

12 May 2016

**Shanta Gold Limited**

**(“Shanta” or the “Company”)**

**Passing of Written Resolution and Total Voting Rights**

Shanta Gold Limited (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is today pleased to announce that further to the announcement made on 6 May 2016 regarding the posting of the written resolution to the convertible loan note holders of the US\$25.0 million senior unsecured subordinated convertible loan notes (the “Notes”), the written resolutions have been duly passed as Extraordinary Resolutions on 11 May 2016 receiving over 75 per cent. of votes in favour from the convertible loan note holders. The conditionality in respect of the written resolution has been satisfied and the formalities to effect the written resolution will now be implemented.

Following the passing of the written resolution and satisfaction of the above-mentioned conditionality a subsidiary of the Company shall now proceed to purchase US\$10.0 million of the Notes within 45 days of this announcement in accordance with the scheme set out in the written resolution (“Scheme”). Once the Company announces that all formalities have been completed (which shall be the Effective Date and which shall be within 45 days of the date of this announcement), the term of the Notes will be extended by two years to April 2019 with a concurrent increase to the coupon from 8.5 per cent. to 13.5 per cent.

Indicatively, the proposed record date for the Scheme will be 14 days from the date of this announcement and the proposed payment date will be 21 days from the date of this announcement. This will however be confirmed in due course.

Application has been made to London Stock Exchange plc (“LSE”) for the Placing Shares in relation to the Placing announced on 6 May 2016 to be admitted to trading on AIM, the market owned and operated by the LSE (“AIM”), (“Admission”). It is expected that Admission will take place at 8.00 am on 13 May 2016.

Shanta's enlarged issued ordinary share capital immediately following the issue of the Placing Shares will be 580,220,283 Ordinary Shares. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

**For more information please contact:**

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**About Shanta Gold Limited**

Shanta is an East Africa-focused gold producer, developer and explorer. It currently has defined ore resources on the New Luika and Singida projects in Tanzania and holds exploration licences over a number of additional properties in the country. Shanta's flagship New Luika Gold Mine commenced production in 2012 and produced 81,873 ounces in 2015. The Company has been admitted to trading on London's AIM. For further information please visit: [www.Shantagold.com](http://www.Shantagold.com).