

TORONTO, ONTARIO--(Marketwired - Jun 3, 2015) - African Gold Group, Inc. (TSX VENTURE:AGG) ("AGG" or the "Company") is pleased to advise that on June 2, 2015 the Company received the environmental approvals for a mining operation at its 100% owned Kobada gold project, located in Mali, West Africa ("Kobada" or the "Project").

This is an important milestone in the development of Kobada as the granting of the environmental approval is the penultimate step that precedes the granting of the actual mining license, which the Company expects to obtain in the near future.

ENVIRONMENTAL APPROVAL

The grant of the Environmental Permit by the Malian Government's Ministry of Environment and Sustainable Development follows on from the work the Company commenced in June 2014. This work included environmental baseline studies and the development of a full Environmental and Social Impact Assessment ("ESIA") which was developed in conjunction with the Company's local consultant.

A Community Development Plan was completed in parallel with the ESIA. This document outlines the Company's future undertakings to assist in the economic development of the local communities, that are adjacent to the Project, and was developed in consultation with the local communities, the Malian Government and other interest groups.

MINING LICENSE APPLICATION

As previously mentioned, the Company's next significant approval is the award of the mining license for the Project. This represents the final step in the permitting process and the Company expects that the grant of the mining license will occur in the near future.

All final documentation to support the mining application was submitted at the beginning of May 2015. This submission followed six months of significant consultation with the Malian Directeur National de la Géologie et des Mines (DNGM). In light of this extensive consultation process, the Company is not aware of any remaining issues that will prevent the granting of the Mining License. Therefore, AGG anticipates the granting of the license to be imminent, particularly now that the Environmental Permit for the development of Kobada has been granted.

PROGRESS ON THE FEASIBILITY STUDY

The Company continues to make good progress with the Kobada Feasibility Study. A short drilling campaign was concluded in May and the following specific samples have been sent from Mali:

- Metallurgical sample: Gekko Systems Pty Ltd have received 320 kg of saprolite ore and 110 kg of laterite ore for further evaluation. Test work has commenced, and the aim of this work is to provide further evidence of the metallurgical characteristics of the Kobada ore types; allow the sizing of process equipment; provide variability testing, and to improve cost estimates and operating parameters for the plant.
- Geotechnical sample: Core samples have been dispatched and received by Rocklab in South Africa for strength test work, including uniaxial and triaxial compression strength. The aim of this work is to improve the geotechnical understanding of the rock types at Kobada, allowing for the engineering design of pit slopes. This may have a significant impact on waste to ore ratios as pit slopes used in previous work may be conservative, as a result of not having any rock mass strength data.
- Design Tailing Storage Facility: SRK Consulting was commissioned to complete a geotechnical assessment and design of the tailing storage facility (TSF). This work is close to completion.

Once all facets of this work program have been completed, optimization of pit designs will culminate in the publishing of a NI 43-101 compliant technical report detailing the feasibility of the Kobada Gold Project. The report will consider a staged development of the project in order to optimize project capital requirements while ultimately aiming for a production rate of greater than 50,000 ounces of gold per annum, as contemplated in the Company's Preliminary Economic Assessment, published in December 2014. The Stage 1 development plan is to target an economic production rate of 20,000 ounces of gold per annum, at a significantly lower capital expenditure, allowing for the re-investment of operational cash flows to fund the organic growth of gold production.

President and CEO of African Gold Group, Mr. Declan Franzmann, FAusIMM, comments:

"It is great to see the hard work of the AGG team paying off with the approval of the Environmental Permit. This is a significant step forward as the Company continues toward the development of the Kobada Project. The Project's technical and metallurgical simplicity allows for a staged development plan that provides an opportunity for the organic expansion of the Kobada resource base and production profile. The Company's aim is to maximize the value of the Kobada Project and provide shareholders with a long term sustainable return on their investment."

On Behalf of the Board of Directors:

Declan Franzmann, President and CEO

About African Gold Group

African Gold Group is a Canadian exploration and development company with a strong focus on West Africa. African Gold Group is positioned to grow in value as it progresses its Kobada Gold Project through a feasibility study, development and into production. For more information regarding African Gold Group visit our website at www.africangoldgroup.com.

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This press release includes certain "Forward-Looking Statements." All statements, other than statements of historical fact included herein, including without limitation, statements regarding future plans and objectives of African Gold Group; and statements regarding the ability to develop and achieve production at Kobada are forward-looking statements that involve various risks and uncertainties.

There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from African Gold Group's expectations have been disclosed under the heading "Risk Factors" and elsewhere in African Gold Group's documents filed from time-to-time with the TSX Venture Exchange and other regulatory authorities. African Gold Group disclaims any intention or obligation to update or revise any forward looking statements whether resulting from new information, future events or otherwise, except as required by applicable law.

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