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TERANGA GOLD CORPORATION

TECHNICAL REPORT ON THE SABODALA PROJECT, SÉNÉGAL, WEST AFRICA

NI 43-101 Report

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1 SUMMARY

EXECUTIVE SUMMARY

Roscoe Postle Associates Inc. (RPA) was retained by Teranga Gold Corporation (Teranga) to co-author a Technical Report on the Sabodala Gold Project (the Project), located in Senegal, West Africa. The purpose of this report is to support the disclosure of December 31, 2015 Mineral Resources and Mineral Reserves at the Project. This Technical Report conforms to NI 43-101 Standards of Disclosure for Mineral Projects.

The Project includes the Sabodala Mining Concession, which consists of the operating Sabodala mine and mill, the adjacent Golouma Project, and the Gora Project, and a group of nearby exploration prospects at different stages of advancement.

Teranga is a Canadian-based gold company created to acquire the Sabodala gold mine and a large regional exploration land package, located in Senegal. Teranga completed the acquisition of certain gold assets from Mineral Deposits Limited (MDL) by way of demerger in November 2010. MDL executed its Mining Convention with the Government of Senegal on March 23, 2005, and by way of a subsequent Supplementary Deed dated January 22, 2007, was granted a ten year (renewable) mining concession (the Sabodala ML). In January 2014, Teranga completed the acquisition of the Oromin Joint Venture Group Ltd. (OJVG), which held a 90% interest in SOMIGOL, a Senegalese company formed to operate the Golouma Project. On April 7, 2015, the Sabodala Mining Agreement was amended and restated to reflect the incorporation of a larger mining concession area, which now also includes the Golouma and Gora projects.

Currently, Teranga's interests in Senegal are represented by two Senegalese subsidiaries, namely:

- Sabodala Gold Operations SA (SGO), 90% owned. SGO is the operator of the Sabodala Mining Concession.
- Sabodala Mining Company (SMC), 100% owned. SMC is the exploration company exploring the 967 km^2 Regional Exploration Package, which includes interests in eight exploration permits with most within 50 km of the Sabodala processing plant.

The Senegalese Government has a 10% free carried interest in SGO.

The Sabodala Mineral Resources estimated as of December 31, 2015, are summarized in Table 1-1.

TABLE 1-1 OPEN PIT AND UNDERGROUND MINERAL RESOURCES SUMMARY AS AT DECEMBER 31, 2015
Teranga Gold Corporation – Sabodala Project

Category	Tonnage (000 t)	Grade (g/t Au)	Contained Metal (000 oz Au)
Measured - Open Pit	25,011	1.15	926
Measured - UG	0	0	0
Total Measured	**25,011**	**1.15**	**926**
Indicated - Open Pit	54,377	1.59	2,777
Indicated - UG	5,985	3.84	738
Total Indicated	**60,362**	**1.81**	**3,516**
Total Measured + Indicated	**85,373**	**1.62**	**4,441**
Inferred - Open Pit	10,333	1.23	409
Inferred - UG	4,921	3.38	534
Total Inferred	**15,254**	**1.92**	**944**

Notes:
1. CIM definitions were followed for Mineral Resources.
2. Open pit oxide Mineral Resources are estimated at a cut-off grade of 0.35 g/t Au, except for Gora at 0.48 g/t Au.
3. Open pit transition and fresh rock Mineral Resources are estimated at a cut-off grade of 0.40 g/t Au, except for Gora at 0.55 g/t Au.
4. Underground Mineral Resources are estimated at a cut-off grade of 2.00 g/t Au.
5. Measured Resources at Sabodala include stockpiles which total 9.2 Mt at 0.77 g/t Au for 229,000 oz.
6. Measured Resources at Gora include stockpiles which total 0.1 Mt at 1.30 g/t Au for 6,000 oz.
7. Measured Resources at Masato include stockpiles which total 5.9 Mt at 0.79 g/t Au for 150,000 oz.
8. High grade assays were capped at grades ranging from 1.5 g/t Au to 110 g/t Au.
9. The figures above are "Total" Mineral Resources and include Mineral Reserves.
10. Open pit shells were used to constrain open pit resources.
11. Mineral Resources are estimated using a gold price of $1,450 per ounce.
12. Sum of individual amounts may not equal due to rounding.

The Sabodala Mineral Reserve estimate as of December 31, 2015, is summarized in Table 1-2.

TABLE 1-2 SUMMARY OF MINERAL RESERVE ESTIMATE AS AT DECEMBER 31, 2015

Teranga Gold Corporation – Sabodala Project

Category	Tonnage (Mt)	Grade (g/t Au)	Contained Metal (Moz Au)
Open Pit			
Proven	5.95	1.52	0.29
Probable	35.96	1.39	1.61
Total Open Pit	**41.92**	**1.41**	**1.90**
Underground			
Proven	-	-	-
Probable	2.15	5.01	0.35
Total Underground	**2.15**	**5.01**	**0.35**
Stockpiles			
Proven	15.27	0.79	0.39
Total Mineral Reserves			
Proven	21.23	0.99	0.68
Probable	38.11	1.60	1.96
Proven + Probable	**59.34**	**1.38**	**2.63**

Notes:

1. CIM definitions were followed for Mineral Reserves.
2. Mineral Reserve cut-off grades range from 0.35 g/t to 0.63 g/t Au for oxide and 0.42 g/t to 0.73 g/t Au for fresh rock based on a $1,100/oz gold price.
3. Mineral Reserve cut-off grades for Sabodala of 0.45 g/t Au for oxide and 0.55 g/t Au for fresh rock are based on a $1,100/oz gold price.
4. Underground Mineral Reserve cut-off grades range from 2.3 g/t to 2.6 g/t Au based on a $1,200/oz gold price.
5. Sum of individual amounts may not equal due to rounding.
6. The Niakafiri Main deposit is adjacent to the Sabodala village and relocation of at least some portion of the village will be required which will necessitate a negotiated resettlement program with the affected community members.

CONCLUSIONS

EXPLORATION

- In addition to the current operation, there is a good geological database from the maturing exploration work on the Sabodala Mining Concession as well as potential for further deposits in the immediate vicinity.

- The level of exploration in the area, as proposed, will require a rigorous focus in order to maintain quality in all the work being carried out.

- The geological work to date including data collection is of good quality and suitable for the estimation of Mineral Resources.

- There is a succession of targets/deposits in the "pipeline" and it will be important to continually rank and upgrade these. There is significant potential to increase the Mineral Resources with the current exploration program.

MINERAL RESOURCES

- The Measured and Indicated Mineral Resources as of December 31, 2015 are estimated to be 85.4 Mt grading 1.62 g/t Au for 4.4 Moz of gold. This estimate includes both the open pit and underground Mineral Resources for the Sabodala Mining Concession. In addition, a total of 15.3 Mt of Inferred Resources are estimated at a grade of 1.92 g/t Au for 0.95 Moz of gold.

MINING AND LIFE OF MINE PLAN

- The updated life of mine (LOM) plan integrates the OJVG deposits (Masato, Golouma, Maki Medina, Niakafiri SE, Niakafiri SW, and Kerekounda) with the original Teranga deposits (Sabodala, Gora, and Niakafiri Main).

- The Sabodala, Masato, Gora, Golouma, Kerekounda, Maki Medina, and Niakafiri deposits, combined with the stockpiled material, have the capacity to produce sufficient ore on an ongoing basis for the current mill capacity.

- The current major mining equipment has the capacity to maintain levels of availability, utilization, and productivity that support the total mine capacity used to model the LOM schedule.

- The underground study indicates that positive economic results can be obtained.

- The cut-off grades applied to the seven deposits are supported by current operating practice and are considered an appropriate basis for definition of Mineral Reserves.

- There have been five full years of mining operations at Sabodala and the operation has reached its short term targets. It can be anticipated that operational processes will continue to improve as the operation matures and that these will have a positive impact on costs and equipment efficiency.

- Mining operations in the Sabodala pit have shown that the rock mass is relatively dry with some exceptions. The groundwater is related to several structural conduits. It has been observed that the pit makes approximately 6,000 m^3 of water per month, which is approximately equivalent to one day's pumping with one pump. There are sufficient measures in the mine to control the water and keep it out of the pit.

MINERAL RESERVES

- The Proven and Probable Mineral Reserves as of December 31, 2015, are 59.3 Mt grading 1.38 g/t Au for 2.63 Moz of gold.

METALLURGY

- The Sabodala, Masato, Gora, Golouma, Kerekounda, and Niakafiri ores are medium to hard but are relatively simple metallurgically allowing 90%, or greater, recovery to be readily obtained. Test work has indicated that potential exists for treating low grade oxide ores by heap leaching, although fine crushing and agglomeration is required.

ENVIRONMENTAL CONSIDERATIONS

- The Sabodala village must be moved prior to mining at Niakafiri Main deposit. As village relocation has been undertaken previously for the second tailings storage facility (TSF2) permit, Teranga believes that it has a very clear path to do so again for Niakafiri and the process has been initiated.

RECOMMENDATIONS

EXPLORATION

- Exploration should continue on the Regional Exploration Package and Mine Lease. Discovery of additional resources will provide the opportunity to extend the life of operations, and higher grades will provide flexibility in operating should the price of gold fall or costs increase.

GEOTECHNICAL

- A geotechnical program should be undertaken to determine specific characteristics for the pit slopes of the Niakafiri open pit. Estimated cost $0.5 million.

UNDERGROUND STUDIES

- Resource definition diamond drilling should be completed to upgrade Inferred material into the Indicated category.

- Contractor and equipment prices should be obtained to improve confidence in the costs prior to mining.

- Longhole mining of the Golouma West deposits should be investigated to reduce operating costs. With minor changes to the designs, longhole mining may be feasible in these deposits.

METALLURGY

- A gold deportment study should be initiated for the Masato and Golouma ores to gain a better understanding of the gold within sulphides and the associated gold losses to sulphides indicated by the diagnostic leach tests to date. Further diagnostic leaches at different grind sizes should assist in quantifying the potential for a coarser primary grind coupled with sulphide recovery. Estimated cost $100,000.

- Analysis of the production data should be continued in order to maintain accurate correlations for estimating future gold extraction.

HEAP LEACH INVESTIGATION

- A significant amount of the Mineral Resource and Mineral Reserve at Niakafiri is oxidized. Pre-feasibility level testwork has been initiated on the Niakafiri and Masato trends for oxide ore, as well as a second evaluation of the non-weathered (fresh) ore. Additional testwork and materials handling tests to further optimize the current engineering design concept prior to a construction decision is recommended. Estimated cost $150,000.

SATELLITE PIT DEVELOPMENT

- Continued evaluation of drill core and empirical data for the pit walls for the upcoming pits in the LOM plan (e.g., Kerekounda and Niakafiri).

ECONOMIC ANALYSIS

This section is not required as Teranga is a producing issuer, the property is currently in production, and there is no material expansion of current production.

TECHNICAL SUMMARY

PROPERTY DESCRIPTION AND LOCATION

The Sabodala and Golouma Projects are located 650 km east-southeast of the capital city of Dakar within the West African Birimian geological belt in Senegal.

The Project comprises the Sabodala Mining Concession and the Regional Exploration Package.

The Sabodala Mining Concession includes the operating Sabodala mine and processing plant and the adjacent Golouma Project (a total area of 245.6 km^2), and the non-contiguous Gora Project (a total area of 45.6 km^2).

The Regional Exploration Package includes eight exploration permits held by SMC, grouped into four different project areas surrounding the Sabodala Mining Concession. All permits are granted by ministerial decree and are subject to a mining convention signed between the permit holder and the state of Senegal. The exploration permits are held in a combination of full SMC ownership and earn-in joint ventures where SMC is the funding and managing party. The current permits in which Teranga has an interest cover a total of 967 km^2.

HISTORY

SABODALA MINING CONCESSION

The Sabodala deposit was discovered in 1961 following a soil sampling program by BRGM. Between 1961 and 1998, a number of companies owned and carried out exploration and drilling on the property, including BRGM, Soviet-Senegal Joint Venture (JV), Société Minière de Sabodala-Paget Mining Ltd. JV, and Eeximcor-Afrique SA. Despite progressively encouraging results, the Project did not progress to production due to the gold price and other factors. The only operation at the site was by Eeximcor-Afrique SA, which mined and stockpiled 80,000 t of which 38,000 t at a grade of 4.4 g/t Au were processed, producing approximately 4,400 oz of gold.

MDL was invited to tender for the exploration and exploitation of the Sabodala deposit and lodged a full complying bid for the Sabodala Gold Project on June 7, 2004, and was advised by the Senegalese Government of its selection on October 25, 2004. The bid was a joint venture between SMC (70%) and private Senegalese interests (30%). Exploration drilling began in June 2005. The company subsequently exercised its option to acquire the remaining 30% minority interest for a mixture of cash and shares.

On May 2, 2007, MDL received Mining Concession status for Sabodala by decree of the President of Senegal and continued exploration. The Sabodala open pit commenced production in March 2009 and has since been in operation. On November 23, 2010, Teranga completed the indirect acquisition of the Sabodala gold mine and a regional exploration package by way of a restructuring and demerger from MDL (the Demerger).

On April 7, 2015, the Sabodala Mining Agreement was amended and restated to reflect the incorporation of a larger mining concession area. This included the adjacent Golouma Project (the former SOMIGOL Mining Concession) and the Gora Project.

GEOLOGY AND MINERALIZATION

The Sabodala Project is located in the 2,213 Ma to 2,198 Ma age Kedougou-Kenieba Inlier, which lies within the Paleoproterozoic age Birimian Terrane of the West African Craton. The inlier is divided into the volcanic-dominated Mako Supergroup to the west, and the sediment-dominated Diale-Dalema Supergroup to the east. The boundary between the belts may be tectonic, with the original stratigraphic relationship not preserved and the overlying sediments appear to be overturned. The Mako and Diale-Dalema sequences are intruded by a series of variably deformed granitoid intrusions that range in age from 2,160 Ma to 2,000 Ma. Felsic and intermediate composition dykes are often spatially associated with shear zones hosting gold mineralization, and locally are host to significant gold mineralization themselves.

A north-northeast lithologic fabric is probably associated with major crustal shear zones. These include a north-northeast trending shear zone which lies east of the Sabodala property area. High strain zones and possible second and third order shear zones to the Main Transcurrent Shear Zone may control the localization of gold mineralization.

Lateritic weathering combined with duricrust formation is still active in the region. Oxidation depth in the region is highly variable, but is generally several tens of metres.

At Sabodala, mafic volcanic rocks are mainly present with a large granitic intrusion occupying the northwestern portions of the property. Lithologies generally trend north-northeast to northeast with steep dips, although local variations are apparent.

Principal structures on the Sabodala property form a steeply west-northwest dipping, north-northeast trending shear zone network which has previously been referred to as the "Sabodala Shear Zone". This includes the Niakafiri, and Masato shear zones, which are high strain zones developed in altered ultramafic units. There are also shear zones that are linked to them by north to northwest trending splays. These include the "Ayoub's Thrust", which is focused along the ultramafic sill that lies on the west side (hanging wall) of the Sabodala deposit.

The gold deposits show many characteristics consistent with their classification as orogenic (mesothermal) gold deposits. Mineralization mainly occurs as mineralized shear zones and associated surrounding sets of quartz breccia veins in mafic volcanic and carbonate altered ultramafic and mafic units.

EXPLORATION STATUS

Teranga has adopted a three-phase exploration approach for the Sabodala Project. Phase 1 includes target generation and consists of airborne geophysics, surface geochemistry, geological mapping, and rotary air blast (RAB) drilling and trenching. This work has been completed and Teranga's future exploration programs will be focused on Phase 2 and Phase 3.

Phase 2 and Phase 3 have the objective of increasing Mineral Resources and Mineral Reserves within the Project. Phase 2, prioritizing and ranking, includes identifying targets and ordering them depending on their potential of hosting economic mineralization and

Phase 3, target testing, includes trenching and reverse circulation and diamond drilling within the areas of significant mineralization.

During the period 2014 to 2015, exploration focused on 20 targets within Teranga's Regional Exploration Package and 19 targets on the Sabodala Mining Concession.

On the Regional Exploration Package, the Bransan Permit prospects and soil anomalies were re-evaluated. Soil sampling and trenching programs were undertaken on the Heremakono Permit prospects of Nienienko Regional, Nienienko Main, and Soreto. On the Sounkounkou Permit, soil sampling was undertaken on the KC prospect with trenching programs on KA, KD, and Diabougou. Diamond drilling was undertaken at Soreto and KA prospects. A drill program was undertaken on the Marougou prospect on the Dembala Berola Permit. The Doughnut Prospects, which include Diegoun North and South, Cinnamon and Cinnamon West, were re-evaluated and results re-interpreted.

On the Sabodala Mining Concession, resource definition diamond drilling was carried out on Masato potential high grade mineralized shoots as well as the Maki Medina, Niakafiri Southwest, Golouma South, Golouma Northwest, Kerekounda, and Soukhoto deposits. Trenching and drilling programs were undertaken on Golouma West Extension, Masato Northeast, Kerekounda Extension, Maki Medina East and the Goumbati East, and Goumbati West prospects.

MINERAL RESOURCES

Mineral Resources were estimated for the Sabodala Mining Concession and the Bransan Permit and are summarized in Table 1-1. Mineral Resources are reported inclusive of Mineral Reserves. The effective date of the estimate is December 31, 2015.

There have been no revisions to the resource models for 2015, except for adjustments due to mining depletion, minor revisions from infill drilling at Niakafiri Southwest and Maki Medina, remodelling of mineralization at Niakafiri Main, and conversion from a sectional model to a block model at Diadiako. For estimating 2015 Mineral Resources, Teranga has implemented a new reporting procedure, which includes the use of open pit shells to constrain open pit resources and reporting underground resources separately.

For reporting of open pit Mineral Resources, open pit shells were produced for each of the resource models using Whittle open pit optimization software using the Lerchs-Grossman algorithm. Only classified blocks greater than or equal to the open pit cut-off grades and within the open pit shells were reported. This is in compliance with the CIM (2014) resource definition requirement of “reasonable prospects for eventual economic extraction”.

For reporting of underground Mineral Resources, only classified blocks greater than or equal to the underground cut-off grade outside of the open pit shells were reported. This complies with CIM (2014) resource definition requirements. In addition, Deswik Stope Optimizer software was used to generate wireframe models to constrain blocks satisfying minimum size and continuity criteria, which were used for reporting Sabodala underground Mineral Resources.

The significant change between the Mineral Resources reported for 2014 and 2015 is due to this new reporting procedure, where the 2015 year end Mineral Resources have been constrained using open pit shells along with revised gold cut-off grades for both open pit and underground resources. Previously classified Mineral Resources that do not satisfy the revised reporting criteria for 2015, have been excluded, however, they remain in the block models as unclassified mineralized material.

MINERAL RESERVES

The Mineral Reserve estimate as of December 31, 2015 is summarized in Table 1-2. Open pit Mineral Reserve estimates were prepared for the Sabodala, Gora, Niakafiri Main, Masato, Golouma West, Golouma South, Kerekounda, Maki Medina, Niakafiri SE, and Niakafiri SW deposits. Underground Mineral Reserves were prepared for the Golouma West 1, Golouma West 2, Golouma South, and Kerekounda deposits.

The Proven and Probable Mineral Reserves for the deposits are based on only that part of the Measured and Indicated Resources that falls within the designed final pit limits. As there were no Measured Resources in the Masato, Golouma, Kerekounda, Maki Medina, Niakafiri SE, and Niakafiri SW models, only Indicated Mineral Resources were included in the Mineral Reserve estimate.

Mineral Reserve cut-off grades are based on current operating practice and 2015 costs projected to the LOM. With the exception of Sabodala, which used $1,000/oz gold price for the pit optimization and design work, $1,100/oz gold price was applied to the rest of the deposits.

MINING METHOD

The Sabodala open pit commenced production in March 2009 and has since been in operation. Subsequently, Masato and Gora open pits were added to the producing open pits. The mining method utilized is conventional truck and shovel open pit mining. The Sabodala open pit is currently under care and maintenance and is planned to be mined as Phase 4 in 2017. Masato open pit is in Phase 3 and Gora open pit is in Phase 1 and 2. The selective mining practice and stockpiling strategy at the Sabodala mine since start-up has released ore at a faster rate than milling capacity. This has resulted in a large build-up of low grade stockpiled ore on the run of mine (ROM) pad, planned to be fed to the Sabodala processing plant throughout the LOM and at the end of mine life.

The mining at Niakafiri occurs in two phases, with the first phase starting in year 2019. This phase includes Niakafiri SE and Niakafiri SW. These two deposits are located outside the village relocation zone and, as a result, mining can occur prior to the relocation of Sabodala village. The second phase of mining at Niakafiri starts in year 2023 and is made up entirely of Niakafiri Main deposit. The relocation of Sabodala village will start in year 2021, in order to prepare for the mining operation.

The open pit mining ends in year 2024 and the remaining LOM comprises mining from the underground.

Underground mining will be by Cut and Fill (C&F) mining method. C&F mining is simple, repetitive, and highly flexible for deposits with uncertain continuity and regularity.

The underground mine construction begins in year 2020, with ore production in 2021. Two deposits will be mined concurrently in order to meet the current mine life schedule. Kerekounda and Golouma South will be mined first starting in 2021. Once they are exhausted, the Golouma West deposits will be mined. The objective of scheduling the deposits to be mined in this sequence is to have continuous production from the underground with some lag in the schedule to allow infrastructure to be moved from the first set of deposits to the second set.

The LOM is approximately 13.5 years, ending mid-year 2029. The average gold production for the first five years is 207,000 oz. Additional mill upgrades are planned to be commissioned prior to 2017 with completion of the mill optimization in 2016. The full benefits will be achieved in 2017.

MINERAL PROCESSING

The Sabodala processing plant was expanded in late 2012 to a design capacity of approximately 3.5 Mtpa (fresh ore) and 4.0 Mtpa with a mix of fresh and oxidized ore. A mill optimization project was initiated in mid-2015 and, upon completion/ramp-up in the fourth quarter of 2016, the mill is expected to increase throughput by more than 10% on an annualized basis for fresh ore based on existing ore hardness.

The plant comprises facilities for crushing, grinding, CIL cyanidation, and tailings disposal. Gold recovery facilities include acid washing, carbon stripping and electrowinning, followed by bullion smelting and carbon regeneration.

PROJECT INFRASTRUCTURE

The Sabodala Mining Concession infrastructure includes several open pits, a processing plant, a ROM pad, and a tailings storage facility (TSF). A network of haul roads connect the various pits to the process plant. The Gora haul road is approximately 26 km long and the Golouma haul road is approximately 7.5 km long. Power is supplied from the power plant located near the Sabodala pit and processing plant, and diesel generators at the Golouma and Gora projects. Existing port facilities at Dakar are used for delivery of all project construction materials and long term operational freight. Teranga has set up its own corporate offices in Dakar in which logistics, government liaison, personnel transport, and other management functions for SGO and SMC are based.

ENVIRONMENTAL, PERMITTING AND SOCIAL CONSIDERATIONS

In accordance with the Environmental Code (2001) and the Sabodala Mining Convention, an Environmental and Social Impact Statement (ESIS) for the Project was completed in July 2006 and an Environmental and Social Management and Monitoring Plan (ESMMP) was developed in September 2007 and updated in 2012. The Environmental Compliance Certification was granted in January 2008. The Environmental and Social Impact Assessment (ESIA) for the Golouma Project was prepared in 2012, is Equator Principle compliant, and meets the requirements of the International Finance Corporation (IFC). The Environmental Compliance Certification for the Golouma was granted in November 2013.

In November 2015, Environmental Resources Management (ERM) completed a new Rehabilitation and Mine Closure Plan (RMCP) that incorporates deposits from the OJVG acquisition and the Gora deposit into SGO's closure plan. The RMCP provides a comprehensive discussion of the implementation, management and monitoring of rehabilitation activities that are to be undertaken during both the operational and closure phases of the Project. The RMCP also provides SGO with an indication of anticipated rehabilitation and closure costs throughout the life of the Project. This plan satisfies the requirements of the Government of Senegal as well as relevant international standards, specifically Canadian, Australian, and those of the IFC.

Teranga is committed to best practice in corporate governance. It has formalized commitments to conducting its business and affairs in accordance with the highest ethical standards by enacting a Code of Business Conduct and Ethics. As a company, Teranga strives to comply with all applicable mining code and national and international laws, and adhere to the Extractive Industry Transparency Initiative (EITI).

CAPITAL AND OPERATING COST ESTIMATES

The total LOM capital cost of $210.8 million incudes sustaining capital of $82.5 million and capital project and development costs of $128.2 million.

Sustaining cost for the open pit mine consists primarily of replacing aged equipment and is approximately $30 million. Sustaining cost for the process plant is approximately $19 million and is comprised of the amount required to sustain the current Sabodala processing plant on an annual basis, such as motor rebuilds and replacements. The administration and other sustaining capital expenditures include all the necessary capital required to sustain the camp facilities, security, and other general administration departments. The community relations section of the sustaining capital expenditure consists entirely of the relocation cost of Sabodala village.

The $4.3 million development capital includes work to start operations at the satellite pits. This capital includes pad installation, waste dump preparations, road construction, etc., and does not include prestripping capitalized waste.

develop the underground workings. This amount includes the preproduction and production periods.

Other projects and development includes the raising of TSF1, the construction of TSF2, and the completion of the PPC project at approximately $22 million.

The total LOM operating cost is $1,622 million and ranges from $41 million to $154 million on an annual basis. The unit operating costs over the LOM are listed in Table 1-3.

TABLE 1-3 OPERATING COSTS
Teranga Gold Corporation – Sabodala Project

Description	LOM Cost ($/t)
Open Pit Mining (/t mined)	2.25
Underground Mining (/t milled)	72.23
Processing (/t milled)	10.33
General and Administration (/t milled)	2.56

The all-in sustaining cash cost (AISC) for the LOM is approximately $887 per ounce of gold produced or $960 per ounce of gold including the stream. Between the years of 2020 and 2022, the AISC cost are at the highest, corresponding to the capital expenditures for the development of underground mining and village relocation required by mining Niakafiri Main deposit.

2 INTRODUCTION

Roscoe Postle Associates Inc. (RPA) was retained by Teranga Gold Corporation (Teranga) to co-author a Technical Report on the Sabodala Gold Project (the Project), located in Senegal, West Africa. The purpose of this report is to support the disclosure of December 31, 2015 Mineral Resources and Mineral Reserves at the Project. This Technical Report conforms to NI 43-101 Standards of Disclosure for Mineral Projects.

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The Senegalese Government has a 10% free carried interest in SGO.

SOURCES OF INFORMATION

Site visits were carried out by Paul Chawrun, Patti Nakai-Lajoie, and Peter Mann of Teranga on a regular basis throughout the year.

Table 2-1 lists the Qualified Persons (QP) and their responsibilities for this Technical Report.

TABLE 2-1 QUALIFIED PERSONS AND RESPONSIBILITIES
Teranga Gold Corporation

QP	Sections	Most Recent Site Visit
Paul Chawrun	Sections , 2, 3, 15, 16, 18, 19, 20, 21, 22, 23, and 24 and contributed to Sections 1, 25, 26, and 27	February 10, 2016 to February 17, 2016
Patti Nakai-Lajoie	Sections 11, 12 and 14, contributed to Sections 1, 25, 26, and 27	November 8, 2015 to November 25, 2015
Peter Mann	Sections 4, 5, 6, 7, 8, 9, and 10, contributed to Sections 1, 25, 26, and 27	January 13, 2016 to February 28, 2016
Kathleen Altman	Sections 13 and 17, contributed to Sections 1, 25, 26, and 27	
Jeff Sepp	Section 15 (Underground Mineral Reserves) Section 16 (Underground Mining) Section 21 (Underground Costs), contributed to Sections 1, 25, 26, and 27	

The documentation reviewed and other sources of information are listed at the end of this report in Section 27 References.

LIST OF ABBREVIATIONS

Units of measurement used in this report conform to the metric system. All currency in this report is US dollars ($) unless otherwise noted.

a	annum
A	ampere
bbl	barrels
btu	British thermal units
°C	degree Celsius
C$	Canadian dollars
cal	calorie
cfm	cubic feet per minute
cm	centimetre
cm^2	square centimetre
d	day
dia	diameter
dmt	dry metric tonne
dwt	dead-weight ton
°F	degree Fahrenheit
ft	foot
ft^2	square foot
ft^3	cubic foot
ft/s	foot per second
g	gram
G	giga (billion)
Gal	Imperial gallon
g/L	gram per litre
Gpm	Imperial gallons per minute
g/t	gram per tonne
gr/ft^3	grain per cubic foot
gr/m^3	grain per cubic metre
ha	hectare
hp	horsepower
hr	hour
Hz	hertz
in.	inch
in^2	square inch
J	joule
k	kilo (thousand)
kcal	kilocalorie
kg	kilogram
km	kilometre
km^2	square kilometre
km/h	kilometre per hour
kPa	kilopascal
kVA	kilovolt-amperes
kW	kilowatt
kWh	kilowatt-hour
L	litre
lb	pound
L/s	litres per second
m	metre
M	mega (million); molar
m^2	square metre
m^3	cubic metre
µ	micron
MASL	metres above sea level
µg	microgram
m^3/h	cubic metres per hour
mi	mile
min	minute
µm	micrometre
mm	millimetre
mph	miles per hour
MVA	megavolt-amperes
MW	megawatt
MWh	megawatt-hour
oz	Troy ounce (31.1035g)
oz/st, opt	ounce per short ton
ppb	part per billion
ppm	part per million
psia	pound per square inch absolute
psig	pound per square inch gauge
RL	relative elevation
s	second
st	short ton
stpa	short ton per year
stpd	short ton per day
t	metric tonne
tpa	metric tonne per year
tpd	metric tonne per day
$	United States dollar
USg	United States gallon
USgpm	US gallon per minute
V	volt
W	watt
wmt	wet metric tonne
wt%	weight percent
yd^3	cubic yard
yr	year

3 RELIANCE ON OTHER EXPERTS

This report has been prepared by Roscoe Postle Associates Inc. (RPA) and Teranga Gold Corporation (Teranga). The information, conclusions, opinions, and estimates contained herein are based on:

- Information available to RPA at the time of preparation of this report,
- Assumptions, conditions, and qualifications as set forth in this report, and
- Data, reports, and other information supplied by Teranga and other third party sources.

RPA has not researched property title or mineral rights for the Sabodala Project and expresses no opinion as to the ownership status of the property.

Except for the purposes legislated under provincial securities laws, any use of this report by any third party is at that party's sole risk.

4 PROPERTY DESCRIPTION AND LOCATION

PROPERTY LOCATION

The Sabodala Project is located in southeast Senegal, approximately 650 km east-southeast of the capital city of Dakar and 96 km north of the town of Kedougou. The property location is shown in Figure 4-1.

LAND TENURE

In Senegal, there are three major levels of permitting required to undertake mineral exploration and development. The first Exploration Permit (Permis de Recherche) allows exploration to be undertaken. The second, an Exploitation Permit (Permis d'exploitation), allows resource estimates, feasibility studies, and mining for smaller scale, less capital intensive projects with a mining duration of five years or less. The third, a Mining Concession (Concession Minière) or Mine Licence, is intended for large scale projects with a mining duration of five years to 25 years and includes significant tax incentives from the government.

In each case, a "Mining Convention" or "Mining Agreement" is the initial contractual agreement between the investor and the State. This contract sets out the legal, fiscal, administrative, and specific corporate conditions under which the permit holder shall undertake its operations.

SABODALA MINING CONCESSION

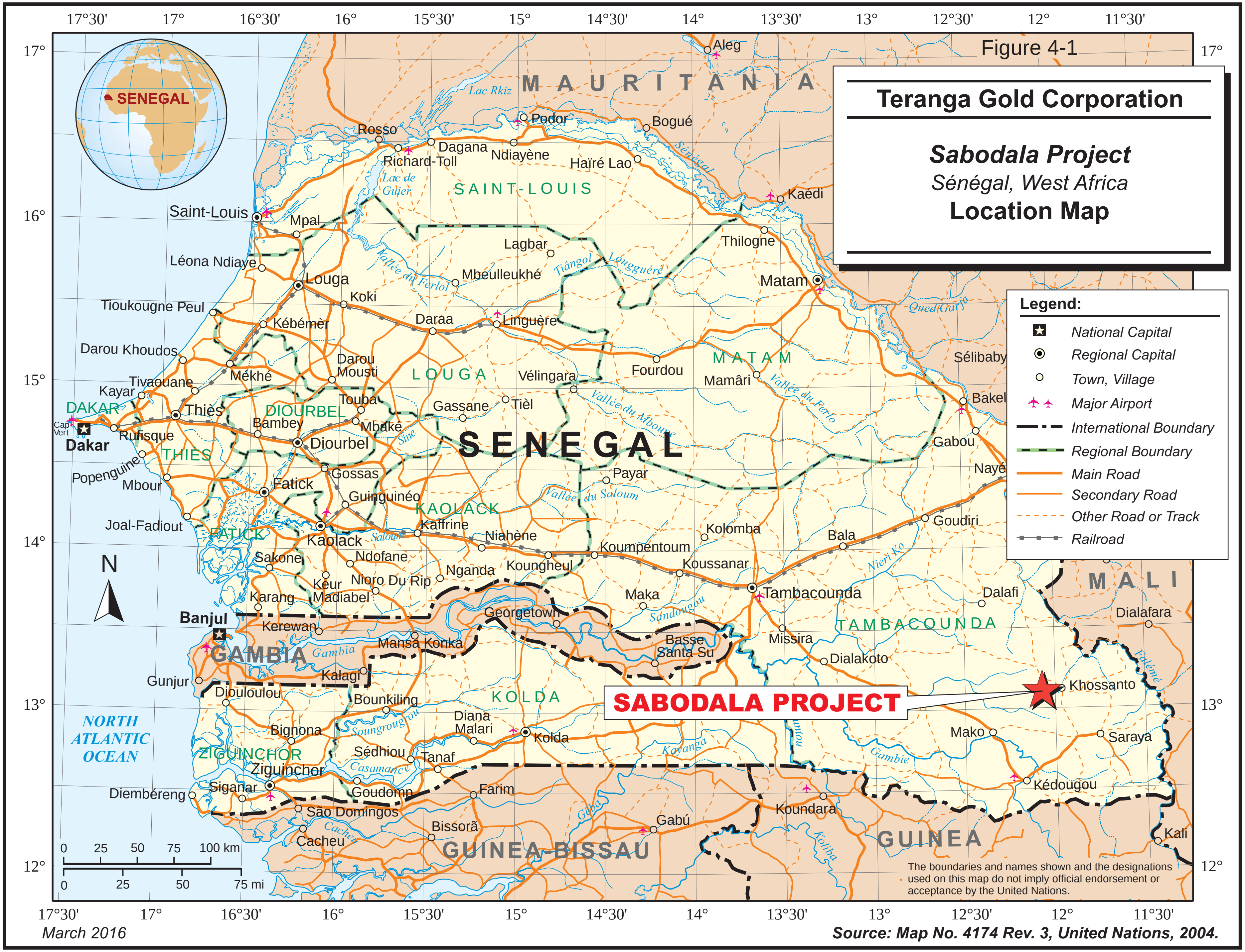
The Sabodala property is located at 13°11'5"N latitude, 12°6'45"W longitude, and comprises a Mining Concession, originally granted on May 2, 2007 pursuant to a Mining Agreement (the "Sabodala Mining Agreement") executed on March 23, 2005. On April 7, 2015, the Sabodala Mining Agreement was amended and restated to reflect the incorporation of a larger mining concession area. This included the adjacent and former Golouma mining concession, and the Gora project area that had been elevated from an exploration permit into a mining concession. On July 29, 2015, a Presidential Decree was issued confirming the perimeters for the new Sabodala Mining Concession comprised of a total area of 245.6 km^2 (the Sabodala Perimeter) and 45.6 km^2 (the Gora Perimeter), to be collectively referred to as the

Sabodala Mining Licence. The dimensions of the current mining concession are approximately 23 km north-south by 11 km east-west within the Sabodala Perimeter and approximately 10 km by five kilometres within the Gora Perimeter. The outline and the UTM coordinates are shown in Figure 4-2.

Pursuant to the terms of a shareholders' agreement with the State of Senegal, the Senegalese Government retains a 10% free carried interest in SGO. Dividend rights of the State are triggered only after repayment of Teranga's initial capital investment in the Sabodala Project and all other third party debt owing by SGO.

On May 2, 2015, the eight year tax holiday granted to SGO under its Mining Agreement and its Mining Licence expired. SGO's fiscal framework, including for example a 25% income tax rate, is stabilized as to the regime in place in Senegal as of the date of its original Mining Agreement (March 23, 2005). Notwithstanding the foregoing, SGO has agreed with the State to pay a 5% net smelter return (NSR) as part of an investment agreement executed in 2013.

In February 2016, Teranga received an exemption for the payment and collection of Value Added Tax (VAT). This VAT exemption is governed by an amendment to the existing Mining Agreement and is enforceable for the next six years, expiring on May 2, 2022.



RPA

www.rpacan.com

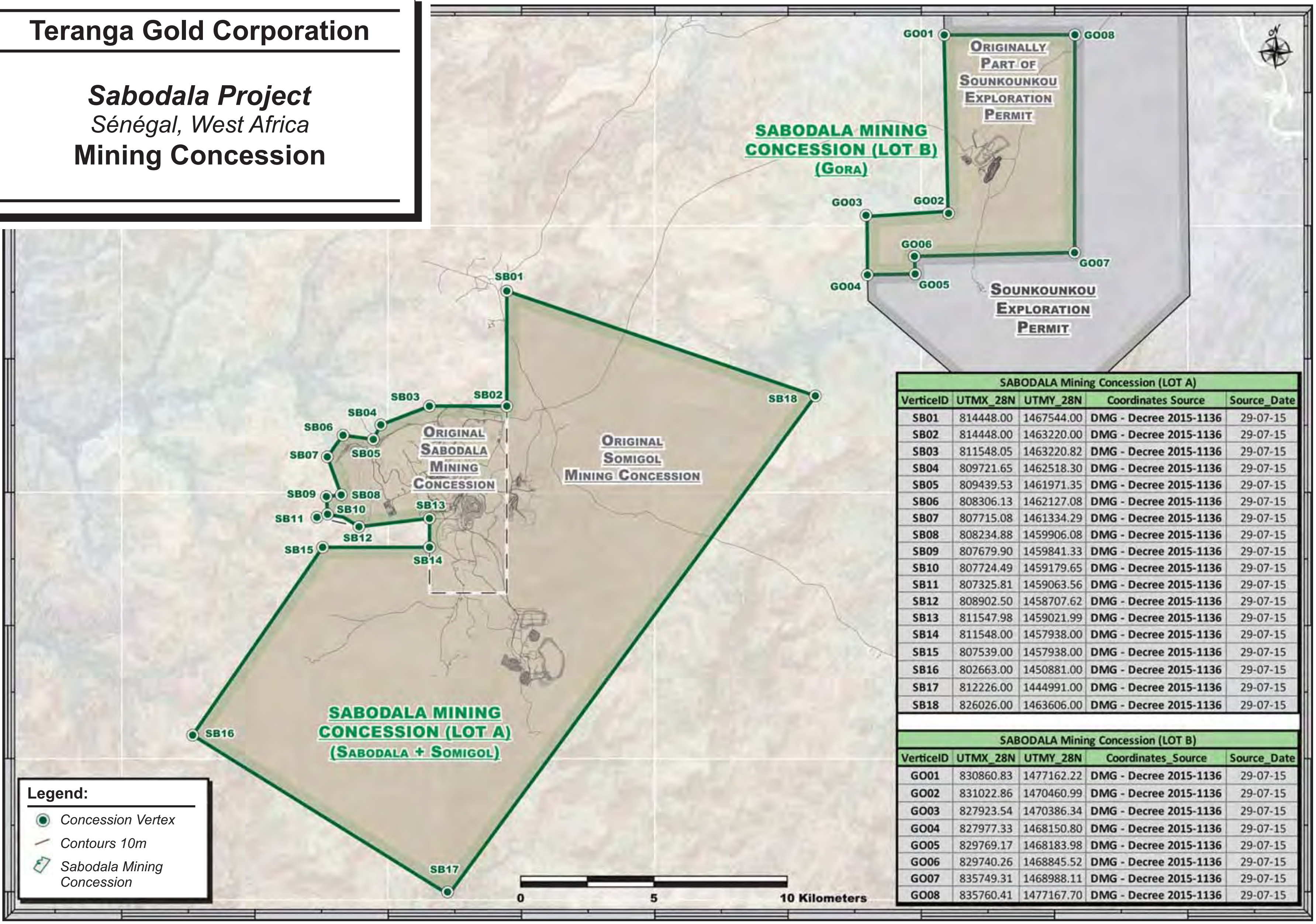
Figure 4-2

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Mining Concession



SABODALA Mining Concession (LOT A)

VerticeID	UTMX_28N	UTMY_28N	Coordinates Source	Source_Date
SB01	814448.00	1467544.00	DMG - Decree 2015-1136	29-07-15
SB02	814448.00	1463220.00	DMG - Decree 2015-1136	29-07-15
SB03	811548.05	1463220.82	DMG - Decree 2015-1136	29-07-15
SB04	809721.65	1462518.30	DMG - Decree 2015-1136	29-07-15
SB05	809439.53	1461971.35	DMG - Decree 2015-1136	29-07-15
SB06	808306.13	1462127.08	DMG - Decree 2015-1136	29-07-15
SB07	807715.08	1461334.29	DMG - Decree 2015-1136	29-07-15
SB08	808234.88	1459906.08	DMG - Decree 2015-1136	29-07-15
SB09	807679.90	1459841.33	DMG - Decree 2015-1136	29-07-15
SB10	807724.49	1459179.65	DMG - Decree 2015-1136	29-07-15
SB11	807325.81	1459063.56	DMG - Decree 2015-1136	29-07-15
SB12	808902.50	1458707.62	DMG - Decree 2015-1136	29-07-15
SB13	811547.98	1459021.99	DMG - Decree 2015-1136	29-07-15
SB14	811548.00	1457938.00	DMG - Decree 2015-1136	29-07-15
SB15	807539.00	1457938.00	DMG - Decree 2015-1136	29-07-15
SB16	802663.00	1450881.00	DMG - Decree 2015-1136	29-07-15
SB17	812226.00	1444991.00	DMG - Decree 2015-1136	29-07-15
SB18	826026.00	1463606.00	DMG - Decree 2015-1136	29-07-15

SABODALA Mining Concession (LOT B)

VerticeID	UTMX_28N	UTMY_28N	Coordinates_Source	Source_Date
GO01	830860.83	1477162.22	DMG - Decree 2015-1136	29-07-15
GO02	831022.86	1470460.99	DMG - Decree 2015-1136	29-07-15
GO03	827923.54	1470386.34	DMG - Decree 2015-1136	29-07-15
GO04	827977.33	1468150.80	DMG - Decree 2015-1136	29-07-15
GO05	829769.17	1468183.98	DMG - Decree 2015-1136	29-07-15
GO06	829740.26	1468845.52	DMG - Decree 2015-1136	29-07-15
GO07	835749.31	1468988.11	DMG - Decree 2015-1136	29-07-15
GO08	835760.41	1477167.70	DMG - Decree 2015-1136	29-07-15

March 2016

Source: Teranga Gold Corporation, 2016.

REGIONAL EXPLORATION PACKAGE

The Regional Exploration Package consists of eight exploration permits, which cover a total surface area of 967 km^2. The permit locations are shown in Figure 4-3 and the details of the permits are tabulated in Table 4-1.

The permit locations are grouped into four different project areas:

- Near Mine Project – contains the three permits of Bransan, Bransan South, and Sabodala West.
- Faleme – contains the two permits of Sounkounkou and Heremakono.
- Dembala – contains the two permits of Dembala Berola and Saiansoutou.
- Massakounda – contains the Massakounda permit.

TABLE 4-1 GRANTED GOLD EXPLORATION PERMITS AND APPLICATIONS
Teranga Gold Corporation – Sabodala Project

Project	Permit	Original Grant Date(1)	SMC Interest	Status	Area (km^2)	Next Renewal Due	Maximum Validity (Including two year extension)
Near Mine	Bransan	Dec-06	70%	3rd Validity Period	200	May-16	May-18
	Bransan Sud	Nov-10	100%	2nd Validity Period	6	Nov-16	Nov-19
	Sabodala Ouest	Oct-10	100%	2nd Validity Period	2	Nov-16	Nov-19
Faleme	Sounkounkou	Sept-06	100%(3)	In 2nd year extension period	166	N/A	Sep-17
	Heremakono	Oct-05	100%	In 2nd year extension period	182	N/A	Oct-16
Dembala	Dembala Berola	Jan-05	100%(4)	In 2 year extension period	208	N/A	Jan-17
	Saiansoutou	Nov-10	100%	2nd Validity Period	57	Nov-16	Nov-19
Massakounda	Massakounda	Jan-05	100%(4)	3rd Validity Period	146	N/A	Nov-17
Grand Total					**967 km^2**		

Notes:

1. Refers to date of grant of Ministerial Decree awarding the exploration permit to SMC.
2. Senegalese Mining Code provides for renewals beyond a 2nd renewal term provided the size and opportunity of the exploration works; including the proposed budget, are deemed significant enough from the State of Senegal perspective.
3. SMC has retained a 100% interest in all existing target areas within both the Sounkounkou and Heremakono permits to the Gora deposit within this exploration permit, subject to a 1.5% royalty to Axmin pursuant to the Amended and Restated Joint Venture Agreement. Axmin retains a 20% participation election right over any new target areas identified within each of these permits.
4. 2% royalty is payable to Rokamko SA.
5. Exploration permits undergoing renewal will be generally reduced by 25% in area.

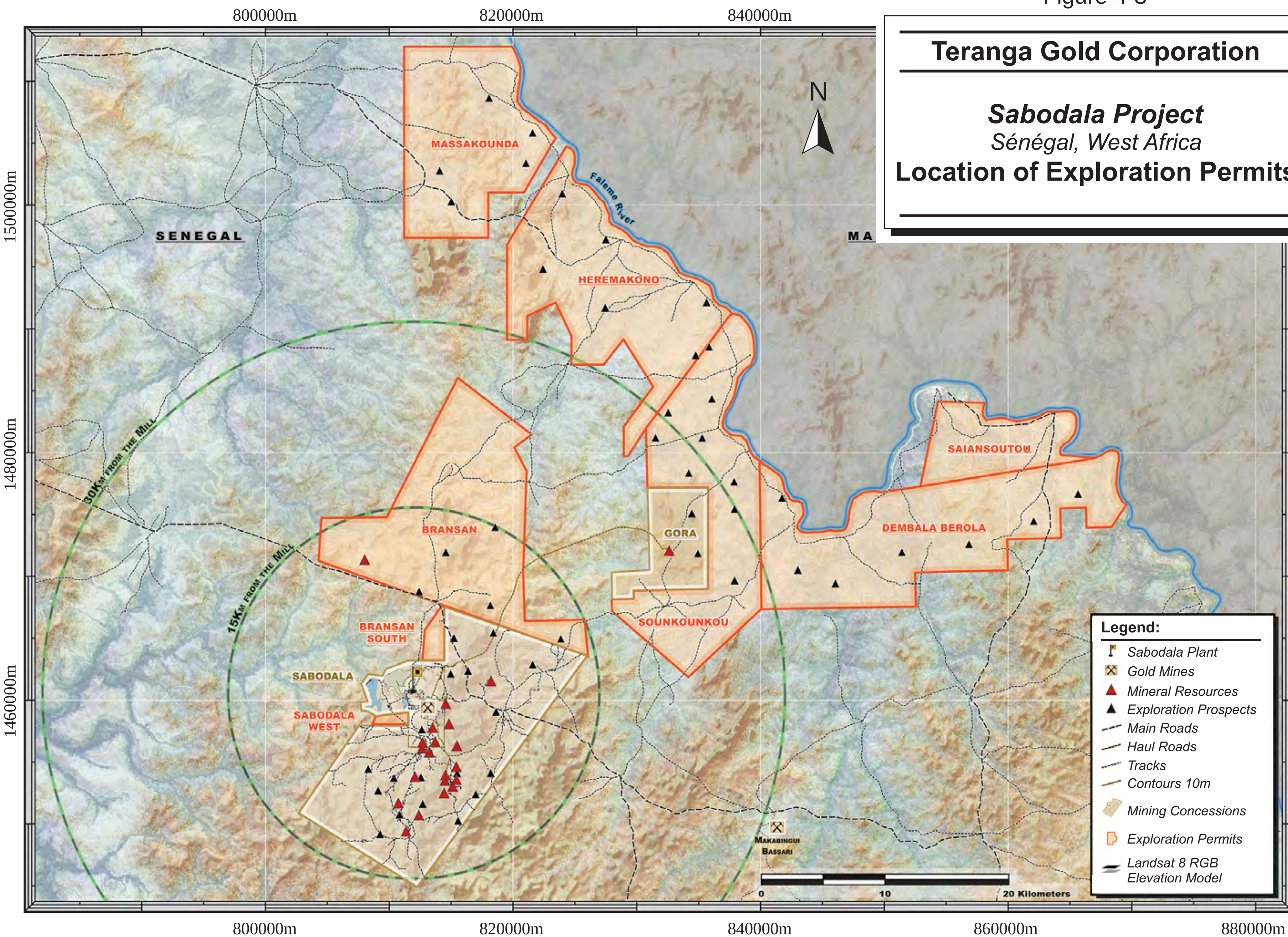
Figure 4-3

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Location of Exploration Permits



March 2016

Source: Teranga Gold Corporation, 2016.

All permits are granted by ministerial decree and are subject to a mining convention signed between SMC and the state of Senegal. The gold exploration permits are held in a combination of full SMC ownership and earn-in joint ventures where SMC is the funding and managing party.

All valid permits are linked to an executed Mining Convention with the Government of Senegal. The conventions typically contain the following key terms:

- Exclusive right to apply for an exploitation permit provided a feasibility study is completed.
- The Senegalese Government will be entitled to a 10% free carried interest in the mining operation.
- Senegalese import duty exemption on mining equipment, fuel, explosives, and chemicals.

Given the terms of the Sabodala Mining Agreement, it is anticipated that such permits that move into production will be merged into the SGO Sabodala Mining Concession and bound by its fiscal terms.

SUMMARY OF AGREEMENTS IN PLACE OVER SMC'S EXPLORATION PERMITS

With the transfer of the formerly Rokamko held permits of Massakounda and Dembala Berola, only two agreements remain effective:

- Axmin Joint Venture – over the permits of Heremakono and Sounkounkou.
- Bransan Agreement – although this permit is fully held by SMC, there is a 30% ownership right assigned to a Senegalese company, Senegal Nominees Limited.

AXMIN JOINT VENTURE

A joint venture between Axmin (AXM) and SMC was signed on September 30, 2008 (the Axmin JV). The Axmin JV involves the Sounkounkou and Heremakono exploration permits.

When SMC reached its 80% equity position in the Axmin JV in 2011, the two parties renegotiated it, and the following revised terms were established:

- AXM elected not to participate in further development of the Gora resource. Instead, AXM retained a 1.5% net-smelter royalty (NSR) interest from all production that results from the resource, or production from new discoveries that may arise in a defined 50 km^2 block around the Gora deposit.

- AXM elected not to participate on a 20% basis on all identified targets and prospects as of that date. As of the date hereof, AXM has continued to elect its 1.5% NSR interest on all targets and prospects across both exploration permits. New targets may be defined from regional work and added to this list as they arise.

- AXM retains a 1.5% NSR on any new targets and prospects on which they elect to not continue their 20% interest.

- In the case where both SMC and AXM are involved in the construction of a mine, the 10% free carried interest of the Republic of Senegal will be absorbed by both parties proportionally.

- Presently, SMC can exit the joint venture at any time with 30 days' notice.

BRANSAN AGREEMENT

This agreement was signed on July 4, 2007, subsequent to SMC acquiring the Bransan permit in October 2006. The agreement stipulates that the initial ownerships are 70% SMC and 30% Senegal Nominees (SN). SMC will, however, be responsible for 100% funding to the exploration work and will be the manager.

Once a discovery is made and a development decision is made, SN has the right after 120 days to either:

- Convert to a contributing interest, in which case SN will have to fund its share of the development costs.

- Not to convert to a contributing interest, in which case SN will dilute to a 10% equity holding in the mine development with SMC's shareholding increasing to 90%.

SN will only be entitled to receive benefits from production after SMC has recovered all of its joint venture and development costs.

The start of the mining process will require the formation of a special purposes company, which will allow Senegal to take its 10% equity stake. The equity ratios will be diluted proportionally to accommodate the Senegal equity as follows:

- In the case where SN has diluted: Senegal 10%, SMC 81%, SN 9%.

EXISTING ENVIRONMENTAL LIABILITIES

There is an abandoned processing facility which operated in 1998 near the current Sabodala pit. The predecessor operator of the Sabodala Project reported that the historical tailings were moved to the current tailings storage facility.

There is virtually no artisanal mining on the Sabodala mining lease apart from sporadic hard rock working at Faloumbo and minor alluvials at Sutuba. According to SGO, the area has not been contaminated by these workings such that it could reasonably stand out as a liability or obligation for remediation.

The QPs are not aware of any environmental liabilities on the property. Teranga has all required permits to conduct the proposed work on the property. The QPs are not aware of any other significant factors and risks that may affect access, title, or the right or ability to perform the proposed work program on the property.

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

PHYSIOGRAPHY

Topography in the area is generally undulating with a gentle gradient to the north and west towards the major river courses in the area. The elevation varies from approximately 150 m to 350 m. In the east of the area and abutting onto the eastern side of the concession is a north-south aligned ridge rising at least 100 m above the surroundings.

Vegetation ranges from savannah to thick bushes and large trees on hillsides. Watercourses are typically marked by palms.

ACCESSIBILITY

The Project is located in southeast Senegal, approximately 650 km east-southeast of the capital city of Dakar. Access to the Project from Dakar is by sealed road, Highway N1, to the regional centre of Tambacounda and then via a good all-weather sealed road, Highway N7, 230 km southeast to Kedougou, connecting with 96 km of sealed and laterite-surfaced roads, which intersect the villages of Faloumbo and Sabodala. A 1,250 m sealed public airstrip, capable of handling light to medium sized aircraft, lies at the north end of the property.

There are three villages on the Sabodala Mining Concession. Sabodala village is approximately two kilometres south of the Sabodala pit and is very close to the Niakafiri deposit. Faloumbo village is to the north-northeast of Sabodala pit and is close to the Faloumbo workings.

CLIMATE

In Kedougou, the highest monthly average temperatures are between March and May (typical range from 31ºC to 40ºC). The lowest monthly average temperatures are between December and January (typical range from 17ºC to 26ºC). The annual Harmattan is a dry wind that blows from the north, usually from December to February, resulting in dusty and hazy skies.

There is a distinct tropical wet season from May to October, with most rain falling from storms between August and September, and a dry season from December to April. Mean annual rainfall at Sabodala is approximately 1,130 mm. It is possible to operate all year but the schedule allows for a reduced mining rate and for predominantly fresh rock ore to be processed in the wet season.

SURFACE RIGHTS FOR MINING OPERATIONS, WATER, POWER, AND LABOUR

The Mining Convention, discussed in Section 4, granted all necessary surface rights to mine.

Water for Sabodala is sourced from two raw water dams and via a 42 km pipeline from the Faleme River in the event of an emergency. To date, water sources from the Faleme River have not been required.

Power is generated on site (details in Section 18).

Personnel comprising the workforce are sourced from the surrounding villages, towns, and the city of Dakar. Senior staff comes from various parts of the globe.

Just beyond the eastern boundary of the former SOMIGOL Mining Concession is the village of Khossanto, a regional centre, which has telephone service, a government office, schools, and a medical centre.

In addition to the three villages on the Sabodala Mining Concession, there are six small villages within the former SOMIGOL Mining Concession, each housing 100-300 people. Subsistence gardens and a scattering of small fields including sorghum and maize surround the villages. At the larger village of Mamakono, there are schools and small shops. The small villages of Bransan, Dendifa, Mankana, Bambaraya, and Maki Medina have no services or facilities, although they do have water wells.

6 HISTORY

SABODALA MINING CONCESSION

A soil sampling program carried out by BRGM in 1961 resulted in the discovery of Sabodala, which had not previously been recognized by the local artisanal miners, as the gold was fine-grained.

A summary of subsequent ownership and general account of work performed is listed in Table 6-1.

TABLE 6-1 OWNERSHIP PERIODS AND WORK COMPLETED
Teranga Gold Corporation – Sabodala Project

Year	Company	Work Done
1961	BRGM	Regional geology, soil sampling, pitting, trenching in area of artisanal mining.
1971-1973	Soviet-Senegal JV	513 m diamond drilling in 19 holes in quartz vein style mineralization.
1973-1983	BRGM	5,856 m diamond drilling in 53 holes, 263 m percussion in 30 holes.
1984-1994	Société Minière de Sabodala-Paget Mining Ltd. JV	4,705 m reverse circulation drilling in 61 holes, 192 m diamond drilling in 4 holes. Constructed airstrip and exploration camp. Resource estimate by Continental Resource Management Pty Ltd. Metallurgical studies by ALS Ammtec. Rock mechanics studies by Barrett Fuller and Partners. Feasibility study by Lycopodium.
1997-1998	Eeximcor-Afrique SA	Granted exploitation permit. Constructed 200,000 tpa processing plant

Some outstanding findings of the work done over the subsequent tenure periods are summarized below. Despite progressively encouraging results, the Project did not progress to production due to the gold price and other factors.

- The drilling by the Soviet-Senegal JV reported intercepts of 12.2 m at 5.8 g/t Au, 69 m at 1.9 g/t Au, and 25 m at 3.6 g/t Au.

- The drilling by BRGM (second tenure) reported intercepts of 8 m at 7.9 g/t Au, 35 m at 5.6 g/t Au, and 18.6 m at 27.6 g/t Au, though it was not specified whether these were from percussion or from core holes.

- The drilling highlights for the next period of work by Société Minière de Sabodala-Paget Mining Ltd. JV were 28 m at 6.8 g/t Au, 13 m at 29.8 g/t Au, 18 m at 12.1 g/t Au, and 25 m at 9.2 g/t Au.

The only operation at the site was by Eeximcor-Afrique SA, which mined and stockpiled 80,000 t of which 38,000 t at a grade of 4.4 g/t Au were processed, producing approximately 4,400 oz of gold.

Following Parliamentary approval of the new Senegal Mining Code on November 24, 2003, the Government of Senegal decided to accelerate development of the country's mineral resources. As part of this plan, a consortium of international companies, including MDL, were invited to tender for the exploration and exploitation of the Sabodala deposit.

MDL lodged a full complying bid for the Sabodala Gold Project on June 7, 2004, and was advised by the Government of its selection on October 25, 2004. The bid was a joint venture between SMC (70%) and private Senegalese interests (30%). Exploration drilling began in June 2005. The company subsequently exercised its option to acquire the remaining 30% minority interest for a mixture of cash and shares.

On May 2, 2007, MDL received Mining Concession status for Sabodala by decree of the President of Senegal. The decree includes the following provisions:

- Ten year mine lease.
- Exemption from all property, company, and value added taxes for a period of eight years.
- Exemption from import and export duties for a period of four years starting from date production commenced (March 2009).
- A royalty (termed a 'mining tax') equivalent to 3% of gold sales is payable to the Senegalese Government.
- The Republic of Senegal retains a 10% free carried interest after project capital is recovered with interest.

SMC has continued to explore the Project as described in Sections 9 and 10.

On November 23, 2010, Teranga completed the indirect acquisition of the Sabodala gold mine and a regional exploration package by way of a restructuring and demerger from MDL (the Demerger). As part of the Demerger, the following transactions were completed:

- The shares held in the gold-related operating and exploration companies (collectively, the 100% owned Mauritius entities, Sabodala Gold (Mauritius) Limited and SGML (Capital) Limited, as well as the Senegalese subsidiaries, namely the 90% owned Sabodala Gold Operations SA and 100% owned Sabodala Mining Company) as well as shares held in Oromin Explorations Ltd, (Oromin) were transferred to Teranga in consideration for the issuance of 200,000,000 common shares of Teranga to MDL and C$50 million in deferred consideration.

- On December 7, 2010, the company completed the IPO in Canada and Australia. In Canada, after exercise of the over-allotment option, a total of 36,617,900 common shares of Teranga were issued for gross proceeds of approximately C$110 million. In Australia, 9,000,000 common shares of Teranga were issued for gross proceeds of A$27 million. Total gross proceeds of the IPO were C$137 million.

- A loan of C$50 million, part of the deferred consideration for the transfer of the gold assets to Teranga from MDL, was repaid from the IPO proceeds.

The Mining Convention includes a commitment to invest $425,000 per annum in social development programs within the region, $200,000 per annum towards training and logistical support, as well as $30,000 per annum to district administration support. In addition, SGO is required to pay $6.50 for each additional ounce of reserves independently confirmed within the mining licence area beyond the initial amount of reserves claimed at date of grant of the mining concession; all the preceding items are included in operating costs.

EX-SOMIGOL MINING CONCESSION

Oromin, with its OJVG partners, secured rights to the OJVG exploration concession through an open tender process completed in 2004. Initial exploration work programs focused on testing prospects defined by historic exploration and defining new targets. Work began in early 2005, and by year-end 2006, $11 million was spent to methodically explore the property on a district scale and outline several high priority gold targets.

Upon completion of the original Exploration Licence in February 2007, the OJVG petitioned the Senegalese government for an extension as allowed within the Mining Act. A 20 month extension was granted until December 22, 2008, during which time the OJVG was required to spend $12 million. These expenditures led to the undertaking of a Prefeasibility Study (PFS) guided by SRK, to provide information to help determine the best path forward for the Project. Concurrent with the extension in December 2008, OJVG was required to relinquish a portion of the concession, reducing the original concession from 231.3 km^2 to its current size of 212.6 km^2.

In September 2009, the OJVG submitted a PFS to the Senegalese government. Although the study concluded negative Project economics, the ongoing resource expansion and exploration drilling programs continued to expand the Project resource base beyond the PFS drill data cut-off date of May 2009. The OJVG elected to complete the drill program and produce an updated PFS in 2010.

In December 2009, the OJVG submitted a Strategic Environmental Evaluation (SEE) report to the Senegalese government as support for OJVG's application for a project mining licence.

In January 2010, OJVG announced that it would upgrade the scope of the updated study to a full Feasibility Study, scheduled for completion at the end of June 2010. Additionally in January 2010, OJVG received government approval for the SEE report submitted in 2009. In February 2010, the Senegalese government granted the OJVG a mining licence for a term of 15 years, at which time the licence can be renewed. A Senegalese company, SOMIGOL, was formed to mine the property.

The Environmental and Social Impact Assessment (ESIA) was presented to the Senegalese government in March 2011. The government identified some issues that needed clarification and the ESIA was re-submitted in September 2011. A technical review committee validated the ESIA document on November 2011 and a subsequent and final public hearing approved the ESIA in March 2012.

The only known production from the Project has been from local small-scale artisanal mining and a small mechanically excavated open cut at Kerekounda. Accurate records of the tonnage and grade from Kerekounda are not available.

PAST PRODUCTION

Open pit mining commenced in the Sabodala pit in 2009 and continued until June 2015. Additional open pit mining started at Masato in September 2014 and at Gora in July 2015. All open pit production to date is summarized in Table 6-2.

TABLE 6-2 PAST PRODUCTION
Teranga Gold Corporation – Sabodala Project

Year	Tonnes (kt)	Grade (Au g/t)	Au (koz)
2009	1,806	3.12	167
2010	2,285	2.12	141
2011	2,444	1.87	131
2012	2,439	3.08	214
2013	3,152	2.24	207
2014	3,622	2.03	212
2015	3,421	1.79	182

7 GEOLOGICAL SETTING AND MINERALIZATION

REGIONAL GEOLOGY

OVERVIEW

The Sabodala Mining Concession and the surrounding exploration permits are located in the 2,213 Ma to 2,198 Ma age Kedougou-Kenieba Inlier (Figure 7-1) which lies within the Paleoproterozoic age Birimian Terrane of the West African Craton. The permits straddle two major divisions of the Inlier – the volcanic-dominated Mako Supergroup to the west, and the sediment-dominated Diale-Dalema Supergroup to the east. The Sabodala, Masato and Gora deposits and western portions of the company's Faleme and Near Mine projects are hosted in the Mako belt volcanics. The Mako Supergroup consists mainly of tholeiitic basalts and andesitic lavas (massive and pillowed flows) with minor komatiitic units interbedded with volcanoclastic sediments (pyroclastic banded tuffs and agglomerates), quartzite and chert as well as ultramafics, dolerites and gabbros. The Diale and Dalema Supergroup are characterized by folded sandstones and siltstones interbedded with calc-alkaline ash and lapilli tuffs that are more pelitic and siliceous in the Diale Supergroup and more calcareous in the Dalema Supergroup.

The Mako and Diale-Dalema supracrustal sequences are intruded by a series of variably deformed granitoid intrusions that range in age from 2,160 Ma to 2,000 Ma. These include the Karkadian Batholith which bounds the Mako Belt to the west, and several major large stocks in the central Mako Belt in the project areas. Northeast trending intermediate to felsic and later, post-tectonic mafic dykes are present throughout the region, the latter forming prominent linear magnetic features. Felsic and intermediate composition dykes are often spatially associated with shear zones hosting gold mineralization, and locally are host to significant gold mineralization themselves. Lithologies in the region are affected mainly by lower greenschist grade metamorphism.

REGIONAL STRUCTURAL SETTING

Birimian rocks of the Kedougou-Kenieba inlier show a polycyclic deformation and metamorphic history. The first phase of deformation (D_1) was compressive followed by a later transcurrent movement and deformation (D_2-D_3). Major crustal shear zones regionally bound, and influence the overall north-northeast lithologic grain in the region. These include a north-northeast trending shear zone which is interpreted to form a boundary between the Mako and Diale-Dalema groups which lies east of the Sabodala property area, and which is termed the Senegal-Tombo Shear Zone or Main Transcurrent Shear Zone (MTZ) by different authors. This structure has been previously interpreted to pass through the western portions of the Diale-Dalema sequence based on magnetic patterns, but fieldwork suggests that the linear magnetic features are instead related to sets of late mafic dykes. Zones of highly sheared rocks have been mapped in the western part of the Dembala Berola project area confirming the presence of a major shear zone.

The MTZ converges with, and may join to the north in Mali with the major northerly trending Senegal-Mali Shear Zone, which is spatially associated with several major gold deposits, including Sadiola and Loulo in Mali. Intense zones of high strain are also present in the eastern portions of the Mako Supergroup on the Sabodala projects, confirming the presence of a major structural corridor referred to as the Sabodala Structural Corridor (SSC).

High strain zones and apparent truncations of lithologic features on the Sabodala and Sounkounkou permits suggest the presence of second and third order shear zones at the property scale, which may control the localization of gold mineralization. The structures wrap around major intrusions, and northwest trending linking structures between major shear zones are also present, all of which form potentially prospective sites for gold deposit formation. The transcurrent deformation has been interpreted as being synchronous with gold mineralization and the emplacement of several calc-alkaline granites. Field relationships suggest that gold mineralization at Sabodala and other deposits in the region are probably coeval with latter stages of shear zone development. Regional greenschist metamorphism has also been interpreted as being associated with both compressive and transcurrent phases of deformation.

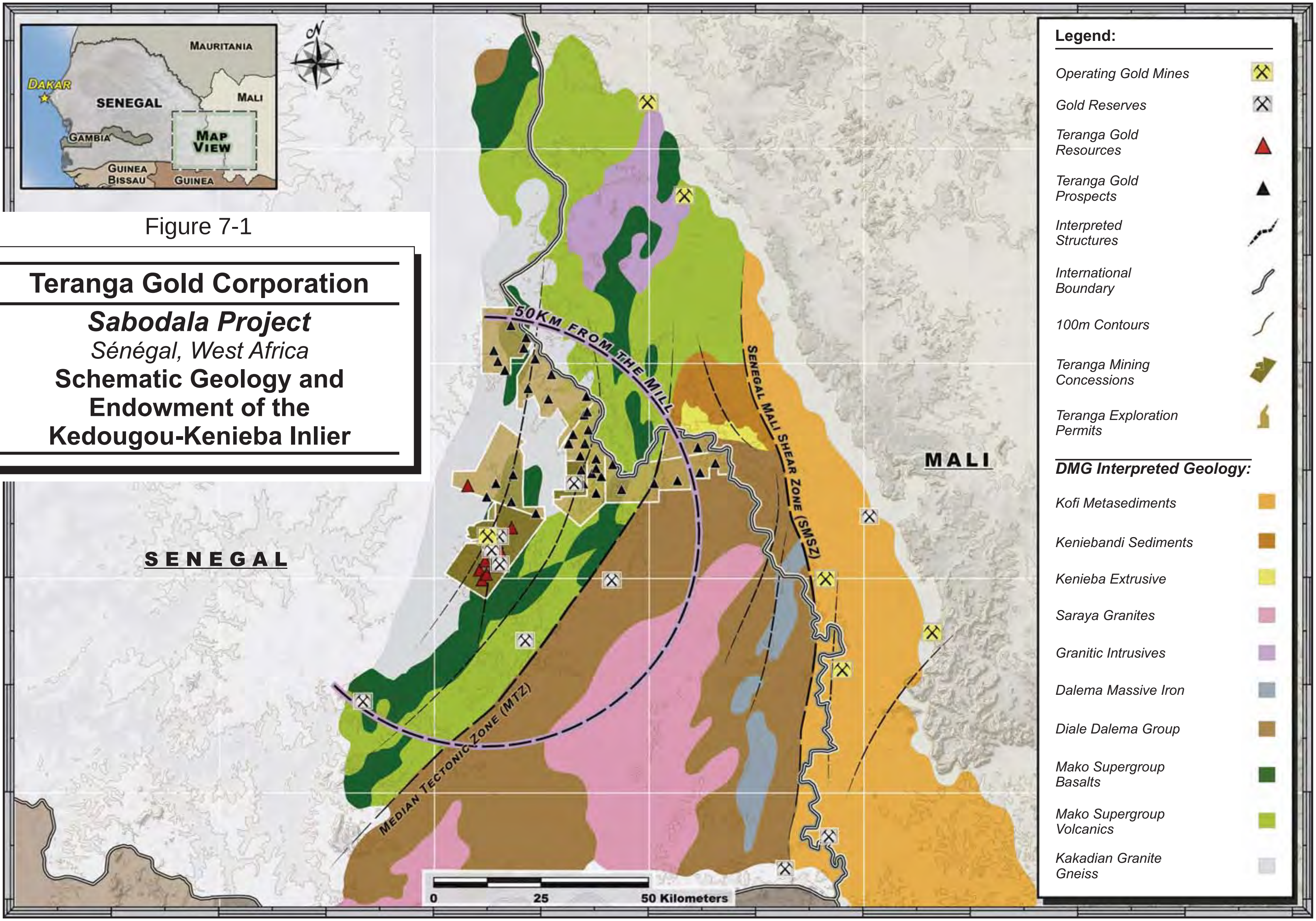
Figure 7-1

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Schematic Geology and Endowment of the Kedougou-Kenieba Inlier



March 2016

Source: Teranga Gold Corporation, 2016.

REGIONAL SURFICIAL GEOLOGY

Lateritic weathering combined with duricrust formation is still active in the region. Apart from local hills and resistant lithologies, much of the terrain is covered by laterite and ferricrete resulting in limited rock outcrop. Hills which occur in east and southeastern portions of the Sabodala Mining Lease and in the western portion of the Heremakono permit form some of the best exposed outcrop areas on the projects. Oxidation depth in the region is highly variable, but is generally several tens of metres. Towards the northwest, thick soils and colluvial materials cover large tracts of land. Close to the Faleme River, small lenses of lateritized alluvial deposits can be observed.

PROPERTY GEOLOGY AND MINERALIZATION

Teranga's properties are subdivided into five project areas: the Sabodala Mining Concession which combines the original Sabodala Mining Concession and the former SOMIGOL Mining Concession, and the Reginal Exploration Package, which includes Near Mine, Dembala, Faleme, and Massakounda. Individual permit areas are listed in Table 4-2. Project and permit areas are illustrated in Figure 7-2. The following sections have been largely taken from AMC (2014).

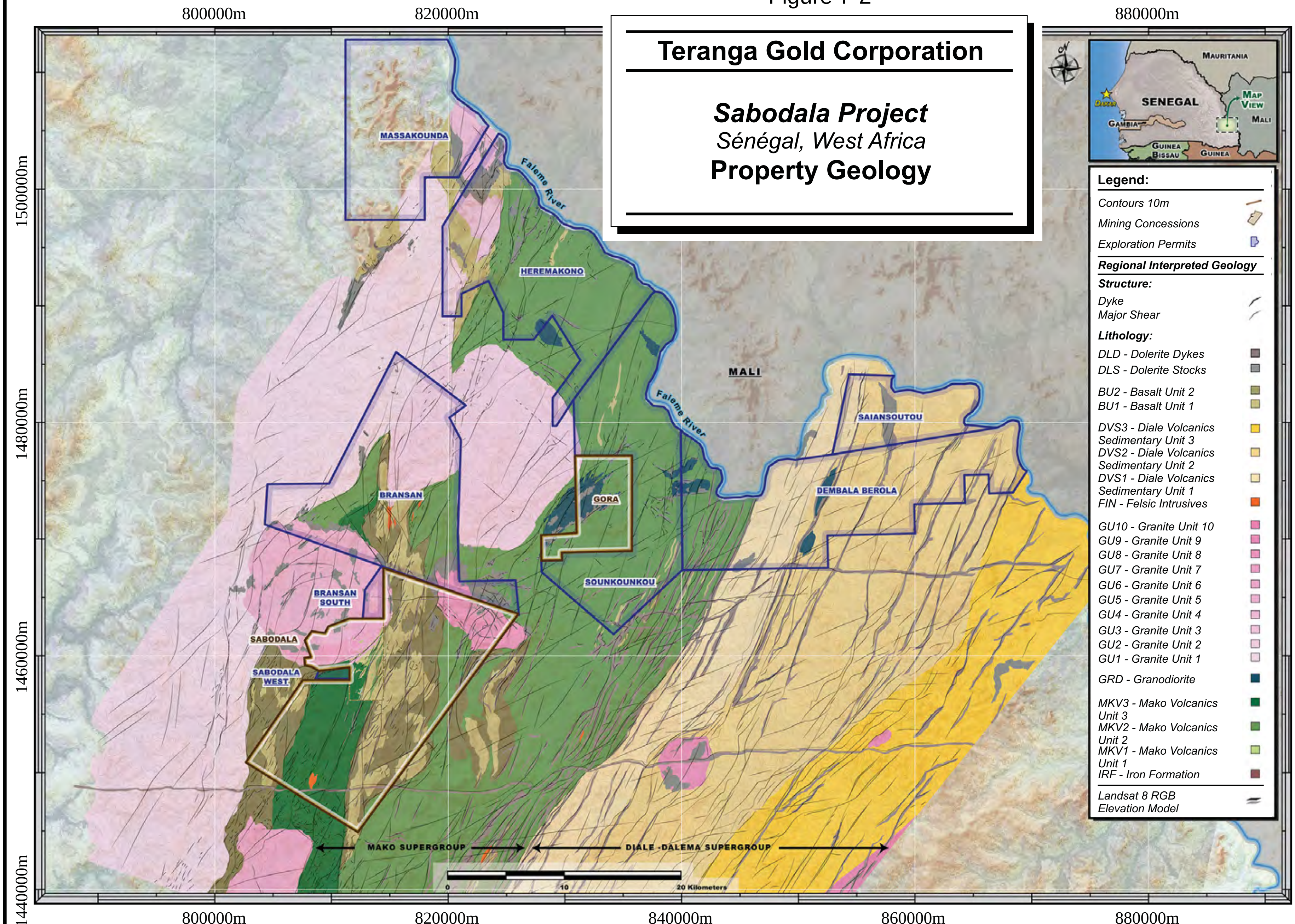
Figure 7-2

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Property Geology



February 2016

Source: Based on publicly available information

SABODALA MINING CONCESSION

The Sabodala Mining Concession deposits are shown in Figure 7-3.

SABODALA DEPOSIT

Lithology

Lithologies generally trend north-northeast to northeast with steep dips, although local variations are apparent. Lithologies are affected by lower greenschist grade metamorphic assemblages. Mafic volcanic rocks dominate in the sequence and interflow sediment horizons occur locally in the mafic volcanic sequence, with the most prominent being a cherty horizon referred to as mylonite by Painter (2005). Other interflow units comprise narrow carbonaceous (graphitic) mudstone-siltstone horizons, which locally are often exploited by shear zones.

Ultramafic rocks are present throughout the stratigraphy and are variably and often intensely affected by alteration and high strain zone development. Fresher varieties which retain primary textures are mottled with relict igneous texture suggesting that they mainly comprise intrusive sills and dykes.

Dykes of several varieties intrude both the volcanic sequence and the ultramafic sills. These include at least two phases of porphyritic dykes of probable intermediate to felsic composition that preferentially intrude along shear zones in altered ultramafic units and mineralized shear zones. These are typically one metre to 10 m thick. Later, post-mineralization, fresh mafic dykes that are up to several tens of metres in thickness trend north-northeast generally sub-parallel to the lithologic sequence. The late mafic dykes are not associated with, and crosscut mineralization and its hosting structures.

Structure

The following is largely taken from Rhys (2009).

Principal structures on the Sabodala Mining Concession form a steeply west-northwest dipping, north-northeast trending shear zone network, which has previously been referred to as the "Sabodala Shear Zone".

The north-northeast trending shear zones at Sabodala likely represent first and second order structures of regional scale to first order features such as the MTZ , while the northwest trending shear zones may be third order features that accommodate strain between these higher order features.

Two dominant foliations have been recognized: a locally intense (S1) foliation which trends east-west to northeast and a north-northeast trending steep northwest dipping foliation (S2). The foliation is inhomogeneous and large areas in the massive mafic volcanics, gabbro, and felsic intrusions often lack or are weakly foliated. Field relationships indicate that the gold mineralization at Sabodala and other deposits in the region is likely to be coeval with later stages of shear zone development.

Mineralization

The Sabodala deposit comprises a network of mineralized shear zones and associated surrounding sets of quartz breccia veins and vein arrays which are discordant to, and cut across the hosting volcanic stratigraphy. Mineralization is most intensely focused in and west of where the shear zone network intersects, and crosscuts the mylonitic chert unit. Best developed mineralization extends from the chert unit westward to the ultramafic-hosted Ayoub's Thrust, in the steeply west-northwest dipping host sequence comprising the volcaniclastic unit, mafic volcanic units and gabbro which lie between the chert and the shear zone. The deposit is developed over a strike length of at least 600 m from the Sutuba deposit southwest of the current open pit, northward to several hundred metres north of the open pit, where it is open at depth. Within and northward from the current open pit, the deposit plunges moderately to the north, while at the south end of the deposit the plunge is shallow to the south. The mineralization plunges vary with the orientation of, and intersections between the principal mineralized structures, which host and are surrounded, by gold mineralization.

Gold mineralization at the Sabodala deposit occurs in a combination of continuous grey quartz shear veins along shear zone surfaces in the Main Flat and Northwest shear zones, in sets of quartz-carbonate-albite-pyrite extension veins, in coalescing extension and shear vein domains which form zones of quartz-carbonate matrix breccia, and in areas of pervasive tan to pink coloured carbonate-albite-sericite-pyrite alteration which surrounds and links between veins, shear zones and breccias. Multiple generations of veins are evident, but the most voluminous veining and alteration forms the youngest generations.

Gold mineralization of all styles is associated with pyrite in association with extension and shear veins as clots, grains and along slips surfaces within veins, as pervasively disseminated envelopes around veins, and is also disseminated in broad zones of carbonate-albite alteration surrounding shear veins. Locally pyrite forms veinlets, which both cut across, and in other areas are cut by, quartz-carbonate albite veins, suggesting multiple pyrite generations, occurring within both pyrite veinlets and quartz-carbonate veinlets. Pyrite is variable in grain size and ranges from cubic to anhedral. Pyrite of all grain sizes from mineralized zones is spatially associated with grains of native gold along crystal margins, in fractures within pyrite, or encapsulated in pyrite grains. Coarse gold is absent (Ross and Rhys, 2009).

NIAKAFIRI MAIN DEPOSIT

The Niakafiri Main deposit consists of the Niakafiri and Dinkokono deposits. Gold mineralization comprises sets of quartz veins, shear veins and disseminated pyrite developed in the ultramafic-hosted carbonate altered Niakafiri shear zone, steeply dipping to the west. Mineralization is generally concentrated in areas of both most intense strain, and most pervasive dolomite-sericite alteration where networks of quartz extension and shear veins are developed, often spatially associated with felsic dykes. The intersection of north-northeast and north-northwest trending shear vein sets and associated fringing sets of steeply dipping, east-west trending extension veins defines steep northerly plunging shoots.

The dominant alteration mineral in the Niakafiri Shear Zone is dolomite with variable muscovite (sericite) content, and quartz, albite and pyrite as other common alteration minerals.

The mainly steeply dipping extension and shear veins at Niakafiri that are associated with areas of gold mineralization are generally more highly strained than those at the Sabodala deposit, and may form an older set of veins than the main stage shallow dipping Sabodala vein arrays.

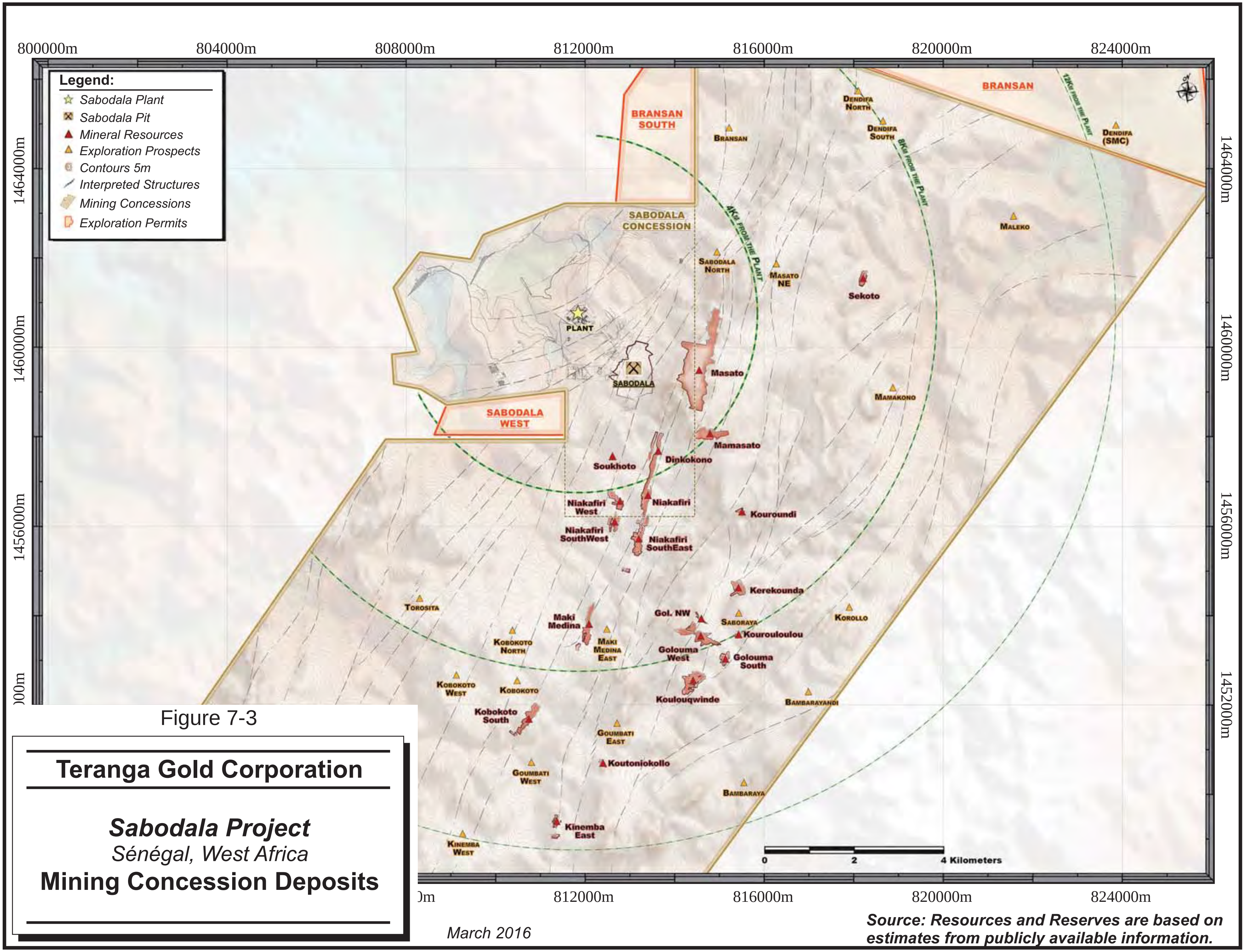


Figure 7-3

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Mining Concession Deposits

March 2016

Source: Resources and Reserves are based on estimates from publicly available information.

www.rpacan.com

NIAKAFIRI WEST DEPOSIT

Niakafiri West is located in a north-northeast trending shear zone that extends through the Sutuba and Soukhoto areas, and is possibly associated with the Ayoub's Thrust at the Sabodala deposit.

Mineralization at Niakafiri West is similar to the Niakafiri deposit, comprising sets of variably deformed quartz extension veins and quartz-carbonate-sericite-tourmaline-pyrite shear veins developed in tan to pale green carbonate alteration in areas of high strain.

SOUKHOTO AND FALOUMBO AREAS

The Soukhoto and Faloumbo areas contain widely spaced east-northeast trending and steeply dipping quartz veins which vary from 5 cm to 50 cm thick, with strike lengths of at least several tens of metres. The veins occur in folilated mafic volcanic rocks and comprise white quartz with local prismatic fill, and have thin foliated envelopes. These veins occur in areas of high strain between the more intense shear zones and associated subsidiary structures, potentially linking between the larger shear zones or occurring in areas of strain accommodation at bends and terminations of individual shear zone strands.

MASATO

The Masato deposit is located several kilometres to the north of Golouma West, within a zone of highly magnetic mafic and ultramafic volcanics. The geology of Masato is dominated by a north-northeast-south-southwest (~020º) trending ductile shear zone several tens of metres in width. The mineralization is hosted within multiple shear fabric-parallel zones with the broader shear zone. This shear zone can be traced to the north and particularly to the south, where it appears to host further mineralization at Niakafiri Southeast.

The shear zone fabric dips approximately 70º west with local areas of intense metre-scale folding. Some ultramafic rocks are affected by the shearing and commonly appear "greasy", possibly resulting from alteration by talc and serpentine. Carbonate dominated alteration is relatively widespread, however, fuchsite is present in addition to the carbonate-quartz-sericite assemblage, particularly within ultramafic units. Pink felsic dykes occur in close proximity to the mineralized shear zone.

Gold mineralization is associated with intensely altered zones dominated by the presence of carbonate, silica, and pyrite. The Masato deposit hosts multiple generations of mineral veins. Early white-grey coloured quartz-feldspar veins are commonly highly deformed and barren. The veins dip to the west and strike broadly parallel to the main trace of the deposit.

MASATO NORTHEAST

The Masato Northeast prospect is situated along a 2.5 km northeast trending structural splay off the main Masato structural trend, located one kilometre northeast of the Masato deposit. The prospect coincides with soil anomalies along part of its strike length.

The shear zone is comprised of variably sheared and altered oxidized volcanics, unaltered and altered felsic and mafic intrusives, and 2 cm to 60 cm quartz veins. Quartz veins are locally folded and trend approximately parallel to the shear trend, dipping -50° to -85° to the west-northwest. Anomalous gold grades are associated with quartz veining in strongly sheared and siliceous, carbonate altered volcanics inside the main northeast shear and in adjacent parallel shears, and oxidized fractures in unaltered to weakly altered volcanics.

GOLOUMA WEST AREA

The geology of the Golouma area is dominated by moderately deformed massive flows and pillowed basaltic rocks. The rocks are moderately chloritized, which in some instances is accompanied by the development of epidote replacement. Hydrothermal carbonate-dominated alteration overprints the rocks where deformed by ductile shear. In areas of low strain, the alteration yields a wispy appearance, but in more highly deformed zones, it imparts a buff or salmon-pink colouration and is associated with anomalous gold concentrations. Several felsic dykes, up to 5 m in width, occur throughout the Golouma area and appear to be intimately associated with the gold mineralization, particularly in Golouma South. A small number of mafic dykes have been recognized in drill core, including one thick gabbroic dyke.

GOLOUMA WEST

The geometry of the Golouma West deposit consists of two broadly east-west trending shear zone-hosted sheet-like bodies which together have a total strike length of approximately 900 m and a north-northeast trending appendage, referred to as the West limb. In plan, the east-west trending bodies are offset by approximately 140 m in a dextral sense along the east-northeast striking Golouma West Fault and were therefore originally emplaced along a single east-west structure. The West limb is approximately 200 m in length and dips moderately to steeply towards the west-northwest.

The principal zone of mineralization at Golouma West changes orientation from east-west to north-northeast where it intersects a strong north-northeast oriented shear zone of the Main Transcurrent Shear Zone trend. In section, the main mineralized zone dips 75° to 80º south, broadly parallel to the main east-west ductile cleavage. The West limb dips at -65º west transitioning to approximately -45º at depths of 200 m. A series of thick northeast oriented quartz-carbonate veins define the trace of the sheet like body, which has similar mineralogical and alteration characteristics to Golouma West. Mineralization is open both to the east and west of the main east-west body although it appears to weaken to the east. High-grade shoot controlled mineralization remains open at depth in several areas of the deposit.

GOLOUMA SOUTH

Golouma South occupies a north-northeast oriented ductile shear zone with mineralization in a sheet like body, dipping 50°-65º west. Mineralization has been defined over a strike length of approximately 640 m and down to 560 m below surface.

The deposit consists of sub-parallel mineralized zones coinciding with higher strain zones within the northeast oriented shear zone. Similar to Golouma West, gold is associated with the highest strain parts of the shear zone, corresponding to areas of intense alteration and the presence of quartz veins. The veins are predominantly oriented parallel to the shear fabric and tend to be localized on the margins between high and low strain domains.

The true thickness of mineralized zones varies from 2 m to 20 m, but is typically 5 m to 12 m. Gold distribution is generally more uniform than at Golouma West, but higher-grade shoots have been noted. These shoots plunge steeply toward the west-southwest and are thought to occur at the intersection between the northeast oriented shear zone and zones of intense east-west shearing.

GOLOUMA NORTHWEST

The Golouma Northwest zone trends west-northwest and sub-parallel to the main Golouma West zone. A fairly continuous zone of gold mineralization has been defined and traced for approximately 400 m on strike and 120 m down-dip.

A felsic dyke intrudes the central portion of the mineralized zone, and is interpreted to be the same felsic dyke that is present in the Kerekounda deposit. This dyke is approximately 5 m to10 m in width, strikes to the northeast, dips moderately northwest, and crosscuts the main gold zone.

Gold mineralization at Golouma Northwest is hosted by a relatively narrow (2 m to 10 m), east-southeast striking shear zone that dips steeply to the south. Alteration, characterized by moderate to strong carbonate-sericite-silica-pyrite mineral assemblage, is accompanied locally by quartz-tourmaline veining.

KOUROULOULOU

The Kourouloulou deposit is situated directly west of the northern continuation of the Golouma South shear zone. The deposit consists of four broadly east-southeast striking mineralized veins arranged parallel to each other within a zone that dips steeply towards the south.

KEREKOUNDA

The Kerekounda deposit is located approximately 1.5 km to the north of the Golouma South deposit, within the same east-northeast-west-southwest structural trend that hosts the mineralization of the Golouma area. The deposit is hosted by weakly to moderately deformed mafic volcanics, similar to the host rocks at Golouma. The main ductile foliation orientation is 060-240°, consistent with the east-northeast trending regional structure.

Three distinct shear zones host the mineralization at Kerekounda. Each zone typically ranges from one metre to 10 m width and high-grade shoots plunge steeply toward the west-northwest. The plunging shoots appear to be controlled by the intersection of the regional north-northeast trending shear zone fabric, which controls the location of mineralization in the Golouma-Kerekounda area, with the discrete north-northwest trending shear zones that host the mineralization. Of the three mineralized shears, it is the eastern most which is most prevalent. It comprises a quartz-carbonate vein and multiple veins and/or vein breccias, within a broader zone of carbonate dominated alteration. The highest gold grades occur with the quartz veins especially those containing tourmaline while lower grades are generally found in the adjacent altered rock.

The deposit is cut by a relatively thick unmineralized north-northeast trending mafic dyke and several smaller mafic dykes which do not crosscut the mineralization. Additionally, felsic dykes occur in the hangingwall and along the contact between the mafic volcanics and tuffaceous sediments, within the footwall to the mineralization.

NIAKAFIRI SOUTHEAST AND NIAKAFIRI SOUTHWEST

The Niakafiri Southeast and Niakafiri Southwest deposits occur within a zone of highly magnetic mafic and ultramafic metavolcanics. The geology is dominated by a north-northeast trending, west dipping ductile shear zone, several tens of metres wide. The structural zone appears to continue from Masato southwards through Niakafiri, Maki Medina, and Kobokoto to Kinemba. At Niakafiri Southeast, the carbonate dominated hydrothermal alteration is relatively widespread and as at Masato fuchsite (Cr-mica) is present in addition to the carbonate-silica-sericite alteration assemblage, particularly within ultramafic units. As with many of the deposits, fine-grained pink felsic dykes occur in close proximity to the mineralized shears. As at Masato, deep oxidation has affected the mineral zones and preliminary testing has shown the lower grade oxide material to be amenable to heap leach recovery.

Niakafiri Southwest is parallel to and west of Niakafiri Southeast. Niakafiri Southwest is interpreted to be a 200 m to 300 m wide structural zone consisting of north-northeast trending, steeply west dipping, strongly sheared and altered mafic and ultramafic metavolcanic rocks. Alteration is similar to that at Niakafiri Southeast and dominated by carbonate-silica-sericite and locally fuchsite. As at Niakafiri Southeast, fine-grained pink felsic dykes occur in close proximity to the mineralized shears.

MAKI MEDINA MAIN

The Maki Medina Main deposit extends across an approximate 1,000 m strike length and is situated along the same steeply west dipping, north-northeast trending structural zone that hosts Masato and Niakafiri Southeast to the north, and Kobokoto and Kinemba to the south. At Maki Medina Main, the host mafic metavolcanics and tuffaceous volcanoclastic sediments are strongly sheared and carbonate dominated alteration is widespread. The main mineralized zone consists of several west dipping, variably sheared zones of quartz-carbonate alteration and quartz-carbonate-tourmaline veining. Several shear parallel, fine-grained, pink felsic dykes occur in close proximity to the mineralized shears.

KOBOKOTO

The Kobokoto deposit is located along the same steeply west dipping north-northeast trending structural zone that hosts Masato. At Kobokoto, the host mafic metavolcanics and tuffaceous volcanoclastic sediments are strongly sheared and carbonate dominated alteration is widespread. The main mineralized zone extends to a depth of 100 m and 800 m along strike, and consists of a shallow west dipping, variably sheared zone of quartz-carbonate alteration and quartz-carbonate-tourmaline veining.

MAMASATO

The Mamasato deposit geology consists of mafic metavolcanics that have been strongly deformed and sheared by an east-west striking, moderately north dipping, 30 m to 50 m wide shear zone. Several prominent, narrow, fine-grained, pink, felsic dykes occur proximal to the gold mineralization, and minor intermediate dykes occur in both the hanging wall and footwall of the main shear. Oxidation at Mamasato extends to depths of 30 m to 50 m. Gold mineralization at Mamasato consists of three narrow, sub-parallel zones (2 m to 10 m) that strike to the west and dip moderately to the north. These zones are characterized by weak to moderate intensity, carbonate-dolomite-sericite-silica-pyrite alteration, with localized quartz veining.

KOULOUQWINDE

The Koulouqwinde deposit is situated within the southwest extension of the main structure that hosts the Golouma South deposit. The principal rock type is massive to sheared mafic metavolcanic, with minor felsic and mafic dykes. Low-grade gold mineralization at Koulouqwinde is hosted primarily within several, sub-parallel, 10 m to 20 m wide northeast trending shear zones. Alteration within the shears is comprised of moderate to locally intense, patchy to pervasive silica-albite-carbonate-sericite-Fe carbonate with traces of pyrite, and minor quartz-tourmaline veining.

SEKOTO

Sekoto area geology consists of a central granodiorite stock, which has intruded adjacent, deformed to highly-strained mafic metavolcanics and sediments. Late, massive, fine grained, narrow, intermediate-mafic dykes intrude all of the units. Oxidation at Sekoto commonly extends 30 m to 40 m below surface (vertical). Locally, deeper oxidation is present along structures or where laterite is present. Gold mineralization at Sekoto is hosted within and along the margins of the variably altered, massive to weakly deformed, medium grained, granodioritic intrusive, associated with multiple sub-parallel zones of replacement-style pink carbonate-silica-pyrite alteration that range in thickness from three metres to 30 m. The zones strike towards the north or northeast and dip moderate-steeply towards the west.

KINEMBA

The geology of the Kinemba deposit consists of massive to locally strongly sheared mafic metavolcanics intruded by a prominent magnetic mafic (gabbro) dyke, and minor intermediate to felsic dykes. The shear zones and dykes commonly strike towards the northeast and dip moderately to steeply westward, parallel to the regional trend. Oxidation at Kinemba can reach depths of up to 70 m (vertical), making it an ideal target for heap leach operations. Gold mineralization at Kinemba is found in multiple zones of weak to moderate carbonate-albite-silica-sericite-pyrite alteration, varying in width from 5 m to 30 m, which are hosted by strongly sheared mafic metavolcanic rocks. Mineralization trends approximately north-northeast, dipping steeply westward (-80°), and has been traced over a strike length of approximately 600 m to a depth of 200 m.

KOUTOUNIOKOLLO

The geology at the Koutouniokollo deposit consists of strongly deformed mafic metavolcanics and minor volcanoclastic sediments, which are locally intruded by fine-grained pink felsic dykes. The mafic metavolcanics have been strongly deformed by two separate shear zones, with shearing oriented either west-northwest or north-northeast.

Gold mineralization at Koutouniokollo is located in two structural / alteration zones and in northwest-trending brittle veins. The first structural trend strikes to the north-northeast and dips steeply west-northwest. Mineralization is characterized by strong to intense carbonate-silica-albite-sericite alteration, with local silicification and carbonate-quartz-tourmaline veining hosted in strongly sheared to locally brecciated mafic metavolcanics over widths of 10 m to 30 m. The second zone of mineralization is hosted by a west-northwest striking moderately to steeply southwest dipping shear zone. Gold mineralization along this structure is more sporadic, except in the vicinity of the intersection with the north-northeast structure. Anomalous gold mineralization is associated with quartz-tourmaline veining and pervasive silicification.

KOUROUNDI

The geology of the Kouroundi deposit consists of mafic metavolcanics, which have been locally strongly deformed by two major shear zones. The main gold bearing shear zone strikes to the northwest and dips approximately 40° to the southwest, and is generally 10 m to 40 m wide. The second major shear zone is located at the southern end of the prospect and is perpendicular to the main gold bearing shear zone. The second shear zone strikes westerly, dips steeply to the north, is approximately 25 m to 35 m in width and appears to cut off gold mineralization where it intersects the main gold bearing shear. Prominent and minor intermediate dykes intrude both shear zones, and are oriented generally sub-parallel to the strike of both shears. The most prominent intermediate dyke is located in the footwall of the gold bearing shear and is approximately 10 m in width and strikes towards the north.

Oxidation at Kouroundi is quite variable; with oxidation in the hanging wall commonly extending down 30 m to 50 m. Oxidation within the footwall is more intermittent with oxidation locally extending to depths of over 100 m, especially towards the north, where the mineralized zone extends beneath a very thick laterite plateau.

Gold mineralization at Kouroundi is characterized by strong to intense carbonate-sericite-silica-albite-pyrite alteration with local quartz-tourmaline veining hosted in strongly sheared mafic metavolcanics.

GORA DEPOSIT

Gora is hosted by a moderate to steep southeast dipping, northeast trending sequence of turbiditic sandstone, siltstone, carbonaceous siltstones, and mudstone which is at least locally overturned by tight to isoclinal folding which are consistently down facing towards the west. The sedimentary package hosting the veins is of undetermined thickness, but from limited outcrops and IP data is estimated to be in the order of 500 m to 600 m thick in the Gora area. At Gora the sedimentary package is intruded and probably bounded by various sill-like intrusions to the east and west, including gabbro, felsic porphyries, minor granitic dykes, and large amounts of quartz-monzodiorite plugs and dykes. The hosting sediments have been affected by upper greenschist grade metamorphic conditions, defined by aluminosilicate porphyroblasts and biotite, probably in the thermal aureole of the surrounding intrusions. Hosting lithologies contain a slaty foliation which strikes parallel but which dips variably with respect to bedding.

Veins dip between 45º and 55º to the southeast. Veins locally vary to several metres thick and are typically banded with grey and white quartz. Dark grey bands and stylolites in the veins may contain carbonaceous material, possibly tourmaline, and reddish Fe-oxides probably after pyrite. The veins occur in narrow shear zones, which are locally manifested as narrow zones of more intense foliation on vein margins. In many locations these selvedges are very carbonaceous and up to 0.5 m thick. Left steps in the outcrops of veins in plan may suggest either en echelon stepping of the veins and/or left lateral offsets on late sinistral faults known to be developed regionally.

The gold occurs as fine grained, but visible gold has been observed in core from several holes, with the largest measuring up to 120 microns. Gold occurs as free grains on the boundaries of quartz crystals with a very small proportion of gold encapsulated or attached to pyrite. The abundance of visible gold in polished sections did not correlate well with gold grade in the assay intervals. Where abundant gold was observed, the flakes occurred in discrete clusters.

NEAR MINE PROJECT AREA

The Near Mine Project area composed of the Bransan, Bransan South, and Sabodala West permits lie within the Mako Supergroup, the same general geology as is host to the Sabodala property. Mafic volcanic rocks predominate at both properties, and host bands of ultramafic rocks which are locally highly strained and carbonate altered, such as in eastern portions of the Makana property, which hosts the southern continuation of the Niakafiri Shear zone.

Three large granitoid intrusions have been mapped on Bransan, Bransan South, and Sabodala Northwest. Outcrops of these granites are relatively small in extent with most of the intrusions covered by laterite, however the high resolution aeromagnetics clearly define their boundaries. Significant gold mineralization is present in the central granitoid, named Faloumbo granite.

The western portion of the project area is underlain by the Kakadian batholith, which is poorly mapped complex of gneissic material, largely covered by laterite plateaus. The Sabodala Sheer Corridor (SSC) can be traced from the southernmost part of the Sabodala Concession through to Bransan in the north. At Bransan the aeromagnetics interpretation indicates that the structure cuts through and breaks up the Dialakotoba granitoid.

BRANSAN PERMIT

Goumbou Gamba

Goumbou Gamba is hosted by a north trending granitic sill that is localized in alternating mafic volcanic rocks and highly strained talc-chlorite altered ultramafic rocks. Areas of high strain locally wrap around granite intrusions to the east, forming bends and steps, and locally penetrating into and offsetting margins of these intrusions. Continuations of potentially the same chert-mudstone horizon that is present in the Sabodala pit are present on the Bransan permit, west of the Goumbou Gamba prospect. Mature trough cross bedded quartzite and black shale also outcrop west of the Goumbou Gamba prospect.

Diadiako Prospect

The Diadiako Prospect occurs in a northwest trending shear zone which is located in a crustal scale shear system on a major regional scale geologic contact between basement Kakadian granite-gneiss and Mako Supergroup basalts and metavolcanics. Host rocks to mineralization at Diadiako are well-foliated mafic volcanics and basalts.

Mineralization occurs as auriferous pyrite occurring in quartz veins and breccia systems hosted within orange/pink albite-hematite altered metavolcanics.

Mineralized quartz veins commonly contain laminated and brecciated internal textures, and are generally mottled grey in colour. Vein margins commonly host displacement surfaces that are lineated and mantled with dark grey to black cataclasite composed of finely comminuted vein, wallrock, and sulphide (pyrite). Vein quartz is characteristically opaque, suggesting that recrystallization is pervasive and caused by ongoing deformation of the vein breccia system or by an overprinting metamorphic event.

DEMBALA PROJECT AREA

The Dembala project area, comprising the Dembala Berola and Saiansoutou Permits, are underlain mainly by the turbiditic sedimentary rocks of the Diale-Dalema Supergroup. Principal lithologies in this area comprise a thick sequence of bedded turbiditic sandstone, siltstone, and mudstone. Bedding in most areas dips moderately to steeply west-northwest, although variations to shallow and moderate east-southeast dips occur locally. Bedding in trenches within prospects and isolated outcrop exposures observed throughout the area is generally upright and faces west toward the Mako belt, based on facing indicators such as common graded bedding and local load casts and scours.

The Diale-Dalema sequence is intruded by several phases of intrusions having differing ages and a range of compositions. Most are small stocks and dykes, the former which generally are less than 2 km in length and a few hundred metres wide. There are often preferential hosts to gold-bearing quartz veins, generally as sets of extension veins and associated with minor shear zones which cross them. Common varieties include gabbro, quartz-feldspar porphyritic felsic intrusions, and medium to fine-grained probable granodiorite. Thermal aureoles around some form hornfels zones, or are spatially associated with areas of higher, upper greenschist, metamorphic grade. The intrusions become more abundant westward toward the transition to the Mako Supergroup where some tectonic interleaving of the intrusions and sediments may occur, and in the transition area larger granitoids intrusions are also present. Dykes of the different intrusive types typically trend northeast shallowly oblique to the strike of bedding, with steep dips.

DEMBALA BEROLA PERMIT

Tourokhoto Prospect

The Tourokhoto Prospect is located over the MTZ. Geology is marked by the transition from the more volcanic Mako Group in the west to the more sediment dominated series of the Diale-Dalema Super group to the east (Figure 7-2).

At this prospect the Mako volcanic group is represented by sedimentary formations with major fine pelitic sediments locally with some basaltic lava flows. The centre of the prospect contains a large sheared gabbro/gabbro-diorite, surrounded by a black shale series intercalated with basaltic pillow lava units which can up to several tens of metres in width.

The Mako sediment cannot visually be differentiated from the Diale sediments: it is very fine and completely deformed. At surface, fine saprolitic particles covers the soil mixed with erosional products of the once covering lateritic plateaus. Shales are visible within the cutting rivers beds and only some late doleritic dykes are showing some variation in this very continuous area.

The centre of the Tourokhoto prospect is characterized by a large gabbro-gabbrodiorite body possibly intercalated with black shales and orientated north-northeast paralleling the MTZ trend. The gabbro is sub-vertical, sheared and locally mineralized. Some porphyroblastic dolerite dykes with larger feldspar crystals also intrude the sequence.

To the east of the gabbro, hematitic black shales are encountered, these are completely sheared and locally strongly mylonitized and trend N25-35°E. The many sub-parallel shear zones have a very high hematite content that weathers to a highly ferruginous fine grained unit which in places appears gossanous. A medium size iron-rich hill, partially oxidized into a gossan, crops out in the north of the prospect.

This mylonitic zone and sheared corridor are a product of the intense deformation that occurred along the MTZ. These ferruginous sheared sediments can be traced over strike lengths of several kilometres from north to south. The main area of deformation is represented by the black shales in between the gabbro body and the pillow lava basalts.

Basaltic pillow lava flows are intercalated with the black shales. Generally modest in size, a few metres to ten metres wide, they show very well defined pillow structures. Some gold mineralization is known to occur along these more brittles units.

Eastward, past this intense zone of alteration lie the sediments of the Diale Group. The Diale Group is characterized by medium to fine-grained sediments, varying from pelites and shales to greywacke and sandstones. Minor basalt units are present. The first Diale unit encountered is a very fine pelitic unit also called Dembala Berola Pelites. This unit form large planes of clayey, white-grey soils that turn to bull dust on the bush tracks during the dry season and extensive mud planes in the wet season.

From the aeromagnetic images the MTZ can be interpreted as a major N35°E trending shear which is clearly crosscut by major N70°E fault structures. It appears that the MTZ is compartmentalized into several fault-bounded blocks by these later N70°E faults/shears. These later faults/shears are not visible in the field in the Tourokhoto Prospect but may contribute as significant structures for mineralization. Late classic N135°E brittles faults are crosscutting the formations. They are fairly visible in the field, cutting through the dolerite dykes and pillow lava flow units. The local drainage pattern is influenced by this trend.

Tourokhoto-Marougou Prospect

The Tourokhoto Marougou prospect is located 3 km southwest of the Tourokhoto prospect. It is underlain mainly by the turbiditic sedimentary rocks of the Diale-Dalema Supergroup described above. These strata include greywacke, siltstone, and shale units intruded by felsic porphyry. Bedding appears to dip moderately to steeply west-northwest. Argillic alteration is pervasive throughout the sequences in the area. The Tourokhoto Marougou prospect surface gold anomaly was originally defined by termite mound soil geochemistry. The anomaly was further defined by subsequent rotary air blast (RAB) drilling. Reverse circulation (RC) drilling programs identified a series of north-northeast trending northwest dipping (25-45°) auriferous quartz vein lenses with disseminated pyrite developed over a 1,200 m strike length down to depths of 170 m below surface. Recent diamond drilling indicates that gold mineralization occurs in quartz vein stringers developed in medium to coarse grained immature sandstones.

Goundameko Prospect

The Goundameko prospect is underlain by the turbiditic sedimentary rocks of the Diale-Dalema Supergroup described above. It is located on major 070º trending structures but some local north-northeast trending structural elements are also visible. The main surface gold anomaly consists of three sub-parallel north-northeast trending anomalies about 2.5 km long along strike and approximately two kilometres in width. Trenching intersected quartz-sulphide stockworks in greywacke, one to two metres thick, short strike length quartz veins and stringer zones of quartz over widths of two to three metres. RC drilling indicates that felsic intrusive units may be present at depth.

Dembala Hill Prospect

The Dembala Hill prospect contains gold mineralization associated with a gabbro-diorite intrusion occurring within turbiditic sedimentary rocks of the Diale-Dalema Supergroup described above. The prospect has been extended to include a 4,000 m long buried intrusive body interpreted from the aeromagnetic data set. The intrusion sits along a gold bearing structure which parallels the Main Transcurrent Shear Zone (MTZ).

SAIANSOUTOU PERMIT

Saiansoutou Prospect

The Saiansoutou prospect is located on the permit of the same name and is defined by a 2.8 km long north-south trending surface gold anomaly defined from analysis of termite mound samples. The anomaly is associated with a strong arsenic response and a buried intrusive is indicated by an aeromagnetic response. The prospect is underlain by the turbiditic sedimentary rocks of the Diale-Dalema Supergroup described above.

FALEME PROJECT AREA

The Faleme Project area consists of two adjacent exploration permits: Sounkounkou and Heremakono. The permits follow the Senegal-Mali Border to the north and span the entire Mako Group of mafics and sediments with the Kakadian Batholith bounding this unit in the west at Massakounda and the MTZ bounding it in the east.

The Sounkounkou and Heremakono permits are dominated by fine grained sediments assigned to the Mako Group. As with the Mako Supergroup, the turbidite sequences in the Diale-Dalema Supergroup are intruded by late, fresh mafic dykes that form prominent aeromagnetic lineaments.

Narrow north to northeast trending shear zones associated with intense development of the dominant foliation occur locally in the Diale-Dalema sequence where they vary from bedding concordant to discordant. Several shears are localized along felsic dykes some associated with gold mineralization.

HEREMAKONO PERMIT

Soreto Prospect

The Soreto prospect is hosted by folded northeast and east-northeast trending sequences of Mako volcano-sedimentary schistose turbiditic sandstone, siltstone, greywacke, and mudstone units. The sedimentary package is intruded by gabbro, granodiorite, felsic porphyries, minor granitic dykes and large quartz-monzodiorite plugs and dykes. The hosting sediments have also been affected by upper greenschist grade metamorphic conditions.

The gold mineralization which is often visible occurs in smoky and white quartz veins developed in sheared and brecciated intrusives and sediments, which have undergone intense albite-sericite alteration and micro-fracturing developed over widths of 2 m to 15 m. Visible gold often occurs in the white and smoky quartz veins. The quartz veins and gold mineralization appear to be controlled by north and north-northeast trending structures, dipping both moderately and steeply to the southeast. (50º to 70º). Conjugate northwest southeast trending structures with associated gold mineralization have also been observed. These structures are interpreted as being related to regional shear and thrust zones. Pyrite and trace amounts of chalcopyrite are present in both mineralized and unmineralized samples. Gold mineralization also appears to be closely associated with the presence of quartz-feldspar porphyry dykes. Surface exposures of the quartz veining and coincident surface geochemical anomalies extend in excess of 3,000 m along strike.

Nienienko Main Prospect

The Nienienko Main prospect is underlain mainly by andesitic lavas with associated sub-volcanic mafic intrusions, inter-layered with variably altered sedimentary horizons of the Mako volcano-sedimentary supergroup. A large granitic intrusion occupies the northwestern portions of the property, with several gabbroic and doleritic to felsic dykes intruding the sequence. Lithologies generally trend north-northeast to northeast with steep dips, although local variations are apparent.

Gold mineralization is mainly associated with flat lying white and smoky quartz veins developed within granodiorite, granite, and andesitic units which are brecciated in places. The gold mineralization has been traced in trenches excavated over a distance of 1,200 m and coincides with a termite geochemical soil anomaly extending over a 2,500 m strike length. The mineralization appears to be controlled by regional scale north-northeast trending decollement and imbricate thrust systems.

Nienienko Regional Prospects

Detailed geochemical soil sampling programs testing co-incident gold-molybdenum-copper and potassium anomalies identified by earlier regional termite mound sampling programs in areas adjacent to the Nienienko Main area have identified several separate gold mineralized shear zones which trend north-northeast or west-northwest regional structural trends which commonly host other gold deposits in the region. The shear zones frequently have quartz-carbonate alteration with quartz-carbonate-tourmaline veining and are sometimes gossanous.

SOUNKOUNKOU PERMIT

Diabougou Prospect

The Diabougou prospect is hosted by folded northeast and east-northeast trending sequences of Mako volcano-sedimentary schistose turbiditic sandstone, siltstone, greywacke, and mudstone units. The sedimentary package is intruded by gabbro, granodiorite, felsic porphyries, minor granitic dykes and large quartz-monzodiorite plugs and dykes. The hosting sediments have also been affected by upper greenschist grade metamorphic conditions. Gold mineralization is similar in style to Soreto mineralization.

KA Prospect

The KA prospect is hosted by Mako volcanosedimentary units comprised mainly of fine grained siltstone, shale and tuffaceous units intruded by felsic and gabbroic dykes. Gold mineralization occurs at the contact between a quarts-feldspar porphyry intrusive and siltstone-shale unit. The contact zone is often brecciated with multiple variably orientated, quartz vein stringers and sulphide box works following bedding and fold axial planer cleavages.

KC Prospect

The KC prospect overlies Mako volcanosedimentary units comprised of fine grained siltstone, shale, and tuffaceous units intruded by felsic and gabbroic dykes and sills. Gold mineralization occurs within a north-northeast trending shear structure with narrow discontinuous quartz veins and brecciated felsic intrusives, as well as alluvial gold in transported overburden ranging in thickness from 0.4 m to 0.6 m.

KD Prospect

KD prospect is hosted by Mako volcanosedimentary units comprised mainly of fine grained siltstone, shale, and tuffaceous units intruded by felsic and gabbroic dykes and Bouroumbourou granite. Gold soil anomalies coincide with northeast and northwest trending regional scale structures. Trenching and diamond drilling confirm that the gold mineralization is associated with narrow, discontinuous layer parallel quartz veins developed within sheared and sometimes brecciated fine grained, silicified, tourmalinized and sometimes hematized sediments.

8 DEPOSIT TYPES

The Sabodala district occurs in the West African (Birimian) Paleoproterozoic metallogenic province, which extends from Senegal and Mali through northeastern Guinea, Ivory Coast, Ghana, Burkina Faso, and as far as Niger (Figure 8-1).

The region includes several world class gold deposits such as Loulo and Sadiola in Mali, and Ashanti (Obuassi) in Ghana. The metallogenic district is associated with Paleoproterozoic aged epigenetic gold deposits which occur in 2.25 Ga to 1.90 Ga granite-greenstone belts of the Birimian and Tarkwaian cycles, which were deformed and metamorphosed during the Paleoproterozoic Eburnean orogeny adjacent to the Archean Sao Luis Craton in Guinea, Sierra Leone, and Liberia. Despite the abundance of known deposits, much of the region is poorly explored.

Gold deposits in the West African metallogenic district, including those on the Sabodala Project and the company's adjacent exploration concessions, show many characteristics consistent with their classification as orogenic (mesothermal) gold deposits and prospects. In addition to the deposits in western Africa, these include some of the largest gold deposits globally of variable age, such as the Archean aged Hollinger and Red Lake deposits in Canada and Kalgoorlie in Australia. Orogenic gold systems are structurally controlled deposits formed during regional deformation (orogenic) events. The term orogenic refers to deposits sharing common origin in metamorphic belts which have undergone regional compressional to transpressional deformation (orogenesis), often in response to terrane accretion or continent-continent collisional events.

Orogenic gold deposits exhibit a range of styles dependent on metamorphic grade, setting, fluid type, and fluid/confining pressure. They often include spatially associated quartz shear veins, extension vein arrays, shear zone and disseminated sulphide styles. At greenschist grade, vein dominated styles such as those developed in the Sabodala district contain quartz-carbonate ± albite ± K-feldspar veins with up to 10% (pyrite ± arsenopyrite ± base metals) sulphides and associated Fe-carbonate albite, chlorite, scheelite, fuchsite and tourmaline as associated vein and hydrothermal alteration assemblages. Vein systems and shear zones are often semi-brittle in style, including both brittle veining styles (extension veins and fault hosted brecciated shear veins), which alternate with periods of ductile deformation, producing sequences of early folded and younger less strained vein systems during latter periods of regional deformation at peak to immediate post-peak metamorphic timing. Sigmoidal extension vein arrays are often present and are typical of the deposit style. This deposit type often also has great vertical extent providing potential for discovery of significant down dip and down plunge continuations of mineralized zones.

Orogenic deposits are typically localized adjacent to major faults (shear zones) in second and third order shear zones within volcano-sedimentary (greenstone and sedimentary) belts between granitic domains (commonly for Precambrian deposits such as the West African Birimian, Abitibi Greenstone Belt of Canada and Yilgarn region of Western Australia) or in slate belt turbidite sequences (many Phanerozoic age deposits). Fluid source for these systems is controversial: they generally involve a dominant metamorphic fluid component, consistent with their setting and relative timing, however, in many districts there is also evidence for a contributing magmatic fluid inducing early oxide-rich alteration assemblages, as is seen at Sabodala.

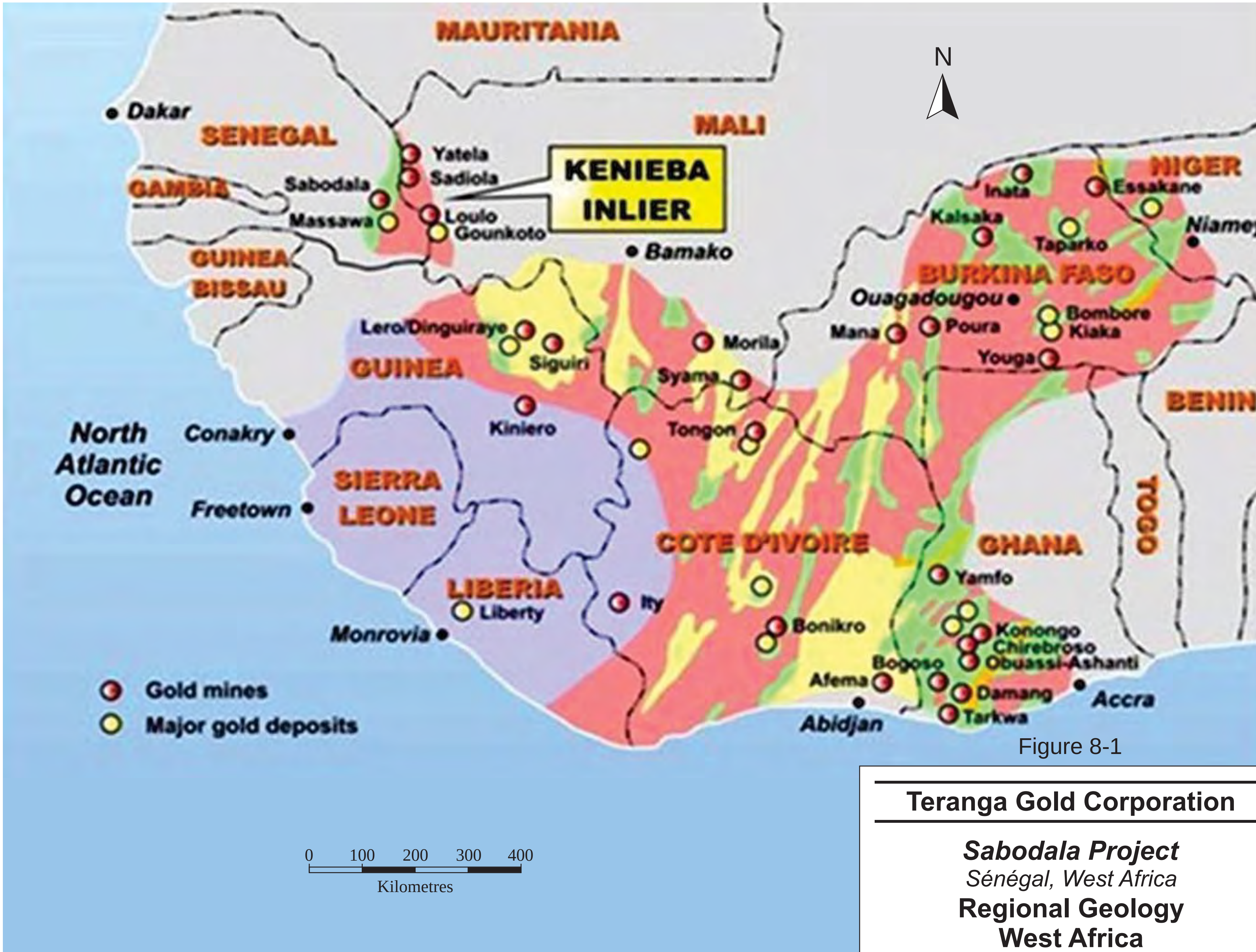


Figure 8-1

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Regional Geology West Africa

March 2016

Source: Teranga Gold Corporation, 2016.

9 EXPLORATION

EXPLORATION APPROACH

Exploration results from previous operators are presented in this section. Unless otherwise stated, exploration work completed prior to December 2010 was performed by the previous operator MDL; work after that time was performed by Teranga.

A phased approach has been used to explore the exploration permits.

PHASE 1: TARGET GENERATION

The following data types are collected and compiled.

- Airborne geophysics are interpreted and integrated with field geology (regolith and outcrop mapping) to identify major prospective structures, lithologies, and alteration zones and provide a project scale regolith framework in which the context of any surface geochemistry can be evaluated.

- Surface geochemistry to delineate gold-bearing corridors and targets.

- RAB drilling and trenching of prospective structures where extensive transported materials render surface sampling of low effectiveness.

This work also includes geological mapping. Phase 1 of the exploration process is essentially completed and Teranga's future exploration programs will be focused on Phase 2 and Phase 3 as outlined below.

PHASE 2: PRIORITIZATION AND RANKING

Based on the compiled data from Phase 1 and the knowledge base of the SMC exploration team, targets are ordered by best chance of hosting economic mineralization that meets the following objectives:

- To increase Mineral Reserves on the mine leases, which entails:
  - Measured, Indicated, and Inferred Resource conversion within economic pit limits.
  - Defining mineralized extensions along strike and outlining high grade zones within economic pit limits.

- Identify heap leachable reserves on the mine leases:
  - Delineating oxide ore in addition to areas already identified within the deposits being mined or going to be mined within the next two years.

  - o Delineating extent of transition zones, defining comminution parameters, and determining the resources amenability to various leaching processes.
  - o Selection criteria based on size amenable to mining recovery at a diluted economic grade.

- Identify and evaluate open-pit satellite deposits within economic distance of current mining operations:
  - o Orebody geometry and diluted grades are required to support open pit mining.
  - o Deposits must have economic potential, leach amenability, and scalability for haul to Sabodala.

- Standalone potential and to be exploited as open pit operations:
  - o Prioritization of targets within prospects with potential to yield in excess of one million ounces of gold.
  - o Identification of targets with significant (>100 ppb Au) soil anomalies coinciding with 1st, 2nd, and 3rd order shear structures supported by favourable trenching results
  - o Flat lying gold mineralized structures similar in style to Sabodala are given the highest preference.

PHASE 3: TARGET TESTING

- Trenching is carried out in areas of shallow soil cover to map the gold bearing zones and provide a first pass evaluation of their potential.

- RC and diamond drilling are used to systematically test the defined targets and develop structural models for understanding of mineralization continuity.

Where significant mineralization has been identified, systematic RC and diamond drilling is employed to ascertain dimension and quality of the target area.

GEOPHYSICAL SURVEYS AND INVESTIGATIONS

Various sets of Landsat, Aster, and Quickbird images are available for most of the permit areas. These have been used in remote sensing interpretations by J Kaisin of GESS (Geology Exploration Support Services) to produce project wide, consistent regolith maps.

In October 2005, Worley Parsons GPX conducted an airborne survey on 100 m line spacing, acquiring magnetic, radiometric, and digital terrain data. This survey covered 100% of the Near Mine, Faleme Projects and 60% of the Dembala Berola Project.

From May to November 2007 Fugro Airborne Surveys (Pty) Limited flew a 133,817 line km aeromagnetic and radiometric survey over eastern Senegal on behalf of the Ministry of

Finance and Economy. The survey was flown on 250 m spaced lines on a 135 azimuth at a survey height of 80 m. This survey provided coverage over the remaining parts of the exploration permits and allowed SMC to improve its understanding of the regional structures and geology.

A digital terrain model is available from the 2005 airborne geophysical datasets. In addition to that there are 1:200,000 scale government topographic maps available. For some areas 1:100,000 and 1:50,000 scale maps are available.

A dipole-dipole IP survey was completed over the mine lease during 2008.

Several phases of interpretation of the above geophysical data set have been completed:

- In 2006, a regional interpretation of the Mako Belt by Dave Isles, at 1:100,000 scale.
- In 2007, a regional interpretation of the 2005 SMC survey by Rankin at 1:100,000 scale.
- In 2007, Nick Lockett and Associates completed a Quickbird, remote sensing interpretation of outcrop and regolith geology of the Dembala Berola Project the interpretation was integrated with the available aeromagnetics.
- In 2009 and 2010, consultant Jean Kaisin was engaged for several project scale interpretations of SMC and government flown geophysical datasets. The interpretation was produced at 1:25,000 scale. The interpretation integrated the aeromagnetics, existing geological knowledge, DTM, radiometric and satellite imagery. The resultant fully attributed GIS map contains interpreted basement geology, regolith, and structure. The exception is the Massakounda permit, which remains to be integrated into this map.

During 2011, IP surveys were completed over the Majiva prospect at Makana (Near Mine Project), KC, Jam, and Gora (Faleme Project). The surveys were completed by crews of SAGAX Africa Limited, based in Ouagadougou, Burkina Faso.

SOIL, TERMITE MOUND AND ROCK CHIP GEOCHEMISTRY

Surface geochemical sampling is an integral part of SMC's early exploration strategy. Prior to 2008, the general approach was to obtain a first pass coverage of 400 m x 100 m spaced soil samples for gold analysis. In areas of positive responses infill sampling to 200 m x 50 m may be carried out. Large surveys have been completed on virtually all projects (Table 9-1).

From 2008 to 2013, SMC adopted cathedral termite mount sampling as the preferred regional geochemical sampling medium. These termites are known to bring material to surface from as deep as the water table potentially exposing buried mineralization in areas of shallow surface cover. There is also a great advantage in terms of the speed that the surveys can be completed.

Large termite mound surveys have been completed on the Faleme, Near Mine, and Dembala Berola Projects. Regional termite mount sampling campaigns have been conducted on a nominal 200 m x 50 m spacing.

At the end of 2014, detailed geochemical soil sampling programs were undertaken on the Heremako Permit to investigate co-incident gold-molybdenum-copper and potassium anomalies identified by earlier regional termite mound sampling programs. Grid lines were spaced at 100 m intervals with samples collected at 50 m intervals along lines. A total of 6,079 samples were collected (Figure 9-1). These samples were sent to ALS Chemex South Africa Limited for 51 element analysis by aqua regia and ICP-AES-ICP-MS analysis. Rock chip samples were collected concurrently with the soil sampling program. The sampling programs led to the discovery of several shear zones both following the north-northeast regional scale structural trend which is host to other gold deposits in the region. The shear zones are characterized by quartz-carbonate alteration zones 10 m to 20 m in width with quartz veining and gossan development. These zones and other gold soil anomalies were followed up with trenching programs in 2015. A minor soil sampling program was undertaken on the Sounkounkou Permit KC prospect with the objective of locating the source of transported gold identified in trenches.

The Regional Exploration geochemical data base contains gold analysis from over 45,193 soil samples, 104,350 termite samples, and over 15,023 rock chip samples from the exploration programs, (Tables 9-1 through 9-3 and Figure 9-1). Large surface geochemical datasets have also been received from Axmin for the joint venture permits of Sounkounkou, Heremakono, and Sabodala Northwest.

TABLE 9-1 REGIONAL EXPLORATION PERMITS - TOTAL SAMPLE SUMMARY FOR THE PERIOD 2005 TO DECEMBER 2015
Teranga Gold Corporation - Sabodala Project

Permit	Soil	Termite	Rock Chip
Bransan	8,662	16,512	2,567
Bransan South	422	383	0
Dembala Berola	9,981	16,538	3,290
Heremakono	12,330	24,456	5,901
Massakounda	3,952	7,815	81
Sabodala West	73	1,201	0
Saiansoutou	0	13,746	0
Sounkounkou	9,773	23,699	3,184
Total	**45,193**	**104,350**	**15,023**

TABLE 9-2 REGIONAL EXPLORATION SAMPLE SUMMARY FOR THE PERIOD APRIL 2013 TO DECEMBER 2015
Teranga Gold Corporation - Sabodala Project

Permit	Soil	Termite	Rock Chip	Trench #	Trench m
Bransan	0	0	0	0	0
Bransan South	0	0	0	0	0
Dembala Berola	0	0	0	0	0
Heremakono	6,400	0	3,675	88	9,713
Massakounda	0	0	33	0	0
Sabodala West	0	0	0	0	0
Saiansoutou	0	0	0	0	0
Sounkounkou	340	0	511	39	7,629
Total	**6,740**	**0**	**4,219**	**127**	**17,342**

TABLE 9-3 SABODALA MINING CONCESSION - EXPLORATION SAMPLE SUMMARY
Teranga Gold Corporation - Sabodala Project

Sabodala Mining Concession	Soil	Termite	Rock Chip	Trench #	Trench m
April 2013 to December 2015	1,200	0	2,262	84	9,072
2005 to December 2015	72,904	0	5,686	581	77,066

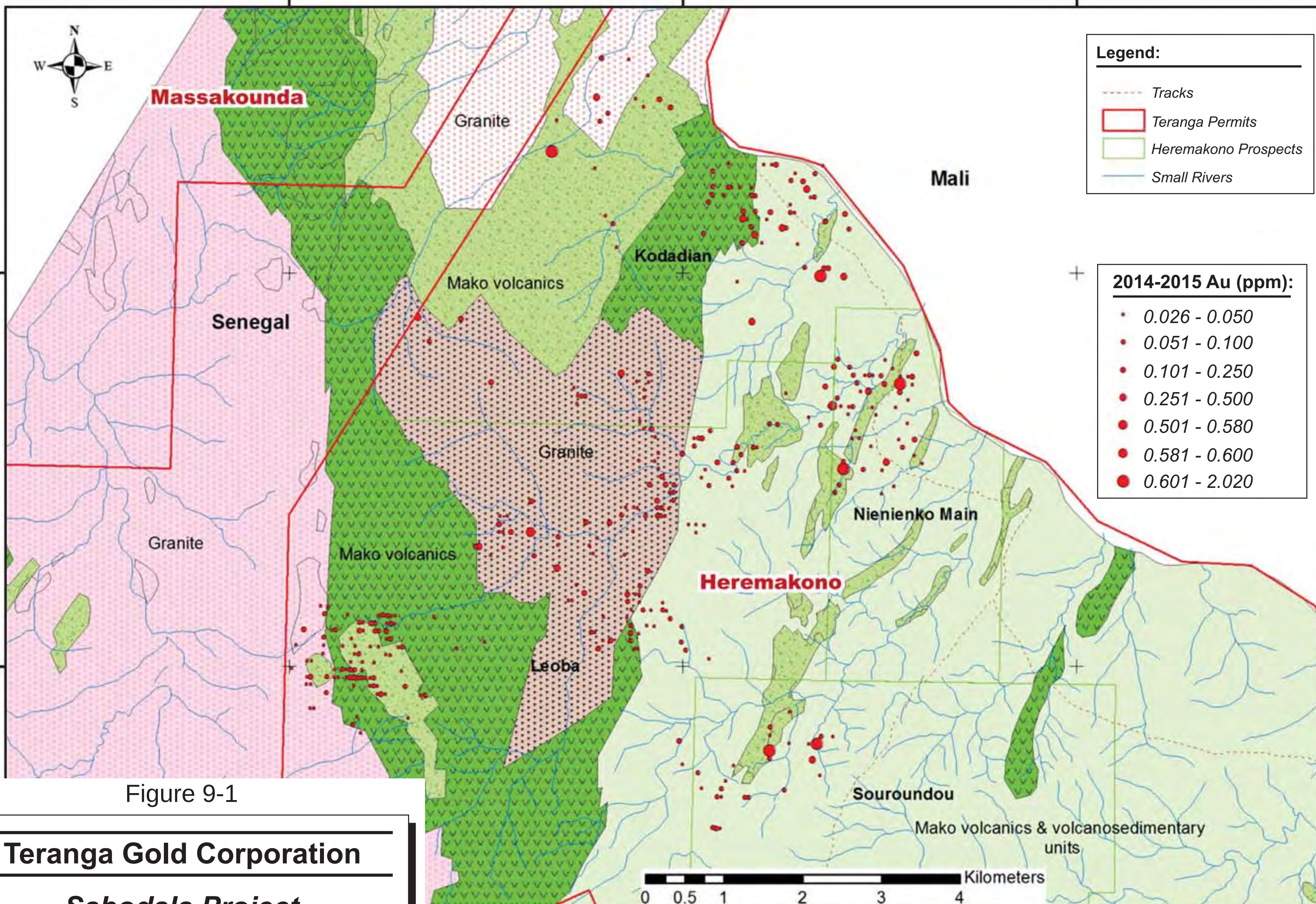


Figure 9-1

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Heremakono Permit 2014-2015 Soil Sampling Grid Gold Anomalies

March 2016

Source: Teranga Gold Corporation, 2016.

RPA

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GEOLOGICAL MAPPING

Geological mapping has been conducted largely by SMC staff geologists on selected prospects in all project areas.

Mapping has been undertaken on the Near Mine Project prospects of Goumbou Gamba, Goumbou Gamba South and North, Diadiako, the SSC and prospect areas on the Bransan Permit.

On the Faleme Project, prospect scale geological mapping has been completed on the Gora, all the Diegoun prospects, KA, KB, KC, KD, KE, Soreto, Soreto North, Nienienko Main, Nienienko Regional, Soreto SW Corridor, and Diabougou prospects. The Diakhaling and Dantoumangoto prospects were also mapped.

During 2014 and 2015, geological mapping was carried out on the Heremakono Permit prospects Nienienko Main, Nienienko Regional, and Soreto prospects in conjunction with the soil sampling programs. On the Sounkounkou Permit geological mapping was undertaken on the KA, KD, and Diabougou prospects.

On the Dembala Berola Project, prospect scale mapping has been completed on Goundameko and its north extension, Dembala Hill, Seven Hills, Saiansoutou, Saiansoutou Extension, Berola Hill, Some, Bondala and Gora by SMC geologists. The Tourokhoto and Tourokhoto Marougou prospect mapping was conducted by J Kaisin (GESS). For the period 2014 -2015, no mapping was undertaken in the Dembala Berola Project area.

Regional scale mapping over the Massakounda Permit was completed by Geoter, as part of 400 m x 100 m soil geochemical grid covering 90% of the property. For the period 2014 - 2015, no mapping was undertaken Massakounda Permit.

During the period 2014 to 2015, geological mapping was undertaken on the Sabodala Mining Concession prospects Niakafiri, Masato Northeast, and Maki Medina East prospects.

2014 TO 2015 EXPLORATION

AMC (2014) describes exploration and drilling activities on the Regional, Sabodala Mining Lease, and OJVG Mining Concession for the period prior to 2005 to April 2014.

During the period 2014 to 2015, exploration focused on 20 targets within its Regional Exploration Package and 19 targets on the combined Sabodala Mining Concession area.

On the Regional Exploration Package, the Bransan Permit prospects and soil anomalies were re-evaluated. Soil sampling and trenching programs were undertaken on the Heremakono Permit prospects of Nienienko Regional, Nienienko Main, and Soreto. On the Sounkounkou Permit soil sampling was undertaken on the KC prospect with trenching programs on KA, KD, and Diabougou. Diamond drilling was undertaken at Soreto and KA prospects. A drill program was undertaken on the Marougou prospect on the Dembala Berola Permit. The "Doughnut Prospects which include Diegoun North and South, Cinnamon and Cinnamon West were re-evaluated and results re-interpreted.

On the Sabodala Mining Concession, resource definition diamond drilling was carried out on Masato potential high grade ore shoots as well as the Maki Medina, Niakafiri Southwest, Golouma South, and Soukhoto deposits. Trenching and drilling programs were undertaken on Golouma Northwest Extension, Masato Northeast, Kerekounda Extension, Maki Medina East and the Goumbati East, and Goumbati West prospects.

BRANSAN PERMIT

Exploration work carried out by Teranga from 2014 to 2015, entailed the reassessment of earlier exploration data to evaluate the economic potential of the permit. A number of soil anomalies were singled out for further follow-up in 2016. The Diadiako deposit was identified as having possible down dip extensions which warranted follow-up depending on economic mining conditions.

DEMBALA BEROLA PERMIT

Teranga explored had completed additional RC drilling programs on the Marougou Prospects in 2012 and 2013.

A diamond drillhole (DDH) program commenced at Marougou at the end of December 2015 with the aim of confirming the structural and lithological controls on the gold mineralization identified in the 2012-2013 RC drilling program. Initial indications suggest that the gold mineralization occurs in quartz vein stringers developed within medium grained immature sandstone units up to six metres in width. The DDH program will continue in 2016.

MAROUGOU PROSPECT

The Marougou prospect soil anomaly previously investigated by a series of RAB and RC drilling is currently being reassessed by means of a limited diamond drill program which will provide structural information on the orientation of the mineralized zones which is open to interpretation.

SOUNKOUNKOU PERMIT

Exploration in 2014 and 2015 focused on the Diabougou, KC, KD, and KA prospects where limited trenching programs were undertaken with DDH programs being conducted on KD, Diabougou, and KA prospects.

KA PROSPECT

The KA gold mineralization outlined by a regional soil geochemistry program, RAB drilling and trenching is currently being re-assessed. Trenching undertaken in the fourth quarter 2015 has identified a flat lying gold mineralized zone at the contact between a quarts-feldspar porphyry intrusive and siltstone-shale unit. The contact zone is often found to be brecciated with multiple variably orientated, quartz vein stringers and sulphide box works. Horizontal channel sampling across the zone yielded 0.8 g/t Au over 28 m containing a high of nine metres grading 1.4 g/t Au. Vertical channel sampling across the same zone yielded a high of 6.1 g/t Au over 0.5 m.

KD PROSPECT

Mapping and outcrop sampling programs were undertaken on KD in 2014. The programs investigated and followed up gold in soil anomalies identified in regional termite mound sampling surveys. The anomalies coincide with northeast and northwest trending regional scale structures. Rock chip sampling of outcrop within a northwest trending shear zone in metasediments yielded a number of elevated gold values including 40 g/t Au and 83 g/t Au. During 2015, a 3,500 m follow-up trenching program was undertaken. Trenching confirmed that the gold mineralization was associated with narrow layer parallel quartz veins developed within sheared and sometimes brecciated metasediments.

A reconnaissance trenching across a 600 m long gold soil anomaly paralleling a regional NNE trending regional scale structure located a gold mineralized zone with grades of 7.3 g/t Au over two metres and 15.8 g/t Au over two metres. Follow-up trenching of this zone is planned for the first quarter of 2016.

HEREMAKONO PERMIT

Exploration in 2014 and 2015 focused on the Soreto, Nienienko Main, and Nienienko Regional prospects. Trenching programs were undertaken on the Nienienko Main and Nienienko Regional prospects as part of a follow-up of gold anomalies identified by the 51 element soil sampling program in 2014 (Figure 9-1). A DDH drill program was conducted on the Soreto prospect.

SORETO

The Soreto prospect is located in Mako Group volcano-sedimentary sequences comprised of volcanoclastics, siltstones, greywacke, and mudstones which have been intruded by granite, quartz-feldspar porphyries, granodiorite, gabbro, and quartz-monzodiorite to form plugs and dykes. Airborne magnetic data indicates that the units are isoclinally folded with fold axis trending northeast and east-northeast. The sequences have also undergone upper greenschist grade metamorphism.

The gold mineralization, which is often visible, is associated with quartz-carbonate veins occurring in shear and breccia zones developed in the sediments and felsic intrusives. These zones range in width from two metres to 15 m and are characterized by intense K-feldspar-albite-sericite alteration and micro-fracturing, pyrite and trace amounts of chalcopyrite are present in both mineralized and unmineralized samples. The occurrence of the quartz veins and gold mineralization appear to be controlled by north and north-northeast trending structures, dipping both moderately and steeply to the southeast (50º–70º). Conjugate northwest southeast trending structures with associated gold mineralization have also been observed. These structures are interpreted as being related to regional shear and thrust zones. Gold mineralization also appears to be closely associated with the presence of quartz-feldspar porphyry dykes.

Several zones with the characteristic brecciation, alteration, and quartz-carbonate veining associated with gold mineralization were intersected in the drillholes with some of these zones containing visible gold.

The gold in soil anomalies suggest that the zones of gold mineralization intersected in the drillholes extends to the northeast and southwest, over a total strike length in excess of four kilometres. A trenching program was started in 2015 to test the structural and mineralization extension further to the northeast based on the termite and soil anomaly, after which justification for an additional drilling campaign will be evaluated.

NIENIENKO

The Nienienko prospect is located approximately 40 km northeast of the Sabodala mine. The area is underlain by Mako Group volcano-sedimentary sequences comprised of mafic volcanics and volcanoclastics, which have been intruded by granite, quartz-feldspar porphyries, granodiorites, and diorite dykes. The prospect occurs within the same shear trend as Sabodala.

An extensive mapping and 1,500 m trenching program was undertaken during the second and third quarters of 2014. This work outlined a 500 metre-plus wide zone with gold mineralization occurring in flat-lying, near surface (zero to two metres) quartz veins and felsic breccia units occurring over a strike length of 1,500 m (Nienienko Main). At Nienienko Main the mineralization is structurally controlled and associated with near surface flat lying quartz veins and brecciated felsic rocks which coincide with north-northeast and northeast shear zones and thrusts.

Due to the extent of geochemical anomalies outlined to the west of Nienienko Main, it was determined that further work would be required over the span of the entire Nienienko prospect prior to embarking on a drill program in the Nienienko Main area. A detailed geochemical soil sampling program commenced in the fourth quarter of 2014 to follow up and test coincident gold-molybdenum-copper and potassium anomalies identified by an earlier regional termite mound sampling program to the west of the Nienienko Main. A total of 6,082 soil samples were collected and sent to ALS Johannesburg in South Africa for analysis.

The sampling program (Figure 9-1) was completed in January 2015. Results have outlined anomalous gold in soil values coinciding with shear zones following the north-northeast regional scale structural trend which is host to other gold deposits in the region. Rock chip samples collected from several of the shear zones yielded elevated gold values. The shear zones are 10 m to 20 m in width and characterized by quartz veining and gossan development with quartz-carbonate alteration. Trenching programs commenced June 2015 to test the shear zones and other gold soil anomalies with a view to undertaking follow-up DDH programs in 2016.

MASSAKOUNDA PERMIT

Exploration on the Massakounda Permit entailed limited reconnaissance mapping, termite and soil geochemical sampling programs, and rock chip sampling on a limited scale. No exploration work was undertaken on the Massakounda Permit during the 2014 to 2015 period.

SABODALA MINING CONCESSION

MASATO

The Masato deposit occurs in the north central portion of the concession, several kilometres to the north of Golouma West, within a zone of highly magnetic mafic and ultramafic volcanics. The geology of Masato is dominated by a north-northeast-south-southwest (approximately 020º) trending ductile shear zone several tens of metres in width. The mineralization is hosted within multiple shear fabric-parallel zones with the broader shear zone. This shear zone can be traced to the north and particularly to the south, where it appears to host further mineralization at Niakafiri Southeast. Exploration was mainly drill based and is described in the drilling section of this report.

MASATO NORTHEAST

The Masato NE prospect is situated along a northeast trending structural splay off the main Masato structural trend, approximately two kilometres km at surface and located one kilometre northeast of the Masato deposit. The prospect coincides with soil anomalies along part of its strike length and high grade samples taken from artisanal workings in the north end. An exploration trenching program commenced at Masato NE during the third quarter of 2014 and was completed in January 2015 (Figure 10-1 in Section 10 Drilling). Twenty-four trenches totalling 4,461 m were completed across the prospect. Detailed trench mapping and sampling successfully confirmed the interpreted northeast trend and extents of the shear zone. These trenches intersected a 30 m to 60 m wide shear zone variably trending 20° to 60° azimuth across a two kilometre strike length. The shear zone is comprised of weakly to strongly sheared and altered oxidized volcanics, unaltered and altered felsic and mafic intrusives with two centimetre to 60 cm quartz veins. The quartz veins are locally folded and trend approximately parallel to the shear trend, with dip measurements at surface averaging -50° to -85° to the west-northwest.

Narrow quartz veins from two centimetres to 10 cm were intersected outside of the main shear zone in a parallel shear zone to the west. To the east of the main shear zone, six centimetre to 25 cm quartz veins trending north-northeast and dipping -55° to -70° to the west-northwest were intersected in oxidized fractured volcanics. At the east margin of the shear zone, a 40 cm to 50 cm quartz vein trending east-west was intersected and coincides with a soil anomaly.

All trench assay results confirm the location and source of the soil anomalies. The anomalous gold grades are associated with quartz veining in strongly sheared and siliceous, carbonate altered volcanics inside the main northeast shear zone and in adjacent parallel shears, as well as in oxidized fractures in unaltered to weakly altered volcanics.

GOLOUMA NORTHWEST

The Golouma Northwest zone is located 200 m to 500 m north of, and sub-parallel to, the Golouma West reserves. The area is dominantly covered by massive and pillowed mafic volcanics intersected by shear zones trending west-northwest and north-northeast.

Northwest trending mineralized zones were previously delineated with limited drilling down dip and are currently classified as Inferred Resources. Gold mineralization is associated with two metre to 10 m wide shear zones vertically or steeply dipping to the south, and extend approximately 350 m along strike and 100 m down dip. Anomalous gold grades are associated with weak to strong shearing, carbonate-sericite-silica alteration and local quartz-carbonate-tourmaline veining with visible gold.

A 15 m to 45 m wide shear structure trending 250 m north-northeast and dipping west is located to the west, and adjacent to, the northwest trending mineralized zones. Anomalous gold values were previously intersected in surface trenches and are associated with strongly sheared and altered mafic volcanics with quartz veining.

A number of trenches were excavated on the deposit which confirmed mineralization trends, Exploration was however mainly drill based and is described in the drilling section of this report.

KEREKOUNDA

The Kerekounda deposit is located approximately 1.5 km to the north of the Golouma South deposit, within the same east-northeast structural trend that hosts Golouma area mineralization. The deposit is hosted by weakly to moderately deformed mafic volcanics, similar to the host rocks at Golouma.

Kerekounda mineralization is hosted in three shear zones located between two north-northeast trending regional structures, interpreted as curvilinear splays from the larger Golouma-Kerekounda shear zone to the east. Mineralization zones trend northwest and dip 50° to 70° southwest. Previous drilling has defined mineralization over a 300 m strike length and 400 m below surface.

Mineralization is associated with one metre to ten metre wide shear zones that include quartz-carbonate veins within carbonate dominated alteration. The highest gold grades are associated with the larger veins or higher percentage of quartz veins, especially those containing tourmaline, strong shearing and alteration, and the presence of visible gold. Exploration was mainly drill based and is described in the drilling section of this report.

MAKI MEDINA EAST

Previous soil sampling identified a parallel trending gold anomaly located 200 m to the east of the Maki Medina deposit extending 700 m along strike and 200 m in width. This is referred to as the Maki Medina East prospect.

Trenches totalling 2,500 m were excavated on the prospect. The trenching program tested soil anomalies across a 640 m north-south strike direction and successfully identified a number of drill targets. A seven DDH drilling program totalling 793 m was completed in 2015.

Mineralization is associated with narrow quartz veins and breccia zones.

MAKI MEDINA

The Maki Medina deposit is situated along the same steeply west dipping north-northeast trending structural zone that hosts two deposits to the north, Masato and Niakafiri, and two to the south, Kobokoto and Kinemba.

Previous drilling defined a northern zone and a smaller southern zone containing an estimated one million tonnes of oxide ore at just over one gram per tonne.

Trenching was undertaken to investigate a 300 m long soil anomaly to the south of the main mineralized zone. Initial sampling results indicate that the gold mineralization extends to the south. A 23 DDH drilling program totalling 1,303 m to test the depth extension of this southern extension to the Maki Medina Main zone was completed in 2015.

GOLOUMA SOUTH

The Golouma South deposit is located in a north-northeast trending ductile shear zone and consists of sub-parallel mineralized zones coinciding with higher strain zones, intense alteration, and quartz veining occur within the shear. Mineralization has been defined approximately 640 m along strike and 560 m below surface, and remains open at depth. Exploration was mainly drill based and is described in the drilling section of this report. A DDH drilling program of 13 holes totalling 1,000 m was completed in 2015.

NIAKAFIRI SOUTHWEST

Exploration was mainly drill based and is described in the drilling section of this report. A 14-hole diamond drilling program was completed in 2015. A total of 1,003 m was drilled with all assay results returned.

Drilling did not intersect additional mineralization along strike, but infilled gaps between wide spaced drillholes to confirm geology and grade continuity. An updated resource model was completed in the fourth quarter 2015.

SOUKHOTO

Soukhoto mineralization is located in a regional northeast trending structural corridor, and situated 1.5 km south of the Sabodala deposit, 800 m north of the Niakafiri West deposit and 800 m west of the Dinkokono deposit.

Mineralization was previously intersected in variably spaced holes, 30 m to 80 m apart on three 40 m spaced sections. Exploration was mainly drill based and is described in the drilling section of this report. Eight DDH holes totalling 502 m were drilled.

GOUMBATI WEST

The Goumbati West prospect is situated one kilometre southwest of the Kobokoto gold deposit. The gold mineralization at Goumbati West occurs within a 1.2 km long north-northeast trending shear structure. It comprises a series of quartz veins occurring in a sheared sequence of epiclastics and minor basalt. It is highlighted by a 400 m long gold soil anomaly with highs of 200 ppb Au to 500 ppb Au and appears to be an extension of the Niakafiri SW shear. Drilling and trenching programs are currently underway on this prospect.

GOUMBATI EAST

Goumbati East is located three kilometres southwest of Golouma South in-between the Niakafiri and Golouma structural corridors. Mineralization is highlighted by a series of gold soil anomalies with highs of 200 ppb Au to 500 ppb Au which are coincident with west-northwest and northeast trending shear structures containing quartz veins within a sequence of volcanoclastics and basalts. Drilling and trenching programs are currently underway on this prospect

KOUROUNDI

The geology of the Kouroundi deposit consists of mafic metavolcanics, which have been locally strongly deformed by two major shear zones. The main gold bearing shear zone strikes to the northwest and dips approximately 40° to the southwest, and is generally 10 m to 40 m wide. The second major shear zone is located at the southern end of the prospect and is perpendicular to the main gold bearing shear zone. The second shear zone strikes westerly, dips steeply to the north, is approximately 25 m to 35 m in width and appears to interrupt/cut-off gold mineralization where it intersects the main gold bearing shear. Prominent and minor intermediate dykes intrude both shear zones, and are oriented generally sub-parallel to the strike of both shears. The most prominent intermediate dyke is located in the footwall of the gold bearing shear and is approximately 10 m in width and strikes towards the north.

Oxidation at Kouroundi is quite variable; with oxidation in the hanging wall commonly extending down 30 m to 50 m. Oxidation within the footwall is more intermittent with oxidation locally extending to depths of over 100 m, especially towards the north, where the mineralized zone extends beneath a very thick laterite plateau.

At Kouroundi, the main gold zone has been traced by trenching and drilling for approximately 100 m along strike, and approximately 150 m down-dip. It strikes to the northwest and dips shallowly to moderately (approximately 40º) to the southwest.

The main gold bearing shear zone strikes to the northwest and dips approximately 40° to the southwest, and is generally 10 m to 40 m wide. The second major shear zone is located at the southern end of the prospect and is perpendicular to the main gold bearing shear zone. The second shear zone strikes westerly, dips steeply to the north, and is approximately 25 m to 35 m in width. This zone appears to cut-off gold mineralization where it intersects the main gold bearing shear.

Gold mineralization at Kouroundi is characterized by strong to intense carbonate-sericite-silica-albite-pyrite alteration with local quartz-tourmaline veining hosted in strongly sheared mafic metavolcanics. The main gold zone varies in thickness from 5 m to 10 m and has been traced for 100 m along strike to the northwest. Gold values within the zone are generally weak (200 ppb Au to 700 ppb Au) at its southern margin, where the zone intersects the prominent east-west shear zone. Gold values gradually increase in grade towards the northwest (500 ppb Au to 2,000 ppb Au) with a few high-grade intervals (one metre at 5 g/t Au to 12 g/t Au) present in the northernmost drilling.

Exploration was mainly drill based and is described in the drilling section of this report.

10 DRILLING

2005 TO APRIL 2013

Teranga and its predecessors drilled approximately 4,606 diamond and RC drillholes totalling 879,125 m on the Sabodala Mining Concession, as summarized in Table 10-1.

TABLE 10-1 SABODALA MINING CONCESSION DRILLING 2005 TO APRIL 2013
Teranga Gold Corporation - Sabodala Project

Deposit/Prospect	No. of Holes	RC (m)	DD (m)	Total (m)
Ayoub's Extension	159	18,700	20,085	**38,785**
Base of Sambaya Hill	53	4,066	3,742	**7,808**
Dambakhoto Sterilization	5	870	0	**870**
Dinkokono	89	6,879	5,599	**12,478**
Faloumbo	5	638	277	**915**
Flat Extension (Sabodala)	63	11,359	17,196	**28,555**
Golouma East	4	0	623	**623**
Golouma Northwest	26	0	3,470	**3,470**
Golouma South	192	11,003	28,926	**39,929**
Golouma West	357	27,849	61,536	**89,385**
Gora	437	48,769	21,558	**70,327**
Goumbati	7	0	852	**852**
Kerekounda	193	18,612	26,042	**44,654**
Kinemba	32	4,141	1,524	**5,665**
Kobokoto	99	7,701	6,073	**13,774**
Korolo	6	886	0	**886**
Koutouniokollo	37	1,255	4,423	**5,678**
Koulouqwinde	100	4,294	14,644	**18,938**
Kourouloulou	162	7,356	20,851	**28,207**
Kouroundi	14	0	2,005	**2,005**
Makana	4	623	0	**623**
Maki Medina	124	9,665	9,144	**18,809**
Mamasato	63	1,446	9,260	**10,706**
Masato	585	65,765	74,291	**140,056**
Masato North	6	0	870	**870**
Niakafiri Main	160	13,334	7,847	**21,181**
Niakafiri Southeast	115	6,961	15,155	**22,116**
Niakafiri Southwest	39	4,200	2,528	**6,728**
Niakafiri West	62	6,765	740	**7,505**
Niak-orst	4	634	0	**634**

Deposit/Prospect	No. of Holes	RC (m)	DD (m)	Total (m)
Sabodala	1,021	92,982	96,491	**189,473**
Sabodala North	15	2,086	1,539	**3,625**
Saboraya	16	2,249	485	**2,734**
Sambaya Hill	53	7,082	1,856	**8,938**
Sekoto	26	1,761	1,303	**3,064**
Soukhoto	46	3,553	1,634	**5,187**
Sutuba	212	15,615	5,817	**21,432**
Torosita	15	842	798	**1,640**
Total	**4,606**	**409,941**	**469,184**	**879,125**

On the regional exploration permits, Teranga, its predecessors and joint venture partners drilled approximately 11,597 diamond, RC and RAB drillholes totalling 287,267 m, as summarized in Table 10-2.

TABLE 10-2 REGIONAL EXPLORATION PERMIT DRILLING 2005 TO APRIL 2013
Teranga Gold Corporation - Sabodala Project

Permit	Deposit/Prospect	No. of Holes	DD (m)	RC (m)	RAB (m)	Total (m)
Bransan	Bransan	22	0	0	868	868
	Dendifa	256	0	0	2,635	2,635
	Diadiako	465	3,316	5,944	13,190	22,450
	Diadiako East	1,130	0	2,774	30,959	33,733
	Goumbou Gamba	279	493	4,511	10,551	15,555
	Goumbou Gamba South	362	0	642	6,569	7,211
	Sougoutoukourou	271	194	0	8,265	8,459
	SSC	730	0	0	19,292	19,292
Bransan South	Bransan South	84	0	0	2,600	2,600
Dembala Berola	Cinnamon West	8	0	1,460	0	1,460
	Dembala Hill	147	1,057	4,169	4,463	9,689
	Goundameko	115	0	6,037	2,438	8,475
	Khossaguiri	130	0	0	2,855	2,855
	Saiansoutou	3	0	0	306	306
	Tourokhoto/Marougou	1,116	1,691	21,662	23,277	46,630
Heremakono	Nienienko	4	326	0	0	326
	Soreto	8	981	0	0	981
Saiansoutou	Saiansoutou	287	0	2,800	10,580	13,380
Sounkounkou	Cinnamon	715	0	1,100	10,365	11,465
	Dantoumangoto	205	0	0	1,420	1,420
	Diabougou	247	323	1,775	4,695	6,793
	Diakhaling	222	0	0	2,802	2,802
	Diegoun South	562	1,681	1,763	5,961	9,405

Permit	Deposit/Prospect	No. of Holes	DD (m)	RC (m)	RAB (m)	Total (m)
	Honey	373	0	3,523	3,125	6,648
	Jam	841	2,379	8,039	8,105	18,523
	JC Corridor	1,447	0	0	12,573	12,573
	KA	493	270	0	5,783	6,053
	KB	400	720	1,196	3,919	5,835
	KC	638	129	0	7,780	7,909
	KD	4	0	0	123	123
	KE	8	0	0	55	55
	Sterilization	25	338	0	420	758
	Total	**11,597**	**13,898**	**67,395**	**205,974**	**287,267**

Drilling on the Sabodala Mining Concession and the regional exploration permits are detailed in AMC (2014).

MAY 2013 TO 2015

Teranga completed 1,131 diamond, RC and RAB holes totalling 37,621 m on the Sabodala Mining Concession. Drilling during this period was focused on Masato, where infill diamond and RC drilling was undertaken to further delineate and confirm resources. Additional diamond drilling was conducted at Golouma Northwest, Golouma South, Kerekounda, Maki Medina, Niakafiri Southwest and Soukhoto to confirm resources and test mineralization extents. A RAB sterilization program was conducted over the planned dumps and lay down footprint areas at Masato and Golouma South. Sabodala Mining Concession drilling is listed in Table 10-3.

A total of 45 diamond drillholes totalling 7,320 m was completed at the Marougou, Soreto, KA and KD prospects on the regional exploration permits, and are listed in Table 10-4.

TABLE 10-3 SABODALA MINING CONCESSION DRILLING MAY 2013 TO DECEMBER 2015
Teranga Gold Corporation - Sabodala Project

Deposit/Prospect	Year	No. of Holes	RAB (m)	RC (m)	DDH (m)	Total (m)
Golouma West	2015	2		0	155	155
Golouma Northwest	2014	26	0	0	3,118	3,118
	2015	8	0	0	1,131	1,131
Golouma South	2015	588	9,717	0	716	10,433
Goumbati East	2015	4	0	0	374	374
Goumbati West	2015	4	0	0	388	388
Kerekounda	2014	11	0	0	1,167	1,167
Kouroundi	2015	6	0	0	788	788
Maki Medina	2015	23	0	0	1,303	1,303
Maki Medina East	2015	7	0	0	793	793
Masato	2014	403	2,233	6,001	3,644	11,878
Masato Northeast	2014	2	0	0	350	350
	2015	25	0	0	4,238	4,238
Niakafiri Southwest	2015	14	0	0	1,003	1,003
Soukhoto	2015	8	0	0	502	502
Total		**1,131**	**11,950**	**6,001**	**19,670**	**37,621**

TABLE 10-4 REGIONAL EXPLORATION PERMIT DRILLING MAY 2013 TO DECEMBER 2015
Teranga Gold Corporation - Sabodala Project

Permit	Deposit/Prospect	Year	No. of Holes	RAB (m)	RC (m)	DDH (m)	Total (m)
Dembala Berola	Marougou	2015	3	0	0	424	424
Heremakono	Soreto	2013	3	0	0	349	349
		2014	27	0	0	5,096	5,096
		2015	3	0	0	600	600
Sounkounkou	KA	2015	4	0	0	320	320
Sounkounkou	KD	2015	5	0	0	532	532
Total			**45**	**0**	**0**	**7,320**	**7,320**

Teranga has established and followed standard operating procedures for RAB, RC and core drilling. Teranga follows a similar sampling method and approach for the Sabodala Mining Concession and regional exploration permits as previously outlined in AMC (2014). The following sub-sections have been largely taken from this report.

Drillhole collars are surveyed using a theodolite or Topcon differential GPS based on survey points triangulated from established monuments. All holes are downhole surveyed using a

Reflex Easy-Shot single shot tool. Frequency of measurement is dictated by the target of the hole. Holes drilled on a predetermined grid are surveyed at 30 m intervals after the hole is completed. Holes targeted specifically at a certain geologic feature are downhole surveyed as the hole progresses. Ezy-Mark or ACE Tool TM is used for oriented core. To provide adequate coverage, orientation marks are inserted every three metres down the hole.

The geologist logs wet diamond drill core and RC chips following a consistent coding system for lithology, alteration, mineralization, and base of oxidation. Core logging also includes structural geology, geotechnical features including core recovery, rock quality designation (RQD), fracture frequency and infill, and hardness. Diamond drill core recovery averages 95% for fresh rock and approximately 80% to 90% for oxide. RC recovery averages approximately 85%.

REVERSE CIRCULATION DRILLING

RC drilling is used for shallow exploration drillholes (<250 m) and pre-collars of deeper diamond tailed drillholes, where water inflow at depth makes RC drilling inefficient. RC cuttings are collected through a cyclone into a collector bag. The cuttings are sampled on one metre intervals for each metre drilled. The 1 m interval cuttings are passed through a three-tier, one-eighth splitter resulting in an approximate 2.0 kg to 2.5 kg subsample. A geologist or geological technician is at the drill rig at all times it is in operation.

All 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 the instances where some water ingress is unavoidable, damp or wet samples are dried prior to being split; clods are not force-fed through the riffles. Plastic sample bags and calico collection bags are labeled with a permanent ink marker. As a general policy bulk RC bags are to be emptied and removed only on receipt of the assay results. For resource drilling, mineralized intervals and three to five metres immediately adjacent on both sides, are retained either as laboratory rejects or by resampling the original bulk RC bags.

The cyclone is cleaned regularly. The drill log and sample book are regularly checked against the hole depth as drilling proceeds to ensure compatibility. The drill log has a column for sample return quality which is noted as either “good” or “poor”.

A sample of the chips for the interval is stored in a plastic chip tray and received by the logging geologist. Sections are manually drawn in the field as the drilling progresses.

DIAMOND DRILLING

All diamond drillholes are collared and finalized using HQ (63.5 mm diameter) or NQ (47.6 mm diameter) sized equipment.

When larger diameter holes were required for geotechnical studies, PQ sized holes were drilled. Drillholes are typically drilled approximately perpendicular to the target mineralization from the hanging wall to or into the footwall. A geologist is at attendance at the rig when it is in operation during day shift.

Core measurement blocks are inserted by the driller into the core boxes and the block position marked in the box in case of core movement during transport to the core logging facility. Core orientation marks are rotated to the bottom of the core. The core pieces are then aligned in the core trays and the orientation line propagated along the length of the core. The core is marked for sampling by a geologist respecting lithological and mineralization contacts. Sampling is mostly done in one metre intervals, except on rare occasions where geological variations are examined in more detail.

All drill core is photographed before it is sampled or disturbed during logging. For geotechnical purposes, core photographs are taken dry, as soon as possible after recovery to minimize the effects of breakage during handling or decomposition from exposure to air and water. The core is re-photographed wet for easier recognition of colours, geological features, and textures. Each core tray is photographed with a name board listing project location, drillhole number, tray number, start and end depths of tray, date and colour bar.

The core is halved lengthwise with a diamond saw, then sampled, bagged and tagged.

On resource drilling programs, bulk density determinations are carried out for both mineralized and barren host rocks, as well as on samples of the various weathering profiles. A 20 cm to 30 cm sample is taken from each five metre interval of the split core. Bulk density determinations are measured in-house using the immersion in water method. Porous oxide samples were sealed with paraffin wax prior to taking measurements.

For metallurgical studies, the remaining half core is split, with the quarter core samples sent for analysis.

ROTARY AIR BLAST DRILLING

The RAB drill is used for reconnaissance exploration drilling. RAB holes are typically drilled to blade refusal, which in most cases coincides with the top of the unoxidized bedrock. The maximum, practical drill depth for most rigs is around 60 m to 80 m where the oxidation and overburden profile is very well developed. Holes are angled 60º to 70º degrees to surface. Collar surveys are picked up using hand held GPS units. No downhole surveys are performed.

Cuttings are recovered via a cyclone which is attached by a drill pipe to the top of the sealed whole collar. Unlike RC cuttings, the cuttings from a RAB hole are exposed to the wall rock as they ascend to the collar of the hole for collection.

Samples submitted for analysis are a composite of two individual one metre samples. The 1 m sample is taken via a pipe inserted into the cuttings pile in two passes; forming a cross pattern. The composite weighs approximately 2.5 kg. The RAB cuttings are left in one metre piles on the ground near the hole collar. The subsample composite is collected in a clear plastic bag, the top folded twice and stapled over the fold with a paper sample number tag inserted in the fold.

REGIONAL EXPLORATION DATA MANAGEMENT

The drilling and surface geochemical geological database is centralized, and held in an SQL database which resides on the Sabodala server. The SGO mining operation implemented a site-wide Centric platform in 2009 to manage its various drilling, mining and production dataflow. Following this roll out the exploration team transferred its MS Access database onto the same platform. This product is managed by NCS technologies of Canada. The exploration component is a customized module based on the borehole manager in use for the grade control drilling.

User interface is via the web based Centric platform format and monitored by a dedicated Database Manager. The database has built in validation features. The geologist completes hand written entries either at the rig or in the core yard on a standard drill core logging form. Data entry personnel then enter the field logs into Excel files, then the data is stored in a SQL MS Access database. Database access is restricted as much as possible to maintain accuracy. Field data from some large outsourced campaigns are received in MS Excel format that can be directly imported into the database. The database and data entry are supervised by a dedicated Database Manager. MapInfo or Vulcan is available and used for on-site data validation by the responsible geologist and geological for geological interpretation.

Assays from all laboratories are received in digital format via e-mail and are automatically loaded into the database upon simple QA/QC data plotting and checking. The hand written logs, downhole surveys, driller sheets and safety forms are in an organized fashion within the same data room. Electronic files are kept under the control of the Data Manager.

SABODALA MINING CONCESSION DRILLING – APRIL 2013 TO DECEMBER 2015

MASATO

During the second quarter 2014, 22 diamond drillholes totalling approximately 2,800 m were completed to confirm the existing interpretation and grades of the mineralization domains, upgrade resource classification of Inferred Resource blocks, "twin" previously drilled holes and delineate high grade zones. Four diamond drillholes were drilled for geotechnical data and testing.

A gridded RC drill program was completed in the third quarter 2014, to determine the optimal spacing of RC holes for the mine operations grade control program. A total of 98 holes totalling 6,100 m were drilled in two separate test blocks in the Masato north and south pit areas.

A RAB drilling sterilization program over the planned dumps and lay down footprint areas was completed during second quarter 2014.

MASATO NORTHEAST

A twenty-five hole diamond drilling program which commenced in December 2014 and was completed in March 2015 (Figure 10-1). A total of 4,238 m was drilled to follow up anomalous trench results identified in the northern part of the shear zone, as presented in Figure 10-1.

GOLOUMA NORTHWEST

A 26 hole diamond drilling program was completed in the fourth quarter 2014 (Figure 10-2). A total of 3,100 m were drilled to infill and confirm continuity of the northwest trending mineralization, to follow-up on north-northeast trending shear zone mineralization, and to test the north extent of the Golouma West 18900 zone located immediately to the south.

KEREKOUNDA

A 26 hole diamond drilling program was completed in the fourth quarter 2014 (Figure 10-3). A total of 3,100 m were drilled to infill and confirm continuity of the northwest trending mineralization, to follow-up on north-northeast trending shear zone mineralization and to test the north extent of the Golouma West 18900 zone located immediately to the south.

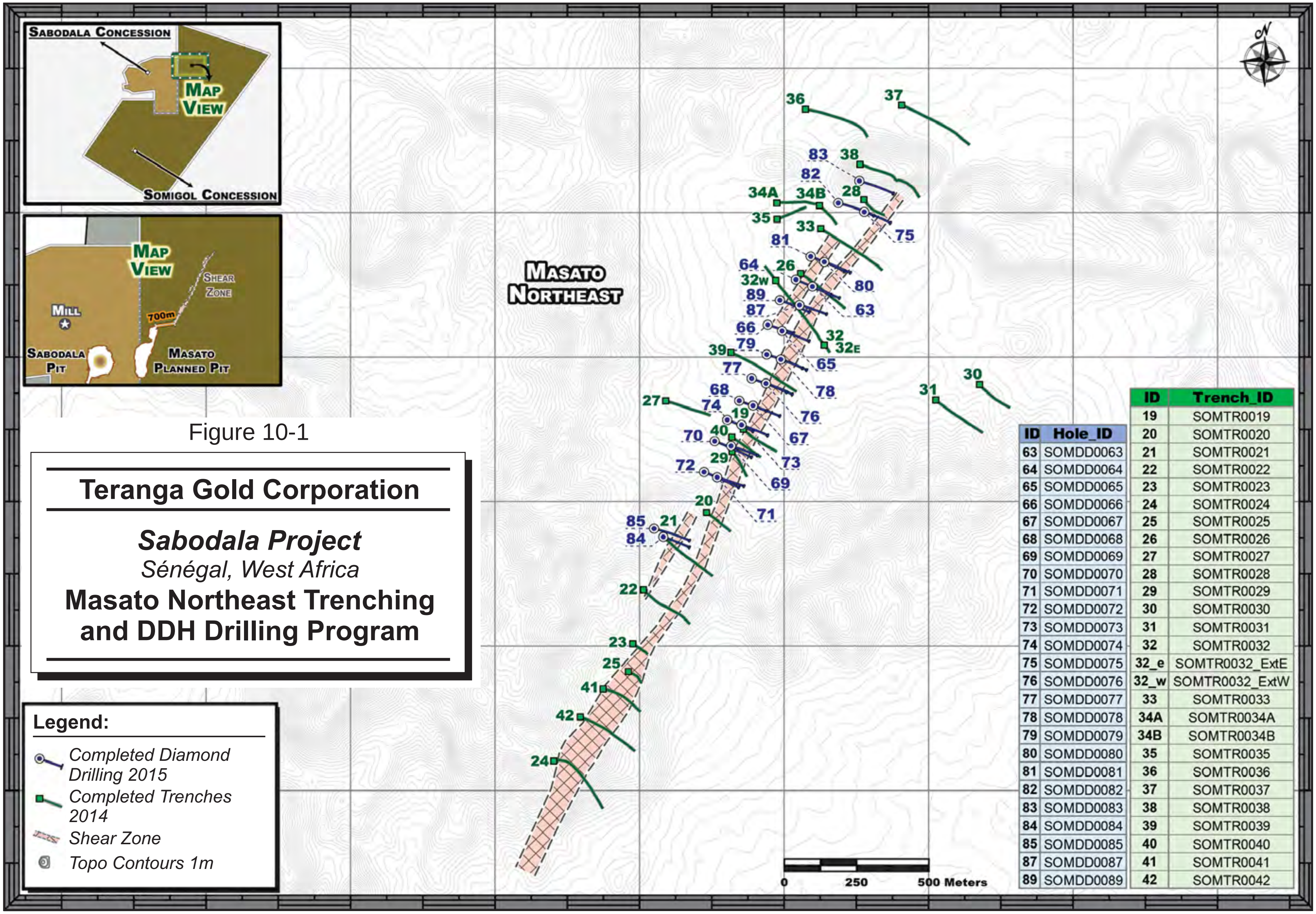


Figure 10-1

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Masato Northeast Trenching and DDH Drilling Program

Legend:

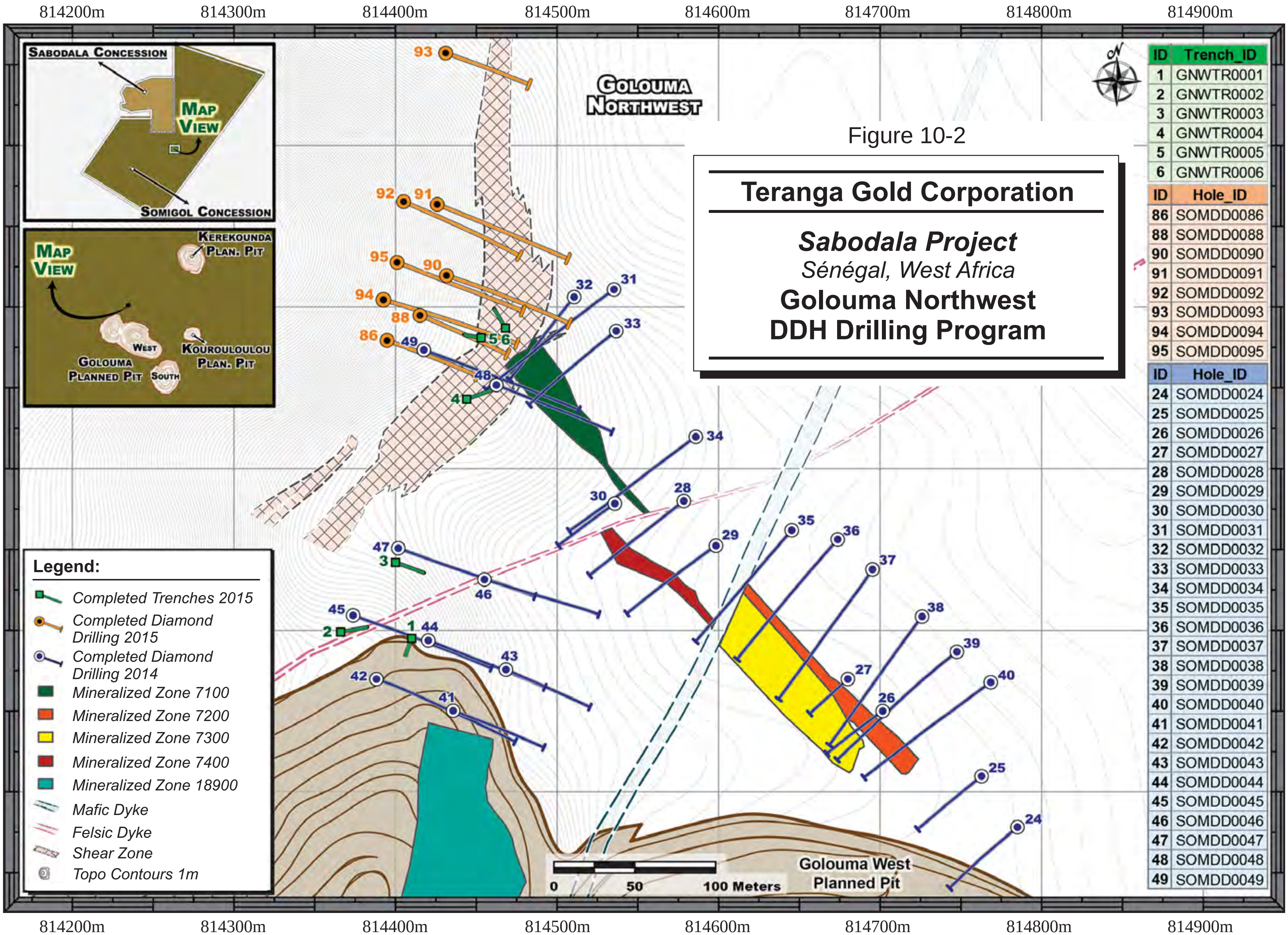
- *Completed Diamond Drilling 2015*
- *Completed Trenches 2014*
- *Shear Zone*
- *Topo Contours 1m*

ID	Hole_ID
63	SOMDD0063
64	SOMDD0064
65	SOMDD0065
66	SOMDD0066
67	SOMDD0067
68	SOMDD0068
69	SOMDD0069
70	SOMDD0070
71	SOMDD0071
72	SOMDD0072
73	SOMDD0073
74	SOMDD0074
75	SOMDD0075
76	SOMDD0076
77	SOMDD0077
78	SOMDD0078
79	SOMDD0079
80	SOMDD0080
81	SOMDD0081
82	SOMDD0082
83	SOMDD0083
84	SOMDD0084
85	SOMDD0085
87	SOMDD0087
89	SOMDD0089

ID	Trench_ID
19	SOMTR0019
20	SOMTR0020
21	SOMTR0021
22	SOMTR0022
23	SOMTR0023
24	SOMTR0024
25	SOMTR0025
26	SOMTR0026
27	SOMTR0027
28	SOMTR0028
29	SOMTR0029
30	SOMTR0030
31	SOMTR0031
32	SOMTR0032
32_e	SOMTR0032_ExtE
32_w	SOMTR0032_ExtW
33	SOMTR0033
34A	SOMTR0034A
34B	SOMTR0034B
35	SOMTR0035
36	SOMTR0036
37	SOMTR0037
38	SOMTR0038
39	SOMTR0039
40	SOMTR0040
41	SOMTR0041
42	SOMTR0042

March 2016

Source: Teranga Gold Corporation, 2016.



March 2016

Source: Teranga Gold Corporation, 2016.

Figure 10-3

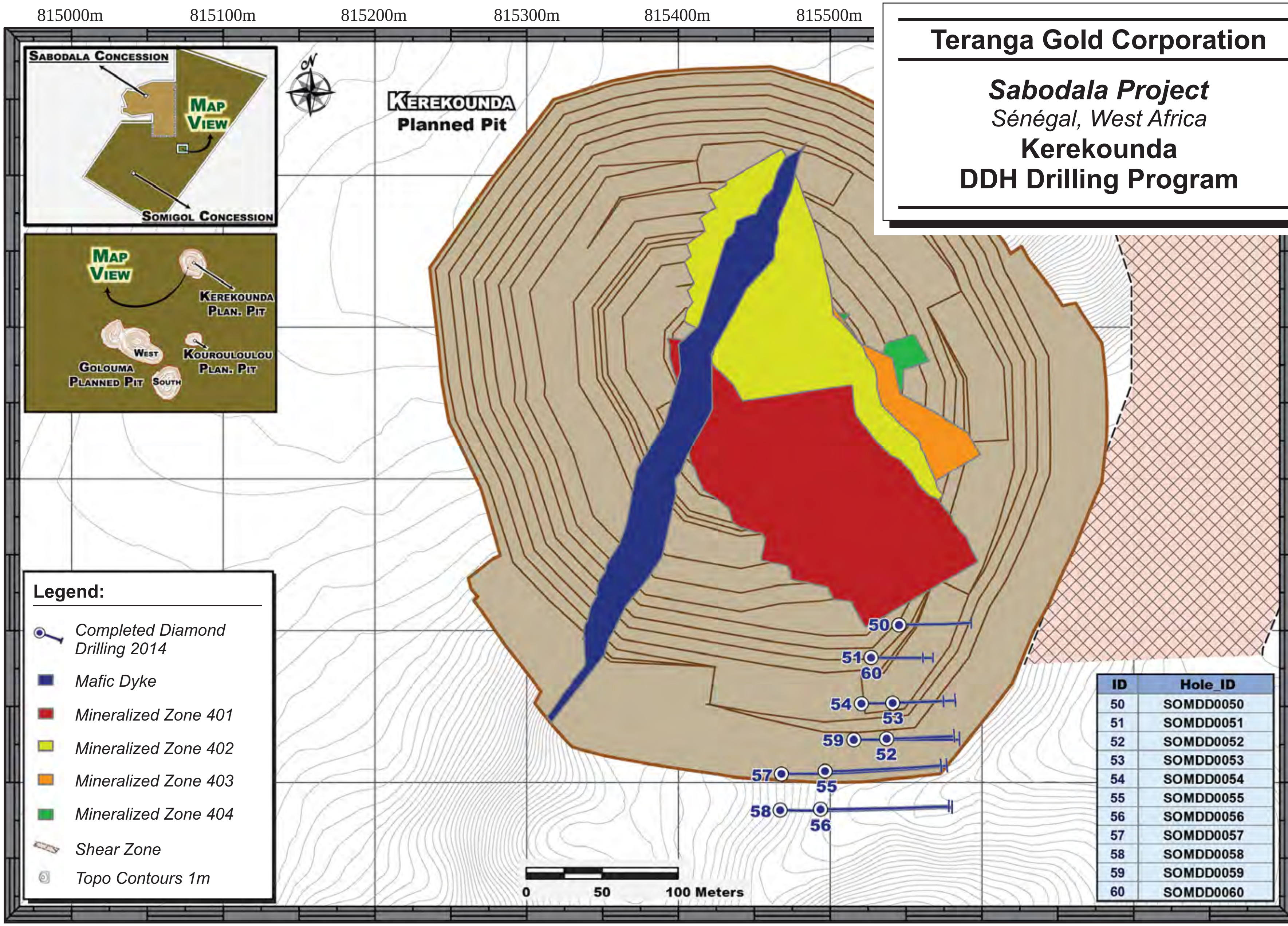
Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Kerekounda

DDH Drilling Program



ID	Hole_ID
50	SOMDD0050
51	SOMDD0051
52	SOMDD0052
53	SOMDD0053
54	SOMDD0054
55	SOMDD0055
56	SOMDD0056
57	SOMDD0057
58	SOMDD0058
59	SOMDD0059
60	SOMDD0060

March 2016

Source: Teranga Gold Corporation, 2016.

MAKI MEDINA EAST

Seven diamond drillholes totalling 800 m were drilled along 150 m of the gold mineralized zone (Figure 10-4). A selection of drillhole intercepts is presented in Table 10-5.

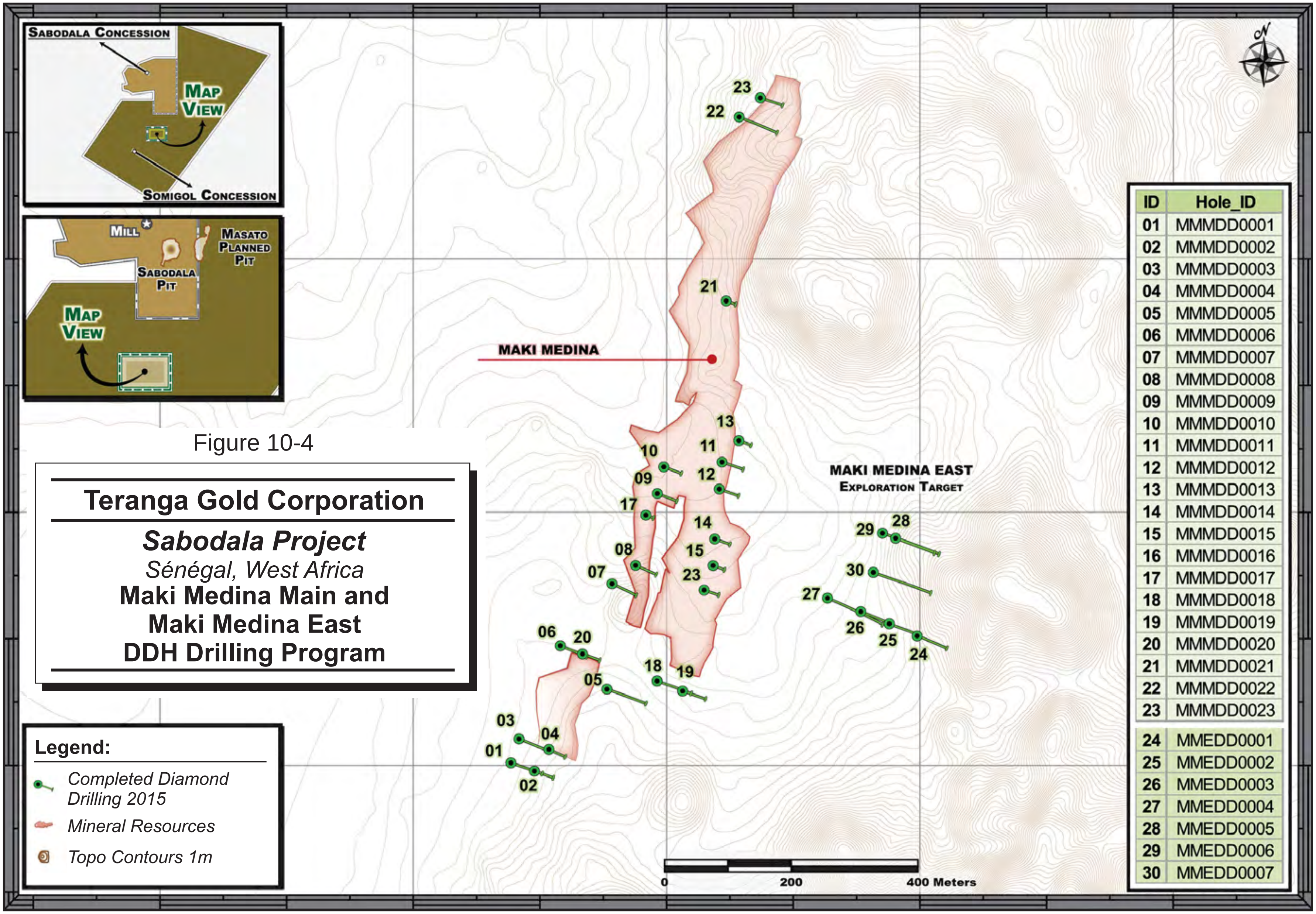
TABLE 10-5 MAKI MEDINA EAST DIAMOND DRILLHOLE INTERCEPTS
Teranga Gold Corporation - Sabodala Project

DDH intersections, >0.5 g/t Au with max 2m internal dilution/no external dilution

Hole ID	UTM28N East	UTM28N North	Azimuth	Dip	Downhole Depth (m)	Intercept Values (core length @ g/t Au)
MMEDD0001	812,396	1,453,405	112	-51	26.00	1m @ 2.74 g/t
					66.00	5m @ 1.39 g/t
MMEDD0003	812,307	1,453,443	112	-50	24.00	1m @ 1.93 g/t
					56.00	2m @ 1.65 g/t
MMEDD0004	812,254	1,453,464	114	-50	147.00	1m @ 6.22 g/t
MMEDD0005	812,362	1,453,559	111	-50	49.00	1m @ 2.64 g/t
MMEDD0006	812,341	1,453,567	110	-51	120.00	1m @ 1.20 g/t
MMEDD0007	812,327	1,453,505	110	-50	35.00	2m @ 1.20 g/t
					103.00	1m @ 1.05 g/t
					111.00	1m @ 2.05 g/t

MAKI MEDINA MAIN

A 23 hole diamond drilling program totalling 1,303 m was undertaken in 2015, to test the depth and southern extents of the deposit (Figure 10-4).



ID	Hole_ID
01	MMMDD0001
02	MMMDD0002
03	MMMDD0003
04	MMMDD0004
05	MMMDD0005
06	MMMDD0006
07	MMMDD0007
08	MMMDD0008
09	MMMDD0009
10	MMMDD0010
11	MMMDD0011
12	MMMDD0012
13	MMMDD0013
14	MMMDD0014
15	MMMDD0015
16	MMMDD0016
17	MMMDD0017
18	MMMDD0018
19	MMMDD0019
20	MMMDD0020
21	MMMDD0021
22	MMMDD0022
23	MMMDD0023
24	MMEDD0001
25	MMEDD0002
26	MMEDD0003
27	MMEDD0004
28	MMEDD0005
29	MMEDD0006
30	MMEDD0007

Figure 10-4

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Maki Medina Main and Maki Medina East DDH Drilling Program

March 2016

Source: Teranga Gold Corporation, 2016.

GOLOUMA SOUTH

A 13 hole, 1,000 m diamond drilling program was completed to confirm the geological interpretation, test the extent of artisanal voids, infill gaps, and confirm grades in oxide (Figure 10-5). A RAB sterilization drilling program was undertaken on ground proposed for mine infrastructure and future waste dumps.

To the north of Golouma South (northern sector), two diamond drillholes were drilled in the fourth quarter 2015, to follow up anomalous gold values returned from soil samples (Figure 10-6).

NIAKAFIRI SOUTHWEST

During the third quarter 2015, a 14 hole diamond drilling program totalling 1,000 m was completed to confirm geology and grade continuity and test mineralization extents along strike (Figure 10-7).

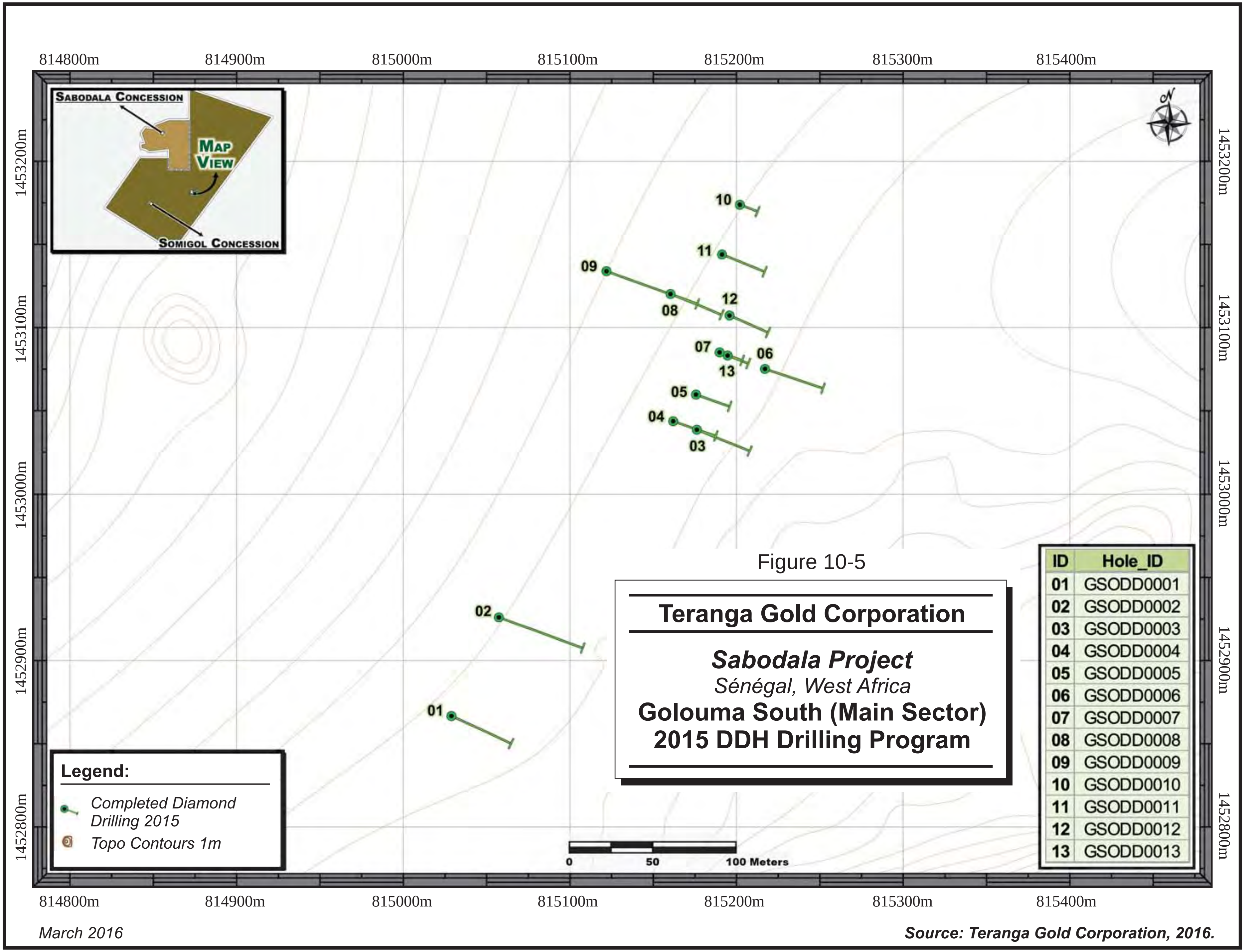


Figure 10-5

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Golouma South (Main Sector)
2015 DDH Drilling Program

ID	Hole_ID
01	GSODD0001
02	GSODD0002
03	GSODD0003
04	GSODD0004
05	GSODD0005
06	GSODD0006
07	GSODD0007
08	GSODD0008
09	GSODD0009
10	GSODD0010
11	GSODD0011
12	GSODD0012
13	GSODD0013

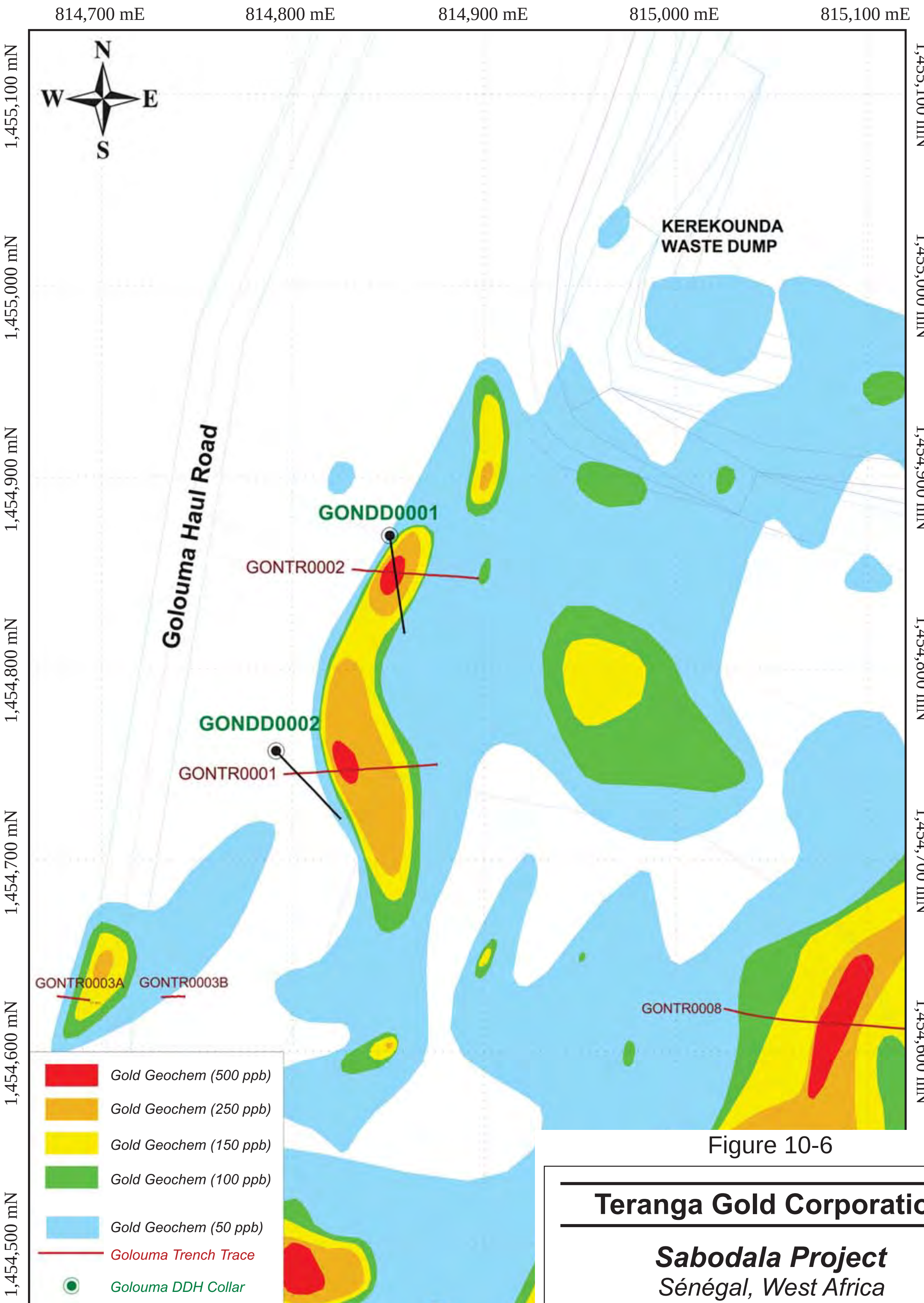


Figure 10-6

Teranga Gold Corporation

Sabodala Project

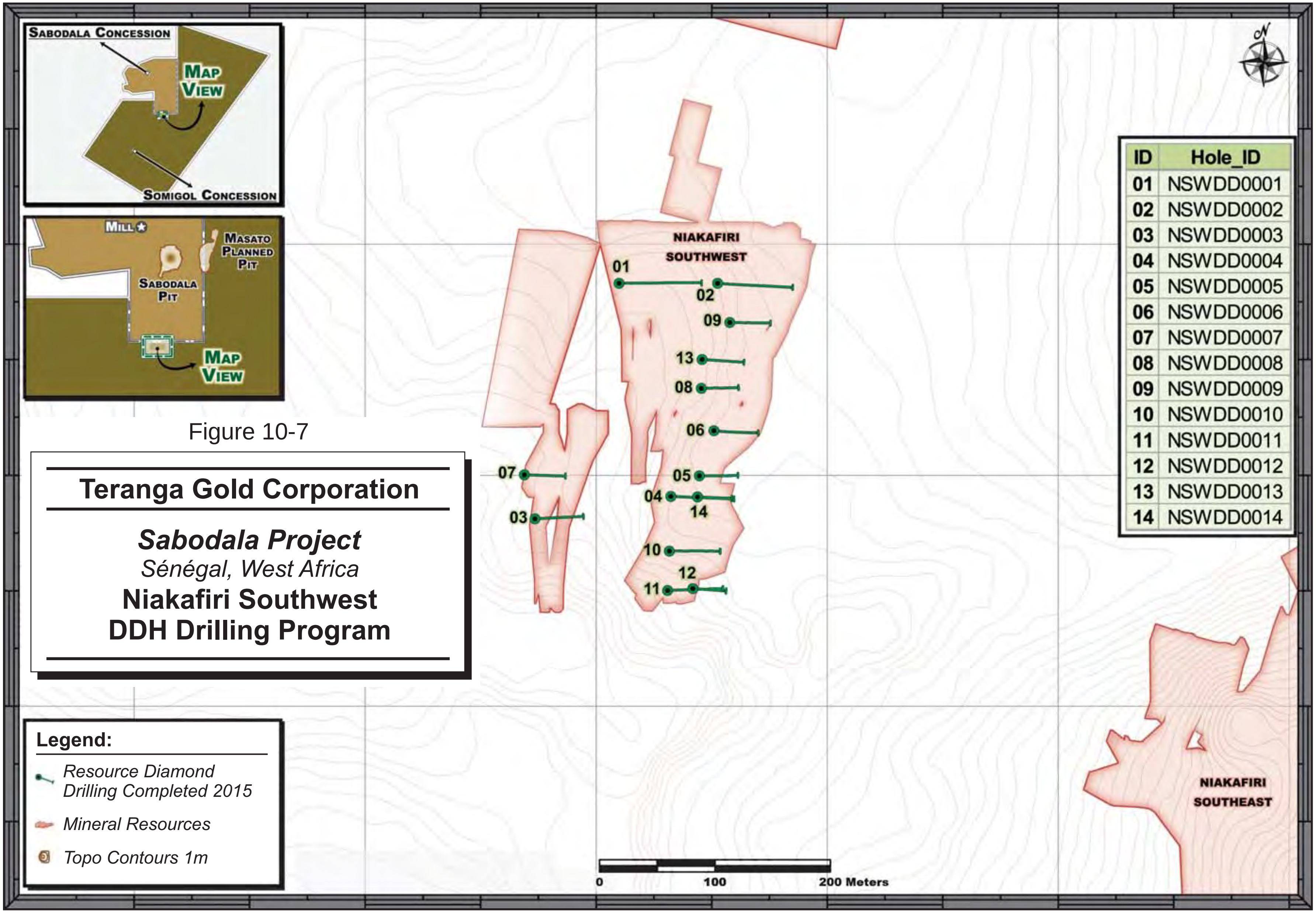
Sénégal, West Africa

Golouma South (Northern Sector)
2015 DDH Drilling Program

Projection: UTM Zone 28,
Northern Hemisphere (WGS 84)

March 2016

Source: Teranga Gold Corporation, 2016.



ID	Hole_ID
01	NSWDD0001
02	NSWDD0002
03	NSWDD0003
04	NSWDD0004
05	NSWDD0005
06	NSWDD0006
07	NSWDD0007
08	NSWDD0008
09	NSWDD0009
10	NSWDD0010
11	NSWDD0011
12	NSWDD0012
13	NSWDD0013
14	NSWDD0014

Figure 10-7

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Niakafiri Southwest
DDH Drilling Program

March 2016

Source: Teranga Gold Corporation, 2016.

RPA

www.rpacan.com

SOUKHOTO

Eight infill diamond drillholes were completed in the third quarter to better define geological interpretation and local structural trends that were previously interpreted from RC drilling (Figure 10-8). A selection of drillhole intercepts is presented in Table 10-6.

TABLE 10-6 SOUKHOTO DIAMOND DRILLHOLE INTERCEPTS
Teranga Gold Corporation - Sabodala Project

DDH intersections, >0.5 g/t Au with max 2m internal dilution/no external dilution

HOLE ID	UTM28N East	UTM28N North	Azimuth	Dip	Downhole Depth (m)	Intercept Values (core length @ g/t Au)
SKTDD0001	812,624	1,457,512	89	-61	46.00	1m @ 9.45 g/t
SKTDD0002	812,693	1,457,494	95	-60	17.00	1m @ 3.45 g/t
					30.00	1m @ 2.57 g/t
SKTDD0003	812,638	1,457,550	95	-61	63.00	2m @ 3.22 g/t
SKTDD0004	812,640	1,457,591	90	-61	30.00	1m @ 3.46 g/t
					50.00	4m @ 0.97 g/t
SKTDD0005	812,670	1,457,583	100	-62	19.00	3m @ 1.14 g/t
					26.00	2m @ 1.68 g/t
SKTDD0007	812,710	1,457,572	108	-63	10.00	16m @ 2.60 g/t
SKTDD0008	812,694	1,457,618	102	-62	20.00	1m @ 2.63 g/t
					33.00	3m @ 4.80 g/t
					43.00	1m @ 1.52 g/t

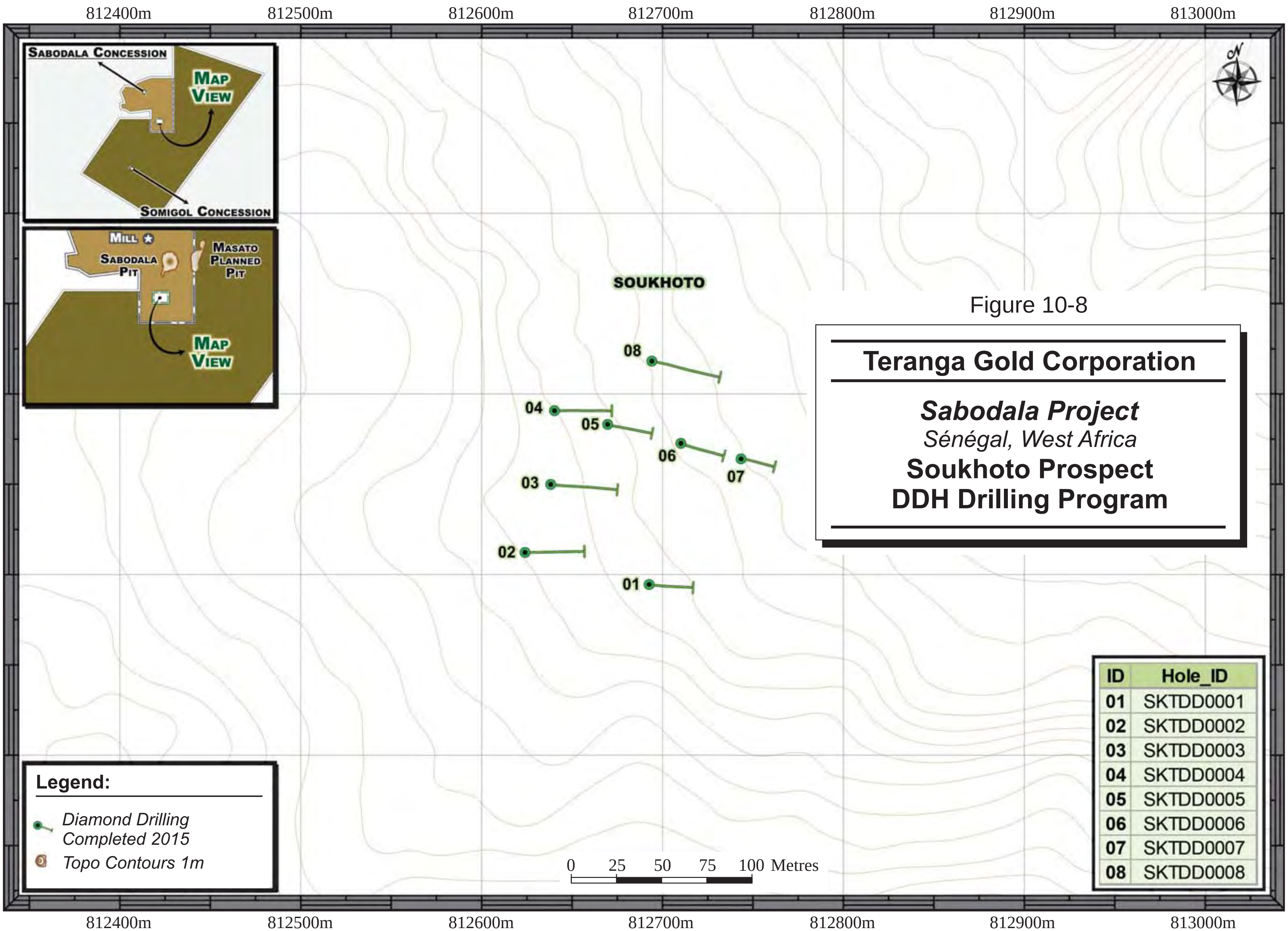


Figure 10-8

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Soukhoto Prospect

DDH Drilling Program

ID	Hole_ID
01	SKTDD0001
02	SKTDD0002
03	SKTDD0003
04	SKTDD0004
05	SKTDD0005
06	SKTDD0006
07	SKTDD0007
08	SKTDD0008

March 2016

Source: Teranga Gold Corporation, 2016.

GOUMBATI WEST

Four diamond drillholes totalling 400 m were drilled over a 150 m strike length of the shear structure during the fourth quarter (Figure 10-9). A selection of drillhole intercepts is presented in Table 10-7.

TABLE 10-7 GOUMBATI WEST DIAMOND DRILLHOLE INTERCEPTS
Teranga Gold Corporation - Sabodala Project

DDH intersections, >0.5 g/t Au with max 2m internal dilution/no external dilution

Hole ID	UTM28N East	UTM28N North	Azimuth	Dip	Downhole Depth (m)	Intercept Values (core length @ g/t Au)
GBWDD0002	810,212	1,450,713	105	-50	17.00	3m @ 2.35 g/t
GBWDD0003	810,161	1,450,649	105	-60	28.00	2m @ 11.46 g/t

GOUMBATI EAST

Four diamond drillholes totalling 400 m were drilled to test the shear zones (Figure 10-10). A selection of drillhole intercepts is presented in Table 10-8.

TABLE 10-8 GOUMBATI EAST DIAMOND DRILLHOLE INTERCEPTS
Teranga Gold Corporation - Sabodala Project

DDH intersections, >0.5 g/t Au with max 2m internal dilution/no external dilution

Hole ID	UTM28N East	UTM28N North	Azimuth	Dip	Downhole Depth (m)	Intercept Values (core length @ g/t Au)
GBEDD0003	813,201	1,451,285	110	-50	11.00	4m @ 5.74 g/t
					19.00	2m @ 2.13 g/t
GBEDD0004	813,191	1,451,268	110	-50	21.00	3m @ 0.99 g/t

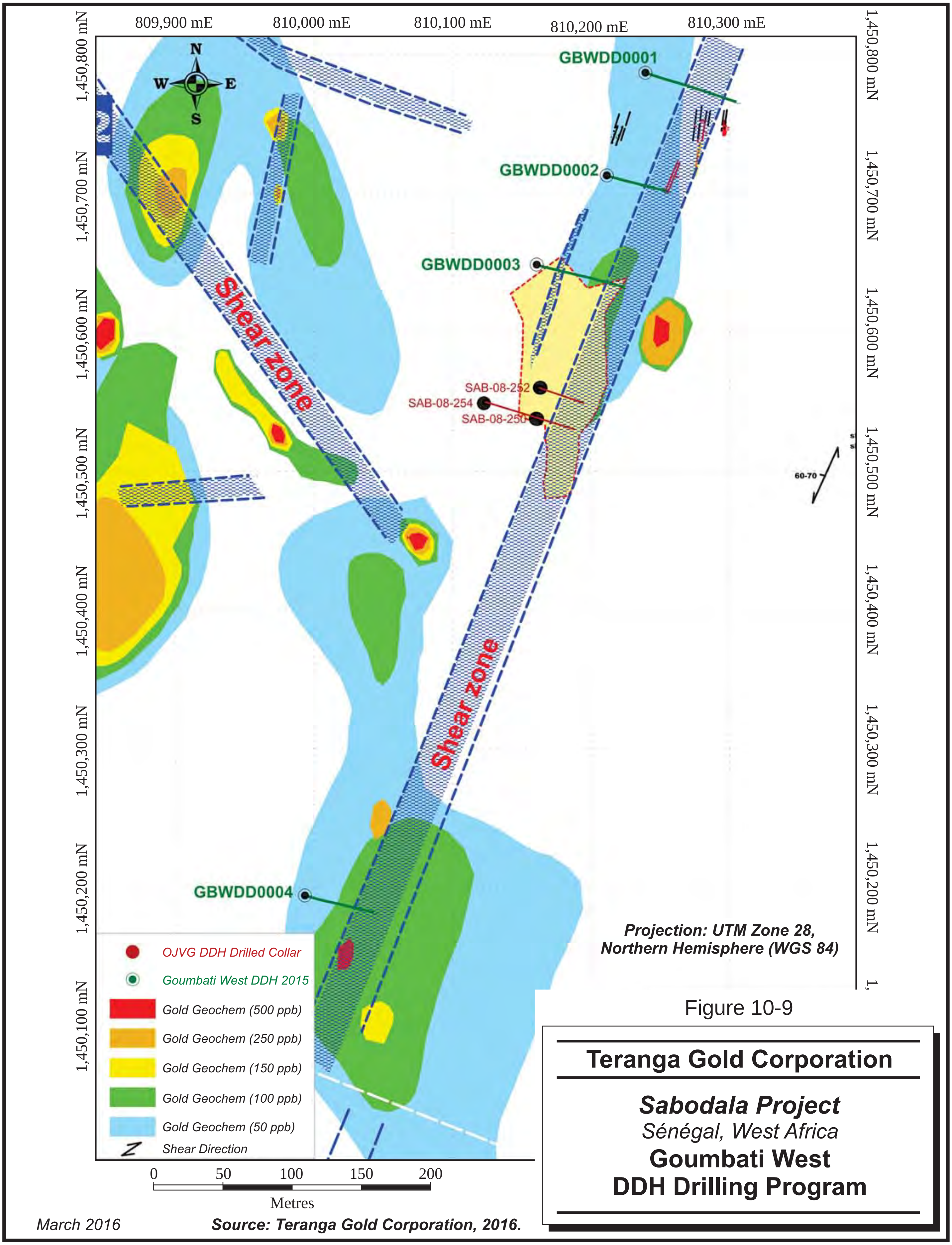


Figure 10-9

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Goumbati West
DDH Drilling Program

March 2016

Source: Teranga Gold Corporation, 2016.

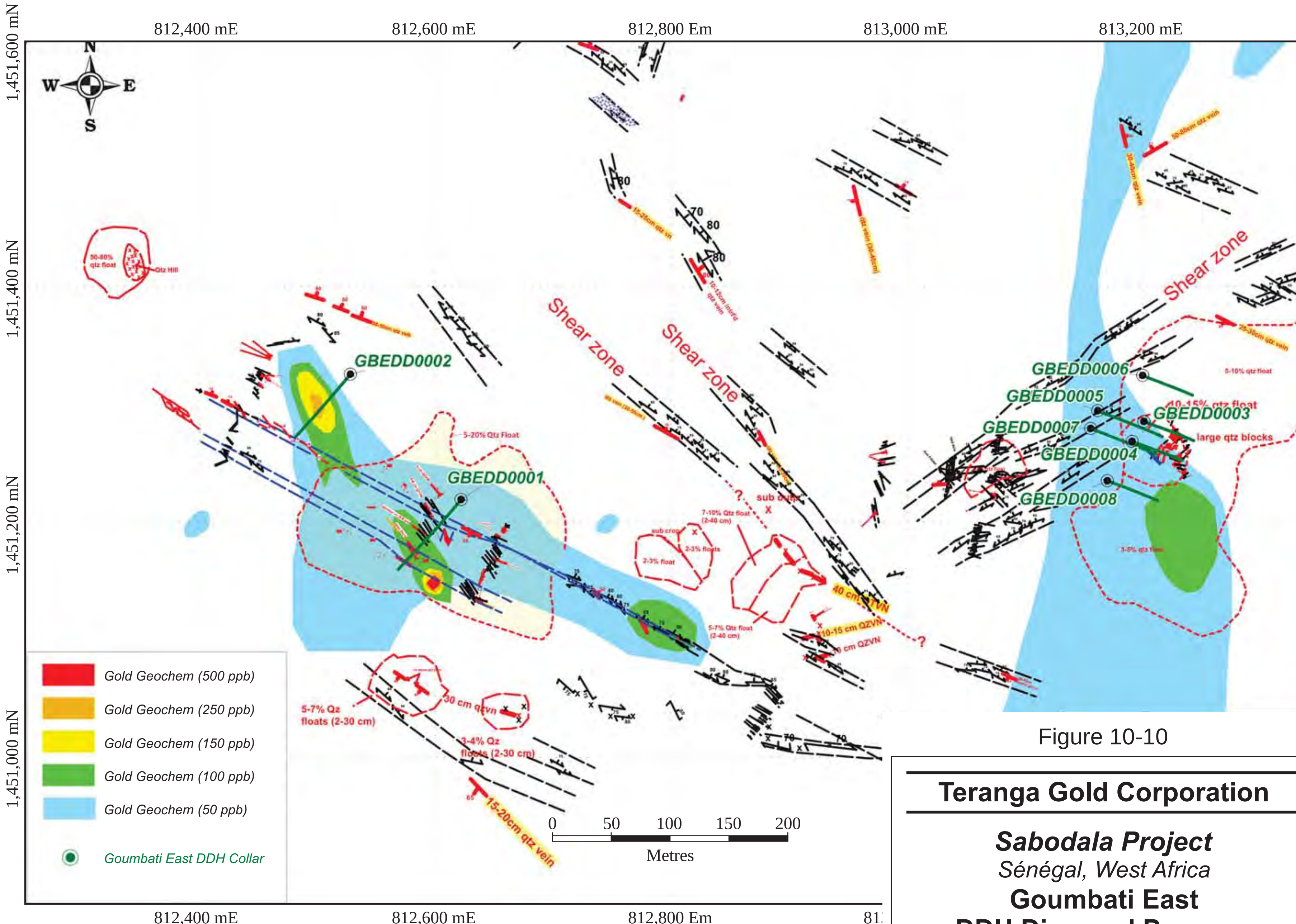


Figure 10-10

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Goumbati East

DDH Diamond Program

March 2016

Projection: UTM Zone 28, Northern Hemisphere (WGS 84)

Source: Teranga Gold Corporation, 2016.

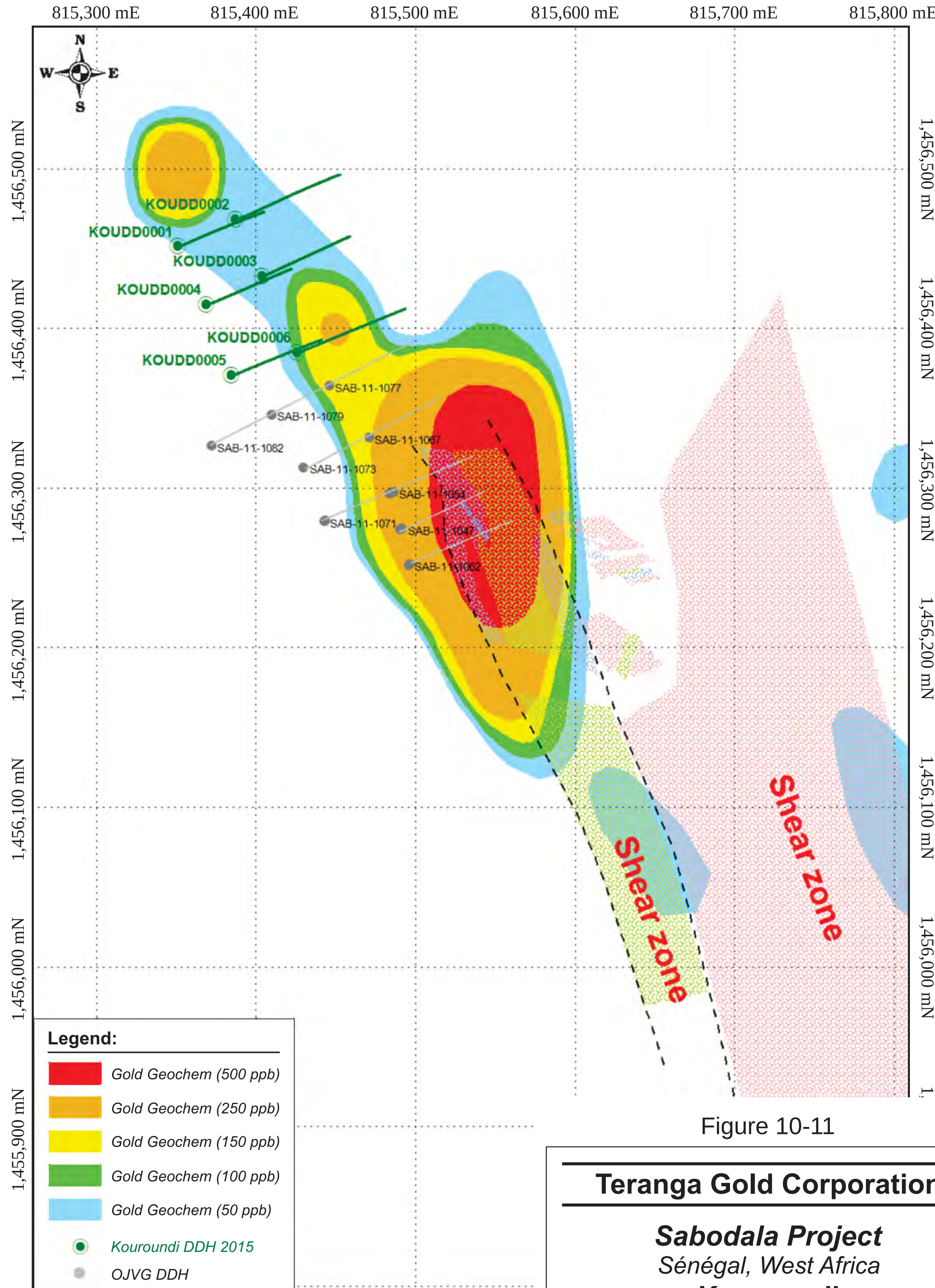
KOUROUNDI

A six hole 800 m drilling program began in the fourth quarter 2015 to test the extent of mineralization to the northwest (Figure 10-11). A selection of drillhole intercepts is presented in Table 10-9.

TABLE 10-9 KOUROUNDI DIAMOND DRILLHOLE INTERCEPTS
Teranga Gold Corporation - Sabodala Project

DDH intersections, >0.5 g/t Au with max 2m internal dilution/no external dilution

Hole ID	UTM28N East	UTM28N North	Azimuth	Dip	Downhole Depth (m)	Intercept Values (core length @ g/t Au)
KOUDD0003	815,404	1,456,432	65	-60	39.00	1m @ 1.08 g/t
					45.00	1m @ 1.90 g/t
KOUDD0004	815,369	1,456,414	67	-60	83.00	4m @ 1.32 g/t
KOUDD0005	815,385	1,456,370	67	-61	13.00	9m @ 3.72 g/t
KOUDD0006	815,426	1,456,384	68	-61	57.00	3m @ 3.02 g/t



Projection: UTM Zone 28,
Northern Hemisphere (WGS 84)

0 25 50 75 100
Metres

March 2016

Source: Teranga Gold Corporation, 2016.

Figure 10-11

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Kouroundi
2015 DDH Drilling Program

REGIONAL EXPLORATION DRILLING

DEMBALA BEROLA PERMIT

MAROUGOU PROSPECT

Three diamond drillholes totalling 424 m were drilled during the fourth quarter 2015 to twin three RC holes previously drilled in 2013 (Figure 10-12). A selection of drillhole intercepts is presented in Table 10-10.

TABLE 10-10 MAROUGOU DIAMOND DRILLHOLE INTERCEPTS
Teranga Gold Corporation - Sabodala Project

DDH intersections, >0.5 g/t Au with max 2m internal dilution/no external dilution

HOLE ID	UTM28N East	UTM28N North	Azimuth	Dip	Downhole Depth (m)	Intercept Values (core length @ g/t Au)
MARDD0001	195,513	1,468,099	121	-56	37.00	7m @ 4.62 g/t
MARDD0002	195,887	1,468,563	117	-55	47.00	4m @ 2.27 g/t
					136.00	4m @ 1.06 g/t
MARDD0003	196,149	1,469,115	121	-55	53.00	1m @ 1.23 g/t

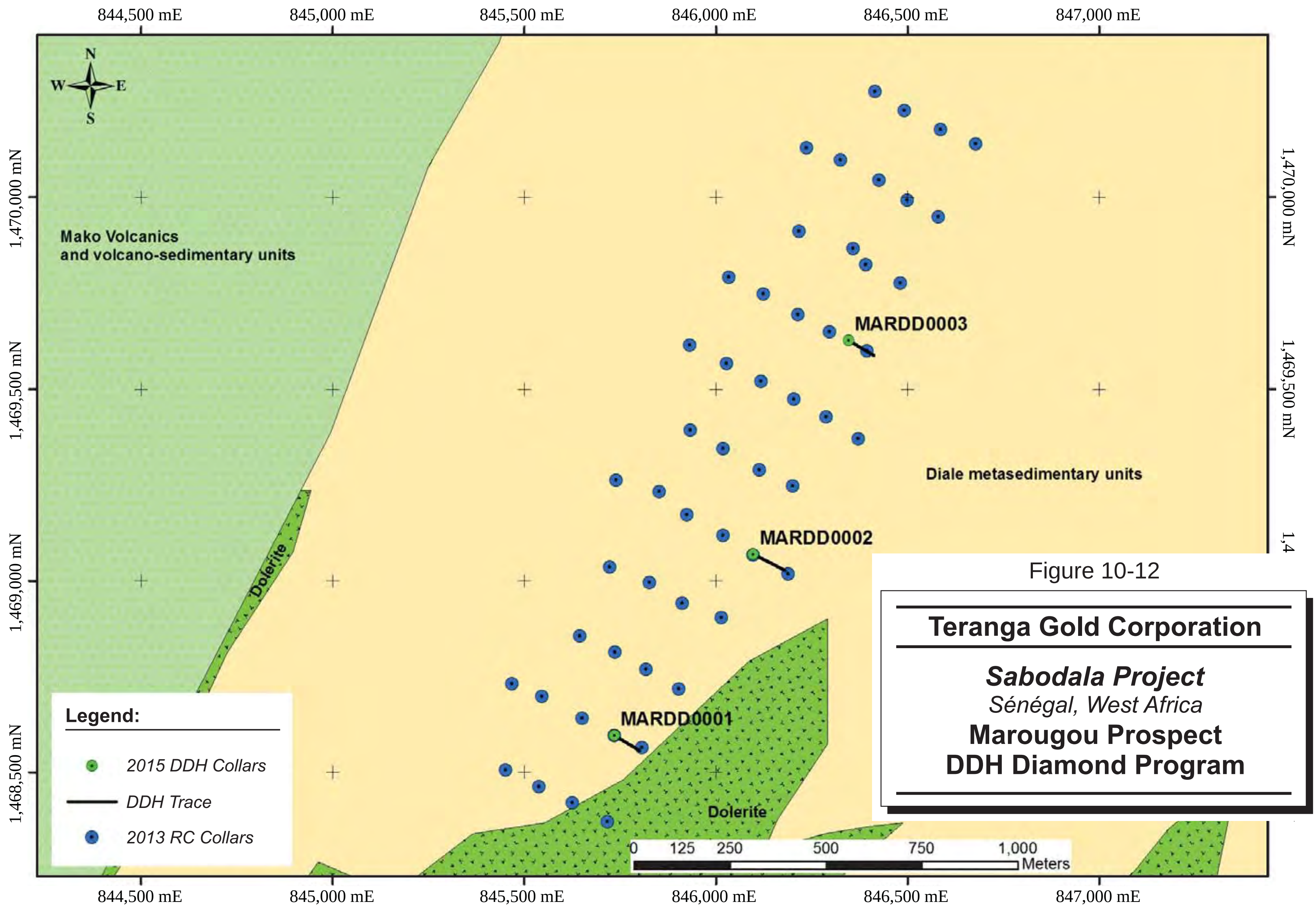


Figure 10-12

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Marougou Prospect
DDH Diamond Program

March 2016

Source: Teranga Gold Corporation, 2016.

HEREMAKONO PERMIT

SORETO

A total of 33 diamond drillholes totalling 6,045 m was completed to confirm the orientation and continuity of the gold mineralization intersected in the 2013 drilling program (Figure 10-13). A selection of drillhole intercepts is presented in Table 10-11.

TABLE 10-11 SORETO DIAMOND DRILLHOLE INTERCEPTS
Teranga Gold Corporation - Sabodala Project

DDH intersections, >0.5 g/t Au with max 2m internal dilution/no external dilution

Hole ID	UTM28N East	UTM28N North	Azimuth	Dip	Downhole Depth (m)	Intercept Values (core length @ g/t Au)
HKDD0008	835,218	1,487,965	305	-55	15.00	1m @ 7.64 g/t
					77.00	1m @ 3.07 g/t
HKDD0009	835,164	1,487,609	305	-55	75.00	2m @ 2.52 g/t
HKDD0010	835,027	1,487,701	305	-55	96.00	3m @ 1.47 g/t
HKDD0011	835,044	1,488,055	305	-55	57.50	2.5m @ 2.78 g/t
HKDD0015	835,251	1,487,726	295	-55	108.00	2m @ 2.71 g/t
					131.00	3m @ 1.63 g/t
HKDD0019	834,552	1,488,603	305	-55	81.50	2.5m @ 6.41 g/t
HKDD0020	834,375	1,488,720	305	-55	47.00	1m @ 2.20 g/t
HKDD0025	835,223	1,487,670	282	-54	104.00	1m @ 10.60 g/t
HKDD0026	835,065	1,487,773	299	-52	0.00	1m @ 3.00 g/t
HKDD0027	835,148	1,487,865	292	-53	77.00	6m @ 4.56 g/t
HKDD0029	834,976	1,487,868	304	-55	79.00	4m @ 1.40 g/t
HKDD0034	834,526	1,488,556	305	-55	74.00	1m @ 128.50 g/t
					78.00	3m @ 3.85 g/t

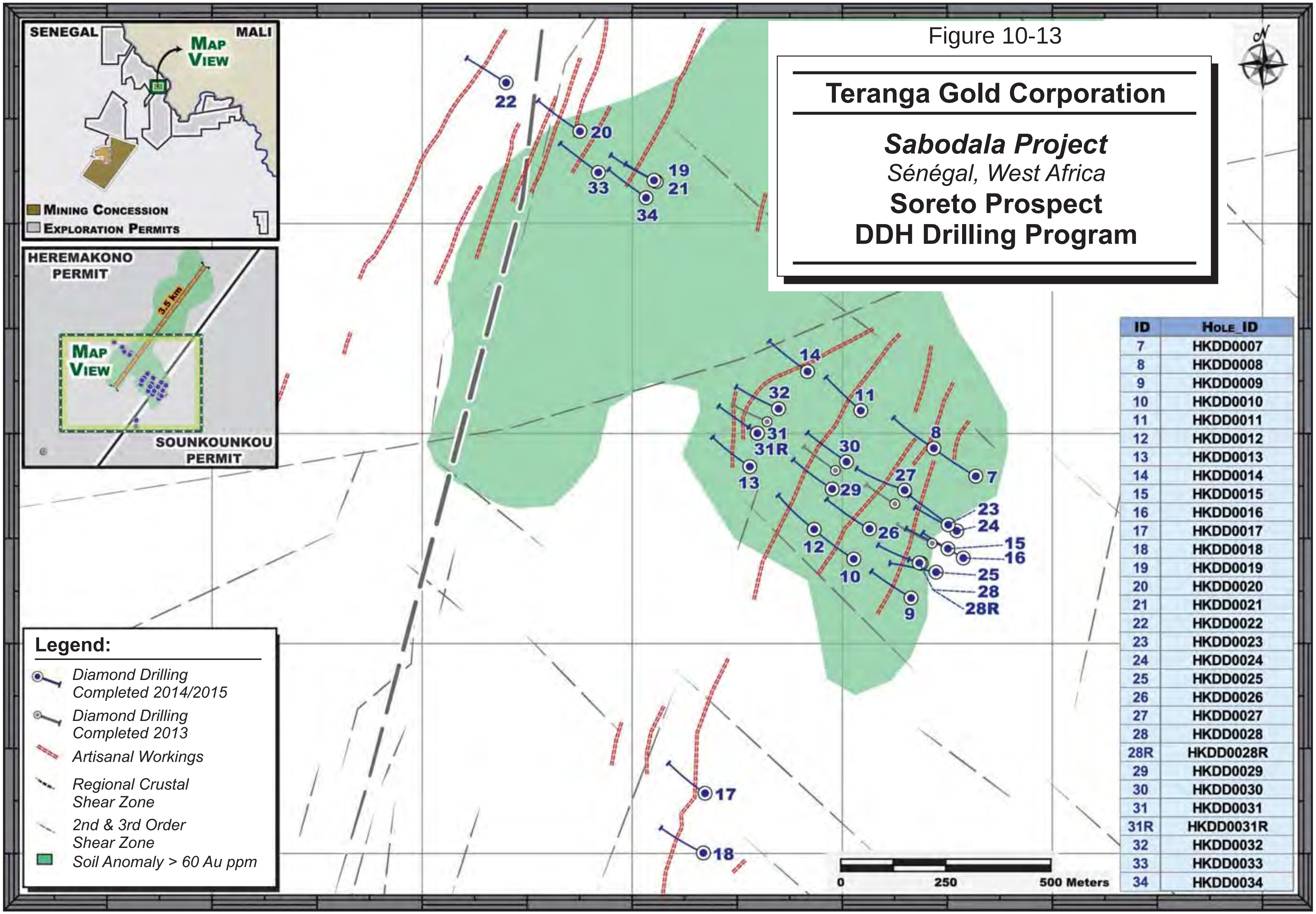
Figure 10-13

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Soreto Prospect DDH Drilling Program



ID	Hole_ID
7	HKDD0007
8	HKDD0008
9	HKDD0009
10	HKDD0010
11	HKDD0011
12	HKDD0012
13	HKDD0013
14	HKDD0014
15	HKDD0015
16	HKDD0016
17	HKDD0017
18	HKDD0018
19	HKDD0019
20	HKDD0020
21	HKDD0021
22	HKDD0022
23	HKDD0023
24	HKDD0024
25	HKDD0025
26	HKDD0026
27	HKDD0027
28	HKDD0028
28R	HKDD0028R
29	HKDD0029
30	HKDD0030
31	HKDD0031
31R	HKDD0031R
32	HKDD0032
33	HKDD0033
34	HKDD0034

March 2016

Source: Teranga Gold Corporation, 2016.

SOUNKOUNKOU PERMIT

KA PROSPECT

A four hole diamond drill program of approximately 500 m commenced in the fourth quarter 2015. The program will initially determine the thickness of the flat lying gold mineralized zone and test its continuity over a 100 m strike length. Three DDH were drilled during the fourth quarter 2015 (Figure 10-14).

TABLE 10-12 KA PROSPECT DIAMOND DRILLHOLE INTERCEPTS
Teranga Gold Corporation - Sabodala Project

DDH intersections, >0.5 g/t Au with max 2m internal dilution/no external dilution

HOLE ID	UTM28N East	UTM28N North	Azimuth	Dip	Downhole Depth (m)	Intercept Values (core length @ g/t Au)
SKADD0001	835,683	1,484,068	2	-50	14.00	3m @ 1.04 g/t
SKADD0003	835,799	1,484,099	4	-49	0.00	1m @ 1.44 g/t
SKADD0004	835,798	1,484,079	2	-50	1.00	3m @ 11.24 g/t

KD PROSPECT

Five diamond drillholes totalling 532 m were completed in 2015 to test the mineralized zones at depth along a 1.5 km strike length (Figure 10-15).

Detailed results of drillhole intercepts are included in Appendix 1, which can be found on the Teranga website (www.terangagold.com).

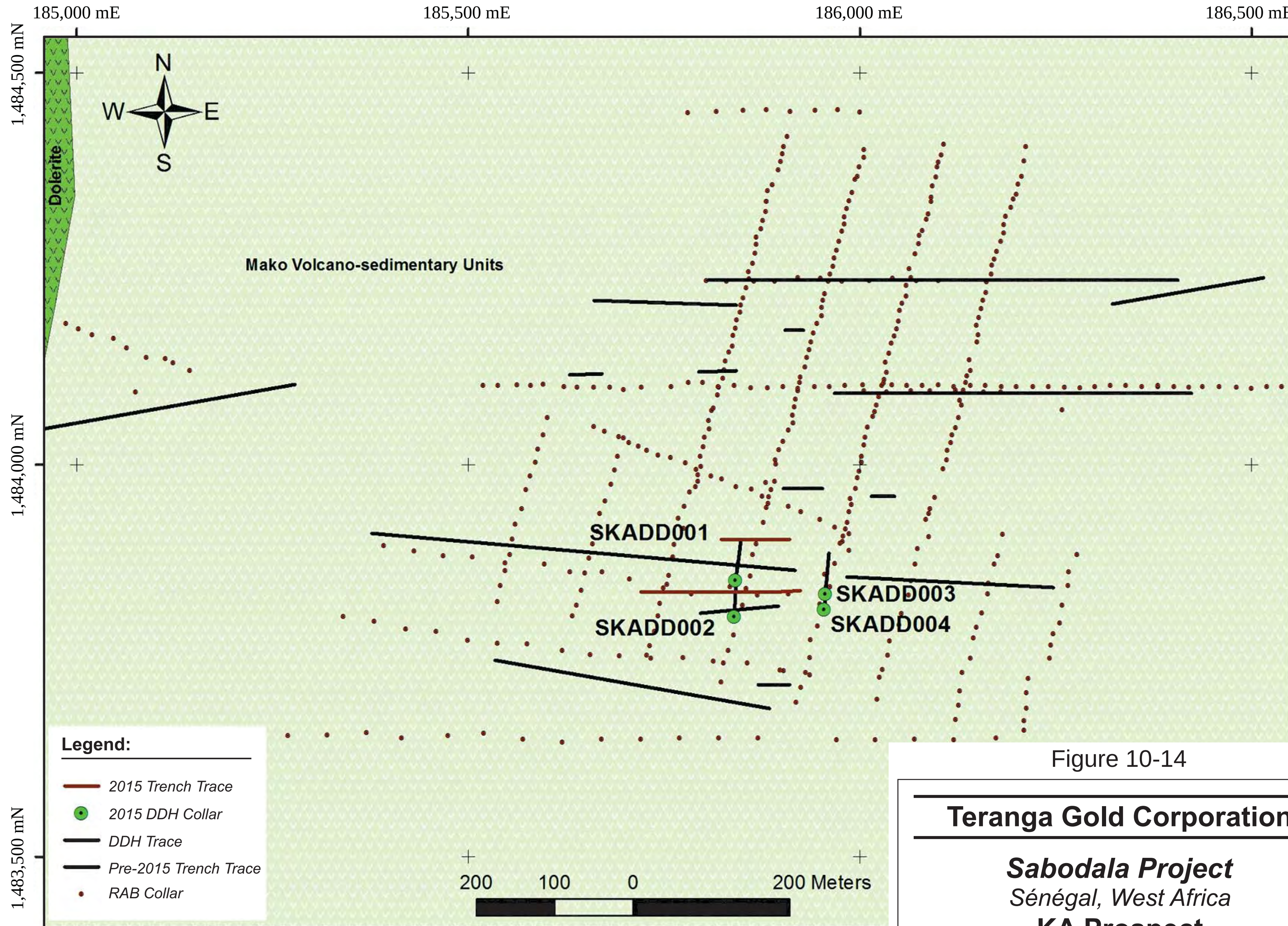


Figure 10-14

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

KA Prospect

DDH Diamond Program

March 2016

Source: Teranga Gold Corporation, 2016.

www.rpacan.com

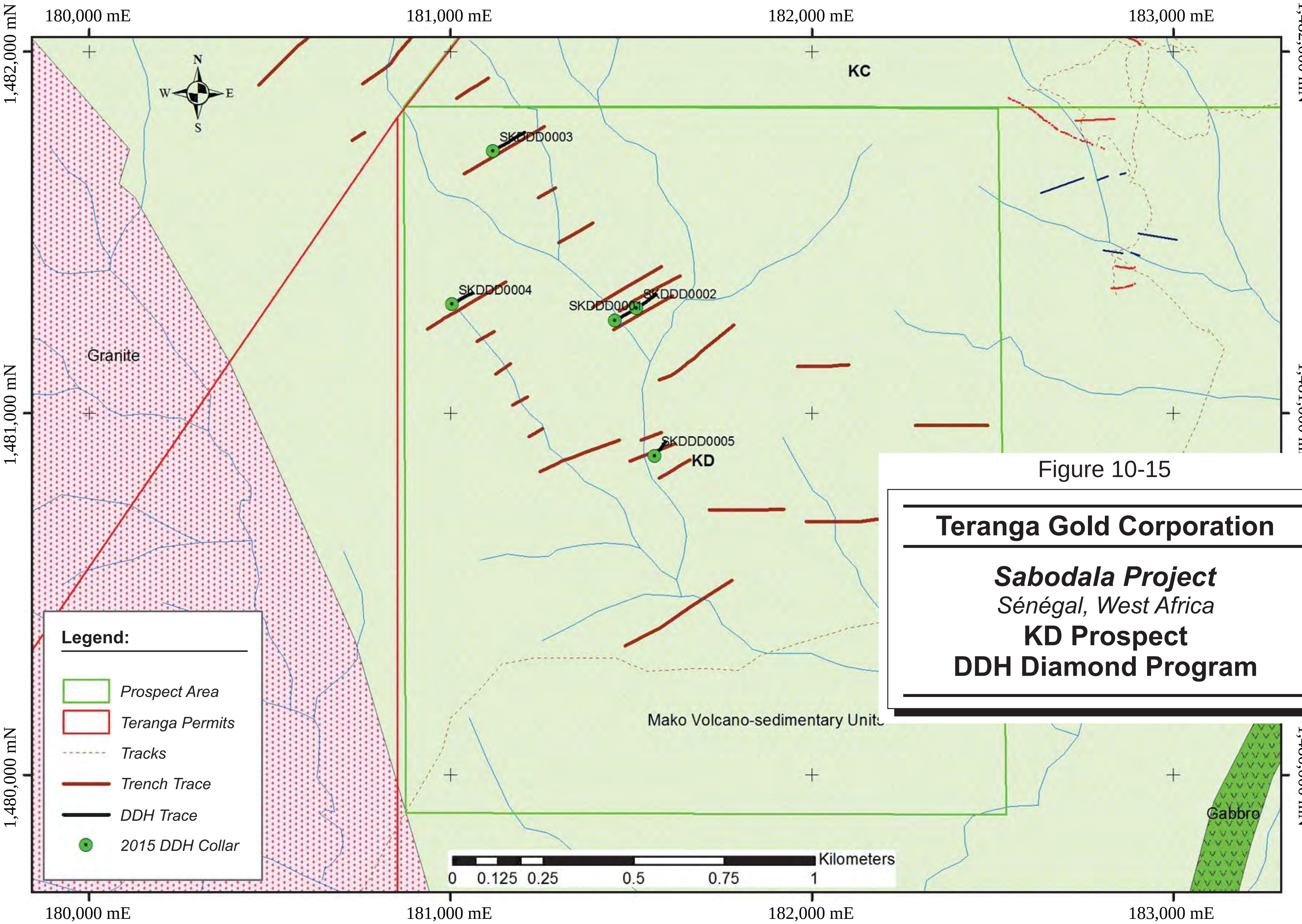


Figure 10-15

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

KD Prospect

DDH Diamond Program

March 2016

Source: Teranga Gold Corporation, 2016.

RPA

www.rpacan.com

11 SAMPLE PREPARATION, ANALYSES, AND SECURITY

Teranga has established standard operating procedures for sample preparation, analyses, and security, which are appropriate for gold mineralization and follow industry standards. Sample preparation methodology and analyses conducted prior to 2014 are outlined in detail in AMC (2014). The following summarizes the sample preparation, analyses, and security procedures undertaken from 2014 to 2015.

SAMPLE PREPARATION

The Exploration Geologist is responsible for all sampling activities conducted by geological technicians and samplers, including sampling, sample bagging, numbering and tagging, sorting, transportation, security, completion of the analytical submission sheets, and QA/QC program. The Project Geologist is responsible for the overall drilling and sampling programs.
One sample is taken for each one metre interval drilled by RC and for each two metre interval drilled by RAB. Jones riffle splitters are used at the drill site to obtain a representative sub-sample. Drill core sampling intervals are defined then cut in half with a diamond saw along the core length. Half core is sampled over approximate one metre lengths or based on lithology intervals.

All samples are placed into sample bags with assigned sample numbers, then closed, sealed and inserted into larger rice bags that are securely sealed. Samples that are sent for assay to the on-site SGS laboratory are securely transported by company trucks. Samples that are sent for assay to off-site laboratories are inserted into large metal drums that are securely sealed, then transported off-site by contract transport trucks to Dakar and either by land transport or air freight to off-site laboratories. Sample intervals that are not assayed remain in storage at the mine site or exploration camps.

SAMPLE ANALYSES

Teranga used ALS Chemex in Johannesburg, South Africa, as its primary fire assay laboratory, with additional samples sent to ALS Chemex in Vancouver, Canada. ALS Chemex Johannesburg is accredited to the ISO/IEC 17025:2005 Standard by laboratory Certificate number T0387 and ALS Chemex Vancouver is accredited to the ISO/IEC 17025:2005 Standard by laboratory Certificate number 579.

Dried samples were crushed to 70% minus 2.0 mm. Crushed samples were riffle split to 250 g, then pulverized to 85% minus 75 µm (200 mesh). Fifty gram sample pulps were analyzed for gold using fire assay with an atomic absorption finish and a 5.0 ppb detection limit (Au-AA24). Assay results greater than 1.0 g/t Au were automatically re-assayed by fire assay with a gravimetric finish (Au-GRA22).

Diamond drill core, RC, RAB, soil, and grab samples were sent for gold analysis to the on-site laboratory operated by SGS Minerals as its primary laboratory for atomic absorption analyses (AAS). SGS Sabodala is accredited to the ISO/OEC 17025:2005 Standard by laboratory Certificate number 812.

Samples received by the laboratory were transferred into stainless steel trays, and coded with sample system identification numbers. Samples were dried at 105ºC for eight hours.

Dried samples were crushed in the jaw crusher to minus 2.0 mm. Compressed air was used to clean the crusher and splitter between samples, with crushing of barren quartz for additional cleaning as required. Crushed samples were split using a Jones riffle to 200 g. The 200 g sample was pulverized with a ring and puck pulverizer to 85% minus 75 µm (200 mesh).

Fifty gram sample pulps were analyzed for gold using an aqua regia digestion followed by AAS (ARE155). Due to the periodic backlog of samples at the SGS on-site laboratory, additional samples were sent to SGS Bamako, Mali, for fire assay analysis with an AAS finish (FAA505). SGS Bamako, Mali is accredited to the ISO/IEC 17025:2005 Standard by laboratory Certificate number T0652.

Coarse rejects were kept for a few months for possible reassay if there was an issue with the QA/QC, original sample assay, or lost sample.

In addition, 6,740 soil samples were sent to ALS Chemex in Johannesburg for gold analysis on 25 gram sample pulps by aqua regia extraction (Au-ST43) with an ICP-MS finish (ME-MS41).

SAMPLE SECURITY

During trenching, drilling, logging, sampling, and shipping, multiple data storage systems were employed. Field data were recorded on maps, sample sheets, logging forms, and shipping forms and later entered and stored on the Bransan exploration camp computer server. Hard copies of all field data were stored on site at the Bransan exploration camp.

Geological logging was conducted on laptop computers. All files containing core photos and geological logs were stored on the exploration camp computer server.

All digital files from surveyors and assay labs are stored in their original format, in addition to integrating them into the master database.

All drill core and RC chips are stored on site at the Bransan exploration camp, the OJVG exploration camp or the Sabodala minesite. The core storage compound at the Sabodala mine and the exploration camps are protected by security fences that are locked at night and are under 24 hour surveillance by security personnel.

Chain of custody was strictly maintained during transportation, sample collection, shipping, and preparation to avoid tampering. No evidence of tampering had been identified.

QUALITY ASSURANCE AND QUALITY CONTROL

In addition to the standard internal laboratory quality control measures employed, a blind Quality Assurance and Quality Control (QA/QC) program was established, consisting of geological standards, blanks, and duplicate samples inserted into the sample stream at regular intervals. Teranga's QA/QC program prior to 2014 is discussed in detail in AMC

(2014). Teranga's QA/QC program from January 2014 to December 2015 is summarized in the following sections.

Detailed QA/QC results are included in Appendix 1, which can be found on the Teranga website (www.terangagold.com).

BLANKS

The regular submission of blank material is used to assess potential contamination during sample preparation and to identify sample numbering errors. Teranga's QA/QC protocol called for blanks to be inserted in the sample stream at a rate of approximately one in 40 samples.

Teranga used barren granite as blank material collected from surface outcrops near Saraya. Granite material was originally assayed for gold at different labs by atomic absorption and fire assay, to ensure that the samples were barren of gold prior to use. All test results returned gold values below the detection limit.

An assay was considered a failure if it returned a value greater than three times the detection limit of the assay method. A total of 1,273 blank samples were submitted with one failure returned. Results indicate no evidence of contamination, drift, or tampering.

DUPLICATES

Pulp duplicates from drill core samples originally assayed at the SGS Sabodala and ALS Johannesburg laboratories were selected by Teranga geologists and submitted to the original laboratories for comparison against the original assay result. Teranga submitted a total of 71 pulp duplicates for analysis.

Preparation duplicates were generated from RC samples by taking a second split; approximately two to three kilograms of the bulk reject (20 kg to 30 kg) through the three-tier riffle splitter in the field. A total of 161 preparation duplicates were submitted for analysis to the SGS Sabodala laboratory.

A total of 188 field duplicates were submitted from trench samples originally assayed at SGS Sabodala, SGS Bamako, and ALS Johannesburg.

Results indicate reasonable to good correlation between the original and duplicate pulp and preparation gold assays. Field duplicate results showed poorer correlation overall between the original and duplicate assays, which could be partially attributed to the nuggety nature of gold mineralization.

CERTIFIED REFERENCE MATERIALS (STANDARDS)

Results of the regular submission of Certified Reference Material (CRM) samples were used to identify problems with specific sample batches and long-term biases. A total of 21 CRMs supplied by Geostats Pty. Ltd and Ore Research and Exploration Pty. Ltd. were utilized. The CRMs cover the range of expected results and are considered appropriate for use in Teranga's QA/QC program.

Specific pass/fail criteria were determined from the standard deviation provided for the CRMs. The conventional approach to setting acceptance limits is to use the mean assay ± 2 standard deviations as a warning limit and ± 3 standard deviations as a failure limit. Results for the standards are generally within acceptable limits with a small percentage of failures, which can be attributed to the insertion of a different standard. The expected values and standard deviations (S.D.) for the various CRMs are listed in Tables 11-1 to 11-4.

TABLE 11-1 EXPECTED VALUES AND RANGES OF STANDARDS ALS JOHANNESBURG
Teranga Gold Corporation - Sabodala Project

Source	Standard	Au g/t	S. D. g/t	Number of assays	Number of failures	% Failures
Geostats	G302-10	0.180	0.020	32	0	0.0
ORE Research	OREAS-501	0.204	0.011	24	0	0.0
Geostats	G904-6	0.360	0.020	2	0	0.0
Geostats	G306-1	0.410	0.030	5	0	0.0
Geostats	G996-4	0.510	0.040	26	2	7.7
Geostats	G909-10	0.520	0.005	13	0	0.0
Geostats	G305-3	0.720	0.030	17	3	17.6
Rocklabs	OXF41	0.815	0.011	3	0	0.0
Geostats	G908-4	0.960	0.050	68	1	1.5
Geostats	G310-7	1.010	0.050	3	0	0.0
Geostats	G307-2	1.080	0.050	24	0	0.0
ORE Research	OREAS-504	1.470	0.070	22	0	0.0
Geostats	G311-8	1.570	0.080	44	1	2.3
Geostats	G901-2	1.760	0.140	5	0	0.0
Geostats	G307-8	1.990	0.080	13	0	0.0

Source	Standard	Au g/t	S. D. g/t	Number of assays	Number of failures	% Failures
Geostats	G308-3	2.500	0.110	3	0	0.0
Geostats	G310-9	3.250	0.180	49	0	0.0
Geostats	G907-4	3.840	0.150	14	0	0.0
Geostats	G908-8	9.410	0.450	16	0	0.0

TABLE 11-2 EXPECTED VALUES AND RANGES OF STANDARDS ALS VANCOUVER
Teranga Gold Corporation - Sabodala Project

Source	Standard	Au (g/t)	S. D. (g/t)	Number of assays	Number of failures	% Failures
ORE Research	OREAS-501	0.204	0.011	4	0	0.0
Geostats	G908-4	0.960	0.050	3	0	0.0
ORE Research	OREAS-504	1.470	0.070	4	0	0.0

TABLE 11-3 EXPECTED VALUES AND RANGES OF STANDARDS SGS SABODALA
Teranga Gold Corporation - Sabodala Project

Source	Standard	Au (g/t)	S. D. (g/t)	Number of assays	Number of failures	% Failures
Geostats	G302-10	0.160	0.030	95	0	0.0
ORE Research	OREAS-501	0.192	0.016	60	0	0.0
Geostats	G904-6	0.360	0.060	9	0	0.0
Geostats	G306-1	0.410	0.050	2	0	0.0
Geostats	G996-4	0.470	0.070	4	0	0.0
Geostats	G909-10	0.530	0.070	16	0	0.0
ORE Research	OREAS-503	0.658	0.046	63	0	0.0
Geostats	G305-3	0.700	0.060	69	0	0.0
Geostats	G908-4	0.930	0.060	110	0	0.0
Geostats	G910-10	0.950	0.060	1	0	0.0
Geostats	G307-2	1.040	0.060	3	0	0.0
ORE Research	OREAS-504	1.470	0.070	64	0	0.0
Geostats	G311-8	1.540	0.110	165	1	0.6
Geostats	G901-2	1.700	0.130	2	0	0.0
Geostats	G307-8	1.970	0.120	31	0	0.0
Geostats	G310-9	3.250	0.180	67	0	0.0
Geostats	G907-4	3.850	0.140	46	0	0.0
Geostats	G908-8	9.410	0.450	17	0	0.0

TABLE 11-4 EXPECTED VALUES AND RANGES OF STANDARDS SGS BAMAKO
Teranga Gold Corporation - Sabodala Project

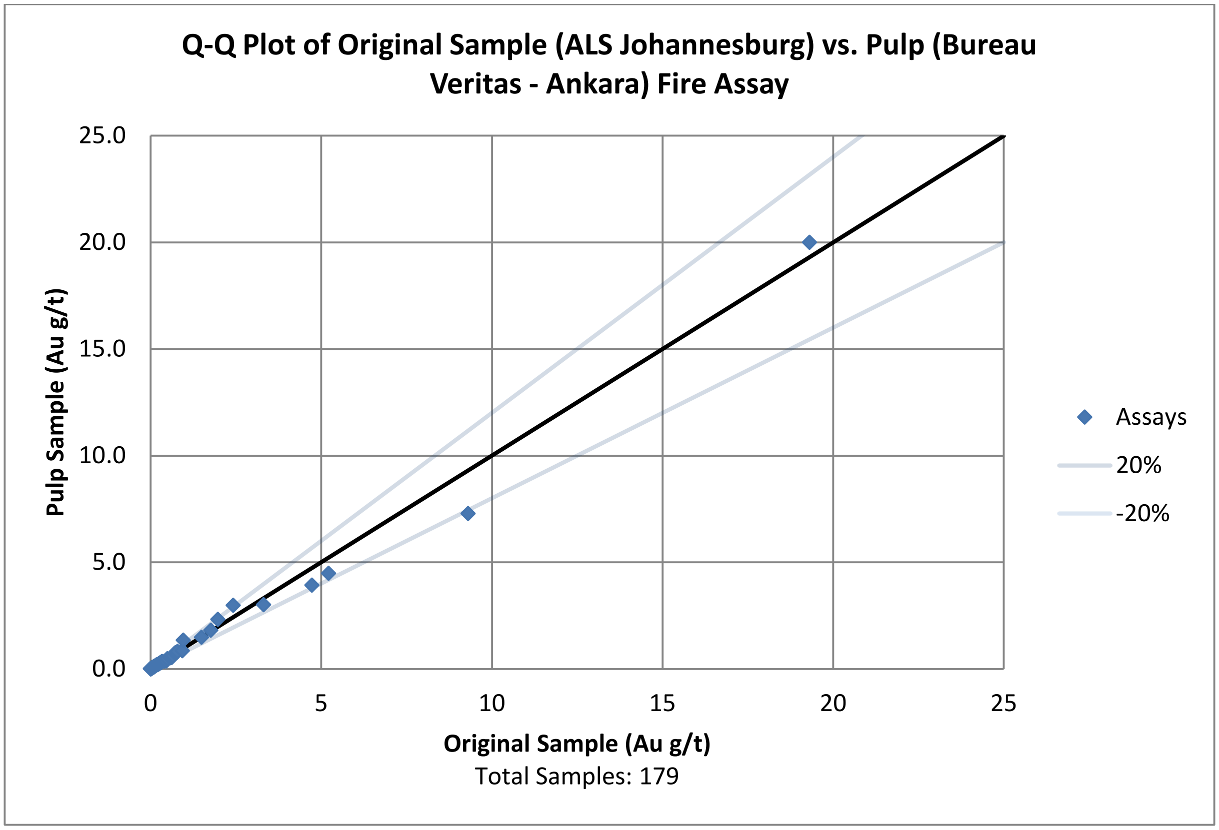
Source	Standard	Au g/t	S. D. g/t	Number of assays	Number of failures	% Failures
Geostats	G904-6	0.360	0.020	4	0	0.0
Geostats	G908-4	0.960	0.050	12	0	0.0
Geostats	G311-8	1.570	0.080	16	0	0.0
Geostats	G310-9	3.250	0.180	11	0	0.0
Geostats	G908-8	9.410	0.450	2	0	0.0

CHECK ASSAY REFEREE PROGRAM

Teranga sent 179 pulp samples originally fire assayed at the ALS Chemex Johannesburg laboratory to the Bureau Veritas laboratory in Ankara, Turkey, for check fire assay. Bureau Veritas is accredited to the ISO Standard 9001:2008 by Certificate number NIS 944-01. All pulp samples were analyzed by fire assay with an atomic absorption finish and a 5.0 ppb detection limit (FA450). Assay results greater than 10 g/t Au were automatically re-assayed by fire assay with a gravimetric finish (FA550).

Comparative results show good correlation and are presented in Figure 11-1.

FIGURE 11-1 PULP DUPLICATE REFEREE SAMPLE QUARTILE-QUARTILE PLOT



LABORATORY AUDIT

Teranga exploration personnel conducted a laboratory audit of the SGS Sabodala site laboratory in July 2014. All laboratory procedures for sample analysis and the internal lab QA/QC program, and lab equipment were reviewed. Details of the 2014 audit are documented in the Teranga SGS Sabodala Laboratory Report (Teranga, 2014).

Teranga did not identify any significant issues in general, regarding the technical level of laboratory personnel, the laboratory procedures developed in-house, or the execution of the sample preparation and sample analytical procedures.

Teranga recommended implementing direct uploading and transfer of assay results digitally instead of reporting on hard copies. Teranga also recommended employing additional covering of sample rejects that are stored outside to reduce the possibility of contamination, should future analyses be required, as well as general housekeeping and organization of sample rejects in the yard.

During the third quarter of 2014, a high bias in gold assays was generated by the SGS Sabodala site laboratory and was identified by a discrepancy in reconciliation between the daily production reports and the gold poured and gold in circuit at quarter end. The high bias was investigated and determined to have been caused by the degradation in the gold calibration standard due to poor storage of the solutions employed by the laboratory. The bias was corrected in October 2014 and steps were taken to improve the laboratory's internal quality control procedures. Exploration sample assays received from the SGS Sabodala laboratory during this time period were examined, with no significant biases identified.

Teranga exploration personnel conducted a laboratory audit of the SGS Sabodala site laboratory in January 2015, with no significant issues identified.

Ms. Nakai-Lajoie reviewed and confirms the adequacy of the samples taken, the security of the transportation procedures, the sample preparation and analytical procedures used, and Teranga's QA/QC program.

12 DATA VERIFICATION

2007 TO 2012

SABODALA MINING CONCESSION AND EXPLORATION PERMIT AREAS

Independent reviewers SWRPA (2007) and AMC (2010 and 2012) completed extensive reviews of data collected from 2005 to 2011, as part of their verification of data, and documented in detail in previous NI 43-101 technical reports.

RSG Global managed drilling programs until 2007, including logging, sampling, data verification, and QA/QC. SWRPA reviewed the procedures followed by RSG Global and did not identify any significant discrepancies.

AMC reviewed geological knowledge and practices on the mining lease and regional exploration properties, the on-site laboratory facility, sample analysis, security and QA/QC procedures. Standard industry practices were followed for drilling and QA/QC with no significant discrepancies identified.

SOMIGOL MINING CONCESSION

The following sub-sections describe the verification procedures undertaken by SRK on the OJVG data, and has been largely taken from the previous SRK technical report (SRK, 2013).

SRK DATABASE VERIFICATION

In July 2012, SRK verified the 2011 assay results recorded in OJVG's master drillhole database against copies of assay certificates from TSL Laboratories. A total of 33,995 drillhole assay results were verified, of which 12,076 are RC drillhole and 21,919 are DDH assays. The sample selection represents over 80% of RC and diamond drillhole samples assayed from January 2011 to December 2011. SRK did not identify any discrepancies in the OJVG assay database. Data prior to January 2011 was previously verified by SRK for the May 11, 2011 SRK Technical Report: Revised OJVG Golouma Project Updated Mineral Resource (SRK, 2011).

Following the 2011 site visit, the collar locations of 36 RC and diamond drillholes from Golouma West, Golouma South, Masato, Kerekounda, Maki Medina and Niakafiri deposits were verified, using a hand-held GPS. No significant discrepancies with the collar surveys were identified.

SRK INDEPENDENT CHECK ASSAYS

During the February 2011 site visit, SRK collected 20 samples of drill core, three CRM samples and one blank sample. Samples collected in 2011 were taken from drilling completed primarily in 2010 and late 2009. Including the 45 samples collected by SRK in 2008 and 2009, all of the deposits under consideration for this study have had some check assays conducted. Samples of drill core consisted of half-core samples corresponding to the same original sample intervals as defined by OJVG. In the case of very broken saprolitic and oxidized samples, the sample consisted of all of the broken material remaining in the core tray over a particular sampling interval.

Samples collected during the 2011 site visit were sent to the ALS Laboratory in Vancouver for gold analysis by fire assay with atomic absorption finish using 50 g sample weight. For any samples greater than 10 g/t Au, fire assay and gravimetric finish was used.

There are some significant differences between the original and duplicate check assays of core samples at various grades. This can be attributed to the coarse nugget-like nature of the gold, which was observed in the core for several samples.

2013

SABODALA MINING CONCESSION AND EXPLORATION PERMIT AREAS

The Teranga exploration team followed standard industry practice protocols for drilling. Teranga has established standard operating procedures for diamond drilling, RAB, and RC programs, core logging and sampling and QA/QC, which were followed for the 2012 and 2013 regional exploration and ML drilling programs.

Drillhole collars were surveyed for collar coordinates and elevation. Reflex® instruments were used to record the downhole surveys to determine inclination and azimuth. All surveys were checked for accurate transfer into the digital database.

Data entry of all drillhole data was completed manually. Verification of the regional exploration data in the Centric database and the ML data in the Access database included checks on duplicate "from" and "to" entries, duplicate sample numbers, sample intervals beyond the end of the hole and collar coordinates. Additional checks were conducted against assay certificates with periodic field survey checks of collar locations. Data verification was completed as each hole is entered and finalized. Access to drillhole databases is limited for security, and is managed by the designated Database Managers.

Discrepancy issues were previously identified in the Sabodala Mining Concession database, therefore additional verification was completed on the entire database in May 2013.

SOMIGOL MINING CONCESSION

The following sub-sections describe the due diligence data verification procedures undertaken by Teranga on the OJVG data, and has been largely taken from the previous technical report (AMC, 2014).

DRILLHOLE DATA

From October to November 2013, Teranga checked a minimum of 5% of Masato, Golouma and Kerekounda drillhole data, including collar coordinates, downhole surveys, logged geology and structure, gold assay records and density determinations in the OJVG master databases against hard copies. Drillholes intersecting Masato, Golouma and Kerekounda mineralization were randomly selected.

Drillhole collar locations were field checked using a DGPS. RC collar casings were still intact, however, DDH casings had been removed. Blocks containing DDH names were located on the drill pads, which were still visible. Using the DDH block locations for reference, DDH collar locations were estimated and surveyed. Although accurate DDH collar locations could not be identified, check surveys of RC and DDH collars indicated no significant discrepancies.

Diamond drill core and RC chips were relogged and checked against the logged lithology and alteration in the master databases. No significant discrepancies were identified. Relogging of structural data was not always feasible on the remaining half core, and was not completed.

OJVG standard operating procedures for drillhole and RC sampling, sample preparation and QA/QC programs were reviewed, and follow industry best practices.

High level checks were undertaken on the drillhole data for Kinemba, Kobokoto, Koulouqwinde, Kouroundi, Kourouloulou, Koutouniokollo, Maki Medina, Mamasato, Niakafiri Southeast, Niakafiri Southwest and Sekoto. No significant discrepancies were identified.

In summary, the methods used by OJVG meet industry best practices and no significant discrepancies were identified during the verification process.

GEOLOGICAL INTERPRETATION

Five cross-sections across Masato mineralized zones were reinterpreted in detail to confirm OJVG mineralization trends and models. Lithology and alteration in diamond drill core from sections 390N, 320N, 170S, 530S, and 590S were relogged. Mineralization zones were reinterpreted in conjunction with relogged data, gold assays and previously logged structural data. Sectional reinterpretation confirmed the general overall trend of the main shear zone and associated low grade mineralized envelopes. Local mineralized trends were reinterpreted to follow the geological trends identified from the relogging program.

INDEPENDENT CHECK ASSAYS

As part of the data verification process, 136 core samples from 16 holes were marked out and duplicate samples were taken. The duplicate samples are located inside the mineralization zones and were randomly chosen. The specified samples were quarter sawn and the samples were then bagged, tagged, and sealed in a larger plastic bag and sent to Australia Laboratory Services Pty. Ltd. (ALS) in Perth, Australia by courier. Samples were analyzed by fire assay with an atomic absorption spectroscopy finish at the ALS laboratory in Perth. Sample results returning assays greater than 10 g/t Au were reanalyzed by fire assay with a gravimetric finish at the ALS laboratory in Townsville, Australia. The ALS Perth laboratory is accredited to the ISO 9001 Standard by Certificate number 6112000-QMS-002 and the ALS Townsville laboratory is accredited to the ISO 9001 Standard by Certificate number QEC27912.

Samples were dried, crushed to 70% passing 2 mm, split to 250 g, and pulverized to 85% passing 75 µm according to ALS' sample preparation lab code PREP-31. Fifty gram charges were analyzed for gold by fire assay with an atomic absorption spectroscopy finish (ALS lab code Au-AA24), and a gravimetric finish for assay results greater than 10 g/t Au (ALS lab code Au-GRA22).

Results indicate reasonable correlation of gold assay grades, however a few of the reassayed values returned significantly lower gold grades compared to the original assays. The discrepancies may be due to the difference in sample size submitted for check assay (quarter core vs. half core), the original sampling of higher grade portions of the core or to the heterogeneous distribution of the coarse gold, which was observed during logging. Previous independent check assay programs also encountered some discrepancies between the original and check assay results (SRK, 2013).

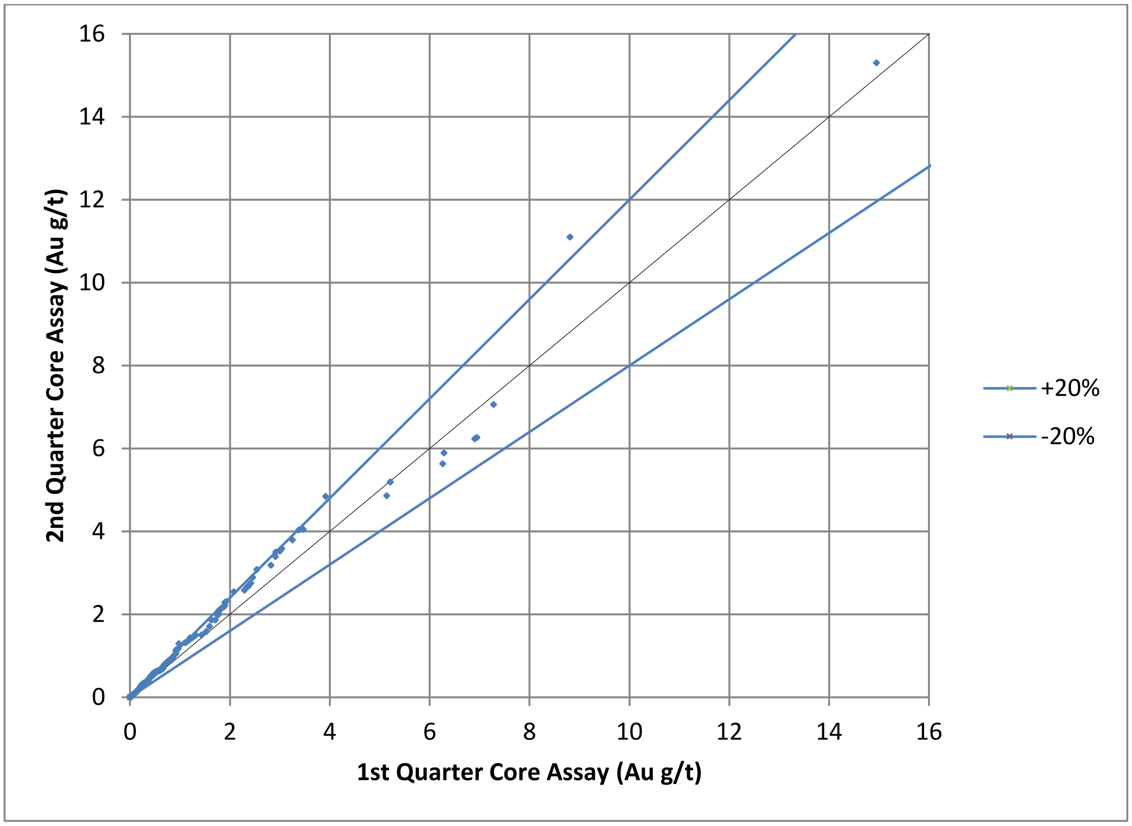
2014 TO 2015

Golouma Northwest, Golouma South, Kerekounda, Maki Medina, Masato, Niakafiri Southwest and Soukhoto drillhole data from 2014 and 2015 were checked, including collar coordinates, downhole surveys, logged geology and structure, gold assays and density determinations. In addition, a selection of core photos was reviewed against drillhole logs. No significant discrepancies were identified.

Prior to the commencement of drilling in 2014, a detailed relogging program of all drillholes intersecting Masato mineralization was undertaken as a follow up to the geological interpretation completed in 2013. Sectional interpretation of relogged lithology and alteration was utilized to identify and confirm trends and controls on mineralization.

A total of 330 duplicate quarter core samples from Masato drill core were submitted to ALS Johannesburg for check assaying. Dried samples were crushed to 70% minus 2 mm. Crushed samples were riffle split to 250 g, then pulverized to 85% minus 75 µm (200 mesh). Fifty gram sample pulps were analyzed for gold using fire assay with an atomic absorption finish and a 5 ppb detection limit (Au-AA24). Samples that returned inconsistent assay results were re-assayed by fire assay with a gravimetric finish (Au-GRA22). Results indicate reasonable correlation of gold assay grades and are presented in Figure 12-1.

FIGURE 12-1 MASATO QUARTER CORE QUARTILE-QUARTILE PLOT



Standard operating procedures for drillhole and RC sampling, sample preparation and QA/QC programs were reviewed, and follow industry best practices.

The resource databases are considered to be valid and acceptable for use in Mineral Resource estimates.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

HISTORICAL DATA

Metallurgical testwork for the Sabodala Project has been conducted since 1988, by a series of owners and metallurgical laboratories. Details of the historical metallurgical testing and data are reported by AMC (2014). The test data was used to develop the process design criteria that is the basis of the plant design. Significant observations are:

- The ore types tested contained large quantities of gravity recoverable gold
- The optimum grind size was determined to be approximately 80% passing (P_{80}) 75 µm
- The carbon-in-leach (CIL) residence time required is between 24 hrs and 30 hrs for most ore types that were tested
- Comminution tests indicated that the fresh ore is hard to very hard

Now that the plant has been operating for a sustained period of time, RPA focused the data analysis using plant operating data. Using this analysis ensures that the data is representative of the areas that have been mined. Additional focus was given to data from the mining areas that are included in the Mineral Reserves and life of mine (LOM) plan that will be processed in the future.

PLANT OPERATING DATA ANALYSIS

From 2013 through 2015, the Sabodala processing facility processed ore from the Sabodala, Masato, and Gora open pit mines. The quantities and average grades of the ore processed are summarized in Table 13-1.

TABLE 13-1 ORE PROCESSED FROM 2013 THROUGH 2015
Teranga Gold Corporation – Sabodala Project

Mine	Tonnes (kt)	Grade (Au g/t)
Sabodala	2,902	2.26
Masato Phase 1	3,589	1.61
Masato Phase 2	874	1.68
Gora Phase 1*	187	3.44
Gora Phase 2*	39	1.68
Total	7,591	1.91

*Diluted to 2015 year end due to artisanal impact

Nearly 60% of the ore has come from Masato and approximately 40% of the ore from Sabodala in this period. Based on the available data, AMC (2014) estimated oxide gold recovery to be 92.8% since no relationship between feed grade and recovery was observed. Gold recovery for fresh ore was based on a recovery algorithm that was developed based on the correlation between recovery and gold head grade which is:

$$\text{Gold Recovery \%} = 86.74 + (1.55 \times \text{Head Grade})$$

A reasonable comparison of whether the estimation assumptions are correct is to compare the actual milled grade with the actual achieved gold recovery. The gold recoveries were based on metallurgical accounting balance and reconciled to (i) monthly mine surveyed and (ii) to the monthly gold poured. Figure 13-1 presents the actual mill head grade and gold recoveries for the period of 2013 to 2015 on a monthly basis in blue and the recovery curve for the period of April 2010 and July 2010, presented in AMC (2014) in orange. In Table 13-2, the actual production for the period of 2013 to 2015 is presented.

The current recovery-grade trend is shallower and more conservative than the LOM recovery curve. At the current LOM average grade of 1.38 g/t, the past three year grade-recovery trend results in an average gold recovery of approximately 91.2%, whereas the LOM recovery curve results in an average gold recovery of approximately 88.9%. The current trend yields higher gold recoveries at lower grades and lower gold recoveries at higher grades as compared to the LOM recovery curve, therefore providing a more conservative trend.

FIGURE 13-1 MILL GRADE-RECOVERY PLOT FROM 2013-2015

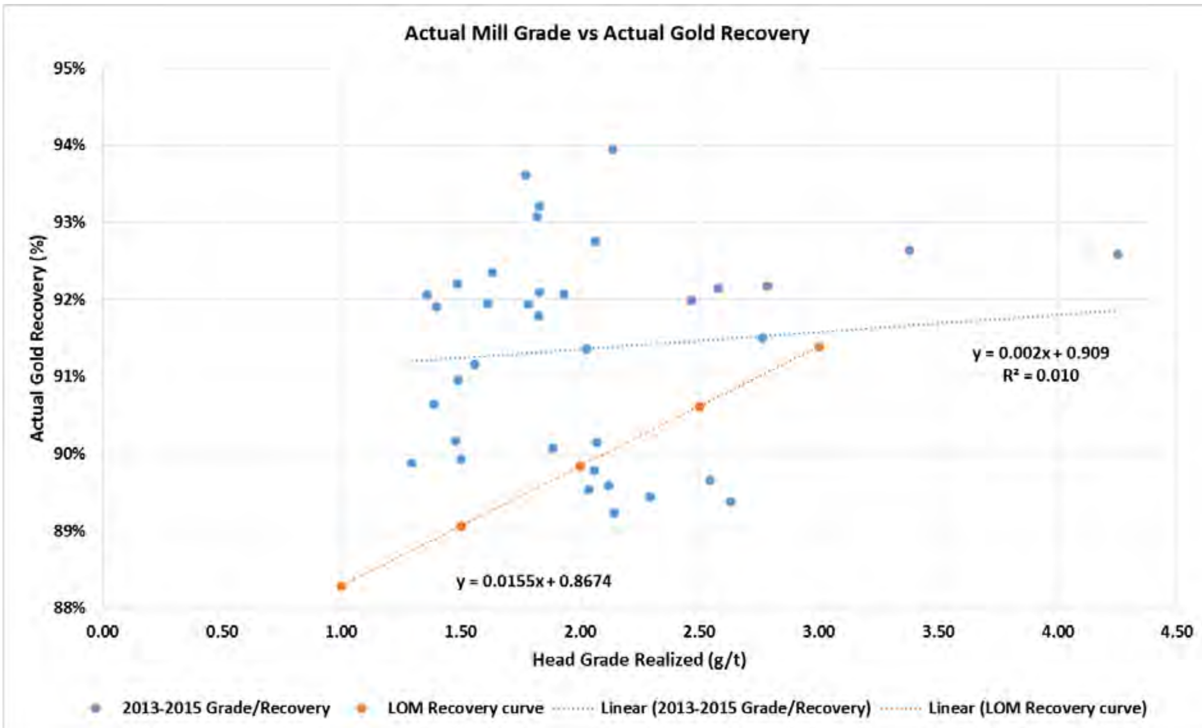
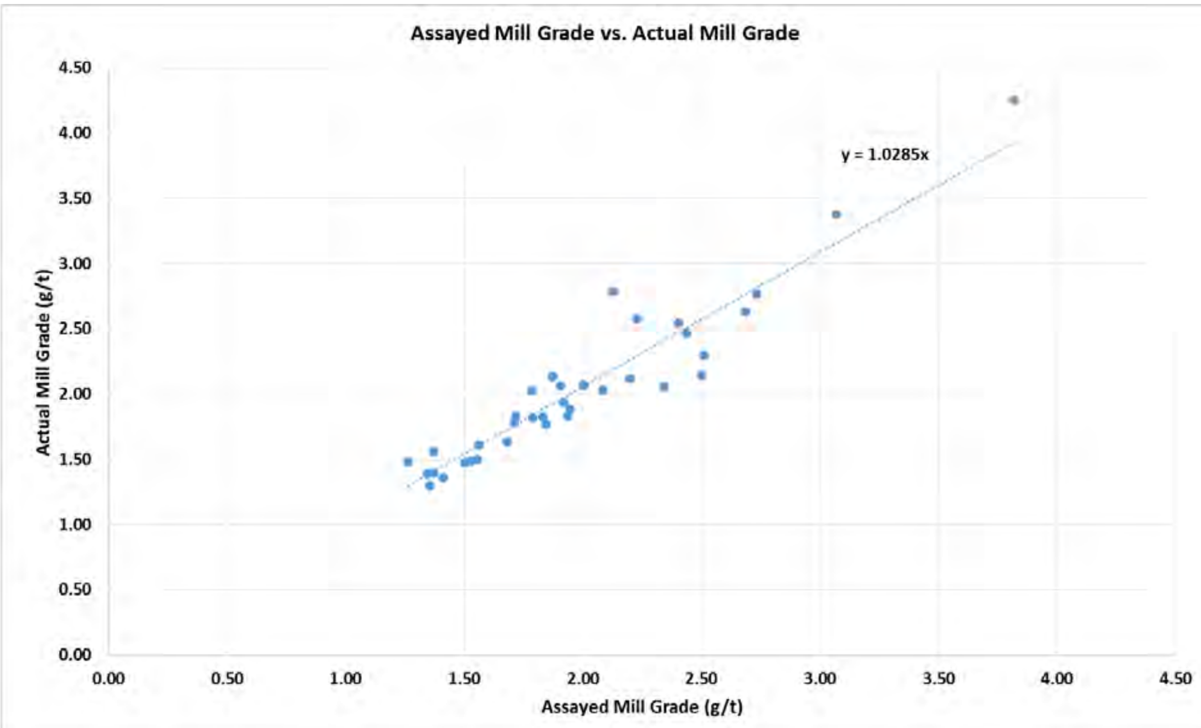


TABLE 13-2 MILL PRODUCTION FROM 2013 TO 2015
Teranga Gold Corporation – Sabodala Project

	2013	2014	2015
Tonnes Milled (kt)	3,152	3,622	3,421
Mill Feed Grade (g/t)	2.24	2.03	1.79
Tail Solid Grade (g/t)	0.19	0.21	0.14
Gold Recovery (%)	91.4	89.7	92.3

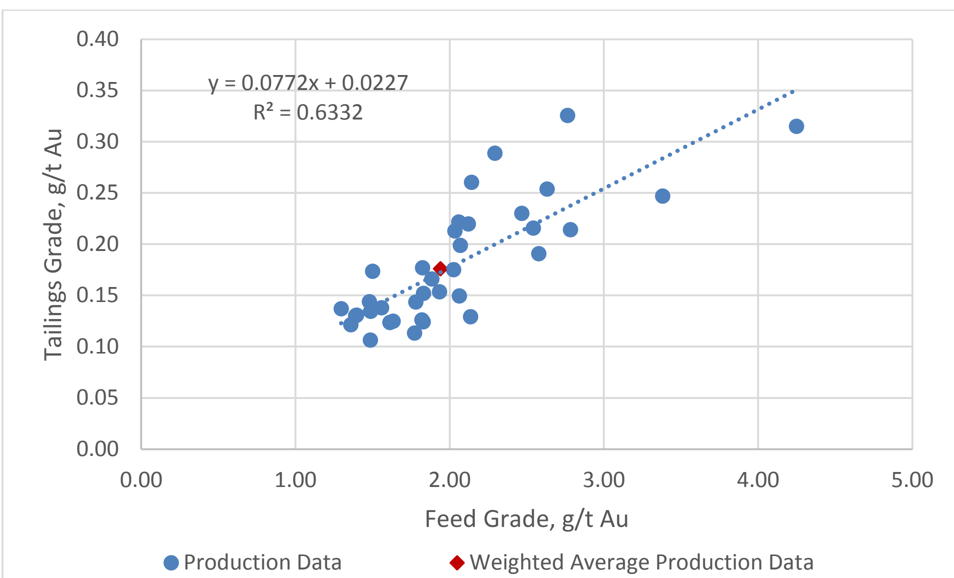
Figure 13-2 compares the actual grade realized versus the mill assayed grade by month from 2013 through 2015. This plot verifies that the recovery in the Sabodala mill is consistent since there is a relationship between the feed grade and recovery.

FIGURE 13-2 ACTUAL MILL GRADE VS. MILL ASSAY GRADE



RPA also compared the gold head grade to the gold tailing grade using the production data, as shown in Figure 13-3.

FIGURE 13-3 PLANT FEED GRADE COMPARED TO TAILINGS GRADE



This data indicates that there is a reasonable correlation between feed grade and tailings grade for the combined oxide and fresh ore data, which deserves further evaluation in the future to determine if the new methodology results in more accurate recovery estimates. This data indicates that estimating the tailings grade based on the feed grade and then calculating the recovery using the feed and tailings grades may improve the accuracy of the estimates.

Data needed to estimate future production should be prioritized based on the quantities of material that will be mined and processed in the future. Table 13-3 summarizes the total quantities and grades from Table 16-5, which provides the LOM production schedule (excluding run of mine (ROM) stockpiles).

TABLE 13-3 LIFE OF MINE PRODUCTION DATA
Teranga Gold Corporation - Sabodala Project

Area	Mt	Au (g/t)	Contained (MOz)	% Oz
Sabodala	3.9	1.44	0.18	8.0%
Masato	21.4	1.06	0.73	32.6%
Gora	1.5	4.78	0.22	9.8%
Kerekounda	0.8	3.44	0.09	4.0%
Golouma	4.5	2.28	0.33	14.7%
Niakafiri	9.0	1.09	0.31	13.8%
Maki Medina	0.9	1.17	0.03	1.3%
Underground	2.1	5.01	0.35	15.6%
Total	44.1	1.59	2.25	100.0%

This summary shows that nearly 40% of the future gold production should be estimated accurately using the historical data from Sabodala and Masato. An additional 10% comes from Gora, while 18% of the gold production is scheduled to come from Kerekounda and Golouma, 14% from Niakafiri, and 15% from the underground.

METALLURGICAL TEST DATA

GOLOUMA AND KEREKOUNDA

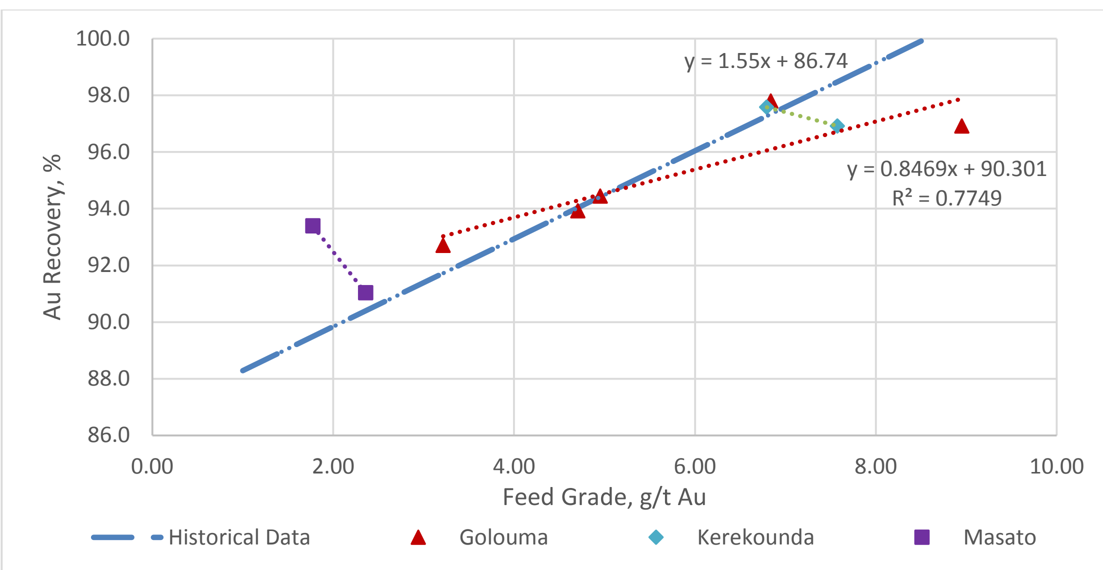
Ammtec completed testwork on samples from Golouma, Kerekounda, and Masato in 2010 (Ammtec, 2010). Table 13-4 summarizes the head assays and gold extraction for the samples that were tested. In general the gold extraction was based on samples ground to P_{80} 75 µm after 30 hrs of leaching of the gravity tailings. For comparison purposes the average grades for the deposits from the Mineral Reserve estimates, as shown in Table 15-1, are also included

TABLE 13-4 GOLOUMA, KEREKOUNDA, AND MASATO 2013 TEST DATA
Teranga Gold Corporation - Sabodala Project

	Metallurgical Samples					Reserves	
	Au (g/t)	S (%)	Gravity (% Au)	Extraction (% Au)	Recovery (% Au)	Au (g/t)	% Oz
Golouma West	4.96	0.62	34.3	91.5	94.4	1.96	8.9%
Golouma West	3.22	1.04	38.3	88.2	92.7	1.96	8.9%
Golouma West	8.95	<0.02	33.4	95.4	96.9	1.96	8.9%
Golouma South	4.71	1.16	38.5	90.1	93.9	3.09	5.8%
Golouma South	6.84	1.06	57.5	94.8	97.8	3.09	5.8%
Kerekounda	6.80	0.64	47.3	95.4	97.6	3.44	4.0%
Kerekounda	7.58	1.23	42.4	94.7	96.9	3.44	4.0%
Masato	1.78	0.88	31.9	90.3	93.4	1.06	32.4%
Masato	2.36	2.02	28.4	87.5	91.0	1.06	32.4%
Kourouloulou	4.55	0.10	50.0	94.8	97.4		0.0%
Koulouqwinde	2.12	0.25	43.6	90.6	94.7		0.0%
Masato Oxide	2.27	0.02	30.8	96.9	97.9	1.06	32.4%

The data is plotted in Figure 13-4. For comparison purposes, the recovery calculated by using the historical recovery estimate for fresh ore is also shown.

FIGURE 13-4 RECOVERY VERSUS FEED GRADE FOR GOLOUMA, KEREKOUNDA, AND MASATO FRESH ORE



From this data, the gold extraction appears to follow a different trend from the recovery that has been historically achieved at Sabodala, Masato, and Gora, however, RPA notes that the Au grades of the metallurgical samples that were tested are much higher than the average grade of the material contained in the Mineral Reserve estimate or the LOM plan. The data for the Masato samples and the Kerekounda samples do not show any relationship between the feed grade and the gold extraction. Again, the gold grades for the Kerekounda samples are much higher than the material that is planned for mining in the future.

Additional observations from the 2010 test program demonstrated that gravity gold recovery ranged from 28% to 58%, the majority of the gold was extracted in two to four hours, the comminution data confirmed that the ore was hard (i.e., similar to ore from Sabodala), and no preg-robbing was observed.

The Golouma South satellite pit mining started in January 2016. A testwork program was carried out to confirm the amenability of the Golouma ore in the existing Sabodala process plant. Oxide and fresh ore core samples were separately sent to ALS Ammtec laboratory for extractive and comminution testworks. The comminution tests were carried out on the fresh samples alone. At the time of finalizing this Technical Report, preliminary results indicated that Golouma fresh ore can be milled without major modification in the existing processing plant. The comminution parameters observed are favourable when compared to the previous ore sources processed in the existing plant from Sabodala, Masato and Gora pits; and also agree with the feasibility study results. The initial data indicates the overall gold recovery curve being slightly shallower than the current, resulting in a slightly lower average gold recovery (1% to 2%) as compared to ore from Sabodala pit. These results has been reflected in the current LOM plan

GORA

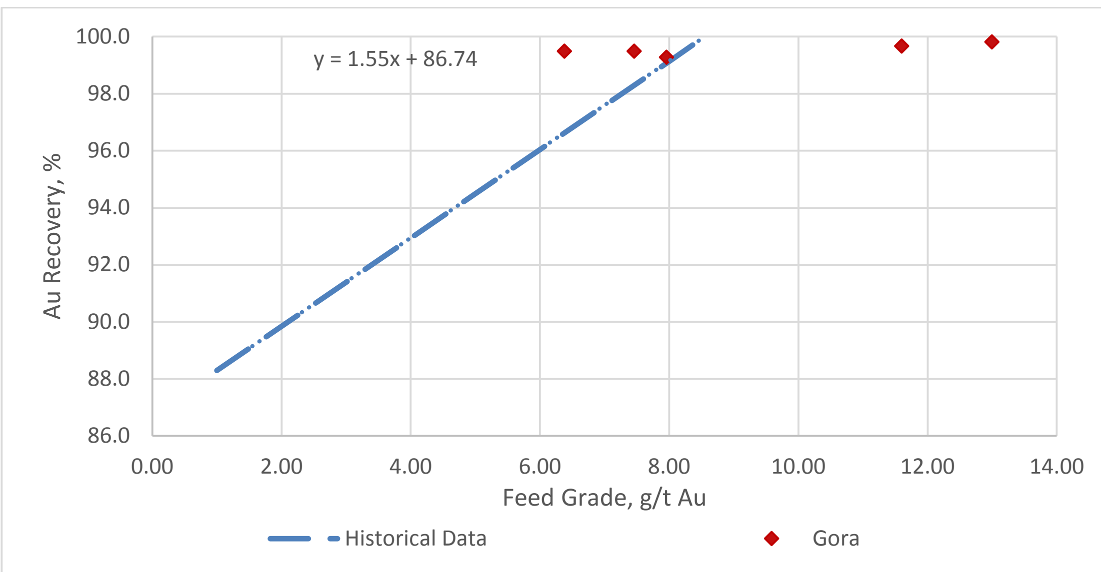
ALS Ammtec conducted testwork on samples from Gora in 2012 (ALS Ammtec, 2012). A summary of the recovery data is provided in Table 13-5.

TABLE 13-5 GORA 2012 TEST DATA
Teranga Gold Corporation - Sabodala Project

Samples	Calculated Head (g/t Au)	Gravity (% Au)	Extraction (% Au)	Recovery (% Au)	Preg Rob (%)
South Vein 2	13.0	82.7	98.9	99.8	9.7
Central Vein 1	6.38	72.8	98.1	99.5	13.0
North Vein 1	11.6	81.7	98.2	99.7	15.6
Central Vein 1 at depth	7.96	66.1	97.9	99.3	8.0
North Vein 5 at depth	7.46	72.9	98.1	99.5	7.1

The results of this testing program showed that the gravity gold recovery was very high, the gold contained in the gravity tailings leached very quickly, and the samples were moderately preg-robbing. However, in the presence of activated carbon, gold recoveries were not affected and this has been demonstrated, year to date 2016, in the process plant. Comminution testing indicated that the ore was very hard. The data is plotted in Figure 13-5 and compared to the historical recovery estimate.

FIGURE 13-5 RECOVERY VERSUS FEED GRADE FOR GORA



The metallurgical data for Gora shows that the gold recovery appears to be independent of the gold head grade, however, the grade of the samples that were tested is significantly higher than the average grade of the ore that will be mined and processed according to the LOM plan. To confirm the results, samples that have a gold grade in the range of two to five grams per tonne Au should be tested.

NIAKAFIRI

AMC reported that Ammtec performed test work on four samples of ore from the Niakafiri deposit although the data reported by Ammtec (2007) was not clear about which samples were from Niakafiri. The comminution testwork inidicated that the ore was similar to other ores that are processed. Overall gold extraction was 89.7% to 93.7% at various grind sizes. AMC reports that the samples were not representative of the deposit (AMC, 2013).

CONCLUSIONS

The plant operating data confirms that the equations used to estimate gold recovery for ore from Sabodola, Masota, and Gora are reasonable, however, the accuracy of the gold recovery estimates are hampered by the differences between the estimated gold grades and the mined and processed gold grades. A brief analysis of the correlation between gold feed grades and tailings grades indicates that a more accurate estimate of gold recovery might be made using the correlation and calculating recovery using feed and tailings grades. Further analysis should be conducted in the future to determine if a more accurate methodology can be developed.

The samples tested for the Golouma, Kerekounda, and Gora were not representative of the material that will be mined, however, some generalizations about the gold recovery from these deposits can be made.

The metallurgical test data for Golouma indicates that the gold recovery will be lower for this deposit than the historical production recovery for Sabodala, Masota, and Gora. The ore from Gora has very high gold extractions; a significant portion of the gold can be extracted using gravity recovery. The samples taken from Golouma appear to be taken strictly from the veins in the deposit. In order to accurately predict the metallurgical performance from this deposit, it is important that samples include some of the dilution material that will be mined with the veins to represent the results expected in the processing plant. The Au grades for the samples should be similar to the grade of ore that will be processed according to the LOM plan.

RECOMMENDATIONS

RPA recommends that the production data continue to be analyzed in order to maintain accurate correlations for estimating future gold extraction. Also, representative samples of ore from Golouma, Kerekounda, and Niakafiri should be collected and metallurgical testing should be conducted in order to develop accurate estimating parameters for future LOM planning.

14 MINERAL RESOURCE ESTIMATE

PROJECT SUMMARY

Mineral Resources were estimated for the project located on the Sabodala Mining Concession and the Bransan exploration permit and are summarized by deposit in Table 14-1. Mineral Resources are reported inclusive of Mineral Reserves. The effective date of the estimate is December 31, 2015.

There have been no revisions to the resource models for 2015, except for adjustments due to mining depletion, minor revisions from infill drilling at Niakafiri Southwest and Maki Medina, remodelling of mineralization at Niakafiri Main, and conversion from a sectional model to a block model at Diadiako. For estimating 2015 Mineral Resources, Teranga has implemented a new reporting procedure, which includes the use of open pit shells to constrain open pit resources and reporting underground resources separately.

For reporting of open pit Mineral Resources, open pit shells were produced for each of the resource models using Whittle open pit optimization software using the Lerchs-Grossman algorithm. Only classified blocks greater than or equal to the open pit cut-off grades and within the open pit shells were reported. This is in compliance with the CIM (2014) resource definition requirement of “reasonable prospects for eventual economic extraction”.

For reporting of underground Mineral Resources, only classified blocks greater than or equal to the underground cut-off grade outside of the open pit shells were reported. This is in compliance with CIM (2014) resource definition requirements. In addition, Deswik Stope Optimizer software was used to generate wireframe models to constrain blocks satisfying minimum size and continuity criteria, which were used for reporting Sabodala underground Mineral Resources.

The significant change between the Mineral Resources reported for 2014 and 2015 is due to this new reporting procedure, where the 2015 year end Mineral Resources have been constrained using open pit shells along with revised gold cut-off grades for both open pit and underground resources. Previously classified Mineral Resources that do not satisfy the revised reporting criteria for 2015, have been excluded, however, remain in the block models as unclassified mineralized material.

Additional details for the following subsections are included in Appendix 1, which can be found on the Teranga website (www.terangagold.com).

The Qualified Person for the Mineral Resource estimates is Patti Nakai-Lajoie, P. Geo., who is a full-time employee of Teranga and not independent, and is a Qualified Person in accordance with NI 43-101. Ms. Nakai-Lajoie is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, or political issues that would materially affect the Mineral Resource estimates.

The location of the deposits on the Sabodala Mining Concession and Bransan exploration permit are presented in Figure 14-1.

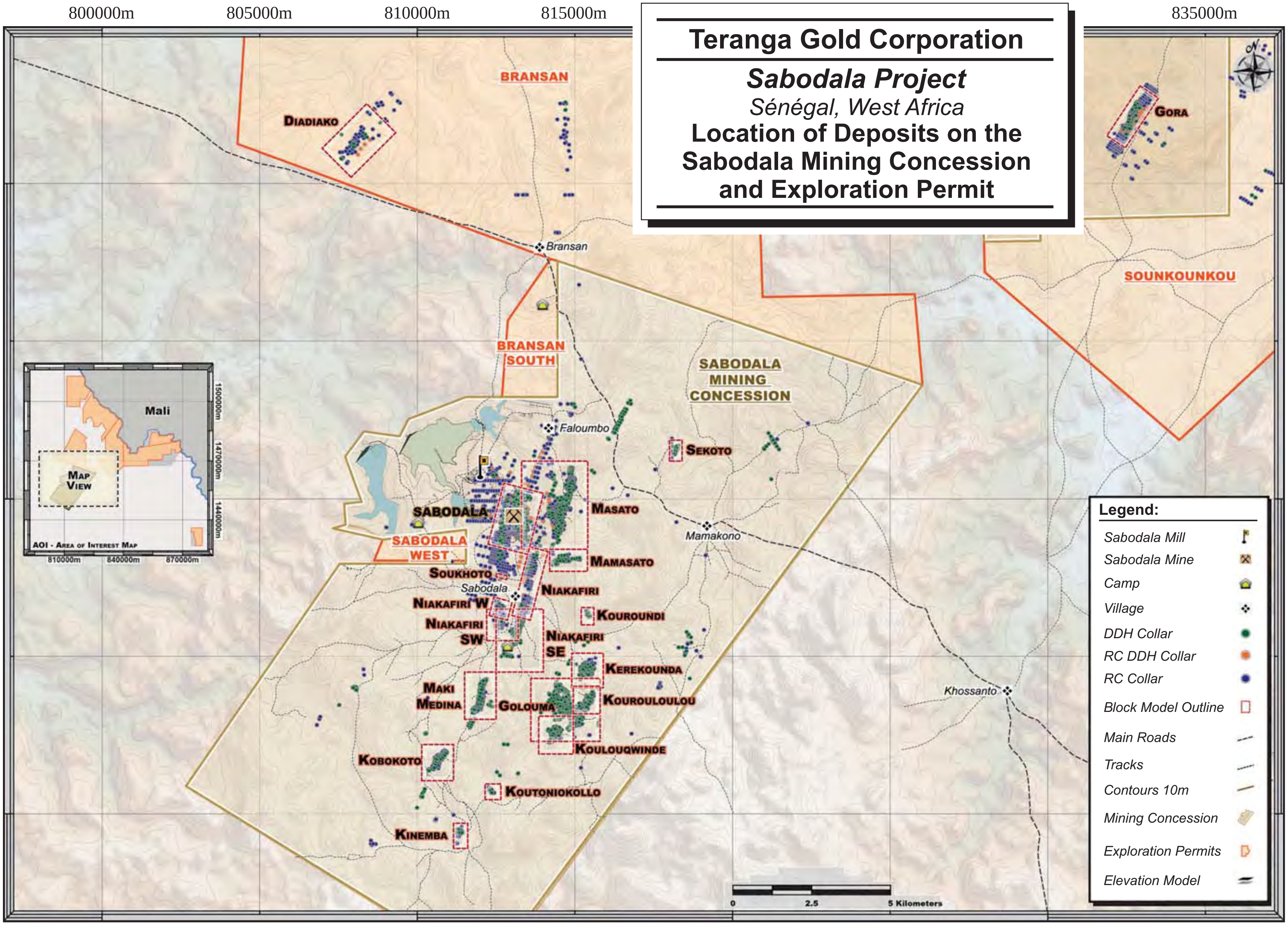
TABLE 14-1 OPEN PIT AND UNDERGROUND MINERAL RESOURCES SUMMARY AS AT DECEMBER 31, 2015
Teranga Gold Corporation – Sabodala Project

Category	Tonnage (000 t)	Grade (g/t Au)	Contained Metal (000 oz Au)
Measured - Open Pit	25,011	1.15	926
Measured - UG	0	0	0
Total Measured	**25,011**	**1.15**	**926**
Indicated - Open Pit	54,377	1.59	2,777
Indicated - UG	5,985	3.84	738
Total Indicated	**60,362**	**1.81**	**3,516**
Total Measured + Indicated	**85,373**	**1.62**	**4,441**
Inferred - Open Pit	10,333	1.23	409
Inferred - UG	4,921	3.38	534
Total Inferred	**15,254**	**1.92**	**944**

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Open pit oxide Mineral Resources are estimated at a cut-off grade of 0.35 g/t Au, except for Gora at 0.48 g/t Au.
3. Open pit transition and fresh rock Mineral Resources are estimated at a cut-off grade of 0.40 g/t Au, except for Gora at 0.55 g/t Au.
4. Underground Mineral Resources are estimated at a cut-off grade of 2.00 g/t Au.
5. Measured Resources at Sabodala include stockpiles which total 9.2 Mt at 0.77 g/t Au for 229,000 oz.
6. Measured Resources at Gora include stockpiles which total 0.1 Mt at 1.30 g/t Au for 6,000 oz.
7. Measured Resources at Masato include stockpiles which total 5.9 Mt at 0.79 g/t Au for 150,000 oz.
8. High grade assays were capped at grades ranging from 1.5 g/t Au to 110 g/t Au.
9. The figures above are "Total" Mineral Resources and include Mineral Reserves.
10. Open pit shells were used to constrain open pit resources.
11. Mineral Resources are estimated using a gold price of $1,450 per ounce.
12. Sum of individual amounts may not equal due to rounding.

Figure 14-1



March 2016

Source: Teranga Gold Corporation, 2016.

RESOURCE DATABASE

All deposit drillholes are stored in both MS Access and Vulcan databases, except for Gora and Diadiako, which are stored in both Centric and Vulcan databases.

All databases contain collar coordinate data, collar azimuth and downhole dip data, lithology, alteration, structure and vein data, sample interval and assay data, and density data. Table 14-2 lists drillholes in individual mineral resource databases by drillhole type, with the effective date of each database. Not all of the holes were used for resource estimation as some holes are located outside of the mineralized zones.

TABLE 14-2 MINERAL RESOURCE DATABASES
Teranga Gold Corporation - Sabodala Project

Prospect	Effective Date of Database	RC		RC-DDH		DDH		Total	
		Holes (No)	Metres (m)	Holes (No)	Metres (m)	Holes (No)	Metres (m)	Holes (No)	Metres (m)
Sabodala	Apr. 30, 2013	658	66,401	579	170,900	191	42,997	1,428	280,298
Gora	Jul. 21, 2012	75	8,844	149	27,719	35	3,685	259	40,248
Niakafiri Main	Jul. 10, 2007	138	11,627	62	12,774	2	270	202	24,671
Masato	Nov. 6, 2014	355	49,607	19	5,614	214	42,674	588	97,895
Golouma	Sept. 16, 2013	239	39,274	13	4,897	354	87,463	606	131,634
Kerekounda	Sept. 16, 2013	105	18,746	-	-	89	25,786	194	44,532
Niakafiri West	June 2010	48	6,399	4	1,547	3	508	55	8,454
Soukhoto	June 2010	8	834	1	221	4	532	13	1,587
Diadiako	Dec. 31, 2011	32	4,624	5	1,564	9	1,973	46	8,161
Kinemba	Apr. 17, 2012	25	4,141	-	-	8	1,536	33	5,677
Kobokoto	Apr. 17, 2012	55	7,701	-	-	45	6,073	100	13,774
Koulouqwinde	Apr. 17, 2012	29	4,294	-	-	75	14,646	104	18,940
Kouroulolou	Apr. 17, 2012	51	7,442	13	3,767	108	16,989	172	28,198
Kouroundi	Apr. 17, 2012	-	-	-	-	14	2,005	14	2,005
Koutouniokollo	Apr. 17, 2012	9	1,255	-	-	28	4,423	37	5,678
Maki Medina	Aug. 5, 2015	73	9,665	-	-	75	10,507	148	20,172
Mamasato	Apr. 17, 2012	8	1,446	-	-	42	7,587	50	9,033
Niakafiri Southeast	Apr. 17, 2012	45	6,961	1	465	75	15,186	121	22,612
Niakafiri Southwest	Aug. 27, 2015	30	4,081	1	386	22	3,264	53	7,731
Sekoto	Apr. 17, 2012	14	1,761	-	-	12	1,303	26	3,064
Total		**1,997**	**255,103**	**847**	**229,854**	**1,405**	**289,407**	**4,249**	**774,364**

BULK DENSITY

The immersion in water method was conducted by in-house Sabodala personnel to determine the bulk density values in core samples. Porous or absorbent samples were coated with wax after obtaining an initial weight in air, then immersed in water and weighed again.

Samples correspond to most of the rock and alteration types, and were taken at an approximate ten metre minimum spacing.

As the majority of drilling at Niakafiri West was undertaken by RC, sufficient representative core was not available for bulk density determinations.

Fifty density determinations were taken on Diadiako core, but were not used, pending future confirmation from an outside laboratory to support and confirm in-house results.

Bulk density control samples were used as QC checks on the determinations of sample densities. Densities were measured on a control sample before the first and after the last sample density measurement of each hole.

Bulk density determinations are listed by deposit in Table 14-3.

TABLE 14-3 BULK DENSITY DATA
Teranga Gold Corporation - Sabodala Project

Deposit	Number of Bulk Density Determinations
Golouma	4,581
Gora	1,469
Kerekounda	1,596
Kinemba	126
Kobokoto	348
Koulouqwinde	645
Kourouloulou	1,117
Kouroundi	305
Koutouniokollo	233
Maki Medina	788
Mamasato	645
Masato	3,326
Niakafiri	6,000
Niakafiri Southeast	1,333
Niakafiri Southwest	247
Sabodala	38,761
Sekoto	138
Soukhoto	32

GEOLOGICAL AND MINERALIZATION MODELS

Mineralization models for the Sabodala, Niakafiri Main, Masato, Maki Medina, and Niakafiri Southwest deposits on the Sabodala Mining Concession were updated from 2014 to 2015.

Mineralization models for Gora, Golouma, and Kerekounda have not been updated and are largely referenced from the previous Teranga technical report (AMC, 2014).

Mineralization models for Niakafiri West, Soukhoto, Diadiako, Niakafiri Southeast, Kinemba, Kobokoto, Koulouqwinde, Kourouloulou, Kouroundi, Koutouniokollo, Mamasato, and Sekoto have not been updated. Detailed descriptions are included in Teranga's previous technical report (AMC, 2014).

SABODALA

Lithology models were revised in 2013 based on additional drill data. A total of six lithology models were generated for the mafic basalt, mylonite, east mafic volcaniclastic, gabbro, ultramafic and west mafic volcaniclastic units. The existing topographic surface was used to generate an “air” model. The block model boundary was used to limit the extents of the lithology models.

An oxidation surface was constructed by modelling individual points representing the base of the weathered rock profile in each drillhole. Oxide and "fresh" (unoxidized) rock solids were generated.

Existing mineralization zones were reviewed and remodelled in 2013 based on lithological, alteration and structural trends using additional drillhole data and the most recent structural interpretation. A total of 24 mineralization models were generated.

The structural study undertaken by Rhys (Rhys, 2009) indicates that the Main Flat Zone (MFZ) is the dominant mineralization-controlling structure based on field and core observations and is associated with quartz veining, intense brecciation, shearing, and carbonate-albite-pyrite-sericite alteration.

Upper Flat Zones (UF) splay off steeper trending structures (NWS and the original East Thrust zone) with variable widths and primarily located above the MFZ in the hangingwall volcaniclastics and footwall mafic basalts where mineralization is not as continuous from hole to hole as in the MFZ. These exhibit a general shallow trend similar to the MFZ and are associated with variable carbonate-albite-siliceous alteration.

The Ultramafic Flat Zone (UM Flat) is located above the MFZ primarily in the ultramafic unit, trends parallel to the MFZ and UF Zones, and is associated with quartz veining and variable carbonate-albite alteration.

The Footwall Flat Zone (FW Flat) was originally a part of the MFZ, but has been modelled as a splay off the eastern footwall of the MFZ. This zone has similar alteration and structural characteristics to the MFZ but follows a southeast-northwest trend with a shallow dip to the northeast. A 10 m wide steeply dipping barren mafic dyke trending approximately 10° to the northeast and crosscutting the FW Flat zone was intersected during mining in 2014. This dyke was not intersected in previous drilling but impacts the local tonnage and grade of the mineralized zone. The FW Flat was remodelled in 2014, by removing the portion of the zone crosscut by the mafic dyke.

Two steep zones have been modelled and generally follow the trends of the previously modelled steep zones. The Steep FG Zone corresponds to the steep-dipping portion of the mylonite at depth and includes high grades associated with variable shearing at the contacts. The steep Ayoub Thrust Zone generally aligns parallel to the gabbro/mafic volcanic contact and includes quartz veining with weak carbonate-albite alteration.

Four Deep Flat Zones (DF) were modelled at depth. These are associated with generally flat trending breccia zones with associated albite and siliceous alteration, and narrow felsic intrusions.

Six Sutuba zones were modelled as northwest trending shallow southwest dipping narrow structures, as interpreted from drillhole logs and field observation. These follow similar trends as the Upper Flat zones, but are located further south and away from other identified steep structures.

A global mineralization envelope (EDA) was generated that includes all mineralization domains as well as mineralization located in closely-spaced and widely-spaced holes that have not been domained. Mineralization inside the EDA but located outside of other modelled domains has been treated as a separate domain with a unique composite and domain flag.

The 23 individual mineralization models are presented in Figure 14-2.

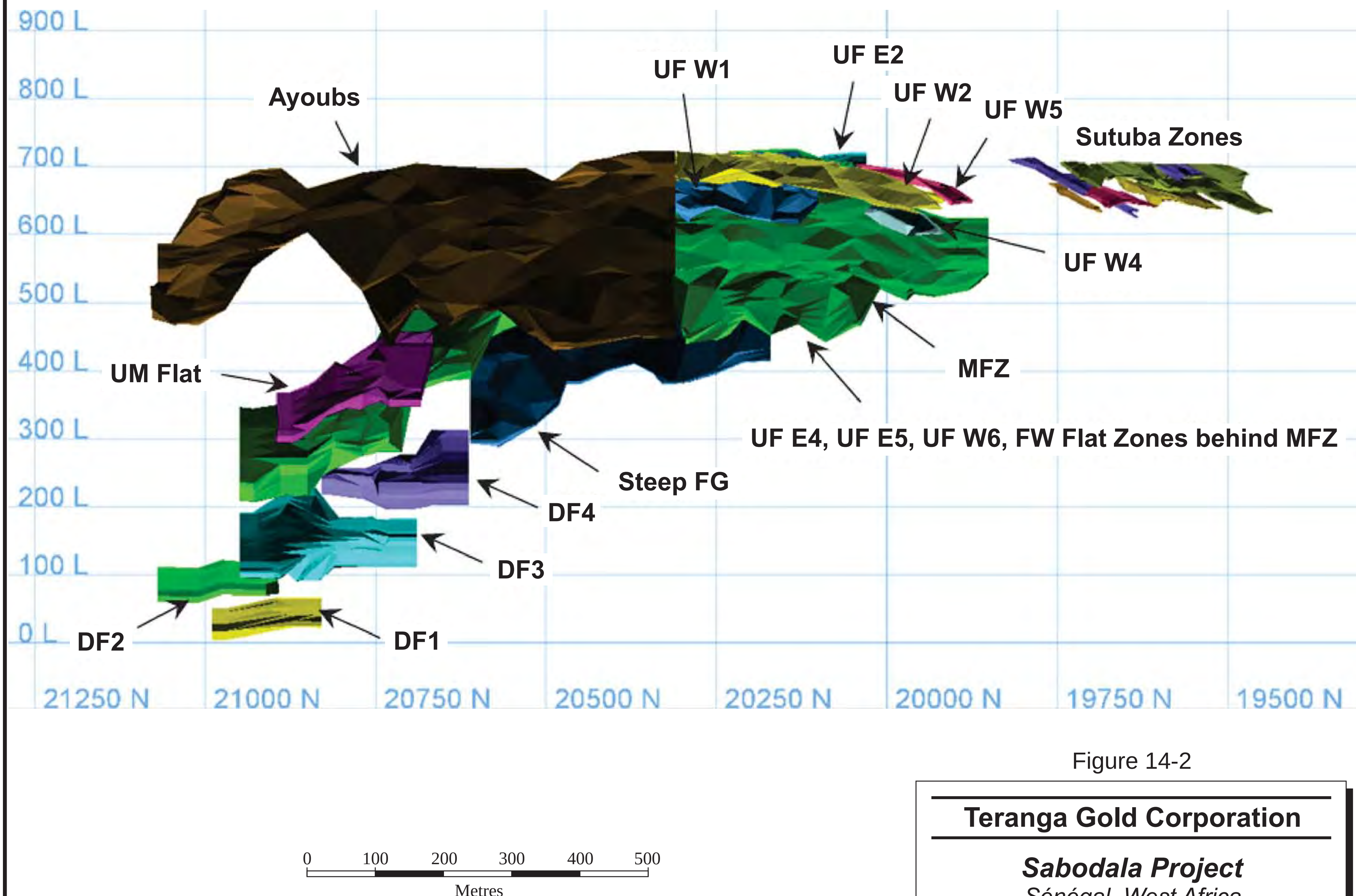


Figure 14-2

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Sabodala Mineralization Models
Long Section Looking East

March 2016

Source: Teranga Gold Corporation, 2016.

GORA

A topographic surface was generated from surveyed drillhole collars and artisanal mined workings in 2012. A surface representing the base of the oxide zone was modelled based on logged lithological data. Four vein mineralization wireframes were generated based on local lithological, alteration and structural trends from drillholes and surface mapping, a minimum two metres true width and a 0.1 g/t Au cut-off grade. Vein mineralization solids are illustrated in Figure 14-3.

NIAKAFIRI MAIN

Niakafiri Main topographic and oxide surfaces, and mineralization models were revised in 2013. A topographic surface based on drillhole collars was generated over the Niakafiri and Dinkokono deposits (referred to as Niakafiri Main) using Aranz's Leapfrog Mining software, version 2.5.2 (Leapfrog). A base of oxide surface was also generated using Leapfrog by snapping to the lowest drillhole intersections logged as strong or moderately oxidized.

Grade shell envelopes were generated in Leapfrog to identify mineralization trends. Mineralization wireframes were generated using Vulcan software and a 0.2 g/t Au cut-off grade. A total of nine wireframes were modelled as steeply dipping zones that trend north-south and range in thickness between three metres and 60 m. Models extend from surface to a maximum of 250 m vertically and up to two kilometres along strike. One wireframe was generated around continuous higher grade mineralization at a 3.0 g/t cut-off grade, encapsulated within a larger lower grade wireframe. The two principal mineralization wireframes extend from the Niakafiri deposit north to the Dinkokono deposit. Niakafiri Main mineralization models are presented in Figure 14-4.

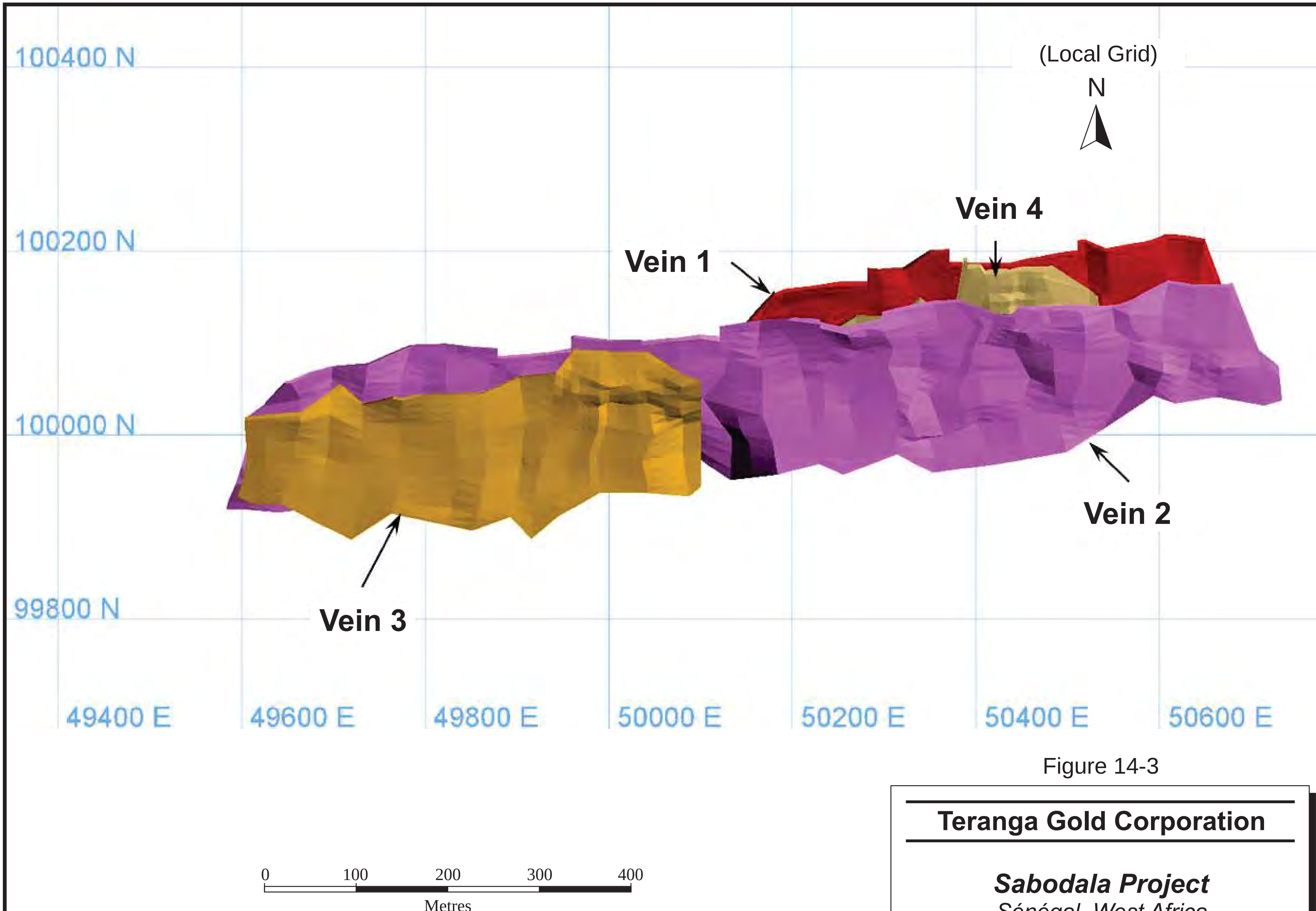


Figure 14-3

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Gora Mineralization Models

March 2016

Source: Teranga Gold Corporation, 2016.

www.rpacan.com

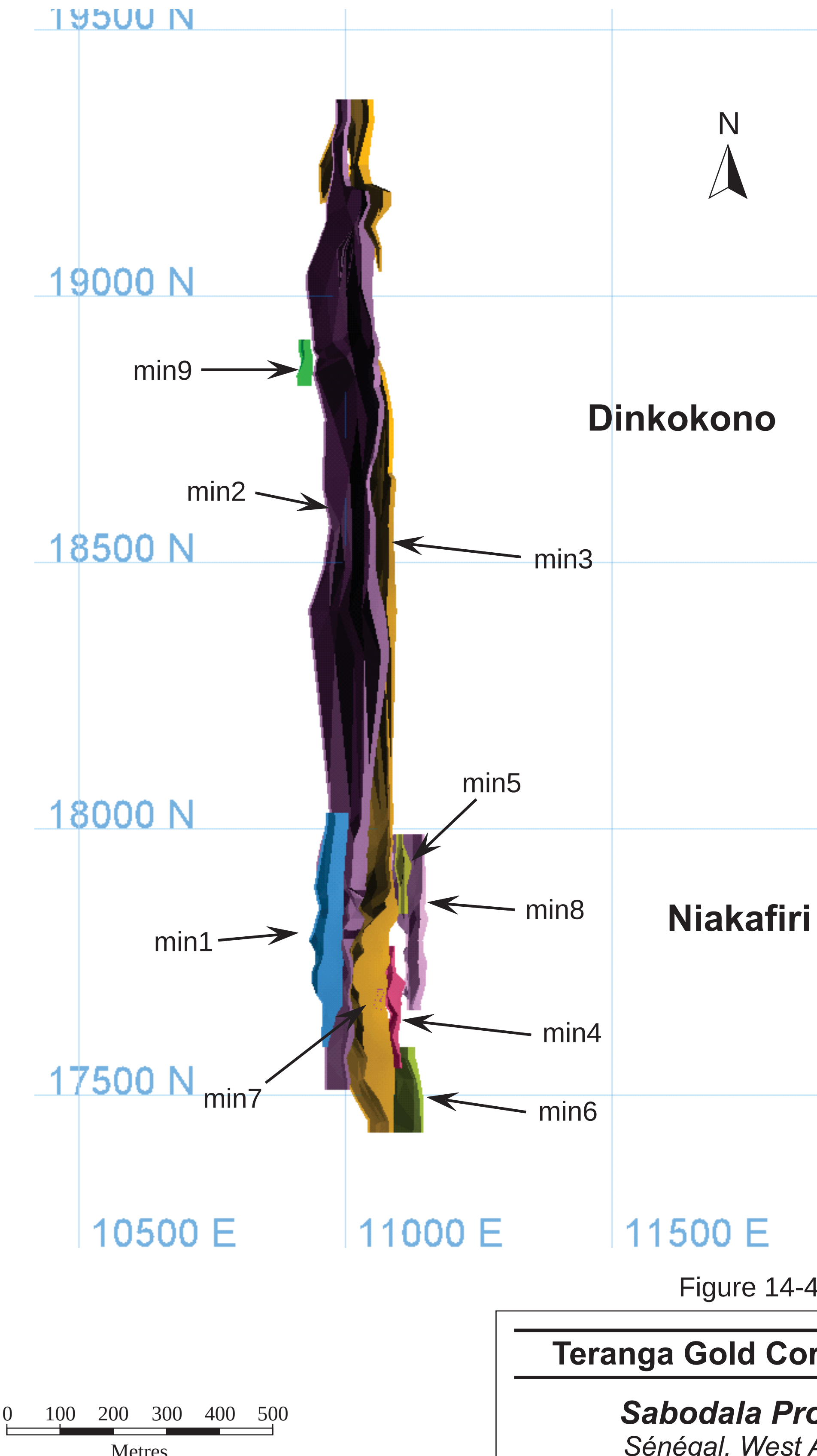


Figure 14-4

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Niakafiri

Main Mineralization Models

March 2016

Source: Teranga Gold Corporation, 2016.

MASATO

The Masato topographic surface was revised in 2013. As the Masato deposit straddles the original boundary between the Sabodala Mining Concession on the west side and the SOMIGOL Mining Concession on the east side, the topographic surfaces from both sides were combined to cover the entire deposit. Original topographic surfaces (DEM) were obtained from the high resolution satellite stereopair images covering the eastern portion of the deposit, and appended to the topographic surface covering the western portion, which was based on drillhole collar elevations. An oxidation surface was modelled based on logged lithological data representing the base of the weathered rock profile.

The six mineralization models generated at depth on the original Sabodala Mining Concession in 2012 have not been revised. Eleven additional mineralization models were generated on the original SOMIGOL Mining Concession that incorporated additional drill data collected in 2014. All 17 models were generated following local lithological, alteration and structural trends logged from drillholes, using a minimum two metre true width and a 0.2 g/t Au cut-off grade. Masato mineralization solids are illustrated in Figure 14-5.

GOLOUMA

Golouma topographic and oxide surfaces, and mineralization models were revised in 2013. The topographic surface (DEM) obtained from the high resolution satellite stereo pair images, was revised locally to correspond with the surveyed drillhole collar elevations. An oxidation surface was modelled based on logged lithological data representing the base of the weathered rock profile.

Mafic dykes intersect Golouma West and Golouma Northwest mineralization, and were modelled based on logged lithology and magnetic data. A total of six felsic dykes intersect Golouma South mineralization and were modelled based on logged lithological data.

Mineralization models were generated at a 0.2 g/t Au cut-off grade across a minimum true width of two metres following logged geology and structural data. A total of twenty mineralization models were generated. Mineralization models were clipped to the crosscutting dykes, with the unmineralized intersecting volumes removed from the final mineralization wireframes.

Five mineralization models were generated at Golouma South, eleven mineralization models at Golouma West and four mineralization models at Golouma Northwest. Mineralization models are illustrated in Figure 14-6.

KEREKOUNDA

Kerekounda topographic and oxide surfaces, and mineralization models were revised in 2013. The topographic surface (DEM) obtained from the high resolution satellite stereo pair images, was revised locally to correspond with the surveyed drillhole collar elevations. An oxidation surface was modelled based on logged lithological data representing the base of the weathered rock profile.

One mafic dyke intersects Kerekounda mineralization and appears to align north of the east mafic dyke crosscutting the Golouma West mineralization models. The mafic dyke model was generated from logged lithological data and the local magnetic signature.

Mineralization models were generated at a 0.2 g/t Au cut-off grade across a minimum true width of two metres following logged geology and structural data. A total of four mineralization models were generated. Mineralization models were clipped to the crosscutting dyke, with the unmineralized intersecting volumes removed from the final mineralization wireframes. Kerekounda mineralization models are presented in Figure 14-7.

MAKI MEDINA

Maki Medina topographic and oxide surfaces, lithological and mineralization models were revised to incorporate additional drill data collected in 2015. The previous oxide model was segregated into three distinct weathering domains based on core photos, drillhole logs, and density determinations: laterite, saprolite, and transition zones.

An intermediate dyke and gabbro domain were modelled separately as they appear to control the location of mineralization.

Fifteen mineralization models were generated following local lithological, alteration and structural trends logged from drillholes, using a minimum two metre true width and a 0.2 g/t Au cut-off grade. Maki Medina mineralization models are illustrated in Figure 14-8.

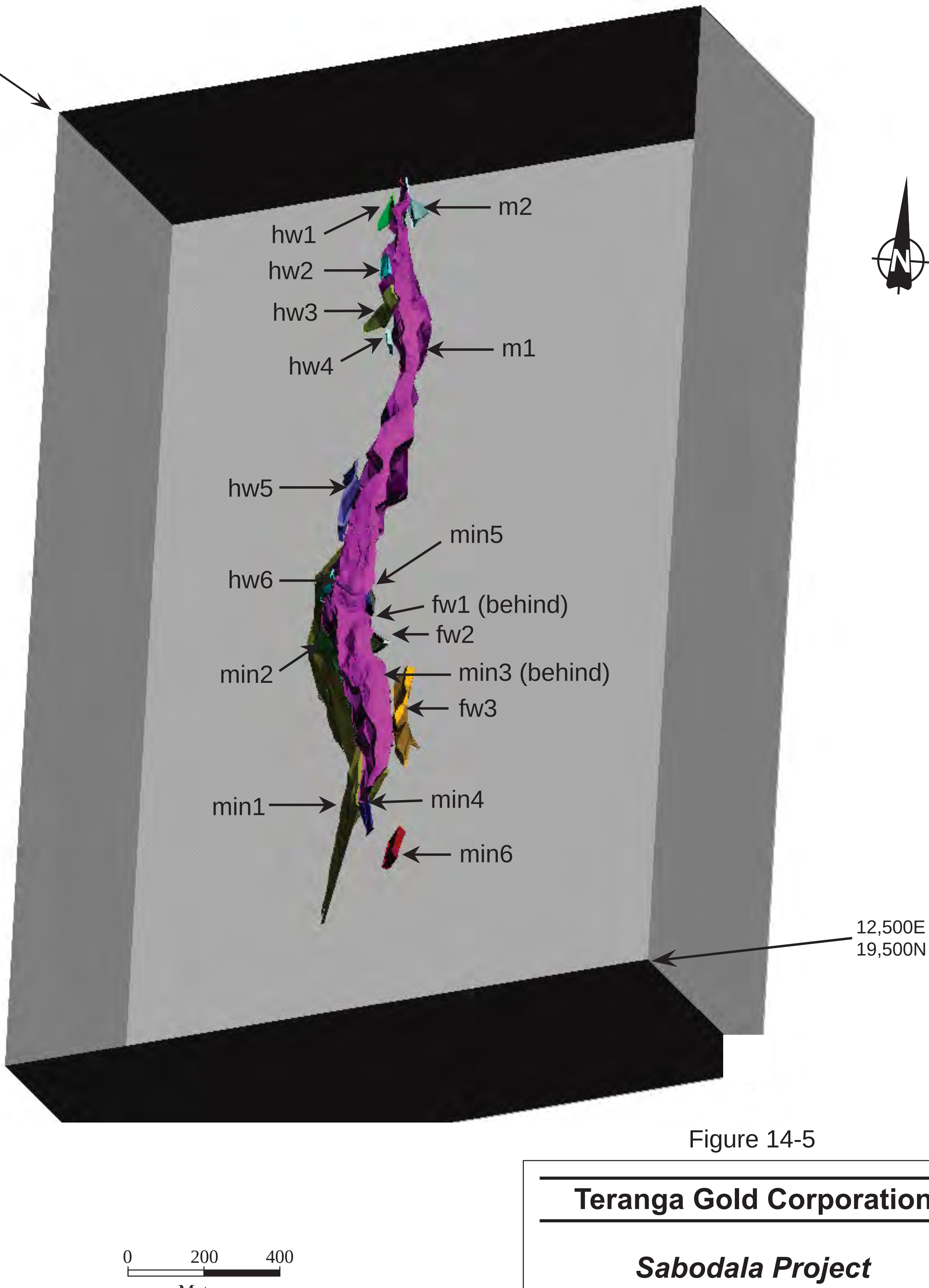


Figure 14-5

Teranga Gold Corporation

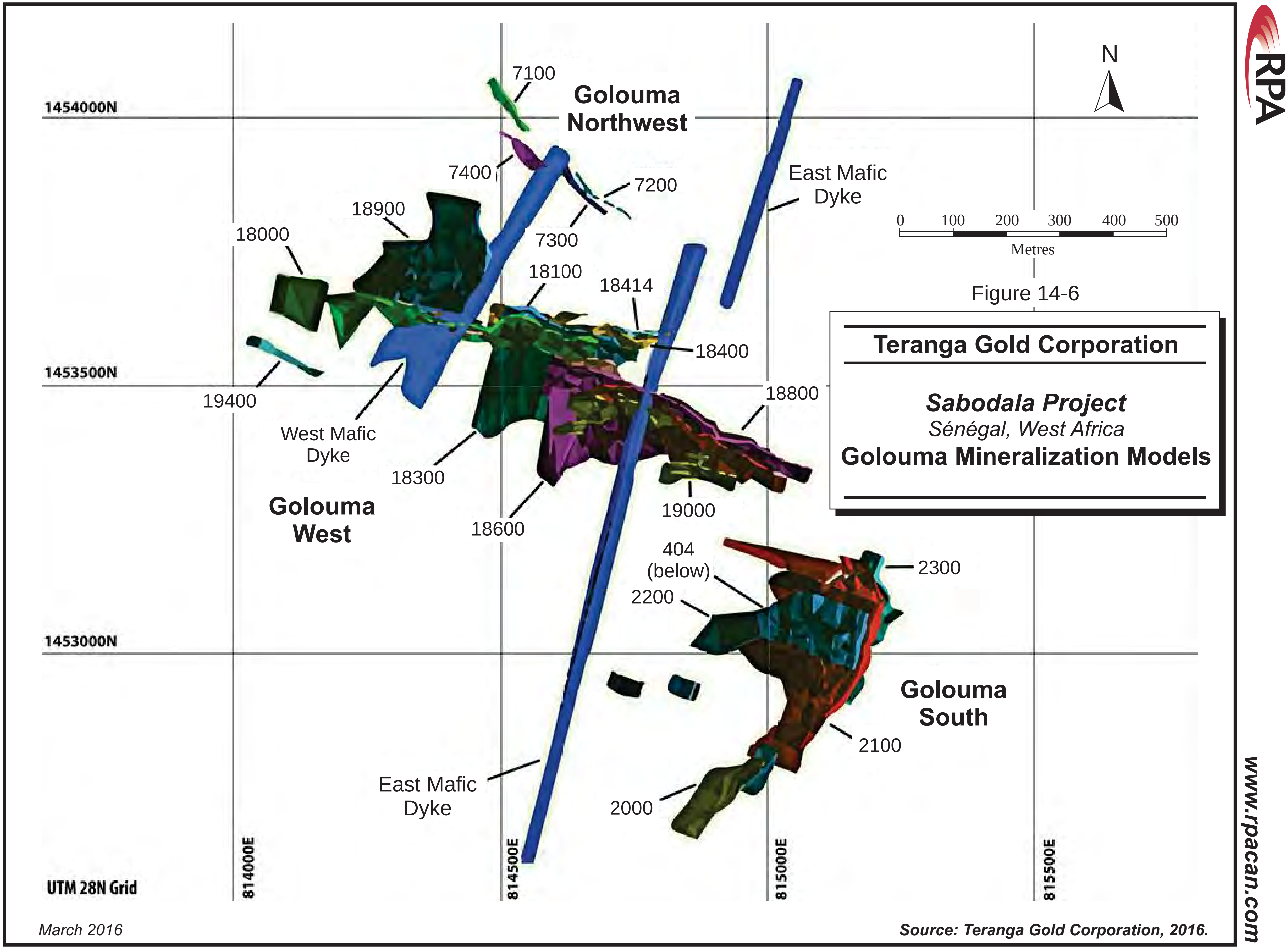
Sabodala Project

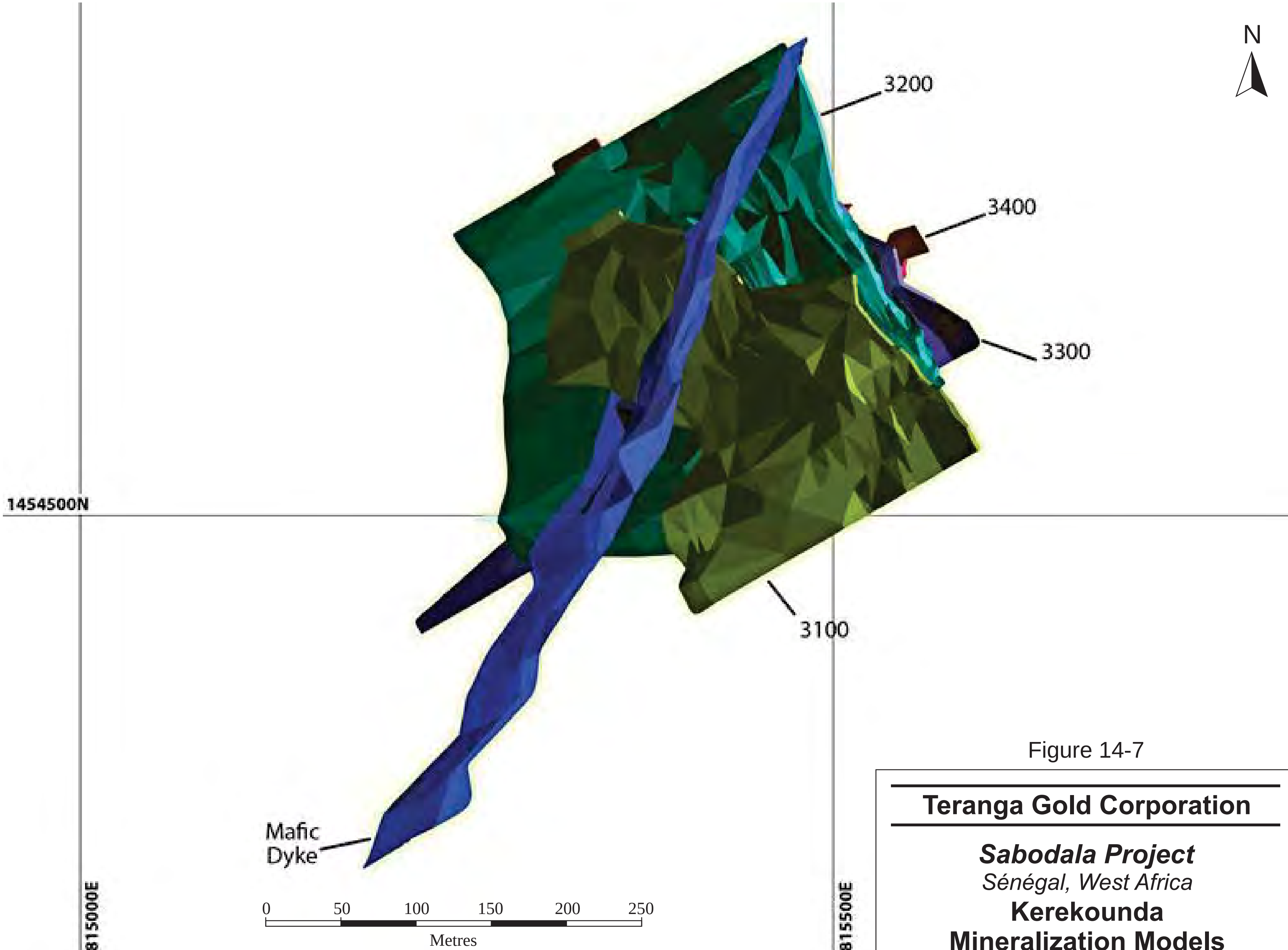
Sénégal, West Africa

Masato Mineralization Models

March 2016

Source: Teranga Gold Corporation, 2016.


N
1454000N
1453500N
1453000N
814000E
814500E
815000E
815500E
UTM 28N Grid
Golouma Northwest
Golouma West
Golouma South
East Mafic Dyke
West Mafic Dyke
East Mafic Dyke
7100
7400
7200
7300
18900
18000
18100
18414
18400
19400
18800
18300
18600
19000
404 (below)
2200
2300
2100
2000
0 100 200 300 400 500
Metres
Figure 14-6
Teranga Gold Corporation
Sabodala Project
Sénégal, West Africa
Golouma Mineralization Models
March 2016
Source: Teranga Gold Corporation, 2016.
www.rpacan.com



March 2016

Source: Teranga Gold Corporation, 2016.

Figure 14-7

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Kerekounda Mineralization Models

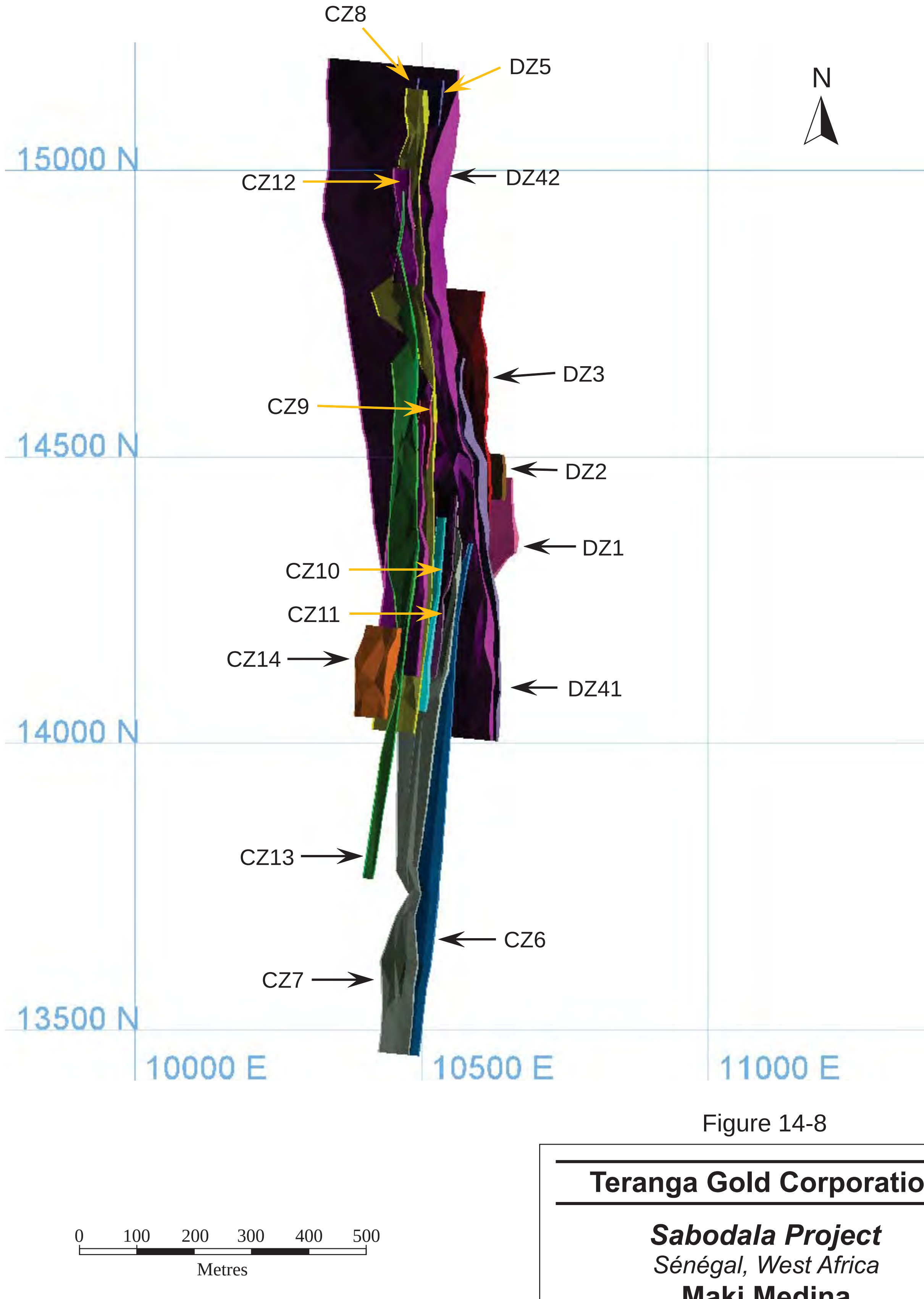


Figure 14-8

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Maki Medina Mineralization Models

March 2016

Source: Teranga Gold Corporation, 2016.

NIAKAFIRI SOUTHWEST

Niakafiri Southwest topographic and oxide surfaces, lithological, and mineralization models were revised to incorporate additional drill data collected in 2015. The previous oxide model was segregated into three distinct weathering domains based on core photos, drillhole logs, and density determinations: laterite, saprolite, and transition zones.

Eleven mineralization models were generated following local lithological, alteration, and structural trends logged from drillholes, using a minimum two metres true width and a 0.2 g/t Au cut-off grade. Niakafiri Southwest mineralization models are illustrated in Figure 14-9.

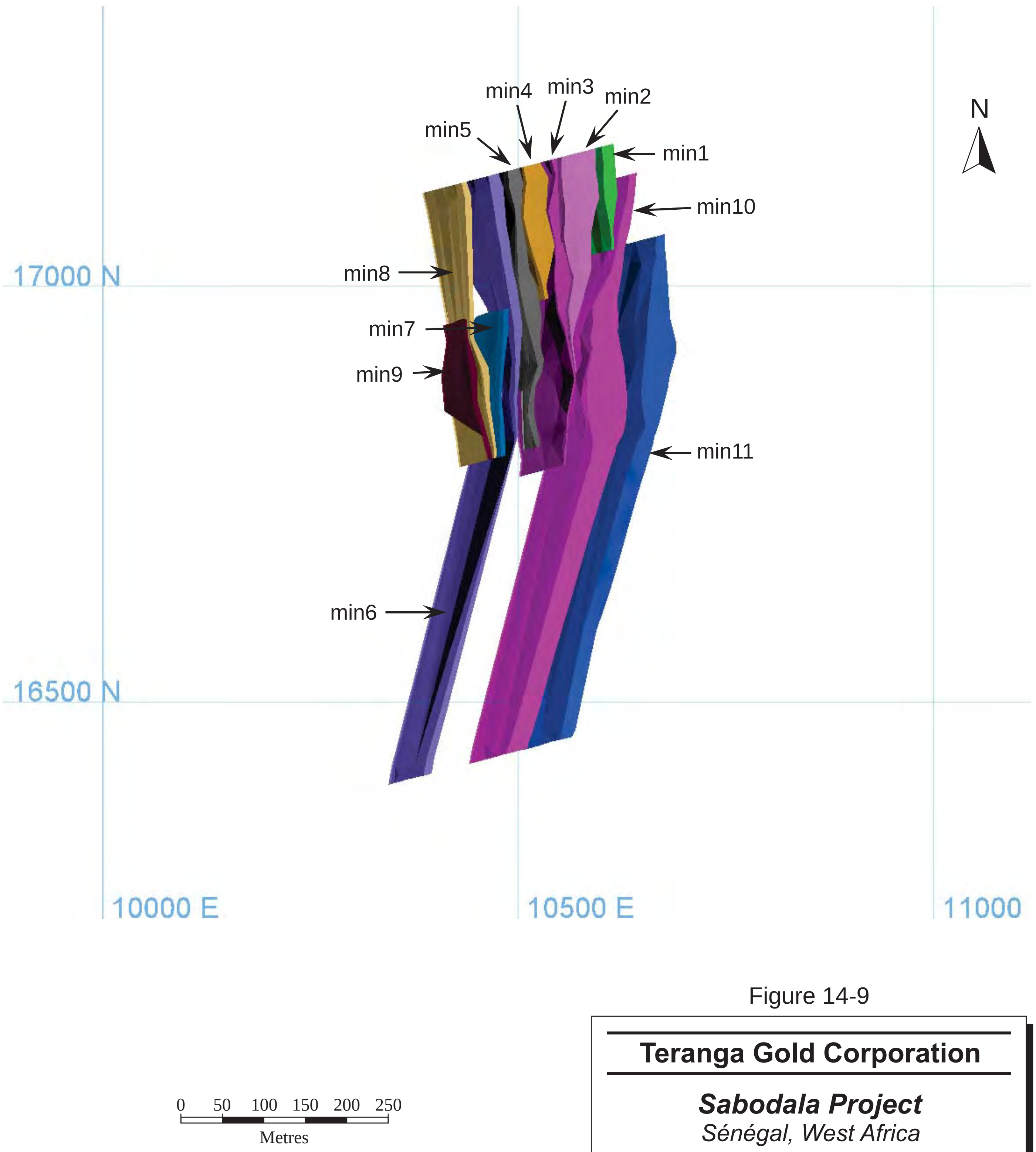


Figure 14-9

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Niakafiri Southwest Mineralization Models

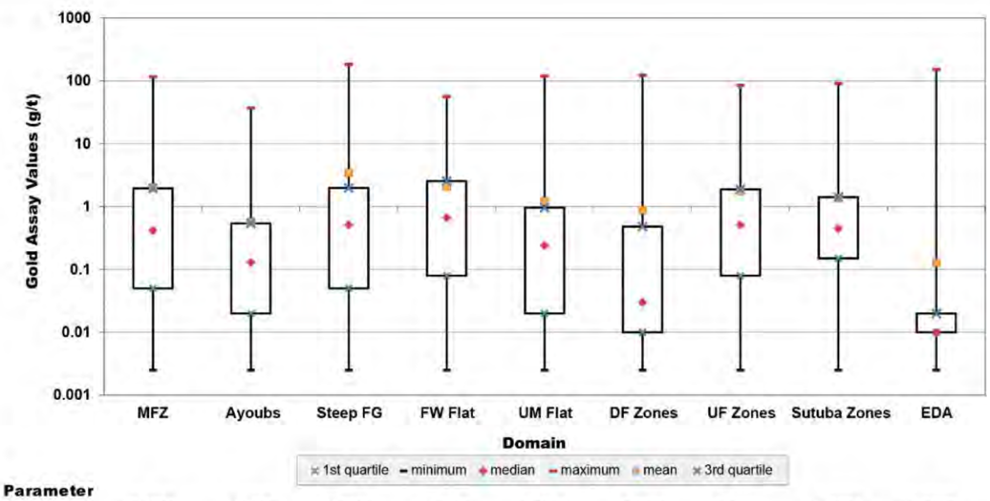
March 2016

Source: Teranga Gold Corporation, 2016.

ASSAY STATISTICS

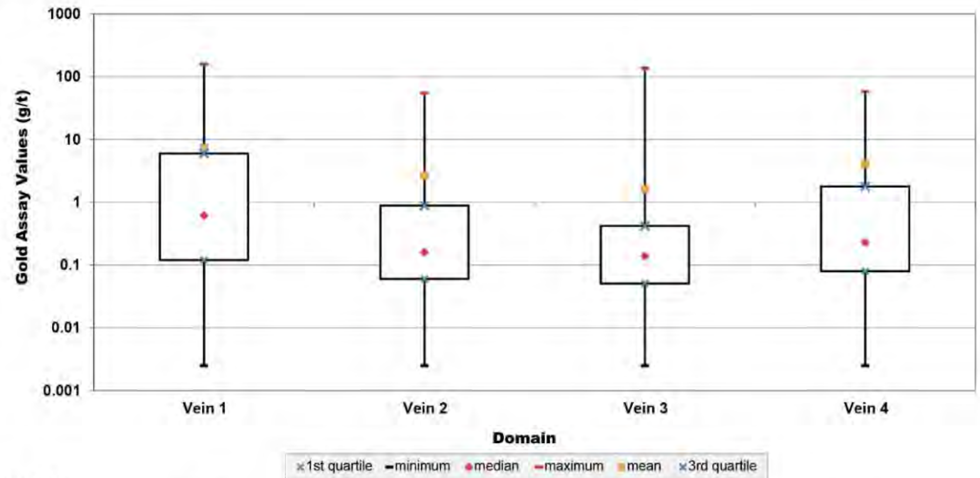
Classical statistics for the raw gold assays within the modelled zones were completed for each deposit. Results for Sabodala, Gora, Niakafiri Main, Masato, Golouma West, Golouma South, Golouma Northwest, Kerekounda, Maki Medina, and Niakafiri Southwest, which host the majority of resource ounces, are presented in Figures 14-10 through 14-19.

FIGURE 14-10 SABODALA ASSAY STATISTICS



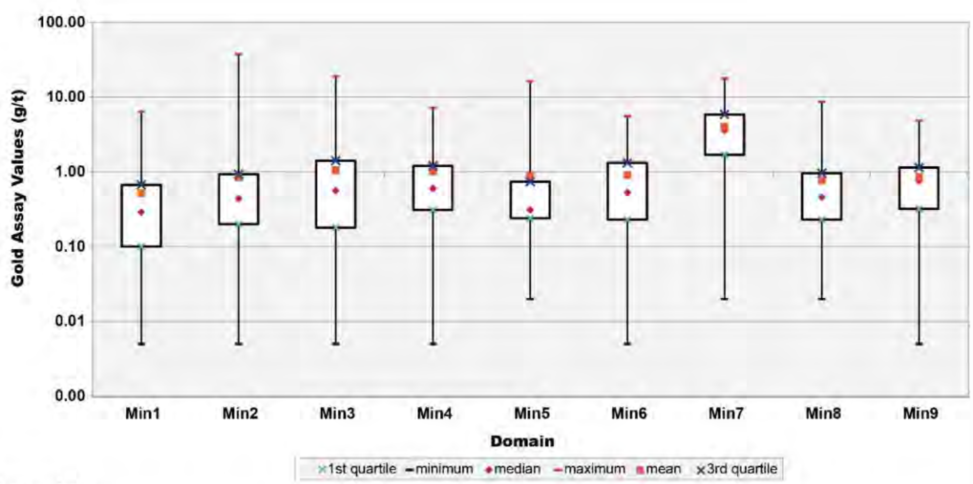
Parameter	MFZ	Ayoubs	Steep FG	FW Flat	UM Flat	DF Zones	UF Zones	Sutuba Zones	EDA
Minimum Grade (g/t Au)	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025
25th percentile (g/t Au)	0.05	0.02	0.05	0.08	0.02	0.01	0.08	0.15	0.01
Median Grade (g/t Au)	0.42	0.13	0.51	0.67	0.24	0.03	0.51	0.45	0.01
75th percentile (g/t Au)	1.95	0.54	1.99	2.55	0.96	0.48	1.89	1.42	0.02
Maximum Grade (g/t Au)	117.0	37.0	184.0	56.5	119.0	123.4	85.4	90.4	152.0
Mean Grade (g/t Au)	2.01	0.57	3.46	2.04	1.21	0.88	1.76	1.36	0.13
Standard Deviation	4.86	1.49	12.73	3.68	7.21	3.48	3.7	3.57	0.93
Coefficient of Variation	2.42	2.62	3.68	1.8	5.94	3.95	2.11	2.62	7.05
Number of Samples	15,441	3,853	576	2,812	530	4,185	5,604	949	148,323

FIGURE 14-11 GORA ASSAY STATISTICS



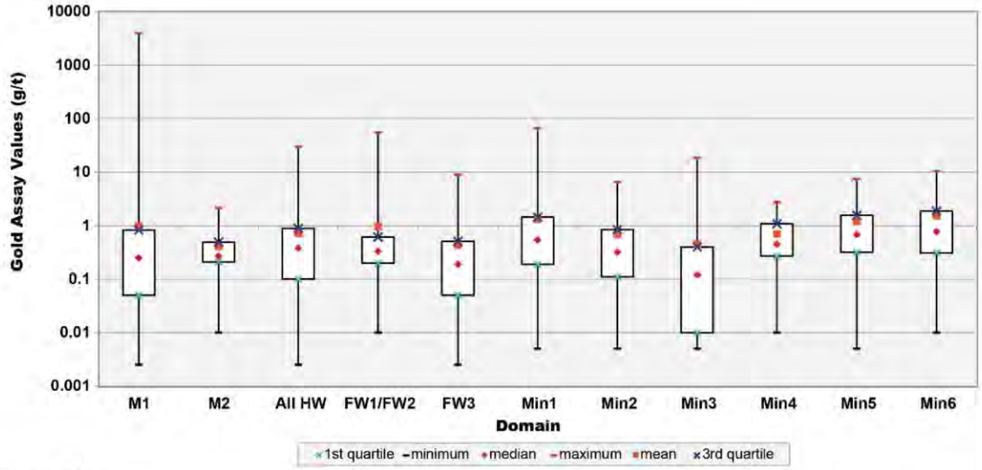
Parameter	Vein 1	Vein 2	Vein 3	Vein 4
Minimum Grade (g/t Au)	0.0025	0.0025	0.0025	0.0025
25th percentile (g/t Au)	0.12	0.06	0.051	0.08
Median Grade (g/t Au)	0.62	0.16	0.14	0.23
75th percentile (g/t Au)	6.02	0.89	0.42	1.79
Maximum Grade (g/t Au)	159.0	55.3	138.0	58.2
Mean Grade (g/t Au)	7.4	2.68	1.6	4.09
Standard Deviation	16.65	7.9	9.92	10.04
Coefficient of Variation	2.25	2.95	6.19	2.45
Number of Samples	391	566	205	180

FIGURE 14-12 NIAKAFIRI MAIN ASSAY STATISTICS



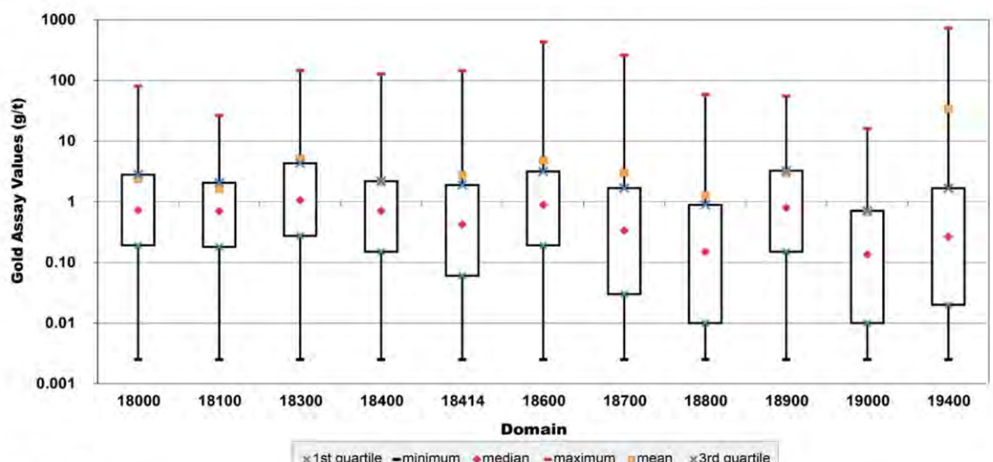
Parameter	Min1	Min2	Min3	Min4	Min5	Min6	Min7	Min8	Min9
Minimum Grade (g/t Au)	0.005	0.005	0.005	0.005	0.02	0.005	0.02	0.02	0.005
25th percentile (g/t Au)	0.10	0.20	0.18	0.31	0.24	0.23	1.70	0.23	0.32
Median Grade (g/t Au)	0.29	0.44	0.56	0.60	0.31	0.53	3.57	0.46	0.76
75th percentile (g/t Au)	0.67	0.93	1.41	1.20	0.74	1.32	5.86	0.96	1.14
Maximum Grade (g/t Au)	6.40	37.50	18.90	7.21	16.20	5.57	17.70	8.67	4.84
Mean Grade (g/t Au)	0.52	0.85	1.05	1.01	0.88	0.91	4.03	0.77	0.86
Standard Deviation	0.71	1.58	1.45	1.18	1.96	1.01	3.03	1.02	0.75
Coefficient of Variation	1.37	1.85	1.38	1.17	2.23	1.10	0.75	1.32	0.87
Number of Samples	517	1,201	4,086	185	77	96	158	246	110

FIGURE 14-13 MASATO ASSAY STATISTICS



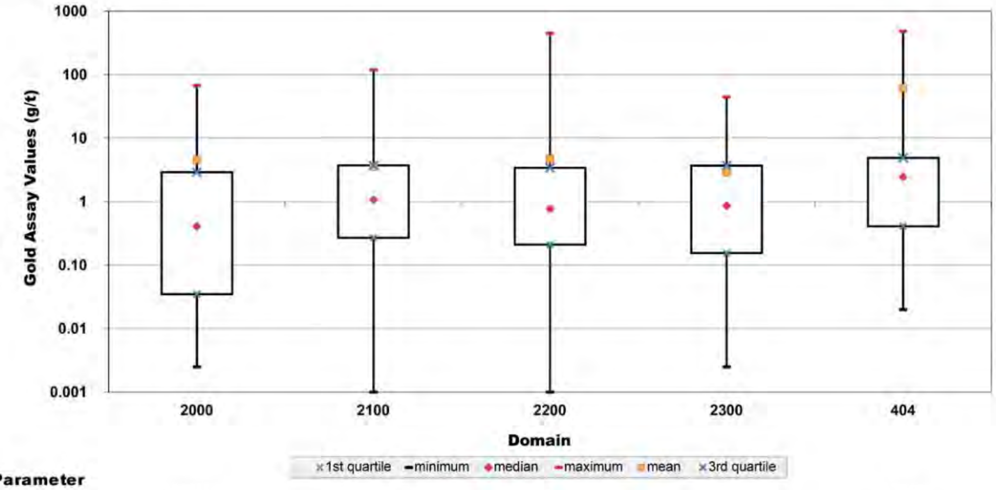
Parameter	M1	M2	All HW	FW1/FW2	FW3	Min1	Min2	Min3	Min4	Min5	Min6
Minimum Grade (g/t Au)	0.0025	0.01	0.0025	0.01	0.0025	0.005	0.005	0.005	0.01	0.005	0.01
25th percentile (g/t Au)	0.05	0.21	0.10	0.20	0.05	0.19	0.11	0.01	0.27	0.32	0.31
Median Grade (g/t Au)	0.25	0.27	0.38	0.33	0.19	0.54	0.32	0.12	0.45	0.68	0.77
75th percentile (g/t Au)	0.83	0.49	0.89	0.6125	0.51	1.44	0.84	0.4	1.08	1.56	1.87
Maximum Grade (g/t Au)	3977.00	2.14	29.94	55.21	9.02	66.4	6.57	18.7	2.75	7.44	10.5
Mean Grade (g/t Au)	0.98	0.41	0.73	0.95	0.43	1.33	0.68	0.45	0.7	1.2	1.55
Standard Deviation	21.82	0.39	1.56	4.39	0.72	2.73	0.93	1.09	0.61	1.34	2.03
Coefficient of Variation	22.27	0.96	2.12	4.63	1.67	2.06	1.36	2.44	0.87	1.12	1.31
Number of Samples	33,781	62	565	161	502	1,889	305	1,246	60	88	76

FIGURE 14-14 GOLOUMA WEST ASSAY STATISTICS



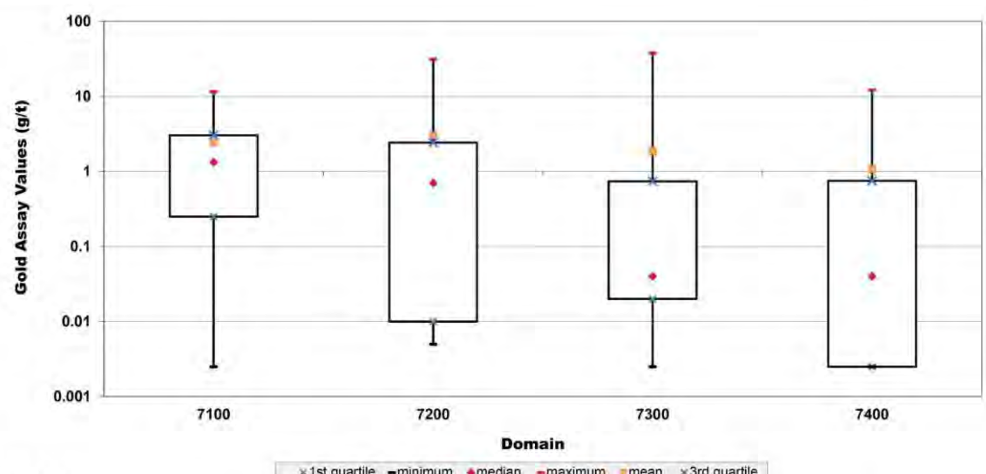
Parameter	18000	18100	18300	18400	18414	18600	18700	18800	18900	19000	19400
Minimum Grade (g/t Au)	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025
25th percentile (g/t Au)	0.19	0.18	0.28	0.15	0.06	0.19	0.03	0.01	0.15	0.01	0.02
Median Grade (g/t Au)	0.73	0.70	1.06	0.71	0.43	0.89	0.34	0.15	0.80	0.14	0.27
75th percentile (g/t Au)	2.80	2.05	4.32	2.18	1.89	3.16	1.68	0.89	3.26	0.71	1.68
Maximum Grade (g/t Au)	80.73	26.54	146.80	128.10	145.20	434.60	262.00	58.57	55.23	16.15	731.30
Mean Grade (g/t Au)	2.37	1.65	5.15	2.13	2.76	4.80	3.01	1.27	2.98	0.68	34.13
Standard Deviation	4.58	2.72	17.86	6.35	10.71	18.92	15.33	4.35	5.96	1.67	126.89
Coefficient of Variation	1.93	1.65	3.47	2.98	3.88	3.94	5.09	3.43	2.00	2.47	3.72
Number of Samples	1,464	832	71	1,050	374	1,208	336	503	520	206	40

FIGURE 14-15 GOLOUMA SOUTH ASSAY STATISTICS



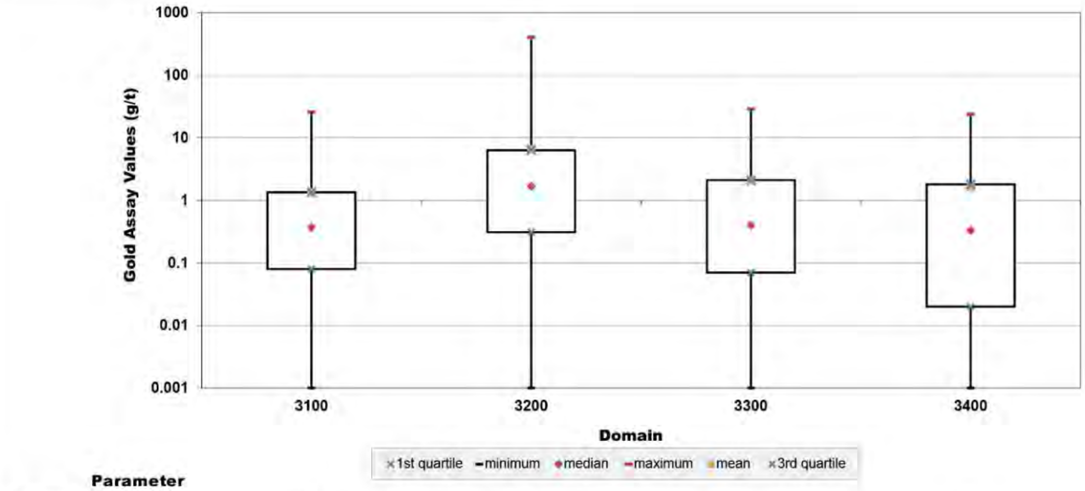
Parameter	2000	2100	2200	2300	404
Minimum Grade (g/t Au)	0.0025	0	0	0.0025	0.02
25th percentile (g/t Au)	0.04	0.27	0.21	0.16	0.41
Median Grade (g/t Au)	0.41	1.07	0.77	0.86	2.46
75th percentile (g/t Au)	2.90	3.74	3.41	3.69	4.91
Maximum Grade (g/t Au)	67.90	119.00	451.40	44.48	481.00
Mean Grade (g/t Au)	4.60	3.56	4.72	2.90	62.07
Standard Deviation	12.13	7.49	23.40	5.00	158.37
Coefficient of Variation	2.64	2.11	4.95	1.73	2.55
Number of Samples	59	1116	403	500	8

FIGURE 14-16 GOLOUMA NORTHWEST ASSAY STATISTICS



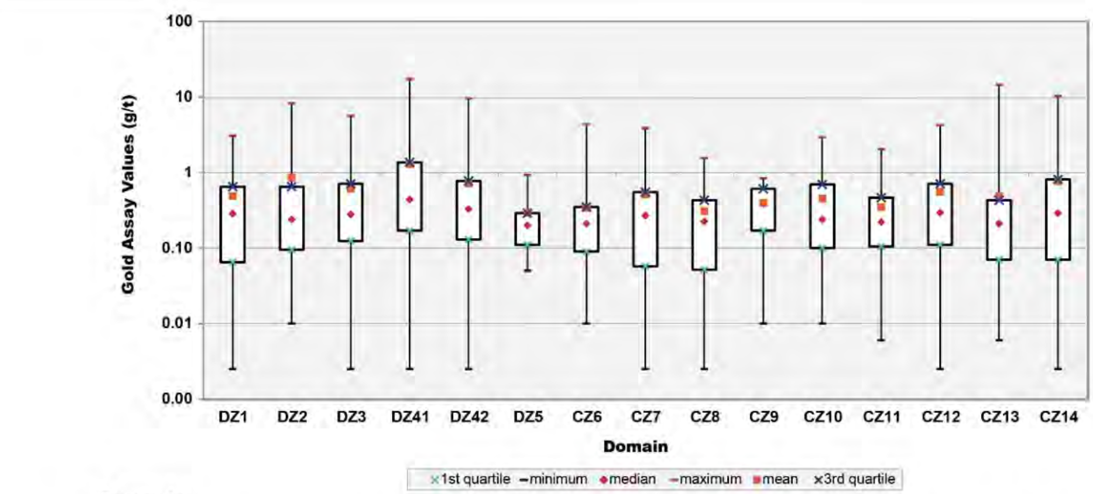
Parameter	7100	7200	7300	7400
Minimum Grade (g/t Au)	0.0025	0.005	0.0025	0.0025
25th percentile (g/t Au)	0.25	0.01	0.02	0.0025
Median Grade (g/t Au)	1.33	0.70	0.04	0.04
75th percentile (g/t Au)	3.03	2.42	0.74	0.75
Maximum Grade (g/t Au)	11.59	31.33	37.86	12.14
Mean Grade (g/t Au)	2.43	3.03	1.87	1.07
Standard Deviation	3.00	7.30	6.92	2.51
Coefficient of Variation	1.24	2.41	3.71	2.35
Number of Samples	63	17	29	31

FIGURE 14-17 KEREKOUNDA ASSAY STATISTICS



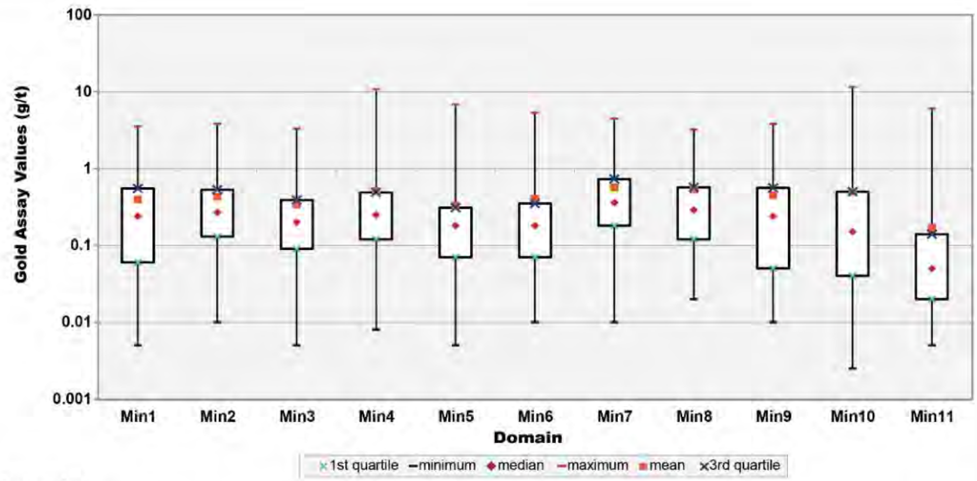
Parameter	3100	3200	3300	3400
Minimum Grade (g/t Au)	0	0	0	0
25th percentile (g/t Au)	0.08	0.31	0.07	0.02
Median Grade (g/t Au)	0.37	1.68	0.4	0.33
75th percentile (g/t Au)	1.35	6.31	2.11	1.81
Maximum Grade (g/t Au)	25.86	407.00	28.88	23.89
Mean Grade (g/t Au)	1.37	6.65	2.09	1.63
Standard Deviation	2.86	18.28	4.16	3.41
Coefficient of Variation	2.1	2.75	1.99	2.09
Number of Samples	314	911	331	174

FIGURE 14-18 MAKI MEDINA ASSAY STATISTICS



Parameter	DZ1	DZ2	DZ3	DZ41	DZ42	DZ5	CZ6	CZ7	CZ8	CZ9	CZ10	CZ11	CZ12	CZ13	CZ14
Minimum Grade (g/t Au)	0.0025	0.01	0.0025	0.0025	0.0025	0.05	0.01	0.0025	0.0025	0.01	0.01	0.006	0.0025	0.006	0.0025
25th percentile (g/t Au)	0.07	0.10	0.12	0.17	0.13	0.11	0.09	0.06	0.05	0.17	0.10	0.11	0.11	0.07	0.07
Median Grade (g/t Au)	0.29	0.24	0.28	0.44	0.33	0.20	0.21	0.27	0.23	0.39	0.24	0.22	0.30	0.21	0.29
75th percentile (g/t Au)	0.65	0.65	0.71	1.37	0.78	0.29	0.35	0.55	0.43	0.61	0.70	0.47	0.71	0.43	0.81
Maximum Grade (g/t Au)	3.07	8.23	5.64	17.35	9.59	0.93	4.36	3.86	1.56	0.84	2.95	2.04	4.25	14.51	10.32
Mean Grade (g/t Au)	0.49	0.86	0.61	1.30	0.72	0.30	0.34	0.51	0.31	0.40	0.46	0.35	0.56	0.49	0.77
Standard Deviation	0.61	1.67	0.93	2.14	1.12	0.29	0.61	0.74	0.32	0.27	0.58	0.38	0.72	1.45	1.38
Coefficient of Variation	1.24	1.94	1.52	1.64	1.55	0.99	1.80	1.46	1.02	0.68	1.28	1.07	1.28	2.97	1.79
Number of Samples	88	28	156	396	1,028	11	55	133	162	16	33	40	146	122	157

FIGURE 14-19 NIAKAFIRI SOUTHWEST ASSAY STATISTICS



Parameter	Min1	Min2	Min3	Min4	Min5	Min6	Min7	Min8	Min9	Min10	Min11
Minimum Grade (g/t Au)	0.005	0.01	0.005	0.008	0.005	0.01	0.01	0.02	0.01	0.0025	0.005
25th percentile (g/t Au)	0.06	0.13	0.09	0.12	0.07	0.07	0.18	0.12	0.05	0.04	0.02
Median Grade (g/t Au)	0.24	0.27	0.20	0.25	0.18	0.18	0.36	0.29	0.24	0.15	0.05
75th percentile (g/t Au)	0.55	0.53	0.39	0.49	0.31	0.35	0.73	0.57	0.56	0.5	0.14
Maximum Grade (g/t Au)	3.55	3.84	3.31	10.79	6.84	5.34	4.46	3.22	3.81	11.57	6.05
Mean Grade (g/t Au)	0.40	0.43	0.34	0.51	0.33	0.41	0.57	0.53	0.45	0.50	0.17
Standard Deviation	0.51	0.50	0.43	1.06	0.64	0.81	0.76	0.73	0.69	1.01	0.48
Coefficient of Variation	1.28	1.17	1.28	2.07	1.97	1.98	1.34	1.38	1.53	2.03	2.75
Number of Samples	207	915	339	189	184	112	42	61	46	838	331

GRADE CAPPING

Capping levels were determined by raw assays for mineralization domains prior to compositing to limit the influence of high grade outliers. All assays located inside mineralization wireframes were combined to determine an appropriate capping level for each mineralized zone or zone group. Capping levels were established using a combination of histograms, probability plots, decile plots and cutting curves. Capping levels were not applied at Niakafiri West and Diadiako, as management of high grade assays was not considered necessary.

Capping levels for Sabodala, Gora, Niakafiri Main, Masato, Golouma West, Golouma South, Golouma Northwest, Kerekounda, Maki Medina, and Niakafiri Southwest, which host the majority of the resource ounces, are listed in Tables 14-4 through Table 14-13.

TABLE 14-4 SABODALA CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	% Capped Assays
MFZ	15,441	117	30	73	0.5
Ayoubs	3,853	37	15	6	0.2
Steep FG	576	184	20	21	3.6
FW Flat	2,812	56.5	20	13	0.5
UM Flat	530	119	10	3	0.6
DF Zones	4,185	123.4	20	10	0.2
UF Zones	5,604	85.4	20	31	0.6
Sutuba Zones	949	90.4	20	1	0.1
EDA	148,323	152	10	186	0.1

TABLE 14-5 GORA CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	%Capped Assays
Vein 1	391	159	70	3	0.8
Vein 2	566	55.3	45	6	1.1
Vein 3	205	138	20	1	0.5
Vein 4	180	58.2	45	2	1.1

TABLE 14-6 NIAKAFIRI MAIN CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	% Capped Assays
min1	517	6.40	-	-	-
min2 Niakafiri	627	11.70	-	-	-
min2 Dinkokono	574	37.50	10	1	0.2
min3 Niakafiri	3,702	18.90	-	-	-
min3 Dinkokono	384	16.80	10	2	0.5
min4	185	7.21	-	-	-
min5	77	16.20	-	-	-
min6	96	5.57	-	-	-
min7	158	17.70	-	-	-
min8	246	8.67	-	-	-
min9	110	4.84	-	-	-

TABLE 14-7 MASATO CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	% Capped Assays
M1	33,781	3,977	25	50	0.1
M2	62	2.14	-	-	-
HW1	23	2.27	-	-	-
HW2	35	4.08	-	-	-
HW3	151	4.53	-	-	-
HW4	29	29.94	5	2	6.9
HW5	257	4.25	-	-	-
HW6	85	12.69	5	1	1.2
FW1	54	1.51	-	-	-
FW2	107	55.21	7	1	0.9
FW3	502	9.02	4	2	0.4
Min1	1,889	66.4	20	5	0.3
Min2	305	6.57	-	-	-
Min3	1,246	18.7	-	-	-
Min4	60	2.75	-	-	-
Min5	88	7.44	-	-	-
Min6	76	10.5	-	-	-

TABLE 14-8 GOLOUMA WEST CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	% Capped Assays
18000	1,464	80.73	30	4	0.3
18100	832	26.54	20	3	0.4
18300	71	146.8	12	4	5.6
18400	1,050	128.1	20	9	0.9
18414	374	145.2	30	4	1.1
18600	1,208	434.6	70	10	0.8
18700	336	262	35	5	1.5
18800	503	58.57	10	10	2
18900	520	55.23	40	3	0.6
19000	206	16.15	10	1	0.5
19400	40	731.3	3	8	20

TABLE 14-9 GOLOUMA SOUTH CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	%Capped Assays
2000	59	67.9	15	4	6.8
2100	1,116	119	40	9	0.8
2200	403	451.4	50	2	0.5
2300	500	44.48	20	8	1.6
404	8	481	60	1	12.5

TABLE 14-10 GOLOUMA NORTHWEST CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	%Capped Assays
7100	63	11.59	10	3	4.8
7200	17	31.33	10	1	5.9
7300	29	37.86	10	1	3.4
7400	31	12.14	10	1	3.2

TABLE 14-11 KEREKOUNDA CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	%Capped Assays
3100	314	25.86	15	4	1.3
3200	911	407	50	18	2
3300	331	28.88	18	5	1.5
3400	174	23.89	11	3	1.7

TABLE 14-12 MAKI MEDINA CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	% Capped Assays
DZ1	88	3.07	-	-	-
DZ2	28	8.23	6	1	3.6
DZ3	156	5.64	-	-	-
DZ41	396	17.35	8	9	2.3
DZ42	1,028	9.59	6	8	0.8
DZ5	11	0.93	-	-	-
CZ6	55	4.36	-	-	-
CZ7	133	3.86	-	-	-
CZ8	162	1.56	-	-	-
CZ9	16	0.84	-	-	-
CZ10	33	2.95	-	-	-
CZ11	40	2.04	-	-	-
CZ12	146	4.25	-	-	-
CZ13	122	14.51	6	1	0.8
CZ14	157	10.32	6	3	1.9

TABLE 14-13 NIAKAFIRI SOUTHWEST CAPPING LEVELS
Teranga Gold Corporation - Sabodala Project

Domain	Total Number of Assays	Maximum Grade (g/t Au)	Capping Level (g/t Au)	Number of Capped Assays	% Capped Assays
Min1	207	3.55	2.5	2	1.0
Min2	915	3.84	3.0	8	0.9
Min3	339	3.31	1.5	7	2.1
Min4	189	10.79	2.0	7	3.7
Min5	184	6.84	2.0	5	2.7
Min6	112	5.34	2.0	5	4.5
Min7	42	4.46	2.0	2	4.8
Min8	61	3.22	2.0	4	6.6
Min9	46	3.81	2.0	2	4.3
Min10	838	11.57	5.0	7	0.8
Min11	331	6.05	2.0	3	0.9

COMPOSITE SAMPLES

Run-length composites were generated inside the mineralization wireframes and flagged by mineralization domains. Gold assay results reported below the detection limit were assigned half the detection limit. Non-logged and unsampled intervals were assigned a grade of 0.0 g/t Au prior to compositing.

Composite statistics for Sabodala, Gora, Niakafiri Main, Masato, Golouma West, Golouma South, Golouma Northwest, Kerekounda, Maki Medina, and Niakafiri Southwest, which host the majority of the resource ounces, are listed in Tables 14-14 through Table 14-23.

Approximately 99% of the drill samples in the Kinemba, Kobokoto, Koulouqwinde, Kouroulouou, Kouroundi, Koutouniokollo, Mamasato, Niakafiri Southeast, and Sekoto deposit databases are one metre in length. One metre composites were generated for grade estimation for these deposits.

SABODALA

Run-length composites were generated at one metre lengths from capped assays inside the domain wireframes and inside the larger mineralized envelope (EDA), flagged by mineralization domain. Composites less than 0.5 m in length were removed from the final database. This accounted for a small percentage of data (1%) with no demonstrated grade bias.

The classical statistics for the final one metre composites are presented in Table 14-14.

TABLE 14-14 SABODALA COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	MFZ	Ayoubs	Steep FG	FW Flat	UM Flat	DF Zones	UF Zones	Sutuba Zones	EDA
Minimum Grade (g/t Au)	0	0	0	0	0	0	0	0	0
25th percentile (g/t Au)	0.04	0.02	0.05	0.11	0.01	0.01	0.1	0.16	0.005
Median Grade (g/t Au)	0.43	0.13	0.55	0.75	0.19	0.03	0.55	0.47	0.01
75th percentile (g/t Au)	1.94	0.54	2.23	2.53	0.82	0.49	1.89	1.44	0.02
Maximum Grade (g/t Au)	30	15	20	20	10	20	20	19	10
Mean Grade (g/t Au)	1.84	0.54	2.27	1.94	0.71	0.8	1.68	1.28	0.08
Standard Deviation	3.66	1.21	4.16	2.96	1.31	2.15	2.92	2.09	0.45
Coefficient of Variation	1.99	2.24	1.84	1.52	1.84	2.69	1.74	1.64	5.57
Number of Samples	15,597	3,884	553	2,703	590	4,303	5,577	952	172,544

GORA

Run-length composites were generated at two metre lengths from capped assays. Composites were flagged by mineralization domain. Composites less than 0.5 m in length were removed from the final composite database. This accounted for a small percentage of data with no demonstrated grade bias. Gora composite statistics are presented in Table 14-15.

TABLE 14-15 GORA COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	Vein 1	Vein 2	Vein 3	Vein 4
Minimum Grade (g/t Au)	0.003	0	0.003	0.003
25th percentile (g/t Au)	0.16	0.1	0.08	0.12
Median Grade (g/t Au)	1.1	0.27	0.18	0.42
75th percentile (g/t Au)	8.33	1.44	0.58	1.87
Maximum Grade (g/t Au)	67.1	44.54	10.42	33.89
Mean Grade (g/t Au)	6.51	2.43	0.96	3.69
Standard Deviation	11.14	5.88	2.02	7.34
Coefficient of Variation	1.71	2.42	2.1	1.99
Number of Samples	215	313	110	99

NIAKAFIRI MAIN

Capped drillhole assays were composited into approximate 2.5 m bench composites. Small length composites were merged with the previous intervals, resulting in a range of composite lengths from 1.25 m to 3.70 m. Niakafiri Main composite statistics are presented in Table 14-16.

TABLE 14-16 NIAKAFIRI MAIN COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	Min1	Min2	Min3	Min4	Min5	Min6	Min7	Min8	Min9
Minimum Grade (g/t Au)	0.009	0.006	0.005	0.13	0.1	0.02	0.06	0.05	0.06
25th percentile (g/t Au)	0.16	0.27	0.29	0.39	0.25	0.36	1.98	0.31	0.40
Median Grade (g/t Au)	0.36	0.51	0.69	0.80	0.52	0.71	3.76	0.59	0.78
75th percentile (g/t Au)	0.70	1.02	1.39	1.34	1.01	1.26	5.53	0.97	0.96
Maximum Grade (g/t Au)	3.57	6.37	9.25	4.08	2.49	3.71	9.24	5.15	3.03
Mean Grade (g/t Au)	0.51	0.81	1.03	0.99	0.79	0.89	3.92	0.75	0.82
Standard Deviation	0.55	0.88	1.12	0.82	0.71	0.75	2.28	0.71	0.57
Coefficient of Variation	1.07	1.09	1.09	0.83	0.90	0.84	0.58	0.94	0.70
Number of Samples	208	486	1,592	76	32	39	65	96	50

MASATO

Run-length composites were generated at two metre lengths from capped assays for the six mineralization domains generated in 2012 and located on the original Sabodala Mining Concession (min1 to min6). Composites were flagged by mineralization domain. Composites less than 0.5 m in length were removed from the final composite database. This accounted for a small percentage of data with no demonstrated grade bias.

Run-length composites were generated at one metre lengths from capped assays for the eleven mineralization domains generated in 2014 and located on the original SOMIGOL Mining Concession (M1, M2, HW1 to HW6 and FW1 to FW3). Composites less than 0.5 m in length were removed from the final composite database. This accounted for a small percentage of data with no demonstrated grade bias. Composite statistics are presented in Table 14-17.

TABLE 14-17 MASATO COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	M1	M2	All HW	FW1/ FW2	FW3	Min1	Min2	MIn3	MIn4	Min5	Min6
Minimum Grade (g/t Au)	0	0.01	0	0.01	0	0	0	0.005	0.11	0.03	0.02
25th percentile (g/t Au)	0.04	0.21	0.07	0.2	0.04	0.27	0.1	0.02	0.3	0.41	0.56
Median Grade (g/t Au)	0.25	0.27	0.36	0.33	0.16	0.64	0.36	0.16	0.62	0.88	0.91
75th percentile (g/t Au)	0.83	0.49	0.83	0.63	0.49	1.48	0.88	0.47	1.09	1.67	2.23
Maximum Grade (g/t Au)	25.00	2.14	5.00	7.00	4.00	20	6.57	13.13	1.75	5.02	5.62
Mean Grade (g/t Au)	0.82	0.41	0.65	0.65	0.39	1.26	0.63	0.44	0.71	1.20	1.54
Standard Deviation	1.79	0.39	0.83	1.06	0.58	1.82	0.8	0.93	0.47	1.08	1.54
Coefficient of Variation	2.19	0.96	1.28	1.63	1.5	1.44	1.26	2.08	0.67	0.91	1.00
Number of Samples	34,031	62	586	161	536	962	173	628	31	44	39

GOLOUMA

Run-length composites were generated at one metre lengths from capped assays. Composites were flagged by mineralization domain. Composites less than 0.5 m in length were removed from the final composite database. This accounted for a small percentage of data with no demonstrated grade bias. Golouma composite statistics are listed in Tables 14-18 to 14-20.

TABLE 14-18 GOLOUMA WEST COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	18000	18100	18300	18400	18414	18600	18700	18800	18900	19000	19400
Minimum Grade (g/t Au)	0	0.002	0	0	0.002	0	0	0	0.002	0	0.003
25th percentile (g/t Au)	0.21	0.22	0.17	0.19	0.1	0.24	0.06	0.01	0.15	0	0.08
Median Grade (g/t Au)	0.77	0.77	0.77	0.77	0.54	1.03	0.39	0.18	0.83	0.09	0.42
75th percentile (g/t Au)	2.73	2.05	3.89	2.27	2.09	3.51	1.98	0.86	3.27	0.63	2.36
Maximum Grade (g/t Au)	29.58	19.8	12	20	30	69.58	40	10	39.8	9.14	6
Mean Grade (g/t Au)	2.29	1.63	2.43	1.85	2.16	4.04	2.42	0.92	2.94	0.58	1.6
Standard Deviation	3.77	2.45	3.25	2.9	4.48	9.38	6.17	1.84	5.46	1.29	2.17
Coefficient of Variation	1.64	1.5	1.34	1.57	2.07	2.32	2.55	2	1.85	2.23	1.36
Number of Samples	1,411	807	78	1,023	368	1,186	316	497	512	220	35

TABLE 14-19 GOLOUMA SOUTH COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	2000	2100	2200	2300	404
Minimum Grade (g/t Au)	0.005	0	0.002	0.002	0.02
25th percentile (g/t Au)	0.053	0.3	0.21	0.155	0.42
Median Grade (g/t Au)	0.38	1.11	0.79	0.9	2.45
75th percentile (g/t Au)	3.12	3.73	3.37	3.39	4.89
Maximum Grade (g/t Au)	15	40	49.57	19.98	5
Mean Grade (g/t Au)	2.46	3.36	3.67	2.69	2.57
Standard Deviation	4.21	5.85	7.35	4.02	2.07
Coefficient of Variation	1.71	1.74	2	1.49	0.81
Number of Samples	59	1,123	410	496	8

TABLE 14-20 GOLOUMA NORTHWEST COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	7100	7200	7300	7400
Minimum Grade (g/t Au)	0.003	0.005	0.009	0.002
25th percentile (g/t Au)	0.32	0.01	0.02	0.01
Median Grade (g/t Au)	1.37	0.73	0.1	0.16
75th percentile (g/t Au)	3.06	2.40	0.62	0.91
Maximum Grade (g/t Au)	9.99	9.87	9.87	9.86
Mean Grade (g/t Au)	2.42	1.76	0.90	1.00
Standard Deviation	2.79	2.69	2.10	2.11
Coefficient of Variation	1.15	1.53	2.33	2.11
Number of Samples	62	17	29	31

KEREKOUNDA

Run-length composites were generated at one metre lengths from capped assays. Composites were flagged by mineralization domain. Composites less than 0.5 m in length were removed from the final composite database. This accounted for a small percentage of data with no demonstrated grade bias. Kerekounda composite statistics are listed in Table 14-21.

TABLE 14-21 KEREKOUNDA COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	3100	3200	3300	3400
Minimum Grade (g/t Au)	0	0	0	0
25th percentile (g/t Au)	0.05	0.3	0.05	0.01
Median Grade (g/t Au)	0.35	1.61	0.39	0.3
75th percentile (g/t Au)	1.3	6.33	2.11	1.73
Maximum Grade (g/t Au)	15	50	18	11
Mean Grade (g/t Au)	1.28	5.75	1.99	1.4
Standard Deviation	2.47	9.85	3.69	2.49
Coefficient of Variation	1.93	1.71	1.85	1.77
Number of Samples	324	919	333	180

MAKI MEDINA

Run-length composites were generated at two metre lengths from capped assays. Composites were flagged by mineralization domain. Composites less than 1.0 m in length were removed from the final composite database. This accounted for a small percentage of data with no demonstrated grade bias. Maki Medina composite statistics are listed in Table 14-22.

TABLE 14-22 MAKI MEDINA COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	DZ1	DZ2	DZ3	DZ41	DZ42	DZ5	CZ6	CZ7	CZ8	CZ9	CZ10	CZ11	CZ12	CZ13	CZ14
Minimum Grade (g/t Au)	0.0025	0.01	0.0025	0.006	0.0001	0.12	0.0001	0.004	0.02	0.15	0.03	0.01	0.005	0.025	0.004
25th percentile (g/t Au)	0.16	0.08	0.18	0.20	0.19	0.14	0.15	0.15	0.14	0.20	0.13	0.14	0.16	0.14	0.15
Median Grade (g/t Au)	0.30	0.30	0.33	0.57	0.37	0.21	0.20	0.30	0.22	0.30	0.36	0.25	0.34	0.23	0.30
75th percentile (g/t Au)	0.64	0.82	0.79	1.71	0.84	0.50	0.32	0.55	0.37	0.61	0.66	0.43	0.69	0.40	0.82
Maximum Grade (g/t Au)	3.04	6.00	4.22	8.00	6.00	0.93	2.19	3.71	1.46	0.69	1.62	1.24	3.43	5.09	5.44
Mean Grade (g/t Au)	0.47	0.86	0.60	1.23	0.70	0.35	0.31	0.49	0.30	0.38	0.49	0.33	0.56	0.44	0.73
Standard Deviation	0.51	1.51	0.75	1.57	0.90	0.29	0.38	0.62	0.25	0.20	0.45	0.27	0.61	0.84	0.97
Coefficient of Variation	1.09	1.76	1.25	1.28	1.28	0.83	1.25	1.25	0.83	0.54	0.92	0.82	1.11	1.92	1.33
Number of Samples	49	17	89	211	541	6	32	73	89	9	18	22	79	68	83

NIAKAFIRI SOUTHWEST

Run-length composites were generated at one metre lengths from capped assays. Composites were flagged by mineralization domain. Composites less than 0.5 m in length were removed from the final composite database. This accounted for a small percentage of data with no demonstrated grade bias. Niakafiri Southwest composite statistics are listed in Table 14-23.

TABLE 14-23 NIAKAFIRI SOUTHWEST COMPOSITE STATISTICS
Teranga Gold Corporation - Sabodala Project

Parameter	Min1	Min2	Min3	Min4	Min5	Min6	Min7	Min8	Min9	Min10	Min11
Minimum Grade (g/t Au)	0.0001	0.0001	0.0001	0.008	0.0001	0.01	0.007	0.0001	0.0001	0.0001	0.005
25th percentile (g/t Au)	0.05	0.13	0.09	0.12	0.06	0.07	0.18	0.09	0.05	0.03	0.02
Median Grade (g/t Au)	0.24	0.27	0.20	0.25	0.18	0.18	0.36	0.21	0.24	0.13	0.05
75th percentile (g/t Au)	0.54	0.53	0.39	0.49	0.3	0.35	0.73	0.56	0.54	0.47	0.14
Maximum Grade (g/t Au)	2.50	3.00	1.50	2.00	2.00	2.00	2.00	2.00	2.00	5.00	2.00
Mean Grade (g/t Au)	0.39	0.43	0.31	0.41	0.29	0.33	0.5	0.41	0.39	0.45	0.15
Standard Deviation	0.48	0.49	0.33	0.46	0.39	0.46	0.46	0.51	0.49	0.83	0.3
Coefficient of Variation	1.23	1.14	1.05	1.12	1.36	1.39	0.93	1.24	1.25	1.83	1.95
Number of Samples	213	917	342	189	185	112	42	69	47	884	331

BLOCK MODEL PARAMETERS

The Kinemba, Kobokoto, Koulouqwinde, Kourouloulou, Kouroundi, Koutouniokollo, Mamasato, Niakafiri Southeast, and Sekoto block models were generated by SRK in 2012 in Gemcom GEMS. These block models are percent models, and contain one regular block size, with the proportion of the mineralized domain in each block stored as a percentage. These block models remain unchanged since the date of the previous technical report (AMC, 2014).

The Gora, Golouma, Kerekounda, Niakafiri West, and Soukhoto block models remain unchanged since the date of the previous technical report (AMC, 2014). The Gora, Golouma, and Kerekounda block models are sub-blocked models, consisting of parent blocks and smaller sub-blocks located along mineralization domain boundaries. In addition, block sizes inside mineralized domains were restricted to a maximum block size for Gora and Golouma. The Niakafiri West and Soukhoto block models contain one regular block size.

The Diadiako, Maki Medina, Masato, Niakafiri Main, Niakafiri Southwest, and Sabodala block models were revised since the date of the previous technical report. A block model was generated in Vulcan for Diadiako, which replaces the previous sectional resource model.

The Maki Medina, Masato, Niakafiri Main, Niakafiri Southwest, and Sabodala block models were generated in Vulcan and are sub-blocked models consisting of parent blocks and smaller sub-blocks located along mineralization domain boundaries. In addition, block sizes inside mineralized domains were restricted to a maximum block size for Maki Medina, Masato, Niakafiri Main, and Sabodala.

All block models were constructed along an east-west orientation, except for Maki Medina which is a rotated block model constructed along an 85° orientation, corresponding to the 175° azimuth mineralization trend.

The transformation from Sabodala local grid coordinates to WGS 84 UTM Zone 28N is based on the common points listed in Table 14-24. This transformation results in a translation and clockwise rotation of approximately 14°.

TABLE 14-24 SABODALA GRID COORDINATE TRANSFORMATION
Teranga Gold Corporation - Sabodala Project

Point	Sabodala Local Grid			UTM Zone 28N		
	Easting	Northing	Elevation	Easting	Northing	Elevation
Trig 1	10,027.07	20,358.91	719.465	813,019.08	1,459,455.70	197.465
SMC 04	10,962.20	17,896.98	727.181	813,307.82	1,456,836.03	205.181

The Sabodala transformation is calculated using the following functions. The factors used for the transformation are listed in Table 14-25.

UTM_East = PRXA + P*(SabodalaLocal_Easting – SUBXA) + Q*(SabodalaLocal_Northing – SUBYA)
UTM_North = PRYA + P*(SabodalaLocal_Northing – SUBYA) + Q*(SabodalaLocal_Easting – SUBXA)

TABLE 14-25 SABODALA GRID COORDINATE TRANSFORMATION FACTORS
Teranga Gold Corporation - Sabodala Project

Factor	Value
SUBXA	10,027.07
SUBYA	20358.911
SUBXB	10,962.20
SUBYB	17,896.98
PRXA	813,019.08
PRYA	1,459,455.70
PRXB	813,307.82
PRYB	1,456,836.03
P	0.96884391
Q	0.25071504

The transformation from Gora local grid coordinates to WGS 84 UTM Zone 29N is based on the common points listed in Table 14-26. This transformation results in a translation and clockwise rotation of approximately 55°.

TABLE 14-26 GORA GRID COORDINATE TRANSFORMATION
Teranga Gold Corporation - Sabodala Project

	Gora Local Grid			UTM Zone 29N		
	Easting	Northing	Elevation	Easting	Northing	Elevation
Point 1	50,000	100,000	661.367	182,458.07	1,471,697.61	139.367
Point 2	50,500.65	100,000	659.191	182,745.41	1,472,107.97	137.191

The transformation is calculated using the following functions. The factors used for the transformation are listed in Table 14-27.

UTM_East = PRXA + P*(GoraLocal_Easting – SUBXA) + Q*(GoraLocal_Northing – SUBYA)
UTM_North = PRYA + P*(GoraLocal_Northing – SUBYA) + Q*(GoraLocal_Easting – SUBXA)

TABLE 14-27 GORA GRID COORDINATE TRANSFORMATION FACTORS
Teranga Gold Corporation - Sabodala Project

Factor	Value
SUBXA	50,000.00
SUBYA	100,000.00
SUBXB	50,500.65
SUBYB	100,000.00
PRXA	182,458.07
PRYA	1,471,697.61
PRXB	182,745.41
PRYB	1,472,107.97
P	0.57
Q	-0.82

Block model parameters are listed in Table 14-28.

TABLE 14-28 BLOCK MODEL PARAMETERS
Teranga Gold Corporation - Sabodala Project

Deposit	Coordinate System	Block Model Extents						Block Size								
		Minimum			Maximum			Parent Block (m)			Sub-block (m)			Maximum in Domain (m)		
		X	Y	Z	X	Y	Z	X	Y	Z	X	Y	Z	X	Y	Z
Sabodala	Sabodala Local	9,500	19,300	20	10,800	21,300	800	10	10	10	1.25	1.25	1.25	2.5	2.5	2.5
Gora	Gora Local	49,300	99,700	300	51,200	100,400	750	5	5	5	0.5	0.5	0.5	2.5	2.5	2.5
Niakafiri Main	Sabodala Local	10,800	17,300	500	11,400	19,550	800	10	10	10	2.5	2.5	2.5	5	5	5
Masato	Sabodala Local	10,880	19,900	-55	12,000	22,260	1,025	20	20	20	1.25	1.25	1.25	5	5	5
Golouma	WGM 84 UTM Zone 28N	813,600	1,452,300	-800	815,840	1,454,300	360	20	20	20	1.25	1.25	1.25	5	5	5
Kerekounda	WGM 84 UTM Zone 28N	814,900	1,454,000	-395	815,900	1,455,100	400	5	5	5	1.25	1.25	1.25	-	-	-
Kinemba	WGM 84 UTM Zone 28N	811,150	1,448,900	-25	811,600	1,449,700	300	5	5	5	-	-	-	-	-	-
Kobokoto	WGM 84 UTM Zone 28N	810,140	1,451,050	0	811,150	1,452,200	250	5	5	5	-	-	-	-	-	-
Koulouqwinde	WGM 84 UTM Zone 28N	813,850	1,451,900	-50	814,950	1,453,100	320	5	5	5	-	-	-	-	-	-
Kouroulolou	WGM 84 UTM Zone 28N	814,949	1,453,175	-105	815,801	1,454,051	270	3	3	3	-	-	-	-	-	-
Kouroundi	WGM 84 UTM Zone 28N	815,200	1,456,000	110	815,600	1,456,550	335	5	5	5	-	-	-	-	-	-
Koutouniokolla	WGM 84 UTM Zone 28N	812,150	1,450,450	0	812,650	1,450,950	300	5	5	5	-	-	-	-	-	-
Maki Medina	Sabodala Local	10,261.33	13,394.70	422	11,095.41	15,334.78	782	20	20	20	1.25	1.25	1.25	2.5	5	5
Mamasato	WGM 84 UTM Zone 28N	814,200	1,457,700	50	815,400	1,458,400	400	5	5	5	-	-	-	-	-	-
Niakafiri Southeast	WGM 84 UTM Zone 28N	812,500	1,454,500	-200	814,000	1,456,500	300	5	5	5	-	-	-	-	-	-
Niakafiri Southwest	Sabodala Local	10,000	16,130	390	10,900	17,410	750	5	5	5	1.25	1.25	1.25	-	-	-
Niakafiri West	Sabodala Local	10,100	17,120	500	10,700	17,720	740	5	5	2.5	-	-	-	-	-	-
Sekoto	WGM 84 UTM Zone 28N	818,000	1,461,200	-90	818,400	1,461,850	260	5	5	5	-	-	-	-	-	-
Soukhoto	Sabodala Local	10,000	18,360	540	10,350	18,480	740	5	5	2.5	-	-	-	-	-	-
Diadiako	WGM 84 UTM Zone 28N	807,640	1,470,700	-100	808,740	1,471,840	200	5	5	5	0.5	0.5	0.5	-	-	-

BULK DENSITY MODELS

An oxidation surface was constructed for each deposit by modelling individual points representing the base of the weathered rock profile in each drillhole. Oxide surfaces were used as hard boundaries separating the lower density oxide from the higher density fresh rock.

As the majority of drilling at Niakafiri West and Soukhoto was RC, sufficient representative core was not available for bulk density determinations. Average bulk densities were determined from existing data in similar lithologies. Bulk densities were averaged for oxide and fresh rock for Niakafiri Main, Golouma, Kerekounda, Kourouloulou, Kouroundi, Niakafiri West, Soukhoto, and Diadiako.

For Maki Medina and Niakafiri Southwest, the oxide domain was subdivided into laterite, saprolite and transition sub-domains based on core photos, density determinations and logged lithology. Average bulk densities at Maki Medina were applied separately to mineralized and unmineralized portions of the oxide sub-domains. Average bulk densities are presented in Table 14-29.

TABLE 14-29 AVERAGE BULK DENSITIES
Teranga Gold Corporation - Sabodala Project

Deposit	Oxide				Fresh Rock (t/m^3)
	Average Oxide (t/m^3)	Laterite (t/m^3)	Saprolite (t/m^3)	Transition (t/m^3)	
Diadiako	2.70	-	-	-	2.70
Golouma	2.19	-	-	-	2.82
Gora	2.53	-	-	-	2.72 (veins), 2.77 (waste)
Kerekounda	2.00	-	-	-	2.80
Kinemba	1.75	-	-	-	2.84
Kobokoto	1.88	-	-	-	2.70
Koulouqwinde	2.25	-	-	-	2.70
Kourouloulou	2.11	-	-	-	2.74
Kouroundi	2.64	-	-	-	2.90
Koutouniokollo	2.14	-	-	-	2.78
Maki Medina	-	1.83 (min zones), 1.92 (waste)	1.83 (min zones), 1.92 (waste)	2.29 (min zones), 2.36 (waste)	2.71 (min zones), 2.76 (waste)
Mamasato	2.46	-	-	-	2.81
Masato	1.87 to 2.22	-	-	-	2.84 (min zones), 2.80 (waste)
Niakafiri Main	2.00	-	-	-	2.80
Niakafiri Southeast	1.95	-	-	-	2.78
Niakafiri Southwest	-	1.95	1.80	2.02	2.79
Niakafiri West	2.20	-	-	-	2.75
Sekoto	1.83	-	-	-	2.44
Soukhoto	2.20	-	-	-	2.75

For Kinemba, Kobokoto, Koulouqwinde, Koutouniokollo, Mamasato, Niakafiri Southeast, and Sekoto, bulk densities were estimated using the inverse distance squared method. All un-interpolated blocks were assigned the average bulk densities for the oxide and fresh rocks and are included in Table 14-29. Bulk density estimation parameters are presented in Table 14-30.

TABLE 14-30 BULK DENSITY ESTIMATION PARAMETERS
Teranga Gold Corporation - Sabodala Project

Deposit	Search Pass	Gemcom ZYZ Rotations			Search Ellipse Radius			Number of Samples		Method
		Around Z	Around Y	Around Z	x (m)	Y (m)	Z (m)	Min	Max	
Kinemba	1	0	0	0	175	175	50	3	12	ID^2
Kobokoto	1	0	0	0	175	175	50	2	12	ID^2
Koulouqwinde	1	0	0	0	300	300	300	3	12	ID^2
Koutouniokollo	1	0	0	0	300	300	300	4	16	ID^2
Mamasato	1	0	0	0	300	300	300	1	3	ID^2
Niakafiri Southeast	1	0	0	0	300	300	300	3	12	ID^2
Sekoto	1	0	0	0	300	300	300	3	3	ID^2

SABODALA

Bulk density determinations were flagged with lithology and oxide models then averaged by lithology type. Although local variances are not preserved, calculated averages are within reasonable limits for each lithology and were used in the final block model.

There were no bulk density determinations located in the oxide portion of the porphyry and therefore the average bulk density was determined from the original lithology flagging of a previous oxide model. Adjusted bulk densities were calculated to account for partial rock blocks adjacent to the topographic surface. Table 14-31 lists the average bulk densities assigned to the Sabodala block model.

TABLE 14-31 SABODALA BULK DENSITY BY LITHOLOGY
Teranga Gold Corporation - Sabodala Project

Lithology	Fresh		Oxide	
	Samples (No.)	Average (t/m^3)	Samples (No.)	Average (t/m^3)
Volcaniclastics West	1,626	2.84	17	2.76
Ultramafics	2,166	2.85	40	2.52
Gabbro	7,878	2.85	90	2.17
Volcaniclastics East	9,960	2.82	261	2.34
Mylonite	1,884	2.73	7	2.14
Basalt	12,976	2.87	82	2.38
Felsic Porphyry	459	2.75	assigned	2.68

GORA

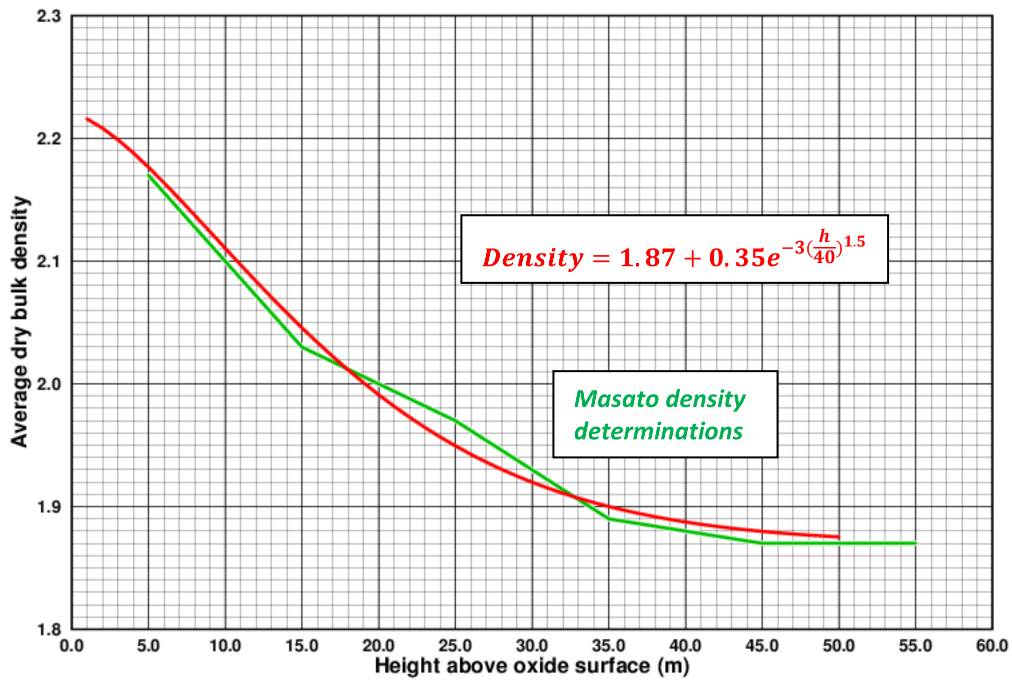
Bulk density samples were taken from veins, mafic volcanics, felsic volcanics, and sediments. There were no bulk density determinations for the oxide portion, therefore the bulk density estimated for the previous block model was used for the oxide. The vein samples were a combination of vein and wallrock sediments, with the majority of the sample consisting of sediments, therefore the average bulk density of the veins and sediments was applied to the veins. The mafic and felsic volcanic units are discontinuous, irregular, intercalated within the more extensive sedimentary unit, and not separately modelled. The average bulk density of the sediments was applied to all fresh rock. Gora bulk densities are included in Table 14-29.

MASATO

Based on 1,091 density measurements performed on diamond drill core in oxides, dry bulk density was determined to be related to the height above the base of oxide surface, where the highest densities occur in the first 10 m immediately above the base of oxide, and the lowest occur higher up at 50 m or more above the base of oxide (Srivastava, 2014). A regression curve was generated to predict average dry bulk density as a function of the height above the base of oxide. Immediately above the base of oxide surface, the regression curve predicts an average density of 2.22 t/m^3; 50 m above the base of oxide, it predicts an average density of 1.87 t/m^3, as presented in Figure 14-20.

Of the density measurements taken in fresh rock, approximately half were taken in mineralization domains. The average density is 2.84 t/m^3 in mineralized fresh rock and is 2.80 t/m^3 in unmineralized fresh rock. Masato bulk densities are included in Table 14-29.

FIGURE 14-20 MASATO OXIDE DENSITIES



GRADE ESTIMATION

Grade estimates were revised for Sabodala, Masato, Niakafiri Main, Maki Medina, Niakafiri Southwest, and Diadiako in Vulcan. Grade estimates for all other mineral resource block models remain the same as reported in the previous technical report (AMC, 2014).

SABODALA

Sabodala block gold grades were estimated using the Ordinary Kriging method (OK) for the MFZ, Ayoubs, Steep FG, FW Flat, UF Zones, and the EDA. Downhole and directional correlograms were constructed for mineralization domains containing a sufficient number of composites to generate suitable variograms. The variogram model parameters used in the previous 2011 estimate were reviewed using the additional data from 2012 and 2013. Revisions to the variogram parameters were not warranted and remain the same.

The first estimation pass uses small limited searches to estimate blocks located close to composites. The second estimation pass uses larger search radii based on the second variogram structure with composites from a minimum of two drillholes that connect the majority of the blocks estimated during the first pass. The third estimation pass uses 1.5 times the second variogram structure with no minimum drillhole restriction. The minor search range for the second and third estimation passes for the EDA was determined visually and were more restrictive in order to prevent extrapolation of grades beyond reasonable limits in the absence of a hard boundary.

The Inverse Distance Squared method (ID^2) was used to estimate block gold grades for the UM Flat, Deep Flat Zones, and Sutuba Zones, due to the small number of contained sample composites or the presence of multiple trends. Search directions were determined visually for each domain. Isotropic search ranges were applied for grade estimation. Three estimation runs were applied, each with increasing search distances. Grade estimation parameters are listed in Table 14-32.

TABLE 14-32 SABODALA GRADE ESTIMATION PARAMETERS
Teranga Gold Corporation - Sabodala Project

		MFZ	Ayoubs	Steep FG	FW Flat	UM Flat	DF Zones	UF Zones	Sutuba Zones	EDA
Estimation Method		**OK**	**OK**	**OK**	**OK**	**ID^2**	**ID^2**	**OK**	**ID^2**	**OK**
Vulcan Search Ellipse Orientation	Bearing (z)	340	353	353	327	-	-	338	-	335
	Plunge (y)	-9	-26	-26	-11	-	-	-10	-	-11
	Dip (x)	23.4	56.2	56.2	-19.2	-	-	23	-	22.6
Min. No. Samples	Pass 1 / 2 / 3	3,6,2	3,6,2	3,6,2	3,6,2	3,6,2	3,6,2	3,6,2	3,6,2	3,6,2
Max. No.Samples	Pass 1 / 2 / 3	12	12	12	12	12	12	12	12	12
Max. Samples per Hole	Pass 1 / 2 / 3	3 / 3 / -	3 / 3 / -	3 / 3 / -	3 / 3 / -	3 / 3 / -	3 / 3 / -	3 / 3 / -	3 / 3 / -	3 / 3 / -
Pass 1 Ranges	Major Axis	10	10	10	10	10	10	10	10	10
	Semi-major Axis	10	10	10	10	10	10	10	10	10
	Minor Axis	3	3	3	3	3	3	3	3	5
Pass 2 Ranges	Major Axis	65	80	40	40	50	50	75	50	60
	Semi-major Axis	40	40	40	30	50	50	50	50	40
	Minor Axis	35	20	30	25	50	50	35	50	10
Pass 3 Ranges	Major Axis	98	120	60	60	75	75	112	75	90
	Semi-major Axis	60	60	60	45	75	75	75	75	60
	Minor Axis	53	30	45	38	75	75	53	75	60
Variography	C_0	0.1	0.2	0.2	0.13	-	-	0.27	-	0.4
	C_1	0.6	0.622	0.622	0.709	-	-	0.584	-	0.3
	Major Axis	40	40	10	15	-	-	20	-	30
	Semi-major Axis	20	20	10	15	-	-	20	-	20
	Minor Axis	10	10	10	8	-	-	7	-	20
	C_2	0.3	0.178	0.178	0.161	-	-	0.146	-	0.3
	Major Axis	65	80	40	40	-	-	75	-	60
	Semi-major Axis	40	40	40	30	-	-	50	-	40
	Minor Axis	35	20	30	25	-	-	35	-	40

GORA

Gora block grades were estimated using the Inverse Distance Cubed (ID^3) method. Domain models were used as hard boundaries to limit the extent of influence of composites grades within the domains.

Suitable variograms could not be generated for individual or combined domain models due to the small number of contained sample composites. Search ranges were determined visually based on continuity of mineralization and drillhole spacing.

Search directions were determined visually for each domain. Isotropic search ranges in the major and semi-major directions following the trend of individual domain models were applied. Minor search ranges were also determined visually and were shorter. Search directions and trends are listed in Table 14-33.

TABLE 14-33 GORA SEARCH PARAMETERS
Teranga Gold Corporation - Sabodala Project

Domain Model	General Trend		Vulcan Rotation		
	Strike (°)	Dip (°)	Z Rotation	Y Rotation	X Rotation
Vein 1	85	-42S	85	0	-42
Vein 2	86	-45S	86	0	-45
Vein 3	85	-40S	85	0	-40
Vein 4	90	-40S	90	0	-40

Three grade estimation passes were run with increasing major, semi-major, and minor search ranges for each successive estimation run. Estimation flags were stored for each estimation run based on increasing search distances. The number of samples and holes were stored in separate block variables for use in determining resource classification. Grade estimation parameters are listed in Table 14-34.

TABLE 14-34 GORA GRADE ESTIMATION PARAMETERS
Teranga Gold Corporation - Sabodala Project

Vein	Estimation Run	Search Ranges			Number of Samples Per Estimate		
		Major Axis	Semi-Major Axis	Minor Axis	Minimum Samples/Estimate	Maximum Samples/Estimate	Maximum Samples/DH
All Veins	1	5	5	5	3	12	3
	2	40	40	20	3	12	3
	3	60	60	30	2	12	-

NIAKAFIRI MAIN

Niakafiri Main block grades were estimated using the Inverse Distance Cubed (ID^3) method. Domain models were used as hard boundaries to limit the extent of influence of composite grades within the domains.

Suitable variograms could not be generated for all individual or combined domain models. Search ranges were determined visually based on continuity of mineralization and drillhole spacing, and are listed in Table 14-35.

TABLE 14-35 NIAKAFIRI MAIN SEARCH PARAMETERS
Teranga Gold Corporation - Sabodala Project

Domain Model	General Trend		Vulcan Rotation		
	Strike (°)	Dip (°)	Z Rotation	Y Rotation	X Rotation
All Veins	0	-75W	350	-25	75

Three grade estimation passes were run with increasing major, semi-major, and minor search ranges for the first two estimation runs. The third estimation pass search ranges were not revised, but the maximum number of samples per drillhole was increased. Estimation flags were stored for each estimation run based on increasing search distances. The number of samples and holes were stored in separate block variables for use in determining resource classification. Grade estimation parameters are listed in Table 14-36.

TABLE 14-36 NIAKAFIRI MAIN GRADE ESTIMATION PARAMETERS
Teranga Gold Corporation - Sabodala Project

Vein	Estimation Run	Search Ranges			Number of Samples Per Estimate		
		Major Axis	Semi-Major Axis	Minor Axis	Minimum Samples/Estimate	Maximum Samples/Estimate	Maximum Samples/DH
All Veins	1	50	40	20	4	8	3
	2	100	80	40	4	8	3
	3	100	80	40	4	8	4

MASATO

Masato block grades for the M1 domain were estimated by M. Srivastava (Benchmark Six) using OK and customized unfolding, where the search ellipse is locally re-oriented to the local directions of continuity which are calculated at the centers of the blocks, with high anisotropy in the strike direction compared to the across-structure direction.

Masato block grades for the M2, FW1 to FW3, and HW1 to HW6 domains were estimated in Vulcan using ID^2 and local unfolding.

Masato block grades for the Min1 to Min6 domains, located at depth in the deposit, were estimated in Vulcan using the ID^2 method, as suitable variograms could not be generated due to the small number of contained sample composites or the presence of multiple trends.

Multiple estimation passes were run with increased major, semi-major, and minor search ranges applied to consecutive passes. The number of samples and holes were stored in separate block variables for use in determining resource classification. Masato grade estimation parameters are listed in Table 14-37.

TABLE 14-37 MASATO GRADE ESTIMATION PARAMETERS
Teranga Gold Corporation - Sabodala Project

Domain		M1	M2	HW1	HW2	HW3	HW4	HW5	HW6	FW1	FW2	FW3	Min1	Min2	Min3	Min4	Min5	Min6
Estimation Method		OK (unfold)	ID^2 (unfold)	ID^2 (unfold)	ID^2 (unfold)	ID^2 (unfold)	ID^2 (unfold)	ID^2 (unfold)	ID^2 (unfold)	ID^2 (unfold)	ID^2 (unfold)	ID^2 (unfold)	ID^2	ID^2	ID^2	ID^2	ID^2	ID^2
Vulcan Search Ellipse Orientation	Bearing (z)	191	168	171	170	155	170	180	185	170	130	130	351	346	146	351	346	24
	Plunge (y)	-20	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0	0
	Dip (x)	-60	-	-	-	-	-	-	-	-	-	-	65	75	-70	45	50	52
Min. No. Samples	Pass 1 / 2 (3)	5,3,-	5,3,-	5,3,-	5,3,-	5,3,-	5,3,-	5,3,-	5,3,-	5,3,-	5,3,-	5,3,-	3,6,3	3,6,3	3,6,3	3,6,3	3,6,3	3,6,3
Max. No.Samples	Pass 1 / 2 (3)	16	16	16	16	16	16	16	16	16	16	16	12	12	12	12	12	12
Max. Samples per Hole	Pass 1 / 2 (3)	4 / 4	4 / 4	4 / 4	4 / 4	4 / 4	4 / 4	4 / 4	4 / 4	4 / 4	4 / 4	4 / 4	3 / 3 / -	3 / 3 / -	3 / 3 / -	3 / 3 / -	3 / 3 / -	3 / 3 / -
Pass 1 Ranges	Major Axis	225	50	50	50	50	50	50	50	50	50	50	5	5	5	5	5	5
	Semi-major Axis	50	50	50	50	50	50	50	50	50	50	50	5	5	5	5	5	5
	Minor Axis	10	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	5	5	5	5	5	5
Pass 2 Ranges	Major Axis	450	75	75	75	75	75	75	75	75	75	75	40	40	40	40	40	40
	Semi-major Axis	100	75	75	75	75	75	75	75	75	75	75	40	40	40	40	40	40
	Minor Axis	20	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	40	40	40	40	40	40
Pass 3 Ranges	Major Axis	-	-	-	-	-	-	-	-	-	-	-	60	60	60	60	60	60
	Semi-major Axis	-	-	-	-	-	-	-	-	-	-	-	60	60	60	60	60	60
	Minor Axis	-	-	-	-	-	-	-	-	-	-	-	60	60	60	60	60	60
Variography	C_0	0.2																
	C_1	0.8																
	Major Axis	225																
	Semi-major Axis	50																
	Minor Axis	10																

GOLOUMA

Downhole and directional variograms were generated for the Golouma South 2100, 2200, 2300 domains, and the Golouma West 18000, 18100, 18400, 18600, and 18900 domains. Suitable variograms could not be generated for the other domains due to the small number of contained sample composites or the presence of multiple trends.

Golouma block grades were estimated using OK for the 2100, 2200, 2300, 18000, 18100, 18400, 18600, and 18900 domains. ID^2 was used to estimate block grades for the 2000, 404, 7100, 7200, 7300, 7400, 18300, 18414, 18700, 18800, 19000, and 19400 domains.

Two estimation passes were run with increased major, semi-major, and minor search ranges applied to the second pass. Search ranges for the first pass ID^2 estimation runs were determined visually based on continuity of mineralization and drillhole spacing. The number of samples and holes were stored in separate block variables for use in determining resource classification. Golouma grade estimation parameters are listed in Table 14-38.

TABLE 14-38 GOLOUMA GRADE ESTIMATION PARAMETERS

Teranga Gold Corporation - Sabodala Project

Domain		2000	2100	2200	2300	404	7100	7200	7300	7400	18000	18100	18300	18400	18414	18600	18700	18800	18900	19000	19400
Estimation Method		ID^2	OK	OK	OK	ID^2	ID^2	ID^2	ID^2	ID^2	OK	OK	ID^2	OK	ID^2	OK	ID^2	ID^2	OK	ID^2	ID^2
Vulcan Search	Bearing (z)	30	270	325	20	20	140	140	140	140	280	130	115	120	20	200	115	120	300	110	120
Ellipse	Plunge (y)	0	-50	-55	0	0	0	0	0	0	-40	-50	0	-40	0	-70	0	0	-55	0	0
Orientation	Dip (x)	70	0	29.3	60	35	-80	-80	-80	-80	76.9	-74.3	-75	-76.9	35	0	-70	-75	0	-80	-90
Min. No. Samp.	Pass 1 / 2	8,6	8,6	8,6	8,6	8,6	4	4	4	4	8,6	8,6	8,6	8,6	8,6	8,6	8,6	8,6	8,6	8,6	8,6
Max. No.Samp.	Pass 1 / 2	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24
Max. Samples per Hole	Pass 1 / 2	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5
Ranges	Major Axis	50	60	30	40	50	50	50	50	50	50	45	50	80	50	50	50	50	60	50	50
Pass 1	Semi-major Axis	50	40	30	40	50	50	50	50	50	35	40	50	50	50	40	50	50	40	50	50
	Minor Axis	20	40	30	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
	Major Axis	75	90	45	60	75	75	75	75	75	75	70	75	120	75	75	75	75	90	75	75
Pass 2	Semi-major Axis	75	60	45	60	75	75	75	75	75	53	60	75	75	75	60	75	75	60	75	75
	Minor Axis	30	60	45	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
	C_0	-	19	28	7	-	-	-	-	-	5	2.5	-	5	-	42	-	-	10	-	-
	C_1	-	21	32	10	-	-	-	-	-	10	5.5	-	5	-	63	-	-	27	-	-
Variography	Major Axis	-	60	30	40	-	-	-	-	-	50	45	-	80	-	50	-	-	60	-	-
	Semi-major Axis	-	40	30	40	-	-	-	-	-	35	40	-	50	-	40	-	-	40	-	-
	Minor Axis	-	3	5	5	-	-	-	-	-	5	6	-	12	-	4	-	-	7	-	-

KEREKOUNDA

Downhole and directional variograms were generated for the 3100, 3200, 3300, and 3400 domains.

Kerekounda block grades were estimated using OK. Two estimation passes were run with increased major, semi-major, and minor search ranges applied to the second pass. The number of samples and holes were stored in separate block variables for use in determining resource classification. Kerekounda grade estimation parameters are listed in Table 14-39.

TABLE 14-39 KEREKOUNDA GRADE ESTIMATION PARAMETERS
Teranga Gold Corporation - Sabodala Project

Estimation Method		3100 OK	3200 OK	3300 OK	3400 OK
Vulcan	Bearing (z)	320	320	160	335
Search Ellipse	Plunge (y)	-25	-25	-10	0
Orientation	Dip (x)	56.5	56.5	-59.5	60
Min. No. Samp.	Pass 1 / 2	10	10	10	10
Max. No.Samp.	Pass 1 / 2	15	15	15	15
Max. Samples per Hole	Pass 1 / 2	3 / -	3 / -	3 / -	3 / -
Ranges	Major Axis	50	50	90	95
Pass 1	Semi-major Axis	50	40	80	75
	Minor Axis	20	20	20	20
	Major Axis	75	75	135	145
Pass 2	Semi-major Axis	75	60	120	115
	Minor Axis	40	40	40	40
	C_0	0.6	0.767	0.769	0.56
	C_1	0.6	0.383	0.331	0.47
Variography	Major Axis	50	50	90	95
	Semi-major Axis	50	40	80	75
	Minor Axis	4	6	6	5

MAKI MEDINA

Maki Medina block grades were estimated using ID^3 by RPA in Vulcan. In addition, block grades for domains 41, 42, and 14 were estimated using local dynamic rotations of the bearing and dip directions of the search ellipsoid, using trend surfaces to guide the grade interpolations. Correlograms were run for domains 41, 42 and 14 to confirm first pass search ranges. Search ranges for the first pass ID^3 estimation runs for the other domains were determined visually based on continuity of mineralization and drillhole spacing.

Three estimation passes were run with increasing major, semi-major, and minor search ranges applied to successive passes. The number of samples and holes were stored in separate block variables for use in determining resource classification. Maki Medina grade estimation parameters are listed in Table 14-40.

NIAKAFIRI SOUTHWEST

Niakafiri Southwest block grades were estimated using ID^3 in Vulcan. Two estimation passes were run with increasing major, semi-major, and minor search ranges applied to successive passes. The number of samples and holes were stored in separate block variables for use in determining resource classification. Niakafiri Southwest grade estimation parameters are listed in Table 14-41.

TABLE 14-40 MAKI MEDINA GRADE ESTIMATION PARAMETERS
Teranga Gold Corporation - Sabodala Project

Domain		DZ1	DZ2	DZ3	DZ41	DZ42	DZ5	CZ6	CZ7	CZ8	CZ9	CZ10	CZ11	CZ12	CZ13	CZ14
Estimation Method		ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3
Vulcan Search Ellipse Orientation	Bearing (z)	355	0	5	-	-	5	5	5	355	5	5	5	5	5	-
	Plunge (y)	0	0	0	-	-	0	0	0	0	0	0	0	0	0	-
	Dip (x)	55	55	55	-	-	60	70	70	60	60	70	60	70	60	-
Min. No. Samples	Pass 1 / 2 / 3	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1	3 / 2 / 1
Max. No.Samples	Pass 1 / 2 / 3	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Max. Samples per Hole	Pass 1 / 2 / 3	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2	2 / 2 / 2
Pass 1 Ranges	Major Axis	50	50	50	60	50	50	50	50	50	50	50	50	50	50	40
	Semi-major Axis	30	30	30	35	30	30	30	30	30	30	30	30	30	30	30
	Minor Axis	10	10	10	15	10	10	10	10	10	10	10	10	10	10	10
Pass 2 Ranges	Major Axis	75	75	75	90	75	75	75	75	75	75	75	75	75	75	60
	Semi-major Axis	45	45	45	55	45	45	45	45	45	45	45	45	45	45	45
	Minor Axis	15	15	15	25	15	15	15	15	15	15	15	15	15	15	15
Pass 3 Ranges	Major Axis	150	150	150	180	150	150	175	175	150	150	150	150	150	150	120
	Semi-major Axis	90	90	90	105	90	90	105	105	90	90	90	90	90	90	90
	Minor Axis	30	30	30	45	30	30	35	35	30	30	30	30	30	30	30

TABLE 14-41 NIAKAFIRI SOUTHWEST GRADE ESTIMATION PARAMETERS
Teranga Gold Corporation - Sabodala Project

Domain		Min1	Min2	Min3	Min4	Min5	Min6	Min7	Min8	Min9	Min10	Min11
Estimation Method		ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3	ID^3
Vulcan Search Ellipse Orientation	Bearing (z)	175	175	172	170	175	175	178	175	170	5	5
	Plunge (y)	0	0	0	0	0	0	0	0	0	0	0
	Dip (x)	-72	-75	-62	-70	-70	-75	-75	-75	-78	78	75
Min. No. Samples	Pass 1 / 2	6 / 5	6 / 5	6 / 5	6 / 5	6 / 5	6 / 5	6 / 5	6 / 5	6 / 5	6 / 5	6 / 5
Max. No.Samples	Pass 1 / 2	12	12	12	12	12	12	12	12	12	12	12
Max. Samples per Hole	Pass 1 / 2	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5	5 / 5
Pass 1 Ranges	Major Axis	50	50	50	50	50	50	50	50	50	50	50
	Semi-major Axis	50	50	50	50	50	50	50	50	50	50	50
	Minor Axis	10	10	10	10	10	10	10	10	10	10	10
Pass 2 Ranges	Major Axis	75	75	75	75	75	75	75	75	75	75	75
	Semi-major Axis	75	75	75	75	75	75	75	75	75	75	75
	Minor Axis	15	15	15	15	15	15	15	15	15	15	15

KINEMBA

Exponential correlograms were generated using all composite samples combined. The resultant variogram models were applied to each domain.

Kinemba block grades were estimated using OK. Blocks were estimated with four successive passes, with increasing search distances applied to the second and third passes. The fourth pass estimated blocks not estimated by the previous passes. A minimum of three and maximum of fifteen composite samples from a minimum of two holes were used for the first three passes. A minimum of two and maximum of fifteen samples were used for the fourth pass.

KOBOKOTO

Exponential correlograms were generated using all composite samples combined. The resultant variogram models were applied to each domain.

Kobokoto block grades were estimated using OK. Blocks were estimated with three successive passes, with increased search distances applied to the second pass. The third pass estimated blocks not estimated by the previous passes. A minimum of three and maximum of twelve composite samples from a minimum of two drillholes were used for the first and second passes. A minimum of two and maximum of twelve composite samples were used for the third pass.

KOULOUQWINDE

Koulouqwinde block grades were estimated using ID^2 as suitable variograms could not be generated for each domain. Blocks were estimated with one pass. A minimum of four and maximum of twelve composite samples from a minimum of two holes were used for the estimation pass.

A search restriction was applied to high grade composite samples greater than 4 g/t Au inside all domains.

KOUROULOULOU

Kourouloulou block grades were estimated using ID^2 as suitable variograms could not be generated for each domain. Blocks were estimated with three successive passes, with increasing search distances applied to the second and third passes. A minimum of ten and a maximum of fifteen composite samples from a minimum of four drillholes were used for the first and second passes. A minimum of six and maximum of fifteen composite samples were used for the third pass.

A search restriction was applied to high grade composite samples greater than 60 g/t Au inside the 6100 domain, and greater than 30 g/t Au inside the 6201 domain.

KOUROUNDI

Exponential correlograms were generated using composite samples inside the domain. Kouroundi block grades were estimated using OK. Blocks were estimated with three successive passes, with increasing search distances applied to the second and third passes. A minimum of three and maximum of eight composite samples were used for the first and second passes. A minimum of two and maximum of eight composite samples were used for the third pass.

KOUTOUNIOKOLLO

Koutouniokollo block grades were estimated using ID^2 as suitable variograms could not be generated for each domain. Blocks were estimated with one pass. A minimum of four and a maximum of twelve composite samples were used for the estimation.

A search restriction was applied to high grade composite samples at various gold grades for each domain.

MAMASATO

Mamasato block grades were estimated using ID^2 as suitable variograms could not be generated for each domain. Blocks were estimated with two successive passes, with an increased search distance applied to the second pass. A minimum of four and maximum of twelve composite samples from a minimum of two holes were used for the first pass. A minimum of three and maximum of twelve composite samples were used for the second pass.

NIAKAFIRI SOUTHEAST

Niakafiri Southeast block grades were estimated using ID^2 as suitable variograms could not be generated for each domain. Blocks were estimated with two successive passes, with an increased search distance applied to the second pass. A minimum of four and a maximum of twelve composite samples from a minimum of two drillholes were used for the estimation.

NIAKAFIRI WEST

Block gold grades were estimated using ID^2 for the mineralized domain (D1) and the Nearest Neighbour (NN) estimation method for the larger unconstrained domain (D9). Search directions were determined visually for each domain. One estimation run was applied for each domain.

SEKOTO

Sekoto block grades were estimated using ID^2 as suitable variograms could not be generated for each domain. Blocks were estimated with two successive passes, with an increased search distance applied to the second pass. A minimum of four and a maximum of twelve composite samples from a minimum of two drillholes were used for the first and second passes.

A search restriction was applied to high grade composite samples greater than 4 g/t Au inside all domains.

SOUKHOTO

Soukhoto block grades were estimated using ID^2 for the mineralized domain (D1) and the NN estimation method for the larger unconstrained domain (D9). Search directions were determined visually for each domain. One estimation run was applied for each domain.

DIADIAKO

The previous Diadiako resource model was estimated using mineralization polygons generated on cross sections. The revised Diadiako resource model is a block model with grades estimated using NN inside the mineralization domain models, with one estimation run applied.

BLOCK GRADE VALIDATION

Block model grade validation consisted of a visual validation, as well as a comparison of the average block grade to the average composite grade by domain. In some domains, average block grades were higher than average composite grades due to widely spaced high grade composites influencing a larger number of blocks. Visual validation comparing assay and composite grades to block grade estimates showed reasonable correlation with no significant overestimation or overextended influence of high grades.

Swath plots were generated for most deposits to compare average composite grades to average block grades along different directions. Local average composites may be more variable than average block grades, however, the swath plots demonstrate a reasonable correlation between the composite grades and block grade estimates.

RESOURCE CLASSIFICATION

Mineral Resource classification complies with the CIM Definition Standards for Mineral Resources and Mineral Reserves (CIM, 2014).

Mineral Resource block models for Gora, Golouma, Kerekounda, Kinemba, Kobokoto, Koulouqwinde, Kouroulouou, Kouroundi, Koutouniokollo, Mamasato, Niakafiri Southeast, Niakafiri West, Sekoto, and Soukhoto remain unchanged since the date of the previous technical report (AMC, 2014).

Mineral Resource block models for Diadiako, Maki Medina, Masato, Niakafiri Main, Niakafiri Southwest, and Sabodala have been revised since the date of the previous technical report.

SABODALA

Resource classification is primarily based on drillhole spacing and continuity of grade, and is manually completed. Manual adjustments were made to eliminate the unusual artifacts generated from the estimation passes.

Additional estimation runs were completed for classification of Measured Resources. Blocks estimated by OK, using search ranges corresponding to the first variogram structures with a minimum of two drillholes, and well established geological and grade continuity were classified as Measured Resources. Blocks estimated by ID^2, using a 20 m by 20 m by 20 m search range with a minimum of two drillholes, were classified as Measured Resources.

Blocks estimated during the second estimation run with a minimum of two holes were classified as Indicated Resources, where geological and grade continuity has been sufficiently established.

Inferred Resources have been defined with the third estimation run based on the wide spacing of drillholes and resultant uncertainty in geological and grade continuity.

GORA

Gora resource classification within gold mineralization domains is primarily based on drillhole spacing and continuity of grade, and was manually completed. Blocks estimated by drillholes with a maximum spacing of approximately 20 m, and well established geological and grade continuity, were classified as Measured Resources. Blocks estimated by a minimum of two drillholes with a maximum spacing of approximately 40 m, and sufficient geological and grade continuity were classified as Indicated Resources. Manual adjustments were made to eliminate the unusual artifacts generated from the estimation passes.

Inferred Resources have been defined by the wide spacing of drillholes and resultant uncertainty in geological and grade continuity.

NIAKAFIRI MAIN

Niakafiri Main resource classification within gold mineralization domains is primarily based on drillhole spacing and continuity of grade, and was manually completed. Blocks estimated in the first estimation pass with a maximum spacing of 20 m were classified as Measured Resources. All other blocks estimated in the first pass were classified as Indicated Resources. Inferred Resources were assigned to blocks estimated in the second estimation pass.

MASATO

Mineral Resource classification of the M1, M2, FW1 to FW3, and HW1 to HW6 domains is primarily based on drillhole spacing and continuity of grade, and is manually completed. Manual adjustments were made to eliminate the unusual artifacts generated from the estimation passes. Blocks estimated in the first estimation pass with a minimum of two holes were classified as Indicated Resources. Inferred Resources have been defined with the second estimation pass, based on the wide spacing of drillholes and resultant uncertainty in geological and grade continuity.

The Min1 to Min6 domains located at depth were classified as Inferred Resources due to the wide spacing of drillholes and resultant uncertainty in geological and grade continuity.

GOLOUMA

Mineral resource classification is primarily based on drillhole spacing and continuity of grade, and is manually completed. Manual adjustments were made to eliminate the unusual artifacts generated from the estimation passes.

Blocks estimated by OK, using search ranges corresponding to the first estimation pass with a minimum of two drillholes, and sufficiently established geological and grade continuity were classified as Indicated Resources. Blocks estimated by ID^2, using search ranges corresponding to the first estimation pass with a minimum of two drillholes, were classified as Indicated Resources.

Inferred Resources have been defined with the second estimation pass, based on the wide spacing of drillholes and resultant uncertainty in geological and grade continuity.

KEREKOUNDA

Mineral resource classification is primarily based on drillhole spacing and continuity of grade, and is manually completed. Manual adjustments were made to eliminate the unusual artifacts generated from the estimation passes.

Blocks estimated by OK, using search ranges corresponding to the first estimation pass with a minimum of two drillholes, and sufficiently established geological and grade continuity were classified as Indicated Resources.

Inferred Resources have been defined with the second estimation pass, based on the wide spacing of drillholes and resultant uncertainty in geological and grade continuity.

MAKI MEDINA

Mineral Resource classification is primarily based on drillhole spacing and continuity of grade, and is manually completed. Manual adjustments were made to eliminate the unusual artifacts generated from the estimation passes. Blocks estimated in the first estimation pass with a minimum of two holes were classified as Indicated Resources. An Inferred Resource limit was defined by the extent of the second estimation pass, with all blocks estimated in the second and third passes inside this limit classified as Inferred Resources. The Inferred Resource classification is based on the wide spacing of drillholes and resultant uncertainty in geological and grade continuity.

NIAKAFIRI SOUTHWEST

Mineral resource classification is primarily based on drillhole spacing and continuity of grade, and is manually completed. Manual adjustments were made to eliminate the unusual artifacts generated from the estimation passes.

Blocks estimated in the first estimation pass with a minimum of two holes were classified as Indicated Resources. Inferred Resources have been defined with the second estimation pass, based on the wide spacing of drillholes and resultant uncertainty in geological and grade continuity.

OTHER DEPOSITS

Diadiako, Koulouqwinde, Koutouniokollo, Niakafiri West, Sekoto, and Soukhoto Mineral Resources have been classified as Inferred Resources due to the wide spacing of dirllholes and resultant uncertainty in geological and grade continuity.

Kinemba, Kobokoto, and Kouroundi Mineral Resources have been classified as Indicated and Inferred Resources based on the variogram ranges and OK estimation passes. Additional broad wireframe envelopes were generated to reclassify small discontinuous clusters of estimated blocks to correspond to the resource category of the surrounding blocks.

Kourouloulou, Mamasato, and Niakafiri Southeast Mineral Resources have been classified as Indicated and Inferred Resources based on the ID^2 estimation passes. Additional broad wireframe envelopes were generated to reclassify small discontinuous clusters of estimated blocks to correspond to the resource category of the surrounding blocks.

OPEN PIT CONSTRAINT AND CUT-OFF GRADE

For reporting of open pit Mineral Resources, open pit shells were produced for each of the resource models using Whittle open pit optimization software. Only classified blocks greater than or equal to the open pit cut-off grades and within the open pit shells were reported. This is in compliance with the CIM (2014) resource definition requirement of "reasonable prospects for eventual economic extraction".

Operating parameters for the optimizations and cut-off grade estimates were based on geotechnical recommendations, site operating experience, production data, and life-of-mine planning. The operating parameters are summarized in Table 14-42 with a range provided as appropriate to cover all deposits, along with the estimated cut-off grades for each rock type.

TABLE 14-42 SUMMARY OF OPEN PIT OPERATING PARAMETERS
Teranga Gold Corporation - Sabodala Project

Parameter	Value
Gold Price	$1,450/oz
Pit Slope - Oxide	29° to 38°
Pit Slope - Transition	31° to 38°, and 45° (avg trans./fresh)
Pit Slope - Fresh	39° to 54°
Mining Dilution (1)	5%
Mining Recovery (1)	95%
Mining Cost - Oxide	$1.64 to 1.92/t mined
Mining Cost - Trans & Fresh	$1.89 to 2.14/t mined
Ore Transport Cost to Mill	$0.00 to 4.93/t milled
Ore Re-Handling Cost	$0.50/t milled
CIL Process Recovery - Oxide	92%
CIL Process Recovery - Trans & Fresh	90%
CIL Process Cost - Oxide	$10.20 to 10.80/t milled
CIL Process Cost - Trans & Fresh	$11.96 to 13.50/t milled
G&A Cost - Oxide	$2.78/t milled
G&A Cost - Trans & Fresh	$2.84/t milled
Gold Transp./Refining less Ag Revenue	$2.35/oz Au
Metal Payable at Refinery	99.92%
Royalty	5%
Additional Royalty (Axmin)	1.5%
Cut-Off grade - Oxide	0.35 to 0.48 g/t Au
Cut-Off grade – Trans & Fresh	0.40 to 0.55 g/t Au

Notes:

1. No additional mining dilution or recovery factors have been applied in excess of standard SMU sizes in the process of defining limits of pit boundaries.
2. The above estimates used to determine cut-off grades for pit optimization.

The pit slope angles are expressed as overall slope angles, which account for the impact of required ramps along pit walls. For resource areas without current geotechnical recommendations, the overall slope angles were set to the average overall angles in oxide and transition/fresh from all other pits (35° and 45° respectively).

The site discard cost, which is exclusive of mining costs, varies between $14.00/t milled in oxide to $21.77/t milled in fresh rock; this includes ore re-handling and transportation, processing, and G&A costs. The site discard cost, along with consideration of the gold price and gold processing recovery, were used to estimate the cut-off grades for reporting Mineral Resources. The estimated cut-off grades range from 0.35 g/t Au to 0.48 g/t Au for oxide mineralization and from 0.40 g/t Au to 0.55 g/t Au for transition and fresh rock mineralization.

SENSITIVITY OF OPEN PIT SHELLS TO GOLD PRICE

Sensitivity analyses were run to determine the impact of gold price on the open pit Measured and Indicated Mineral Resources. Various pit shells were generated corresponding to different gold prices. Results for the deposits containing significant open pit Mineral Resources are presented in Figures 14-21 through 14-28, illustrating the variability in tonnes and gold ounces.

FIGURE 14-21 SABODALA PIT OPTIMIZATION AT VARIOUS GOLD PRICES

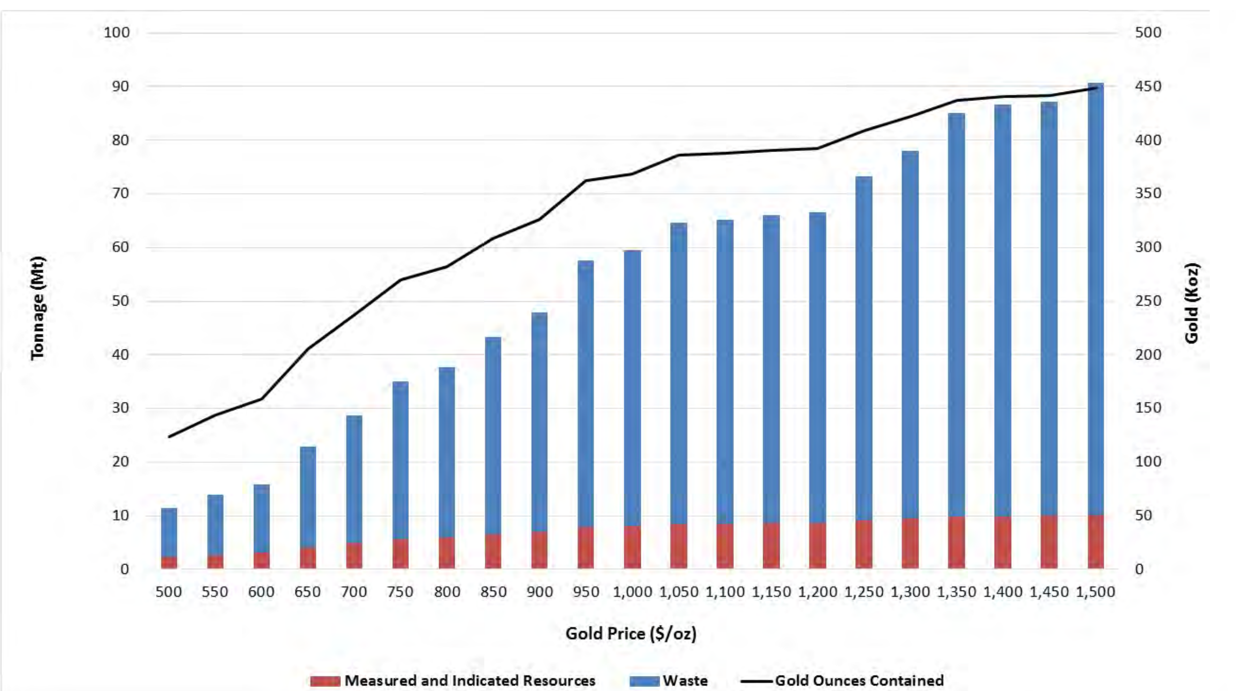


FIGURE 14-22 MASATO PIT OPTIMIZATION AT VARIOUS GOLD PRICES

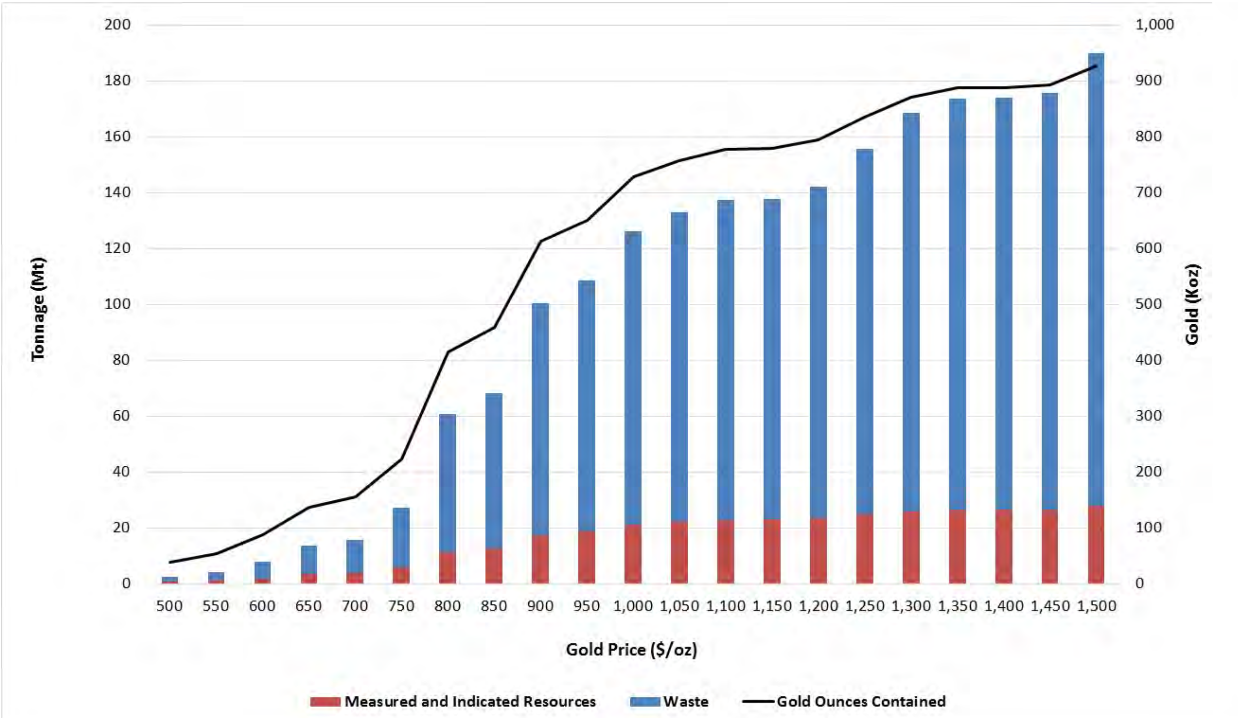


FIGURE 14-23 GORA PIT OPTIMIZATION AT VARIOUS GOLD PRICES

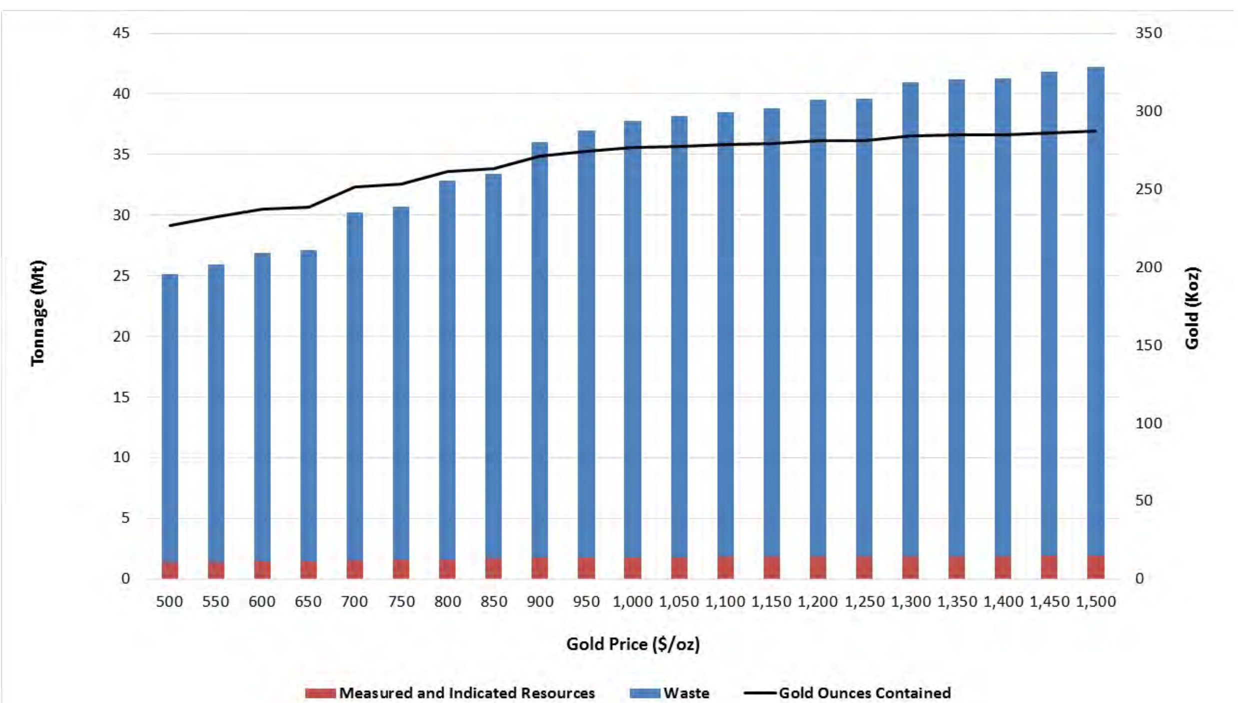


FIGURE 14-24 GOLOUMA SOUTH PIT OPTIMIZATION AT VARIOUS GOLD PRICES

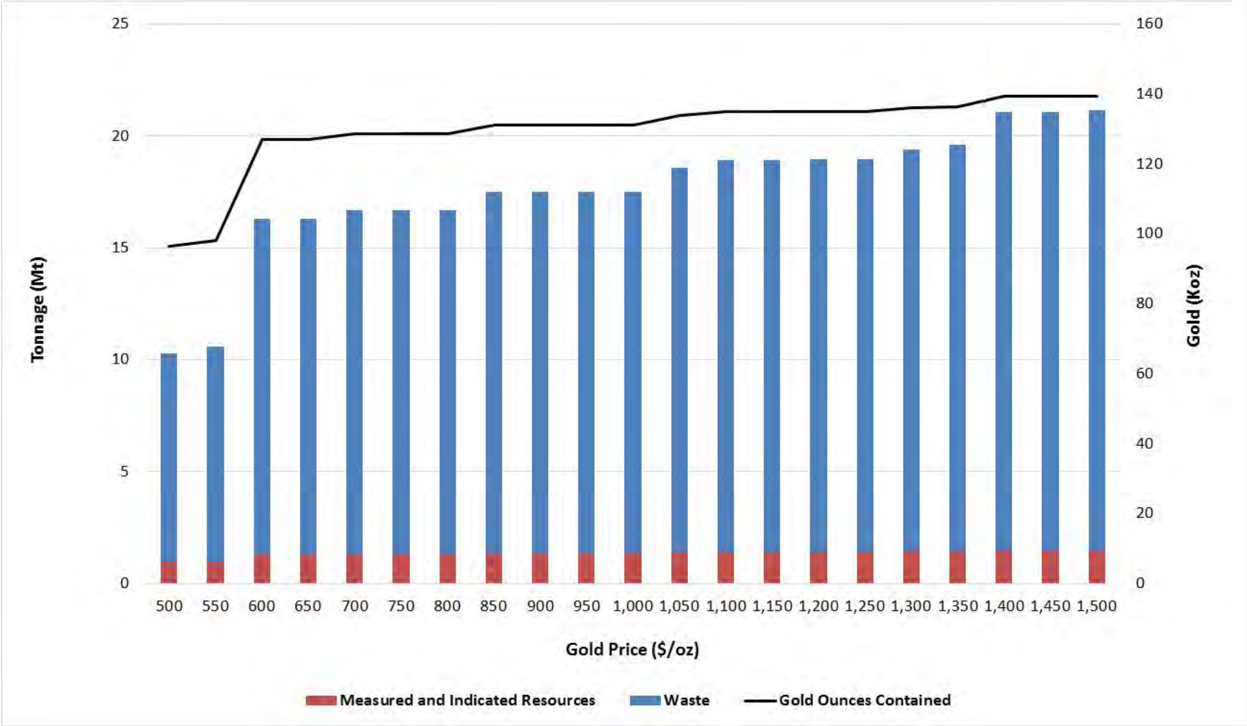


FIGURE 14-25 GOLOUMA WEST PIT OPTIMIZATION AT VARIOUS GOLD PRICES

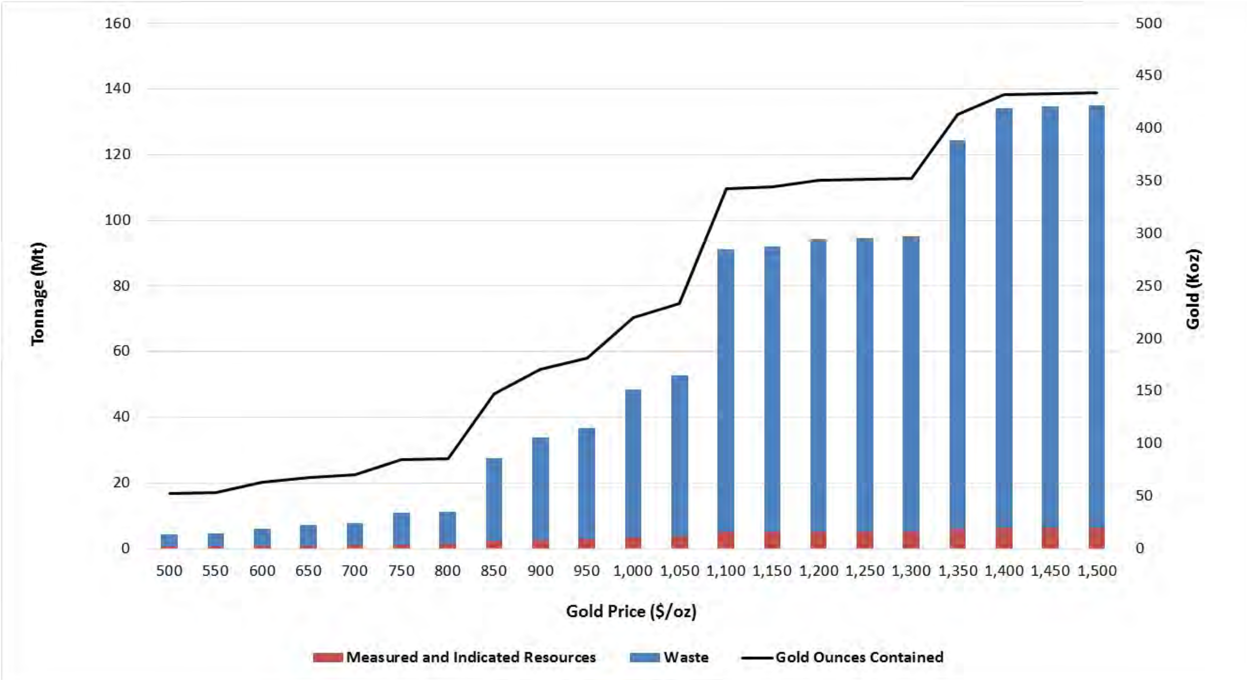


FIGURE 14-26 KEREKOUNDA PIT OPTIMIZATION AT VARIOUS GOLD PRICES

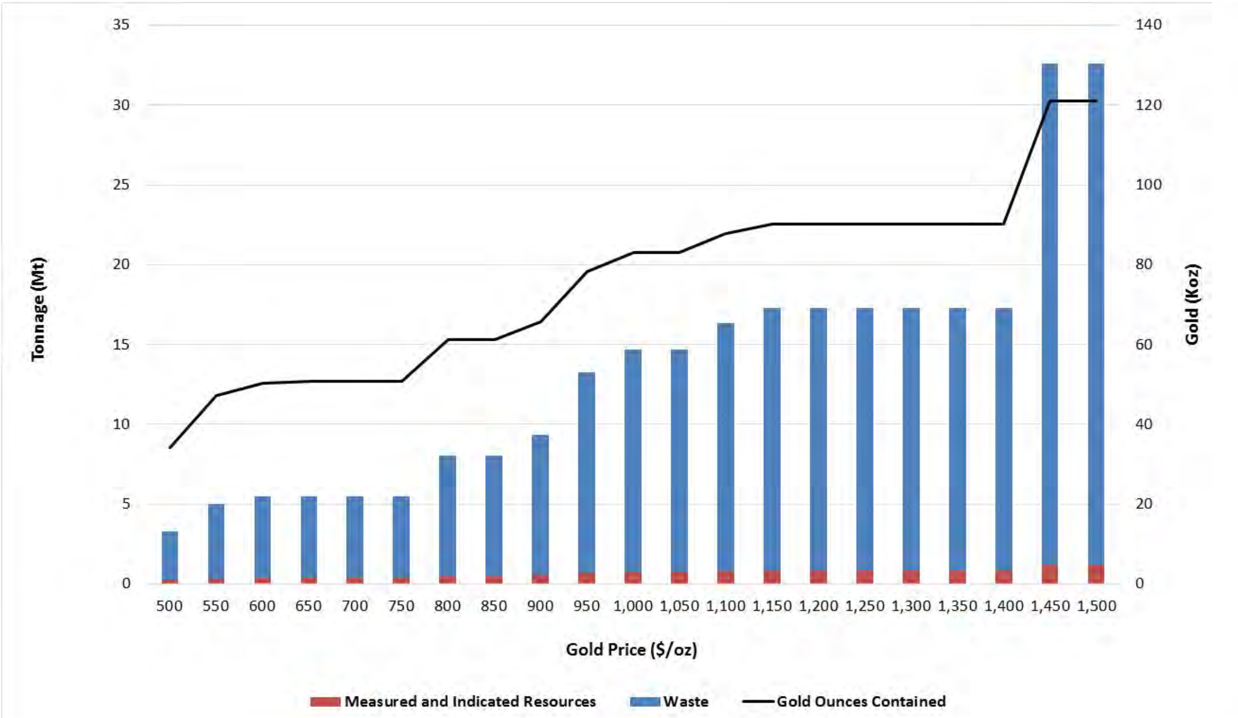


FIGURE 14-27 MAKI MEDINA PIT OPTIMIZATION AT VARIOUS GOLD PRICES

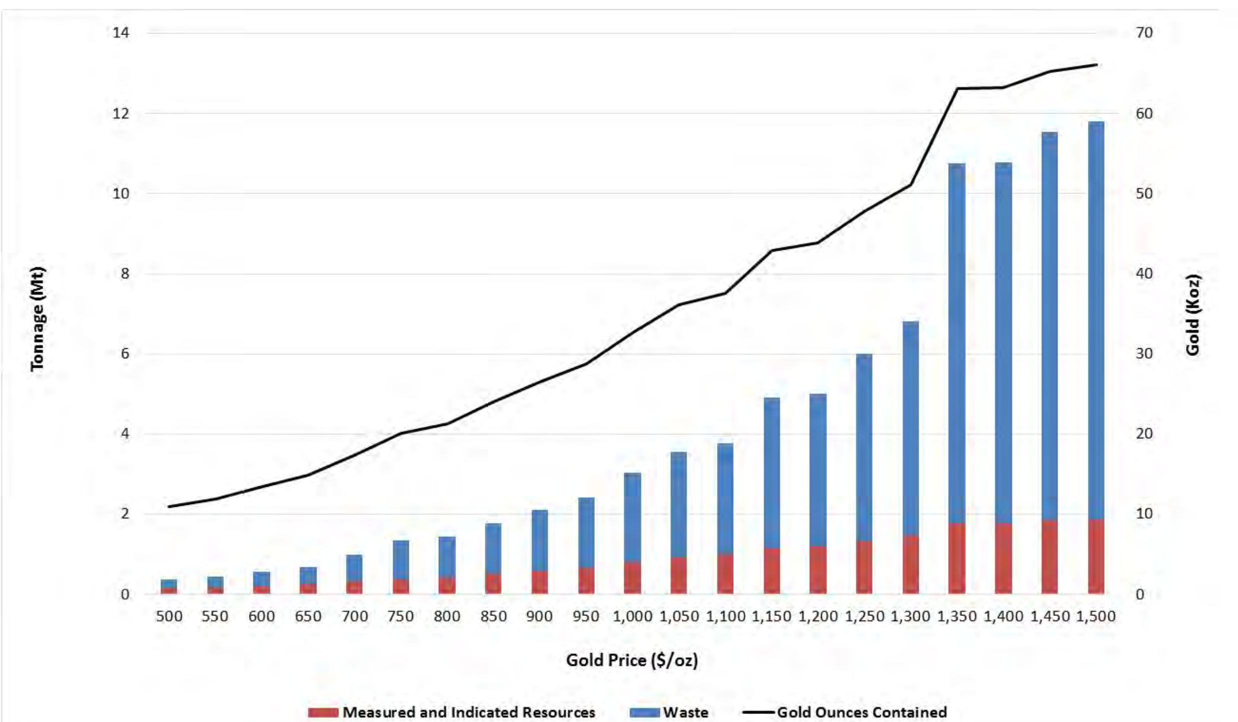
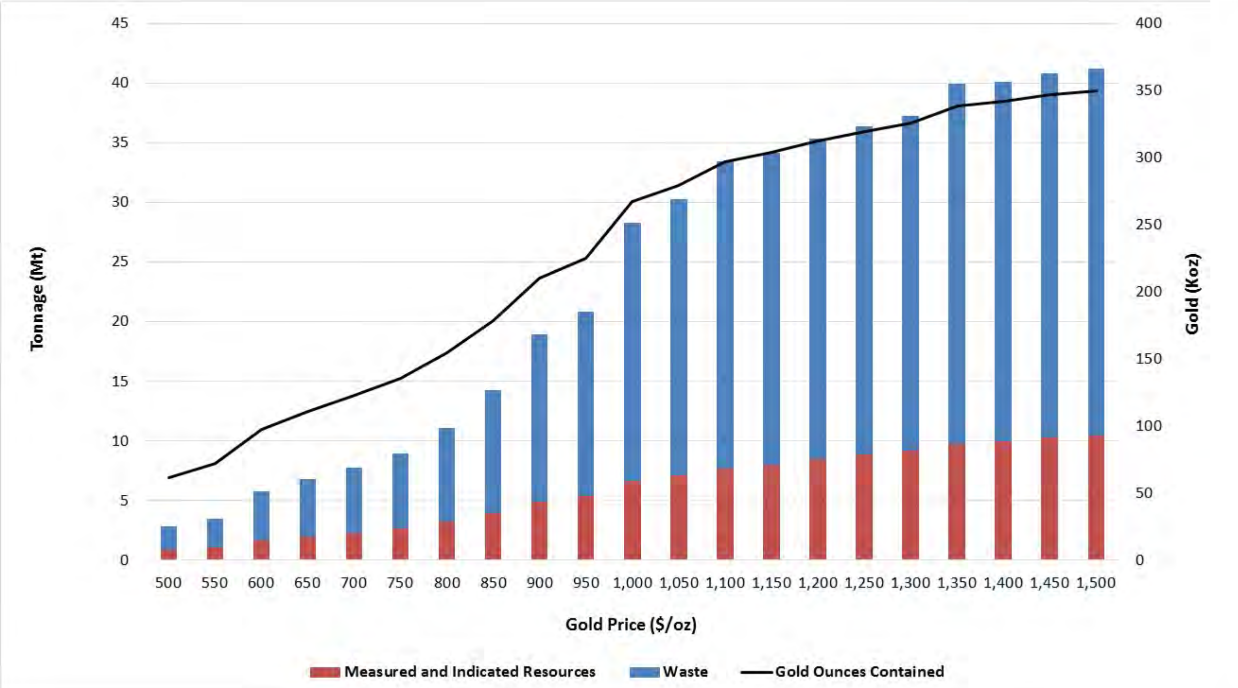


FIGURE 14-28 NIAKAFIRI MAIN PIT OPTIMIZATION AT VARIOUS GOLD PRICES



UNDERGROUND CONSTRAINT AND CUT-OFF GRADE

For reporting of underground Mineral Resources, only classified blocks greater than or equal to the underground cut-off grade outside of the open pit shells were reported. In addition, Deswik Stope Optimizer software was used to generate wireframe models to constrain blocks satisfying minimum size and continuity criteria, which were used for reporting Sabodala underground Mineral Resources. For the remaining estimates of underground resources, it was determined by visual examination that sufficient mining width and continuity existed within the mineral resource wireframes at the estimated cut-off grade for the purpose of estimating underground resources. This is in compliance with CIM (2014) resource definition requirements. The underground operating parameters are summarized in Table 14-43 along with the estimated cut-off grades.

TABLE 14-43 SUMMARY OF UG OPERATING PARAMETERS
Teranga Gold Corporation - Sabodala Project

Parameter	Value
Gold Price	$1,450/oz
Underground Mining Cost	$65.00/t mined
CIL Process Recovery - Fresh	92%
CIL Process Cost - Fresh	$15.50/t milled
Underground G&A Cost	$3.50/t milled
Gold Transp./Refining less Ag Revenue	$2.35/oz Au
Metal Payable at Refinery	99.92%
Royalty	5%
Additional Royalty (Axmin)	1.5%
Underground Cut-Off grade – Fresh	2.0 g/t Au

The underground process recovery uses the same formula as the open pit, thus the average gold recovery is higher because the average underground grades are higher than the open pit. Process cost includes transportation of mineralization from the underground mine to the processing facilities. Underground G&A cost is higher than for the open pit as it was considered as a standalone cost versus incremental to the operation. The estimated cut-off grade for reporting underground resources is 2.0 g/t Au.

MINERAL RESOURCE ESTIMATE

The Mineral Resource estimate, inclusive of Mineral Reserves, is summarized by deposit in Table 14-44.

TABLE 14-44 OPEN PIT AND UNDERGROUND MINERAL RESOURCES SUMMARY AS AT DECEMBER 31, 2015

Teranga Gold Corporation - Sabodala Project

Deposit	Domain	Measured			Indicated			Measured and Indicated			Inferred		
		Tonnes ('000s)	Grade (g/t Au)	Au oz ('000s)	Tonnes ('000s)	Grade (g/t Au)	Au oz ('000s)	Tonnes ('000s)	Grade (g/t Au)	Au oz ('000s)	Tonnes ('000s)	Grade (g/t Au)	Au oz ('000s)
Sabodala	Open Pit	13,742	1.13	497	6,488	1.59	332	20,230	1.28	829	2,525	1.23	100
	Underground				1,631	3.65	191	1,631	3.65	191	460	3.60	53
	Combined	13,742	1.13	497	8,119	2.01	524	21,861	1.45	1,021	2,985	1.60	153
Gora	Open Pit	466	4.55	68	1,083	6.11	213	1,549	5.64	281	53	4.95	8
	Underground				315	5.14	52	315	5.14	52	59	4.83	9
	Combined	466	4.55	68	1,398	5.89	265	1,864	5.56	333	113	4.88	18
Niakafiri Main	Open Pit	4,909	1.33	210	7,222	0.98	228	12,131	1.12	438	2,472	1.09	87
	Underground										184	2.51	15
	Combined	4,909	1.33	210	7,222	0.98	228	12,131	1.12	438	2,656	1.19	102
Niakafiri West	Open Pit										2,566	1.29	107
	Underground										90	2.82	8
	Combined										2,656	1.34	115
Soukhoto	Open Pit										550	1.46	26
	Underground												
	Combined										550	1.46	26
Diadiako	Open Pit										178	1.27	7
	Underground										663	2.89	61
	Combined										841	2.54	69
Subtotal Sabodala ML	**Open Pit**	**19,117**	**1.26**	**776**	**14,793**	**1.62**	**773**	**33,910**	**1.42**	**1,548**	**8,344**	**1.25**	**335**
	Underground				**1,947**	**3.89**	**243**	**1,947**	**3.89**	**243**	**1,456**	**3.14**	**147**
	Combined	**19,117**	**1.26**	**776**	**16,740**	**1.89**	**1,016**	**35,857**	**1.55**	**1,792**	**9,800**	**1.53**	**482**
Masato	Open Pit	5,894	0.79	150	22,617	1.16	844	28,511	1.08	994			
	Underground				1,163	2.75	103	1,163	2.75	103	1,984	2.85	182
	Combined	5,894	0.79	150	23,780	1.24	947	29,674	1.15	1,097	1,984	2.85	182
Golouma	Open Pit				6,800	2.98	653	6,800	2.98	653	88	2.46	7
	Underground				2,134	4.09	280	2,134	4.09	280	854	3.66	100
	Combined				8,934	3.25	933	8,934	3.25	933	942	3.55	107
Kerekounda	Open Pit				1,255	4.28	173	1,255	4.28	173			
	Underground				499	4.88	78	499	4.88	78	235	5.70	43
	Combined				1,755	4.45	251	1,755	4.45	251	235	5.70	43
Maki Medina	Open Pit				2,112	1.22	83	2,112	1.22	83	114	0.81	3
	Underground				109	2.71	10	109	2.71	10	85	2.54	7
	Combined				2,221	1.30	93	2,221	1.30	93	199	1.55	10
Niakafiri SW	Open Pit				770	0.81	20	770	0.81	20	30	0.67	1
	Underground												
	Combined				770	0.81	20	770	0.81	20	30	0.67	1
Niakafiri SE	Open Pit				4,439	0.98	140	4,439	0.98	140	162	0.96	5
	Underground				73	2.60	6	73	2.60	6	16	2.64	1
	Combined				4,512	1.01	146	4,512	1.01	146	177	1.11	6

TABLE 14-44 OPEN PIT AND UNDERGROUND MINERAL RESOURCES SUMMARY AS AT DECEMBER 31, 2015
Teranga Gold Corporation - Sabodala Project

Deposit	Domain	Measured			Indicated			Measured and Indicated			Inferred		
		Tonnes ('000s)	Grade (g/t Au)	Au oz ('000s)	Tonnes ('000s)	Grade (g/t Au)	Au oz ('000s)	Tonnes ('000s)	Grade (g/t Au)	Au oz ('000s)	Tonnes ('000s)	Grade (g/t Au)	Au oz ('000s)
Kinemba	Open Pit				24	1.06	1	24	1.06	1	91	0.95	3
	Underground										56	2.52	5
	Combined				24	1.06	1	24	1.06	1	147	1.55	7
Kobokoto	Open Pit				842	1.02	28	842	1.02	28	335	0.86	9
	Underground												
	Combined				842	1.02	28	842	1.02	28	335	0.86	9
Koulouqwinde	Open Pit										230	1.42	11
	Underground										60	2.67	5
	Combined										290	1.68	16
Kourouloulou	Open Pit				96	11.51	36	96	11.51	36	22	6.71	5
	Underground				59	9.15	18	59	9.15	18	86	13.58	38
	Combined				156	10.61	53	156	10.61	53	108	12.18	42
Kouroundi	Open Pit				67	0.93	2	67	0.93	2	42	0.74	1
	Underground												
	Combined				67	0.93	2	67	0.93	2	42	0.74	1
Koutouniokolla	Open Pit										85	1.58	4
	Underground										22	2.54	2
	Combined										108	1.78	6
Mamasato	Open Pit				560	1.45	26	560	1.45	26	305	1.25	12
	Underground										42	2.32	3
	Combined				560	1.45	26	560	1.45	26	347	1.38	15
Sekoto	Open Pit										485	0.89	14
	Underground										25	2.11	2
	Combined										510	0.95	16
Subtotal Somigol ML	**Open Pit**	**5,894**	**0.79**	**150**	**39,584**	**1.58**	**2,005**	**45,478**	**1.47**	**2,155**	**1,989**	**1.16**	**74**
	Underground				**4,038**	**3.81**	**495**	**4,038**	**3.81**	**495**	**3,465**	**3.48**	**387**
	Combined	**5,894**	**0.79**	**150**	**43,622**	**1.78**	**2,500**	**49,516**	**1.66**	**2,650**	**5,454**	**2.63**	**462**
Total Sabodala + Somigol	**Open Pit**	**25,011**	**1.15**	**926**	**54,377**	**1.59**	**2,777**	**79,388**	**1.45**	**3,703**	**10,333**	**1.23**	**409**
	Underground				**5,985**	**3.84**	**738**	**5,985**	**3.84**	**738**	**4,921**	**3.38**	**534**
	Combined	**25,011**	**1.15**	**926**	**60,362**	**1.81**	**3,516**	**85,373**	**1.62**	**4,441**	**15,254**	**1.92**	**944**

Notes:
1) CIM definitions were followed for Mineral Resources.
2) Open pit oxide Mineral Resources are estimated at a cut-off grade of 0.35 g/t Au, except for Gora at 0.48 g/t Au.
3) Open pit transition and fresh rock Mineral Resources are estimated at a cut-off grade of 0.40 g/t Au, except for Gora at 0.55 g/t Au.
4) Underground Mineral Resources are estimated at a cut-off grade of 2.00 g/t Au.
5) Measured Resources at Sabodala include stockpiles which total 9.2 Mt at 0.77 g/t Au for 229,000 oz.
6) Measured Resources at Gora include stockpiles which total 0.1 Mt at 1.30 g/t Au for 6,000 oz.
7) Measured Resources at Masato include stockpiles which total 5.9 Mt at 0.79 g/t Au for 150,000 oz.
8) High grade assays were capped at grades ranging from 1.5 g/t Au to 110 g/t Au.
9) The figures above are "Total" Mineral Resources and include Mineral Reserves.
10) Open pit shells were used to constrain open pit resources.
11) Mineral Resources are estimated using a gold price of US$1,450 per ounce.
12) Sum of individual amounts may not equal due to rounding.

The significant change between the Mineral Resources reported for 2014 and 2015 is due to this new reporting procedure, where the 2015 year end Mineral Resources have been constrained using open pit shells along with revised gold cut-off grades for both open pit and underground resources. Previously classified Mineral Resources that do not satisfy the revised reporting criteria for 2015 have been excluded, however, remain in the block models as unclassified mineralized material.

RECONCILIATION

Reconciliation of mineral reserves, production grade control, and mill feed is conducted monthly, quarterly and annually. Monthly reconciliation procedures have been established in-house and are recorded in an internal company document. Mineral Reserve and mill feed cut-off grades as well as stockpile practices at Sabodala have changed over time since commencement of production; however, during the period from January 2014 to December 2015 inclusive, a consistent cut-off grade of 1.0 g/t Au has been applied to mill feed.

For the purpose of reconciliation, the actual mined material is defined as the tonnage which is reported on a shift-by-shift basis combined with the grades estimated within the grade control model. Daily actual mined material is generated by the Teranga production geology team. Daily mill feed tonnes and grades are generated by the Teranga process team.

Monthly reconciliation is undertaken by two separate comparisons. The first is a comparison of the grade control model (including actual mined and stockpile movements) against mill feed, and the second is a comparison of the Mineral Reserve to actual mined.

Fresh rock ore mined in the 0.5 g/t Au to 1.0 g/t Au grade range is placed into marginal grade stockpiles to be processed at the end of the mine life. Oxide ore mined in the 0.35 g/t Au to 1.0 g/t Au grade range for Sabodala, 0.30 g/t Au to 1.0 g/t Au grade range for Masato and 0.4 g/t Au to 1.0 g/t Au grade range for Gora is placed into marginal grade oxide stockpiles for processing at a later date.

Significant discrepancies identified in the monthly reconciliation are immediately investigated, to identify the source of the discrepancies and determine remediation procedures as quickly as possible.

A comparison of the combined grade control models (including the actual mined and stockpiles) to mill feed from January 1, 2014 to December 31, 2015 inclusive, is presented in Table 14-45. Results indicate that above a 1.0 g/t Au cut-off grade, the grade control models report 2% higher tonnes, 3% higher grade and 6% higher ounces.

TABLE 14-45 GRADE CONTROL TO MILL FEED RECONCILIATION 2014 TO 2015
Teranga Gold Corporation - Sabodala Project

1 g/t Au cut-off	Grade Control Model (Actual Mined and Stockpiles)			Mill Feed			Variance		
Month	**Tonnes (kt)**	**Grade (Au g/t)**	**Au (koz)**	**Tonnes (kt)**	**Grade (Au g/t)**	**Au (koz)**	**Tonnes (%)**	**Grade (%)**	**Ounces (%)**
Jan-14	315.0	2.20	22.3	316.3	2.03	20.6	0%	-8%	-8%
Feb-14	271.1	2.36	20.6	287.5	2.12	19.6	6%	-11%	-5%
Mar-14	306.0	2.16	21.2	289.4	1.88	17.5	-6%	-15%	-21%
Apr-14	298.8	2.32	22.3	281.8	2.07	18.8	-6%	-12%	-19%
May-14	236.5	1.55	11.8	246.6	1.48	11.7	4%	-5%	0%
Jun-14	298.0	1.53	14.7	288.7	1.50	13.9	-3%	-2%	-5%
Jul-14	303.6	1.41	13.8	293.1	1.30	12.3	-4%	-8%	-12%
Aug-14	309.4	2.38	23.7	301.0	2.06	19.9	-3%	-16%	-19%
Sep-14	302.7	2.48	24.1	308.8	2.29	22.7	2%	-8%	-6%
Oct-14	312.8	2.51	25.2	328.8	2.14	22.6	5%	-17%	-12%
Nov-14	290.2	2.52	23.5	303.8	2.63	25.7	4%	4%	8%
Dec-14	377.1	2.40	29.1	376.4	2.54	30.8	0%	6%	5%
Jan-15	257.8	1.71	14.2	263.7	1.78	15.1	2%	4%	6%
Feb-15	287.4	1.83	16.9	281.4	1.82	16.5	-2%	-1%	-3%
Mar-15	349.3	2.01	22.6	316.1	2.06	20.9	-11%	2%	-8%
Apr-15	368.1	1.86	22.0	338.2	2.03	22.0	-9%	8%	0%
May-15	340.4	1.47	16.1	346.4	1.39	15.5	2%	-6%	-4%
Jun-15	269.1	2.07	17.9	266.3	1.93	16.5	-1%	-7%	-8%
Jul-15	263.4	1.59	13.5	263.8	1.49	12.6	0%	-7%	-7%
Aug-15	213.3	1.52	10.4	209.8	1.56	10.5	-2%	3%	1%
Sep-15	208.6	1.95	13.1	217.0	1.83	12.8	4%	-7%	-3%
Oct-15	264.1	1.77	15.1	249.8	1.77	14.2	-6%	0%	-6%
Nov-15	381.6	1.75	21.5	324.2	1.63	17.0	-18%	-7%	-26%
Dec-15	390.8	1.89	23.7	344.9	2.14	23.7	-13%	12%	0%
Total	**7,215.1**	**1.98**	**459.2**	**7,043.9**	**1.91**	**433.5**	**-2%**	**-3%**	**-6%**

Comparisons of the Proven and Probable Reserves to actual mined from January 1, 2014, to December 31, 2015, inclusive, are presented by deposit at a cut-off grade of 1.0 g/t Au in Table 14-46.

The Sabodala pit has been mined out through Phases 1 to 3, with the latter phase completed by mid-year 2015. Mining of the initial phases of the Masato pit began in late 2014. Results indicate that above the reported Mineral Reserve cut-off grade of 1.0 g/t Au, the actual mined portion of the grade control models report tonnage variances between 2% and 9%, grade variances between 3% and 8% and gold ounce variances between 1 and 5%. This indicates a close correlation between the actual mined and diluted Mineral Reserve models.

TABLE 14-46 SABODALA PIT MINERAL RESERVES TO ACTUAL MINED RECONCILIATION
Teranga Gold Corporation - Sabodala Project

1 g/t Au cut-off	Proven and Probable Reserves			Actual Mined			Variance		
Deposit	Tonnes (kt)	Grade (Au g/t)	Au (koz)	Tonnes (kt)	Grade (Au g/t)	Au (koz)	Tonnes (%)	Grade (%)	Au (%)
Sabodala [(1)]	2,964.8	2.32	221.2	2,901.9	2.26	210.7	-2%	-3%	-5%
Masato Phase 1	3,278.0	1.75	184.1	3,588.5	1.61	186.3	9%	-8%	1%
Masato Phase 2	808.9	1.78	46.4	874.4	1.68	47.3	8%	-6%	2%
Total	**7,051.7**	**1.99**	**451.7**	**7,364.8**	**1.88**	**444.3**	**4%**	**-6%**	**-2%**

Note:
(1) Mining activity in the first half of 2014 focused on a peripheral area of the Sabodala orebody with increased geological complexity, which led to a larger variance in reconciliation of the grade control model to the reserve model. Changes to mining methods, procedures and personnel in the second half of 2014 resulted in improved reconciliation.

Mining of the satellite Gora pit started in July 2015. The impact of the artisanal mining activities at Gora in the Phase 1 pit was greater than anticipated, with artisanal activities extending to an approximate depth of 45 m from surface, resulting in lower tonnes, grade, and ounces mined.

Gora Phase 2 mining commenced in October 2015, with a significant amount of ore recovered as loose material at surface, while artisanal activities impacted recovered tonnes, grade, and ounces below surface.

Mining below the benches impacted by artisanal mining is returning tonnes, grade and ounces closer to the reserve model, however, additional mining data is required to generate an appropriate reconciliation.

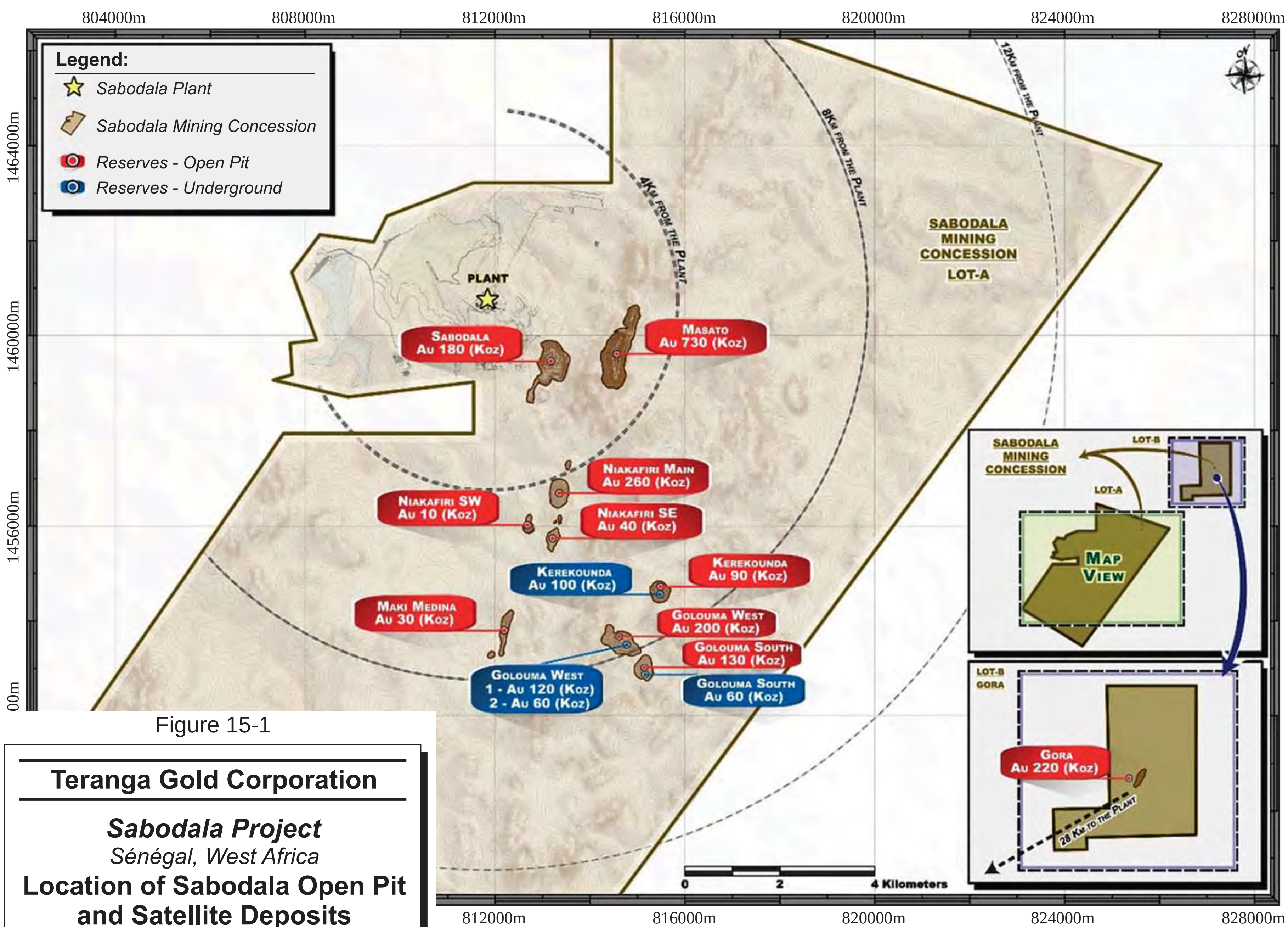
15 MINERAL RESERVE ESTIMATE

SUMMARY OF MINERAL RESERVES

Open pit Mineral Reserve estimates have been prepared for the Sabodala, Gora, Niakafiri Main, Masato, Golouma West, Golouma South, Kerekounda, Maki Medina, Niakafiri SE, and Niakafiri SW deposits. Underground Mineral Reserves have also been prepared for the Golouma West 1, Golouma West 2, Golouma South, and Kerekounda deposits.

The Sabodala, Masato, Gora, and Golouma South deposits are currently being mined by conventional open pit methods.

The location of the Sabodala open pit and the satellite deposits is shown in Figure 15-1.



March 2016

Source: Teranga Gold Corporation, 2016.

Figure 15-1

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Location of Sabodala Open Pit and Satellite Deposits

The Mineral Reserve estimates are based on resource block models prepared by Teranga, as discussed in Section 14:

- Sabodala – Resource block model dated March 2014
- Niakafiri Main – Resource block model dated April 2013
- Gora – Resource block model dated October 2012
- Golouma – Resource block model dated January 2014
- Masato – Resource block model dated December 2014
- Kerekounda – Resource block model dated December 2013
- Maki Medina – Resource block model dated October 2015
- Niakafiri SE – Resource block model dated October 2012
- Niakafiri SW – Resource block model dated January 2016

The Proven and Probable Mineral Reserves for the deposits are based on only that part of the Measured and Indicated Resources that falls within the designed final pit limits. As there were no Measured Resources in the Masato, Golouma, Kerekounda, Maki Medina, Niakafiri SE, and Niakafiri SW models, only Indicated Mineral Resources were included in the Mineral Reserve estimate.

Mineral Reserve cut-off grades are based on current operating practice and 2015 costs projected to the LOM. With the exception of Sabodala, which used $1,000/oz gold price for the pit optimization and design work, $1,100/oz gold price was applied to the rest of the deposits.

The Mineral Reserve estimate as at December 31, 2015, is presented in Table 15-1.

TABLE 15-1 MINERAL RESERVE ESTIMATE AS AT DECEMBER 31, 2015
Teranga Gold Corporation - Sabodala Project

Deposits	Proven			Probable			Proven and Probable		
	Tonnes (Mt)	Grade (g/t)	Au (Moz)	Tonnes (Mt)	Grade (g/t)	Au (Moz)	Tonnes (Mt)	Grade (g/t)	Au (Moz)
Sabodala	1.57	1.57	0.08	2.33	1.36	0.10	3.90	1.44	0.18
Gora	0.31	4.94	0.05	1.15	4.74	0.17	1.46	4.78	0.22
Niakafiri Main	4.06	1.23	0.16	3.41	0.94	0.10	7.47	1.10	0.26
Subtotal ML	**5.95**	**1.52**	**0.29**	**6.88**	**1.71**	**0.38**	**12.83**	**1.62**	**0.67**
Masato	-	-	-	21.41	1.06	0.73	21.41	1.06	0.73
Golouma West	-	-	-	3.23	1.96	0.20	3.23	1.96	0.20
Golouma South	-	-	-	1.27	3.09	0.13	1.27	3.09	0.13
Kerekounda	-	-	-	0.79	3.44	0.09	0.79	3.44	0.09
Maki Medina	-	-	-	0.90	1.17	0.03	0.90	1.17	0.03
Niakafiri SE	-	-	-	1.12	1.09	0.04	1.12	1.09	0.04
Niakafiri SW	-	-	-	0.37	0.92	0.01	0.37	0.92	0.01
Subtotal SOMIGOL	**-**	**-**	**-**	**29.08**	**1.32**	**1.23**	**29.08**	**1.32**	**1.23**
Subtotal Open Pit	**5.95**	**1.52**	**0.29**	**35.96**	**1.39**	**1.61**	**41.92**	**1.41**	**1.90**
Golouma West 1	-	-	-	0.62	6.07	0.12	0.62	6.07	0.12
Golouma West 2	-	-	-	0.45	4.39	0.06	0.45	4.39	0.06
Golouma South	-	-	-	0.47	4.28	0.06	0.47	4.28	0.06
Kerekounda	-	-	-	0.61	4.95	0.10	0.61	4.95	0.10
Subtotal Underground	**-**	**-**	**-**	**2.15**	**5.01**	**0.35**	**2.15**	**5.01**	**0.35**
Total	**5.95**	**1.52**	**0.29**	**38.11**	**1.60**	**1.96**	**44.07**	**1.59**	**2.25**
Stockpiles	15.27	0.79	0.39	-	-	-	15.27	0.79	0.39
TOTAL including stockpiles	**21.23**	**0.99**	**0.68**	**38.11**	**1.60**	**1.96**	**59.34**	**1.38**	**2.63**

Notes:
1. CIM definitions were followed for Mineral Reserves.
2. Mineral Reserve cut-off grades range from 0.35 g/t to 0.63 g/t Au for oxide and 0.42 g/t to 0.73 g/t Au for fresh rock based on a $1,100/oz gold price.
3. Mineral Reserve cut-off grades for Sabodala of 0.45 g/t Au for oxide and 0.55 g/t Au for fresh rock are based on a $1,100/oz gold price.
4. Underground Mineral Rreserve cut-off grades range from 2.3 g/t to 2.6 g/t Au based on a $1,200/oz gold price.
5. Sum of individual amounts may not equal due to rounding.
6. The Niakafiri Main deposit is adjacent to the Sabodala village and relocation of at least some portion of the village will be required which will necessitate a negotiated resettlement program with the affected community members.

Information in Table 15-1 relating to the open pit Mineral Reserve estimates associated with the Sabodala, Gora, Niakafiri Main, Masato, Golouma West, Golouma South, Kerekounda, Maki Medina, Niakafiri SE, and Niakafiri SW deposits and Sabodala stockpiles is based on information compiled and reviewed by Mr. Paul Chawrun, P.Eng. Mr. Chawrun is a full-time employee of Teranga and is not ''independent'' within the meaning of NI 43-101.

Information in Table 15-1 relating to the underground Mineral Reserve estimates associated with Golouma West 1, Golouma West 2, Golouma South, and Kerekounda is based on information reviewed by Mr. Jeff Sepp, P.Eng. Mr. Sepp is a full-time employee of RPA and independent of Teranga.

Teranga and RPA are not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, or political issues that would materially affect the Mineral Reserve estimate.

OPEN PIT DEFINITION

The open pit optimization and design work for the Sabodala, Gora, Niakafiri Main, Masato, Golouma West, Golouma South, Kerekounda, Maki Medina, Niakafiri SE, and Niakafiri SW deposits were undertaken by Teranga personnel.

MINING DILUTION AND RECOVERY

Dilution and ore loss parameters were applied to each of the resource block models before undertaking open pit optimization work using the Whittle Pit Optimization software. Current pit surfaces and new cut-off grades were used in the dilution comparison.

SABODALA

In Sabodala, Niakafiri Main, and Masato deposits, the resource block models were reblocked to account for dilution and ore loss. The reblocking parameters were derived by reviewing reconciliation data for Sabodala, which compares the contents of the sub-celled resource block model to the actual mined material.

In essence, the reblocked model represents the selective mining unit (SMU) that can be physically extracted during operations. The reconciliation figures are continuously reviewed to ensure that the reblocked model continues to predict actual mined grades going forward.

GORA, GOLOUMA, MASATO AND KEREKOUNDA

In the case of the Gora, Golouma, Masato, and Kerekounda deposits, a different technique was applied for estimating mining dilution and ore loss to account for the narrow-vein style of the orebody. Details of the methodology applied can be found in section 15.2.1 of the previous NI 43-101 report AMC (2014)

Plan views of in-situ and diluted mineral resources for the Gora and Masato deposits are illustrated in Figures 15-2 and 15-3.

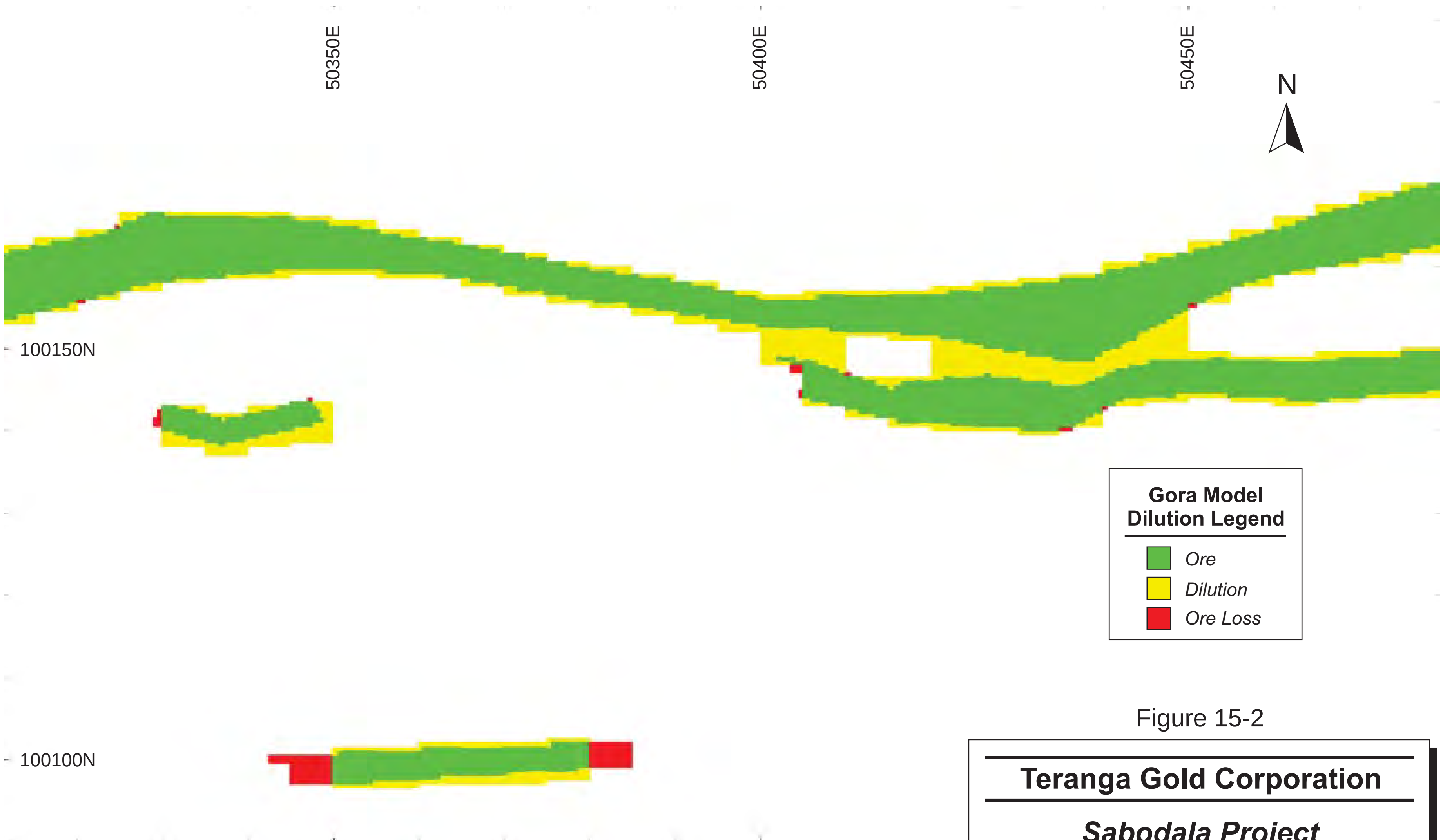


Figure 15-2

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Gora Block Model Dilution Plan View

March 2016

Source: Teranga Gold Corporation, 2016.

RPA

www.rpacan.com

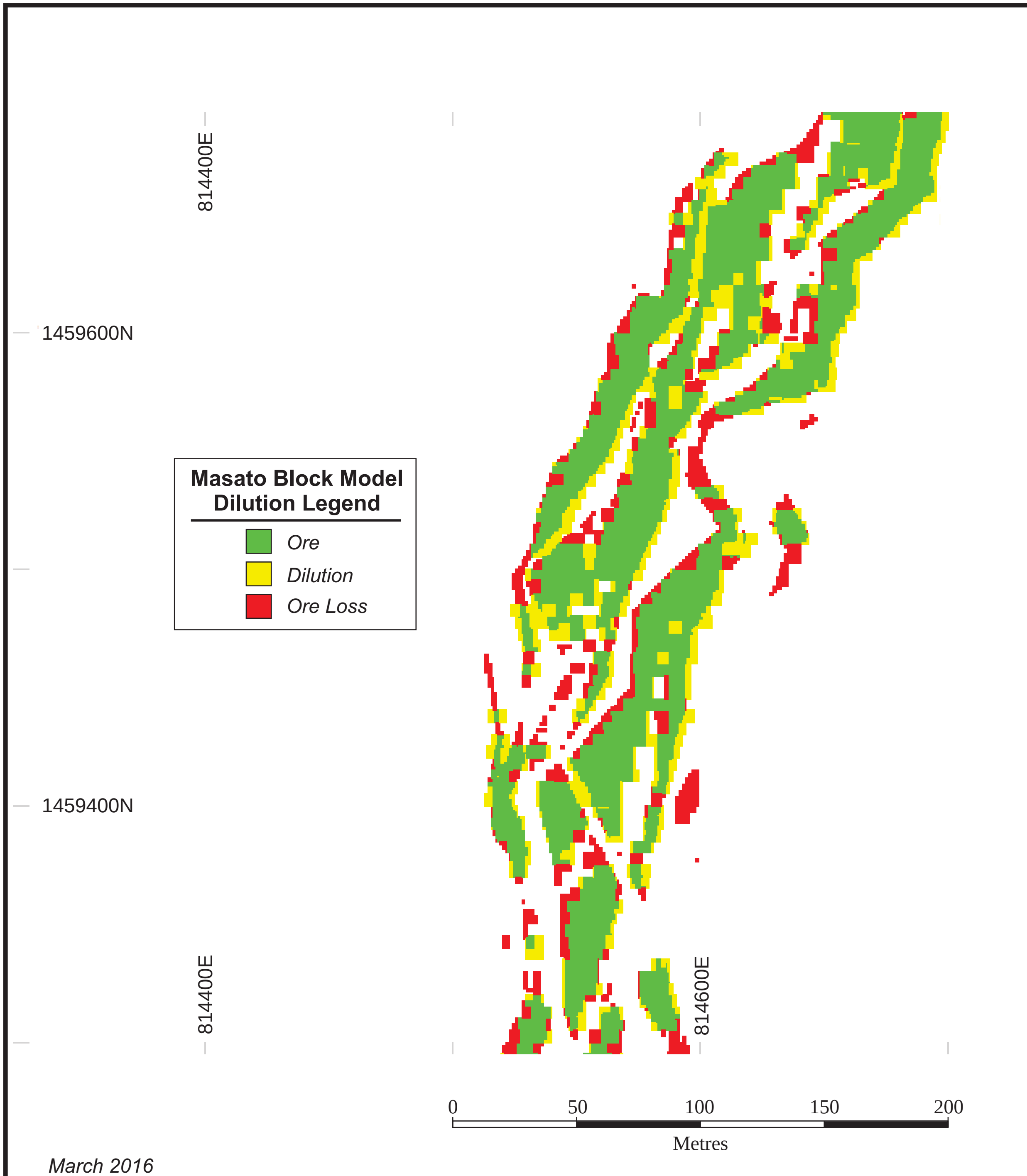


Figure 15-3

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Masato Block Model Dilution Pan View

March 2016

Source: Teranga Gold Corporation, 2016.

PIT OPTIMIZATION PARAMETERS

The pit optimization parameters and cut-off grade calculations for all the reserve pits are summarized in Tables 15-2 and 15-3, respectively.

TABLE 15-2 TERANGA PROCESSING THROUGHPUT, G&A AND REFINING PARAMETERS
Teranga Gold Corporation - Sabodala Project

Item	Unit	Fixed	Oxide	Fresh
G&A	$/annum	12,500,000		
G&A	$/t ore		2.78	2.84
Ore rehandle	$/t ore	0.50		
Transport and refining less Silver Revenue	$/oz Au	2.35		
Royalty	%	5.0		
Additional Gora Royalty (Axmin)	%	1.5		
Metal payable at refinery	%	99.92		

TABLE 15-3 SABODALA AND SATELLITE DEPOSITS CUT-OFF GRADE

Teranga Gold Corporation - Sabodala Project

Item	Unit	SABODALA			NIAKIFIRI MAIN			NIAKIFIRI SE			NIAKIFIRI SW			GORA		
		Fixed	Oxide	Fresh	Fixed	Oxide	Fresh	Fixed	Oxide	Fresh	Fixed	Oxide	Fresh	Fixed	Oxide	Fresh
Mining	USD / tonne rock		1.86	2.21		1.74	2.06		1.90	2.19		1.91	2.18		1.83	2.20
Mining Reference Cost	USD / tonne rock		1.74	1.94		1.71	1.90		1.86	2.06		1.88	2.09		1.78	2.05
			COG			COG			COG			COG			COG	
Ore transport	USD / tonne ore	-			0.83			1.02			1.02			4.93		
Processing	USD / tonne ore		10.80	13.50		10.20	11.96		10.20	11.96		10.20	11.96		10.80	13.50
Processing recovery	%		92.0	90.0		92.0	90.0		92.0	90.0		92.0	90.0		92.0	90.0
Total site cost	USD / tonne ore		14.08	16.84		14.31	16.13		14.50	16.32		14.50	16.32		19.01	21.77
Gold price	USD/ ounce	$1,100			$1,100			$1,100			$1,100			$1,100		
Cut-off	g / tonne Au		0.46	0.56		0.46	0.54		0.47	0.54		0.47	0.54		0.63	0.73
Incremental cut-off	g / tonne Au		0.35	0.45		0.36	0.42		0.36	0.43		0.36	0.43		0.52	0.62
Item	Unit	GOLOUMA SOUTH			GOLOUMA WEST			KEREKOUNDA			MASATO			MAKI MEDINA		
		Fixed	Oxide	Fresh	Fixed	Oxide	Fresh	Fixed	Oxide	Fresh	Fixed	Oxide	Fresh	Fixed	Oxide	Fresh
Mining	USD / tonne rock		1.89	2.26		1.85	2.22		1.67	2.02		1.95	2.28		1.90	2.16
Mining Reference Cost	USD / tonne rock		1.83	2.10		1.83	2.10		1.64	1.89		1.92	2.14		1.87	2.08
		COG			COG			COG			COG			COG		
Ore transport	USD / tonne ore	1.56			1.48			1.29			0.53			1.45		
Processing	USD / tonne ore		10.80	13.50		10.20	11.96		10.80	13.50		10.20	11.96		10.20	11.96
Processing recovery	%		92.0	90.0		92.0	90.0		92.0	90.0		92.0	90.0		92.0	90.0
Total site cost	USD / tonne ore		15.64	18.40		14.96	16.78		15.37	18.13		14.00	15.83		14.92	16.75
Gold price	USD/ ounce	$1,100			$1,100			$1,100			$1,100			$1,100		
Cut-off	g / tonne Au		0.52	0.62		0.49	0.57		0.51	0.61		0.46	0.53		0.49	0.56
Incremental cut-off	g / tonne Au		0.41	0.51		0.39	0.45		0.40	0.50		0.35	0.42		0.38	0.45

The pit definition comprised a first stage pit optimization shell and a second stage final pit design. Pit optimization runs were completed using Whittle software based on the Lerchs-Grossman (LG) algorithm for pit optimization. The pit designs were completed using the Vulcan open pit design software.

Pit optimization parameters such as mining cost, processing cost, and cut-off grades are different for all the pits (Tables 15-2 and 15-3) because of the pit haulage distances from the Sabodala processing plant, oxide and fresh material balance, and mining dilution.

Metallurgical recovery for oxide is 92% and fresh is 90% for Sabodala.

An incremental haulage cost of $0.02/t was applied on a bench basis to account for additional haulage costs as the pits deepen. The bench height for the pits is 10 m.

Note that both selective and non-selective mining is planned for the Gora deposit. The ore, as well as the immediately adjacent waste, will be mined selectively on 5 m benches while the bulk waste will be mined on 10 m benches.

GEOTECHNICAL CONSIDERATIONS

Xstract Mining Consultants of Australia (Xstract) has been providing geotechnical expertise and advice for the Sabodala mine, and has developed the appropriate geotechnical model for all the deposits. Periodic site visits and continuous assessment are maintained to update issues of ground conditions and pit slopes. Xstract ensures the risks are mitigated with guidance for the appropriate operating methods and parameters for the entire Sabodala operations.

SLOPE DESIGN REVIEW

As part of the ongoing mine design process, all updated mine designs are reviewed by the geotechnical consultant (Xstract) where checks against slope design parameters as well as limit equilibrium stability assessment of overall wall scale slopes are undertaken.

Design Factor of Safety targets for overall scale slopes of greater than 1.2 to 1.3 (i.e., 20% to 30% safety margin) are utilized, with actual results for overall scale slopes typically returning values greater than the target due to the generally good quality rock mass. Slope designs through the weathered materials tend to return lower factors of safety due to the poorer quality and highly variable nature of these materials. Slope performance to date in existing pits, suggests that stability analysis generally tends to underestimate the performance of these materials, with occasional small slowing moving failures in the extreme worst quality materials which generally have not impacted mining schedule or costs to any great extent.

PIT DESIGN CONSIDERATIONS

All haulage roads are designed to accommodate two-way traffic of the HD785-7 haul trucks, and a safety berm of at least half the height of a haul truck tire. The roads have minimum width of 25 m and a maximum of 10% overall gradient. Some pits have single 15 m wide lanes at the last few benches to the pit bottom.

All pit designs were based on $1,100 base case shells, except Sabodala which was $1,000 because of the reasons provided in the following subsections.

SABODALA PIT DESIGN

The Sabodala pit Phase 3 was completed in mid-2015. Phase 4 will commence in 2017 and run for three years to completion. Mining operations are suspended and the pit is currently under care and maintenance

The pit was optimized through a series of design phases that balanced the strip ratio with an even distribution of gold production for the remaining years of mine life. The pit was designed using the $1,000 Au price LG pitshell and then adjusted to optimize Phase 3 access for and the final wall location for Phase 4 to optimize strip ratio and ore production for the remainder of the pit life.

Although the $1,100 shell added a considerable amount of ounces to the existing design (see Figure 14-21), the restriction of access on the southwest wall in addition to the extensive waste stripping in the north to access the high grade ore at the lower elevations, resulted in marginal economics for these pushbacks. If economic conditions change, this will be re-evaluated at a future date.

The Sabodala Phase 4 pit design contains 3.9 Mt of Proven and Probable Mineral Reserves at a 1.44 g/t Au grade and 31.0 Mt waste. The stripping ratio is 7.96:1.

Sufficient waste dump area is available north and south of the Sabodala pit to accommodate the waste rock mined.

The ultimate pit design for Sabodala is shown in Figures 15-4 to 15-6.

NIAKAFIRI MAIN PIT DESIGN

A complete new design of the Niakafiri Main pit has been developed and the results of the pit definition presented in the current report are different from those presented in AMC (2014)

The updated Niakafiri final pit design is 800 m long (north-south) and 400 m wide. The highest walls in this pit (150 m) are located the in southeast and southwest walls. There is a small shallow (30 m deep) pit north of the main pit. The final pit design includes haulage roads, approximately 25 m in width and overall 10% gradient.

The Niakafiri pit will be mined in a single phase. The ultimate pit contains 28.9 Mt of rock including 20.4 Mt of waste and 7.5 Mt at 1.10 g/t Au of Proven and Probable Mineral Reserves resulting in an average 2.7:1 waste to ore strip ratio.

The Niakafiri Main pit will be mined in 2023 and 2024 according to the LOM plan and will require relocation of the Sabodala village.

The pit design for Niakafiri is shown in Figures 15-7 and 15-8.

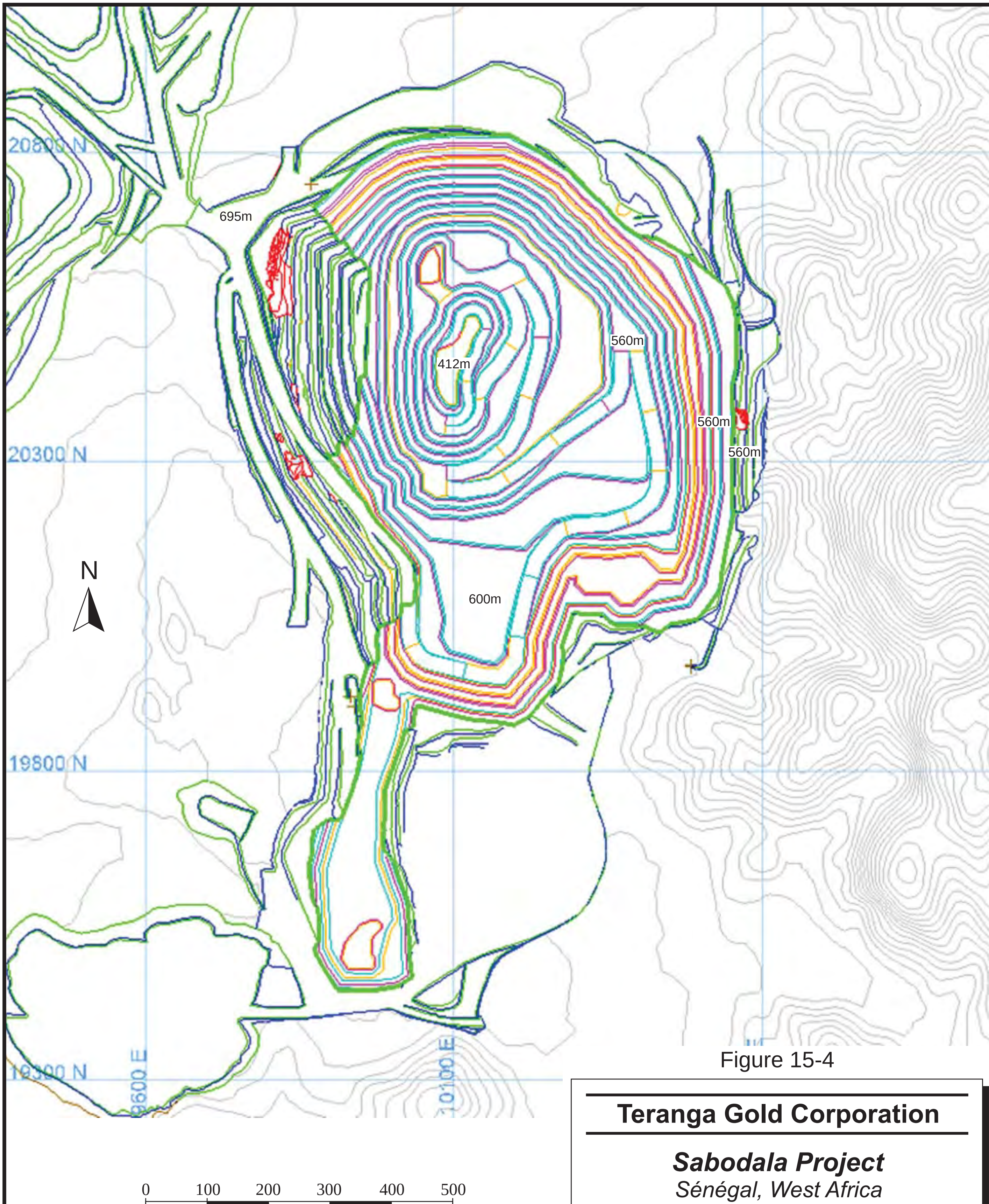


Figure 15-4

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Sabodala Ultimate Pit Plan View

March 2016

Source: Teranga Gold Corporation, 2016.

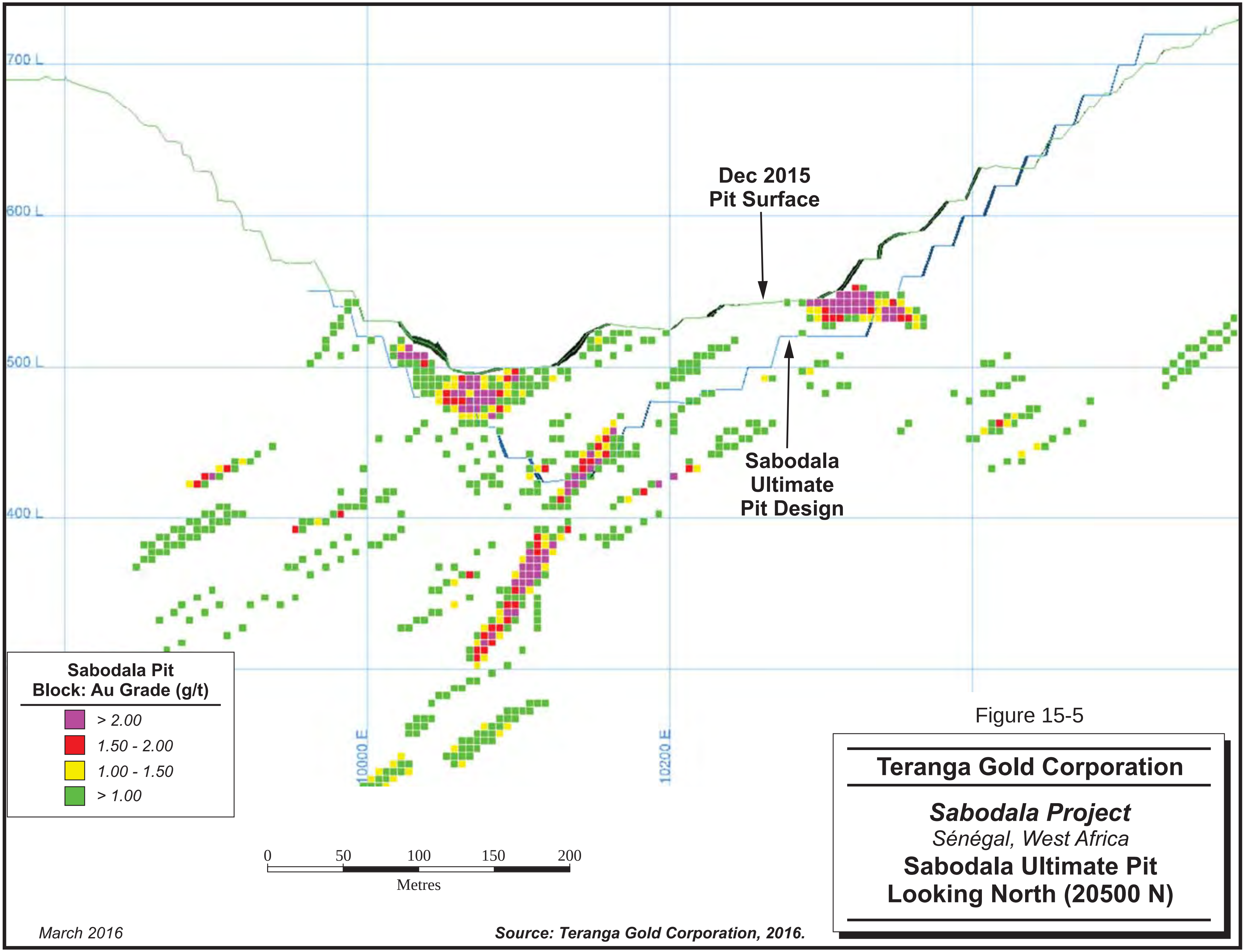


Figure 15-5

Teranga Gold Corporation

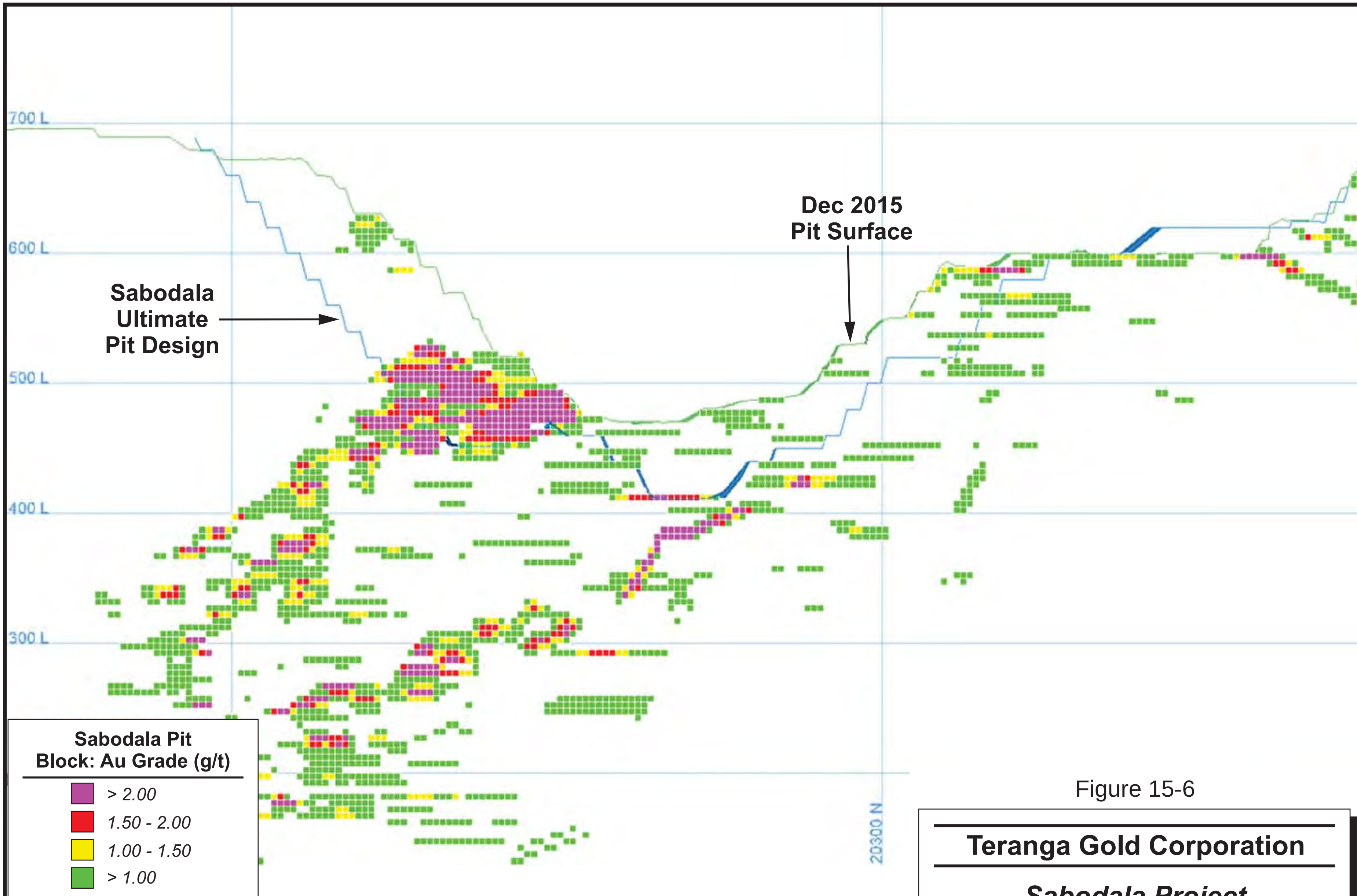
Sabodala Project

Sénégal, West Africa

Sabodala Ultimate Pit
Looking North (20500 N)

March 2016

Source: Teranga Gold Corporation, 2016.



March 2016

Source: Teranga Gold Corporation, 2016.

Figure 15-6

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Sabodala Ultimate Pit Looking East (10070 E)

RPA

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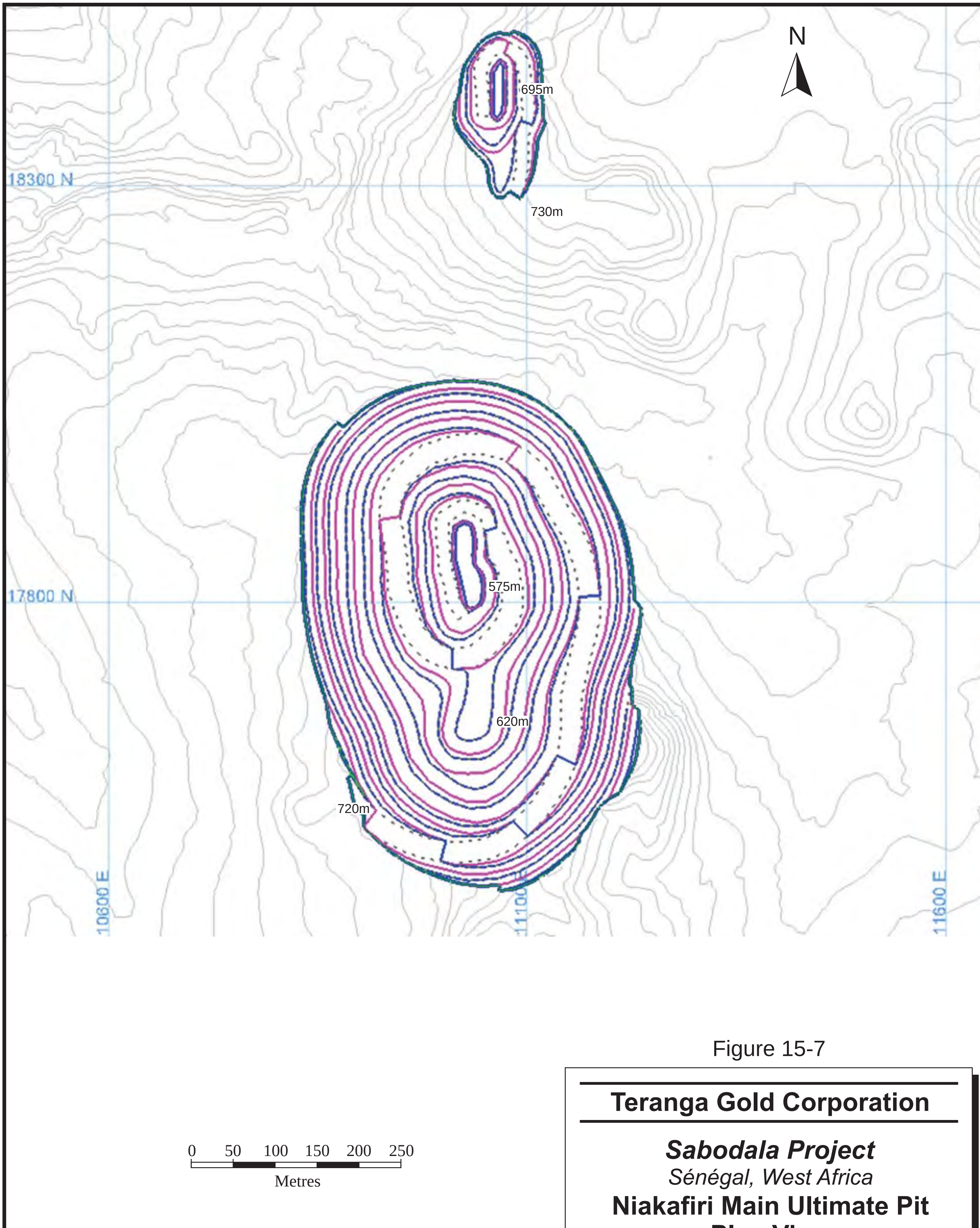


Figure 15-7

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Niakafiri Main Ultimate Pit Plan View

March 2016

Source: Teranga Gold Corporation, 2016.

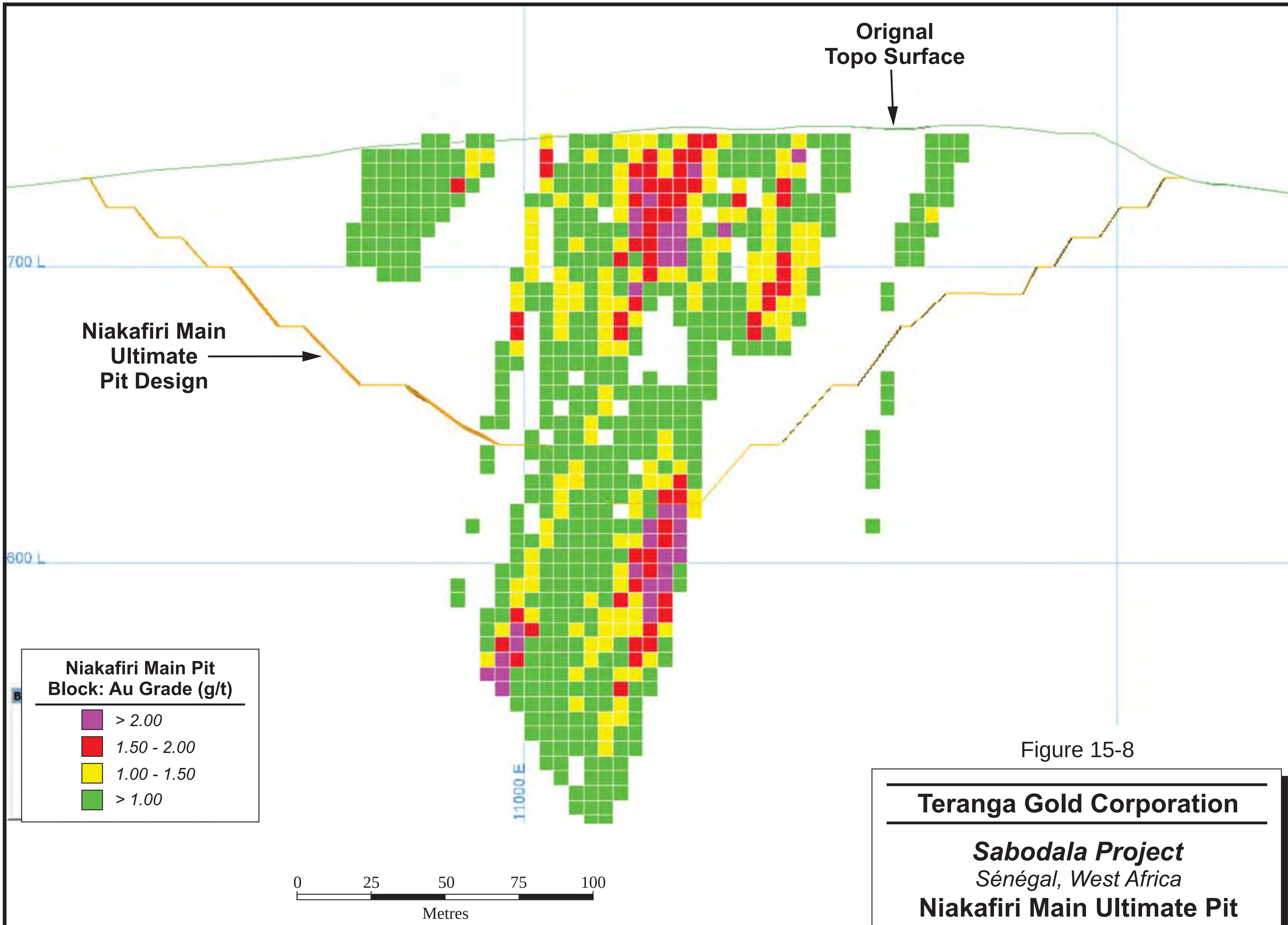


Figure 15-8

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Niakafiri Main Ultimate Pit Looking North (17830 N)

March 2016

Source: Teranga Gold Corporation, 2016.

GORA PIT DESIGN

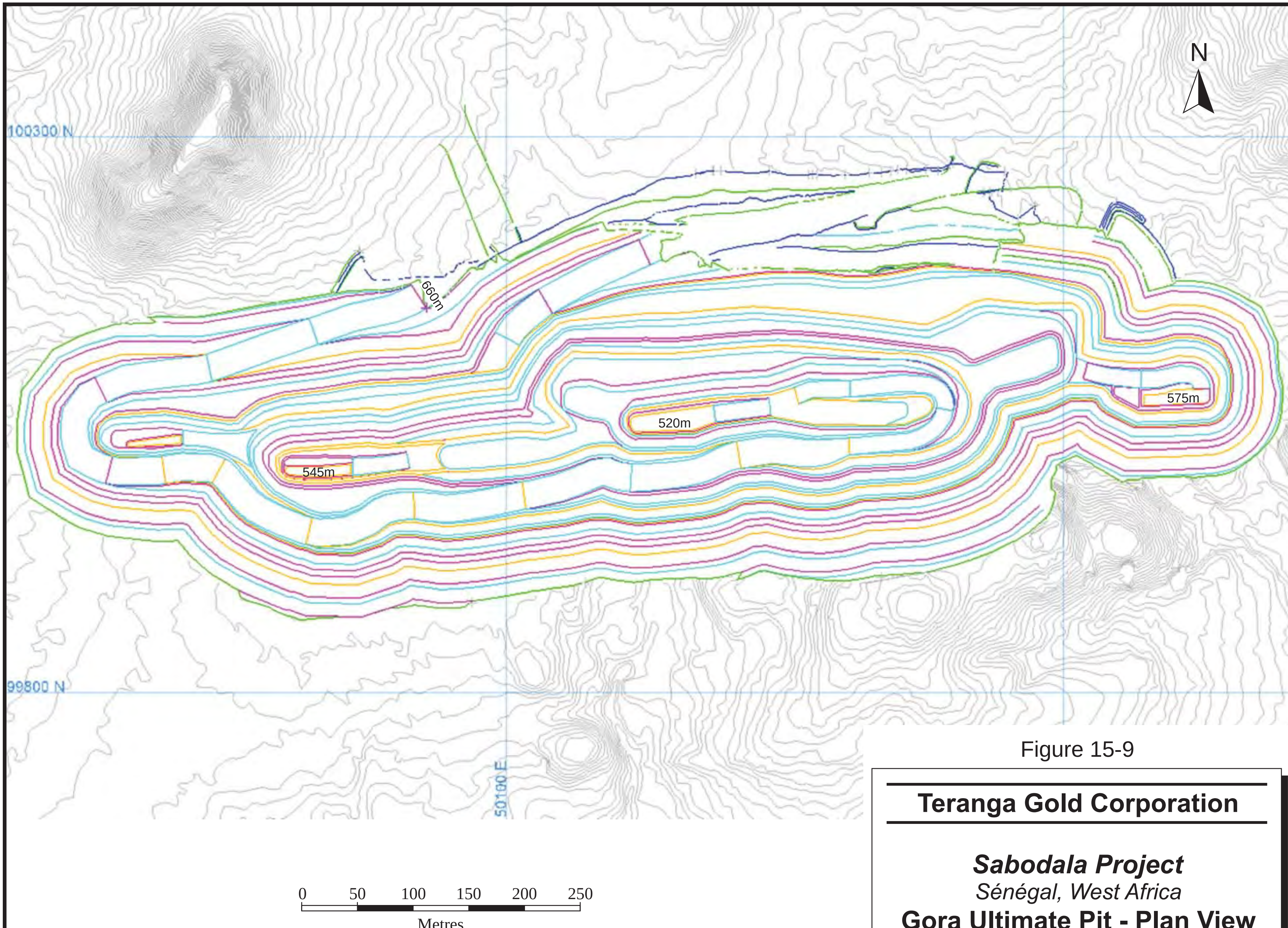
Gora is a vein deposit dipping 45° to 55° southeast. To improve the mining selectivity, a bench height of 5 m was selected for mining in ore. A 10 m bench was selected for mining in waste. The 5 m benches will be mined in two 2.5 m flitches with a PC1250 excavator. The 10 m benches will be mined with a PC2000 excavator similar to the size utilized at Sabodala. This equipment is compatible with the trucks utilized at Sabodala.

Optimizations on the Gora deposit were carried out utilizing a lower revenue factor to identify interim pit phases. Two interim phase optimization shells were identified for scheduling purposes, so the overall Gora schedule will be undertaken in three phases.

Mining operations in Gora indicate that the Phase1 pit design has most of the underground workings developed by local artisanal activities. The Phase 2 pit design appears to have a minimum of such activities.

Gora Phase 1 will be completed in Q1 2016. Waste stripping in Phase 2 commenced in Q4 2015 and mining is ongoing. A total of 33.6 Mt of rock will be mined from the three phases at a high stripping ratio of 22.0:1. Proven and Probable Mineral Reserves are estimated to be 1.46 Mt at a 4.78 g/t Au grade.

The pit design for Gora is shown in Figures 15-9 to 15-11.



March 2016

Source: Teranga Gold Corporation, 2016.

Figure 15-9

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Gora Ultimate Pit - Plan View

www.rpacan.com

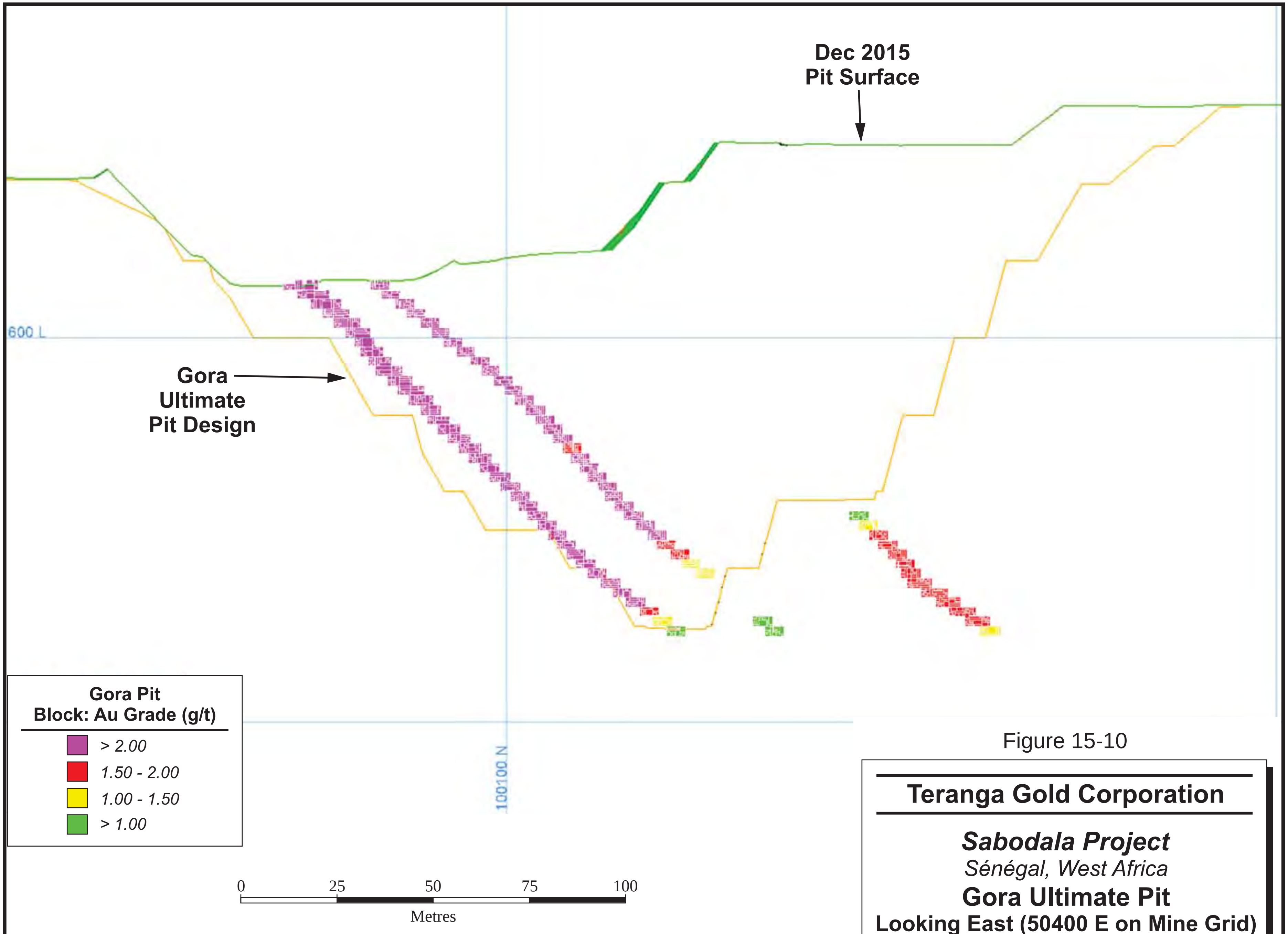


Figure 15-10

Teranga Gold Corporation

Sabodala Project

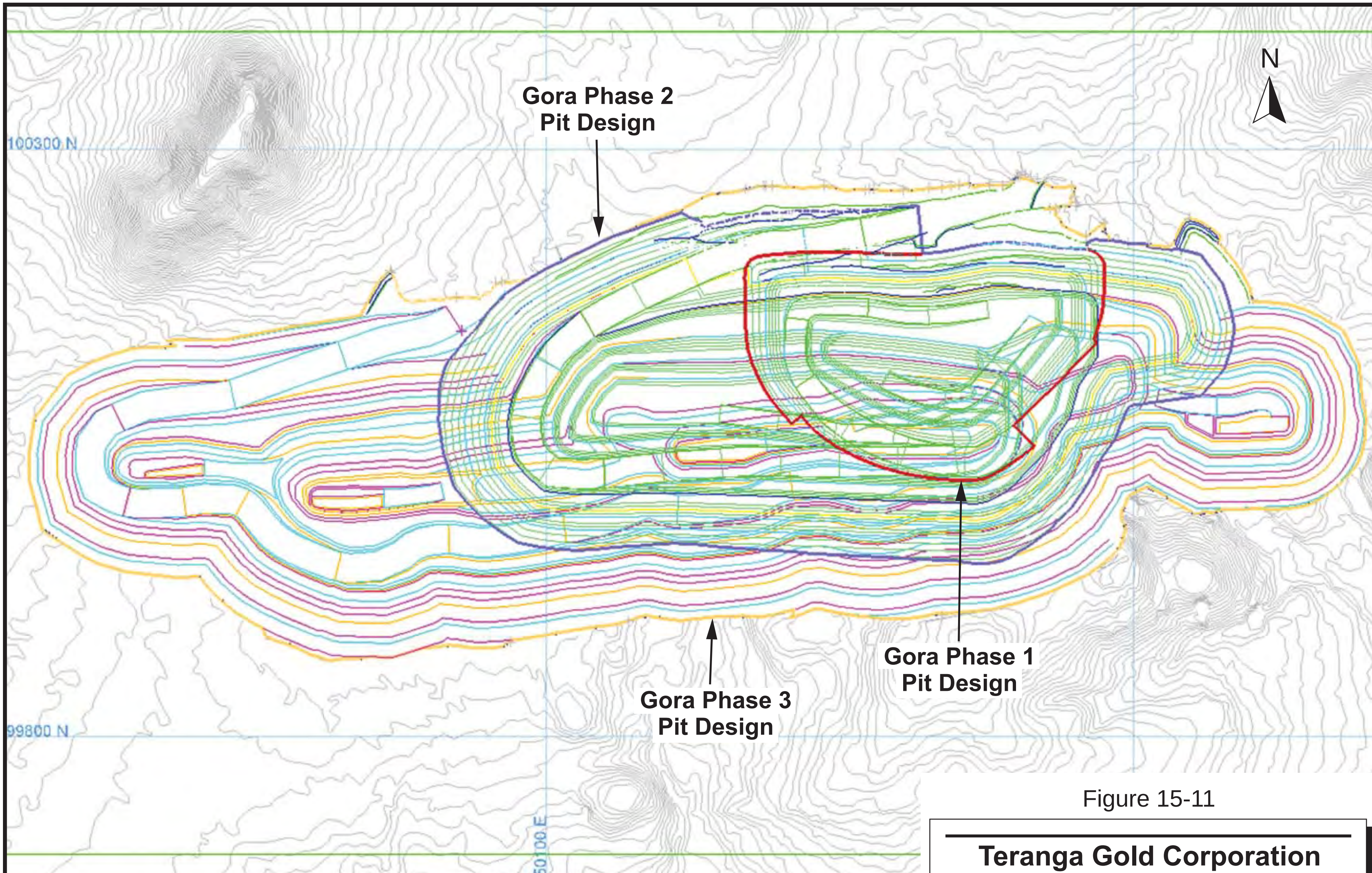
Sénégal, West Africa

Gora Ultimate Pit

Looking East (50400 E on Mine Grid)

March 2016

Source: Teranga Gold Corporation, 2016.



0 50 100 150 200 250

Metres

Figure 15-11

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Gora Pit Phases

March 2016

Source: Teranga Gold Corporation, 2016.

RPA

www.rpacan.com

GOLOUMA PIT DESIGN

Golouma is comprised of two areas, Golouma South and Golouma West. Golouma South is a vein deposit dipping 50° to 65° southwest. Golouma West contains two east-west trending zones with a strike length of approximately 800 m dipping 75° to 80° south and a zone trending north-northeast approximately 140 m in length dipping at an angle of 45° to 65° west. To improve the mining selectivity, a bench height of 5 m was selected for mining in ore. A 10 m bench was selected for mining in waste. Both ore and waste zones will be mined with a PC3000 excavator similar to the size utilized at Sabodala. In areas with very thin ore zones an excavator will be used to mine more selectively. This equipment is compatible with the trucks utilized at Sabodala.

The Golouma South pit and Golouma West pit designs utilize a common waste dump located within 1.0 km from the entrance of both pits. The Golouma South pit will be mined in 2016 and Golouma West will commence mining in 2019 and be completed in 2021.

To date, minimal artisanal mining activities have been encountered in the Golouma mining area.

GOLOUMA SOUTH PIT DESIGN

The Golouma South pit is closer to the waste dump.

The Golouma South pit design has a ramp switchback close to the surface to maintain access to the waste rock dump. The 25 m wide and 10% gradient double lane ramp reduces to a 15 m and 10% gradient single lane ramp in the last four 10 m benches.

The pit design has 1.27 Mt of Proven and Probable Mineral Reserves at a grade of 3.09 g/t Au, and 15.4 Mt of waste rock. The stripping ratio is 12.1:1

GOLOUMA WEST PIT DESIGN

The Golouma West pit design is more than twice the size of the Golouma South pit in terms of total rock content.

The Golouma West deposit is very sensitive to gold price (see Figure 14-25). Approximately 120,000 oz was removed from the current final pit design as compared to AMC (2014); however, the pit will be re-evaluated at a later date prior to commencement of mining.

The Golouma West pit design has the standard 25 m wide and 10% gradient ramp from the surface to the last five 10 m benches before it turns into a 15 m wide single lane ramp to the pit bottom.

Proven and Probable Mineral Reserves are estimated to be 3.2 Mt grading 1.96 g/t Au. A total of 34.3 Mt of waste is expected to be mined at a stripping ratio of 10.6:1

The pit design for Golouma is shown in Figures 15-12 to 15-15.

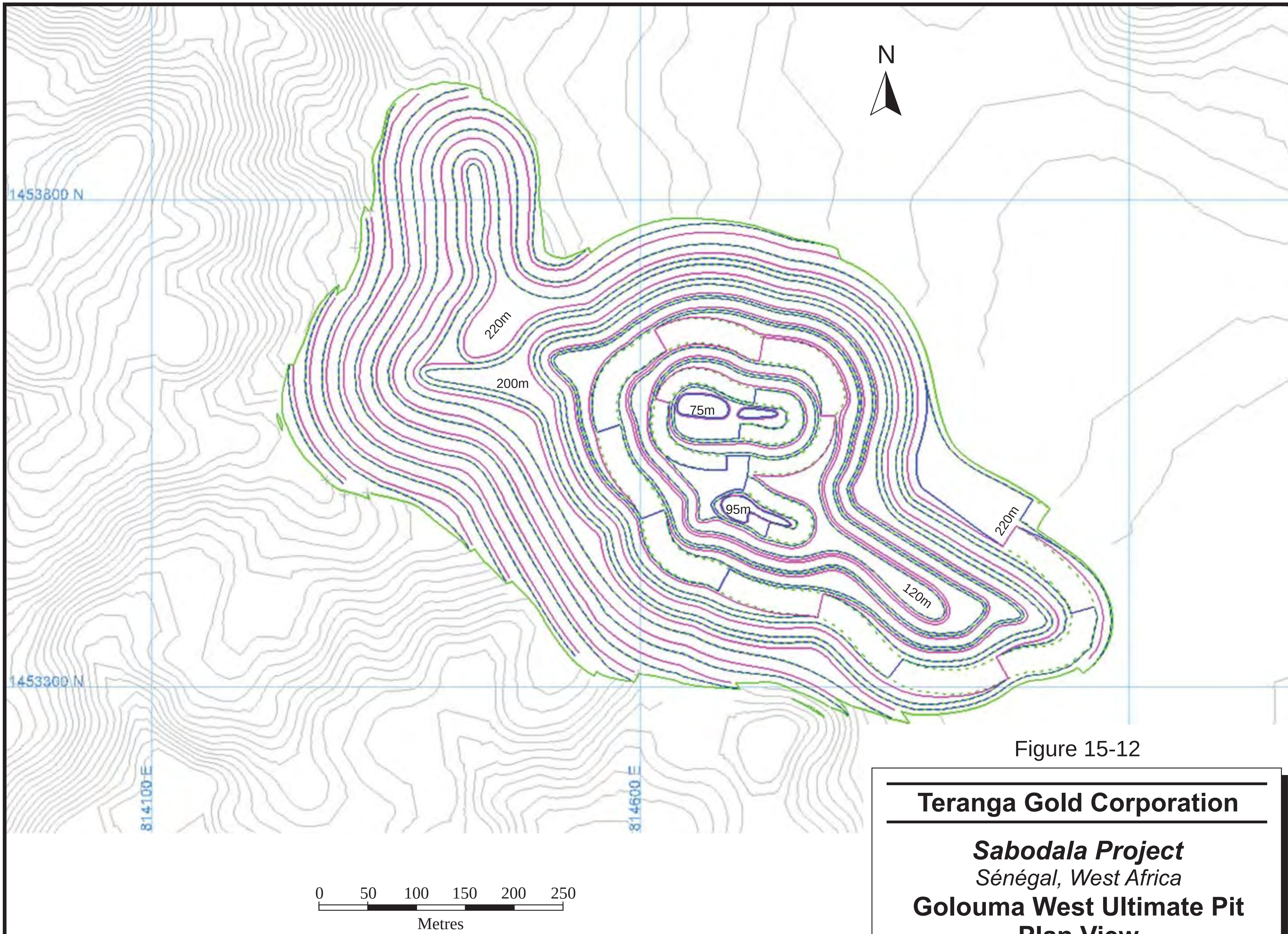


Figure 15-12

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Golouma West Ultimate Pit Plan View

March 2016

Source: Teranga Gold Corporation, 2016.

RPA

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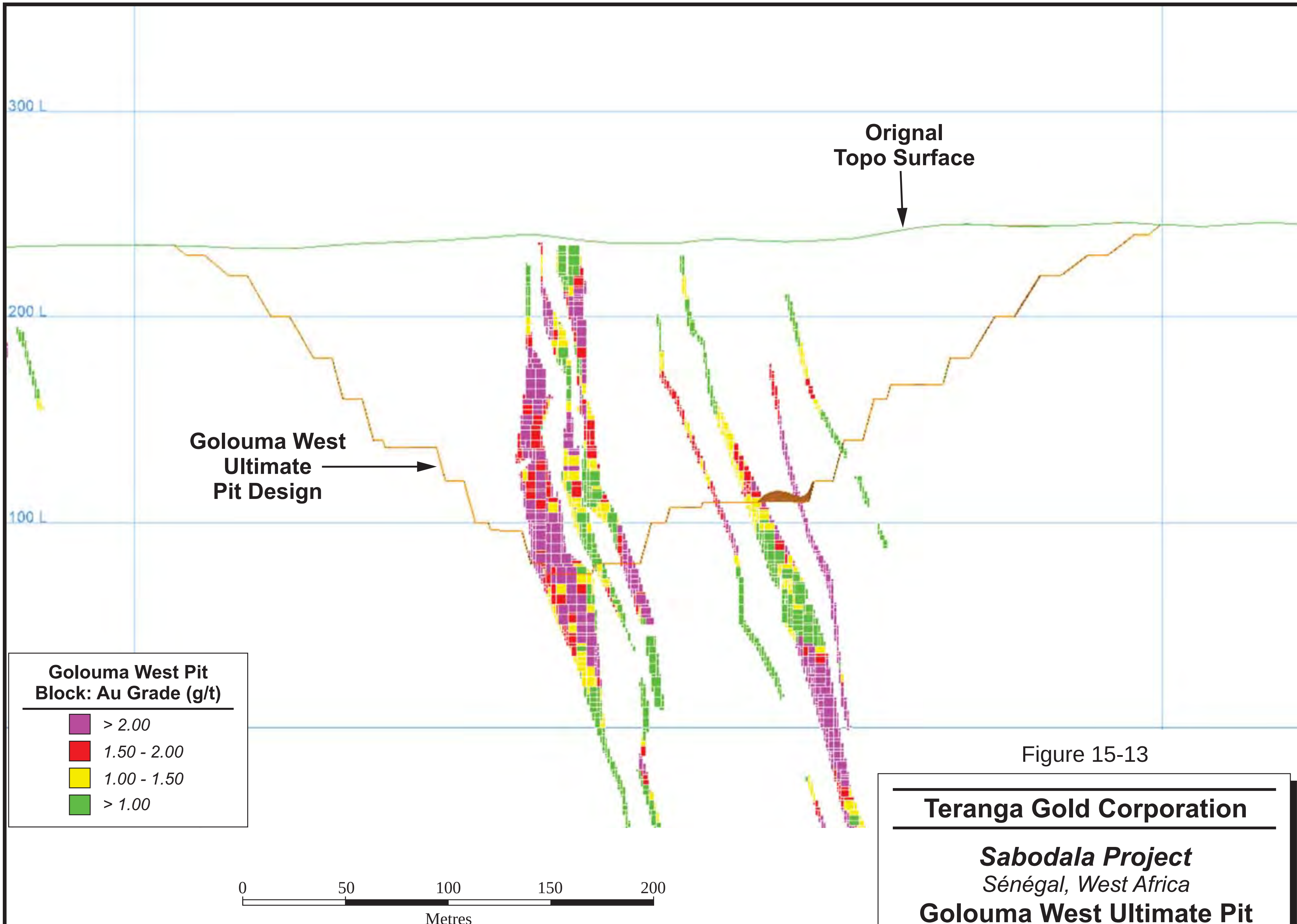

March 2016

Source: Teranga Gold Corporation, 2016.

Figure 15-13

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Golouma West Ultimate Pit
Looking East (814660 E)

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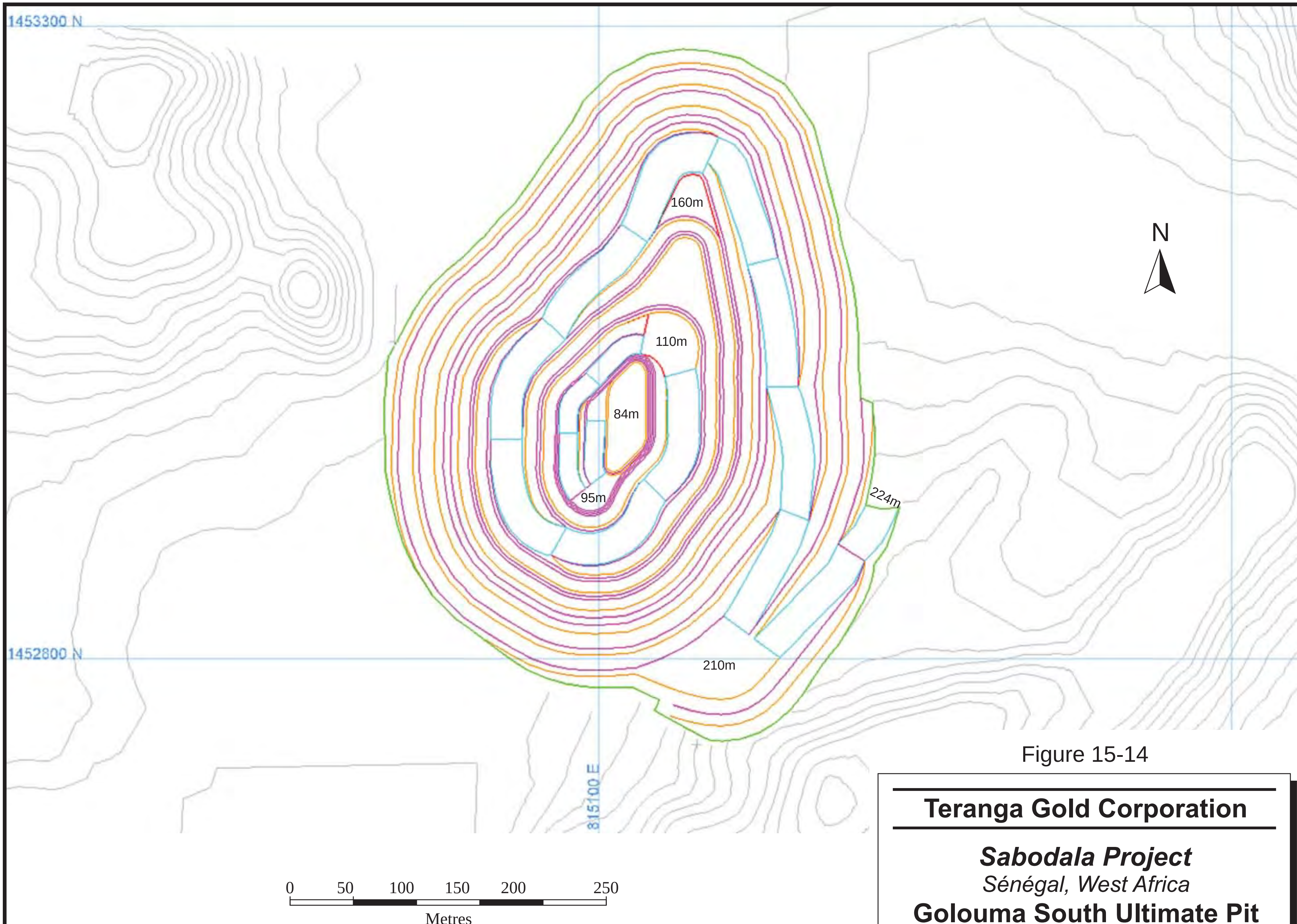


Figure 15-14

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Golouma South Ultimate Pit Plan View

March 2016

Source: Teranga Gold Corporation, 2016.

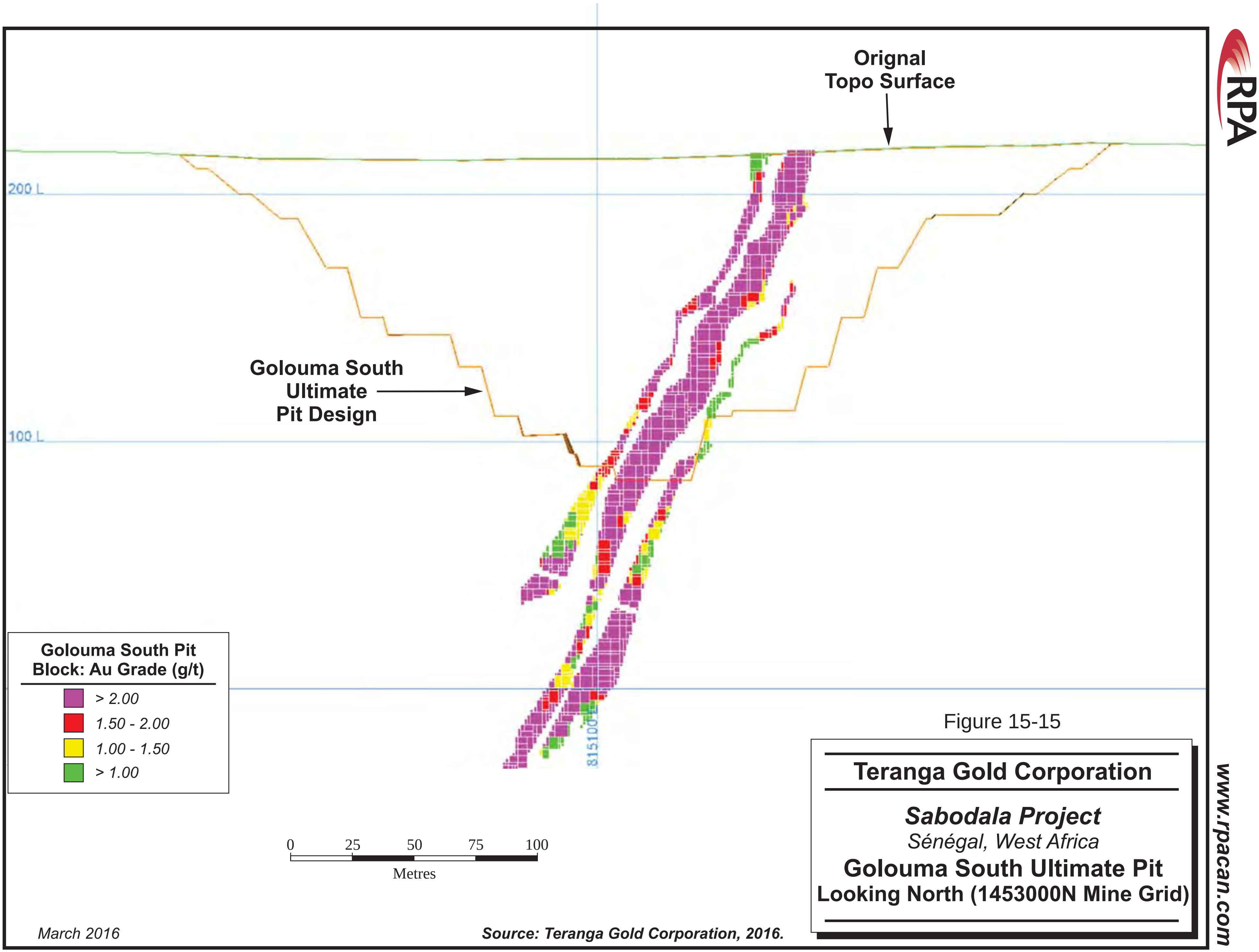


Figure 15-15

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Golouma South Ultimate Pit

Looking North (1453000N Mine Grid)

Source: Teranga Gold Corporation, 2016.

MASATO PIT DESIGN

Masato is northeast trending deposit that dips moderately (45° to 65°) to the west. It has a strike length of approximately 2,100 m. To improve the mining selectivity, a bench height of 5 m was selected for mining in ore. A 10 m bench was selected for mining in waste. Both ore and waste zones will be mined with a PC3000 excavator similar to the size utilized at Sabodala. In areas with very thin ore zones, an excavator will be used to mine more selectively. This equipment is compatible with the trucks utilized at Sabodala. A combination of infill RC drilling and blasthole drilling will be used to optimize the grade control model.

Optimizations on the Masato deposit were carried out utilizing a lower revenue factor to identify interim pit phases. One interim phase optimization shell was identified for scheduling purposes at a gold price of $900/oz, so the overall Masato schedule will be undertaken in two phases.

Masato Phase 1 pit design is the upper part of the south section of the pit. Mining in Phase 1 and Phase 2 was completed in Q1 2016. The pit will be under care and maintenance in 2016 and 2017. Mining operations will resume in 2018 with Phase 3 design, and continue to completion in 2024.

The remaining Proven and Probable Mineral Reserves in the Masato Phase 1 pit design are estimated to be 0.5 Mt at a grade of 1.10 g/t Au. The waste is 0.2 Mt and the stripping ratio is 0.4:1.

The Proven and Probable Mineral Reserves in the Masato final pit design are estimated to be 21.4 Mt at a grade of 1.06 g/t Au. Waste rock of 110 Mt will be mined at a 5.2:1 stripping ratio (includes Masato Phase 1).

The pit design for Masato is shown in Figures 15-16 and 15-17.

Figure 15-16

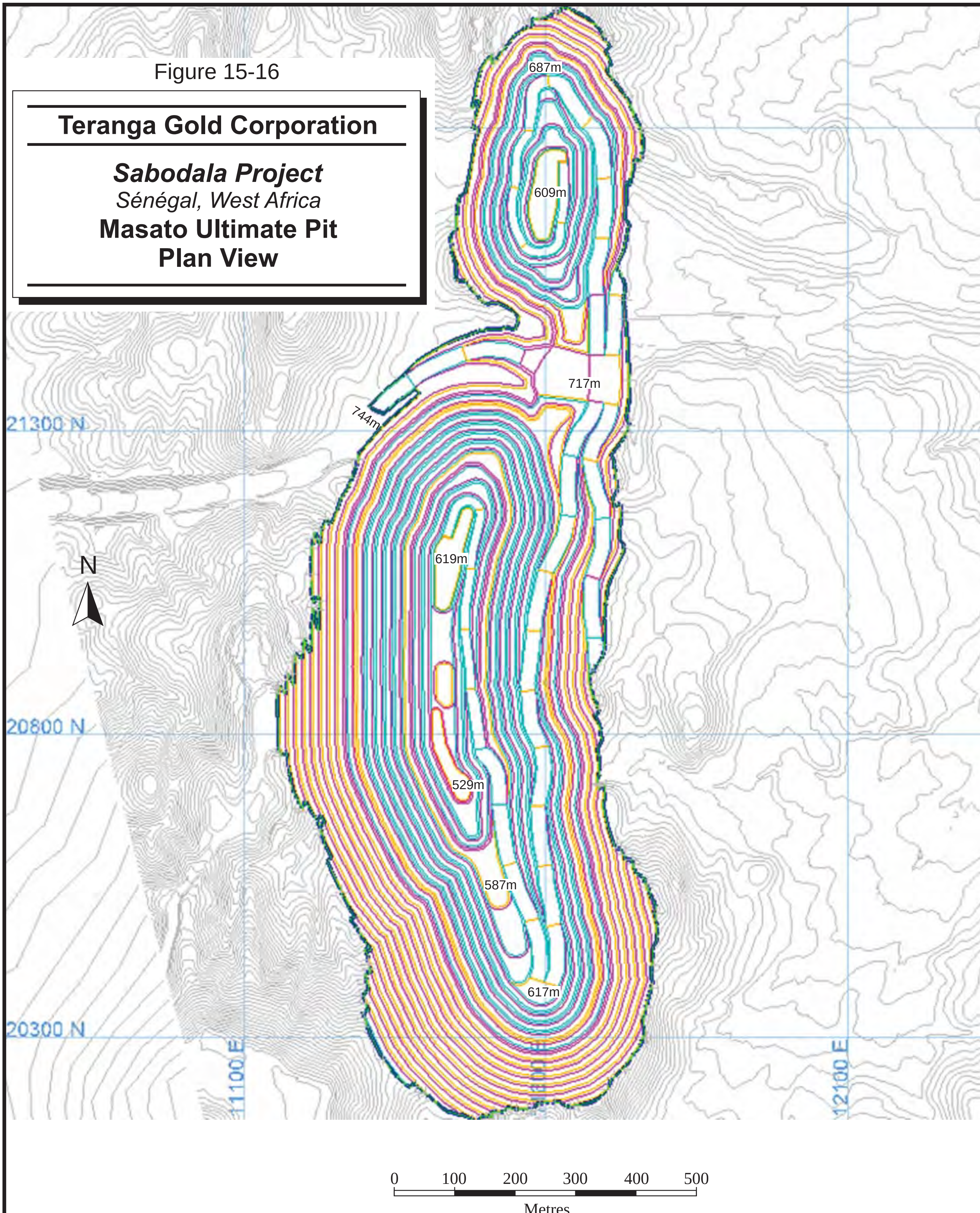
Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

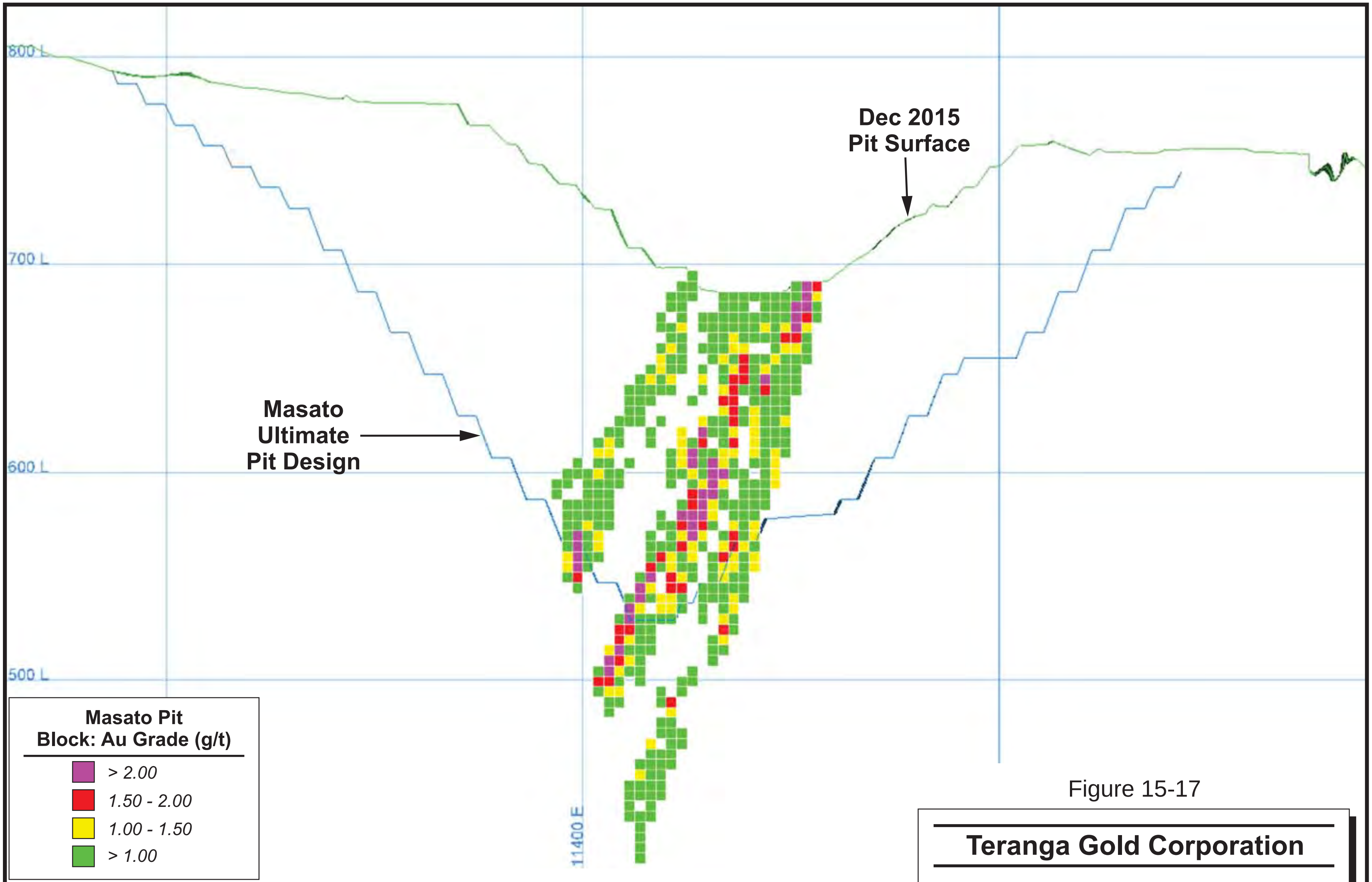
Masato Ultimate Pit

Plan View



March 2016

Source: Teranga Gold Corporation, 2016.



March 2016

Source: Teranga Gold Corporation, 2016.

Figure 15-17

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Masato Ultimate Pit Looking North (20760 N)

RPA

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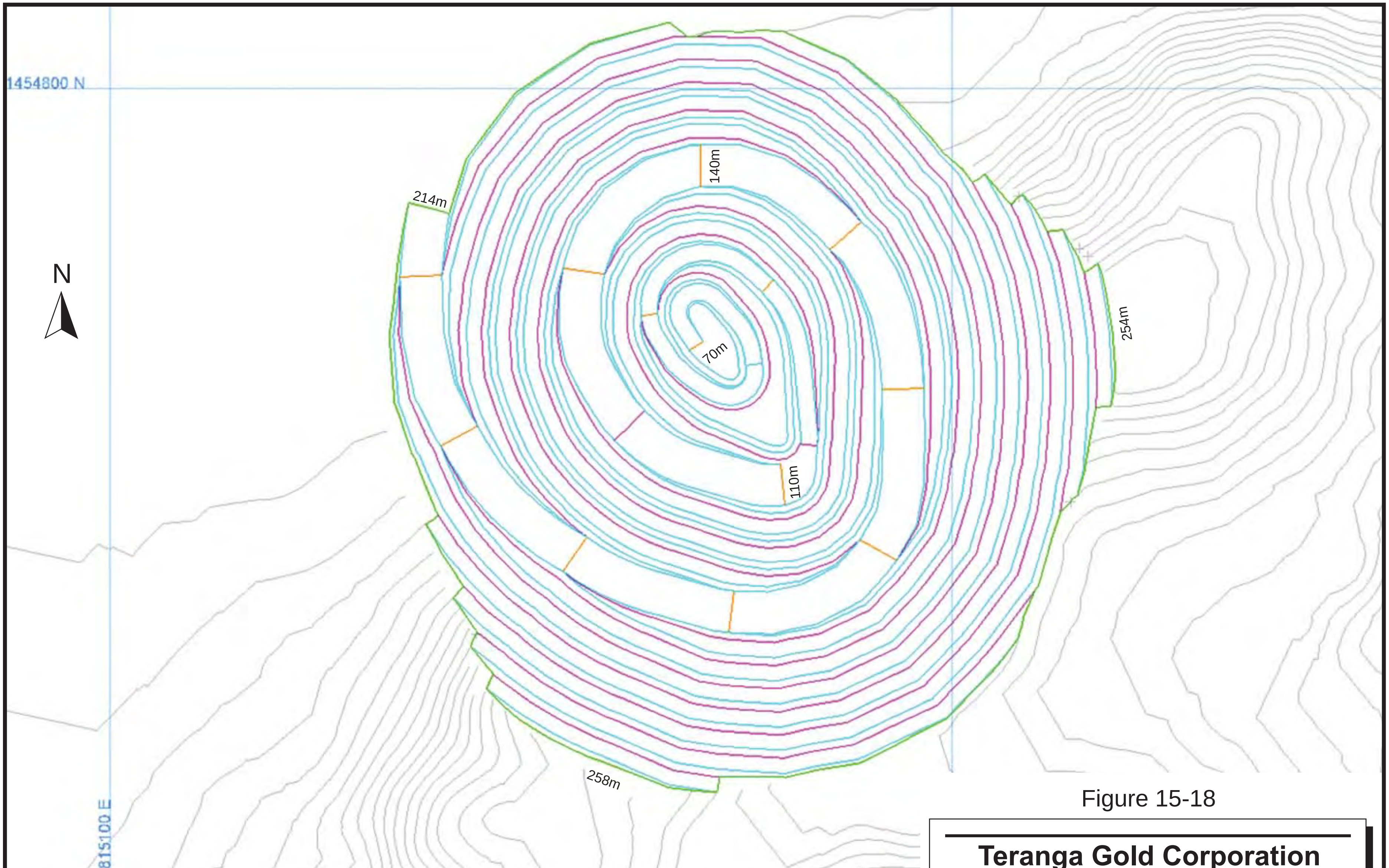
KEREKOUNDA PIT DESIGN

Kerekounda is a vein deposit dipping 55° to 70° west-southwest and a north-northwest strike with a length of approximately 330 m. To improve the mining selectivity, a bench height of 5 m was selected for mining in ore. A 10 m bench was selected for mining in waste. Both ore and waste zones will be mined with a PC3000 excavator similar to the size utilized at Sabodala. In areas with very thin ore zones, an excavator will be used to mine more selectively. This equipment is compatible with the trucks utilized at Sabodala. A combination of infill RC drilling and blasthole drilling will be used to optimize the grade control model.

Kerekounda pit design utilizes a spiral ramping method to access the pit from top to bottom. The ramp changes from 25 m wide and 10% gradient double lane to a single lane in the last four 10 m benches.

The Kerekounda pit design generated a high stripping ratio of 22.9:1 because of the narrow nature of the veins in the deposit. The design produced 0.79 Mt of Proven and Probable Mineral Reserves at an average grade of 3.44 g/t Au. The pit will be mined from Q4 2016 to 2018.

The pit design for Kerekounda is shown in Figures 15-18 and 15-19.



0 50 100 150 200 250
Metres

Figure 15-18

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Kerekounda Ultimate Pit
Plan View

March 2016

Source: Teranga Gold Corporation, 2016.

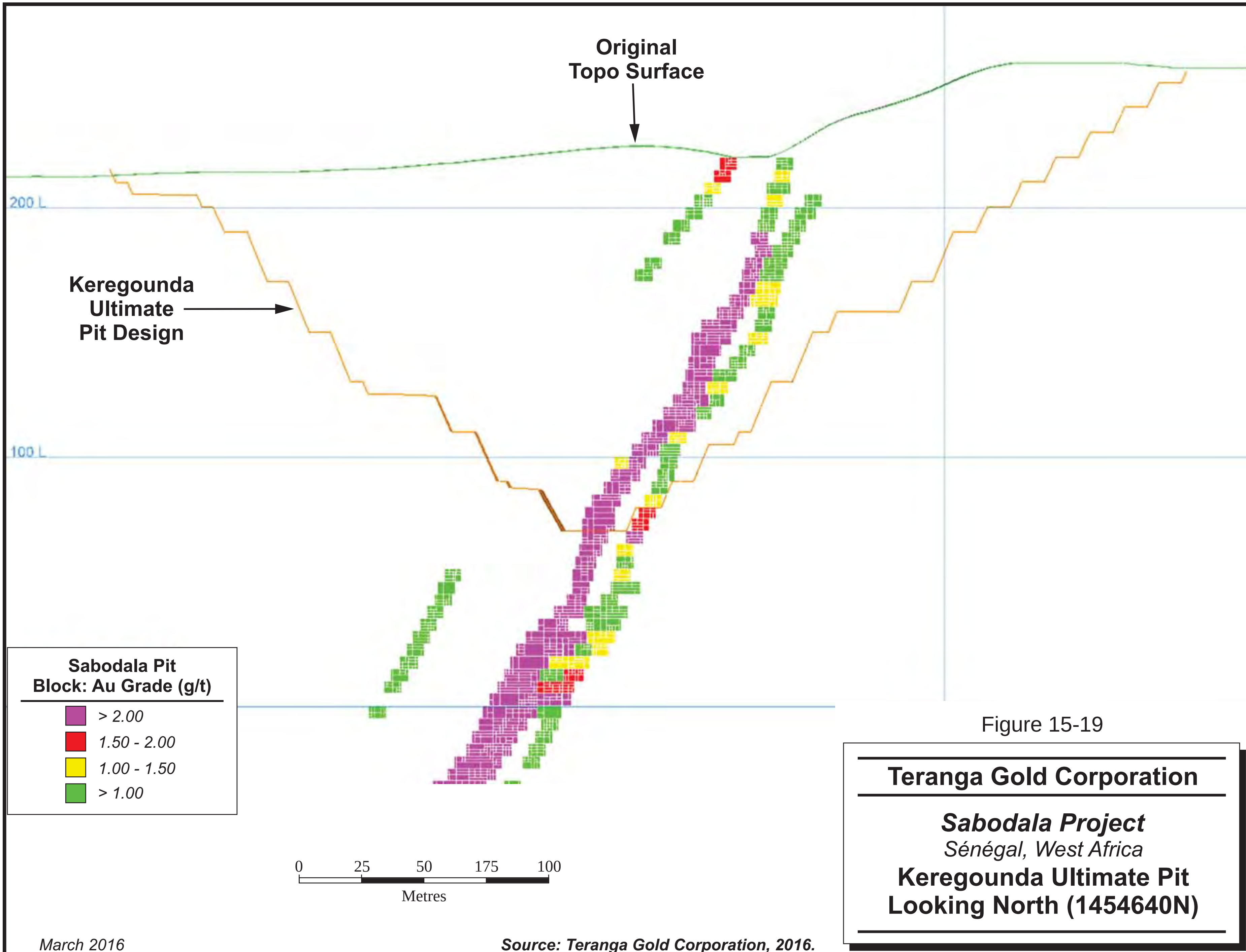


Figure 15-19

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Keregounda Ultimate Pit
Looking North (1454640N)

MAKI MEDINA PIT DESIGN

The Maki Medina deposit is a narrow vein and will be mined selectively to maximize revenue. To improve the mining selectivity, a bench height of 5 m was selected for mining in ore. A 10 m bench was selected for mining in waste. Both ore and waste zones will be mined with a PC3000 excavator similar to the size utilized at Sabodala. In areas with very thin ore zones, the PC1250 excavator will be used to mine more selectively. This equipment is compatible with the trucks utilized at Sabodala.

The Maki Medina open pit is made up of a main pit of 55 m deep (one kilometre long and 150 m wide) and a smaller pit 35 m deep (165 m long by 160 m wide) located on the southwest corner of the main pit.

The 25 m wide and 10% gradient double lane pit ramp runs down the east side of the pit, and changes to a 15 m wide single lane in the last two 10 m benches to the pit bottom of the main pit. The ramp of the other pit is 15 m wide single lane, due to the smaller size.

The entire Maki Medina pit will be mined and completed in 2018. A total 0.9 Mt of Proven and Probable Mineral Reserves have been estimated at a grade of 1.17 g/t Au and a 3.3:1 stripping ratio.

NIAKAFIRI SE PIT DESIGN

Niakafiri SE is a vein deposit located just 150 m south of the Niakafiri Main open pit. The pit design comprises a bigger south pit and a small shallower north pit.

To improve the mining selectivity, a bench height of 5 m was selected for mining in ore. A 10 m bench was selected for mining in waste. The ore benches will be mined with a PC2000 and waste zones will be mined with a PC3000 excavator.

The Niakafiri SE open pit will be mined as a single phase pit in 2019 along with Niakafiri SW. A total of 1.1 Mt of Proven and Probable Mineral Reserves at a 1.09 g/t Au grade is expected to be mined. A total of 4.2 Mt of waste will be mined at a stripping ratio of 3.8:1. The pit design incorporates the usual 25 m wide and 10% gradient double lane ramp, with the last two benches changing to a 15 m wide and 10% single lane ramp.

NIAKAFIRI SW PIT DESIGN

The Niakafiri SW pit is the smallest pit in terms size and rock content. It is located southwest of the Niakafiri Main pit and west of Niakafiri SE pit.

The mining method will be similar to that used for the Niakafiri SE pit in terms of selectivity. The ore will be mined at 5 m benches with the PC2000 excavator and the 10 m waste zones will be mined by the PC3000 excavator.

The Niakafiri SW pit will be mined in 2019, along with the Niakafiri SE pit. The 50 m deep pit is 380 m long and averages 150 m wide. A total of 2.3 Mt of rock will be mined at a stripping ratio of 5.3:1. This is made up of 0.37 Mt of Proven and Probable Mineral Reserves at a 0.92 g/t Au grade.

The pit design ramp is a combination of double (25 m wide) and single (15 m wide) lane.

STOCKPILES

The selective mining practice and stockpiling strategy at Sabodala since start-up, has released ore at a faster rate than milling, resulting in the build-up of several lower grade stockpiles. These stockpiles range in grade from marginally economic (0.5 g/t Au) to low grade (1.5 g/t Au). Stockpiled ore is reported as a Proven Mineral Reserve (Table 15-1).

OPEN PIT SUMMARY

The pit designs and the procedures used for their generation have been reviewed for the deposits and the requirements have been met with the following conclusions and recommendations:

- The mine planning process for the Sabodala mine production units, including specifically that for final pit designs, is in line with standard mining engineering procedure.
- The parameters used for the pit optimization process appear reasonable as they are based on actual performance at the Sabodala mine, both in terms of economic factors and geotechnical behaviour of pit slopes.
- The cut-off grade calculations are supported by current operating practice and are considered an appropriate basis for definition of Mineral Reserves.
- Develop a geotechnical model using the available information to better define data gaps, including any orientation and/or location bias, and to refine any future geotechnical works.

- Undertake additional diamond drilling and geotechnical logging on core from short (less than 40 m) vertical diamond drillholes located in the proximity of the new pit crests to improve confidence in the weak and weathered materials.

SLOPE DESIGN REVIEW – RISKS AND OPPORTUNITIES

Based on the work undertaken on slope stability analysis of the pit designs for all the deposits, these pit designs are considered appropriate for Mineral Reserve estimation.

As these pits are developed, the following uncertainties with the expected geotechnical conditions from a feasibility study level of knowledge to operations can be expected:

- The likely rock mass conditions expected particularly in the weathered and fresh rock mass domains.
- The likely impact of major structures upon the final pit slope design.
- The actual rock mass conditions in the vicinity of the newly updated (2015) pit slopes principally related to limited drilling coverage over the larger footprint.

The following actions are suggested to address these uncertainties:

- Undertake a review of all available data, including geological, geotechnical and hydrogeological to develop a geotechnical model prior to operations in the various pits. This model would then be used to better define data gaps, including any orientation and/or location bias, and to refine any future geotechnical works.
- Undertake additional diamond drilling and geotechnical logging on core from short (less than 40 m) vertical diamond drillholes located in the proximity of the new pit crests to improve confidence in the weak and weathered materials.
- Undertake additional diamond drilling, geotechnical logging, and possibly laboratory testing on orientated core from new diamond drillholes.
- Undertake an updated geotechnical pit slope design study.
- Implement the same high standard blasting, excavation and slope formation practices as the current practice at Sabodala gold mine.
- Continue ongoing slope excavation and design improvement practices through annual external reviews as the current practice at Sabodala, Gora, and Masato gold mine.

UNDERGROUND DEFINITION

RPA selected underground Cut and Fill (C&F) mining for use at the underground Golouma deposits, including Golouma West 1, Golouma West 2, Golouma South, and Kerekounda, for the following reasons:

- Allows for maximum recovery of ore
- Permits selectivity of mining
- Requires a minimal amount of mining equipment
- Allows for sustainable mining as there will be a low production rate.
- Suits the irregular nature of the deposits

Two deposits will be mined concurrently. A nominal underground mining rate of 500 tpd per deposit, for a total of 1,000 tpd, was determined to supplement surface mining.

GEOTECHNICAL AND GEOMECHANICAL CONSIDERATIONS

RPA has relied on "Technical Document 7 Mine Geotechnical (Pit and Underground) Report" (TD7 Report) prepared by SRK for geotechnical and geomechanical recommendations for the purpose of underground mine design (SRK, 2010b).

Two types of backfill material are proposed at Golouma, Cemented Rock Fill (CRF) and Unconsolidated Rock Fill (URF).

The underground operations are below the water table. For the most part, the underground operations at Golouma will be dry as mining is taking place in fresh rock. Kerekounda might be the exception, as it is located near surface.

UNDERGROUND DILUTION AND EXTRACTION FACTORS

Dilution is applied to all development to account for overbreak and tonnage hauled. Table 15-4 lists the dilution for the various size drift headings.

TABLE 15-4 DILUTION PARAMETERS
Teranga Gold Corporation – Golouma Gold Project

Development	Width (m)	Height (m)	Dilution Width (m)	Dilution Height (m)	% Dilution
Ramp/Level Access/Remuck	5	5	0.3	0.15	8
Operating Waste Development	2.5	5	0.15	0.15	8
Ore Development (lifts 1,3)	4	5	0.075	0.15	5
Ore Development (lifts 2,4)	4	5	0.075	0.3	7
Attack Ramps	4	5	0.3	0.15	10
Vent Access/Sumps	4	4	0.3	0.15	10

The extraction factor used is 99%. The mining method poses low risk for the LHD operators resulting in a high extraction factor.

UNDERGROUND CUT-OFF GRADE

Table 15-5 presents the development of the cut-off grade (COG) for each zone. The forecasted gold price is $1,200/oz. Mill recovery was provided as a formula by Teranga.

The mining operating costs were derived from comparable projects in Africa. A lower mining cost was used in determining the COG to account for incremental stopes. Refining, royalty, processing, and general and administrative (G&A) costs were provided by Teranga.

TABLE 15-5 CUT-OFF GRADE ESTIMATE
Teranga Gold Corporation – Golouma Gold Project

Deposit	Kerekounda	Golouma South	Golouma West
Average Grade (g/t)	2.5	3.37	3.37
	Unit Cost ($/t)	**Unit Cost ($/t)**	**Unit Cost ($/t)**
Underground Mining	65.00	65.00	65.00
Processing	15.50	15.50	15.50
G&A	3.50	3.50	3.50
Total	84.00	84.00	84.00

Notes:
1. Gold price of $1,200/oz was used.
2. Mill recovery is approximately 93%.

UNDERGROUND MINERAL RESERVE ESTIMATE

Table 15-6 presents the underground Mineral Reserve estimate for the Golouma deposits.

TABLE 15-6 UNDERGROUND MINERAL RESERVE ESTIMATE – DECEMBER 31, 2015
Teranga Gold Corporation – Golouma Gold Project

Orebody	Probable Tonnes (000)	Grade g/t Au	Ounces (000) Au
GOLW 1	619	6.1	121
GOLW 2	454	4.4	63
GOLS	472	4.3	65
KRKD	605	5.0	96
Total	**2,151**	**5.0**	**346**

Notes:
1. CIM definitions were followed for Mineral Reserves.
2. Mineral Reserves are estimated at cut-off grades ranging from 2.3 g/t Au to 2.6 g/t Au.
3. Mineral Reserves are estimated using an average long-term gold price of $1,200 per ounce.
4. A minimum mining width of 2.5 m was used.
5. Numbers may not add due to rounding.

16 MINING METHODS

HISTORIC PRODUCTION

The Sabodala open pit commenced production in March 2009 and has since been in operation. After the OJVG integration, Masato was added to the producing open pits.

A summary of the open pit production to date is provided in Table 16-1.

TABLE 16-1 SABODALA OPEN PIT PRODUCTION HISTORY
Teranga Gold Corporation - Sabodala Project

	Unit	2009	2010	2011	2012	2013	2014	2015
Ore mined	Kt	2,637	2,915	3,973	5,916	4,540	6,174	7,748
Waste mined	Kt	9,144	13,199	21,818	22,961	30,238	23,148	23,883
Total mined	Kt	11,781	16,114	25,791	28,877	34,778	29,321	31,631
Grade mined	g/t	2.19	1.80	1.39	1.98	1.62	1.54	1.22
Ounces mined	oz	186,077	168,979	177,362	376,184	236,718	305,192	303,023
Tonnes milled	Kt	1,806	2,285	2,444	2,439	3,152	3,622	3,421
Head grade	g/t	3.12	2.12	1.87	3.08	2.24	2.03	1.79
Recovery	%	92	91	89	89	91	90	92
Recovered gold	oz	166,769	141,119	131,461	214,310	207,204	211,823	182,282

OPEN PIT MINING

SABODALA

Sabodala mine production in 2016 will be as follows:

- The remaining few benches of Masato Phase 1 pit will be mined in Q1.
- Gora will continue mining Phases 1 and 2 concurrently until Phase 1 is depleted in Q1. Phase 3 stripping will begin in Q2.
- Golouma South will commence in Q1 and be completed in Q4.
- Kerekounda is scheduled to begin production towards the end of Q3.

Production will then continue into the following year and beyond as indicated in the overall LOM plan in Table 16-8.

MATERIAL MOVEMENT

The Sabodala open pit is currently under care and maintenance and will be moving to Phase 4 in 2017. Masato open pit is in Phase 3 and Gora open pit is in Phase 2, according to the LOM plan. The selective mining practice and stockpiling strategy at the Sabodala mine since start-up has released ore at a faster rate than milling capacity. This has resulted in a large build-up of low grade stockpiled ore on the ROM pad, planned to be fed to the Sabodala processing plant at the end of mine life.

The mining method utilized is conventional truck and shovel open pit mining. The mining operation is effective at selectively separating ore from waste, and in separating the four ore categories that are stockpiled if not immediately milled. These are, namely, high grade, medium grade, low grade, and marginal as defined in Table 16-2.

TABLE 16-2 GRADE CLASSES FOR ORE MOVEMENT
Teranga Gold Corporation - Sabodala Project

Code	Category	Grade Interval
A	High Grade	> 2.0 g/t Au
B	Medium grade	1.5 – 2.0 g/t Au
C	Low Grade	1.0 – 1.5 g/t Au
D	Marginal	0.5 – 1.0 g/t Au

GRADE CONTROL AND SELECTIVE MINING

Several of the satellite deposits in the LOM, specifically Gora, Golouma, Kerekounda and some of the areas within Masato, contain an orebody geometry that includes steeply dipping, narrow zones of high grade mineralization.

Measures taken to reduce dilution and ore losses in these areas include:

- Mining in 5 m benches (or less as required) in ore zones. Ore benches are mined in 2.5 m for Gora.
- Establish an RC drilling program to supplement blasthole drilling as a part of regular grade control practice in Masato, Golouma, Kerekounda, and Gora.
- Selective mining using an excavator and backhoe configuration and mining highwall to footwall in sections as small as 4 m, changing blast parameters in selective mining areas.

The findings of a fragmentation study conducted at Sabodala will be calibrated to the satellite deposits.

Standard operation procedures are observed in grade control practices from drilling and blasting, through loading and hauling to ROM and stockpile management. The general practice highlights the potential risks involved and methods to mitigate and eliminate risky practices and behaviours.

Blasthole sampling is carried out such that the safety of personnel and equipment is not compromised. Drillholes are properly identified by using the correct drillhole maps and sample bags are checked to ensure they have matching identification numbers. Disrupted samples are ignored and replaced by new, undisturbed ones. Representative samples are taken within 5 m or 2.5 m intervals on a 10 m blasthole. Irregularities such as re-drills, excessive dust, broken dust kits, sample unrecovered, excessive water, poor drilling rates, etc., are addressed as much as possible. Finally, samples are split and transported to the laboratory for testing. Sampling activities are supported by a report.

Ore spotting, loading, and hauling activities in the pits have the objective of minimizing ore loss and dilution. Effective communication is maintained to ensure ore and waste reach their appropriate destinations. The practice of exposing ore is done from the hanging wall to the ore-waste contact, and then the ore is mined under the supervision of grade control personnel. Good floor maintenance is provided with the help of GPS devices. Records of activities are kept in a report

The ROM pad operation is characterized by good coordination with the pit supervisors and truck operators to ensure that no waste load ends up on the pad. Only ore with the correct size and grade is tipped directly into the bin, and the correct blend must be applied. Piles on the pad are differentiated in terms of grade by using the correct flagging tapes, so that a good blend strategy is easily worked out.

PERSONNEL AND EQUIPMENT

The current mobile equipment fleet, along with the number of operators are shown in Table 16-3. The list of operators presented does not include supervision, lead hands, and other support personnel. It is planned that there are three crews per machine, with one operator at a time. Additional operators are also assigned to a machine in the event of absenteeism and holidays.

TABLE 16-3 MINING FLEET AND PERSONNEL REQUIRED
Teranga Gold Corporation - Sabodala Project

Mining Fleet	2016 No. of Machines	 No. of Operators
Komatsu 785 Haul Trucks	24	70
Komatsu PC3000 Hydraulic Shovel	3	10
Komatsu PC2000 Hydraulic Shovel	1	4
Komatsu WA900 Loaders	3	10
Sandvik DP1500 Drill	9	34
SKF 12 Drills	3	12
Komatsu HD465-7R Water Cart	4	10
Komatsu GD825A-2 Grader	6	14
Komatsu D375-6R Dozers	8	22
Komatsu WD600 Rubber Tire Dozer	2	6
Excavator	3	15
Subtotal	**66**	**207**

Based on the current LOM plan, no additional mobile equipment purchases will be required, only replacements as required.

The current equipment fleet includes three PC3000 shovels, one PC2000 shovel, and three WA900 wheel loaders. The PC3000s are fitted with 15 m^3 buckets. The PC2000 shovel is fitted with a 10 m^3 bucket and the WA900's with 10.5 m^3 buckets. These shovels load a fleet of twenty-four 91 t Komatsu HD785-7 haul trucks.

The LOM haulage estimates use conservative operating parameters for the main haul trucks when compared to existing operations. Table 16-4 shows the main parameters for the Komatsu 785-7 haul trucks.

TABLE 16-4 KOMATSU TRUCK PARAMETERS
Teranga Gold Corporation - Sabodala Project

Parameter	Unit	Value
Loaded Slope	km/hr	15
Loaded Flat	km/hr	30
Unloaded Slope	km/hr	20
Unloaded Flat	km/hr	40
Availability	%	85
Utilization	%	88
Efficiency	%	95

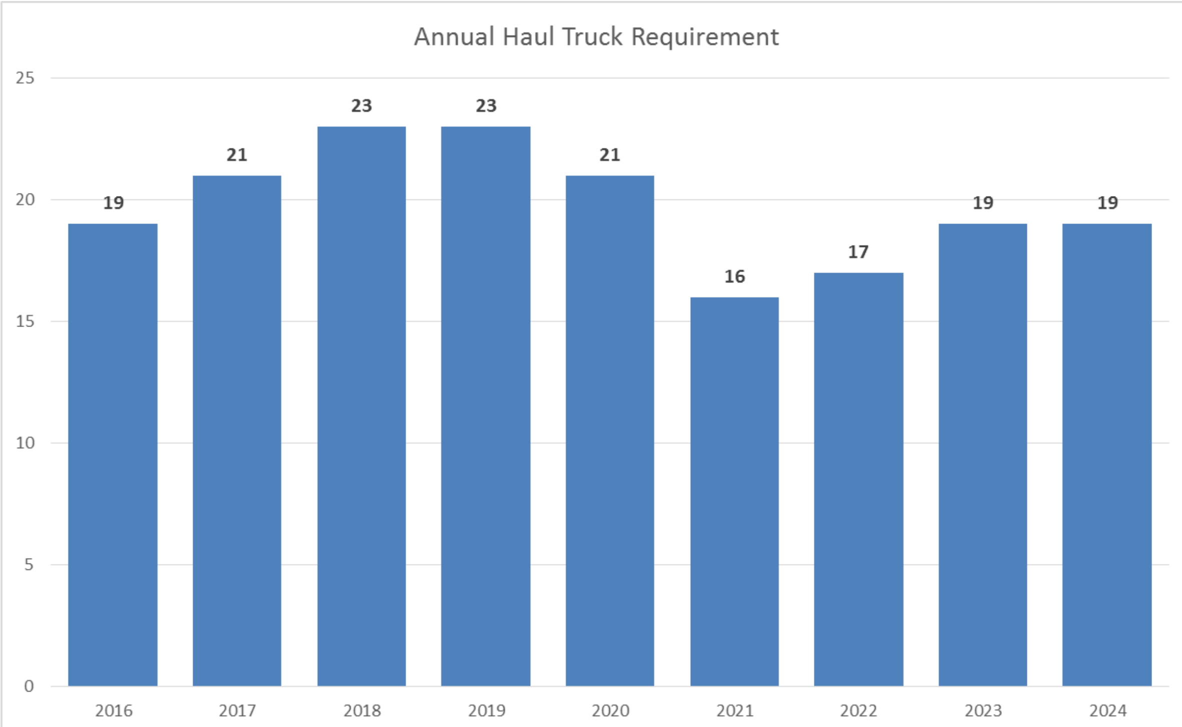
The haulage profiles were simulated by mapping out 50 m x 50 m x 10 m blocks within each pit to their ore and waste destinations. In Table 16-5, the total material tonnage per operating truck hour (TPOH) is presented for each pit by year. The waste material will be transported to the respective designed waste dumps. The ore will be hauled to the Sabodala processing plant or to a stockpile location near the pit for long haul transportation to the plant. The overall travel path increases to reach their final destination for each block as the mining in each deposit reaches deeper depths.

TABLE 16-5 TONNAGE PER TRUCK HOUR PER PIT
Teranga Gold Corporation - Sabodala Project

Pit	2016	2017	2018	2019	2020	2021	2022	2023	2024
Golouma	266			282	244	269			
Gora	347	269	282						
Kerekounda	459	378	288						
Masato	218		357	320	338	299	241	215	190
Niakafiri				400				380	267
Sabodala		272	206	175					
Maki Medina			522						
Total	**312**	**299**	**276**	**273**	**286**	**299**	**241**	**277**	**217**

Based on the haul truck parameters in Table 16-4, the productivities presented in Table 16-5 and the annual material movement, the haul truck requirements were determined for the LOM. Figure 16-1 shows the LOM haul truck fleet requirements per pit by year. The maximum required number of 23 trucks is attained in 2018 and 2019.

FIGURE 16-1 TRUCK REQUIREMENTS PER YEAR PER PIT



UNDERGROUND MINING

As described in Section 15 (Underground Definition), RPA selected the C&F mining method for use at the underground Golouma deposits.

The ground conditions can only be understood with underground development and/or vein exposure on surface. The lack of certainty led to the selection of C&F as the mining method. C&F mining is simple, repetitive, and highly flexible for deposits with uncertain continuity and regularity.

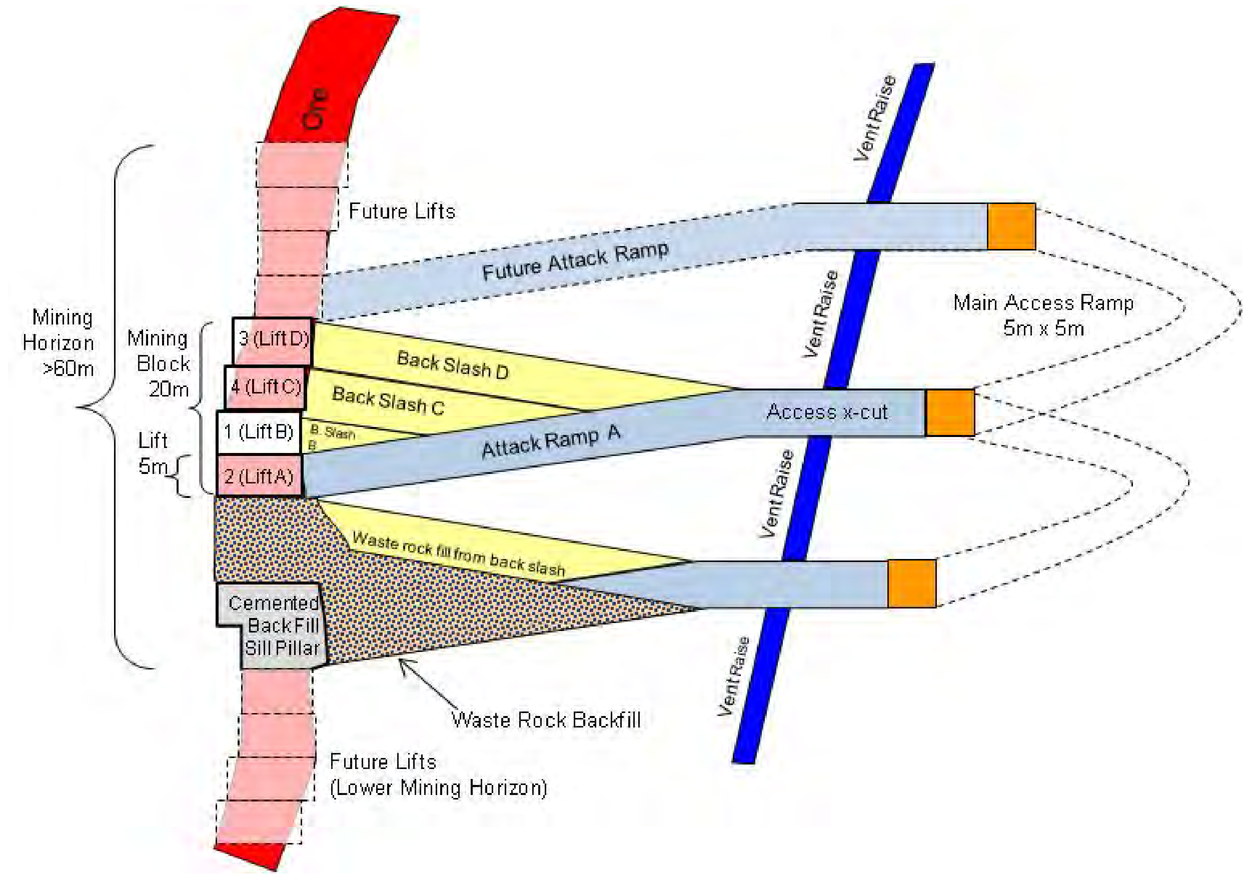
At Golouma, the C&F method will employ a “double-lift” methodology in which two lifts will be removed before backfill is put in place. The first drift will be mined (“1” in Figure 16-2) and then a bench (“2” in Figure 16-2) will be mined underneath. Both lifts will then be filled with cemented rock backfill. This sequence reduces the ground support in the back to every second lift rather than every lift. A total of four slices will be taken from each attack ramp. Once mining from an attack ramp is complete, the ramp above will then be used to access the deposit. A nominal mining rate of 500 tonnes per day (tpd) per deposit, providing 1,000 tpd total, was determined to supplement surface mining.

Deposit access crosscuts and attack ramps will be driven from the main ramps every 20 vertical metres. Ore and waste remuck bays will be sized to accept the equivalent of two rounds of muck and will be located off of the access crosscut.

From the attack ramps, ore mining will advance in both directions along strike with a full vein width face up to 10 m wide. In general, the height of the ore drift will be 5 m. For wider areas, such as the western deposit of Golouma West, pillars will be left in the middle of each lift as per a post pillar cut and fill method. In narrower zones, height will decrease accordingly. A minimum mining width of 2.5 m is used in ore development.

Upon reaching the end of the predetermined stope boundary, or running out of ore, mining of the first cut will cease and then a bench will be excavated facing the attack ramp. The second, lower cut will be mined by slashing the floor (“benching”) of the first cut. The benching cycle will create an opportunity for the jumbo to drill long (4 m+) holes and to be very productive as no cut holes have to be drilled. A lower powder factor will also be possible with benching.

FIGURE 16-2 SECTION VIEW OF CUT AND FILL MINING SEQUENCE



Source: SRK (2010a)

Once the second cut is completely blasted, all of the ore in the stope will be mucked out. Mining will then stop and the stope will be filled close to the back with cemented waste rock fill. The mining cycle will begin again on the third cut followed by benching the fourth cut. At sill level, when mining is planned to advance up from below, waste rock backfill will be cemented and allow the floor underneath the fill to be extracted.

The ventilation will be a push system, with air being directed down the ventilation raise and exhausting at the portal. This will provide a separation between the stopes and ramp. In the event of a fire, the workers will have a safe place to gather at the fresh air raise. The ventilation raise will also be the second means of egress with a ladder system installed in the raise. Services such as compressed air and water can also be installed in the ventilation raise. Electrical will be installed either via bore holes or in the ramp system.

Underground service bays for mining equipment can be established in remucks and mined out levels. These will be light duty stations designed to mend hoses and to fuel and lube equipment. Equipment that requires major repairs will be serviced at the surface facilities.

GEOTECHNICAL AND GEOMECHANICAL CONSIDERATIONS

RPA has relied on "Technical Document 7 Mine Geotechnical (Pit and Underground) Report" (TD7 Report) prepared by SRK for geotechnical and geomechanical recommendations for the purpose of underground mine design (SRK, 2010b).

BACKFILL SYSTEM

Two types of backfill material are proposed at Golouma, CRF and URF, as per the TD7 Report.

CRF is proposed to fill the initial one or two lifts of each C&F mining horizon, to eliminate the need to leave a crown pillar when mining approaches from beneath.

The rock will be sourced from ROM open pit waste. The majority of the rock will be crushed and sized to approximately 25% passing 10 mm, with the remainder sizing between 10 mm and 200 mm. Only fresh rock will be used, as saprolitic material would be detrimental to the final strength of the CRF.

The crushed rock will be mixed on surface with standard Portland cement. A cement content of 5% by weight is considered to provide sufficient strength, however, this should be confirmed by testing. Production of cement slurry can be accomplished using a skid-mounted cement slurry batch mixer. The cement slurry will be mixed with the crushed rock on surface and then transported underground.

CRF should be used to a height of at least 10 m (two lifts). Where spans exceed seven metres, wire mesh reinforcement, keyed to the excavation wall, will be used at the base of the initial lift.

URF is proposed to fill the remainder of the stopes above the CRF.

URF can be ROM open pit or underground waste rock, where sizing is not as important as it is for CRF. Open pit waste rock will be crushed so that the majority of it passes 100 mm, whereas underground waste rock does not require further crushing. It is expected that the majority of URF will be sourced from underground.

CRF and URF coming from surface will be hauled underground using the underground haul trucks. Haulage from the waste pile to the portal area will be done using surface trucks. If the stope dimensions permit, the haul truck will dump the fill directly in the stope. If the stope is too narrow for the haul truck, the fill will be dumped into a nearby remuck and rehandled into the stope using a load-haul-dump units (LHD). URF coming from underground can be transported and placed using an LHD if the source is relatively near to the stope being filled.

The fill does not need to be tight to the back, but it must be filled to within a metre of the back. In combination with wall markers, this will prevent excessive ramping down upon benching the subsequent lift and will also limit the height of the back from the working floor.

GROUNDWATER MANAGEMENT

The underground operations are below water tables as identified in the TD7 Report. RPA concurs with the recommendations in the TD7 Report for dewatering in the upper levels of the underground mines.

The underground operations are all located in fresh rock with a low hydraulic conductivity of 1.5E-08 m/s, with potential for increased conductivity near faults. For the most part, the underground operations at Golouma will be dry. Kerekounda might be the exception, as it is located near surface. According to the TD7 Report, the bottom of the pit is near the base of the weathered domain and therefore may allow water inflow near surface. Grouting and shotcreting in this transition zone may reduce water inflows in such areas.

Methods for reducing surface water inflow into the underground include the following:

- Start the underground ramp 0.5 m to 1.0 m above the surface haulage ramp of the pit.
- Incline the first two rounds to prevent surface water from running down the ramp.
- Install a metal culvert at the entrance to direct surface water from the pit away from the portal entrance.

Groundwater and mine water will be collected in sumps and pumped to surface discharging into the pits. The pit sumps can be used as a clean water source for underground equipment use.

UNDERGROUND MINE PRODUCTION SCHEDULE

Two deposits will be mined concurrently in order to meet the current mine life schedule, with each deposit scheduled at 500 tpd production, providing approximately 1,000 tpd combined peak underground ore production. Kerekounda and Golouma South will be mined first starting in 2021. Once they are exhausted, the Golouma West deposits will be mined provided the open pit above is completed by 2025.

UNDERGROUND MINE DEVELOPMENT SCHEDULE

A development schedule was prepared and is presented in Table 16-6 showing both the horizontal and vertical capital development and operating development by mine. A development rate of 4.5 m/d was used and restricted to a maximum of three rounds a day.

TABLE 16-6 GOLOUMA DEVELOPMENT SCHEDULE

Teranga Gold Corporation – Saabodala Project

Mine	Development	Unit	Total	2021	2022	2023	2024	2025	2026	2027	2028	2028
Kerekounda	Capital - Horizontal	m	3,116	2,259	368	254	75	160	-	-	-	-
	Capital - Vertical	m	208	208	-	-	-	-	-	-	-	-
	Operating - Horizontal	m	11,665	1,763	4,103	3,374	1,698	727	-	-	-	-
Golouma South	Capital - Horizontal	m	**3,041**		2,249	521	183	87	-	-	-	-
	Capital - Vertical	m	203	-	182	21	-	-	-	-	-	-
	Operating - Horizontal	m	10,502	-	2,091	3,915	3,633	863	-	-	-	-
Golouma West - P1	Capital - Horizontal	m	4,400	-	-	-	-	-	2,134	1,577	481	208
	Capital - Vertical	m	272	-	-	-	-	-	168	104	-	-
	Operating - Horizontal	m	11,538	-	-	-	-	-	2,072	3,288	3,729	2,449
Golouma West - P2 & P3	Capital - Horizontal	m	5,181	-	-	-	-	-	2,795	1,526	796	64
	Capital - Vertical	m	298	-	-	-	-	-	196	61	41	-
	Operating - Horizontal	m	8,648	-	-	-	-	-	1,308	3,498	3,067	775
Annual Total		**m**	**59,072**	**4,230**	**8,993**	**8,085**	**5,589**	**1,837**	**8,673**	**10,054**	**8,114**	**3,496**

UNDERGROUND MANPOWER

A mining contractor is specified to operate the Owner's mine fleet. Manpower requirements were divided between the contractor and the Owner, with operators and mine personnel supplied by the contractor. The technical and supervisory team will be provided by the Owner. Table 16-7 illustrates the underground labour sources and number of personnel.

TABLE 16-7 UNDERGROUND PERSONNEL
Teranga Gold Corporation – Golouma Gold Project

Owner Labour Mine Management & Technical Staff	Source	Total Personnel
UG Mine General Foreman	WEST - EXPAT	2
Senior UG Engineer	WEST - EXPAT	1
Mine Engineer	AFR - EXPAT	2
UG Surveyor	AFR - EXPAT	2
Senior UG Mine Geologist	WEST - EXPAT	1
Geologist	AFR - EXPAT	2
Geological Technician	AFR - EXPAT	2
Total		**12**
Mining Contractor		
Contractor Labour	Redpath Mining	24

OVERALL MINING SCHEDULE

The overall objective of the LOM mining schedule was to produce a plan with the maximum net present value (NPV), while achieving the process plant objectives and targets. This was completed by mining deposits in phases, where possible, and mining lower cost pits in priority.

A stockpiling strategy is implemented as part of the goal to maximize the project NPV. Lower grade material is stockpiled at the ROM stockpiles and higher grade ore material is prioritized for the mill feed. In the periods where ore material delivered from the pit is less than the processing rate, mill ore feed is supplemented by the ROM stockpiles.

The mine production schedule is shown in Table 16-8.

TABLE 16-8 LOM PRODUCTION SCHEDULE
Teranga Gold Corporation - Sabodala Project

			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	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	270.68	36.3	36.4	38.2	35.9	35.4	35.8	27.2	21.5	24.2	16.1					
	Movement	Mt	314.74	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 Ore Balance	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	
	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**

Sum of individual amounts may not equal due to rounding.

The LOM is approximately 13.5 years, ending mid-year 2029. The average gold production for the first five years is 207,000 oz. The variable annual milling rate is the result of the mill feed material blend and the commissioned PPC in Q4 2016. Additional mill upgrades are planned to be commissioned prior to 2017 with completion of the mill optimization in 2016. The full benefits will be achieved in 2017.

The underground mine construction begins in year 2020, with ore production in 2021. The open pit mining ends in year 2024 and the remaining LOM comprises mining from the underground. Kerekounda and Golouma South will be mined first starting in 2021. Once they are exhausted, the Golouma West deposits will be mined. The objective of scheduling the deposits to be mined in this sequence is to have continuous production from the underground with some lag in the schedule to allow infrastructure to be moved from the first set of deposits to the second set.

The mining at Niakafiri occurs in two phases, with the first phase starting in year 2019. This phase includes Niakafiri SE and Niakafiri SW. These two deposits are located outside the village relocation zone and, as a result, mining can occur prior to the relocation of Sabodala village. The second phase of mining at Niakafiri starts in year 2023 and is made up entirely of Niakafiri Main deposit. The relocation of Sabodala village will start in year 2021, in order to prepare for the mining operation.

In Figure 16-3, the LOM material movement is presented, along with the annual gold production. The material movement shown in the chart includes ore production from the underground mine along with ore and waste from the open pit mines. Figure 16-4 shows the LOM stripping ratio and average mine in-situ grade. It is important to note that years with higher stripping correspond to the years with higher mine grade. This is a result of mining high grade deposits with higher grade material and is most evident in year 2017.

FIGURE 16-3 LOM MATERIAL MOVEMENT AND GOLD PRODUCTION

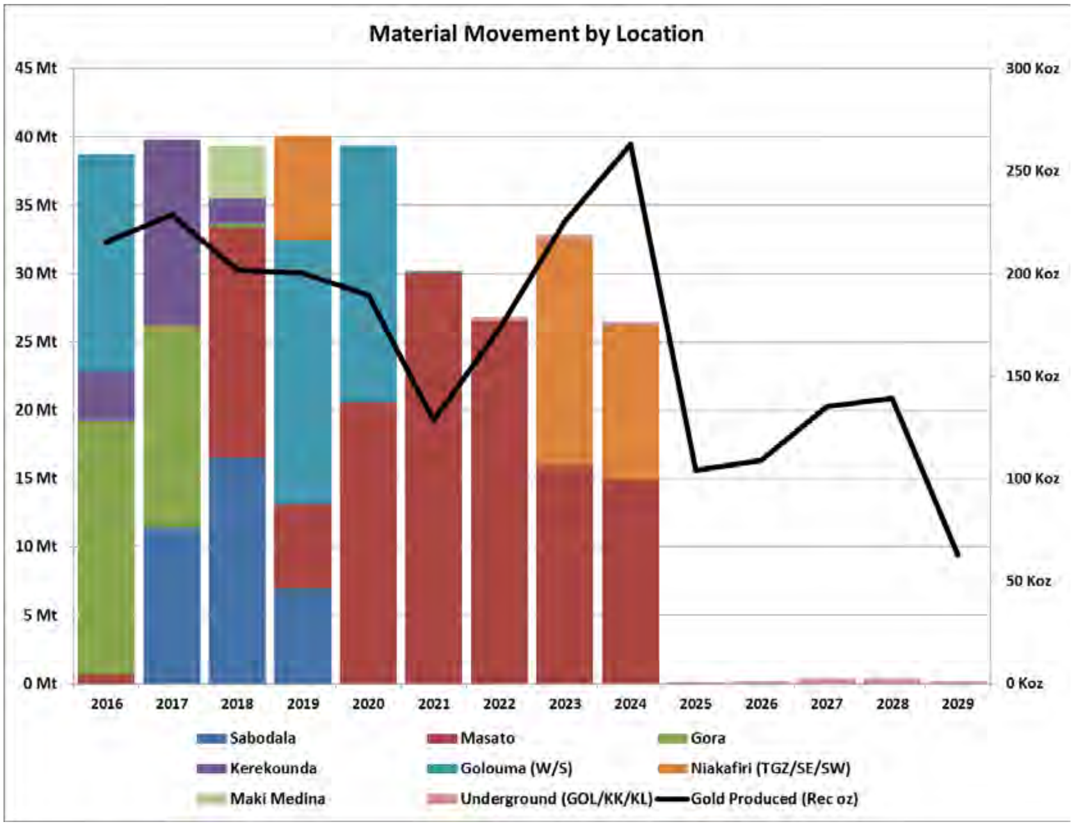


FIGURE 16-4 LOM OPEN PIT STRIP RATIO AND MINE IN-SITU GRADE

17 RECOVERY METHODS

The Sabodala processing plant was expanded in late 2012 to a design capacity of approximately 3.5 Mtpa (fresh ore) and 4.0 Mtpa with a mix of fresh and oxidized ore. A mill optimization project was initiated in mid-2015 and, upon completion/ramp-up in the fourth quarter 2016, the mill is expected to increase throughput by more than 10% on an annualized basis based on existing ore hardness.

OVERVIEW OF CURRENT PROCESSING PLANT

The plant comprises facilities for crushing, grinding, CIL cyanidation, and tailings disposal. Gold recovery facilities include acid washing, carbon stripping and electro winning, followed by bullion smelting and carbon regeneration.

The major equipment of the plant includes:

- Primary crusher: Nordberg C140S single toggle jaw crusher
- Secondary crusher: Sandvik CH660 cone crusher
- Semi-autogenous grinding (SAG) mill: Outotec 7.3 m x 4.3 m EGL, 4,000 kW
- Ball mills (x2): Outotec 5.5 m x 7.85 m EGL 4,000 kW
- Recycle (Pebble) crusher: Metso HP200SX Cone crusher
- CIL circuit: three 2,600 m^3 leach tanks and nine 1,240 m^3 adsorption tanks with compressed air injection
- Elution circuit: 5 t batch capacity, split AARL elution
- Tailings thickener (x2): Outotec 23 m high rate thickener

Figure 17-1 shows the simplified process flowsheet for the Sabodala plant.

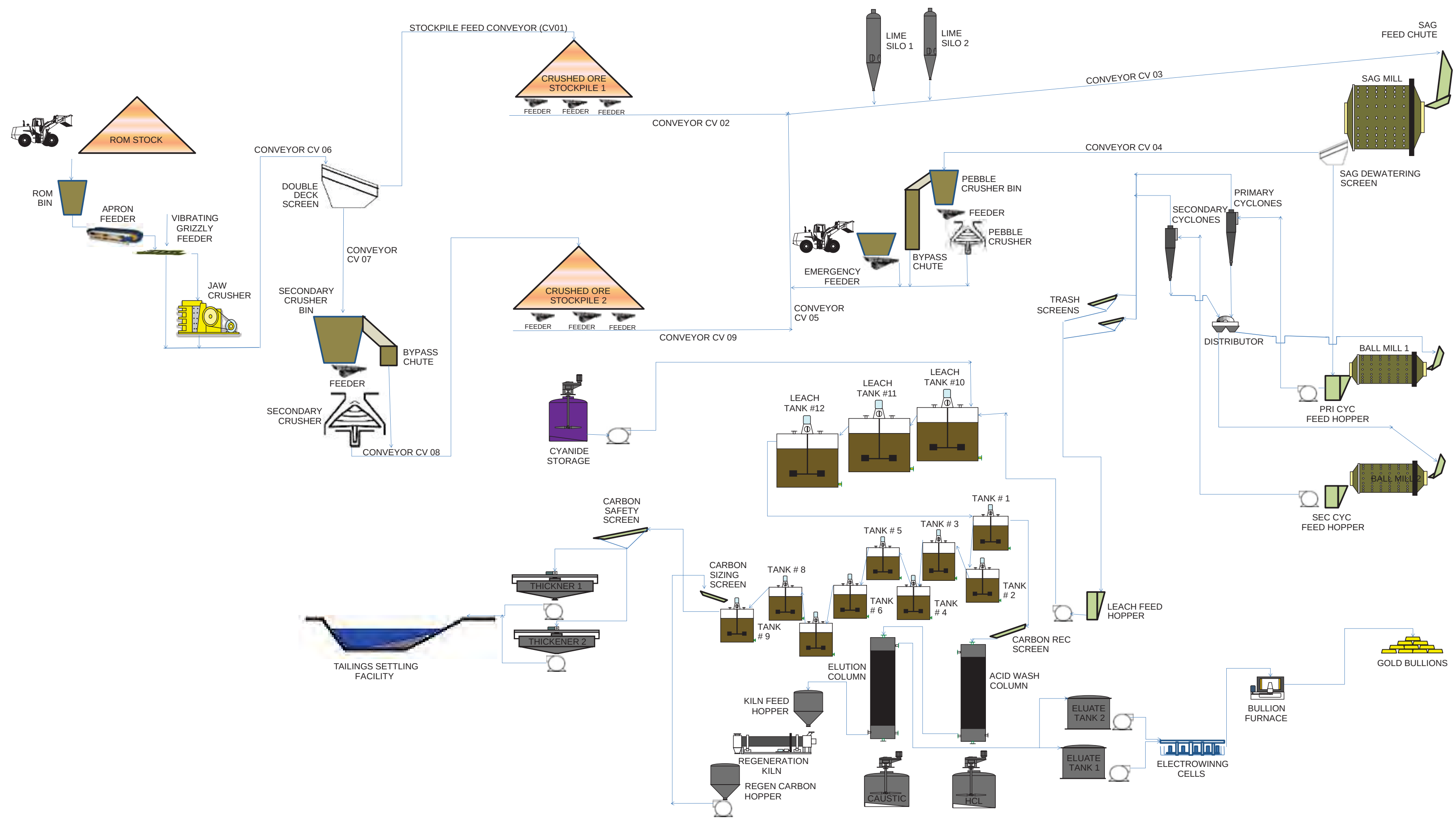


Figure 17-1

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Process Flowsheet

March 2016

Source: Teranga Gold Corporation, 2016.

CRUSHING, STOCKPILING, AND RECLAIM

ROM ore is delivered to the primary crushing facility by rear-dump haul trucks and front-end loaders. Ore delivery from the mine is on a 24 hr per day schedule. The primary crusher incorporates a jaw crusher, followed by a secondary crushing system that produces the required feed for the SAG mill.

Belt conveying systems deliver crushed ore to the primary and secondary crushed ore stockpiles. The reclaim system from the crushed ore stockpile includes a single apron feeder and two vibrating feeders, located under the stockpile and a triple deck screen for sizing between the primary and secondary crushers.

GRINDING AND CLASSIFICATION

Ore is ground in two stages to produce a product suitable for cyanide leaching. The first stage includes a SAG mill driven by a four megawatt variable speed motor. Oversize pebbles extracted from the SAG mill are removed by a screen, crushed by the 132 kW pebble crusher and returned to the SAG mill feed. Undersize from the SAG mill discharge screen gravitates to the cyclone feed hopper, where it is combined with the ball mill discharge and process water.

The second grinding stage consists of two ball mills, each driven by a four megawatt fixed speed motor. The ball mills operate in closed circuit with a cyclone cluster consisting of 16 250 mm diameter cyclones (12 operating, four standby). The cyclone cluster is fed a combination of the SAG mill discharge, the ball mill discharge and process water. The cyclone underflow reports to the ball mill for further grinding, while the cyclone overflow, at 48% to 50% solids by weight and a P_{80} of 75 µm flows by gravity to the CIL feed pumps.

LEACHING AND ADSORPTION CIRCUIT

The leach circuit consists of three leach tanks and nine leach-adsorption tanks. The circuit residence time varies from approximately 24 hrs to 30 hrs, dependent on the ore blend. Lime is added to the grinding circuit to increase the slurry pH to ten. Sodium cyanide is added to the first leach tank. All tanks are sparged with low pressure air to ensure sufficient oxygen is available for the gold dissolution reaction.

Granular activated carbon is added to the slurry to adsorb the gold-cyanide ion. The carbon concentration is maintained at 10 kg/m^3 to 15 kg/m^3 in the adsorption tanks.

Each stage of the adsorption circuit consists of a mechanically agitated tank equipped with a mechanically swept vertical carbon retaining screen. Slurry flows from tank to tank by gravity flow and carbon is advanced counter currently by pumping slurry from tank to tank in a flow that is opposite to the gravity flow.

CARBON RECOVERY AND ACID WASH

The pregnant carbon is recovered from the adsorption circuit using the loaded carbon transfer pump. The carbon is screened and washed with process water on the loaded carbon screen and reports to the acid wash column where the carbon is washed with hydrochloric acid to remove the inorganic contaminants. After the acid wash, the carbon is rinsed with water. The rinsed carbon is transferred to the elution column.

MILL OPTIMIZATION PROJECT

A mill optimization project was launched in mid-2015; it consists of adding a second primary jaw crusher and screen to operate in parallel with the existing crusher. This will (i) increase availability to the live storage for the mill circuit, and (ii) provide the flexibility to reduce the top size primary crusher product.

Basic engineering for the mill optimization was completed in the first quarter of 2015 to finalize the design, layout, material quantities, procurement packages and an execution plan for construction. During this process, additional capital was allocated for upgrades to the SAG mill and to the ball mills. Upgrades to the SAG mill include a trommel screen installation, redesign of the liner configuration and installation of a vortex discharge head. Upgrades to the ball mill circuit include increasing the ball charge to 38%, increase motor power by 500 kW for each ball mill, cooling systems and new gearboxes.

Upon completion and ramp-up in the fourth quarter 2016, the mill optimization is expected to increase throughput by more than 10% on an annualized basis based on existing ore hardness; however, there may be potential to increase throughput further based on simulations of the new design configurations. More specifically, the milling rate for hard fresh rock will be 503 tonnes per hour (tph) and approximately 530 tph for soft oxide material.

CARBON ELUTION AND ELECTROWINNING

The Sabodala elution circuit utilizes a split Anglo American Research Laboratories (AARL) design to treat carbon in five tonne batches.

To recover gold from the carbon, batches of carbon are subject to a high pressure and temperature elution process. Hot cyanide-caustic solution is used to strip the gold from the carbon and recover it into pregnant solution. The gold is recovered from the pregnant solution by electrowinning onto stainless steel wire wool cathodes in an electro-winning cell.

The loaded cathodes are removed and pressure washed. The gold is recovered in the form of sludge and dried. The dried gold sludge is mixed with fluxes and smelted on site to produce doré that includes gold and silver. The "barren" carbon is thermally re-activated to remove organic contaminants and returned to the circuit.

The precious metal doré is shipped under secured conditions to the contracted refinery for further processing and subsequent sale.

TAILINGS THICKENING

The CIL circuit tailings are thickened prior to final storage in the tailings storage facilities (TSF). Two tailings thickeners are used to recover process water (containing valuable reagents) and to reduce the overall tailings storage requirements. The achieved thickened underflow density range is 60% to 65% solids by weight.

The thickener underflow is pumped via a two-stage pumping arrangement to the TSF.

18 PROJECT INFRASTRUCTURE

TAILINGS AND WATER STORAGE

INTRODUCTION

This section of the report presents a summary of the background and details of the TSF design and operation for SGO.

Work on the TSF was completed by Coffey Geosciences and Coffey Mining from 2006 to 2012. Design and construction management is currently being undertaken by Worley Parsons Consulting (Worley Parsons) as per their recommendations. All permitting requirements have been met. Periodic reviews and documentation are being completed as planned.

Table 18-1 shows the relevant reports and data on the TSF construction.

Figure 18-1 shows the lateral extent of the depression formed by the TSF1 tailings deposition in the vicinity of the decant facility.

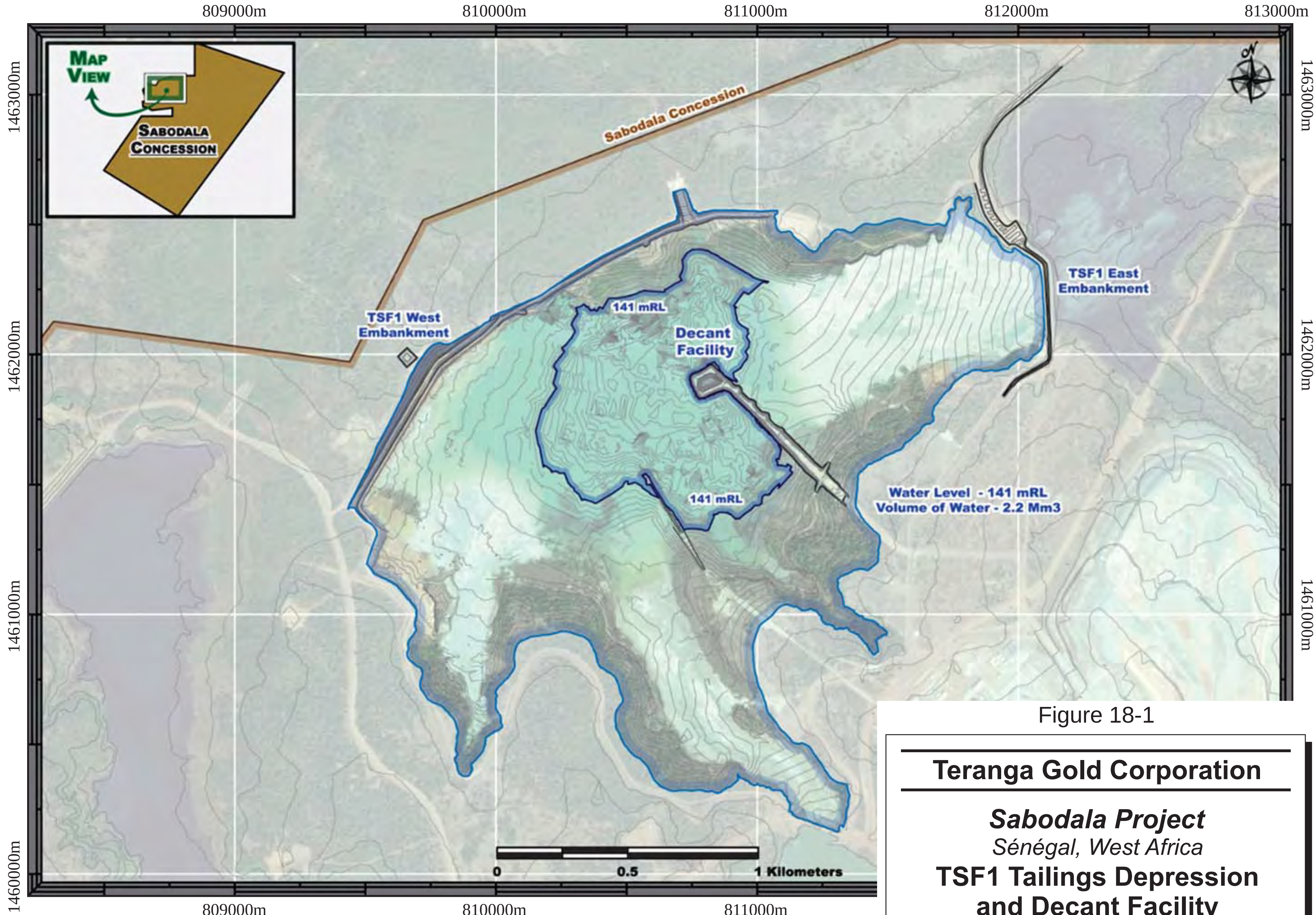


Figure 18-1

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

TSF1 Tailings Depression and Decant Facility

March 2016

Source: Teranga Gold Corporation, 2016.

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TABLE 18-1 SUMMARY OF REPORTS RELATING TO TAILINGS STORAGE FACILITIES
Teranga Gold Corporation - Sabodala Project

Date	Executing Organization	Document Number	Document Title	Document Purpose
Oct-06	Coffey Geosciences	PZ00008.05 TSF Design Rev A	Tailing Storage Facility - Design Report	Detailed design of the TSF1
Nov-06	Coffey Geosciences	PZ00008.05-AD Rev B	Small Water Storage Facility - Design Report	Detailed design of the small water storage facility
Nov-06	Coffey Geosciences	PZ00008.05-AH Rev B	Large Water Storage Facility - Revised Design Report	Detailed design of the large water storage facility
Feb-10	Coffey Mining	MWP00008AI-AB Audit rep Rev 0	Tailings Storage Audit and Management Review - Tailings Storage Facility 1 – 2010	TSF1 annual audit for 2010
Nov-11	Coffey Mining	MWP00008AI-AB	Tailings Storage Audit and Management Review - Tailings Storage Facility 1 – 2011	TSF1 annual audit for 2011
Mar-12	Coffey Mining	MWP00008AI-AD Design Rep TSF2 Rev 1	Tailings Storage Facility No. 2 (TSF2) and Associated Works Design Document	Design report of the proposed TSF2
Jan-13	Worley Parsons	301012-01512-00-SS-REP-GR0001	Geotechnical Review TSF1 – 2012	TSF1 annual audit for 2012
Aug-13	Worley Parsons	301012-01512-00-SS-REP-0001	TSF1 Western Embankment Raise to RL150 m	Design Report for the TSF1 Western Embankment Raise to RL150 m 2013
Nov-13	Worley Parsons	301012-01512-00-REP-0002	Tailings Storage Facility 1 Western Embankment Raise to RL149 m Construction Report	Construction Report for the embankment raise in 2013
Nov 13	Worley Parsons	301012-01512-HY-REP-WB0001	Water Balance	Report on and instructions for the revised water balance for Sabodala Gold Operation.
Dec-13	Worley Parsons	301012-01512-00-SS-REP-GR0002	Geotechnical Review TSF1 – 2013	TSF1 annual audit for 2013
Aug-15	Worley Parsons	301012-01512-00-SS-GR00004	Geotechnical Review TSF1 Sabodala Gold Operation 2015	TSF1 annual audit for 2015
Aug-15	Worley Parsons	301012-01512-SS-LET-TSF1OPT0001	Capital Deferment of Tailings Storage Facility 2 and Optimization of Tailings Storage Facility 1	TSF1 annual audit for 2015

LIFE OF MINE STORAGE CAPACITY

The storage volume of TSF1 is 12.4 Mm^3 for variable beach slope model and 18.0 Mm^3 for fixed beach slope model based on the crest level of the existing embankments, raising of the the existing southern embankment and constructing new southwestern embankment. Teranga will implement the fixed beach slope model for TSF1.

At an average in-situ dry density for the deposited tailings of 1.49 t/m^3, this additional storage equates to approximately 26.8 Mt or 6.7 years of operation (4 Mtpa) with fixed beaches.

Assuming that TSF1 can continue to be operated to achieve an average in-situ dry density for the deposited tailings of 1.49 t/m^3, TSF1 could continue to operate through to the end of Q1 2022. Construction of TSF2 could therefore be deferred until the end of the wet season 2021, effectively Q4 of 2021, and TSF2 could be commissioned in Q2 2022.

An additional raise to TSF2 to crest RL149 can provide additional storage for the current 14 year LOM. TSF2 can be raised to RL149 m since there is a significant “sunk cost” in terms of the existing western embankment for TSF1 (crest RL149) which forms part of the containment for TSF2.

TSF1 and TSF2 storage volume available and storage volume required is shown in Figure 18-2.

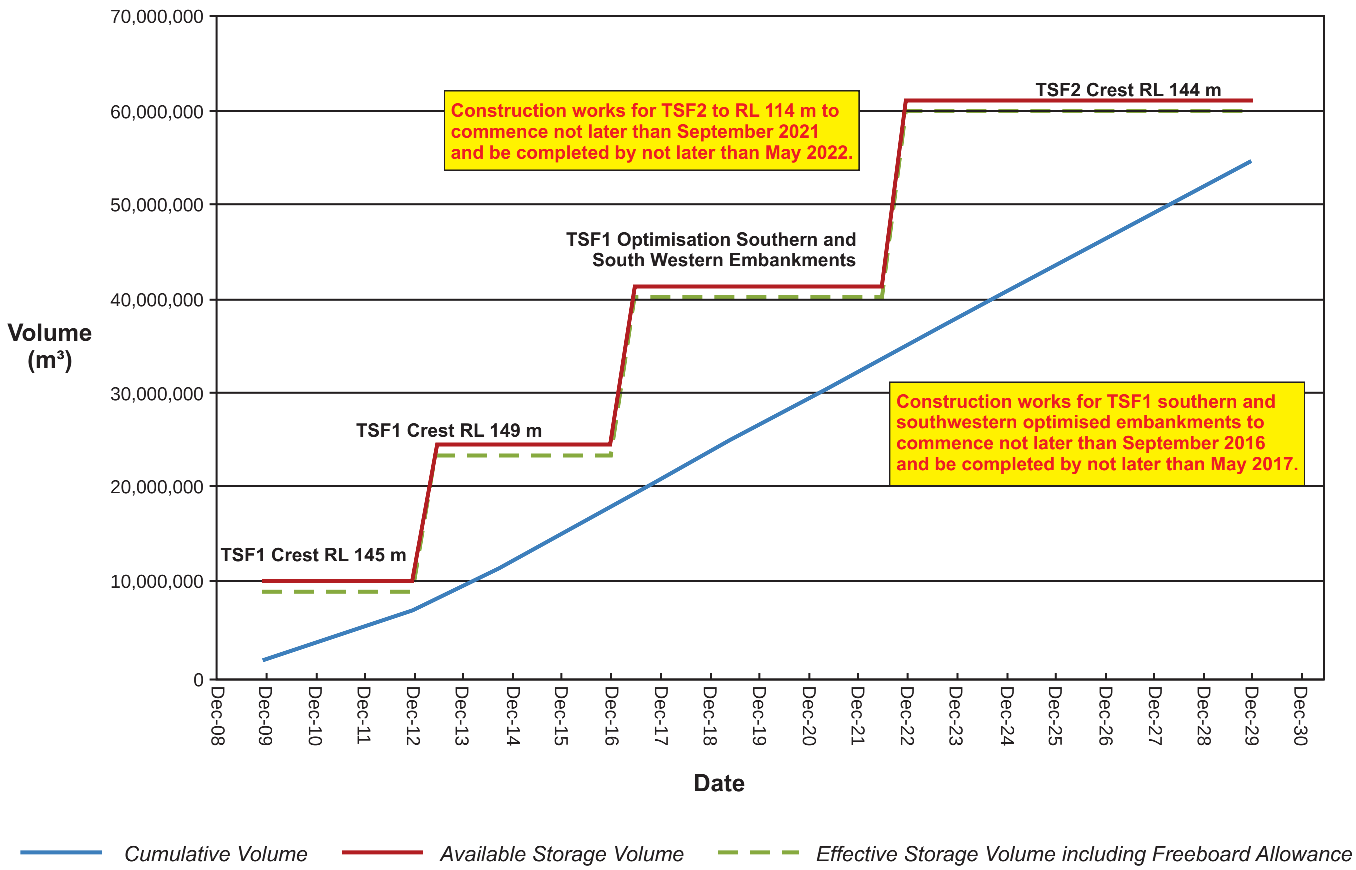


Figure 18-2

Teranga Gold Corporation

Sabodala Project
Sénégal, West Africa
Tailings Solids Storage Volume

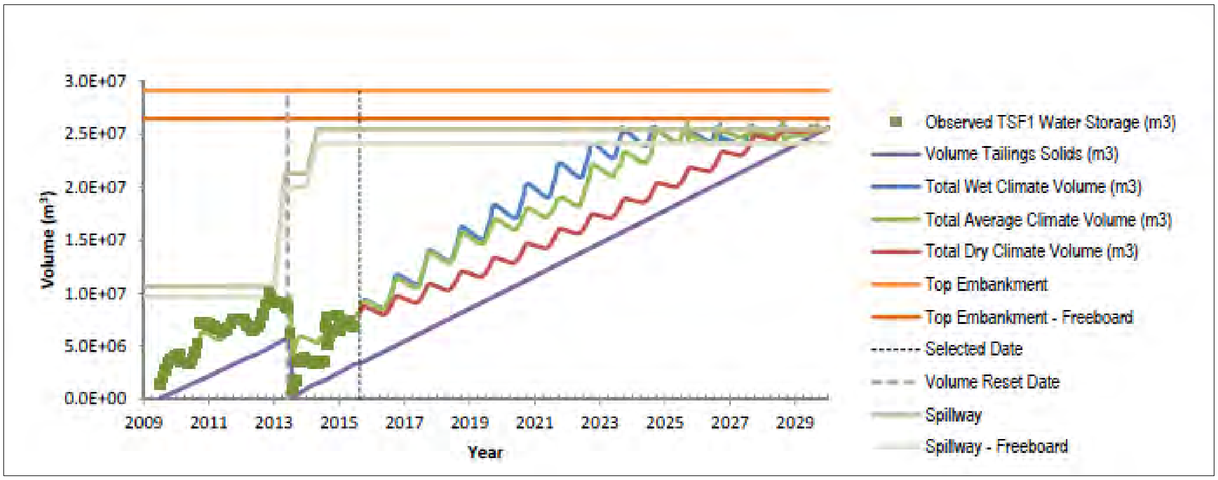
March 2016 **Source: Teranga Gold Corporation, 2016.**

WATER BALANCE

The water balance for the TSF1 and lift schedule, and the water storage design model predict that TSF2 will be required by 2022.

The time series of volumes in TSF1 for historical and predicted volumes is shown in Figure 18-3. The capital cost is provided for in the capital cost summary (Table 21-1).

FIGURE 18-3 TIME SERIES OF VOLUMES IN TSF1 FOR HISTORICAL AND PREDICTED VOLUMES



TAILINGS OPERATION

Both TSF1 and TSF2 have written Operations Manuals for:

- Process Plant Management who has the overall responsibility to implement the deposition and water management strategy.
- Plant Staff who are in control of the day to day spigot operation system and water recovery system to proactively implement the deposition and water management strategy on the TSFs.

Separate manuals are provided for the maintenance staff to ensure equipment is maintained and serviceable to meet the operational requirements.

The tailings deposition strategy is intended to keep the supernatant pond around the decant facility for the life of each TSF by balancing deposition in one area with deposition in other areas.

The modelling undertaken for the TSFs assumes that this deposition strategy would be implemented to optimize the tailings beach configuration and thus maximize the use of the available storage volume. The maximizing of supernatant return water to the process plant is part of this operating strategy and this helps to maximize the average in-situ dry density of deposited tailings. The maintenance of the supernatant pond to the minimum practical size also reduces evaporation and seepage losses.

Maximizing the recovery of supernatant water also assists in preserving the water inventory stored within the various water storage ponds at site.

TAILINGS AND WATER MANAGEMENT RISKS AND OPPORTUNITIES

RISKS

There are risks associated with the operation of any tailings storage facility.

SGO has implemented a sound risk management practice by having in place:

- The Operations Manuals and Water Balance to implement the day to day management of the TSFs to meet the overall tailings deposition and water management strategy.
- A tailings management strategy which has assessed the future needs for tailings storage and has the timing of the necessary construction activities planned, materials sourced and approvals in place.

OPPORTUNITIES – IN-PIT TAILINGS STORAGE

SGO has looked at a number of alternative tailings management technology strategies including paste and filtered tailings and has concluded these technologies are not cost effective for the Sabodala site.

There is an opportunity to consider in-pit tailings storage as a low risk strategy. However, at this stage the potential abandoned mine pits comprise the Sabodala pit and other potential pits which are much smaller.

The Sabodala pit is very large and deep with an estimated volume to the lowest pit rim of 55.90 Mm^3, which is well in excess of the tailings storage requirements. There are potential issues with respect to using the Sabodala pit for tailings deposition, which are outlined as follows:

- There is a potential underground mining resource which would be inaccessible if in-pit tailings deposition were to proceed. It is understood that the underground resource needs further technical work to be classified as a “reserve” and premature ore sterilization is a key issue which would prevent in-pit tailings being considered at this stage.
- If the Sabodala pit were to be used for tailings deposition, the final level of the tailings and the future use of the pit by locals as a source of water is a potential issue. The volume of tailings available is significantly less than the volume of the pit void and surface of the deposited tailings in relation to the final pit water level post closure is known. The water quality of the end “pit lake” in the closure plan is a concern if there is Process Affected Water (PAW) present such that it could interact with groundwater inflows.

A number of smaller pits filled to within one metre of ground level and capped with mine waste would potentially be a preferable option to a tailings level well below ground level or below the pre-mining water level.

At this stage, technical work is not sufficiently advanced for alternative pits to be defined in detail and those pits which could potentially be available are further away from the process plant than the current options on surface.

Given the above uncertainties, the option of using an in-pit TSF has not been studied at this stage.

SABODALA INFRASTRUCTURE

The Sabodala infrastructure includes the Sabodala and Masato pits, a processing plant, a power plant, a ROM pad, and a TSF, and is shown in Figure 18-4.

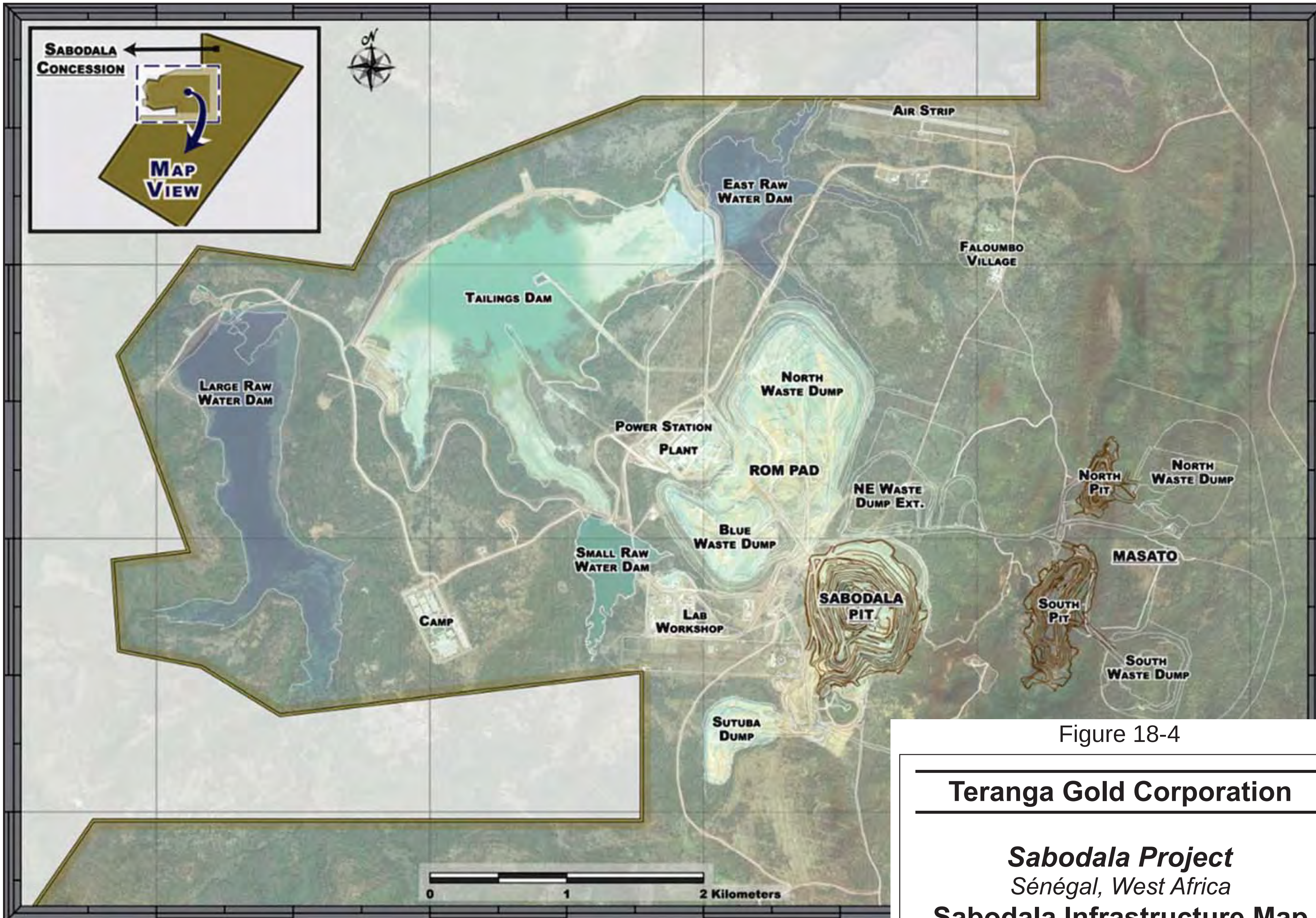


Figure 18-4

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Sabodala Infrastructure Map

March 2016

Source: Teranga Gold Corporation, 2016.

GORA INFRASTRUCTURE

The infrastructure at Gora includes:

- Two 250 kW diesel generators
- Fuel and lube storage facilities
- Operations and dispatch buildings
- Kitchen, lunch room and ablution facilities
- Warehouse, workshop and storage yard
- Raw water dam 870,000 m^3 storage capacity
- Gatehouse

Figure 18-5 shows the site layout for the Gora mine site.

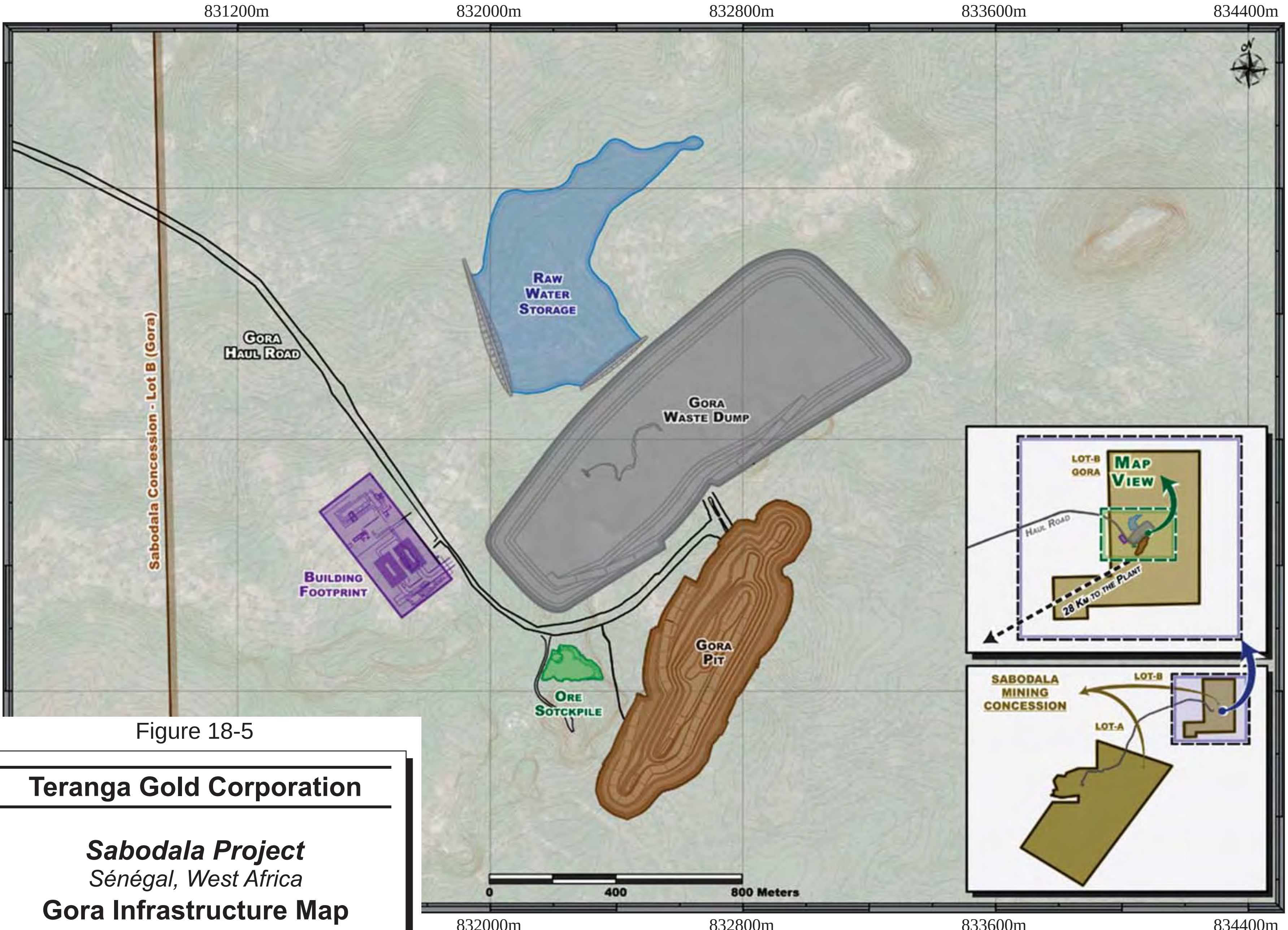


Figure 18-5

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Gora Infrastructure Map

March 2016

Source: Teranga Gold Corporation, 2016.

GOLOUMA AND KEREKOUNDA INFRASTRUCTURE

Golouma and Kerekounda are located 7.5 km to 9.0 km southwest of the Sabodala processing plant. The infrastructure consists of the following:

- Two 250 kW diesel generators
- Maintenance, fuel and lube storage facilities
- Operations and dispatch buildings
- Lunch room and ablution facilities
- Wash bay and go-line

Golouma and Kerekounda infrastructure is shown in Figure 18-6.

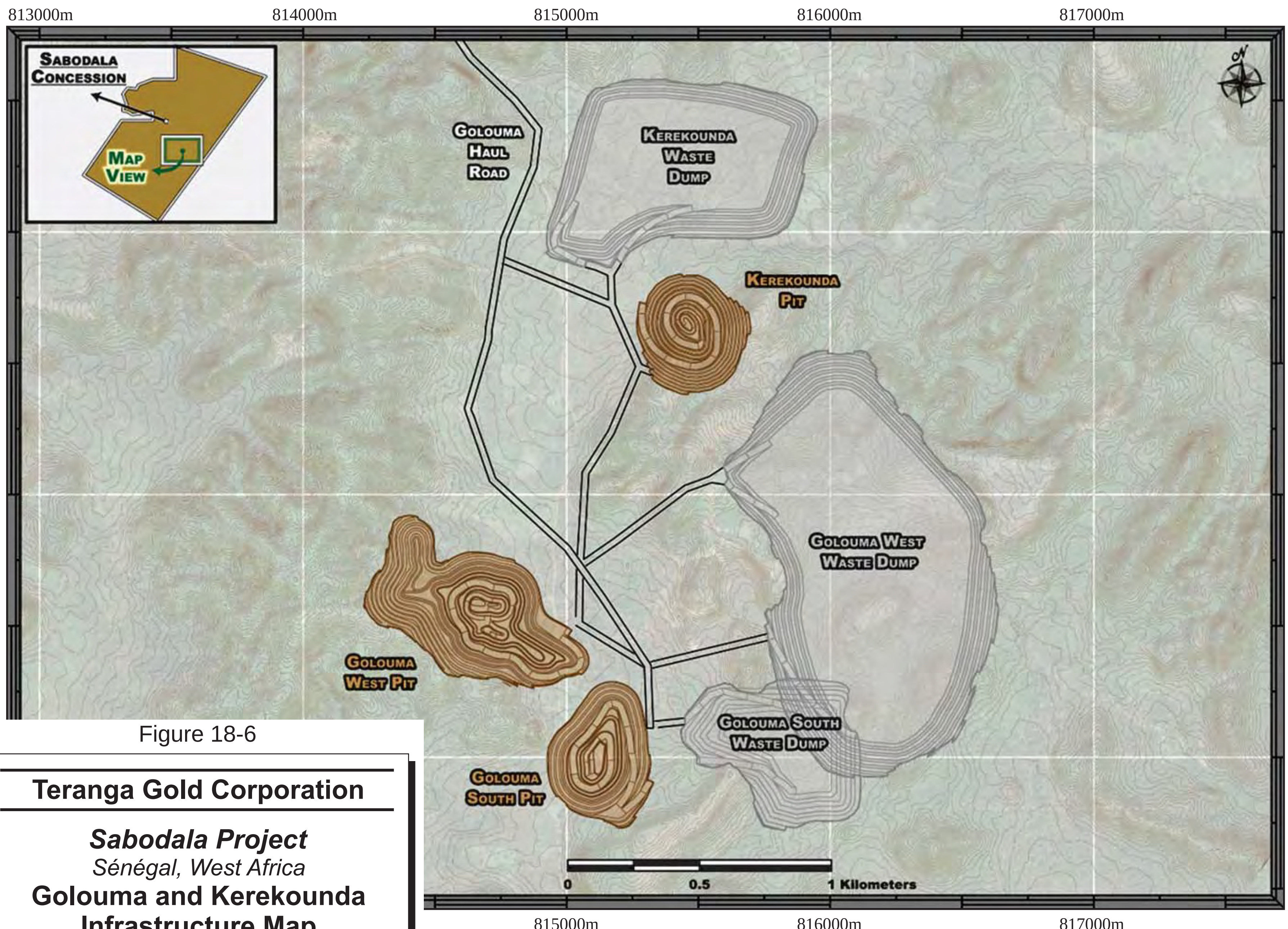


Figure 18-6

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Golouma and Kerekounda Infrastructure Map

March 2016

Source: Teranga Gold Corporation, 2016.

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DAKAR FACILITIES

Existing port facilities at Dakar are utilized for unloading of all project construction freight and for long term operational freight. No new infrastructure is required for the port to accommodate the Project.

Teranga has set up its own corporate offices in Dakar in which logistics, government liaison, personnel transport, and other management functions for SGO and SMC are based.

COMMUNICATIONS

The Project has the following communication and radio facilities:

- Satellite internet
- VOIP satellite phone
- Cell phone coverage
- Vehicle and hand-held radios

Additional communications networks will be expanded and installed as required for the various satellite mines as development commences.

19 MARKET STUDIES AND CONTRACTS

MARKETS

The principal commodity of SGO is gold. Gold is widely and freely traded on the international market, with known and instantly accessible pricing information.

CONTRACTS

Gold produced at the mine site is shipped, under secure conditions, to a refiner. Pursuant to existing contracts, the refiner delivers the gold directly to an account held with one of Teranga's gold sellers: Macquarie Group, Auramet Trading LLC, and Metalor Group.

20 ENVIRONMENTAL STUDIES, PERMITTING, AND SOCIAL OR COMMUNITY IMPACT

ENVIRONMENTAL LICENCES AND PERMITS

In accordance with the Environmental Code (2001) and the Sabodala Mining Convention, an Environmental and Social Impact Statement (ESIS) for the Project was completed in July 2006, by Tropica Environmental Consultants and an Environmental and Social Management and Monitoring Plan (ESMMP) was developed by Earth Systems in September 2007 and updated in 2012. The Environmental Compliance Certification was granted in January 2008.

The ESMMP recommended that "SGO prepare a stand-alone Rehabilitation and Mine Closure Plan (RMCP) within the first year of operations". That RMCP was prepared for SGO by Earth Systems in 2008, and updated in 2012.

Prior to acquisition by Teranga, OJVG received approval for the Golouma operation based on the 2010 Feasibility Study project plan and Environmental and Social Impact Assessment (ESIA) through Attestation of Conformance, as issued by the Government of Senegal in May 2012. The ESIA was prepared in compliance with the Equator Principles and meets the requirements of the International Finance Corporation (IFC). The Environmental Compliance Certification was granted in November 2013. A conceptual mine closure plan relating to the Golouma operations was prepared in June 2010, by SRK.

In April 2015, a new Mining Convention incorporating the Golouma and Sabodala concessions was signed between the State of Senegal and SGO and the decree for this merger was signed in July 2015.

The Gora mine lies approximately 28 km northeast of the Sabodala processing plant and is located within the Sounkounkou exploration permit for which SMC holds a majority interest. SGO submitted the ESIA in 2014 for the Gora Project. The approval was received in March 2015. Development for mining at Gora started in mid-2015. The permitting process for the Gora Project comprised two principal steps, the mining lease for the Gora Project and a new road for the haulage of ore from the Gora Project to the Sabodala processing plant.

Teranga currently has all the necessary permits required for development as per the LOM plan presented in this Technical Report.

ENVIRONMENTAL MANAGEMENT, REHABILITATION AND MINE CLOSURE

In November 2015, Environmental Resources Management (ERM) completed a new RMCP that incorporates deposits from the OJVG acquisition and the Gora deposit to SGO's closure plan. The RMCP provides a comprehensive discussion of the implementation, management, and monitoring of rehabilitation activities that are to be undertaken during both the operational and closure phases of the Project. The RMCP also provides SGO with an indication of anticipated rehabilitation and closure costs throughout the life of the Project. This plan satisfies the requirements of the Government of Senegal as well as relevant international standards specifically Australian, Canadian, and those of the IFC. In addition, as part of the SGO closure plan, a progressive rehabilitation plan is presented.

ERM's overall goal was to combine all of SGO's deposits into one comprehensive RMCP report. In particular, the plan had the following objectives:

- Present a set of overarching principles and guidelines that the mine will follow in its approach to closure and rehabilitation.
- Develop a closure strategy of all the components of the site taking into account the challenges associated with mine water quality, restoration of disturbed lands, decommissioning, strategy for socio-economic development, and security/closure safety.
- Provide a description of the implementation, management, site maintenance, and monitoring of rehabilitation and closure activities to be undertaken from the execution phase of mine closure onwards.
- Demonstrate that closure and rehabilitation will be managed in a manner that meets the applicable environmental management standards and sustainable development objectives.
- Provide data on the company's closure liabilities and assist in engaging with the regulator on closure concepts and strategies.

Various closure options were analyzed as part of the work completed since SGO's 2012 RMCP update. In Table 20-1, the summary of the preferred closure strategy is presented.

TABLE 20-1 CLOSURE STRATEGY AND ASSUMPTIONS
Teranga Gold Corporation - Sabodala Project

Closure Strategy	Post Closure Land Use
Open Pits	
All pits will be closed to form pit lakes and construction of perimeter safety berms. There will be focused community access points	Pit lakes Restricted access or potential partial access
Waste Rock Dumps (WRD)	
WRDs will be rehabilitated in place with reshaping and revegetation and some capping	Wilderness land use
Tailings Storage Facility (TSF)	
Capping of final tailings surface, reshaping to minimize infiltration and revegetation	Wilderness land use
Raw Water Dams	
All surface water storage dams will be transferred to the government (Agricultural Services) as instructed and documented in the minutes of the Regional mine closure workshop held with the Authorities in 2013. Falémé River pipeline will also be transferred to the government	Government/community use
Supporting Infrastructure	
All other surface infrastructure will be decommissioned, decontaminated and demolished with demolition wastes to be deposited into the on-site landfill unless it is sold or transferred to the government and community with appropriate agreements to limit SGO liability	Traditional land use – cropping and grazing
Processing Plant and ROM Pad	
Processing Plant and associated power plant will be decommissioned, and sold or transferred to another mine site	Traditional land use – cropping and grazing
Monitoring and Maintenance post Closure Execution Phase	
There will be an appropriate maintenance and monitoring phase after completion of closure execution works prior to divestment of the site	Not applicable
Social Aspects of Closure	
In conformance with Section 22.6 of the Senegalese mining convention, and as agreed with Government, SGO will pay the Government a minimum amount of $15M at mine closure to account for social development costs at closure	Not applicable

It should be noted that other possible productive land uses that may also be considered in future work include:

- Sustainable forestry or agro-forestry such as bamboo plantations;
- Diversified agro-pastoral activities;
- Aquaculture or reservoir fisheries in the pit and the small, large and eastern water storage dams;
- Centre for government administration or service provision (i.e., tourism);
- Possible environmental land uses may include:
    - Plant or animal sanctuary.
    - Biodiversity reserve.

Environmental land uses may also be economically productive, by stimulating tourism, providing ecosystem services, or providing management work for the local community. Innovative ideas for productive and/or environmental end land uses will be sought by SGO and pilot schemes will be developed to investigate their viability (e.g., with funding from sources such as the Social Mining Fund). Options will be periodically and systematically reviewed and refined according to their technical feasibility and social, environmental, and economic implications.

The costs used to derive the overall closure costs were assembled by ERM, with the help of SGO staff in providing actual costs realized for the type of work required under the closure plan. Costs that were new to SGO were obtained by ERM through similar projects in nearby projects or quotes from suppliers in the region. The summary of the closure costs by activity is shown in Table 20-2. The total closure cost is approximately $50 million. It should be noted that this cost includes the community fund of $15 million as prescribed under Section 22.6 of the Senegalese mining convention, and as agreed with the Government, SGO will pay the Government to account for social development costs at the closure of the mine.

TABLE 20-2 CLOSURE COST SUMMARY
Teranga Gold Corporation - Sabodala Project

Item	Cost ($ millions)
Pits	1.3
Waste Rock Dumps	6.7
TSFs	6.6
Water Storages	0.2
Supporting Infrastructure	3.8
ROM Pad and Processing Plant	9.4
Access and Haul Roads	0.2
Mobilization and Demobilization	0.7
EPCM	2.2
Security	0.3
Owner's Costs	0.6
Subtotal	**31.8**
Communities	15.0
Maintenance and Monitoring	0.6
Risks	2.4
Total	**49.8**

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Teranga is committed to best practice in corporate governance. It has formalized commitments to conducting its business and affairs in accordance with the highest ethical standards by enacting a Code of Business Conduct and Ethics. As a company, Teranga strives to comply with all applicable mining codes and national and international laws, and adhere to the Extractive Industry Transparency Initiative (EITI).

In 2014, with the acquisition of OJVG, Teranga's social and institutional investments have increased to the following levels:

- Social fund: $1,225,000 per year
- Department of Mines and Geology support fund: $450,000 per year
- Local institutional support: $30,000 per year.

Furthermore, an additional institutional fund of $250,000 annually was implemented in 2014, to support the Ministry of Environment in its duties.

With the acquisition of OJVG, Teranga's required initial payments increased to $10 million, related to the waiver of the right for the Republic of Senegal to acquire an additional equity interest in the OJVG. This initial payment is used to finance community development projects in the Kedougou region or Senegal. A total of 10 projects will be developed with the help of this funding.

PROTECTING AND PROMOTING HUMAN RIGHTS

Teranga is committed to promoting and respecting human rights as set forth in the United Nations Universal Declaration of Human Rights. This commitment is reinforced in Teranga's Code of Business Conduct and Ethics and is part of the company's adherence to the United Nations Global Compact. Protection of human dignity and promotion of mutual respect for all Teranga's stakeholders are core to their corporate values. The company takes responsibility for its actions towards the host country, the local communities, and the environment in which it operates. Furthermore, Teranga expects its suppliers and business partners to respect and endorse the company's commitment and standards regarding human rights.

REVENUE TRANSPARENCY

The mining industry can be a significant contributor to developing countries. To achieve positive results, mining companies must engage in responsible resource exploitation and governments must appropriately manage mining revenues. Transparency allows all stakeholders to monitor how such revenues are being distributed and spent.

Senegal was officially accepted as an EITI candidate country in 2013. Teranga continues to work with the Government of Senegal as a member of the multi-stakeholder group responsible for preparation of the first extractive revenue reconciliation report started in 2015 (EITI report), which is still in progress.

COMMUNITY RELATIONS

Teranga is committed to making a positive difference in the communities in which Teranga's personnel live and work. The aim is to share the benefits of the mining operation and to leave a lasting, positive legacy that will continue to be enjoyed for generations to come. Through Teranga's community development work, the host communities benefit from new job opportunities, education and training opportunities, expanded health care services, more secure sources of potable water, improved roads and infrastructure, etc.

One of Teranga's most significant CSR achievements has been the completion of the Teranga Development Strategy (TDS), which is a result of an 18-month process of collaborative planning between Teranga, the communities, the local, regional, and national governments, as well as with other major stakeholders in the near-mine area. The TDS proposes 78 actions for Teranga to promote regional development and to deliver immediate and long term benefits in three priority areas: sustainable economic growth; agriculture and food security; and youth and training. All of Ternga's CSR initiatives will fall into these key areas. Teranga has worked very hard to understand the needs of the Government, both locally and nationally, and those of all stakeholders in their area of influence as they relate to these key areas so that the company's activities are complementary where appropriate and leading where necessary. Teranga believes it will be able to make a positive, meaningful impact and together with the communities develop this region in an environmentally and economically sustainable manner. At the end of 2014, 26 out of the 78 TDS actions were completed, 30 were in progress, and 22 were not started.

Teranga has pursued its effort to partner with the communities in the area and in the Kedougou Region for a long term socio-economic development. Some of the recent 2014 to 2015 CSR accomplishments include:

- At the local and regional level, Teranga is investing socially in the areas of income generation and agriculture, education, water and sanitation, health, and culture.
    - In 2014 and 2015, Teranga contributed to the construction of a number of social services facilities in the surrounding villages (health posts, ambulance, schools, solar water supply system in three villages, etc.).
    - Teranga also supports these areas with consumables such as medicines, school equipment, food, etc.
    - Teranga pursued its malaria spray program in the zone, benefitting to 14 villages (over 12,000 people) and is now funding the rent for approximately 200 Kedougou students in Dakar.
    - The main focus during the last two years has been on income generation and agriculture. Approximately 600 women now benefit from seven market gardens which produced 280 tonnes over the last three years. Teranga also has a pilot farm program and in 2015, the company hit hard to boost the agriculture in the area with the donation of three fully equipped tractors and nine lawn tractors. Teranga also support the producers through different programs and partnerships.
    - Another important part of Teranga's social program on the ground includes animal health and breeding, which is an important source of incomes for the surrounding communities. SGO has a poultry program benefitting 20 households.
    - In 2015, SGO installed the first vaccination parks in the zone to facilitate its vaccination campaign.

- Development of the Canadian Cooperation: following the initiation of the TDS, Teranga has invited several Canadian groups (Embassy, NGOs, Aid Agencies, etc.) to invest in the Kedougou Region and support the accomplishment of the long term development goals for the region. To date, 30 institutions have joined this program and 20 project have been initiated, of which 14 see a Teranga involvement. Among the partnerships in place is the project led by the Paul Gerin Lajoie Foundation and founded by Teranga aiming to train 50 youths in different trades and accompany them to set up their own individual business.

- In 2015, Teranga initiated a local procurement pilot program to benefit the entrepreneurs of the Kedougou Region. This program, aiming to progressively shift the company's supply in certain products in the region, is also a real training and business development opportunity for small and medium enterprises in the region.

21 CAPITAL AND OPERATING COSTS

CAPITAL COSTS

The LOM capital cost was compiled based on past operating experience and meeting the requirements of the forecast LOM plan. Table 21-1 presents the LOM capital cost estimate on an annual basis.

TABLE 21-1 CAPITAL COST SUMMARY
Teranga Gold Corporation - Sabodala Project

Sustaining Capex	Unit	LOM	2016-2020 AVG	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Open Pit Mining	US$M	29.9	3.7	4.9	3.5	4.0	1.5	4.7	6.0	3.0	1.5	0.8	-	-	-	-	-
Underground Mining	US$M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing	US$M	18.9	2.1	2.4	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	0.5	0.5	0.5	-
Admin & Other Sustaining	US$M	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	US$M	25.0	0.2	1.0	-	-	-	-	2.0	15.0	7.0	-	-	-	-	-	-
Total Sustaining Capex	**US$M**	**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	**US$M**																
OJVG & Gora Development	US$M	4.3	0.9	3.3	0.8	0.3	-	-	-	-	-	-	-	-	-	-	-
Underground Equipment & Development	US$M	102.1	4.9	-	-	-	-	24.4	23.4	8.9	2.4	0.8	8.5	18.2	10.4	4.1	0.9
Other Projects & Development	US$M	21.8	2.9	11.3	1.9	1.4	-	-	7.2	-	-	-	-	-	-	-	-
Total Projects and Development	**US$M**	**128.2**	**8.7**	**14.6**	**2.7**	**1.7**	**-**	**24.4**	**30.6**	**8.9**	**2.4**	**0.8**	**8.5**	**18.2**	**10.4**	**4.1**	**0.9**
Combined Total (US$M)	**US$M**	**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**

SUSTAINING CAPITAL COST

OPEN PIT

The LOM open pit sustaining cost is estimated at approximately $30 million. Sustaining cost for the open pit mine consists primarily of replacing aged equipment. Beyond 2020, the equipment fleet is no longer replaced, rather, it is maintained until the end of the mine life with increased operating costs and decreased availability rates reflected in the operating cost forecast.

PROCESSING

The LOM processing sustaining cost is estimated at approximately $19 million. Sustaining cost for the process plant consists of the amount required to sustain the current Sabodala mill on an annual basis, such as motor rebuilds and replacements. Growth projects such as the Parallel Primary Crusher (PPC) project and other mill optimization projects are included in Capital Projects & Development.

The processing sustaining cost was estimated based on the 2016 budget. From year 2023 and beyond, the sustaining cost for the processing plant is scaled back to only essential items as the operation is nearing the end of its life.

ADMINISTRATION AND OTHER SUSTAINING

The administration and other sustaining capital expenditures include all the necessary capital required to sustain the camp facilities, security and other general administration departments. The LOM estimation is based on the current annual costs.

The total administration and other sustaining capital expenditure for the LOM is approximately $9 million.

COMMUNITY RELATIONS

The community relations section of the sustaining capital expenditure consists entirely of the relocation cost of Sabodala village. The relocation of the village must occur prior to the mining of a portion of the Niakafiri trend deposit, more specifically the Niakafiri Main deposit. The remaining Niakafiri deposits (Niakafiri SE and Niakafiri SW) and Maki Medina can be mined prior to the village relocation as they lie outside of the relocation zone.

The capital involved with the village relocation includes the actual relocating, as well as the studies and investigations required. Mining at Niakafiri Main is planned to start in year 2023.

The total community relations capital expenditure for the LOM is approximately $25 million.

CAPITAL PROJECTS AND DEVELOPMENT

OJVG AND GORA DEVELOPMENT

The OJVG and Gora development capital includes work to start operations at these satellite pits. This capital includes pad installation, waste dump preparations, road construction, etc., and does not include prestripping capitalized waste.

The total OJVG and Gora development capital expenditures for the LOM are approximately $4 million.

UNDERGROUND EQUIPMENT AND DEVELOPMENT

The underground equipment and development capital accounts for all costs required to purchase the mobile equipment, fixed equipment, and develop the underground workings. This amount includes the preproduction and production periods.

The total underground equipment and development capital expenditures for the LOM are estimated to be approximately $102 million.

OTHER PROJECTS AND DEVELOPMENT

Three projects are included: the raising of TSF1, the construction of TSF2, and the completion of the PPC project.

The PPC project is expected to be commissioned in Q4 2016 and will be fully operational in 2017 and beyond. In addition, there is a capital allocation in 2017 and 2018 for further optimization and upgrades. The impact of this work is an increased annual mill throughput resulting in increased operating efficiencies.

OPERATING COSTS

A summary of the LOM operating costs are presented in Table 21-2. The total LOM operating cost is approximately $1,622 million and ranges from $41 million to $154 million on an annual basis.

Operating costs at the Sabodala mine have decreased over the last two years primarily due to exemptions to fuel levies, foreign exchange rates, and lower fuel costs.

Teranga is exempt from the fuel levies “Prélèvement pour le soutien au secteur de l'énergie” (PSE) and “Fonds de sécurisation des importations des produits pétroliers” (FSIPP). The exemption of these levies is the result of Teranga’s Mining Convention being in place prior to the enactment of the presidential decrees that created the two levies. Clarifications and details to the fuel from the Government of Senegal were received at the end of the year 2015. Prior to the start of 2016, the levies were included in the fuel costs incurred by Teranga.

Approximately half of Teranga’s operating costs are Euro based (or CFA, which is pegged to the Euro). Since the beginning of 2014 to the end of 2015, the Euro to US dollar exchange rate has decreased by approximately 25%. As a result, Teranga’s current overall costs, expressed in US dollars, are significantly lower than those in the AMC report (2014).

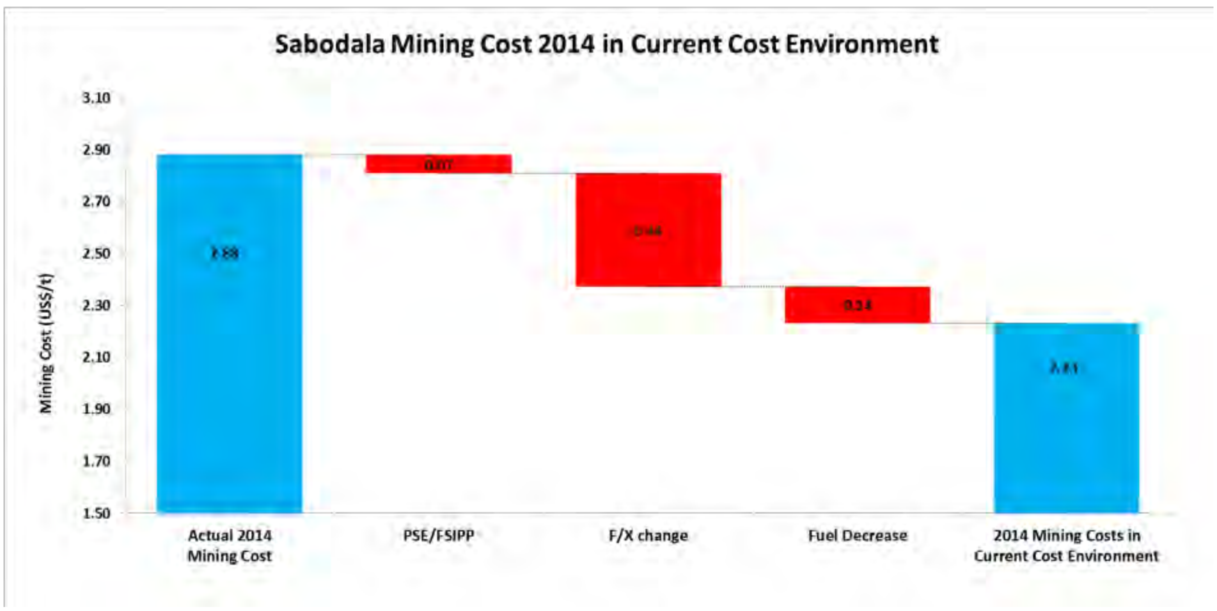
TABLE 21-2 OPERATING COST SUMMARY
Teranga Gold Corporation - Sabodala Project

Activity	Unit	LOM	2016-2020 AVG	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Open Pit Mining	US$/t mined	2.25	2.25	2.24	2.27	2.25	2.20	2.29	2.19	2.31	2.17	2.36	-	-	-	-	-	-	-
Underground Mining	US$/t milled	72.23	-	-	-	-	-	-	76.30	74.94	73.32	77.25	79.72	76.46	66.49	64.35	78.11	-	-
Processing	US$/t milled	10.33	10.16	10.83	10.02	10.00	9.93	10.09	9.97	10.14	9.95	10.84	10.63	10.60	10.61	10.61	10.60	-	-
General & Admin.	US$/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	US$M	702	88	86	91	89	87	89	66	61	71	62	-	-	-	-	-	-	-
Underground Mining	US$M	155	-	-	-	-	-	-	7	22	26	20	7	13	24	25	12	-	-
Processing	US$M	613	44	42	43	45	44	45	44	45	44	48	47	47	47	47	25	-	-
General & Admin	US$M	144	14	14	14	14	14	14	14	13	13	8	8	6	5	4	4	-	-
Refining & Freight	US$M	12	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	-	-
Byproduct Credits	US$M	(4)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	-	-
Total Operating Costs	**US$M**	**1,622**	**147**	**142**	**148**	**148**	**146**	**148**	**132**	**141**	**154**	**139**	**63**	**66**	**77**	**76**	**41**	**-**	**-**

The long term Light Fuel Oil (LFO) costs have been projected to be $0.72 per litre, based on the fuel contract negotiated and the government pricing for the country's LFO. This price of LFO represents an approximate 20% decrease of the 2014 LFO price.

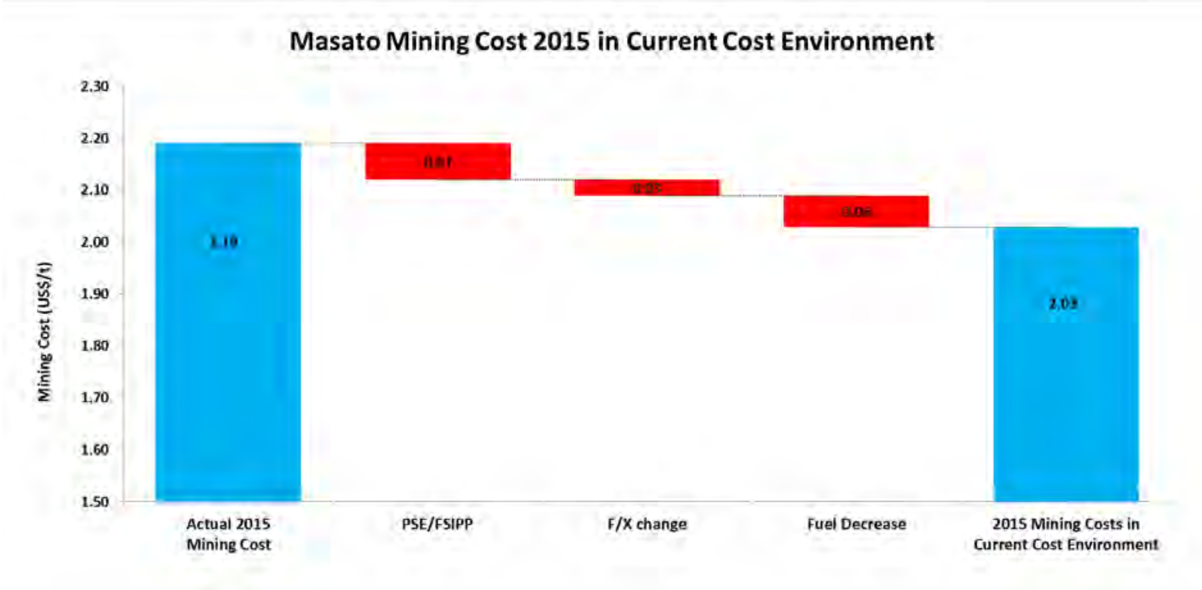
To illustrate these significant cost decreases, Sabodala's mining costs for the first half of the year 2014 has been adjusted with the three areas of cost reduction (Figure 21-1). It should be noted that the material from the Sabodala pit during this period was entirely fresh material.

FIGURE 21-1 SABODALA MINING UNIT COST REDUCTIONS



Similarly, the same illustration has been completed using Masato's first half of 2015 mining costs and adjusted with the three cost reduction areas (Figure 21-2). It should be noted that the in this period of time, the majority of the material mined from Masato was oxide.

FIGURE 21-2 MASATO MINING UNIT COST REDUCTIONS



Figures 21-1 and 21-2 represent the estimated mining costs using actual realized mining costs from their respective time periods if the mining had occurred in 2016 under the current cost environment. These are not the estimated mine operating costs for 2016 and beyond, as the mining locations and haulage distances are dynamic and continuously change.

Exemptions to fuel levies, foreign exchange, and lower fuel costs have decreased the processing costs as well. In addition, the Primary Parallel Crusher (PPC) project, which is expected to be commissioned in the fourth quarter 2016 and fully operational for 2017, will allow for increased annual mill throughput of 0.5 Mt for fresh ore and result in increased operating efficiencies. Figures 21-3 and 21-4 illustrate a comparison to 2014 and 2015 actual process operating costs. It should be noted that the PPC cost improvement in the chart only quantifies the unit cost savings by the increased production of fresh ore. Additional operational efficiency gains will be quantified once the PPC project has been commissioned and operational.

FIGURE 21-3 PROCESSING UNIT COST REDUCTIONS

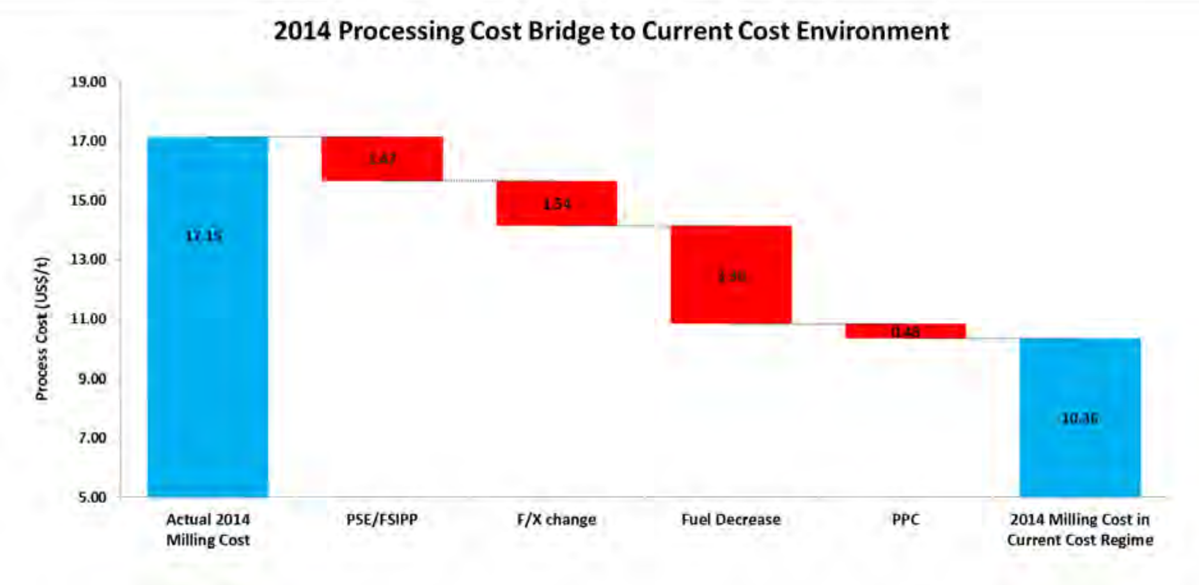
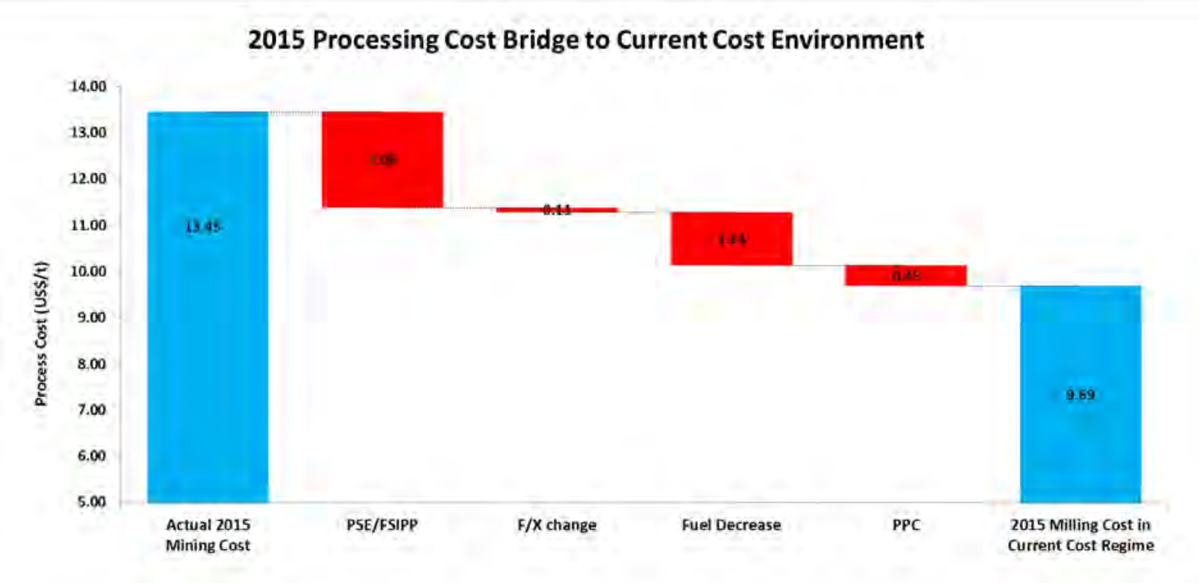


FIGURE 21-4 PROCESSING UNIT COST REDUCTIONS



OPEN PIT MINE OPERATING COSTS

The LOM open pit mine operating costs were calibrated to the 2014 and 2015 actuals, and were then adjusted for the new deposits being mined in the LOM schedule and the equipment fleet. The main variations in mining cost by year is driven primarily by varying ore and waste haulage distances and slight variances in drilling and blasting. The mine operating costs assume that the ore from Gora, Golouma, Kerekounda, and Maki Medina will be transported with long haul trucks by contractors to the Sabodala processing plant. Ore from the Gora deposit has been transported to the mill site by this method since 2015.

Table 21-3 presents the LOM mining unit cost details.

TABLE 21-3 MINING COST DETAILS
Teranga Gold Corporation - Sabodala Project

Cost	$/t mined
Loading Cost	0.21
Haul Costs (136 $/h)	0.49
Drill Costs	0.29
Blasting Costs	0.30
Support Equipment Cost	0.02
Ancilliary Cost	0.16
Overhead Cost	0.73
Subtotal	**2.20**
Long Haul Ore Cost	0.05
Total	**2.25**

It should be noted that aside from the requirement for the main haul truck Komatsu 785-7, additional long haul trucks are required and for several years and are supplied by a contractor. The unit rates for the ore long haul are shown in Table 21-4. Only the satellite deposits requiring additional haulage are shown. In Table 21-5, the annual tonnage requiring long haul transportation is shown, along with the annual average cost per tonne of ore.

TABLE 21-4 LONG HAUL ORE COST
Teranga Gold Corporation - Sabodala Project

Deposit	$/t ore
Gora	4.86
Golouma	1.50
Kerekounda	1.50
Maki Medina	1.50

TABLE 21-5 ANNUAL LONG HAUL ORE TONNES AND AVERAGE COST
Teranga Gold Corporation - Sabodala Project

	Units	2016	2017	2018	2019	2020	2021	Total
Material Hauled	Mt	1.84	1.24	1.23	0.84	2.33	0.06	7.55
Average Unit Cost	$/t Ore	2.73	3.47	1.72	1.50	1.50	1.50	2.16

Table 21-6 shows the total annual mining costs by pit and material type. The annual mining costs range from $2.17/t to $2.36/t mined, with a LOM average of $2.25/t mined. The long haul cost for the ore from the several deposits requiring additional haulage have been included in the annual mining costs presented.

TABLE 21-6 ANNUAL MINING COSTS
Teranga Gold Corporation - Sabodala Project

	Units	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Golouma	$/t Mined	2.30			2.21	2.49	3.39				2.34
Fresh	$/t Mined	2.43			2.32	2.49	3.39				2.43
Oxide	$/t Mined	2.12			2.12	2.08					2.12
Gora	$/t Mined	2.26	2.48	3.72							2.36
Fresh	$/t Mined	2.41	2.49	3.72							2.46
Oxide	$/t Mined	1.99	2.30								2.02
Kerekounda	$/t Mined	1.90	2.10	2.42							2.09
Fresh	$/t Mined	2.05	2.19	2.42							2.23
Oxide	$/t Mined	1.90	1.95								1.93
Masato	$/t Mined	2.36		2.06	2.12	2.11	2.19	2.31	2.37	2.46	2.23
Fresh	$/t Mined	2.36		2.12	2.18	2.15	2.20	2.31	2.37	2.46	2.27
Oxide	$/t Mined	2.25		1.97	1.99	1.98	2.02	2.26			1.98
Niakafiri	$/t Mined				1.94				1.97	2.24	2.05
Fresh	$/t Mined				2.19				2.21	2.25	2.24
Oxide	$/t Mined				1.93				1.93	2.02	1.93
Sabodala	$/t Mined		2.22	2.40	2.52						2.37
Fresh	$/t Mined		2.25	2.40	2.52						2.38
Oxide	$/t Mined		2.02								2.02
Maki Medina	$/t Mined			2.24							2.24
Fresh	$/t Mined			2.63							2.63
Oxide	$/t Mined			2.13							2.13
Total	**$/t Mined**	**2.24**	**2.27**	**2.25**	**2.20**	**2.29**	**2.19**	**2.31**	**2.17**	**2.36**	**2.25**

The mining cost, more specifically the haulage component, accounts for the aging haulage fleet. Around year 2021, 10 haul trucks or 40% of the truck fleet require replacement based on the maintenance contract with the supplier. The availability of the haul trucks was decreased to reflect the additional required maintenance. From year 2021 to 2024 (the end of the open pit mine life), the overall truck fleet requirement has been reduced to account for the lower availability from a portion of the fleet.

UNDERGROUND MINE OPERATING COSTS

RPA estimated underground mine operating costs for the Project from first principles, sourcing budgetary quotes, evaluating cost databases, and assessing comparable projects (Table 21-7). Surface haulage costs were provided by Teranga.

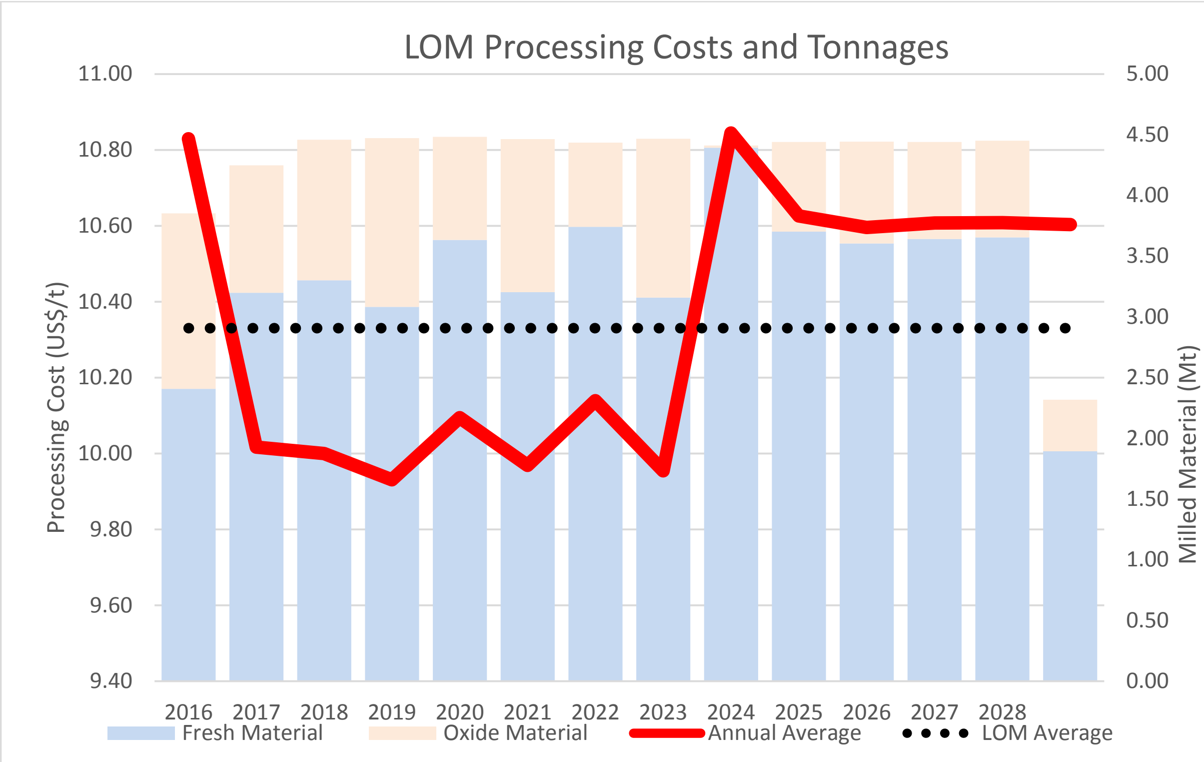
TABLE 21-7 SUMMARY OF UNDERGROUND MINING OPERATING COSTS
Teranga Gold Corporation - Sabodala Project

Description	LOM Total ($ millions)	Unit Cost ($/t)
Owners Labour	10.5	4.86
Contractor Labour	73.9	34.40
Equipment Maintenance and Fuel	26.9	12.51
Power Consumption	12.8	5.98
Consumables	27.9	12.98
Surface Haulage	3.2	1.50
Total Underground Mine Operating Costs	**155.2**	**72.23**

PROCESSING OPERATING COSTS

The processing costs estimated for the LOM is based on the 2016 budget and adjusted to account for the PPC project cost savings, as well as other LOM factors. In Figure 21-5, the processing cost, by material and by year, are presented. The LOM average processing cost is $10.33/t milled. The main variations in processing cost by year is primarily due to the material throughput blend. Starting from year 2024, the majority of the processed ore would be from the low grade stockpile. An additional $0.50/t milled has been incorporated in the processing cost in this period in addition to the usual rehandling cost included within the mining cost.

FIGURE 21-5 ANNUAL PROCESSING COST



GENERAL AND ADMINSTRATION OPERATING COSTS

The general and administration (G&A) costs consist of the material and personnel costs related to the mine infrastructure and site administration. Items included are camp facilities, security, and other general administration departments. The costs are based on the current actual costs at Sabodala, which are approximately $14 million annually. Near the end of the mine life, the G&A is scaled back to only the necessary items. The LOM average G&A cost is $2.56 per tonne milled.

ALL-IN SUSTAINING COSTS

The all-in sustaining cash cost (AISC) for the LOM is shown in Table 21-8. The AISC for the LOM is approximately $887 per ounce of gold produced or $960 per ounce of gold including the stream. Between the years 2020 and 2022, the AISC cost is the highest as a result of the capital expenditures for the development of underground mining and village relocation from mining Niakafiri.

Please note that the “Total cash costs”, “all-in sustaining costs” and “all-in costs” are intended to provide additional information only and do not have any standardized definition under International Financial Reporting Standards (IFRS) and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate these measures differently. Table 21-8 reconciles these non-GAAP measures to the most directly comparable IFRS measure.

TABLE 21-8 LOM ALL-IN SUSTAINING COST
Teranga Gold Corporation - Sabodala Project

Activity	Unit	LOM	2016-2020 AVG	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Open Pit Mining	US$/t mined	2.25	2.25	2.24	2.27	2.25	2.20	2.29	2.19	2.31	2.17	2.36	-	-	-	-	-
Underground Mining	US$/t milled	72.23	-	-	-	-	-	-	76.30	74.94	73.32	77.25	79.72	76.46	66.49	64.35	78.11
Processing	US$/t milled	10.33	10.16	10.83	10.02	10.00	9.93	10.09	9.97	10.14	9.95	10.84	10.63	10.60	10.61	10.61	10.60
General & Admin.	US$/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	US$M	702	88	86	91	89	87	89	66	61	71	62	-	-	-	-	-
Underground Mining	US$M	155	-	-	-	-	-	-	7	22	26	20	7	13	24	25	12
Processing	US$M	613	44	42	43	45	44	45	44	45	44	48	47	47	47	47	25
General & Admin	US$M	144	14	14	14	14	14	14	14	13	13	8	8	6	5	4	4
Refining & Freight	US$M	12	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0
Byproduct Credits	US$M	(4)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Total Operating Costs	US$M	**1,622**	**147**	**142**	**148**	**148**	**146**	**148**	**132**	**141**	**154**	**139**	**63**	**66**	**77**	**76**	**41**
Deferred Stripping Adjustment	US$M	(129)	(13)	(26)	(6)	-	-	(35)	(35)	(25)	(1)	-	-	-	-	-	-
Royalties(2)	US$M	145	13	13	16	12	12	11	8	10	14	16	6	7	8	8	4
Total Cash Costs(1)	US$M	**1,639**	**146**	**130**	**158**	**161**	**159**	**124**	**104**	**127**	**167**	**154**	**69**	**73**	**85**	**85**	**45**
Total Cash Costs(1)	**US$/oz**	**690**	**706**	**602**	**691**	**798**	**792**	**655**	**810**	**730**	**741**	**587**	**660**	**668**	**629**	**607**	**711**
Capex	US$M	211	16	26	9	9	5	32	41	29	12	3	10	19	11	5	1
Capitalized Deferred Stripping	US$M	129	13	26	6	-	-	35	35	25	1	-	-	-	-	-	-
Capitalized Reserve Development	US$M	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Admin	US$M	130	14	16	14	14	14	12	10	10	10	6	6	6	5	4	4
All-In Sustaining Cash Costs(1)	US$M	**2,108**	**189**	**196**	**187**	**183**	**177**	**203**	**190**	**191**	**190**	**163**	**85**	**98**	**101**	**94**	**50**
All-In Sustaining Cash Costs(1)	**US$/oz**	**887**	**914**	**912**	**819**	**908**	**882**	**1,072**	**1,483**	**1,103**	**843**	**621**	**812**	**897**	**748**	**671**	**788**
Franco Nevada Stream	US$M	173	19	20	22	22	22	11	7	10	13	15	6	6	8	8	4
Franco Nevada Stream	US$/oz	73	92	92	94	107	108	58	58	58	58	58	58	58	58	58	58
All-In Sustaining Cash Costs(1) plus stream	US$M	**2,281**	**208**	**216**	**209**	**205**	**198**	**214**	**198**	**201**	**203**	**178**	**91**	**104**	**109**	**102**	**53**
All-In Sustaining Cash Costs(1) plus stream	**US$/oz**	**960**	**1,006**	**1,004**	**914**	**1,015**	**990**	**1,129**	**1,541**	**1,161**	**900**	**678**	**870**	**955**	**806**	**729**	**846**

(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 discussed on the previous page.

(2) Royalties include Government of Senegal royalties on total production and the NSR royalty due to Axmin on Gora production.
The estimated reserves underpinning the production targets (as defined in the ASX Listing Rules), set out in the table above, have been prepared by Mr Paul Chawrun, who is a Competent Person, in accordance with the requirements of the JORC Code 2012, and a Qualified Person as defined in NI 43-101 Standards of Disclosure for Mineral Projects.

This production guidance is based on existing proven and probable reserves only from both the Sabodala mining licence as disclosed in the Reserves and Resources section of this Report.

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

22 ECONOMIC ANALYSIS

This section is not required as Teranga is a producing issuer, the property is currently in production, and there is no material expansion of current production.

23 ADJACENT PROPERTIES

One significant property is adjacent to the Project, Randgold Resources' Massawa project. The location of the Massawa project with respect to Sabodala is shown in Figure 23-1. The description is mostly taken from AMC (2014) and updated with Randgold's 2014 Annual Report.

RANDGOLD MASSAWA PROJECT

The Massawa project is located approximately 700 km southeast of the capital city of Dakar and some 90 km due west of Randgold's Loulo mine in Mali. Randgold owns 83.25% in partnership with a local company who owns 6.75%, after providing for the State of Senegal's right to a non-contributory 10% share. The Massawa gold deposit is located approximately 30 km south of the Sabodala plant.

The text that follows is taken verbatim from the Randgold Resources Annual Report 2014 (Randgold, 2014).

> *The Massawa deposit lies within one of the largest continually mineralised systems in Africa, located on a major geological discontinuity, the Main Transcurrent Zone (MTZ), in Eastern Senegal. The MTZ is a major terrain boundary structure which marks the contact of the Mako Volcanic Belt and the Diale Dalema sedimentary basin to its east.* (p. 78)
>
> *A large component of the northern portion of the Massawa ore is refractory, with microscopic gold locked in the sulphide lattice of arsenopyrite. Efficient extraction of this gold requires an oxidation processes such as pressure oxidation (POX) or bio-oxidation (Biox) and the power costs associated with such metallurgical processes impact negatively on the project returns. Reserves at Massawa are currently 21Mt at 3.1g/t for 2Moz.* (p. 78)
>
> *2014 Achievements: Massawa feasibility review offers potential upside* (p. 65)
>
> *2015 Targets: Progress the Massawa project review and make a decision on revising the feasibility study scope* (p. 65)

Table 23-1 lists the Massawa Project resources. The total Measured and Indicated Mineral Resources are estimated to contain 2.5 Moz of gold. The project is currently in a Feasibility Study stage.

TABLE 23-1 MASSAWA PROJECT RESOURCES
Teranga Gold Corporation - Sabodala Project

	Tonnes (Mt)	Grade (g/t)	Gold (Moz)	Attributable Gold 83% (Moz)
Measured	0.2	5.1	0.03	0.03
Indicated	35	2.6	2.9	2.4
Measured and Indicated	**35**	**2.6**	**3.0**	**2.5**
Inferred	24	2.1	1.7	1.4

Notes:

1. Randgold reports its mineral resources and ore reserves in accordance with the JORC 2012 code. As such numbers are reported to the second significant digit. They are equivalent to National Instrument 43-101. Mineral resources are reported at a cut-off grade based on a gold price of $1,500/oz.
2. The reporting of ore reserves is also in accordance with Industry Guide 7. Pit optimizations are carried out at a gold price of $1 000/oz, except for Morila which is reported at $1,300/oz. Ore reserves are reported at a cut-off grade based on $1 000/oz gold price within the pit designs. Underground reserves are also based on a gold price of $1,000/oz. Dilution and ore loss are incorporated into the calculation of reserves. Cautionary note to US investors: The United States Securities and Exchange Commission (the SEC) permits mining companies, in their filings with the SEC, to disclose only proven and probable ore reserves. Randgold uses certain terms in this annual report such as 'resources', that the SEC does not recognise and strictly prohibits the company from including in its filings with the SEC. Investors are cautioned not to assume that all or any parts of the company's resources will ever be converted into reserves which qualify as 'proven and probable reserves' for the purposes of the SEC's Industry Guide number 7. See glossary of terms on website at www.randgoldresources.com.

* Randgold Annual Report 2014 (Page 94 and 95)

Teranga has not verified the information in this section and this information is not necessarily indicative of mineralization on the property.

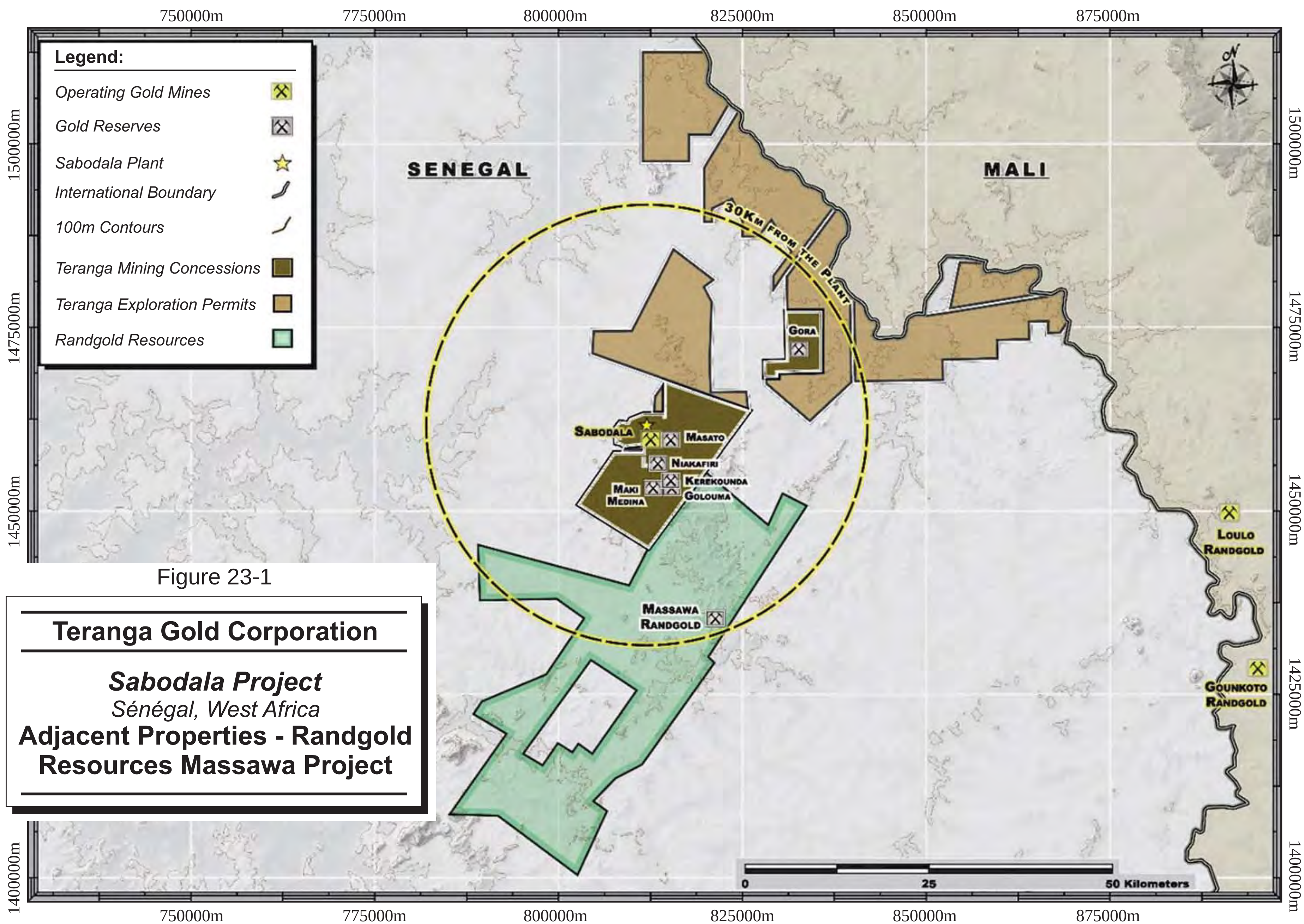


Figure 23-1

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Adjacent Properties - Randgold Resources Massawa Project

March 2016

Source: Teranga Gold Corporation, 2016.

RPA

www.rpacan.com

24 OTHER RELEVANT DATA AND INFORMATION

HEAP LEACH PFS – UPDATE SUMMARY

The Heap Leach PFS is currently being completed by Advisian (Worley Parsons). The following is a summary of the current study.

METALLURGY

Kappes Cassidy and Associates (KCA) was contracted by Teranga Gold Corporation to undertake a metallurgical testwork program to investigate the response of various low grade ores.

The results of the testwork were interpreted by both Advisian (Worley Parsons) and KCA to provide inputs into the Process Design Criteria (PDC) which formed the basis of a PFS level of design to establish the capital and operating cost estimates for the proposed Heap Leach Project.

METALLURGICAL SAMPLES

The Masato and Niakafiri oxide zones were subdivided into saprolite, soft oxide and hard oxide. For the soft and hard oxide the existing core logs, assays and a Vulcan model were used to determine sections of representative core to be sampled and composited. For the saprolite sample geological sections and drilling data were utilized to locate the trenches at Masato and Niakafiri to provide representative samples. An additional four samples were excavated from existing ROM stockpiles of transitional and fresh ores. A detailed stockpile sampling protocol was established to attain sample representivity.

All of the samples were sent to KCA in Reno, Nevada for metallurgical testing. Teranga and KCA had developed a testing strategy (reviewed and approved by Advisian) that consisted of:

- Particle size analysis and distribution curves
- Agglomeration Optimization and Slump Testing
- Permeability and Flowrate determination
- Bottle Roll Leach tests

- Column Leach tests.

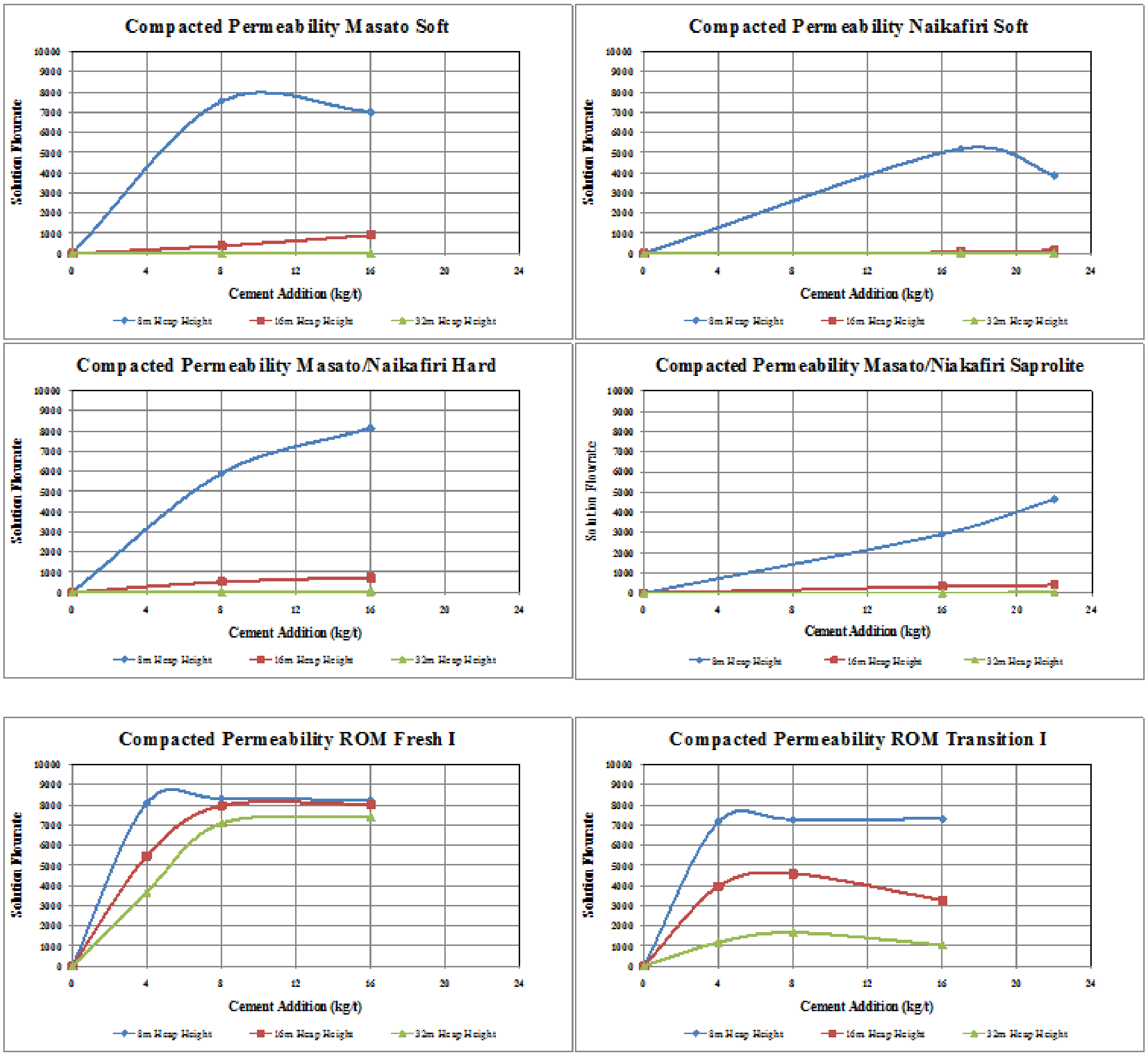
The samples tested were defined as:

- Masato Soft Oxide
- Niakafiri Soft Oxide
- Hard Oxide (combination of the Masato and Niakafiri Hard Oxide)
- Saprolite
- ROM Transitional H
- ROM Fresh H
- ROM Transitional I and
- ROM Transitional I

AGGLOMERATION OPTIMIZATION

KCA, following analysis of initial particle size distribution, selected nominal cement dosage rates to establish optimal cement addition and potential heap stack height. These analyses utilized in-house KCA testing protocols and interpretation. To provide an understanding of the impact of blending ores on the ROM prior to agglomeration, additional agglomeration optimization tests were conducted on blends of hard and soft oxide with ROM Transitional and Fresh samples. A summary of the results is provided in Figure 24-1.

FIGURE 24-1 SUMMARY OF COMPACTED PERMEABILITY TESTS



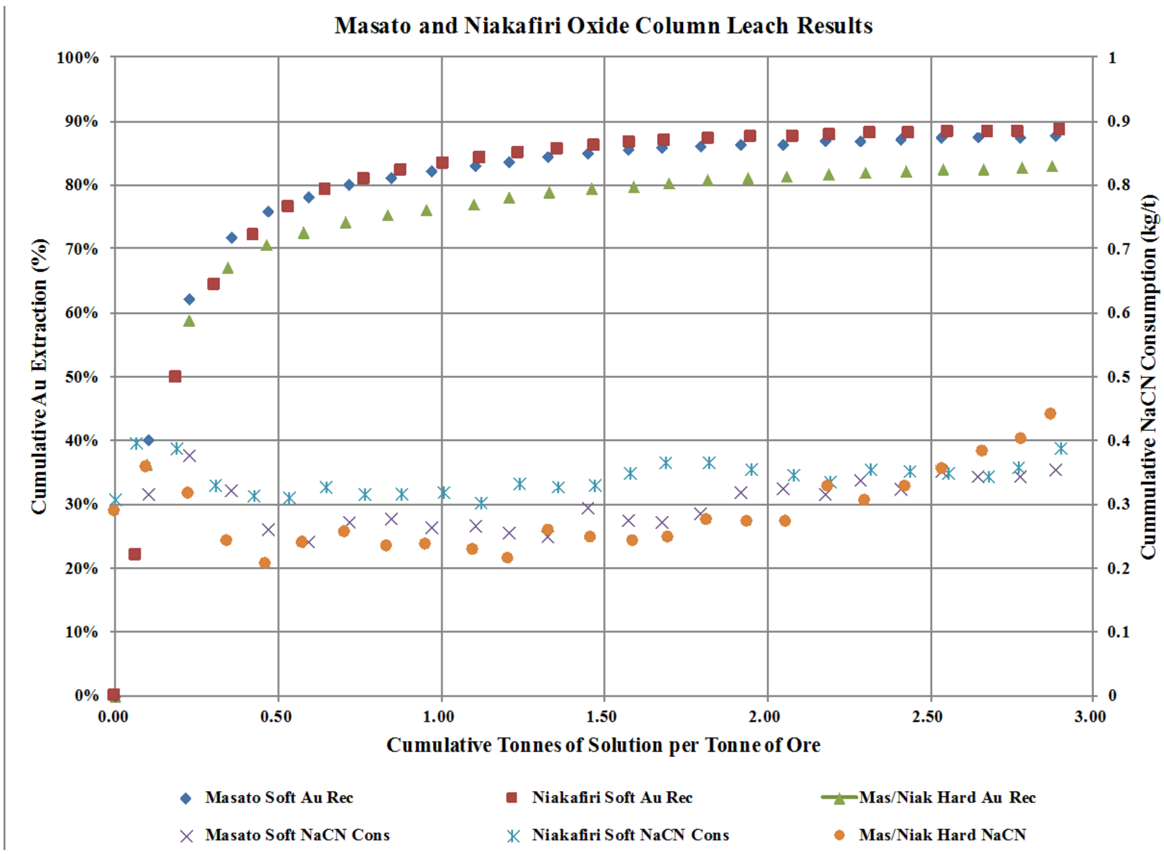
COLUMN LEACH TESTING

Based on preliminary bottle roll test results and the optimal cement addition, agglomerated ore samples were subjected to column testing. The results from the column testing provided information regarding rate and extent of Au and Ag extraction, NaCN consumption and leach solution volume requirements. A summary of the results for all samples is provided in Table 24-1 and an example of the results is provided in Figure 24-2.

TABLE 24-1 SUMMARY OF AGGLOMERATION OPTIMIZATION AND COLUMN LEACH RESULTS
Teranga Gold Corporation - Sabodala Project

Sample	Agglomeration kg/t	Stack Height m	Au Extraction % @ 2.5 t soln /t ore	NaCN Cons kg/t @ 2.5 t soln /t ore
Masato Soft	8	8	87	0.32
Niakafiri Soft	16	8	88	0.35
Masato/Niakafiri Hard	8	8	83	0.33
Saprolite	16	8	84	0.30
Transition Stockpile H	8	8	70	0.47
Fresh Stockpile H	4	8	53	0.45
Transition Stockpile I	4	8	65	0.39
Fresh Stockpile I	4	8	52	0.35

FIGURE 24-2 EXAMPLE OF OXIDE SOFT AND HARD COLUMN LEACH RESULTS



In Table 24-1, the Au extraction and NaCN consumption are determined at a cumulative solution tonnes to ore tonnes ratio of 2.5.

SCALE-UP AND PROCESS DESIGN CRITERIA (PDC)

To generate the inputs to the PDC from the above data, it was necessary to scale up the column leaching testwork data.

The scale up method applied bulk density and head grade correction along with a gold recovery inefficiency factor to reflect the inherent inefficiencies in commercial scale leaching compared to idealized laboratory column leaching conditions.

The test work basis of design was completed on samples crushed to -13 mm (1/2 inch) for the fresh/transition stockpile samples (H & I) and that the project basis of design agglomerator feed is 100% passing 48 mm with an 80% passing size of 19 mm. As such the scale-up gold recovery models have been adjusted to reflect the change in heap leach feed sizing.

A summary of the scale-up results is provided below in Table 24-2.

TABLE 24-2 SCALE-UP OF TESTWORK RESULTS FOR PDC
Teranga Gold Corporation - Sabodala Project

Sample	Agglomeration kg/t	Stack Height m	Au Recovery % @ 2.5 t soln /t ore	NaCN Cons kg/t @ 2.5 t soln /t ore	Leach Duration days
Masato Soft	8	8	83	0.35	120
Niakafiri Soft	16	8	83	0.35	120
Masato/Niakafiri Hard	8	8	78	0.35	120
Saprolite	16	8	79	0.33	120
Transition Stockpile H	8	8	66	0.5	120
Fresh Stockpile H	4	8	49	0.48	120
Transition Stockpile I	4	8	61	0.42	120
Fresh Stockpile I	4	8	48	0.38	120

Additional comminution modelling was utilized to establish the impact on recovery of secondary versus tertiary crushing particle size distributions. The modelling indicated that primary followed by secondary crushing only is optimal. The secondary crusher is configured in open circuit to reduce capital cost.

Option Studies undertaken have now established the majority of key project drivers including Heap Leach Production Rate, Crusher Location and Type, Heap Leach Location and Sizing, Process Integration and Integrated Site Water Balance. The decisions from these have been incorporated into the PDC.

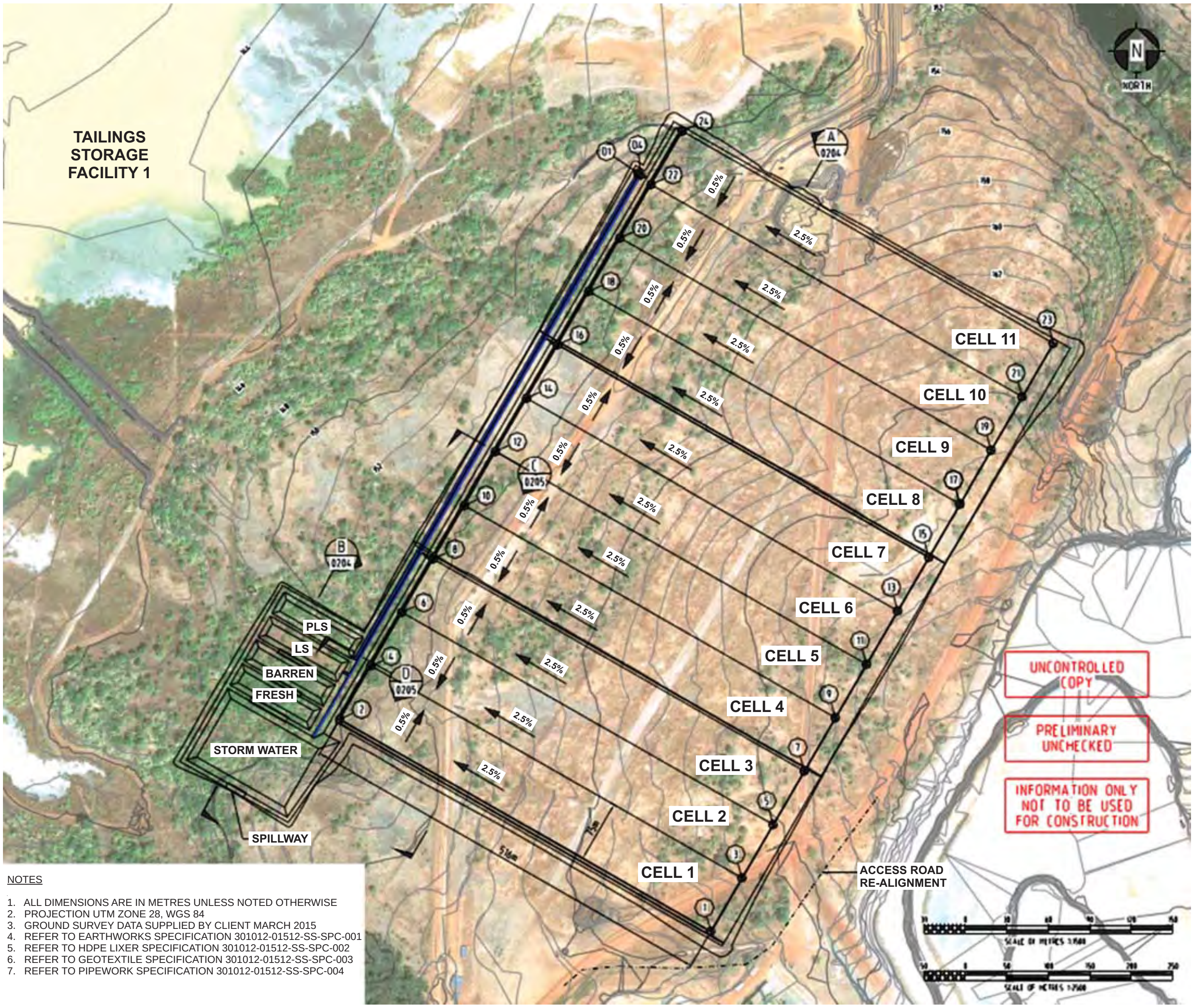
A summary of the key PDC parameters is provided in Table 24-3.

TABLE 24-3 KEY PDC PARAMETERS
Teranga Gold Corporation - Sabodala Project

Description	Unit	Design
Nominal Feed Rate	tpa	2,500,000
	tph	385
Ore Grade	Au %	0.58 - 0.72
Crushing Stages	#	2
Heap Leaching Stages	#	2
Leach Solution Application Rate	$L/h/m^2$	5 - 10
PLS Flow	m^3/h	365
CIS Processing Stages	#	6
CIS Carbon Mass	t	1.5

HEAP LEACH LOCATION, DESIGN AND WATER BALANCE

The location for the Heap Leach pad was considered within the heap geotechnical design. Preliminary locations for the heap leach were defined by Teranga. A tabulated selection criteria was established and based on this analysis the location selected for the heap leach facility is between the existing mill/CIL Facility and the TSF (Figure 24-3).



NOTES

1. ALL DIMENSIONS ARE IN METRES UNLESS NOTED OTHERWISE
2. PROJECTION UTM ZONE 28, WGS 84
3. GROUND SURVEY DATA SUPPLIED BY CLIENT MARCH 2015
4. REFER TO EARTHWORKS SPECIFICATION 301012-01512-SS-SPC-001
5. REFER TO HDPE LIXER SPECIFICATION 301012-01512-SS-SPC-002
6. REFER TO GEOTEXTILE SPECIFICATION 301012-01512-SS-SPC-003
7. REFER TO PIPEWORK SPECIFICATION 301012-01512-SS-SPC-004

Figure 24-3

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Heap Leach Facility Location and Details

March 2016

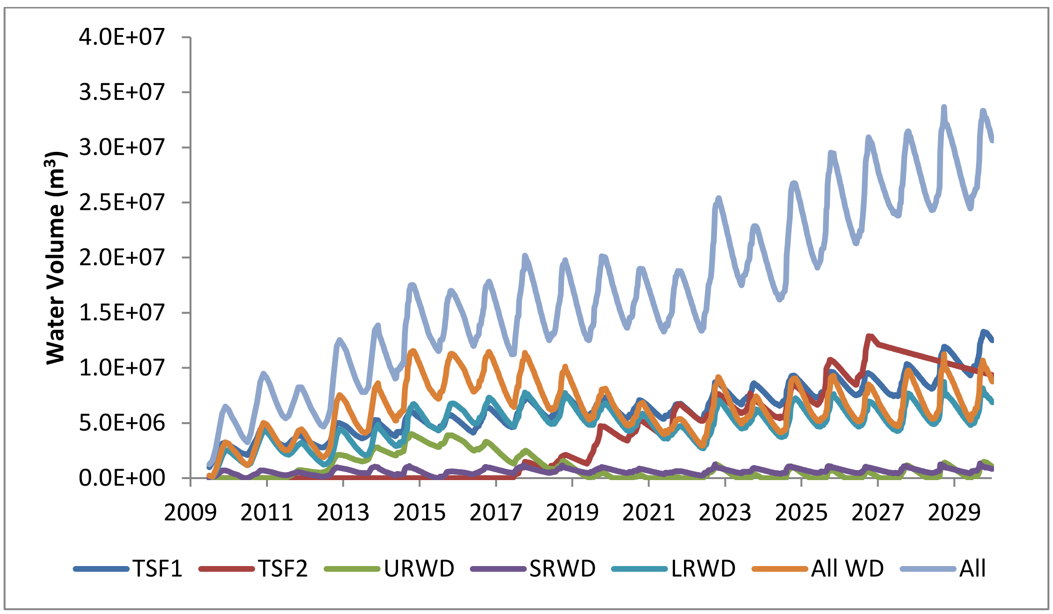
Source: Teranga Gold Corporation, 2016.

The heap leach facility has been designed to allow up to 25 Mt of ore to be stacked in multiple lifts (7 x 8 m lifts). The Heap Leach consists of 11 lined leach pads that each drain separately into a "w" drain system. On-top of the high-density polyethylene (HDPE) liner a crushed rock "cushion" layer of 300 mm is placed as protection for the liner and a working base for the stacker and conveyors and mobile equipment.

The "w" drain system consists of two gravity flow open channels that flow to the leach solution collection ponds. There will be four lined solution ponds, i.e., Wash water, Raffinate, ILS and PLS. Additionally, there will be an unlined storm water pond that will allow for containment of run-off water from significant rainfall events. In extreme events the storm water pond is designed to overflow into the existing tailings storage facility.

The heap leach water consumption and catchment have been integrated into the site water balance and indicate that over the project LOM water supply and control can be maintained over both wet and dry scenarios (Figure 24-4).

FIGURE 24-4 ANNUAL SITE WATER BALANCE WITH AND WITHOUT HEAP LEACH



PROCESS FACILITIES DESCRIPTION

A schematic process flow diagram is shown in Figure 24-5. The process facility descriptions and their logical process flow are described below.

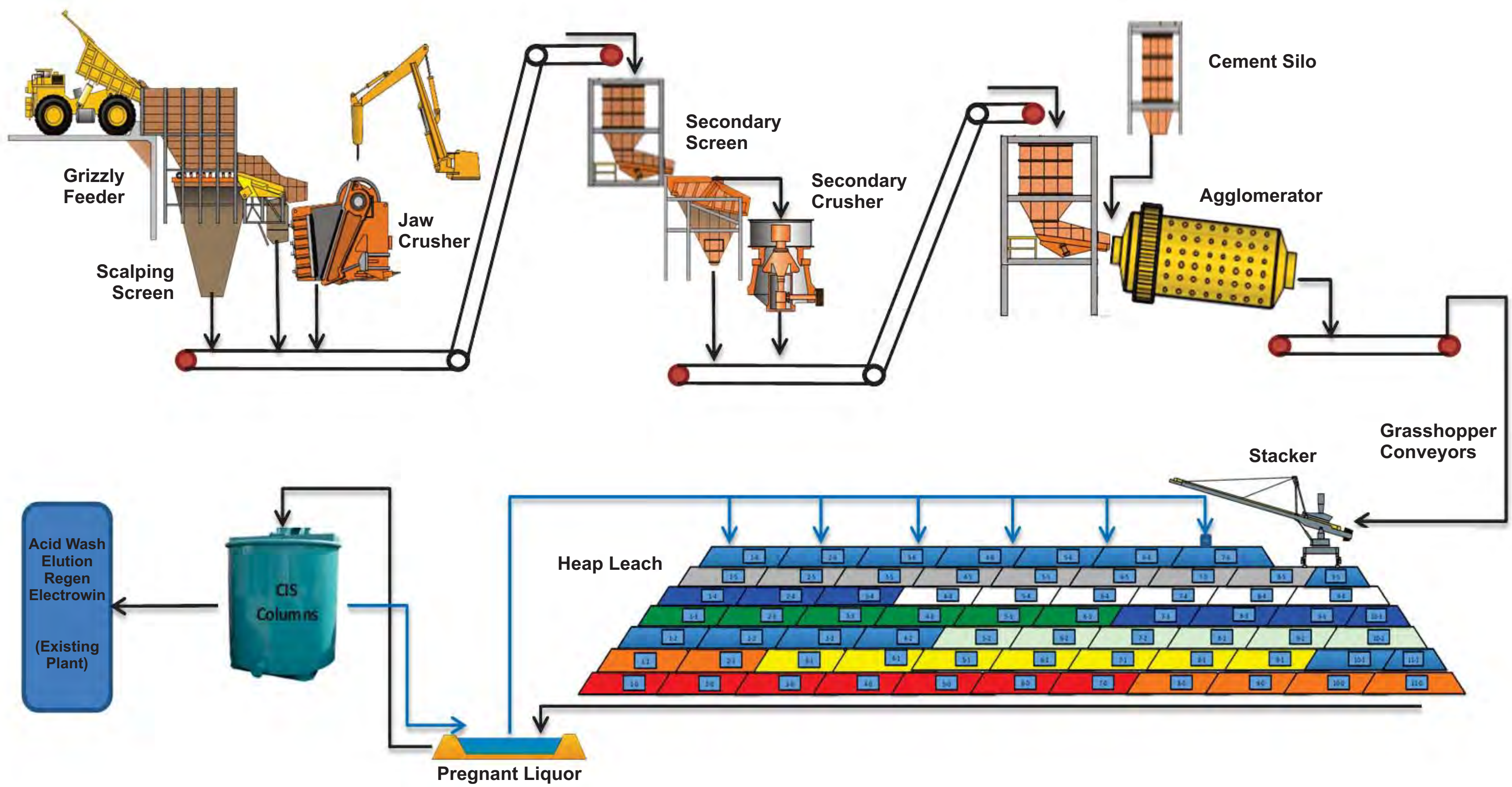


Figure 24-5

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Schematic Process Flow Diagram

March 2016

Source: Teranga Gold Corporation, 2016.

CRUSHING

The existing ROM area provides an ideal location for the Heap Leach primary crushing operation as it is centrally located and within 1.5 km of the existing oxide, transitional and fresh stockpiles. Future ore supplies will utilize existing and proposed haul roads required for the mill/CIL operations.

The ore will be fed via front-end loader (FEL)/truck into a ROM bin into a conventional two stage crushing system with primary jaw and secondary cone crusher at a nominal rate of 385 dry t/h.

AGGLOMERATION AND STACKING

Appropriately crushed ore is fed into the agglomerator surge bin and then conveyed into the agglomerator. Cement is added at a controlled rate by mass ratio onto the feed conveyor from a cement silo and transfer system. A controlled flow of process water is also added to the agglomerator according to ore feed mass flow to ensure optimal moisture conditions are achieved in agglomeration. Agglomerated ore is discharged onto the “over-road” conveyor. This conveyor transfers ore onto the overland conveyor that runs the length of the heap leach pads.

A tripper arrangement takes ore from the overland conveyor onto the first of the mobile grasshopper conveyors. There will be 13 mobile grasshopper conveyors in series that feed the radial stacker that allow the stacking system to be configured to retreat stack the ore the entire 500 m length of the heap leach pad. The stacker can stack ore on a radial arc to a width of 75 m and up to a height of 8 m per lift.

Once the ore on the initial pad (first lift) has been leached as required, the surface of the leached pad is prepared as follows:

- Installation of an intermediate HDPE liner
- Installation of a cushion layer of loose barren material
- Installation of leach solution drainage

The grasshopper conveyors can then be configured to transfer ore up onto the new second lift pad liner and stacked in a retreat fashion as per the first lift pads. The system has been designed to allow for up to eight lifts. Figure 24-6 shows a schematic cross section of the stacking plan on an annualized basis.

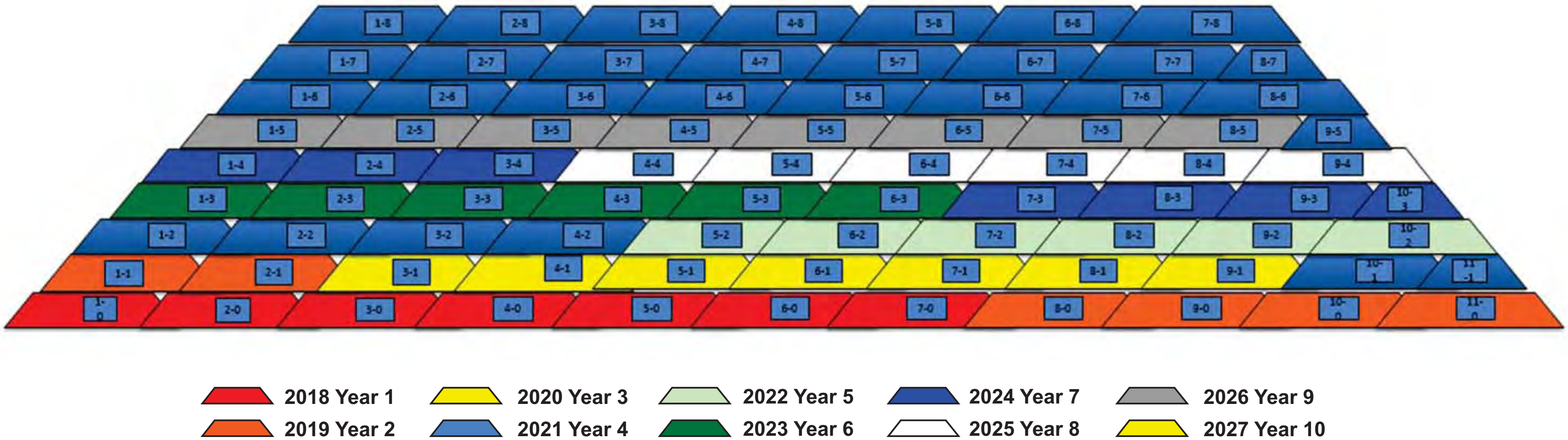


Figure 24-6

Teranga Gold Corporation

Sabodala Project

Sénégal, West Africa

Schematic of Annualized Stacking Plan

March 2016

Source: Teranga Gold Corporation, 2016.

HEAP LEACHING

Once the agglomerated ore has been stacked it undergoes a two stage leach process. The primary leach cycle uses Intermediate Leach Solution (ILS) for leaching, which generates the Primary Leach Solution (PLS) that is pumped to the new Carbon in Solution (CIS) facility located at the existing mill/CIL plant. The Secondary Leach cycle uses Raffinate solution and generates ILS solution which is advanced to the primary leach. The leach solution is distributed over the heaps via a series of ring mains to a dripper irrigation system. Cyanide solution from the existing plant is pumped at controlled dosage from the existing reagent supply tank to the ponds to elevate the cyanide concentration to meet leach design parameters.

The Primary Leach stage is designed to operate for 60 days, after which the Secondary Leach stage is initiated. The Secondary Leach stage is also designed to operate for 60 days.

At completion of the Secondary Leach stage, it is necessary to implement a wash stage to allow for the residual Au and NaCN to be flushed from the heap and that will allow for the final closure of the heap leach facility at the end of the LOM. The wash water system is designed such that it provides all of the necessary make-up water to the heap leach system.

Water will be pumped from either the existing raw water storage or from the tailings storage facility into the Wash water pond from which a controlled volume of wash water is directed onto the heap via the existing solution distribution and irrigation system. The discharge from the wash heap will be directed via a pipe running within the W drain to the Raffinate Pond.

DOWNSTREAM PROCESSING AND INTEGRATION

PLS will be delivered to the CIS circuit by transfer pumps situated at the heap leach operation, at a rate of 365 m3/h. The CIS circuit will be operated on a continuous basis for PLS solution flow, and on a daily batch basis for carbon flow. The piping around the CIS circuit will be configured to allow operation in a carousel system. Six (6) CIS vessels, operating as up-flow vessels will be installed with a single vessel taken off-line each day for carbon harvesting and transfer to the existing elution circuit for gold recovery. During this period, the vessel being harvested will be bypassed by closing / opening various manual valves in and around the vessel, and directing the PLS flow to the subsequent series vessel in line.

The barren solution exiting the last CIS vessel will be directed to a carbon safety screen, recovering any possible loaded carbon that could exit the system. The barren solution will be transferred back to the heap leach operation to the Raffinate (Barren) Pond for re-use in heap leach.

The loaded carbon, at a total mass of 1.5 t, will be harvested from the CIS Vessels on a daily basis. The drained loaded carbon will be collected in a loaded carbon tank and once three batches have accumulated, this will be transferred by pump to the existing 5 ton elution circuit.

The regenerated carbon will be returned from the existing carbon quench tank into a new regen carbon tank and sequentially pumped back into the last drained CIS Vessels.

The Elution and Acid Wash, Electrowinning and Carbon Regeneration circuits within the existing mill/CIL facilities have excess capacity and hence will be utilized in their existing configuration.

PREFEASIBILITY STUDY CAPITAL COST ESTIMATE

BACKGROUND

A PFS capital estimate, with an accuracy of +30/-25%, was prepared for the heap leach project using conventional estimating principles and assumptions appropriate to this level of study. The estimate base date is 1st Quarter 2016. The cost estimate is in US Dollars and prepared based on the applicable exchange rates provided by Teranga Gold Corporation. A summary breakdown of the capital estimate by area is provided in the Table 24-4.

TABLE 24-4 SUMMARY BREAKDOWN OF THE PFS CAPITAL ESTIMATE BY AREA
Teranga Gold Corporation - Sabodala Project

Facility	Total ($ M)
Crushing	6.2
Agglomeration & Stacking	15.0
Solution Collection & Distribution	3.3
Heap Leach Facility	6.4
Recovery Plant	1.6
Infrastructure	1.8
Total Direct Cost	34.3
Common Distributables	1.7
Epcm	5.3
Total Indirect Cost	7.0
Owners Costs	Excluded
Escalation	Excluded
Contingency	8.3
Total Installed Cost	49.6
Deferred Capital for Heap Leach (Cells 8-11)	3.0

The only item of Deferred Capital as mentioned in Table 24-4 is for the delayed construction of Heap Leach pads 8 to 11 which are not required until Year 3 of the project. This estimate has been generated with reference to normal qualifications, assumptions and exclusions.

OPERATING COST ESTIMATE

The Operating Costs were established based on inputs from the design criteria and additional relevant unit costs and commodity rates provided by Teranga. A summary of the process operating costs is provided in Table 24-5.

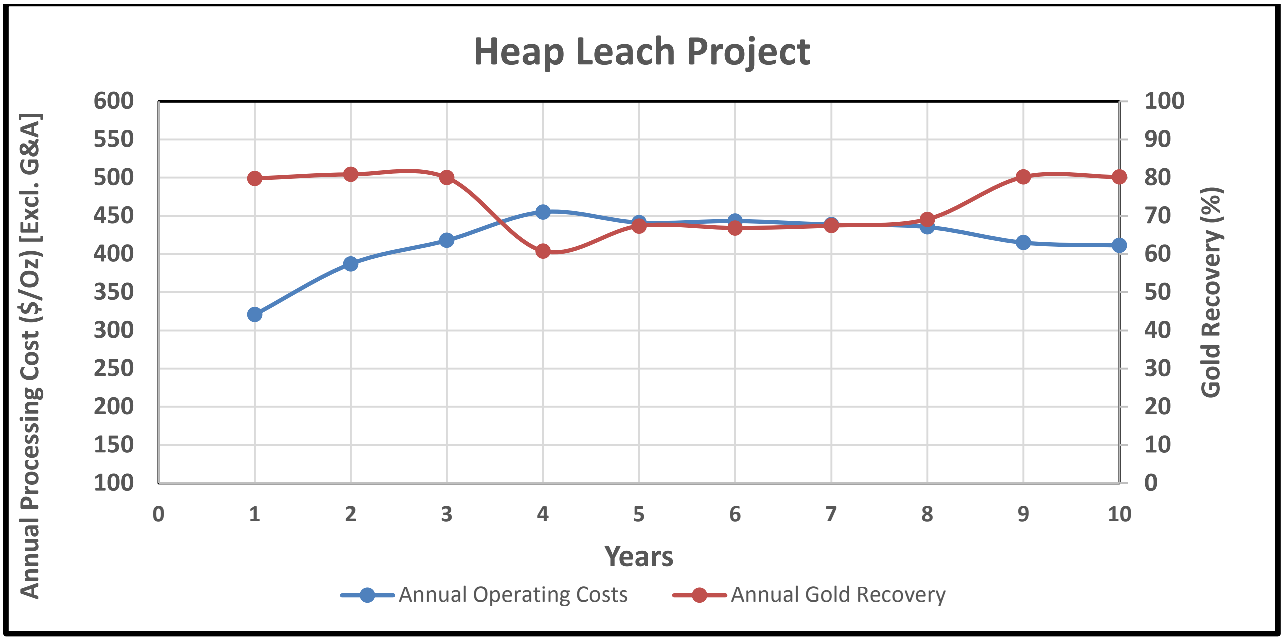
The key cost drivers include the heap leach pad construction costs, which include the pad lining, cushion layer and drainage and irrigation piping at 33% of total operating costs. The base layer pads for year 1 to 2 are capitalized. Cement for agglomeration amounts to 21% of operating costs with NaCN a further 12%. Maintenance accounts for 11% with labour at 11% and power at 7%.

TABLE 24-5 PROCESS OPERATING COST ESTIMATE
Teranga Gold Corporation - Sabodala Project

Cost Centre	Value M$/yr	Value $/t ore
Mining & Geology Labour	0	0.00
Contract Mining	0	0.00
Total Mining Costs	**0**	**0.00**
Power	1.15	0.46
Reagents	5.04	2.03
Process Plant Labour	1.67	0.67
Plant Maintenance & Consumables	1.64	0.66
Heap Leach Pad Costs	5.52	2.22
Laboratory	0.30	0.12
Mobile Equipment (incl Diesel & Mtce)	0.20	0.08
Total Processing Costs	**15.52**	**6.25**
General & Administration Expenses	1.66	0.67
Total Admin Costs	**1.66**	**0.67**
TOTAL OPERATING COSTS	**17.18**	**6.92**

A preliminary estimate of process operating costs (un-escalated) over the project life was determined and is shown below in Figure 24-7.

FIGURE 24-7 HEAP LEACH PROJECT ANNUALIZED PROCESS OPERATING COSTS



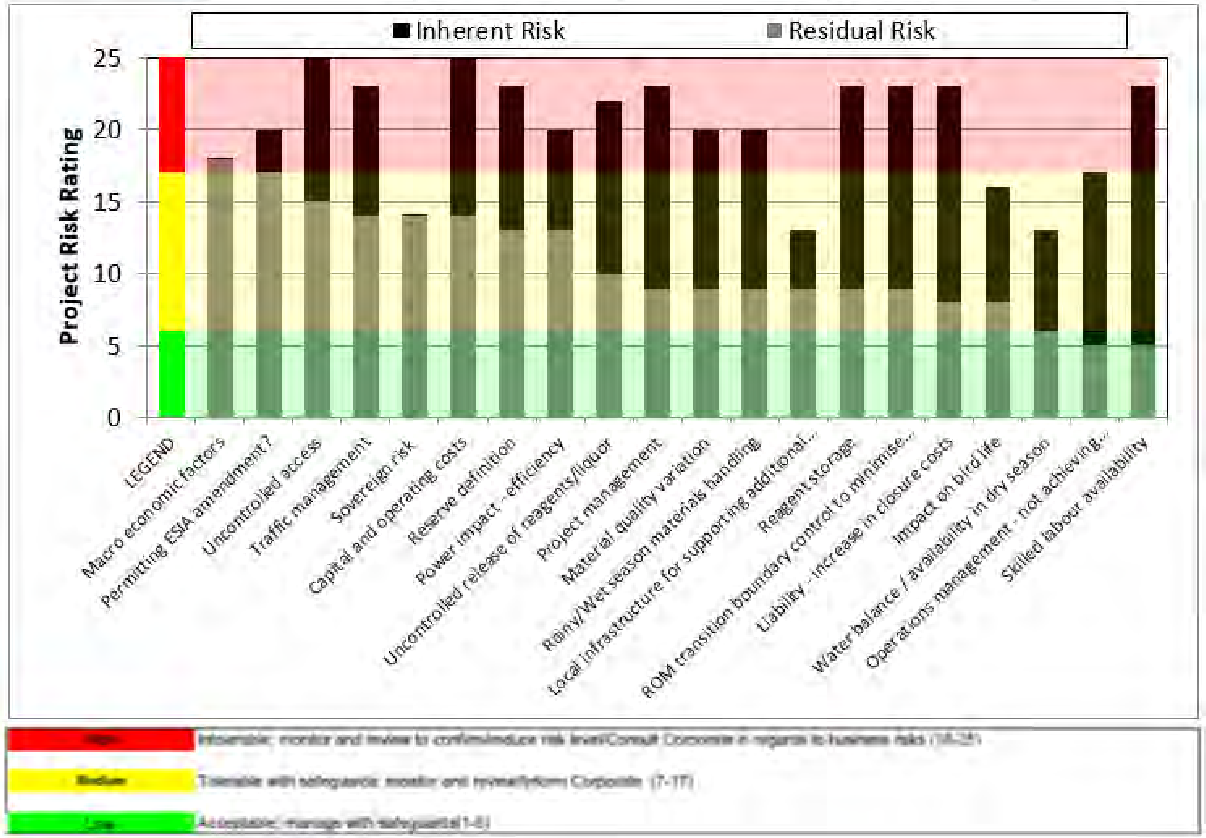
PRELIMINARY PROJECT SCHEDULE

A preliminary Project Schedule has been established indicating a total project duration of approximately 18 months from award to the Engineering contractor through to mechanical completion on an assumed EPCM basis.

RISK AND OPPORTUNITIES

Both Process HAZID and Project Risk assessments have been conducted. The primary risks associated with the project are shown in Figure 24-8. The risks were ranked in accordance with the Sabodala Gold Operations risk assessment matrix, with the inherent risk assessed as the risk without controls and the residual risk is that level that remains after controls have been put in place.

FIGURE 24-8   PROJECT RISK ASSESSMENT SUMMARY



The HAZID Study identified 16 significant hazards, of which the majority were in the health, safety and environment category. Some operations, production and maintenance related hazards were also identified. Nine hazards were ranked inherently as high risk; however the residual risk ranking following implementation of control measures reduced all of these to medium risk category.

FUTURE WORKS

Several opportunities have been identified during the PFS that require further analysis, trade-off comparison and resolution. A programme of works to define these and perform relevant trade-offs is currently in preparation.

25 INTERPRETATION AND CONCLUSIONS

Teranga and RPA offer the following conclusions.

EXPLORATION

- In addition to the current operation, there is a good geological database from the maturing exploration work on the Sabodala Mining Concession as well as potential for further deposits in the immediate vicinity.
- The level of exploration in the area, as proposed, will require a rigorous focus in order to maintain quality in all the work being carried out.
- The geological work to date including data collection is of good quality and suitable for the estimation of Mineral Resources.
- There is a succession of targets/deposits in the "pipeline" and it will be important to continually rank and upgrade these. There is significant potential to increase the Mineral Resources with the current exploration program.

MINERAL RESOURCES

- The Measured and Indicated Mineral Resources as of December 31, 2015 are estimated to be 85.4 Mt grading 1.62 g/t Au for 4.4 Moz of gold. This estimate includes both the open pit and underground Mineral Resources for the Sabodala Mining Concession. In addition, a total of 15.3 Mt of Inferred Resources are estimated at a grade of 1.92 g/t Au for 0.95 Moz of gold.

MINING AND LIFE OF MINE PLAN

- The updated LOM plan integrates the OJVG deposits (Masato, Golouma, Maki Medina, Niakafiri SE, Niakafiri SW, and Kerekounda) with the original Teranga deposits (Sabodala, Gora, and Niakafiri Main).
- The Sabodala, Masato, Gora, Golouma, Kerekounda, Maki Medina, and Niakafiri deposits, combined with the stockpiled material, have the capacity to produce sufficient ore on an ongoing basis for the current mill capacity.
- The current major mining equipment appears to have the capacity to maintain levels of availability, utilization, and productivity that support the total mine capacity used to model the LOM schedule.
- The underground study indicates that positive economic results can be obtained.
- The cut-off grades applied to the seven deposits are supported by current operating practice and are considered an appropriate basis for definition of Mineral Reserves.

- There have been five full years of mining operations at Sabodala and the operation has reached its short term targets. It can be anticipated that operational processes will continue to improve as the operation matures and that these will have a positive impact on costs and equipment efficiency.

- Mining operations in the Sabodala pit have shown that the rock mass is relatively dry with some exceptions. The groundwater is related to several structural conduits. It has been observed that the pit makes approximately 6,000 m^3 of water per month, which is approximately equivalent to one day's pumping with one pump. There are sufficient measures in the mine to control the water and keep it out of the pit.

MINERAL RESERVES

- The Proven and Probable Mineral Reserves as of December 31, 2015 are 59.3 Mt grading 1.38 g/t Au for 2.63 Moz of gold.

METALLURGY

- The Sabodala, Masato, Gora, Golouma, Kerekounda, and Niakafiri ores are medium to hard but are relatively simple metallurgically allowing 90%, or greater, recovery to be readily obtained. Test work has indicated that potential exists for treating low grade oxide ores by heap leaching, although fine crushing and agglomeration is required.

ENVIRONMENTAL CONSIDERATIONS

- The Sabodala village must be moved prior to mining at Niakafiri Main deposit. As village relocation has been undertaken previously for the TSF2 permit, Teranga believes that it has a very clear path to do so again for Niakafiri and the process has been initiated.

26 RECOMMENDATIONS

Teranga and RPA offer the following recommendations.

EXPLORATION

- Exploration should continue on the Regional Exploration Package and Mine Lease. Discovery of additional resources will provide the opportunity to extend the life of operations, and higher grades will provide flexibility in operating should the price of gold fall or costs increase.

GEOTECHNICAL CONSIDERATIONS

- A geotechnical program should be undertaken to determine specific characteristics for the pit slopes of the Niakafiri open pit. Estimated cost $0.5 million.

UNDERGROUND STUDIES

- Resource definition diamond drilling should be completed to upgrade Inferred material into the Indicated category.

- Contractor and equipment prices should be obtained to improve confidence in the costs prior to mining.

- Longhole mining of the Golouma West deposits should be investigated to reduce operating costs. With minor changes to the designs, longhole mining may be feasible in these deposits.

METALLURGY

- A gold deportment program should be initiated for the Masato and Golouma ores to gain a better understanding of the gold within sulphides and the associated gold losses to sulphides indicated by the diagnostic leach tests to date. Further diagnostic leaches at different grind sizes should assist in quantifying the potential for a coarser primary grind coupled with sulphide recovery. Estimated cost $100,000.

- Analysis of the production data should be continued in order to maintain accurate correlations for estimating future gold extraction.

HEAP LEACH INVESTIGATION

- A significant amount of the Mineral Resources and Mineral Reserves at Niakafiri is oxidized. Pre-feasibility level testwork has been initiated on the Niakafiri and Masato trends for oxide ore, as well as a second evaluation of the non-weathered (fresh) ore. Additional testwork and materials handling tests to further optimize the current engineering design concept prior to a construction decision is recommended. Estimated cost $150,000.

SATELLITE PIT DEVELOPMENT

- Continued evaluation of drill core and empirical data for the pit walls for the upcoming pits in the LOM plan (e.g., Kerekounda and Niakafiri).

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28 DATE AND SIGNATURE PAGE

This report titled "Technical Report on the Sabodala Project, Senegal, West Africa" dated March 22, 2016 was prepared and signed by the following authors:

(Signed and Sealed) "*Paul Chawrun*"

Dated at Toronto, ON
March 22, 2016

Paul Chawrun, P.Eng.
VP Operations and Technical Services
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Dated at Toronto, ON
March 22, 2016

Patti Nakai-Lajoie, P.Geo.
Senior Director, Mineral Resources
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(Signed and Sealed) "*Peter L. Mann*"

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March 22, 2016

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Exploration Manager
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(Signed and Sealed) "*Kathleen Ann Altman*"

Dated at Lakewood, CO
March 22, 2016

Kathleen Ann Altman, Ph.D., P.E.
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(Signed and Sealed) "*Jeff Sepp*"

Dated at Toronto, ON
March 22, 2016

Jeff Sepp, P.Eng.
Senior Miing Engineer
Roscoe Postle Associates Inc.

29 CERTIFICATE OF QUALIFIED PERSON

WILLIAM P. CHAWRUN

I, William P. Chawrun, P.Eng., as an author of this report entitled "Technical Report on the Sabodala Project, Senegal, West Africa" prepared for Teranga Gold Corp. and dated March 22, 2016, do hereby certify that:

1. I am Vice President, Operations and Technical Services with Teranga Gold Corp. at Suite 2600, 121 King Street West, Toronto, Ontario M5H 3T9.

2. I am a graduate of McMaster University, Canada in 1988 with a B. Sc. (Geology), Queen's University, Canada in 1993 with a B. Sc. with Honours (Mining Engineering), and Athabasca University, Canada in 2006 with an M.B.A.

3. I am registered as a Professional Engineer in the Province of Ontario (Reg.# 100142101). I have worked as a mining engineer for a total of 23 years since my graduation. My relevant experience for the purpose of the Technical Report is:
   - Site based engineering and multi-disciplined technical management at surface mine operations
   - Cost modeling, Mineral Reserve estimation, mine planning
   - Mine project technical development – surface and underground

4. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

5. I visited the Sabodala Project from February 10, 2016 to February 17, 2016.

6. I am responsible for the preparation of Sections 2, 3, 15, 16, 18, 19, 20, 21, 22, 23 and 24 and contributed to Sections 1, 25, 26, and 27 of the Technical Report.

7. I am not independent of the Issuer applying the test set out in Section 1.5 of NI 43-101.

8. I have had prior involvement with the property that is the subject of the Technical Report.

9. I have read NI 43-101, and the Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.

10. At the effective date of the Technical Report, to the best of my knowledge, information, and belief, Sections 2, 3, 15, 16, 18, 19, 20, 21, 22, 23, and 24 and portions of Sections 1, 25, 26, and 27 for which I am responsible in the Technical Report contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 22nd day of March, 2016

(Signed and Sealed) "*Paul Chawrun*"

William P. Chawrun, P.Eng.

PATTI NAKAI-LAJOIE

I, Patti Nakai-Lajoie P.Geo., as an author of this report entitled “Technical Report on the Sabodala Project, Senegal, West Africa” prepared for Teranga Gold Corp. and dated March 22, 2016, do hereby certify that:

1. I am Senior Director, Mineral Resources with Teranga Gold Corp. at Suite 2600, 121 King Street West, Toronto, Ontario M5H 3T9.

2. I am a graduate of University of Toronto, Toronto, Ontario, Canada in 1980 with a B.Sc. in Geology.

3. I am registered as a Professional Geoscientist in the Province of Ontario (Reg. #0290). I have worked as a professional geologist for a total of 34 years since my graduation. My relevant experience for the purpose of the Technical Report is:
   - Supervision of underground and surface exploration programs
   - Mineral Resource estimation and block modelling
   - Senior positions with major Canadian consulting and mining companies, with responsibilities in managing all Mineral Resource related functions

4. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

5. I visited the Sabodala Project from November 8, 2015 to November 25, 2015.

6. I am responsible for the preparation of Sections 11, 12 and 14, and contributed to Sections 1, 25, 26, and 27 of the Technical Report.

7. I am not independent of the Issuer applying the test set out in Section 1.5 of NI 43-101.

8. I have had prior involvement with the property that is the subject of the Technical Report.

9. I have read NI 43-101, and the Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.

10. At the effective date of the Technical Report, to the best of my knowledge, information, and belief, Sections 11, 12, and 14 and portions of Sections 1, 25, 26, and 27 for which I am responsible in the Technical Report contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 22nd day of March, 2016

(Signed and Sealed) “*Patti Nakai-Lajoie*”

Patti Nakai-Lajoie, P.Geo.

PETER L. MANN

I, Peter L. Mann, MAusIMM, as an author of this report entitled "Technical Report on the Sabodala Gold Project, Senegal, West Africa" prepared for Teranga Gold Corp. and dated March 22, 2016, do hereby certify that:

1. I am Exploration Manager with Teranga Gold Corp. at Suite 2600, 121 King Street West, Toronto, Ontario, M5H 3T9.

2. I am a graduate of Rhodes University, Grahamstown, South Africa in 1981 with a B.Sc. degree in Geology and Plant Science, and in 1993 with a M.Sc. degree in Geology, Minerals Exploration.

3. I am registered as a Professional Member of the Australasian Institute of Mining and Metallurgy (Reg. 990534). I have worked as a geologist for a total of 35 years since my graduation. My relevant experience for the purpose of the Technical Report is:
   - 9 years, 9 months Orogenic gold exploration South African Greenstone Belts of Natal, Barberton and Pietersburg, Kazakhstan Altyntas. Senegal Birimian Orogenic Belt.
   - 5 years 7 months gold mining on Witwatersrand gold fields Orange Free State, South Africa.
   - 4 years 7 months Witwatersrand gold exploration on Witwatersrand gold fields Orange Free State, South Africa.
   - 15 years in base metals exploration South Africa, Zambia, Botswana and Democratic Republic of Congo.

4. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

5. I visited the Sabodala Gold Project from January 13, 2016 to February 28, 2016.

6. I am responsible for the preparation of Sections 4, 5, 6, 7, 8, 9 and 10 and contributed to Sections 1, 25, 26, and 27 of the Technical Report.

7. I am not independent of the Issuer applying the test set out in Section 1.5 of NI 43-101.

8. I have had prior involvement with the property that is the subject of the Technical Report.

9. I have read NI 43-101, and the Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.

10. At the effective date of the Technical Report, to the best of my knowledge, information, and belief, Sections 4, 5, 6, 7, 8, 9, and 10 and portions of Sections 1, 25, 26, and 27 for which I am responsible in the Technical Report contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 22nd day of March, 2016

(Signed and Sealed) "*Peter L. Mann*"

Peter L. Mann, FAusIMM

KATHLEEN ANN ALTMAN

I Kathleen Ann Altman, P.E., as an author of this report entitled "Technical Report on the Sabodala Project, Senegal, West Africa" prepared for Teranga Gold Corp. and dated March 22, 2016, do hereby certify that:

1. I am Principal Metallurgist and Director, Mineral Processing and Metallurgy with RPA (USA) Ltd. of Suite 505, 143 Union Boulevard, Lakewood, Co., USA 80228.

2. I am a graduate of the Colorado School of Mines in 1980 with a B.S. in Metallurgical Engineering. I am a graduate of the University of Nevada, Reno Mackay School of Mines with an M.S. in Metallurgical Engineering in 1994 and a Ph.D. in Metallurgical Engineering in 1999.

3. I am registered as a Professional Engineer in the State of Colorado (Reg. #37556) and a Qualified Professional Member of the Mining and Metallurgical Society of America (Member #01321QP). I have worked as a metallurgical engineer for a total of 34 years since my graduation. My relevant experience for the purpose of the Technical Report is:
   - Review and report as a metallurgical consultant on numerous mining operations and projects around the world for due diligence and regulatory requirements.
   - I have worked for operating companies, including the Climax Molybdenum Company, Barrick Goldstrike, and FMC Gold in a series of positions of increasing responsibility.
   - I have worked as a consulting engineer on mining projects for approximately 15 years in roles such a process engineer, process manager, project engineer, area manager, study manager, and project manager. Projects have included scoping, prefeasibility and feasibility studies, basic engineering, detailed engineering and start-up and commissioning of new projects.
   - I was the Newmont Professor for Extractive Mineral Process Engineering in the Mining Engineering Department of the Mackay School of Earth Sciences and Engineering at the University of Nevada, Reno from 2005 to 2009.

4. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

5. I did not visit the Sabodala Gold Project.

6. I am responsible for Sections 13 and 17 and contributed to Sections 1, 25, 26, and 27 of the Technical Report.

7. I am independent of the Issuer applying the test set out in Section 1.5 of NI 43-101.

8. I have had no prior involvement with the property that is the subject of the Technical Report.

9. I have read NI 43-101, and the Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.

10. At the effective date of the Technical Report, to the best of my knowledge, information, and belief, Section 13 and 17 and portions of Sections 1, 25, 26, and 27 for which I am responsible in the Technical Report contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 22nd day of March, 2016

(Signed and Sealed) "*Kathleen Ann Altman*"

Kathleen Ann Altman, Ph.D., P.E.

JEFF SEPP

I, Jeff Sepp, P.Eng., as an author of this report entitled "Technical Report on the Sabodala Project, Senegal, West Africa" prepared for Teranga Gold Corp. and dated March 22, 2016, do hereby certify that:

1. I am Senior Mining Engineer with Roscoe Postle Associates Inc. of Suite 501, 55 University Ave Toronto, ON, M5J 2H7.

2. I am a graduate of Laurentian University, Sudbury, Ontario in 1997 with a B.Eng. degree in mining.

3. I am registered as a Professional Engineer in the Province of Ontario (Reg. #100139899). I have worked as a mining engineer for a total of 17 years since my graduation. My relevant experience for the purpose of the Technical Report is:
   - Mine planning, open pit and underground mine design and scheduling, ventilation design and implementation for numerous projects in Canada, USA, Turkey, Saudi Arabia, United Kingdom, Mali, Tanzania, Ghana, and Sweden.
   - Senior mining consultant at MineRP Canada Limited.
   - Mining engineer/ventilation specialist for a number of Canadian mining companies, including CVRD Inco (now Vale) and Cameco Corp.

4. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

5. I did not visit the Sabodala Gold Project.

6. I am responsible for portions of Sections 15 (Underground Mineral Reserves) and 16 (Underground Mining) and contributed to Sections 1, 25, 26, and 27 of the Technical Report.

7. I am independent of the Issuer applying the test set out in Section 1.5 of NI 43-101.

8. I have had no prior involvement with the property that is the subject of the Technical Report.

9. I have read NI 43-101, and the Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.

10. At the effective date of the Technical Report, to the best of my knowledge, information, and belief, the portions of Sections 15 and 16 and portions of Sections 1, 25, 26, and 27 for which I am responsible in the Technical Report contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 22nd day of March, 2016

(Signed and Sealed) "*Jeff Sepp*"

Jeff Sepp, P.Eng.