



SHANTA GOLD

Mining Capital Conference Company Update

1 December 2016

www.shantagold.com

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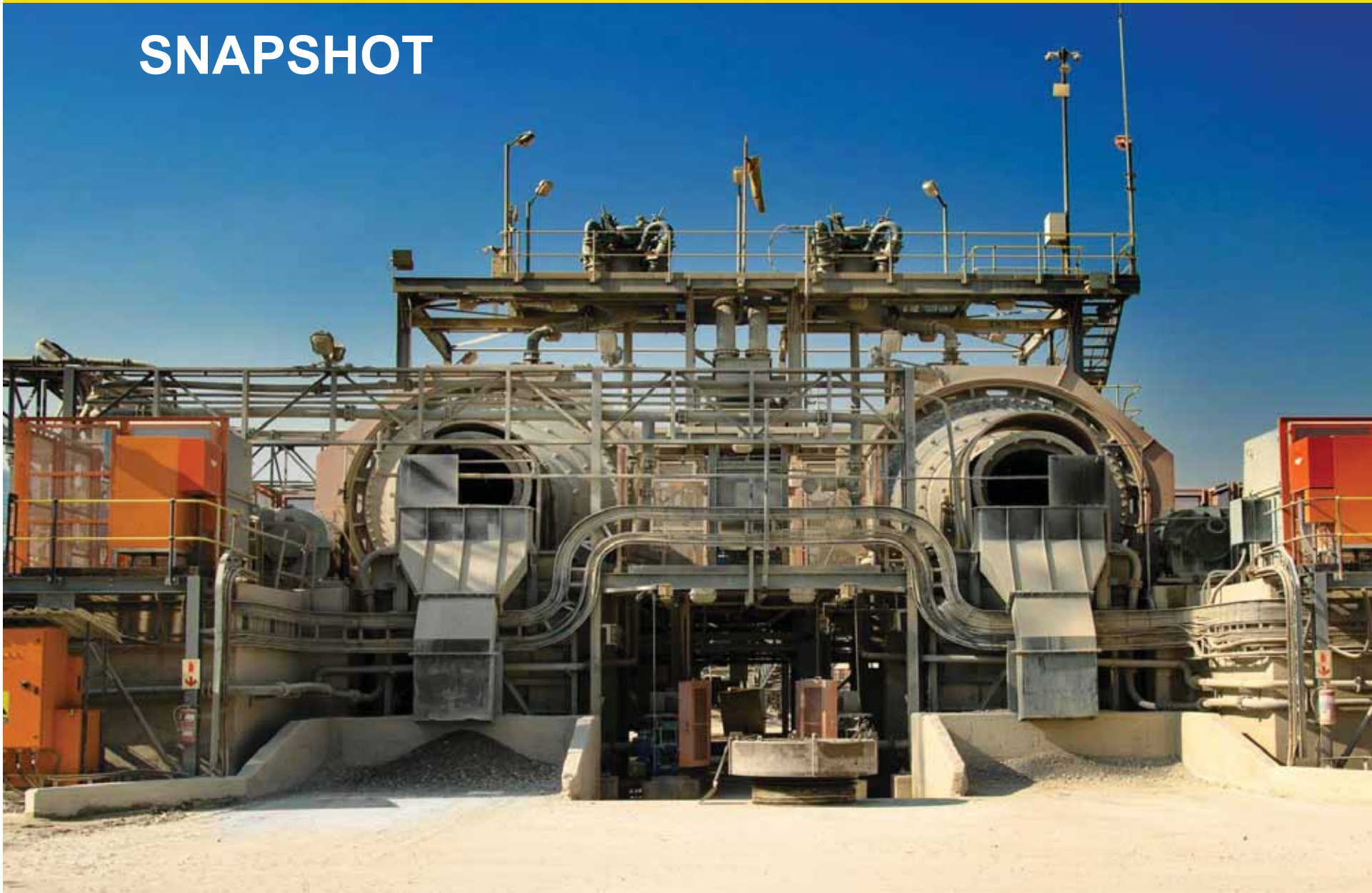
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SNAPSHOT





About Shanta Gold

Shareholder	Shares	%
Odey AM	107,873,112	19
Majedie AM	57,734,450	10
Ketan Patel	43,005,484	7
Brooks Macdonald	35,524,439	6
JP Morgan Securities	28,331,751	5
Hargreaves Lansdown AM	25,302,747	4
River & Mercantile	23,000,000	4
Hargreave Hale	21,319,970	4
Jonathan Leslie	17,444,088	3
Sub-total	359,536,041	62
Other	223,396,160	38
Total shares outstanding	582,932,201	100

Financial Position (November 28 th)		
Current Price (pence) ¹		9.5
52 week range (pence) ¹		4.5-13.38
Shares Outstanding		583 million
Market Cap ¹ (GBP)		55.88 million
Cash (US\$) ³		25.8 million
Gross Debt (US\$) ²		70.5 million
Enterprise Value (US\$)		113.7 million



A low-cost producing gold company engaged in mining and exploration projects in highly prospective, under-explored areas of Tanzania

- 1 As at 28 November 2016
- 2 Includes US\$9.1 million Bank M letter of credit
- 3 Excludes US\$6.34million pre-payment from cash reserves and US\$5.25 million silver streaming advanced payment



Shanta Gold Key Attributes

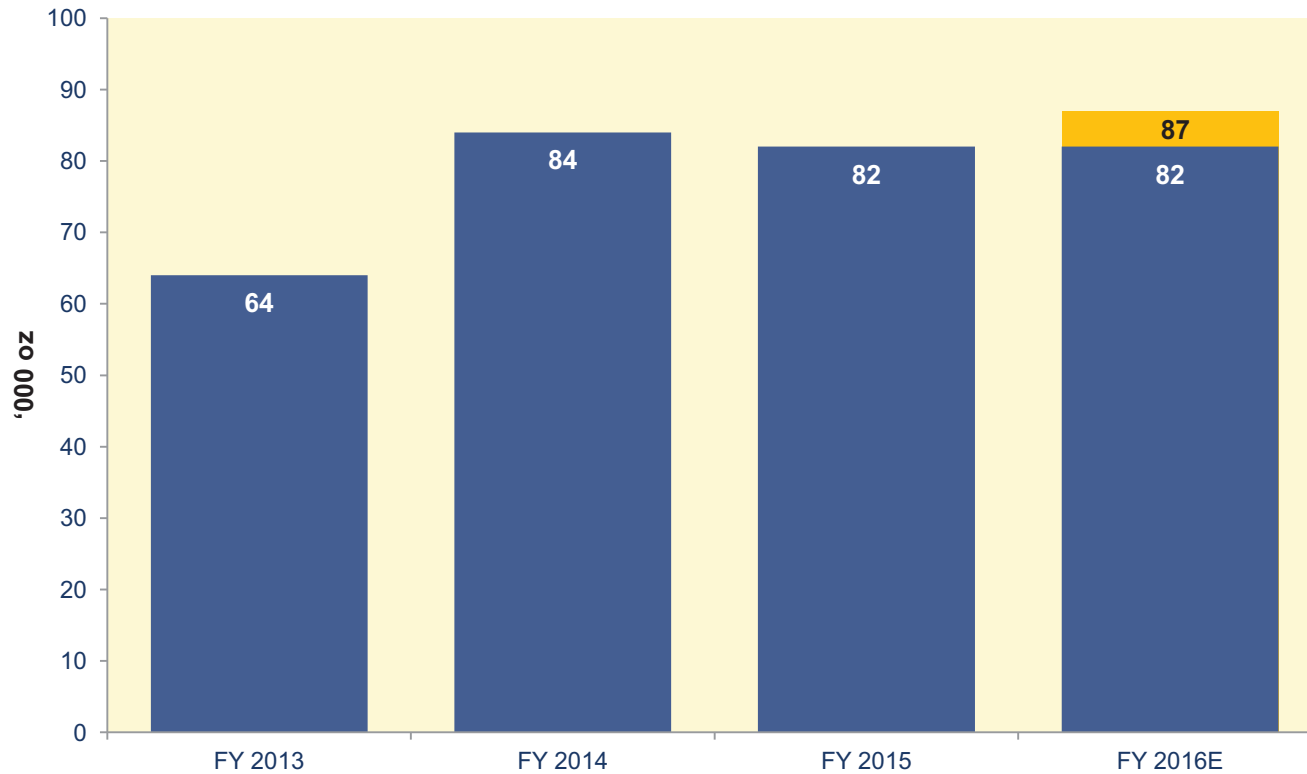
1. An **established gold producer** at New Luika Gold Mine with high grade resources, low AISC and potential for long mine life
2. **Generating free cash flow**, after fully funding capex, to support new investments and/or dividends in the future
3. **Attractive growth prospects** with exploration prospectivity in extensive Lupa Goldfields holdings and the Singida Project
4. Focused on **Tanzania**, an established and attractive mining country
5. **Strong management team** with pan-African experience in surface and underground operations with track record of delivery
6. Significant market upside when compared to TSX and ASX listed peers.



AN ESTABLISHED GOLD PRODUCER



New Luika Gold Mine Annual Gold Production

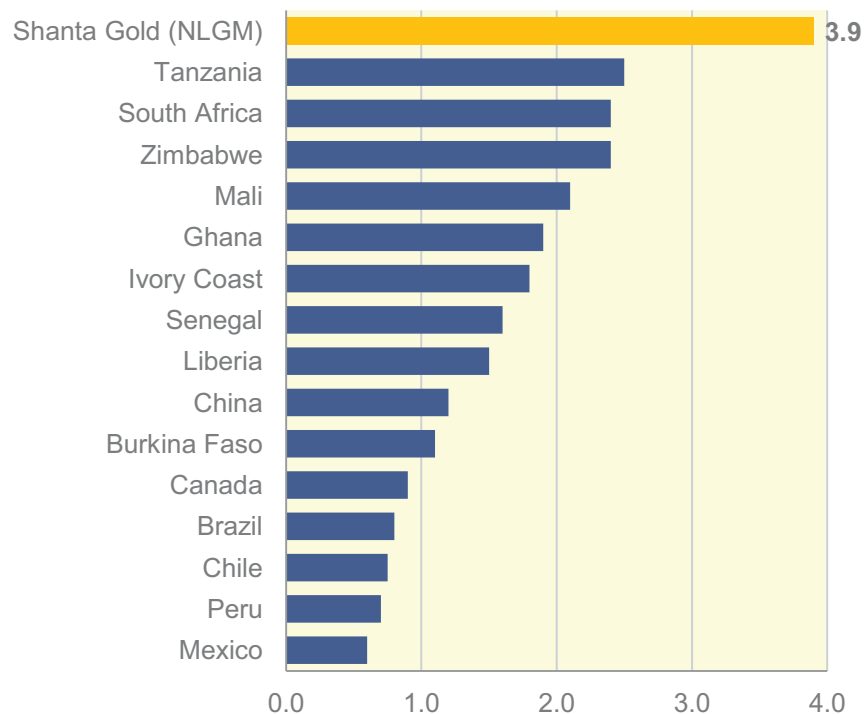


- Commercial production commenced in 2013
- 2016 guidance 82-87000 ounces, expected to be at the upper end



High Grade Resources

Total resource grade of gold deposits, by country (g/t)



Source: BMO Capital Markets Research, Metal Economics Group

Shanta Gold – New Luika Resources

Deposit	Grade (g/t)	Gold Oz (000s)	
		Resource ¹	Reserve ²
Bauhinia Creek	5.3	439	348
Luika	3.1	193	108
Elizabeth Hill ³	1.6	116	28
Jamhuri	1.8	91	8
Black Tree Hill ³	1.3	75	5
Ilunga ⁴	4.6	258	15
Shamba	2.1	24	9
Total NLGM	3.9	1,196	521

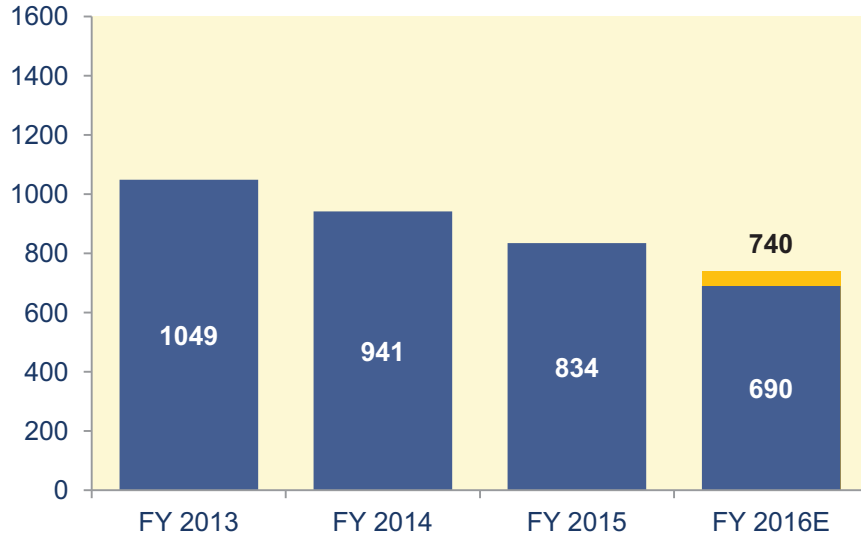
Note:

1. As of July 2015, subject to increases at Elizabeth Hill and BTH outlined below, resources is inclusive of reserves
2. Base Case Mine Plan of 506koz plus incremental 23koz from Elizabeth Hill reserve upgrade less 5koz reduction at BTH. Split 37% OP and 63% UG (using a 3.0 g/t cut-off at BC and 3.5 g/t cut-off at Luika)
3. Elizabeth Hill as of Jan 2016. BTH as of Apr 2016
4. Ilunga resources as at 7 Sep 2016 Reserve (open pit), as at July 2015

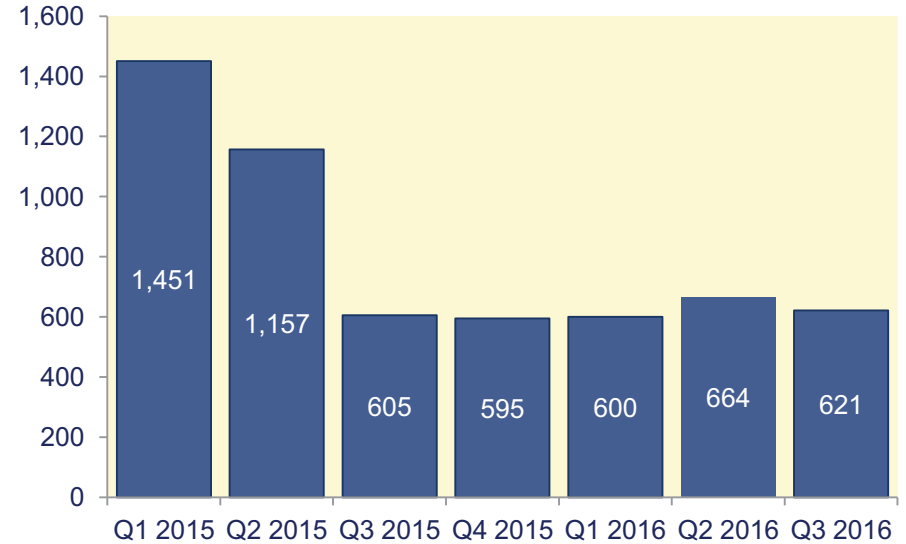


Low All In Sustaining Cost

Year on year AISC Cost graph (US\$)



Quarterly AISC (US\$/oz)



- Costs now reflect true quality of resources and capability of the team
- Base Case Mine Plan average All In Sustaining Cost to 2022 of US\$695 / oz



Potential for Long Mine Life

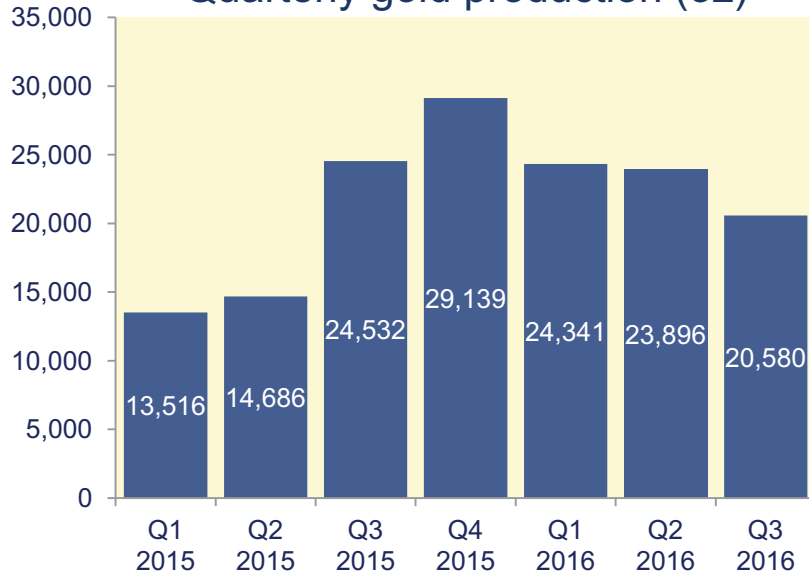
- 1.2 million oz total resources at 3.9 g/t¹
- Current (Base Case) Mine Plan to 2022
- Subsequent resource additions at Elizabeth Hill and Ilunga expected to extend mine life beyond 2024
- Updated Mine Plan and Reserves due in Q1 2017
- Highly prospective areas with New Luika's mining licence and nearby exploration tenements expected to add to mine life on an ongoing basis.

¹ Refer notes on Slide 8

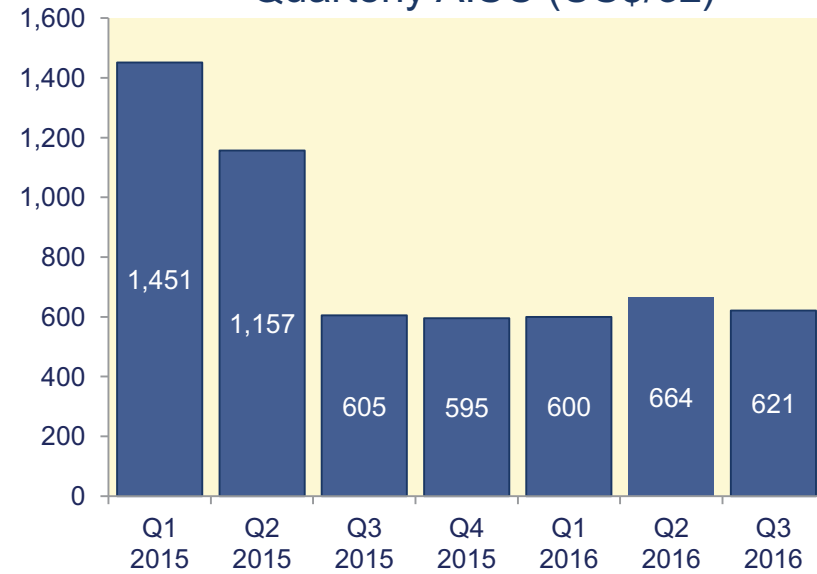


Planning & Delivery of Sustainable Production

Quarterly gold production (oz)



Quarterly AISC (US\$/oz)



- Average gold production target of 84,000 p.a. reflects
 - Maximum utilisation of process plant capacity (600,000 tpa)
 - Optimal use of average reserve grade (4.9 g/t) to maximise value
 - Near-term flexibility provided by high grade
- Actively working to increase resource base
- Risk-based approach provides confidence in delivery
- Continually seeking ways to improve the plan, demonstrated by
- Sustained cost reduction even in the face of reducing gold production



GENERATING FREE CASH FLOW





Generating Free Cash Flow

All figures US\$m	Q3'16	Q2'16	Q1'16	Q4'15
Cash generated from operations	11.1	13.1	2.8	17.3
Capital expenditure	14.2	7.0	5.6	6.2
Gross Debt	70.5	75.0	74.7	60.2
Cash balance	25.8	30.5	16.3	19.1
Net debt	38.4	44.5	58.4	41.1

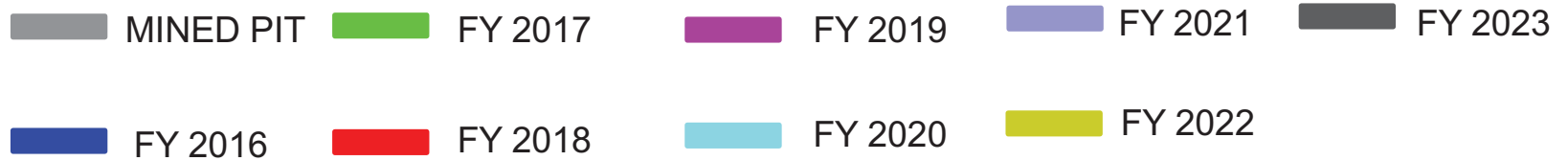
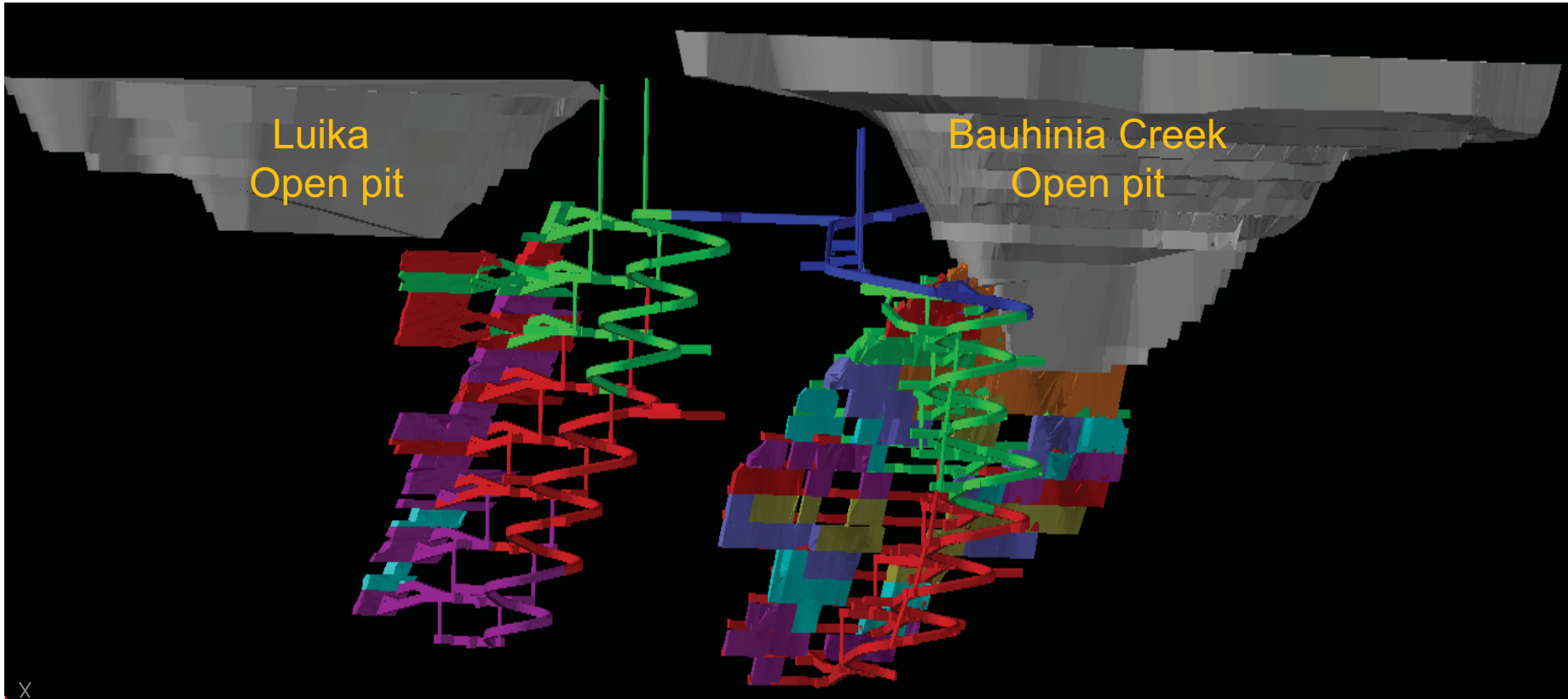
- Peak debt passed in Q3 2016.
- Debt includes US\$9.1 million Letter of Credit with potential to convert to term loan
- Cash excludes US\$5.25 million for silver stream proceeds and US\$6.34million in pre-payments
- 2015 EBITDA – US\$31.9 million on revenue of US\$95.7 million
- 2016 H1 EBITDA – US\$33.3 million on revenue of US\$55.7 million
- Capital programme fully funded going forward from reserves and cashflow



HIGH GRADE RESOURCE DEVELOPMENT



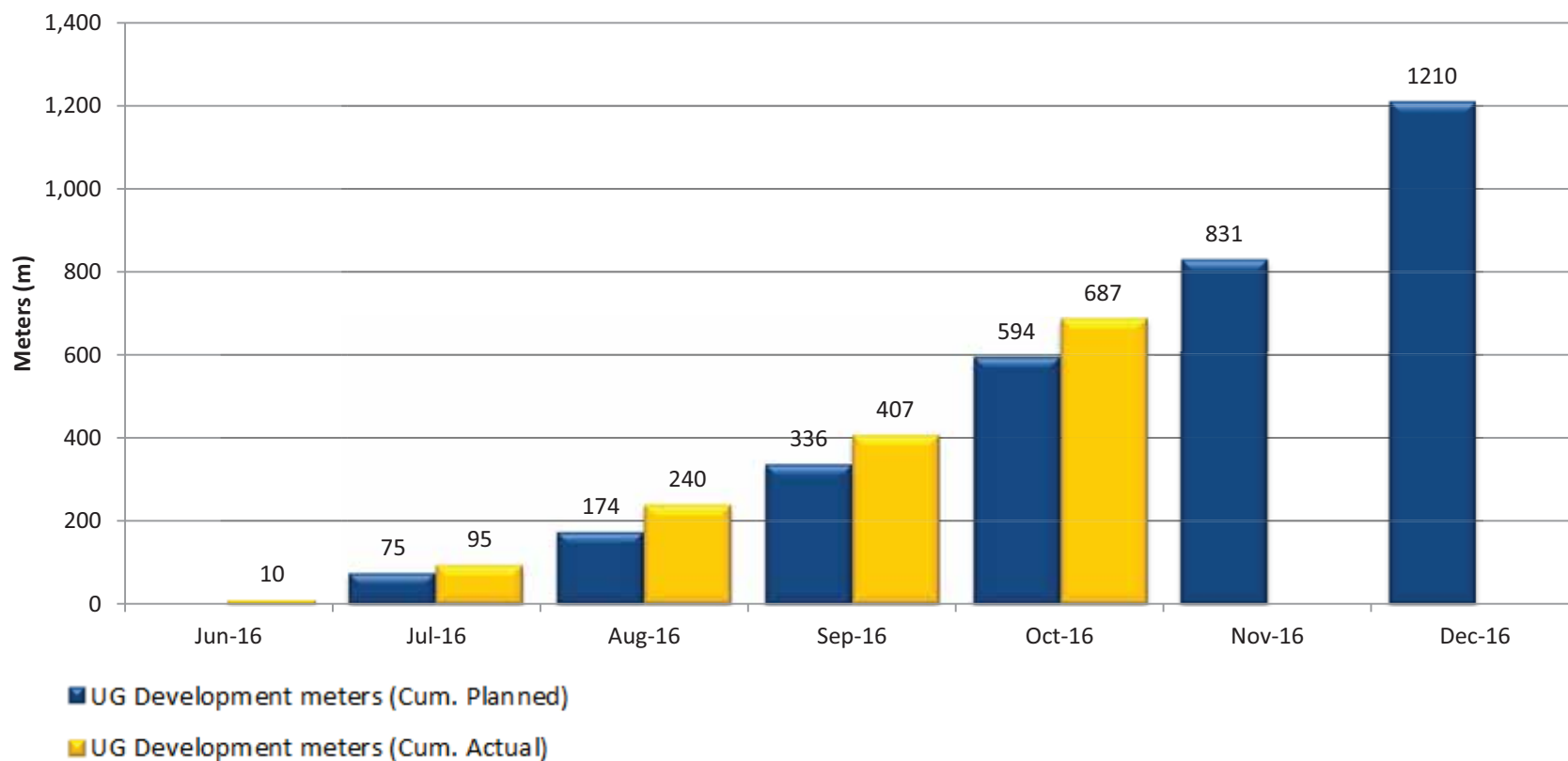
Underground Design





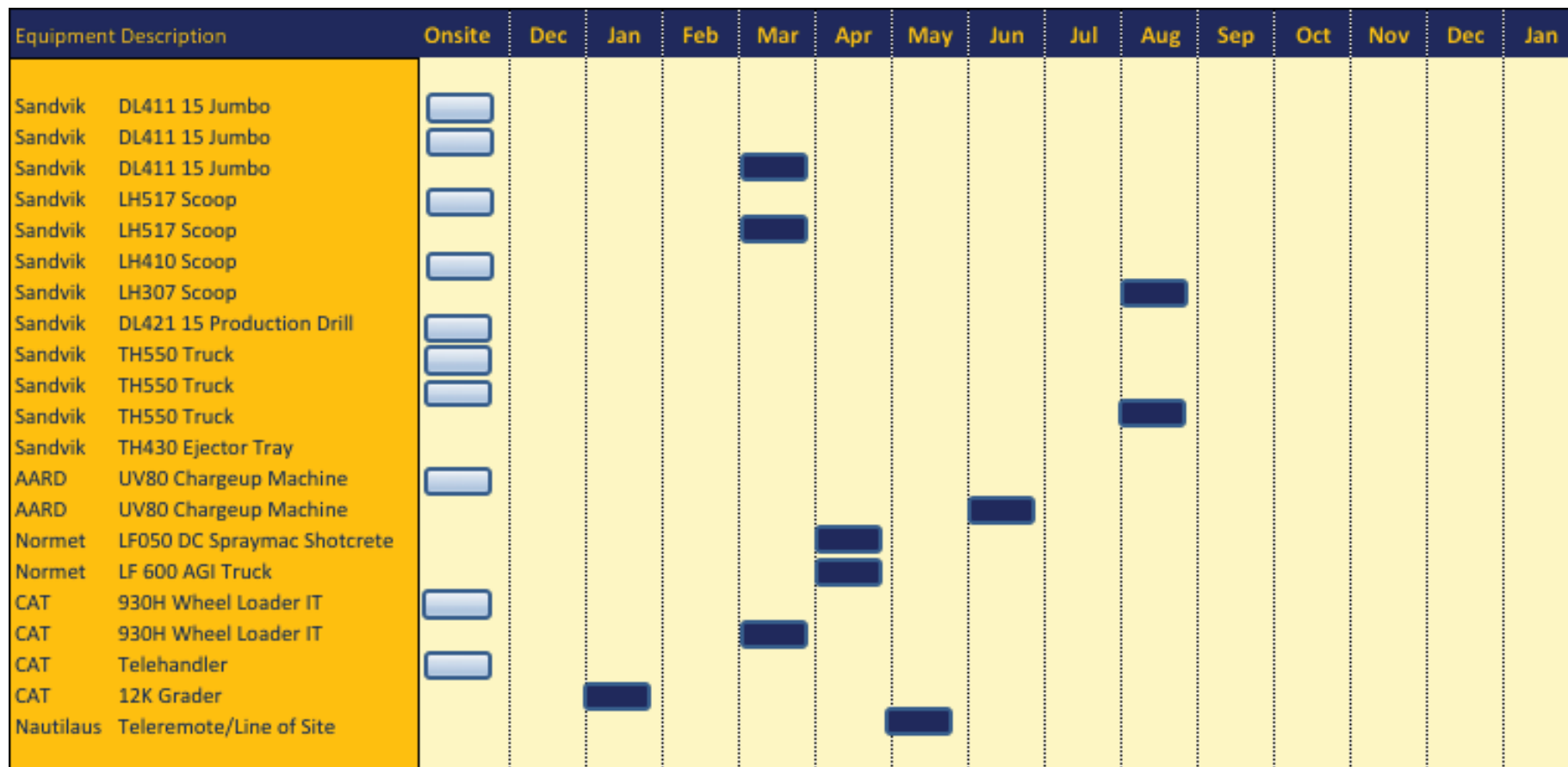
Underground Development

- >850m total development at mid November
- Infrastructure, people and equipment in place
- Development ahead of schedule and on budget
- Raise bore of ventilation shafts started
- Access to Bauhinia Creek ore body in December 2016 with ore production in Q2 2017





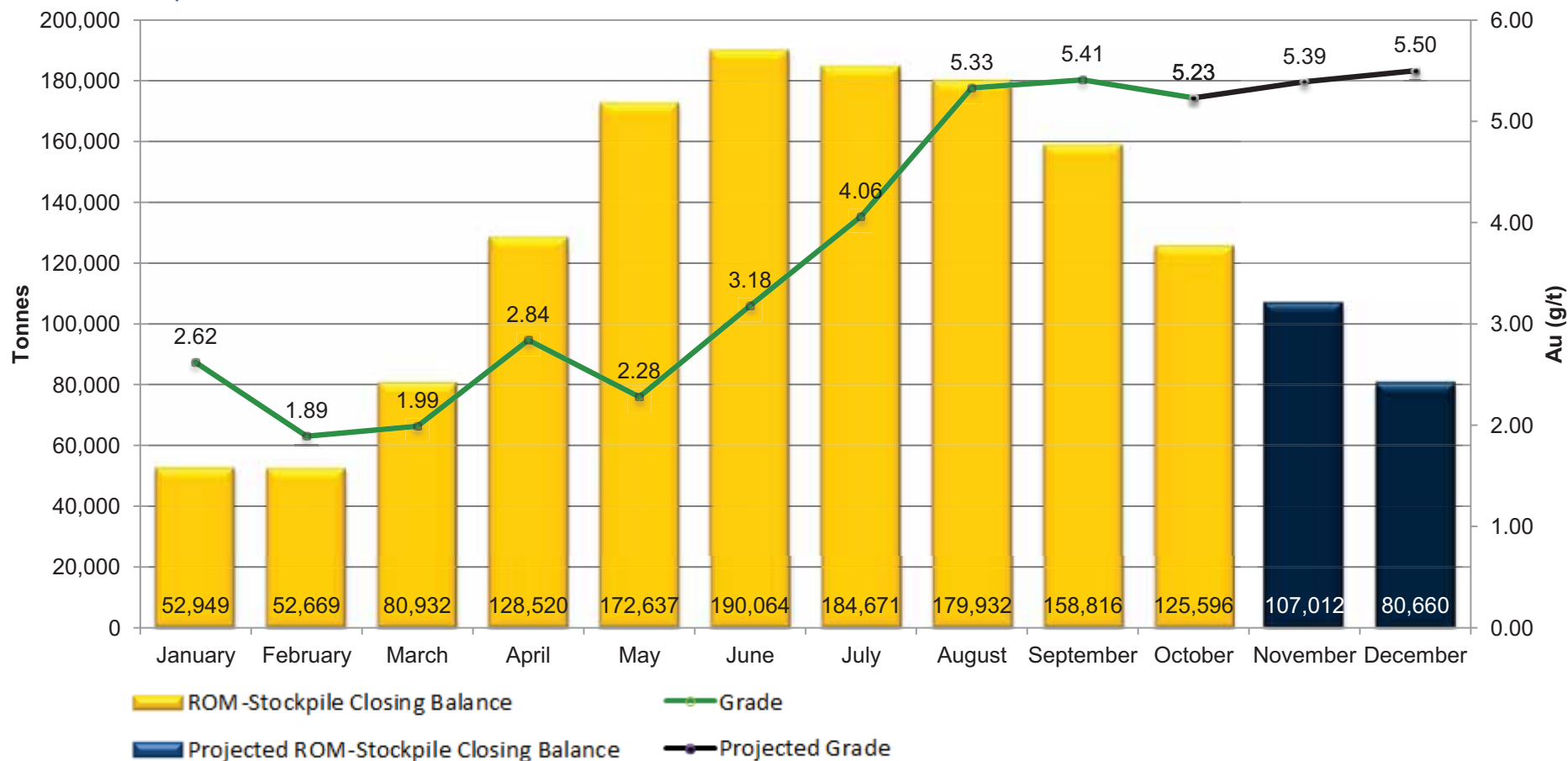
Underground Equipment Deliveries to 2017





ROM Stockpile

- Lunge producing 20,000 tpm average to August 2017
- Jamhuri Pit available as required to supplement mill feed
- Maintaining higher grade stockpile to manage the transition to underground
- Optimal ROM stocks 50 – 80,000 tonnes





ATTRACTIVE GROWTH PROSPECTS



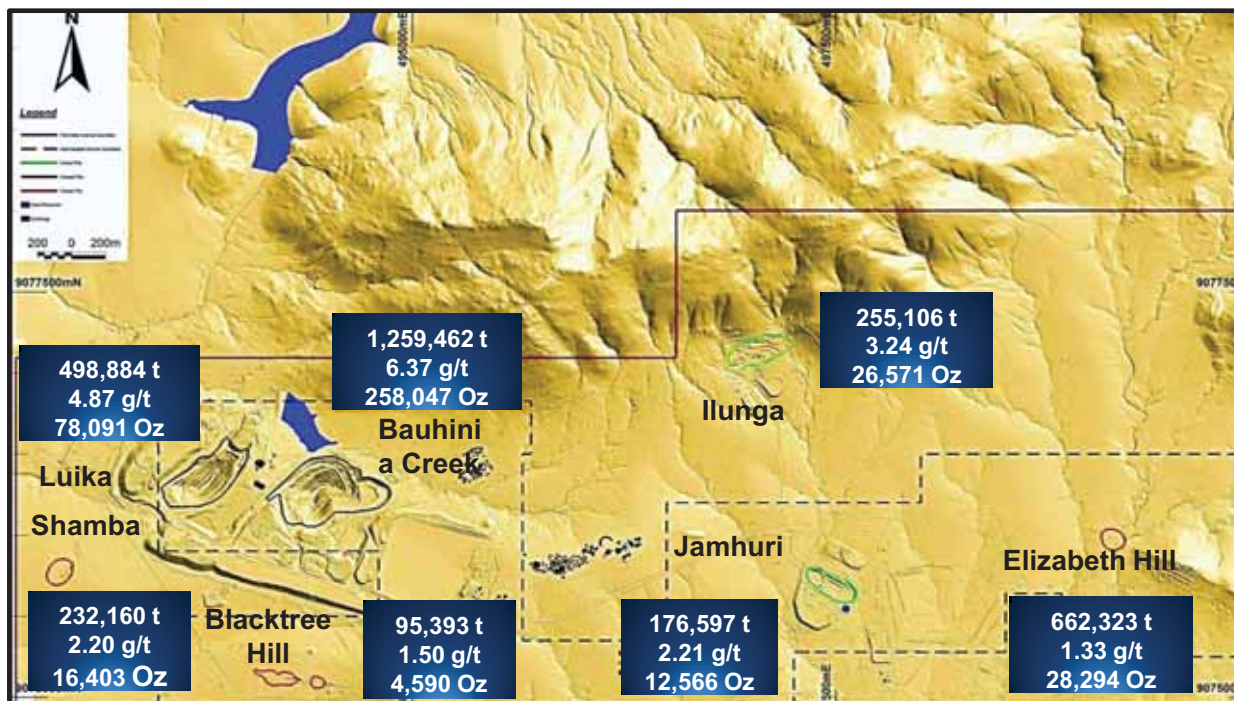


Attractive Growth Prospects – New Luika

- 514,000 oz Resources not included in the Base Case Mine Plan (2015)
- On-mine exploration in 2015/2016 at Elizabeth Hill and Ilunga has added a further 224,000 oz of Resources (at 1g/t cut off)
- Of this, 188,000 oz is at Indicated status (at 1g/t cut off)
- Cost improvements enhancing economics of lower grade (surface) resources

New Luika Gold Mine Reserve Plan

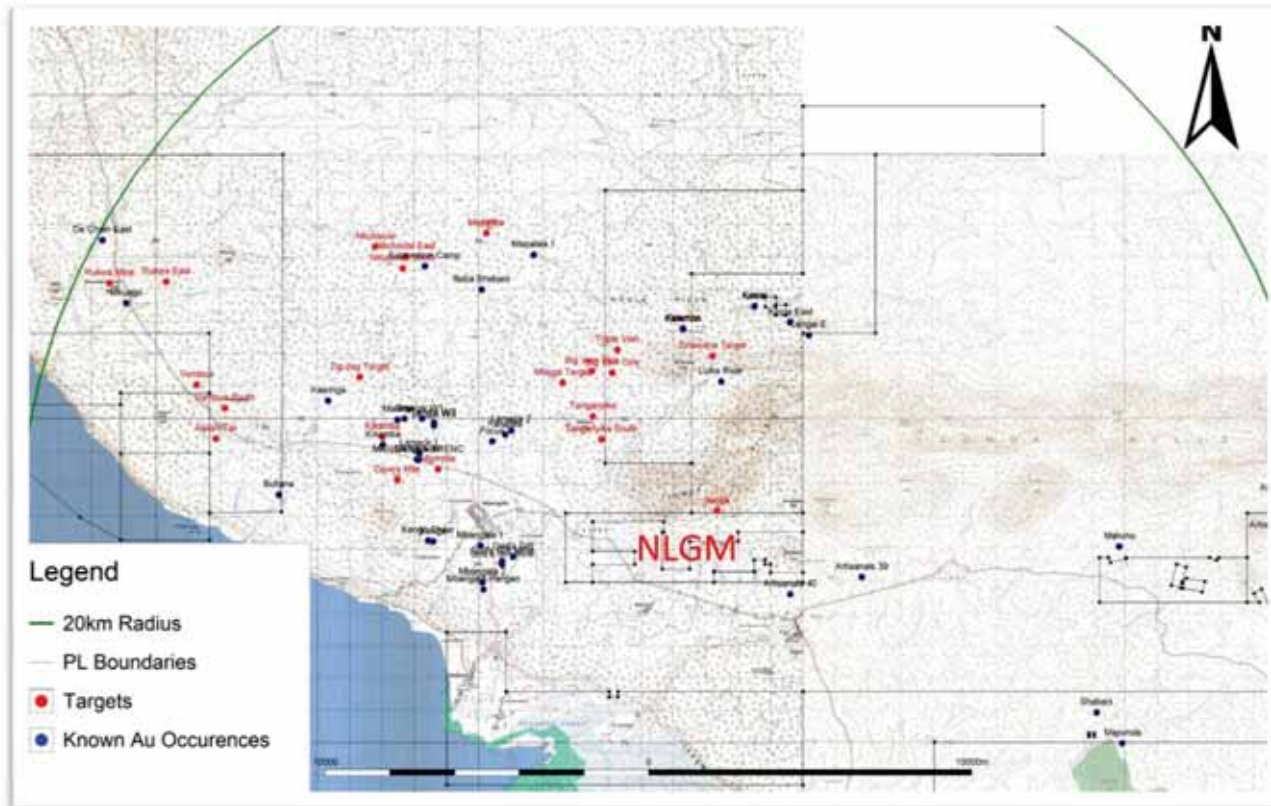
(2015 except Elizabeth Hill as at 2016. Excludes Ilunga upgrade)





Attractive Growth Prospects – Lupa Goldfield

- Highly prospective goldfield with numerous gold showings
- Colonial mining from the 1920's to 1950's – 330,000 oz produced
- Shanta controls 1,500 km² of exploration licences, much within economic haul distance of New Luika





New Luika and Lupa Exploration Strategy

1 High Grade Extensions at depth

- Additional high grade (underground) resources, extend the life of each deposit, push out capital expenditure and improve NPV
- Potential at Bauhinia Creek, Luika and Ilunga, all open at depth
- Within existing mining licence – rapid development
- Inferred resource at depth of 91,000 oz of at 4.8 g/t (3 g/t cut-off) at Bauhinia Creek

2 Satellite deposits

- Completing the exploration process to fully define each known deposit
- Satellite deposits open on strike and at depth to be upgraded through further exploration:
- Elizabeth Hill (partially complete), Ilunga, Shamba
- Within existing mining licence – rapid development
- Still potential to find new deposits within the mining licence

3 Surrounding licences

- 20km economic radius
- Work on-going in grass roots exploration from target generation to drilling
- Medium term potential
- Objective is to utilise existing process plant facilities
- Strong in-house exploration capability



Attractive Growth Prospects – Singida

- Mining Licence issued
- Another high grade resource
- At 1 g/t cut-off has 3,317,445 tonnes at 4.05 g/t for 432,283 oz in measured status – generally all within 100 metres of surface
- Greenstone formations have real potential to be much greater in depth than strike is wide
- Exploration underway to improve understanding
- Pilot Mining Project in progress:
 - Resettlement almost complete
 - Process plant equipment orders placed (gravity separation)
 - Environmental and Social Impact Assessment update under way
 - Operating mine camp with security in place
 - Process water supply sources secured
 - Using in-house SMCL team
 - Small scale production from Q2 2017 (300 – 800 oz per month)



SUMMARY & OUTLOOK



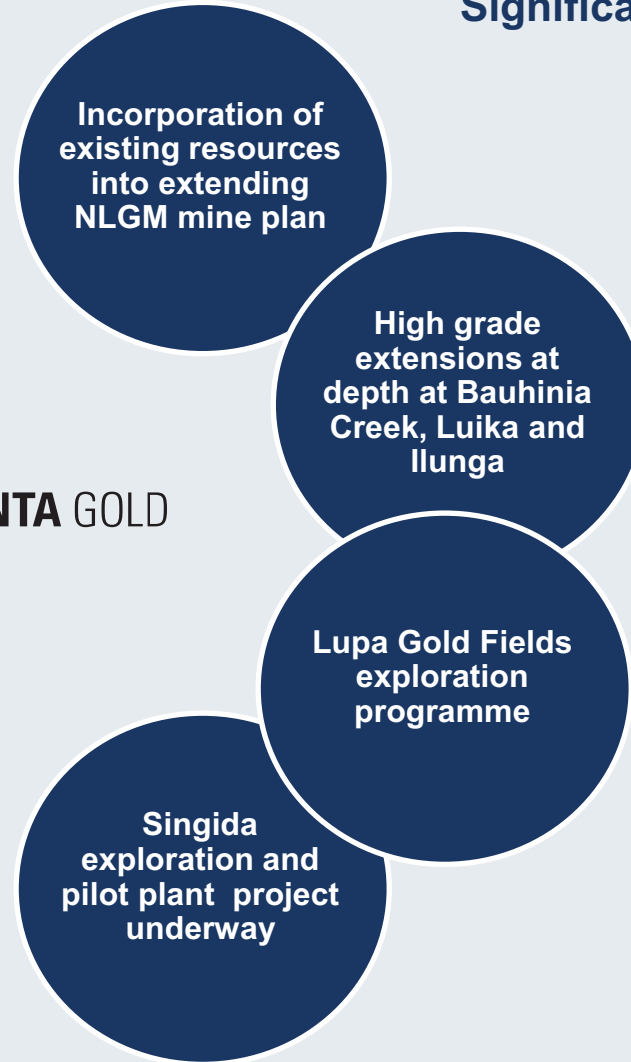
Shanta strategy – generating shareholder value



Low cost, high grade production



Significant growth potential





Positioned for growth – upcoming milestones

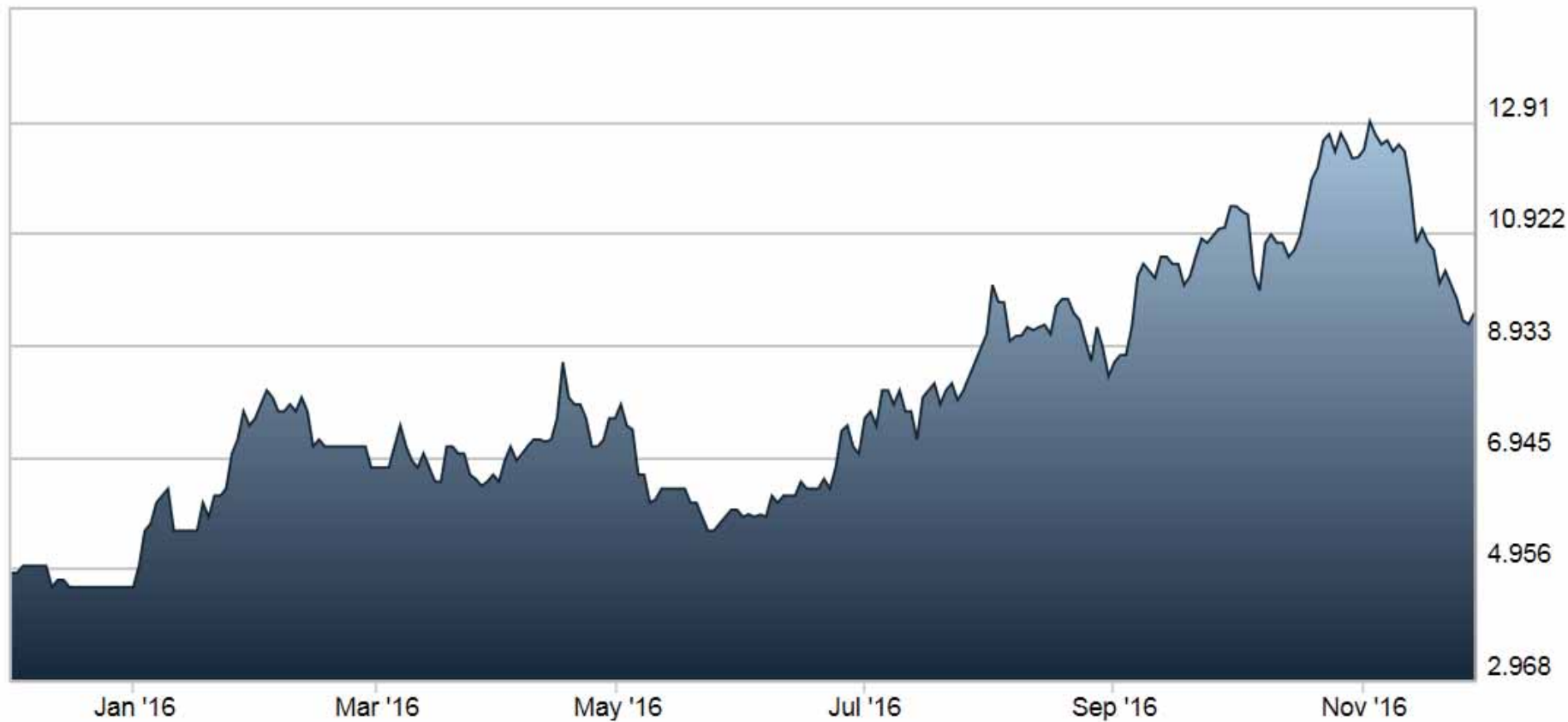
	Q4 '16	Q1 '17	Q2 '17	Q3 '17	Q4 '17
New Luika underground development:					
• First development ore	★				
• First production of stope ore			★		
New Luika Planning:					
• Update to Base Case Mine Plan to incorporate new Indicated Resources at Elizabeth Hill and Ilunga		★			
New Luika Projects					
• HFO power commissioning		★			
• TSF 2 commissioning		★			
Singida Projects					
• Gold Tree 2 and Gold Tree 3 Resource Update	★				
• Pilot Mining Project			★		
Systematic exploration programme:					
• Ongoing exploration	★	★	★	★	★



APPENDIX



Twelve month share price SHG



Ilunga Resource Upgrade

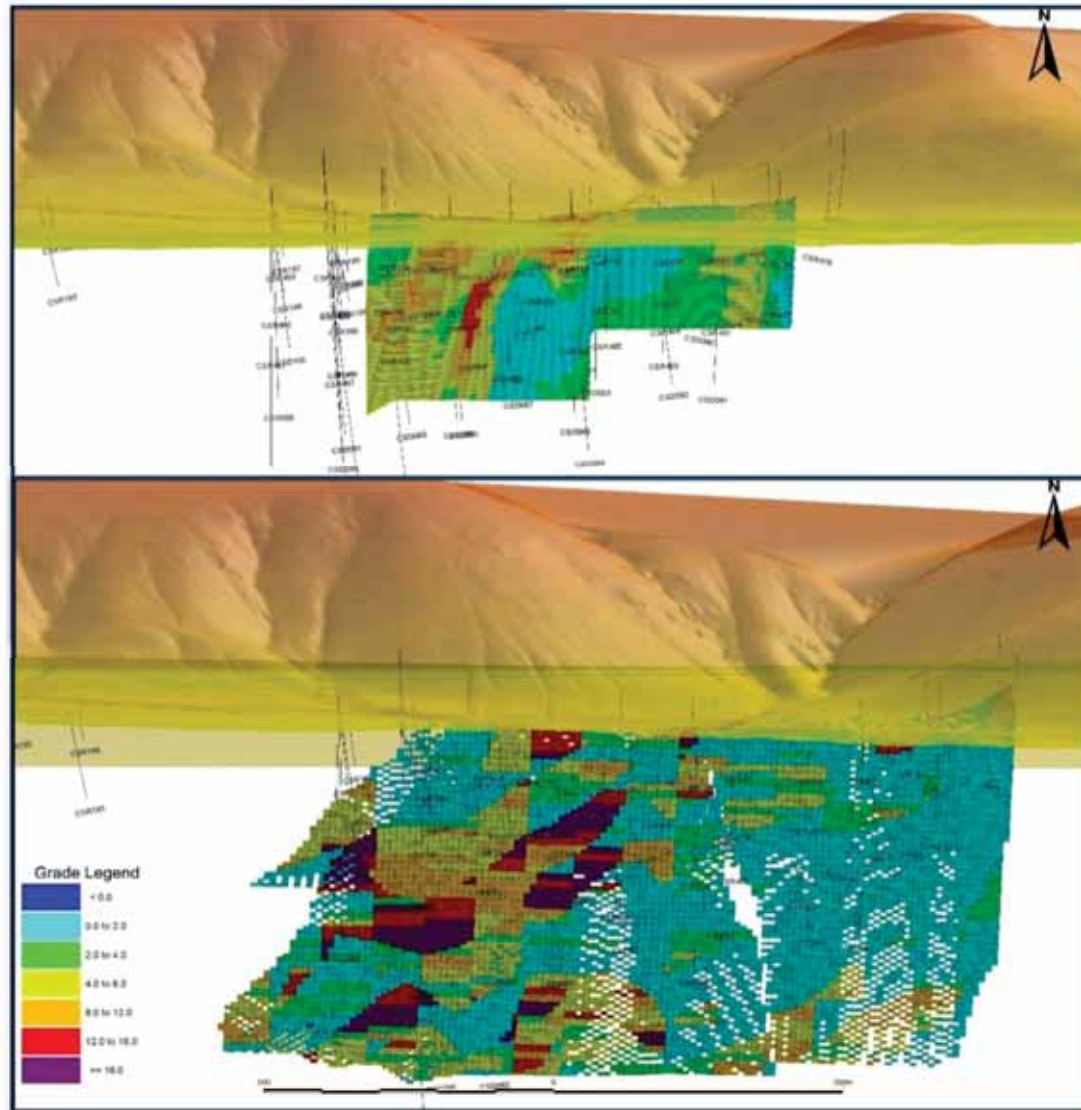


JORC Compliant Comparative Ilunga Resource Summary

2014 vs 2016 (at a cut-off grade of 1g/t Au)

	2014			2016			2014-2016 % increase		
	Tonnes	Au (g/t)	Au (oz)	Tonnes	Au (g/t)	Au (oz)	Tonnes	Au (g/t)	Au (oz)
Indicated	311,355	4.03	40,352	1,356,054	4.71	205,347	336%	17%	409%
Inferred	343,427	3.04	33,588	405,829	4.03	52,608	18%	33%	57%
TOTAL	654,782	3.51	73,940	1,761,883	4.55	257,965	169%	30%	249%

Ilunga – Blockmodels. 2014 vs. 2016





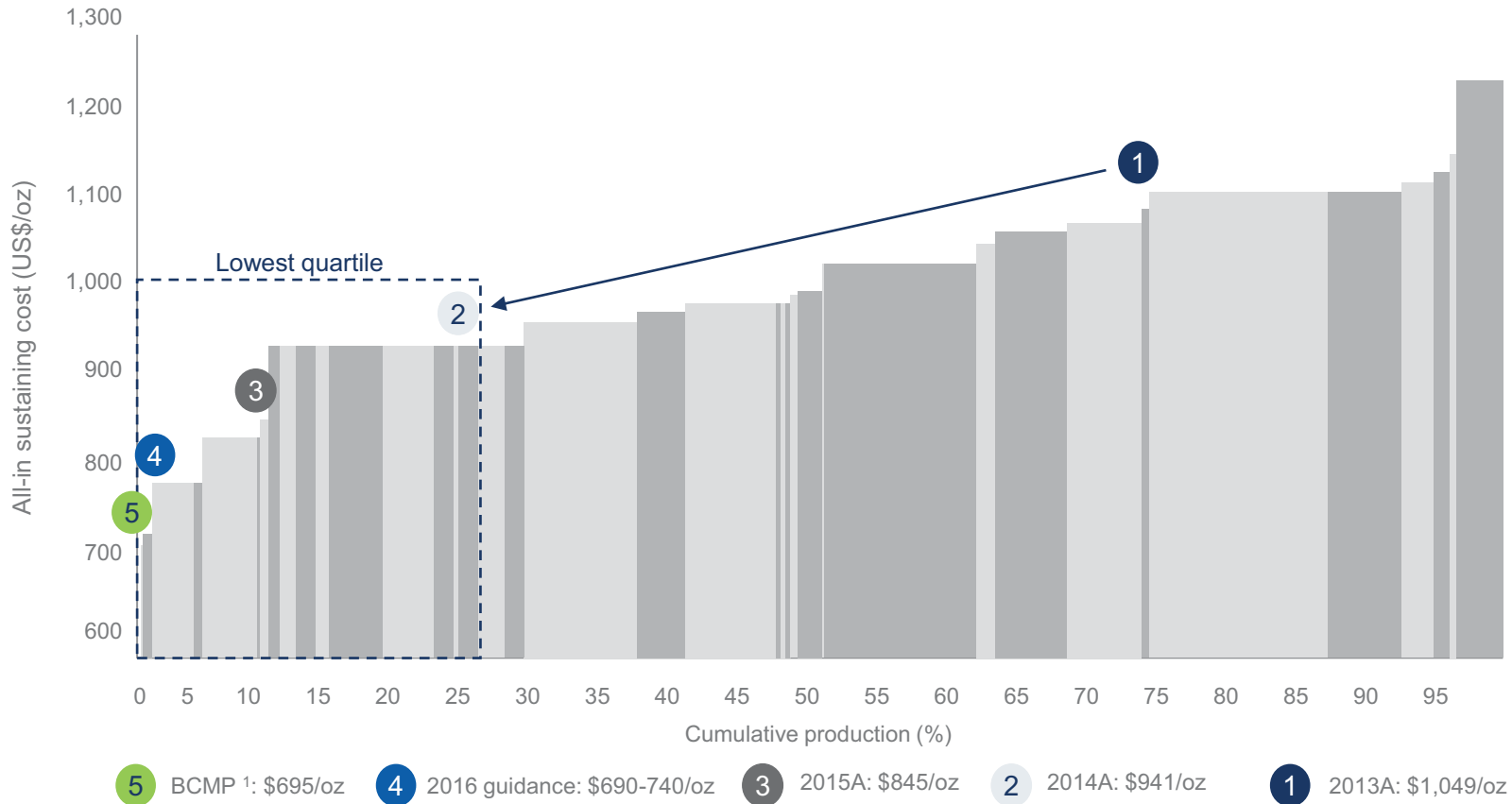
Ilunga – Resource. 2014 vs. 2016

2014_Resource				2016_Resource				2016 vs 2014 Resource Comparison			
INDICATED				INDICATED				INDICATED % Change			
Cut-Off Grade (g/t)	Tonnes	Au Grade (g/t)	Au Ounces	Cut-Off Grade (g/t)	Tonnes	Au Grade (g/t)	Au Ounces	Cut-Off Grade (g/t)	Tonnes	Au Grade (g/t)	Au Ounces
0	326,712	3.88	40,759	0	1,834,521	3.6	212,568	0	562%	93%	522%
1	311,355	4.03	40,352	1	1,356,054	4.71	205,347	1	436%	117%	509%
2	253,114	4.62	37,524	2	997,992	5.87	188,346	2	394%	127%	502%
3	204,737	5.12	33,653	3	769,417	6.87	169,970	3	376%	134%	505%
4	154,233	5.64	27,948	4	610,586	7.75	152,099	4	396%	137%	544%
5	102,324	6.18	20,383	5	491,364	8.55	135,086	5	480%	138%	663%
INFERRED				INFERRED				INFERRED % Change			
Cut-Off Grade (g/t)	Tonnes	Au Grade (g/t)	Au Ounces	Cut-Off Grade (g/t)	Tonnes	Au Grade (g/t)	Au Ounces	Cut-Off Grade (g/t)	Tonnes	Au Grade (g/t)	Au Ounces
0	357,800	2.95	33,963	0	638,878	2.97	61,005	0	179%	101%	180%
1	343,427	3.04	33,588	1	405,829	4.03	52,608	1	118%	133%	157%
2	230,079	3.81	28,182	2	312,662	4.83	48,533	2	136%	127%	172%
3	167,867	4.34	23,360	3	235,549	5.57	42,144	3	140%	128%	180%
4	90,898	5.07	14,702	4	185,939	6.13	36,664	4	205%	121%	249%
5	29,178	6.38	5,853	5	100,668	7.54	24,416	5	345%	118%	417%
TOTAL				TOTAL				TOTAL % Change			
Cut-Off Grade (g/t)	Tonnes	Au Grade (g/t)	Au Ounces	Cut-Off Grade (g/t)	Tonnes	Au Grade (g/t)	Au Ounces	Cut-Off Grade (g/t)	Tonnes	Au Grade (g/t)	Au Ounces
0	684,513	3.4	74,721	0	2,473,399	3.45	274,509	0	361%	102%	367%
1	654,782	3.51	73,940	1	1,761,883	4.55	257,965	1	269%	130%	349%
2	483,193	4.23	65,706	2	1,310,654	5.62	236,861	2	271%	133%	360%
3	372,604	4.76	57,012	3	1,004,967	6.57	212,118	3	270%	138%	372%
4	245,131	5.41	42,650	4	796,525	7.37	188,763	4	325%	136%	443%
5	131,502	6.21	26,236	5	592,032	8.38	159,507	5	450%	135%	608%

Low cost producer



Lowest quartile cost position



Source: Bloomberg, company reports
Shanta Gold 2013-15 actual AISC (2015 unaudited)

Note:
1. Average AISC over the Base Case Mine Plan (2016-22)



Sept 2015 – Mine Plan

Strategy: maximise value through optimised use of existing assets and extension of mine life within and in close proximity to the mining licence

- Includes ongoing surface mining, a tailings recovery project and incorporates the underground mining operation
- Extraction of 2.79 Mt for the production of 443,000 oz from January 2016 to Q1 2022 with 133,000 oz (30%) from open pit and 310,000 oz (70%) from underground resulting in combined NPV of US\$110.4 million (US\$1200 /oz)
- A separate tailings recovery project produces a further 19,000 oz with a project NPV of US\$5.1m at an 8% discount rate and a pre-tax IRR of 49%
- Substantial scope to improve the mine plan from further resource delineation - unutilised mill capacity over the next five years representing 362,000 tonnes of spare throughput
- Production for next five years averages 84,000 oz pa

Key assumptions

Base-Case Mine Plan Summary

Open pit and underground reserve	2.65 Mt at 5.9 g/t for 506,000 oz
Projected mine life	Six years
NPV (post-tax) at 8% (US\$1200 /oz)	US\$110.4 m from 1 Jan 2016
Total capital expenditure over project life	US\$77.6 m from 1 Jan 2016
Payback period	Three years
Life of Mine Cash Cost	US\$535 /oz
Life of Mine AISC	US\$695 /oz

NPV Gold Price & Discount Rate Sensitivity

Gold price	Discount rates		
	5%	8%	10%
US\$1,100/oz	87.3	76.1	69.6
US\$1,200/oz	124.8	110.4	102.0
US\$1,300/oz	162.4	144.8	134.5



Risk reduction through focus on broad Business Sustainability

- ▶ Shanta Gold's CSR commitment of 0.5% of revenue per year deployed in local programs
- ▶ Shanta Gold's employee base is 93% Tanzanian

Employment

- NLGM has grown to be a major source of new employment
- Over 40% of workforce from NLGM currently employed from local communities
- Training of local skills in masonry and carpentry used in local building projects

Education

- Construction of 6 classrooms and 8 offices at Mbangala
- Desks provided
- Laboratory constructed at Saza Secondary School
- Repairs to school buildings

Health

- Bore hole drilling for water supply
- Dispensary construction at Maleza and Mbangala

Community

- Local regular engagement
- Education and managing expectations
- Actively working to attract alternative economic development for the region



Experienced African team

Function	Name	Background
CEO	Dr. Toby Bradbury	30 years' experience in mine operations and development in Africa and Australia. Previously COO for Anvil Mining (DRC) and Senior VP at AngloGold Ashanti (Ghana)
CFO	Mark Rosslee	Mark has over 25 years experience in the mining sector and having held a number of senior financial positions with De Beers, Namdeb Diamond Corporation, Southern Era, Metallon Gold, Central African Gold, Bauba Platinum and Elitheni Coal.
GM (New Luika)	Scott Yelland	Mining engineer with over 30 years' experience, including in Ghana and Zambia Previously with Rio Tinto, Kinross and Ashanti Goldfields
Deputy GM	Honest Mrema	Tanzanian national, mining engineer with 19 years' experience including in Mali, DRC, Ghana Previously with Anglo American, Barrick, Endeavour and Resolute
GM Singida	Philbert Rweyemamu	Tanzanian national, mining engineer with >35 years experience in Tanzania, Botswana and South Africa with De Beers and Acacia
Metallurgy	Wally Channon	Chartered Engineer with 40 years' experience in metallurgical and mining industries Previously 26 years at Anglo American and 10 years at Zimplats
Projects	Ian Fielding	Chartered Engineer with 40 years' experience in process and mining industries 28 years in Africa, previously with Anglo American
Occupational Health/ Community Relations	Dr. Menrad Kambewe	Tanzanian medical doctor of 18 years. Close relationships with community
Head of Exploration	Peet Prinsloo	24 years' mining and exploration experience, including 16 years in Tanzania 8 years experience in the Lupa Goldfield
Administration Manager	Calvin Mlingi	Tanzanian national and trained lawyer. Corporate affairs experience in Tanzania
Underground Manager	Richard Dunn	24 years' mining and geotechnical experience including 16 years underground development and operations in DRC, Ghana and Mali



SUPPORTING FACTORS





Tanzania: an attractive operating environment

- ▶ Africa's 4th largest gold producer, after South Africa, Ghana and Mali

Tanzania mining regime

- Two key goldfields: Lake Victoria and Lupa
- Sophisticated infrastructure network
- Stable political environment, pro-mining, position resources as key economic growth driver, workable tax and regulatory regime
- 100% capital allowances
- Favourable corporate tax rate—30%
- Dividend tax—10%
- Royalty—4%

Selected gold companies in Tanzania

Company:	Gold production:
Acacia Mining	732koz pa (2015)—3 mines in Northern Tanzania
AngloGold Ashanti	477koz pa (2014)—Geita mine
Shanta Gold	82koz pa (2015)—New Luika Gold Mine

Source: Company reports, Tanzania Chamber of Mines

Snapshot	
Population	52 million (2014)
Capital City	Dodoma (Dar es Salaam is the de facto commercial capital)
Religion	Christian/Muslim
Economy	
GDP 2014	\$48 billion
Primary Industries	Agriculture, tourism, mining
2014 GDP Growth	7.0%
Political	
System	Parliamentary republic (democratic)
Elections	Every 5 years (most recently in October 2015)

Source: World Bank, various



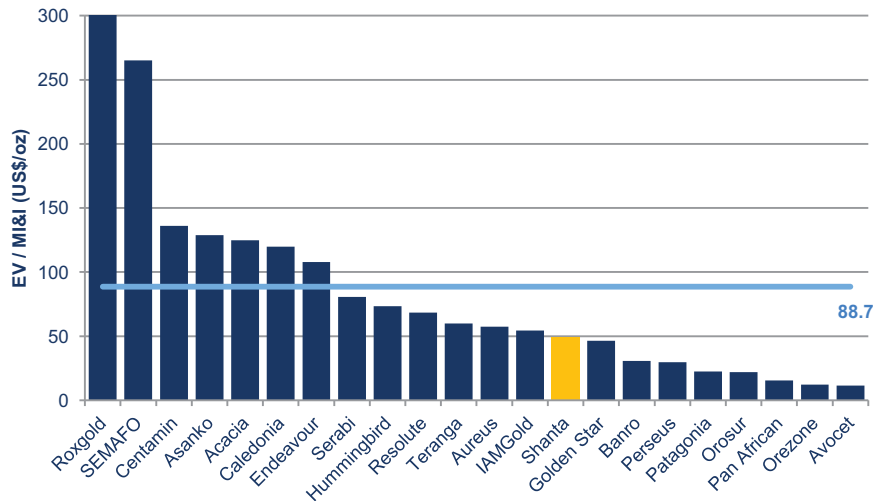
Strong Management

- Record of delivery in operations
- Strong focus on maximising use of local professionals, skills and labour
- Record of delivery in capital projects
 - Luika River Dam – completed – provides water security for current operations
 - Tailings Storage Facility No. 2 (Phase 1) – 80% complete – provides 8 years operating life
 - HFO Power Project – 80% complete – provides power at lower cost for expanded project
 - Underground development
 - Mid November - >850 metres developed
 - First development ore in December 2016
 - First production stope in Q2 2017
- NLGM substantially de-risked in terms of capital already spent and advanced status of projects

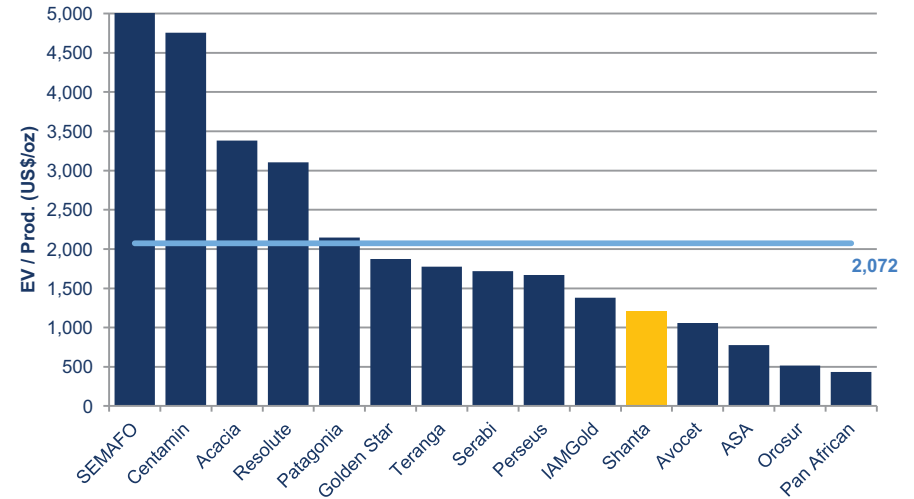


Relative valuation metrics

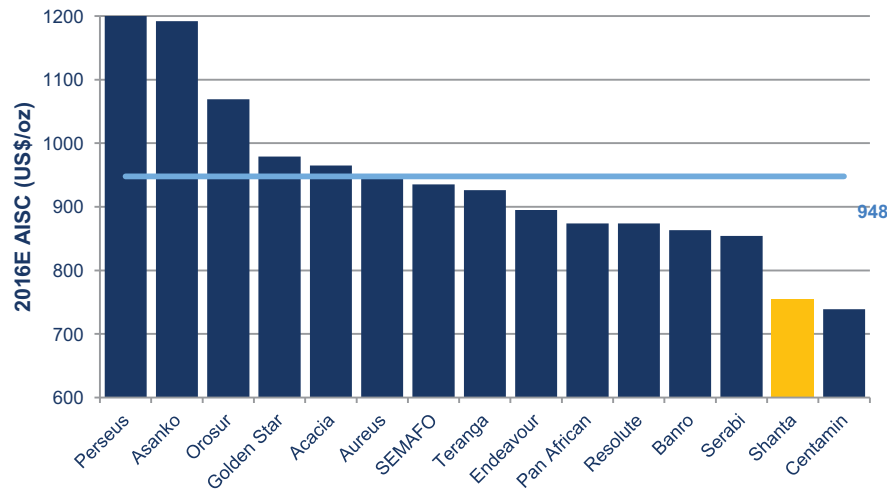
EV/MI&I Resource (US\$/oz)



EV/Prod. (US\$/oz)



2016E AISC (US\$/oz)¹



Source: Bloomberg, company reports

Note:

1. Company public guidance (using the mid point of guidance range), Broker consensus estimates
2. Generated 6 September 2016



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