

# Shanta Gold FY 2022 Results

29 March 2023



# EXPERIENCED MANAGEMENT TEAM – Mar 2023

Highly experienced management team with deep gold mining experience in Africa



**Eric Zurrin**  
CEO



- Joined Shanta in 2017
- 20 years' global experience in commodities, including 10 years in East Africa
- 6 years as CEO of Shanta Gold
- Formerly CFO Shanta Gold
- Experience: **UBS Investment Bank, BMO**
- **Harvard Business School**



**Michal Devine**  
CFO



- Joined Shanta in 2021
- Chartered Accountant (SA)
- 10+ years financial experience
- Worked exclusively covering global mining corporates for 7+ years
- Experience: **Deloitte, EY, BDO**



**Honest Mrema**  
COO



- Joined Shanta in 2015
- BSc Mining Engineering
- 25 years' experience in open pit and underground mining
- Includes 16 years in Tanzania, 7 years in Mali and 2 years in Laos
- Experience: **Endeavour Mining, Resolute, Barrick, Anglo American**



**Yuri Dobrotin**  
Group Head of Exploration



- Joined Shanta in 2015 (formerly Acacia)
- 37 years' global experience in exploration from country-size generative to mine site and resources
- 17 years in Africa
- Greenstone gold exploration geologist expert
- Experience: **Barrick, Placer Dome**

# SHANTA GOLD OVERVIEW

A high-quality East African gold production profile with attractive valuation prospects

Current Capitalisation Summary	
Share Price (GBP)	12.5 p
Market Capitalisation <sup>1</sup>	US\$161 m
Net Debt	US\$14 m
Enterprise Value	US\$175 m
Dividend yield	1.7%

Balance Sheet	US\$m
Debt	
Sandvik SRP AB <sup>1</sup>	1.1
Standard Bank – Senior	20.0
Standard Bank – \$10m working capital	3.0
<b>Gross Debt</b>	<b>24.1</b>
Cash & gold dore (at 31-Dec-2022)	10.5
<b>Net Debt</b>	<b>13.6</b>

1. Basic and fully diluted shares outstanding of 1,051,467,684. No options and no warrants



Top Shareholders (>3%)	
Odey	11.8%
Sustainable Capital	8.3%
Directors/ Insiders	6.5%
River & Mercantile	5.9%
Canaccord	5.2%
AMG	4.5%
<b>Sub-total</b>	<b>42.2%</b>



# SHANTA GOLD OVERVIEW – CSR IS CORE TO MAINTAINING OUR LICENSE TO OPERATE IN TANZANIA

Shanta has successfully operated in Tanzania for >20 years and has a strong ESG history


**Local expertise** 

**99.0%** employees recruited locally in country

**40%** New Luika staff recruited from nearby villages

- ✓ 100% of GM's are Tanzanian
- ✓ 100% of HOD's are Tanzanian


 **2022 - 1<sup>st</sup> Place – ESG Compliance awards <sup>1</sup>**

**Working together** 


**\$202m** Paid to Government of Tanzania

**Zero MDA<sup>2</sup> participation by Shanta in its history** 


**Strong and open relationships with Senior Government Ministers**

**Positive local impact** 

**497** Tanzanian businesses supported

**83%**  Recurring in-country procurement<sup>3</sup>

**\$248m** Paid to Tanzanian suppliers in 4 years<sup>3</sup>

**Environmental responsibility** 

**0** Significant environmental incidents

- ✓ Home to the largest solar farm in Tanzania
- ✓ Renewables key to power and carbon strategy
- ✓ Carbon offsetting in local Patamela forest reserve

**% power drawn from grid**  
2019 - 0% to 2022 - 20%

1. February 2022 – Awarded first place for Environmental & Safety Compliance, CSR Projects and local content performance  
2. MDA = Mine Development Agreement



### Gold production

65,209 oz

*+18% from 2021*

### Safety record

TRIFR of 1.13

*Industry leading*

### Pipeline secured

Singida 1<sup>st</sup> gold pour  
imminent

West Kenya now 1.76 Moz  
(incl. 1.3 Moz at 10.6 g/t)

### Local expertise

Global workforce > 99%  
Tanzanian and Kenyan



## 2022 FINANCIAL HIGHLIGHTS

### EBITDA

US\$29.8 m  
*+18% from 2021*

### Cash and liquidity<sup>1</sup>

US\$10.5 m

### Cost control

Cash Costs: US\$1,014 /oz  
AISC: US\$1,271 /oz

### Dividends

Total US\$5.5 m paid since 2021  
*Yield of 1.7%*

*5<sup>th</sup> dividend of 0.10 pence per share, proposed at 2022 AGM*

1. Derived as unrestricted cash, restricted cash and the sale value of doré available for sale at the end of the Period



## TOTAL GROUP RESOURCES

Total resources of 3.7 million ounces grading 3.28 g/t backed by 100,000 oz pa of gold production including Singida

Asset	Proven & Probable Reserves		Measured & Indicated Resources		Inferred Resources		Total Resources	
	Grade (Au g/t)	Ounces (k)	Grade (Au g/t)	Ounces (k)	Grade (Au g/t)	Ounces (k)	Grade (Au g/t)	Ounces (k)
Deposit								
<b>TANZANIA<sup>2</sup></b>								
NLGM <sup>3</sup>	2.85	394	2.78	764	1.77	270	2.42	1,034
Singida	3.01	231	2.62	464	2.12	418	2.36	885
<b>Sub-total</b>	<b>2.91</b>	<b>625</b>	<b>2.72</b>	<b>1,228</b>	<b>1.96</b>	<b>688</b>	<b>2.39</b>	<b>1,919</b>
<b>KENYA<sup>4</sup></b>								
Kakamega <sup>5</sup>	-	-	11.45	722	9.68	564	10.6	1,285
Ramula	-	-	2.43	417	2.27	53	2.41	470
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>4.86</b>	<b>1,139</b>	<b>7.56</b>	<b>617</b>	<b>5.55</b>	<b>1,755</b>
<b>GROUP<sup>6</sup></b>	<b>2.91</b>	<b>625</b>	<b>3.45</b>	<b>2,367</b>	<b>3.02</b>	<b>1,305</b>	<b>3.28</b>	<b>3,674</b>

- Resources are inclusive of Reserves
- JORC 2012 compliant resources, as at 31 December 2022
- New Luika Gold Mine
- NI 43-101 compliant resources, as at 17 February 2023
- Includes Isulu and Bushiangala deposits
- Weighted average by tonnes of ore

# OPERATIONAL HIGHLIGHTS





# ASSET #1: NEW LUIKA GOLD MINE (NLGM)

*In production since 2013, LOM extended to 2028*



The Lupa Gold Field  
(Shanta exploration ground: 800 km<sup>2</sup>)

↑ Zambia border crossing (200 km)

← TSF 2

Solar plant

Power station

← Camp

Sandvik crusher

Process plant

Workshop

Airstrip

TSF1

## 2022 NLGM OPERATIONAL STATISTICS

### Tonnes ore mined

899,356

*+43% from 2021*

### Tonnes ore milled

Record annual  
throughput of 874,703  
*+5% from 2021*

### Average grade recovered

2.6 g/t achieved in 2022  
vs. 2.3 g/t in 2021

### Gold recovered

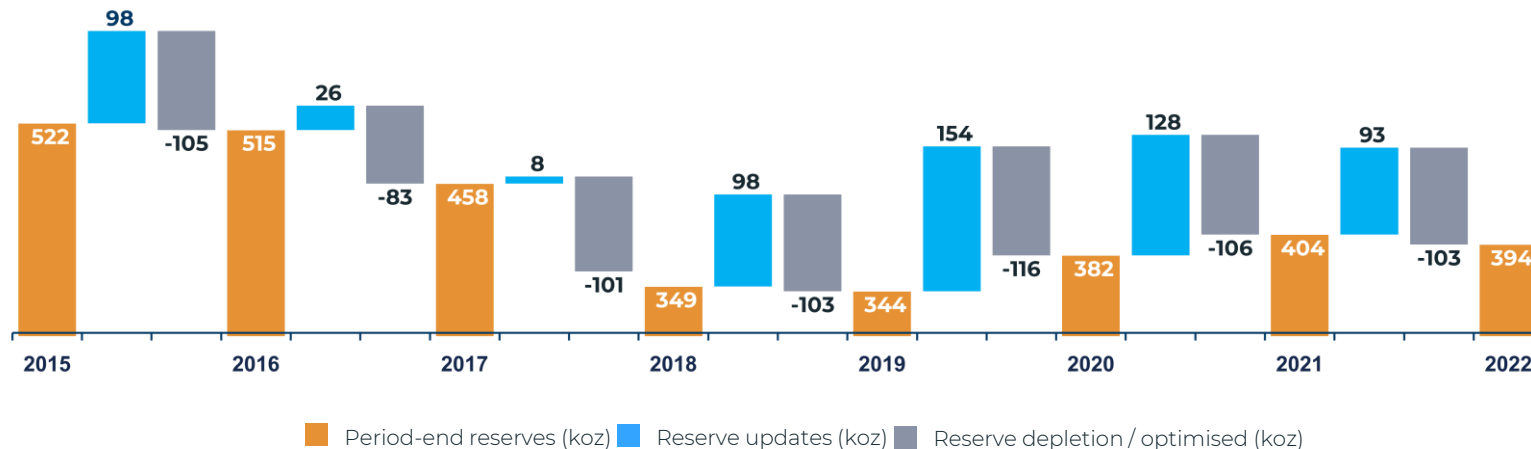
Maintained recoveries  
at 88% for 65,209 oz  
produced



# NLGM – TRACK RECORD OF REPLACING MINED RESERVES

A total of 605koz of new reserves have been added to the NLGM mine plan since 2015

Annual movement in NLGM reserves (2015 – 2022) (koz)



## Track record of low-cost reserve increases

- A total of 605koz of new reserves added to mine plan since 2015
- This equates to an average conversion cost of \$32/oz

1. JORC compliant in Tanzania
2. Total Resources are inclusive of Reserves



# ASSET #2: SINGIDA GOLD MINE LAYOUT

*First production in March 2023*



Administrative offices

Open pit mines →

Gravity/CIL recovery  
FL Smidth/COMO  
Engineering

4+ months of  
stockpiled Run-of-  
Mine ore

NCP  
manufactured  
ball mill

Metso manufactured  
2500 TPD 2-stage crusher

4+ weeks of crushed  
ore supply

Tailings Storage Facility ↓

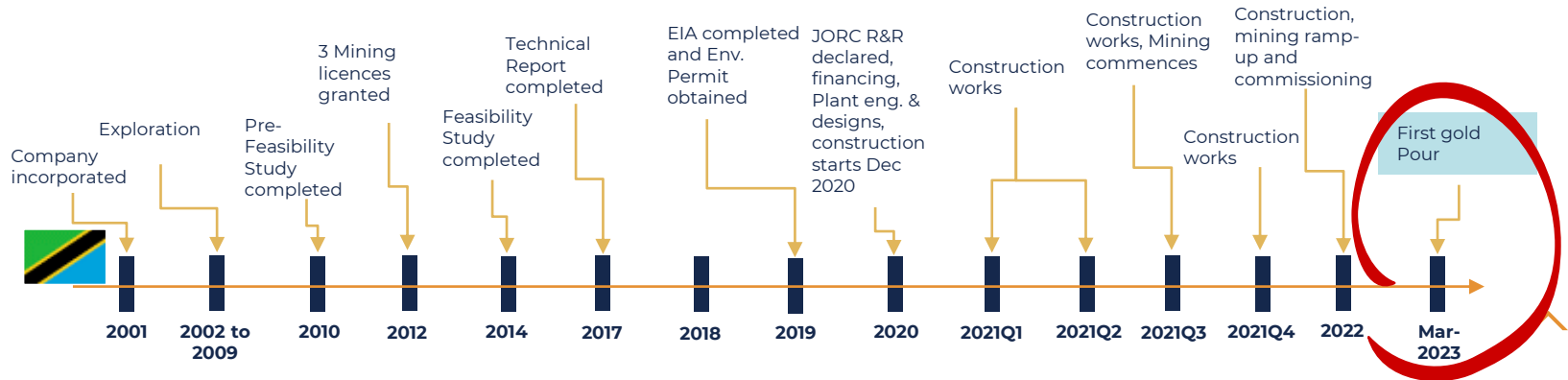
← Airstrip

# SINGIDA OVERVIEW

The Singida Gold Mine adds diversification and increases group production by 45-50%

## SINGIDA GOLD MINE – QUICK FACTS

Location	Tanzania, +/- 620km west-north-west of Dar es Salaam, +/- 130km north-west of Dodoma (capital)
Mining Licences	SMCL holds 100% of mining licenses ML 456/2012, ML 455/2012, and ML 457/2012.
Project Phase	In construction with first gold pour planned for March 2023
Mine Life	Through to at least 2029 (based on reserves)
R&R	Reserves: 231 koz at 3.01 g/t; Resources: 885 koz at 2.36 g/t
Processing Rate	365ktpa CIL Plant
Au Produced	Average of 32koz per annum over LoM
Mining Type	Open Pit – Contractor Mining, Total tonnes over LoM is 36.7 Million
Power	TanESCO – National Grid / Emergency standby power generation - one 1,600 kVA diesel powered generator



## ASSET #3: WEST KENYA OVERVIEW

One of the highest grading large scale gold deposits in Africa with already high returns expected to materially increase with ongoing resource expansion

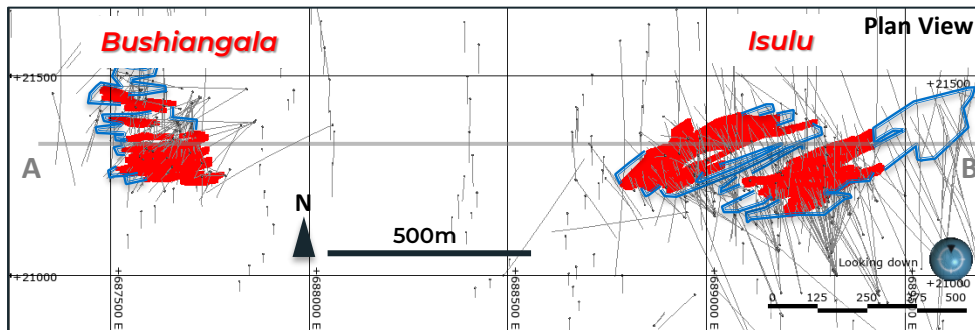
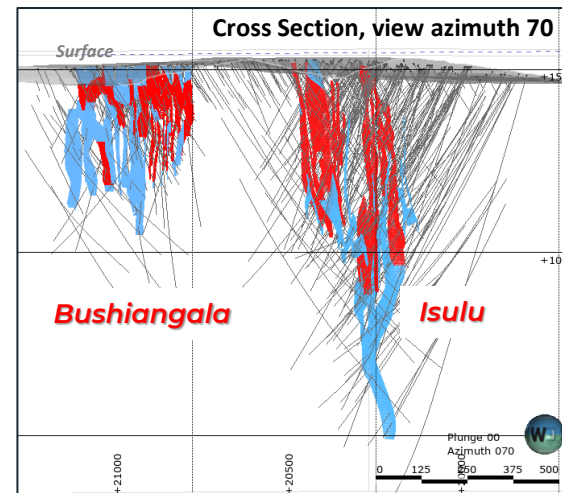
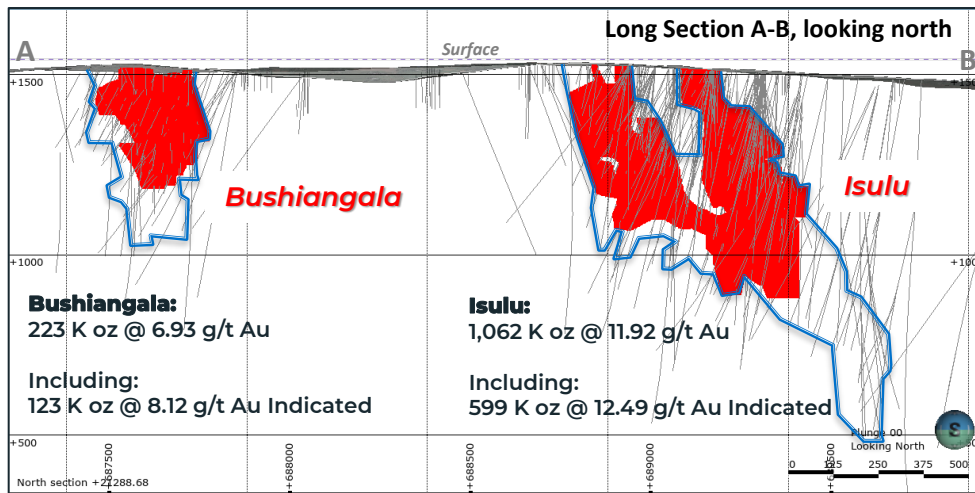
ROBUST FUNDAMENTALS		TRANSFORMATIONAL ECONOMICS <sup>1</sup>	
<b>Gold Resource (NI 43-101)</b>  <b>1,755,000 oz</b> NI 43-101 Mineral Resource Estimate spanning three deposits namely Isulu, Bushiangala and Ramula	<b>Exceptional grades <sup>2</sup></b>  <b>11.45g/t</b> Believed to be one of the highest grading +1 Moz gold deposits in Africa	<b>NCF on existing resource</b>  <b>&gt;\$500m NCF</b> Net Cash Flow calculated using LOM gold price of US\$1,800/oz	<b>Initial Life of Mine ("LOM")</b>  <b>9 yrs LOM</b> Several value levers available to extend LOM and Project NPV. Secures Shanta's presence across East Africa in the long-term
<b>Highly prospective ground</b>  <b>580 km</b> Within the Lake Victoria gold fields located in NW Tanzania and SW Kenya, home to Global Tier 1 assets including North Mara and Geita Gold Mine	<b>Historical investment</b>  <b>\$80m</b> Investment in exploration activities since 2013	<b>LOM EBITDA</b>  <b>US\$1bn +</b> Projected return on investment has the potential to be exceptional for shareholders	<b>LOM AISC</b>  <b>US\$665 /oz</b> Shanta's experience of tight cost control expected to feed into an efficiently managed and highly cash generative operation

1. Economics relates to Isulu/Bushiangala Resource, financial estimates based on 2020 Independent Scoping Study
2. Grades – Liranda Indicated resources of 722 Koz @ 11.45g/t



# HIGH GRADE KAKAMEGA CAMP

Isulu and Bushiangala deposits contain 1.3 Moz at 10.6 g/t including Indicated resources of 722 Koz grading 11.45 g/t



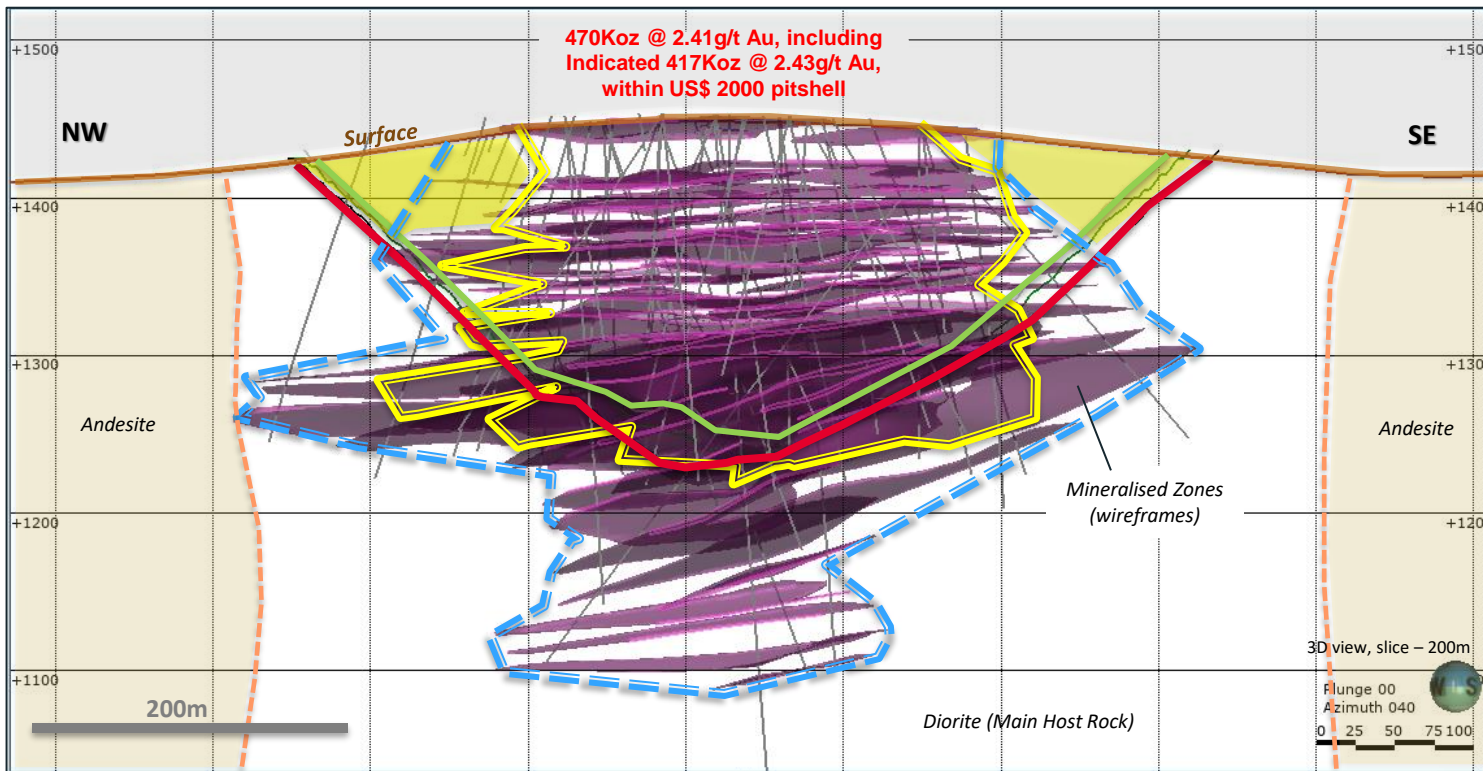
**Total Resource for Bushiangala and Isulu**  
1,285 K oz @ 10.60 g/t Au

Including:  
722 K oz @ 11.45 g/t Au Indicated

- Indicated Resource
- Inferred Resource Outline
- Inferred Resource (Cross Section)
- Drillhole traces

# NEWLY DISCOVERED RAMULA CAMP

Sub-horizontal discovery with +5 targets within a few kilometers



- 

Outline of the Indicated Resource
- 

Outline of the Inferred Resource
- 

Pitshell US\$2000
- 

Pitshell US\$1500
- 

Upside potential within US\$2000 pitshell



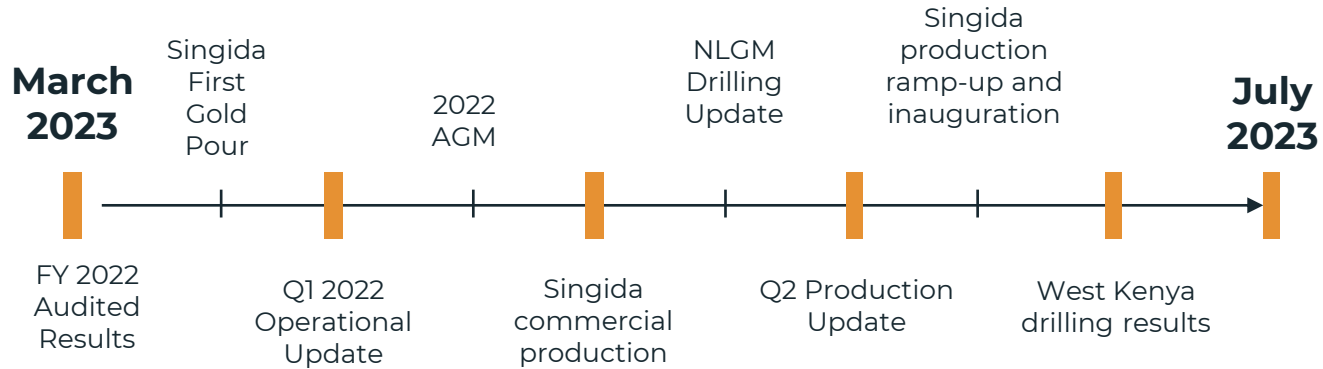


# OUTLOOK



# VALUE CATALYSTS

Major share price catalysts are expected



## SUMMARY

### Compelling investment case

- **Highly compelling growth prospects including mine life extensions at both producing assets**
- **High quality diversified portfolio of gold assets**
- **Cash generative gold producer**
- **Significant exploration potential with material resource growth expected**
- **Long successful track record in East Africa**
- **Strong safety record and ESG history**



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