

4 March 2016

ASX Market Announcements  
ASX Limited  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

### **SUCCESSFUL APPEAL AGAINST INDIAN TAX ASSESSMENT**

Swan Gold Mining Limited (Swan) has successfully appealed to the Tax Tribunal against the Indian Tax Office's (ITO) assessment of a 441M INR (\$9.2M) tax liability for the 2010/11 financial year. The Tax Tribunal held that there was no taxable income on the basis of the Circular released by the Central Board of Direct Taxes.

We wait to find out if there will be any appeal by the ITO for the 2010/11 financial year, but the 2011/12 financial year was not appealed and is now complete.

The ITO has now released a draft assessment order against Swan for the 2012/13 financial year by adding back income without considering the matching expenses. Again appropriate actions are being taken to rectify this matter noting that the 2010/11 and 2011/12 assessments were both successfully appealed, the first through the Tax Tribunal and the second through the Commissioner of Income Tax Appeals. No tax was found to be payable in both cases.

Under the Deed of Appointment with Swan, IRL agreed to indemnify Swan from all liabilities relating to the Surda Work Order.

Yours faithfully

**Arvind Misra**  
Managing Director

#### **For more information contact:**

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