

1 June 2023

Shanta Gold Limited

("Shanta Gold" or the "Company")

Shanta Declares Commercial Production at Singida Gold Mine

Shanta Gold (AIM: SHG), the East Africa-focused gold producer, developer and explorer is pleased to announce that its Singida Gold Mine ("Singida") in Tanzania has achieved commercial production, effective 1 June 2023.

Eric Zurrin, CEO, commented:

"I am delighted to announce that commercial production has been declared at Singida following what has been a rapid ramp-up period after first gold pour. The mine delivered steady results against production KPIs including consistent gold production and higher than expected gold recoveries, culminating in several successful gold shipments. I would like to acknowledge the hard work and dedication of our team, which has successfully designed and delivered the project over the past two years from construction through to commercial production.

With this key milestone achieved, I can confidently say that Shanta has reached an inflexion point at which the Company can now look further forward for its next phase of growth. The cashflow contribution from Singida materially increases financial flexibility for the Company allowing management to comfortably take the next steps required in its growth journey.

This has already been demonstrated through our recent decision to undertake targeted investment in drilling throughout the Shanta portfolio, where we see material opportunities for reserves and resource growth. With our balance sheet in a healthy position underpinned by two producing gold mines delivering 100,000 oz pa, we are excited by the potential that Shanta has to offer and look forward to unlocking further long-term value for our shareholders going forwards."

Highlights

- Commercial production is declared following the construction and ramp-up period, with nameplate capacity of 1,000 tonnes per day achieved within weeks following the first gold pour on 30 March 2023;
- All key internal commercial production measurements achieved (including processing rate, plant availability, gold recovery, and plant utilisation);
- Mining activities are progressing according to schedule with nearly six-months of feed already stockpiled;
- Singida gold production has strengthened the Company's free cash flow generation;
- FY 2023 production guidance for Singida to follow in June 2023 including 5-year forecast; and,
- Exploration drilling is planned for Q3 to target reserve additions and resource conversion, tapping into the 885 Koz of resources currently outside the reserve-based mine plan.

Commercial production has been declared at Singida based on achieving 30 consecutive days of mill throughput exceeding 95% of nominal nameplate capacity of 1,000 tonnes per day (“tpd”), overall plant utilisation and gold recovery exceeding 95% and plant availability above 90%.

In addition, key necessary permits and equipment are all in place and key personnel required to maintain stable production at Singida, with the first gold shipments being successfully completed in May 2023.

Mining activities at the Gold Tree open pit are progressing according to schedule with nearly six-months’ worth of feed already stockpiled and positive grade reconciliation against the resource model being achieved. The current stockpile totals 187,673 tonnes at 2.17 g/t Au containing 13,085 Koz, inclusive of 37,844 tonnes grading 2.40 g/t Au containing 2,917 oz for in-plant crushed ore.

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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 625 Koz grading 2.91 g/t, and exploration licences covering approximately 800 km² in the country. Alongside New Luika and Singida, Shanta also owns the high-grade West Kenya Project in Kenya and licences with resources of 1.7 million ounces including 722 Koz in the Indicated category grading 11.45 g/t. With a healthy 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 1,051 million shares in issue.