African Gold Group Announces Year-End Shareholder Letter

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TORONTO, Dec. 30, 2021 - African Gold Group Inc. (TSX-V: AGG, OTC: AGGFF, FRA: 3A61) ("AGG" or the "Company") is pleased to announce a year-end shareholder letter from AGG Chief Executive Officer, Danny Callow.

Dear Investors and Shareholders,

As we all head into the holiday season, the AGG team has lots to celebrate and reflect on! 2021 was a transformative year for African Gold Group as we laid the groundwork to dramatically accelerate the Company's growth into 2022 and beyond.

Throughout this past year, we achieved several corporate and operational milestones, some of which included reducing overhead costs substantially through a corporate restructuring, strengthening our leadership team, delivery of a substantially improved definitive feasibility study ("DFS"), delivery of our updated Environmental and Social Impact Assessment ("ESIA"), award of a new Environmental Permit and extension of our exploration licenses. The long journey to prepare the Kobada Gold Project for the next stage is now entering the most exciting and rewarding phase.

Definitive Feasibility Study

The majority of 2021 has been largely focused on the delivery of an updated definitive feasibility study for the Kobada Gold Project (the "Project" or "Kobada"), which was delivered in October 2021. Over the past two years we have worked tirelessly on the technical elements of the project to demonstrate that the Kobada project has the potential to be one of the largest new gold projects in West Africa. Since new management took over in August 2019, and with new drilling campaigns totaling more than 18,000 metres, we have managed to increase our reserve base by 144% (66% increase over the 2020 DFS) and our measured and indicated resource more than 40%.

With our updated 2021 DFS we have shown that Kobada has the potential to produce over 1.2 mln oz of gold over a 16-year mine life while delivering solid economics with post-tax NPV5% of US$355 million and an IRR of 38%.

Expansion of Leadership Team

We have continued to streamline our corporate overheads and bringing onto our board experienced directors. We have identified a strong operational team to bring on board at the right time to take Kobada into construction. All of these key personnel have extensive experience in building and operating mines in Africa.

Environmental and Social Impact Assessment

In the second half of 2021, the Ministry of Environment, Sanitation and Sustainable Development of the Republic of Mali has approved the Environmental and Social Impact Assessment for the Kobada Gold Project and issued an updated Environmental Permit. The approval of ESIA marks a key milestone in the permitting process and is the culmination of extensive consultations and stakeholder engagement.

Other Permits

In the second half of 2021, the Company received crucially important renewal and extension of the Kobada Est exploration permit for a period of three years. The Kobada Est exploration permit covers an area of 7,700 hectares and forms part of the Kobada Gold Project's highly prospective contiguous exploration and mining permits, totalling 25,770 hectares.

In addition, the company's contiguous Faraba permit was also renewed by the Ministry of Mines for a further 3 years, and significant upside potential exists for expanding the mineral resource estimate through further exploration.

Looking Forward to 2022

As we move into 2022, the principal focus of our growth strategy next year is to complete the financing of the Project so that we can move into construction phase.

AGG's team and I would like to thank all of our shareholders for your continued support. None of our progress and the opportunity that lies ahead would be possible without you. The last year has been both a challenging and exciting period for African Gold Group, as we have positioned the Company to execute on its ambitious agenda for 2022. I believe 2022 will be a year of significant success for the African Gold Group and, as a result, shareholder value.

From all of us at African Gold Group, we wish you a very safe and happy holiday season and look forwards to engaging with all shareholders once again in 2022.

About African Gold Group

African Gold Group is a TSX Venture Exchange (TSX-V: AGG) listed exploration and development company with a focus on building Africa's next mid-tier gold producer. The Company has a highly experienced board and management team with a proven track record in the African mining sector operating mines from development through to production. AGG's principal asset is the Kobada Project in southern Mali, which is in an advanced stage of development having completed the 2021 DFS and is targeting gold production of 100,000 oz per annum. As well as the initial Kobada Gold Project, other exploration locations have been identified on the Kobada, Farada and Kobada Est concessions, offering potential for an increase in resource. For more information regarding African Gold Group visit our website at www.africangoldgroup.com.

For more information:

Danny Callow President and Chief Executive Officer + (27) 76 411 3803 Danny.Callow@africangoldgroup.com	Daniyal Baizak Vice President, Corporate Development +1 (647) 835 9617 Daniyal.Baizak@africangoldgroup.com
Scott Eldridge Non-Executive Chairman of the Board +1 (604) 722 5381 Scott.Eldridge@africangoldgroup.com	Camarco (Financial PR) Gordon Poole / Charlotte Hollinshead +44 (0) 20 3757 4997 AfricanGoldGroup@camarco.co.uk

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