

## Golden Hill Exploration Update

### Identification of New Near-Surface Discovery

#### HIGHLIGHTS

##### Jackhammer Hill Prospect

- 8 m @ 22.1 g/t gold, including 1 m @ 125.6 g/t gold (GHDD-320) uncut grade from 115 m downhole depth (DHD) (Refer to Table 1 in Appendix 1 for both uncut and cut grade intervals for GHDD-320)
- 3 m @ 29.5 g/t gold, including 1 m @ 84.7 g/t gold (GHDD-334) from 138 m DHD

##### C-Zone Prospect

- 10 m @ 4.22 g/t gold, including 1 m @ 10.27 g/t gold (GHDD-308) from 120 m DHD
- 10 m @ 2.58 g/t gold, including 2 m @ 7.41 g/t gold from 21 m DHD, and 6 m @ 3.36 g/t gold, including 2 m @ 6.60 g/t gold (GHDD-312) from 89 m DHD

##### Peksou North Prospect (New High-Grade Discovery)

- 3 m @ 14.36 g/t gold, including 1 m @ 32.2 g/t gold (GHDD-349) uncut grade from 23 m DHD (Refer to Table 3 in Appendix 1 for both uncut and cut grade intervals for GHDD-349)
- 40 m @ 1.11 g/t gold (GHDD-346) from 24 m DHD

**Boss Resources Limited (ASX: BOE)** ("Boss" or the "Company") is pleased to report that Teranga Gold Corporation ("Teranga") (TSX: TGZ) announced on 12 July 2018 (Canadian time) its most recent diamond drill program at the Golden Hill property in Burkina Faso, West Africa, returned near surface and deeper gold intersections that will enhance resources at a number of advanced prospects. In addition, the recent drilling evaluation program identified a new near-surface discovery at Peksou North, one of 9 prospects drilled at Golden Hill over the past 18 months.

Teranga has an earn-in agreement on Golden Hill with Boss Resources Limited (ASX: BOE) pursuant to which Teranga, as operator, can earn an 80% interest in the joint venture upon delivery of a definitive feasibility study (DFS) and the payment of AUD2.5 million. 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.

**Richard Young, Teranga's President & CEO, states** "Golden Hill continues to provide new discoveries and strong intervals of very good grade, near-surface gold from a variety of prospects in the run-up to our end-of-year initial resource estimation announcement. Results from Jackhammer Hill, in particular, build upon prior drill results and continue to grow an already exciting high-grade gold domain along trend and to depth.

Drilling across the entire Golden Hill property supports increasing confidence that this project could represent Teranga's third gold mine in West Africa, moving Teranga into mid-tier producer status."

**David Mallo, Teranga's Vice-President Exploration said,** "Our advanced-stage exploration drilling program at Golden Hill continues to provide a high rate of drilling success. This phase of the program further demonstrated excellent continuity from a series of very good grade gold intersections at multiple proximal prospects while prospects such as Peksou North demonstrate that opportunity remains for new discoveries. Drilling through the remainder of 2018 is designed to enhance our understanding of the controlling influences on the gold mineralizing systems at our various prospect areas and to continue expanding the resource base prior to our initial estimation."

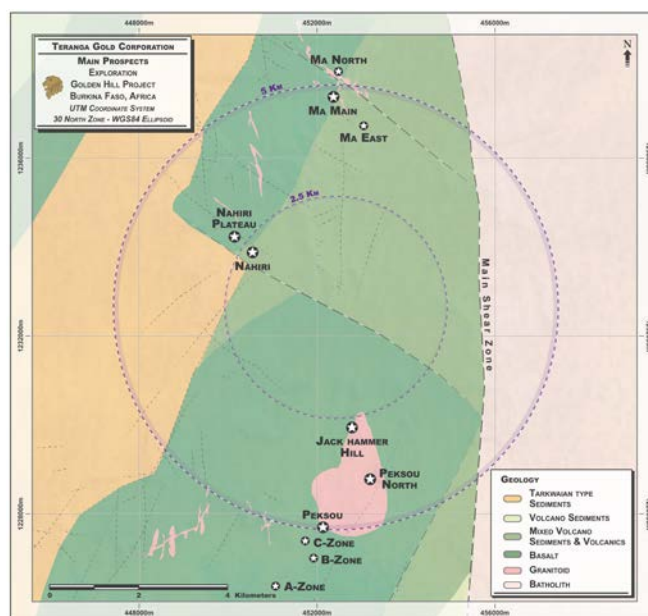
**Duncan Craib, Boss Resources Managing Director, states** "Work is advancing rapidly at Golden Hill as we move towards an initial resource estimate for the most advanced prospects by year-end. With ongoing drilling spend by Teranga and new prospects being identified, including the new near-surface discovery at Peksou North, Golden Hill is shaping up to be a very exciting project."

"Boss, and in turn our shareholders continue to benefit from the successes of our JV partner Teranga and stand firm in our belief that Golden Hill is developing into a very appealing and potentially significant project. We look forward to the continued growth of the project through Teranga's advanced staged exploration."

Work at Golden Hill is moving rapidly. Teranga is investing \$8 million in project drill programs in 2018. The Company plans to announce an initial resource estimate for the most advanced prospects by year-end. Preliminary metallurgical test work programs are underway with base line environmental studies to follow later this year. Upon satisfaction of certain conditions precedent relating to the project's initial preliminary economic assessment, Teranga has secured \$25 million in debt financing to advance the Golden Hill project through to feasibility.

The full Teranga announcement is enclosed.

**Figure 1: Golden Hill Property – Prospect Location Plan Map**



## Jackhammer Hill Prospect: High-Grade Mineralization Hosting Visible Gold

Recent drilling at the Jackhammer Hill prospect has been limited while exploration drilling was focused elsewhere. More extensive drilling has been earmarked for the upcoming quarter at Jackhammer Hill as Teranga has the flexibility to drill this prospect during the rainy season. In the coming months, drilling will focus on increasing both lateral and depth extensions of the high-grade mineralization.

Significant results from our most recent drill program are shown in Table 1 in Appendix 1. The gold mineralized zones identified thus far at Jackhammer Hill comprise a series of southeast dipping horizons hosted within an altered and sheared diorite intrusive unit. Drilling has been initiated along an approximate 1,350-metre strike extent, predominantly to vertical depths of 50 to 75 metres and locally to vertical depths of approximately 125 metres.

The Jackhammer Hill drilling program completed to date is outlined on Figure 2 in Appendix 2. Additionally, a representative section demonstrating excellent continuity of high-grade gold mineralization from our most recent drill phase is also included (Figures 3).

A central core portion of the Jackhammer Hill prospect includes a number of intersections of high-grade visible gold in the drill core over a current strike extent of 200 metres (Section 0+40 SW to Section 2+40 SW in Figure 2).

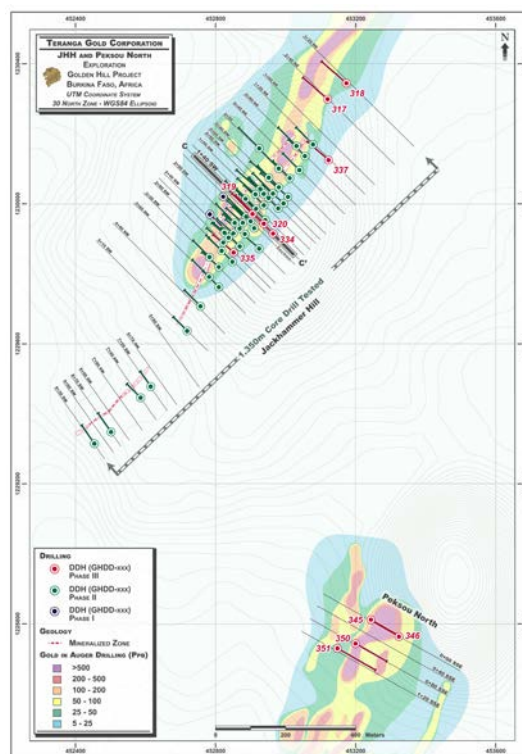


Figure 2: Jackhammer Hill Plan Map



To-date, the Company has drill tested C-Zone with diamond drilling over a strike extent of approximately 850 metres (Figure 4 in Appendix 2) and additional recent strong results confirm that C-Zone remains open to depth and intersects with the southeastern portion of our Peksou prospect.

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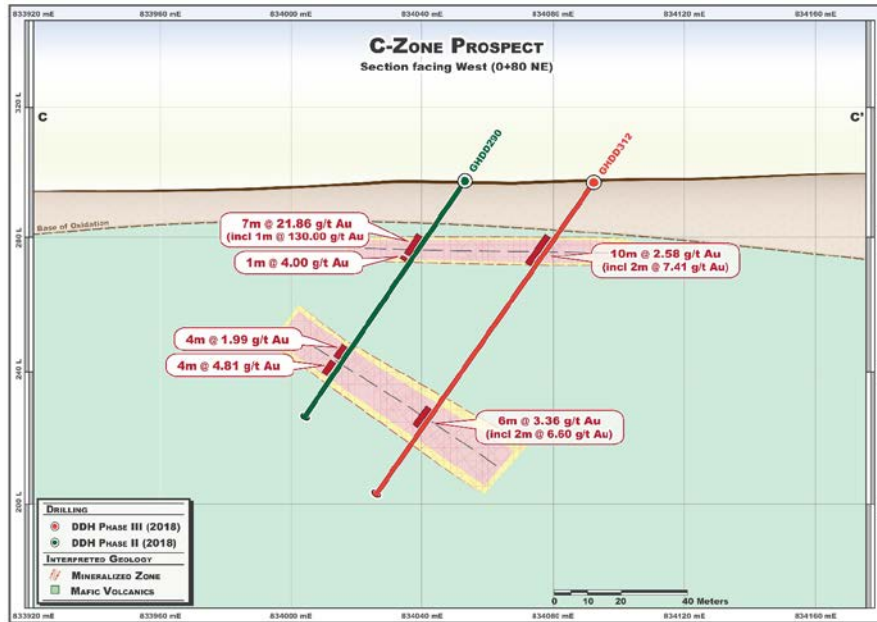


Figure 5: C-Zone Prospect - Representative Drill Section C-C' (0+80 NE)

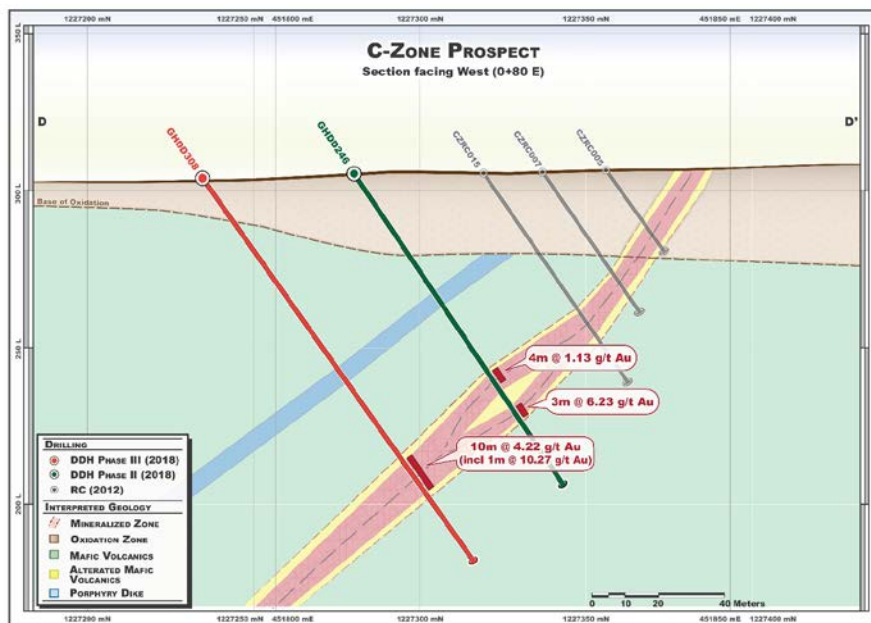


Figure 6: C-Zone Prospect – Representative Section D-D' (0+80 E)



## Peksou North Prospect: New Near-Surface Discovery

Available results from a series of scout holes targeting soil and auger geochem anomalies within the Peksou Intrusive Complex (Figure 1) have provided favorable early-stage results at two separate locations within the Peksou North target area (Figure). Similar to the intrusive-hosted portion of mineralization at our Peksou prospect, granodiorite intrusive-hosted gold mineralization at Peksou North displays two distinct styles of alteration: (i) hematite dominant; and (ii) sericite dominant.

As outlined in a representative section (Figure 8), the sericite alteration zone in GHDD-346 appears to be the more important at that location, whereas the hematite alteration zone in scissor-hole GHDD-345 appears to be a proximal, footwall feature.

A number of our initial Peksou North diamond drill results are pending (Table 3 in Appendix 1). However, we are very encouraged by the near-surface gold results from the few holes analyzed to date, and plan further drilling to follow-up on these initial positive results.

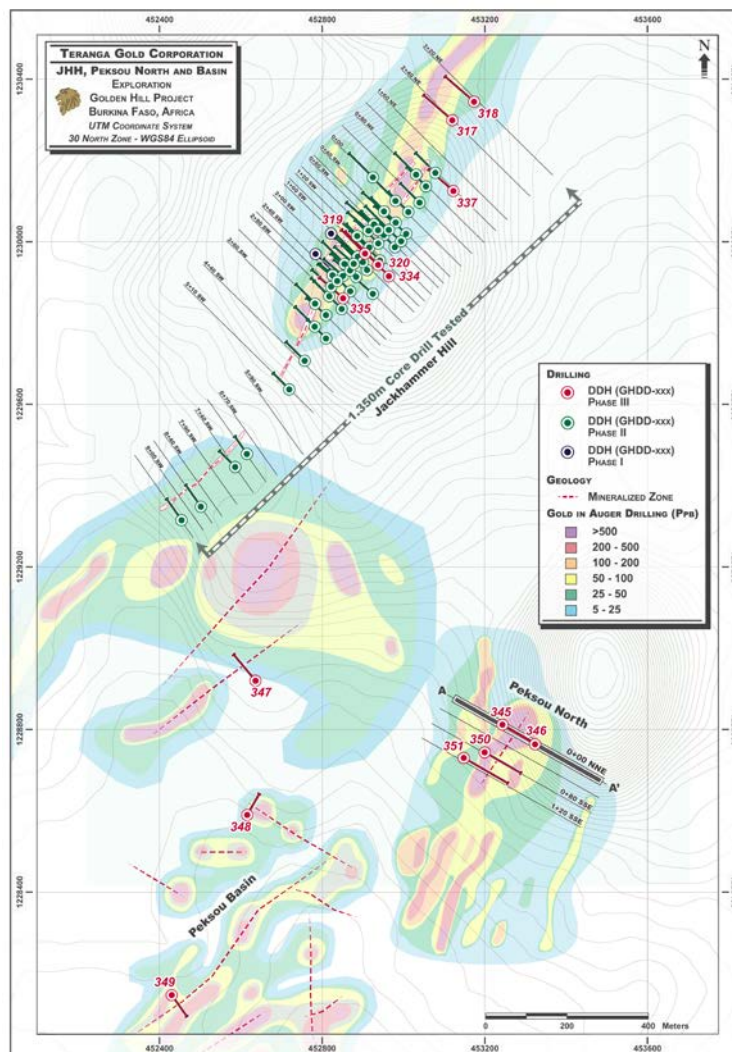
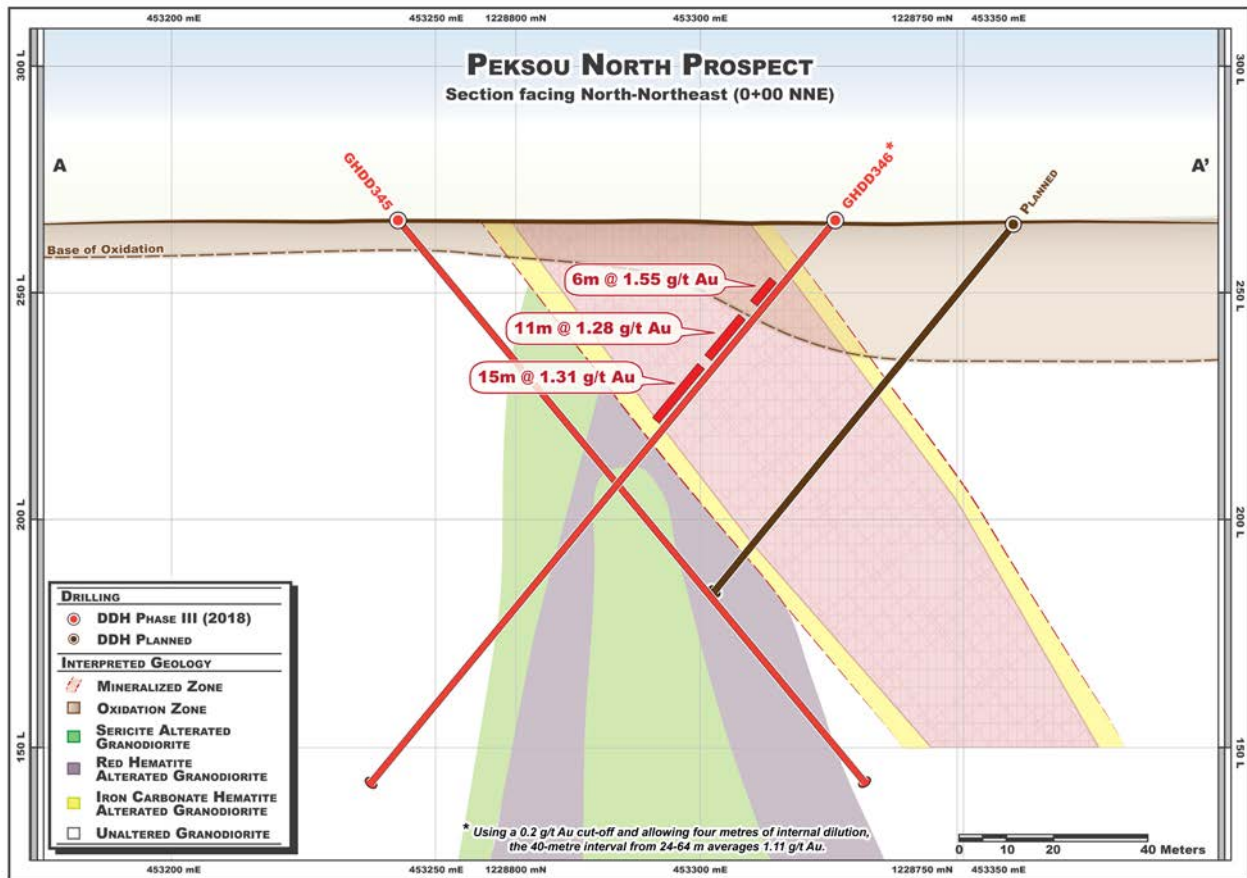


Figure 7: Peksou North Prospect – Plan Map



**Figure 8: Peksou North Prospect – Representative Drill Section A-A' (0+00)**

### Ma North Prospect: All 12 New Holes Show Consistent Near-Surface Mineralization

Our most recent Ma North diamond drill results continue to confirm that a third well-mineralized breccia zone (BZ-3) exists within the Ma structural complex where previous drilling had identified BZ-1 and BZ-2 (Figure 9). Drilling at Ma North is still at an early-stage and predominantly at shallow depths when compared to more advanced areas of the Ma structural complex. However, early-stage hole-to-hole correlation is demonstrating excellent continuity of mineralization. Additional drilling is planned to further evaluate Ma North both along trend and to depth where the breccia hosted mineralization remains open to expansion.

Recent diamond drill results at Ma North are outlined in Table 4 in Appendix 1. All 12 holes being reported intersected near surface intervals of gold mineralization that correlates well with previous drilling.

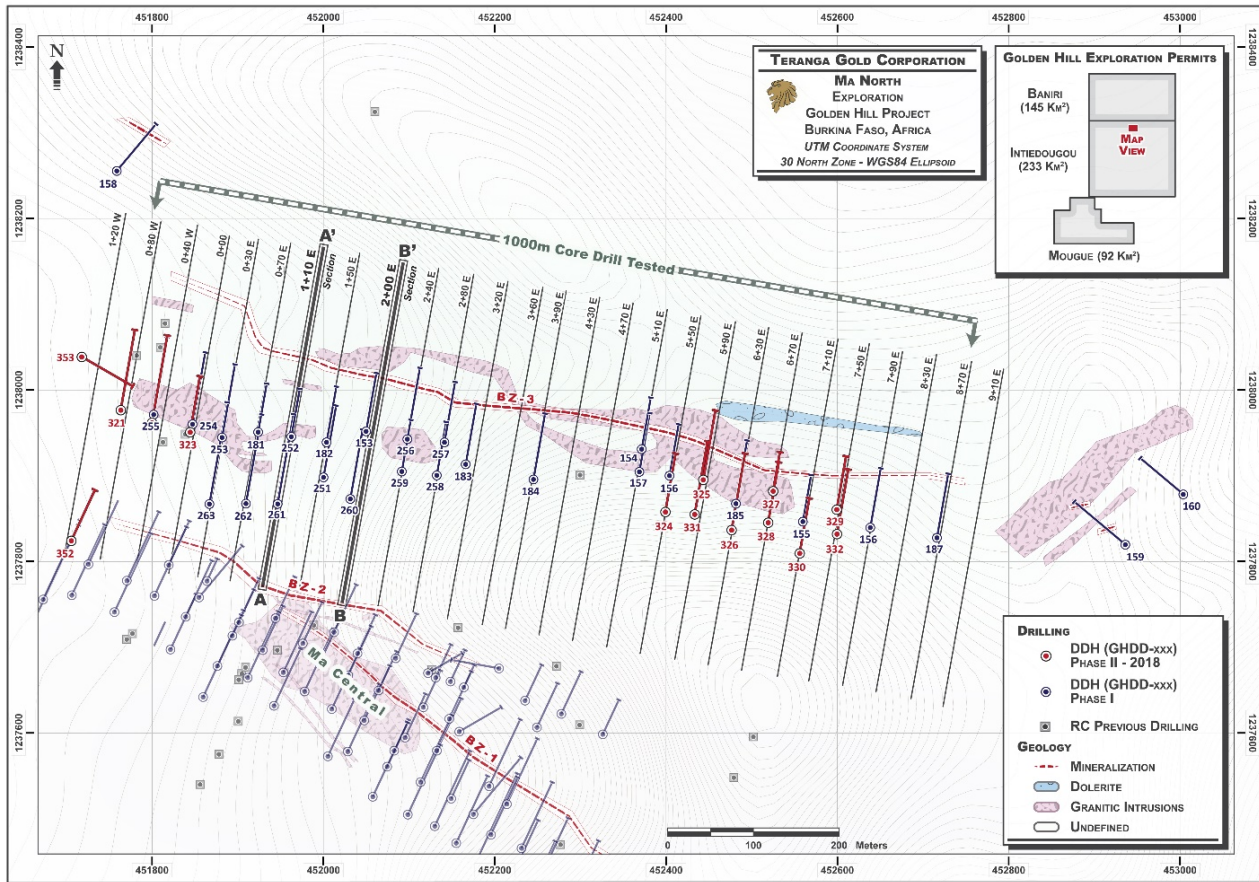
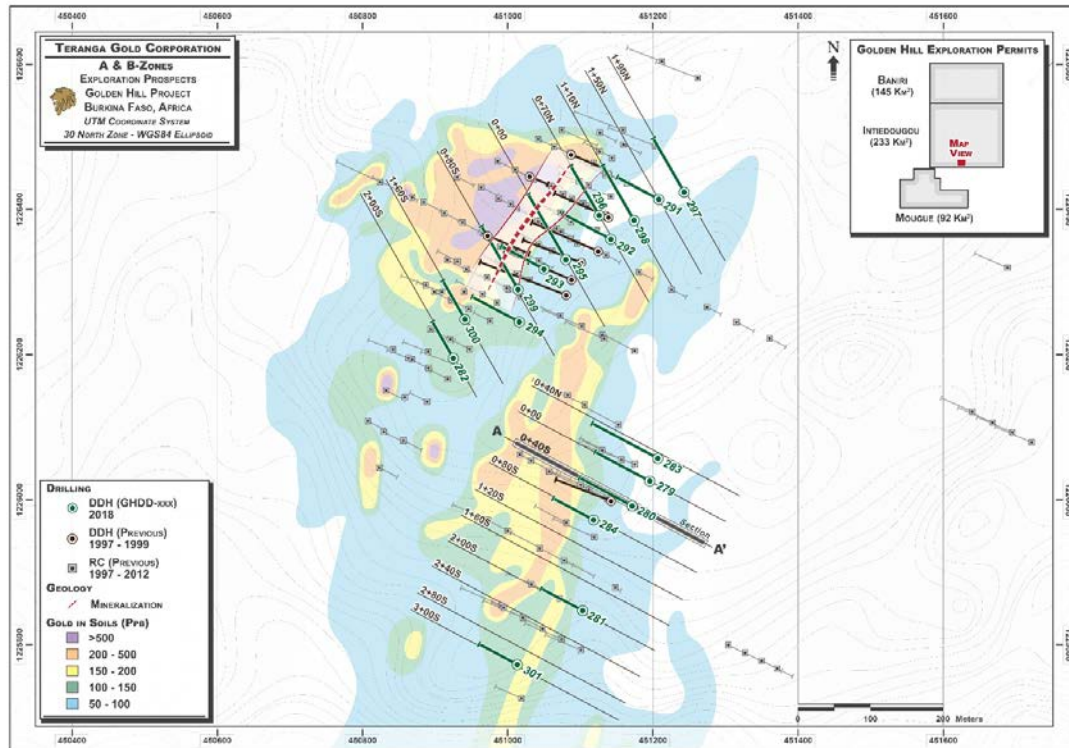


Figure 9: Ma North Prospect – Plan Map

### A-Zone and B-Zone Prospects: Improved Interpretation Supports Follow-Up Drilling

Initial diamond drilling evaluation was completed during the second quarter at the A and B Zones (Figure 10) where previous operators had utilized reverse circulation drilling. Although the earlier drilling had intersected a number of very positive results, correlation and interpretation was very difficult without the benefit of diamond drilling. As indicated in Table 5 in Appendix 1, the results from our preliminary stage of drilling evaluation have been encouraging and the overall interpretation of both the A and B Zone mineralization has improved considerably warranting a follow-up drill program that may begin in the fourth quarter.





**Figure 10: A-Zone and B-Zone - Plan Map**

### Nahiri and Nahiri Plateau Prospects: More Broadly Anomalous Intersections Encountered

As a component of the recent drilling program at Golden Hill, a few holes were drilled at both the Nahiri prospect and the Nahiri Plateau area where previous drilling had intersected very broad intervals of highly anomalous gold mineralization, much of which is oxide preserved under a lateritic cap. Two lateral step-out drill holes from previously drilled GHDD-178 (a minimum of 123 m @ 0.48 g/t Au) both encountered similar broadly anomalous mineralization: GHDD-309 (a minimum of 153 m @ 0.30 g/t Au) and GHDD-333 (a minimum of 67 m @ 0.64 g/t Au). Complete results for these and other recent Nahiri and Nahiri Plateau holes are shown in Table 6 of Appendix 1 and a plan map of all Nahiri area drilling is outlined in Figure 11.

Further drilling is planned for the Nahiri Plateau area to more thoroughly assess these very broadly mineralized intersections and explore for a potential feeder system/structure that may host higher grades.

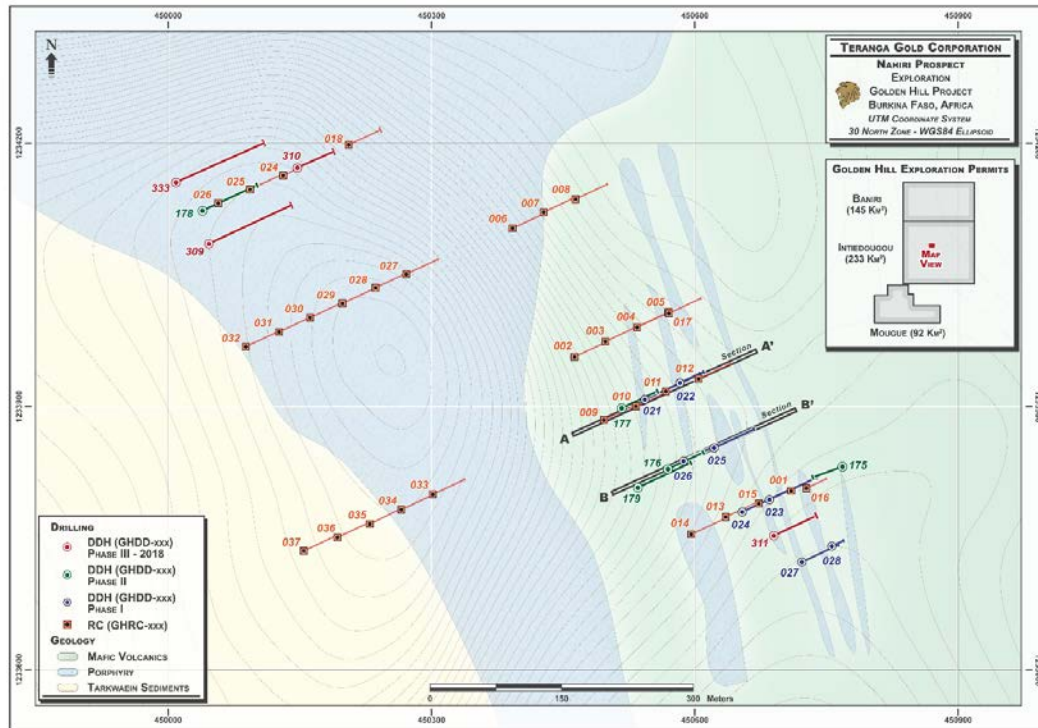


Figure 11: Nahiri and Nahiri Plateau Prospects – Plan Map

## Golden Hill Property

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 being contiguous with Golden Hill. To the south of Golden Hill is another large land position where active exploration programs are well underway.

## 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.

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## 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-319	1229971	452905	336	315	-55	143	19-20	1	4.24
							22-24	2	2.31
							30-33	3	1.92
							37-48	<b>11</b>	<b>1.89</b>
							41-43	<b>2</b>	<b>6.83</b>
							51-53	2	1.38
							139-140	1	2.06
GHDD-320	1229943	452938	338	315	-55	200	19-20	1	2.10
							67-71	4	1.57
							92-94	2	1.30
							97-100	3	1.47
							115-123 *	<b>8 *</b>	<b>22.10 *</b>
							115-116 *	<b>1 *</b>	<b>125.6 *</b>
							115-123 **	<b>8 **</b>	<b>10.15 **</b>
							115-116 **	<b>1 **</b>	<b>30.0 **</b>
							127-129	2	1.51
							135-138	3	1.69
GHDD-334	1229915	452964	340	315	-55	227	36-43	7	1.07
							138-141 *	<b>3 *</b>	<b>29.50 *</b>
							139-140 *	<b>1 *</b>	<b>84.7 *</b>
							138-141 **	<b>3 **</b>	<b>11.25 **</b>
							139-140 **	<b>1 **</b>	<b>30.0 **</b>
							166-168	2	2.83
							179-185	6	1.05
							194-201	<b>7</b>	<b>1.55</b>
GHDD-335	1229861	452852	331	311	-55	134	75-78	3	1.40
							113-119	<b>6</b>	<b>2.80</b>
GHDD-336	1230162	453147	336	315	-55	146	41-44	3	1.15
GHDD-337	1230125	453123	337	311	-55	140	65-66	1	1.25
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 highlighted in bold.									
* Uncut grade intervals for GHDD-320 and GHDD-334. ** Cut grade intervals for GHDD-320 and GHDD-334 – individual assays in excess of 30.0 g/t Au are cut to 30.0 g/t Au.									



**Table 2: C-Zone Prospect – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-305	1227317	451654	311	020	-55	116	91-96	<b>5</b>	<b>3.91</b>
			Including				93-94	<b>1</b>	<b>12.71</b>
							107-109	2	1.36
GHDD-306	1227371	451633	316	020	-55	80	60-63	3	2.48
GHDD-307	1227286	452110	300	020	-55	77	31-32	1	6.30
							41-46	<b>5</b>	<b>2.21</b>
			Including				45-46	1	7.42
							49-50	1	4.62
GHDD-308	1227235	451791	304	020	-55	150	120-130	<b>10</b>	<b>4.22</b>
			Including				121-122	<b>1</b>	<b>10.27</b>
GHDD-312	1227316	452288	299	330	-55	116	21-31	<b>10</b>	<b>2.58</b>
			Including				28-30	<b>2</b>	<b>7.41</b>
							89-95	<b>6</b>	<b>3.36</b>
			Including				93-95	<b>2</b>	<b>6.60</b>
GHDD-313	1227366	452304	298	326	-55	128	4-6	2	1.26
							102-112	<b>10</b>	<b>1.42</b>
			Including				102-104	2	2.90
GHDD-314	1227426	452318	299	330	-55	146	38-39	1	1.25
							99-101	2	2.44
GHDD-315	1227402	452431	296	330	-55	104	72-77	<b>5</b>	<b>2.28</b>
			Including				75-76	1	6.61
GHDD-316	1227480	452390	297	330	-55	65	24-25	1	5.70
							35-37	2	1.15
							38-39	1	1.07
							46-48	2	2.29

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 highlighted in bold.

**Table 3: Peksou North Prospect – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-345	1228812	453243	309	120	-50	160			NSR
GHDD-346	1228764	453324	312	300	-60	160	24-64 *	<b>40 *</b>	<b>1.11</b>
			Including				24-30	6	1.55
			And				35-46	<b>11</b>	<b>1.28</b>
			And				48-63	<b>15</b>	<b>1.31</b>
GHDD-347	1228920	453636	311	320	-50	130		Results	Pending
GHDD-348	1228590	452616	303	030	-50	92		Results	Pending
GHDD-349	1228147	452430	302	145	-50	100	27-30	<b>3</b>	<b>14.36 **</b>
			Including				29-30	<b>1</b>	<b>32.22 **</b>
							27-30	<b>3</b>	<b>13.62 ***</b>

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
			Including				29-30	1	30.00 ***
GHDD-350	1228744	453200	308	120	-50	160	31-33	2	1.08
GHDD-351	1228731	453148	307	120	-50	195		Results	Pending
<p>* The initial 40-metre interval for GHDD-246 is calculated with a 0.2 g/t Au cut-off and 4 metres maximum internal dilution. All of the other intervals in this Peksou North Table are calculated using the standard 0.4 g/t Au cut-off and 2 metres of 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 highlighted in bold.</p> <p>** Uncut grade intervals for GHDD-349. *** Cut grade intervals for GHDD-349 – individual assays in excess of 30.0 g/t Au are cut to 30.0 g/t Au.</p>									

**Table 4: Ma North Prospect – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-321	1237977	451763	382	010	-45	134	91-98	7	2.93
			Including				91-94	3	4.75
GHDD-322	1237962	451800	383	010	-45	146	37-38	1	1.17
GHDD-323	1237951	451844	384	010	-63	145	110-115	5	3.09
			Including				114-115	1	10.90
GHDD-324	1237858	452399	416	010	-45	98	16-17	1	1.84
GHDD-325	1237896	452443	414	010	-45	116	11-16	5	1.21
							21-25	4	2.45
							96-98	2	1.44
GHDD-326	1237837	452476	425	010	-45	128	16-17	1	1.23
							46-49	3	2.80
							69-72	3	1.28
GHDD-327	1237882	452525	428	010	-45	65	3-5	2	1.73
							11-12	1	1.21
							25-27	2	2.03
GHDD-328	1237845	452519	430	010	-45	101	48-54	6	1.14
GHDD-329	1237861	452599	423	010	-45	89	18-20	2	1.52
GHDD-330	1237810	452556	434	010	-45	92	67-69	2	4.24
GHDD-331	1237855	452433	423	010	-45	122	45-47	2	1.27
GHDD-332	1237832	452599	425	010	-45	108	17-18	1	1.18
							37-38	1	1.09
							46-50	4	2.38
<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. Intervals with grade x thickness (gram x metre) of 10 or higher are highlighted in bold.</p>									

**Table 5: A - Zone and B - Zone Prospects – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-279	1226026	451196	299	298	-55	149	64-65	1	2.13
							75-76	1	1.34
							83-84	1	8.12
							111-115	4	1.24
GHDD-280	1225992	451171	299	298	-55	143	80-81	1	1.42
							96-113	<b>17</b>	<b>2.38</b>
GHDD-281	1225847	451103	296	298	-55	113	14-15	1	3.96
							35-37	2	1.12
							57-58	1	1.04
							61-62	1	1.31
							77-79	2	1.05
							95-96	1	1.12
GHDD-283	1226057	451207	301	298	-55	179	17-19	2	4.44
							45-48	3	1.15
							88-89	1	6.64
GHDD-284	1225972	451118	300	298	-55	110	2-4	2	2.19
							35-36	1	1.48
GHDD-292	1226355	451142	301	298	-55	131	68-71	3	1.28
							104-115	<b>11</b>	<b>4.02</b>
GHDD-293	1226318	451052	299	298	-55	117	52-59	7	1.18
							62-65	3	1.57
							72-74	2	1.23
							76-79	3	1.12
GHDD-294	1226244	451019	129	298	-55	129	15-16	1	1.38
							52-53	1	1.85
GHDD-295	1226329	451080	162	330	-50	162	20-23	3	1.12
							60-73	<b>13</b>	<b>2.43</b>
							68-71	<b>3</b>	<b>5.41</b>
							78-85	7	1.20
							133-137	<b>4</b>	<b>8.74</b>
							135-136	<b>1</b>	<b>29.40</b>
GHDD-296	1226388	451126	137	330	-55	137	8-9	1	1.26
							40-60	<b>20</b>	<b>1.13</b>
GHDD-297	1226423	451241	149	330	-55	149	124-128	4	1.13
GHDD-299	1226290	451014	176	330	-55	176	41-50	<b>9</b>	<b>1.17</b>
							55-59	<b>4</b>	<b>2.46</b>
GHDD-300	1226249	450941	107	330	-55	107	40-41	1	2.59
							57-59	2	1.33
GHDD-301	1225773	451013	104	298	-55	104	54-55	1	3.12

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 highlighted in bold.

**Table 6: Nahiri and Nahiri Plateau Prospects – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-309	1234086	450046	385	065	-50	161	8-161 +	<b>153 +</b>	<b>0.30</b>
			Including				24-34	10	0.50
							25-26	1	1.05
			And				61-77	<b>16</b>	<b>0.67</b>
							68-70	2	1.22
			And				125-135	10	0.52
							125-126	1	1.15
							132-133	1	1.32
GHDD-310	1234172	450147	385	065	-50	70	20-37	17	0.30
			Including				20-22	2	1.12
GHDD-311	1233753	450690	358	065	-50	83	0-2	2	1.00
							23-24	1	1.31
GHDD-333	1234155	450009	384	065	-50	170	6-7	1	1.46
							103-170 +	<b>67 +</b>	<b>0.64</b>
			Including				105-127	<b>22</b>	<b>1.06</b>
<b>Previously</b>	<b>Released</b>	<b>Results</b>							
GHRC-024	1234163	450131	386	065	-60	120	1-86	<b>85</b>	<b>0.41</b>
			Including				16-29	13	0.61
			And				48-66	<b>18</b>	<b>0.76</b>
							49-53	4	1.22
GHRC-025	1234147	450093	384	065	-60	80	9-80 +	<b>71 +</b>	<b>0.46</b>
			Including				34-56	<b>22</b>	<b>0.58</b>
GHRC-026	1234132	450057	383	065	-60	80	7-80 +	<b>73 +</b>	<b>0.31</b>
			Including				14-25	11	0.64
			And				66-73	7	0.68
GHDD-178	1234123	450039	383	065	-60	137	14-137 +	<b>123 +</b>	<b>0.48</b>
			Including				16-27	<b>13</b>	<b>1.33</b>
							17-22	5	1.95
			And				74-85	11	0.78
							82-84	2	1.59
			And				92-103	11	0.86
							92-94	2	2.31

Initial intervals are calculated with a 0.1 g/t Au cut-off and 10 metres of maximum internal dilution (most holes with only 2-3 metres of internal dilution). Included intervals are calculated with a 0.4 g/t Au cut-off and 2 metres of internal dilution. True widths are unknown. Entire interval widths are uncertain as many of the Nahiri Plateau drill holes end in mineralization. UTM's are WGS84-30N. Intervals with grade x thickness (gram x metre) of 10 or higher are highlighted in bold.



## 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>• 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.</li> <li>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>• Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>• 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.</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 NQ2 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>• 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.).</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 BIGGS 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. 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 a total gold estimate. Assaying was conducted in Ouagadougou by BIGGS Laboratories.</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 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, most of the 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 after 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 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>
<i>Data aggregati</i>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade</li> </ul>	<p>Compositing was completed using a 0.4g/t Au cut off and 2 metres maximum internal dilution. The weighted average</p>

Criteria	JORC Code explanation	Commentary
<i>on methods</i>	<p>truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <ul style="list-style-type: none"> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<p>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>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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').</li> </ul>	Drill results report down hole intercept length only and no correction has been made for true width.
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>	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.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>	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>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>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 treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating</li> </ul>	No other meaningful or material exploration data has been collected.

Criteria	JORC Code explanation	Commentary
	<i>substances.</i>	
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<p>As part of the 2018 drill campaign, two diamond core drills are working on-site. Additional drills are planned for periodic drilling evaluation throughout the year.</p> <p>Geologic modeling and initial resource estimation for the most advanced prospects is planned for year-end 2018. Composite samples for preliminary metallurgical test work programmes are in progress and base line environmental studies are planned for later this year.</p>

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## **Teranga Gold's Golden Hill Exploration Update Includes Strong Grades and Excellent Correlation at Multiple Prospects and a New Discovery at Peksou North**

*Jackhammer Hill drill results include 22.1 g/t gold over 8 metres and 29.5 g/t gold over 3 metres*

**Toronto, Ontario – July 12, 2018** – Teranga Gold Corporation ("Teranga" or the "Company") (TSX:TGZ; OTCQX:TGCDF) is pleased to announce that its most recent diamond drill program on the Golden Hill property in Burkina Faso, West Africa has returned near surface and deeper gold intersections that will enhance resources at a number of advanced prospects. In addition, the recent drilling evaluation program identified a new near-surface discovery at Peksou North, one of 9 prospects drilled at Golden Hill over the past 18 months.

Teranga has an earn-in agreement on Golden Hill with Boss Resources Limited (ASX:BOE) pursuant to which Teranga, as operator, can earn an 80% interest in the joint venture upon delivery of a feasibility study and the payment of AUD2.5 million.

### **Highlight Results**

#### **Jackhammer Hill Prospect**

- **8 m @ 22.1 g/t gold, including 1 m @ 125.6 g/t gold (GHDD-320) uncut grade from 115 m downhole depth (DHD)** (Refer to Table 1 in Appendix 1 for both uncut and cut grade intervals for GHDD-320)
- **3 m @ 29.5 g/t gold, including 1 m @ 84.7 g/t gold (GHDD-334) from 138 m DHD**

#### **C-Zone Prospect**

- **10 m @ 4.22 g/t gold, including 1 m @ 10.27 g/t gold (GHDD-308) from 120 m DHD**
- **10 m @ 2.58 g/t gold, including 2 m @ 7.41 g/t gold from 21 m DHD, and 6 m @ 3.36 g/t gold, including 2 m @ 6.60 g/t gold (GHDD-312) from 89 m DHD**

#### **Peksou North Prospect (New High-Grade Discovery)**

- **3 m @ 14.36 g/t gold, including 1 m @ 32.2 g/t gold (GHDD-349) uncut grade from 23 m DHD** (Refer to Table 3 in Appendix 1 for both uncut and cut grade intervals for GHDD-349)
- **40 m @ 1.11 g/t gold (GHDD-346) from 24 m DHD**

"Golden Hill continues to provide new discoveries and strong intervals of very good grade, near-surface gold from a variety of prospects in the run-up to our end-of-year initial resource estimation announcement," said Richard Young, CEO. "Results from Jackhammer Hill, in particular, build upon prior drill results and continue to grow an already exciting high-grade gold domain along trend and to depth. Drilling across the entire Golden Hill property supports increasing confidence that this project could represent Teranga's third gold mine in West Africa, moving Teranga into mid-tier producer status."

"Our advanced-stage exploration drilling program at Golden Hill continues to provide a high rate of drilling success. This phase of the program further demonstrated excellent continuity from a series of very good grade gold intersections at multiple proximal prospects while prospects such as Peksou North demonstrate that opportunity remains for new discoveries," said David Mallo, Vice President, Exploration. "Drilling



through the remainder of 2018 is designed to enhance our understanding of the controlling influences on the gold mineralizing systems at our various prospect areas and to continue expanding the resource base prior to our initial estimation.”

Work at Golden Hill is moving rapidly. Teranga is investing \$8 million in project drill programs in 2018. The Company plans to announce an initial resource estimate for the most advanced prospects by year-end. Preliminary metallurgical test work programs are underway with base line environmental studies to follow later this year. Upon satisfaction of certain conditions precedent relating to the project’s initial preliminary economic assessment, Teranga has secured \$25 million in debt financing to advance the Golden Hill project through to feasibility.

### **Golden Hill Property**

The Golden Hill property is comprised of three adjacent exploration permits covering 470 km<sup>2</sup> 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 being contiguous with Golden Hill.

This news release provides an update on exploration drilling results from a number of prospects recently evaluated as part of our ongoing advanced exploration program at Golden Hill. All advanced stage exploration prospects at Golden Hill are located within six kilometres of a central point (Figure 1 in Appendix 2).

Drilling was undertaken recently at Jackhammer Hill, C-Zone, Peksou North, Ma North, A-Zone, B-Zone and Nahiri. Please refer to Appendix 1 for significant results (Tables 1 – 6) and Appendix 2 for plan maps and representative sections related to this drill program. Cumulative results from all Golden Hill drilling are available on the Company’s website [www.terangagold.com](http://www.terangagold.com) under Exploration.

Over the remainder of the year, significant drilling will be undertaken on all the advanced prospects listed above, as well as at Peksou and Ma.

### **Jackhammer Hill Prospect: High-Grade Mineralization Hosting Visible Gold**

Recent drilling at the Jackhammer Hill prospect has been limited while exploration drilling was focused elsewhere. More extensive drilling has been earmarked for the upcoming quarter at Jackhammer Hill as Teranga has the flexibility to drill this prospect during the rainy season. In the coming months, drilling will focus on increasing both lateral and depth extensions of the high-grade mineralization.

Significant results from our most recent drill program are shown in Table 1 in Appendix 1. The gold mineralized zones identified thus far at Jackhammer Hill comprise a series of southeast dipping horizons hosted within an altered and sheared diorite intrusive unit. Drilling has been initiated along an approximate 1,350-metre strike extent, predominantly to vertical depths of 50 to 75 metres and locally to vertical depths of approximately 125 metres.

The Jackhammer Hill drilling program completed to date is outlined on Figure 2 in Appendix 2. Additionally, a representative section demonstrating excellent continuity of high-grade gold mineralization from our most recent drill phase is also included (Figures 3 in Appendix 2).

A central core portion of the Jackhammer Hill prospect includes a number of intersections of high-grade visible gold in the drill core over a current strike extent of 200 metres (Section 0+40 SW to Section 2+40 SW in Figure 2 in Appendix 2).

### **C-Zone Prospect: Correlated Zones of Strong Gold Mineralization**

To-date, the Company has drill tested C-Zone with diamond drilling over a strike extent of approximately 850 metres (Figure 4 in Appendix 2) and additional recent strong results confirm that C-Zone remains open to depth and intersects with the southeastern portion of our Peksou prospect.

Gold mineralization is localized in a discrete, mafic volcanic hosted shear zone system that displays alteration, veining and brecciation characteristics similar to those observed at Golden Hill's nearby Ma prospect. The correlation of gold mineralized zones between drill holes at C-Zone has been excellent, as demonstrated by representative sections of some recent drill results (Figures 5 and 6 in Appendix 2).

### **Peksou North Prospect: New Near-Surface Discovery**

Available results from a series of scout holes targeting soil and auger geochem anomalies within the Peksou Intrusive Complex (Figure 1 in Appendix 2) have provided favorable early-stage results at two separate locations within the Peksou North target area (Figure 7 in Appendix 2). Similar to the intrusive-hosted portion of mineralization at our Peksou prospect, granodiorite intrusive-hosted gold mineralization at Peksou North displays two distinct styles of alteration: (i) hematite dominant; and (ii) sericite dominant.

As outlined in a representative section (Figure 8 in Appendix 2), the sericite alteration zone in GHDD-346 appears to be the more important at that location, whereas the hematite alteration zone in scissor-hole GHDD-345 appears to be a proximal, footwall feature.

A number of our initial Peksou North diamond drill results are pending (Table 3 in Appendix 1). However, we are very encouraged by the near-surface gold results from the few holes analyzed to date, and plan further drilling to follow-up on these initial positive results.

### **Ma North Prospect: All 12 New Holes Show Consistent Near-Surface Mineralization**

Our most recent Ma North diamond drill results continue to confirm that a third well-mineralized breccia zone (BZ-3) exists within the Ma structural complex where previous drilling had identified BZ-1 and BZ-2 (Figure 9 in Appendix 2). Drilling at Ma North is still at an early-stage and predominantly at shallow depths when compared to more advanced areas of the Ma structural complex. However, early-stage hole-to-hole correlation is demonstrating excellent continuity of mineralization. Additional drilling is planned to further evaluate Ma North both along trend and to depth where the breccia hosted mineralization remains open to expansion.

Recent diamond drill results at Ma North are outlined in Table 4 in Appendix 1. All 12 holes being reported intersected near surface intervals of gold mineralization that correlates well with previous drilling.

### **A-Zone and B-Zone Prospects: Improved Interpretation Supports Follow-Up Drilling**

Initial diamond drilling evaluation was completed during the second quarter at the A and B Zones (Figure 10 in Appendix 2) where previous operators had utilized reverse circulation drilling. Although the earlier drilling had intersected a number of very positive results, correlation and interpretation was very difficult without the benefit of diamond drilling. As indicated in Table 5 in Appendix 1, the results from our preliminary stage of drilling evaluation have been encouraging and the overall interpretation of both the A and B Zone mineralization has improved considerably warranting a follow-up drill program that may begin in the fourth quarter.

### **Nahiri and Nahiri Plateau Prospects: More Broadly Anomalous Intersections Encountered**

As a component of the recent drilling program at Golden Hill, a few holes were drilled at both the Nahiri prospect and the Nahiri Plateau area where previous drilling had intersected very broad intervals of highly anomalous gold mineralization, much of which is oxide preserved under a lateritic cap. Two lateral step-out drill holes from previously drilled GHDD-178 (a minimum of 123 m @ 0.48 g/t Au) both encountered similar broadly anomalous mineralization: GHDD-309 (a minimum of 153 m @ 0.30 g/t Au) and GHDD-333 (a minimum of 67 m @ 0.64 g/t Au). Complete results for these and other recent Nahiri and Nahiri Plateau holes are shown in Table 6 of Appendix 1 and a plan map of all Nahiri area drilling is outlined in Figure 11 of Appendix 2.

Further drilling is planned for the Nahiri Plateau area to more thoroughly assess these very broadly mineralized intersections and explore for a potential feeder system/structure that may host higher grades.

### **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, 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, 2018, 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 6,400 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 building Wahgnion, its second gold mine, and is 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.

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## APPENDIX 1

### Drilling Results Tables 1 - 6

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-319	1229971	452905	336	315	-55	143	19-20	1	4.24
							22-24	2	2.31
							30-33	3	1.92
							37-48	11	<b>1.89</b>
							41-43	2	<b>6.83</b>
							51-53	2	1.38
							139-140	1	2.06
GHDD-320	1229943	452938	338	315	-55	200	19-20	1	2.10
							67-71	4	1.57
							92-94	2	1.30
							97-100	3	1.47
							115-123 *	8 *	<b>22.10 *</b>
							115-116 *	1 *	<b>125.6 *</b>
							115-123 **	8 **	<b>10.15 **</b>
							115-116 **	1 **	<b>30.0 **</b>
							127-129	2	1.51
GHDD-334	1229915	452964	340	315	-55	227	36-43	7	1.07
							138-141 *	3 *	<b>29.50 *</b>
							139-140 *	1 *	<b>84.7 *</b>
							138-141 **	3 **	<b>11.25 **</b>
							139-140 **	1 **	<b>30.0 **</b>
							166-168	2	2.83
							179-185	6	1.05
							194-201	7	<b>1.55</b>
							207-215	8	1.14
GHDD-335	1229861	452852	331	311	-55	134	75-78	3	1.40
							113-119	6	<b>2.80</b>
GHDD-336	1230162	453147	336	315	-55	146	41-44	3	1.15
GHDD-337	1230125	453123	337	311	-55	140	65-66	1	1.25
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 highlighted in bold.									
* Uncut grade intervals for GHDD-320 and GHDD-334. ** Cut grade intervals for GHDD-320 and GHDD-334 – individual assays in excess of 30.0 g/t Au are cut to 30.0 g/t Au.									

**Table 2: C-Zone Prospect – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-305	1227317	451654	311	020	-55	116	91-96	<b>5</b>	<b>3.91</b>
			Including				93-94	<b>1</b>	<b>12.71</b>
							107-109	2	1.36
GHDD-306	1227371	451633	316	020	-55	80	60-63	3	2.48
GHDD-307	1227286	452110	300	020	-55	77	31-32	1	6.30
							41-46	<b>5</b>	<b>2.21</b>
			Including				45-46	1	7.42
							49-50	1	4.62
GHDD-308	1227235	451791	304	020	-55	150	120-130	<b>10</b>	<b>4.22</b>
			Including				121-122	<b>1</b>	<b>10.27</b>
GHDD-312	1227316	452288	299	330	-55	116	21-31	<b>10</b>	<b>2.58</b>
			Including				28-30	<b>2</b>	<b>7.41</b>
							89-95	<b>6</b>	<b>3.36</b>
			Including				93-95	<b>2</b>	<b>6.60</b>
GHDD-313	1227366	452304	298	326	-55	128	4-6	2	1.26
							102-112	<b>10</b>	<b>1.42</b>
			Including				102-104	2	2.90
GHDD-314	1227426	452318	299	330	-55	146	38-39	1	1.25
							99-101	2	2.44
GHDD-315	1227402	452431	296	330	-55	104	72-77	<b>5</b>	<b>2.28</b>
			Including				75-76	1	6.61
GHDD-316	1227480	452390	297	330	-55	65	24-25	1	5.70
							35-37	2	1.15
							38-39	1	1.07
							46-48	2	2.29
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 highlighted in bold.									



**Table 3: Peksou North Prospect – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-345	1228812	453243	309	120	-50	160			NSR
GHDD-346	1228764	453324	312	300	-60	160	24-64 *	40 *	1.11
			Including				24-30	6	1.55
			And				35-46	11	1.28
			And				48-63	15	1.31
GHDD-347	1228920	453636	311	320	-50	130		Results	Pending
GHDD-348	1228590	452616	303	030	-50	92		Results	Pending
GHDD-349	1228147	452430	302	145	-50	100	27-30	3	14.36 **
			Including				29-30	1	32.22 **
							27-30	3	13.62 ***
			Including				29-30	1	30.00 ***
GHDD-350	1228744	453200	308	120	-50	160	31-33	2	1.08
GHDD-351	1228731	453148	307	120	-50	195		Results	Pending
<p>* The initial 40-metre interval for GHDD-246 is calculated with a 0.2 g/t Au cut-off and 4 metres maximum internal dilution. All of the other intervals in this Peksou North Table are calculated using the standard 0.4 g/t Au cut-off and 2 metres of 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 highlighted in bold.</p> <p>** Uncut grade intervals for GHDD-349. *** Cut grade intervals for GHDD-349 – individual assays in excess of 30.0 g/t Au are cut to 30.0 g/t Au.</p>									

**Table 4: Ma North Prospect – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-321	1237977	451763	382	010	-45	134	91-98	7	<b>2.93</b>
			Including				91-94	3	<b>4.75</b>
GHDD-322	1237962	451800	383	010	-45	146	37-38	1	1.17
GHDD-323	1237951	451844	384	010	-63	145	110-115	5	<b>3.09</b>
			Including				114-115	1	<b>10.90</b>
GHDD-324	1237858	452399	416	010	-45	98	16-17	1	1.84
GHDD-325	1237896	452443	414	010	-45	116	11-16	5	1.21
							21-25	4	<b>2.45</b>
							96-98	2	1.44
GHDD-326	1237837	452476	425	010	-45	128	16-17	1	1.23
							46-49	3	2.80
							69-72	3	1.28
GHDD-327	1237882	452525	428	010	-45	65	3-5	2	1.73
							11-12	1	1.21
							25-27	2	2.03
GHDD-328	1237845	452519	430	010	-45	101	48-54	6	1.14
GHDD-329	1237861	452599	423	010	-45	89	18-20	2	1.52
GHDD-330	1237810	452556	434	010	-45	92	67-69	2	4.24
GHDD-331	1237855	452433	423	010	-45	122	45-47	2	1.27
GHDD-332	1237832	452599	425	010	-45	108	17-18	1	1.18
							37-38	1	1.09
							46-50	4	2.38
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 highlighted in bold.									

**Table 5: A - Zone and B - Zone Prospects – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-279	1226026	451196	299	298	-55	149	64-65	1	2.13
							75-76	1	1.34
							83-84	1	8.12
							111-115	4	1.24
GHDD-280	1225992	451171	299	298	-55	143	80-81	1	1.42
							96-113	17	2.38
GHDD-281	1225847	451103	296	298	-55	113	14-15	1	3.96
							35-37	2	1.12
							57-58	1	1.04
							61-62	1	1.31
							77-79	2	1.05
							95-96	1	1.12
GHDD-283	1226057	451207	301	298	-55	179	17-19	2	4.44
							45-48	3	1.15
							88-89	1	6.64
GHDD-284	1225972	451118	300	298	-55	110	2-4	2	2.19
							35-36	1	1.48
GHDD-292	1226355	451142	301	298	-55	131	68-71	3	1.28
							104-115	11	4.02
GHDD-293	1226318	451052	299	298	-55	117	52-59	7	1.18
							62-65	3	1.57
							72-74	2	1.23
							76-79	3	1.12
GHDD-294	1226244	451019	129	298	-55	129	15-16	1	1.38
							52-53	1	1.85
GHDD-295	1226329	451080	162	330	-50	162	20-23	3	1.12
							60-73	13	2.43
			Including				68-71	3	5.41
							78-85	7	1.20
							133-137	4	8.74
			Including				135-136	1	29.40
GHDD-296	1226388	451126	137	330	-55	137	8-9	1	1.26
							40-60	20	1.13
GHDD-297	1226423	451241	149	330	-55	149	124-128	4	1.13
GHDD-299	1226290	451014	176	330	-55	176	41-50	9	1.17
							55-59	4	2.46
GHDD-300	1226249	450941	107	330	-55	107	40-41	1	2.59
							57-59	2	1.33
GHDD-301	1225773	451013	104	298	-55	104	54-55	1	3.12
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 highlighted in bold.									

**Table 6: Nahiri and Nahiri Plateau Prospects – Selected Drill Highlights**

Hole #	Northing	Easting	Elevation	Azimuth	Dip	EOH (m)	Interval (m)	Core length (m)	Grade (g/t Au)
GHDD-309	1234086	450046	385	065	-50	161	8-161 +	<b>153 +</b>	<b>0.30</b>
			Including				24-34	10	0.50
							25-26	1	1.05
			And				61-77	<b>16</b>	<b>0.67</b>
							68-70	2	1.22
			And				125-135	10	0.52
							125-126	1	1.15
							132-133	1	1.32
GHDD-310	1234172	450147	385	065	-50	70	20-37	17	0.30
			Including				20-22	2	1.12
GHDD-311	1233753	450690	358	065	-50	83	0-2	2	1.00
							23-24	1	1.31
GHDD-333	1234155	450009	384	065	-50	170	6-7	1	1.46
							103-170 +	<b>67 +</b>	<b>0.64</b>
			Including				105-127	<b>22</b>	<b>1.06</b>
<b>Previously</b>	<b>Released</b>	<b>Results</b>							
GHRC-024	1234163	450131	386	065	-60	120	1-86	<b>85</b>	<b>0.41</b>
			Including				16-29	13	0.61
			And				48-66	<b>18</b>	<b>0.76</b>
							49-53	4	1.22
GHRC-025	1234147	450093	384	065	-60	80	9-80 +	<b>71 +</b>	<b>0.46</b>
			Including				34-56	<b>22</b>	<b>0.58</b>
GHRC-026	1234132	450057	383	065	-60	80	7-80 +	<b>73 +</b>	<b>0.31</b>
			Including				14-25	11	0.64
			And				66-73	7	0.68
GHDD-178	1234123	450039	383	065	-60	137	14-137 +	<b>123 +</b>	<b>0.48</b>
			Including				16-27	<b>13</b>	<b>1.33</b>
							17-22	5	1.95
			And				74-85	11	0.78
							82-84	2	1.59
			And				92-103	11	0.86
							92-94	2	2.31
Initial intervals are calculated with a 0.1 g/t Au cut-off and 10 metres of maximum internal dilution (most holes with only 2-3 metres of internal dilution). Included intervals are calculated with a 0.4 g/t Au cut-off and 2 metres of internal dilution. True widths are unknown. Entire interval widths are uncertain as many of the Nahiri Plateau drill holes end in mineralization. UTM's are WGS84-30N. Intervals with grade x thickness (gram x metre) of 10 or higher are highlighted in bold.									

## APPENDIX 2

Figure 1: Golden Hill Property – Prospect Location Plan Map

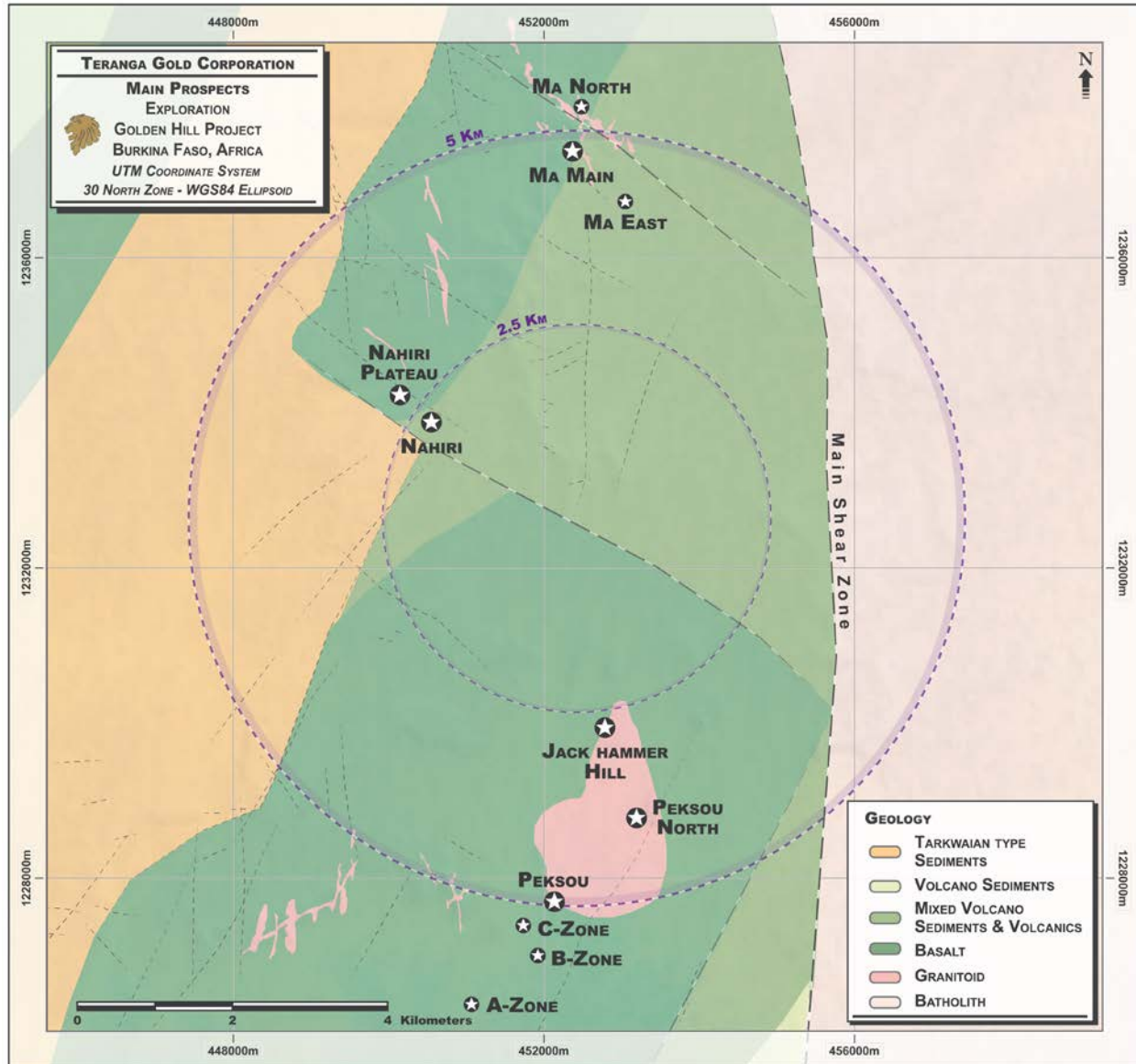
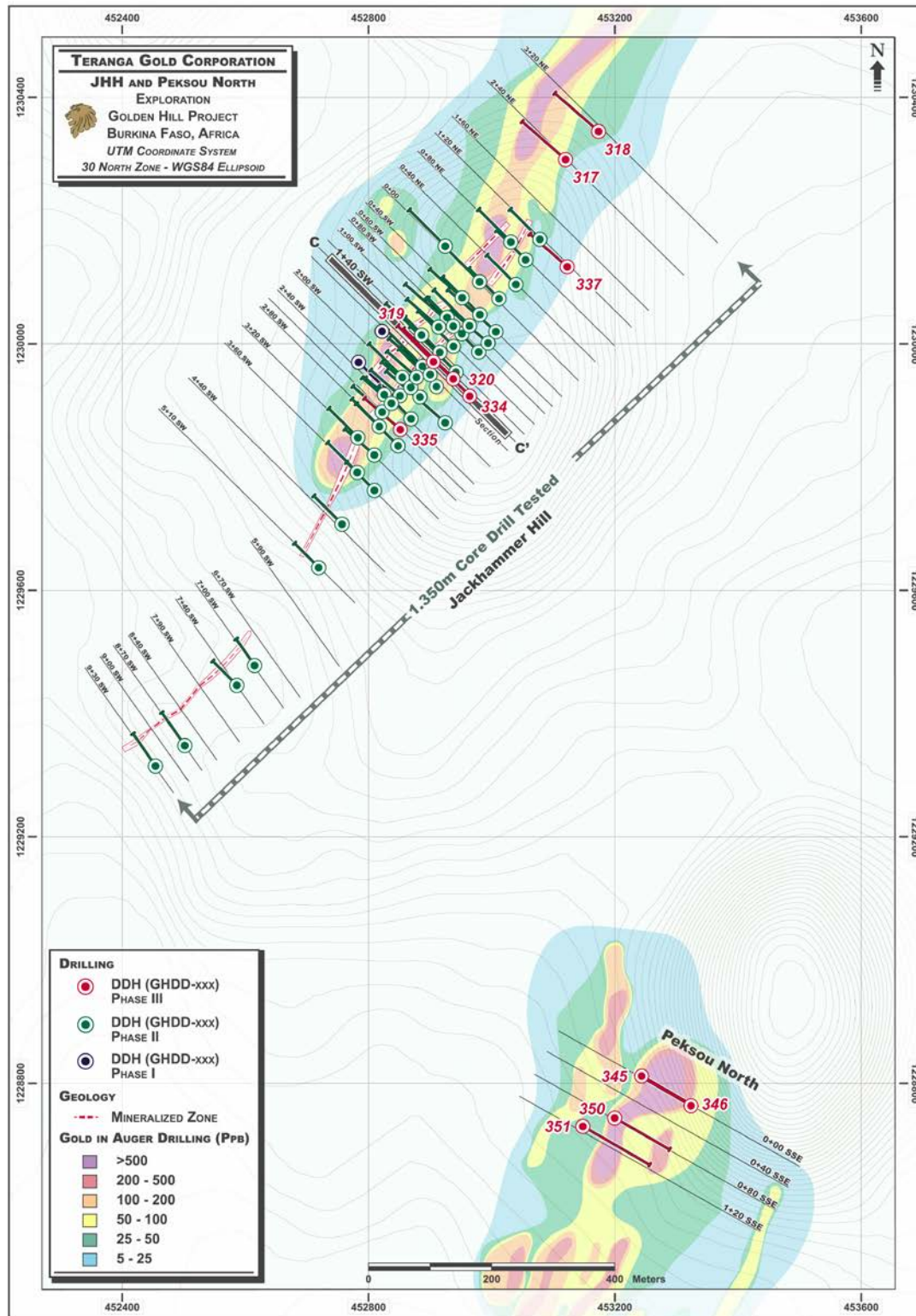


Figure 2: Jackhammer Hill Plan Map





**Figure 3: Jackhammer Hill Prospect – Representative Drill Section C-C'**

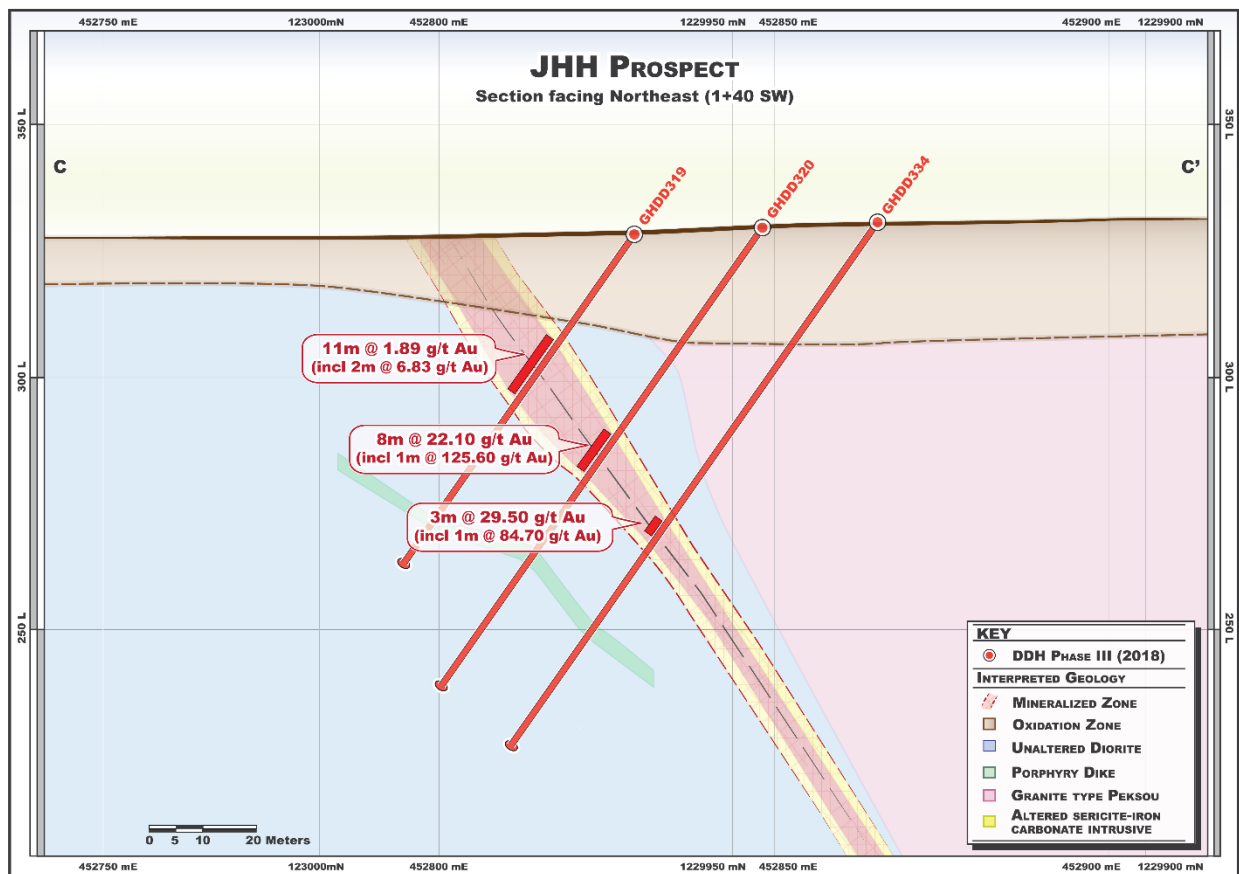
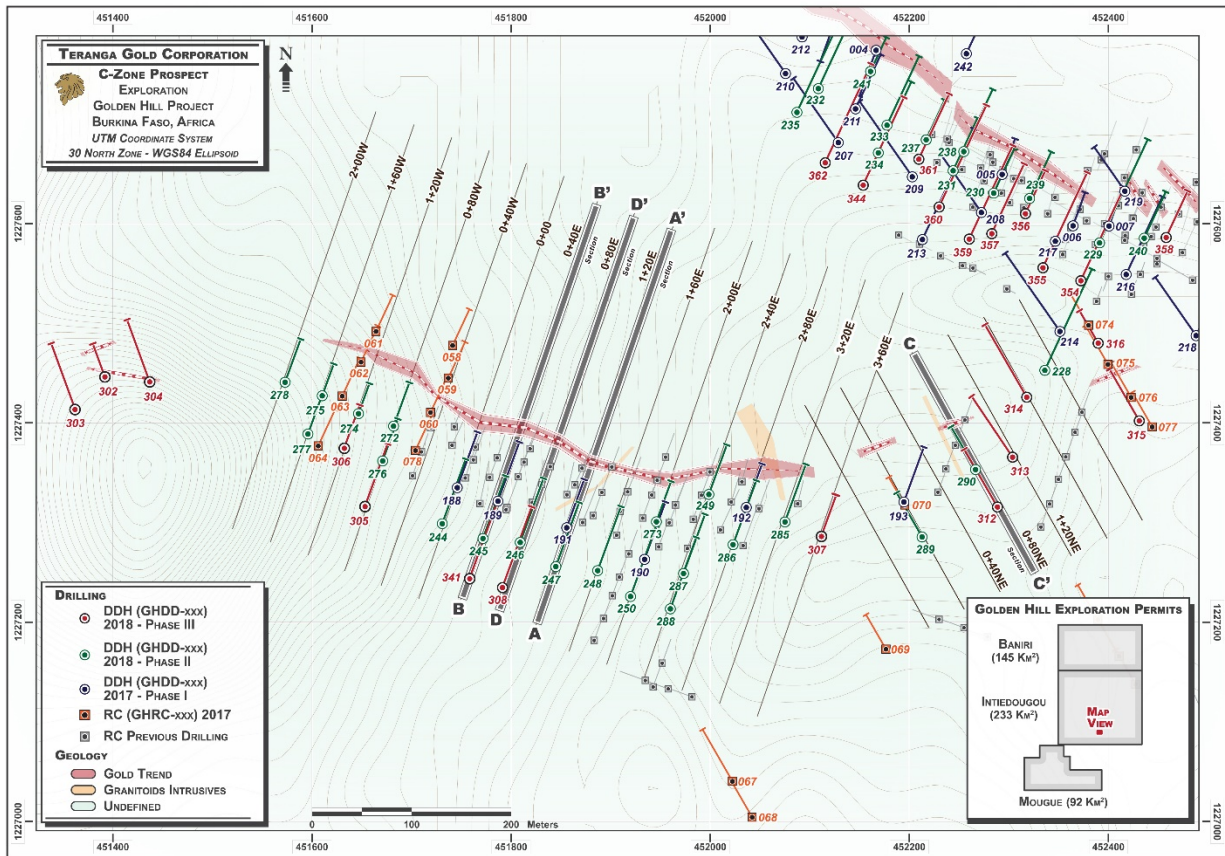
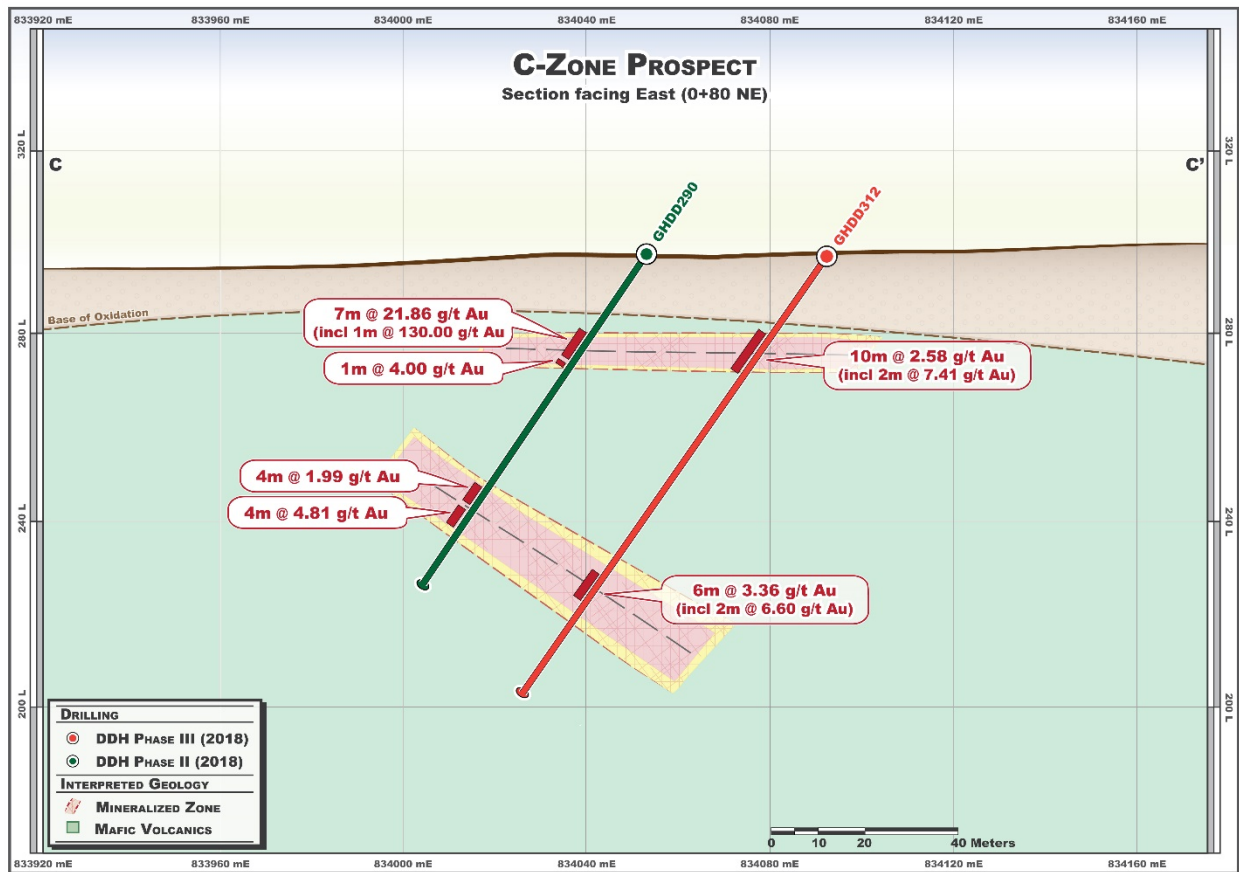


Figure 4: C-Zone Plan Map



**Figure 5: C-Zone Prospect - Representative Drill Section C-C' (0+80 NE)**



**Figure 6: C-Zone Prospect – Representative Section D-D' (0+80 E)**

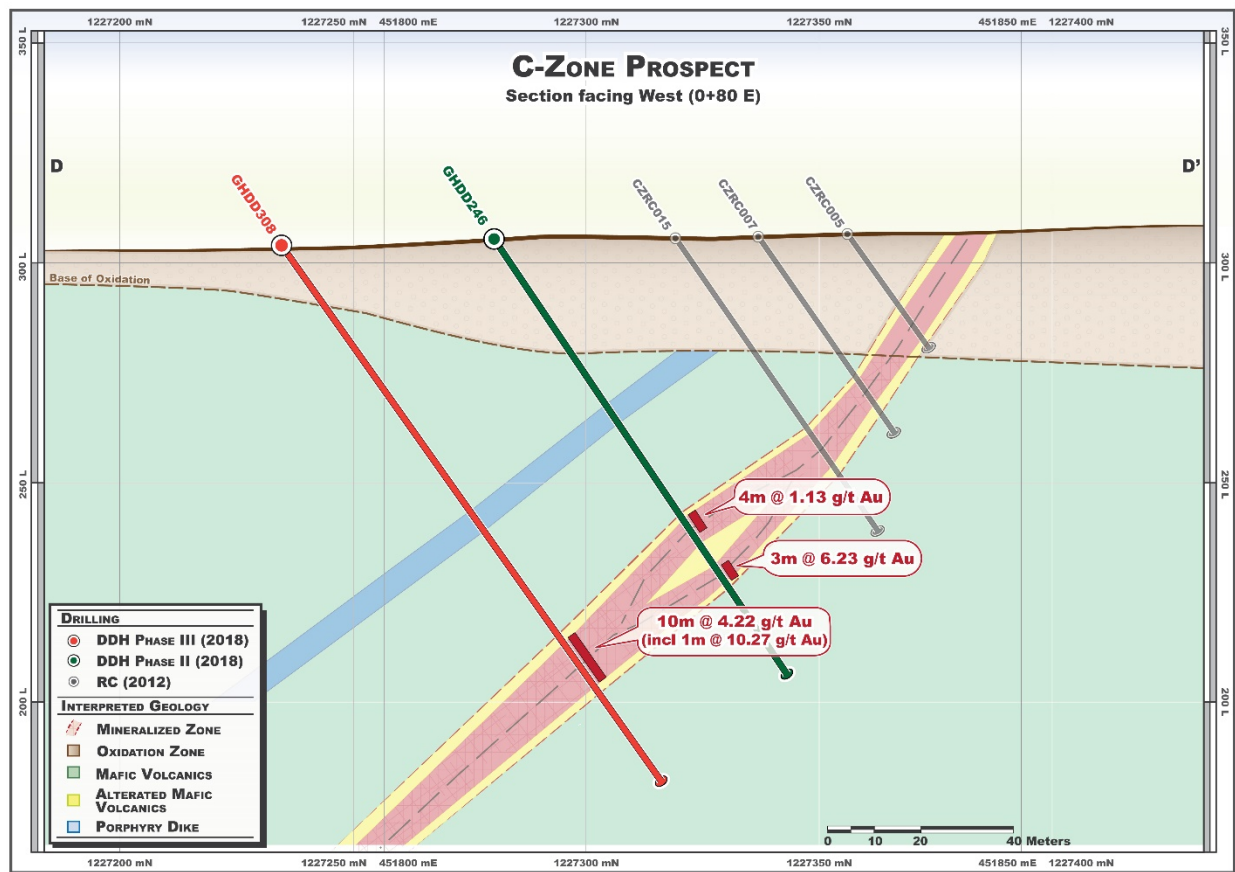
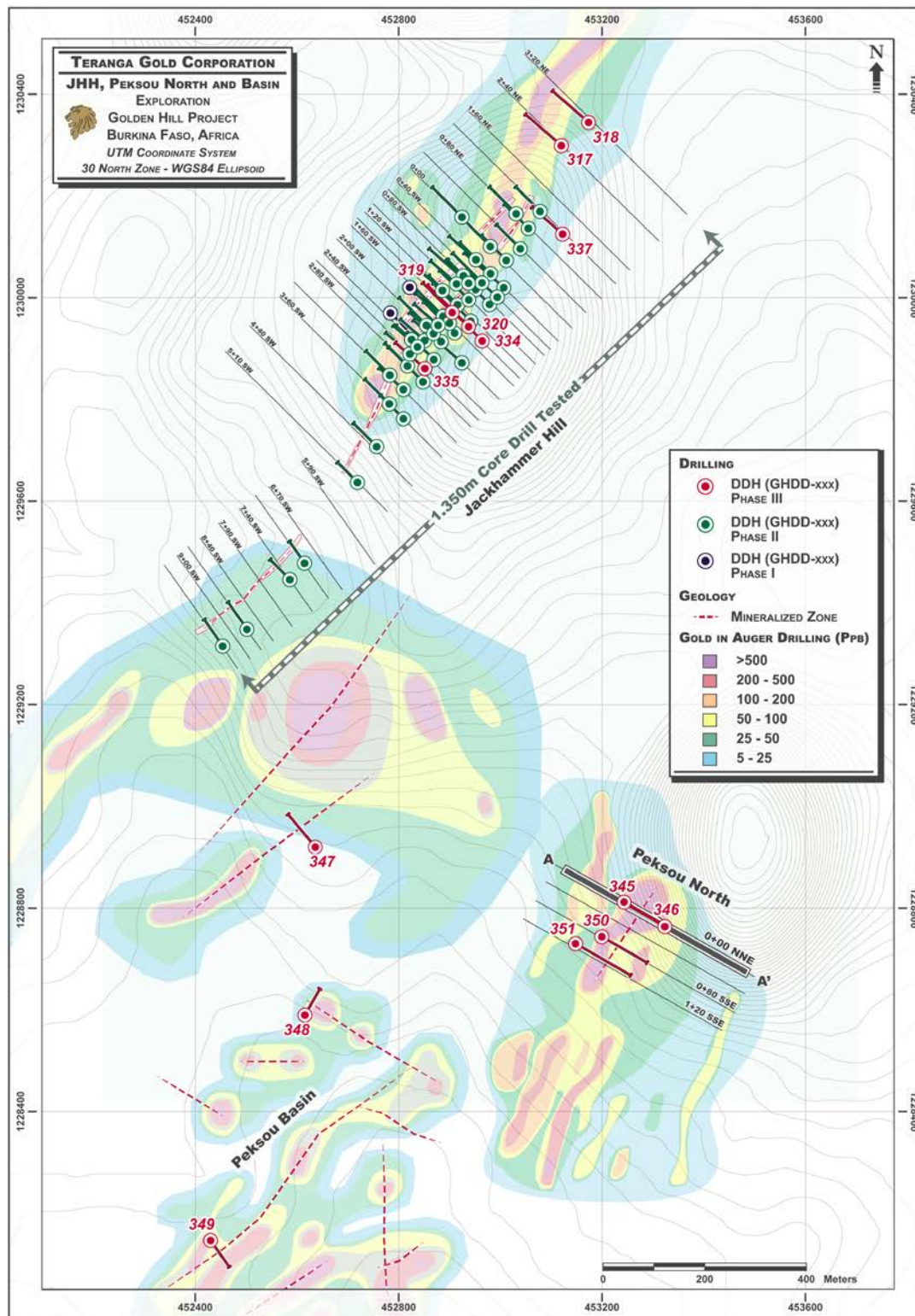
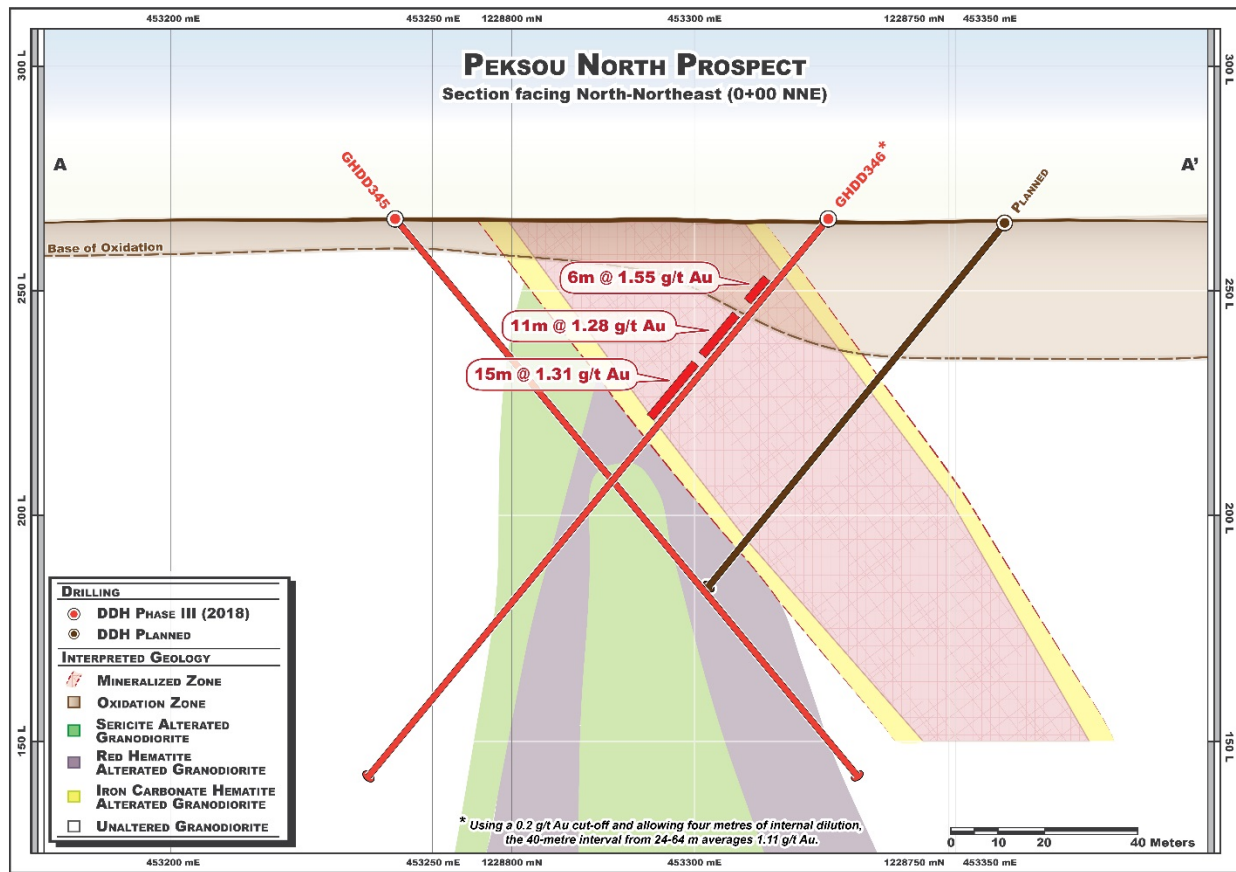




Figure 7: Peksou North Prospect – Plan Map

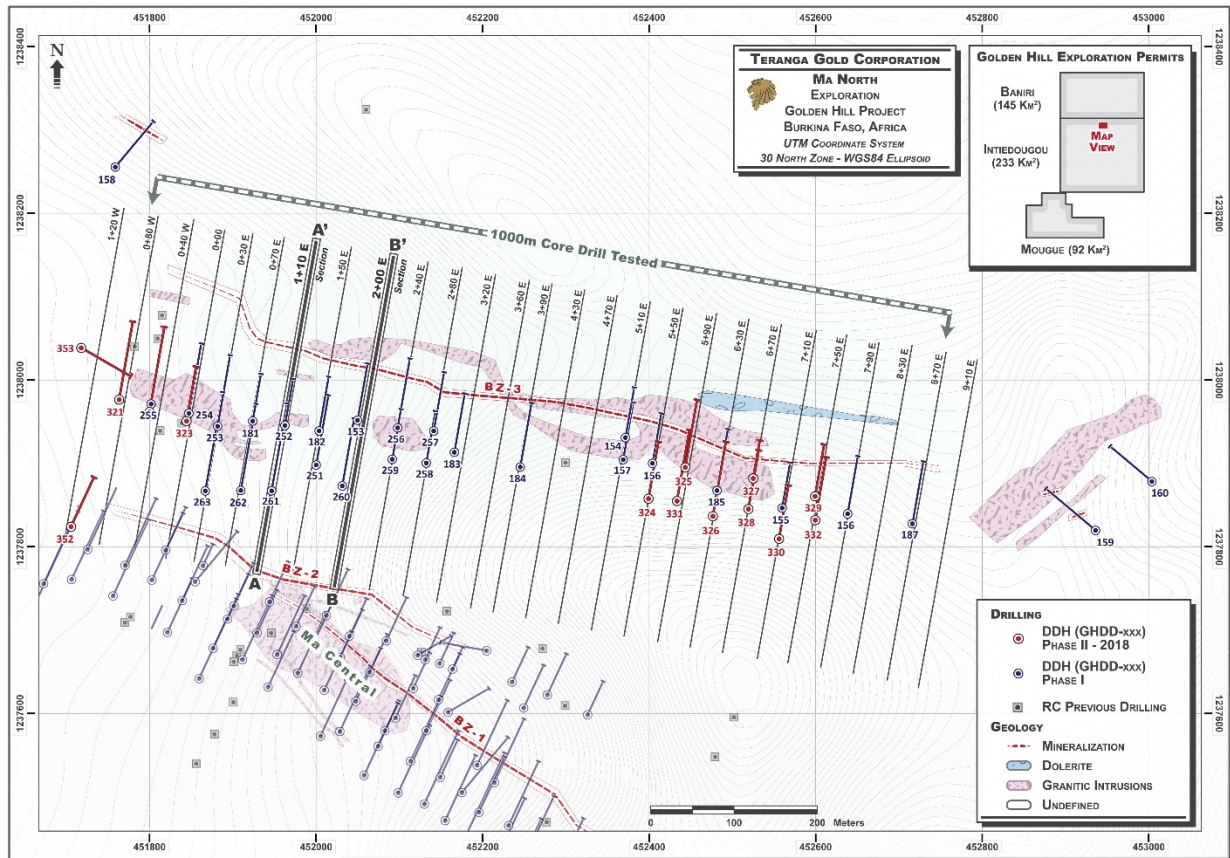


**Figure 8: Peksou North Prospect – Representative Drill Section A-A' (0+00)**

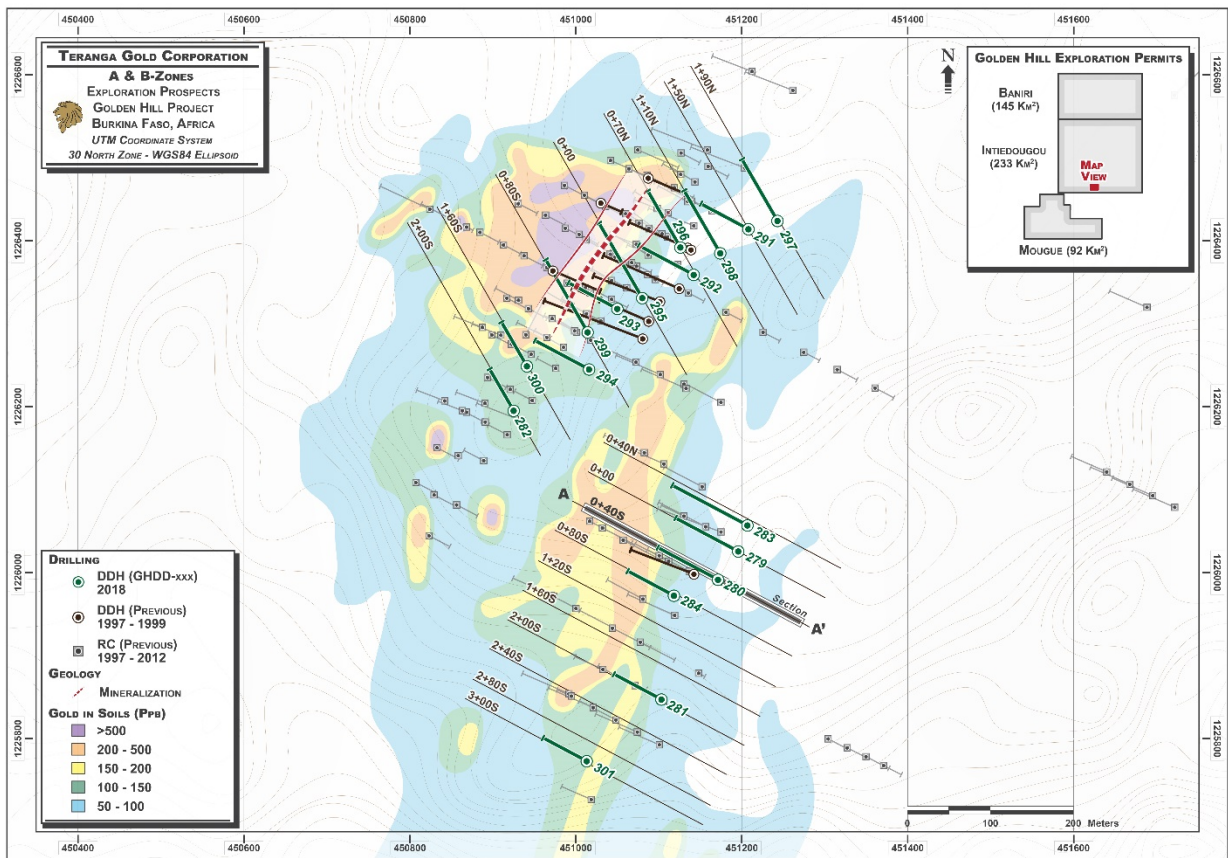




**Figure 9: Ma North Prospect – Plan Map**



**Figure 10: A-Zone and B-Zone - Plan Map**



**Figure 11: Nahiri and Nahiri Plateau Prospects – Plan Map**

