



31 March 2019 Quarterly Report Highlights

Exploration

- Reconnaissance soil sampling was carried out on the Company's 100% owned Agboville and Sikensi Permits returned extremely encouraging results:
 - 2 x new parallel 2,500m & 1,500m striking high tenor gold-in-soils anomalies identified to the east & west of the Companies 'Tyche' Gold Prospect, a major 20 kilometre untested gold-in-soil anomaly.
 - Multiple new gold soil and LAG geochemical anomalies have now been identified for follow up infill soil sampling & drill testing.
 - Results suggest the main 'Tyche' gold anomaly could extend at least a further 10 kilometres to the south-west.
 - Only 10% of the project area (~1400km²) has been covered by semi detailed (800m x 50m) soil geochemistry, 2.5% by detailed (200m x 50m) soil geochemistry and 55% by wide spaced regional LAG sampling.
- The Company commenced a 5,000 metre broad spaced and shallow regional air-core drill program targeting gold mineralisation at the Tyche Gold Prospect.
- The program is the first drilling to be undertaken on the project area as follow up the robust gold in soil anomaly.

Corporate

- African Gold Limited successfully listed on the Australian Securities Exchange on the 14th February 2019. The company listing was oversubscribed and raised A\$4.5 million (net of costs).
- As at 31 March 2019, African Gold Limited had \$4.1m in cash.
- The company completed the share sale agreement with Golden Ivoire SARL and its vendors, with a completion date of 14 February 2019.
- The Company is actively reviewing acquisitions in African which complement its existing assets and focus.



"Agboville Gold Project – Maiden drill testing of a major gold anomaly in a highly prospective terrain"

"Focused on delivering shareholder wealth through the identification, exploration & development of significant mineral properties in Africa"

CORPORATE DIRECTORY

Non-Executive Chairman
Evan Cranston

CEO & Exploration Manager
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Executive Director
Steve Parsons

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Tolga Kumova

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CONTACT DETAILS

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About African Gold

African Gold is an ASX listed African focused mineral exploration company. The flagship Agboville Gold Project consists of 1,400km² of contiguous permits (two granted and two applications), located just 50km to the north west of the largest city and economic capital in Cote d'Ivoire, Abidjan. Location of licenses are shown in Figure 1.

Following the recently \$4.5 million capital raise (net of costs) and listing of African Gold Limited the company commenced field activities on its Agboville project, in Cote d'Ivoire.

EXPLORATION

Agboville Gold Project - Tyche gold-in-soil anomaly

The Company's Tyche gold-in-soil anomaly is a robust, coherent 20km long, 1 -1.5km wide, North East striking gold-in-soil anomaly defined by previous workers. The anomaly is associated with the sheared contact between meta-arenites and meta-pelites, sedimentary units in a predominantly stripped regolith regime.

The maximum gold assay returned from the historical soil samples was 4.11 g/t gold (4110 ppb)¹. In total six soil samples from various locations within the main anomaly returned gold assays exceeding 1.0 g/t gold (1000 ppb)². Detailed analysis of data suggests a number of anastomosing sub parallel higher grade North East striking zones within the broader anomaly.

While there is a paucity of good outcrop within the anomaly itself, the Company has mapped and sampled auriferous moderate South East dipping boudinaged quartz veins within a 20-30m north east trending shear zone.

Until now the anomaly has never been previously drill tested.

Reconnaissance Geochemical Sampling Program²

During the quarter a total of 408, 2kg soil samples were collected and submitted to SGS Tarkwa for BLEG analysis of gold. Soil and LAG samples have been analysed by Aqua Regia AAS and BLEG respectively.

Objectives of the program were to:

- Infill 800m x 50m anomalies and define parallel mineralized structures to the main 20km gold in soil anomaly (Tyche Prospect).
- Confirm and evaluate historical single point soil and LAG anomalies in areas of single point original testing, focusing on the southern extensions and a conceptual structural-magnetic target around the Agboville granite body.
- Orientation survey to evaluate BLEG as compared to Fire Assay for soils within the main Tyche Prospect.

Results of the program are considered extremely encouraging:

- Soils up to 589 ppb gold in soil returned with many samples returning anomalous gold values.
- Infill sampling of historical 800m x 50m grid defined two new ENE striking anomalies to the east and west of the main Tyche Anomaly. The Eastern Anomaly is over 7km long and the South Western Anomaly is over 1km long, both are open along strike.

- Follow up in areas outside the main soil grid highlighted a number of anomalous gold in soil results indicating significant areas of the project not currently covered should be followed up. Only 10% of the project area (~1,400km²) is covered by semi detailed (800x50m) soil geochemistry, 2.5% by detailed (200x50m) soil geochemistry and 55% by wide spaced LAG.

Results suggest the main Tyche anomaly could extend at least further 10km to the SW. Geochemical thresholds have been derived by a comparison of spatial coherency, statistical analysis (standard deviations, histograms & probability plots) for both LAG and Soils (BLEG and aqua regia AAS analytical methods). Results from the reconnaissance soil program supports the fact that anomalous LAG samples collected by a Canadian TSX company can for the most part be repeated by soil sampling and BLEG, thus giving confidence in previous results.

The Company is highly encouraged by the tenor of the returned gold in soil values and the scale of the total anomalies so far covered over the Project which point to a high order drill target of regional significance.

Drilling Program

A 5,000 metre air-core (AC) program commenced at the end of the quarter, aiming to provide a first pass assessment of the Tyche Prospect.

The AC drill program will consist of heel-to-toe fences to test the better parts of the anomaly along its 20 kilometres of strike length.

Geology and Setting

The Project is located in the south east of the West African Craton, in an area referred to as the South-Comoe domain, part of what is referred to as the Birimian (Paleoproterozoic rocks of West Africa). This land is well located and considered to be excellent prospective for gold. It is also considered to have potential for nickel, cobalt, copper, lithium, tantalum +/- niobium and beryllium.

At project scale the dominant rocks in the area are Birimian-age terrigenous sedimentary rocks of the Comoe series comprising of sandstones with a phyllitic matrix, arkoses and pelitic layers. There are graphitic and conglomeratic units. Volcanic rocks are also present within the sedimentary sequence however they only form a minor component. Within this sedimentary package several leucogranites and layered mafic – ultramafic intrusions have been emplaced. Late stage pegmatitic rocks associated with the leucogranite plutons are present.

The volcano-sedimentary series are affected by D₁ to D₃ deformation phases of the Eburnean Orogeny which here manifested as a WNW directed shortening event. Several regional scale faults/shears are mapped with this north east to south west trend. In addition, ductile shear zones are often developed along the edges of the granites.

Rock type and structural architecture conducive to hosting significant gold mineralisation within structural sites associated with rheological contracts. Mapped mineral occurrences on the licences include columbite, tantalite, monazite, copper, nickel, cobalt, manganese and chromite within the tenements.

Alluvial and eluvial gold mineralisation is known to the east and west of the project along the regional trend and recent exploration work in the project area has delineated a large and significant gold in soil anomaly. This

soil anomaly trends to the north east – south west, and gold mineralisation is associated with shear zones parallel to the regional structural trend.

Previous Exploration

Formerly owned by Goldenstar Ltd, who defined a robust gold-in-soil anomaly but due to other priorities never followed up with drill testing. To date there has been no exploration drilling completed in the project areas, and the defined soil anomalies remain completely untested. The maximum gold assay returning from the soil samples was 4.11 g/t gold (4110 ppb)¹ within a ~ 20km coherent soil anomaly.

The company views the coincident nature of the mineralization with significant shearing and the nature of the regolith profile, which is highly conducive of surface geochemistry as a high priority drill target for follow up testing. Within the broad soil anomaly there are distinct higher-grade zones and **no previous drill testing has been conducted in the project.**

The company is committed to “doing it right” in a compliant, environmentally conscious, sustainable manner that maintains the licences to operate.

CORPORATE

ASX Listing

The Company was successfully admitted to the Official List of the Australian Securities Exchange with official quotation commencing on 14 February 2019 after raising \$4,500,000 (before costs) at an issue price of \$0.20 per share as part of the Initial Public Offer (IPO). In addition, 9,750,000 Advisor Options were issued at an issue price of \$0.0001 to advisors of the Company during the IPO and the remaining promoter shares of 195,000 fully paid ordinary shares at \$0.005 to raise \$975.

Cash

As at 31 March 2019, African Gold held \$4.1 million in cash. Refer to the Appendix 5B (ASX website) for principal movements in cash for the quarter.

Acquisition of Golden Ivoire SARL and Issued shares

The company completed its share sale agreement with Golden Ivoire SARL and its vendors, with a completion date of 14 February 2019. The consideration paid by the company in February 2019 for Golden Ivoire SARL is as follows:

- (a) issued a total of 8,250,000 Consideration Shares to the Vendors at a deemed issue price of \$0.20 per Share amounting to \$1,650,000;
- (b) previous payments of \$30,000 cash consideration to the vendors under the agreement has been repaid to the Company and instead scarified by the issue of 150,000 ordinary shares to the value of \$30,000 (restricted for 24 months from date of quotation); and
- (c) An additional \$30,000 fee was paid to the vendors for the option to acquire 100% issued capital and is currently classified as an investment by African Gold at 31 December 2018.

Advisor Options

On 7 February 2019, the Company granted 9,750,000 share options to advisors at an exercise price of \$0.20, with an expiry date of 4 years from the date of issuance.

Yours Faithfully



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Notes:

¹ Information on historical results, including JORC Code Table 1 information, is contained in the Independent Geologist's Report within African Golds Prospectus dated 6 December 2018. African Gold is not aware of any new information or data that materially affects the information included in the Prospectus.

² Refer ASX Announcement on 18 March 2019. Refer to the said Announcement or Release on the said date. African Gold is not aware of any new information or data that materially affects the information included in the said announcement.

Competent Persons Statements

Information in this announcement that relates to commencement of drilling is based on and fairly represents information and supporting documentation prepared by Mr Glen Edwards. Mr Edwards is a full-time employee of African Gold Limited and is a member of the Australian Institute of Geoscientists (AIG) and Society of Economic Geologists (SEG). Mr Edwards has sufficient experience relevant to the styles of mineralisation and types of deposits under consideration and to the activity which they are undertaking to qualify as a Competent Person, as defined in the 20012 Edition of the "Australian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves". Mr Edwards has provided his prior written consent as to the form and context in which the Exploration Results and the supporting information are presented in this announcement.

Figure 1: Agboville Project Location Southern Côte d'Ivoire.

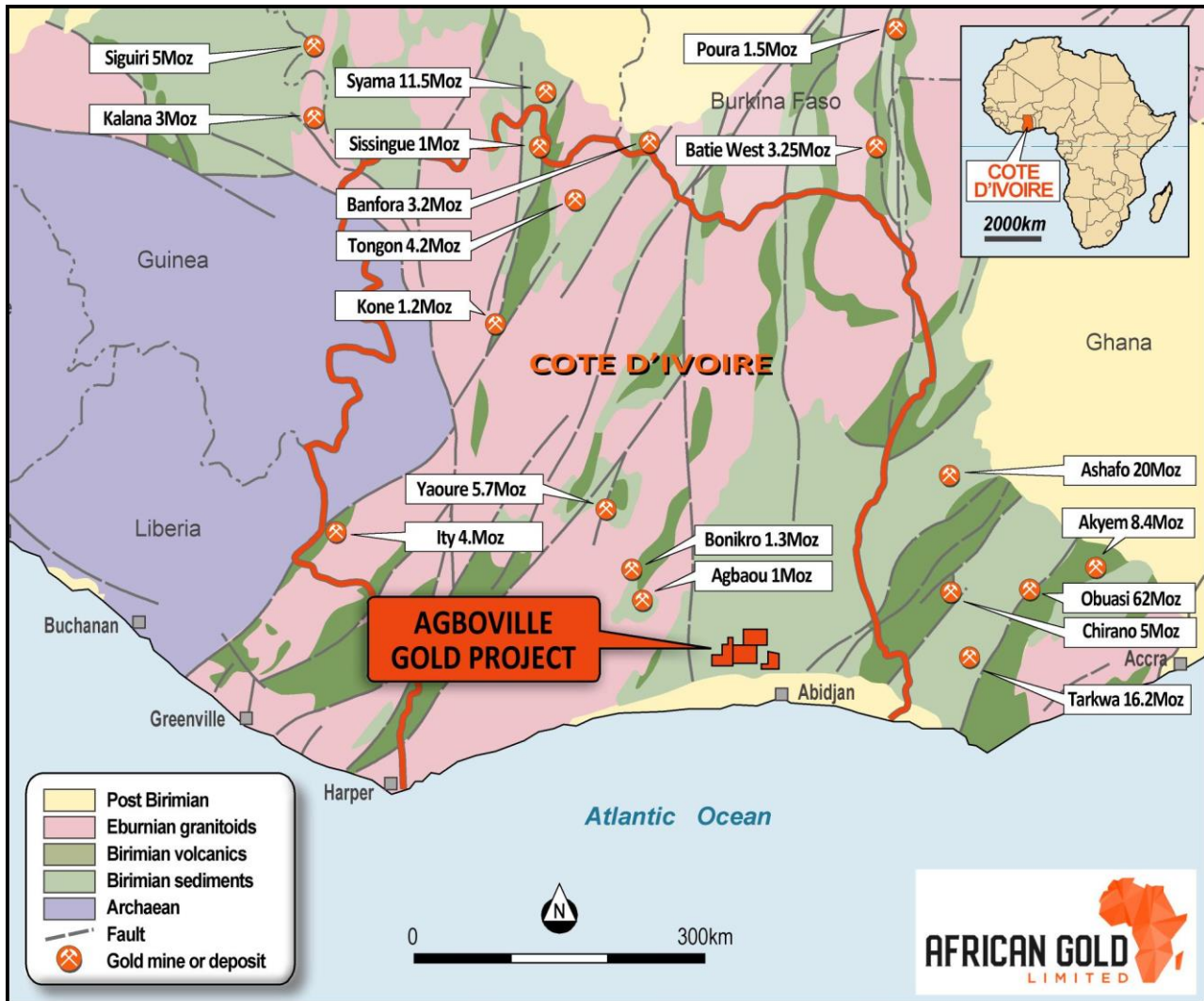
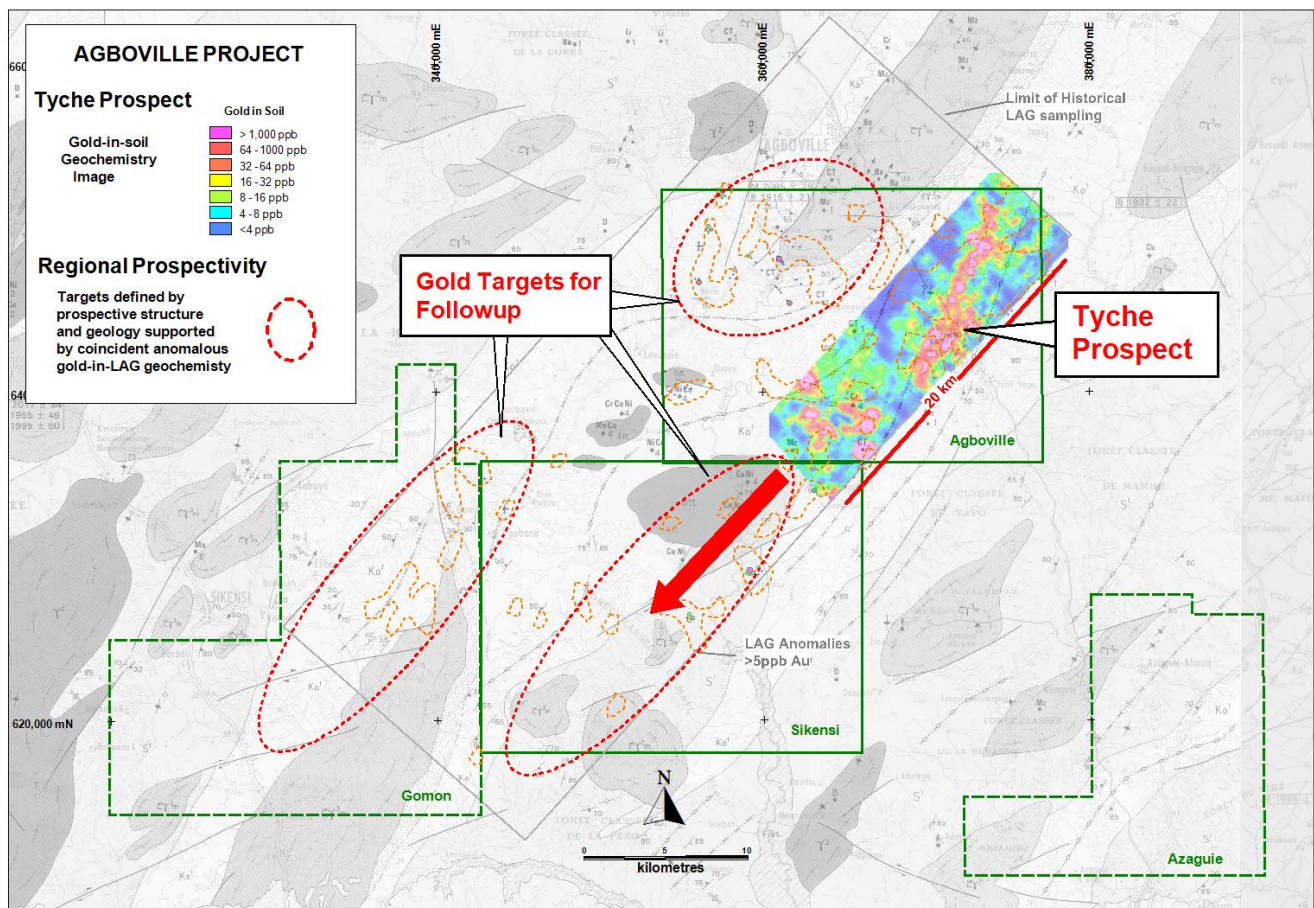


Figure 2: Agboville Project – Thematically mapped gold-in-soil showing historic and recent surveys and main anomalies and areas of interest.



Appendix 1

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 31 March 2019.

| TENEMENT NAME | LOCATION | PERMIT TYPE AND NUMBER | % OF OWNERSHIP |
|---------------|----------------|------------------------------------|----------------|
| Agboville | Côte d'Ivoire. | Permis de recherche (Or) – no. 648 | 100% |
| Sikensi | Côte d'Ivoire. | Permis de recherche (Or) – no. 649 | 100% |
| Azaguie | Côte d'Ivoire. | Permis de recherche (Or) | Pending, 100% |
| Gomon | Côte d'Ivoire. | Permis de recherche (Or) | Pending, 100% |

Mining Tenements disposed: Nil

Mining Tenements acquired: All tenements listed above

Beneficial percentage interests held in farm in or farm-out agreements: Nil

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed: Nil