

True Gold Secures Long-Term Cement Contract at a Price Significantly Lower Than Used in Feasibility Study

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Ore Processing Costs Lowered by \$1.05 per tonne

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Sep 8, 2014) - [True Gold Mining Inc.](#) (TSX VENTURE:TGM) ("True Gold" or the "Company") is pleased to announce that it has entered into a long-term cement supply contract with a new cement plant, located in Ouagadougou, Burkina Faso. The 3.5 year contract, renewable on the same terms by mutual agreement, will generate approximately US\$35-million in total operating cost savings over the base-case Karma Feasibility Study. The cement will be used principally for agglomeration at the Company's Karma Project, currently in construction.

Highlights of the Renewable Agreement¹:

- Secures long-term, in-country supply of significant consumable
- Increases NPV^{5%}, after-tax, by approximately US\$20 million to \$198.8M @ US\$1,250/oz Au
- Increases IRR, after-tax, to 46.3% @ US\$1,250/oz Au
- Reduces processing cost by US\$1.05/tonne
- US\$35M in total operating cost savings over life of mine
- All-in-Sustaining Cash Costs of US\$678/oz - an approximately US\$40/ounce reduction

(1) compared to metrics disclosed in the Technical Report, entitled "Updated Resource Estimate and Feasibility Study on the Karma Gold Project," prepared by P&E Mining Consultants Inc. dated effective December 17, 2013, a copy of which is available under the Company's profile on SEDAR at www.sedar.com.

"Securing a long-term cement contract at a price considerably lower than the US\$240 per tonne used in the Feasibility Study lowers our processing costs by US\$1.05/tonne and has a significant positive impact on the economics of our base-case Karma mine plan," commented Dwayne Melrose, President and CEO of True Gold.

The cement supplier, one of the largest cement sellers in Burkina Faso, is in the final months of constructing a 1,000,000 tpa cement production facility in Ouagadougou. With three new cement plants currently under construction in Burkina Faso, a competitive cement pricing landscape has emerged. Not only does this have an immediate positive impact, further competition will continue to benefit shareholders in the future as True Gold builds upon the Karma base case to create a long-life mine asset.

"Negotiating an in-country supply of a key consumable not only results in significant cost savings but also minimizes logistical risks," commented Peter Carter, P. Eng., Chief Operating Officer. "This is just another example of our team executing. As the construction cycle continues, we will continue to seek opportunities to enhance value while staying on track to pour gold 15 months from now."

About True Gold

True Gold Mining Inc. is where gold comes to life. We are committed to growing a successful gold exploration, development and production company, by focusing on projects with low costs, low technical risks and solid economics. The Company's board, management and technical teams have proven track records in gold exploration, development, operations and production worldwide.

Qualified Persons

Peter C. Carter, P. Eng., Chief Operating Officer and Vice President Engineering of the Company, is the designated Qualified Person for this news release within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects and has reviewed and verified that the technical information contained in this release is accurate and approves of the written disclosure of same.

Additional information about the Company and its activities may be found on the Company's website at www.truegoldmining.com and under the Company's profile at www.sedar.com.

ON BEHALF OF THE BOARD

Dwayne Melrose, President & CEO

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to True Gold within the meaning of applicable securities laws, including statements with respect to the potential quantity and/or grade of minerals, potential size and expansion of a mineralized zone, proposed timing of exploration and development plans. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions about future gold prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, accuracy of any mineral resource estimates, successful resolution of disputes and anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of True Gold and there is no assurance they will prove to be correct.

Such forward-looking information, involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including but not limited to, risks related to the interpretation of results at the Karma Project, reliance on technical information provided by third parties as related to the Karma Project; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; the costs and timing of the development of new deposits; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; the timing and success of exploration activities generally; possible claims against the Company; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals, financing or in the completion of exploration, uncertainties relating to the interpretation of drill results and the estimation of mineral resources, the geology, grade and continuity of mineral deposits, accidents, equipment breakdowns, risk of undiscovered, title defects and surface access, the potential for delays in exploration and permitting activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, political risk as well as those factors discussed in the Annual Information Form of the Company dated April 30, 2014 in the section entitled "Risk Factors", under True Gold's SEDAR profile at www.sedar.com.

Although True Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. True Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.

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