

PRESS RELEASE

For Immediate Release

TSX / ASX: TGZ

Teranga Gold's Fourth Quarter Marks Strong End to a Successful Year

Higher production and lower costs

Strengthens balance sheet with elimination of bank debt

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

Toronto, Ontario: January 29, 2015 - Teranga Gold Corporation ("Teranga" or the "Company") (TSX:TGZ) (ASX:TGZ) is pleased to report its fourth quarter and year-end 2014 operating results for ASX purposes.

"2014 was a successful year and I am pleased to say that it finished up on a high note with a robust fourth quarter, reflecting significantly higher production and lower costs," stated Richard Young, President and Chief Executive Officer of Teranga. *"Despite lower gold prices in 2014, we generated higher free cash flow, which in turn was used to pay down debt and strengthen our balance sheet."*

Mr. Young also stated, *"One of our key objectives is to invest in organic growth initiatives to increase our production and mine life. Our existing mill and related infrastructure, together with our large mine license and regional land package, which we believe has significant exploration upside, gives us organic growth opportunities that most companies just do not have today."*

Key Highlights

	Three months ended December 31			Year ended December 31		
	2014	2013	Change	2014	2013	Change
Gold production (ounces)	71,278	52,368	36%	211,823	207,204	2%
Total cash costs per ounce sold ²	598	711	(16%)	710	641	11%
All-in sustaining costs per ounce sold ²	711	850	(16%)	865	1,033	(16%)

- ▶ Cash balance at December 31, 2104 increased by \$7.8 million to \$35.8 million from third quarter of 2014
- ▶ The Company retired the outstanding balance of its loan facility on December 31, 2014
- ▶ Proven and Probable open pit Reserves at Masato increased by 72,000 ounces
- ▶ Encouraging exploration results on Mine License targets
- ▶ Environmental permits for the Gora project, the first satellite deposit to be developed, are expected mid-February. Planned production to commence early fourth quarter 2015
- ▶ The Company expects to generate positive free cash flow in 2015 based on 2015 production in the range of 200,000 to 230,000 ounces¹ at total cash costs of \$650 to \$700 per ounce² and all-in sustaining costs (including all new project development costs) of \$900 to \$975 per ounce²

¹ This production guidance is based on existing proven and probable reserves only from both the Sabodala mining licence and OJVG mining license as disclosed in Table 2 on page 8 of this Report. The estimated ore reserves underpinning this production guidance have been prepared by a competent person in accordance with the requirements of the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Please refer to the Competent Persons Statement on page 13 of this Report.

² Total cash costs per ounce and all-in sustaining costs per ounce of gold sold are non-IFRS measures which do not have standard meanings under IFRS. Please refer to Non-IFRS Performance Measures at the end of this Report.

OPERATIONAL OVERVIEW

Sabodala Gold Operation

Fourth Quarter 2014

- Gold production during the fourth quarter of 2014 increased by 47 percent and 36 percent versus the third quarter of 2014 and the fourth quarter of 2013, respectively. Production was higher in the last three months of 2014 due to higher processed grade and improved mill throughput. Production was slightly lower than fourth quarter guidance primarily due to marginally lower recovery rates than planned.
- Total cash costs per ounce for the three months ended December 31, 2014, excluding the reversal of non-cash inventory write-downs to Net Realizable Value ("NRV"), totalled \$598 per ounce compared to \$711 per ounce in the same prior year quarter mainly due to lower mining and processing costs and higher gold production in the current year quarter.
- All-in sustaining costs for the three months ended December 31, 2014, excluding the reversal of non-cash inventory write-downs to NRV, totalled \$711 per ounce, compared to \$850 per ounce in the prior year. All-in sustaining costs were lower due to a decline in total cash costs and lower capital expenditures.
- Total tonnes mined for the three months ended December 31, 2014 were 4 percent lower year-over-year. Mining activities in the current period were mainly focused on the upper benches of Masato and the lower benches of phase 3 of the Sabodala pit, while in the same prior year period, mining was focused on the upper benches of phase 3 of the Sabodala pit which resulted in shorter ore and waste haul distances.
- The changes in the mine department made during the year in terms of people and procedures resulted in much improved grade control during the fourth quarter. Mining at Masato included 371,000 tonnes at 2.41 gpt and mining at Sabodala included 353,000 tonnes at 3.16 gpt, both reconciling well to the reserve models.
- Total mining costs for the three months ended December 31, 2014 were 6 percent lower than the same prior year period mainly due to lower material movement and higher productivity at Masato due to mining softer material. Unit mining costs for the three months ended December 31, 2014 were \$2.58 per tonne, a decrease of 2 percent compared to the same prior year period.
- Ore tonnes milled for the three months ended December 31, 2014 were 17 percent higher than the same prior year period. The Company set a quarterly record for total tonnes milled during the fourth quarter of 2014. As anticipated, the introduction of softer oxide ore from Masato has had a positive impact on crushing and milling rates. In the same prior year period, mill feed was sourced from phase 3 of the Sabodala pit containing harder ore.
- Processed grade for the three months ended December 31, 2014 was 16 percent higher than the same prior year period. Mill feed during the fourth quarter 2014 included significant high grade ore that was sourced from the upper benches of Masato and the lower benches of the Sabodala pit. While in the prior year period, mill feed was sourced from phase 3 of the Sabodala pit at grades closer to average reserve grade.
- Total processing costs for the three months ended December 31, 2014 were 9 percent lower than the same prior year period, mainly due to timing of maintenance activities and lower consumption of grinding media with the softer ore from Masato. Unit processing costs for the three months ended December 31, 2014 were 23 percent lower than the prior year period due to lower total processing costs and higher tonnes milled.
- During the third quarter of 2014, the Company experienced a discrepancy of approximately 5,000 ounces between the predicted gold production based on the daily production report assays and reconciled gold poured and gold in circuit production at quarter end. Management concluded its investigation of the source of the discrepancy during the fourth quarter 2014. Based on the final assessment, it was determined this discrepancy was caused by a high bias of approximately 10 percent in the assays during the third quarter by the independent assay lab on site. The high bias was caused by degradation in the gold calibration standard due to poor storage of the solutions employed by the independent lab. The bias was corrected in October 2014 and steps have been taken by the independent lab to improve quality control including changes to their senior personnel, retraining of their local technical staff, duplicate testing conducted by their lab in Mali and more senior level oversight to ensure quality and adherence to standard practices.
- Reconciliation of the metallurgical accounting for the fourth quarter 2014 with daily production was within acceptable standards, as has been the

case on average for the duration of operations for the Sabodala mill.

Full Year 2014

- Gold production for the year increased marginally from the year earlier to 211,823 ounces and was the second highest production total in Company history. However, production fell short of the revised guidance estimate of 215,000 ounces primarily due to lower than planned recovery rates in the fourth quarter.
- Total cash costs per ounce for the year ended December 31, 2014 of \$710 per ounce were at the higher end of guidance of \$650 to \$700 per ounce. This compares to \$641 per ounce in 2013. The increase in total cash costs was mainly due to lower capitalized deferred stripping, partly offset by lower mining and processing costs compared to the prior year.
- All-in sustaining costs per ounce for the year ended December 31, 2014 were \$865 per ounce, within the original guidance range of \$800 to \$875 per ounce and 16 percent lower than the prior year. Lower all-in sustaining costs were mainly due to lower capital expenditures in the current year period.

PRODUCTION STATISTICS

		Dec-14	Sep-14	Jun-14	Mar-14	Dec-13	Variance
		Quarter	Quarter	Quarter	Quarter	Quarter	Dec-14 to Dec-13
Ore mined	('000t)	2,666	1,272	974	1,262	1,993	34%
Waste mined - operating	('000t)	5,594	4,201	5,233	6,151	6,655	(16%)
Waste mined - capitalized	('000t)	490	524	458	497	420	17%
Total mined	('000t)	8,750	5,997	6,665	7,910	9,068	(4%)
Grade Mined	(g/t)	1.47	1.71	1.39	1.61	1.61	(9%)
Ounces Mined	(oz)	126,334	69,805	43,601	65,452	103,340	22%
Strip ratio	waste/ore	2.3	3.7	5.8	5.3	3.6	(36%)
Ore processed	('000t)	1,009	903	817	893	860	17%
Head grade	(g/t)	2.44	1.89	1.69	2.01	2.11	16%
Gold recovery	(%)	90%	89%	90%	90%	90%	-
Gold produced ¹	(oz)	71,278	48,598	39,857	52,090	52,368	36%
Gold sold	(oz)	63,711	44,573	44,285	53,767	46,561	37%
Average price received	\$/oz	1,199	1,269	1,295	1,293	1,249	(4%)
Total cash costs per ounce sold ^{2,3} (including Royalties)	\$/oz	598	781	815	696	711	(16%)
All-in sustaining costs per ounce sold ^{2,3} (including Royalties)	\$/oz	711	954	1,060	813	850	(16%)
Mining	(\$/t mined)	2.58	3.12	2.90	2.81	2.65	(2%)
Milling	(\$/t milled)	13.91	15.96	21.29	18.20	17.96	(23%)
G&A	(\$/t milled)	4.27	4.46	4.92	4.85	4.84	(12%)

¹ Gold produced includes change in gold in circuit inventory plus gold recovered during the period.

² Total cash costs per ounce and all-in sustaining costs per ounce are non-IFRS financial measures and do not have a standard meaning under IFRS. Please refer to non-IFRS Financial Performance Measures at the end of this report.

³ All-in sustaining costs per ounce sold include total cash costs per ounce, administration expenses (excluding Corporate depreciation expense and social community costs not related to current operations), capitalized deferred stripping, capitalized reserve development and mine site & development capital expenditures as defined by the World Gold Council.

OUTLOOK 2015

The following table outlines the Company's estimated 2015 summary production and cost guidance:

		Year ended December 31	
		2014 Actuals	2015 Guidance Range
Operating Results			
Ore mined	('000t)	6,174	6,500 - 7,500
Waste mined - operating	('000t)	21,179	~19,500
Waste mined - capitalized	('000t)	1,969	2,500 - 3,500
Total mined	('000t)	29,321	28,500 - 30,500
Grade mined	(g/t)	1.54	1.40 - 1.60
Strip ratio	(waste/ore)	3.7	3.00 - 3.50
Ore milled	('000t)	3,622	3,600 - 3,800
Head grade	(g/t)	2.03	2.00 - 2.20
Recovery rate	%	89.7	90.0 - 91.0
Gold produced ¹	(oz)	211,823	200,000 - 230,000
Total cash cost (incl. royalties) ²	\$/oz sold	710	650 - 700
All-in sustaining costs ^{2,3}	\$/oz sold	865	900 - 975
Mining	(\$/t mined)	2.83	2.75 - 2.90
Mining long haul (cost/t hauled)	(\$/t milled)	-	5.00 - 6.00
Milling	(\$/t milled)	17.15	15.50 - 17.50
G&A	(\$/t milled)	4.61	5.25 - 5.75
Gold sold to Franco-Nevada ¹	(oz)	20,625	24,375
Exploration and evaluation expense (Regional Land Package)	(\$ millions)	2.8	1.0 - 2.0
Administration expenses and Social community costs (excluding depreciation)	(\$ millions)	14.8	15.0 - 16.0
Mine production costs	(\$ millions)	161.3	155.0 - 165.0
Capitalized deferred stripping	(\$ millions)	6.0	8.0 - 10.0
Net mine production costs	(\$ millions)	155.3	147.0 - 155.0
Capital expenditures			
Mine site sustaining	(\$ millions)	5.0	6.0 - 8.0
Capitalized reserve development (Mine License)	(\$ millions)	4.0	6.0 - 8.0
Project development costs (Gora/Kerekounda)			
Mill optimization	(\$ millions)	-	5.0 - 6.0
Development	(\$ millions)	3.9	16.5 - 17.5
Mobile equipment and other	(\$ millions)	-	7.5 - 8.5
Total project development costs	(\$ millions)	3.9	29.0 - 32.0
Capitalized deferred stripping	(\$ millions)	6.0	8.0 - 10.0
Total capital expenditures	(\$ millions)	18.9	49.0 - 58.0

¹ 22,500 ounces of production are to be sold to Franco Nevada at 20% of the spot gold price. 1,875 ounces were deferred from 2014 to 2015.

² Total cash costs per ounce and all-in sustaining costs per ounce are non-IFRS financial measures and do not have a standard meaning under IFRS. Please refer to Non-IFRS Performance Measures at the end of this report.

³ All-in sustaining costs per ounce sold include total cash costs per ounce, administration expenses (excluding Corporate depreciation expense and social community costs not related to current operations), capitalized deferred stripping, capitalized reserve development and mine site & development capital expenditures as defined by the World Gold Council.

Key assumptions: Gold spot price/ounce - US\$1,200, Light fuel oil - US\$0.95/litre, Heavy fuel oil - US\$0.76/litre, US/Euro exchange rate - \$1.20, USD/CAD exchange rate - \$0.85.

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

The Company's mine plans are designed to maximize free cash flow. In 2015, the Company expects to generate free cash flow at \$1,200 per ounce gold even after funding its organic growth initiatives. Mining activity in 2015 will continue in the Masato pit, as well as completing phase 3 of the Sabodala pit.

Development of Gora is expected to be complete during the third quarter, with mining expected by late in the third quarter and production from Gora commencing in the fourth quarter of the year.

The Company expects to produce between 200,000 and 230,000 ounces of gold in 2015. The quarterly

production profile in 2015 is expected to look similar to the 2014 quarterly production profile with higher production in the fourth quarter once Gora ore is processed through the mill. In total, the second half of 2015 is expected to account for approximately 55 percent of total gold production as Gora comes into production. The Gora development schedule is aggressive but Management believes it is achievable. The delay in the Gora permitting process has delayed road construction which was to start at the beginning of the year but is now expected to begin in early February. Any further delays are likely to impact the timing of commencement of mining at Gora resulting in production at the lower end of our 2015 production guidance range.

The Company's tax exempt status ends on May 2, 2015. From this point forward, the Company will be subject to a 25 percent income tax rate as well as customs duties and non-refundable value-added tax on certain expenditures. Any income tax incurred in 2015 will not be paid until 2016 and the other taxes are built into our unit cost guidance.

Total mine production costs for 2015 are expected to fall in the range of \$147.0 to \$155.0 million, similar to 2014 (net of capitalized deferred stripping). The increase in taxes and duties for consumables of about \$5.5 million is expected to be offset by the decline in costs for light fuel oil ("LFO"), heavy fuel oil ("HFO") and weaker local and Euro denominated costs relative to the US dollar. A \$0.10 variance from the current HFO/LFO assumptions would result in approximately a \$5.0 million change to mine production costs. A 10 percent variance from the current Euro/USD exchange rate assumption would result in approximately a \$9.0 million change to mine production costs. The Government of Senegal sets the price of petroleum products monthly. In late December 2014, these prices were reduced on average 15 percent, the first reduction in 2014. The Company's 2015 assumptions for LFO and HFO reflect these most recent price reductions and do not reflect any potential further reductions that the Government of Senegal may choose to enact.

Administrative expenses and social community costs relate to the corporate office, the Dakar and regional office and the Company's corporate social responsibility initiatives, and exclude corporate depreciation, transaction costs and other non-recurring costs. For 2015, these costs are estimated to be between \$15.0 million and \$16.0 million, including approximately \$3.5 million for corporate social responsibility ("CSR") activities.

Sustaining capital expenditures for the mine site are expected to be between \$6.0 and \$8.0 million,

capitalized deferred stripping costs are expected to total \$8.0 to \$10.0 million and reserve development expenditures are expected to total \$6.0 to \$8.0 million. Project development expenditures for growth initiatives including the cost to develop the Gora and Kerekounda deposits and costs to optimize the mill are expected to total \$29.0 to \$32.0 million.

Total cash costs per ounce for 2015 are expected to be between \$650 and \$700 per ounce, in line with 2014. All-in sustaining costs are expected to be between \$900 and \$975 per ounce, higher than 2014 due to an increase in development spending on new deposits and expansion of the mill of approximately \$125 per ounce.

In 2015, the majority of the capital to be spent on the Company's exploration program will be focused on organic growth through (i) the conversion of resources to reserves; and (ii) extensions of existing deposits along strike on the Sabodala and OJVG mine licenses. As well, a modest amount of capital has been budgeted for the continuation of a systematic regional exploration program designed to identify high-grade satellite and standalone deposits.

FINANCE

At December 31, 2014:

- Cash and cash equivalents - \$35.8 million
- Loan Facility (balance outstanding) - \$nil
- Equipment Facility (balance outstanding) - \$4.2 million

In January 2015, the Company entered into forward gold sales contracts with Macquarie Bank Limited with maturities ending in February and March 2015. In total, 15,000 ounces of gold were sold forward at a gold price of \$1,297 per ounce.

MANAGEMENT CHANGE

Kathy Sipos, Vice President, Investor and Stakeholder Relations has left the Company to pursue a career change. As an integral part of the Teranga team since the initial public offering, Ms. Sipos was instrumental in the development of the investor relations program and established the Company's CSR platform including the development of the Teranga development strategy ("TDS").

The TDS sets out Teranga's plan to ensure our actions and investments are oriented towards the long-term, sustainable development of the region surrounding our Sabodala Gold Operation. It further underscores our commitment to a company-wide culture of CSR. Under Ms. Sipos' leadership, the

TDS has provided the foundation for a number of innovative partnerships with government agencies and several international and local non-government organizations to provide a range of programs in education, skills training, agriculture, health and education for the benefit of the communities and region in which we operate.

Richard Young, President and CEO and Khalid Elhaj, Director of Corporate Development and Investor Relations will be assuming Ms. Sipos' investor relations responsibilities, while the CSR team will oversee our programs until a replacement is found.

BUSINESS AND PROJECT DEVELOPMENT

Reserves and Resources

Mineral Resources at December 31, 2014 are presented in Table 1. Total open pit Proven and Probable Mineral Reserves at December 31, 2014 are set forth in Table 2. The reported Mineral Resources are inclusive of the Mineral Reserves.

The Proven and Probable Mineral Reserves were based on the Measured and Indicated Resources that fall within the designed open pits. The basis for the resources and reserves is consistent with the Canadian Securities Administrators National Instrument 43-101 Standards for Disclosure for Mineral Projects ("NI 43-101") regulations.

The Sabodala pit design, which remains unchanged and is consistent with the Mineral Reserves reported previously, is based on a \$1,000 per ounce gold price pit shell for Phase 4. A re-evaluation of the final pit limits of Sabodala (Phase 4) will be completed prior to mining and will use updated economic parameters at that time. Currently, the plan to mine Phase 4 in Sabodala is estimated to begin in 2016.

The Niakafiri and Gora pit designs remain unchanged from December 2012.

The Masato pit design has been updated and is based on an updated resource model, using a \$1,200 gold price with mine operating costs reflecting current conditions.

The Golouma and Kerekounda pit designs remain unchanged from December, 2013. Resource models are expected to be updated based on drill programs recently completed, with subsequent pit designs and revised reserves estimates expected later in 2015. These have been based on a \$1,250 per ounce pit shell, however, when comparing to adjusted cut-off

grades to match current operating costs, minimal adjustments were required to match a \$1,200 per ounce pit shell.

Masato Resource Model Update

Drill hole assays and surface trenching results from the 2014 advanced exploration program were incorporated into an updated Masato mineral resource model during the fourth quarter 2014. A total of 2,900 metres in 22 diamond drill holes ("DDH") and 6,000 metres in 98 reverse circulation ("RC") holes were completed in 2014.

DDH confirmed the interpretation of mineralized zones and infilled gaps to upgrade resource classification of Inferred Resources.

RC holes were drilled at 10 metre spacing in 2 separate test block areas in oxide ore to test the continuity of portions of the high-grade sub-domains. Results confirm the nature of high grade mineralization in these areas, as well as overall shallower dipping zones than was previously interpreted.

Due to the complex nature of mineralization, a total of 11 mineralization models were generated following non-linear trending structures. Mineral resources were estimated using locally varying anisotropies respecting local trends. Oxide densities were revised to reflect the gradational density difference associated with increasing depth from surface. Fresh rock densities were revised and averaged for mineralized and non-mineralized areas.

A comparison of the reserve model against actual mined in 2014 indicates 2 percent higher tonnes, 5 percent higher grade and 8 percent higher ounces mined. This can be attributed to a shallower higher grade mineralization trend in oxides in areas delineated with wider spaced drilling.

Overall, 72,000 ounces were added at Masato during 2014 including 16,000 ounces in the high-grade test blocks drilled. Due to the complexity of the high grade zones revealed from the 10 metre test block areas, extension of high grade intercepts will need to be continually updated as mining advances with 10 metre spacing from the RC grade control process. As a result, the high grade added in the updated model was in the near surface areas in Phase 1 where 10 metre spacing drilling occurred.

Table 1 Mineral Resources Summary

	Measured			Indicated			Measured and Indicated		
	Tonnes	Grade	Au	Tonnes	Grade	Au	Tonnes	Grade	Au
	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)	(Mt)	(g/t)	(Moz)
Sabodala	23.73	1.21	0.92	19.55	1.23	0.77	43.28	1.22	1.70
Gora	0.49	5.27	0.08	1.84	4.93	0.29	2.32	5.00	0.37
Niakafiri	0.30	1.74	0.02	10.50	1.10	0.37	10.70	1.12	0.39
ML Other									
Subtotal Sabodala	24.52	1.30	1.02	31.89	1.40	1.43	56.41	1.36	2.46
Masato	1.55	0.96	0.05	50.26	1.04	1.67	51.81	1.03	1.72
Golouma				12.04	2.69	1.04	12.04	2.69	1.04
Kerekounda				2.20	3.77	0.27	2.20	3.77	0.27
Somigol Other				18.72	0.93	0.56	18.72	0.93	0.56
Subtotal Somigol	1.55	0.96	0.05	83.22	1.33	3.54	84.77	1.32	3.59
Total	26.07	1.28	1.07	115.11	1.35	4.97	141.18	1.33	6.05

Inferred Resources

Area	Tonnes (Mt)	Au (g/t)	Au (Moz)
Sabodala	18.42	0.93	0.55
Gora	0.21	3.38	0.02
Niakafiri	7.20	0.88	0.21
ML Other	10.60	0.97	0.33
Subtotal Sabodala	36.43	0.94	1.11
Masato	19.18	1.15	0.71
Golouma	2.46	2.01	0.16
Kerekounda	0.34	4.21	0.05
Somigol Other	12.87	0.84	0.35
Subtotal Somigol	34.86	1.13	1.26
Total	71.29	1.03	2.37

Notes for Table 1: Mineral Resources Summary:

- 1) CIM definitions were followed for Mineral Resources.
- 2) Mineral Resource cut-off grades for Sabodala, Masato, Golouma, Kerekounda and Somigol Other are 0.2 g/t Au for oxide and 0.35 g/t Au for fresh.
- 3) Mineral Resource cut-off grades for Niakafiri are 0.3 g/t Au for oxide and 0.5 g/t Au for fresh.
- 4) Mineral Resource cut-off grade for Gora is 0.5 g/t Au for oxide and fresh.
- 5) Mineral Resource cut-off grade for Niakafiri West and Soukhoto is 0.3 g/t Au for oxide and fresh.
- 6) Mineral Resource cut-off grade for Diadiako is 0.2 g/t Au for oxide and fresh.
- 7) Measured Resources include stockpiles which total 11.30 Mt at 0.82 g/t Au for 0.30 Mozs.
- 8) High grade assays were capped at grades ranging from 10 g/t to 30 g/t Au at Sabodala, 20 g/t to 70 g/t Au at Gora, from 4 g/t to 25 g/t Au at Masato, from 5 g/t to 70 g/t for Golouma, from 11 g/t to 50 g/t at Kerekounda, and from 0.8 g/t to 110 g/t at Somigol Other.
- 9) The figures above are "Total" Mineral Resources and include Mineral Reserves.
- 10) Neither underground Mineral Resources nor Mineral Reserves have been generated by the Company, therefore global Mineral Resources have been reported at the determined cut-off grades. A detailed underground analysis will be undertaken to follow-up on the underground resource potential; however, this is not a priority in the near term.
- 11) Sum of individual amounts may not equal due to rounding.

For clarity, the Resource estimates disclosed above with respect to Niakafiri, Gora and ML Other (which includes Niakafiri, Niakafiri West, Soukhoto and Diadiako) were prepared and first disclosed under the JORC Code 2004. See Competent Person Statements on page 13 for further details. It has not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported. All material assumptions and technical parameters previously disclosed continue to be applicable and have not materially changed. Refer to Teranga Gold Corporation ASX Quarterly December 31, 2013 report filed on January 30, 2014.

Table 2 Mineral Reserves Summary

	Proven			Probable			Proven and Probable		
	Tonnes (Mt)	Grade (g/t)	Au (Moz)	Tonnes (Mt)	Grade (g/t)	Au (Moz)	Tonnes (Mt)	Grade (g/t)	Au (Moz)
Sabodala	1.98	1.52	0.10	2.48	1.48	0.12	4.45	1.50	0.21
Gora	0.48	4.66	0.07	1.35	4.79	0.21	1.83	4.76	0.28
Niakafiri	0.23	1.69	0.01	7.58	1.12	0.27	7.81	1.14	0.29
Stockpiles	11.30	0.82	0.30				11.30	0.82	0.30
Subtotal Sabodala	13.99	1.07	0.48	11.41	1.63	0.60	25.40	1.32	1.09
Masato				26.93	1.13	0.98	26.93	1.13	0.98
Golouma				6.47	2.24	0.46	6.47	2.24	0.46
Kerekounda				0.88	3.26	0.09	0.88	3.26	0.09
Subtotal Somigol				34.28	1.39	1.53	34.28	1.39	1.53
Total	13.99	1.07	0.48	45.69	1.45	2.12	59.68	1.36	2.62

Notes for Table 2: Reserves Summary:

- CIM definitions were followed for Mineral Reserves.
- Mineral Reserve cut off grades for Sabodala are 0.40 g/t Au for oxide and 0.5 g/t Au for fresh based on a \$1,250/oz gold price and metallurgical recoveries between 90 percent and 93 percent.
- Mineral Reserve cut off grades for Niakafiri are 0.35 g/t Au for oxide and 0.5 g/t Au for fresh based on a \$1,350/oz gold price and metallurgical recoveries between 90 percent and 92 percent.
- Mineral Reserve cut off grade for Gora is 0.76 g/t Au for oxide and fresh based on \$1,200/oz gold price and metallurgical recovery of 95 percent.
- Mineral Reserve cut off grades for Masato are 0.4 g/t Au for oxide and 0.5 g/t for fresh based on \$1,200/oz gold price and metallurgical between 90 percent and 93 percent.
- Mineral reserve cut off grades for Golouma and Kerekounda are 0.4 g/t Au for oxide and 0.5 g/t for fresh based on \$1,250/oz gold price and metallurgical between 90 percent and 93 percent.
- Sum of individual amounts may not equal due to rounding.
- The Niakafiri deposit is adjacent to the Sabodala village and relocation of at least some portion of the village will be required which will necessitate a negotiated resettlement program with the affected community members.
- The Gora deposit is intended to be merged into the Sabodala mining license which the State of Senegal has agreed to in principal subject to completion and receipt of an approved environmental and social impact assessment which is ongoing.
- There are no other known political, legal or environmental risks that could materially affect the potential development of the identified mineral resources or mineral reserves other than as already set out in the Company's Annual Information Form dated March 31, 2014 (revised April 24, 2014). Refer to RISK FACTORS beginning on page 60.

For clarity, the Reserve estimates disclosed above with respect to Niakafiri and Gora was prepared and first disclosed under the JORC Code 2004. See Competent Person Statements on pages 28 and 29 for further details. It has not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported. All material assumptions and technical parameters previously disclosed continue to be applicable and have not materially changed. Refer to Teranga Gold Corporation ASX Quarterly December 31, 2013 report filed on January 30, 2014.

Masato Development and OJVG Integration

Development of the Masato deposit is complete and mining commenced during the third quarter of 2014. First ore delivery was completed in third quarter 2014, with a gradual ramping up of production rates throughout fourth quarter 2014. The heavily oxidized upper ore zones did not create significant materials handling issues in the plant and the total blend of oxide with fresh Sabodala ore was increased throughout fourth quarter 2014. The gold recovery from Masato met expectations, demonstrated by the metallurgical accounting for the year as well as results from an individual bulk test in the plant. The

softer oxidized ore from Masato provided for an increase in mill throughput and lower overall plant unit operating costs.

Base-Case Life of Mine

During the first quarter 2014, the Company filed a National Instrument – Standards of Disclosures for Mineral Projects (“NI 43-101”) technical report which included an integrated life of mine (“LOM”) plan for the combined operations of Sabodala and the OJVG. The integrated LOM plan had been designed to maximize free cash flow in the prevailing gold price environment. The sequence of the pits can be optimized, as well as the sequencing of phases within the pits, based not only on grade, but also on strip ratio, ore hardness, and the capital required to maximize free cash flows in different gold price environments. As a result, the integrated LOM annual production profile represented an optimized cash flow for 2014 and a balance of gold production and cash flow generated in the subsequent five years. Based on the current reserve base of \$1,200 per ounce gold the Company has the flexibility to reduce material movement and capital costs which reduces production by about 5 percent but expects to generate free cash flow over the period 2015-2017.¹ At the same time, as gold prices increase, the Company has the ability to increase material movement and gold production. One of the strategic alternatives available to the Company, should materially lower gold prices arise, is to supplement feed to the mill with low-grade ore stockpiles on hand

¹ This forecast financial information is based on the following material assumptions: Gold price: \$1,200 per ounce; average annual gold production (2015-2017) of approximately 240,000 ounces; and total mine production costs assumed for the 2015 Outlook. The production guidance is based on existing proven and probable reserves only from both the Sabodala mining license and OJVG mining license as disclosed in Table 2 on page 8 of this Report.

thus significantly reducing or eliminating material movement costs.

With expectations for additional reserves based on drilling in Niakafiri, Masato, Golouma, Kerekounda and further discoveries on the land acquired from the OJVG, further mine plan optimization work will continue. As a result, the integrated LOM production schedule represents a “base case” scenario with flexibility to improve cash flows in subsequent years.

Mill Enhancements

A study to quantify and optimize the relationship between an increase in crusher availability to the SAG and Ball Mill system, as well as other design enhancements within the crushing and grinding system was completed during the third quarter 2014.

Improvements to the SAG mill as part of sustaining capital include adjustments made to mill liners along with installation of a discharge head and trommel screen to improve throughput. Increased throughput in the ball mills will result from new gear boxes which will increase power to the ball mills thereby increasing throughput.

The largest capital component of the mill upgrade will consist of adding a second primary jaw crusher to operate in parallel with the existing unit. This will (i) increase availability to the live storage for the mill circuit, and (ii) provide the ability to reduce the top size primary crusher feed. Basic engineering was initiated in the fourth quarter of 2014 to finalize design, layout, material quantities, procurement packages and an execution plan for construction.

The parallel crusher construction is expected to be operational over a span of approximately 18 months, with continual improvement realized earlier on from the sustaining capital initiatives. The Company has budgeted approximately \$6.0 million in 2015, however, detailed engineering is ongoing to determine the final cost estimate. A decision to proceed to construction will depend on the prevailing gold price environment, the Company's available cash flow and heap leach results. Simulations have demonstrated that production potential exists beyond 480 tonnes per operating hour with these new configurations once commissioning has been completed after installation.

Heap Leach Project

The LOM plan shows a significant amount of both oxide and sulphide low grade reserves that are mined during the operating period but not processed until the end of the mine life. There also exists significant potential along an 8km mineralized structural trend

covering both mine leases to increase the known reserves with near surface, oxidized ore.

The potential benefit to accelerating value from this ore earlier by feeding it through a heap leach process was evaluated during 2014. Phase 1 of the testwork (various stages of the soft and hard oxidized transition zones) has been completed. Based on positive results of this testwork, Phase 2 (analysis of sulphide ore on the ROM stockpile) has been initiated.

The ongoing testwork is being completed by Klappes, Cassidy and Associates at their facilities in Reno, Nevada, who are experienced in testing and designing heap leach facilities throughout the world, including West Africa.

Key milestones for the project are as follows:

- Complete Phase 1 testwork, economic analysis and initiate engineering design to pre-feasibility study (“PFS”) level – completed fourth quarter of 2014;
- Complete additional follow up optimization testwork and, initiate Phase 2 testwork on the ROM stockpiles – ongoing through to first half of 2015;
- Initiate design concepts and proceed with PFS level engineering design study – initiated in first quarter of 2015; and
- Initiate advanced level engineering design, initiate targeted resource drilling and environmental studies to support an environmental and social impact assessment (“ESIA”) submission – second half of 2015.

The Company is encouraged by the Phase 1 test results. Key variables (recovery rates, agglomeration and cyanide consumption of the oxide ore zones) are in line with the Company's initial expectations.

The hard transition oxide ore, (representing approximately 40 percent) is being tested at a top size of 12.5 mm crush with 8 kg/t of cement addition that passed percolation tests representing a lift height to 16 metres. Preliminary results from the column leach tests indicate an average recovery of approximately 75 to 80 percent. The optimal cyanide consumption versus maximum leach will be determined in the PFS and is expected to be in the range of 0.5-0.7 kg/t cyanide consumption after approximately 40 to 70 days of leach time.

Additional testwork is ongoing for the saprolite ore (representing approximately 10 percent) and for

several bulk samples representing ~11Mt of low grade ROM stockpile.

The Company is targeting production from heap leach commencing in 2017, with the quantities and scale of operation to be defined upon the completion of Phase 2 and completion of drilling of potential low-grade heap leach material on the combined mine licenses. At this point, the Company anticipates that heap leach could account for an incremental 10 to 20 percent of annual production once fully operational.

Gora Development

The high-grade Gora deposit will be operated as a satellite deposit to the Sabodala mine, requiring limited local infrastructure and development. Ore will be hauled to the Sabodala processing plant by a dedicated fleet of trucks and processed on a priority basis, displacing lower grade feed as required.

The environmental approval for the Gora project, the final phase of the permitting process, has now received validation by both the technical and public enquiry committees charged with its review. The final step in the process is a public hearing to inform local stakeholders of this pre-validated project. The public hearing is currently scheduled for early February. The Company expects to receive the environmental certificate for the Gora project from the Ministry of Environment in mid-February.

Planning and engineering for the access road are ongoing with initial centreline construction expected to commence in early February. Due to excess equipment available from the lower material movement rates, mine operations will initiate construction with a complement of contractors required to complete the road during the second quarter of 2015. Infrastructure to support mine operations, a small water retention structure and pit preparations are expected to commence during the second quarter 2015 with ore to be stockpiled and delivered to the plant by a contractor in the fourth quarter 2015.

Sabodala and OJVG Mine License Reserve Development

The Sabodala combined mine license covers 246km². In addition to the mine related infrastructure, it contains the Sabodala, Masato, Niakafiri, Niakafiri West, Soukhoto and Dinkokhono deposits on the former Sabodala 33km² license area, and the Masato, Golouma and Kerekounda deposits on the OJVG mine license area of 213km². As we have integrated the OJVG geological database into a combined LOM plan, a number of areas have been revealed as potential sources for reserve additions within the

mining lease. These targets have been selected based on potential for discovery and inclusion into open pit reserves.

In total, the combined mine license includes 5.7 million ounces of Measured and Indicated Resources and a further 2.35 million ounces of Inferred Resources.² A significant multiyear reserve development program is under way to add high-grade mill feed and low-grade heap leach feed to the open pit reserve base, which should allow the Company to further increase production toward its phase 1 organic growth target of 250,000 to 350,000 ounces of annual production. In addition, exploration programs are underway on the combined mine license to make new discoveries that may further enhance both the phase 1 and phase 2 organic growth targets.

Niakafiri

In 2013, further surface mapping was completed at Niakafiri in conjunction with the re-logging of several DDH, which were incorporated into the geological model for the Niakafiri deposit. Further exploration work, including additional drilling, is targeted for 2015 following discussions with the Sabodala village.

In addition to the potential expansion of hard ore reserves at Niakafiri, the Company is exploring for potential softer ore that may be conducive to heap leach, with emphasis on the mineralized trend to the north and south of the current reserves at Niakafiri.

Masato

An advanced exploration program began at Masato during the second quarter of 2014 and continued into the third quarter 2014 to inter alia test the continuity of portions of the high-grade sub-domains, which were removed from the Masato reserve base after the acquisition of OJVG in 2014.

The overall program consisted of drilling and trenching to confirm interpretation of domains and high-grade sub-domains, infill gaps and upgrading Inferred Resources, determining optimal RC grade control drill spacing and obtaining additional geotechnical data for pit slope analysis. Overall, the program confirms the Company's interpretation of the resource model and provides additional confidence in the nature of the high-grade mineralization within the deposit.

Surface trenching and RC drilling revealed additional ore zones not modelled in the supergene enriched laterite ore near surface during mining of the uppermost benches in the third quarter 2014. RC

² Analysis to determine underground potential for a portion of the reported resources is planned to be completed by the Company this year

drilling in advance of mining in 10 metre spacing of the ore zones will be ongoing as part of a comprehensive grade control program for mine operations.

All drill hole assay data for the 2014 Masato exploration program, including drill hole locations and a location map, are available on the Company's website at www.terangagold.com under "Exploration".

Golouma NW Extension

Infill drilling was undertaken for potential conversion of inferred resources outside of the existing pit limits to the northwest of the current Golouma orebody to evaluate the mineralization potential of structural features along strike to the existing reserves. By the end of the fourth quarter of 2014, 26 diamond drill holes, totaling 3,100 metres were completed. Encouraging gold values were reported from several holes. The presence of two gold mineralized shear structures (north south shear and northwest shear) within metavolcanic units located to the north and northwest of the existing reserves has been confirmed, with continued mineralization to the north where these features intersect. An updated resource model and subsequent reserves evaluation will be completed based on the drilling completed in the fourth quarter of 2014. Additional drilling is ongoing to test mineralization potential to the north and infill drilling along the northwest shear.

Masato Northeast

Detailed mapping and trenching (4,300 metres) were completed on the Masato Northeast prospect which is situated 1km northeast along strike of the Masato deposit. The prospect overlies a sequence of mafic volcanics within which there is a 2.5 km long structural splay off the main Masato structural trend. Trenching has defined a north-northeast trending shear zone with distinctive quartz-carbonate-sericite alteration features. Assay results received to date indicate elevated gold values are developed along the length of the shear structure. A 10-hole DDH drilling program is ongoing to test the gold mineralized zones at depth in sections of the shear. Additional drilling in addition to this program is expected to continue through the first half of 2015, with potential for a yearlong campaign pending initial results.

Kerekounda

An 11-hole, 1,200 metres DDH drilling program was completed in the fourth quarter 2014 with the aim of determining the extent of mineralization further along strike of the existing reserves to the south of the existing reserves pit. Assay results are awaited and pending results, an updated resource model with

subsequent reserves evaluation will be completed in the first half of 2015.

Niakafiri SE and Maki Medina

Both RC and DDH drilling is planned for potential conversion of inferred resources, geotechnical holes for pit wall determination and exploratory holes to the north toward the Niakafiri deposit to evaluate extension along strike. Additional drilling to determine near surface oxide resources will also be evaluated. Due to the positive results for the heap leach tests, work in these areas is expected to commence in the first quarter 2015, but may be deferred later into 2015 to coincide with drilling near Sabodala village on the Niakafiri reserves.

Regional Exploration

The Company currently has 9 exploration permits encompassing approximately 1,055km² of land surrounding the Sabodala and OJVG mine licenses (246km² exploitation permits). Over the past four years, with the initiation of a regional exploration program on this significant land package, a tremendous amount of exploration data has been systematically collected and interpreted to implement methodical and cost-effective follow-up programs. Targets are in various stages of advancement and are prioritized for follow-up work and drilling. Early geophysical and geochemical analysis of these areas has led to the demarcation of at least 50 anomalies, targets and prospects and the Company expects that several of these areas will ultimately be developed into mineable deposits. The Company has identified some key targets that, though early stage, display significant potential. However, due to the sheer size of the land position, the process of advancing an anomaly through to a mineable deposit takes time using a disciplined screening process to maximize the potential for success.

Ninienko

An extensive mapping and trenching program covering 1,500 metres which was conducted during the second and third quarters of 2014 at the Ninienko prospect, is ongoing. This work outlined a 500 metre-plus wide zone with gold mineralization occurring in flat-lying, near surface (0-2 metres) quartz vein and felsic breccia units developed over a strike length of 1,500 metres.

An isopach plan of the mineralized quartz vein and felsic breccia systems is in progress, and will be used to develop a plan for DDH and a possible RC drill program. Due to the limitation of surface trenching and mapping used to develop the flat lying mineralized zone at surface, additional trenching and

mapping will also be undertaken in prospective zones near to the area to expand on the currently defined zone and to further develop an understanding of the source of mineralization zones for potential drill targets at depth.

A detailed geochemical soil sampling program commenced in the fourth quarter of 2014 to follow up and test co-incident gold-molybdenum-copper and potassium anomalies identified by an earlier regional termite mound sampling program. The sampling program has led to the discovery of two separate shear zones both following the north-northeast regional scale structural trend, which is host to other gold deposits in the region. The shear zones are characterized by quartz-carbonate alteration zones 10-20m in width with quartz veining and gossan development. These zones and other gold soil anomalies will be tested by a trenching program in 2015. A DDH program will follow later in 2015.

Soreto

Following up on a small 5-hole DDH program at the Soreto prospect in 2013, a 15-hole DDH program for 2014 was primarily completed during the fourth quarter of 2014, with the remainder during early 2015. These were located along two fence lines placed 150 metres on either side of the 2013 fence that intersected reasonable gold values. At least three continuous shear zones were intercepted along strike. These featured west dipping (25 - 35°) altered shear zones with felsic dyke, sheared and brecciated silicified metasediments containing quartz-carbonate veins with disseminated pyrite and visible gold in places. The shear zones coincide with the major north-northeast regional shear structure with an associated 6km long geochemical soil anomaly and when projected to surface, align with the surface workings from artisanal mining.

Further infill drilling (13 DDHs) was undertaken in the fourth quarter 2014 to further extend these mineralized shear zones along strike and infill drill to 50 metre spacing between the fence lines. The Company is awaiting assay results from the infill drilling program.

Gora Northeast Extension and Zone ABC

Trenching and mapping programs are being planned for the first quarter of 2015 to investigate potential gold mineralized extensions of the Gora gold deposit into the Zone ABC prospect, which has significant gold soil anomalies co-incident with regional structural trends.

KD Prospect

Mapping and outcrop sampling programs were undertaken on KD during the fourth quarter 2014. The programs are investigating and following gold in soil anomalies identified in regional termite mound sampling surveys. The anomalies coincide with northeast and northwest trending regional scale structures. Rock chip sampling of outcrop within a northwest trending shear zone in metasediments yielded a number of elevated gold values including 40 gpt and 83 gpt gold. Trenching programs to follow up on these anomalies have been planned for the first quarter 2015.

KC Prospect

Approximately 3,200 metres of trenching was completed across a mineralized structural trend with intense quartz veining and brecciated felsic intrusives developed over a strike length of approximately 1,800 metres. Sampling of the trenches yielded elevated gold values in the overburden of up to 18.45 gpt over 0.4 metres and 6.27 gpt over 0.6 metres. The quartz vein and breccia zone yielded elevated gold values in the range of 1.95 gpt over 0.3 metres true width and 1.41 gpt over 0.2 metres true width with limited continuity along strike. Due to limited mineralization in the in situ rock, it was determined that follow up drilling was not likely to produce results and resources were best allocated to higher prospective targets.

A follow-up soil sampling and trenching program is planned in first quarter 2015 to evaluate a large soil anomaly (peak values of 2.64 gpt and 2.38 gpt) located 800 metres to the west of workings which may account for the elevated gold anomalies identified in overburden in the trenches. A limited trenching program to test a coincident IP resistivity and chargeability high in the eastern portion of the prospect will also be undertaken in the first quarter of 2015.

The Company expects to issue an exploration update in February 2015 reviewing the most recent results of its exploration activities.

Renewal of Heremakono Exploration Permit

The Heremakono exploration permit is host to a series of exploration targets, most notably Ninienko, Soreto, and Soreto North. This permit was originally awarded in October of 2005 and, absent an extraordinary request for an extension, would have expired in October 2014. A lack of safe and secure access to certain exploration permits was an issue raised with the Government of Senegal and the State agreed to grant extraordinary extensions upon the

expiry of their customary 9 year terms to address the Company's concerns. During the fourth quarter 2014,

the renewal of this significant exploration permit was granted, extending its term to October 25, 2016.

Non-IFRS Financial Performance Measures

The Company has included non-IFRS measures in this Report, including "total cash cost per ounce of gold sold" and "all-in sustaining costs per ounce". The Company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

The Company reports total cash costs on a sales basis. Total cash costs per gold ounce include production costs such as mining, processing, refining and site administration, net of silver sales, divided by gold ounces sold to arrive at total cash costs per gold ounce sold. Production costs are exclusive of depreciation and depletion. Other companies may calculate this measure differently.

All in sustaining costs per ounce sold include total cash costs per ounce, administration expenses (excluding corporate depreciation expense and social community costs not related to current operations), capitalized deferred stripping, capitalized reserve development and mine site sustaining capital expenditures (including project development costs) as defined by the World Gold Council. Other companies may calculate this measure differently.

Competent Persons Statement

The technical information contained in this document relating to the mineral reserve estimates for Sabodala, the ore stockpiles, Masato, Golouma and Kerekounda is based on, and fairly represents, information compiled by Mr. William Paul Chawrun, P. Eng who is a member of the Professional Engineers Ontario, which is currently included as a "Recognized Overseas Professional Organization" in a list promulgated by the ASX from time to time. Mr. Chawrun is a full-time employee of Teranga and is a "qualified person" as defined in NI 43-101 and a "competent person" as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Chawrun has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity 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". Mr. Chawrun has consented to the inclusion in this Report of the matters based on his compiled information in the form and context in which it appears in this Report.

The technical information contained in this document relating to the mineral reserve estimates for Gora and Niakafiri is based on, and fairly represents, information and supporting documentation prepared by Julia Martin, P.Eng. who is a member of the Professional Engineers of Ontario and a Member of AusIMM (CP). Ms. Martin is a full time employee with AMC Mining Consultants (Canada) Ltd., is independent of Teranga, is a "qualified person" as defined in NI 43-101 and a "competent person" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Ms. Martin has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Ms. Martin is a "Qualified Person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects. Ms. Martin has reviewed and accepts responsibility for the Mineral Reserve estimates for Gora and Niakafiri disclosed in this document and has consented to the inclusion of the matters based on her information in the form and context in which it appears in this Report

The technical information contained in this Report relating to mineral resource estimates for Niakafiri, Gora, Niakafiri West, Soukhoto, and Diadiako is based on, and fairly represents, information compiled by Ms. Patti Nakai-Lajoie. Ms. Nakai-Lajoie, P. Geo., is a Member of the Association of Professional Geoscientists of Ontario, which is currently included as a "Recognized Overseas Professional Organization" in a list promulgated by the ASX from time to time. Ms. Nakai-Lajoie is a full time employee of Teranga and is not "independent" within the meaning of National Instrument 43-101. Ms. Nakai-Lajoie has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Ms. Nakai-Lajoie is a "Qualified Person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects. Ms. Nakai-Lajoie has consented to the inclusion in this Report of the matters based on her compiled information in the form and context in which it appears in this Report.

The technical information contained in this Report relating to mineral resource estimates for Sabodala, Masato, Golouma, Kerekounda, and Somigol Other are based on, and fairly represents, information compiled by Ms. Patti Nakai-Lajoie. Ms. Nakai-Lajoie, P. Geo., is a Member of the Association of Professional Geoscientists of Ontario, which is currently included as a "Recognized Overseas Professional Organization" in a list promulgated by the ASX from time to time. Ms. Nakai-Lajoie is a full time employee of Teranga and is not "independent" within the meaning of National Instrument 43-101. Ms. Nakai-Lajoie has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which she 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". Ms. Nakai-Lajoie is a "Qualified Person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects. Ms. Nakai-Lajoie has consented to the inclusion in this Report of the matters based on her compiled information in the form and context in which it appears in this Report.

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 mineralization 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". 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 samples are prepared at site and assayed in the SGS laboratory located at the site. Analysis for diamond drilling is sent for fire assay analysis at ALS



Johannesburg, South Africa. 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.

Teranga's disclosure of mineral reserve and mineral resource information is governed by NI 43-101 under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as may be amended from time to time by the CIM ("CIM Standards"). CIM definitions of the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource", are substantially similar to the JORC Code corresponding definitions of the terms "ore reserve", "proved ore reserve", "probable ore reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource", respectively. Estimates of mineral resources and mineral reserves prepared in accordance with the JORC Code would not be materially different if prepared in accordance with the CIM definitions applicable under NI 43-101. There can be no assurance that those portions of mineral resources that are not mineral reserves will ultimately be converted into mineral reserves.



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Mark English, Vice President, Sabodala Operations
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Stock Exchange Listings

Toronto Stock Exchange, TSX symbol: **TGZ**
Australian Securities Exchange, ASX symbol: **TGZ**

Issued Capital

As of December 31, 2014	
Issued shares	352,801,091
Stock options	21,470,489

Stock Options – Exercise Profile

Exercise Price (C\$)	Options
\$3.00	13,723,889
\$1.09 - \$2.17 ¹	7,746,600

¹ Options expire February 6, 2015.

Forward Looking Statements

This news release contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Teranga, or developments in Teranga's business or in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation, all disclosure regarding possible events, conditions or results of operations, future economic conditions and courses of action, the proposed plans with respect to mine plan, anticipated fourth quarter results and consolidation of the Sabodala Gold Project and OJVG Golouma Gold Project, mineral reserve and mineral resource estimates, anticipated life of mine operating and financial results, the approval of the Gora ESIA and permitting and the completion of construction related thereto. Such statements are based upon assumptions, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments that management believe to be reasonable and relevant. These assumptions include, among other things, the ability to obtain any requisite Senegalese governmental approvals, the accuracy of mineral reserve and mineral resource estimates, gold price, exchange rates, fuel and energy costs, future economic conditions and courses of action. Teranga cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. The risks and uncertainties that may affect forward-looking statements include, among others: the inherent risks involved in exploration and development of mineral properties, including government approvals and permitting, changes in

economic conditions, changes in the worldwide price of gold and other key inputs, changes in mine plans and other factors, such as project execution delays, many of which are beyond the control of Teranga, as well as other risks and uncertainties which are more fully described in the Company's Annual Information Form dated March 31, 2014 (as revised April 24, 2014), and in other company filings with securities and regulatory authorities which are available at www.sedar.com. Teranga does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Nothing in this report should be construed as either an offer to sell or a solicitation to buy or sell Teranga securities.

About TERANGA

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

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

For further information please contact:

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Appendix 1

JORC Code, 2012 Edition – Table 1 Report

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Chip sampling from shallow trenches, soil sampling and rotary air blast ("RAB") programs were conducted in regional reconnaissance programs to target areas of potential mineralization. Follow-up drilling consisted of both diamond and reverse circulation ("RC") drilling. Drill core was sawn in half over defined sampling intervals, then one half sampled and assayed for gold. Oriented core markings were used as guides for sawing. RC chips were riffled and split following standard operating procedures. Occasionally quarter core and duplicate chip samples were submitted for check assays. Initially all core and RC chips were sampled along the entire hole to determine the nature of mineralization and relationship to logged lithology, alteration and structure. Based on the detailed sampling results, mineralization zones were defined with additional drilling and sampling, specifically across the mineralization and along the mineralized shoulders on either side.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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). 	<ul style="list-style-type: none"> RAB, RC and diamond drilling programs were conducted. Closely spaced RAB holes were initially drilled to delineate surface targets for follow up with RC and diamond drilling. Diamond drill holes were drilled using standard HQ or NQ sized rods. RC drilling was conducted either to pre-collar deeper diamond tailed drill holes or as individual stand alone holes.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<ul style="list-style-type: none"> Diamond core recoveries were measured and recorded for each sample. Core was sampled on nominal 1 m intervals. RC chip samples were collected on 1 m intervals. SGO chip recoveries were based on qualitative visual estimates (poor, medium or good). OJVG collected and weighed the total chip samples. Chip sample recoveries were not calculated but estimated based on the weight of the total samples. RC drill contractors have been requested to allow for sufficient air and appropriate technique to ensure dry samples are delivered >95% of the time. In instances where water ingress is unavoidable, damp or wet samples are dried prior to being split. There has not been a significant issue with core recovery in both oxide and fresh rock. A relationship does not appear to exist between sample recovery and grade as there is no significant loss of material.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of 	<ul style="list-style-type: none"> Core samples were geologically and geotechnically logged following established

Criteria	JORC Code explanation	Commentary
	<p><i>detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<p>standard operating procedures and includes sufficient and appropriate detail to support Mineral Resource estimation, mining and metallurgical studies. RC chip samples were geologically logged following established standard operating procedures and considered to be appropriate for use in Mineral Resource estimation.</p> <ul style="list-style-type: none"> • Logging is qualitative in nature. All core was photographed. As of 2008, all OJVG RC chips were photographed. • All recovered core and RC cuttings (100%) were logged.
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • 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 approximate one meter lengths or based on lithology intervals. • RC cuttings were sampled on one meter intervals for each meter drilled. The one meter interval cuttings were passed through a three-tier, one-eighth riffle splitter resulting in an approximately 2.0 kg to 2.5 kg subsample. • Until 2013, Sabodala Mine Lease sample preparation was carried out at the SGS laboratory located on the Sabodala Mine Lease property and until 2011, OJVG samples were prepared at the TSL laboratory located on the OJVG property. Sabodala Mine Lease core and RC samples were dried and crushed to minus 2 mm, then split using a Jones riffle splitter to 200 grams. The 200 gram sample was pulverized with a ring and puck pulverizer to 85% minus 75 µm (200 mesh). OJVG core and RC samples were dried and crushed using a primary jaw crusher to a minimum of 70% passing through a minus 10 (2.0 mm) screen. The 250 gram sample split was transported to the TSL laboratory in Saskatoon, Saskatchewan, Canada where samples were pulverized to 95% passing a minus 150 mesh (106 µm) screen. • In 2014, all RC samples were prepared at the SGS laboratory located on the Sabodala Mine Lease property and all drill core samples were prepared at the ALS laboratory in Johannesburg, South Africa. • One duplicate pulp sample was inserted into the sample stream for a minimum of every 20 samples. In addition, re-assays of the remaining pulp or reject samples were conducted as required for confirmation of the original assay results. SGO Standard operating procedures were established for sampling RC chips. Field duplicate samples were inserted into the sample stream at a ratio of 1 to 20 samples. • Based on the characteristics of gold mineralization in these deposits and results from the QA/QC program and sample duplicates, the nominal 1 meter sample interval is determined to be appropriate.
<p><i>Quality of assay data and</i></p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or</i> 	<ul style="list-style-type: none"> • From 2005 to 2008, all SGO samples were analyzed at the SGS laboratory in Kayes, Mali for gold by fire assay with an atomic

Criteria	JORC Code explanation	Commentary
laboratory tests	<p>total.</p> <ul style="list-style-type: none"> 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. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<p>absorption finish using 50 gram samples. From 2009 to 2013, all Sabodala Mine Lease samples were analyzed at the SGS laboratory located on the Sabodala Mine Lease property using an aqua regia digestion followed by AAS. Samples returning results higher than 0.2 g/t Au were sent for fire assay analysis at the SGS laboratory in Kayes, Mali.</p> <ul style="list-style-type: none"> Until 2011, all OJVG samples were assayed at the TSL laboratory in Saskatoon, Saskatchewan, Canada for gold by fire assay with an atomic absorption finish. Assay results that exceeded a specified limit were reanalyzed using fire assay with a gravimetric finish In 2014, all core samples were assayed at the ALS laboratory in Johannesburg, South Africa for gold by fire assay with an atomic absorption finish. Where initial results exceeded 1.0 g/t Au, an additional assay was completed using fire assay with a gravimetric finish. For Masato, where the second assay results exceeded 10 g/t Au, an additional assay was completed using screen fire assay, screened to 100 microns. All RC samples were assayed at the SGS laboratory located on the Sabodala Mine Lease property using an aqua regia digestion followed by AAS. Blind Quality Assurance/Quality Control programs consisted of inserting blanks, duplicates and certified reference materials (CRM) into the sample stream at a minimum rate of one for every 20 samples. All SGO samples returned results within acceptable limits. SRK concluded that the OJVG QA/QC program was acceptable for use in resource estimates.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Data verification was conducted over various time periods by independent consultants: SWRPA (2007), AMC (2010 and 2012), Lions Gate Consulting (2008 and 2009), and SRK (2009, 2010 and 2011). In addition, internal in-house data validation was conducted by company personnel. From October to November 2013, Teranga conducted an independent check on the OJVG data for Masato, Golouma and Kerekounda. Drill hole collar locations, downhole surveys, logging reports and assay certificates were checked on a random 5% of data. No significant discrepancies were identified. Drill core from holes on five cross sections through Masato were relogged. Additional quarter core samples were taken and sent for check assays. Results confirm location of gold mineralization, but a small percentage of assay results were significantly different from the original assays, perhaps due to the nuggety nature of gold and/or due to a smaller sample volume sent for the check assay. In 2014, all drill data entered into the digital database was checked against original documents. Twinned holes were drilled and confirm locations and trends of mineralization. No adjustments were made to assay data

Criteria	JORC Code explanation	Commentary
		returned from the laboratory.
<i>Location of data points</i>	<ul style="list-style-type: none"> • 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. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Until 2013, drill hole collars on the SGO Mine Lease and Gora were surveyed using either a Total Station or Differential GPS, both of which are capable of providing three-dimensional collar coordinates to sub-meter accuracy. Until 2011, OJVG drill hole collars were surveyed with a Total Station theodolite, Leica, Wild Heebrugg TC 1000 EDM. In 2014 Masato drill hole collars were surveyed using a Total Station theodolite; Golouma Northwest and Soreto drill hole collars were surveyed using Differential GPS. • All deposits were surveyed in WGS84 UTM Zone 28 North coordinates. All SGO Mine Lease data was converted into local grid coordinates for use in resource estimation. • Surveyed collars located on the Sabodala Mine Lease property, were tied into established control points. Additional validation surveys were conducted on a random selection of collars, with no significant discrepancies identified. The quality and adequacy of topographic control was considered to be reasonable for use in resource estimation.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Drilling is nominally on a 40 m by 40 m spacing, with closer spaced in-fill holes at approximately 20 m by 20 m, or 10 m by 10 m. • Geological interpretation based on drill spacing has identified continuity of geology and grade and is determined to be sufficient for estimating Mineral Resources and Mineral Reserves. Experimental variograms generated for mineralized zones with sufficient data, have confirmed the grade continuity ranges based on the drill hole spacing. • RC chips and diamond drill core were sampled on nominal 1 meter intervals down the hole, and assayed. Sample compositing was not applied.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • 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. 	<ul style="list-style-type: none"> • Drill hole azimuths and dips have been oriented perpendicular to the interpreted mineralized zones in order to intersect the true widths of the zones as closely as possible. Occasionally, drilling was planned at oblique angles when the mineralization 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 mineralization is unbiased. • The small percentage of holes oriented oblique to the mineralization are located in areas with sufficient drill density oriented perpendicular to mineralization, and will not introduce a significant sampling bias.
<i>Sample security</i>	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Prior to 2014, SGO employees accompanied the core and chip samples from the drill rigs to the logging facility located on the Sabodala Mine Lease property and to the SGS laboratory, also located on the Sabodala Mine Lease property. Standard operating

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		<p>procedures for sample security were not established for the transportation of pulp samples from the Sabodala Mine Lease property to the SGS laboratory in Kayes, Mali where check fire assays were conducted on previously assayed pulp samples.</p> <ul style="list-style-type: none"> In March 2008, OJVG introduced the use of a chain-of-custody form, documenting all handlers of the sample shipments at each stage during transit from the exploration site to the TSL laboratory in Saskatchewan, Canada. Tamper-proof security tags were used to secure rice sacks containing samples, to detect any unsolicited opening of sacks. No sample tampering was identified. In 2014, standard operating procedures were followed for sample security of core using securely sealed sample bags and a secure chain of custody from the exploration site to the ALS laboratory in Johannesburg, South Africa.
<p><i>Audits or reviews</i></p>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> Independent reviewers SWRPA (2007) and AMC (2010 and 2012) completed extensive reviews of data collected from 2005 to 2011 on the Sabodala, Niakafiri and Gora deposits as part of their verification of data, and referenced in Section 12 (Data Verification) in the "Technical Report for Sabodala Gold Project, Republic of Senegal, West Africa, Prepared for Teranga Gold Corporation" dated October 10, 2013. No significant discrepancies were identified. AMC reviewed geological knowledge and practices on the SGO Mine Lease property, the on-site laboratory facility, sample analysis, security, and QA/QC procedures. Standard industry practices were followed for drilling and QA/QC with no significant discrepancies identified. Periodic reviews of the OJVG QA/QC program were undertaken in 2008 and 2009 by Lions Gate Consulting. Commentary and recommendations were provided to ensure optimum best practices. SRK reviewed the OJVG QA/QC data in 2009, 2010 and 2011 and concluded that the QA/QC program is acceptable for the resource estimates conducted. SRK reviewed the sample preparation, analysis and security practices and determined that the procedures followed generally meet or exceed industry standards. Details are documented in Section 10 (Sample Preparation, Analyses, and Security) and Section 12 (Data Verification) in the "OJVG Golouma Gold Project Updated Feasibility Study Technical Report, Senegal, prepared for the Oromin Joint Venture Group" dated March 15, 2013. Teranga experienced discrepancies in the metallurgical account balancing when comparing accumulated daily production vs actual gold poured in Q3-2014. This resulted in, among other things, an audit of the aqua regia assay procedures at the on site Sabodala SGS laboratory. Conclusions from this audit revealed a high bias for gold analyses starting in January 2014 and

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		became progressively worse until it was detected and corrected in October 2014. The high bias was created when gold primary calibration solution standards received in September 2013 slowly degraded, likely due to thermal effects due to the way the solutions were stored. The high bias on the leach feed samples at the Sabodala laboratory from June to mid October 2014 varied between 6.1% and 13.6%.

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"> 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. 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. 	<ul style="list-style-type: none"> Sabodala Mining Concession – with full exploitation rights - granted by Senegalese Presidential Decree on April 2, 2007 for an initial 10 year term. Extension, in advance, until April 2022 has been committed to by the State of Senegal. Further details on the Sabodala Mining Concession have been provided by Teranga in prior disclosures. Sabodala Gold Operations SA, the holder of the Sabodala Mining Concession is 90% owned by Teranga Golouma Mining Concession – with full exploitation rights – granted by Senegalese Presidential Decree on January 26, 2010 for an initial 15 year term. SOMIGOL, the holder of the Golouma Mining Concession, is 90% owned by Teranga Both mining concessions are considered secure
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Prior to Teranga's acquisition of the Sabodala Gold mining operation in December 2010, exploration work on the Sabodala Mining Concession was conducted by Mineral Deposits Limited Prior to Teranga's acquisition of the Golouma gold mining operation, exploration work on the Golouma Mining Concession was conducted by the Oromin Joint Venture Group Ltd. Prior to majority acquisition of the Gora deposit exploration activities were conducted by Axmin Inc.
<i>Geology</i>	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Sabodala and SOMIGOL gold deposits and prospects are orogenic and localized adjacent to major faults in second and third order shear zones within volcano-sedimentary belts between granitic domains. Masato mineralization occurs within a north to northeast oriented shear zone consisting of strongly ductile-deformed greenschist facies metabasalts and meta-ultramafic units. Gold mineralization is associated with intensely altered zones dominated by the presence of carbonate, silica and pyrite. Numerous felsic dykes occur in close proximity with mineralization. Golouma Northwest mineralization is hosted by a relatively narrow (2m to 10m) east-

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		<p>southeast striking shear zone that dips steeply to the south. Alteration is characterized by a moderate to strong carbonate-sericite-silica-pyrite mineral assemblage and is accompanied locally by quartz-tourmaline veining.</p> <ul style="list-style-type: none"> Gold mineralization in the Soreto prospect occurs in smoky and white quartz veins developed in sheared and brecciated intrusives and sediments controlled by north and north-northeast trending structures, dipping steeply to the southeast.
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> 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"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 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. 	<ul style="list-style-type: none"> All drill hole collar locations, azimuth, dip and gold assay intercept data received to date for Masato is available on the Teranga Gold company website at www.terangagold.com.
<p><i>Data aggregation methods</i></p>	<ul style="list-style-type: none"> 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. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Gold intercepts are reported as length-weighted average grades in grams per tonne, with a maximum of 2 metres contiguous internal dilution and no external dilution. Assays are not capped prior to averaging. A 0.2 g/t Au minimum cut-off grade was applied to Masato assays. For Masato, higher grade intersections that are included in wider lower grade intersections are reported separately, with a 1.0 g/t Au cut-off grade applied to assays prior to averaging. All lower grade intersections and inclusive higher grade intersections are reported separately and available on the Teranga Gold company website at www.terangagold.com.
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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'). 	<ul style="list-style-type: none"> Down hole core lengths are reported in addition to estimated true widths for Masato, as true widths have not yet been determined.
<p><i>Diagrams</i></p>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Plan view maps of drill hole collar locations for Masato are available on the Teranga Gold company website at www.terangagold.com.
<p><i>Balanced reporting</i></p>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> A representative selection of low and high grade intercepts are reported in the body of the press release, with a comprehensive listing of all gold intercept results available on the Teranga Gold company website at www.terangagold.com.

Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <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 treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • No other meaningful or material exploration data has been collected.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <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> 	<ul style="list-style-type: none"> • Additional assay results are pending for Masato, Golouma Northwest and Soreto. Once all assays have been received for Golouma Northwest and Soreto, data will be compiled and analysed for future follow-up programs.