

Shanta Gold Limited

("Shanta Gold" or the "Company")

New Loan Facilities

Shanta Gold Limited, the East Africa focused gold production and exploration company, announces that it has, through its operating subsidiary, Shanta Mining Company Limited, completed formal documentation and signed loan facilities with Investec Bank Limited, acting through its Corporate and Investment Banking Division ("Investec") on the terms outlined in the announcement dated 16 December 2014. The loan facilities are still subject to normal regulatory approvals from the Bank of Tanzania which are expected in the near future.

As previously advised, the loan facilities total US\$40 million, of which US\$20 million will be used to refinance the existing bank loan from FBN Bank (UK) Limited whilst the balance will be a standby facility to be used as and when required. The loan facilities have a five year tenor and bear interest at a rate of LIBOR+4.9% per annum.

The finalisation of these facilities will lower the Company's cost of funding and also provide greater financial flexibility.

Mike Houston, outgoing CEO of Shanta Gold, commented:

"I am very pleased that we have been able to conclude these new facilities on time as they provide Shanta Gold with significant financial flexibility and reduce financing costs. The facility, together with the Company's operating cash flow, place Shanta Gold in a healthy position as it enters an exciting period with the extension of the Life of Mine at New Luika through opencast and underground mining and looks at other growth opportunities.

I would like to thank FBN Bank for their support to Shanta Gold during a critical period in the Company's development and also for the positive support to this new debt restructuring. We welcome Investec, who have a long history of funding mining projects, as our new principal financiers."

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About Shanta Gold Limited

Shanta Gold is an East African focused gold mining company. 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. The Company's flagship New Luika Gold Mine commenced production in August 2012 and produced 84,000 ounces in 2014. The Company is admitted to trading on AIM and has approximately 464 million shares in issue. For further information visit the Company's website: www.shantagold.com.