

ASANTE GOLD ACQUIRES KUBI MINING LEASES AND EIGHT PROSPECTING LICENSES IN GHANA

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. NEWS AGENCIES

FOR IMMEDIATE RELEASE

Vancouver, British Columbia – August 9, 2016 – Asante Gold Corporation (CSE:ASE/FRANKFURT:1A9) (the "Company") announces that the Special Committee of the Board has reached agreement with Goknet Mining Company Limited ("Goknet") to close the acquisition of the Kubi Mining Leases on terms as substantially contained in the Kubi Definitive Option Agreement dated 28th February 2015. See: <http://www.asantegold.com/news/kubi-gold-project-ghana-option-agreement>.

Asante will acquire the Kubi Mining Leases by issuing seven million treasury shares and reserving for future delivery to Goknet a total of 8,000 ounces of gold, and thereafter reserving for Goknet a 2% Net Smelter Return royalty (the "Kubi NSR"). Royal Gold, Inc. of Denver holds a 3% Net Proceeds of Production royalty, and the Ghana Government a statutory 10% free carry equity and 5% NSR royalty interest.

Asante plans to further explore and if warranted develop Kubi as a custom milling and direct shipping underground operation. It is located on major deep seated auriferous structures associated with AngloGold Ashanti's 66 million ounce* Obuasi Gold Mine and Perseus Mining Limited's 6.6 million ounce* Edikan Gold Mine (* pre-mining resource, source company annual reports).

In addition the Company will acquire Goknet's interests in eight prospecting licenses: two totaling 38 sq km adjoining to the west of the Kubi Mining Leases; and six contiguous licenses totaling 270 sq km located on the Asankrangwa Gold Belt 15 km to the south west and along strike of the Asanko Gold Mine. Each of these licenses has had considerable exploration work completed and many have drill ready targets outlined. These licenses are in the process of being transferred to Goknet from a third party, subject to the consent of the Minister of Lands, Forestry and Mines.

To purchase the licenses, the Company will issue up to a maximum of three million treasury shares. Shares will be issued pro-rata on a license by license basis if as and when valid title is registered in the name of the Company. Goknet will retain a 2% Net Smelter Return royalty on each license acquired by the Company.

Douglas MacQuarrie, President & CEO states, “Acquiring Kubi at a cost of circa \$18 million or US\$40 per ounce of NI43-101 gold resources¹, is a major step forward for the Company. Kubi has near term development potential, an excellent location and considerable grade and resource ounce upside. Share dilution has been minimized by using gold forward and NSR royalty payments. The addition of the southern half of Goknet’s highly prospective Ashanti II concessions to our current Betanase Option and Fahiakoba concessions give us exceptional discovery upside and growth opportunities. Our immediate focus is to complete a financing to commence the driving of a decline at Kubi for the resource to reserve upgrade drilling and to fund aggressive exploration on our other holdings.”

By Order of the Board,

"Douglas R. MacQuarrie"

President and CEO

¹ Current NI 43-101 resource estimate for the Kubi Main gold deposit was completed by SEMS Exploration Services Ltd. of Accra, Ghana: 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, and is filed on SEDAR.

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

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

Kirsti Mattson, Media Relations, tel: +1 778-434-2241; E-mail: kirsti.mattson@gmail.com

Florian Riedl-Riedenstein, Director; E-mail: frram@aon.net

Additional information is available on our web site at: www.asantegold.com

Neither IIROC nor any stock exchange or other securities regulatory authority accepts responsibility for the adequacy or accuracy of this release.