

27 August 2014

The Company Announcements Office
ASX Limited
4 Floor, 20 Bridge Street
SYDNEY NSW 2000

Notice given under section 708A(5) of the Corporations Act and

Further to the placement announced by the Company 27 August 2014, this notice is given by the Company under section 708A(5)(e) of the Corporations Act in relation to an issue of 40 million fully paid shares at an issue price of 0.5 cents each to raise \$200,000 by the Company upon completion of a placement without disclosure to investors under Part 6D.2 of the Corporations Act.

As at the date of this notice, the Company has complied with:

1. the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
2. section 674 of the Corporations Act.

There is no excluded information as at the date of this notice, for the purposes of Section 708A (7) and (8) of the Corporations Act.

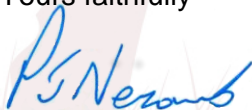
Information required under ASX Listing Rule 3.10.5A

Of the 40 million shares issued, 24,542,400 were issued under the Company's Listing Rule 7.1 capacity and 15,457,600 were issued under the Company's Listing Rule 7.1A capacity.

The Company provides the following information as required under ASX Listing Rule 3.10.5A:

- (a) The dilution to existing shareholders as a result of the issue:
 - (i) Under Listing Rule 7.1 is 15.0%; and
 - (ii) Under Listing Rule 7.1A is 9.9%,being a total dilution to existing shareholders as a result of the placement of 24.9%.
- (b) The Company issued shares by way of placement as it was considered to be a more efficient and expedient method for raising the funds to achieve its stated objectives. The placement did not expose the Company to market volatility that may have been experienced over a more protracted process such as a pro-rata issue;
- (c) No underwriting arrangements were in place for the placement.
- (d) No placement fee is payable.

Yours faithfully



Peter Newcomb
Company Secretary
TARUGA GOLD LIMITED