

# Shanta Gold Limited

08:47 16 Apr 2018

## Shanta Gold delivers profits of US\$4.7m as production rings in at 79,585 ounces

Shanta Gold Ltd (LON:SHG) booked a profit after taxation of US\$4.2m for the year to 31 December 2017, against a loss of US\$8m in the corresponding period a year ago, as production continues apace at the New Luika mine in Tanzania.

Average realised gold prices rose to US\$1,263 per ounce, and net debt fell to US\$39.5m, a drop of US\$4.7m.

READ: Shanta hits encouraging gold grades in drilling at Singida  
Shanta's costs did rise, and operating cash flow was down, as mining at New Luika transitioned underground.

"We are pleased to report a set of full year results that reflect a sustainable transition to underground mining at New Luika, as well as a new management strategy of cost control and optimisation," said chief executive Eric Zurrin.

"Considerable inroads have been made into reducing the net debt position and the continuation of this is central to plans for restructuring the company's balance sheet. Recording a profit in 2017 for the first time wouldn't have been possible had the underground operation not been transitioned to on time and within budget and our efforts to optimise the company's recurring cost base will be a key driver towards improving future cash flows. Our priorities for 2018 remain focussed on continued low-cost operational excellence, balance sheet deleveraging, and targeted growth."

Shanta has set production guidance for the current year of between 82,000 and 88,000 ounces of gold at all-in sustaining costs of between US\$680 and US\$730 per ounce.

**Price:** 5.41p

**Market Cap:** £42.05M

### 1 Year Share Price Graph



### Share Information

**Code:** SHG

**Listing:** AIM

**52 week High Low**  
9.25p 2.5651p

**Sector:** General Mining - Gold

**Website:** www.shantagold.com

### Company Synopsis:

Shanta Gold is an East Africa-focused gold producer, developer and explorer. The Company is focused on its flagship asset, the New Luika Gold Mine (New Luika), located in southwest Tanzania. Shanta Gold was admitted to the London Stock Exchange's Alternative Investment Market (AIM) in July 2005 and is contained in the FTSE sub-sector of Gold Mining.

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