

8 July 2021

Shanta Gold Limited
 (“Shanta Gold” or the “Company”)

New Luika Gold Mine Exploration Drilling and Resource Update

Shanta Gold (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is pleased to provide an exploration update at the Bauhinia Creek (“BC”) East Area 1 target (“BC East Area 1”) at New Luika Gold Mine (“NLGM”) in South Western Tanzania, relating to drilling conducted in Q2 2021.

Highlights:

- This update relates to 22 diamond core (“DD”) and 16 reverse circulation (“RC”) holes drilled in Q2 2021 at BC East Area 1 totaling 6,782 metres (“m”);
- Drilling at BC East Area 1 has generated 39,786 ounces (“oz”) of Indicated Resources of gold grading 4.74 g/t at a cut-off grade of 1.0 g/t Au;
- In aggregate with the additional ounces announced on 19 April 2021, 116,247 oz have been added to Indicated Resources at NLGM in H1 2021 grading 6.47 g/t, at a cut-off grade of 1.0 g/t Au (before H1 2021 depletion);
- BC East Area 1 drilling intersections include:

| Hole No. | Interval (m) | Au (g/t) | From (m) | To (m) |
|------------------------|--------------|----------|----------|--------|
| <u>DD Holes</u> | | | | |
| 239 | 4.54 | 4.84 | 132.3 | 136.8 |
| <i>Including</i> | 3.21 | 6.26 | 133.6 | 136.8 |
| 242 | 7.99 | 3.57 | 207.4 | 215.4 |
| <i>Including</i> | 0.75 | 13.47 | 207.4 | 208.2 |
| <i>Including</i> | 1.28 | 10.74 | 214.0 | 215.3 |
| 244 | 4.21 | 3.86 | 136.4 | 140.6 |
| <i>Including</i> | 2.54 | 5.88 | 138.1 | 140.6 |
| 245 | 2.16 | 7.61 | 204.4 | 206.6 |
| <i>Including</i> | 0.74 | 18.65 | 205.9 | 206.6 |
| <u>RC Holes</u> | | | | |
| 614 | 10.0 | 18.98 | 113 | 123 |
| <i>Including</i> | 5.0 | 35.2 | 117 | 122 |
| 616 | 4.0 | 6.42 | 171 | 175 |
| <i>Including</i> | 2.0 | 11.72 | 173 | 175 |
| 618 | 4.0 | 4.70 | 188 | 192 |
| 619 | 6.0 | 5.83 | 177 | 183 |

| | | | | |
|------------------|-----|-------|-----|-----|
| <i>Including</i> | 3.0 | 10.35 | 180 | 183 |
|------------------|-----|-------|-----|-----|

- Drilling at BC East Area 1 is aimed at testing the continuity of mineralization below the BC pit, to the east of the Central Fault where there is surface evidence of vein systems/shear zones. Historically these have only been tested by limited and relatively shallow drill holes.

Eric Zurrin, Chief Executive Officer, commented:

“These drilling results at the Bauhinia Creek East Area 1 further underline the resource potential at New Luika, with an additional 116,247 oz of gold being added to NLGM’s Indicated Resources in the first half of this year.

We continue to see sustainable, long-term upside through our exploration programme across Tanzania and West Kenya and look forward to coming back to the market with a new five-year plan in the near-term. We remain committed to transforming Shanta into a mid-tier gold producer in Africa with a strong exploration and development pipeline to support sustainable, long-term growth.”

BC East Area 1 Drilling Campaign

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, 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.

The current drilling programme is targeting the area immediately below the eastern side of BC pit, between the Central Fault and the E - W Fault. To date, the programme has defined a westerly plunging shoot between levels 950 mRL and 850 mRL. Gold mineralization at BC East Area 1 is associated with quartz (± carbonate) veining and low sulphide (predominantly pyrite) mineralization. The mineralized zone is hosted by granodioritic rocks. The structure drilled and modelled so far at BC East Area 1 covers a strike extent of approximately 260 m. The ongoing drilling program at BC East Area 1 has been designed with drilling centre spacing of 30 – 40 m up to level 800 mRL. This drill spacing is considered adequate for the Indicated resource category.

In total, 22 DD and 16 RC holes representing a total of 6,781.90 m were drilled at BC East Area 1 in Q2 2021. These holes were collared on surface (approximately 1010 mRL), inclined at between minus 40° and 75° with depths ranging from 120 m to a maximum of 250 m down the hole. It is estimated that the true widths of the mineralized zones are about 80% - 95% of the intersected widths in the drillholes.

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

| Target | Drilling Type | Hole ID | From (m) | To (m) | Interval (m) | Au (g/t) |
|----------------|---------------|---------|----------------------|--------|--------------|----------|
| BC East Area 1 | DD | CSD229 | 154.40 Including: | 155.64 | 1.24 | 11.54 |

| | | | | |
|---------|-----------------------------|--------|-------|-------|
| | 154.84 | 155.12 | 0.28 | 45.10 |
| CSD230 | 97.21 | 100.74 | 3.53 | 1.44 |
| CSD231 | 107.40 | 108.89 | 1.49 | 22.79 |
| | Including: 107.40 | 108.20 | 0.80 | 41.40 |
| CSD232 | 143.58 | 144.56 | 0.98 | 2.47 |
| | 168.84 | 170.95 | 2.11 | 2.93 |
| | 177.69 | 178.66 | 0.97 | 3.05 |
| CSD233* | No significant intersection | | | |
| CSD234* | 81.88 | 82.84 | 0.96 | 14.62 |
| | 155.29 | 165.07 | 9.78 | 5.55 |
| | Including: 159.10 | 162.40 | 3.30 | 12.73 |
| CSD235* | 145.31 | 147.91 | 2.60 | 1.90 |
| | Including: 146.05 | 147.15 | 1.10 | 2.98 |
| CSD236* | No significant intersection | | | |
| CSD237* | 122.83 | 123.89 | 1.06 | 7.22 |
| | Including: 122.83 | 123.53 | 0.70 | 10.38 |
| CSD238* | 39.62 | 41.82 | 2.20 | 2.09 |
| CSD239* | 132.28 | 136.82 | 4.54 | 4.84 |
| | Including: 133.61 | 136.82 | 3.21 | 6.26 |
| CSD240* | 33.96 | 34.60 | 0.64 | 1.06 |
| | 53.73 | 54.73 | 1.00 | 1.06 |
| | 69.97 | 78.67 | 8.70 | 2.03 |
| | Including: 69.97 | 72.69 | 2.72 | 2.63 |
| | 76.44 | 78.67 | 2.23 | 4.34 |
| | 85.51 | 86.32 | 0.81 | 1.40 |
| | 87.86 | 88.47 | 0.61 | 2.78 |
| CSD241* | 95.13 | 96.67 | 1.54 | 9.34 |
| | Including: 96.04 | 96.67 | 0.63 | 20.80 |
| | 135.12 | 145.51 | 10.39 | 1.12 |
| | Including: 135.12 | 136.35 | 1.23 | 3.95 |
| CSD242* | 149.36 | 150.28 | 0.92 | 1.40 |
| | 173.56 | 173.72 | 0.16 | 17.40 |
| | 187.33 | 188.29 | 0.96 | 2.35 |
| CSD243* | 207.43 | 215.42 | 7.99 | 3.57 |
| | Including: 207.43 | 208.18 | 0.75 | 13.47 |
| | 213.97 | 215.25 | 1.28 | 10.74 |
| | 113.64 | 117.94 | 4.30 | 2.47 |
| CSD244* | 136.42 | 140.63 | 4.21 | 3.86 |
| | Including: 138.09 | 140.63 | 2.54 | 5.88 |
| CSD245* | 204.44 | 206.60 | 2.16 | 7.61 |
| | Including: 205.86 | 206.60 | 0.74 | 18.65 |
| CSD246* | 189.72 | 191.12 | 1.40 | 4.10 |
| | Including: 190.19 | 190.78 | 0.59 | 7.11 |
| CSD247* | No significant intersection | | | |
| CSD248* | 161.78 | 165.45 | 3.67 | 2.55 |

| | | | | | | | | |
|--|---------|---------|------------|--------|--------|-------|-------|--|
| | | | Including: | | | | | |
| | | | 165.09 | 165.45 | 0.36 | 10.60 | | |
| | | CSD249* | 95.66 | 100.00 | 4.34 | 1.35 | | |
| | | | Including: | | | | | |
| | | | 97.42 | 99.23 | 1.81 | 2.18 | | |
| | RC | CSR614* | 113.00 | 123.00 | 10.00 | 18.98 | | |
| | | | Including: | | | | | |
| | | | | 117.00 | 122.00 | 5.00 | 35.25 | |
| | | CSR616* | 171.00 | 175.00 | 4.00 | 6.42 | | |
| | | | Including: | | | | | |
| | | | | 173.00 | 175.00 | 2.00 | 11.72 | |
| | | CSR617* | 86.00 | 88.00 | 2.00 | 2.63 | | |
| | | CSR618* | 188.00 | 192.00 | 4.00 | 4.70 | | |
| | | | Including: | | | | | |
| | | | | 188.00 | 191.00 | 3.00 | 5.80 | |
| | | CSR619* | 177.00 | 183.00 | 6.00 | 5.83 | | |
| | | | Including: | | | | | |
| | | | | 180.00 | 183.00 | 3.00 | 10.35 | |
| | CSR620* | 101.00 | 102.00 | 1.00 | 1.78 | | | |
| | CSR628* | 64.00 | 65.00 | 1.00 | 1.38 | | | |
| | | 182.00 | 183.00 | 1.00 | 1.26 | | | |
| | | 24.00 | 25.00 | 1.00 | 1.30 | | | |
| | CSR627* | 30.00 | 31.00 | 1.00 | 6.94 | | | |
| | | 163.00 | 166.00 | 3.00 | 1.95 | | | |

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

The drilling campaign at BC East Area 1 is ongoing with the objective of testing the downdip continuity of the potential westerly plunging mineralized shoot.

BC East Area 1 Resource Estimate

In Q2 2021, a total of 22 DD and 16 RC holes were drilled at BC East Area 1. Assay results for 21 DD and eight RC holes were available as of 30 June 2021 and were used to compile a mineral resource estimate ("MRE") for the BC East Area 1 target. The Company has added 39,786 ounces of gold to Indicated resources.

- As of 30th June 2021, the BC East Area 1 JORC compliant MRE totals 310 kt, grading 4.53 g/t and containing 45 koz of gold using a cut-off grade of 1.0 g/t consisting of:
 - Indicated Mineral Resource totaling 261 kt, grading 4.74 g/t gold and containing 40 koz of gold; and,
 - Inferred Resource of 49 kt, grading 3.37 g/t gold and containing 5 koz of gold.
- The BC East Area 1 MRE represents a strike length of 260 m, widths ranging from 1 m to 8 m (averaging 2 – 4 m) and a vertical depth of approximately 360 m below the topographical surface; and,
- Drilling at BC East Area 1 is ongoing, aimed at further delineating the plunging mineralization along the structure to generate additional mineral resources.

Table 1: JORC Compliant BC East Area 1 Resource Summary – 30th June 2021 (at a cut-off grade of 1g/t Au)

| | 30-Jun-21 | | |
|------------------|-----------|-------|-------|
| | Tonnes | Au | Au |
| | (kt) | (g/t) | (koz) |
| Indicated | 260.8 | 4.74 | 40 |
| Inferred | 49.1 | 3.37 | 5 |
| TOTAL | 309.9 | 4.53 | 45 |

Table 2: JORC Compliant BC East Area 1 Resource Summary – 30th June 2021 (cut-off grades 0 - 2 g/t Au)

| COG (g/t) | Indicated Resources – 30-Jun-21 | | |
|--------------|------------------------------------|----------------|-----------------|
| | Tonnes (kt) | Grade (g/t) | Ounces (koz) |
| 0 | 428.5 | 3.05 | 42 |
| 0.5 | 322.9 | 3.98 | 41 |
| 1 | 260.8 | 4.74 | 40 |
| 2 | 182.2 | 6.18 | 36 |

| COG (g/t) | Inferred Resources – 30-Jun-21 | | |
|--------------|-----------------------------------|----------------|-----------------|
| | Tonnes (kt) | Grade (g/t) | Ounces (koz) |
| 0 | 88.2 | 1.97 | 6 |
| 0.5 | 58.8 | 2.95 | 6 |
| 1 | 49.1 | 3.37 | 5 |
| 2 | 24.8 | 5.28 | 4 |

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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.Geo. 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 mineralization 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 Ore 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 625 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 inferred resources of 1.2 Mt grading 12.6 g/t 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"> Trenches were excavated to bedrock and sampled at the base by cutting a continuous channel (10 cm wide and 5 cm deep). Trenching samples were obtained from cut channels using geological and alteration contacts as a guide but limiting the sampling interval to between 30 – 100 cm to obtain about 3 kg per sample and submitted to the on-site lab (Quality Laboratory Services) or to the SGS Laboratory in Mwanza for analysis. 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). | <ul style="list-style-type: none"> Diamond core drilling; NQ core size. |
| 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 were drilled and/or trenched 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. For trench samples, the entire sample for the respective interval |

| | | |
|--|--|--|
| | <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"> • aggregated, not riffled or split. • 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 and trenches were accurately surveyed using Trimble DGPS survey equipment. • Drill holes and trenches surveyed in UTM Coordinates System Arc 1960. • 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> • <i>Whether sample compositing has been 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. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of</i> | <ul style="list-style-type: none"> • Drilling and trenching planned perpendicular to the interpreted |

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| | <p>possible structures and the extent to which this is known, considering the deposit type.</p> <ul style="list-style-type: none"> 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. | <p>strike of lithological units and geological structures.</p> <ul style="list-style-type: none"> 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 (Quality 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 intrusives 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 and trenches 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 and trench 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 and trenches have been drilled/excavated 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 and trench 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; potential deleterious or contaminating substances. | <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. |

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| 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. |
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APPENDIX 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES

| Criteria | JORC Code explanation | Commentary |
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| Database integrity | <ul style="list-style-type: none"> • <i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i> • <i>Data validation procedures used.</i> | <ul style="list-style-type: none"> • The data capturing access database is linked to a superseding access database on the geological server. • Queries allow specially selected information from the captured data and create core data sheets which include Collar, Survey, Lithology and Assay logs. These logs are essentially used to display in the mining software by an ODBC link. • An independent validation process is run for each log sheet in Micromine. Should there be any queries, a report file is created and exported to excel. The report will be mailed to the personnel responsible for data capturing to correct on the original data. • Once confirmation is given of the updates, all databases are refreshed and the validation process in Micromine repeated with the use of form sets. • Once all data validates, a number for the tear of validation is indicated in the collar file of the superseding database. |
| Site visits | <ul style="list-style-type: none"> • <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i> • <i>If no site visits have been undertaken indicate why this is the case.</i> | <ul style="list-style-type: none"> • The site was visited on regular basis from 2018 to 2020 and the outcome was used in the resource estimation. |
| Geological interpretation | <ul style="list-style-type: none"> • <i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i> • <i>Nature of the data used and of any assumptions made.</i> • <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i> • <i>The use of geology in guiding and controlling Mineral Resource estimation.</i> • <i>The factors affecting continuity both of grade and geology.</i> | <ul style="list-style-type: none"> • Diamond drilling was done perpendicular to the strike of the ore body at a dip designed to give a true intersection width of the mineralized body at a spacing less than 42m. • The downhole survey was done at every 15m. • Core meter marking, geological logging, structural interpretation, core sampling, Data validation and QAQC analysis was done by competent and experienced geologists. • Only samples submitted to the accredited laboratory (SGS Mwanza) were used in the estimate. • The limits of the structural features hosting the mineralized zone were interpreted by overlaying the assays against geological logging section by section using section strings. |

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| Dimensions | <ul style="list-style-type: none"> The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource. | <ul style="list-style-type: none"> Drill hole spacing is generally between 25 to 42m along with a vertical spacing of approximately 20 to 38m in the upper to mid-level portions of the mineralized zones. This drilling spacing combined with the surface exposures and trench sampling, along with the geophysical data, permits the assumption that both the mineralized structures are continuous and persistent, and the mineralization within the structures has the continuity necessary to consider these deposits as Mineral Resources. |
| Estimation and modelling techniques | <ul style="list-style-type: none"> The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping. The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available. | <ul style="list-style-type: none"> Compositing the data into regular composite intervals was done to moderate the presence of extreme short sample interval grade values in the data by combining them with adjacent data to form the composite. A combination of several methods was used to decide what constituted an appropriate capping value. The spatial position of the outlier values as well as coefficient of variation plots, lognormal probability plots and decile analysis were all used in the determination of capping values. Scatter plots were generated of the gold grade composites versus location to assess any potential non-stationarity in the data. Block models were created to represent the mineralized body contained within the wireframe solids for each target. Cell sizes were chosen based on the average drill hole spacing. Geostatistics was done using Micromine 2021 to determine the estimation parameters. The mineralized target of BC East Area 1 was modelled for gold grade using Ordinary Kriging with the shell of the wireframe solid as a hard boundary. Only data within the solid was used in the estimate. Where a target was bisected by faulting, only the data within a fault block was used to estimate that block. The Estimation process was done using Micromine software 2021 for all block grade estimates. |
| Moisture | <ul style="list-style-type: none"> Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content. | <ul style="list-style-type: none"> Dry tonnages |
| Cut-off parameters | <ul style="list-style-type: none"> The basis of the adopted cut-off grade(s) or quality parameters applied. | <ul style="list-style-type: none"> The cutoff grade(s) was generated by Shanta's experienced senior mining engineer based on current operating cost and gold price. |
| Mining factors or assumptions | <ul style="list-style-type: none"> Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made. | <ul style="list-style-type: none"> An optimization study was conducted on the mineralization contained within the BC East Area 1 target to ascertain whether they fulfil the criteria of "reasonable prospects for eventual economic extraction" using current operating costs. The mineral resource was deemed amenable to extraction by underground mining methods and were declared at a cut-off of 1.0g/t. |

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| <p>Metallurgical factors or assumptions</p> | <ul style="list-style-type: none"> The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made. | <ul style="list-style-type: none"> Shanta Mining Company Ltd commissioned the first of a series of gold deportment and metallurgical studies on mineralised material from the Saza tenement in June 2009. Reverse circulation drill chips from five mineralised targets were submitted for gold deportment testing. Further metallurgical studies commissioned on mineralised material from the Bauhinia Creek deposit during 2010/2011 have supported initial gold deportment findings, with the following conclusion being reached. "The diagnostic leach results showed the samples to be amenable to direct cyanidation leaching with an average of 85% gold liberated" (Janse van Rensburg & Mashaba, 2011). |
| <p>Environmental factors or assumptions</p> | <ul style="list-style-type: none"> Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made. | <ul style="list-style-type: none"> NLGM (of which Bauhinia Creek is a part) is a fully permitted mining operation under Tanzanian law with the prerequisite environmental impact assessments and dedicated tailings storage facility. |
| <p>Bulk density</p> | <ul style="list-style-type: none"> Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. Discuss assumptions for bulk density estimates used in the evaluation process of the different materials. | <ul style="list-style-type: none"> Density determinations have been carried out on the diamond cores at the NLGM exploration office. The results ranged from 2.330 g/cm³ to 3.000 g/cm³, with the mean being 2.711 g/cm³. |
| <p>Classification</p> | <ul style="list-style-type: none"> The basis for the classification of the Mineral Resources into varying confidence categories. Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). Whether the result appropriately reflects the Competent Person's view of the deposit. | <ul style="list-style-type: none"> The resources have been classified as Indicated and Inferred based primarily on sample spacing as determined by drilling density and proximity to informing data as well as the grade distribution of the supporting data. For the resource classification, a solid shape was constructed around the parts of the mineralised body where most estimates were informed by data not more than 50m from the estimated block, are estimated within the primary search volume, and where the estimates have been interpolated rather than extrapolated. All blocks located within these areas were classified as Indicated resources. All blocks located outside of these areas, around the periphery of the drilling were classified as Inferred resources. |
| <p>Audits or reviews</p> | <ul style="list-style-type: none"> The results of any audits or reviews of Mineral Resource estimates. | <ul style="list-style-type: none"> Only internal audit completed. |

Discussion of relative accuracy/ confidence

- *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*
- *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.*
- *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*
- Refer to estimation and modelling technique comments above.

ENDS