

8 September 2021

Dear Optionholder

Notice to Optionholders of Non-Renounceable Entitlement Offer

Overview of Entitlement Offer

We write to you as the registered holder of options (**Options**) in African Gold Limited (ASX:A1G) (**Company**) as at today's date. The Company is undertaking a pro rata non-renounceable entitlements offer to all eligible shareholders for the issue of 2 new Shares for every 7 Shares held at the record date, which will be on or around 22 September 2021 (**Record Date**), at an issue price of \$0.15 each to raise up to approximately \$3,917,479 million (before costs) (**Entitlement Offer**).

The Entitlement Offer is available to all Company shareholders (**Shareholders**) registered on the Record Date whose registered address is in Australia, New Zealand and Germany (**Eligible Shareholders**). The Entitlement Offer is not being extended to any Shareholders with addresses outside these jurisdictions.

A prospectus in relation to the Entitlement Offer will be lodged with ASIC on or around 8 September 2021 and will be issued to Eligible Shareholders in due course (**Prospectus**).

Your Participation

Under the terms of the Options you currently hold, there is no entitlement to participate in the Offer unless you exercise your Options into Shares, and are entered onto the register as a shareholder of the Company by 5pm (AWST) on the Record Date.

If you wish to participate in the Entitlement Offer, a notice of Options exercise and payment of the Options' exercise price should be lodged with the Company with sufficient time to ensure that you are registered as a shareholder of the Company by the Record Date. Please contact the Company Secretary, Oonagh Malone, via omalone@konkera.com.au for a notice of exercise form.

If you do not wish to participate in the Entitlement Offer, no action is required.

Further details

Details of the Entitlement Offer are contained in the Prospectus. The Prospectus will be able to be accessed from the ASX and Company websites, www.asx.com.au and www.african-gold.com respectively. It is important that you read the Prospectus carefully before deciding whether to exercise your Options.

If you require clarification on any of the above matters, please contact the Company Secretary by telephone on +61 8 6143 6749 and for all general shareholder enquiries, please contact the Company's share registry, Automic.

Yours sincerely



Evan Cranston
Non-Executive Chairman