



Q3 2018 Production and Operational Update

18 October 2018



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Shanta Gold – Highlights

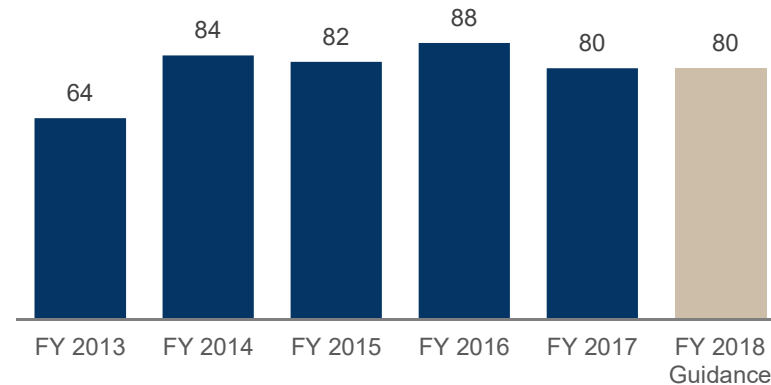
Q3 2018 highlights

- Gold production of 19.7k oz at New Luika
- Cash costs of US\$553 /oz
- AISC of US\$769 /oz
- Cash balance: US\$8.5 m
- Net debt: US\$35.1 m at Sep'18, down from US\$38.1 m at Jun'18
- Capex of US\$5.3 m
- EBITDA of US\$12.8 m
- Exceptional safety record: LTIFR: 0, TRIFR: 0.74

2018 updated guidance

- Gold production and AISC of approximately 80,000 oz and US\$750 /oz, respectively, driven by lower gold grade than expected
- Previous guidance of 82,000-88,000 oz and AISC of US\$680 – 730 /oz

6th year of steady gold production



Summary Capitalisation

Share Price (GBP) ¹	4.7p
Market capitalisation	US\$48 m
Net debt ²	US\$35 m
Enterprise Value	US\$83 m

1. As of 16 October 2018

2. As of 30 September 2018

3. The AISC calculation since Q3 2017 includes the impact of higher royalties (c. US\$40/oz). Development costs at the Bauhinia Creek and Luika underground operations are not included in AISC



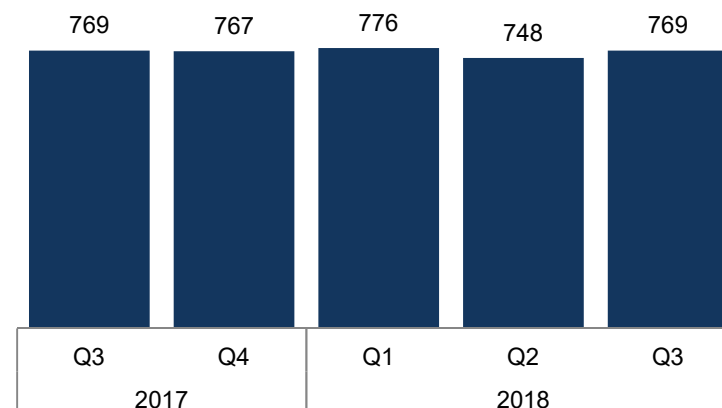
Q3 2018 highlights

- No lost time injuries
- TRIFR of 0.74
- Gold production of 19,723 oz (Q3 2017: 18,250 oz)
- Gold sales of 19,737 oz (Q3 2017: 18,487 oz)
- AISC of US\$769 /oz (Q3 2017: US\$769 /oz)¹
- Cash operating costs of US\$553 /oz (Q3 2017: US\$558 /oz)
- 149,532 tonnes ore mined from underground plus 35,397 tonnes mined from open pits
- Open pit mining paused at the end of August 2018
- Additional pre-leach tank commissioned in September 2018

Quarterly gold production (000's oz)



Quarter on Quarter AISC (\$ /oz)

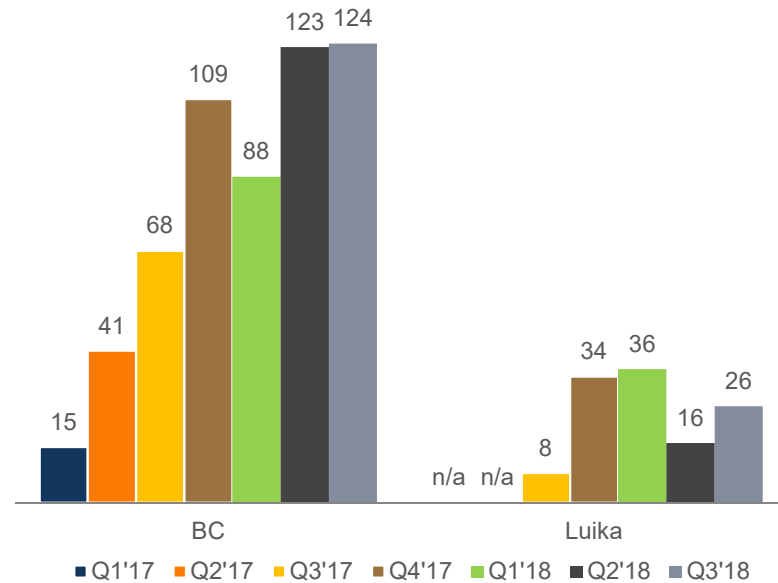


¹ AISC calculation since Q3 2017 includes the impact of higher royalties (c. US\$40/oz). Development costs at the Bauhinia Creek and Luika underground operations are not included in AISC

Q3 2018 underground update

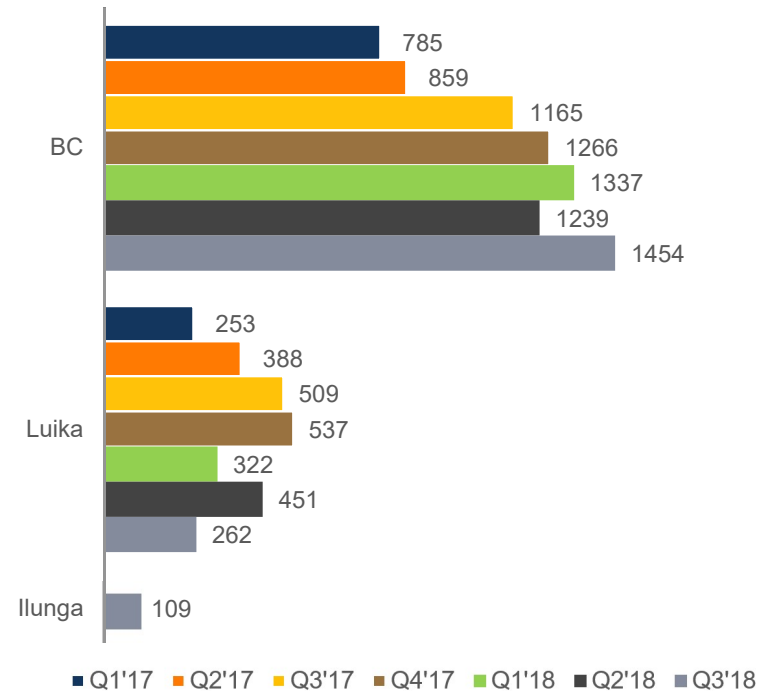
- ▶ A total of 150kt mined from Bauhinia Creek and Luika in Q3
- ▶ Development is comfortably on track to continue meeting tonnage requirements

Tonnes ore mined¹ (000s)



1. Includes ore from development and production
BC = Bauhinia Creek

Development metres (m)



Ilunga development on track and on budget

Q3 Highlights

- Underground development now underway
 - brought forward by 12 months reflecting compelling business case
- ESIA permit received
- First blast taken in August 2018
- 109 meters developed in Q3
- 100% owner-managed team
- First ore expected by mid-2019
- Testing of the underground extensions at depth estimated to take place in 2020

Ilunga underground portal (August 2018)



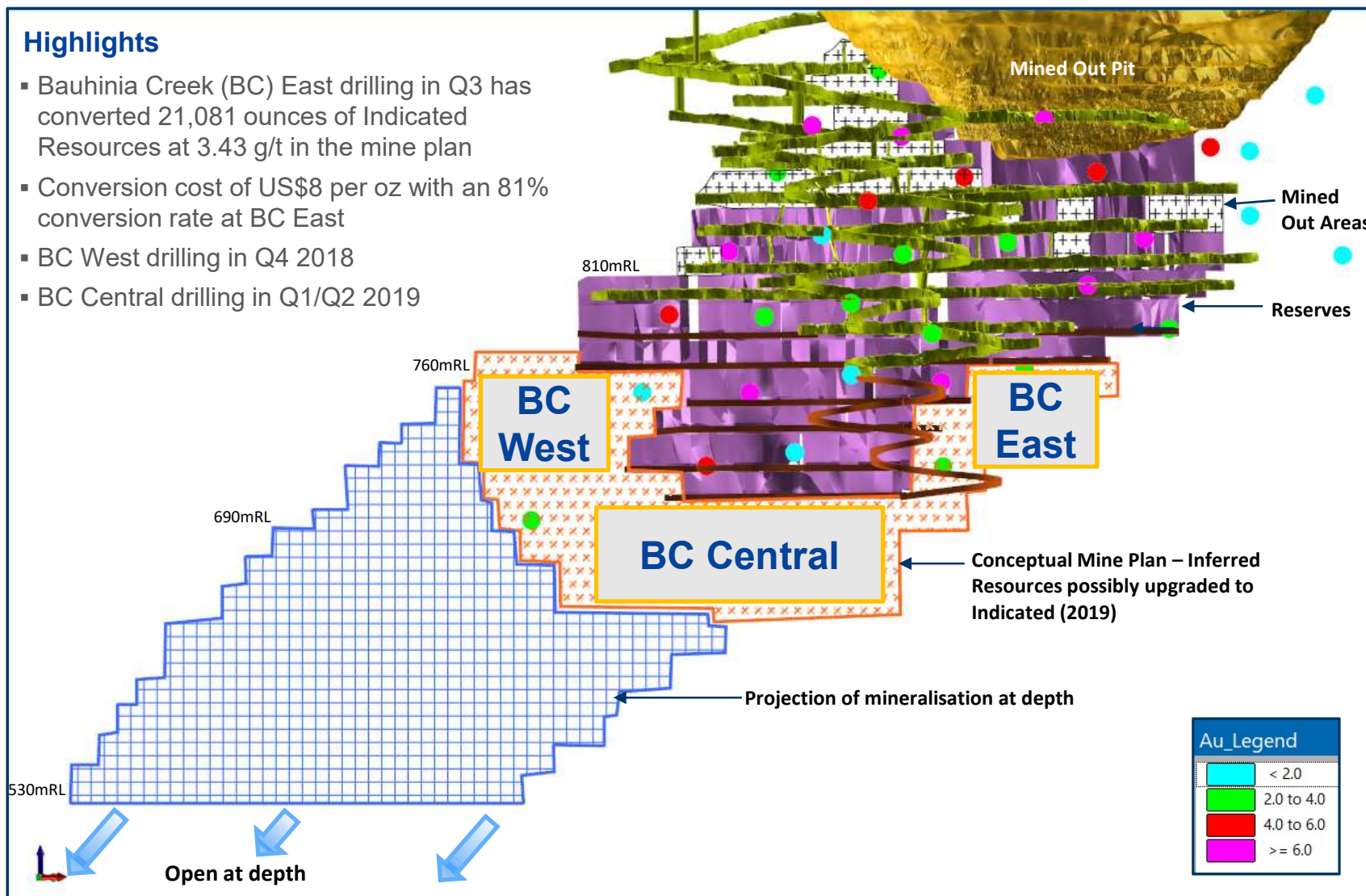
Ilunga underground portal (October 2018)



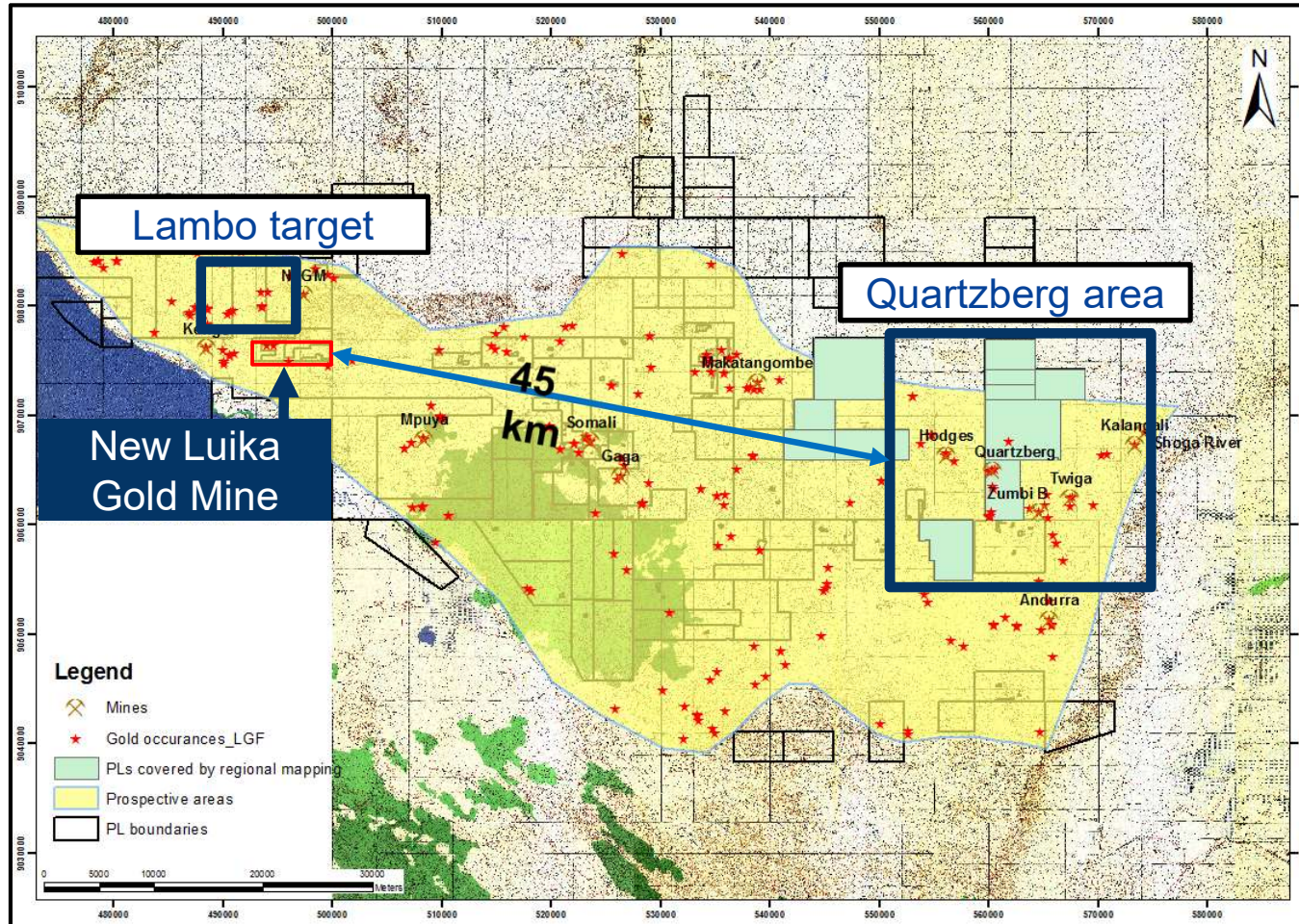
Q3 Exploration: 81% conversion rate of Inferred to Indicated

Highlights

- Bauhinia Creek (BC) East drilling in Q3 has converted 21,081 ounces of Indicated Resources at 3.43 g/t in the mine plan
- Conversion cost of US\$8 per oz with an 81% conversion rate at BC East
- BC West drilling in Q4 2018
- BC Central drilling in Q1/Q2 2019



Exploration: Unlocking the Lupa Goldfields



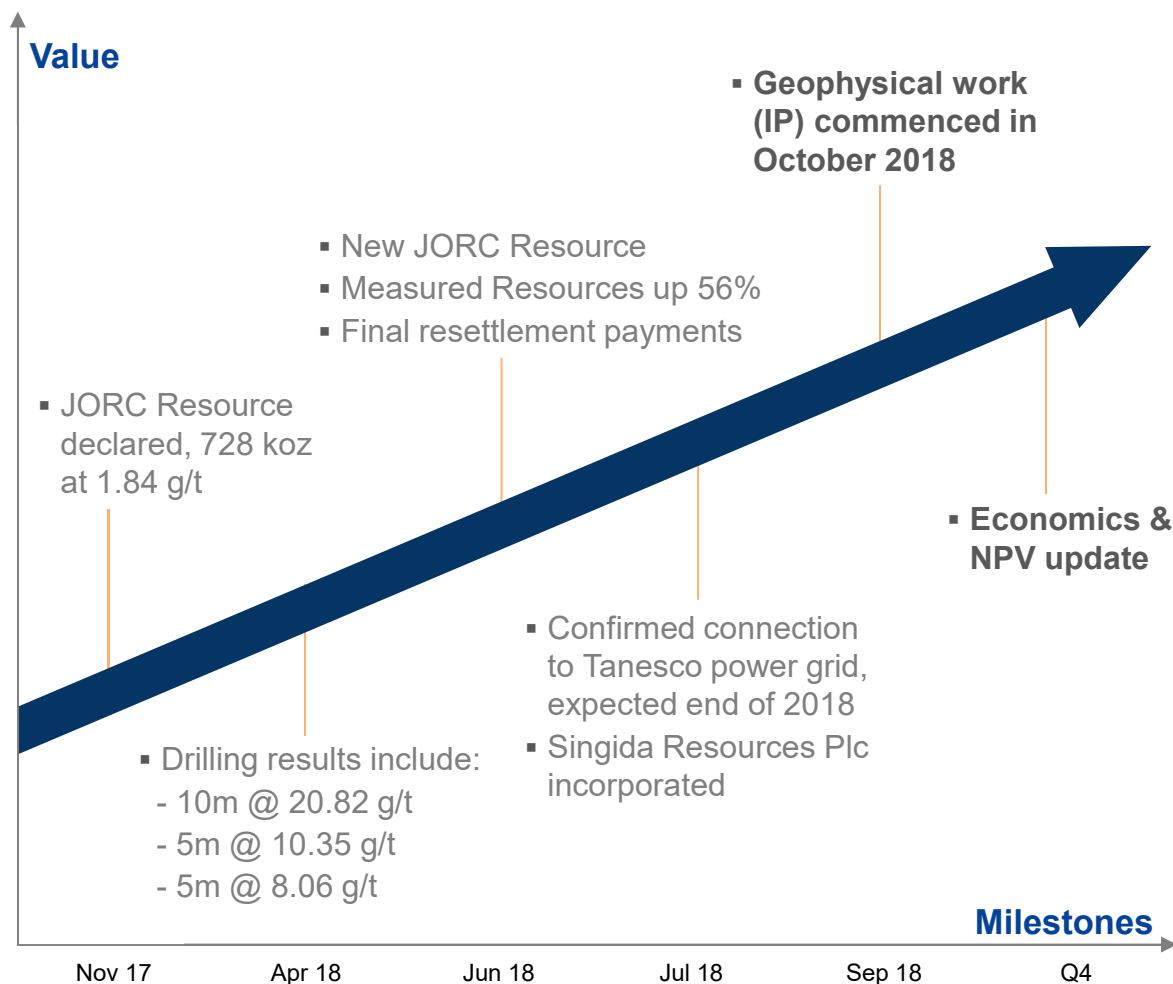
Lambo target:

- 6.6 km north west of the NLGM plant
- Includes two separate trenches of 2.1 metres at 47.12 g/t Au and 3.15 metres at 32.73 g/t Au; and,

Quartzberg area:

- High-grade rock chip samples
- Includes 27.22 g/t Au, 19.28 g/t Au, 17.82 g/t Au, 16.98 g/t Au, 15.28 g/t Au and 14.68 g/t Au

Singida: Update expected by the end of Q4 2018



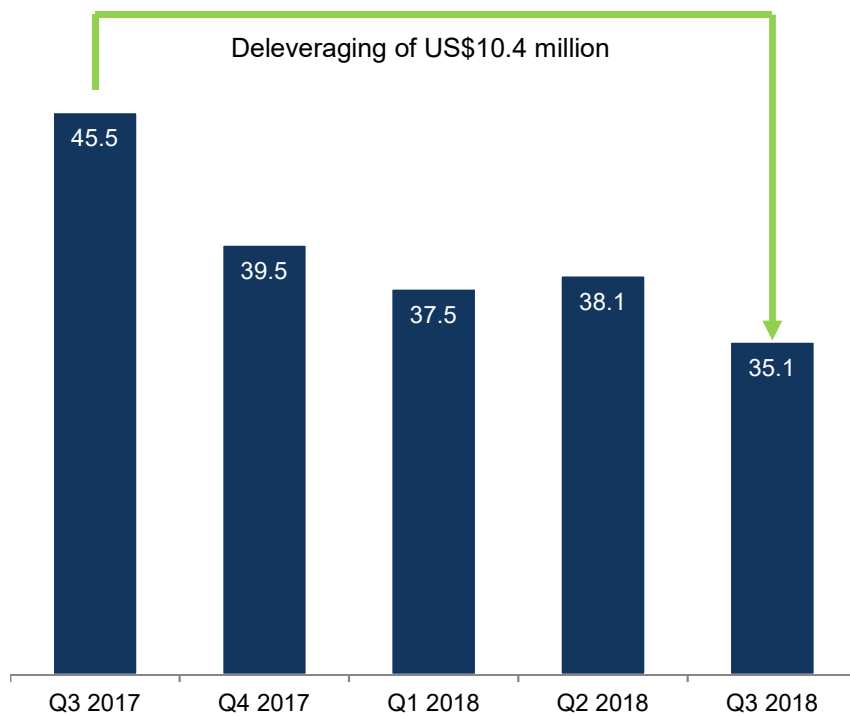
Upward trajectory at Singida

- Project activity ramping up with no incremental YTD costs to Shanta
- All work being carried out internally, led by the Owners Team established in Q1 2018
- Gearing up for potential asset-level financing
- Unlocking value for Shanta shareholders with no additional investment from shareholders



Balance sheet deleveraging ongoing

Net debt (US\$ million)

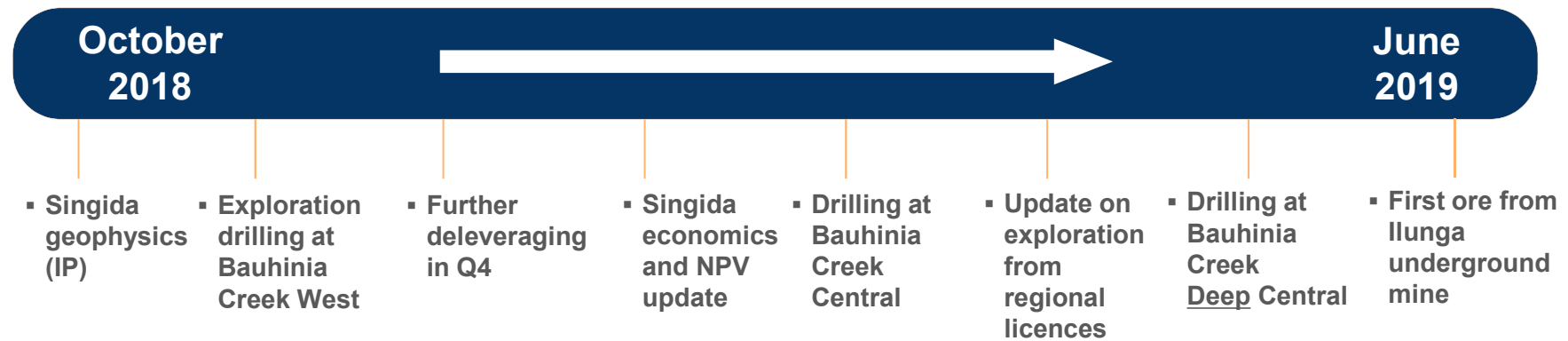


Q3 highlights

- Cash balance of US\$8.5 million at 30 September 2018
- Deleveraging in Q3 despite allocating US\$1.6 million to Ilunga capex and US\$2.5 million to ROM stockpiles during the period

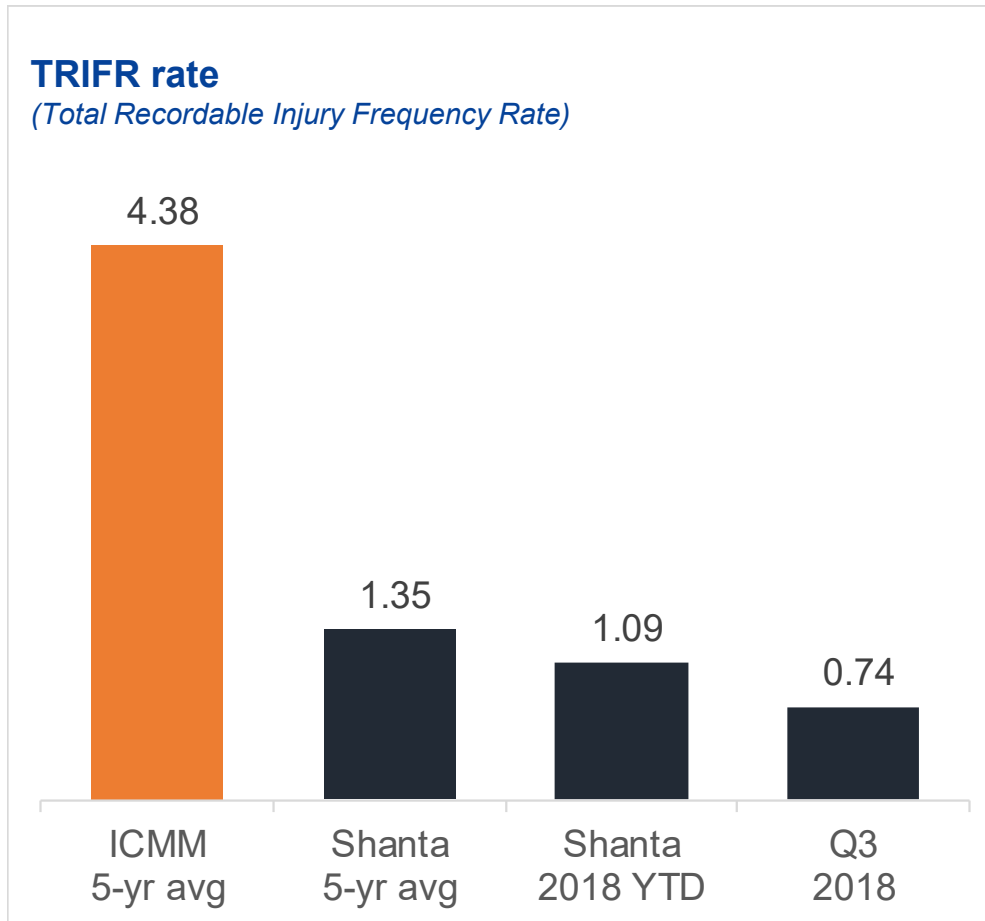


Near term shareholder value catalysts



Constructive engagement with the Government of Tanzania to repay and/or offset the US\$19.9 million VAT receivable (at September 2018)

Excellent safety: TRIFR of 0.74



Shanta highlights

- No fatalities
- No LTIs YTD
- Industry leading safety record

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





Appendix

Production performance (last two years)

	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2016	Q4 2016
Tonnes ore mined (OP + UG)	184,929	197,020	142,784	638,088	143,092	177,416	196,454	121,127	622,853	63,192
Tonnes ore milled	159,640	157,426	149,711	632,287	162,233	163,109	155,567	151,378	597,583	151,827
Grade (g/t)	4.26	4.55	3.94	4.28	4.48	3.83	4.28	4.57	5.08	4.26
Recovery (%)	90.3	91.5	90.9	91.1	91.1	90.9	90.9	92.0	89.9	90.8
Gold Production (ounces)	19,723	20,544	17,663	79,585	21,288	18,225	19,657	20,415	87,713	18,897
Gold sales (ounces)	19,737	19,475	17,691	80,365	20,644	18,487	17,982	23,252	86,332	15,285
Realised gold price (US\$ /oz)	1,218	1,302	1,329	1,263	1,273	1,267	1,265	1,249	1,220	1,187

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