



TERANGA

Q1 2017 Financial & Operating Results

April 27, 2017



Forward-Looking Statements

This presentation contains certain statements that constitute forward-looking information within the meaning of applicable securities laws (“forward-looking statements”), which reflects management’s expectations regarding Teranga Gold Corporation’s (“Teranga” or the “Company”) future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Wherever possible, words such as “plans”, “expects”, “does not expect”, “budget”, “scheduled”, “trends”, “indications”, “potential”, “estimates”, “predicts”, “forecasts”, “focused on”, “anticipate” or “does not anticipate”, “believe”, “intend”, “ability to” and similar expressions or statements that certain actions, events or results “may”, “could”, “would”, “might”, “will”, or are “likely” to be taken, occur or be achieved, have been used to identify such forward looking information. Specific forward-looking statements in this presentation include the commencement of expected drill programs, anticipated future cash flows, anticipated construction readiness activities for the Company’s Banfora gold project in Burkina Faso as well as the anticipated completion of construction of the Banfora project - including the first gold pour, the anticipated discovery of reserves at the Banfora project, the timing of completion of a Feasibility Study for the Banfora project, and Teranga’s estimated full year financial and operating totals, as well as anticipated 2017 operating results. Although the forward-looking information contained in this presentation reflect management’s current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, Teranga cannot be certain that actual results will be consistent with such forward looking information. Such forward-looking statements are based upon assumptions, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments that management believe to be reasonable and relevant but that may prove to be incorrect. These assumptions include, among other things, the ability to obtain any requisite governmental approvals, the accuracy of mineral reserve and mineral resource estimates, gold price, exchange rates, fuel and energy costs, future economic conditions, anticipated future estimates of free cash flow, and courses of action. Teranga cautions you not to place undue reliance upon any such forward-looking statements

The risks and uncertainties that may affect forward-looking statements include, among others: the inherent risks involved in exploration and development of mineral properties, including government approvals and permitting, changes in economic conditions, changes in the worldwide price of gold and other key inputs, changes in mine plans and other factors, such as project execution delays, many of which are beyond the control of Teranga, as well as other risks and uncertainties which are more fully described in Teranga’s Annual Information Form dated March 29, 2017, and in other filings of Teranga with securities and regulatory authorities which are available at www.sedar.com. Teranga does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Nothing in this report should be construed as either an offer to sell or a solicitation to buy or sell Teranga securities.

This presentation is as of April 26, 2017. All references to Teranga include its subsidiaries unless the context requires otherwise. This presentation contains references to Teranga using the words “we”, “us”, “our” and similar words and the reader is referred to using the words “you”, “your” and similar words. All dollar amounts stated are denominated in U.S. dollars unless specified otherwise.



Paul Chawrun

Chief Operating Officer

Strong Start to the Year



Strong production



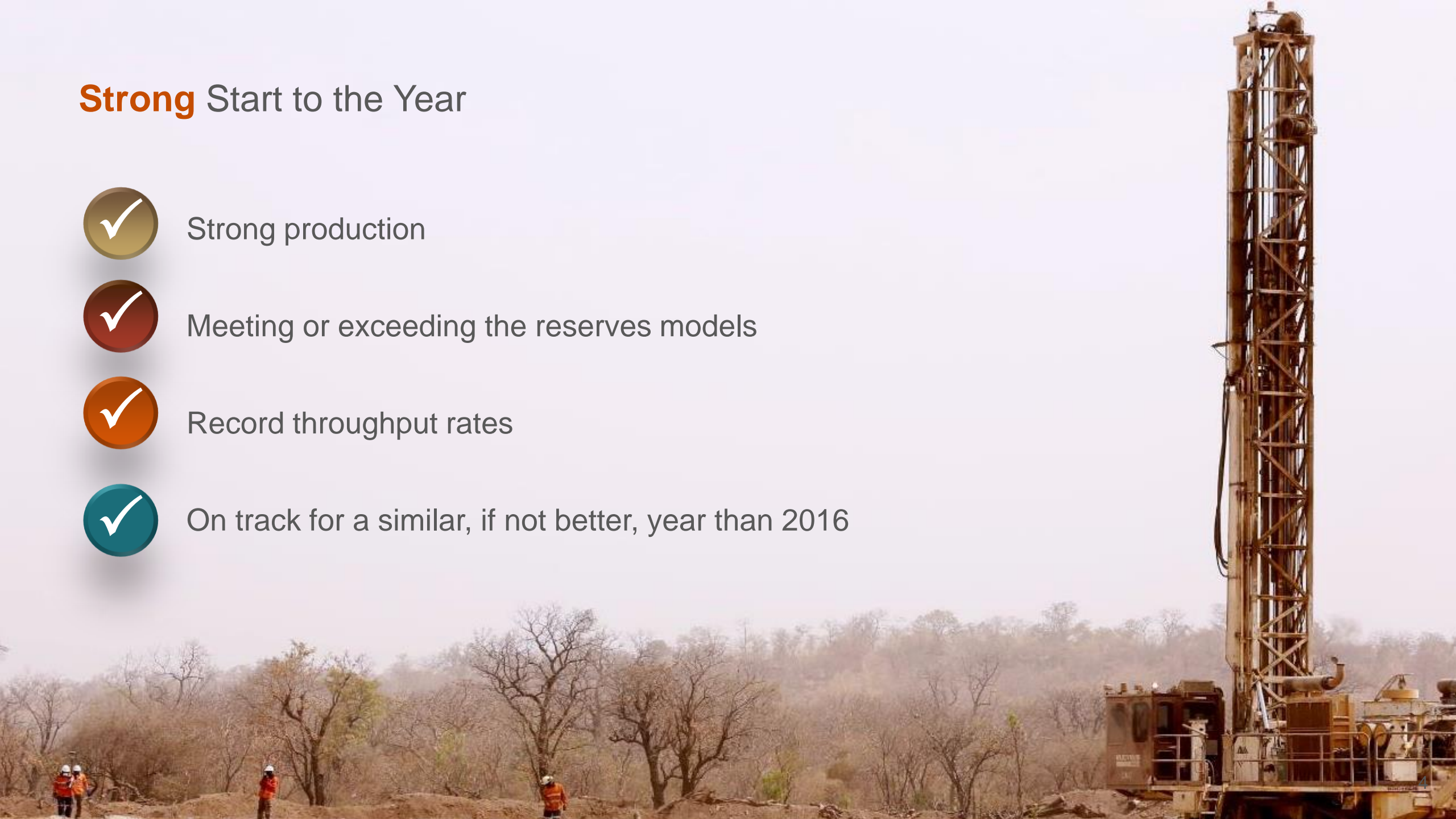
Meeting or exceeding the reserves models



Record throughput rates



On track for a similar, if not better, year than 2016

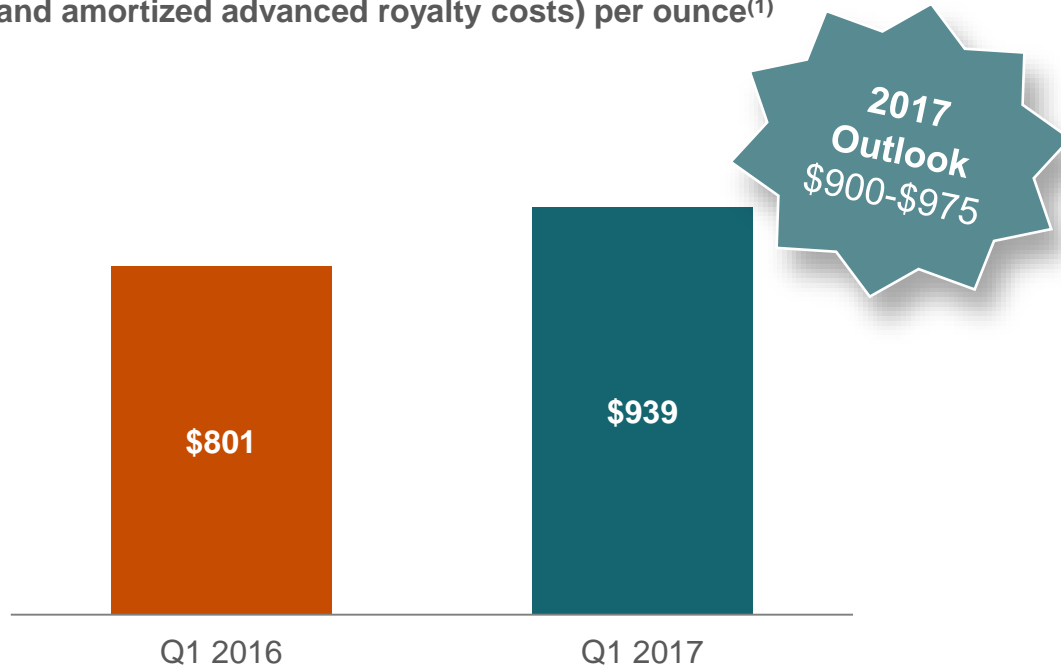




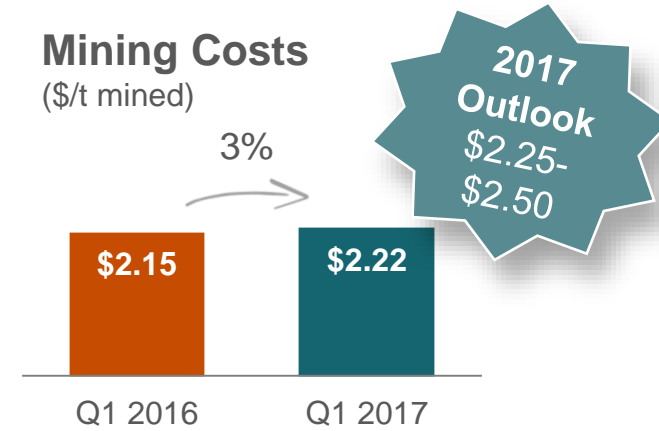
Tracking to 2017 Cost Guidance

All-in Sustaining Costs

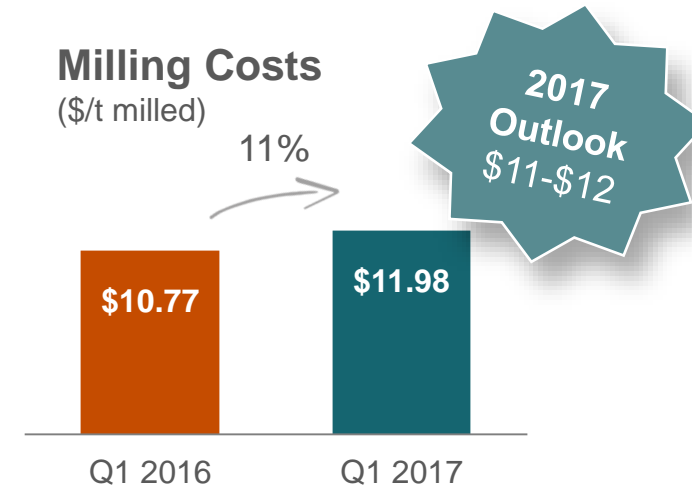
excluding cash/(non-cash) inventory movements and amortized advanced royalty costs) per ounce⁽¹⁾



Mining Costs (\$/t mined)



Milling Costs (\$/t milled)





Sabodala: What's in Store for the Balance of 2017

Mine Plan

- Finishing up the Golouma South pit in Q3
- Kerekounda is advancing
- Gora phase 3 is in full swing
- Stripping in the Golouma West pit

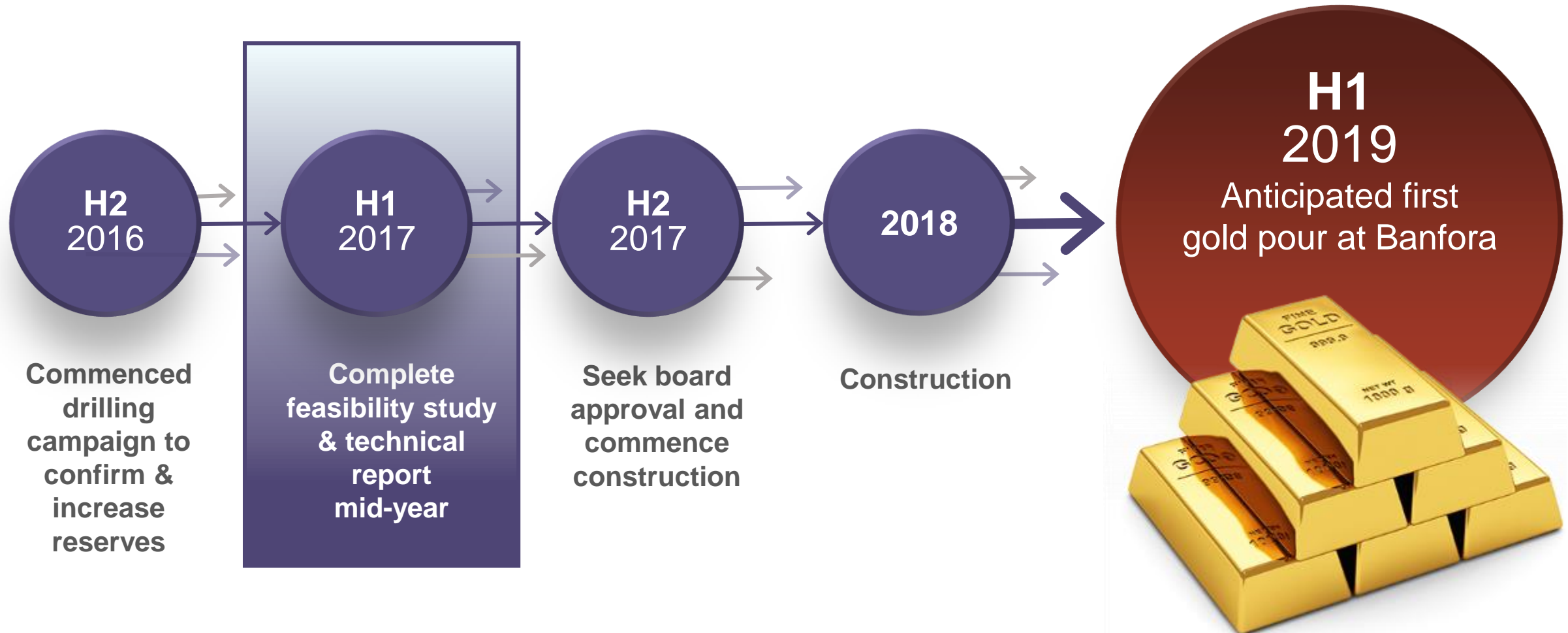
Mid-year Reserve Update

- Encouraging results at Niakafiri could lead to
 - resequencing mine plan, filling in the production gaps at Sabodala
 - extension of the life of open pit mining
 - deferring start of underground mining





Nearing Completion of Banfora Feasibility Study





David Mallo

Vice President, Exploration



Exploring Highly Prospective Properties Across West Africa

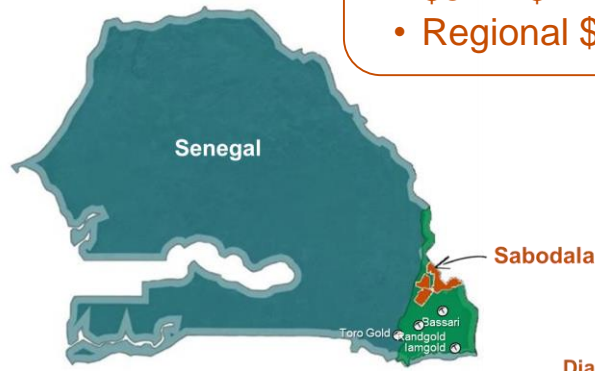
2017 Exploration Budget



■ Burkina Faso ■ Senegal ■ Côte d'Ivoire

Senegal

- Mine License \$3M - \$4M
- Regional \$2M



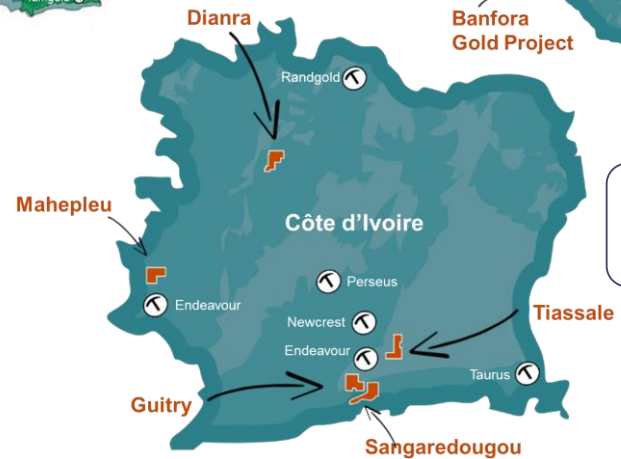
Burkina Faso

- Banfora \$3M - \$4M
- Golden Hill \$3M
- Gourma \$0.5M



Côte d'Ivoire

- \$0.5M



⌚ Operating Gold Mine/ Development Project



Potential Resource Conversion/Expansion at Niakafiri on Senegal Mine License

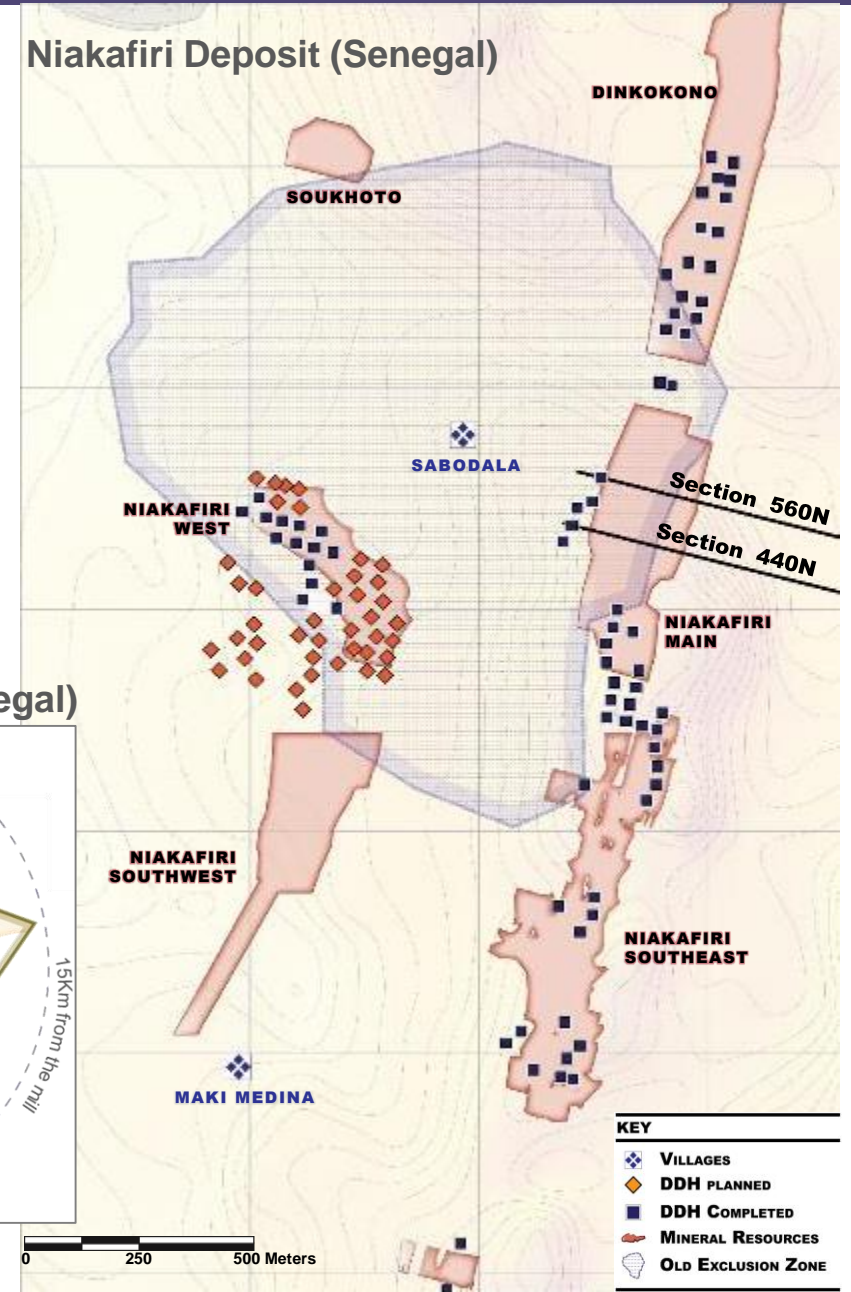
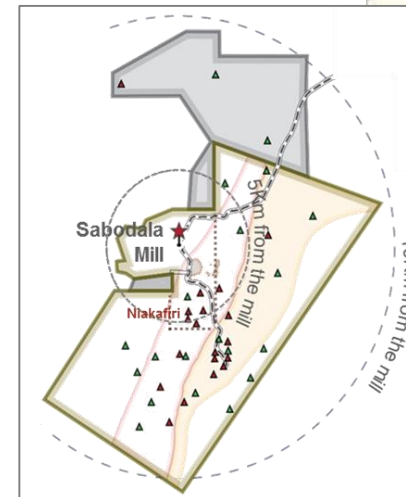
The Most Prospective Target on the Mine License

- Situated ~5km from the mill
- Measured and indicated resources of ~600,000 ounces, and over 200,000 ounces of inferred, inclusive of 314,000 ounces in proven and probable reserves

Advanced Drill Program

- 9,300 metres drilled in 81 holes to date
- Results of 60 holes have been received

Mine License (Senegal)





Positive Drill Results at Niakafiri Extend Mineralisation Along Strike and at Depth

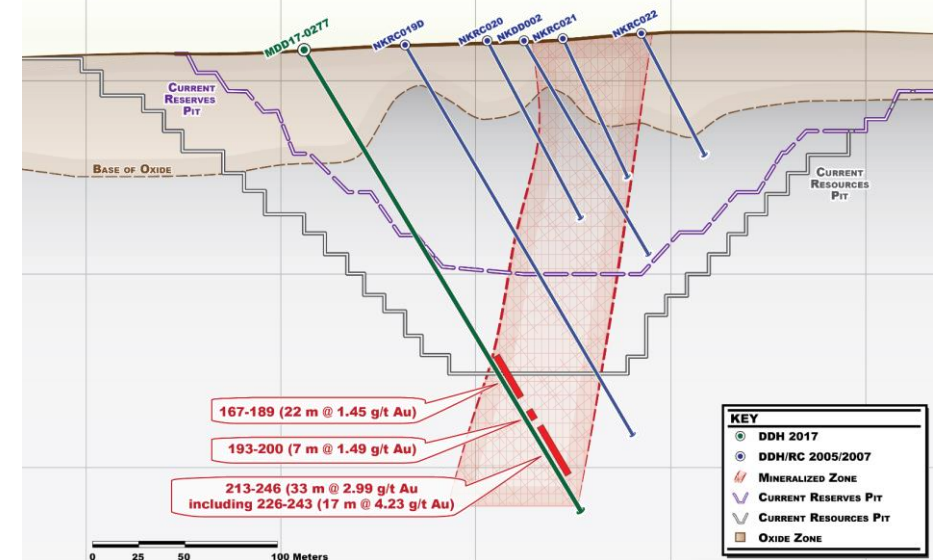
Some of the Widest and Highest Grade Mineralised Intervals Encountered to Date

- 4.18 g/t Au over 23 metres including 6.52 g/t Au over 12 metres in MDD17-279
- 2.99 g/t Au over 33 metres including 4.23 g/t Au over 17 metres in MDD17-277
- 2.41 g/t Au over 29 metres including 6.51 g/t Au over 6 metres in MDD17-281
- 3.19 g/t Au over 21 metres at the end-of-hole in MDD17-284

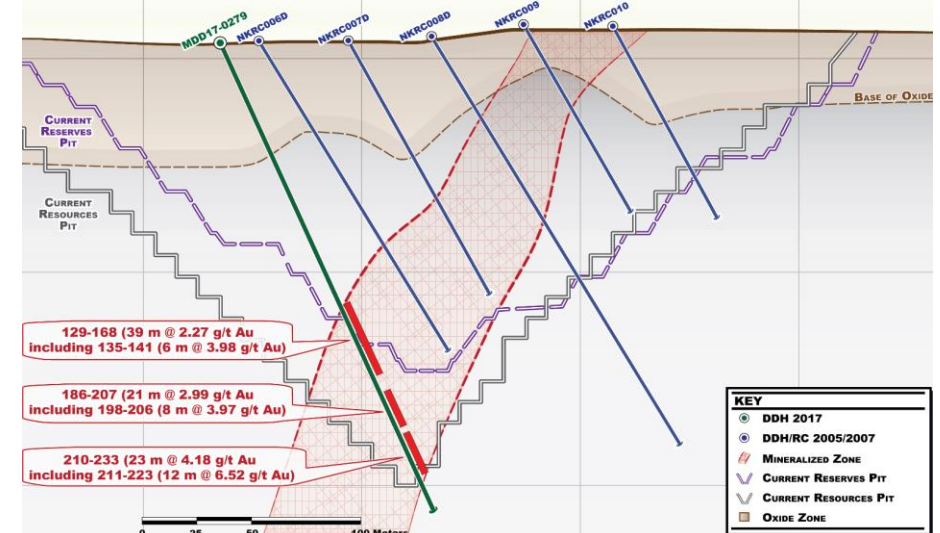
Phase 2 Follow-up Commenced

- Two drills currently active and focused on extending the mineralisation along trend and to depth

Niakafiri Main NNE Section 440N



Niakafiri Main NNE Section 560N





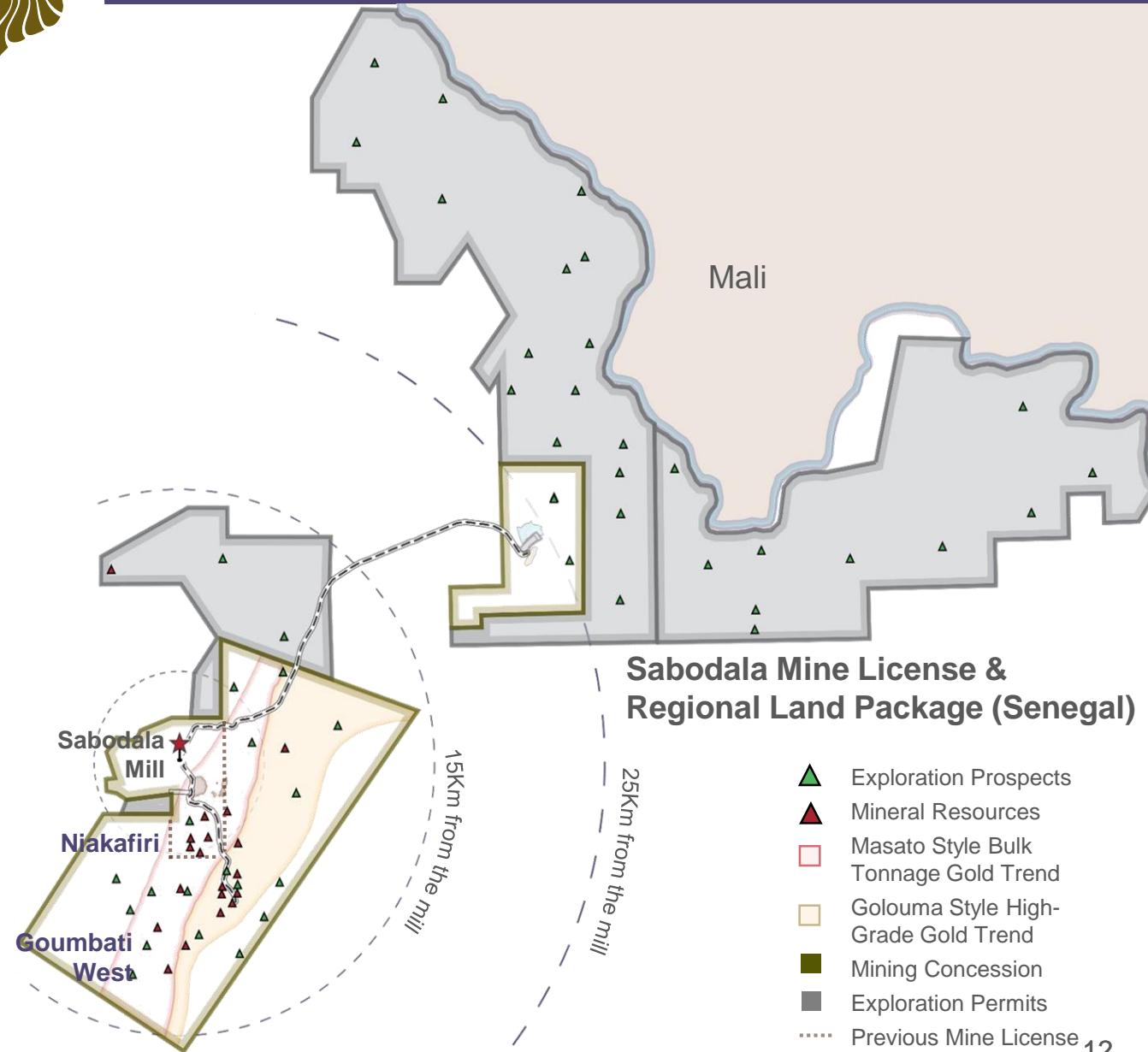
Senegal Land Package

Mine License – Goumbati West

- Located ~10 kilometres from the Sabodala plant
- Drilling evaluation continues to target shallow, near-surface oxide mineralization along strike and to depths where mineralization transitions into fresher material
- Quartz vein system displays good continuity and remains open to further expansion to depth as well as along its current defined strike extent of 1,500 metres north and south

Regional Exploration

- Work is ongoing at a number of targets





Banfora Mine License Activities

Initial Evaluation Drilling on Targets

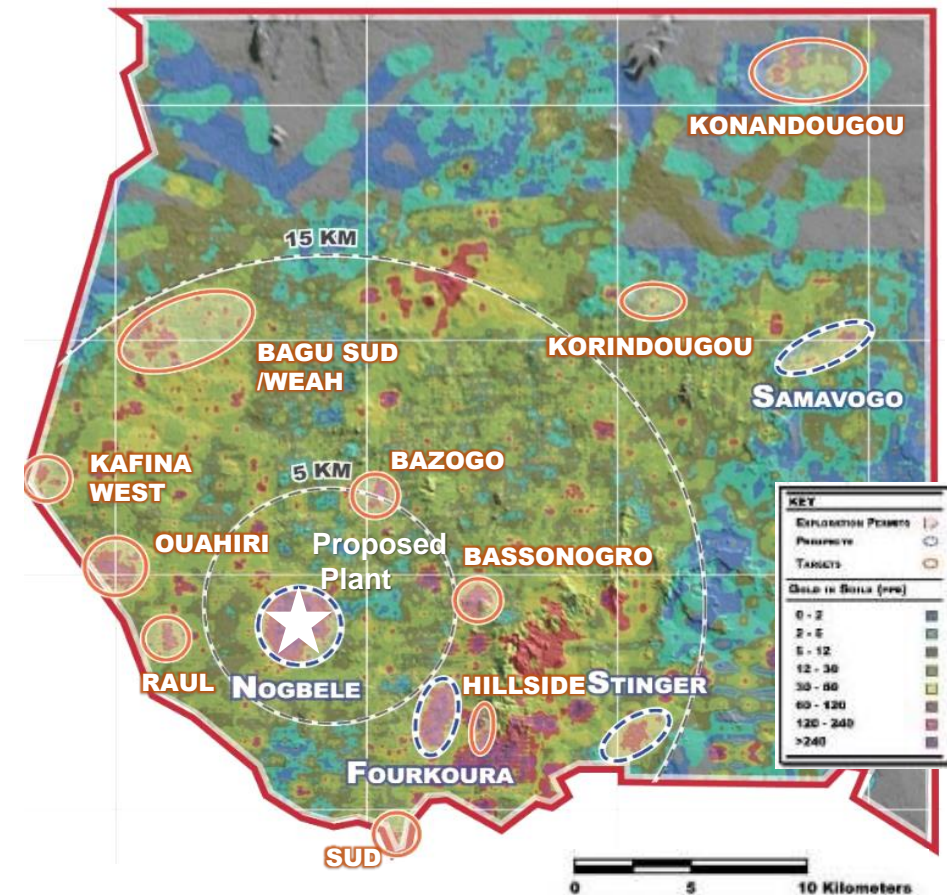
Kafina West

- Most positive prospect hosting multiple targets of varying orientations and projected dimensions
- Initial RC drill results display broad anomalous, near-surface oxide mineralization
- Recently completed follow-up diamond drill program to evaluate structural control

Hillside

- Five core holes returned favourable visuals along 350-metre strike length within the ~1,000-metre geochemical trend
- Core results are pending

Banfora Project Mine License (Burkina Faso)





Golden Hill: Two New Discoveries

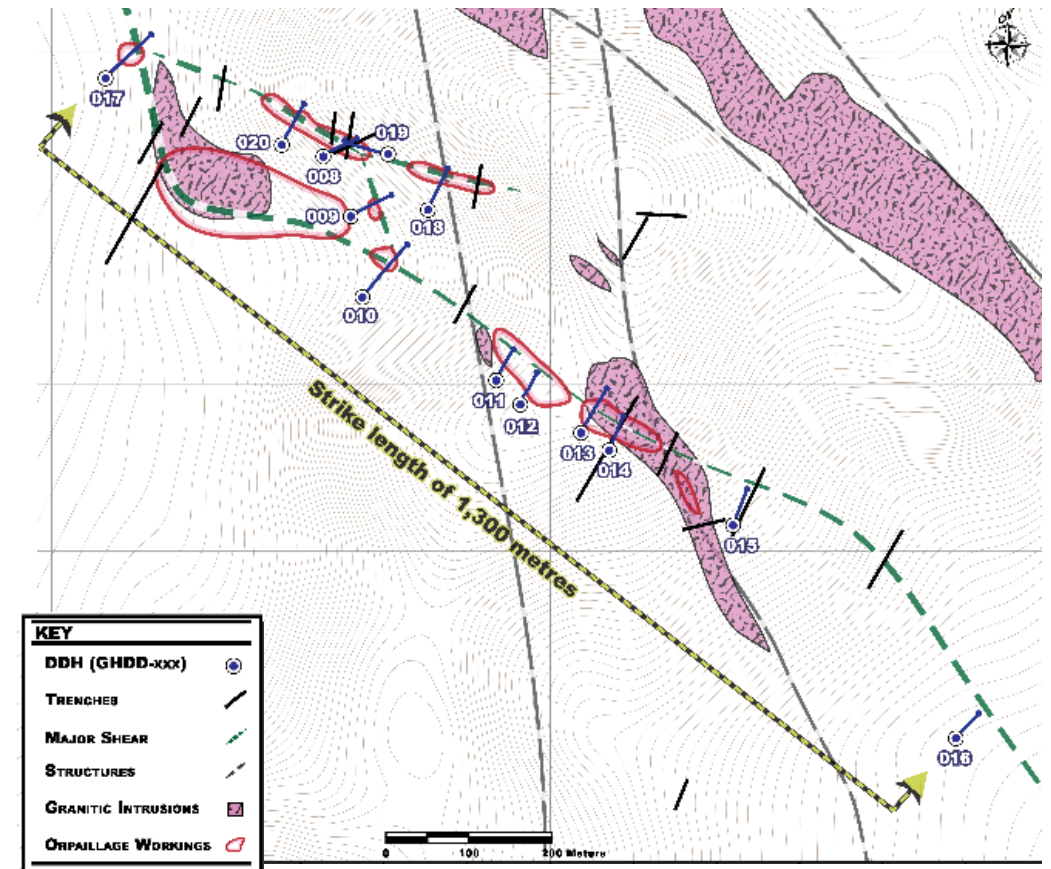
Ma

- 12 of the 13 core holes drilled intersected gold mineralization
- Positive grade and width intervals were returned along the entire 1,300-metre strike extent of the primary Ma structure, as well as a parallel structure and cross structures
- Multi-drill follow-up program planned for Q2 2017 to extend both along trend and to depth of encouraging results, and to initiate in-fill sectional drilling along the entire structure

Nahiri

- Never previously drilled; no artisanal activity
- RC program was encouraging with positive geological reports related to the core drilling undertaken

Ma Primary and Secondary Structures



A complete table of results for all 13 drill holes is available in the April 25th Golden Hill press release available on the Company's website



Golden Hill: More to Come

Assay Results Pending From Two Additional Prospects

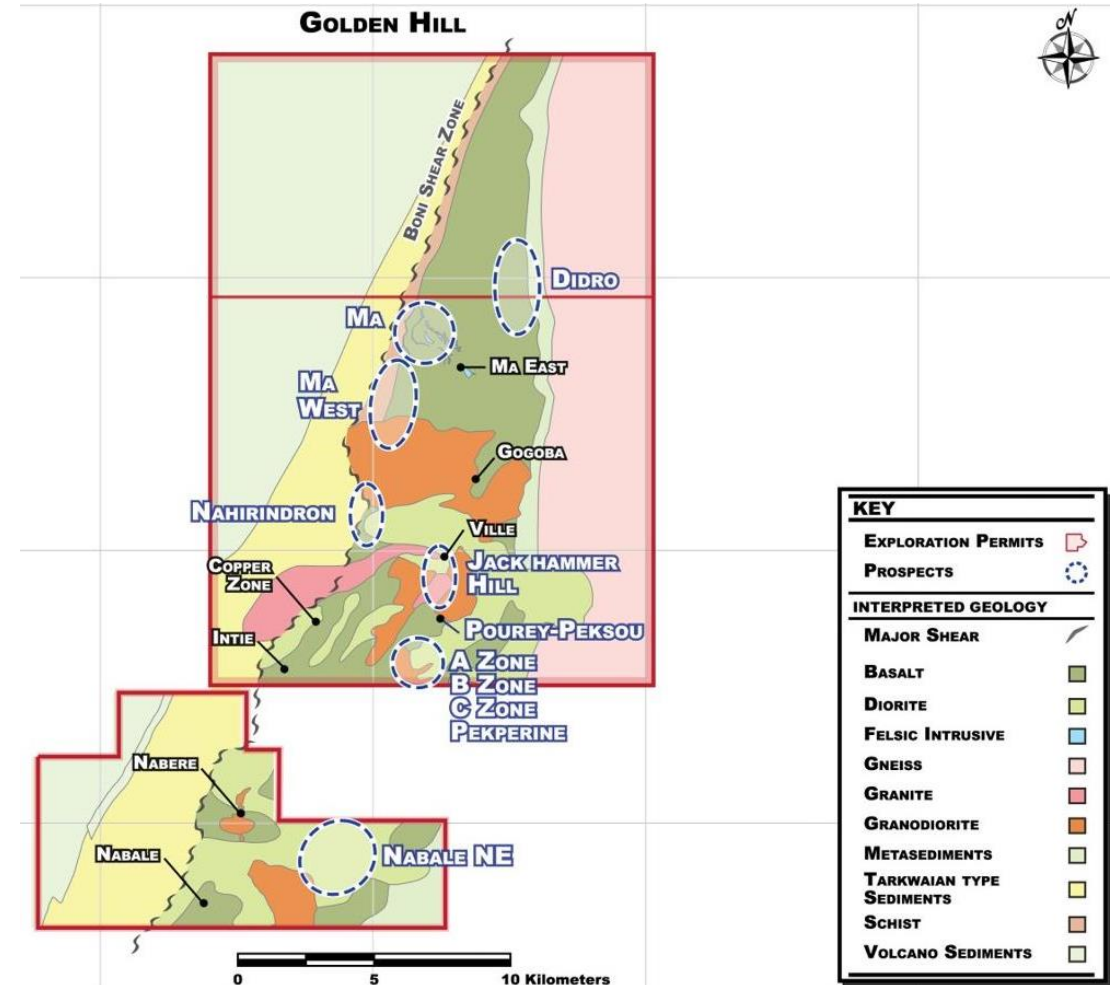
Jackhammer Hill

- Limited 2-hole diamond core-drilling program completed to assess structural controls of mineralization

Pourey-Peksou

- Four diamond core holes drilled to follow-up on previously obtained auger and RC results suggesting that a structurally controlled mineralized trend is present within this volcanic, sedimentary and intrusive complex

Golden Hill (Burkina Faso)



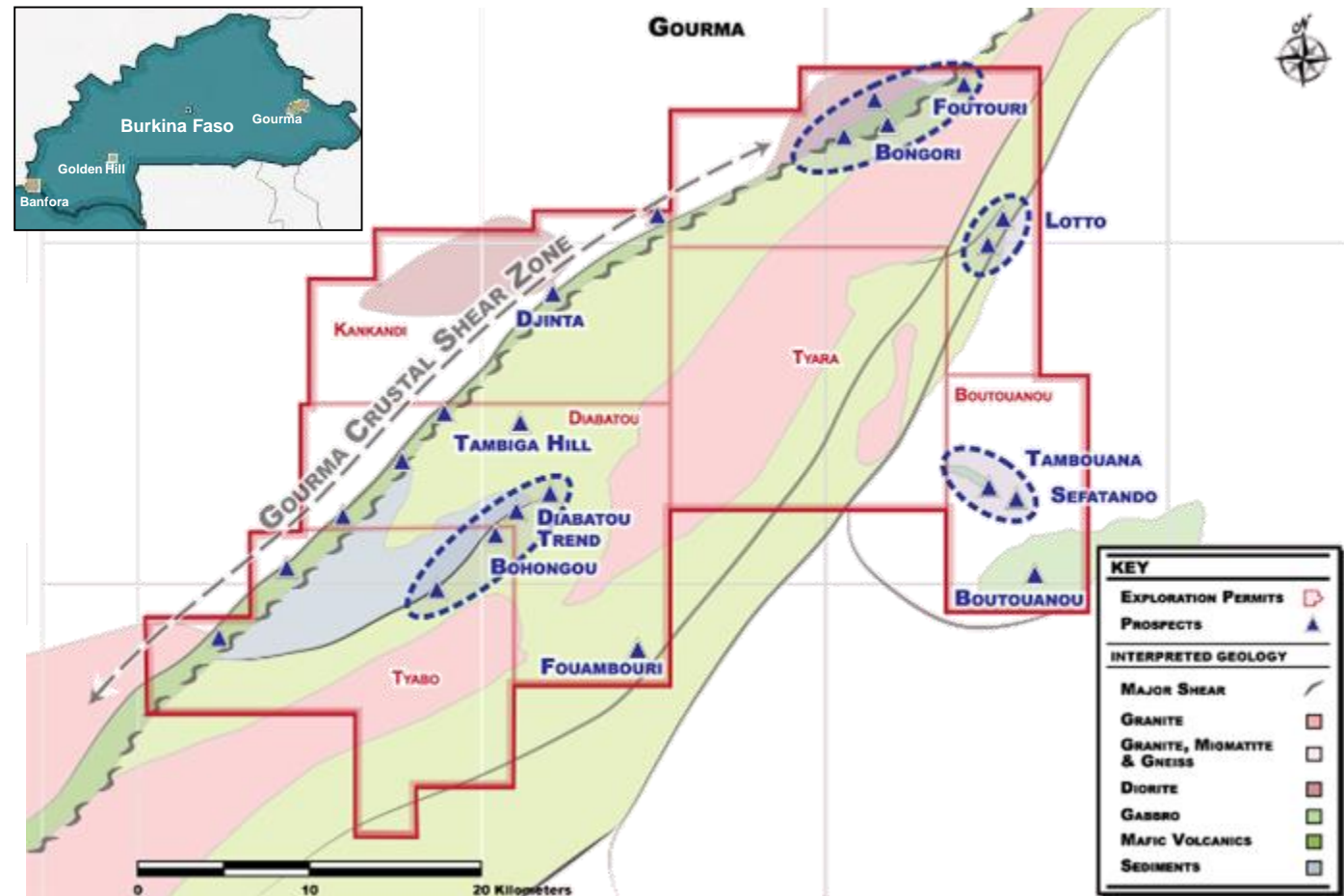


Early-Stage Exploration at Gourma

Initial Field Program Commenced

- Included prospecting, mapping and auger drilling
- Q2 program will include structural geologic map and initial RC drilling evaluation

Gourma (Burkina Faso)





Optionality in Côte d'Ivoire

Guitry Exploration Program Commenced in Q1

- Expanding initial sample from the previous soil grids
- Hand-pitting program centered on the strongest portions of the previously discovered 3 by 6 kilometre gold-in-soil geochemical anomaly
- Initial RC or core drilling evaluation planned for late Q2



 Operating Gold Mine/ Development Project



Richard Young

President & CEO



Impact of GDXJ Rebalancing

Gold ETFs Reach Record Amounts

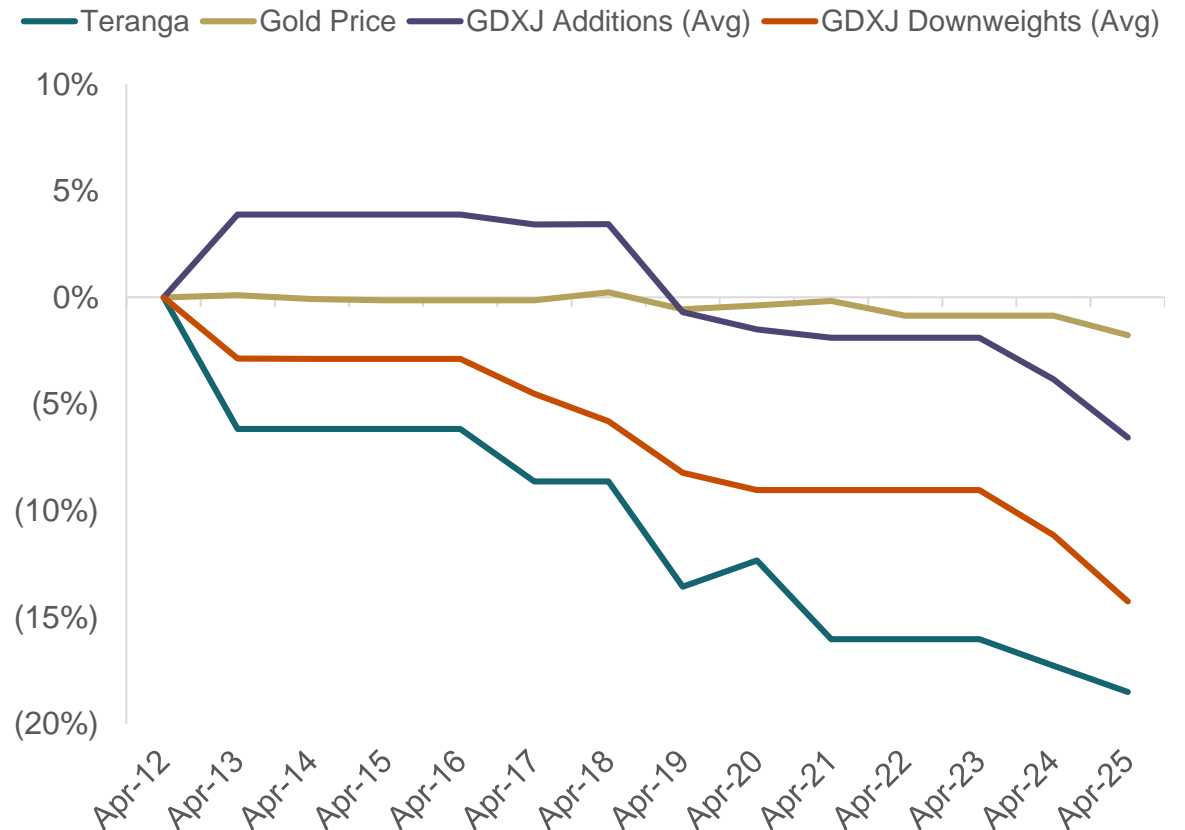
- High ETF growth since 2003 with record inflows since mid-2016
- Investors have moved to safe haven assets such as spot gold and physically backed gold ETFs, which ticked into positive territory in April for the first time in 2017

Methodology Change is the Result of Too Much Capital Inflow and Too Few Juniors in Which to Invest

- Since early 2016, assets in GDXJ grew from \$1B to \$5.5B
- Changes to GDXJ methodology announced evening of April 12
 - additions of larger companies with market cap of up to \$5B
 - in order to accommodate new additions, GDXJ needs to downweight existing holdings

Share Price Performance Since GDXJ Rebalance

(April 12, 2017 to April 25, 2017)



Catalysts on the Horizon



Production

- 2017 production outlook: 205-225Koz⁽²⁾
- Generate free cash flow from Sabodala



Development

- Complete Banfora project feasibility study
- Obtain board approval to proceed
- Announce funding and construction



Exploration

- Senegal
- Burkina Faso
- Côte d'Ivoire



Building the Next Multi-Asset Mid-Tier West African Gold Producer

FULLY
PERMITTED
DEVELOPMENT
ASSET IN
BURKINA FASO

EXPLORATION
OPPORTUNITIES
ON WORLD-CLASS
GOLD BELTS

STRONG
BALANCE SHEET
& SUPPORTIVE
CORNERSTONE
INVESTOR

STRONG
SOCIAL LICENSE
& AWARD-WINNING
CSR

PRODUCING
ASSET
IN SENEGAL
PROVIDES
FOUNDATION
FOR GROWTH



TERANGA
GOLD CORPORATION

PROVEN &
EXPERIENCED
LEADERSHIP
TEAM



Strong Balance Sheet Supports Further Growth

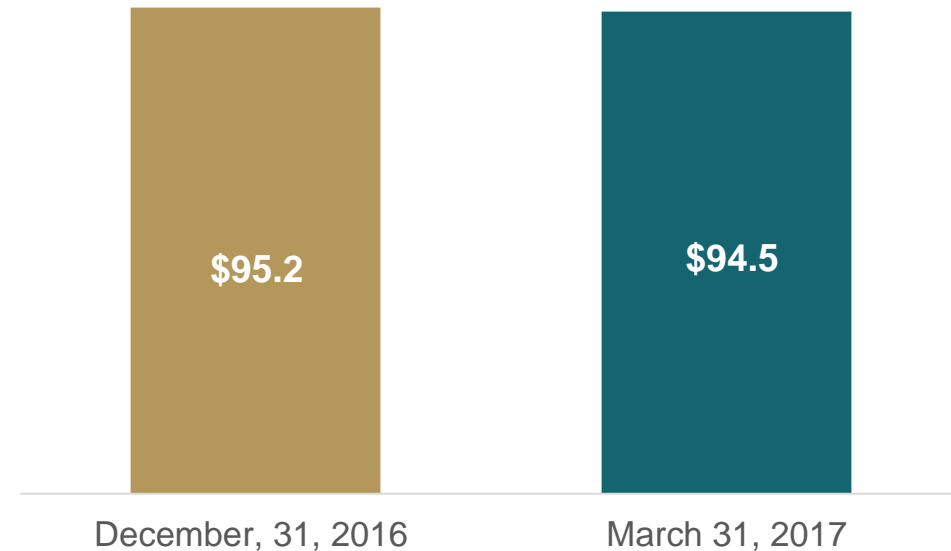
Maintained Cash Balance Over the Quarter

- Cash outflows from investing activities and financing activities, offset by cash flow provided by operations

Financial Strength to Support Further Growth

- Fund expansive exploration program
- Help finance Banfora Gold Project

Cash and Cash Equivalents (\$M)





Q&A



Appendix



2017 Outlook

Year Ended December 31

		2016 Guidance	2016 Actual	2017 Guidance ⁽⁵⁾
Operating Results				
Ore mined	('000t)	2,000 – 2,500	2,132	2,000 – 2,500
Waste mined	('000t)	34,500 – 36,000	33,512	35,000 – 37,000
Total mined	('000t)	36,500 – 38,500	35,644	37,000 – 39,500
Grade mined	(g/t)	2.75 – 3.25	2.66	2.50 – 3.00
Strip ratio	waste/ore	13.00 – 15.00	15.7	15.5 – 17.5
Ore milled	('000t)	3,700 – 3,900	4,025	4,000 – 4,300
Head grade	(g/t)	1.80 – 2.00	1.81	1.70 – 1.90
Recovery rate	%	90.0 – 91.0	92.6	90.0 – 91.5
Gold produced ⁽³⁾	(oz)	200,000 – 215,000	216,735	205,000 – 225,000 ⁽²⁾
Cost of sales per ounce sold	\$/oz sold	Not applicable	834	950 – 1,025
Total cash cost per ounce sold ⁽¹⁾	\$/oz sold	600 – 650	622	725 – 775
All-in sustaining costs ⁽¹⁾	\$/oz sold	900 – 975	929	1,000 – 1,075
Cash / (non-cash) inventory movements and amortized advanced royalty costs ⁽¹⁾	\$/oz sold	Not Applicable	42	(100)
All-in sustaining costs (excluding cash / (non-cash) inventory movements and amortized advanced royalty costs) ⁽¹⁾	\$/oz sold	Not Applicable	971	900 – 975
Mining	(\$/t mined)	2.20 – 2.40	2.33	2.25 – 2.50
Mining long haul	(\$/t hauled)	4.00 – 4.50	3.41	2.50 – 3.50
Milling	(\$/t milled)	11.00 – 12.00	10.70	11.00 – 12.00
General and Administration	(\$/t milled)	4.25 – 4.50	4.46	4.25 – 4.50
Mine Production Costs	\$ millions	145.0 – 155.0	148.6	155.0 – 165.0
Corporate Administration Expense	\$ millions	8.0 – 9.0	9.0	10.0 – 11.0
Regional Administration Costs	\$ millions	2.0	2.1	3.0
Community Social Responsibility Expense	\$ millions	3.0 – 3.5	3.6	3.5 – 4.0
Exploration & Evaluation (Expensed)	\$ millions	5.0	4.8	6.0 – 7.0
Sustaining Capital Expenditures				
Mine site sustaining	\$ millions	8.0 – 10.0	7.4	10.0 – 15.0
Capitalized reserve development	\$ millions	7.0	7.1	3.0 – 4.0
Site development costs	\$ millions	17.0 – 20.0	18.5	2.0
Total Sustaining Capital Expenditures ⁽⁴⁾	\$ millions	32.0 – 37.0	33.0	15.0 – 21.0
Growth Capital Expenditures (Banfora)				
Feasibility study	\$ millions	Not Applicable	0.3	3.0
Capitalized reserve development	\$ millions	Not Applicable	0.3	3.0 – 4.0
Construction readiness	\$ millions	Not Applicable	1.0	7.0 – 10.0
Total Growth Capital Expenditures	\$ millions	Not Applicable	1.6	13.0 – 17.0



Competent & Qualified Persons Statement

The technical information contained in this document relating to the open pit mineral reserve estimates for Niakafiri is based on, and fairly represents, information compiled by Mr. William Paul Chawrun, P. Eng who is a member of the Professional Engineers Ontario, which is currently included as a "Recognized Overseas Professional Organization" in a list promulgated by the ASX from time to time. Mr. Chawrun is a full time employee of Teranga and is not "independent" within the meaning of 43-101. However, he is a "qualified person" as defined in NI 43-101 and a "competent person" as defined in the 2012 Edition of the "Australasian code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the "JORC Code"). Mr. Chawrun has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr. Chawrun has consented to the inclusion in this document of the matters based on his compiled information in the form and context in which it appears in this document.

The technical information contained in this document relating to mineral resource estimates for Niakafiri is based on, and fairly represents, information compiled by Ms. Patti Nakai-Lajoie. Ms. Nakai-Lajoie, P. Geo., is a Member of the Association of Professional Geoscientists of Ontario, which is currently included as a "Recognized Overseas Professional Organization" in a list promulgated by the ASX from time to time. Ms. Nakai-Lajoie is a full time employee of Teranga and is not "independent" within the meaning of NI 43-101. However, she is a "qualified person" as defined in NI 43-101 and a "competent person" as defined in the JORC Code. Ms. Nakai-Lajoie has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity she is undertaking to qualify as a Competent Person as defined in the JORC Code. Ms. Nakai-Lajoie has consented to the inclusion in this document of the matters based on her compiled information in the form and context in which it appears in this document.

The information in this document that relates to Mineral Reserve estimates has been extracted from the Technical Report dated March 22, 2016 ("Technical Report"). The Technical Report is available to be viewed on the company's website at: www.terangagold.com

Teranga's exploration programs are being managed by Peter Mann, M.Sc. Geology, Minerals Exploration who is a Professional Fellow Member of the Australasian Institute of Mining and Metallurgy (Reg. 990534). The technical information contained in this document relating exploration results are based on, and fairly represents, information compiled by Mr. Mann. Mr. Mann has verified and approved the data disclosed in this release, including the sampling, analytical and test data underlying the information. Mr. Mann is a full time employee of Teranga and is not "independent" within the meaning of NI 43-101. However, he is a "qualified person" as defined in NI 43-101 and a "competent person" as defined in the JORC Code. Mr. Mann has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr. Mann has consented to the inclusion in this Report of the matters based on his compiled information in the form and context in which it appears herein.

Teranga's disclosure of mineral reserve and mineral resource information is governed by NI 43-101 under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Mineral Reserves (the "CIM Standards"), adopted by the Canadian Institute of Mining, Metallurgy, and Petroleum ("CIM") and its council, as may be amended from time to time by CIM. CIM definitions of the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource", are substantially similar to the JORC Code corresponding definitions of the terms "ore reserve", "proved ore reserve", "probable ore reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource", respectively. Estimates of mineral resources and mineral reserves prepared in accordance with the JORC Code would not be materially different if prepared in accordance with the CIM definitions applicable under NI 43-101. There can be no assurance that those portions of mineral resources that are not mineral reserves will ultimately be converted into mineral reserves.

Teranga confirms that it is not aware of any new information or data that materially affects the information included in the Technical Report or first quarter 2017 results, market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.



Endnotes

- 1) Total cash costs per ounce sold, all-in sustaining costs per ounce, and all-in sustaining costs (excluding cash / (non-cash) inventory movements and amortized advanced royalty costs), and earnings before interest, taxes, depreciation and amortization (“EBITDA”) are non-IFRS financial measures and do not have standard meanings under IFRS. Please see the Non-IFRS Performance Measures section in Management’s Discussion & Analysis for the year ended December 31, 2016 available on the Company’s website at www.terangagold.com. All-in sustaining costs per ounce sold include total cash costs per ounce, administration expenses, share based compensation and sustaining capital expenditures as defined by the World Gold Council. All-in sustaining costs also include cash/(non-cash) inventory movements and non-cash amortization of advanced royalties.
- 2) This production profile is based on existing proven and probable reserves only from the Sabodala mining license as disclosed on the Company’s website at www.terangagold.com and on SEDAR at www.sedar.com. The estimated ore reserves underpinning this production guidance have been prepared by a competent person in accordance with the requirements of the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “2012 JORC Code”). Please refer to the Competent Persons Statement in this presentation.
- 3) 22,500 ounces of gold production are to be sold to Franco-Nevada Corporation at 20% of the spot gold price.
- 4) Excludes capitalized deferred stripping costs, included in mine production costs.
- 5) This forecast financial information is based on the following material assumptions for the remainder of 2017: gold price: \$1,200 per ounce; light fuel oil price \$0.81/L; heavy fuel oil price \$0.46/L; Euro:USD exchange rate of 1:1.10. Other important assumptions: any political events are not expected to impact operations, including movement of people, supplies and gold shipments; grades and recoveries will remain consistent with the life-of-mine plan to achieve the forecast gold production; and no unplanned delays in or interruption of scheduled production.



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