

TORONTO, ONTARIO--(Marketwired - Mar 4, 2016) - African Gold Group, Inc. (TSX VENTURE:AGG) ("AGG" or the "Company") is pleased to announce the release of the Feasibility Study for the Kobada Gold Project under the Company's profile on SEDAR at www.sedar.com.

The Study establishes the maiden Mineral Reserve and demonstrates the robust nature of the project with gold production of 50,000 ounces per annum over an eight year mine life.

FEASIBILITY STUDY HIGHLIGHTS

- Feasibility Study contemplated a mining and processing operation treating only oxide ore types.
- Proved and Probable Reserve of 12.7 million tonnes at 1.25g/t Au, containing 511,000 ounces of gold;
- Mining and processing supports gold production exceeding 50,000 ounces per annum over an eight year mine life;
- Average cash costs of US\$557 per ounce of gold produced;
- All in sustaining cost (AISC) of US\$788 per ounce produced;
- Total cash flow of US\$122 million net of all costs, royalties and taxes at a gold price of \$1,200 per ounce;
- Project net present value at 5% discount rate (NPV_{5%}) of US\$86 million after taxation;
- Internal rate of return (IRR) of 43% after taxation.

The Proved and Probable Mineral Reserve was estimated to be 12.7 million tonnes at 1.25 g/t gold containing 511,000 ounces of gold. The reserve was reported within the optimized pit design and above a cutoff grade of 0.53g/t Au. The final pit physical characteristics are summarized in Table 2 below.

Table 2 - Mineral Reserve Statement - February 3, 2016

Reserve Category	Ore Tonnes	Grade Au g/t	Contained koz	Waste tonnes	Strip Ratio W:O	Total Material Mt	Total Material MBCM
Proved	5.7	1.22	225				
Probable	7.0	1.27	286				
Total	12.7	1.25	511	41.8	3.28	54.5	26.8

NB: "Mt" denotes millions of metric tonnes, and "MBCM" means millions of bank cubic metres.

Qualified Person's Statement

The scientific and technical information in this report that relates to the mining engineering of the project is based on information reviewed by Mr John Dunlop, who is an independent consultant to AGG. Mr Dunlop is a Certified Practising Fellow of the Australian Institute of Mining and Metallurgy, a Life Member of the Canadian Institute of Mining & Metallurgy, 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 Dunlop is the Qualified Person overseeing AGG's open pit design and has reviewed and approved the disclosure of all scientific or technical information contained in this announcement.

The scientific and technical information in this report that relates to the metallurgy of the deposits is based on information compiled by Mr Michael Braaksma, who is a consultant to Gekko Systems Pty Limited. Mr Braaksma is a Certified Practising Member of the Australian Institute of Mining and Metallurgy, 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 Braaksma is the Qualified Person overseeing AGG's processing testwork and design and has reviewed and approved the disclosure of all scientific or technical information contained in this announcement.

The scientific and technical information in this report that relates to the estimation of the mineral resource is based on information compiled by Mr. Brian Wolfe, who is a consultant to [African Gold Group Inc.](http://www.african-gold.com) Mr. Wolfe 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. Wolfe is the Qualified Person overseeing AGG's mineral resource estimates and has reviewed and approved the disclosure of all scientific or technical information contained in this announcement.

The scientific and technical information in this report that relates to exploration and geology is based on information compiled by Mr. Andrew Chubb, who is a consultant to [African Gold Group Inc.](http://www.african-gold.com) 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 mineral resource estimates and has reviewed and approved the disclosure of all scientific or technical information contained in this announcement.

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 that is focused 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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