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Shanta Gold Limited

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

Ilunga Underground Achieves Commercial Production

Shanta Gold (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is pleased to announce that the Ilunga Underground Mine at the New Luika Gold Mine ("NLGM") in South Western Tanzania has achieved commercial production on schedule and on budget.

The primary ventilation fan and underground infrastructure are installed and operational. The first ore stope is now in production at a depth of 98 metres below the portal and 130 metres below surface. Commercial production comes following gross pre-production capital investment of only US\$7.9 million (US\$5.0 million after netting off pre-production revenue) and less than 12 months after the underground portal blast at Ilunga was carried out in August 2018. Ilunga is now the third source of high grade underground feed from NLGM alongside Bauhinia Creek and Luika mines.

Ilunga underground has a probable ore reserve of 660,500 tonnes at 5.56 g/t for 118,000 oz contained as well as Inferred Resources of 636,647 tonnes at 3.57 g/t for 73,067 oz.

Underground drilling targeting the conversion of the Inferred ounces into the Mine Plan and extending the mine life at Ilunga is expected to take place in H1 2020.

Eric Zurrin, Chief Executive of Shanta Gold, commented:

"Bringing these high grade ounces online within budget and on time is yet another example of our model at work, namely: adding low cost ounces to resources at our well established operations, thereby increasing the mine life and the free cash flow generation potential at NLGM."

"Now that we have reached commercial production, we hope to delineate further mineable ounces by upgrading our inferred resources via cost efficient underground drilling."

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About Shanta Gold

Shanta Gold is an East Africa-focused gold producer. It currently has defined ore resources on the New Luika and Singida projects in Tanzania and holds exploration licences 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 million shares in issue.

For further information please visit: www.shantagold.com.