

16 December 2014

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

New Loan Facilities

Shanta Gold, the East Africa focused gold production and exploration company, announces that it has signed a term sheet and mandate letter with Investec Bank Limited, acting through its Corporate and Investment Banking division ("Investec") for two new loan facilities totaling \$40 million, consisting of:

Facility 1 - \$22.5 million

- Interest rate of 3 Month Libor +4.9%
- Term of five years with one year capital grace period and with no early repayment penalties
- Repayment in equal quarterly tranches commencing 15 months from financial close with no early repayment penalties

Facility 2 - \$17.5 million standby loan facility

- Interest rate of 3 Month Libor +4.9%
- Commitment fee of 1.25% per annum
- Term of five years with availability until April 2017 and with no early repayment penalties

Facility 1 will be used to redeem in full the Company's existing loan with FBN Bank which is expected to amount to \$22.5 million at 31 December 2014 and bears interest at Libor+6.5%. Repayment of this loan commenced on 31 January 2014 and was otherwise scheduled to be fully repaid by 31 December 2016. Facility 2 is a standby loan facility to be accessed as and if required during the implementation of the New Luika Gold Mine Life of Mine Extension Project.

Financial closure for both facilities is subject to the completion of formal documentation which is expected to be finalised in Q1 2015.

Mike Houston, CEO of Shanta Gold, commented:

" This is an important step in terms of the Life of Mine plans with these new competitive funding facilities together with our robust cash generation from existing operations providing the Company with increased financial flexibility "

Enquiries:

Shanta Gold Limited

Tel: +255 (0) 22 2601 829

Mike Houston

Patrick Maseva-Shayawabaya

Nominated Adviser and Joint Broker

Peel Hunt LLP

Tel: + 44 (0) 20 7418 8900

Mathew Armitt/Ross Allister

Financial Public Relations

FTI Consulting

Tel: +44 (0)20 3727 1000

Oliver Winters/Ben Brewerton/Sara Powell

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 is forecast to produce between 80,000 - 83,000 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.