Asante Gold Closes Shares for Debt Private Placement and Early Warning Report

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VANCOUVER, British Columbia, Dec. 15, 2017 (GLOBE NEWSWIRE) -- Asante Gold Corp. (CSE:ASE) (FRANKFURT:1A9) (OTC:ASGOF) (“Asante Gold” or the “Company”) announces that it has closed a Shares for Debt private placement announced on October 26, 2017.

The Company has settled $956,474.35 of debt by the issuance of 9,564,744 common shares and 603,976 common share purchase warrants (the ‘Warrants’), at a deemed price of $0.10 per share to suppliers, employees, consultants and creditors of the Company, including some insiders. Warrants were issued only to arms-length creditors and are exercisable into one common share at a price of $0.15 for a two year term. The common shares issued are subject to a four month plus one day hold period.

Douglas MacQuarrie, Director, President & CEO of the Company, directly and indirectly converted $281,617.90 in cash loans and expenses and acquired 2,816,179 common shares. Mr. MacQuarrie now beneficially owns, 12,540,729 common shares, 325,000 share purchase warrants and 200,000 stock options, which upon exercise of such warrants and stock options, represents 22.65% of the issued and outstanding common shares of the Company on a partially diluted basis.

The Company also announces that Goknet Mining Company Limited (“Goknet”), a company related to Asante Gold Corp. by a common Director, has acquired 4,445,000 common shares of the Company and 444,500 common share purchase warrants, reducing Goknet’s outstanding loans to the Company by $444,500. Following this transaction, Goknet beneficially owns 9,287,000 common shares and 444,500 common share purchase warrants which represent 16.89% of the issued and outstanding common shares of the Company on a partially diluted basis. Goknet has advised the Company that the shares were acquired for investment purposes, and that Goknet intends to evaluate its investment in the Company from time to time and to increase or decrease its beneficial shareholding as it may determine for investment purposes.

Certain directors and officers of the Company participated in the private placement. Any such participation would be considered to be a “related party transaction” as defined under Multilateral Instrument 61-101 (“MI 61-101”). The transaction would be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of any common shares issued to or the consideration paid by such persons would not exceed 25% of the Company’s market capitalization.

On behalf of the Board,
"Douglas R. MacQuarrie"
President and CEO

About Asante Gold Corporation
Asante is continuing to source equity/debt or joint venture funding to develop the Kubi Mining Lease in Ghana as a potential near term underground mine; and exploring the Keyhole, Fahiakoba and Betenase concessions/options, all adjoining or along strike of major gold mines near the centre of Ghana’s Golden Triangle.

For further information please contact:
Douglas MacQuarrie, President and CEO, tel: +1 604-558-1134; E-mail: douglas@asantegold.com
Doreen Kent, Shareholder Communications, tel: +1 604-948-9450; E-mail: d.kent@eastlink.ca

Florian Riedl-Riedenstein, Director; European Investor Relations, E-mail: frram@aon.net
Additional information is available on our web site at: www.asantegold.com

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