

CENTRAL AFRICAN GOLD ANNOUNCES PRIVATE PLACEMENT

Vancouver, British Columbia - (December 31, 2020) – **Central African Gold Inc.** (TSXV: CAGR; FSE: BC2; OTCQB: NDENF) (the “**Company**” or “**Central African**”) announces that the Company intends to complete a non-brokered private placement (the “**Financing**”) of up to 500,000 units (each a “**Unit**”) at a price of CAD \$0.15 per Unit for aggregate proceeds of up to CAD \$75,000. Each unit will consist of one common share of the Company (a “**Share**”) and one Share Purchase Warrant (a “**Warrant**”). Each Warrant will be exercisable into one Share at an exercise price of CAD \$0.25 per Share for a period of two years from the date of issuance.

The proceeds from the Financing will be used to fund due diligence on projects of merit being evaluated by the Company and for general working capital purposes.

The securities issued pursuant to the Financing will be subject to a hold period under applicable securities laws, which will expire four months plus one day from the date of closing of the Financing. Closing of the Financing is subject to receipt of all necessary corporate and regulatory approvals, including approval of the TSX Venture Exchange.

The Financing constitutes a "related party transactions" under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") as the investors in the Financing are expected to be parties closely related to the Company. The related party transactions are exempt from the formal valuation requirements of Section 5.4 of MI 61-101 pursuant to subsection 5.5(a) of MI 61-101 and exempt from the minority approval requirements of Section 5.6 of MI 61-101 pursuant to subsection 5.7(1)(a) of MI 61-101, as the fair market value of the transactions contemplated under the Financing do not exceed 25% of the Company's market capitalization. A material change report as contemplated by the related party transaction requirements under MI 61-101 was not filed more than 21 days prior to closing of the transactions as the Financing is required shortly after the terms of the Financing were finalized to be able to meet the Company's anticipated short-term cash requirements for due diligence on new projects of merit.

About Central African Gold Inc.

Central African is a natural resource company with a primary focus on the acquisition, exploration, development and operation of mineral projects in the Democratic Republic of Congo (“**DRC**”). Central African currently holds rights to mineral projects strategically located in the southern DRC CopperBelt. Central African has the intention to acquire interests in additional concessions or relinquish concessions in the normal course of business. Central African has an experienced management team located in the southern CopperBelt of the DRC.

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Reader Advisory

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains “forward-looking information” within the meaning of applicable securities laws including, but not limited to, statements relating to the Company’s private placement financing including the successful closing of the financing. Although the Company believes considering the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them as the Company can give no assurance that they will prove to be correct. Actual results and developments may differ materially from those contemplated by these statements. The statements in this press release are made as of the date of this release. The Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company its securities, or its financial or operating results.