

20 December 2019

Shanta Gold Limited
("Shanta Gold", "Shanta" or the "Company")

Inaugural connection to the State power grid

Shanta Gold Limited ("Shanta", "Company") the East Africa-focused gold producer, developer and explorer, is pleased to announce that its New Luika Gold Mine ("NLGM") in South West Tanzania has successfully connected to the state power grid supplied by TANESCO. The initial connection represents approximately 10% of NLGM's power needs and this is anticipated to increase over the next 12-24 months. The cost of state grid power is approximately half that of self-generated power.

Connection to the TANESCO grid further diversifies power sources at NLGM, thereby reducing risk. NLGM now sources power from solar, grid electricity, and HFO which has recently undergone a routine 12,000 hour rebuild of its engines refurbishing the gensets and ensuring longevity.

Eric Zurrin, Chief Executive Officer, commented:

"This is a significant milestone for the New Luika Gold Mine given power generation currently represents over 25% of our cash costs. Lowering New Luika's costs reduces the cut-off grade required for ounces to make it into the mine plan effectively reducing the hurdle for exploration success."

Enquiries:

Shanta Gold Limited

Eric Zurrin (CEO)

+255 (0) 22 292 5148

Luke Leslie (CFO)

Nominated Adviser and Broker

Numis Securities Limited

Paul Gillam / Alamgir Ahmed

+ 44 (0)20 7260 0000

Financial Public Relations

Tavistock

Charles Vivian / Barnaby Hayward / Gareth Tredway

+44 (0)20 7920 3150

About Shanta Gold

Shanta Gold is an East Africa-focused gold producer, developer and explorer. It currently has defined ore resources on the New Luika project in Tanzania and holds exploration licenses covering approximately 1,500km² in the country. Shanta's flagship New Luika Gold Mine commenced production in 2012 and produced 81,872 ounces in 2018. The Company has been admitted to trading on London's AIM and has approximately 787 m shares in issue. For further information please visit: www.shantagold.com.

ENDS