
Teranga Gold Hedges ~50% of Sabodala Production at \$1,336 per Ounce Through 2018, Providing Greater Cash Flow Certainty During Banfora Project Construction

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

Toronto, Ontario: September 11, 2017 - Teranga Gold Corporation ("Teranga" or the "Company") (TSX: TGZ) is pleased to announce that it has entered into forward gold sales contracts with Macquarie Bank Limited for a total of 131,000 ounces of gold commencing October 1, 2017 through December 31, 2018, at a gold price of \$1,336 per ounce.

As outlined in the updated technical report for its Sabodala operation in Senegal filed on August 30, 2017, the Company anticipates production of up to 111,000 ounces in the second half of 2017 and 213,000 ounces in 2018. The forward sales contracts represent approximately 50% of the production expected over the five quarters to the end of 2018.

"Our objective is to put an optimal financing plan in place that eliminates or at least minimizes the requirement to issue new equity to fund the development of our Banfora Project in Burkina Faso, as well as, our other growth initiatives. A key component of the financing plan is the anticipated cash flows from our flagship Sabodala mine during the construction of the Banfora Project, anticipated to commence in the second quarter of 2018. The execution of the forward sales contracts provides greater cash flow certainty from Sabodala through to the end of 2018, moving us one step closer to an optimal financing plan," stated Mr. Richard Young, President and Chief Executive Officer of Teranga.

The forward sale contracts can be settled either in cash or by physical delivery at the option of Teranga. As part of the forward sales program, 25,000 ounces are due during the fourth quarter of 2017, with 26,500 ounces due in each of the four quarters of 2018 for a total of 131,000 ounces.

Added Mr. Young: "Looking ahead, depending on gold prices, we may extend the hedging program into 2019 to add further certainty of Sabodala cash flows during construction of the Banfora Project."

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) the financing plan, the development of Banfora; (ii) the need to raise additional capital; (iii) future cash flows from Sabodala; (iv) impact of gold forward sales contracts; (v) , anticipated timing of Banfora construction; (vi) entering into of debt facility; and (vii) the extension of the gold hedging program.

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 5,000km² 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.

Contact Information

Richard Young
President & CEO
T: +1 416-594-0000 | E: ryoung@terangagold.com

Trish Moran
Head of Investor Relations
T: +1 416-607-4507 | E: tmoran@terangagold.com