Building a Low-Cost Mid-Tier West African Gold Producer

John Tumazos Very Independent Research Conference
August 11, 2020
Forward-Looking Statements

This presentation contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"), which reflects management’s expectations regarding Teranga’s future growth opportunities, results of operations, performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and other opportunities. Wherever possible, words such as "plans", "expects", "does not expect", "scheduled", "trends", "indications", "potential", "estimates", "predicts", "anticipate", "to establish", "does not anticipate", "believe", "intend", "ability to" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might", "will", or are "likely" to be taken, occur or be achieved, have been used to identify such forward looking information. Specific forward-looking statements in this presentation release include, but are not limited to, forecasting gold production of between 225,000 and 235,000 ounces of gold at Sabodala-Massawa and between 150,000 and 165,000 ounces at Wahgnion in 2020, the results of the Sabodala-Massawa PFS and the anticipated capital and operating costs, the timeline for completing a definitive feasibility study, sustaining costs, net present value, process capacity, average annual gold production, average process recoveries, anticipated mining and processing methods, proposed PFS production schedule and gold production profile, anticipated construction, anticipated mine life, expected recoveries and grades, anticipated production rates, infrastructure, future financial or operating performance of the Company and its projects, estimation of mineral resources, exploration results, opportunities for exploration, development and expansion of the Massawa Project, its potential mineralization, the future price of gold, the realization of mineral reserve estimates, costs and timing of future exploration, and the timing of the development of new deposits. Although the forward-looking information contained in this presentation reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, Teranga cannot be certain that actual results will be consistent with such forward-looking information. Such forward-looking statements are based upon assumptions, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments that management believe to be reasonable and relevant but that may prove to be incorrect. These assumptions include, among other things, the closing and timing of financing, the ability to obtain any requisite governmental approvals, the accuracy of mineral reserve and mineral resource estimates, gold price, exchange rates, fuel and energy costs, future economic conditions, anticipated future estimates of free cash flow, and courses of action. Teranga cautions you not to place undue reliance upon any such forward-looking statements.

The risks and uncertainties that may affect forward-looking statements include, among others: the inherent risks involved in exploration and development of mineral properties, including government approvals and permitting, changes in economic conditions, changes in the worldwide price of gold and other key inputs, changes in mine plans and other factors, such as project execution delays, many of which are beyond the control of Teranga, as well as other risks and uncertainties which are more fully described in Teranga's 2019 Annual Information Form dated March 30, 2020, and in other filings of Teranga with securities and regulatory authorities which are available on SEDAR 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 document should be construed as either an offer to sell or a solicitation to buy or sell Teranga securities. All references to Teranga include its subsidiaries unless the context requires otherwise.

ALL DOLLAR AMOUNTS ARE DENOMINATED IN U.S. DOLLARS UNLESS SPECIFIED OTHERWISE.
Mission Accomplished: Low-Cost Mid-Tier Gold Producer

- ~533 koz\(^{(1)}\)
  - 5-Year Average Annual Production at AISC* of $785/oz (2021-2025)

- $1.5B
  - 5-Year Total Net Cash Flow** (2021-2025)

- 6.4 Moz
  - @ 1.87 g/t in Proven & Probable Reserves (at $1,250 gold)

Refer to endnote (1) in the Appendix.
*All-in Sustaining Costs” per ounce sold - refer to Non-IFRS Performance Measures in the Appendix.
**Net cash flow after minority interest.
Situated in One of the Fastest Growing Gold Jurisdictions

**Wahgnion Gold Mine**
- **2P Reserves**: 1.6 Moz @ 1.59 g/t Au
- **2020 Production Guidance**: 150,000-165,000 oz Au
- **2019 Production**: 47,492 oz Au
- **2019 AISC/oz**: $938/oz Au

**Sabodala-Massawa Gold Mine**
- **2P Reserves**: 4.8 Moz @ 1.98 g/t Au
- **2020 Production Guidance**: 225,000-235,000 oz Au
- **2019 Production**: 241,276 oz Au
- **2019 AISC/oz**: $807/oz Au

**Golden Hill Project**
- **Stage Exploration/PFS**
  - **Indicated Resource**: 415 koz @ 2.02 g/t Au
  - **Inferred Resource**: 644 koz @ 1.68 g/t Au

**Miminvest & Afema**
- **Stage Early Exploration**

*Refer to Endnotes (2), (3) and (4) in the Appendix.
*Refer to Non-IFRS Performance Measures in the Appendix.
**Quality** Assets Drive Improved Production and Transition to Mid-Tier Status

**2020 Guidance and Five-Year Outlook**
Reflects mining and processing of Massawa’s high-grade ore and higher plant throughput at Wahgnion

Initial 2020 Guidance: 30koz – 45koz

Updated 2020 Guidance: 345koz – 355koz

Five-Year Annual Average: ~533koz\(^{(1)}\) at an All-in Sustaining Cost* of $785/oz

Refer to endnote (1) in the Appendix.

*Refer to Non-IFRS Performance Measures in the Appendix.
Sabodala-Massawa: Transforming Into a Top-Tier Gold Asset

4.82Moz @ 1.98 g/t Au  
2P Reserves at $1,250/oz Au\(^{(2)}\)

6.90Moz @ 2.05 g/t Au  
M&I Resources at $1,450/oz Au\(^{(2)}\)

1,526 km\(^{2}\)  
Sabodala-Massawa Land Area

**LOM Highlights**\(^{(5)}\)

<table>
<thead>
<tr>
<th>Mining Operations Commenced and Mill Upgrades Underway</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Mining of Sofia ore commenced mid-July and is scheduled to be delivered to the plant in August with a gradual ramp-up in Q4</td>
</tr>
<tr>
<td>• Continuing the technical work and construction planning for the Massawa Phase 1 plant upgrades – all elements are on-track for completion in 2021</td>
</tr>
</tbody>
</table>

**Definitive Feasibility Study Planned For H2 2021**

• DFS will optimize mine plan, plant design and update resources/reserves

**Annual 5-Year Average 2021-2025**

<table>
<thead>
<tr>
<th>Annual production (oz Au)</th>
<th>384,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>All-in sustaining costs* ($/oz sold)</td>
<td>$671</td>
</tr>
<tr>
<td>Net cash flow**</td>
<td>$215M</td>
</tr>
</tbody>
</table>

Refer to endnotes (2) and (5) in the Appendix.  
*Refer to Non-IFRS Performance Measures in the Appendix.  
**Net cash flow after minority interest.
**Exceptional Economics Due to High-Grade Ore**

**Sabodala-Massawa: Base Case Highlights at $1,600/oz Gold**
*(Includes refractory ore treatment plant in 2023)*

<table>
<thead>
<tr>
<th></th>
<th>First 5-years (2021-2025)</th>
<th>First 10-years (2021-2030)</th>
<th>Life of Mine (2020-2036)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual average gold production*</td>
<td>384,000 oz</td>
<td>315,000 oz</td>
<td>260,000 oz</td>
</tr>
<tr>
<td>Average mill grade</td>
<td>2.71 g/t</td>
<td>2.26 g/t</td>
<td>1.98 g/t</td>
</tr>
<tr>
<td>Average AISC per ounce*</td>
<td>$671</td>
<td>$715</td>
<td>$749</td>
</tr>
<tr>
<td>Average annual plant throughput</td>
<td>5.0Mtpa</td>
<td>4.9Mtpa</td>
<td>4.6Mtpa</td>
</tr>
<tr>
<td>Average annual net cash flow**</td>
<td>$215 million</td>
<td>$166 million</td>
<td>$134 million</td>
</tr>
<tr>
<td>Total net cash flow*</td>
<td>$1.07 billion</td>
<td>$1.66 billion</td>
<td>$2.21 billion</td>
</tr>
</tbody>
</table>

Refer to Endnote (6) in the Appendix.
*Refer to Non-IFRS Performance Measures in the Appendix.
**Cash flow figures are after minority interest and based on the Assumptions for Life of Mine in the Appendix.
Optimization & Exploration Expected to Further Improve Initial Economics

**Exploration & Test Work**
- Exploration and additional resource drilling
- Metallurgical test work (drilling and lab work)

**Exploration**
- Exploration will be ongoing with goal of sustaining annual production of 350-400koz beyond 2027

**Optimization & Trade-off Studies**
- Flowsheet and process design optimization
- Capital reduction, infrastructure and mine plan

**Definitive Feasibility Study**
- Resources and reserves update
- Definitive capital and operating costs
- Detailed construction execution plan

**Initiation of Construction**
- Site early work
- Front end engineering and design
- Procurement

Refer to Endnote (5) in the Appendix.
Wahgnion: Exceeding Expectations

Updated LOM Highlights
- **1.55 Moz** 2P Reserves at 1.61 g/t Au
- **2.37 Moz** M&I Resources at 1.59 g/t Au
- **10-Year Mine Life**

<table>
<thead>
<tr>
<th>Updated LOM Highlights</th>
<th>Annual 5-Year Average 2021-2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production (oz Au)</td>
<td>149,000</td>
</tr>
<tr>
<td>All-in sustaining costs* ($/oz sold)</td>
<td>$920</td>
</tr>
<tr>
<td>Net cash flow**</td>
<td>$83M</td>
</tr>
</tbody>
</table>

**Updated Mine Plan Increases Average Annual Production by 25%**
- Processing plant has performed ~25% above nameplate capacity for throughput and gold recovery since commercial production November 2019
- Updated LOM plan to accommodate higher plant throughput capability, increasing annual production and reducing the mine life
- Commenced multi-year drill program with a goal of extending the mine life to 15 years

Refer to endnotes (3) and (8) in the Appendix.
*Refer to Non-IFRS Performance Measures in the Appendix.
**Net cash flow after minority interest.

415koz  
Indicated Resources at 2.02 g/t(4)

644koz  
Inferred Resources at 1.68 g/t(4)

Initial Resource Provides Solid Base to Grow

- Excellent along trend and to-depth continuity of gold mineralization at all prospects drilled
- Re-affirms interpretations that each prospect offers substantial upside for size expansion

Ongoing Drilling & Exploration Program Focused on Expanding Initial Resource

- Uncovered a new discovery: Ma Jonction, another high-grade, near-surface prospect
- Exploration activities curtailed in Q2 and expected to restart in Q4

Refer to Endnote (4) in the Appendix
Côte d'Ivoire: Future Value Resides with Miminvest and Afema Early-Stage Opportunities

Miminvest Exploration Properties
(100% earning, 3% NSR; JV formed June 2016)
- Guitry complex (includes Sangaredougou): highly prospective and potential district
- Dianra: Initial phase of exploration outlines favourable follow-up targets

Afema Mine Joint Venture
(51%, earning 70%; JV formed December 2017)
- Two well mineralized greenstone belts underlie mine license and regional land package
- Five major shear structures crossing regional land package – combined strike length exceeding 140 km
Significant Increase in Reserves and Reserve Grade Elevates Teranga Amongst Peers

**Reserves - Contained Metal**
(Moz Au, 100% Basis)

- **Endeavour**: 10.4 Moz
- **B2Gold**: 7.4 Moz
- **Centamin**: 7.0 Moz
- **Teranga**: 6.4 Moz
- **Resolute**: 4.7 Moz
- **Perseus**: 3.5 Moz
- **Galiano**: 2.4 Moz
- **Golden Star**: 1.7 Moz
- **Roxgold**: 0.7 Moz

- **Teranga**: +70% with Massawa

**Reserve Grade**
(g/t Au)

- **Roxgold**: 8.24 g/t
- **Golden Star**: 2.76 g/t
- **Resolute**: 2.50 g/t
- **Endeavour**: 2.07 g/t
- **Teranga**: 1.87 g/t
- **Perseus**: 1.69 g/t
- **B2Gold**: 1.44 g/t
- **Galiano**: 1.38 g/t
- **Centamin**: 1.10 g/t

- **Teranga**: +30% with Massawa

*Majority of reserve base classified as underground reserves. Source: Company materials as at July 22, 2020.*
Achieving Low-Cost Mid-Tier Producer Status in Year One

Production
2020E Production Excluding Massawa (koz Au) Based on consensus equity research estimates and mid-point of Teranga’s old 2020 guidance range.

2021E Production Including Massawa (koz Au) Based on consensus equity research estimates and Teranga’s assumptions for 2021.

All-in Sustaining Costs
2020E AISC Excluding Massawa ($/oz Au) Based on consensus equity research estimates.

2021E AISC Including Massawa ($/oz Au) Based on consensus equity research estimates and Teranga’s assumptions for 2021.

*Not to be interpreted as Teranga’s 2020 production and cost guidance. Teranga’s 2020 guidance inclusive Massawa was updated Aug 7, 2020. See Appendix for updated guidance table.

*Net of 50% JV with Gold Fields.

*Refer to Non-IFRS Performance Measures in the Appendix.

Source: Equity research, Teranga’s 5-year guidance and Company assumptions.
More Catalysts to Come – 2020 Goals and Milestones

**SABODALA-MASSAWA**
- File the pre-feasibility study for the Sabodala-Massawa Complex in Q3 2020
- Begin processing Massawa ore through the Sabodala mill in August
- Continue resource definition drilling at several of the Massawa deposits in support of a definitive feasibility study to be released in 2021

**WAHGNION**
- Continue Wahgnion exploration program with aim to increase reserves and extend mine life toward our goal of 15 years

**GOLDEN HILL**
- File technical report in support of mine license application
- Continue resource expansion drill program

**CÔTE D’IVOIRE**
- Report early-stage trenching and drilling campaigns at the Woulo Woulo and Niamienlessa prospects at Afema
## Capital Structure and Top 20 Institutional Shareholders

### Capital Structure (millions, except per share amount)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic shares outstanding</td>
<td>167.5</td>
</tr>
<tr>
<td>Stock options granted</td>
<td>7.6</td>
</tr>
<tr>
<td>Warrants (Taurus)</td>
<td>3.7</td>
</tr>
<tr>
<td>Teranga share price*</td>
<td>C$15.20</td>
</tr>
<tr>
<td>Fully diluted</td>
<td>178.8</td>
</tr>
<tr>
<td>Number of shares owned by insiders</td>
<td>35.2</td>
</tr>
<tr>
<td>Basic market capitalization*</td>
<td>$1,907</td>
</tr>
</tbody>
</table>

### Cash, Gold Bullion Inventory & Debt (millions) As at June 30, 2020

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>$49</td>
</tr>
<tr>
<td>Gold bullion inventory**</td>
<td>$36</td>
</tr>
<tr>
<td>Total debt drawn</td>
<td>$416</td>
</tr>
</tbody>
</table>

*August 7, 2020 closing share price of C$15.20.

**20,550 ounces of unsold gold bullion is expected to generate cash of $36.3 million using a period-end gold spot price of $1,786/oz.

### Top 20 Institutional Shareholders (% of o/s Shares)

<table>
<thead>
<tr>
<th>Position</th>
<th>Shareholder</th>
<th>% Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tablo Corporation</td>
<td>21%</td>
</tr>
<tr>
<td>2</td>
<td>Barrick Gold Corporation</td>
<td>11%</td>
</tr>
<tr>
<td>3</td>
<td>BlackRock Institutional Trust Company, N.A.</td>
<td>10%</td>
</tr>
<tr>
<td>4</td>
<td>Van Eck Associates</td>
<td>9%</td>
</tr>
<tr>
<td>5</td>
<td>Dimensional Fund Advisors</td>
<td>3%</td>
</tr>
<tr>
<td>6</td>
<td>Franklin Advisers</td>
<td>3%</td>
</tr>
<tr>
<td>7</td>
<td>Ruffer LLP</td>
<td>3%</td>
</tr>
<tr>
<td>8</td>
<td>Ninety One UK</td>
<td>2%</td>
</tr>
<tr>
<td>9</td>
<td>Invesco Advisers</td>
<td>2%</td>
</tr>
<tr>
<td>10</td>
<td>Konwave AG</td>
<td>1%</td>
</tr>
<tr>
<td>11</td>
<td>Gabelli Funds, LLC</td>
<td>1%</td>
</tr>
<tr>
<td>12</td>
<td>SSI Wealth Management AG</td>
<td>1%</td>
</tr>
<tr>
<td>13</td>
<td>IPConcept</td>
<td>1%</td>
</tr>
<tr>
<td>14</td>
<td>British Columbia Investment Management</td>
<td>0.5%</td>
</tr>
<tr>
<td>15</td>
<td>Earth Resource Investment Group</td>
<td>0.5%</td>
</tr>
<tr>
<td>16</td>
<td>DWS Investment Management Americas</td>
<td>0.5%</td>
</tr>
<tr>
<td>17</td>
<td>Mackenzie Financial</td>
<td>0.5%</td>
</tr>
<tr>
<td>18</td>
<td>AMG Fondsveraltung AG</td>
<td>0.5%</td>
</tr>
<tr>
<td>19</td>
<td>CIBC Asset Management</td>
<td>0.3%</td>
</tr>
<tr>
<td>20</td>
<td>LSV Asset Management</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

**Total shares held by top 20 shareholders** 71%

Source: Nasdaq IR Insight. at August 10, 2020
**Strong** Trading Fundamentals

TGZ is Trading Almost 200% Above Equity Raise Price

$15.20  $19.13

$5.10

26%

198%

Dec 31, '19  Apr 17, '20  Aug 7, '20

Current TGZ P/NAV of ~1.0x compared to select African peers at ~1.1x(9)

Refer to Endnote (9) in the Appendix

Short Position is Normalizing Following Close of Equity Financing

Average Daily Volume in 2020: 1.2M shares/day

Overall Volume Increases

Apr. 17: Added to the GDX

Jun. 19: Added to the S&P/TSX Composite Index
Expanded Exploration Program in 2020

**Sabodala-Massawa Complex**
- Initial exploration program at Massawa underway
- 415 holes (27,457 metres) drilled since March 2020
- Resource evaluation and expansion programs at all three deposits, Sofia, Central and North, will continue in Q3
- Exploration drilling planned for other priority exploration targets – Delya, Tina and Samina to identify additional oxide and fresh material to increase resources and reserves

**Afema**
- Continued with geological and structural evaluations throughout the Afema Shear Zone
- Early-stage evaluations at the prolific Niamienlessa and Woulo Woulo structural trends
- 114 holes totalling 9,180 metres drilled in Q2
- Further excavator trenching and drilling evaluations planned for Q3

**Miminvest**
- Field activities initiated January 2020

**Wahgnion**
- Exploration activities curtailed in Q2
- Field programs resumed on the mine license in Q3 with the intent of replacing resources

**Golden Hill**
- Continue to complete updated resource estimation followed by a technical update and ESIA in H2
- Exploration activities curtailed in Q2 and expected to restart in Q4

**2020 Budget**

- **$30M - $35M**
- **$30M**
- **$35M**
- **~$10M**
- **~$15M**
## 2020 Updated Guidance

**As of August 7, 2020**

<table>
<thead>
<tr>
<th>Operating Results</th>
<th>Sabodala(6)</th>
<th>Wahgnion(7)</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total mined ('000t)</td>
<td>30,000 – 33,000</td>
<td>24,000 – 26,000</td>
<td>-</td>
</tr>
<tr>
<td>Ore Mined ('000t)</td>
<td>4,500 – 5,500</td>
<td>3,000 – 3,500</td>
<td>-</td>
</tr>
<tr>
<td>Grade mined (g/t)</td>
<td>1.90 – 2.10</td>
<td>1.60 – 1.70</td>
<td>-</td>
</tr>
<tr>
<td>Strip ratio waste/ore</td>
<td>5.0 – 6.0</td>
<td>6.0 – 7.0</td>
<td>-</td>
</tr>
<tr>
<td>Ore milled ('000t)</td>
<td>4,000 – 4,200</td>
<td>3,000 – 3,200</td>
<td>-</td>
</tr>
<tr>
<td>Head grade (g/t)</td>
<td>1.90 – 2.10</td>
<td>1.60 – 1.80</td>
<td>-</td>
</tr>
<tr>
<td>Recovery rate %</td>
<td>88 – 90</td>
<td>91 – 93</td>
<td>-</td>
</tr>
<tr>
<td>Gold produced(3) (oz)</td>
<td>225,000 – 235,000</td>
<td>150,000 – 165,000</td>
<td>375,000 – 400,000</td>
</tr>
<tr>
<td>Cost of sales per ounce sold $/oz sold</td>
<td>1,050 – 1,150</td>
<td>1,025 – 1,175</td>
<td>1,075 – 1,200</td>
</tr>
<tr>
<td>Total cash costs per ounce sold* $/oz sold</td>
<td>750 – 800</td>
<td>775 – 850</td>
<td>-</td>
</tr>
<tr>
<td>All-in sustaining costs(10) $/oz sold</td>
<td>875 – 950</td>
<td>900 – 1,000</td>
<td>975 – 1,100</td>
</tr>
<tr>
<td>Cash/(non-cash inventory movements and amortized advanced royalty costs(10) $/oz sold</td>
<td>25</td>
<td>(50)</td>
<td>(25)</td>
</tr>
<tr>
<td>All-in sustaining costs (excluding cash/(non-cash inventory movements and amortized advanced royalty costs)(10) $/oz sold</td>
<td>900 – 975</td>
<td>850 – 950</td>
<td>950 – 1,075</td>
</tr>
<tr>
<td>Mine Production Costs-before COVID-19 $ millions incremental cost</td>
<td>160 – 170</td>
<td>110 – 115</td>
<td>-</td>
</tr>
<tr>
<td>COVID-19 Incremental Costs(11) $ millions</td>
<td>~5</td>
<td>~5</td>
<td>-</td>
</tr>
<tr>
<td>Sustaining Capital(12) $ millions</td>
<td>15 – 20</td>
<td>20 – 25</td>
<td>-</td>
</tr>
<tr>
<td>Resettlement Capital $ millions</td>
<td>10 – 15</td>
<td>10 – 15</td>
<td>-</td>
</tr>
<tr>
<td>Massawa Development Capital $ millions</td>
<td>20 – 25</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Corporate Administration Expense $ millions</td>
<td>-</td>
<td>-</td>
<td>16 – 17</td>
</tr>
<tr>
<td>Share-Based Compensation Expense(13) $ millions</td>
<td>-</td>
<td>-</td>
<td>-13</td>
</tr>
<tr>
<td>Regional Administration Costs $ millions</td>
<td>-</td>
<td>-</td>
<td>-6</td>
</tr>
<tr>
<td>Sustainability Expense $ millions</td>
<td>-</td>
<td>-</td>
<td>10 – 12</td>
</tr>
<tr>
<td>Exploration and Evaluation(14) $ millions</td>
<td>-</td>
<td>-</td>
<td>30 – 35</td>
</tr>
</tbody>
</table>

Refer to Endnotes (6), (7), (10), (11), (12), (13) and (14) in the Appendix.

*Refer to Non-IFRS Performance Measures in the Appendix.

As of August 7, 2020
Teranga Board of Directors

Alan Hill, M.Eng
Chairman
35+ years experience in mining including 20 years at Barrick Gold in project evaluation and development

Richard Young, CPA
President & CEO
25+ years experience in gold mining including 13 years at Barrick Gold in finance and corporate development

William Biggar, MA, CPA
Director
25+ years experience in senior executive positions in investment, mining and real estate including Barrick Gold and Merrill Lynch

Simon Bottoms, MGeol, FGS CGeol, FAusIMM
Director
10+ years global experience as a geologist. Manages Barrick Gold’s Africa and Middle East mine operations and project technical teams

Paula Caldwell St-Onge
Director
30 years experience in Canadian public services including senior positions in the Department of Foreign Affairs and International Trade, Environment Canada, and Global Affairs Canada

Jendayi Frazer, Ph.D.
Director
17 years experience in key roles supporting initiatives and policies to build Africa’s equity and commodity markets. First woman U.S. Ambassador to South Africa

David Mimran
Director & Teranga’s Largest Shareholder
CEO of Grands Moulins d’Abidjan and Grands Moulins de Dakar, among the largest producers of agri-food in West Africa. Special Advisor to the Government of the Republic of Côte d’Ivoire

Alan Thomas, CPA
Director
30+ years mining and energy industry experience in senior financial and director roles including 6 years as VP and CFO of ShawCor and 11 years as CFO of Noranda

Frank Wheatley, LL.B
Director
30+ years mining industry experience as director, senior officer and legal counsel. Extensive experience in public financing, project debt financing, permitting of large-scale mining projects and strategic M&A
Qualified Persons Statement

The technical information contained in this presentation relating to the Sabodala-Massawa Complex and Wahgnion mineral reserve estimates is based on, and fairly represents, information compiled by Mr. Stephen Ling, P. Eng who is a member of the Professional Engineers Ontario. Mr. Ling is a full time employee of Teranga and is not "independent" within the meaning of NI 43-101. Mr. Ling has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Qualified Person" under NI 43-101 Standards of Disclosure for Mineral Projects. Mr. Ling has consented to the inclusion in this presentation of the matters based on his compiled information in the form and context in which it appears in this presentation.

The technical information contained in this presentation relating to the Sabodala-Massawa Complex, Wahgnion and Golden Hill’s mineral resource estimates is based on, and fairly represents, information compiled by Ms. Patti Nakai-Lajoie. Ms. Nakai-Lajoie, P. Geo., is a Member of the Professional Geoscientists Ontario. Ms. Nakai-Lajoie is a full time employee of Teranga and is not "independent" within the meaning of NI 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 "Qualified Person" under NI 43-101 Standards of Disclosure for Mineral Projects. Ms. Nakai-Lajoie has consented to the inclusion in this presentation of the matters based on her compiled information in the form and context in which it appears in this presentation.

Teranga’s Senegal exploration programs were reviewed and verified by Ms. Patti Nakai-Lajoie, P. Geo. Ms. Nakai-Lajoie is a full time employee of Teranga and is not "independent" within the meaning of NI 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 "Qualified Person" under NI 43-101. The technical information contained in this presentation relating to Senegal results are based on, and fairly represents, information collected using the guidelines reviewed by Ms. Nakai-Lajoie. Ms. Nakai-Lajoie has verified and approved the data disclosed in this release, including the sampling, analytical and test data underlying the information. The RC and diamond core samples are assayed at the SGS Laboratory located at the Sabodala Mine, Senegal. Ms. Nakai-Lajoie has consented to the inclusion in this presentation of the matters based on the compiled information collected in the form and context in which it appears in this presentation.

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"). There can be no assurance that those portions of mineral resources that are not mineral reserves will ultimately be converted into mineral reserves.

Teranga confirms that it is not aware of any new information or data that materially affects the information included in the technical reports for the Sabodala Project (August 30, 2017) and the Wahgnion Project (October 31, 2018)(15) pursuant to NI 43-101 (the “Technical Reports”), or second quarter 2020 results, market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements concerning the Technical Reports continue to apply and have not materially changed.

Refer to endnote (15) in the Appendix.
Non-IFRS Performance Measures

The Company provides some non-IFRS financial measures as supplementary information that management believes may be useful to investors to explain the Company’s financial results. In the second quarter 2013, we adopted an “all-in sustaining costs” measure consistent with the guidance issued by the World Gold Council (“WGC”) on June 27, 2013, of which Teranga became a member on November 27, 2018. The Company believes that the use of all-in sustaining costs is helpful to analysts, investors and other stakeholders of the Company in assessing its operating performance, its ability to generate free cash flows from current operations and its overall value. This measure is helpful to governments and local communities in understanding the economics of gold mining. The “all-in sustaining costs” is an extension of existing “cash cost” metrics and incorporates costs related to sustaining production.

“Total cash cost per ounce sold” is a common financial performance measure in the gold mining industry but has no standard meaning under IFRS. The Company reports total cash costs on a sales basis. We believe that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company’s performance and ability to generate cash flow. Accordingly, it is 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. The measure, along with sales, is considered to be a key indicator of a Company’s ability to generate operating profits and cash flow from its mining operations. Total cash costs figures are calculated in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is considered the accepted standard of reporting cash cost of production in North America. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly-titled measures of other companies. In the second quarter 2020, the Company revised the calculation of total cash costs to exclude incremental COVID-19 costs, which management believes are extraordinary as a result of the COVID-19 pandemic and not reflective of the underlying performance of the Company’s operations.

The WGC definition of all-in sustaining costs seeks to extend the definition of total cash costs by adding corporate general and administrative costs, reclamation and remediation costs (including accretion and amortization), exploration and study costs (capital and expensed), capitalized stripping costs and sustaining capital expenditures and represents the total costs of producing gold from current operations. All-in sustaining costs exclude income tax payments, interest costs, costs related to business acquisitions and items needed to normalize profits. Consequently, this measure is not representative of all of the Company’s cash expenditures. In addition, the calculation of all-in sustaining costs and all-in costs does not include depreciation expense as it does not reflect the impact of expenditures incurred in prior periods. Therefore, it is not indicative of the Company’s overall profitability.

The Company also expands upon the WGC definition of all-in sustaining costs by presenting an additional measure of “all-in sustaining costs (excluding (non-cash)/cash inventory movements and amortized advanced royalty costs)” (“Adjusted EBITDA”). This measure excludes cash and non-cash inventory movements and amortized advanced royalty costs which management does not believe to be true cash costs and are not fully indicative of performance for the period. In the second quarter 2020, the Company reviewed the calculation of all-in sustaining costs (excluding (non-cash)/cash inventory movements and amortized advanced royalty costs) to exclude incremental COVID-19 costs, which management believes are extraordinary as a result of the COVID-19 pandemic and not reflective of the underlying performance of the Company’s operations.

“Total cash costs per ounce”, “all-in sustaining costs per ounce” and “all-in sustaining costs (excluding cash/(non-cash) inventory movements and amortized advanced royalty costs) per ounce” are intended to provide additional information only and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate these measures differently.

“Average realized price” is a financial measure with no standard meaning under IFRS. Management uses this measure to understand the price realized in each reporting period for gold and silver sales. Average realized price is calculated on revenue and ounces sold to all customers, except Franco-Nevada, as gold ounces sold to Franco-Nevada is recognized in revenue at 20 percent of the prevailing gold spot price on the date of delivery and 60 percent at $1,250 per ounce. The average realized price is intended to provide additional information only and does not have any standardized definition under IFRS; it should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Other companies may calculate this measure differently.

EBITDA is a non-IFRS financial measure, which excludes income tax and related expenses, finance costs (including accretion expense), interest income and depreciation and amortization from net profit/(loss) for the period. EBITDA is intended to provide additional information to investors and analysts and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Management believes that EBITDA is a valuable indicator of our ability to generate liquidity by producing operating cash flow to: fund working capital needs, service debt obligations and fund capital expenditures. Beginning in the second quarter 2019, the Company adopted adjusted EBITDA as a new non-IFRS financial measure. Management believes that adjusted EBITDA is a valuable indicator of our ability to generate liquidity by producing operating cash flow to: fund working capital needs, service debt obligations and fund capital expenditures, after adjusting for factors not reflective of the underlying performance of the Company. Adjusted EBITDA is intended to provide additional information to investors and analysts and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Company calculates adjusted EBITDA as EBITDA adjusted to exclude unrealized and realized foreign exchange gains and losses, gains and losses on derivative instruments, non-cash fair value changes, impairment provisions and reversals thereof, and other unusual or non-recurring items.

“Free cash flow” is a non-IFRS financial measure. The Company calculates free cash flow as net cash flow provided by operating activities less sustaining capital expenditures. The Company believes this to be a useful indicator of our ability to generate cash for growth initiatives. Other companies may calculate this measure differently.

“Adjusted net profit attributable to shareholders” and “adjusted basic earnings per share” are financial measures with no standard meaning under IFRS. These non-IFRS financial measures are used by management and investors to measure the underlying operating performance of the Company. Presenting these measures from period to period is expected to help management and investors evaluate earnings trends more readily in comparison with results from prior periods.

The Company calculates “adjusted net profit attributable to shareholders” as net profit/(loss) for the period attributable to shareholders adjusted to exclude specific items that are significant, but not reflective of the underlying operations of the Company, including: the impact of unrealized and realized foreign exchange gains and losses, gains and losses on derivative instruments, accretion expense on long-term obligations, the impact of foreign exchange movements on deferred taxes, non-cash fair value changes, impairment provisions and reversals thereof, and other unusual or non-recurring items.

“Adjusted basic earnings per share” is calculated using the weighted average number of shares outstanding under the basic method of earnings per share as determined under IFRS.
Endnotes

1. This production target is based on proven and probable minerals reserves for the Sabodala-Massawa Project and the Wahgnion Gold Operation as at December 31, 2019 as disclosed on the Company’s website at www.terangagold.com and on SEDAR at www.sedar.com. The estimated reserves underpinning this production target have been prepared by a competent and qualified person or persons (see Competent and Qualified Persons Statement in the Appendix).


5. Sabodala-Massawa Life of Mine assumptions include: Gold Price $1,600 per ounce; Heavy Fuel Oil (HFO): $0.35 per litre; Light Fuel Oil (LFO): $0.65 per litre; Euro to USD Exchange Rate: 1.10:1

6. Production profiles are based on proven and probable minerals reserves for the Sabodala-Massawa Project as at December 31, 2019 as disclosed on the Company’s website at www.terangagold.com and on SEDAR at www.sedar.com. The estimated reserves underpinning these production targets have been prepared by a competent and qualified person or persons (see Competent and Qualified Persons Statement in the Appendix).

7. Over the past several years, more than thirteen million ounces of measured and indicated resources have been identified within the south eastern Senegal region, including the Massawa, Golouma, Makabingui and Mako projects, along with the Company’s Sabodala gold mine. With exploration work completed to date and the prior exploration success seen in the area, Management believes there is a reasonable basis to anticipate future resource to reserve conversion.

8. Wahgnion Gold Operations Life of Mine assumptions include: Gold Price $1,600 per ounce; Heavy Fuel Oil (HFO): $0.72 per litre; Light Fuel Oil (LFO): $1.04 per litre; Euro to USD Exchange Rate: 1.10:1

Endnotes

10. All-in sustaining costs per ounce is a non-IFRS financial measure and does not have a standard meaning under IFRS. All-in sustaining costs per ounce sold calculated at the mine site level includes only total cash costs per ounce and sustaining capital expenditures. All-in sustaining costs for includes sustaining capital expenditures but excludes growth capital related to village resettlement expenditures. Corporate administration and share-based compensation expense are presented separately in this table and are not allocated to the mine site level costs. All-in sustaining costs presented on a consolidated basis includes corporate administration and share-based compensation expense. All-in sustaining costs also includes non-cash inventory movements and non-cash amortization of advanced royalties.

11. As a result of worldwide COVID-19 pandemic in 2020, our 2020 guidance has been updated to reflect unforeseen incremental costs primarily related to personnel, camp and transportation costs.

12. Excludes capitalized deferred stripping costs, included in mine production costs.


14. Exploration and evaluation costs includes both expensed exploration, primarily attributable to exploration work on exploration permits, and capitalized reserve development, which is work performed on mine licenses.

15. The Wahgnion NI 43-101 technical report was amended and restated following comments from the Ontario Securities Commission as part of its review of the Company's application to file a preliminary shelf prospectus. The amendments related only to an updated cash flow model using various discount rates. For further details, please refer to the Amended and Restated Wahgnion Gold Project technical report dated July 31, 2019, filed on the Company's website at www.terangagold.com or SEDAR at www.sedar.com.
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