

November 3, 2016

Anjuli Sinniah
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By email: anjuli.sinniah@asx.com.au

Dear Ms Sinniah

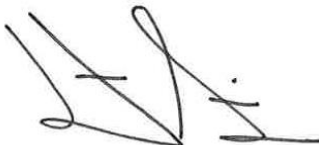
LIFTING OF TRADING HALT

Teranga Gold Corporation (TSX: TGZ, ASX: TGZ) (**Company**) would like to refer the market to its press release issued on November 1, 2016 after the close of market on the Toronto Stock Exchange and prior to market of the Australian Stock Exchange on the morning of November 2, 2016 (the "\$65 Million Dollar Equity Offering Press Release"). The Company has announced an offering of 62,000,000 common shares ("Shares") at a price of CDN \$1.05 per Share for gross proceeds to the Company of approximately CDN \$65 million (the "Offering"). The Offering is anticipated to close on or about November 21, 2016.

The basic terms of the Offering are set out in the attached Term Sheet.

With the disclosure of the \$65 Million Dollar Equity Offering Press Release and the Term Sheet, the Company sees no reason not to reinstate trading on the ASX immediately.

Yours sincerely



David Savarie
Company Secretary
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TERM SHEET

Teranga Gold Corporation Term Sheet November 1, 2016

A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the securities regulatory authorities in each of the provinces of Canada except for Québec. A copy of the preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities.

There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, final short form prospectus and any amendment, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

(All amounts in Canadian dollars unless otherwise noted)

- Issuer:** Teranga Gold Corporation (“Teranga” or the “Company”).
- Public Offering:** 32,500,000 Common Shares (the “Common Shares”).
- Concurrent Private Placement:** Concurrent with the Offering, the Company intends to undertake a non-brokered private placement (the “Concurrent Private Placement”) whereby Tablo Corporation (the “Purchasing Insider”), will, subject to definitive documentation, purchase 29,500,000 Common Shares on a private placement basis at the Offering Price. Completion of the Offering is conditional on completion of the Concurrent Private Placement with the Purchasing Insider.
- Public Offering Amount:** \$34,125,000 before giving effect to the Over-Allotment Option.
- Issue Price:** \$1.05 per Common Share.
- Over-allotment Option:** The Company has granted the underwriters of the Offering (the “Underwriters”) an option (the “Over-allotment Option”), exercisable in whole or in part at the Underwriters’ sole discretion at any time until 30 days following the Closing of the Offering, to purchase that number of additional Common Shares as is equal to 15% of the aggregate number of Common Shares purchased in the Offering to cover over-allotments, if any, and for market stabilization purposes.
- Use of Proceeds:** The Company plans to direct approximately \$30 million of the net proceeds of the Offering to construction readiness activities for the Banfora gold project, including reserve development drilling, updating scientific and technical report and optimization studies, commencement of village relocation and early engineering works. The Company intends to use the remainder of the net proceeds to fund exploration activities associated with Banfora, Golden Hill and Gourma gold projects and for general corporate purposes.
- Lock-Up Restrictions** Teranga will be subject to a 90 day black-out post-closing, subject to certain exemptions. The Purchasing Insider will be subject to a 90 day lock-up post-closing, subject to certain exceptions, including a sale to a strategic purchaser.
- Offering Basis:** Public offering in all provinces of Canada, other than Quebec, pursuant to a short form prospectus and in the U.S. by way of private placement pursuant to Rule 144A of the U.S. Securities Act of 1933 and internationally as permitted pursuant to private placement exemptions under local securities laws.
- Underwriting Basis:** “Bought deal” subject to conventional bought deal termination provisions and closing conditions to be included in a definitive underwriting agreement.
- Listing:** The Common Shares trade on the Toronto Stock Exchange under the symbol “TGZ” and the Australian Securities Exchange under the symbol “TGZ”.

Eligibility: Subject to customary qualifications, the Common Shares are qualified investments for RRSPs, RRIFs, RESPs, TFSAs and DPSPs.

Joint Bookrunners: RBC Capital Markets and Cormark Securities Inc.

Commission: 5.0%.

Closing: On or about November 21, 2016 (the "Closing").