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PRESS RELEASE

For Immediate Release

TSX Trading Symbol: TGZ

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**TERANGA BOARD STRONGLY OPPOSES MINERAL DEPOSITS OPPORTUNISTIC PROPOSAL;
ADVISES SHAREHOLDERS TO VOTE AGAINST MDL NOMINEES**

Toronto, Canada: June 11, 2013 - Teranga Gold Corporation (“Teranga” or the “Company”) (TSX and ASX:TGZ) advises that a 16% shareholder, Mineral Deposits Limited (MDL) has announced that it proposes to replace three of the Company’s independent directors with three new MDL nominees for election to the Board of Directors of Teranga at the Annual and Special Meeting of shareholders, to be held in Toronto on July 18, 2013.

The Board of Teranga does not support MDL’s nominees as it does not believe their appointment would be in the best interests of all shareholders. “MDL, a 16% shareholder of Teranga, is seeking to take control of the Board of Directors and the Company without paying shareholders a premium” said Alan R. Hill, Executive Chairman.

With NO plan, NO rationale, NO compelling credentials and NO control premium offered to shareholders, MDL’s nominations are NOT in the best interest of all shareholders.

- **Teranga on the Right Path to Realize Shareholder Value:** Teranga is proud of the work the Company has achieved to increase production and reserves, eliminate the hedge book, strengthen its balance sheet and position itself for strategic growth. Teranga has delivered on its guidance and the objectives within its control. The new relationship that the Board and Management have established with the Government of Senegal has positioned the Company to pursue the long awaited acquisition of its neighbour – Oromin Explorations Ltd (Oromin).
- **Government Endorses Teranga Management:** The Government of Senegal strongly supports Teranga’s current Management team and has endorsed its efforts to acquire Oromin. On the signing of the global agreement between Senegal and Teranga in May 2013, President Macky Sall committed his government to “work toward growing domestic gold production as quickly as possible.” President Sall, at that time also praised “the partnership and trust established between the Canadian Management team of Teranga and this government.”
- **An Opportunistic Attempt to Seize Control without Paying Shareholders:** The Board and Management of Teranga denounce MDL’s effort to take control of the Company without paying shareholders a premium for their shares. At the Initial Public Offering of Teranga, MDL appointed one director, and just a month and a half ago, MDL requested the appointment of a second director, a current advisor and former Managing Director of MDL. Now, MDL has

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proposed three additional nominees to the Board in order to gain five of seven board seats and seize control of the Board, and, hence, of the entire corporation, with no accountability to anybody.

- **MDL's Motivations Linked to MDL's Own Poor Stock Performance:** MDL's motivation for the proposed board changes is unclear given that MDL has already stated publicly that it does not intend to be a long term shareholder of Teranga and expects to dispose of its shares by the end of 2013. A sale this year by MDL could potentially be at a price materially lower than investment dealers research coverage targets. In Teranga's view, there appears to be no credible rationale for MDL's actions other than the fact that it would appear MDL is currently under significant pressure from its own shareholders over its persistent failure to deliver on its mineral sands project on time and on budget and its poor stock performance.
- **Replacement of Independent Directors with MDL Associates:** MDL is seeking to replace independent directors with individuals associated with MDL who do not bring added skills to the existing Board. With the removal of these independent directors, we lose these important skills. The primary selection criteria MDL seems to be using for director nominees is an association with MDL, including its current Executive Chairman and Managing Director. In Teranga's opinion, MDL's proposal demonstrates a complete disregard for corporate governance principles established by the TSX and ASX as the slate proposed by MDL would be comprised of 5 of 7 MDL appointees and would not, in our view, be able to form a truly independent audit committee of at least 3 members.
- **MDL's Tactics Put the Oromin Transaction at Risk:** MDL's predatory tactics come at a time when Teranga is in the midst of a potential transformational deal. If MDL is successful in its opportunistic take-over attempt, it could derail the completion of this critical transaction.
- **Teranga's Share Price Performance Consistent with Peers:** Teranga has performed in line with its peer group of West African gold companies. Like all gold companies, Teranga has seen its share price decline due to the fall in gold prices over the past several years. In particular companies in West Africa have also been impacted by geopolitical events in the region which have caused Teranga and its entire peer group to underperform when compared to gold companies in other parts of the world.

"With no stated plan, MDL's motivations appear self-serving and we are concerned that a major change in the Board and Management at this time would disrupt Teranga's ability to complete the important Oromin deal and sever the carefully built relationship that this Board and Management now has with the Government of Senegal" said Richard Young, President and CEO of Teranga.

Management and the Board of Teranga strongly oppose the MDL proposal and recommends that ALL shareholders reject it. Please visit www.terangagold.com to view the Company's letter to shareholders which will be distributed shortly.

If you have any questions or need assistance in voting your BLUE proxy, please call Kingsdale Shareholder Services Inc. at 1-866-229-8651 (toll free within North America) or 1-416-867-2271 (collect calls accepted), or by email at contactus@kingsdaleshareholder.com.

Shareholders who hold their shares in the form of CHESSE Depository Interests (CDIs) can contact Radar either by mail at Radar Shareholder Engagement, Level 7, 107 Pitt Street, SYDNEY, NSW,

Australia, 2000, by toll-free telephone in Australia at 1-800-850-191 or collect call outside Australia at +61-2-8256-3365, or by e-mail at teranga@shareholderupdate.com.au.

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.

Forward-Looking Statements

This news release contains certain statements that constitute forward-looking information and forward-looking statements within the meaning of applicable securities laws (collectively, "forward-looking statements") and includes statements relating to the timing and the terms and benefits of the proposed Offer to be made. 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, or with respect to the proposed Offer to be made, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements include all disclosure regarding possible events, conditions or results of operations that is based on assumptions about, among other things, future economic conditions and courses of action, and assumptions related to government approvals, the co-operation of Bendon and Badr and anticipated costs and expenditures. The words "poised", "gives", "expect", "its vision", "plan", "support", "assist", "commit to", "will not", "intend", "intends to" and similar expressions identify forward looking statements. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. Teranga cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. There is no guarantee that the terms and conditions to the proposed Offer to be made will be met or that the anticipated benefits of the proposed Offer to be made will be achieved. The risks and uncertainties that may affect forward-looking statements include, among others: economic market conditions, anticipated costs and expenditures, government approvals, co-operation of Bendon and Badr; and other risks detailed from time to time in Teranga's filings with Canadian provincial securities regulators. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and, except as required by law, 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 news release should be construed as either an offer to sell or a solicitation to buy or sell Teranga securities.

For further information please contact:

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