TORONTO, ONTARIO--(Marketwired - Jul 12, 2016) - African Gold Group, Inc. (TSX VENTURE:AGG) ("AGG" or the "Company") is pleased to announce that it has completed the sale of AGG Ghana Limited ("AGG Ghana", a wholly owned subsidiary of AGG Inc.) for total proceeds of US$1.2 million.

In addition, the Company is also pleased to announce the results of the Annual and Special Meeting of Shareholders, held on June 28, 2016.

Sale of AGG Ghana Limited

The Company issued a press release on January 06, 2016, whereby AGG Inc. announced it had entered into a Purchase and Sale Agreement with Star Goldfields Limited (SGF), a private Ghanaian company, to acquire a 100% interest in AGG Ghana Limited, a wholly owned subsidiary of AGG Inc., in consideration of US$1,200,000. The Company is pleased to report that it has completed the sale transaction.

Total proceeds from the sale of AGG Ghana amount to US$1,200,000. The Company previously reported it received a deposit of US$200,000 and it is pleased to report that it is in receipt of the balance of consideration for the transaction in the amount of US$1,000,000.

The sale of AGG Ghana Limited achieves the Company's stated aim of monetizing inherent value from its non-core assets and provides non-dilutive funding to continue to advance the development of the Kobada Gold Project in Mali.

Results of the Company's Annual and Special Meeting of Shareholders

AGG is also pleased to announce that the Company's shareholders have approved all matters voted on at the Company's Annual and Special Meeting of Shareholders held on June 28, 2016 being:

1. The election of management's proposed slate of directors of the Company;
2. The reappointment of BDO Dunwoody LLP, as the auditors of the Company to hold such office until the close of the next annual meeting of shareholders; and
3. The approval of the Company's stock option plan, reserving for grant, options to acquire up to a maximum of 10% of the issued and outstanding shares of the Company calculated at the time of each stock option grant.

More specific details of the matters approved at the meeting are set forth in a management information circular of the Company dated May 16, 2016 and posted on the System for Electronic Data Analysis and Retrieval (SEDAR) at www.sedar.com.

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 focused on the development of the Kobada Gold Project in Mali, a low capital and operating cost gold project with potential to produce more than 50,000 ounces of gold per annum. 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.*

Contact

African Gold Group Inc.
Declan Franzmann
Chief Executive Officer
+61 438 758 960
declan@mail.africangoldgroup.com
www.africangoldgroup.com