

UPDATE - KUBI GOLD JOINT VENTURE, GHANA

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FOR IMMEDIATE RELEASE

Vancouver, British Columbia – December 31, 2014 – Asante Gold Corporation (TSX.V:ASE/ FRANKFURT:1A9) (the "Company") announces that it has reached agreement with Goknet Mining Company Limited ("Goknet") of Accra, Ghana, to modify the term sheet announced on October 14, 2014 with respect to finalizing a Definitive Agreement to form a 50:50 Joint Venture to develop the Kubi Gold Project in Ghana, West Africa (the "Project"). Share trading remains halted by the Company pending completion of due diligence.

The new term sheet extends the closing date to January 31, 2015, and will allow the Company additional time to complete its due diligence review. The basic terms are:

- to earn 50% the Company must issue to Goknet 2 million shares in the capital stock of the Company;
- the Company must fund the Joint Venture with US\$ 2 million within 4 months of closing; and provide total funding of US\$ 15 million within 2 years;
- the Company retains the option for one year to increase its interest to 75% by issuing to Goknet either 10 million shares of the capital stock of the Company or the greater of US\$10 million or the cash value of 8,000 troy ounces of gold; and
- the Company retains a second option for a further year to increase to 100% by issuing to Goknet an additional 5 million shares in the capital stock of the Company and by granting to Goknet a 2% net smelter royalty (NSR) with annual advance NSR payments of US\$50,000 (deductible against future NSR payments).

The Project is located a 15 minute drive north of the town of Dunkwa, a main regional supply center, and 15 kilometres south and along strike from AngloGold Ashanti's 60 million ounce* Obuasi Gold Mine, one of the World's greatest orebodies and a major mining center for more than 110 years. Kubi also lies 23 kilometres to the northeast of Perseus Mining Limited's 6.6 million ounce* Edikan Gold Mine (* pre-mining resource, source company annual reports).

The Company estimates that over US\$30 million in exploration and development work has occurred at Kubi since the mid 1980's. The results of this work have been summarized in the NI 43-101 Technical Report dated October 20, 2014 by SEMS Exploration Services Ltd. of Accra, Ghana, ("SEMS") and which is filed on SEDAR.

SEMS reports the following mineral resource estimate: Measured Resources 0.66 million tonnes @ 5.30g/t for 112,000 ounces; Indicated Resources 0.66 million tonnes @ 5.65g/t for 121,000 ounces; and Inferred Resources 0.67 million tonnes @ 5.31g/t for 115,000 ounces.

Following completion of due diligence by the Company, closing of a definitive agreement and regulatory approval, the Joint Venture will focus on debt funding, permitting, engineering, portal construction and driving an exploration decline to circa the -200 metre level for resource definition drilling, bulk sampling and further metallurgical testing. In particular, high grade (+10g/t gold) steeply plunging gold mineralized shoots indicated from the previous drilling will be targeted for early development. An interactive 3D preliminary decline design is available at: <http://www.goknet.net/staff/SEMS/PreliminaryKubiDecline3D.pdf> (**right click on link and save to hard drive, then open file).

Scientific and technical information contained in this news release has been reviewed and approved by Douglas R. MacQuarrie, P.Geo. (B.C.) Geology & Geophysics, the President and CEO of the Company, who is a "Qualified Person" under NI 43-101.

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

About Asante Gold Corporation

Asante Gold Corporation (TSX.V:ASE/FRANKFURT:1A9) is a Vancouver based gold company, exploring the Fahiakoba Concession located 9 kilometres west of the Kubi Main Gold deposit in the centre of Ghana's Golden Triangle between Perseus Mining's Edikan mine and AngloGold Ashanti's Obuasi mine.

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Kubi Resource Estimate

References to Mineral Resources at the Kubi Main Deposit, Ghana, are based on a resource estimate that has been audited by Simon Meadows Smith, of SEMS Exploration Services Ltd., Accra, Ghana. Simon Meadows Smith is a Member of the Institute of Materials, Minerals and Mining (IMM), London 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 NI 43-101. Simon Meadows Smith consents to the inclusion in this news release of the Mineral Resources reported and in the form and context in which it appears.

This news release contains forward-looking statements which involve known and unknown risks, delays and uncertainties not under the Company's control which may cause actual results, performance or achievements of the Company to be materially different from the results, performance or expectations implied by these forward-looking statements.

We Seek Safe Harbour.

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