

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Asante Gold Corporation (the "Issuer" or "Asante").

Trading Symbol: ASE

Number of Outstanding Listed Securities: 57,160,221

Date: January 24, 2019

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

*The Issuer is a mineral exploration company. Its principal activities consist of evaluating, acquiring, exploring and developing mining properties in the Republic of Ghana. The Issuer's principal project is the Kubi Gold Project, Ghana, West Africa. On August 9<sup>th</sup>, 2016, the Issuer announced it had reached agreement with Goknet Mining Company Limited of Accra Limited ("Goknet") to close the*

acquisition of the Kubi Mining Lease on terms as substantially contained in the Kubi PL Purchase Agreement dated 28th December 2016.

The Issuer will acquire the Kubi Mining Lease, subject to the consent of the Minister of Lands and Natural Resources of Ghana, 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 Returns royalty payable after cumulative net cash flow from the Kubi Mining Lease exceed US\$25 million (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. The Issuer plans to further explore and develop Kubi as a custom milling and direct shipping underground operation. The Issuer is currently soliciting offers for either a 50:50 joint venture or a 100% buyout of the Issuer's interest, however no suitable offers have been received as of this date.

In addition, the Issuer previously announced the acquisition of Goknet's interests in up to eight prospecting licenses ("Goknet Prospecting Licenses"): two totalling 38 sq km adjoining to the west of the Kubi Mining Lease; and six contiguous licenses located on the Asankrangwa Gold Belt, starting 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 some have drill ready exploration targets outlined. These licenses are in the process of being transferred to Goknet from third parties subject to the consent of the Minister of Lands and Natural Resources, however until transferred in good standing to the Issuer, the Issuer will not raise or spend any funds or complete any substantive work on the subject prospecting licenses.

To purchase the Goknet Prospecting Licenses, the Issuer 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 Issuer. Goknet will retain a 2% Net Smelter Returns royalty on each license so acquired by the Issuer. A Special Committee of the Board has approved the above acquisitions.

The Issuer has also reached agreement with Sikasante Mining Company Limited of Accra, Ghana ("Sika") to earn up to a 100% interest in its Keyhole Gold Project in Ghana, which is made up of the Ayiem and Sraha licenses. In order to earn up to a 50% interest in the Keyhole Gold Project, the Issuer has agreed to issue Sika 250,000 common shares in the capital stock of the Issuer (approved by Special Committee for issuance) on final issuance of the Ayiem license to Sika and receipt by Sika of all necessary permits required to commence a drilling program (completed), and to complete \$500,000 in work (completed). The Issuer may earn an additional 50% interest by reserving for Sika a 2% net smelter returns royalty (the "Sika NSR Royalty") and on the assignment of the Sika licenses to the Issuer (subject to the eventual consent of the Minister of Lands and Natural Resources) a final payment of 1 million common shares in the capital stock of the Issuer. The acquisition has been approved by a Special Committee of the Board of Directors of the Issuer.

2. Provide a general overview and discussion of the activities of management.

*Management is continuing to source a potential joint venture partner and or development equity/debt capital to continue underground exploration by way of a 4x5m decline and underground resource to reserve drilling program and if then warranted commence commercial production as an underground, circa 550 tpd direct shipping and custom milling operation. Management is also studying a potential high grade option at Kubi – to concentrate initial exploration on areas within the current NI43-101 resource with drill indicated high grades.*

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

*There was no significant exploration completed in the month of December, 2018.*

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

*No products or services, or exploration programs were discontinued during the month of December, 2018.*

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

*The acquisitions announced in 1 above with respect to the acquisition of the Kubi Mining Lease and the Goknet Prospecting Licenses are with Goknet Mining Company Limited – which has one director in common with the Issuer. Douglas MacQuarrie, the President, CEO and Director of the Issuer is a director of Goknet and holds or controls approximately 23.13% of the outstanding shares of Goknet.*

*The terms of the Kubi acquisition were negotiated and approved by a Special Committee of the Issuer, and were approved by the disinterested shareholders of the Issuer at the Annual General meeting of the shareholders on December 28<sup>th</sup>, 2016.*

*The acquisitions announced in 1 above with respect to the acquisition of the Keyhole Gold Project in Ghana are with Sikasante Mining Company Limited ("Sika") which has one director in common with the Issuer. The terms of the acquisition were negotiated and approved by a Special Committee of the Issuer.*

*Douglas MacQuarrie, the President, CEO and Director of the Issuer is a director of Sika and holds or controls approximately 41.7% of the outstanding shares of Sika. The Special Committee has determined that Mr. MacQuarrie does not "control" Sika within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101") and, accordingly, the Option does not constitute a "related party transaction" of the Issuer under MI 61-101 and further that, if the Option were to constitute a "related party transaction"*

*of the Issuer under MI 61-101, the exemptions from the valuation and shareholder approval requirements contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 would apply on the basis that the Special Committee has determined, in good faith, that at the time the transaction was agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction exceeds 25% of the Issuer's market capitalization.*

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

*None in the month of December, 2018.*

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

*See 1 and 5 above.*

8. Describe the acquisition of new customers or loss of customers.

*None in the month of December, 2018.*

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

*The Issuer has become aware of a TSXV listed company with the name Ashanti Gold Corp. TSXV:AGZ, which has offices in Vancouver and a mining exploration project in Ghana, West Africa. The Issuer takes exception to the granting of this name to AGZ by the Registrar of Companies and its subsequent listing by the TSX Venture Exchange, given its obvious similarity to the name and business of the Issuer and potential to infringe on the Issuers brand. Confusion has been noted with respect to Google searches mixing up the corporate information, trading symbols, and price quotations of the two companies.*

*To reduce future confusion and preserve our brand, the Issuer has filed with the Canadian Intellectual Property Office and received a Trademark for its name, and variations thereto, under File Number 1854238 dated August 14, 2017.*

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

*The Issuer did not hire, terminate or lay off any employees during the month of December, 2018.*

11. Report on any labour disputes and resolutions of those disputes if applicable.

*None in the month of December, 2018.*

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

*There were no legal proceedings during the month of December, 2018.*

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

*There was no indebtedness incurred or repaid by the Issuer in the month of December 2018 – other than as noted in section 2 above and 15 below.*

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>

*(1) State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

*In the month of December 2018: MIA Investments Ltd. issued a loan to Asante Gold Corporation for working capital totalling CAD\$1,000.00; ASG Mining Company Limited repaid Cedis 2,000 to Goknet Mining Company Limited; and Goknet issued a further loan of Cedis 5,130 to ASG.*

16. Provide details of any changes in directors, officers or committee members.

*None in the month of December, 2018.*

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer’s market(s) or political/regulatory trends.

*Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, low commodity prices and the failure to discover economic mineral deposits. The marketability of natural resources that may be acquired or discovered by the Issuer will be affected by numerous factors beyond the control of the Issuer. These factors include market fluctuations, the proximity and capacity of natural resource markets, and governmental regulations. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Issuer not receiving an adequate return on invested capital. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore. Even if commercial quantities of mineral deposits are discovered by the Issuer, there is no guarantee that a profitable market will exist for the sale of the metals produced. The development of the Issuer’s properties will depend upon the Issuer’s ability to obtain financing through the joint venturing of projects, private placement financing, public financing or other means. There can be no assurance that the Issuer will be successful in obtaining the required financing.*

*Gold is currently in an accumulative trend as world-wide economic conditions continue to deteriorate and the risk of major stock and debt (bonds) market sell*

offs increase. Gold has served this purpose of financial safety and capital preservation for many thousands of years and we anticipate this current strengthening trend to be maintained for the foreseeable future.

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were/is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: January 24, 2019

Douglas R. MacQuarrie  
Name of Director or Senior  
Officer

"Douglas R. MacQuarrie"  
Signature  
President and CEO  
Official Capacity

<b>Issuer Details</b> Name of Issuer <b>ASANTE GOLD CORPORATION</b>	For Month End <b>December, 2018</b>	Date of Report YY/MM/DD <b>2019/1/24</b>
Issuer Address <b>Suite 206 – 595 Howe Street</b>		
City/Province/Postal Code <b>Vancouver, BC V6C 2T5</b>	Issuer Fax No. <b>(604)558-1136</b>	Issuer Telephone No. <b>(604) 558-1134</b>
Contact Name <b>Douglas R. MacQuarrie</b>	Contact Position <b>President/CEO</b>	Contact Telephone No. <b>(604) 558-1134</b>
Contact Email Address <b>douglas@asantegold.com</b>	Web Site Address <b><a href="http://www.asantegold.com">www.asantegold.com</a></b>	