

6 September 2021

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

High Grade Drilling Results from Phase 2 Drilling West Kenya

Shanta Gold (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is pleased to provide an exploration update for the West Kenya Project ("West Kenya") in Kenya.

Highlights:

- This update relates to 3,205 metres ("m") of drilling across 11 holes conducted in June and July 2021 at the Isulu and Bushiangala deposits ("the Deposits") and reports new information received since the Company's previous exploration update released 9 August 2021;
- Today's update is the sixth set of drilling results reported in 2021 from West Kenya, all continuing to deliver high grade gold intersections from infill drilling;
- Drilling intersection highlights include:

Hole No.	Interval (m)	Au (g/t)	From (m)	To (m)
<u>Isulu deposit</u>				
273	2.6	23.34	410.4	413.0
277	4.7	117.39	417.0	421.7
<i>Including:</i>	<i>1.0</i>	<i>529.90</i>	<i>420.7</i>	<i>421.7</i>
<u>Bushiangala deposit</u>				
275	1.0	23.50	182.9	183.9
276	1.1	7.53	163.3	164.4
279	0.6	16.10	193.7	194.3
<u>Undisclosed¹</u>				
Undisclosed ¹	3.9	63.80	Undisclosed ¹	

¹ Selected details of certain high-grade intersections have not been disclosed. These details have been redacted to protect the value of the respective drilling results.

- Visible gold was identified in 3 intersections across 11 holes drilled. The true width of mineralisation is estimated at approximately 60-70% of the intercept core length;
- Hole Undisclosed intersected 3.9 m at 63.80 g/t Au, with the intersect 60 m in proximity to hole Undisclosed announced in August 2021 which intersected 4.0 m at 706.3 g/t;
- Intersections reported today include the second set of results received from Phase 2 of the ongoing drilling campaign, which is targeting mineralisation at 200-450 metres below surface;

- A resource update, focused on approximately 10% of the total NI43-101 Inferred resource of 1.2 Moz between 0-200 metres in depth, and partially using intersections reported today, is expected to be released in September; and,
- 45% of total planned infill drilling for 2021 and 17% of total planned infill drilling over three phases for West Kenya has now been reported.

Eric Zurrin, Chief Executive Officer, commented:

“We are delighted with our second set of results from Phase 2 drilling at West Kenya. Whilst the intersections across the board have been very strong, we are particularly pleased with a new intersection of 3.9 m at 63.80 g/t Au which is 60 meters in proximity to the Undisclosed hole announced last month which intersected 4.0 m at 706.3 g/t. We are almost halfway through our total planned infill drilling programme at West Kenya for 2021 with a resource update due to be released later this month.

We believe West Kenya represents significant upside potential for our business and we are excited to replicate our success in Tanzania across the wider East Africa region.”

Isulu and Bushiangala Drilling Campaign

The West Kenya Project covers 1,162 km² of the highly prospective and underexplored greenstone Archaean Busia-Kakamega Gold Belt in western Kenya. Ongoing drilling at the Isulu and Bushiangala deposits is aimed at upgrading ounces from the Project’s NI43-101 compliant Inferred Mineral Resource Estimate into the Indicated Resource category down to a depth of 600 metres across three drilling phases.

This infill drilling is aimed at verifying the extent and geometry of the known mineralised zones developed for the current resource model. Shanta is on track to complete approximately 35-40% of total planned drilling at West Kenya by the end of 2021. 45% of total planned drilling for 2021 and 17% of total planned drilling over three phases has now been reported. Two drill rigs are currently active at the Isulu and Bushiangala deposits in West Kenya, with a third rig mobilised and expected on site in September.

Gold mineralisation at the Project is hosted by sheared pillowed to massive basalts, bounded between ultramafic volcanics and polymictic conglomerates on one side and carbonaceous mudstones and sandstones on the other side. The deposits occur within the Liranda Corridor area, a 12 km structural trend located on the eastern limb of a broad synclinal structure intruded in the centre by granitoids and diorites, termed the Kakamega Dome. Mineralisation is associated with quartz, quartz-carbonate veinlets within the mineralised shear zones ranging from 0.5 m to 10 m in true width. The mineralisation style is classified as orogenic, shear-zone-hosted quartz-carbonate vein subtype. The strike lengths of the steeply-dipping zones vary between 350 m and 650 m.

Phase 1 drilling at the Project, completed in June 2021, sought to infill two modelled zones at Isulu (IZ1.0 and IZ3.0) and three modelled zones at Bushiangala (BZ1, BZ2 and BZ3). This

drilling was carried out to generate an average spacing of 40 m at Isulu and 30 m at Bushiangala, up to a depth of 150-200 m from surface, and targeted both oxides and sulphides within these zones. Following the completion of Phase 1 drilling, an updated mineral resource estimate is expected to be completed and announced in September.

Phase 2 of the ongoing diamond drilling campaign at the Project is seeking to infill nine modelled zones at Isulu (IZ1.0, IZ2.0, IZ3.0, IZ3.1, IZ3.2, IZ4.0, IZ4.1, IZ4.2 and IZ5.0) and three modelled zones at Bushiangala (BZ1, BZ2 and BZ3). This drilling phase amounts to 75,000 m of planned drilling and is due to be completed in Q4 2022. Phase 2 drilling is expected to generate an average interception spacing of 40 m at Isulu and 30 m at Bushiangala, up to a depth of 450-500 m from surface.

Drilling interception results shown below are those for 11 diamond drill holes, received since the Company's most recent exploration update in August 2021. To date this takes the total number of holes with assays returned to 68 within the current drilling campaign. The lengths shown are down hole metres and it is estimated that the true widths of the mineralized zones are approximately 60-70% of the widths intersected in the drill holes. All assays are reported without application of a top cut. Assays were analysed at an accredited laboratory operated by SGS, an independent third party:

Drill Hole	Interval (m)	Au (g/t)	From (m)	To (m)	Prospect
LCD0273	2.6	23.34	410.4	413.0	Isulu
LCD0275	1.0	3.01	103.0	104.0	Bushiangala
	1.3	2.22	255.3	256.6	
	7.9	3.75	182.9	190.8	
	<i>including:</i> 1.0	24.50	182.9	183.9	
LCD0276	1.0	1.84	146.7	147.7	Bushiangala
	4.7	2.27	159.7	164.4	
	<i>including:</i> 1.1	7.53	163.3	164.4	
	4.0	1.43	183.7	187.7	
LCD0277	4.7	117.39	417.0	421.7	Isulu
	<i>including:</i> 1.0	529.90	420.7	421.7	
LCD0278	14.5	1.45	165.0	179.5	Bushiangala
	<i>Including:</i> 2.0	5.31	172.0	174.0	
	1.0	1.24	182.8	183.8	
LCD0279	18.0	2.02	154.0	172.0	Bushiangala
	0.6	16.10	193.7	194.3	
LCD0280	5.3	3.95	142.7	148.0	Bushiangala
	1.0	1.84	168.9	169.0	
	1.2	1.50	175.6	176.8	

LCD0281	1.0	1.66	394.6	395.6	Isulu
	3.0	0.54	407.6	410.6	
LCD0282	1.0	3.65	117.0	118.0	Bushiangala
	0.7	3.43	121.3	122.0	
	0.5	5.44	149.0	149.5	
	1.0	1.93	168.0	169.0	
	0.8	7.00	211.3	212.1	
LCD0283	0.6	7.63	173.0	173.6	Bushiangala
LCD0284	3.0	3.78	184.5	187.5	Bushiangala
	1.0	1.18	203.9	204.9	
Undisclosed ¹	3.9	63.80	Undisclosed ¹	Undisclosed ¹	Undisclosed ¹

¹ Selected details of certain high grade intersections have not been disclosed. These details have been redacted to protect the value of the respective drilling results.

Shanta Gold Limited

Eric Zurrin (CEO)

+44 (0) 14 8173 2153

Luke Leslie (CFO)

Nominated Adviser and Joint Broker

Liberum Capital Limited

Scott Mathieson / Ed Thomas / Nikhil Varghese

+44 (0) 20 3100 2000

Joint Broker

Tamesis Partners LLP

Charlie Bendon / Richard Greenfield

+44 (0) 20 3882 2868

Public Relations

FTI Consulting

Sara Powell / Genevieve Ryan

+44 (0) 20 3727 1426

The technical information contained in this announcement was reviewed by Yuri Dobrotin, P.Geol. Membership No.0702 (Shanta's Group Exploration Manager), who is a practicing member of the Association of Professional Geoscientists of Ontario, Canada (PGO).

Mr Dobrotin has 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 Person as defined 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 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 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.

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