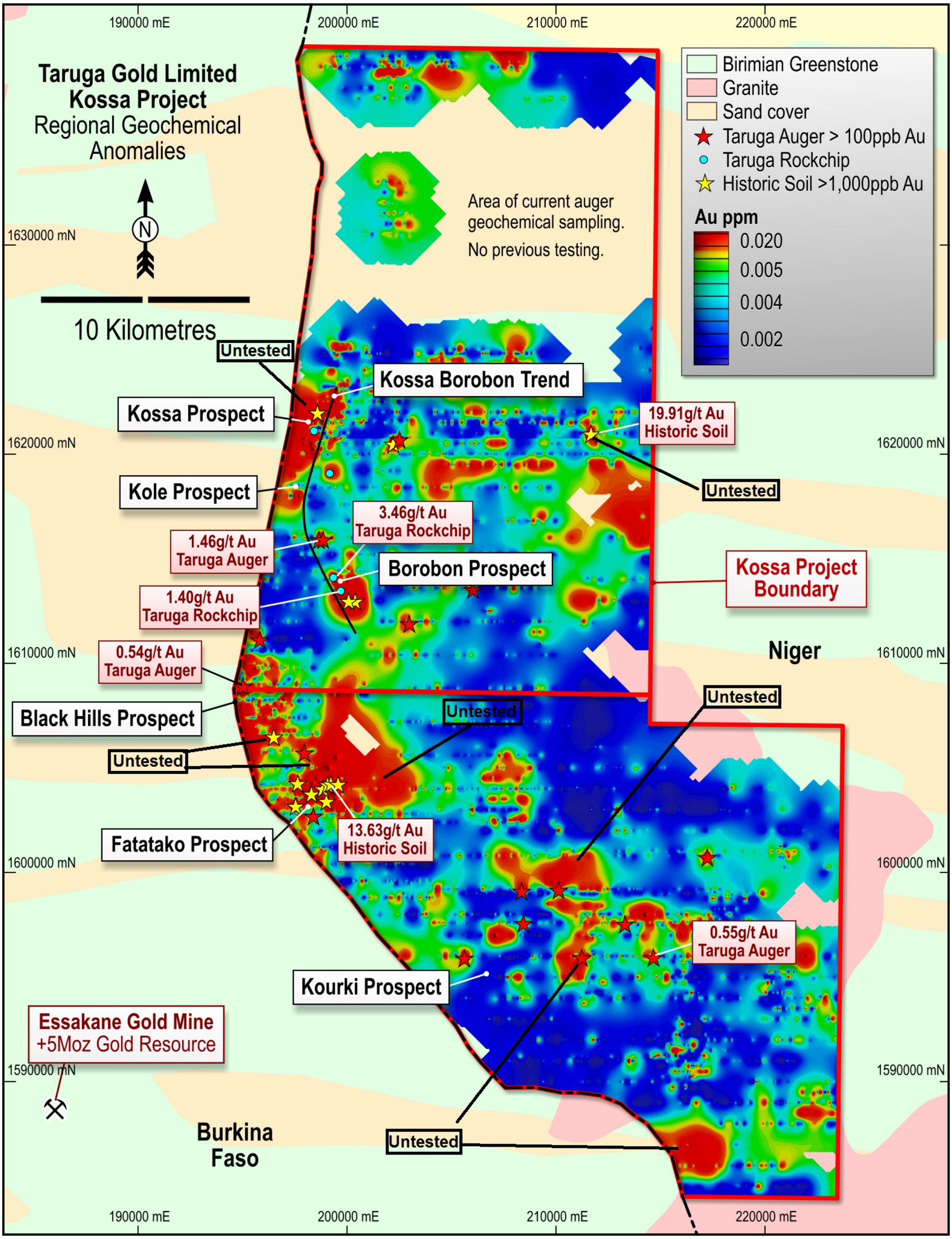

Figure 1: Kossa Project location and geochemical anomalism. Note strong anomalies associated with Kossa-Borobon trend and extensions and numerous untested high-grade coherent gold anomalous zones throughout licence area.

Regional Exploration

Taruga is undertaking an extensive regional exploration campaign designed to complete first pass testing of the vastly under-explored Kossa Project. The Company has completed over 3,800m auger samples (approximately 20,000m auger drilling) since April 2012. This work has targeted strongly anomalous areas indicated by historic sampling as well as completed first pass testing on large portions of the project area.

The surface geochemistry is part of an integrated exploration approach. The Company is undertaking detailed RC drilling of defined mineralised zones with the target of early mineral resource definintion. In addition, the Company is completing aircore drilling of advanced high-priority early stage targets to develop for RC drill testing. The Company is also completing regional surface geochemistry, reconnaissance geological mapping and detailed airborne geophysiscs of the entire project area to develop and rank a pipeline of exploration targets for future drilling.

The Kossa Porject has extensive surface gold anomalism throughout the project area (Figure 1) and a summary of the key gold anomalous zones defined by the surface geochemistry is given below:

- **Kossa-Borobon Trend**- Numerous high-grade gold anomalies up to **3.46g/t gold** in rock-chip sampling and **1.46g/t gold** in auger sampling have bee defined immediately adjacent to and extending this gold mineralised trend. RC drill planned to continue at Borobon and Kossa prospects and will complete initial testing of these parallel zones that are indicated by this surface sampling.
- **Black Hills Prospect**- continues to be highlighted by surface sampling and the anomaly is now defined for over **5km of strike length**. No drilling has tested this prospect area and as a priority infill auger sampling is ongoing to prepare for initial drill testing.
- High-grade surface gold anomalies up to **19.91g/t gold** are located on in the eastern portion of the project area. These anomalous zones extend for over 2.5km in strike length and have not been tested by drilling to date. Field reconnaissance, rock chip sampling and auger definition sampling currently taking place to prepare target for initial drill testing.
- **Fatatako Prospect** – located to the south of the Kossa-Borobon trend and has returned numerous high-grade historic soils and current auger geochemical samples. This is an extensive area of surface geochemistry that has only been partially tested by drilling. Taruga is completing geological reconnaissance, infill sampling and interpretation of the detailed aeromagnetic survey to advance this highly anomalous prospect area.
- Anomalies to south of project possible intrusion related and previous exploration indicates a copper-molybdenum porphyry style mineralisation. Represents new style and potentially very significant mineralisation. Taruga is completing infill auger taking to define the multi-element anomalism in this area.

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 3,960km^2 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 970km^2 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 1,126km^2 of reconnaissance and prospecting licences covering the gold mineralized Bole-Bolgatanga greenstone belt.