

TANGO ANNOUNCES LOAN FINANCING FOR ACQUISITION OF BK11 MINE

VANCOUVER, BRITISH COLUMBIA — 29 August 2016 – Tango Mining Limited (“Tango” or the “Company”) (TSXV:TGV) is pleased to announce it has agreed to a non-convertible loan agreement (the **“Loan Agreement”**) with a number of lenders (the **“Lenders”**), in order to fund the previously announced acquisition (the **“Acquisition”**) of the processing facility and mineral rights comprising the Botswana diamond operations of Firestone Diamonds Limited (the **“BK11 Mine”**), and for general working capital purposes. Pursuant to the Loan Agreement, the Lenders will advance to the Company the aggregate principal amount of US\$10,000,000 (the **“Loan”**). The Loan bears interest at a rate of 12% per annum calculated quarterly in arrears and is payable on demand on or after the first anniversary of the closing date of the Loan.

As consideration for providing the Loan, the Lenders will receive the maximum number of bonus shares allowable under TSX Venture Exchange (**“TSXV”**) Policy 5.1 - *Loans, Loan Bonuses, Finder’s Fees and Commissions*, anticipated to be a maximum of 28,771,111 common shares as at the date of this news release. The bonus shares will be issued on a pro-rated basis to each Lender, based on the amount loaned by each Lender. In the event that any issuance of bonus shares would result in the creation of any of the Lenders as a new control person of the Company, such issuance will be subject to the Company having received the requisite shareholder approval. The issuance of bonus shares will be subject to the Company receiving all necessary prior approvals from the TSXV. All bonus shares will be subject to a four month hold period from the date of issuance in accordance with applicable securities laws.

Tango is also pleased to announce that Firestone Diamonds Limited (**“Firestone”**) has agreed to extend the date by when all conditions for the Acquisition must be satisfied, in order to facilitate the timing of closing of the Loan Agreement with the Acquisition.

As announced on 9 July 2015, the Company entered into a Sale of Shares and Claims Agreement (the **“Firestone Agreement”**) with Firestone for the Acquisition, for a total consideration of US\$8.0 million and, as announced on 13 October 2015, certain terms of the Firestone Agreement were amended by an amendment letter (the **“Amendment Letter”**). Pursuant to a further amendment to the Firestone Agreement, conditions of the Firestone Agreement and the Amendment Letter must now be satisfied by no later than 9 September 2016 (the **“Revised Drop Dead Date”**).

All other terms of the Firestone Agreement, as amended, remain the same and accordingly, if the conditions of the Firestone Agreement and the Amendment Letter are not satisfied or waived by the Revised Drop Dead Date, the Acquisition will not complete.

The proposed US\$30 million loan commitment with Vanderbilt Commercial Lending, Inc., which was to be used to finance the acquisition of the BK11 Mine and to recommence operations, as announced on 24 March 2016, has not been completed to date.

About Tango Mining Limited

Tango Mining Limited is a Canadian company that primarily operates in Southern Africa. Tango has completed a positive preliminary economic assessment for the past producing BK11 Kimberlite Diamond Mine, Botswana that could produce in excess of 500K carats over the life of mine and has a short timeline to the restart of production. Tango agreed to acquire from Firestone Diamonds Limited its 100% right in the BK11 Mine, which agreement has not yet closed.

Tango’s Kwena Group have four thermal coal, metallurgical and processing plant and engineering contracts that process 6.5 Mt per annum, with clientele that include Exxaro and Glencore. The four projects are located within the Ogies and Highveld coalfields, Mpumalanga Province and Kliprivier coalfield, KwaZulu-Natal 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:

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this 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 an 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.