

19 August 2020

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

## **SHANTA GOLD COMPLETES ACQUISITION OF BARRICK'S KENYA GOLD PROJECTS**

Shanta Gold (AIM: SHG), the East Africa-focused gold producer announces that it has completed the previously announced acquisition of 100% of the shares of Barrick's subsidiary Acacia Exploration (Kenya) Ltd. ("AEKL") from three subsidiaries of Barrick Gold Corporation ("Barrick"). AEKL's primary asset is a 100% interest in licences which includes an existing high-grade NI 43-101 compliant resource ("West Kenya", "Project").

With the receipt of regulatory approvals in Kenya, including standard consents from the Mining Authorities to the assignment of interests and the transfer of Prospecting Licences, and approval of the Transaction by the Competition Authority of Kenya, all of the closing conditions for the Transaction are now satisfied.

The purchase consideration is comprised of US\$7.0 million cash (inclusive of US\$0.5m which may become payable post completion subject to satisfaction of a condition subsequent), US\$7.5 million shares in Shanta Gold Limited issued to Barrick (issued at 10.5p per share, as previously announced), and a two percent life of mine net smelter return (NSR) royalty over the Project. Accordingly, 54,650,211 shares in Shanta Gold have today been issued to Barrick resulting in a pro forma interest of 6.4% in Shanta Gold.

### **Eric Zurrin, Chief Executive Officer, commented:**

*"The West Kenya acquisition is significant for Shanta Gold, creating an East African gold mining champion with realisable growth prospects and high asset quality across three attractive gold projects.*

*Now that the Transaction is complete, we are turning our focus to integrating West Kenya into the Shanta portfolio and accelerating progress on the ground with plans to begin infill drilling and to further delineate the resource potential. We are committed to responsibly investing in Kenya and working with the Government, communities and local stakeholders."*

### **Final consideration**

Pursuant to the terms of the acquisition, Shanta has also inherited certain liabilities of AEKL and the consideration has been adjusted to reflect certain working capital items, the net impact of which is an additional cash sum payable by Shanta to settle third party liabilities of US\$1.3m. The cash component of the consideration has been adjusted down by US\$0.5m which may become payable within 4 years subject to completion of a condition subsequent.

### **Enquiries:**

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**About Shanta Gold**

Shanta Gold is an East Africa-focused gold producer, developer and explorer. It currently has defined ore resources on the New Luika project in Tanzania and holds exploration licenses covering approximately 1,200km<sup>2</sup> in the country. Shanta Gold also owns the West Kenya Project in Kenya with defined ore resources of 1.2Mt grading 12.6 g/t. Shanta's flagship New Luika Gold Mine commenced production in 2012 and produced 84,506 oz in 2019. The Company has been admitted to trading on London's AIM and has approximately 849 m shares in issue. For further information please visit: [www.shantagold.com](http://www.shantagold.com).

This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014.