

ASX ANNOUNCEMENT

21 November 2013



Taruga Gold Commences Field Campaign at Nangalasso Project, Southern Mali. West Africa

Taruga Gold Limited ("Taruga" or "the Company") (ASX: TAR) is pleased to announce the commencement of field exploration at its highly prospective Nangalasso Project located in Mali, West Africa.

The Nangalasso project was recently acquired by Taruga as part of its major ground position in Côte d'Ivoire and Mali (refer ASX announcement 30/07/2013). Taruga has commenced field reconnaissance, trenching, mapping and geochemical sampling of the Nangalasso project to prepare for a drilling campaign planned for December 2013.

Nangalasso Highlights:

- **Major artisanal workings located** – active workings extending greater than 2km x 100m in the Nangalasso Project highlight excellent gold potential.
- **Artisanal sites in several locations** – extensive areas of mining shafts and surface digging with abundant coarse angular gold, recovered by washing and panning.
- **Gold mineralisation hosted in two structural corridors** – defined by large artisanal workings, extensive geochemical anomalies and aircore drill intersections from reconnaissance program.
- **Trenching uncovers wide zones of structural deformation**, quartz veining and alteration located along strike from anomalous drilling (1m at 7.8g/t gold in drill hole NAAC014*) and rock chip sampling.
- **Drilling is planned at Nangalasso** to target artisanal sites within the mineralised trends and further test previous highly anomalous drill results.

"We have commenced our field campaign at the exciting Nangalasso Project to follow-up the extensive surface geochemical anomalies and the shallow high-grade gold intersections from the wide-spaced reconnaissance drilling. Our initial field work has confirmed the prospectivity of this project with artisanal workings located within the defined geochemical anomalous zones – this confirms the reliability of the surface sampling and has defined targets for immediate drill testing," Taruga's Managing Director Bernard Aylward said.

"The Nangalasso project is very under-explored despite being located in an extensively mineralised area in southern Mali, less than 20km from the 7Moz Syama Gold Mine. We are prioritising exploration activity on the high-priority Nangalasso targets in preparation for an initial drilling program planned for December 2013 to rapidly advance this project."

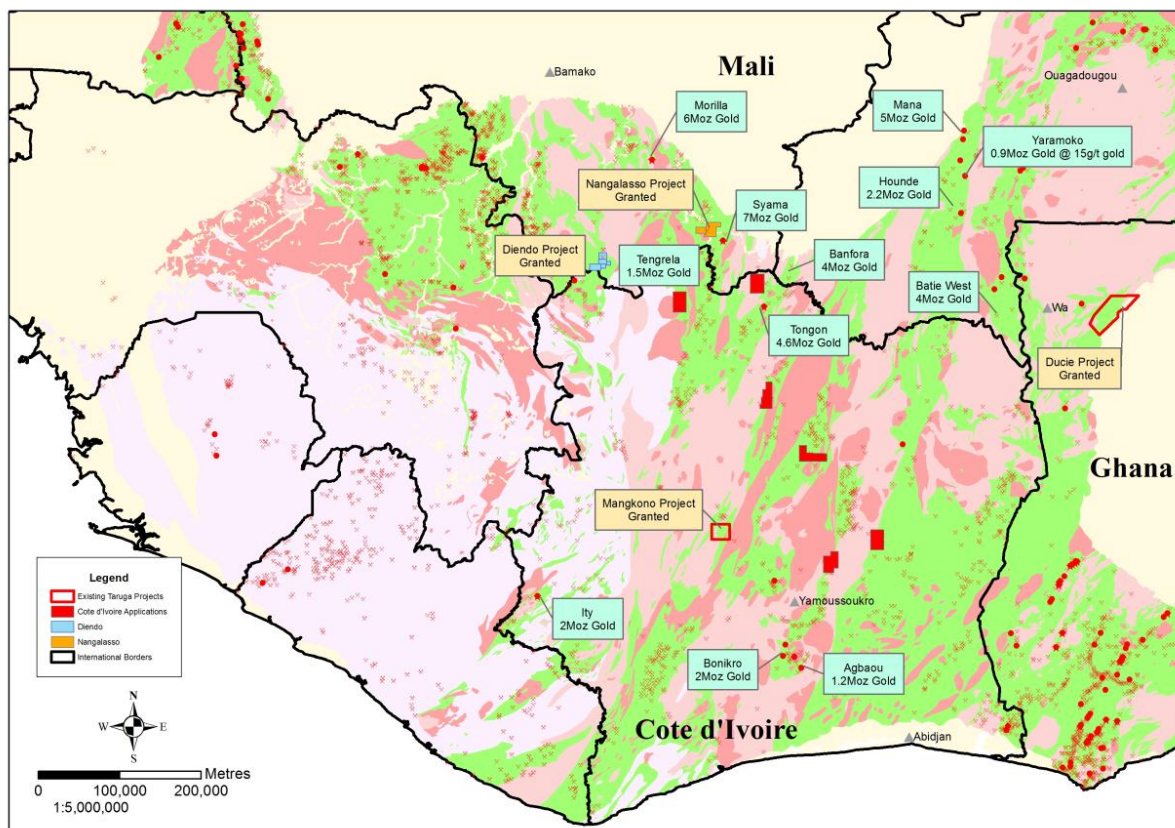


Figure 1: Mali and Cote d'Ivoire Project locations – Birimian geological sequence highlighted, with location of Taruga projects and known gold mineralisation. Nangalasso Project located in southern Mali

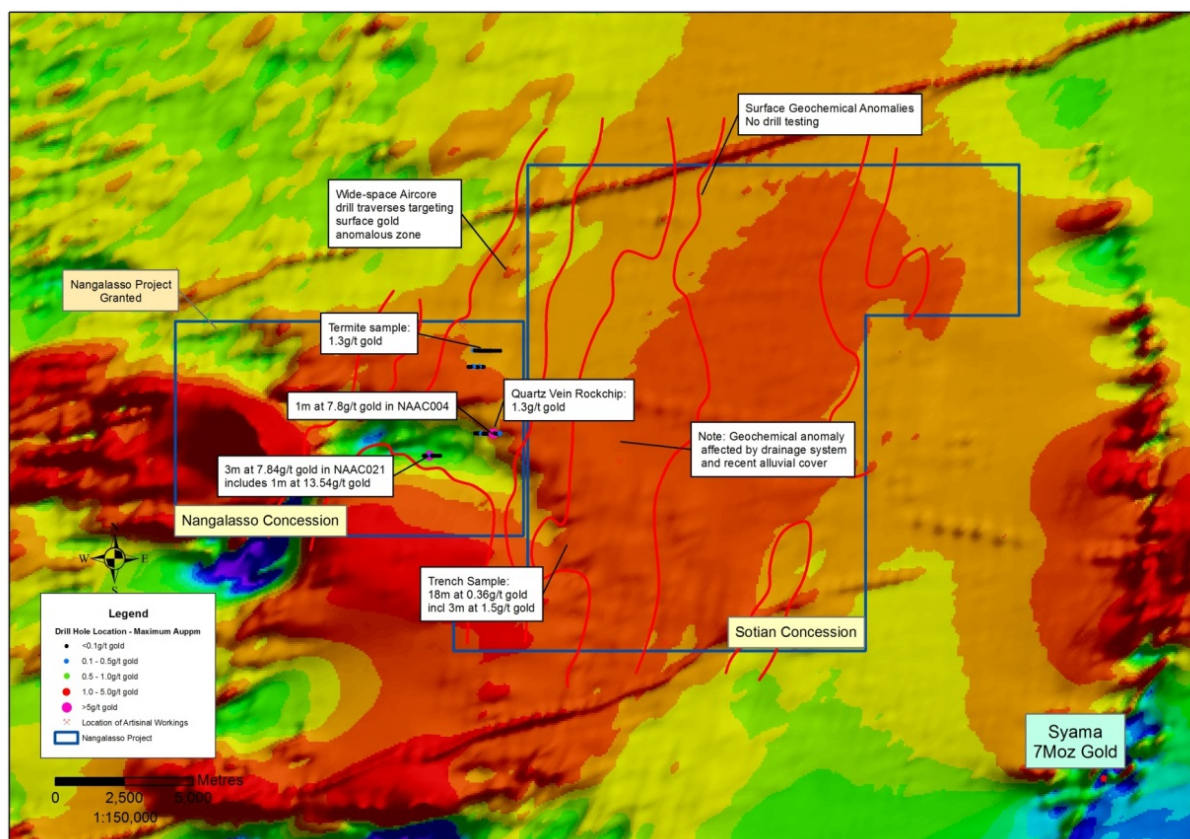


Figure 2: Nangalasso Project – drill hole location and outline of gold anomalous zones. Note all drilling on Nangalasso licence targeting geochemical anomaly as labeled. Background RTP aeromagnetic image.

Nangalasso Project

The Nangalasso Project consists of two options over granted concessions (Nangalasso and Sotian concessions) extending over an area of 345km². The option agreements grant the Company exclusive access to the ground for exploration and also grant the right to purchase 100% of the concessions for an agreed amount (refer ASX announcement 5/8/2013).

Taruga has commenced exploration on the Nangalasso project to follow-up the gold mineralised intersections returned from wide-spaced reconnaissance drilling and extensive surface geochemical anomalism.

Exploration Campaign

Geological Mapping and Artisanal Workings Reconnaissance

Field reconnaissance of the Nangalasso project has identified several new major artisanal sites. The sites are located within areas of defined surface geochemical anomalism and confirm the reliability of the geochemical sampling as well as highlight key target areas for initial drill testing.



Figure 3: Nangalasso Project – active artisanal mining, recovering gold from shallow clay and panning.

Artisanal mining is targeting gold mineralisation hosted in high grade quartz veins extending at depth, as well as extracting gold from shallow extensive residual clay zone containing abundant angular quartz fragments. The gold being retrieved at the artisanal sites is very coarse and angular providing further evidence of a residual source with abundant gravity gold component.

The new artisanal mining sites are very extensive, with workings extending for greater than 2,000m in strike and over 100m in width.

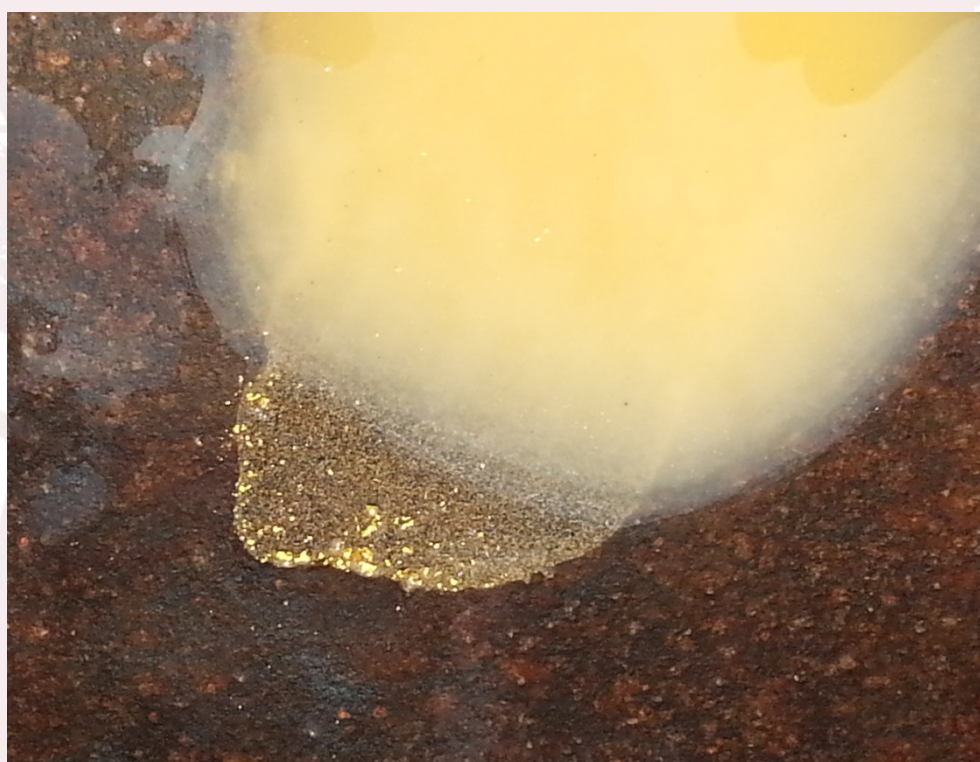


Figure 3: Nangalasso Project – Coarse angular gold in pan from local artisanal shaft

Two broadly parallel gold mineralised trends have been identified at the Nangalasso project. The trends are defined by geochemical anomalism, artisanal workings and gold mineralised drill intersections. A review of geophysical datasets also highlights the mineralised trends.

A high-priority trend for further exploration drilling is interpreted to wrap around an intrusive granite body with several favorable structural sites for gold mineralisation. Previous wide-spaced aircore drilling along this trend returned intersections including:

- **1m at 7.8g/t gold in drill hole NAAC014***
- **3m at 7.84g/t gold in drill hole NAAC021***
includes 1m at 13.5g/t gold from 16m
 (refer ASX release 5/8/2013)

Taruga has commenced a program of trenching in key areas to ensure better geological control and targeting of drill holes. An initial trench has commenced along strike to the north of gold mineralised drill hole NAAC014. Geological mapping of this trench has highlighted a wide zone of conjugate quartz veining and strong alteration in sediments in close proximity to the granite contact. This site represents a highly prospective zone for mineralisation where the anastomosing structure splays from the granite intrusive creating a structural pressure shadow area in ductile sedimentary units.

Sampling of this trench is underway, and additional trench sampling will be conducted along strike to define extensions to the veining and alteration zones.



Figure 4: Nangalasso Project – Trench floor showing conjugate veins and alteration



Proposed Exploration

The Nangalasso project is a high-priority target area. Taruga has planned an exploration program consisting of:

- Aircore drilling to follow up previous high-grade gold intersections and undertake a first pass test of the extensive artisanal workings. This program is expected to commence in December.
- Trench sampling to delineate zones of quartz veining and alteration to target drill holes
- Geochemical sampling of extensions to the gold mineralised trends and add definition to anomalous areas where sampling is on a wide reconnaissance spacing.
- Geological mapping and reconnaissance to target the structural controls and extensions of defined gold mineralised zones and advance prospects for future drill testing.

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

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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.