Teranga Gold Reports Positive Feasibility Study for Banfora Project

Initial gold reserves of 1.2 million ounces – update expected in H1 2018

Major construction expected to commence in Q2 2018

Company's annualized gold production expected to increase by 50% to between 300,000 and 350,000 ounces

(All amounts are in U.S. dollars unless otherwise stated)

Toronto, Ontario: September 7, 2017 - Teranga Gold Corporation ("Teranga" or the "Company") (TSX: TGZ) (ASX: TGZ) is pleased to announce positive results of the feasibility study (the "Feasibility Study") on its permitted Banfora gold project (the "Banfora Project") in Burkina Faso, West Africa. The Banfora Project is comprised of a mine license of 89 km^2, and a regional exploration land package of nearly 1,000 km^2.

Based on initial gold reserves of 1.2 million ounces, the Feasibility Study's base case demonstrates solid project economics with a 15% internal rate of return at $1,250 per ounce gold for a 2.4 million tonnes per annum carbon in leach ("CIL") processing facility modeled after the plant located at the Company's Sabodala gold operation ("Sabodala") in Senegal, West Africa.

"Development of the Banfora Project is an important step towards attaining our goal of becoming the next multi-asset, mid-tier gold producer in West Africa. It will diversify our production base and add significant scale by increasing our consolidated annual gold production by 50% to between 300,000 and 350,000 ounces[1,6]," stated Richard Young, President and Chief Executive Officer of Teranga.

The Company expects an improvement in the Banfora Project economics following completion of an infill drill program aimed at converting inferred resources to reserves to be completed later this year, with a reserve update expected in the first half of 2018. The infill drill program is targeting inferred resources located adjacent to the current reserve pits. Overall, the Company anticipates achieving a conversion rate of between 25% and 50% of the inferred resources.

As at June 30, 2017, Teranga had cash and cash equivalents of $80 million[2]. As outlined in the updated technical report for Sabodala filed on August 30, 2017, the Company anticipates cash flows from Sabodala of more than $80 million[3] over the next two years and a total of $230 million[3] over the next five years. With cash and cash equivalents, anticipated cash flow and indicative term sheets for a project debt facility of up to $150 million, the Company is in a solid financial position to develop and fund construction of the $232 million[4] Banfora Project (see Table 5).

Mr. Young continued: "Our strategy is to grow the Company responsibly by being prudent and disciplined in our capital allocation. The initial Feasibility Study economics of the Banfora Project are solid. They are expected to improve in the first half of next year following a reserves update, which may lead to a larger or lower-cost project debt facility. As a result, we are deferring plant construction by approximately a quarter to allow us to develop an optimal financing plan for the Banfora Project as well as our other growth initiatives. Construction readiness activities will continue to move forward and the scope of work will expand in the lead up to plant construction."

Banfora Project Feasibility Study – Base Case Highlights (at $1,250 gold[5])

• Initial proven and probable mineral reserves	21.4 Mt @ 1.69 g/t containing 1.2 Moz Au
• Measured and indicated resources*	35.3 Mt @ 1.61 g/t containing 1.8 Moz Au
• Inferred mineral resources	15.8 Mt @ 1.40 g/t containing 0.7 Moz Au
• Pre-production capex	$232 million[4] (see Table 5)
• $NPV_{5\%}$ (after-tax)	$90 million[4,5]

- IRR (after-tax) 15%[4,5]
- First 5.5 years
  - Average annual production 131Koz[1]
  - Average mill grade 1.88 g/t[1]
  - Average all-in sustaining costs** $807/oz
- 9-year mine life ("LOM")
  - Average annual production 119Koz[1]
  - Average all-in sustaining costs** $843/oz

* M&I resources are inclusive of reserves.
**See Non-IFRS Performance Measures on page 9 of this release.

Upside Potential with Anticipated H1 2018 Resource and Reserve Update

- Initial gold reserves base of approximately 1.2 Moz is derived from four deposits (Nogbele, Fourkoura, Samavogo, and Stinger) within the Banfora mine license, and is anticipated to increase in the near-term based on significant potential within existing resource shells

- A large portion of the initial resources estimate that was not converted to reserves is located in near proximity to the feasibility study design pits based on the initial reserves base, both along strike and at depth

- An extensive 65,000 metre infill drilling program, already 50% complete, is increasing drill hole density in the in-pit areas currently classified as inferred resources

- Given the demonstrated continuity of the mineralization adjacent to the zones of inferred resources, the Company anticipates between 25% and 50% of the inferred resources will be upgraded to the indicated category and converted to reserves, extending the mine life beyond the current 9 years

- Beyond the initial four deposits included in the Feasibility Study, Teranga has initiated a multi-year exploration program on over a dozen other priority targets on its regional exploration land package, all within trucking distance of the proposed mill site

"The Banfora Project is off to a solid start with an initial after-tax rate of return of 15% and economics that are anticipated to further improve once the current infill drill program is complete and reserves are updated in the first half of 2018," said Paul Chawrun, Chief Operating Officer of Teranga. "Additionally, we are undertaking a multi-year exploration program covering more than a dozen regional targets. The objective of the regional program is to identify additional deposits beyond the initial four included in the Feasibility Study to feed the central mill at Banfora."

Project Overview

As part of its acquisition of Gryphon Minerals in 2016, Teranga acquired the Banfora Project, located in the southwest corner of Burkina Faso. It is less than 10 kilometres from the border of Côte d'Ivoire and within the north-northeast trending Paleoproterozoic Birimian Senoufo Belt, which also hosts Randgold Resources' Tongon deposit in Côte d'Ivoire.

The Banfora Project is 90% owned by Teranga with the Government of Burkina Faso holding a 10% free carried interest. It includes exploration licenses covering more than 1,000 km^2 and a permitted mining license that covers 89 km^2. As well, the property is easily accessible by road in close proximity to the regional town of Banfora and the major city of Bobo-Dioulasso. Under its Mining Convention with the Government of Burkina Faso, the Banfora Project benefits from fiscal stability guarantees that stabilize certain tax rates such as corporate income and customs duties in effect prior to the adoption of the 2015 Mining Code.

Over the last 12 months, the Company has completed follow up drilling across the defined deposits at the Banfora Project to augment and validate historical drilling and, in turn, support the resource estimate conducted independently by Roscoe Postle Associates Inc. Additionally, an independent metallurgical testwork optimization program was conducted to determine the processing plant design criteria and gold recovery values for the mine design and project economics.

Open Pit Mineral Resources and Reserves Summaries

Teranga completed a resources and reserves confirmatory drilling program at the four initially identified Banfora Project deposits in 2016: Nogbele, Stinger, Samavogo and Fourkoura. Based on this additional drilling and geologic modeling undertaken as part of the Feasibility Study, the open pit measured and indicated resources estimate is 1.8 Moz gold, with an additional 0.7 Moz of inferred resources, pit constrained at $1,450 per ounce gold (see Table 1).

The total open pit Proven and Probable Mineral Reserves estimate, based on a gold price of $1,200 per ounce, is 1.2 Moz (see Table 2).

Table 1: Open Pit Mineral Resources Summary

	Measured Resources			Indicated Resources			Measured + Indicated Resources			Inferred Resources		
Deposit	**Mtonnes**	**Grade (Au g/t)**	**Moz**	**MTonnes**	**Grade (Au g/t)**	**Moz**	**MTonnes**	**Grade (Au g/t)**	**Moz**	**MTonnes**	**Grade (Au g/t)**	**Moz**
Nogbele	1.17	1.47	0.06	17.92	1.43	0.82	19.08	1.43	0.88	9.11	1.18	0.34
Fourkoura	0.36	1.57	0.02	3.02	1.60	0.16	3.38	1.60	0.17	0.98	1.33	0.04
Samavogo	0.00	0.00	0.00	6.62	2.05	0.44	6.62	2.05	0.44	3.75	1.92	0.23
Stinger	0.16	2.16	0.01	6.09	1.67	0.33	6.24	1.69	0.34	1.98	1.45	0.09
Total	**1.68**	**1.55**	**0.08**	**33.65**	**1.61**	**1.74**	**35.33**	**1.61**	**1.83**	**15.82**	**1.40**	**0.71**

Notes for Mineral Resources Estimate

1. CIM definitions were followed for Mineral Resources.
2. Open pit oxide Mineral Resources are estimated at cut-off grades ranging from 0.35 g/t Au to 0.45 g/t Au.
3. Open pit transition and fresh rock Mineral Resources are estimated at cut-off grades ranging from 0.45 g/t Au to 0.55 g/t Au.
5. High grade assays were capped at grades ranging from 2.5 g/t Au to 48.0 g/t Au.
6. Mineral Resources are inclusive of Mineral Reserves.
7. Open pit shells were used to constrain open pit resources.
8. Mineral Resources are estimated using a gold price of $1,450 per ounce.
9. Sum of individual amounts may not equal due to rounding.

Table 2: Open Pit Mineral Reserves Summary

	Proven Reserves			Probable Reserves			2P Reserves		
Deposit	**MTonnes**	**Grade (Au g/t)**	**Moz Au**	**MTonnes**	**Grade (Au g/t)**	**Moz Au**	**MTonnes**	**Grade (Au g/t)**	**Moz Au**
Nogbele	1.09	1.45	0.05	10.38	1.56	0.52	11.48	1.55	0.57
Fourkoura	0.31	1.64	0.02	2.10	1.73	0.12	2.41	1.71	0.13
Samavogo	0.00	0.00	0.00	4.43	2.02	0.29	4.43	2.02	0.29
Stinger	0.15	2.09	0.01	2.95	1.72	0.16	3.10	1.74	0.17
Total	**1.55**	**1.55**	**0.08**	**19.87**	**1.70**	**1.09**	**21.42**	**1.69**	**1.16**

Notes for Mineral Reserves Estimate

1. CIM definitions were followed for Mineral Reserves.
2. Mineral Reserve cut-off grades range from 0.39 g/t to 0.53 g/t Au for oxide and 0.51 g/t to 0.64 g/t Au for fresh rock based on a $1,200/oz gold price.
3. Dry bulk density was estimated in the Mineral Resource models; values for ore range from 1.61 t/m^3 to 2.22 t/m^3 for oxide and 2.50 t/m^3 to 2.80 t/m^3 for fresh rock.
4. Mineral Reserves account for mining dilution and mining ore loss.
5. A minimum mining width of 2.5 m was used.
6. Proven Mineral Reserves are based on Measured Mineral Resources only.
7. Probable Mineral Reserves are based on Indicated Mineral Resources and diluting material.
8. Sum of individual amounts may not equal due to rounding.

Mining

Mining will be by way of conventional open pit mining techniques using drill and blast with material movement by hydraulic excavators and trucks. The project scale suits 110 to 140 tonne class excavators in a backhoe configuration matched to 50 tonne class mining haul trucks operating at five-metre bench heights. Following operating procedures similar to Sabodala, an extensive reverse circulation (“RC”) drill program is planned to supplement the production blast hole sampling as part of the grade control strategy. The mine operations will emulate Sabodala, with multiple near-surface pits feeding the process plant.

The process plant will be located adjacent to the Nogbele deposit, which contains approximately 50% of the initial reserves. The Fourkoura, Stinger, and Samavogo deposits are located 6, 15, and 25 kilometres, respectively, from the process plant. The haul trucks selected have the ability to haul ore directly to the process plant. This is expected to reduce re-handling costs and minimize waste movement through optimized pit designs for the near-surface ore bodies. The Company will operate its own fleet.

The Banfora Project is expected to benefit from lower operating costs and reduced operational risk as a result of Teranga’s experience as an owner-operator at Sabodala.

To maximize the value of the Banfora Project, the primary aim of the mine schedule is to supply the processing facility with the best value material first and stockpiling low-grade ore.

Metallurgy and Processing

The process plant design is based on a conventional CIL gold process flowsheet consisting of primary crushing, SAG and ball milling, with a pebble crusher, CIL tanks, elution, electro-winning and gold smelting to produce doré onsite. Throughput is expected to range between 2.2 and 2.5 million tonnes per annum, depending on the blend of soft and hard ore. The average predicted plant recovery is 92%, with soft material recoveries from some zones reaching as high as 95%.

The process plant design is based on a robust metallurgical flowsheet designed for optimum recovery and minimum operating costs. The key criteria for equipment selection are suitability for duty, reliability and ease of maintenance, and synergies with Sabodala, including same-sized crusher, mills, feeders and CIL tank agitators. The process selected is based on industrially proven equipment and sizing, resulting in additional operational flexibility and lower technical risk.

The tailings storage facility (“TSF”) will be developed as a high density polyethylene geomembrane lined paddock type facility in a two-cell arrangement. The TSF embankments will be constructed in annual raises to suit storage requirements, using downstream raise construction methods.

Transport and logistics for mining projects in the region are well-established with eleven mines built in Burkina Faso within the past decade. Goods will be containerized and transported by liner services to the Abidjan port in Côte d'Ivoire or the Tema port in Ghana.

A construction readiness program is underway for initial engineering, site infrastructure and preparation of large vendor packages. The engineering, procurement and construction management ("EPCM") scope is currently in a tender process amongst several EPCM service providers with construction experience in West Africa and Burkina Faso. An award decision is expected shortly. Plant construction is expected to commence in Q2 2018, with first gold pour following within approximately 18 months of the construction start date.

Operating Costs

Operating costs include all direct costs for the production of gold doré. The estimates are based on annual rates determined in the mining schedule with ore delivery from the Nogbele, Fourkoura, Samavogo and Stinger deposits.

Table 3: LOM Operating Costs[5]

	$/t	$/oz
Mining	2.19	358
Processing	11.15	222
General & administrative	4.31	86

Mine operating costs were determined using first principles estimates and input provided by equipment quotations, supply providers and costs at Sabodala where applicable. The average mining costs are $1.73/tonne mined for soft material and $2.65/tonne mined for harder material. The mining costs include rehandle and haulage of ore from the satellite pits and stockpiles to the process plant.

Processing costs are based on metallurgical test results, quotations from suppliers and consultant recommendations and using a rate of 338 tonne per hour for soft material and 250 tonne per hour rate for hard material. The average processing cost are $9.38/tonne milled for soft material and $12.18/tonne milled for harder material.

General and administrative costs average $4.31/tonne milled and consist of site office costs, insurance, financial costs (banking charges, legal fees, etc.), refining and transportation costs and personnel costs.

Table 4: LOM Production Plan*

		Total LOM	2019 - 2024 Average	2018 Yr -1	2019 Yr 1	2020 Yr 2	2021 Yr 3	2022 Yr 4	2023 Yr 5	2024 Yr 6	2025 Yr 7	2026 Yr 8	2027 Yr 9	2028 Yr 10
Ore mined	Mt	21	2.7	0.2	1.4	3.3	3.1	2.8	2.0	2.2	2.6	2.0	1.8	0.1
Waste mined	Mt	155	19.0	2.2	12.4	19.2	18.6	18.3	18.3	17.5	16.4	16.2	15.2	0.3
Ore milled	Mt	21	2.3		1.1	2.3	2.3	2.3	2.4	2.5	2.2	2.4	2.2	1.9
Mill head grade	g/t	1.69	1.88		2.22	2.01	1.95	2.08	1.51	1.73	1.74	1.27	1.50	1.07
Contained gold	Koz	1,165	141		82	148	146	151	115	136	124	96	104	64
Recovered gold	Koz	1,075	131		76	137	134	139	107	127	111	90	95	61

* This LOM production plan assumes plant construction will commence in Q1 2018. With plant construction moved to Q2 2018, this LOM production plan may shift by several months.

Pre-production and LOM Capital Costs

The Company plans to replicate the first phase of the Sabodala process plant layout which is expected to lower construction and operating risk and, in turn, pre-production project capital and operating costs. The capital cost to construct the Banfora Project is estimated at $232 million[4] (see Table 5), including processing

plant, infrastructure, an owner operated mining fleet, owners cost, contingency, taxes and duties. The Company is evaluating opportunities to optimize and reduce capital costs that may improve the IRR.

Owners costs have been captured in the capital estimate, including the management team, project expenses, pre-production costs, first fills, opening stocks, plant mobile equipment, project spares, vendor representatives, training and initial resettlement costs. The Company has hired Metifex Pty Ltd ("Metifex") to form part of the owners team for the project. Metifex has worked on a number of projects with the Teranga management team, including most recently the mill optimization project at Sabodala.

Pre-production capital costs exclude acquisition costs and reserve development costs incurred from acquisition through the end of 2017. It also excludes construction readiness activities of $12 million, which will be spent prior to major construction.

Table 5: Pre-production Capital Costs

	($M)
Indirect project construction	19.6
Processing plant	46.6
Reagents and plant services	12.2
Infrastructure	52.9
Mining infrastructure and equipment	30.2
EPCM costs	16.3
Owners project costs	30.5
Subtotal	**208.2**
Contingency	24.0
Total[(a), (b), (c)]	**232.3**

(a) Sum of individual amounts may not equal due to rounding.
(b) Excludes cost to mine and stockpile 764 Kt at 2.25 g/t or 55Koz (strip ratio of 9:1) prior to mill production which has been included in mining operating costs.
(c) Excludes $12 million used for construction readiness activities spent prior to major construction.

Life of mine sustaining costs for the Banfora Project total $105 million and include mobile fleet upgrades and replacements, road construction, TSF lifts, resettlement costs and general sustaining capital in support of mining, processing and general and administrative functions.

Table 6: LOM Sustaining Capital Costs

LOM Sustaining Capital	**($M)**
Mining fleet replacement and mine sustaining	30.1
Processing sustaining	13.5
General and administration sustaining and other	3.8
TSF	26.9
Deferred resettlement action plan costs	30.5
Total	**104.8**

Social and Environmental Impact Assessments

The current resources and reserves for the Banfora Project are permitted and the environmental impact assessment study is complete.

The resettlement action plan is progressing well, strongly supported by the local communities. Under the resettlement action plan, approximately 500 households in the villages of Zegnedougou, Nangueledougou, Djondougou, Katolo, Nadjengoala will be relocated over the next five years, with a further 350 households compensated for agricultural land impact. The resettlement and livelihood restoration process for the project is being managed by an experienced team from the global sustainability firm, ERM, building on work completed under the previous project ownership.

Resettlement sites have been identified, and the physical planning, design and approval of future resettlement communities is underway. Construction of the first resettlement households is expected to begin in the first quarter of 2018. Employment opportunities and sustainable development initiatives supported by Teranga will provide further support for socio-economic growth in the area.

The Company is working with the local community to rename the Banfora Project to reflect the local culture.

LOM Cash Flow

Table 7: LOM Cash Flow[(a), (b), (c), 5]

		Total LOM	2019 - 2024 Average	2018 Yr -1	2019 Yr 1	2020 Yr 2	2021 Yr 3	2022 Yr 4	2023 Yr 5	2024 Yr 6	2025 Yr 7	2026 Yr 8	2027 Yr 9	2028 Yr 10	2029 Yr 11
Gold produced	Koz	1,075	131		76	137	134	139	107	127	110	90	95	61	
Gold price	$/oz	1,250	1,250		1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	
Gold sales	$M	1,344	163		95	171	167	173	133	159	138	112	119	76	
Cash costs	$M	(716)	(81)	(7)	(46)	(81)	(80)	(81)	(79)	(78)	(83)	(79)	(77)	(27)	
Royalties and gov't payments[(e)]	$M	(85)	(10)		(6)	(10)	(10)	(10)	(8)	(10)	(9)	(8)	(8)	(6)	
Sustaining capital	$M	(105)	(15)		(12)	(13)	(18)	(14)	(12)	(14)	(7)	(6)	(9)	(0)	
AISC[(d)]	$M	(906)	(105)	(7)	(63)	(104)	(107)	(106)	(99)	(102)	(99)	(92)	(95)	(33)	
AISC[(d)]	$/oz	843	807		830	759	801	761	926	799	897	1,030	999	549	
Income taxes, W/C and other[(f)]	$M	(29)	(3)	(1)	(4)	(2)	(2)	(2)	(4)	(3)	(8)	(4)	(2)	(1)	5
Free cash flow from operations[(d)]	$M	409	55	(8)	28	65	58	66	31	54	31	15	22	42	5
Pre-production capital	$M	(232)		(120)	(112)	(0)									
Net cash flow	$M	176		(128)	(85)	65	58	66	31	54	31	15	22	42	5
$NPV_{5\%}$	$M	90													
IRR		15%													

(a) This LOM production plan assumes plant construction will commence in Q1 2018. With plant construction moved to Q2 2018, this LOM production plan is anticipated to shift by several months.
(b) Sum of individual amounts may not equal due to rounding.
(c) All figures are on a 100% basis.
(d) See Non-IFRS Performance Measures on page 9 of this news release.
(e) Includes royalties, business taxes, mortmain taxes, and surface taxes.
(f) Includes income taxes, refundable VAT movements, government social fund, and rehabilitation and equipment residual value. Excludes all project financing costs and allocation of corporate overhead costs.

Project Return Sensitivity

Gold Price	$1,200	$1,250	$1,300	$1,350
After-tax NPV 0%	$134	$176	$219	$249
After-tax NPV 5%	$58	$90	$122	$145
After-tax IRR	11%	15%	18%	20%

Feasibility Study Technical Report Contributions and Qualified Persons

The mineral resource and mineral reserve estimates in this news release have been classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum's "*CIM Definition Standards - For Mineral Resources and Mineral Reserves*" 2014, as required by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Roscoe Postle Associates Inc., an independent consultant prepared the resource and reserve estimates and the report with the assistance of a number of independent experts or firms.

Lycopodium Limited (ASX:LYL), an Australian headquartered engineering and project management consultancy that has successfully completed the construction of a dozen gold development projects in West Africa since 2009, completed the process design, capital estimate and execution plan for the process facilities and associated infrastructure.

Knight Piésold Consulting completed the tailings management facility design, surface geotechnical engineering and site water balance, ECG Engineering completed the Power Supply solution, BBA/Aurifex completed the metallurgical test work supporting the process design, and MBS Environmental completed the ESIA summary and Closure Plan.

Competent Persons Statements

The technical information contained in this document relating to the open pit mineral reserve estimates is based on, and fairly represents, information compiled by Glen Ehasoo, P. Eng., who is a member of the Association of Professional Engineers and Geoscientists of British Columbia, which is currently included as a "Recognized Overseas Professional Organization" in a list promulgated by the ASX from time to time. Mr. Ehasoo is independent of Teranga and is a "Qualified Person" as defined in National Instrument 43-101 and a "competent person" as defined in the 2012 Edition of the JORC Code. Mr. Ehasoo has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Ehasoo has verified the technical data in this news release related to mineral reserves estimation, and has reviewed and approved the information in this news release relevant to mineral reserves estimation.

The technical information contained in this document relating to open pit mineral resource estimates is based on, and fairly represents, information compiled by Mr. David Ross. Mr. Ross, 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. Mr. Ross is independent of Teranga and is a "Qualified Person" as defined in National Instrument 43-101. Mr. Ross has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Ross has verified the technical data in this news release related to mineral resources estimation, and has reviewed and approved the information in this news release relevant to mineral resource estimation.

Non-IFRS Financial Performance Measures

The Company has included non-IFRS measures in this document, including "total cash cost per ounce of gold sold", "all-in sustaining costs per ounce" and "free cash flow from operations". The Company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

Total cash costs figures are calculated in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is considered the accepted standard of reporting cash cost of production in North America. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measure of other companies. The World Gold Council ("WGC") definition of all-in sustaining costs seeks to extend the definition of total cash costs by adding corporate general and administrative costs, reclamation and remediation costs (including accretion and amortization), exploration and study costs (capital and expensed), capitalized stripping costs and sustaining capital expenditures and represents the total costs of producing gold from current operations. All-in sustaining cost excludes income tax payments, interest costs, costs related to business acquisitions and items needed to normalize earnings. Consequently, this measure is not representative of all of the Company's cash expenditures. In addition, the calculation of all-in sustaining costs does not include depreciation expense as it does not reflect the impact of expenditures incurred in prior periods. Therefore, it is not indicative of the Company's overall profitability. Life of mine total cash costs and all-in sustaining costs figures used in this press release are before cash/non-cash inventory movements and exclude any allocation of corporate overheads. Other companies may calculate this measure differently. The Company calculates free cash flow from operations as net cash flow provided by operating activities less sustaining capital expenditures. The Company believes this to be a useful indicator of its ability to generate cash for growth initiatives. Other companies may calculate this measure differently.

For more information regarding these measures, please refer to the Company's 2016 Management's Discussion and Analysis accessible on the Company's website at www.terangagold.com.

Conference Call & Webcast Details

Teranga will host a conference call and audio webcast later this morning, September 7, 2017, at 8:30 a.m. (ET) to discuss the Feasibility Study in more detail. Those wishing to listen can access the live conference call and webcast as follows:

Telephone: Toll-free +1-877-291-4570
Local or International +1-647-788-4919

Please allow 10 minutes to be connected to the conference call

Webcast: The webcast can be accessed on Teranga's website at www.terangagold.com/banfora

Replay: The conference call replay will be available for two weeks after the call by dialing +1-416-621-4642 or toll-free at +1-800-585-8367 and entering the conference ID 70012458

Note: The slide presentation will be available for download at www.terangagold.com for simultaneous viewing during the call

Technical Report

An NI 43-101 compliant technical report for the Banfora Project will be filed on the Company's website and on SEDAR (www.sedar.com) within 45 days of this news release.

Endnotes

1. Production targets are based only on proven and probable ore reserves for the Banfora Project.

2. Teranga's consolidated cash and cash equivalents as of June 30, 2017. For more information, please refer to the Company's Management's Discussion and Analysis for the period ended June 30, 2017 on the Company's website at www.terangagold.com.

3. This forecasted financial information is based on the updated life of mine plan and reserve estimate for the Sabodala project as disclosed in a technical report pursuant to NI 43-101 dated August 30, 2017.

4. Pre-production capital costs of $232 million excludes $12 million in construction readiness activities spent prior to major construction.

5. LOM assumptions include:
    - Gold price of $1,250 per ounce
    - Heavy fuel oil (HFO): $0.59 per litre
    - Light fuel oil (LFO): $1.04 per litre ($0.88 per litre during the construction period)
    - Euro to USD Exchange Rate: $1.10

6. This production target is based on proven and probable reserves only from the Sabodala project as at June 30, 2017 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 target have been prepared by a competent person or persons (see Competent Persons Statements in the Company's Management's Discussion & Analysis for the three and six months ended June 30, 2017 available on the Company's website at www.terangagold.com).

Forward-Looking Statements

This news release 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's 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 "anticipates", "potential", "belief", "believe", "expected", "expects", "estimates", "plans", "anticipated", "ability" and similar expressions or statements that certain actions, events or results "may", "should", "work to" or "will" have been used to identify such forward looking information. Forward-looking statements include, without limitation, all disclosure regarding possible events, conditions or results of operations, future economic conditions and anticipated courses of action. Although the forward-looking statements contained in this news release 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 statements. 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 reserves and mineral resources estimates, gold price, exchange rates, fuel and energy costs, future economic conditions, community resettlement within anticipated timeline, 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 forward-looking statements and forward-looking information in this news release include without limitation, statements regarding (i) potential upside and improved economics from the Banfora Project; (ii) anticipated rates of conversion of inferred resources into reserves; (iii) objective to increase the mine life beyond the initial 9 years by first gold pour in 2019; (iv) anticipated financing plan; and (v) expected reserve update in the first half of 2018.

In addition, all of the results of the Banfora Project Feasibility Study constitute forward-looking statements and forward-looking information. The forward-looking statements include metal price, fuel prices and foreign exchange rate assumptions, cash flow forecasts, projected capital and operating costs, metal recoveries, mine life and production rates, and the financial results of the Banfora Project Feasibility Study. These include statements regarding (i) IRR of 15% after tax; (ii) NPV of $90 million at a 5% discount rate after tax, (iii) estimated all-in sustaining costs; (iv) capital cost estimates (including pre-production capital of $232 million[4]), (v) proposed mining plans and methods, and (vi) a mine life estimate of 9 years.

Readers are cautioned that actual results may vary from those presented.

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 30, 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. All references to Teranga include its subsidiaries unless the context requires otherwise.

About Teranga

Teranga is a multi-jurisdictional West African gold company focused on production and development as well as the exploration of more than 5,000km^2 of land located on prospective gold belts. Since its initial public offering in 2010, Teranga has produced more than 1.2 million ounces of gold from its operations in Senegal, which as of June 30, 2017 had a reserve base of 2.7 million ounces of gold. Focused on diversification and growth, the Company is advancing its Banfora development project and conducting extensive exploration programs in three countries: Burkina Faso, Senegal and Côte d'Ivoire. Teranga has a strong balance sheet and the financial flexibility to grow its business.

Steadfast in its commitment to set the benchmark for responsible mining, Teranga operates in accordance with the highest international standards and aims to act as a catalyst for sustainable economic, environmental, and community development as it strives to create value for all of its stakeholders. Teranga is a member of the United Nations Global Compact and a leading member of the multi-stakeholder group responsible for the submission of the first Senegalese Extractive Industries Transparency Initiative revenue report. The Company's responsibility report, is available at www.terangagold.com/responsibilityreport and is prepared in accordance with its commitments under the United Nations Global Compact and in alignment with the Global Reporting Initiative guidelines.

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APPENDIX 1

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Representative samples were from RC and core drilling. • Drill core was sawn in half over defined sampling intervals, then one half sampled and assayed for gold. Oriented core markings were used as guides for sawing. RC chips were riffled and split following standard operating procedures. • All core and RC chips were sampled along the entire hole to determine the nature of mineralisation and relationship to logged lithology, alteration and structure. Based on the detailed sampling results, mineralisation zones were defined. • Industry standard practices have been utilized for all sampling and analytical procedures. No unusual commodities or mineralization types occur in any of the Banfora deposits.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diametre, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• RC and diamond drilling programs were conducted. Diamond drill holes were drilled using standard HQ or NQ sized rods. RC drilling was conducted either to pre-collar deeper diamond tailed drill holes or as individual stand alone holes.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Diamond core recoveries were measured and recorded for each sample. Core was sampled on nominal 1 m intervals. RC chip samples were collected on 1 m intervals. RC chip recoveries were based on qualitative visual estimates (poor, medium or good). Chip sample recoveries were not calculated but estimated based on the weight of the total samples.

Criteria	JORC Code explanation	Commentary
		• RC drill contractors have been requested to allow for sufficient air and appropriate technique to ensure dry samples are delivered >95% of the time. In instances where water ingress is unavoidable, damp or wet samples are dried prior to being split. There has not been a significant issue with sample (RC or core) recovery in either oxide or fresh rock. • A relationship does not appear to exist between sample recovery and grade as there is no significant loss of material.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Core samples were geologically and geotechnically logged following established standard operating procedures and includes sufficient and appropriate detail to support Mineral Resource estimation, mining and metallurgical studies. RC chip samples were geologically logged following established standard operating procedures and considered to be appropriate for use in Mineral Resource estimation. • Logging is qualitative in nature. All core and RC chip trays are photographed. • All diamond drill core has been geologically and geotechnically logged. All RC chips have been geologically logged.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Drill core sampling intervals were defined then cut in half with a diamond saw along the core length using oriented core markings when available. Where oriented core was not available, the core orientation was estimated prior to cutting. Half core was sampled over one metre lengths or occasionally, based on lithology intervals. • Dry RC cuttings were sampled on one metre intervals for each metre drilled. The one metre interval cuttings were passed through a three-tier, one-eighth riffle splitter resulting in an approximately 2.0 kg to 2.5 kg subsample. • Sample preparation was carried out at the BIGS Global Burkina SARL laboratory located in Ouagadougou. Mining licence core and RC samples were dried and crushed to 6 mm. RC samples were then quartered and reduced in a Rocklabs splitter. Core samples were not reduced. Both RC and core samples were then pulverized to 70-75 µm. A 200 gram sample was sent for analysis with the remainder of the sample stored for future needs.

Criteria	JORC Code explanation	Commentary
		• Core was sawn in half along the core axis for nominal 1 metre sample intervals, with one half of the core sent for assay. One duplicate pulp sample was inserted into the sample stream for a minimum of every 20 samples. Field duplicate samples were inserted into the sample stream at a ratio of 1 to 20 samples. • Based on the characteristics of gold mineralisation in these deposits and results from the QA/QC program and sample duplicates, the nominal 1 metre sample interval is determined to be appropriate.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometres, handheld XRF instruments, etc, the parametres used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• All Banfora samples were analyzed at the BIGS laboratory in Ouagadougou, Burkina Faso for gold by fire assay with an atomic absorption finish using 50 gram samples. This analytical methodology is deemed appropriate for the nature of the deposits being evaluated. • Not applicable. • Blind Quality Assurance/Quality Control programs consisted of inserting blanks, duplicates and certified reference materials (CRM) into the sample stream at a rate of one for every 20 samples. All samples utilized in the resource estimation process returned results within acceptable limits. In the event of analytical failures for any of the CRM inserted materials, re-runs of the entire affected sample batches are undertaken and failed batches are replaced.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Data verification was conducted on an ongoing basis by internal in-house Company personnel. • Twinned holes are occasionally drilled where structural information is required in areas where RC drilling had occurred. • Drill hole logs were entered into Excel spreadsheets on Panasonic Toughbook computers, then uploaded into an MS Access database. Assay data was received from the laboratories in csv format and merged into the master database, with access restricted to the database manager. Routine validation checks were run in MS Access as well as Micromine software. • No adjustments were made to assay data returned from the laboratory.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used.	• Drill hole collars are surveyed using either a Total Station or Differential GPS, both of which are capable of providing three-dimensional collar coordinates to sub-metre accuracy.

Criteria	JORC Code explanation	Commentary
	• Quality and adequacy of topographic control.	• All drill holes at each of the deposits were surveyed in WGS84 UTM Zone 28 North coordinates. • Surveyed collars located on the Mine Lease property, were tied into established control points. The quality and adequacy of topographic control was considered to be reasonable for use in resource estimation.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Drilling is nominally on a 40 m by 40 m spacing, with closer spaced in-fill holes at a minimum spacing of 6 m to 10 m locally.. • Geological interpretation based on the drill spacing has identified continuity of geology and grade and is determined to be sufficient for estimating Mineral Resources and Mineral Reserves. Experimental variograms generated for mineralized zones with sufficient data, have confirmed the grade continuity ranges based on the drill hole spacing. • RC chips and diamond drill core were sampled on nominal 1 metre intervals down the hole, and assayed. Sample compositing was not applied.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Drill hole azimuths and dips have been oriented perpendicular to the interpreted mineralized zones in order to intersect the true widths of the zones as closely as possible. Occasionally, drilling was planned at oblique angles when the mineralisation trends were not yet well defined or if the optimal collar location was not accessible. Generally, the majority of drilling is oriented such that the sampling of mineralisation is unbiased. • The small percentage of holes oriented oblique to the mineralisation are located in areas with sufficient drill density oriented perpendicular to mineralisation, and will not introduce a sampling bias.
Sample security	• The measures taken to ensure sample security.	• Drill core and chip samples from the drill rigs are transported from the secure holding areas at the drills directly to the Company's secure logging and sampling facility located at the fenced and guarded Nianka based exploration office complex. Following photography of the core and chips; logging, and structural data collection is completed. The core is sawn in half, along defined or estimated core orientation lines with half being preserved securely on-site for future needs, while the other half is bagged and sealed. RC samples are split at the drill and transported to the same logging facility. Sealed samples are then securely delivered to the assay laboratory.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Mr. Ross, the Competent Person from RPA, visited the site from Jan. 19 to 24, 2017 to independently examine the practices employed for resource definition drilling and examine the sample preparation procedures. He examined outcrops, drill rigs, sampling procedures, and other general exploration protocols. No significant issues or discrepancies were identified.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	1. **Wahgnion Mining License** : Decree N°2014-675, amended by Decree N°2015-092, located in Niankorodougou and Dakoro, Province of Léraba in the Cascades region, owned 89.8% by Société Minière Gryphon SA, 10% by the Government of Burkina Faso and two (2) nominative shareholders. 2. **Nianka II Exploration Permit:** Decree No° 16/233, located in the Province of Léraba, owned 100% by Gryphon Minerals Burkina Faso Sarl 3. **Dierisso II Exploration Permit**: Decree No°16-234, located in the Province of Léraba, owned 100% by Gryphon Minerals Burkina Faso Sarl 4. **Nogbele II Exploration Permit: Decree** No°16/235, located in the Province of Léraba, owned 100% by Gryphon Minerals Burkina Faso Sarl 5. **Zeguedougou II Exploration Permit:** Decree No°16-236, located in the Province of Léraba, owned 100% by Gryphon Minerals Burkina Faso Sarl 6. **Nogbele Sud Exploiration Permit**: Decree No°16-042, amended by Decree No°17-009, located in the Province of Léraba, owned 100% by Gryphon Minerals Burkina Faso Sarl • Sanembaore Sarl Pty Ltd owns a 1% Net Smelter Royalty from all sales revenue derived from the Banfora tenements under the terms of a sale agreement dated November 12, 2007, amended on May 22, 2008, between Teranga Gold (Australia) Pty Ltd (previously Gryphon Minerals Limited) and Sanembaore Sarl Pty Ltd. • Both the Banfora Mining Licence and the Regional Exploration Permits are considered secure
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Prior to Teranga's acquisition of the Banfora Gold Project in October 2016, exploration work on the Banfora Mining Licence and Regional Exploration Permits was conducted by Gryphon Minerals Limited.
Geology	• Deposit type, geological setting and style of mineralisation.	• No new exploration results are included in this announcement.

Criteria	JORC Code explanation	Commentary

Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
	  ○ easting and northing of the drill hole collar
	  ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
	  ○ dip and azimuth of the hole
	  ○ down hole length and interception depth
	  ○ hole length.
	• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.
		• No new exploration results are included in this announcement.

Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No new exploration results are included in this announcement.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• No new exploration results are included in this announcement.

Criteria	JORC Code explanation	Commentary
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• No new exploration results are included in this announcement.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• No new exploration results are included in this announcement.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• No new exploration results are included in this Report.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• No new exploration results are included in this announcement.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. • Data validation procedures used.	• Drill hole logs were entered into Excel spreadsheeets on Panasonic Toughbook computers, then uploaded into an MS Access database. Assay data was received from the laboratories in csv format and merged into the master database, with access restricted to the database manager. • Routine validation checks were run in MS Access as well as Micromine software.

Criteria	JORC Code explanation	Commentary
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• Mr. Ross visited the site from Jan. 19 to 24, 2017 to independently examine the practices employed for resource definition drilling and examine the sample preparation procedures. He examined outcrops, drill rigs, sampling procedures, and other general exploration protocols. No significant issues or discrepancies were identified.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• Geological interpretation is based on geological plan maps at surface and at depth, and surface holes drilled on a nominal 40 m by 40 m spacing. In addition, structural studies were used to interpret geological and structural trends. Locally, closer spaced drill holes confirm the geological interpretation and continuity of grade and geology in the mineralized zones. Gold mineralisation is structurally controlled, with the location and trend of the mineralized structures reasonably defined. • Geology and grade continuity are affected by local variations in folding, faulting, thinning and widening of zones. • Wireframe models were generated around zones with similar geology, alteration and grade characteristics following interpreted geology and structural trends, and treated as hard boundaries for resource estimation.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• The extents of the Mineral Resources vary for each deposit and follow various structural and geological trends and dips, with varying widths within each deposit. • For Nogbele North, 198 mineralization wireframes and 13 dilution envelopes were generated, located in a 3 km by 2 km area and extending down to 140 m below surface. • For Nogbele South, 37 mineralization wireframes and 5 dilution envelopes were generated, located in a 2.5 km by 1.5 km area and extending down to 130 m below surface. • For Nangolo, 18 mineralization wireframes were generated, located in a 0.8 km by 0.4 km area and extending down to 100 m below surface. • For Fourkoura, 43 mineralization wireframes were generated, located in a 1.8 km by 0.5 km area and extending down to 100 m below surface. • For Stinger, 123 mineralization wireframes were generated, located in a 2 km by 0.5 km area and extending down to 130 m below surface. • For Samavogo, 21 mineraliation wireframes were generated, located in a 4 km by 0.7 km area and extending down to 140 m below surface.

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parametres and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parametres used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	• The estimation methods used to update the revised block models were determined separately for each zone and generally determined by the variography ranges, number and spacing of composites in each zone as well as the zone extents. High grade gold assays were capped by zone prior to compositing. Block grades were interpolated using Inverse Distance Cubed (ID^3) or Ordinary Kriging (OK) in Vulcan, Micromine or GEMS software. • No assumptions were made regarding recovery of by-products. • Deleterious elements or other non-grade variables of economic significance were estimated. • For Nogbele North, Fourkoura, Nangolo and Stinger, a block size of 2.5 m by 2.5 m by 2.5 m (x, y, z) was generated inside the mineralisation wireframes. For Nogbele South, a block size of 2.5 m by 2.5 m by 5 m was generated inside mineralization wireframes. For Samavogo, a block size of 5 m by 5 m by 2.5 m was generated inside mineralization wireframes. • Block grades were estimated using 2 metre composites in holes with approximate 40 m by 40 m spacing, to a minimum of 6 m by 10 m spacing locally. Grade interpolation searches followed the orientation of each mineralisation zone. Multiple interpolation passes were run with increasing search ranges, on each zone. • Block sizes inside the mineralisation wireframes were determined by the mining equipment selected to best suit the project scale and size of the selective mining unit. • No assumptions were made about the correlation between variables. • Mineralisation wireframes were treated as hard boundaries with block grades estimated inside each wireframe using only the samples located inside the same wireframe. • Appropriate capping levels were applied to raw gold assays by zone, prior to compositing, and based on a combination of histograms, cumulative probability plots, decile analysis, visual inspection in cross-section and level plans, and cutting curves. • Validation was conducted on volumetric comparisons between mineralized blocks and wireframes; comparisons using alternate estimation methods; swath plots and various statistical and visual comparisons of block and composite grades.
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	• Tonnages were estimated on a dry basis.

Criteria	JORC Code explanation	Commentary
Cut-off parametres	• The basis of the adopted cut-off grade(s) or quality parametres applied.	• For reporting purposes, the Mineral Resource cut-off parameters were estimated by first determining the economic cut-off grades for the Mineral Reserves (See section 4). Since the Mineral Reserves cut-off grades were based on determined operating costs and a gold price of $1200/oz, Mineral Resource cut-offs were lowered to determine a reasonable grade for economic extraction. • Mineral Resource cut-off grades for Nogbele North and South, Nangolo and Fourkoura are 0.35 g/t Au for laterite and saprolite, and 0.45 g/t Au for transition and fresh rock. Mineral Resource cut-off grades for Stinger are 0.40 g/t Au for laterite and saprolite, and 0.50 g/t Au for transition and fresh rock. Mineral Resource cut-off grades for Samavogo are 0.45 g/t Au for laterite and saprolite, and 0.55 g/t Au for transition and fresh rock.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parametres when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• Mining will be by way of conventional open pit mining methods using a minimum 2.5 m mining width in mineralized zones and a five metre bench height.
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parametres made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• The process plant design is based on a conventional CIL gold process flowsheet consisting of primary crushing, SAG and ball milling, with a pebble crusher, CIL tanks, elution, electro-winning and gold smelting to produce doré onsite. The average predicted plant recovery is 92%, with soft material recoveries from some zones reaching as high as 95%.

Criteria	JORC Code explanation	Commentary
Environmen-tal factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• The Nogbele, Nangolo, Fourkoura, Stinger and Samavogo deposits are located on a permitted mining licence. • An environmental impact assessment study has been completed for the feasibility study, with details to be included in the upcoming technical report.
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• In-situ dry bulk density was determined from diamond drill core using the water displacement method. Poorly consolidated oxide samples and porous samples were wrapped in plastic prior to immersion. Ten-centimetre samples were taken at approximate 1 m intervals and correspond to most of the mineralized and unmineralized rock types in each deposit. • Bulk density measurements were averaged by major rock type and by oxide sub-domains (laterite and saprolite), transition and fresh rock for each deposit.
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit.	• Mineral Resource classification follows Canadian Institute of Mining and Metallurgy and Petroleum ("CIM") "Definition Standards for Mineral Resources and Mineral Reserves". Mineral Resource classification is based on variogram ranges, sample spacing and confidence in geological and grade continuity. • Based on the knowledge of the geology, mineralisation and structure of the deposits, the Mineral Resource classification reflects the Competent Person's view of the deposits.
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	• RPA conducted internal in-house reviews, with additional reviews by Teranga.

Criteria	JORC Code explanation	Commentary
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The relative accuracy and confidence level in the Mineral Resource estimate is based on the application of appropriate and industry standard grade estimation methods specific to each deposit and mineralisation zone. The Inverse Distance Cubed ("ID^3") or Ordinary Kriging ("OK") estimation methods have been applied. Additional validation was conducted on volumetric comparisons between mineralized blocks and wireframes; comparisons using alternate estimation methods; swath plots and various statistical and visual comparisons of block and composite grades. • The statement relates to Mineral Resource estimates by deposit, which includes the use of open pit shells to constrain open pit resources, appropriate cut-off grades and gold price. Details of the revised Mineral Resource estimates for the Nogbele, Fourkoura, Stinger and Samavogo deposits will be documented in an upcoming technical report, however, Mineral Resource estimates were generated and classified following accepted industry standards. • Production data is not available as mining has not commenced.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. • Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	• Resources classified as Measured were used as the basis for Proven ore reserves, resources classified as Indicated were used as the basis for Probable ore reserves. • The mineral resources are reported as inclusive to the ore reserves.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• Mr. Glen Ehasoo, Director, Mine Engineering and Principal Mining Engineer of RPA visited the Banfora Gold Project January 24th, 2017 to January 26th, 2017.
Study status	• The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.	• In March 2013, there was a Feasibility Study completed on the Project by Lycopodium Minerals Pty. Ltd. for Gryphon Minerals (acquired by Teranga Gold in 2016), referenced in this table as the Gryphon 2013 FS. • Current Ore Reserves is part of the updated Feasibility Study commissioned by Teranga Gold Corporation.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>• The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</td><td></td></tr>
<tr><td>Cut-off parametres</td><td>• The basis of the cut-off grade(s) or quality parametres applied.</td><td>
<table>
<tr><th>Banfora 2017 COG at $1,200 /oz (g/t Au)</th><th>Saprolite</th><th>Transition Granatoid</th><th>Transition Mafic</th><th>Fresh Granatoid</th><th>Fresh Mafic</th></tr>
<tr><td>Nangolo</td><td>0.39</td><td>0.53</td><td>0.52</td><td>0.54</td><td>0.52</td></tr>
<tr><td>Nogbele NC</td><td>0.39</td><td>0.53</td><td>0.51</td><td>0.54</td><td>0.52</td></tr>
<tr><td>Nogbele South</td><td>0.40</td><td>0.54</td><td>0.53</td><td>0.55</td><td>0.53</td></tr>
<tr><td>Fourkoura</td><td>0.42</td><td>0.56</td><td>0.54</td><td>0.57</td><td>0.55</td></tr>
<tr><td>Samavogo</td><td>0.53</td><td>0.64</td><td>0.64</td><td>0.64</td><td>0.64</td></tr>
<tr><td>Stinger</td><td>0.44</td><td>0.60</td><td>0.60</td><td>0.61</td><td>0.61</td></tr>
</table>
</td></tr>
<tr><td>Mining factors or assumptions</td><td>• The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimization or by preliminary or detailed design).
• The choice, nature and appropriateness of the selected mining method(s) and other mining parametres including associated design issues such as pre-strip, access, etc.
• The assumptions made regarding geotechnical parametres (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.
• The major assumptions made and Mineral Resource model used for pit and stope optimization (if appropriate).
• The mining dilution factors used.
• The mining recovery factors used.
• Any minimum mining widths used.
• The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.
• The infrastructure requirements of the selected mining methods.</td><td>• The method for conversion of Mineral Resource to Ore Reserve involved a pit optimization study using the “Whittle” Lerch-Grossman algorithm to determine the economic limits of the Ore Reserve.
• Gold price used was $1,200 /oz.
• Mining will be by way of conventional open pit mining techniques using drill and blast with material movement by hydraulic excavators and trucks. The project scale suits 110 to 140 tonne class excavators in a backhoe configuration matched to 50 tonne class mining haul trucks operating at five-metre bench heights.
• The Fourkoura, Stinger and Samavogo deposits are located 6, 15 and 25 kilometres, respectively, from the process plant. The haul trucks selected have the ability to haul ore directly to the process plant. This will reduce re-handling costs and minimize waste movement through optimized pit designs for the near-surface ore bodies. The Company will operate its own fleet.
• Extensive Grade control RC drilling is planned to supplement the production blast hole sampling as part of the grade control strategy.
• Geotechnical parameters at Banfora were provided by Xstract Mining Consultants in 2017 at a Feasibility Study level based on the detailed work completed by Peter O’Bryan and Associates in 2012.
• The dilution assumption at Banfora is based on the minimum ore separation of the mining excavator of 2.5m. RPA employs an algorithm that simulates the mining and ability to separate the ore. In addition to determining the internal dilution of a mining area, it also allows for the inclusion of the contact dilution encountered at the edge of the mining areas. Total added dilution ranges from deposit to deposit between 10% to 15%.</td></tr>
</table>

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>

Minimum mining width used in pit designs was 30m to allow for subsequent push backs and adequate working space.
Inferred resources were not considered in creating pit designs, and do not contribute to economic value in the cash flow analysis except where influencing mining dilution.
Infrastructure required for the Banfora project has been designed and costed as part of the Feasibility Study work. Infrastructure specific to the mining method includes the maintenance shop, emulsion plant and general storage areas.
Plant recovery based on metallurgical testing

<table>
<tr><th>Ore Type</th><th>Recovery %</th></tr>
<tr><td>Nogbele and Fourkoura Oxide</td><td>95.7</td></tr>
<tr><td>Nogbele NC Primary- granitic</td><td>87.7</td></tr>
<tr><td>Nogbele NC Primary - mafic</td><td>91.6</td></tr>
<tr><td>Nogbele NC Transition</td><td>93.0</td></tr>
<tr><td>Nogbele South Primary granitic</td><td>91.0</td></tr>
<tr><td>Nogbele South Primary mafic</td><td>92.0</td></tr>
<tr><td>Nogbele South Transition</td><td>93.5</td></tr>
<tr><td>Fourkoura Transition</td><td>93.5</td></tr>
<tr><td>Fourkoura Primary</td><td>91.0</td></tr>
<tr><td>Samavogo Oxide</td><td>95.7</td></tr>
<tr><td>Samavogo Transition</td><td>95.0</td></tr>
<tr><td>Samavogo Primary</td><td>92.0</td></tr>
<tr><td>Stinger Oxide</td><td>95.5</td></tr>
<tr><td>Stinger Transition</td><td>93.0</td></tr>
<tr><td>Stinger Primary granitic</td><td>84.0</td></tr>
<tr><td>Stinger Primary volcanics</td><td>90.5</td></tr>
</table>
*Nangolo is regarded as part of Nogbele North Central (Nogbele NC)
</td></tr>
<tr><td>Metallurgical factors or assumptions</td><td>

The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.
Whether the metallurgical process is well-tested technology or novel in nature.
The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.
Any assumptions or allowances made for deleterious elements.
The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.

</td><td>

Weathering and rock types are clearly coded in the resource block models.
The process plant design is based on a conventional CIL gold process flowsheet consisting of primary crushing, SAG and ball milling, with a pebble crusher, CIL tanks, elution, electro-winning and gold smelting to produce doré onsite. Throughput is expected to range between 2.2 and 2.5 million tonnes per annum, depending on the blend of soft and hard ore.
The average predicted plant recovery is 92%, with soft material recoveries from some zones reaching as high as 95%.
The Banfora mineral deposits were subjected to preliminary and detailed metallurgical testing in the period 2010- 2012, in support of the Gryphon 2013 FS.
The metallurgical testing was conducted in the Perth laboratory of ALS Metallurgy (ALS) also previously named ALS Ammtec and Ammtec Ltd. The series of reports issued by ALS were described in the Gryphon 2013 FS.
Other testing was performed by Outotec (thickener sizing determinations) and JKTech Pty. Ltd. interpreted the results of SAG mill comminution (SMC) testing conducted by ALS. Subsequently, Orway Mineral Consultants (OMC) conducted comminution circuit modelling based on the comminution testing results obtained in the ALS program.

</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	• For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	• Metallurgical testing for the Banfora reserves are to feasibility study level.
Environmental	• The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	• An Environmental and Social Impact Assessment (ESIA) and associated Social and Environmental Management Plan (SEMP) for the project was completed by MBS Environmental and submitted in April 2013. The documents were prepared in compliance with the Burkina Faso Environmental Code and considered requirements of other International guidelines where relevant. • An Environmental Conformance Certificate (ECC) was granted for the project by the Bureau National des Evaluations Environnementales (BUNEE) on 21 January 2014. This provided specific conditions for approval that the project is required to comply with. • The Mining Licence was granted on 1 August 2014. This was in relation to a revised SEIA and SEMP document submitted in November 2013. • Subsequent to this, a revised SEIA, SEMP and associated Resettlement Action Plan (RAP) were submitted on 9 December 2014 changing the mine plan and ore treatment methodology from CIL to heap leach. • The revised documents were acknowledged by BUNEE on 23 January 2015 stating that the current ECC was still valid and did not require updating or re-issuing. • The tailings storage facility ("TSF") will be developed as a high density polyethylene geomembrane lined paddock type facility in a two-cell arrangement. The TSF embankments will be constructed in annual raises to suit storage requirements, using downstream raise construction methods. • Geochemistry testing for tailings and waste rock was completed. Samples recorded negative acid producing potential and near neutral pH values. In addition, a vast majority of the waste rock were non-acid forming or acid consuming. On the bases of these results, there was no perceived risk of acid generation in the waste rock dumps or tailings storage facility.
Infrastructure	• The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	• As part of the 2017 updated Feasibility Study, a detailed design and costing was completed for the required infrastructure for a 2.2 to 2.5 million tonnes per annum carbon in leach ("CIL") processing facility. • Infrastructure includes accommodations for the employees, processing plant, maintenance facilities, tailings storage facility, HFO power generation plant, water storage dam, haulage roads connecting open pit locations to the process plant and etc.

Criteria	JORC Code explanation	Commentary
Costs	• The derivation of, or assumptions made, regarding projected capital costs in the study. • The methodology used to estimate operating costs. • Allowances made for the content of deleterious elements. • The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products. • The source of exchange rates used in the study. • Derivation of transportation charges. • The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. • The allowances made for royalties payable, both Government and private.	• Project capital costs are based on actual construction costs, first principle estimations, and vendor quotations. • Operating costs derived from first principles based on design specifications, vendor quotes and operating hour estimates. • Metallurgical testing have not revealed the requirement allowances due to the existence of deleterious elements. • The reserves were based on $1,200 gold price. • Transportation, treatment and refining charges, royalties, etc. are based on existing contracts and government agreements.
Revenue factors	• The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. • he derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	• The revenue factor was derived based on a transport and refining cost of $3.00 per ounce gold. • The government net smelter royalty is 3-5% depending on gold price. At $1,250 gold, a 4% royalty rate was applied. • A gold price of $1,200 was used for pit optimization and a gold price of $1,250 was used for the cash flow tables.
Market assessment	• The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. • A customer and competitor analysis along with the identification of likely market windows for the product. • Price and volume forecasts and the basis for these forecasts. • For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	• The principal commodity of Banfora is gold. Gold is widely and freely traded on the international market, with known and instantly accessible pricing information.
Economic	• The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.	• The net present value was determined using a discounted cash flow model of the initial mine plan at $1,250 gold and 5% discount rate. • The NPV has been sensitized to the following gold prices: $1,200/oz, $1,250/oz, $1,300/oz, and $1,350/oz.

Criteria	JORC Code explanation	Commentary
	• NPV ranges and sensitivity to variations in the significant assumptions and inputs.	
Social	• The status of agreements with key stakeholders and matters leading to social licence to operate.	• The current resources and reserves for the Banfora Project are fully permitted and the environmental impact assessment study is complete. • Positive progression of the resettlement action plan is supported by the local communities. Under the resettlement action plan, approximately 500 households in the villages of Zegnedougou, Nangueledougou, Djondougou, Katolo, Nadjengoala will be relocated over the next five years, with a further 350 households compensated for agricultural land impact. • Resettlement sites have been identified, and the physical planning, design and approval of future resettlement communities is underway. Construction of the first resettlement is expected to begin in the first quarter of 2018. • Employment opportunities and sustainable development initiatives supported by Teranga will provide further support for socio-economic growth in the area.
Other	• To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: • Any identified material naturally occurring risks. • The status of material legal agreements and marketing arrangements. • The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	• The current resources and reserves for the Banfora Project are fully permitted.
Classification	• The basis for the classification of the Ore Reserves into varying confidence categories. • Whether the result appropriately reflects the Competent Person's view of the deposit.	• Probable ore reserves are based on the CIM definition for indicated resources (compliant with JORC) using geostatistical modeling techniques applicable to gold deposits. Proven ore reserves are based on the CIM definition for measured resources (compliant with JORC) using geostatistical modeling techniques applicable to gold deposits, and second, stockpile inventory based on production drill assay data.

Criteria	JORC Code explanation	Commentary
	• The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	• The resources appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	• The results of any audits or reviews of Ore Reserve estimates.	• The Ore Reserves were compiled by Mr. Glen Ehasoo, Director, Mine Engineering and Principal Mining Engineer of RPA (Independent to Teranga Gold).
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. • It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The relative accuracy and confidence level in the Mineral Reserves estimate is based on the application the industry standard Lerchs-Grossman optimizer, using operating costs estimated from first principles and benchmarked against the existing operation at Sabodala. • The dilution and ore recovery estimates are based on a comprehensive algorithm created by RPA that evaluates the orebody geometry and applies the minimum mining width to the model on a bench by bench basis. • The geotechnical parameters for the pit wall angles for Banfora are based on a feasibility level analysis by Xstract. • Metallurgical testing was completed at accredited laboratories and reviewed by a Competent Person independent to Teranga Gold. • The accuracy of the estimates within this Ore Reserve are largely determined by the order of accuracy associated with the Mineral Resource model, metallurgical inputs, and long-term cost adjustment factors.