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## **Cabral Gold Announces up to \$2 Million Non-Brokered Private Placement**

**Vancouver, British Columbia – October 25, 2018 – Cabral Gold Inc. (“Cabral” or the “Company”)** (TSXV: CBR; OTC: CBGZF) is pleased to announce the terms of a non-brokered private placement of up to 8,000,000 common shares at a price of \$0.25 per share for gross proceeds of up to \$2,000,000. Officers and directors of the Company intend to subscribe for between 10% and 15% of the private placement.

The Company intends to use the net proceeds from the private placement to complete a diamond drill program aimed at testing several of the recently identified high-grade structures at the Cuiú Cuiú property (see news releases of June 19, July 19 and August 9, 2018), ongoing costs of permitting relating to the Cuiú Cuiú property (see news release of September 12, 2018), and for general corporate and working capital purposes.

The securities issued pursuant to the private placement will be subject to a four-month hold period from the closing date. Completion of the private placement and the payment of any finder’s fees remain subject to the receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

Cabral may pay a cash finder’s fee equivalent to up to 6% of the gross proceeds of the private placement and issue share purchase warrants (the “**Finder’s Warrants**”) to finder’s equivalent to up to 6% of the number of common shares included in the private placement. Each Finder’s Warrant will entitle the holder to purchase one common share of the Company at a purchase price of \$0.25 for a period of up to 24 months following closing of the private placement.

The participation of Cabral’s officers and directors in the private placement will constitute a “related party transaction” within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). The transaction is exempt from the formal valuation requirements of MI 61-101 pursuant to section 5.5(a) as the fair market value of the officers’ and directors’ participation will not be more than 25% of the Company’s market capitalization. The transaction is also exempt from the minority shareholder approval requirements of MI 61-101 by virtue of section 5.7(1)(b) thereof as the fair market value of the shares to be distributed to, or the consideration paid by, the officers and directors will not exceed \$2,500,000.

## **About Cabral Gold Inc.**

Cabral 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 rush. 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). Earlier this year, Cabral reported an updated NI 43-101 Mineral Resource Estimate 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.

## **FOR FURTHER INFORMATION PLEASE CONTACT:**

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

Certain information contained herein constitutes “forward-looking information” under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the private placement and the completion thereof, the use of proceeds, the participation by directors and officers in the private placement and the payment of finder’s fees and the issuance of the Finder’s Warrants by the Company. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “intends”, “may” “will be” or variations of such words and phrases or statements that certain actions, events or results “will” occur. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cabral to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including: the receipt of all necessary regulatory approvals, capital expenditures and other costs, and financing and additional capital requirements. Although management of Cabral have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward looking information. Cabral will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.