



SINGIDA GOLD PROJECT Project Update

7 October 2020



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SINGIDA GOLD PROJECT – HIGHLIGHTS

- Construction of Singida is underway
- Reserve-based mine plan gives post-tax NPV_{8%} of US\$73 m and IRR of 59% at US\$1,900 /oz (approximate current gold spot price)
- Average annual Life of Mine gold production of 32,000 oz at an AISC of US\$869 /oz
- Increases Shanta's group production to c.110,000 oz in the first full year of operation
- Total capital investment of US\$26 m over a 24-month construction period, excluding pre-stripping
- Investment funded from internally generated cash flow
- Over 90% of existing reserves are only 120 metres below surface
- Resources of 9.8 Mt grading 2.11 g/t for 664,000 oz currently sit outside the project economics (but within the Mining Licences), giving significant upside potential
- Expected transformation of the Ikungi region in central Tanzania to benefit local communities

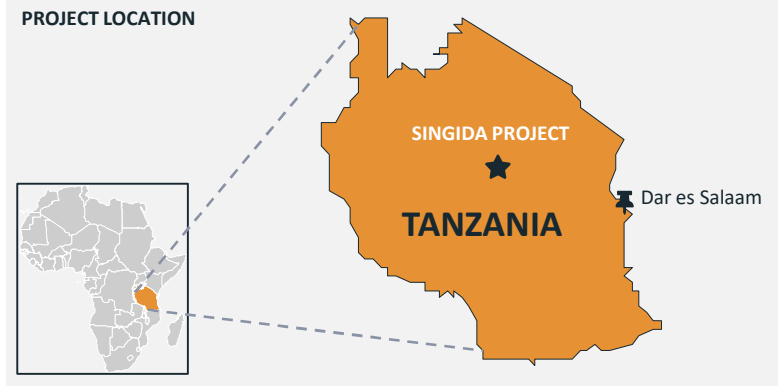


SINGIDA GOLD PROJECT – OVERVIEW

A complementary growth project with low capex requirements and attractive returns

OVERVIEW

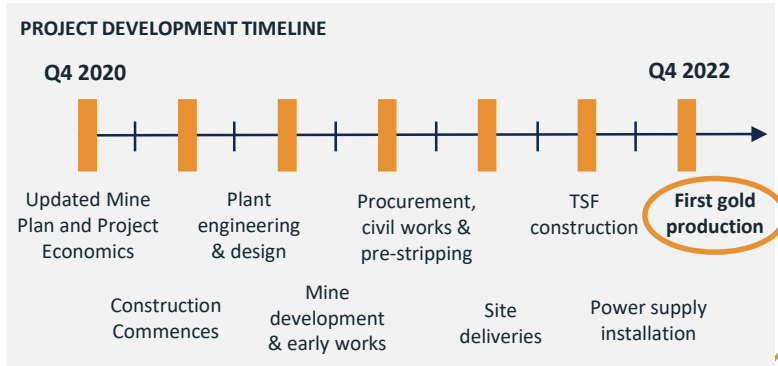
- Open pit gold project covering an area of c.98 km² located in prospective greenstone belt within the Ikungi District in the Singida Region of Central Tanzania
- Will become Shanta’s second producing mine and a key contributor to the next stage of the company’s growth
- In May 2020, announced JORC compliant gold reserve totaling 243 koz at 3.0 g/t
 - 91% of contained gold within reserves are less than 120 metres from surface, highlighting the potential for reserve expansion at depth
- High grade below the open pits suggests future underground mine potential
- The project is fully permitted and financing discussions for its development are well advanced



JORC Reserves and Resources as at 26 May 2020 ¹

	Ore (Mt)	Grade (g/t Au)	Contained (koz Au)
Probable Reserves	2.51	3.00	243
Measured	1.63	3.39	179
Indicated	4.02	2.36	306
Measured & Indicated	5.65	2.66	484
Inferred Resources	6.15	2.12	418
Total Resources	11.80	2.38	904

1. Total Resources are inclusive of reserves.



SINGIDA GOLD PROJECT – PROJECT HIGHLIGHTS

Singida is expected to generate an average annual FCF of \$13m over 7yrs at \$1,700/oz gold

ROBUST FUNDAMENTALS		COMPELLING ECONOMICS ¹	
<p>Gold Reserve (JORC 2012)</p> <p>243koz @ 3.0g/t</p> <p>Represents just 26% of total contained Resource. >90% of contained oz are between 0-120 metres from surface</p>	<p>Landscape</p> <p>7 gold deposits</p> <p>Seven significant gold deposits identified over an extensive combined strike of 5km. Extensive historical studies completed.</p>	<p>Significant untapped value</p> <p>US\$56m NPV</p> <p>NPV calculated using LOM gold price of US\$1,700/oz and 8% discount rate. Represents significant value pillar for Shanta</p>	<p>Initial Life of Mine (“LOM”)</p> <p>7 yrs LOM</p> <p>Several value levers available to extend LOM and Project NPV. Reserve remains shallow and open at depth</p>
<p>Gold Resource (JORC 2012)</p> <p>484 koz M&I</p> <p>Gold Resource (JORC 2012) of 11.8Mt @ 2.38 g/t for 904k oz, independently verified</p>	<p>Fully permitted project</p> <p>3 Mining Licences</p> <p>Major permitting received, EIA permit secured. All deposits situated within Shanta’s existing mining licenses</p>	<p>Unlevered IRR</p> <p>49% IRR</p> <p>Attractive IRR with a 3-yr project payback period on upfront construction/stripping costs of US\$37m</p>	<p>LOM AISC</p> <p>US\$869 /oz</p> <p>Shanta’s experience of tight cost control expected to feed into an efficiently managed and highly cash generative operation</p>

1. Economics highlights prepared using a LOM gold price of US\$1,700 /oz



SINGIDA GOLD PROJECT – ECONOMICS SUMMARY

Profitable and complementary construction-ready growth project

PROJECT HIGHLIGHTS

Using a LOM gold price of US\$1,700 /oz:

- Post-tax NPV_{8%} of US\$56 m and unlevered post-tax IRR of 49%
- Project payback period of 3 years
- Average EBITDA of US\$27 m p.a. over the LOM
- Average annual gold production of 32koz for an initial 7-year mine life through to at least 2029
- LOM cash costs of US\$843/oz and AISC of US\$869/oz
- Estimated pre-production capital cost of US\$26 m for mine construction, plus US\$10 m for pre-stripping targeting a 1,000 tonne per day open pit operation

NPV (post-tax) sensitivity to Gold Price and Discount Rate (US\$m)			
Gold Price	Discount Rates		
	0%	8%	10%
US\$1,500 /oz	69	39	34
US\$1,700 /oz	94	56	50
US\$1,900 /oz	119	73	65
US\$2,100 /oz	144	90	81

IRR sensitivity to Gold Price (%)	
Gold price	IRR (%)
US\$1,500 /oz	38
US\$1,700 /oz	49
US\$1,900 /oz	59
US\$2,100 /oz	68

Singida Project Economics Summary – Assuming \$1,700/oz Au Price

Metrics	Units	Results
LOM (excluding construction)	years	7.0
Total material mined	t	36,711,000
Contained gold mined	oz	243,000
Strip ratio	w:o	14.2:1
Mill throughput	tpy	365,000
Head grade	g/t	3.0
Processing recovery – Gold	%	91.0
Gold production	koz	221
Cash costs	US\$/oz	843
AISC	US\$/oz	869
Pre-production capex	US\$m	36.8
Sustaining capex	US\$m	2.9
NPV _{8%} (post-tax)	US\$m	56.3
Unlevered IRR (post-tax)	%	49%
Average annual EBITDA over LOM	US\$m	27.0

Singida Project Economics Summary – Assuming \$1,900/oz Au Price

Metrics	Units	Results
NPV _{8%} (post-tax)	US\$m	73.3
Unlevered IRR (post-tax)	%	59%
Average annual EBITDA over LOM	US\$m	32.8



SINGIDA GOLD PROJECT – MRE BY DEPOSIT

MRE is based on seven gold deposits with a combined strike length of 4.9 km; all deposits are situated within three of Shanta's existing mining licenses

DEPOSIT	MEASURED			INDICATED			INFERRED			TOTAL RESOURCES		
	TONNES	GRADE	OUNCES	TONNES	GRADE	OUNCES	TONNES	GRADE	OUNCES	TONNES	GRADE	OUNCES
	kt	Au g/t	koz	kt	Au g/t	koz	kt	Au g/t	kt	('000)	Au g/t	koz
GOLD TREE	1,139	3.66	135	1,294	2.39	100	3,274	2.02	213	5,707	2.43	447
JEM	376	2.99	36	542	2.67	46	532	2.92	50	1,451	2.84	133
CORNPATCH WEST	-	-	-	824	2.52	67	565	1.87	34	1,389	2.26	101
CORNPATCH	117	2	8	336	1.98	22	517	2.36	39	970	2.18	69
GUSTAV	-	-	-	148	1.49	7	783	1.85	47	932	1.79	54
VIVIAN	-	-	-	405	2.97	38	125	3.4	14	529	3.07	52
KAIZER CHIEF	-	-	-	475	1.67	25	354	1.98	22	828	1.8	48
TOTAL	1,632	3.39	179	4,024	2.36	305	6,150	2.12	418	11,806	2.38	904

SINGIDA GOLD PROJECT – JORC 2012 RESERVE

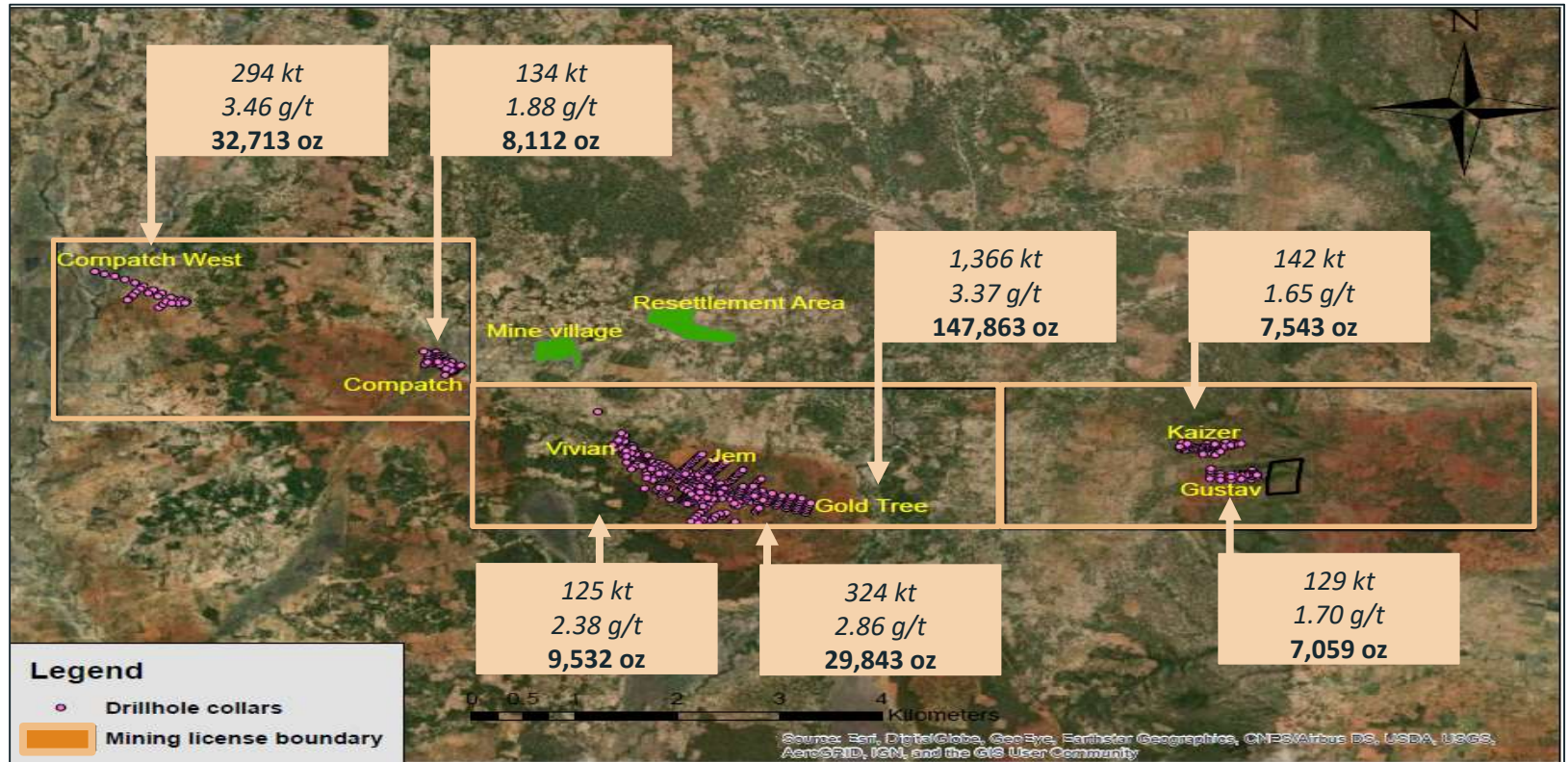
Reserve announced 26 May 2020; represents just 26% of total contained Resource

- Gold Tree, CP West and Jem total 2.0 Mt grading 3.3 g/t for 210 koz reserves
- Significant potential for reserve expansion at depth

DEPOSIT	COG (Au g/t)	PROBABLE RESERVES		
		Tonnes (Kt)	Grade (Au g/t)	Gold (Oz)
GOLD TREE	0.74	1,366	3.37	147,863
CORNPATCH WEST	0.78	294	3.46	32,713
JEM	0.74	324	2.86	29,843
VIVIAN	0.74	125	2.38	9,532
CORNPATCH	0.79	134	1.88	8,112
KAIZER CHIEF	0.78	142	1.65	7,543
GUSTAV	0.78	129	1.7	7,059
TOTAL	0.75	2,514	3.00	242,666

SINGIDA GOLD PROJECT – OPEN PIT RESERVE SUMMARY

Reserves 243k oz at 3.00 g/t, nearly all of which is within 120 metres of surface. Potential for reserve expansion through modest drilling



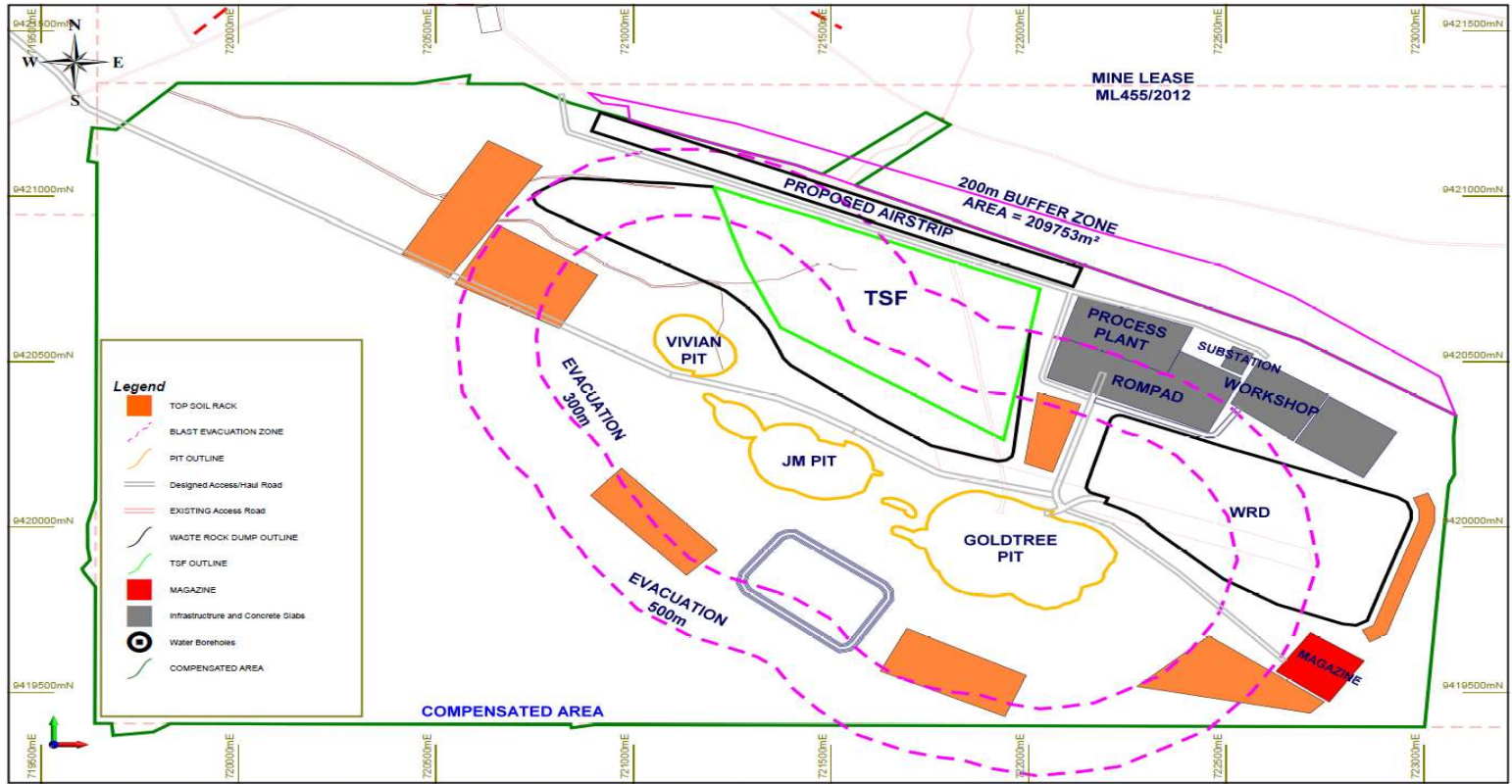
SINGIDA GOLD PROJECT – KEY STUDIES COMPLETED

Various internal and independent studies completed; provides considerable confidence in the Project’s potential

Year	Study completed	Responsible party
2009	Initial independent Mineral Resource Estimate	Geologix
2009	Mineralogical Characterisation and Gold Department report	SGS
2010	Pre-Feasibility Study	Environmental, Process and Mining Consultants (Pty) (“EPMC”)
2013	Amenability test work report	Mintek
2014	Gravity Concentration and Cyanide Leaching study	Peacocke and Simpson
2014	Singida Feasibility Study	DRA
2017	Singida Technical Report	AMC Consultant (UK)
2020	Metallurgical Laboratory Test report	Maelgwyn Mineral Services
2020	Independently verified Mineral Resource Estimate	Pivot Mining Consultants
2020	Updated JORC 2012 gold reserve	Internal

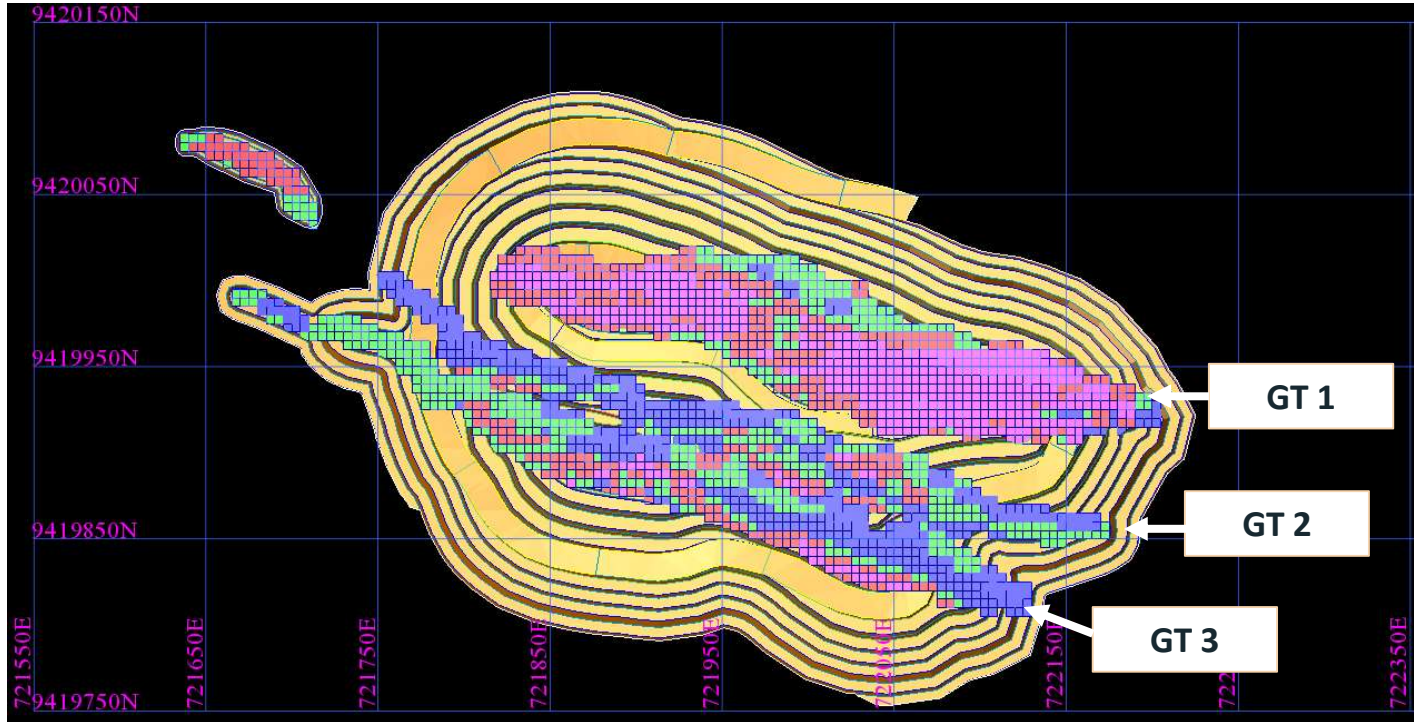


SINGIDA GOLD PROJECT – PROPOSED MINE SITE LAYOUT



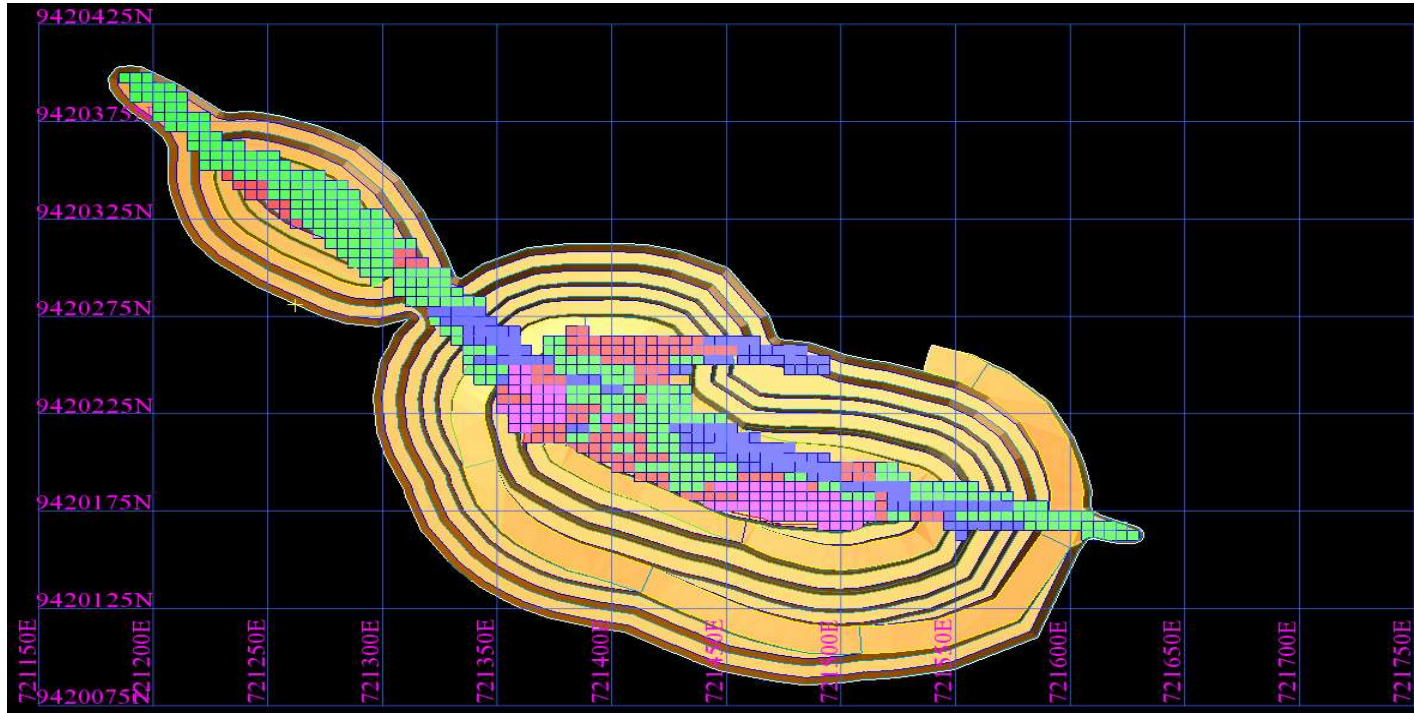
SINGIDA GOLD PROJECT – GOLD TREE – DEPOSIT & PIT DESIGN

Depth – 160m; Width – 310m; Length – 550m



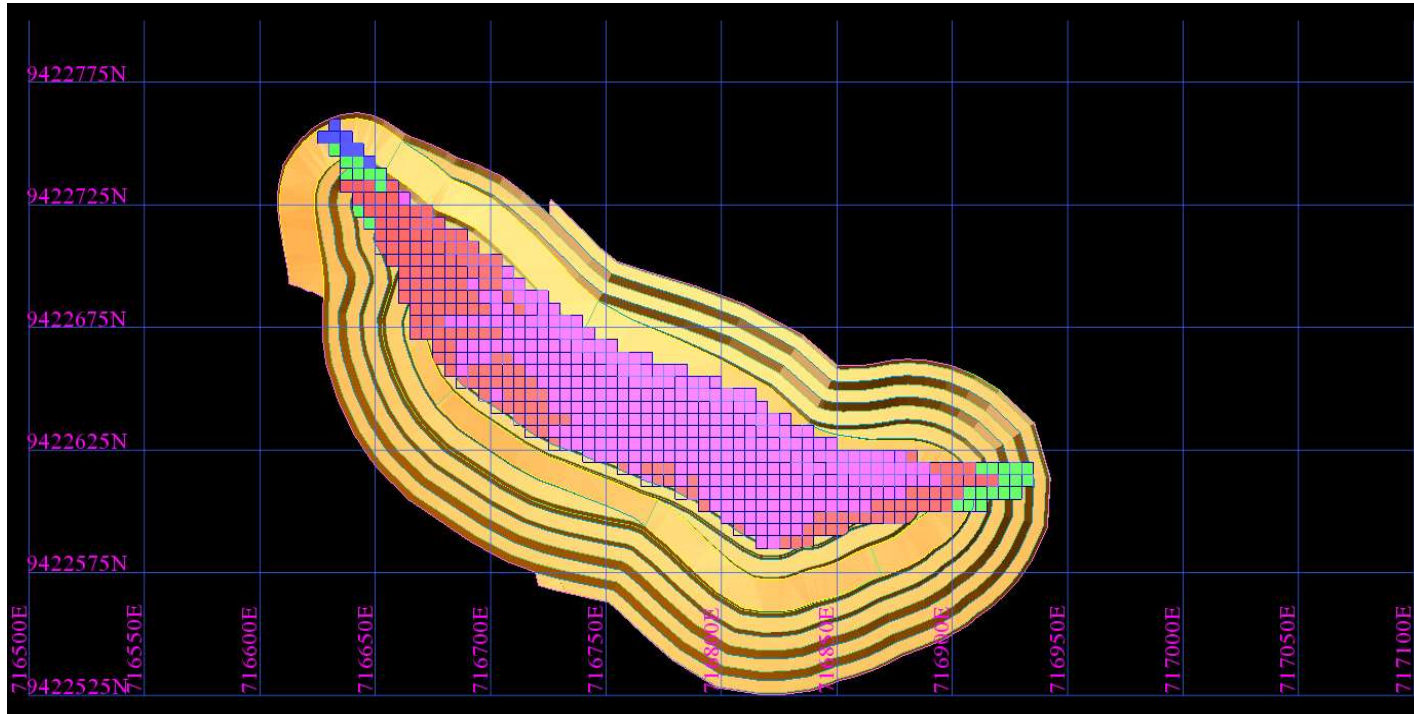
SINGIDA GOLD PROJECT – JEM – DEPOSIT & PIT DESIGN

Depth – 115m; Width – 200m; Length – 500m



SINGIDA GOLD PROJECT – CORNPATCH WEST – DEPOSIT & PIT DESIGN

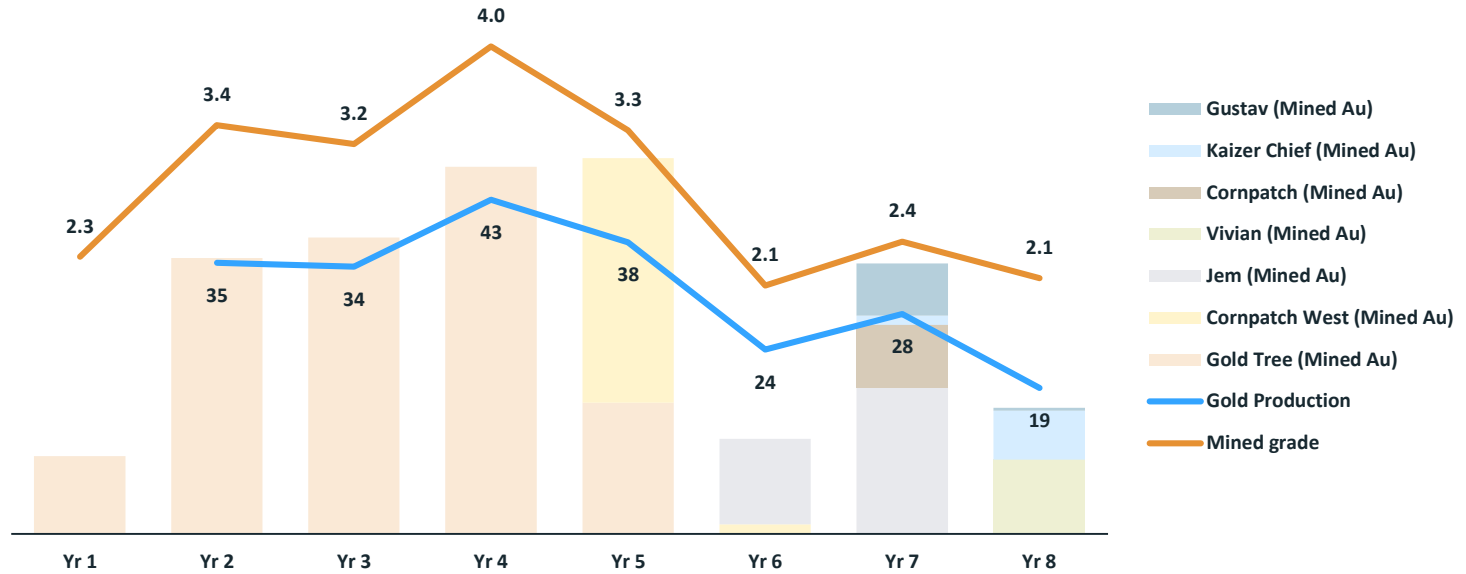
Depth – 85m; Width – 150m; Length – 360m



SINGIDA GOLD PROJECT – GOLD PRODUCTION & MINING SCHEDULE

LOM production of 221,000 oz; average annual production of 32,000 oz over initial 7-year period

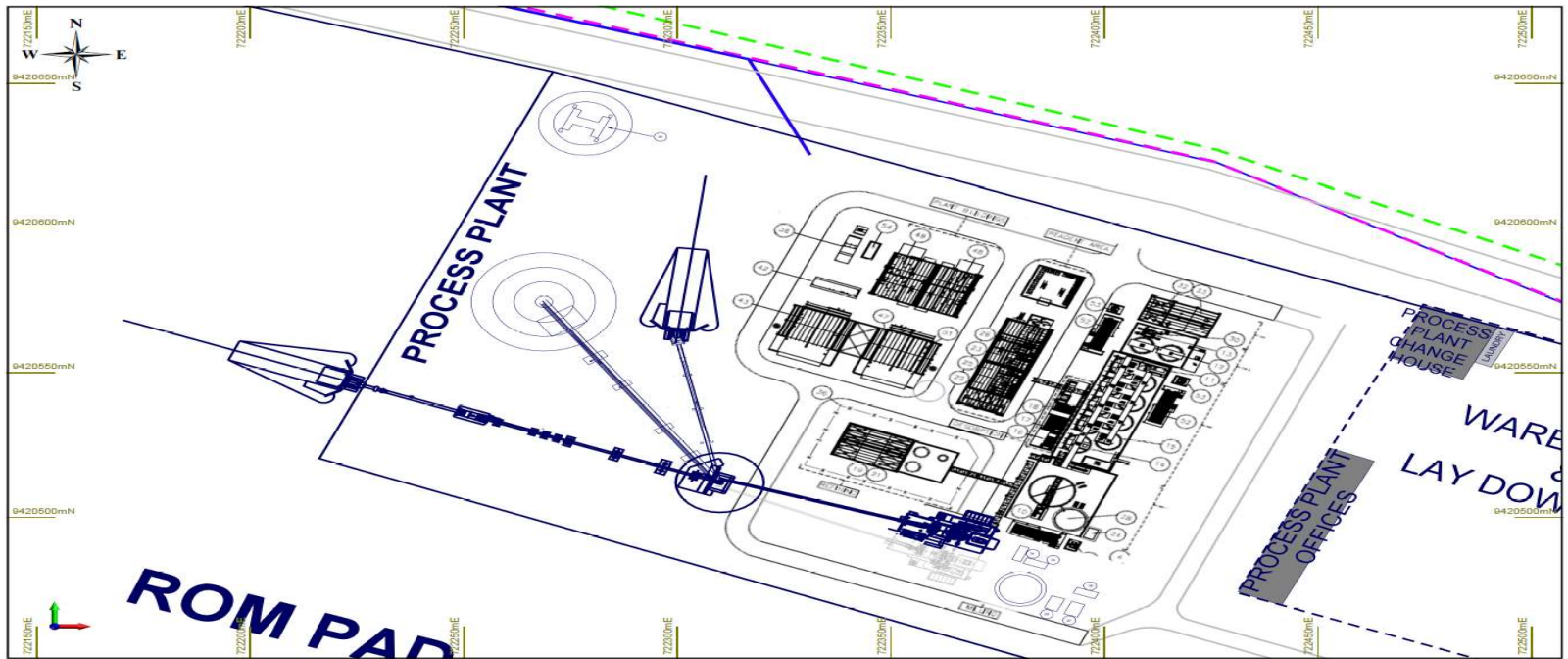
ANNUAL PRODUCTION PLAN BY MINED DEPOSIT (Koz) AND MINED GRADE (g/t)



SINGIDA GOLD PROJECT – DAILY PLANT THROUGHPUT OF 1,000 TONNES

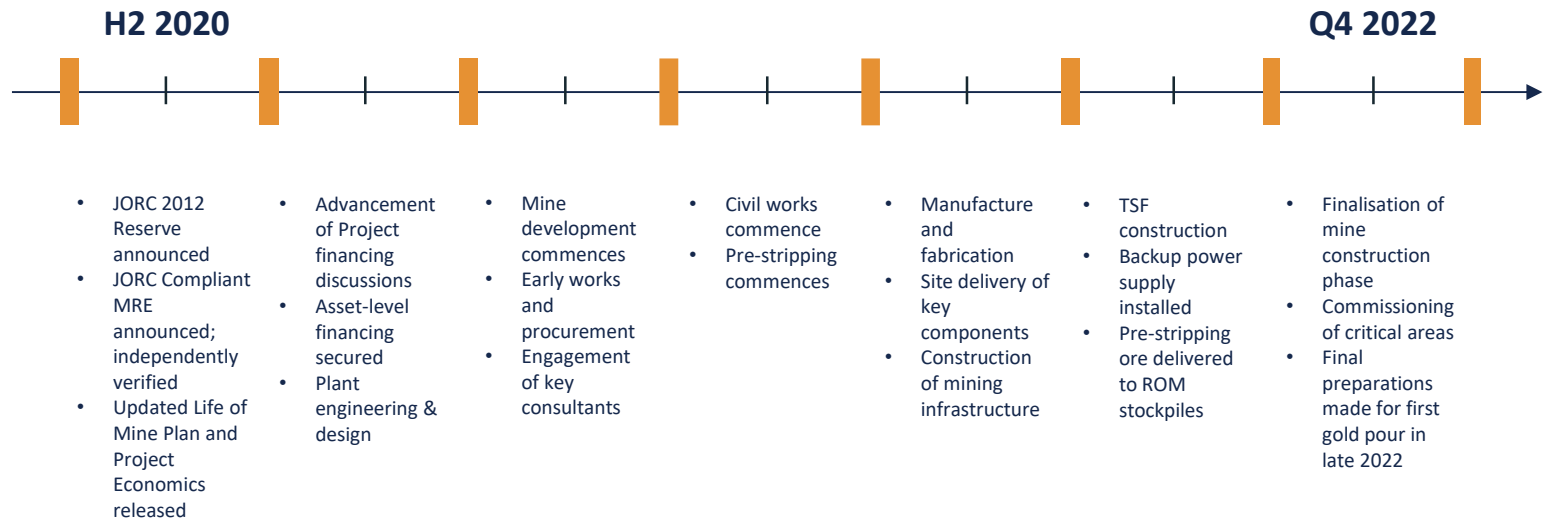
Planned annual throughput of 365,000 t; expected gold recoveries of 91%

- Internally managed construction and installation schedule using in-house expertise



SINGIDA GOLD PROJECT – ANTICIPATED TIMELINE TO FIRST GOLD POUR

Anticipated 24-month construction period; key infrastructure already in place includes water facilities, grid power and an operating camp



SINGIDA GOLD PROJECT – HIGHLY COMPELLING ECONOMICS

NPV_{8%} (post-tax) of US\$56m at US\$1,700/oz gold spot price; Unlevered IRR 49%

LOM Operating Metrics	Units	Results	
Gold price	US\$/oz	1,500	1,700
LOM (excluding construction)	years	7.0	7.0
Total material mined	kt	36,711	36,711
Contained gold mined	koz	243	243
Strip ratio	w:o	14.2:1	14.2:1
Mill throughput	ktpy	365	365
Head grade	g/t	3.0	3.0
Processing recovery - Gold	%	91.0	91.0
Gold production	koz	221	221
Total pre-production capex	US\$m	36.8	36.8
Sustaining capital expenditure	US\$m	2.9	2.9
NPV_{8%} (post-tax)	US\$m	39.3	56.3
Unlevered IRR (post-tax)	%	38%	49%
Average annual EBITDA	US\$m	21.2	27.0

LOM Operating Cash Costs	Units	Results
Mining costs	US\$/oz	430
Processing costs	US\$/oz	224
Royalties & selling expenses	US\$/oz	128
G&A and other operating costs	US\$/oz	61
Total cash costs	US\$/oz	843



SINGIDA GOLD PROJECT – LOM FINANCIAL PROFILE

3-year payback period on upfront capital spend and LOM EBITDA of US\$189m

LOM Financial Metrics ¹	Units	LOM Total	
Gold Revenue			
Gold Price	US\$/oz	1,500	1,700
Gold Sales	koz	221	221
Gold Sales Revenue	US\$m	332	376
Operating Costs			
Mining	US\$m	95	95
Processing	US\$m	49	49
Royalties & Selling	US\$m	25	28
G&A and Other	US\$m	14	14
Total Operating Costs	US\$m	183	187
EBITDA	US\$m	148	189

LOM Financial Metrics ¹	Units	LOM Total	
Capital Expenditure			
Pre-production capex	US\$m		37
Sustaining capital	US\$m		3
Total Capital	US\$m		39

LOM Financial Metrics ¹	Units	Results	
Project Valuation			
Gold Price	US\$/oz	1,500	1,700
Project Net Cash Flow, pre-tax	US\$m	119	160
Project Net Cash Flow, post-tax	US\$m	85	94
Post-tax NPV_{8%}	US\$m	39	56
IRR	%	38	49
Payback Period	yrs	3	3

1. Figures may not total exactly due to rounding



SINGIDA GOLD PROJECT – ESTIMATED PRE-PRODUCTION COSTS

Project payback period of 3yrs following initial upfront capital spend of US\$36.8m

- Detailed capital estimate founded on third party quotations and in-country experience
- Substantial input from local suppliers key to construction strategy

Capital Item	Estimated Spend (US\$m)
Processing plant	14.3
Support services, labour & equipment	2.9
Standalone power supply	2.8
Tailings storage facility	2.5
Mining infrastructure	1.4
Other infrastructure	1.3
Commissioning stock	1.1
Subtotal – Construction Capex	26.4
Pre-production stripping	10.4
Total – Pre-Production Capex	36.8



SINGIDA GOLD PROJECT – POTENTIAL FOR SIGNIFICANT VALUE ACCRETION

Several value levers available with significant scope to further increase Singida’s Project NPV

Value Levers	Potential Value Accretion
Pit shells designed assuming long-term gold spot price of US\$1,350/oz; scope to bring additional ounces into the mine plan at current spot price	✓
Trade-off study underway to consider use of an owner-managed mining fleet	✓
87% of the declared reserve drawn from only 3 of 7 known gold deposits	✓
Over 90% of contained ounces within declared reserve are between 0-120 metres from surface; potential for reserve expansion at depth	✓
Declared reserve represents just 26% of the existing total contained resources; scope to convert ounces through additional drilling	✓
Potential to add new, currently unidentified, ounces to the mine plan through exploration drilling	✓

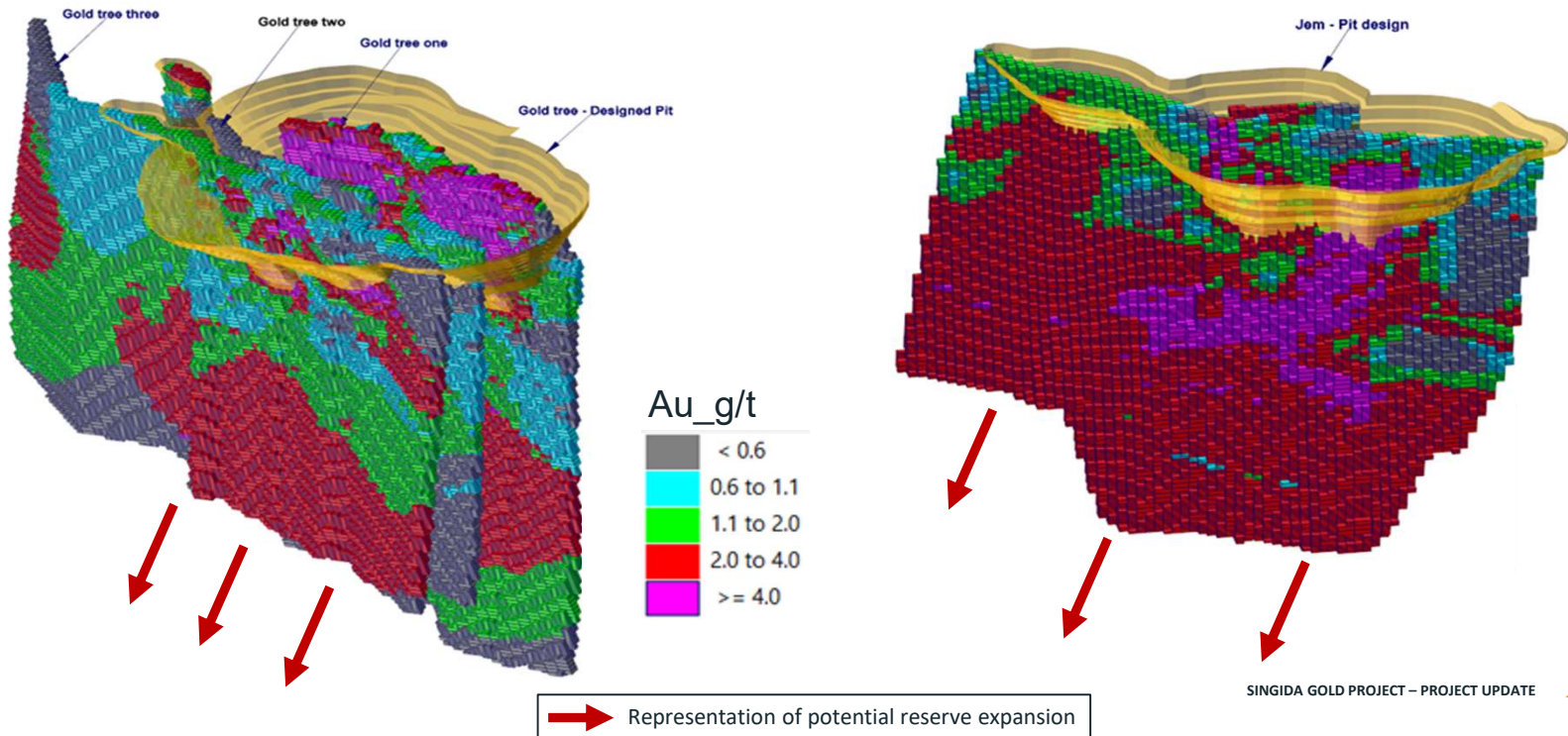


SINGIDA GOLD PROJECT – POTENTIAL FOR RESOURCE EXPANSION AND VALUE UPSIDE

91% of contained ounces within Singida’s LOM reserve are less than 120 metres from surface

Gold Tree pit designed with depth of 165 m

Jem pit designed with depth of 120 m



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