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FURTHER, THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND SHALL NOT CONSTITUTE AN OFFER TO SELL OR ISSUE OR THE SOLICITATION OF AN OFFER TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE ANY NEW ORDINARY SHARES OF SHANTA GOLD LIMITED IN ANY JURISDICTION IN WHICH ANY SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (EU) NO. 596/2014.

23 October 2020

Shanta Gold Limited

(“Shanta” or the “Company”)

Result of Placing, Subscription and PrimaryBid Offer and Secondary Trade

Shanta Gold Limited (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is pleased to announce that, following the announcement on 22 October 2020 (the "**Launch Announcement**") regarding the launch of a proposed placing (the "**Placing**"), a direct subscription (the "**Subscription**") (together, the "**Fundraising**") and an offer for subscription for retail investors (the "**PrimaryBid Offer**"), the Company has raised gross proceeds of £32.2 million (approximately US\$42.1 million) through the issue of an aggregate of 194,884,309 new ordinary shares of 0.01 pence each ("**Ordinary Shares**") in the capital of the Company at a price of 16.5 pence per Ordinary Share (the "**Issue Price**"). The Fundraising was significantly oversubscribed and was supported by both existing shareholders and new investors.

The Fundraising was conducted through an accelerated bookbuild process (the "**Bookbuild**") undertaken by Liberum Capital Limited ("**Liberum**"), Tamesis Partners LLP ("**Tamesis**") and Cormark Securities Inc. ("**Cormark**") acting as Joint Bookrunners (together the "**Joint Bookrunners**").

The Fundraising comprised of a Placing of 184,717,113 new Ordinary Shares ("**Placing Shares**") to raise approximately £30.5 million (approximately US\$39.9 million) and a Subscription of 3,161,674 new Ordinary Shares ("**Subscription Shares**") to raise approximately £0.5 million (approximately US\$0.7 million) (together and in aggregate the "**Fundraising Shares**"). In addition the PrimaryBid subscription is comprised of a subscription of 7,005,522 new Ordinary Shares ("**PrimaryBid Shares**") to raise approximately £1.2 million (approximately US\$1.5 million).

The Issue Price represents a discount of approximately 6.8 per cent. to the closing price of 17.7 pence per Ordinary Share on 22 October 2020, being the last business day prior to the announcement of the Fundraising.

Secondary Trade

As a result of the significant demand generated during the Bookbuild the participants in the Placing agreed to participate on a pro-rata basis in a secondary trade to acquire 54,650,211 Ordinary Shares owned by Barrick Gold Corporation (the "**Barrick Shares**") at the Issue Price (the "**Secondary Trade**").

The Barrick Shares represent 6.4 per cent. of the Company's existing issued share capital. Following completion of the Secondary Trade Barrick Gold Corporation will no longer have any beneficial interest in Shanta's Ordinary Shares.

Admission and Total Voting Rights

Application has been made for the Fundraising Shares and the PrimaryBid Shares to be admitted to trading on AIM ("**Admission**"). It is anticipated that trading in the Fundraising Shares and the PrimaryBid Shares will commence on AIM at or around 8.00 a.m. on 28 October 2020. The Fundraising Shares and PrimaryBid Shares will rank *pari passu* with the existing Ordinary Shares in issue. The Fundraising Shares and PrimaryBid Shares will represent approximately 18.7 per cent. of the Company's enlarged issued share capital on Admission (assuming no other issuance of Ordinary Shares prior to Admission).

Following Admission of the Fundraising Shares and the PrimaryBid Shares, the Company's issued and fully paid share capital will consist of 1,043,465,532 Ordinary Shares, all of which carry one voting right per share. The Company does not hold any Ordinary Shares in treasury. Following Admission, the figure of 1,043,465,532 Ordinary Shares may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company, under the Disclosure Guidance and Transparency Rules.

Director Participation in the Subscription

The Directors of the Company have subscribed for a total of 1,646,523 Fundraising Shares in aggregate. The beneficial holdings of the Directors before and after the Fundraising are set out below:

<i>Director</i>	<i>Existing beneficial shareholding</i>	<i>Fundraising Shares</i>	<i>Beneficial shareholding following the Fundraising</i>	<i>Shareholding as a percentage of the Enlarged Issued Share Capital</i>
Ketan Patel	43,667,957	606,060	44,274,017	4.2 per cent.
Anthony Durrant	2,663,159	231,214	2,894,373	0.3 per cent.
Eric Zurrin	11,767,897	231,214	11,999,111	1.1 per cent.
Luke Leslie	8,599,796	231,214	8,831,010	0.8 per cent.
Robin Fryer	840,000	231,214	1,071,214	0.1 per cent.
Keith Marshall	856,924	115,607	972,531	0.1 per cent.

Capitalised terms not defined in this Announcement have the meaning given to them in the Launch Announcement.

For more information please contact:

Enquiries:

Shanta Gold LimitedEric Zurrin (CEO)
Luke Leslie (CFO)

+44 (0) 14 8173 2153

Nominated Adviser, Joint Broker and Joint Bookrunner

Liberum Capital Limited

Scott Mathieson / Ed Thomas / Louis Davies / Nikhil Varghese

+44 (0) 20 3100 2000

Joint Broker and Joint Bookrunner

Tamesis Partners LLP

Charlie Bendon / Richard Greenfield

+44 (0) 20 3882 2868

Joint Bookrunner

Cormark Securities Inc.

Paul Nieznalski / Darren Wallace

+1 (416) 943 6472

This announcement is not for publication or distribution, directly or indirectly, in or into the United States of America. This announcement is not an offer of securities for sale into the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States.

About Shanta Gold Limited

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 1,200 km² in the country. Shanta Gold also owns the West Kenya Project in Kenya with defined ore resources of 1.2 Mt grading 12.6 g/t. Shanta's flagship New Luika Gold Mine commenced production in 2012 and produced 84,506 ounces in 2019. The Company has been admitted to trading on London's AIM market and has approximately 849 m shares in issue. For further information please visit: www.shantagold.com.

The notification below is made in accordance with the requirements of the EU Market Abuse Regulation.

Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them.

Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014		
1 Details of the person discharging managerial responsibilities/person closely associated		
a.	Name	Ketan Patel
2 Reason for notification		
a.	Position/Status	Non-Executive Director
b.	Initial notification/ Amendment	Initial
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		
a.	Name	Shanta Gold Limited
b.	LEI	213800WAVVOPS85N2205

4 Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted						
a.	Description of the financial instrument, type of instrument Identification Code	Ordinary Shares of 0.01p each ISIN: GB00B0CGR828				
b.	Nature of the transaction	Subscription for ordinary shares through placing.				
c.	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>16.5p</td> <td>606,060</td> </tr> </tbody> </table>	Price(s)	Volume(s)	16.5p	606,060
Price(s)	Volume(s)					
16.5p	606,060					
d.	Aggregated information - Aggregated Volume - Price	N/A				
e.	Date of the transaction	23 October 2020				
f.	Place of the transaction	AIMX				

Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014						
1 Details of the person discharging managerial responsibilities/person closely associated						
a.	Name	Anthony Durrant				
2 Reason for notification						
a.	Position/Status	Non-Executive Chairman				
b.	Initial notification/ Amendment	Initial				
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a.	Name	Shanta Gold Limited				
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Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014						
1 Details of the person discharging managerial responsibilities/person closely associated						
a.	Name	Eric Zurrin				
2 Reason for notification						
a.	Position/Status	CEO				
b.	Initial notification/ Amendment	Initial				
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a.	Name	Shanta Gold Limited				
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Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014		
1 Details of the person discharging managerial responsibilities/person closely associated		
a.	Name	Luke Leslie
2 Reason for notification		
a.	Position/Status	CFO
b.	Initial notification/ Amendment	Initial
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		

a.	Name	Shanta Gold Limited					
b.	LEI	213800WAVVOPS85N2205					
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Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014							
1 Details of the person discharging managerial responsibilities/person closely associated							
a.	Name	Robin Fryer					
2 Reason for notification							
a.	Position/Status	Non-Executive Director					
b.	Initial notification/ Amendment	Initial					
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor							
a.	Name	Shanta Gold Limited					
b.	LEI	213800WAVVOPS85N2205					
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e.	Date of the transaction	23 October 2020
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Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014						
1 Details of the person discharging managerial responsibilities/person closely associated						
a.	Name	Keith Marshall				
2 Reason for notification						
a.	Position/Status	Non-Executive Director				
b.	Initial notification/ Amendment	Initial				
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a.	Name	Shanta Gold Limited				
b.	LEI	213800WAVVOPS85N2205				
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