

TORONTO, ONTARIO--(Marketwired - Aug 5, 2015) - African Gold Group, Inc. (TSX VENTURE:AGG) ("AGG" or the "Company") is pleased to announce the Company has received a mining license for the Kobada Gold Project, located in Mali, West Africa on July 31, 2015 ("Kobada" or the "Project").

This is a very significant milestone in the development of Kobada to a producing gold mine and marks the completion of the key permitting stage. The company now has all of the necessary government approvals for the Project's development.

DETAILS OF THE MINING LICENSE

The Prime Minister of Mali granted the mining license to African Gold Group Mali SARL (AGG Mali), a 100% owned subsidiary of AGG, on July 31, 2015 under Decree 2015-0528. The mining license covers an expansive area of 135.7 square kilometres (52.4 square miles) and is valid for a period of thirty (30) years.

This area covers 100% of the current mineral resource at Kobada, plus the most advanced exploration targets and areas of significant resource potential.

CORPORATE UPDATE

The Company also takes the opportunity to provide its stakeholders with the following updates:

Qualified Person's Statement

The scientific and technical information in this report that relates to the geology of the deposits and exploration results is based on information compiled by Mr Andrew Chubb, who is a consultant to [African Gold Group Inc.](#) Mr Chubb is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Qualified Person" as defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators. Mr Chubb is the Qualified Person overseeing AGG's exploration projects and has reviewed and approved the disclosure of all scientific or technical information contained in this announcement.

For further information, including a description of AGG's standard data verification processes, quality assurance and quality control measures set out in this press release, readers are directed to the technical report titled "Kobada Gold Project, Mineral Resource Estimate and Preliminary Economic Assessment, 43-101 Technical Report", effective as of 25 November, 2015, available on [www.sedar.com](#).

RECENT DRILLING RESULTS

During May 2015, AGG completed 1,398 metres of diamond drilling as part of the data collection for completion of further feasibility work. The Company is pleased to report the following results:

Metallurgical Sample Drilling:

- KBD15-120 - 7.0 metres at 0.56 g/t Au from 18m downhole
- KBD15-128 - 3.1m at 2.74 g/t from 1.3m downhole;
- KBD15-128 - 2.9m at 0.53 g/t from 14m downhole;
- KBD15-128 - 18.4 metres at 1.02 g/t Au from 24m downhole;
- KBD15-129 - 4.5m at 1.45 g/t Au from 41.5m downhole;
- KBD15-129 - 4.6m at 3.32 g/t from 50.4m downhole;
- KBD15-129 - 11.6m at 1.22 g/t Au from 60m downhole;
- KBD15-129 - 1.2 metres at 3.0 g/t Au from 35m downhole;
- KBD15-132 - 25.3 metres at 1.43 g/t Au from 22.7m downhole, including 4.5m at 2.46g/t and 3m at 5.76g/t; and
- KBD15-132 - 4.0 metres at 1.46 g/t Au from 84.5m downhole.

These holes were drilled within the main ore zone (Zone 1) to provide samples for metallurgical testing.

Geotechnical Sample Drilling:

- KBD15-121 - 1.4 metres at 5.98 g/t Au from 68.3m downhole;
- KBD15-122 - 4.0 metres at 4.81 g/t Au from 86m downhole;
- KBD15-122 - 5.6 metres at 0.94 g/t Au from 115m downhole;
- KBD15-123 - 16.5 metres at 1.99 g/t Au from 76m downhole, including 5.5m at 4.59g/t;

- KBD15-123 - 12.0 metres at 0.55 g/t Au from 107m downhole;
- KBD15-124 - 19.0 metres at 3.26 g/t Au from 61m downhole;
- KBD15-124 - 8.5 metres at 1.10 g/t Au from 115m downhole;
- KBD15-131 - 12.3 metres at 0.64 g/t Au from 31m downhole;
- KBD15-131 - 3.8 metres at 1.06 g/t Au from 31m downhole;
- KBD15-131 - 18.3 metres at 0.52 g/t Au from 57.8m downhole; and
- KBD15-131 - 14.7 metres at 0.58 g/t Au from 80.3m downhole.

These geotechnical sample holes were drilled outside of the main ore zone (Zone 1), close to the wall limits of the ultimate pit design, in order to provide samples for geotechnical testing. The Company considers the presence of mineralization in these holes indicative of resource potential outside the current limit, and across the strike direction, of the main ore zones.

The significant intersections reported for KBD15-120, 128, 129 and 132 (the metallurgical sample drill holes) were drilled perpendicular to the strike of the main shear zone and at an azimuth of 290° to 300° and an inclination of -55°. Typically the dip of the main shear zone is 65° to the east. This means that the true width of the orebody is approximately 75% of the stated down-hole intercept.

For the results for the geotechnical sample drilling, all holes except for KBD15-124 are drilled in the same orientation as the metallurgical sample holes. Therefore true widths are approximately 75% of the stated down-hole intercept. Drill hole KBD15-124 is drilled at an azimuth of 109° and an inclination of -55° and is therefore drilled at close to the dip of the main shear zone.

The significant intersections were calculated using a cutoff grade of 0.3 g/t Au including 4 metres of internal waste.

UPDATED TECHNICAL REPORT

The Company continues to make progress with the update to the feasibility study. The following summarizes the current status of the work:

- Metallurgical sample: Gekko Systems Pty Ltd (Ballarat, Australia) has completed size by grade analysis of the laterite and saprolite samples. The gravity test work on the 110 kg laterite sample has been completed and results are expected shortly. The pre-concentration test work (cyclone separation) has been completed by Bureau Veritas (Perth Western Australia), and the concentrate has been shipped back to Gekko's laboratory for further gravity separation. This work is expected to be completed shortly and will be followed by the completion of detailed design for the processing plant.
- Geotechnical sample: Strength testing (uniaxial and triaxial compressive strength) is expected to be completed this week. Once all the data is available the Company's geotechnical consultant (Ground Control Engineering Pty Ltd) will complete detailed slope design for each of the Kobada pits. This analysis and design will be used to optimize and redesign the pits for ore reserve estimation. Previous estimates have used conservative pit slopes and the Company expects that completion of this work will have a positive impact on waste to ore ratios for the ultimate pit design.
- Design Tailing Storage Facility: Detailed design of the tailing storage facility (TSF) has been completed.
- Resource update: An update of the mineral resource estimate is underway utilizing additional drilling and new survey data. The focus of this update and the Company's expectation is to improve the classification of some areas of the Inferred Mineral Resource estimate.
- Mine design: Once all of the elements, detailed above, have been completed, a mine planning update will incorporate any changes to significant parameters (including metallurgical recovery, operating costs and pit slopes). This update will include open pit optimization, detailed design, mine scheduling and modelling of cash flow.

The Company anticipates the completion of a NI43-101 technical report with all the above updated parameters in early October 2015.

President and CEO of African Gold Group, Mr. Declan Franzmann, called the grant of the Kobada Mining License, *"the most significant achievement in the development of the Kobada Gold Project to date."*

"It is great to see the hard work of the AGG team continue to pay off. The Company has all the necessary permits to commence mining. The completion of the updated feasibility study will provide the important technical documentation to achieve funding of the Project."

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 its focus on West Africa. African Gold Group is positioned to grow in value as it progresses the Kobada Gold Project through development and into production. For more information regarding African Gold Group visit our website at www.africangoldgroup.com.

Neither the 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 Statements

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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