

2 November 2021

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

Singida First Gold Production Reiterated for Early 2023

Project Drilling and Construction Update

Shanta Gold (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is pleased to provide an update on the construction progress at the Singida Gold Project ("Singida") in Central Tanzania.

Singida Project Update Highlights:

- Project construction remains on track for first production in early 2023, adding a second revenue stream across the portfolio and further strengthening our diversified portfolio of assets in East Africa;
- Strong results from grade control drilling programme further increase confidence in the strength of the production profile at Singida;
- Grade Control drilling completed at Gold Tree deposit;
 - A total of 1,515 meters ("m") of grade control drilling complete phase one drilling program including;
 - Hole SGTGC3: 11m @ 6.64 Au g/t from 10m;
 - Hole SGTGC7: 10m @ 6.8 Au g/t from 16m;
 - Hole SGTGC12: 14m @ 8.68 Au g/t from 16m;
 - Including 1m @ 20.60 g/t from 24m and 1m @ 47.60 g/t from 26m;
 - Hole SGTGC20: 8m @ 24.89 Au g/t from 22m;
 - Including 1m @ 10.12 g/t from 24m and 1m @ 182.90 g/t;
 - Updated reserves at Gold Tree deposit expected in Q1 2022;
- Crushing Circuit design and manufacturing completed with Metso Group, shipment started in September with expected site delivery in November and December 2021;
- Grinding & Gravity Circuit mill manufacturing ongoing with NCP in South Africa;
 - Mill site civil works to start December 2021;
 - Mill site installation planned May 2022;
- Mining;
 - Open pit mining operations commenced at Gold Tree pit on 15th September 2021;
 - Had the first successful Gold Tree open pit blast on 15th October 2021;
 - Stockpiling of ore is underway;
- Tailings Storage Facility Dam Design is completed, all permits received, and approval has been granted by the regulators to commence construction; and,
- Key infrastructure including bulk power, water, buildings, fencing are progressing on track.

Health, Safety, Environment and Communities

- Maintained strong health and safety track record with zero LTIs since commencement of construction;
- Tanzanian General Manager appointed, Jiten Divecha, who brings 20 years' experience including previously as Operations Manager for African Barrick Group in Tanzania;
- Commitment to recruiting and developing Tanzanian nationals at New Luika and Singida; 100% of employees and contractors on Singida site, totalling 210 people, are Tanzanian nationals; and,
- Community investment initiatives commenced including upgrading of roads and surrounding infrastructure and the launch of schools around surrounding villages.

Eric Zurrin, Chief Executive Officer, commented:

“Today we’ve reiterated that our Singida Project is progressing on schedule, with first production due in early 2023. Reaching this milestone will transform Shanta from a single asset producer to a near-term 100,000 oz/pa producer with a diversified revenue stream across two operations, further de-risking our business and placing us in a strong position to maintain our sustainable dividend and fund the highly promising West Kenya asset.

The encouraging results of our grade control drilling at Singida reinforces our confidence in the strength of the production profile, especially for the first 18 – 24 months of production. This programme is ongoing, and we look forward to coming back to the market in due course with further updates.

We take deep pride in the social impact our projects create for our communities on the ground. Ensuring that we prioritise our local communities in our recruitment process is a key component of this strategy. At New Luika 99.5% of our workforce is Tanzanian and now at Singida, we are delighted to confirm that we have reached 100.0%. All senior roles at both assets are led by a highly skilled Tanzanian-only management team. This is a proud day for us as a business and we look forward to continuing to support our communities grow and thrive through our investment in the region.”

Shanta Gold Limited

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The technical information contained within this announcement has been reviewed by Juma Kisunda (the Company's Technical Services Manager), who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Juma Kisunda has sufficient experience that is relevant to the style of mineralisation 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.

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 666 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 high grade resources 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.

Grade Control Drilling

The grade control RC holes at Singida were drilled at an inclined angle of minus 53° with holes depth ranging from 10 m to a maximum of 46 m. Infill grade control RC holes were drilled to cover a spacing of 15 m along the strike and 10 m along the dip and a vertical depth of 20 m was covered during the program.

The true widths of mineralisation are estimated to be approximately 85 - 90% of the intercept of RC down hole length. All results are based on 1 m composite samples of RC drilling, Au assays values based on fire assay analysis of a 50 gm at New Luika Site Laboratory.

Drilling intersections:

- Hole SGTGC3: 11m @ 6.64 Au g/t from 10m
- Hole SGTGC7: 10m @ 6.8 Au g/t from 16m
- Hole SGTGC12: 14m @ 8.68 Au g/t from 16m
 - Including 1m @ 20.60 g/t from 24m and 1m @ 47.60 g/t from 26m
- Hole SGTGC20: 8m @ 24.89 Au g/t from 22m
 - Including 1m @ 10.12 g/t from 24m and 1m @ 182.90 g/t
- Hole SGTGC31: 4m @ 3.82 Au g/t from 22m
- Hole SGTGC36: 4m @ 3.32 Au g/t from 32m

- Hole SGTGC39: 4m @ 3.45 Au g/t from 34m
- Hole SGTGC41: 5m @ 3.36 Au g/t from 8m

A total of 95 RC grade control holes drilled to date with assay results from 45 holes received thus far. The reported intercepts have width greater than or equal to 4 m and grade greater than 3.30g/t.

END