

27 June 2018

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

Passing of Written Resolutions

Shanta Gold Limited (AIM: SHG), the East Africa-focused gold producer, developer and explorer, is pleased to announce that further to the announcement made on 14 June 2018 regarding the posting of the written resolutions to the loan note holders of the unsecured subordinated convertible loan notes due April 2019 ("Notes"), the written resolutions have been duly passed as Extraordinary Resolutions on 26 June 2018 receiving over 75 per cent. of votes in favour from the convertible loan note holders.

Following the passing of the written resolutions a subsidiary of the Company will proceed to buyback approximately 33.33% of the Notes currently held by third parties (US\$5 million of the Notes) in April 2019 at par value, in accordance with the scheme set out in the written resolutions, and to extend the term of the remaining Notes to April 2020 ("Arrangements").

The Company is in a period of rapid deleveraging, and is on course to repay US\$30 million of gross debt to its lenders over the next 18 months, including this US\$5 million buy back of Loan Notes. The Board therefore consider it prudent to take this opportunity to reduce the cash call in April 2019 and extend the maturity of the Notes to April 2020.

The Arrangements will provide the Company with increased flexibility to develop Ilunga, conduct exploration at NLGM and to identify targets close to the mine. The Board considers the Arrangements a positive outcome, resulting in reduced overall indebtedness of the Company, with no associated fees.

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About Shanta Gold Limited

Shanta Gold is an East Africa-focused gold producer. It currently has defined ore resources on the New Luika and Singida projects in Tanzania and holds exploration licenses covering approximately 1,500km² in the country. Shanta's flagship asset New Luika Gold Mine commenced production in 2012 and produced 79,585 ounces in 2017. The Company has been admitted to trading on London's AIM and has approximately 778 m shares in issue. For further information please visit: www.shantagold.com.

This announcement is inside information for the purposes of Article 7 of Regulation 596/2014.