



CENTRAL AFRICAN LAUNCHES CARBON CREDIT REVENUE INITIATIVE AND ANNOUNCES PRIVATE PLACEMENT

- CAGR begins implementation of **near-term carbon credit revenue opportunity**.
- Allows CAGR to **monetize** 160km/sq of arable land that would **otherwise sit idle**.
- Addresses **multiple ESG related concerns** in DRC including **environmental sustainability, sustainable revenue, and social commitments to domestic employment**.

Vancouver, British Columbia - (August 18, 2021) – **Central African Gold Inc.** (TSXV: CAGR; FSE: BC2; OTCQB: NDENF) (the “**Corporation**” or “**Central African Gold**”) is pleased to announce the Corporation is evaluating the feasibility of implementing a carbon credit revenue stream on its vast land position in the Democratic Republic of Congo (DRC). Carbon credits are an ideal solution to address multiple ESG related concerns in the in the DRC, specifically environmental sustainability, sustainable revenue, and social commitments to domestic employment. Central African Gold is working closely with two internationally recognized leaders in the carbon credit accreditation and project engineering space to structure the CAGR Carbon Plan (CAP).

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Central African Gold has six 100% owned mineral concessions, with over 160 km/sq of surface area, containing both forests and arable lands to support carbon credit revenue generation and ready access to further large tracts of arable land near the equator, at approximately the same latitude as the Amazon Rain Forest. Carbon credits should be an additional sustainable revenue center for both Central African Gold and our DRC partners, while meeting essential ESG obligations. Central African Gold, with its teams extensive DRC background, has the experience to successfully develop and implement a robust carbon credit platform.

Beyond the ESG related benefits of Central African Golds carbon credit initiative, there is an immediate revenue opportunity, allowing the Corporation to monetize its assets that would otherwise sit idle during the mineral exploration and feasibility phase. Initial carbon sink opportunities exist both in leveraging the development of large tree farm ecosystems as well as solar PV farms which would be in close proximity to existing mining operations that are desperate for cleaner power to meet their own ESG obligations.

About Carbon Credits

A carbon credit is a tradable permit or certificate that provides the holder of the credit with the right to emit one ton of carbon dioxide or an equivalent of another greenhouse gas and is essentially an offset for industries producing green-house gas. The obligation to meet reduced

emission standards is now being imposed in most countries with significant penalties for non-compliance. If an industry cannot meet its required levels, there is an efficient global marketplace developing where these companies can purchase carbon credits to offset their emissions. There are three basic types of carbon credit: those from reduced emissions through efficiency such as solar photovoltaic plants, wind and other non-fossil fuel energy sources; removed emissions through carbon capture and planting forests or other vegetation providing a “carbon sink”; and avoiding emissions by such methods as stopping de-forestation. All three of these carbon credit initiatives are applicable and can be successfully implemented in the DRC.

Yves Kabongo, CEO stated: “Central African Gold through its long and continued involvement in the resource rich DRC, will become an important supplier of battery metals (copper, cobalt, and nickel) to the exploding clean technology sector propelled by the growing wave of electrification and decarbonizing energy systems as alternatives to fossil fuels. As Central African Gold continues to develop its current energy metal initiatives, our carbon credit platform could provide a revenue stream in a relatively short timeframe. We also consider our ESG obligations to be an important part of our business and a carbon credit solution is an obvious and logical adjunct to our mining development operations. Clean energy and carbon credits run hand in hand. Clean energy technologies require more minerals than their fossil fuel-based counterparts. A typical EV requires six times the mineral inputs of a conventional car, and an onshore wind plant requires nine times more mineral resources than a gas-fired power plant. Since 2010, the average amount of minerals needed for a new unit of power generation capacity has increased by 50%. Copper, nickel, and cobalt are crucial to battery performance, longevity, and energy density. Electricity networks require massive amounts of copper being a cornerstone for all electricity-related technologies. The shift to a clean energy system is set to drive a huge increase in the requirements for these minerals, meaning that the energy sector is emerging as a major force in mineral markets. To meet greenhouse gas and carbon emissions goals, clean energy technologies’ demand rises significantly over the next twenty years to over 40% for copper and 60% to 70% for nickel and cobalt. EVs and battery storage are set to take over from stainless steel as the largest end user of nickel by 2040. Central African Gold is well positioned to profit from the explosively expanding clean technology and carbon credit sectors.

Private Placement

The Corporation announces it is amending the terms of the private placement announced on June 29, 2021. The Corporation intends to complete a non-brokered private placement (the “**Financing**”) of up to 8,000,000 units (each a “**Unit**”) at a price of CAD \$0.15 per Unit for aggregate proceeds of up to CAD \$1,200,000. Each unit will consist of one common share of the Corporation (a “**Share**”) and one Share Purchase Warrant (a “**Warrant**”). Two Warrants 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 for general working capital purposes. In connection with the Financing, the Corporation may pay finder’s fees in cash or securities or a combination of both, as permitted by the policies of the TSX Venture Exchange.



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 may constitute a "related party transaction" under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") as the investors in the Financing may be parties closely related to the Corporation. 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 Corporation'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 Corporation's anticipated short-term cash requirements.

About Central African Gold Inc.

Central African Gold is a natural resource company with a primary focus on the acquisition, exploration, development, and operation of battery metal copper, cobalt, and nickel mineral projects in the DRC. The implementation of a carbon credit program will complement battery metals operations and meet important ESG requirements. Central African Gold has the intention to acquire interests in additional concessions or relinquish concessions in the normal course of business. Central African Gold has an experienced management team located in the DRC.

For further information, please contact:

Stephen Barley, Executive Chairman

Phone: (604-834-2968)

Email: info@centralfafricangold.com

Website: www.centralfafricangold.com

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 may contain "forward-looking information" within the meaning of applicable securities laws including the successful implementation of a carbon credit program; the acquisition of additional copper, cobalt, and nickel projects; the establishment of profitable revenue centers for the Corporation and its DRC partners; the continued growth of the clean technology and carbon credit sectors; and the closing of the Financing. Although the Corporation 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 Corporation 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 Corporation undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Corporation its securities, or its financial or operating results.