



TARUGA GOLD

ASX RELEASE

23 May 2016

Completion under Sale Agreement for Disposal of Main Undertaking

Taruga Gold Limited (ASX:TAR) (“**Taruga**” or the “**Company**”) is pleased to announce that the disposal of 100% of its interest in International Goldfields (Bermuda) Limited to AIM-listed Kodal Minerals Plc completed after market on Friday, 20 May 2016 as set out in the revised timetable announced on Monday, 16 May 2016.

1,025,000,000 Kodal shares (“**Consideration Shares**”) have been issued to Taruga as consideration for the disposal, and Mr Bernard Aylward, Managing Director of the Company, is appointed as Chief Executive Officer of Kodal effective from completion.

The Company will now undertake an in specie distribution of the Consideration Shares to all eligible Taruga shareholders as at the in specie distribution record date of Friday, 27 May 2016.

As previously announced and approved at the recent General Meeting of shareholders, the Company intends to complete a placement to sophisticated and professional investors to raise \$950,000 and lodge with ASIC and ASX a prospectus to undertake a non-renounceable entitlement issue to eligible shareholders on the rights issue record date of Tuesday, 14 June 2016.

For further information, please refer to the Notice of Meeting and Prospectus lodged with ASX on Friday, 8 April 2016 and the revised timetable announced on Monday, 16 May 2016.

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

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About Taruga Gold

Taruga is a West African focused gold explorer that has compiled a diverse portfolio of exploration projects within the Birimian geology of West Africa. This region is at present one of the world’s great gold districts and has had a significant rate of discovery and development of new gold mines over past decades.