

3 February 2016

Shanta Gold Limited

(“Shanta” or the “Company”)

Completion of €4.6 million underground equipment financing for New Luika Gold Mine

Shanta Gold (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is pleased to announce that the Company has completed a finance agreement with Sandvik Mining and Construction OY. The €4.6 million (US\$5.0 million) financing will be used to purchase underground mobile equipment and is repayable quarterly in two tranches over 36 months from June 2016 (tranche 1) with a fixed interest cost of 7%, and from September 2016 (tranche 2) with a fixed interest cost derived by the USD base rate and expected to be approximately 7%.

The equipment is expected to arrive in Tanzania in stages from April 2016. This purchase is part of Shanta’s capital programme outlined in the Base Case Mine Plan for its flagship asset, the New Luika Gold Mine (“NLGM”) located in the Lupa Goldfield in southwest Tanzania.

The capital development programme for the Base Case Mine Plan is progressing on schedule and on budget.

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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 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 81,873 ounces in 2015. The Company is admitted to trading on London's AIM and has approximately 469 million shares in issue. For further information please visit: www.shantagold.com.