



Full Year 2019 Presentation Audited Results

28 February 2020



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Shanta Gold – 2019 highlights & 2020 guidance

- ▶ Rapid reduction in net debt, increased flexibility to pursue value driven growth
- ▶ All underground deposits are open at depth, further mine life extension a priority for 2020

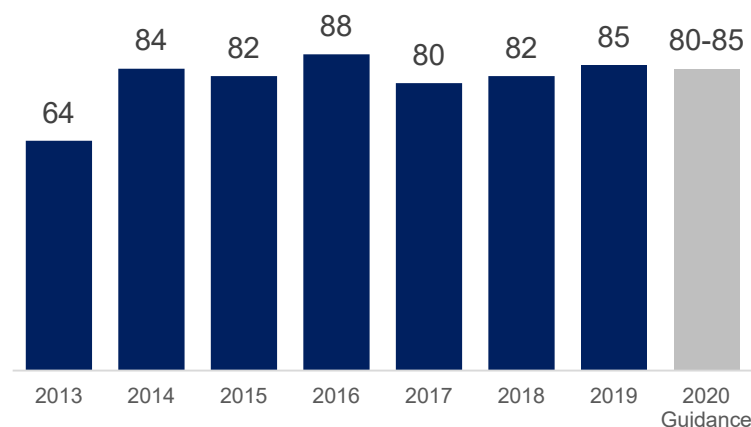
2019 highlights

- **Gold production: 84.5 koz**, better than guidance
- **AISC¹ of US\$777/oz**, better than guidance
- Cash costs of US\$544/oz
- **EBITDA² of US\$47.7 m** (2018: US\$45.7 m)
- **Net debt³ down 55% to US\$14.3m**
- Net capex of US\$17.2 m (2018: US\$18.2 m)
- **Mine life extended at New Luika**
- Exceptional safety record: **zero LTIs in 2019 (2018: zero)**

2020 guidance

- Gold production of 80–85k oz at New Luika
- **AISC^{1,4} of US\$830-880/oz**
- Exploration budget increased by 65% to US\$5.0 million
- West Kenya Project acquisition expected to close mid-2020

Reliable, low cost producer



Summary Capitalisation

Share Price (GBP) ¹	10.8 p
Market capitalisation	US\$111 m
Net debt ²	US\$14 m

Enterprise Value **US\$125 m**

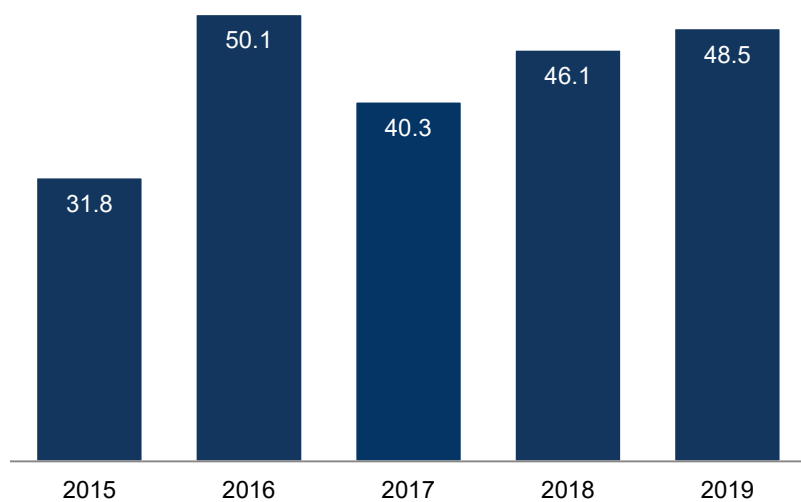
1. As of 27 February 2020
2. As of 31 December 2019



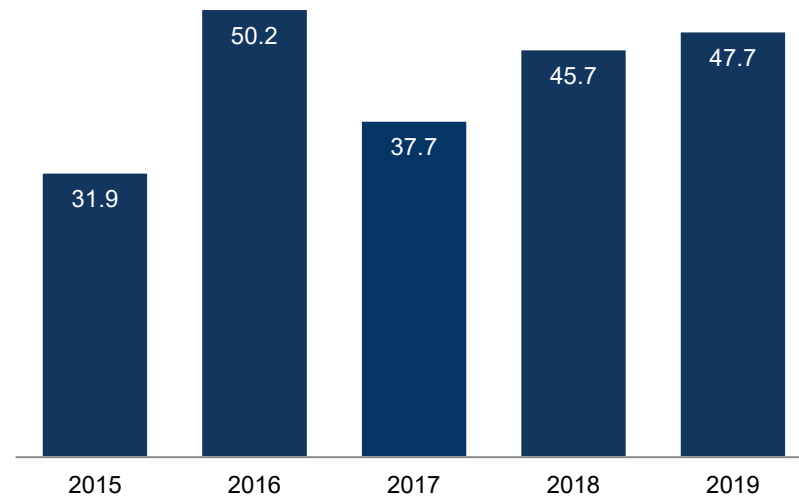
1. Development costs at the Bauhinia Creek, Luika and Ilunga underground operations are not included in AISC
2. Before non-cash loss on unsettled forward contracts
3. Includes liquidity available from unsold doré at refinery
4. Includes non-cash impact of reduction in ROM stockpile (US\$/20/oz), higher royalties due to higher gold price (US\$/20/oz), open pit mining (US\$/40/oz)

US\$48.5 million cash flow generated in 2019

Operating Cash Flow (US\$ million)



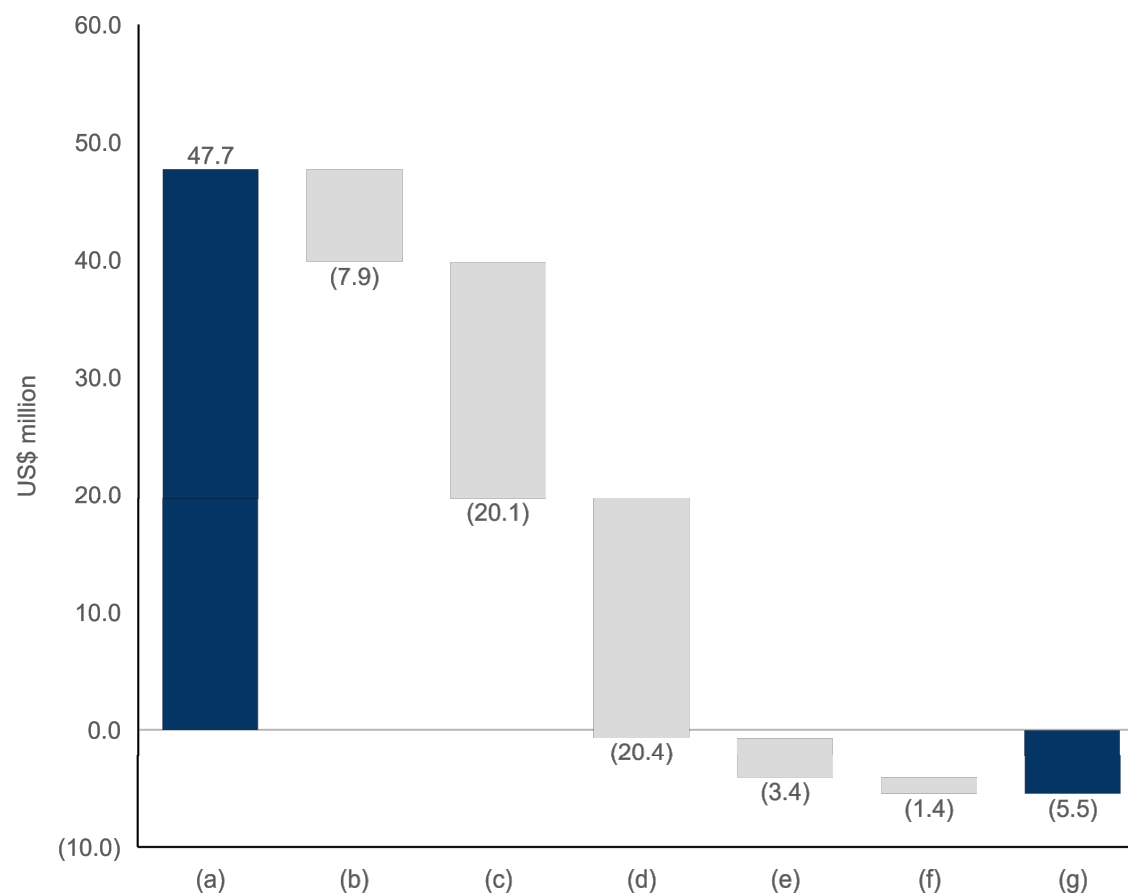
EBITDA (US\$ million)



Note: Shanta Gold audited financial statements



2019 EBITDA to cash flow bridge



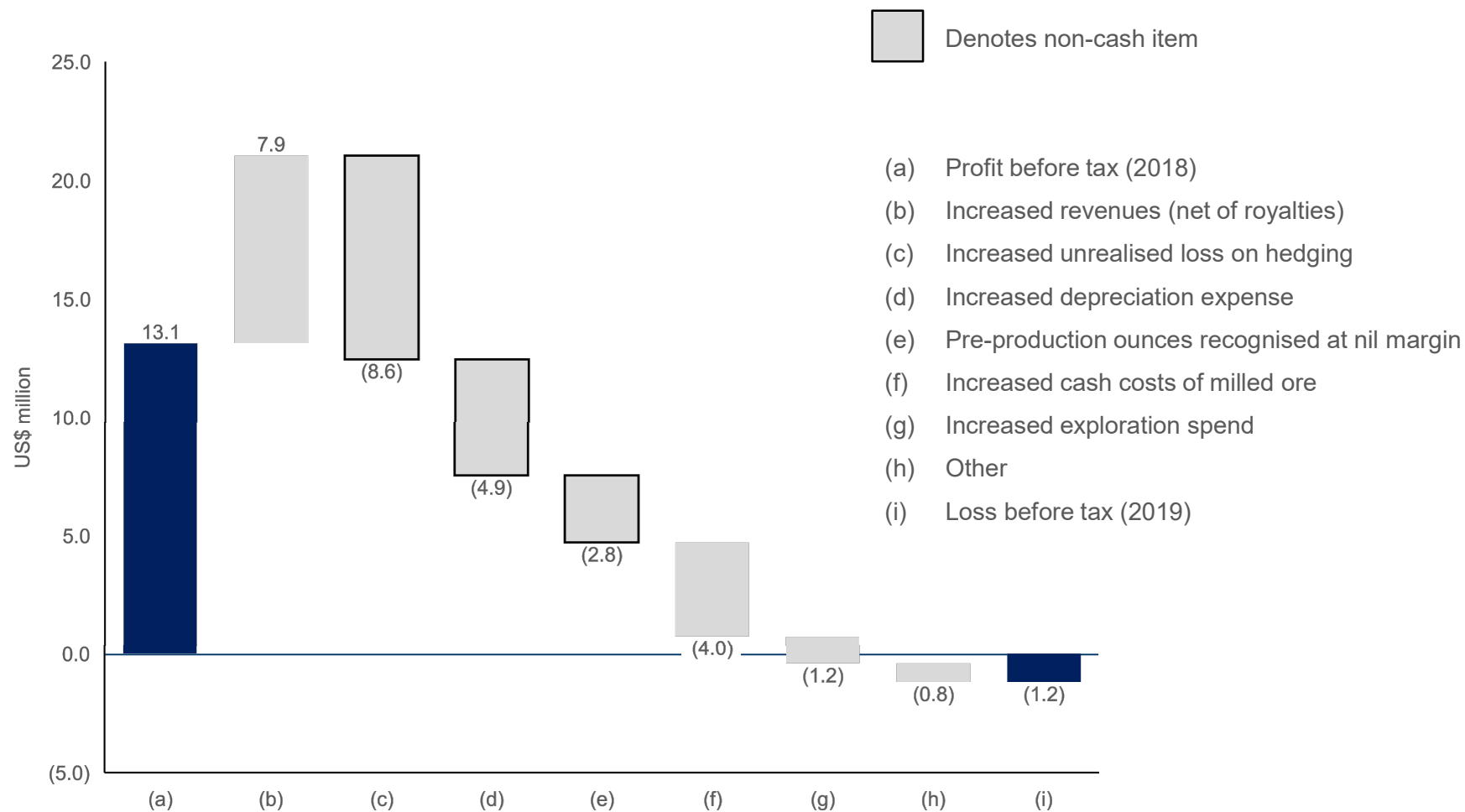
EBITDA to cash flow bridge highlights

- (a) Adjusted EBITDA¹
- (b) Working capital movements
- (c) Capital expenditure²
- (d) Borrowings
- (e) Interest paid
- (f) Tax, Other
- (g) Net decrease in cash and cash equivalents

1. EBITDA is earnings before interest, tax, depreciation and amortisation which has been derived as operating profit exclusive of pre-production revenue, depreciation/depletion of tangible assets and amortisation of intangible assets. Adjusted EBITDA has been derived as EBITDA before non-cash loss on unsettled forward contracts.
2. Capital expenditure includes normalised pre-production capital investment at Ilunga of US\$5.3m.

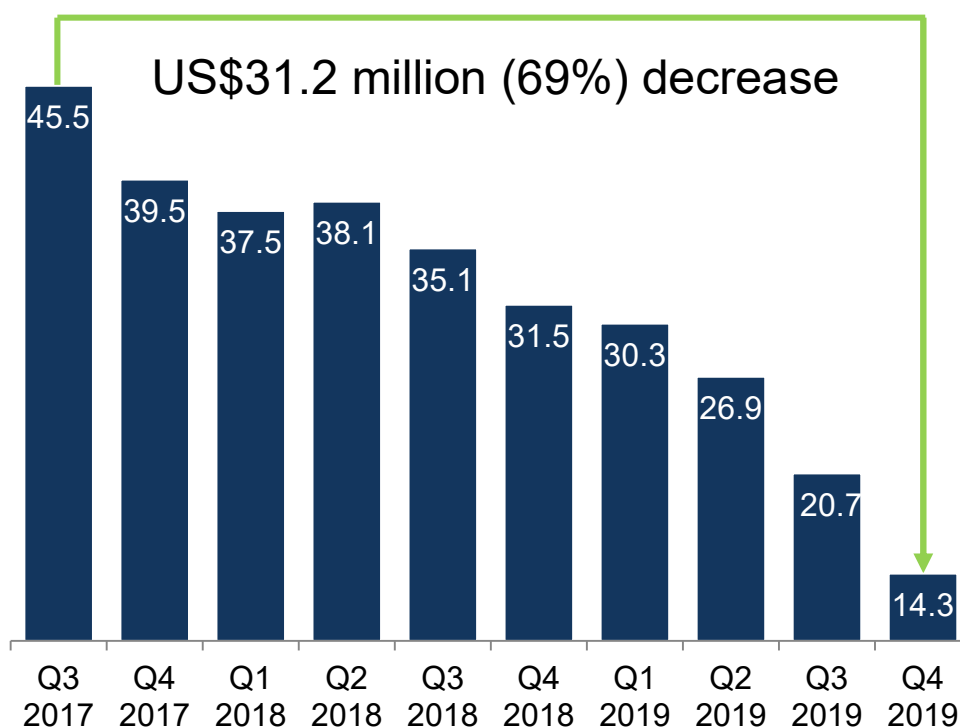
2019 loss before tax driven by non-cash items

(Loss)/Profit before tax – 2019 vs. 2018



Balance sheet repair: 69% decrease in Net Debt since Q3 2017

Net debt¹ (US\$ million)



2019 highlights

- Sharp fall in net debt
- Unrestricted cash balance of US\$3.5 million plus US\$4.2 million bullion in transit at 31 December 2019
- **Total liquidity of US\$13.7 million**, including US\$3.5 million of bullion available for sale in the New Luika gold room at 31 December 2019
- Gross debt at US\$22.0 m, the lowest in over 7 years

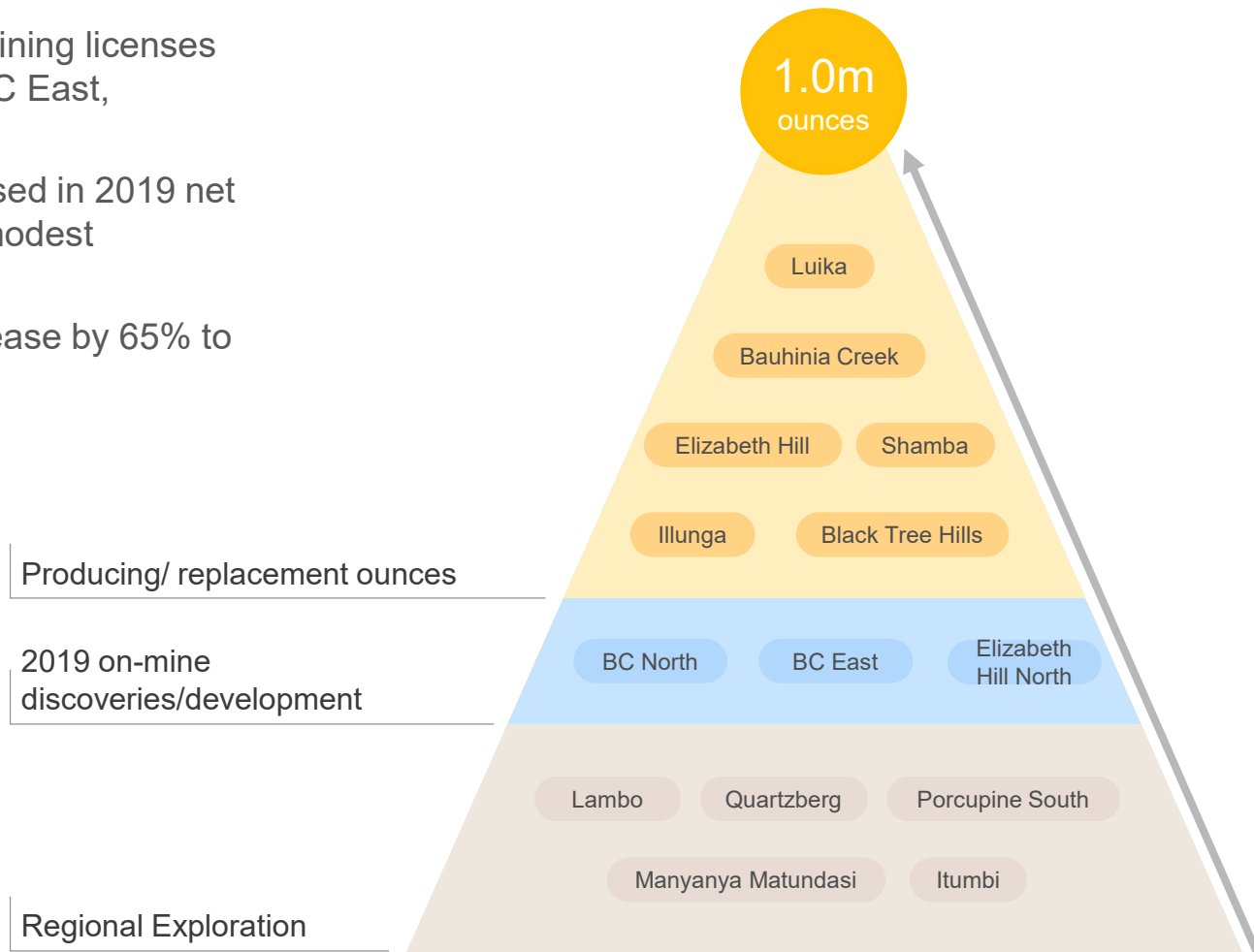
1. Includes liquidity available from 2,841 oz bullion in transit 31 December 2019



New Luika exploration portfolio

- New discoveries on the mining licenses during 2019 (BC North, BC East, Elizabeth Hill North)
- Mineable reserves increased in 2019 net of depleted ounces with modest exploration expenditure
- Exploration spend to increase by 65% to US\$5m in 2020

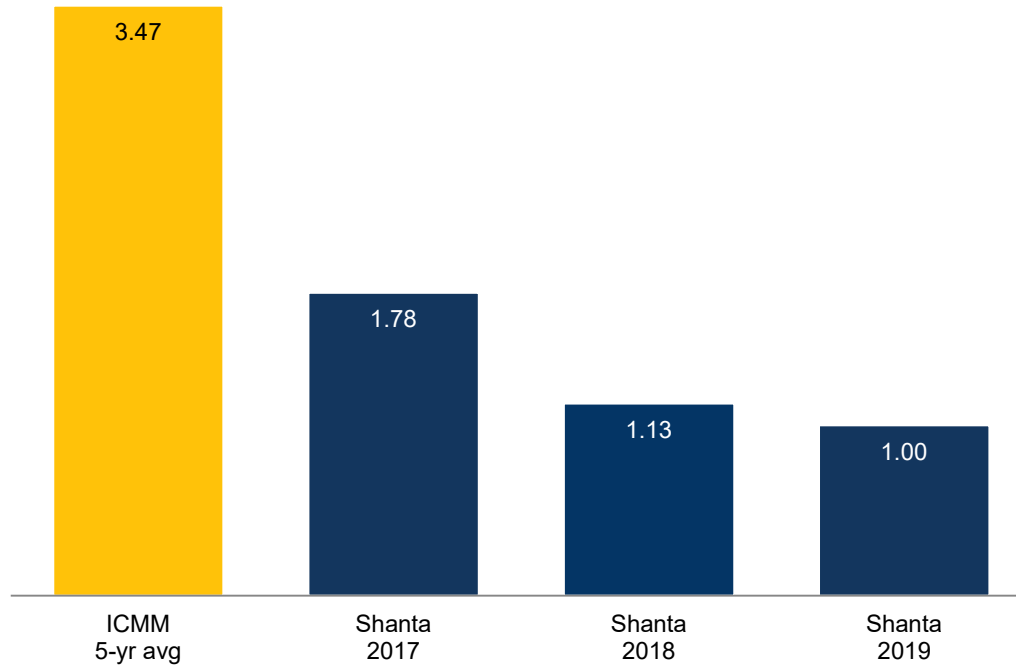
Reserves and resources



Excellent safety: 44% improvement since 2017

TRIFR rate

(Total Recordable Injury Frequency Rate)



Shanta highlights

- No fatalities
- No LTIs
- 3.9 million hours since last LTI
- Industry leading safety record

Note: The International Council on Metals & Mining's (ICMM) members comprise 27 of the largest global metals & mining companies



2020 priorities

1

Safe Operational Delivery

80-85k oz in 2020 at AISC of US\$830-880 /oz

2

Exploration

Reserve addition and mine life extension at New Luika
11,000 metres of drilling is planned

3

Deleveraging

Net cash balance sheet in 2021

4

Unlocking value

Singida asset level financing
(US\$31 million NPV at Dec 2018 gold forward curve, based on
spot gold price of US\$1,225 /oz)



Appendix

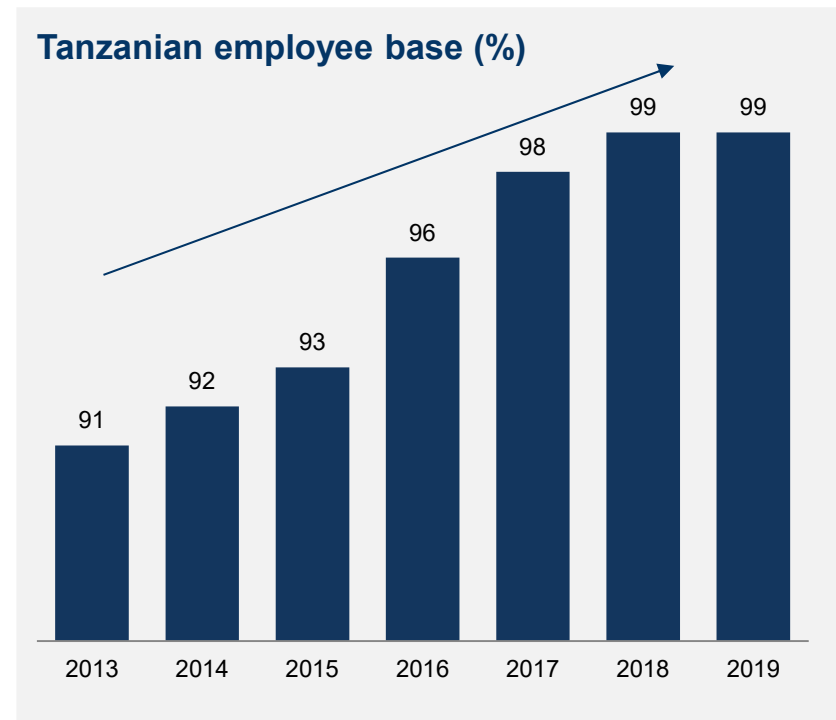
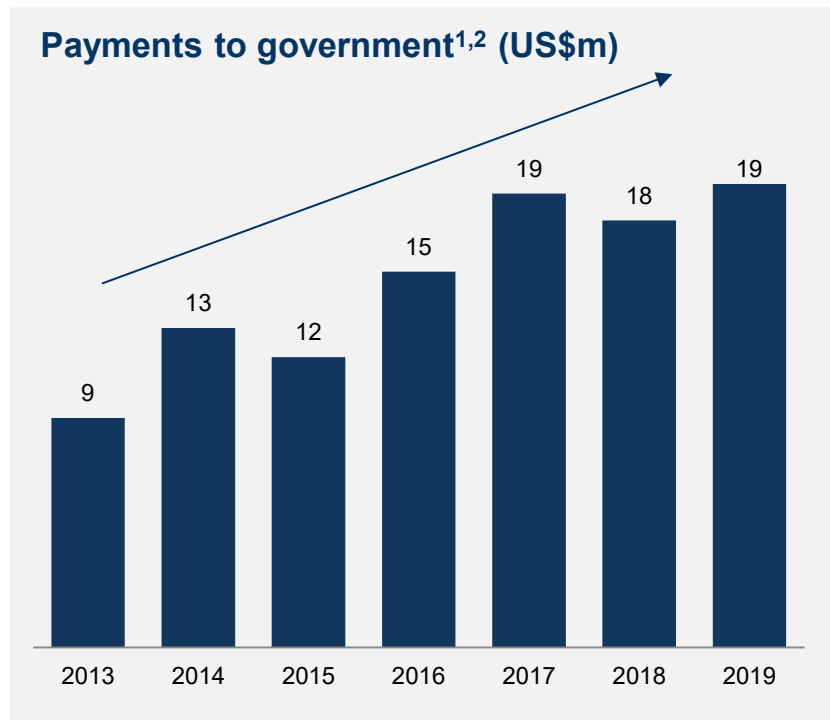


Production performance

	FY 2019	Q4 2019	Q3 2019	Q2 2019	Q1 2019	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017
Tonnes ore mined (OP + UG)	603,373	144,206	166,772	155,779	136,616	677,734	157,952	179,978	197,020	142,784	638,088
Tonnes ore milled	702,336	177,913	174,132	177,647	172,644	639,678	172,902	159,640	157,426	149,710	632,287
Grade (g/t)	4.19	3.83	4.54	3.91	4.49	4.38	4.74	4.26	4.44	3.94	4.28
Recovery (%)	89.4	89.2	89.3	89.4	89.9	90.9	90.9	90.3	91.5	91.7	91.1
Gold production (ounces)	84,506	19,550	22,726	19,856	22,374	81,872	23,942	19,723	20,544	17,663	79,585
Gold sales (ounces)	80,926	17,311	22,477	19,780	21,358	82,457	24,893	19,737	19,475	18,352	80,365
Realised gold price (US\$ /oz)	1,377	1,440	1,462	1,302	1,305	1,259	1,225	1,218	1,302	1,303	1,263

Shanta is committed to Tanzania

- ▶ Over US\$100 million contributed to the Government of Tanzania and >99% Tanzanian workforce
- ▶ Extensive CSR programme across all major disciplines
- ▶ Strong and open relationships with Senior Government Ministers



1. Includes corporate income tax, employment taxes, statutory contributions, service levies, royalties. Excludes VAT receivable
2. Audited figures



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