

## **GHANA NOW AFRICA'S TOP GOLD PRODUCER** **'DISRUPTOR' TECHNOLOGY- KUBI SMD MINING UPDATE** **PRIVATE PLACEMENT ANNOUNCED**

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**FOR IMMEDIATE RELEASE**

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**Vancouver, British Columbia – June 10, 2019 – Asante Gold Corporation (CSE:ASE/FRANKFURT:1A9)** (“Asante” or the “Company”) notes that Ghana has overtaken South Africa as the largest gold producer in Africa, producing some 4.8 Moz in 2018 vs 4.2 Moz in South Africa, according to Bloomberg<sup>1</sup>. Ghana’s production is set to increase again with the imminent re-start of the AngloGold Ashanti Obuasi mine (66 Moz global gold resource) with an annual production target of +350koz. Our Kubi Gold Mine project is located just 16km south of the Obuasi mine along the prolific Ashanti Gold Belt.

Asante is continuing to evaluate the new ‘disruptor’ SMD mining technique for application at Kubi. SMD is a large bore precision drilling method that enables direct mining of narrow deposits. The SMD method is being developed and commercialized by Anaconda Mining Inc. (“Anaconda”), in collaboration with Memorial University of Newfoundland and utilizes technology proven in other industries<sup>2</sup>. Anaconda has announced a ‘proof of concept’ field trial at one of their deposits in Newfoundland, targeting to start up in late August/September with the trial lasting around two months<sup>3</sup>.

The innovative SMD method has many advantages over conventional narrow underground mining techniques and appears well suited to the +5g/t Kubi Gold style mineralization<sup>4</sup>. Initial research indicates that:

- SMD is low CAPEX – multiple SMD drills could be contractor leased, no costly processing plant to build, no crushing, grinding or CIL/cyanide circuit, or tailings dams required
- No underground development, minimizing permitting and construction time and costs
- Early cash flow from direct on-site recovery of gold from low CAPEX gravity circuit; tails to be dewatered, sampled, trucked off-site and sold to local processing plants
- Production is scalable – each SMD drill estimated to produce +100 tonnes per day
- No open cuts, pre-stripping or pit backfilling, no villages to move, giving minimal environmental impact
- Production is from direct drilling of ~2.5m diameter holes, to be backfilled on completion with cemented waste, and revegetated

- Environmentally Green - SMD drills would be electric, powered by solar farm with mains grid storage and draw down
- Low OPEX - initial estimates indicate less than half of conventional underground mining costs or circa 2g/t gold at current gold prices
- Increased worker safety – no workers underground

Douglas MacQuarrie, President & CEO states, “Asante is excited about the potential for this new ‘disruptor’ technology to transform Kubi from a gold deposit to a gold producer. Like the invention of hydraulic fracking turned previously uneconomic gas and oil deposits into highly economic production, so SMD mining has the potential to unlock major value in the narrow, hard rock mining space. We will continue to closely monitor developments as they occur.”

The Company also announces a private placement to accredited investors (“Private Placement”) on a best efforts basis, of up to 5,000,000 units at \$0.05 per unit (each a “Unit”) for aggregate gross proceeds of up to \$250,000.

Each Unit will consist of one common share of the Company (a “Common Share”), and one Common Share purchase warrant (a “Warrant”). Each Warrant will entitle the holder to purchase one additional Common Share at an exercise price of \$0.08 at any time during the 36 months following the initial closing date. Each Warrant will be subject to forced conversion which comes into effect once the shares trade at a volume weighted average price of \$0.20, for 20 consecutive trading days. The expiry date of the Warrants will be 30 days from the date of issue of a news release announcing the forced conversion. The Company is relying on exemptions from the prospectus requirements and applicable securities laws to issue the shares. Proceeds from the private placement will be used for general working capital purposes. All securities purchased under this offering will be subject to a four month and one day hold period.

Directors and officers of the Company may participate 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 units 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 develop its Kubi Gold Mine project towards production, and is exploring its Keyhole, Fahiakoba and Betenase concessions/options for new discoveries, all adjoining or along strike of major gold mines near the centre of Ghana’s Golden Triangle. Please see Asante Gold press release dated March 11, 2019 on SMD at: <http://www.asantegold.com/news/asante-gold-explores-new-mining-technology-for-kubi-gold-project-ghana>

<sup>1</sup> <https://www.bloomberg.com/news/articles/2019-06-09/nation-built-on-gold-loses-its-african-crown-to-rival-ghana>

<sup>2</sup> <https://disruptmining.com/>, 2019; and <https://www.anacondamining.com/narrow-vein-mining> , 2019.

<sup>3</sup> <https://im-mining.com/tag/inclined-mast-drilling-rig/>

<sup>4</sup> <http://www.asantegold.com/assets/docs/kubi-ni43-101-tech-report.pdf>

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. <sup>4</sup>Kubi Main Zone has a current NI 43-101 resource estimate, 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, which is filed on SEDAR. *Mineral resources that are not mineral reserves do not have demonstrated economic viability.*

This news release may contain forward-looking information and statements concerning, among other things, the size and the growth of the Company's mineral resources and the timing of further exploration, the development of the SMD mining technique, and of the Company's projects. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements and information are based will occur, and are subject to a variety of risks, uncertainties and assumptions. Some of the factors which could affect future results and could cause results to differ materially from those expressed in the forward-looking information and statements contained herein include: commodity and market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market, business or governmental conditions. Forward-looking information is based on the beliefs, estimates and opinions of management at the date the statements are made and are subject to change without notice. Investors are cautioned that final closing of the Kubi Mining Lease purchase, Betenase and Keyhole options are dependent on additional governmental renewals, approvals, consents and financings, which though reasonably expected, may not be ultimately obtained.

**For further information please contact:**

Douglas MacQuarrie, President and CEO, tel: +1 604-558-1134; E-mail: [douglas@asantegold.com](mailto:douglas@asantegold.com)

Doreen Kent, Shareholder Communications, tel: +1 604-948-9450; E-mail: [d.kent@eastlink.ca](mailto:d.kent@eastlink.ca)

Valentina Gvozdeva, Business Development, E-mail: [valentina@asantegold.com](mailto:valentina@asantegold.com)

Florian Riedl-Riedenstein, Director; European Investor Relations, E-mail: [ffram@aon.net](mailto:ffram@aon.net)

Additional information is available on our web site at: [www.asantegold.com](http://www.asantegold.com)

Further information on Kubi is available at: <http://www.asantegold.com/projects/kubi-gold-mine>

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