

30 June 2017

Shanta Gold Limited

("Shanta" or the "Company")

Proposed Tanzanian Legislative Changes

Shanta Gold (AIM: SHG) notes the publication of draft legislation tabled in the Tanzanian Parliament on 29 June 2017. The proposed legislation recommends changes to the legal framework governing the natural resources sector in Tanzania. We understand that this legislation is to be debated by the Parliament in an extended Parliamentary session. In addition, Parliament has approved the new Finance Act, which will impose a 1% clearing fee on the value of all minerals exported from the country from 1 July 2017. Shanta will seek advice on the proposed changes and will provide further updates as appropriate.

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About Shanta Gold

Shanta Gold is an East Africa-focused gold producer, developer and explorer. It currently has defined ore resources on the New Luika, Nkuluwisi 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 87,713 ounces in 2016. The Company is admitted to trading on London's AIM and has approximately 766 million shares in issue.

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