

(All amounts are in Canadian dollars unless otherwise stated)

TORONTO, ONTARIO--(Marketwired - Nov. 1, 2016) -

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[Teranga Gold Corp.](#) ("Teranga" or the "Company") (TSX:TGZ)(ASX:TGZ) announced today that it has entered into agreements to offer a total of 62,000,000 common shares of the Company at a price of \$1.05 per common share (the "Offering Price"), for aggregate gross proceeds to the Company of approximately \$65 million (the "Offering").

Under the agreements, 32,500,000 common shares will be issued on a bought deal basis at a price of \$1.05 per common share through a syndicate of underwriters co-led by RBC Capital Markets ("RBC") and Cormark Securities Inc. ("Cormark") for gross proceeds of approximately \$34 million (the "Public Offering").

An additional 29,500,000 common shares will be issued on a non-brokered private placement basis at the same price of \$1.05 per common share to Tablo Corporation for gross proceeds of approximately \$31 million (the "Concurrent Private Placement"). Following completion of the Offering, Tablo Corporation, controlled by David Mimran, will hold a total of 92,876,260 common shares, or 17.4%, of Teranga's issued and outstanding common shares (calculated on a non-diluted basis and not including exercise of the over-allotment option). Stanhope Capital LLP acted as financial advisor to Tablo Corporation and David Mimran on this Concurrent Private Placement.

In connection with the Public Offering, the underwriters will have the option, exercisable in whole or in part, at any time up to 30 days following the closing of the Public Offering, to purchase up to an additional 4,875,000 common shares at the Offering Price to cover over-allotments, if any. In the event that the over-allotment option is exercised in its entirety, the aggregate gross proceeds of the Offering to the Company will be approximately \$70 million.

The Company plans to direct approximately \$30 million of the net proceeds of the Offering to construction readiness activities for its newly acquired Banfora gold project in Burkina Faso, West Africa. Such activities may include reserve development drilling, updating scientific and technical report and optimization studies, commencement of village relocation and early engineering works. The Company intends to use the remainder of the net proceeds to fund exploration activities associated with its Banfora, Golden Hill and Gourma gold projects in Burkina Faso and for general corporate purposes.

Although the Company intends to use the net proceeds from the Offering as set forth above, the actual allocation of the net proceeds may vary depending on future developments in the Company's mineral properties or unforeseen events.

The Company expects to file a preliminary short-form prospectus on or about November 7, 2016 and intends to file a final prospectus on or about November 14, 2016, in each case with the securities regulatory authorities in each of the provinces of Canada, other than the Province of Québec, and the Australian Securities and Investments Commission ("ASIC").

The securities offered have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor in any other jurisdiction.

The Offering is scheduled to close on or about November 21, 2016, and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange and the Australian Securities Exchange.

Cautionary Note Regarding Forward-Looking Statements

This press release contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"), which reflects management's expectations regarding [Teranga Gold Corp.](#)'s ("Teranga" or the "Company") future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Wherever possible, words such as "plans", "expects", "does not expect", "budget", "scheduled", "trends", "indications", "potential", "estimates", "predicts", "forecasts", "anticipate" or "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. 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 2016 results, mineral reserve and mineral resource estimates, anticipated life of mine operating and financial results. Specific forward-looking statements in this press release include commencement of expected drill programs, the anticipated exploration spend for 2017, the anticipated conversion of resources into reserves at Banfora, the timing and the completion of the updated 2Mtpa Feasibility Study for Banfora, the timing of completion of construction of Banfora including first gold pour, and anticipated future development and interest in joint venture projects. Although the forward-looking information contained in this press release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, Teranga cannot be certain that actual results will be consistent with such forward looking 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 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 Annual Information Form dated March 30, 2016, and in other filings of Teranga 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. All references to Teranga include its subsidiaries unless the context requires otherwise.

About Teranga Gold

Teranga is a multi-jurisdictional West African gold company focused on production and development as well as the exploration of more than 5,000km² of land located on prospective gold belts.

Since its initial public offering in 2010, Teranga has produced more than 1.2 million ounces of gold from its operations in Senegal where it is uniquely positioned with the only commercial gold mill in country. Following its recent acquisition of Gryphon, the Company is fast-tracking the development of Banfora, which is expected to commence production in 2019. Concurrent with its production and development activities, exploration programs are underway to increase its reserve base through resource conversion and making major new discoveries. Teranga has a strong balance sheet and the financial flexibility to continue to grow its business.

Steadfast in its commitment to set the benchmark for responsible mining, Teranga operates in accordance with the highest international standards and aims to act as a catalyst for sustainable economic, environmental, and community development as it strives to create value for all of its stakeholders. For more information, please go to www.terangagold.com.

Contact

[Teranga Gold Corp.](#)

Richard Young
President & CEO
+1 416-594-0000
ryoung@terangagold.com

[Teranga Gold Corp.](#)

Trish Moran
Head of Investor Relations
+1 416-607-4507
tmoran@terangagold.com