

ASX Announcement  
ASX: BOE

28 February 2018

## ADDITIONAL HIGH-GRADE RESULTS AT JACKHAMMER HILL

### HIGHLIGHTS

- **Golden Hill Project is one of the most exciting gold projects in West Africa**
- **Five high-grade prospects discovered at Golden Hill to date, including Jackhammer Hill, increasing confidence that this project may represent Teranga's third gold mine in West Africa**
- **Diamond drill results confirming Jackhammer Hill discovery is a large mineralized system hosting a high-grade central core**
- **Early-stage drilling intersect additional high-grade, near surface and deeper gold mineralization**
- **Visible gold and favorable drill results continuing**
- **Jackhammer Hill Prospect Highlights:**
  - **9 m @ 34.25 g/t Au** including 1 m @ 294.4 g/t Au (GHDD-221) - uncut
  - **8 m @ 10.49 g/t Au** including 1 m @ 71.93 g/t Au (GHDD-222) - uncut
  - **8 m @ 4.36 g/t Au** including 1 m @ 10.19 g/t Au (GHDD-197)
  - **12 m @ 2.68 g/t Au** including 4 m @ 5.83 g/t Au (GHDD-225)
- **Jackhammer Hill – Prior Selected Drill Highlights (Released November 2017)**
  - **15 m @ 5.72 g/t Au** including 4 m @ 16.37 g/t Au including 1 m @ 42.1 g/t Au (GHDD-104) - uncut
  - **14 m @ 110.6 g/t Au** including 5 m @ 306.7 g/t Au including 1 m @ 1,499 g/t Au (GHDD-111) -uncut

**Boss Resources Limited (ASX: BOE) ("Boss" or the "Company")** is pleased to report that Teranga Gold Corporation ("**Teranga**") (TSX: TGZ) announced on 27 February 2018 (Canadian time) that ongoing, early-stage drilling has intersected additional high-grade, near surface and deeper gold mineralization at its newest discovery, Jackhammer Hill, situated on the Golden Hill property in Burkina Faso, West Africa. Teranga has an earn-in agreement on the Golden Hill property with Boss.

Diamond drill results returned to date are confirming that the Jackhammer Hill discovery is a large mineralized system hosting a high-grade central core. Drilling has intersected multiple mineralized zones that are often associated with visible gold, especially within the central area of the prospect.

Teranga is aggressively drilling all five prospects at Golden Hill. Each prospect is located within approximately five kilometres from a central point (Figure 1).

**The full Teranga announcement is enclosed.**

**Richard Young, Teranga's President and CEO, states** "Today's positive results continue our strong momentum at the Golden Hill Project and confirm its status as one of the most exciting gold projects in West Africa. We have discovered five high-grade prospects at Golden Hill to date, including Jackhammer Hill, increasing our confidence that this project may represent Teranga's third gold mine in West Africa."

Boss currently holds a 49% interest in joint venture with Teranga over the Golden Hill and Gourma Gold Projects located in Burkina Faso, West Africa. Teranga manages the joint venture and is funding all exploration on the projects up to the completion of a definitive feasibility study ("DFS") and Decision to Mine.

On delivery of the DFS, Teranga's interest in the joint venture will increase to 70% and they retain the rights to acquire an additional 10% in the joint venture for A\$2.5 million. Upon completion of the DFS but prior to a Decision to Mine, Boss may elect to convert the remainder of their interest to a 1.5% Net Smelter Return, otherwise Boss shall be free carried to a decision to mine and will then be required to contribute on a pro rata basis.

**David Mallo, Teranga's Vice President, Exploration, follows** "Jackhammer Hill continues to provide a series of high-grade gold intersections. Although we are still at an early stage of evaluation, we recognize strong potential for considerable upside with continued exploration success as we extend our drilling evaluation program at Jackhammer Hill, both along trend beyond the initial target area and to depth where the mineralized structures remain open for further expansion."

**Boss Managing Director, Mr Duncan Craib, states** "Teranga's latest drilling results from Jackhammer Hill further confirms our project is located in one of the most prospective gold belts in the world which hosts a number of high-grade gold discoveries, including the Siou, Yaramoko and Houndé deposits.

"Boss is a direct beneficiary of Teranga's project spend which continues to add incremental value to the projects. In just one year, Golden Hill has produced a series of high-grade, near-surface drill results at the first four prospects: Ma, Nahiri, Peksou, and Jackhammer Hill (where bonanza gold grades have been intercepted) and C-Zone.

"Due to the free carried nature of the joint venture agreement prior to the completion of a DFS and Decision to Mine, Boss directly benefits from the expanded exploration program planned for 2018 in the order of C\$8M. The solid results combined with a renewed interest in the West African gold sector has resulted in the Boss being approached regarding the potential divestment of its interest in the joint venture. To assist in assessing this interest, Boss has appointed corporate advisors in relation to assessing options to maximise the inherent value of the joint venture interest and Boss will provide further updates as appropriate.

"Boss's Board of Directors genuinely regards the Golden Hill Project as a significantly attractive exploration and development opportunity, and they remain focused on maximising shareholder value."

## Jackhammer Hill Prospect

The Golden Hill property is comprised of three adjacent exploration permits covering 470km<sup>2</sup> located in southwest Burkina Faso in the central part of the Houndé Greenstone Belt. This belt hosts a number of high-grade gold discoveries, including the Siou, Yaramoko and Houndé deposits, the latter property being contiguous with Golden Hill. To the south of Golden Hill is another large land position where active exploration programs are well underway.

Sixteen diamond drill results from recent drilling at the Jackhammer Hill prospect are reported within this news release (Appendix 1). Cumulative results from Jackhammer Hill drilling are available on Teranga's web-site [www.terangagold.com](http://www.terangagold.com) under Exploration.

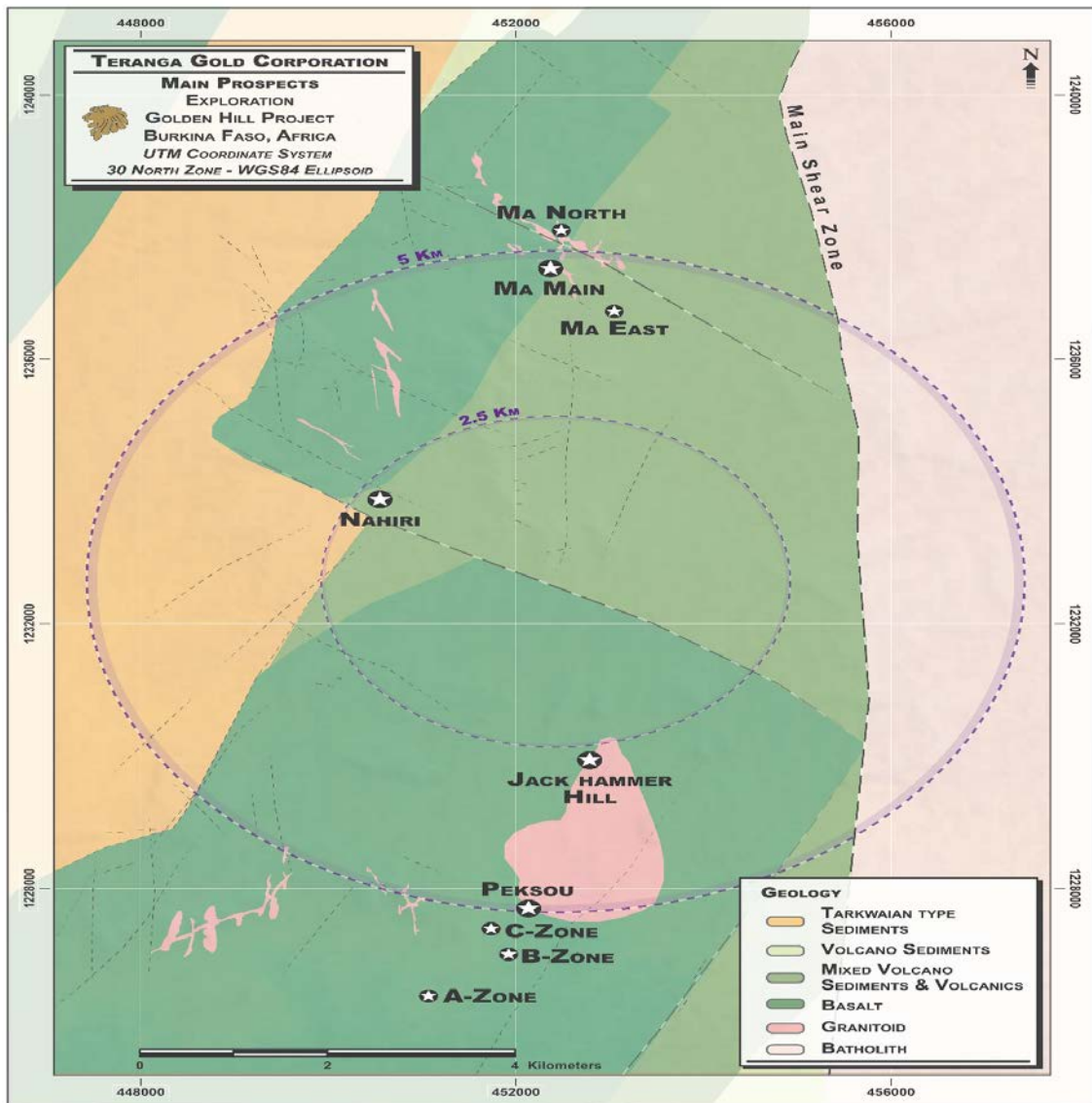


Figure 1: Golden Hill Property – Prospect Location Plan Map

The gold mineralized zones identified thus far comprise a series of southeast dipping horizons hosted within an altered and sheared diorite intrusive unit. Drilling has been initiated along an approximate 1,000-metre strike extent, predominantly to vertical depths of 50 - 75 metres and locally to vertical depths of approximately 125 metres (GHDD-197). The Jackhammer Hill drilling program completed to date is outlined on Figure 2. Additionally, two representative sections demonstrating excellent continuity of mineralization are also included (Figures 3 and 4).

A central core portion of the Jackhammer Hill prospect includes a number of intersections reflective of higher-grade visible gold occurrences in the drill core over a current strike extent of 160 metres (Section 0+80 SW to Section 2+40 SW in Figure 2). A number of the higher-grade intervals associated with the visible gold occurrences will be re-analyzed by metallic screen (total gold) analytical methods.

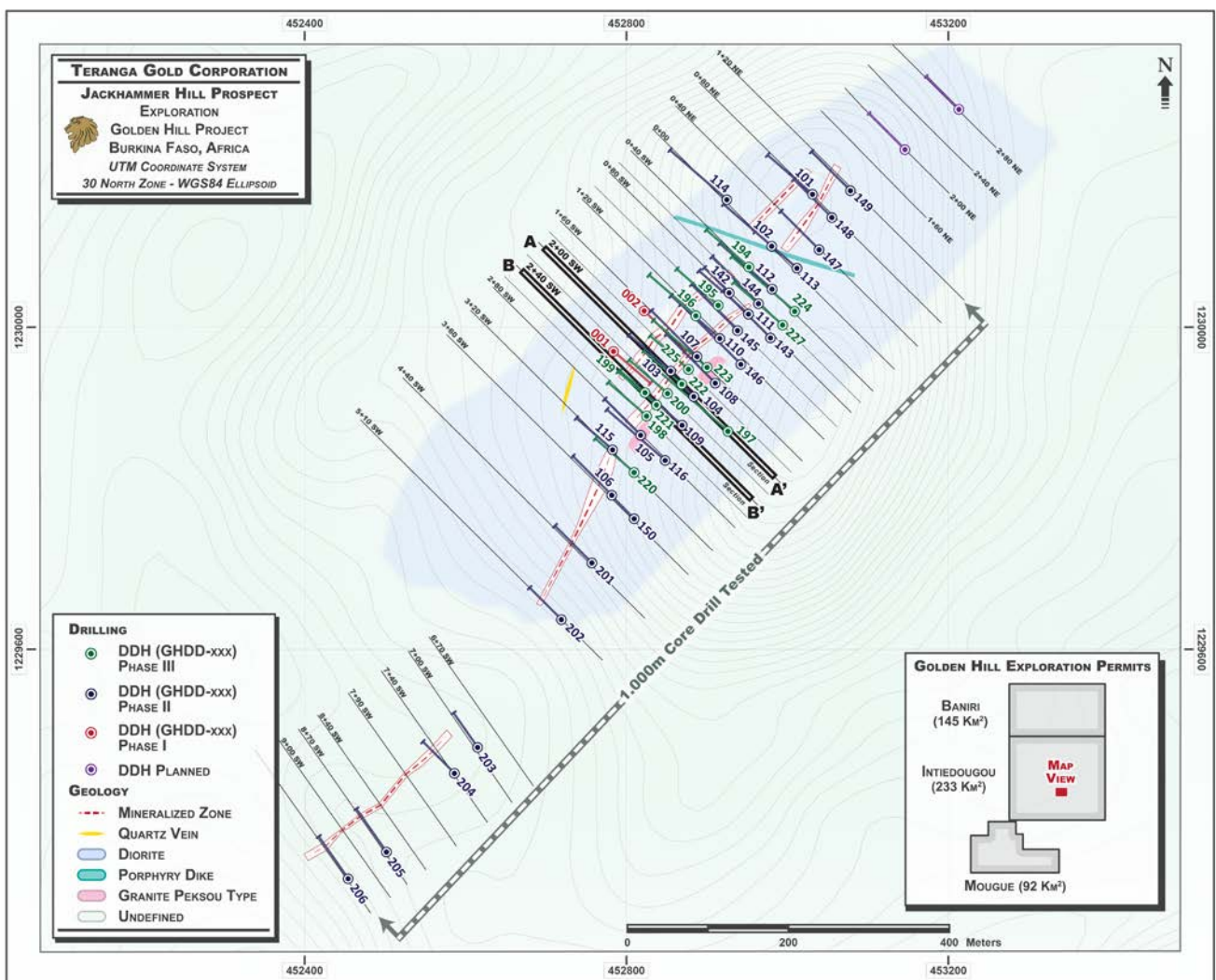


Figure 2: Jackhammer Hill Plan Map



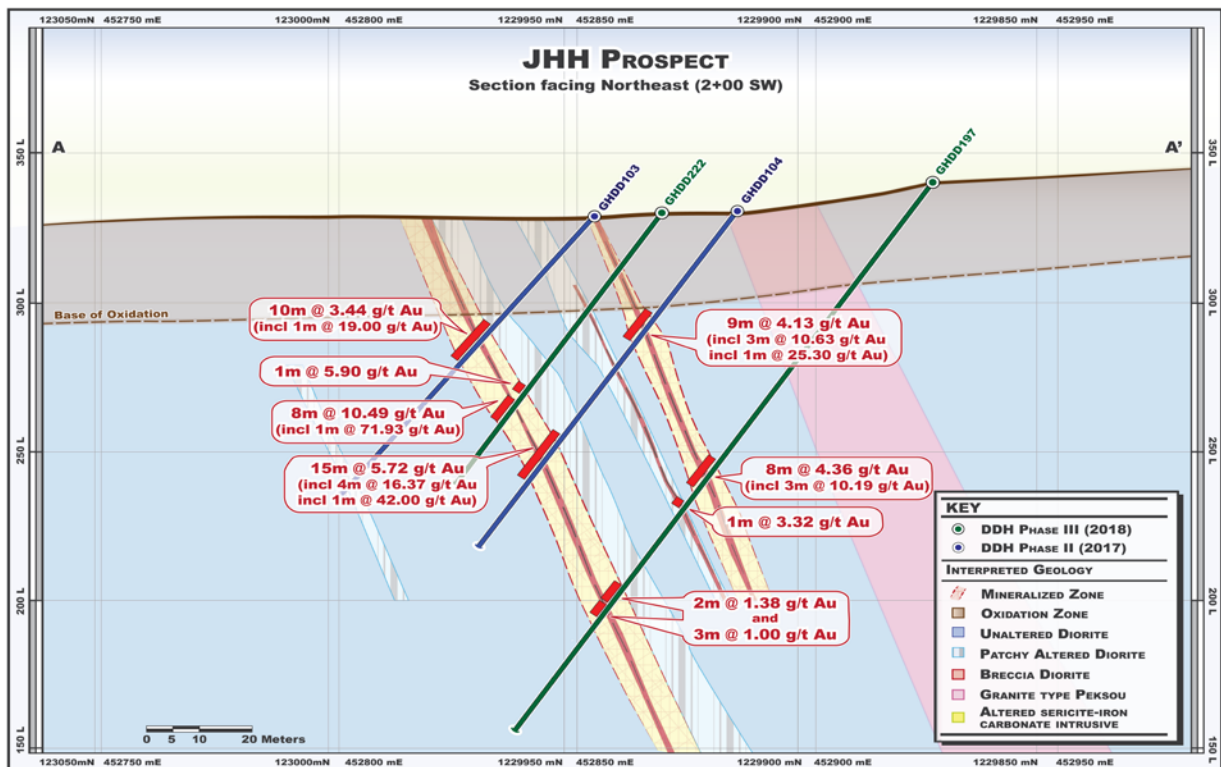


Figure 3: Ma Prospect – Representative Drill Section

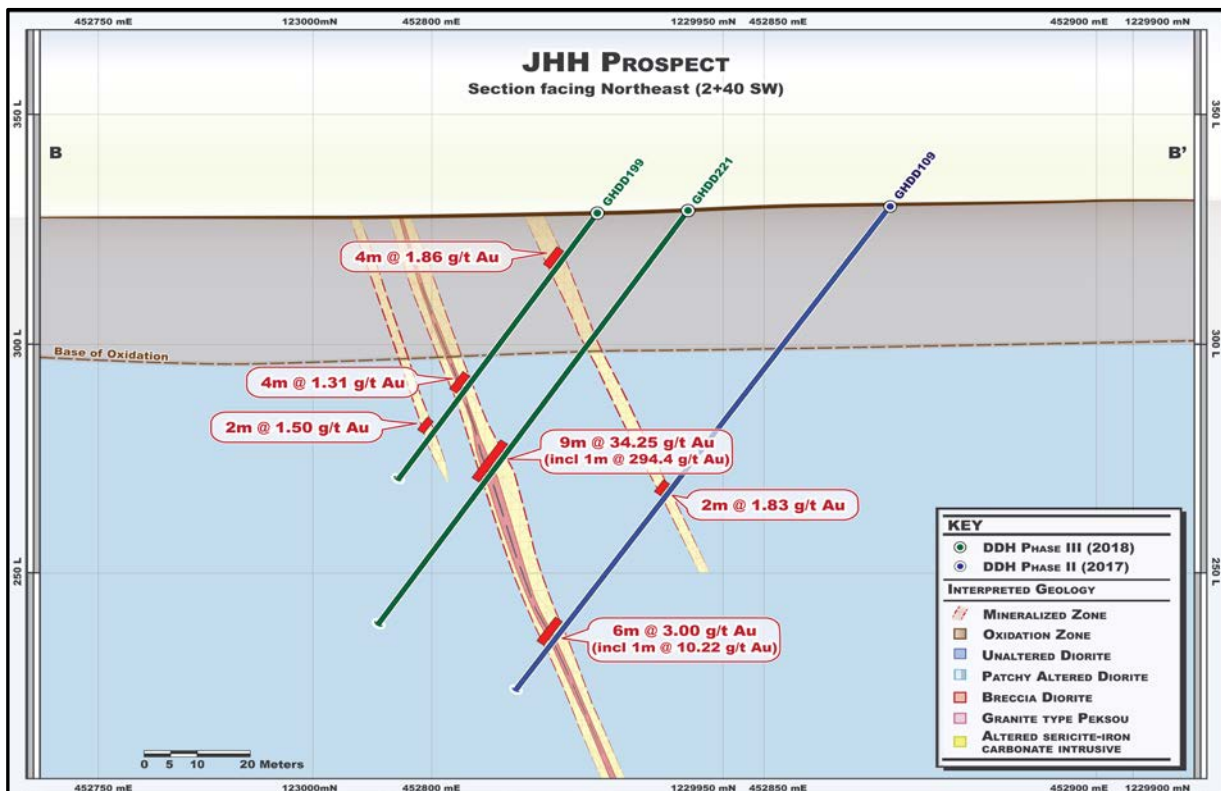


Figure 4: Ma Prospect – Representative Drill Section

## Earn-in Agreement

The salient terms of the earn-in agreement with Teranga and Boss on the Golden Hill and Gourma Gold Projects are as follows:

- Teranga and Boss currently own 51% and 49% respective interest in the Golden Hill and Gourma Gold Projects;
- Teranga to sole manage the joint venture and fund all exploration on the projects up to the completion of a DFS and Decision to Mine;
- Boss has a free carried interest to completion of a DFS and decision to mine;
- On delivery of the DFS Teranga's interest in the joint venture will increase to 70%;
- Teranga has the right to acquire an additional 10% in the joint venture for A\$2.5 million cash;
- Upon completion of the DFS but prior to a Decision to Mine, Boss may elect to convert the remainder of their 20% interest to a 1.5% Net Smelter Return, otherwise Boss shall be free carried to a decision to mine and will then be required to contribute on a pro rata basis; and
- Pre-emptive rights stipulated should a third-party offer exist.

## Competent Persons Statements

Teranga's exploration programs are being managed by Peter Mann, FAusIMM. Mr. Mann is a full-time employee of Teranga and is not "independent" within the meaning of National Instrument 43-101. Mr. Mann has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the "JORC Code"). Mr. Mann is a "Qualified Person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects. The technical information contained in this news release relating exploration results are based on, and fairly represents, information compiled by Mr. Mann. Mr. Mann has verified and approved the data disclosed in this release, including the sampling, analytical and test data underlying the information. The RC and diamond core samples are assayed at the BIGS Laboratory in Ouagadougou, Burkina Faso. Mr. Mann has consented to the inclusion in this news release of the matters based on his compiled information in the form and context in which it appears herein. See Appendix 2 for the JORC Code explanations relating to the results in this press release.

For further information, contact:

Duncan Craib    Managing Director    +61 (08) 6143 6730

## Drilling Results Tables

### APPENDIX 1

**Table 1: Jackhammer Hill Prospect – Selected Drill Highlights**

Hole #	Northing *	Easting *	Elevation	Azimuth	Dip	EOH (m)	Interval (m)*	Core length (m)*	Grade (g/t Au)
GHDD-194	1230075	452952	339	311	-55	122	52-54	2	1.24
GHDD-195	1230028	452914	335	311	-55	119	78-79	1	1.53
GHDD-196	1230015	452886	332	311	-55	134	24-27	3	1.20
							88-91	3	2.37
							93-101	8	1.17
GHDD-197	1229872	452925	339	311	-55	221	117-125	8	4.36
			Including				117-120	3	10.19
							131-132	1	3.32
							171-173	2	1.38
							176-179	3	1.00
GHDD-198***	1229890	452825	331	311	-55	110	8-13	5	1.06
							13-15	No Sample	
							15-18	3	1.10
							28-31	3	2.16
							67-70	3	1.67
GHDD-199***	1229919	452823	332	311	-55	71	11-13	2	2.16
							13-14	No Sample	
							14-15	1	3.11
							45-49	4	1.31
							58-60	2	1.50
GHDD-200	1229918	452851	329	311	-55	110	16-19	3	1.46
							67-73	6	6.35
GHDD-220***	1229820	452809	330	311	-55	111	2-4	2	1.00
							22-23	No Sample	
							23-24	1	1.21
							26-27	1	1.00
							39-42	3	2.00
							55-56	1	1.87
							63-65	2	1.08
GHDD-221 **	1229904	452837	329	311	-55	110	34-35	1	1.16
		Uncut					62-71	9	34.25
		Uncut	Including				65-71	6	51.10
		Uncut	Including				65-66	1	294.4
		Cut					62-71	9	4.87

Hole #	Northing *	Easting *	Elevation	Azimuth	Dip	EOH (m)	Interval (m)*	Core length (m)*	Grade (g/t Au)
		Cut	Including				65-71	<b>6</b>	<b>7.02</b>
		Cut	Including				65-66	<b>1</b>	<b>30.00</b>
GHDD-222 ** and ***	1229930	452869	330	311	-55	109	21-23	No Sample	
							23-24	1	2.70
							38-41	3	1.07
							69-70	1	5.90
		Uncut					73-81	<b>8</b>	<b>10.49</b>
		Uncut	Including				78-81	<b>3</b>	<b>26.36</b>
		Uncut	Including				78-79	<b>1</b>	<b>71.93</b>
		Cut					73-81	<b>8</b>	<b>5.25</b>
		Cut	Including				78-81	<b>3</b>	<b>12.39</b>
		Cut	Including				78-79	<b>1</b>	<b>30.00</b>
							94-95	1	4.97
GHDD-223	1229950	452900	333	311	-55	154	50-52	2	1.05
							74-88	<b>14</b>	<b>2.04</b>
			Including				74-75	<b>1</b>	<b>10.73</b>
							91-94	3	2.30
							106-107	1	2.90
							132-134	2	4.16
							141-144	3	1.40
GHDD-224	1230020	453007	342	311	-55	180	39-40	1	3.63
							50-52	2	1.18
GHDD-225 ** and ***	1229948	452877	329	311	-55	110	17-22	5	1.70
							22-23	No Sample	
							24-25	1	4.46
							30-38	8	1.06
							66-78	<b>12</b>	<b>2.68</b>
			Including				66-70	<b>4</b>	<b>5.83</b>
GHDD-226	1230020	453009	337	311	-55	180	14-15	1	1.16
							25-26	1	1.02
							49-50	1	1.12
							73-74	1	2.63
							96-97	1	1.70
GHDD-227	1230003	452994	338	311	-55	140	51-55	4	1.21
							126-127	1	1.69
<p>* Intervals calculated with a 0.4 g/t Au cut-off and 2 metres maximum internal dilution. True widths are unknown. UTM's are WGS84-30N</p> <p>Intervals with grade x thickness (gram x metre) of 10 or higher are in highlighted in bold.</p> <p>** Visible Gold observed in core. Uncut and cut intervals are reported. All individual sample results in excess of 30 g/t Au are cut to that value.</p> <p>*** Hole GHDD-198 encountered an artisanal opening from 13-15 m for which no sample was taken within the 8-18 m mineralized interval.</p> <p>*** Hole GHDD-199 encountered an artisanal opening from 13-14 m for which no sample was taken within the 11-15 m mineralized interval.</p> <p>*** Hole GHDD-220 encountered an artisanal opening from 22-23 m for which no sample was taken within the 22-27 m mineralized interval.</p> <p>*** Hole GHDD-222 encountered an artisanal opening from 21-23 m for which no sample was taken within the 21-24 m mineralized interval.</p> <p>*** Hole GHDD-225 encountered an artisanal opening from 22-23 m for which no sample was taken within the 17-24 m mineralized interval</p>									



## APPENDIX 2

### JORC Code, 2012 Edition – Table 1 Report

#### Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	2012 JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<p>Diamond Core holes are being reported in this news release. These drill holes are part of an ongoing drilling program at the Golden Hill Property where a number of Prospects are being evaluated. Sampling is of half NQ core from the DD drilling.</p> <p>Drill core was sawn in half over 1-metre defined sampling intervals, then one-half sampled and assayed for gold. Oriented core markings were used as guides for sawing. Occasionally quarter core was submitted for check assays. Diamond core was sampled selectively based on visual identification of mineralisation. Further sampling will occur should initial results warrant extending the sampling intervals.</p>
Drilling techniques	<ul style="list-style-type: none"> <li>• <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i></li> </ul>	<p>Diamond drill holes were drilled using standard HQ or NQ sized rods.</p>

Criteria	2012 JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> <li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<p>Diamond core recoveries were measured and recorded for each sample. Core was sampled on standard 1 m core lengths based on metre-to-metre drill measurement markings. Drill contractors have been requested to maximize recoveries throughout each drill hole and there has not been a significant issue with core recovery either oxide or fresh rock. There is no evidence to suggest a relationship between sample recovery and grade as there is no significant loss of material. Sample recoveries are of good quality.</p>
Logging	<ul style="list-style-type: none"> <li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<p>Core samples were geologically and geotechnically logged following established standard operating procedures and include sufficient and appropriate detail to support Mineral Resource estimation, mining and metallurgical studies.</p> <p>Logging is qualitative in nature. All core was photographed.</p> <p>All recovered core was logged, but not all drilled core was sampled.</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>Drill core sampling intervals were defined then cut in half with a diamond saw along the core length following orientation lines. Half core was sampled over one-metre lengths. The primary sample is pulverized in entirety at BIGS Global laboratory in Ouagadougou by LM2 and split to a 200g sub sample using riffle splitting. A 50g subsample from this pulp is then selected for analysis. Sampling and subsampling methods are industry standard and are appropriate for the type of drilling. The use of the riffle tiered splitter is a demonstrated method of accurately splitting the primary sample and the field method has been validated with the field duplicate data over the 8 years of exploration activity in Burkina Faso.</p> <p>Field duplicate data is routinely reviewed and show acceptable precision and variability. Field duplicate data indicates acceptable variability indicating coarse gold is not a significant issue in the sampling.</p>

Criteria	2012 JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc...</li> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<p>Gold assays for Core drilling were obtained by using a 50g charge for a lead collection fire assay with an AAS finish. This is considered to be total gold estimate. Assaying was conducted in Ouagadougou by BIGS Global laboratory.</p> <p>Not applicable.</p> <p>Certified reference materials, blanks and duplicates are regularly inserted into the sample preparation and analysis process with approximately 10% of all samples being related to quality control.</p> <p>Data is reviewed before being accepted into the database.</p> <p>Any batches failing QAQC analysis resubmitted for check assays. Dataset QAQC contains acceptable levels of precision and accuracy.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<p>Significant intersections have been reviewed by staff geologists to check the geological context.</p> <p>All sample and recovery data is recorded on paper forms at the time of drilling. Data is then keypunched into controlled excel templates with validation. Geological logging is directly logged into template log sheets on a Toughbook computer. The templates are then provided to an internal database manager for loading in Datashed database management software. Referential integrity is checked as part of the data loading process into Datashed.</p>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<p>Drill hole collar locations were surveyed by trained site-based technicians using real time differential GPS (DGPS) to a sub decimetre accuracy in horizontal and vertical position. Signal correction completed using the Omnistar network. Vertical precision was supplemented using a Digital Surface Model created from WorldView-2 stereo imagery incorporating DGPS ground control points. Down hole drill hole surveys were undertaken by the drill contractor utilizing a Reflex EZ-Shot downhole survey instrument and by single shot Eastman Cameras. Survey intervals of 30m and end of hole were routinely collected. No strongly magnetic units are present within the deposit which may upset magnetic based readings. Topographic control is based on World View 2 stereoscopic processed image, providing additional &lt;1m RL precision.</p>

Criteria	2012 JORC Code explanation	Commentary
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<p>Drilling was spaced at distances nominally divisible by 20m, typically on 40m centres.</p> <p>Drilling is of an initial investigative nature and not sufficient to define mineral resources at this time.</p> <p>No sample compositing has been utilized.</p>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<p>Drill hole azimuths and dips have been oriented as much as possible perpendicular to the interpreted mineralised zones in order to intersect the true widths of the zones as closely as possible. Occasionally, drilling was planned at oblique angles when the mineralisation trends were not yet well defined or if the optimal collar location was not accessible. Generally, the majority of drilling is oriented such that the sampling of mineralisation is unbiased.</p> <p>While at an early stage drilling orientation is not considered to introduce significant bias.</p>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<p>Core samples are removed from the field immediately upon drilling and stored in a secure compound for sub sampling and preparation for lab dispatch.</p> <p>Samples are collected directly from site by the laboratory.</p> <p>Sample submission forms are sent in paper form with the samples as well as electronically to the laboratory.</p> <p>Reconciliation of samples occurs prior to commencement of sample preparation of dispatches</p>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<p>All QA/QC data is reviewed in an ongoing basis and reported in monthly summaries. All QAQC data up until December 2012 has been reviewed and documented by CSA Global of Perth. Data subsequent to this period has been reviewed by the CP for this release.</p>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<p>The Golden Hill JV comprises 3 permis covering 470km<sup>2</sup>.  2013-031 /MME/SG/DGMG Baniri Arrete  2013-030 /MME/SG/DGMG Intiedougou Arrete  2013-018 /MME/SG/DGMG Mougue Arrete  Boss Resources is 100% holder of the permis. Teranga has an earn-in agreement on Golden Hill with Boss Resources Limited pursuant to which Teranga, as operator, can earn a minimum 80% interest in the joint venture upon delivery of a feasibility study and payment of AU\$2.5 million.  The Mougue Arrete (most southern of the Golden Hill Project) is wholly within the "Reserve partielle de Nabere" Exploration activities can take place within the partial forest reserve, but special environmental permitting would likely be required as part of any Mining License Application.</p>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>Exploration completed by previous explorers, Boss Resources and Orezone Ltd, included soil sampling, geophysical data collection and drilling on some, but not all of the prospects.</p>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<p>The project is hosted in granite/greenstone belts of the Proterozoic Birimian Shield in Burkina Faso. Exploration is targeting orogenic gold mineralizing systems.</p>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<p>Drill hole collar locations, azimuth, dip and gold intercept data received to date is tabulated in Table 1.</p>

Criteria	JORC Code explanation	Commentary
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<p>Compositing was completed using a 0.4g/t Au cut off and 2 metres maximum internal dilution. The weighted average grade for the composite interval is reported. No high-grade cut was applied to composited data.</p> <p>No metal equivalent reporting is applicable to this announcement</p>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<p>Drill results report down hole intercept length only and no correction has been made for true width.</p>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<p>Maps of exploration data accompany this announcement. As work completed by Teranga progresses and geological and mineralization models are developed and drilling verified, prospect scale details will be released.</p>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<p>A representative selection of low and high grade intercepts are reported in the body of the release, with a comprehensive listing of all gold intercepts available on the Teranga Gold company website at <a href="http://www.terangagold.com">www.terangagold.com</a></p>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of</i></li> </ul>	<p>No other meaningful or material exploration data has been collected.</p>



Criteria	JORC Code explanation	Commentary
	<i>treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	

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**Teranga Gold Announces Additional High-Grade Gold Results  
at Golden Hill's Jackhammer Hill Discovery**

*Results include 34.25 g/t gold over 9 metres and 10.49 g/t gold over 8 metres, and are confirming a large mineralized system hosting a core area of high-grade, near surface and deeper gold*

**Toronto, Ontario – February 27, 2018** – Teranga Gold Corporation ("Teranga" or the "Company") (TSX:TGZ; OTCQX:TGCDF) is pleased to announce that ongoing, early-stage drilling has intersected additional high-grade, near surface and deeper gold mineralization at its newest discovery, Jackhammer Hill, situated on the Golden Hill property in Burkina Faso, West Africa.

Teranga has an earn-in agreement on the Golden Hill property with Boss Resources Limited (ASX:BOE) pursuant to which Teranga, as the operator, can earn an 80% interest in the joint venture upon delivery of a feasibility study and the payment of AUD2.5 million. Teranga is aggressively drilling all five prospects at Golden Hill. Each prospect is located within approximately five kilometres from a central point (Figure 1 in Appendix 1).

Diamond drill results returned to date are confirming that the Jackhammer Hill discovery is a large mineralized system hosting a high-grade central core. Drilling has intersected multiple mineralized zones that are often associated with visible gold, especially within the central area of the prospect.

**Jackhammer Hill Prospect Highlights**

- 9 m @ 34.25 g/t Au including 1 m @ 294.4 g/t Au (GHDD-221) - uncut
- 8 m @ 10.49 g/t Au including 1 m @ 71.93 g/t Au (GHDD-222) - uncut
- 8 m @ 4.36 g/t Au including 1 m @ 10.19 g/t Au (GHDD-197)
- 12 m @ 2.68 g/t Au including 4 m @ 5.83 g/t Au (GHDD-225)

**Jackhammer Hill – Prior Selected Drill Highlights (Released November 2017)**

- 15 m @ 5.72 g/t Au including 4 m @ 16.37 g/t Au including 1 m @ 42.1 g/t Au (GHDD-104) - uncut
- 14 m @ 110.6 g/t Au including 5 m @ 306.7 g/t Au including 1 m @ 1,499 g/t Au (GHDD-111) -uncut

"Today's positive results continue our strong momentum at the Golden Hill Project and confirm its status as one of the most exciting gold projects in West Africa," said Richard Young, Teranga Gold's President & CEO. "We have discovered five high-grade prospects at Golden Hill to date, including Jackhammer Hill, increasing our confidence that this project may represent Teranga's third gold mine in West Africa."

"Jackhammer Hill continues to provide a series of high-grade gold intersections," said David Mallo, Teranga's Vice President, Exploration. "Although we are still at an early stage of evaluation, we recognize strong potential for considerable upside with continued exploration success as we extend our drilling evaluation program at Jackhammer Hill, both along trend beyond the initial target area and to depth where the mineralized structures remain open for further expansion."

The Golden Hill property is comprised of three adjacent exploration permits covering 470 km<sup>2</sup> located in southwest Burkina Faso in the central part of the Houndé Greenstone Belt. This belt hosts a number of

high-grade gold discoveries, including the Siou, Yaramoko and Houndé deposits, the latter property being contiguous with Golden Hill. To the south of Golden Hill is another large land position where active exploration programs are well underway.

### Jackhammer Hill Prospect

Sixteen diamond drill results from recent drilling at the Jackhammer Hill prospect are reported within this news release (Table 1). Cumulative results from Jackhammer Hill drilling are available on the Company's web-site [www.terangagold.com](http://www.terangagold.com) under Exploration.

The gold mineralized zones identified thus far comprise a series of southeast dipping horizons hosted within an altered and sheared diorite intrusive unit. Drilling has been initiated along an approximate 1,000-metre strike extent, predominantly to vertical depths of 50 - 75 metres and locally to vertical depths of approximately 125 metres (GHDD-197). The Jackhammer Hill drilling program completed to date is outlined on Figure 2 in Appendix 1. Additionally, two representative sections demonstrating excellent continuity of mineralization are also included (Figures 3 and 4 in Appendix 1).

A central core portion of the Jackhammer Hill prospect includes a number of intersections reflective of higher-grade visible gold occurrences in the drill core over a current strike extent of 160 metres (Section 0+80 SW to Section 2+40 SW in Figure 2 in Appendix 1). A number of the higher-grade intervals associated with the visible gold occurrences will be re-analyzed by metallic screen (total gold) analytical methods.

### Drilling Results Tables

**Table 1: Jackhammer Hill Prospect – Selected Drill Highlights**

Hole #	Northing *	Easting *	Elevation	Azimuth	Dip	EOH (m)	Interval (m)*	Core length (m)*	Grade (g/t Au)
GHDD-194	1230075	452952	339	311	-55	122	52-54	2	1.24
GHDD-195	1230028	452914	335	311	-55	119	78-79	1	1.53
GHDD-196	1230015	452886	332	311	-55	134	24-27	3	1.20
							88-91	3	2.37
							93-101	8	1.17
GHDD-197	1229872	452925	339	311	-55	221	117-125	8	4.36
			Including				117-120	3	10.19
							131-132	1	3.32
							171-173	2	1.38
							176-179	3	1.00
GHDD-198***	1229890	452825	331	311	-55	110	8-13	5	1.06
							13-15	No Sample	
							15-18	3	1.10
							28-31	3	2.16
							67-70	3	1.67
GHDD-199***	1229919	452823	332	311	-55	71	11-13	2	2.16
							13-14	No Sample	
							14-15	1	3.11
							45-49	4	1.31
							58-60	2	1.50

Hole #	Northing *	Easting *	Elevation	Azimuth	Dip	EOH (m)	Interval (m)*	Core length (m)*	Grade (g/t Au)
GHDD-200	1229918	452851	329	311	-55	110	16-19	3	1.46
							67-73	6	6.35
GHDD-220***	1229820	452809	330	311	-55	111	2-4	2	1.00
							22-23	No Sample	
							23-24	1	1.21
							26-27	1	1.00
							39-42	3	2.00
							55-56	1	1.87
							63-65	2	1.08
GHDD-221 **	1229904	452837	329	311	-55	110	34-35	1	1.16
		Uncut					62-71	9	34.25
		Uncut	Including				65-71	6	51.10
		Uncut	Including				65-66	1	294.4
		Cut					62-71	9	4.87
		Cut	Including				65-71	6	7.02
		Cut	Including				65-66	1	30.00
GHDD-222 **	1229930	452869	330	311	-55	109	21-23	No Sample	
and ***							23-24	1	2.70
							38-41	3	1.07
							69-70	1	5.90
		Uncut					73-81	8	10.49
		Uncut	Including				78-81	3	26.36
		Uncut	Including				78-79	1	71.93
		Cut					73-81	8	5.25
		Cut	Including				78-81	3	12.39
		Cut	Including				78-79	1	30.00
							94-95	1	4.97
GHDD-223	1229950	452900	333	311	-55	154	50-52	2	1.05
							74-88	14	2.04
			Including				74-75	1	10.73
							91-94	3	2.30
							106-107	1	2.90
							132-134	2	4.16
							141-144	3	1.40
GHDD-224	1230020	453007	342	311	-55	180	39-40	1	3.63
							50-52	2	1.18
GHDD-225 **	1229948	452877	329	311	-55	110	17-22	5	1.70
and ***							22-23	No Sample	
							24-25	1	4.46
							30-38	8	1.06
							66-78	12	2.68
			Including				66-70	4	5.83
GHDD-226	1230020	453009	337	311	-55	180	14-15	1	1.16
							25-26	1	1.02
							49-50	1	1.12
							73-74	1	2.63
							96-97	1	1.70

Hole #	Northing *	Easting *	Elevation	Azimuth	Dip	EOH (m)	Interval (m)*	Core length (m)*	Grade (g/t Au)
GHDD-227	1230003	452994	338	311	-55	140	51-55	4	1.21
							126-127	1	1.69
* Intervals calculated with a 0.4 g/t Au cut-off and 2 metres maximum internal dilution. True widths are unknown. UTM's are WGS84-30N Intervals with grade x thickness (gram x metre) of 10 or higher are in highlighted in bold. ** Visible Gold observed in core. Uncut and cut intervals are reported. All individual sample results in excess of 30 g/t Au are cut to that value. *** Hole GHDD-198 encountered an artisanal opening from 13-15 m for which no sample was taken within the 8-18 m mineralized interval. *** Hole GHDD-199 encountered an artisanal opening from 13-14 m for which no sample was taken within the 11-15 m mineralized interval. *** Hole GHDD-220 encountered an artisanal opening from 22-23 m for which no sample was taken within the 22-27 m mineralized interval. *** Hole GHDD-222 encountered an artisanal opening from 21-23 m for which no sample was taken within the 21-24 m mineralized interval. *** Hole GHDD-225 encountered an artisanal opening from 22-23 m for which no sample was taken within the 17-24 m mineralized interval									

### Competent Persons Statements

Teranga's exploration programs in Burkina Faso are being managed by Peter Mann, FAusIMM. Mr. Mann is a full time employee of Teranga and is not "independent" within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr. Mann has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Qualified Person" under NI 43-101. The technical information contained in this news release relating to exploration results are based on, and fairly represents, information compiled by Mr. Mann. Mr. Mann has verified and approved the data disclosed in this release, including the sampling, analytical and test data underlying the information. The RC and diamond core samples are assayed at the BIGGS Laboratory in Ouagadougou, Burkina Faso. Mr. Mann has consented to the inclusion in this news release of the matters based on his compiled information in the form and context in which it appears herein.

### Forward-Looking Statements

This press release contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"), which reflects management's expectations regarding Teranga's future growth and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Wherever possible, words such as "objective to", "likely", "intend to", "potential", "belief", "believe", "expects", "estimates", "plans", "anticipated", "ability" and similar expressions or statements that certain actions, events or results "should", or "will" have been used to identify such forward-looking information. Forward-looking statements include, without limitation, all disclosure regarding possible events, conditions or results of operations, future economic conditions and anticipated courses of action. Although the forward-looking statements contained in this press release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, Teranga cannot be certain that actual results will be consistent with such forward-looking statements. Such forward-looking statements are based upon assumptions, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments that management believe to be reasonable and relevant but that may prove to be incorrect. These assumptions include, among other things, the ability to obtain any requisite governmental approvals, including renewals of the Golden Hill exploration permits in 2018, the accuracy of sampling, analytical and test data underlying the exploration results included herein, gold price, exchange rates, fuel and energy costs, future economic conditions, and anticipated future estimates of free cash flow. Teranga cautions you not to place undue reliance upon any such forward-looking statements.

The risks and uncertainties that may affect forward-looking statements include, among others: the inherent risks involved in exploration and development of mineral properties, including government approvals and permitting, changes in economic conditions, changes in the worldwide price of gold and other key inputs,

changes in mine plans and other factors, such as project execution delays, many of which are beyond the control of Teranga, as well as other risks and uncertainties which are more fully described in Teranga's Annual Information Form dated March 29, 2017, and in other filings of Teranga with securities and regulatory authorities which are available at [www.sedar.com](http://www.sedar.com). Teranga does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Nothing in this document should be construed as either an offer to sell or a solicitation to buy or sell Teranga securities. All references to Teranga include its subsidiaries unless the context requires otherwise.

### About Teranga

Teranga is a multi-jurisdictional West African gold company focused on production and development as well as the exploration of more than 5,000 km<sup>2</sup> of land located on prospective gold belts. Since its initial public offering in 2010, Teranga has produced more than 1.4 million ounces of gold from its operations in Senegal, which as of June 30, 2017 had a reserve base of 2.7 million ounces of gold. Focused on diversification and growth, the Company is advancing its Wahgnion Gold Project, with a recently released positive feasibility study, and conducting extensive exploration programs in three countries: Burkina Faso, Senegal and Côte d'Ivoire. Teranga has a strong balance sheet and the financial flexibility to execute on its growth strategy. The Company has nearly 4.0 million ounces of gold reserves from its combined Sabodala Gold operations and Wahgnion Gold Project.

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

### Contact Information

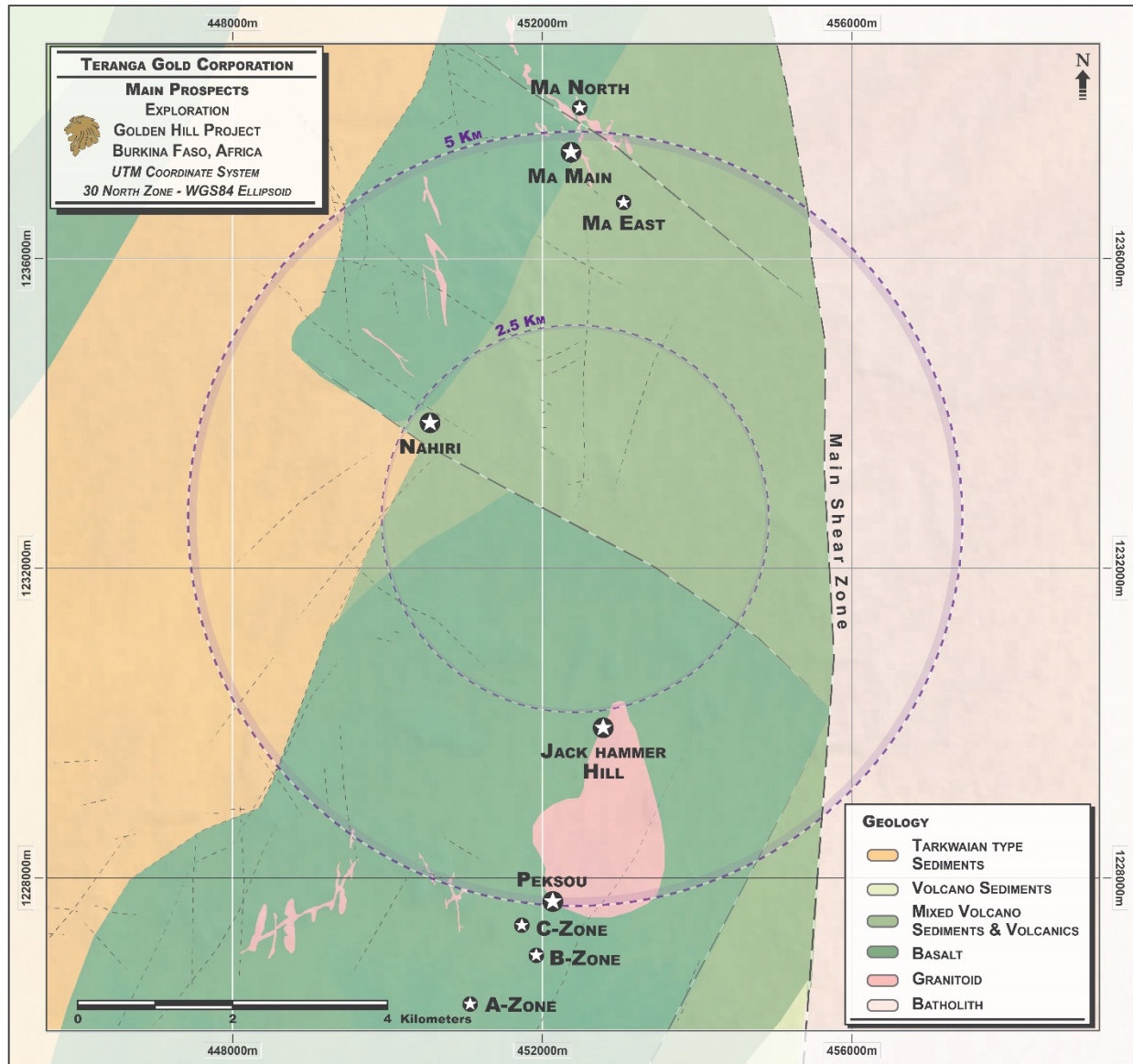
Richard Young  
President & CEO  
T: +1 416-594-0000 | E: [ryoung@terangagold.com](mailto:ryoung@terangagold.com)

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

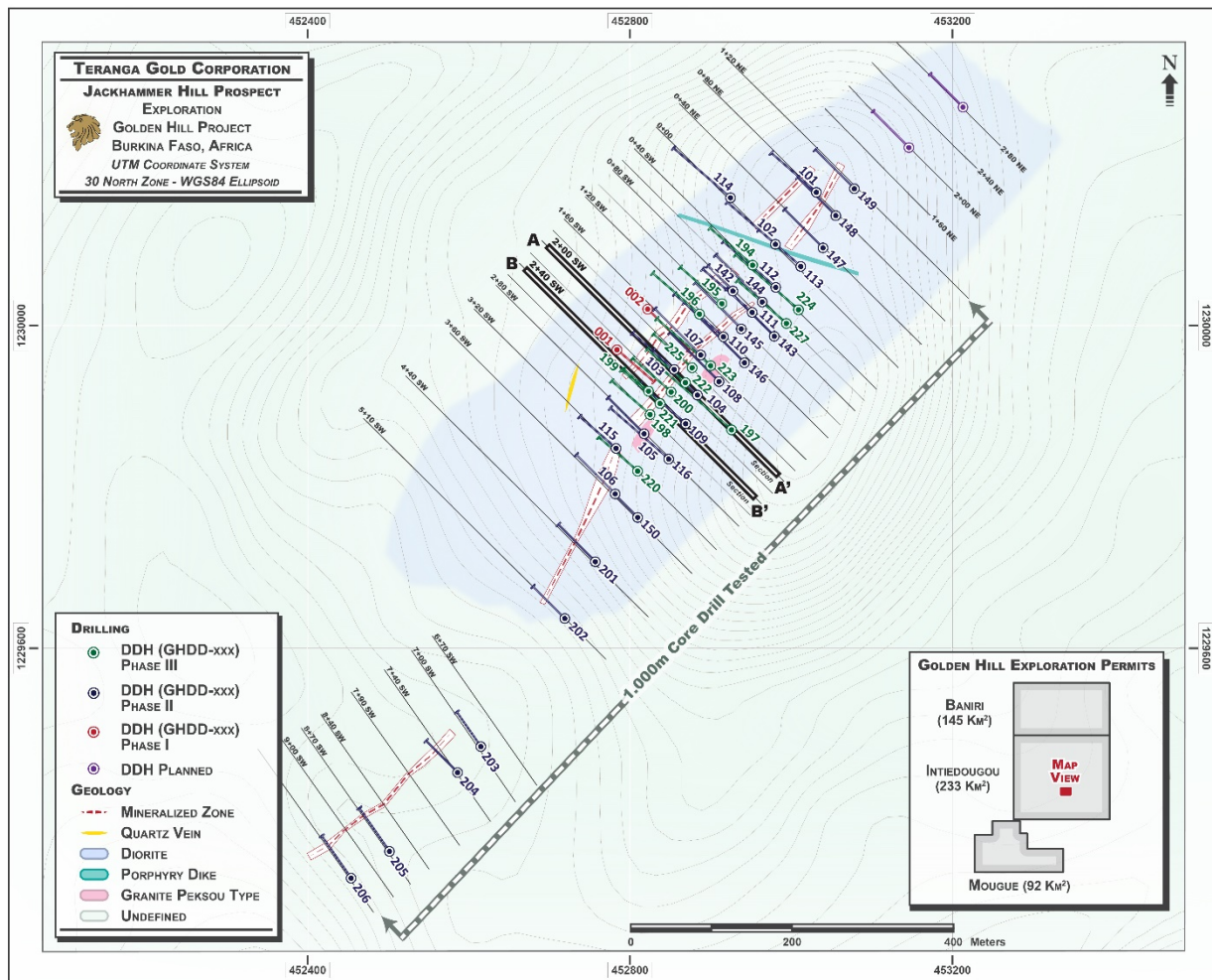


## APPENDIX 1

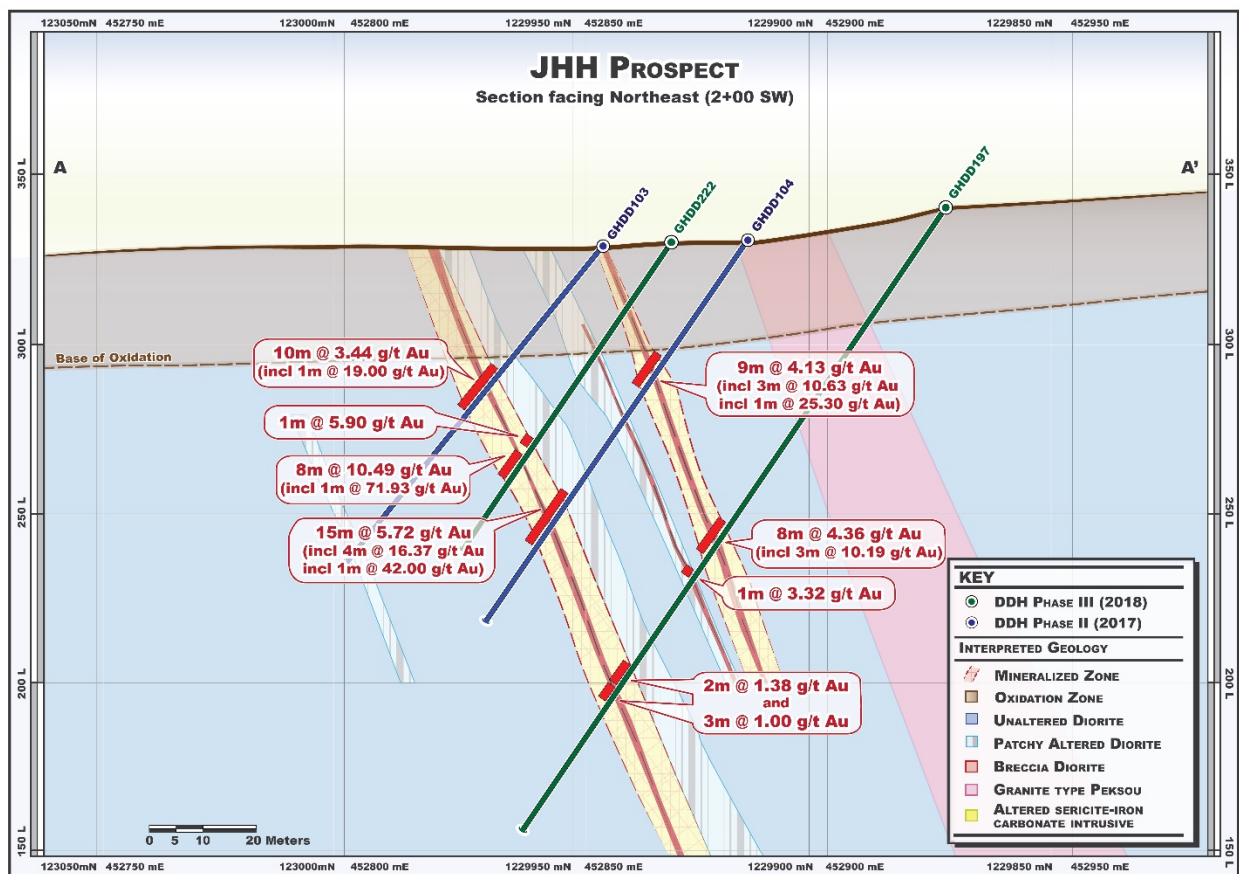
Figure 1: Golden Hill Property – Prospect Location Plan Map



**Figure 2: Jackhammer Hill Prospect – Drill Plan**



**Figure 3: Jackhammer Hill Prospect – Representative Drill Section (A - A')**



**Figure 4: Jackhammer Hill Prospect – Representative Drill Section (B - B')**

