

April 14, 2014

Dear Ms. Joshi,

Teranga Gold Corporation shares your organization's strong interest in human rights and corporate accountability. In light of this, I would like to bring to your attention a few recent initiatives of our company that should address the issues raised in your letter.

Just a few weeks ago, Teranga had the pleasure of joining with representatives from our neighbouring communities, the Senegalese government and civil society in Kedougou Region, to launch a new Development Strategy (TDS) for the region in which we operate. This strategy was prepared through an intensive, 18-month consultation process that engaged local residents, local elected officials, government representatives, local business leaders, and civil society. It outlines dozens of actions that our company will be undertaking to maximize the positive social and economic benefits of our operation to the development of Kedougou Region, with a focus on three priority outcomes: sustainable economic growth, agriculture and food security, and youth education and training. These actions relate to our local hiring, infrastructure development, community investment, local procurement, and much more. To complete the strategy, Teranga engaged with the internationally renowned consulting group rePlan, which specializes in assisting companies like ours to achieve their corporate social responsibility (CSR) objectives. I have attached the Executive Summary of this document but you can also visit our website to view the full document in either English or French.

Your letter asks specifically about our approach to land acquisition. In early 2012, Teranga adopted a Livelihood Restoration and Resettlement Policy (LRRP). The LRRP was prepared by rePlan to meet or exceed international standards and best practice with respect to land acquisition. It commits our company to adopting a negotiations-based approach for all land acquisition processes. I have also attached the LRRP here but the document can also be found on our website in English and French.

Our first land acquisition to be implemented in accordance with the LRRP took place in late 2012. After six months of community negotiations, the resulting agreement was unanimously endorsed by representatives from Teranga, the government, and the affected people. It includes provisions for securing replacement lands, cash compensation, and the implementation of a series of livelihood restoration activities. The negotiation process was widely praised for its fairness and transparency by the community members and government officials who participated. We have subsequently applied this process to a compensation process for historic land takings that occurred prior to Teranga's acquisition of the Sabodala mine site.



Should you wish to learn more about our operations and activities, you may wish to reach out to Amnesty's Senegal Director, Seydi Gassama, who recently attended an EITI tour of our facilities.

We are very proud of our CSR initiatives and general commitment to best practices consistent with the highest international standards. I would also encourage you to have a look at our Responsibility Report that we just published for 2013, and also attached here.

Please do not hesitate to contact me should you have any further questions.

Kind Regards,

A handwritten signature in blue ink, appearing to read "Kathy Sipos", with a stylized flourish at the end.

Kathy Sipos  
Vice President, Investor and Stakeholder Relations  
[www.terangagold.com](http://www.terangagold.com)