

## ASX RELEASE

20 May 2015

### TARUGA GOLD A\$1.0M PLACEMENT & SPP OFFER SPROTT CORNERSTONE OF PLACEMENT

Taruga Gold Limited (**Taruga** or the **Company**) (ASX:TAR) is pleased to announce a A\$1.0M equity placement to new and existing shareholders, with affiliates of Sprott Inc. (**Sprott**), of Toronto, Canada, participating in the placement for A\$500,000.

Details of the Placement are as follows:

- Total Placement of A\$1.0M, with investors to subscribe for 222,222,222 ordinary shares at a price of 0.045c.
- Each new share will also have one free attaching unlisted option exercisable at 0.6c for a 2 year term (**Free Attaching Options**).

Sprott and various affiliates have committed to A\$0.5M of the Placement and, following completion, will have a significant presence on the Taruga register. Sprott is a leading alternative investment manager based in Toronto, Canada.

The balance of the Placement is being procured from existing shareholders as well as sophisticated new investors. In addition, the Directors will participate in the Placement subject to shareholder approval at a forthcoming general meeting.

A portion of the shares will be issued under the Company's placement capacity under section 7.1 & 7.1A (Tranche 1) of the ASX rules. Tranche 1 is expected to be completed by 22 May 2015. A General Meeting of Taruga shareholders in late June will be scheduled as soon as practicable to consider and vote on the capital raising to permit the issuance of the balance of shares under the placement as well as all Free Attaching Options.

Taruga Managing Director, Bernard Aylward, stated: "Taruga has an excellent portfolio of projects in West Africa, with a focus on Mali and Cote d'Ivoire. This Placement reflects support for our strategy of acquiring quality land positions, undertaking the early stage targeted exploration and drilling while also realising Joint Venture opportunities where there is value for our shareholders."

The Directors are also pleased to announce that a Share Purchase Plan (**SPP**) will be offered to all eligible shareholders registered as at the record date of 19 May 2015 (**Record Date**). The SPP will be offered to all eligible shareholders on the same terms as the Placement. So that Free Attaching Options can be offered under the SPP and subject to the Listing Rules, the SPP will be made under a prospectus which will be lodged with ASIC shortly. The prospectus will be available on both the ASX's website and the Company's website and will be mailed to eligible shareholders in the coming days.

Main Office: 24 Colin Street, West Perth WA 6005

Registered Office: Office J, Level 2, 1139 Hay Street West Perth WA 6005

Post: PO Box 1970, West Perth WA 6872

P +61 (8) 9222 5800

F +61 (8) 9222 5810

E [admin@tarugagold.com.au](mailto:admin@tarugagold.com.au)

[www.tarugagold.com.au](http://www.tarugagold.com.au)

ACN 153 868 789



Application will be made to ASX for waivers so that shareholder approval is not required for shares offered under the SPP, with the issue of Free Attaching Options subject to shareholder approval.

For further information contact:

Bernard Aylward  
Managing Director  
Taruga Gold Limited  
Mob: +61 (0) 418 943 345

Dan Smith  
Director & Joint Company Secretary  
Taruga Gold Limited  
+61 (0) 8 9486 4036

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.

Taruga has ~4,000km<sup>2</sup> of highly prospective concessions in Niger, Southern Mali and Cote d'Ivoire, all within similar geological settings as world-class goldmines. The Company's Kossa Project in Niger is 15km from the 5moz Essakane goldmine; in Mali, the Nangalasso project is 30km west of the 7moz Syama project.

*This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.*