

9 April 2018

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

Singida Gold Mining Project Exploration Update

Shanta Gold (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is pleased to announce results from its exploration and resource infill Reverse Circulation ("RC") drilling conducted during the first quarter of 2018 at the Singida Gold Mining Project ("Singida" or "the Project") in Central Tanzania.

Following a review of available exploration data for Singida in the last quarter of 2017, an RC drilling programme was recommended. The aim was to test the down-dip and down plunge continuity of the high grade mineralized shoots that will facilitate upgrading of resources immediately below the current designed pits from the Inferred to the Measured and Indicated (M&I) categories. The first part of the drilling programme focused on the Gold Tree and Jem deposits in February and March 2018, during which 15 holes representing 1,603 metres were completed.

Assay results for the 15 holes have been received and are currently being modelled. The results will be submitted to the Company's independent resource consultant for resource estimation purposes in the coming months for generation of an updated mineral resource estimate at Singida.

Encouraging mineralized drilling intersections achieved include:

- 10 m @ 20.82 g/t gold from 138 m in hole SC702, incl. 3 m @ 57.13 g/t gold from 138 m
- 5 m @ 10.35 g/t gold from 120 m in hole SC713
- 5 m @ 8.06 g/t gold from 62 m in hole SC709
- 8 m @ 5.96 g/t gold from 117 m in hole SC708
- 8 m @ 3.86 g/t gold from 123 m in hole SC705
- 7 m @ 4.69 g/t gold from 124 m in hole SC706
- 4 m @ 5.48 g/t gold from 61 m in hole SC712

Eric Zurrin, Chief Executive Officer, commented:

"Singida is an important project in our portfolio that gives us the opportunity of a second producing gold asset. These positive drilling results have the potential to enhance the current project economics at Singida as well as improve the prospects of expanding the project beyond the current scope of construction. We will continue to update the market throughout 2018 with information as it becomes available."

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About Shanta Gold

Shanta Gold is an East Africa-focused gold producer. It currently has defined ore resources on the New Luika and Singida projects in Tanzania and holds exploration licenses covering approximately 1,500km² in the country. Shanta's flagship New Luika Gold Mine commenced production in 2012 and produced 79,585 ounces in 2017. The Company has been admitted to trading on London's AIM and has approximately 778 million shares in issue.

For further information please visit: www.shantagold.com.

The technical information contained within this announcement has been reviewed and approved by Mr. Awie Pretorius MSc.Pri.Sci.Nat. Mr. Pretorius is a consultant to Shanta and a member of the South African Council for Natural Scientific Professionals (SACNASP Membership Number 400060/91).

He 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 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.

Singida Drilling Programme

The completed RC drilling programme is part of the recommended infill and extension drilling program aimed to upgrade the inferred mineral resources into the higher confidence resource categories so that open pit ore reserves can be determined and mineralization at depth can be evaluated. The completed phase of the drilling programme focused on the Gold Tree and Jem deposits.

Table 1: Detailed Intersection Summary – Significant intersections > 1g/t

Deposit	Drill hole ID	From (m)	To (m)	Intersection Width (m)	Composite Au Grade (g/t)
Gold Tree	SC702	138	148	10	20.82
		<i>Including:</i> 138	141	3	57.13
Gold Tree	SC703	14	15	1	6.72
		16	17	1	4.45
		145	148	3	2.50
Gold Tree	SC704	107	109	2	4.55
		113	114	1	1.36
Gold Tree	SC705	33	34	1	4.65
		40	43	3	4.83
		123	131	8	3.86
		134	135	1	5.96
Gold Tree	SC706	44	46	2	1.50
		124	131	7	4.69
Gold Tree	SC707	16	19	3	4.52
Gold Tree	SC708	16	18	2	7.11
		19	21	2	1.24
		117	125	8	5.96
		126	129	3	1.52
		130	132	2	2.68
Jem	SC709	7	8	1	8.32
		49	50	1	1.59
		62	67	5	8.06
Jem	SC710	26	29	3	4.49
Jem	SC711	29	31	2	1.44
		55	56	1	1.60
		90	92	2	50.97
		<i>Including:</i> 90	91	1	>100
		139	140	1	3.01
Jem	SC712	61	65	4	5.48
		69	70	1	2.45
Jem	SC713	120	125	5	10.35
Jem	SC714	74	77	3	1.59

¹ All holes were drilled at inclinations of -55° to -62° into mineralized zones dipping at 70° to 75°

² No top-cut applied

³ It is estimated that the true widths of the mineralized zones are approximately 75 – 85% of the intersected widths in the holes

⁴See link for accompanying plan of drill hole locations and cross-sections
http://www.rns-pdf.londonstockexchange.com/rns/1917K_-2018-4-8.pdf

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

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