

22 November 2021

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

New Luika Gold Mine Exploration Drilling Update

Shanta Gold (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is pleased to provide an exploration drilling update at the New Luika Gold Mine ("NLGM") in South Western Tanzania, relating to drilling conducted in Q3 2021.

All of these encouraging drilling intersections are outside existing mineral reserves and will be incorporated into the next update of the mine plan as Shanta Gold continues to extend the mine life at NLGM.

Highlights:

- A total of 4,505 metres drilled covering 17 holes at Bauhinia Creek Main, Bauhinia Creek East Area 1 ("BC East Area 1"), and Luika on the mining licences at New Luika Gold Mine
- BC Main:
 - Hole CSD294 intersected 3.05 m @ 15.17 g/t Au from 110.20 m
 - incl. 1.23 m at 36.29 g/t Au
- BC East Area 1:
 - Hole CSD251 intersected 10.56 m @ 22.67 g/t Au from 98.00m
 - incl. 4.30 m at 51.65 g/t Au
- Luika:
 - Hole CSD227 intersected 4.88 m @ 4.72 g/t Au from 529.20 m
 - incl. 2.12 m at 8.07 g/t Au
 - Hole CSD269 intersected 5.44 m @ 5.84 g/t Au from 539.92 m
 - incl. 1.16 m at 17.88 g/t Au
- Reported results are over strike lengths of 160 m, 270 m, and 320 m for BC Main, BC East Area 1, and Luika, respectively;
- A further 3,733 metres of RC drilling covering 47 holes at Porcupine South ("Porcupine South") located approximately 22 kilometres from the NLGM processing plant:
 - Hole PSRC049 intersected 8 m @ 2.60 g/t Au from 53 m
 - incl. 1 m @ 5.02 g/t Au and 3 m at 4.23 g/t Au;
 - Hole PSRC066 intersected 7 m @ 2.38 g/t Au from 53 m
 - incl. 2 m at 4.75 g/t Au
 - Hole PSRC051 intersected 10 m @ 2.26 g/t Au from 53 m
 - incl. 4 m at 4.07 g/t Au
 - Hole PSRC088 intersected 13 m @ 3.01 g/t Au from 167 m
 - incl. 5 m at 5.06 g/t Au
 - Hole PSRC089 intersected 9 m @ 2.46 g/t Au from 58m
 - incl. 3 m at 5.63 g/t Au
 - Hole PSRC090 intersected 7 m @ 2.25 g/t Au from 93 m

- incl. 3 m at 4.49 g/t Au
- Reported results are over a strike length of 600 m at Porcupine South (western extension) targets
- All of these newly reported drilling intersections are outside existing mineral reserves and will be incorporated into the next update of the mine plan
- Mineralisation at Luika and Porcupine South (western extension) remains open at depth.

Eric Zurrin, Chief Executive Officer, commented:

“Exploration drilling and mine life extension are core value drivers for Shanta. With another set of encouraging drilling results reported at New Luika, today’s update not only adds to our ongoing exploration success this year – strengthened by the discovery of high-grade resources at our West Kenya project – but also reinforces our confidence in our strategy to deliver sustainable growth through exploration.”

The current reserve life at New Luika has been extended to 2026, and we are continuing to invest in exploration programmes aimed at extending the mine life, with recent discoveries at the Porcupine South deposit adding further life to New Luika once incorporated into the mine plan. We look forward to publishing a reserve and resource update for New Luika in Q1 2022.

As we transition to a 100,000+ oz gold producer in 2023, ongoing exploration will play a critical role in sustainably extending and adding to Shanta’s production profiles over time to maximise the social impact of our assets on the ground and in returns for shareholders.”

BC Main Exploration Drilling

The Bauhinia Creek deposit is located within a moderately steep ($\pm 55^\circ$), NW-dipping shear zone, which is silicified and mineralised by an auriferous quartz (\pm carbonate) vein system. BC is currently in production by way of underground mining. Single mineralised, economic veins trend parallel to the shear zone geometry, but pinch or taper out towards the ENE, abruptly terminating against the Nose Fault to the WSW.

Two exploration diamond drill holes representing 343 metres were completed in the BC Main exploration targeting to test the continuity of the BC plunging shoot between levels 540 mRL and 500 mRL. The holes were drilled from underground development and inclined at between minus 26 and 36 degrees and averaged 185.32 metres in depth with a maximum of 213 metres down the hole.

It is estimated that the true widths of the mineralised zones are about 55% of the intersected widths.

The BC Main significant intersections are tabulated below:

Hole	Drilling Type	From (m)	To (m)	Interval (m)	Au (g/t)
CSD294	DD	110.20	113.25	3.05	15.17
		<i>Including:</i>			
110.20		111.43	1.23	36.29	
CSD297		122.76	136.31	13.55	1.87
		<i>Including:</i>			
	123.36	126.26	2.90	4.07	
	133.24	136.31	3.07	2.56	

Assay results are from onsite laboratory at NLGM operated by independent third party.

BC East Area 1 Exploration Drilling

BC East Area 1 is located approximately 2 km to the northwest of the NLGM processing plant and represents an extension of the main BC deposit and an immediate extension of the currently operational underground mine, to the east of the Central Fault, which offsets the mineralized structure. The BC East Area 1 structure strikes approximately NNE - SSW and dips ~50° to NW. Gold mineralization at BC East Area 1 is associated with quartz (± carbonate) veining and low sulphides (predominantly pyrite) mineralization. The mineralised zone is hosted by granodioritic rocks. The structure drilled and modelled so far at BC East Area 1 covers a strike extent of approximately 270 m. It is estimated that the true widths of the mineralised zones are about 80% - 95% of the intersected widths in the drillholes. As of 30th June 2021, the BC East Area 1 JORC compliant MRE totaled 310 kt, grading 4.53 g/t and containing 45 koz of gold using a cut-off grade of 1.0 g/t (Refer to the Company's news release dated 8th July, 2021 for further details on BC East Area mineral resources).

The drilling programme that was completed at BC East Area 1 in Q3 2021 was part of the drilling programme that started in H1 2021, which targeted the area immediately below the eastern side of BC pit, between the Central Fault and the E - W Fault between levels 950 mRL and 800 mRL. Four exploration DD holes for 1,131.03 m and two RC holes for 402 m were drilled at BC East Area 1 in Q3 2021. The holes that returned poor intersections were drilled proximal to the E - W Fault and suggest that there is little potential of mineralisation continuity to the east of the E - W Fault.

Intersections from the BC East Area 1 assay results are tabulated below:

Deposit	Drilling Type	BHID	From (m)	To (m)	Interval (m)	Au (g/t)
BC AREA 1	DD	CSD251	40.85	46.70	5.85	0.90
			50.96	51.95	0.99	0.72
			56.23	57.66	1.43	0.59
			98.00	108.56	10.56	22.67
			<i>Including:</i>			
			100.60	104.90	4.30	51.65
			119.50	123.44	3.94	1.26
			<i>Including:</i>			
			120.41	121.80	1.39	2.67
			CSD253	No significant intersection		
	CSD257	No significant intersection				
	CSD260	No significant intersection				
	RC	CSR630	10.00	11.00	1.00	0.11
58.00			59.00	1.00	0.02	
203.00			204.00	1.00	0.01	

		CSR631	128.00	130.00	2.00	0.01
			<i>Including:</i>			
			129.00	130.00	1.00	0.02

*Assay results are from the accredited independent commercial laboratory (SGS Mwanza).

Luika Exploration Drilling

Luika is located 1.8 km to the northwest of the NLGM Processing Plant. The Luika deposit is currently in production by way of underground mining. The orebody strikes approximately NNE - SSW and dips ~50° to NW. Gold mineralization at Luika is closely associated with quartz veining (silicification) and low sulphides mineralisation (predominantly disseminated pyrite ~1-3%). The mineralised zones are presented by moderately to sub-vertical dipping quartz veins hosted by granodioritic rocks. The deposit depicts relatively higher-grade westerly plunging shoots which have potential to host significant economic mineralisation below the presently explored area and will continue to be the target of future exploration drilling programs.

Surface exploration drill holes at Luika were designed with centre spacing of 40 - 50 m aimed to increase confidence for the Indicated resources generation to level 510 mRL. Nine exploration diamond drill holes for a total of 2,628.92 m were completed at Luika in Q3 2021. The holes were collared on surface (approximately 1000mRL), inclined at between minus 49° and 84° with depths ranging from 131.12 m to a maximum of 603.42 m down the hole. It is estimated that the true widths of the mineralised zones are about 70% - 95% of the intersected widths in the drillholes.

Significant intersections are tabulated below:

Deposit	Drilling Type	BHID	From (m)	To (m)	Interval (m)	Au (g/t)	
LUIKA	DD	CSD227*	529.20	534.08	4.88	4.72	
			<i>Including:</i>				
			530.10	532.22	2.12	8.07	
		CSD269	531.62	531.93	0.31	6.00	
			533.93	534.74	0.81	0.64	
			539.92	545.36	5.44	5.84	
			<i>Including:</i>				
			541.97	543.13	1.16	17.88	
		CSD277	No significant intersection				
		CSD279	225.85	229.08	3.23	0.61	
			<i>Including:</i>				
			225.85	226.25	0.40	3.18	
			554.00	557.72	3.72	1.05	
		<i>Including:</i>					
			554.00	555.00	1.00	2.00	
		CSD283	88.54	92.44	3.90	0.52	
			<i>Including:</i>				
			90.69	91.00	0.31	1.82	
			91.90	92.44	0.54	1.00	
			99.94	100.20	0.26	1.12	
		CSD285	67.43	70.05	2.62	1.51	
			<i>Including:</i>				
			67.43	68.16	0.73	3.96	
73.11	74.65		1.54	1.51			
<i>Including:</i>							
	74.20	74.65	0.45	2.40			

			82.75	85.91	3.16	0.59
			<i>Including:</i>			
			85.27	85.91	0.64	1.12
		CSD293	118.63	119.35	0.72	1.28
			125.34	125.98	0.64	2.18
			135.07	136.12	1.05	0.89
		CSD298	155.06	159.43	4.37	2.37
			165.50	170.44	4.94	0.77
			172.80	177.75	4.95	3.23

Assay results are from onsite laboratory at NLGM operated by independent third party.

*Assay results are from the accredited independent commercial laboratory (SGS Mwanza).

Porcupine South (Western Extension) Exploration Drilling

Porcupine South is located about 22 km to the east of the NLGM Processing Plant with total JORC compliant resources of 962kt grading 2.08 g/t containing 64k oz as of 30 June 2021.

The Northern Trend of Porcupine South strikes northwest – southeast. Drilling at the Western Extension of Porcupine South is one of three highly prospective targets on the licence, of which the other two targets are expected to be drilled in 2022. Gold mineralisation is associated with quartz veins hosted by a shear zone at the granite – dolerite contact and steeply dips to the northeast. Higher gold mineralisation grades in the Northern Trend appear to be closely associated with strong silica and sulphides (pyrite) alteration. Pyrite occurs as disseminated, semi massive bands and stringers that infill fractures. The western extension (Area 1 and Area 2) drilled and modelled so far covers a strike extent of approximately 600 m. The ongoing drilling program is designed to test the mineralised structure to level 1120 mRL (~120m vertical depth).

The designed drilling centre spacing of 30 – 50 m at Porcupine South will increase confidence for Indicated resources generation to level 1120 mRL for Area 1 and 1160 mRL for Area 2 of the Western Extension.

At Porcupine South, forty-seven RC holes have been drilled in Q3 2021 for a total of 3,733 m. The holes were collared on surface (approximately 1240 mRL), inclined at between minus 48° and 60° with depth ranging from 40 m to a maximum of 210 m down the hole.

The reported results are over a strike length of 600 m. It is estimated that the true widths of the mineralised zones are 75% of the intersected widths in the drillholes.

Significant intersections are tabulated below:

Hole	Drilling Type	From (m)	To (m)	Interval (m)	Au (g/t)	
PSRC046	RC	16	21	5	1.42	
PSRC049		53	61	8	2.60	
		<i>Including:</i>				
		54	55	1	5.02	
			57	60	3	4.23
PSRC050			32	34	2	3.11
PSRC052			18	20	2	2.70
PSRC053			35	41	6	1.03
PSRC054			12	14	2	2.26

PSRC055	10	18	8	1.46
	<i>Including:</i>			
	12	13	1	5.52
	22	23	1	3.38
PSRC056	19	22	3	1.70
PSRC066	53	60	7	2.38
	<i>Including:</i>			
	54	56	2	4.75
PSRC076	41	45	4	1.38
	<i>Including:</i>			
	42	43	1	3.96
PSRC079	20	27	7	2.10
	<i>Including:</i>			
	20	23	3	3.22
PSRC081	63	66	3	1.87
	<i>Including:</i>			
	63	65	2	2.39
PSRC051	53	63	10	2.26
	<i>Including:</i>			
	59	63	4	4.07
PSRC083	69	73	4	1.97
	<i>Including:</i>			
	69	72	3	2.35
	81	83	2	1.31
	87	89	2	4.00
PSRC086	132	134	2	2.10
PSRC088	167	180	13	3.01
	<i>Including:</i>			
	170	175	5	5.06
PSRC089	58	67	9	2.46
	<i>Including:</i>			
	63	66	3	5.63
PSRC090	93	100	7	2.25
	<i>Including:</i>			
	96	99	3	4.49

Assay results are from onsite laboratory at NLGM operated by independent third party.

The drilling campaigns at Porcupine South will continue to the end of November 2021 with a focus on defining the geometry of the mineralised structures and better defining the constraints of the potential open pit resources at Porcupine South.

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The technical information contained in this announcement was reviewed by Evance Rwiza (the Company's Senior Resource Geologist) who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and Yuri Dobrotin, P.Geol. Membership No.0702 (Shanta's Group Exploration Manager), who is a practicing member of the Association of Professional Geoscientists of Ontario, Canada (PGO).

They have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves' and for the purposes of the AIM Guidance Note on Mining and Oil & Gas Companies dated June 2009, and National Instrument 43-101 ("NI 43-101")

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as amended by The Market Abuse (Amendment) (EU Exit) Regulations 2019.

About Shanta Gold

Shanta Gold is an East Africa-focused responsible gold producer, developer and explorer. The company has an established operational track record, with defined ore resources on the New Luika and Singida projects in Tanzania, with reserves of 666 koz grading 3.0 g/t, and exploration licences covering approximately 1,100 km² in the country. Alongside New Luika and Singida, Shanta also owns the West Kenya Project in Kenya with defined high grade resources and licences covering approximately 1,162 km². With a strong balance sheet, a growing diversified portfolio and a maiden dividend paid in 2021, Shanta offers a resilient investment opportunity for the near and long-term. Shanta is quoted on London's AIM market (AIM: SHG) and has approximately 1,048 million shares in issue.

Glossary

Glossary of Technical Terms

"Au"	chemical symbol for gold
"cut off grade" (COG)	the lowest grade value that is included in a resource statement. It must comply with JORC requirement 19: " <i>reasonable prospects for eventual economic extraction</i> " the lowest grade, or quality, of mineralised material that qualifies as economically mineable and available in a given deposit. It may be defined on the basis of economic evaluation, or on physical or chemical attributes that define an acceptable product specification
"g/t"	grammes per tonne, equivalent to parts per million
"Inferred Resource"	that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes which may be limited or of uncertain quality and reliability
"Indicated Resource"	that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade, and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed
"JORC"	The Australasian Joint Ore Reserves Committee Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (the "JORC Code" or "the Code"). The Code sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves
"koz"	thousand troy ounces of gold
"Measured Resource"	that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade, and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes. The locations are spaced closely enough to confirm geological and grade continuity
"Mineral Resource"	a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality, and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics,

and continuity of a Mineral Resource are known, estimated, or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories when reporting under JORC

"Mt"	million tonnes
"oz"	troy ounce (= 31.103477 grammes)
"Reserve"	the economically mineable part of a Measured and/or Indicated Mineral Resource
"t"	tonne (= 1 million grammes)

APPENDIX 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Sub surface samples have been collected by a variety of different drilling techniques. Samples either comprise chips from reverse circulation (RC) or core from diamond. RC samples are homogenised by riffle splitting prior to sampling and then assayed as 1m intervals with 2-3kg submitted for assay. Diamond core is split by a core saw with half the core submitted for assay and the other half stored in trays on site. Samples are typically submitted as 1m intervals although within the mineralised zones irregular lengths are collected to reflect rock type and alteration intensity. Drill holes are oriented perpendicular to the interpreted strike of the Mineralised trend. Samples are submitted to the on-site lab (Minopex) or to the SGS Laboratory in Mwanza for analysis. CRMs, blanks and duplicates are inserted into the sample stream prior to dispatching to laboratory. At least 3kg sample pulverized and a 50g charge fire assayed with AAS finish for gold.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit, or other type, whether core is oriented and if so, by what method, etc). 	<p>Drilling techniques used at New Luika Gold Mine:</p> <ul style="list-style-type: none"> Reverse Circulation (RC). Diamond Core/NQ diameter, standard tube with all core oriented when feasible.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Core sample recoveries routinely measured and recorded in spreadsheet database. Samples split half core perpendicular to strike of structures.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Logging of geology, alteration, and geotechnical aspects recorded in drill logs for diamond core drilling. Logging is qualitative; All drill core photographed. Entire intervals that drilled were logged.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> Half core taken; sawn.

	<ul style="list-style-type: none"> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality, and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • For trench samples, the entire sample for the respective interval aggregated, not riffled, or split. Samples are typically dry. • Aggregated half core; Entire 3kg sample pulverized at laboratory prior to fire assay in order to minimize bias. • Drilling and channels planed orthogonal to the strike of structures/lithologies in order to maximize representativeness. • Field duplicates sampled at appropriate intervals.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Fire assay is appropriate for the nature of gold mineralization being assayed. • No geophysical tools used to generate exploration results. • Registered reference material inserted at the interval of 20 samples. • Levels of accuracy and precision (detection limit) for gold is 0.01 ppm which is suitable for the level of assays reported.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Significant intersections that were reported by field personnel are yet to be verified by an independent CP. • No twinning of drill holes. • Primary data was logged onto paper and later transferred into database, verified by a Senior Geologist, and stored in electronic database, which is regularly backed up. Database is verified and compared with standard assays stored in using established company protocols. • No adjustments have been made to assay data.
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Drill holes were accurately located and surveyed using Trimble DGPS survey equipment. • All RC and diamond holes have been surveyed by a down hole camera. • Drill holes are surveyed in UTM Coordinates System Arc 1960 zone 36S. • Topographical surveys were done using Aerial Lidar Survey.
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> 	<ul style="list-style-type: none"> • Drilling assayed on a maximum of 1 m downhole. • The data spacing was enough to establish the degree of geological and grade continuity appropriate for the mineral resource estimation procedures. • Samples were not composited.

	<ul style="list-style-type: none"> • Whether sample compositing has been applied. 	
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • Drilling planned perpendicular to the interpreted strike of lithological units and geological structures. • No sampling bias was interpreted.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Samples secured by senior personnel on site and transported directly by company vehicle to the laboratories (Minopex Labs in NLGM and SGS in Mwanza).
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • Internal reviews are regularly completed but no external audits were carried out for the currently reported results.

APPENDIX 2: REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> • ML408/2010 • Valid to 20/09/2030
Exploration done by other parties	<ul style="list-style-type: none"> • Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> • Historical colonial exploration and mining works.
Geology	<ul style="list-style-type: none"> • Deposit type, geological setting, and style of mineralisation. 	<ul style="list-style-type: none"> • Underlain by a complex association of high grade metamorphic and intrusive lithologies, commonly intruded by dykes of variable composition. Modally, granodioritic and granitic lithologies are most encountered. • These granodiorites and granites have been interpreted as late-orogenic intrusive phases associated with gold mineralisation in the area. Subordinate diorite, porphyroblastic hornblende gabbro, quartzo-feldspathic felsite and migmatite are also regularly observed. • Dyke intrusive rocks include dolerite, pegmatite, and common aplite and alaskite, seemingly randomly crosscutting major lithologies, and

		therefore regarded as younger than the country rock.
Drill hole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> • Relevant tables included summarizing drill holes locations, RL, azimuth, length/depth, and significant intersection intervals.
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • Exploration results from drilling sampling have been weighted by interval. • No high-grade caps have been applied. • Lower cut-off grade of 0.5 g/t Au has generally been applied to significant intersections. • Aggregate drilling and trenching intervals do not incorporate longer lengths of low-grade results. • No metal equivalent reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • Drill holes have been drilled as perpendicular as possible to the general strike of the mineralized zones and structures so that the intersected lengths are close to true widths.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • Maps and sections are being generated.
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • All significant drilling results have been reported.
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; 	<ul style="list-style-type: none"> • Metallurgical studies on mineralised material from the Bauhinia Creek deposit during 2010/2011 indicated that the ore is amenable to direct cyanidation leaching with an average of 85% gold liberated.

	<i>potential deleterious or contaminating substances.</i>	
Further work	<ul style="list-style-type: none">• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	<ul style="list-style-type: none">• Drilling to be continued to test the down-dip continuity of the delineated mineralization.

ENDS