



News Release

## Asanko's Esaase Gold Project Fully Funded With \$150m Debt Facility

10/24/2013

Highlights:

- Definitive Loan Agreement signed with Red Kite for secured debt facility of up to \$150 million
- Combined with the current cash on-hand of \$185 million , Esaase Gold Project fully financed
- No hedging, cash sweep or limitations on the Company's growth strategy
- Definitive Feasibility Study and permitting remain on track for completion during Q4 2013
- Front End Engineering and Design program to commence immediately - Steady state production of 200,000 ounces per year targeted by Q4 2015

VANCOUVER, BRITISH COLUMBIA—(Marketwired - Oct. 24, 2013) - Asanko Gold Inc. ("Asanko" or the "Company") (TSX:AKG)(NYSE MKT:AKG) is pleased to announce it has entered into a Definitive Senior Facilities Agreement (the "Agreement") with a special purpose vehicle of Red Kite Mine Finance Trust I ("Red Kite") to provide a secured project debt facility for a total of \$150 million (all figures United States dollars). The project debt facility will be used for the development, construction and working capital requirements of the Esaase Gold Project. There are no gold hedging provisions, cash sweep requirements or restrictions usually associated with traditional project finance facilities of this nature that prevent the Company from pursuing its growth strategy. Prior to the execution of the Agreement, Red Kite conducted substantial technical and legal due diligence and as such, the Agreement is not subject to further due diligence. The Company will be holding a conference call and webcast today at 10:00am Eastern Standard Time to discuss the financing, please refer to the details below.

The Agreement provides for two term loan facilities: a \$130 million term loan facility (the "Project Facility") and a \$20

million cost overrun facility (the "Overrun facility"). The Overrun facility is provided as an option available to the Company, should it be required. Performance under the Agreement is fully secured by the assets of the Company's current subsidiaries and guaranteed by the Company until project completion.

In addition to the Agreement, Asanko and Red Kite have also entered into an Offtake Agreement under which the Company has agreed to sell the gold from Esaase for the life of the mine to Red Kite at spot prices during a nine day quotational period following shipment.

Commenting on the announcement, Peter Breese, President and CEO, said, "I am delighted to announce that the Esaase Gold Project is now fully financed through construction and commissioning, including working capital. This will enable us to progress with the development of the project upon conclusion of the DFS, which is due later this quarter. Our intention is to start the Front End Engineering and Design program before year-end and construction in Q1 2014 to achieve our target of steady state production of 200,000 ounces per year by Q4 2015.

"The completion of this financing, after extensive due diligence, in the current market environment demonstrates the robustness and strength of the Esaase Gold Project as well as the confidence in the team that we have assembled to build and operate the mine. Importantly, this loan does not have the traditional hedging, cash sweeps and growth restrictions typically associated with project finance so we can also continue to pursue our vision of becoming a mid-tier gold mining company through acquisitive growth."

<sup>1</sup> As at September 30, 2013

#### Project Facility Details (\$130 million):

- Interest rate of LIBOR + 6% with a one percentage minimum LIBOR rate;
- 1.5% arrangement fee payable upon execution and a 1.5% fee payable on drawdowns;
- Two year principal and interest payment holiday;
- Four year quarterly repayment schedule or early repayment at any time without penalty; and
- Conditions precedent to drawdown principally are completion of the Definitive Feasibility Study ("DFS") with material outcomes substantially the same as the May 2013 Pre-Feasibility Study ("PFS") and receipt of the Environmental Permit for Esaase.

#### Overrun Facility Details (\$20 million):

- Interest rate of LIBOR +10% with a one percentage minimum LIBOR rate;
- 1.5% arrangement fee payable upon execution and a 3% fee payable on drawdowns;
- Two year principal and interest holiday;
- Three year quarterly repayment schedule and early repayment at any time without penalty; and

- Conditions precedent to drawdown are confirmation that the Company has sufficient funds with the Overrun Facility to complete the Esaase Gold Project, that the Project Facility is fully drawn and that 4,000,000 Asanko share warrants have been issued to Red Kite. The warrants would be priced at a 25% premium to the 20 day volume weighted average price of Asanko at that time and have a 2.5 year term to expiry.

#### Offtake Agreement Details:

- 100% of the Esaase Gold Project's future gold production over the life of the mine;
- Red Kite to pay for 100% of the value of the gold nine business days after shipment;
- A provisional payment of 90% of the estimated value will be made one business day after delivery; and
- The gold sale price will be a spot price selected during a nine day quotational period following shipment.

#### Conference Call & Webcast Details

The Company will host a webcast and conference call at 10:00am Eastern Standard Time today, October 24, 2013. Presentation slides to accompany the call are available at [www.asanko.com](http://www.asanko.com).

To access the conference call, please dial-in 10 minutes beforehand and quote "Asanko Gold":

Canada Toll Free: 1-866-228-9189

US Toll Free: 1-877-941-2332

UK Toll Free: 0800-358-5263

International: 44-208-515-2334

A replay facility will be available two hours after the call on Asanko's website: [www.asanko.com](http://www.asanko.com) or, until October 30, 2013, please dial using the access code: 4647156:

US Toll Free: 1-800-406-7325

Canada Toll: 1-303-590-3030

UK Toll Free: 0800-358-3474

International: 44-207-154-2833

To access the webcast, please click on the link or visit:

<http://event.on24.com/r.htm?e=703900&s=1&k=2DF882380E4793DE581ACA0650BBE99F>

About Asanko Gold Inc.

Asanko's vision is to become a mid-tier gold mining company that maximizes value for all its stakeholders. Our immediate focus is on near term gold production at our fully financed, multi-million ounce Esaase Gold Project located in Ghana, West Africa. Asanko is managed by highly skilled and successful technical, operational and financial professionals. The Company is strongly committed to the highest standards for environmental management, social responsibility, and health and safety for its employees and neighbouring communities.

About RK Mine Finance

RK Mine Finance provides mining companies with project financing and metal off-take agreements for initiation or expansion of mine production and is part of the Red Kite group. Red Kite operates across the global metals industry from offices in Bermuda, Hong Kong, London, New York, Shanghai and Sydney. Investors in Red Kite funds include college endowments, foundations, family offices, pensions and other institutional investors.

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Voting at 2013 Annual General and Special Meeting of Shareholders

The following matters were voted upon by the shareholders of the Company at the annual general meeting of the Company held on June 27, 2013 (the "Meeting").

1. The shareholders approved setting the number of directors at seven. Shares voted in person and proxies received represented 59,793,775 votes for and 267,321 votes against:
2. The following directors were elected at the Meeting:

| DIRECTOR        | FOR        | AGAINST | WITHHELD   |
|-----------------|------------|---------|------------|
| Shawn Wallace   | 49,095,063 | Nil     | 260,032    |
| Gordon Fretwell | 36,497,322 | Nil     | 12,857,773 |

|                 |            |     |            |
|-----------------|------------|-----|------------|
| Colin Steyn     | 49,275,710 | Nil | 79,385     |
| Marcel de Groot | 36,660,682 | Nil | 12,694,413 |
| Keith Minty     | 49,278,250 | Nil | 76,845     |
| Peter Breese    | 49,286,210 | Nil | 68,885     |
| Robert Sali     | 49,130,435 | Nil | 224,660    |

3. KPMG LLP, Chartered Accountants, were appointed auditor of the Company. Shares voted in person and proxies received represented 59,918,071 votes for and 165,448 votes withheld.
4. The shareholders approved the amendment of the Company's Articles. Shares voted in person and proxies received represented 48,607,191 votes for and 757,904 votes against.

#### Forward-Looking and other Cautionary Information

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address estimated resource quantities, grades and contained metals, possible future mining, exploration and development activities, are forward-looking statements. Although the Company believes the forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for metals, the conclusions of detailed feasibility and technical analyses, lower than expected grades and quantities of resources, mining rates and recovery rates and the lack of availability of necessary capital, which may not be available to the Company on terms acceptable to it or at all. The Company is subject to the specific risks inherent in the mining business as well as general economic and business conditions. For more information on the Company, Investors should review the Company's annual Form 20-F filing with the United States Securities Commission and its home jurisdiction filings that are available at [www.sedar.com](http://www.sedar.com).

Neither Toronto Stock Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

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