

Cabral identifies strong gold-in-saprolite anomaly SE of Central Deposit at Cuiú Cuiú Project, Brazil

Vancouver, British Columbia – August 27th, 2018 – Cabral Gold Inc. (“Cabral” or the “Company”) (TSXV: **CBR** USA: **CBGZF**) is pleased to provide an exploration update on the Cuiú Cuiú Project, Pará State, northern Brazil, where a new high-priority target has been identified extending SE along strike from the Central gold resource.

Highlights

- Auger drilling to the southeast of the Central deposit which contains 485,000oz (Indicated resources of 5.9MMt @ 0.9 g/t Au + Inferred resources of 8.7MMt @ 1.1 g/t Au) has identified a broad gold-in-saprolite anomaly of +100ppb Au, extending 250m across strike in a north-south direction
- The anomaly is located 1km SE of the Central deposit and 550m ESE of drill hole CC138-11 which intersected **6.9 g/t Au over 27m**. It is well outside the current resource at Central and is open in all directions
- The auger line is located east of the limit of previous exploratory drilling and extends the Pau de Merenda - Central mineralized corridor by at least 1km. The position represents a priority target to test for extensions to the Central deposit.

Cabral’s current exploration program includes a campaign of auger drilling which is designed to test for mineralized saprolite (weathered bedrock) following the recent recognition of widespread younger transported sedimentary cover in the district. Recent work (see press release dated August 9, 2018) has demonstrated that mineralized zones that exist below this transported sedimentary cover result in weak to no gold-in-soil geochemical responses.

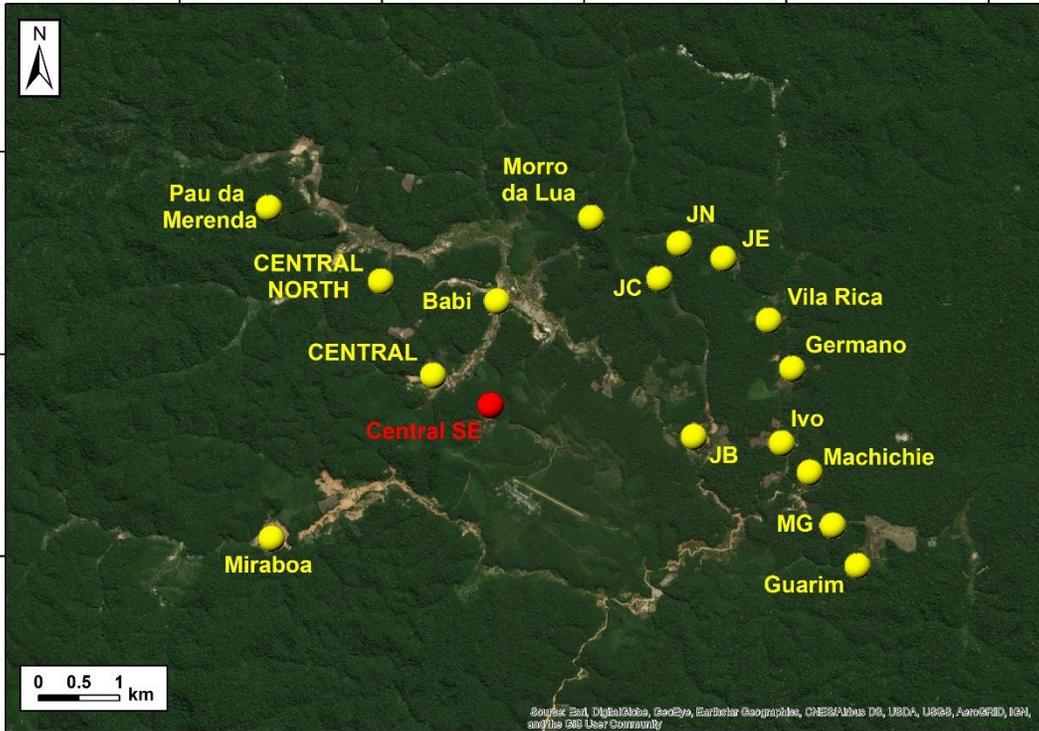


Figure 1: Location of the Central SE Prospect

This new Central SE target is located SE of the Central deposit and NW of the MG and JB gold deposits at Cuiú Cuiú (Figure 1). The Company's auger program has previously defined a target corridor extending northwest from the Central deposit which contains 485,000oz (Indicated resources of 5.9MMt @ 0.9 g/t Au + Inferred resources of 8.7MMt @ 1.1 g/t Au). This extensional target corridor (and the area of the gold resource itself) is defined by a gold anomaly >100 ppb Au, coupled with positive gold counts from panned auger drill samples. The target corridor extends over a 4km strike length to the NW (Figure 2). The current follow-up program was designed to test for the extension of the mineralized corridor to the southeast. Four historical diamond drill holes have tested the interpreted projection of the trend in this area, for which the best result was **6.9 g/t Au over 27m** from drill hole CC138-11.

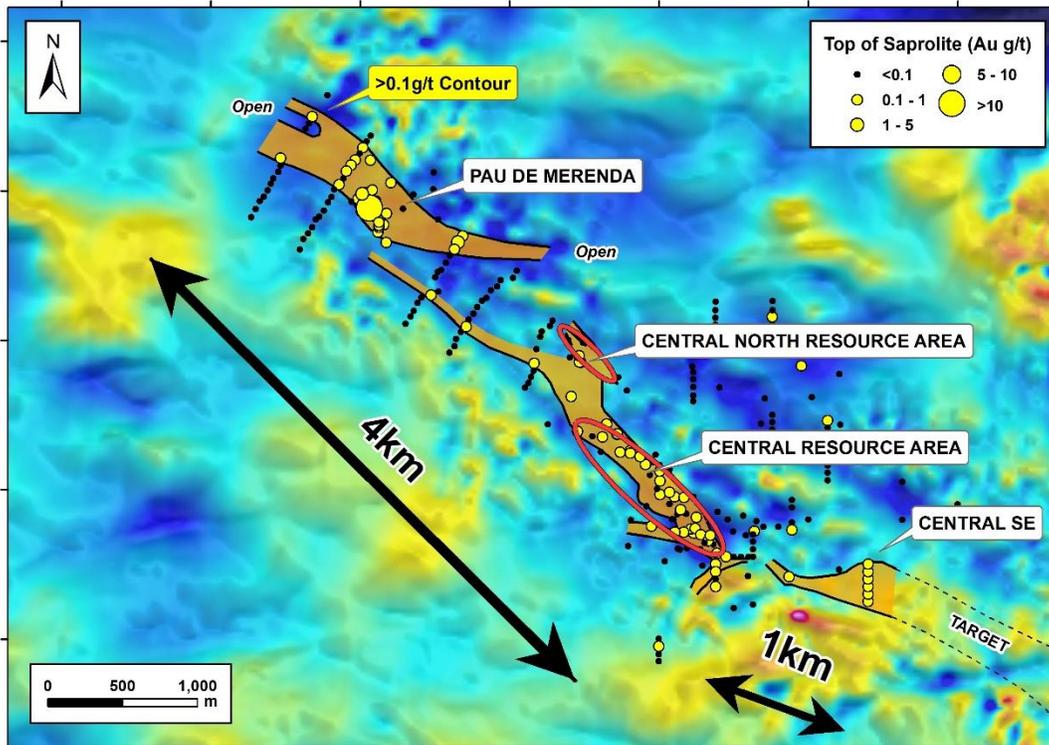


Figure 2: Central SE – Pau de Merenda >0.1 g/t gold envelope. Areas with defined resource are circled.

A N-S auger line was completed as a step out 1km along strike from the Central resource envelope, and 550m ESE of the 6.9 g/t Au over 27m intersection. Holes were completed at 50m spacings along a 250m N-S line with the objective of testing for extensions to the Central mineralized stockwork system over areas to the SE lacking any surface exposure. Each auger hole drilled along the line returned positive gold counts and reported results above the >100 ppb Au in saprolite to a maximum of 324 ppb Au (Figure 3). The anomaly is open to the north and south and to the east and west and represents a strong target for stockwork-style mineralization associated with the Central trend. Additional auger sampling is planned to define the extent of this anomaly.

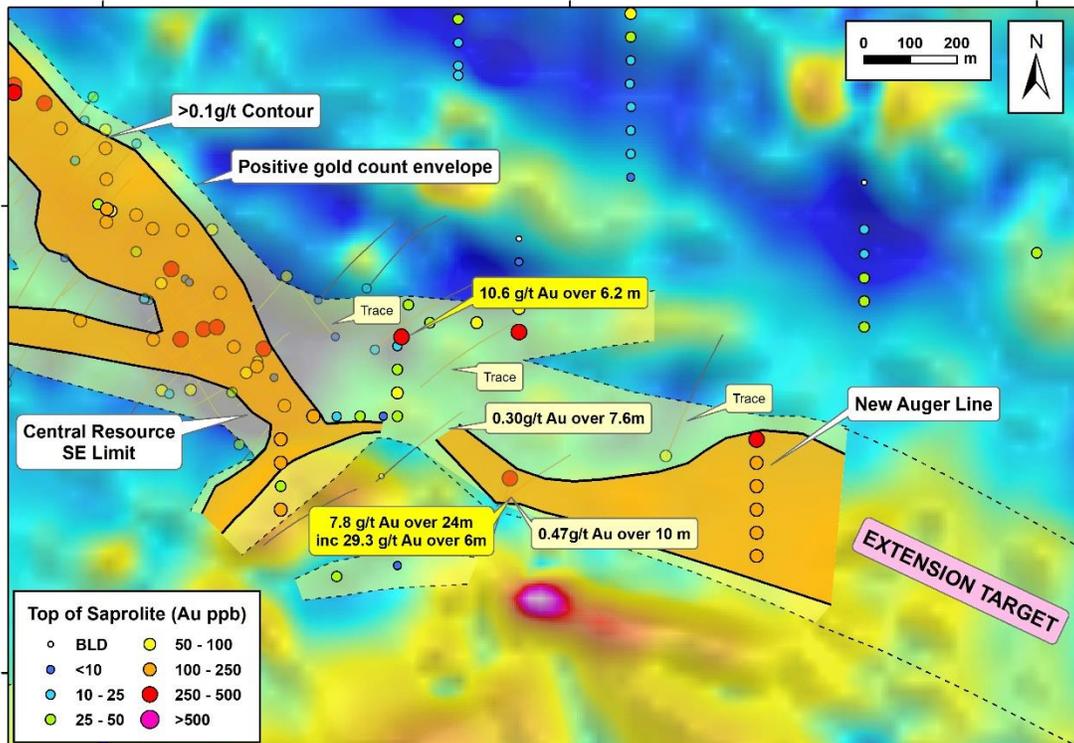


Figure 3: Central SE New auger line and extensional target in relation to historical drilling.

Alan Carter, President & CEO commented “These auger results from Central SE are some of the highest values we have seen in the 319 auger drill holes completed thus far at Cuiú Cuiú. We believe they are highly significant and suggest that the Central deposit, which contains 485,000oz (Indicated resources of 5.9MMt @ 0.9 g/t Au + Inferred resources of 8.7MMt @ 1.1 g/t Au) may extend to the south east. Further lines of auger drill holes will test for extensions to the trend, particularly in the undrilled 3km corridor converging towards the MG resource. The current exploration program continues to identify compelling step-out targets in our key resource corridors, and we are confident the program will continue to lead us to additional source areas for the extensive alluvial workings extending through the project area.”

About Cabral Gold Inc.

The Company is a junior resource company engaged in the identification, exploration and development of mineral properties, with a primary focus on gold properties located in Brazil.

The Company owns the Cuiú Cuiú gold project, which covers the largest of the historical placer gold camps in the Tapajós region of northern Brazil, having yielded an estimated 2MMoz of gold from the overall 20-30MMoz gold produced during the Tapajós gold rush¹. Placer workings cover over 850ha on the property but are largely exhausted. The few remaining artisanal workers now process gold from palaeo-valley placer deposits and in places exploit high-grade gold mineralization from quartz veins in saprolite (shallow highly weathered bedrock).

¹ DNPM (National Department of Mining Production)

Earlier this year, Cabral reported an updated NI 43-101 Mineral Resource Estimate² totalling 5.9MM tonnes grading 0.9 g/t Au (Indicated) and 19.5MM tonnes grading 1.2 g/t Au (Inferred), or 0.2MM ounces and 0.8MM ounces of gold, respectively. That estimate was based on four deposits drilled prior to the cessation of exploration in 2012.

The Company's current program is designed to improve understanding and expand existing prospects, evaluate newly identified discoveries, prioritize drill targets, and to build upon the existing resource inventory.

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Dr. Adrian McArthur, B.Sc. Hons, PhD. FAusIMM., a consultant to the Company as well as a Qualified Person as defined by National Instrument 43-101, supervised the preparation of the technical information in this news release.

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Forward-looking Statements

This news release contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively "forward-looking statements"). The use of the words "will", "expected" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such forward-looking statements should not be unduly relied upon. This news release contains forward-looking statements and assumptions pertaining to the following: strategic plans and future operations, and results of exploration. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct.

Notes

Samples were taken from the top few meters of the saprolite, located below 10-12m of soil overburden. A 3kg split was taken from all saprolite samples at site. The remainder was initially washed and panned on site and the gold colours for each sample were counted. Gold analysis has been conducted by SGS method FAA505 (fire assay of 50g charge). Analytical quality is

² Micon NI 43-101 resource estimate reported June 7, 2018.

monitored by the use of certified references and blanks. Until dispatch, samples are stored under the supervision the Company's exploration office. The samples are couriered to the assay laboratory using a commercial contractor. Pulps are returned to the Company and archived. Under the agreement with the Cuiú Cuiú condominium, local artisanal operators can process mineralization to a depth of 30m, unless otherwise negotiated.