



For immediate release

Teranga Completes Private Placement with New Cornerstone Investor to Support Growth Strategy

Toronto, Canada – October 14, 2015 – Teranga Gold Corporation ("Teranga" or the "Company") (TSX and ASX:TGZ), the owner and operator of the only commercial gold mine and mill in Senegal, West Africa, today announced the completion of a non-brokered CDN\$22,736,000 private placement (the "Offering") with Mr. David Mimran, the CEO of Grands Moulins d'Abidjan and Grands Moulins de Dakar, one of the largest producers of flour and agri-food in West Africa. Under the banner of the Mimran Group, the Mimran family has a long history of operating successfully and responsibly in Africa. The family is also a major sugar producer in the region and the largest private sector employer in Senegal through Compagnie Sucrière Sénégalaise. As part of this transaction, Mr. David Mimran has also been appointed to Teranga's board of directors (the "Board").

Pursuant to the terms of the Offering, Tablo Corporation ("Tablo"), a Mimran family company, has been issued 39,200,000 common shares of Teranga (the "Common Shares") at a price of CDN\$0.58 per Common Share.

"I am truly delighted to welcome David Mimran as a cornerstone investor of Teranga, and as a director, where he will combine his tremendous strategic and operating knowledge and experience in Senegal and West Africa with our own," stated Alan R. Hill, Chairman of Teranga. "The Mimran family's commitment to Senegal runs deep and they are highly respected in the country. David's strategic investment in Teranga supports the acceleration of our longer-term growth strategy beyond our current life-of-mine plan."

"I am impressed by Teranga's track record of operating and financial discipline, its high caliber management team and its position as the only large-scale commercial gold producer in Senegal," stated David Mimran. "I look forward to collaborating with Teranga's board and executive management team to execute on a strong platform of sustainable cash flow generation, and achieving the Company's vision of becoming a pre-eminent mid-tier gold producer in Senegal and Greater West Africa by leveraging its asset base, people, operating experience and social license."

Following the completion of the Offering, Teranga has 392,001,091 Common Shares issued and outstanding. Tablo owns and controls 39,200,000 Common Shares, or approximately 9.9% of the issued and outstanding Common Shares, calculated on a non-diluted basis. The Common Shares issued to Tablo under the Offering are subject to a customary four month and one day statutory hold period. The CDN\$22,736,000 proceeds received by Teranga under the Offering will be used to strengthen Teranga's balance sheet to accelerate its long-term growth strategy.

Pursuant to the terms of the voting and investor rights agreement among Teranga, David Mimran, Tablo and certain other parties, dated October 14, 2015 (the "Voting Agreement") Mr. Mimran is to be re-appointed to the Board for the 3-year term of the Voting Agreement, so long as, among other things, Mr. Mimran, Tablo or any other company which Mr. Mimran owns, exercises control or direction over, in aggregate not less than 9.9% of the Common Shares issued and outstanding, calculated on a non-diluted basis. Under the terms of the Voting Agreement Mr. Mimran and Tablo have also agreed to a customary standstill and have been granted customary anti-dilution rights. A copy of the Voting Agreement will be filed by Teranga on SEDAR.



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Advisors

Stikeman Elliott LLP acted as legal counsel to Teranga. Cormark Securities Inc. acted as financial advisor to Teranga. Stehlin & Associés AARPI acted as legal counsel and Stanhope Capital LLP acted as financial advisor to Mr. David Mimran and Tablo.

About Teranga

Teranga is a Canadian-based gold company principally engaged in the production and sale of gold as well as related activities such as exploration and mine development in Senegal, West Africa. Senegal is a stable democracy, has a progressive mining code and is a member of the West African Economic and Monetary Union. The Senegalese government views mining as a pillar of growth and supports mining companies by offering attractive royalty and ownership structures. Teranga operates the only gold mine and mill in Senegal. For more information on Teranga, please visit: www.terangagold.com.

About Mimran Group

Tablo Corporation, together with Miminvest SA, and Mimran Natural Resources are companies owned or controlled by the Mimran family and David Mimran, established to invest in gold and other natural resources sectors in West Africa. Miminvest holds four gold exploration permits in Cote d'Ivoire.

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Forward Looking Statements

This 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 2015 results, mineral reserve and mineral resource estimates, anticipated life of mine operating and financial results, and the completion of construction of the Gora deposit 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



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other risks and uncertainties which are more fully described in the Company's Revised Annual Information Form dated September 1, 2015, 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.