

TANGO ANNOUNCES POSITIVE NI43-101 PEA FOR BK11 KIMBERLITE DIAMOND MINE, BOTSWANA AND UPDATED ACQUISITION TERMS WITH FIRESTONE

VANCOUVER, BRITISH COLUMBIA — 13 October 2015 – Tango Mining Limited (“Tango” or the “Company”) (TSXV:TGV) is pleased to report that it has completed a National Instrument 43-101 (“NI43-101”) Preliminary Economic Assessment (“PEA”) for the previously operating BK11 Kimberlite Diamond Mine (“BK11 Mine”)*, in the Republic of Botswana. The BK11 Mine is a diamond bearing, champagne glass shaped kimberlite pipe with a surface area of 8.7 hectares (“ha”). The pipe itself is located in the Orapa/Letlhakane kimberlite district, which is one of the world’s most prolific diamond producing areas.

BK11 NI43-101 Preliminary Economic Assessment

Senlis Consultancy (Private) Limited (“Senlis”), an independent consulting company, was retained by Tango to conduct the NI43-101 PEA based on the 780,820 carat (“ct”) NI43-101 Inferred Resource of the BK11 Mine that was calculated to a depth of 150 metres (“m”). (See News Release dated 24 August 2015). The PEA was conducted as part of the Company’s ongoing development strategy to purchase and reactivate the previously producing open pit operation at the BK11 Mine.

BK11 Mine PEA Highlights:

- Post-tax discounted NPV of US\$40 million (“M”) excluding acquisition costs (8% discount rate).
- IRR of 43% including acquisition costs.
- Development CAPEX of US\$15M including the purchase of an autogenous mill and contingency.
- Total acquisition cost of US\$8.8M for 100% of the BK11 property and mining license.
- Life of open pit mine of 7-years, yielding 569,610 cts producing an average of 90,000 cts per annum (excluding the final year) at a bottom cut off screen size of 1.6 millimetres.
- Annual treatment rate of 1.4M tonnes (Mt) per annum after Year 1 start up production rate of 1.2Mt.
- Anticipated commissioning and start up in January 2017 after completion of project finance in 2015/2016 and a one-year autogenous mill manufacture and construction period.
- Diamond valuation experts advise a price of US\$260/ct and an upside price of US\$285/ct as of August 2015. BK11 contains good quality white diamonds in the top 10% of global gem diamond production in terms of value per ct.
- Diamond price escalation of 3% is applied for 2016 and 6% per annum thereafter.
- Nominal Life of Mine (“LoM”) operating cost before inflation of US\$10.20/t compared to revenue of US\$20.80/t.
- Gross mine revenues over the LoM of US\$188M.
- The Botswana Competition Authority granted unconditional approval on the 28 September 2015 for the transaction. The Mining Licence is in place and approval is pending by the Minister of Mines for transfer of ownership.
- Accumulated tax losses of US\$45M to be utilised against future taxable earnings.
- There are excellent paved roads, water supply and potential grid power supply from the national grid.
- The majority of licences for BK11 are still valid and environmental and social impact assessments were conducted previously thus providing a good foundation for redevelopment.
- Botswana is deemed to be an attractive foreign investment jurisdiction based on its status as a renowned world diamond producer with a stable political environment and developed economic sector.

Outcome of NI43-101 PEA

Independent consultants Senlis were commissioned to compile the PEA for the BK11 Mine redevelopment. Total capital requirement to establish production is estimated to be US\$15M (year 1) and includes pre-stripping, purchase and installation of an autogenous mill and refurbishment of the existing plant.

Production from the seven years of open pit mining is forecast to yield approximately 569,610 recovered cts with the aggregate life of mine gross revenues from the BK11 Mine being US\$188M and an expected post-tax discounted NPV of US\$40 million (“M”) and IRR of 43% (8% discount rate).

Life of mine (years)	7
Tonnes mined (9,035,971 t ore + 7,459,473 t waste)	16,495,462
Mining Strip Ratio	0.86
Total designed pit depth (m)	143
Carats recovered	569,610
Grade (cpht) from open pit	6.31
August 2015 diamond price (US\$/ct)	260
Capital Requirement including contingency (US\$M)	15
Acquisition Cost (US\$M) (US\$350K Paid)	8.8
Life of mine total cost per tonne ore + waste (US\$/t)	10.20
Life of mine revenue (US\$/t)	20.80
Life of mine gross revenues (US\$M)	188
Net Present Value (at 8% discount rate) (US\$M) excluding acquisition costs	40
IRR (%) including acquisition costs	43

The Qualified Valuator (QV) indicates that the overall accuracy of the PEA is to +/- 25%. This PEA outlines capital costs based on base-dated quotations, less than twelve months old, utilises industry-accepted benchmarks, and quantifies reasonable assumptions made. Quoted capital and operating costs are base-dated and have an accuracy of +/- 15%.

- **Construction of an autogenous mill:** autogenous milling has been found to increase quantity and quality of diamond liberation and reduces the likelihood of diamond damage.
- **Presence of Type IIa diamonds:** can indicate the presence of large and exceptional diamonds.
- **Prior mining, processing and infrastructure spend:** the BK11 Mine has had US\$21M spent on mining and US\$24M spent on processing and infrastructure. Approximately 2Mt of waste material has already been removed from the pit thus exposing kimberlite.
- **Experienced mine developers and operators:** Tango has diamond specialists to restart the BK11 Mine who are experts in autogenous milling and mine turnarounds. More information will be released shortly in this regard.

The PEA is preliminary in nature as it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability. There is no certainty that the preliminary assessment and economics set forth in the PEA will be realized.

Other Potential

Since the mine was operational from mid-2010 to February 2012, water and electrical supply systems are well established. Currently, there is a strong understanding of the licensing requirements and potential environmental and social impacts. Overall, these aspects improve confidence in the project since it is a brownfields project as opposed to a (new) greenfield project.

Updated Acquisition Agreement Terms

Tango has entered into a Sale of Shares and Claims Agreement with Firestone (the “**Firestone Agreement**”) whereby the Company has agreed to acquire 100% of Firestone’s right in the processing facility, and interest and title in the mineral rights comprising the BK11 Mine, held directly or indirectly, through Firestone’s 100% owned subsidiary, Firestone Diamonds Botswana (Pty) Limited (“**Firestone Botswana**”), and Firestone’s 90% owned subsidiary, Monak Ventures (Pty) Limited (“**Monak**”) for total consideration of US\$8.0M. Tango has entered into a Sale of Shares of Claims Agreement to acquire the remaining 10% interest in Monak from Tema Thuo (Pty) Ltd. (“**Tema Thuo Agreement**”) for total consideration of US\$800,000.

Firestone and Tango have agreed to amend certain terms of the Firestone Agreement, via an amendment letter, such that completion of the BK11 purchase is subject to satisfaction of the following conditions within nine months of the date of the Firestone Agreement being 8 April 2016 (the “**Firestone Closing**”):

- Tango raising the balance of the consideration, being US\$7.65M;
- Tango raising the aggregate ongoing cumulative Maintenance Fees payable from the 1 August 2015 to the Firestone Closing (subject up to a maximum of US\$40,000 per month);
- Obtaining Botswana ministerial approval for the transfer of the controlling interest in Monak; and
- Tango receiving the requisite approvals by the TSX Venture Exchange in respect of the purchase.

If the conditions of the Firestone Agreement are not satisfied or waived by the Firestone Closing date, the purchase will not complete. Furthermore, Tango has agreed to meet certain milestones and in the event such milestones are not met and/or achieved, Firestone has the right to waive such milestones and/or terminate the Firestone Agreement.

NI43-101 Information

*The NI43-101 PEA was conducted as part of an ongoing development strategy to reactivate the past producing open pit operation at the BK11 Mine. A NI43-101 report titled, "NI43-101 Preliminary Economic Assessment, BK11 Kimberlite Mine, Letlhakane, Botswana" dated 12 October 2015 by Senlis Consultancy (Private) Limited has been received by Tango. The Qualified Persons as defined by NI43-101 are Mr. James P. Abson, Principal Consultant of Senlis Consultancy (Private) Limited, Mr. Mark S. Gallagher, Associate Consultant of Senlis Consultancy (Private) Limited and Ms. Pascale J. Petit, Engineering Consultant, Corporate Advisory, Mechanical Engineer (M.Sc. (Eng.), Pr.Eng., C.Eng., Techno-Financial Analyst (M.Eng. (MRM)).

Mr. Abson is a Professional Scientist and member of the South African Council for Natural Scientific Professions, with 22 years of experience, having worked in technical and management roles, focused on diamond exploration and evaluation programs throughout central and Southern Africa. Mr. Gallagher is a mining engineer and a member of the South African Institute of Mining and Metallurgy with 33 years of experience working in various parts of the world. Ms. Petit is a Professional Engineer registered with the Engineering Council of South Africa and has 15 years of experience in mechanical mining engineering and 6 years of involvement in the techno-economic valuation of mining and processing projects. Mr. Abson approved the technical disclosure in this news release, and the NI43-101 report, dated effective 12 October 2015 and will be filed on SEDAR.

About Tango Mining Limited

Tango Mining Limited is a Canadian company that primarily operates in southern Africa with four thermal coal, metallurgical and processing plant and engineering contracts that process 6.5 Mt per annum, with clientele that include Exarro and Glencore plc. The four projects are located within the Ogies and Highveld coalfields, Mpumalanga Province and Kliprivier coalfield, KwaZulu-Natal Province. The Company also holds an interest in the Oena Project, a producing alluvial diamond property, Northern Cape Province, South Africa. The Company's vision is to become a junior mining company with a focus on diamond mining and development projects.

FOR FURTHER INFORMATION PLEASE CONTACT:

Mr. Terry L. Tucker, P.Geo.

Executive Chairman and Interim CEO

Tango Mining Limited

terry.t@tangomining.com

The TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) has neither approved nor disapproved the contents of this press release.

Forward-Looking Statement

Certain information set forth in this news release contains "forward-looking statements" and "forward-looking information" under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include management's assessment of future plans and operations and are based on current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as "forecasts", "estimates", "expects", "anticipates", "believes", "projects", "plans", "outlook", "capacity" and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them.

Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: statements with respect to the estimation of mineral resources; the realization of mineral

resource estimates; anticipated future production, capital and operating costs; cash flows and mine life; potential size of a mineralized zone; potential expansion of mineralization; potential types of mining operations; permitting timelines; government regulation of exploration and mining operations; risks that the presence of diamond deposits mentioned nearby the Company's property are not indicative of the diamond mineralization on the Company's property, the supply and demand for, deliveries of and the level and volatility of prices of rough diamonds, risks that the actual revenues will be less than projected; risks that the target production for the existing mining contracts will be less than projected or expected; risks that production will not commence as projected due to delay or inability to receive governmental approval of the Company's acquisition or the timely completion of a NI43-101 report; technical problems; inability of management to secure sales or third party purchase contracts; currency and interest rate fluctuations; foreign exchange fluctuations and foreign operations; various events which could disrupt operations, including labor stoppages and severe weather conditions; and management's ability to anticipate and manage the foregoing factors and risks.

The forward-looking statements and information contained in this news release are based on certain assumptions regarding, among other things, future prices for coal and diamonds; future currency and exchange rates; the Company's ability to generate sufficient cash flow from operations and access capital markets to meet its future obligations; coal consumption levels; and the Company's ability to retain qualified staff and equipment in a cost-efficient manner to meet its demand. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The reader is cautioned not to place undue reliance on forward-looking statements. The Company does not undertake to update any of the forward-looking statements contained in this news release unless required by law. The statements as to the Company's capacity to achieve revenue are no assurance that it will achieve these levels of revenue.