

Teranga Gold Reports 2015 Full Year and Fourth Quarter Financial Results, 2016 Outlook and Updated Life of Mine Plan

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

Toronto, Ontario: February 25, 2016 - Teranga Gold Corporation ("Teranga" or the "Company") (TSX:TGZ) (ASX:TGZ) is pleased to report its financial results for the fourth quarter and full year ended December 31, 2015, along with 2016 guidance and updated life of mine plan cash flows.

"Full year earnings before the impairment charge were better than the prior year, despite lower gold prices and production, due to our sharp focus on margin improvement through improved productivity and cost reductions," stated Richard Young, President and Chief Executive Officer. "Our updated life of mine plan incorporates these materially lower costs and higher throughput, which significantly improves our long-term free cash flow profile of our business."

"2016 is off to a strong start as we benefit from high grade mill feed deferred from last year and record throughput," added Mr. Young.

2015 Highlights

(in millions except per share amounts)	3 months ended December 31,		Year ended December 31,	
	2015	2014	2015	2014
Net profit (loss) attributable to shareholders (excluding impairment) ⁽¹⁾	(\$1.7)	\$27.7	\$19.6	\$17.8
<i>per share</i>	(\$0.00)	\$0.08	\$0.05	\$0.05
Net profit (loss) attributable to shareholders (including impairment)	(\$71.8)	\$27.7	(\$50.5)	\$17.8
<i>per share</i>	(\$0.19)	\$0.08	(\$0.14)	\$0.05

- Net loss attributable to shareholders (excluding impairment)⁽¹⁾ for the quarter decreased from a profit recorded in the prior year quarter, largely due to lower gold prices and lower production combined with the reversal of a \$16 million non-cash inventory write-down in the fourth quarter 2014 that was recorded in the second and third quarters of 2014.
- Net profit attributable to shareholders (excluding impairment)⁽¹⁾ for the full year increased slightly from the prior year, largely due to lower costs that were offset by lower gold prices and lower production.
- Net loss (including impairment) for the quarter and year included a non-cash impairment charge related to long-lived assets and recorded goodwill of \$77.9 million, net of tax effects. The impairment charge was triggered primarily by the effect of changes in the Company's long-term gold price assumptions.
- Production shortfall largely deferred into 2016
- Met or beat 2015 cost guidance – delivered total cash cost savings of \$20+ million, or \$100+ per ounce
- Significantly improved liquidity
 - Cash balance increased by \$8.6 million to \$44.4 million; pro forma cash balance of \$57.6 million including VAT receivable
 - Approximately \$5.0 million in VAT refunded in February
 - Newly negotiated six-year VAT exemption effective February 2016 and expiring May 2022
 - Successfully put in place a \$30 million revolver facility, of which \$15 million has been drawn down
 - Completed a \$17.5 million private placement with new cornerstone investor

- Industry-leading health and safety record continues with 2.5 years without a lost time incident
- Replaced proven and probable reserves and significantly improved life of mine plan free cash flows
 - Added high grade mill feed through the conversion of high grade underground resources to reserves
 - Removed lower margin ounces to maximize average annual free cash flows commencing in 2016, reducing life of mine all-in sustaining costs to approximately \$900 per ounce over the 13.5-year mine life (over \$200 per ounce lower than the previous life of mine plan)
- Advanced high-return organic growth initiatives:
 - Mill optimization to increase throughput by more than 10 percent and lower costs is on track for completion in fourth quarter 2016
 - Completed heap leach pre-feasibility study, which concludes that heap leaching is technically viable for processing low-grade ore
 - Continued to advance mine licence and regional exploration programs with encouraging results

Navin Dyal, Vice President and Chief Financial Officer stated, “The impairment charge related to long-lived assets and goodwill and was triggered primarily by the effect of changes in long-term gold prices. The impairment charge, which was non-cash, does not detract from the strength of our balance sheet and the long-term free cash flow ability of our operations.”

Balance Sheet Review

The Company’s cash balance at December 31, 2015 was \$44.4 million, \$8.6 million higher than the balance at the start of the year, primarily due to cash flow provided by operations of \$30.4 million and financing activities of \$25.9 million partly offset by capital expenditures of \$47.7 million. As at December 31, 2015, \$15.0 million was drawn from the \$30 million Revolver Credit Facility. Including the VAT receivable from the Republic of Senegal, the Company’s pro forma cash balance at December 31, 2015 was \$57.6 million.

The trade and other receivable balance of \$15.7 million includes \$13.2 million in VAT recoverable. In February, the Company received a total of approximately \$5.0 million in VAT refunds. The remaining December 31, 2015 balance of \$8.2 million is expected to be refunded over the balance of 2016.

In February 2016, the Company successfully negotiated an exemption for the payment and collection of refundable VAT. This exemption is governed by an amendment to our mining convention and is enforceable for the next six years, expiring on May 2, 2022.

Financial and Operating Highlights

A copy of Teranga's complete financial statements and Management's Discussion & Analysis for the year ended December 31, 2015 are available on the Company's website at www.terangagold.com and on SEDAR at www.sedar.com/terangagold.

(US\$000's, except where indicated)		Three months ended December 31,		Twelve months ended December 31,	
Operating Data		2015	2014	2015	2014
Gold Produced (ounces)		51,292	71,278	182,282	211,823
Gold Sold (ounces)		52,939	63,711	193,218	206,336
Average realized gold price		1,099	1,199	1,161	1,259
Total cash costs (\$ per ounce sold) ¹		668	598	642	710
All-in sustaining costs (\$ per ounce sold) ¹		969	711	965	865
Total depreciation and amortization (\$ per ounce sold) ^{1,2}		249	240	256	298
Financial Data		2015	2014	2015	2014
Revenue		58,235	76,553	224,620	260,588
Profit (loss) attributable to shareholders of Teranga ²		(71,824)	27,693	(50,543)	17,776
Per share ²		(0.19)	0.08	(0.14)	0.05
Operating cash flow		9,755	30,677	30,434	49,009
Capital expenditures		12,307	4,105	47,682	18,913
Free cash flow ³		(2,552)	26,572	(17,248)	39,096
Free cash flow per ounce sold ³		(48)	417	(89)	189
Cash and cash equivalents (including restricted cash)		44,436	35,810	44,436	35,810
Net cash (debt) ⁴		30,986	31,864	30,986	31,864
Notes:					
Results include the consolidation of 100% of the OJVG's operating results, cash flows and net assets from January 15, 2014.					
¹ Total cash costs per ounce, all-in sustaining costs per ounce and total depreciation and amortization per ounce are non-IFRS financial measures that do not have a standard meaning under IFRS. Prior year amounts include adjustments to net realizable value. Please refer to Non-IFRS Performance Measures in the Company's Management's Discussion and Analysis ("MD&A").					
² In 2014, the Company reassessed the accounting for deferred stripping assets to include amortization of equipment directly related to deferred stripping activity. The impact of this adjustment has been applied retrospectively from January 1, 2012. The twelve months ended December 31, 2015 includes the impact of restating the deferred income tax expenses related to temporary timing differences.					
³ Free cash flow and free cash flow per ounce are defined as operating cash flow (excluding one-time transaction costs related to the acquisition of the OJVG) less capital expenditures.					
⁴ Net cash (debt) is defined as total borrowings less cash and cash equivalents and restricted cash.					

2016 Outlook

In deriving its 2016 production guidance, the Company has taken steps to mitigate a production shortfall, including the build-up of higher grade stockpiles of approximately 40,000 ounces, which will provide a buffer against any future operating shortfall.

The Company's outlook for 2016 is as follows:

- Production: 200,000 to 215,000 ounces⁽²⁾
- Total cash costs: \$600 to \$650 per ounce⁽³⁾
- All-in sustaining costs (including all new project development costs): \$900 to \$975 per ounce⁽³⁾

2016 production is based on ore sourced from Masato, Golouma (new deposit) and Gora, as well as existing stockpiles. The current phase of Masato will be completed in Q1 2016, with Golouma production commencing in Q1 2016. Kerekounda waste stripping is scheduled to commence in Q3 2016, while mining at Gora will continue throughout the year.

The Company expects to generate positive free cash flow in 2016 using a \$1,100 per ounce gold price assumption.

The following table outlines the Company's estimated 2016 summary production and cost guidance:

Year Ended December 31,			
		2015 Actual	2016 Guidance
Operating Results			
Ore mined	('000t)	7,748	2,000 - 2,500
Waste mined	('000t)	23,883	34,500 - 36,000
Total mined	('000t)	31,631	36,500 - 38,500
Grade mined	(g/t)	1.22	2.75 - 3.25
Strip ratio	waste/ore	3.10	13.00 - 15.00
Ore milled	('000t)	3,421	3,700 - 3,900
Head grade	(g/t)	1.79	1.80 - 2.00
Recovery rate	%	92.3	90 - 91
Gold produced ¹	(oz)	182,282	200,000 - 215,000
Total cash costs (incl. royalties) ²	\$/oz sold	642	600 - 650
All-in sustaining cash cost ²	\$/oz sold	965	900 - 975
Mining	(\$/t mined)	2.42	2.20 - 2.40
Mining long haul	(\$/t hauled)	5.35	4.00 - 4.50
Milling	(\$/t milled)	14.01	11.00 - 12.00
G&A	(\$/t milled)	4.82	4.25 - 4.50
Mine Production Costs	\$ millions	142.1	145 - 155
Capital Expenditures			
Mine site sustaining	\$ millions	4.4	8 - 10
Capitalized reserve development	\$ millions	4.8	5
Project development costs	\$ millions	23.9	17 - 20
Total Capital Expenditures³	\$ millions	33.1	30 - 35
Exploration (Expensed)	\$ millions	2.5	3
Administration & CSR Expense	\$ millions	16.0	15 - 16

Notes:

¹ 22,500 ounces of gold production are to be sold to Franco Nevada at 20% of the spot gold price. This production guidance is based on existing proven and probable reserves only from the Sabodala mining license as at December 31, 2015.

² Total cash costs per ounce and all-in sustaining costs per ounce are non-IFRS financial measures and do not have standard meanings under IFRS. All-in sustaining costs per ounce sold include total cash costs per ounce, administration expenses (excluding Corporate depreciation expense and social community costs not related to current operations), capitalized deferred stripping, capitalized reserve development and mine site & development capital expenditures as defined by the World Gold Council. Please refer to Non-IFRS Performance Measures in the Company's MD&A.

³ Excludes capitalized deferred stripping costs, included in mine production costs.

This forecast financial information is based on the following material assumptions for 2016: gold price: \$1,100 per ounce; Brent oil: \$40/barrel; Euro:USD exchange rate of 1.1:1

Other important assumptions: any political events are not expected to impact operations, including movement of people, supplies and gold shipments; grades and recoveries will remain consistent with the life-of-mine plan to achieve the forecast gold production; and no unplanned delays in or interruption of scheduled production.

Life of Mine Schedule

Appendix 1 represents a life of mine schedule developed from proven and probable reserves. The pit sequencing schedule is based on optimizing the material movement capability with the mine mobile fleet and the availability of high grade ore within the various ore bodies. This pit sequencing schedule represents one of a number of possibilities that can be adjusted as economic conditions change. The schedule emphasizes lower annual material movement (not exceeding 40 million tonnes per annum) utilizing the existing fleet in a low gold price environment to deliver the highest cash flow profile for the first five years of mining (2016 to 2020), with flexibility for design changes as economic conditions change.

Based on the detailed annual capital and operating costs in Appendix 2 and 3, all-in sustaining costs are expected to be in the \$900 per ounce range over the five year period from 2016 to 2020, as well as, over the 13.5 year mine life. Over the 13.5 year life of mine, the Franco-Nevada stream is expected to add a further \$73 per ounce to costs resulting in free cash flow per ounce of over \$100 per ounce, after income tax and minority dividends at \$1,100 per ounce gold. A presentation going into more detail on the life of mine will be available on the Company's website later today.

Endnotes

(1) Net profit (loss) attributable to shareholders before the effects of the impairment charge is a Non-IFRS performance measure. Please see Non-IFRS Performance Measures in the Company's MD&A.

(2) 22,500 ounces of production are to be sold to Franco Nevada at 20% of the spot gold price. This production guidance is based on existing proven and probable reserves only from the Sabodala mining license as at December 31, 2015.

(3) Total cash costs per ounce, all-in sustaining costs per ounce, and total depreciation and amortization per ounce are non-IFRS financial measure and do not have standard meanings under IFRS. All-in sustaining costs per ounce sold include total cash costs per ounce, administration expenses (excluding Corporate depreciation expense and social community costs not related to current operations), capitalized deferred stripping, capitalized reserve development and mine site & development capital expenditures as defined by the World Gold Council. Please see Non-IFRS Performance Measures in the Company's MD&A.

Forward Looking Statements

This release contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Teranga, or developments in Teranga's business or in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation, all disclosure regarding possible events, conditions or results of operations, future economic conditions and courses of action, the proposed plans with respect to mine plan, anticipated 2016 results, mineral reserve and mineral resource estimates, anticipated life of mine operating and financial results, and the completion of construction of the Gora deposit related thereto. Such 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. These assumptions include, among other things, the ability to obtain any requisite Senegalese governmental approvals, the accuracy of mineral reserve and mineral resource estimates, gold price, exchange rates, fuel and energy costs, future economic conditions and courses of action. Teranga cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. 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 the revised Company's Annual Information Form dated September 1, 2015, and in other company filings 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.

About Teranga

Teranga is a Canadian-based gold company listed on the Toronto Stock Exchange (TSX:TGZ) and Australian Securities Exchange (ASX:TGZ). Teranga is principally engaged in the production and sale of gold, as well as related activities such as exploration and mine development in Senegal, West Africa.

Teranga's mission is to create value for all of its stakeholders through responsible mining. Its vision is to explore, discover and develop gold mines in Senegal and West Africa, in accordance with the highest international standards, and to be a catalyst for sustainable economic, environmental and community development. All of its actions from exploration, through development, operations and closure will be based on the best available techniques. For more information, please refer to www.terangagold.com.

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APPENDICES

APPENDIX 1: LIFE OF MINE (2016 TO 2029)

			LOM	2016-2020 AVG	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Sabodala	Ore Mined	Mt	3.9			0.3	1.5	2.0										
	Ore Grade	g/t	1.44			1.11	1.33	1.58										
	Contained Oz	Moz	0.18			0.01	0.07	0.10										
	Waste	Mt	31.0			11.1	15.0	5.0										
Masato	Ore Mined	Mt	21.4		0.5		0.7	0.4	1.1	2.8	5.0	4.3	6.7					
	Ore Grade	g/t	1.06		1.10		0.74	0.70	0.86	0.93	1.00	1.02	1.27					
	Contained Oz	Moz	0.73		0.02		0.02	0.01	0.03	0.09	0.16	0.14	0.27					
	Waste	Mt	110.2		0.2		16.2	5.8	19.4	27.2	21.5	11.6	8.2					
Gora	Ore Mined	Mt	1.5		0.7	0.7	0.1											
	Ore Grade	g/t	4.78		4.00	5.15	7.90											
	Contained Oz	Moz	0.22		0.08	0.12	0.02											
	Waste	Mt	32.2		17.9	14.1	0.2											
Kerekounda	Ore Mined	Mt	0.8		0.0	0.5	0.3											
	Ore Grade	g/t	3.44		0.99	3.39	3.74											
	Contained Oz	Moz	0.09		0.00	0.06	0.03											
	Waste	Mt	18.2		3.6	13.0	1.6											
Golouma	Ore Mined	Mt	4.5		1.2			0.9	2.4	0.1								
	Ore Grade	g/t	2.28		3.08			1.98	1.99	2.24								
	Contained Oz	Moz	0.33		0.12			0.06	0.15	0.00								
	Waste	Mt	49.6		14.8			18.4	16.4	0.0								
Niakafiri ¹	Ore Mined	Mt	9.0					1.5				4.0	3.5					
	Ore Grade	g/t	1.09					1.05				1.10	1.10					
	Contained Oz	Moz	0.31					0.05				0.14	0.12					
	Waste	Mt	26.6					6.2				12.5	7.9					
Maki Medina	Ore Mined	Mt	0.9				0.9											
	Ore Grade	g/t	1.17				1.17											
	Contained Oz	Moz	0.03				0.03											
	Waste	Mt	2.9				2.9											
Underground	Ore Mined	Mt	2.1							0.1	0.3	0.3	0.3	0.1	0.2	0.4	0.4	0.2
	Ore Grade	g/t	5.01							5.00	4.95	4.63	4.33	4.39	5.55	5.36	5.52	4.76
	Contained Oz	Moz	0.35							0.02	0.05	0.05	0.04	0.01	0.03	0.06	0.07	0.02
Summary	Ore Mined	Mt	44.1	3.1	2.3	1.6	3.4	4.7	3.5	3.0	5.3	8.6	10.4	0.1	0.2	0.4	0.4	0.2
	Ore Grade	g/t	1.59	1.94	2.91	3.74	1.51	1.42	1.63	1.09	1.22	1.20	1.29	4.39	5.55	5.36	5.52	4.76
	Contained Oz	Moz	2.25	0.20	0.22	0.19	0.17	0.22	0.19	0.10	0.21	0.33	0.43	0.01	0.03	0.06	0.07	0.02
	Waste	Mt	270.6															
	Movement	Mt	8	36.3	36.4	38.2	35.9	35.4	35.8	27.2	21.5	24.2	16.1					
			314.7															
		Mt	4	39.5	38.7	39.8	39.3	40.1	39.4	30.2	26.8	32.8	26.5	0.1	0.2	0.4	0.4	0.2
	Stockpile	Mt			13.7	11.1	10.1	10.4	9.4	7.9	8.7	12.9	18.9	14.5	10.2	6.2	2.1	
	Ore Balance																	
	Stockpile Grade	g/t			0.82	0.84	0.76	0.73	0.70	0.68	0.67	0.66	0.68	0.66	0.66	0.66	0.66	
	Contained Oz	Moz			0.36	0.30	0.25	0.24	0.21	0.17	0.19	0.27	0.41	0.31	0.22	0.13	0.04	

Ore Milled	Mt	59.3	4.3	3.9	4.2	4.5	4.5	4.5	4.5	4.4	4.5	4.4	4.4	4.4	4.4	4.4	2.3
Head Grade	g/t	1.38	1.66	1.93	1.85	1.56	1.54	1.46	0.99	1.35	1.73	2.06	0.82	0.85	1.06	1.09	0.94
Oxide	%	21%	27%	37%	25%	26%	31%	19%	28%	16%	29%	0%	17%	19%	18%	18%	18%
Produced Oz	Moz	2.376	0.207	0.215	0.229	0.202	0.200	0.190	0.128	0.173	0.225	0.263	0.104	0.109	0.135	0.139	0.063

Notes:

¹ The schedule summarized Niakafiri from "Niakafiri Main" and "Niakafiri SE". The portion of Niakafiri SE to be mined lies outside of the Sabodala Village area and assumes relocation is not required.

The estimated ore reserves underpinning the production targets (as defined in the ASX Listing Rules) set out in Appendix 1 above, have been prepared by Mr. Paul Chawrun, who is a Competent Person, in accordance with the requirements of the 2012 JORC Code.

This production guidance is based on existing proven and probable ore reserves from the Sabodala mining license as at December 31, 2015

Stockpile balances at January 1, 2016 included 15.3 Mt at 0.79 g/t for 0.39 million contained ounces

APPENDIX 2: LIFE OF MINE CAPITAL EXPENDITURES

Sustaining Capex	Unit	LOM	2016-2020 AVG	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Open Pit Mining	USDM	29.9	3.7	4.9	3.5	4.0	1.5	4.7	6.0	3.0	1.5	0.8	-	-	-	-	-
Underground Mining	USDM	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing	USDM	18.9	2.1	2.4	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	0.5	0.5	0.5	-
Admin & Other Sustaining	USDM	8.8	1.3	2.8	1.0	1.0	1.0	0.5	0.5	0.5	0.3	0.3	0.3	0.3	0.3	0.3	-
Community Relations	USDM	25.0	0.2	1.0	-	-	-	-	2.0	15.0	7.0	-	-	-	-	-	-
Total Sustaining Capex	USDM	82.5	7.2	11.0	6.5	7.0	4.5	7.2	10.5	20.5	9.8	2.1	1.3	0.8	0.8	0.8	-
Capital Projects & Development																	
OJVG & Gora Development	USDM	4.3	0.9	3.3	0.8	0.3	-	-	-	-	-	-	-	-	-	-	-
Underground Equipment & Development	USDM	102.1	4.9	-	-	-	-	24.4	23.4	8.9	2.4	0.8	8.5	18.2	10.4	4.1	0.9
Other Projects & Development	USDM	21.8	2.9	11.3	1.9	1.4	-	-	7.2	-	-	-	-	-	-	-	-
Total Projects and Development	USDM	128.2	8.7	14.6	2.7	1.7	-	24.4	30.6	8.9	2.4	0.8	8.5	18.2	10.4	4.1	0.9
Combined Total (USDM)	USDM	210.8	15.9	25.7	9.2	8.7	4.5	31.6	41.1	29.4	12.2	2.9	9.8	18.9	11.1	4.9	0.9

APPENDIX 3: LIFE OF MINE OPERATING COSTS

Activity	Unit	LOM	2016-2020 AVG	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Open Pit Mining	USD/t mined	2.25	2.25	2.24	2.27	2.25	2.20	2.29	2.19	2.31	2.17	2.36	-	-	-	-	-
Underground Mining	USD/t milled	72.23	-	-	-	-	-	-	76.30	74.94	73.32	77.25	79.72	76.46	66.49	64.35	78.11
Processing	USD/t milled	10.33	10.16	10.83	10.02	10.00	9.93	10.09	9.97	10.14	9.95	10.84	10.63	10.60	10.61	10.61	10.60
General & Admin.	USD/t milled	2.56	3.39	3.81	3.47	3.29	3.28	3.15	3.12	3.06	3.08	2.01	1.88	1.43	1.23	1.00	1.81
Mining	USDM	702	88	86	91	89	87	89	66	61	71	62	-	-	-	-	-
Underground Mining	USDM	155	-	-	-	-	-	-	7	22	26	20	7	13	24	25	12
Processing	USDM	613	44	42	43	45	44	45	44	45	44	48	47	47	47	47	25
General & Admin	USDM	144	14	14	14	14	14	14	14	13	13	8	8	6	5	4	4
Refining & Freight	USDM	12	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
Byproduct Credits	USDM	(4)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Total Operating Costs	USDM	1,622	147	142	148	148	146	148	132	141	154	139	63	66	77	76	41
Deferred Stripping Adjustment	USDM	(129)	(13)	(26)	(6)	-	-	(35)	(35)	(25)	(1)	-	-	-	-	-	-
Royalties ²	USDM	145	13	13	16	12	12	11	8	10	14	16	6	7	8	8	4
Total Cash Costs ¹	USDM	1,639	146	130	158	161	159	124	104	127	167	154	69	73	85	85	45
Total Cash Costs ¹	USD/oz	690	706	602	691	798	792	655	810	730	741	587	660	668	629	607	711
Capex	USDM	211	16	26	9	9	5	32	41	29	12	3	10	19	11	5	1
Capitalized Deferred Stripping	USDM	129	13	26	6	-	-	35	35	25	1	-	-	-	-	-	-
Capitalized Reserve Development	USDM	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Admin	USDM	130	14	16	14	14	14	12	10	10	10	6	6	6	5	4	4
All-In Sustaining Cash Costs ¹	USDM	2,108	189	196	187	183	177	203	190	191	190	163	85	98	101	94	50
All-In Sustaining Cash Costs ¹	USD/oz	887	914	912	819	908	882	1,072	1,483	1,103	843	621	812	897	748	671	788

Notes:

¹ Total cash costs per ounce and all-in sustaining costs per ounce are non-IFRS financial measures and do not have a standard meaning under IFRS. Total cash costs per ounce and all-in sustaining costs per ounce are before stockpile inventory value adjustments and government waiver accruals. Please refer to non-IFRS Performance Measures in the Company's MD&A.

² Royalties include Government of Senegal royalties on total production and the NSR royalty due to Axmin on Gora production.

This production guidance is based on existing proven and probable reserves only from the Sabodala mining license as disclosed in the Company's Reserves and Resources as at December 31, 2015.

Key assumptions: Gold spot price/ounce - US\$1,200, Light fuel oil - US\$0.72/litre, Heavy fuel oil - US\$0.43/litre, US/Euro exchange rate - \$1.10