

Cabral cuts 3.4m @ 36.9 g/t gold in Machichie Drilling and Announces the Discovery of a New High-grade Zone at the Cuiú Cuiú Project, Brazil

Vancouver, British Columbia – February 28, 2019 – Cabral Gold Inc. (“Cabral” or the “Company”) (TSXV: CBR OTC: CBGZF) commenced its inaugural diamond drill program this January, and is very pleased to announce the discovery of a new high-grade gold system following the initial six reconnaissance diamond drill holes at the Machichie target at the Cuiú Cuiú Project, Pará State, northern Brazil. The Machichie target has never been previously drill tested. This Machichie Phase I reconnaissance diamond-drill program is part of a larger 20-hole reconnaissance program designed to test nine separate high-grade gold targets.

Highlights

- Drill hole CC182-19 targeted a NE-trending structure, coincident with a NE-trending magnetic low, and returned **3.4m @ 36.9 g/t gold including 0.7m @ 162.7 g/t gold**. The structure remains open along strike and at depth
- Drill hole CC178-19 returned **2.1m @ 15.3 g/t gold** within the main E-W trending Machichie magnetic low target which is also previously undrilled. A shallower hole CC177-19 drilled along the same section returned **3.1m @ 7.3 g/t gold including 0.6m @ 24.7 g/t gold**. These results confirm vertical continuity of high-grade mineralization from surface to 80m. The zone remains open at depth and along strike
- Drill hole CC179-19 tested the main E-W target and returned **0.5m @ 20.2 g/t gold** and was drilled 175m west of CC177-19 and CC178-19
- Drill hole CC181-19 tested the main E-W target, 275m west of CC177-19 and returned **0.6m @ 10.0 g/t gold**.
- Wider zones of lower grade mineralization are associated with and enclose the high-grade E-W trending intervals

Machichie Drill Results

The Machichie target is located just 500m north of the MG deposit. MG is currently the second largest gold deposit known at Cuiú Cuiú, with an Inferred Resource of 8.6MMt @ 1.45 g/t gold (0.4MMoz of gold)¹.

Machichie was selected as a priority target for drill testing following the identification of high-grade gold mineralization from shallow artisanal shafts in mid-2018 (see press release dated July 19, 2018). A composite grab sample returned 336 g/t Au from a 1m wide quartz-pyrite vein in the principal shaft in the area. Results from channel sampling in subsidiary shafts and galleries in weathered bedrock along strike included 0.80m @ 54.6 g/t Au, 1.5m @ 13.8 g/t Au, 0.75m @

¹ Micon NI 43-101 amended resource estimate dated December 19, 2018.

13.2 g/t gold and 1.75m @ 5.8 g/t gold. A recent grab sample from stockpiles of the principal shaft returned **356 g/t Au, 198 g/t Ag, 1% Cu and 0.1% Mo** (see press release dated January 29, 2019).

The high-grade surface mineralization and workings at Machichie extend over at least 750m in strike length and are coincident with a strong E-W trending magnetic anomaly, resembling that of the MG deposit (Figures 1 and 2). The structure is considered to extend further under soil cover to the east and west. Diamond drill and assay results from the initial six holes are summarized below in Table 1. Further drill hole details are provided in Table 2.

<u>Drill hole</u>	<u>From (m)</u>	<u>To (m)</u>	<u>Interval (m)</u>	<u>Grade (g/t gold)</u>
CC177-19	23.4	25.5	2.1	0.9
+	37.5	82.5	45.0	1.0
incl.	37.9	38.1	0.2	23.9
+ incl.	44.5	44.9	0.4	13.4
+ incl.	53.7	54.0	0.3	11.4
+ incl.	61.4	64.5	3.1	7.3
Inc.	63.6	64.2	0.6	24.7
CC178-19	31.6	94.4	62.8	0.9
incl.	91.7	93.8	2.1	15.3
+	112.2	115.9	3.7	0.9
CC179-19	33.9	50.2	16.3	1.3
incl.	39.1	39.6	0.5	20.2
CC180-19	Hole lost at 40.5m in saprolite. Results pending			
CC181-19	38.4	45.0	6.6	1.6
incl.	38.4	39.0	0.6	10.0
CC182-19	32.2	35.6	3.4	36.9
incl.	33.9	34.6	0.7	162.7

Table 1: Drill results from the Machichie target

Machichie Main East-West Trend

Five holes tested the main E-W trending Machiche magnetic-low trend. With the exception of one hole, which terminated early due to drilling difficulties, all holes encountered high-grade quartz-sulphide veins and/or silica-sulphide-rich zones. In places, these are encompassed by broader lower grade alteration envelopes. The recognition of the lower grade mineralized envelope was unexpected at Machichie. however, the signature is similar to that observed at the MG deposit 500m to the south. MG is characterized by multiple higher-grade zones within a broader alteration envelope.

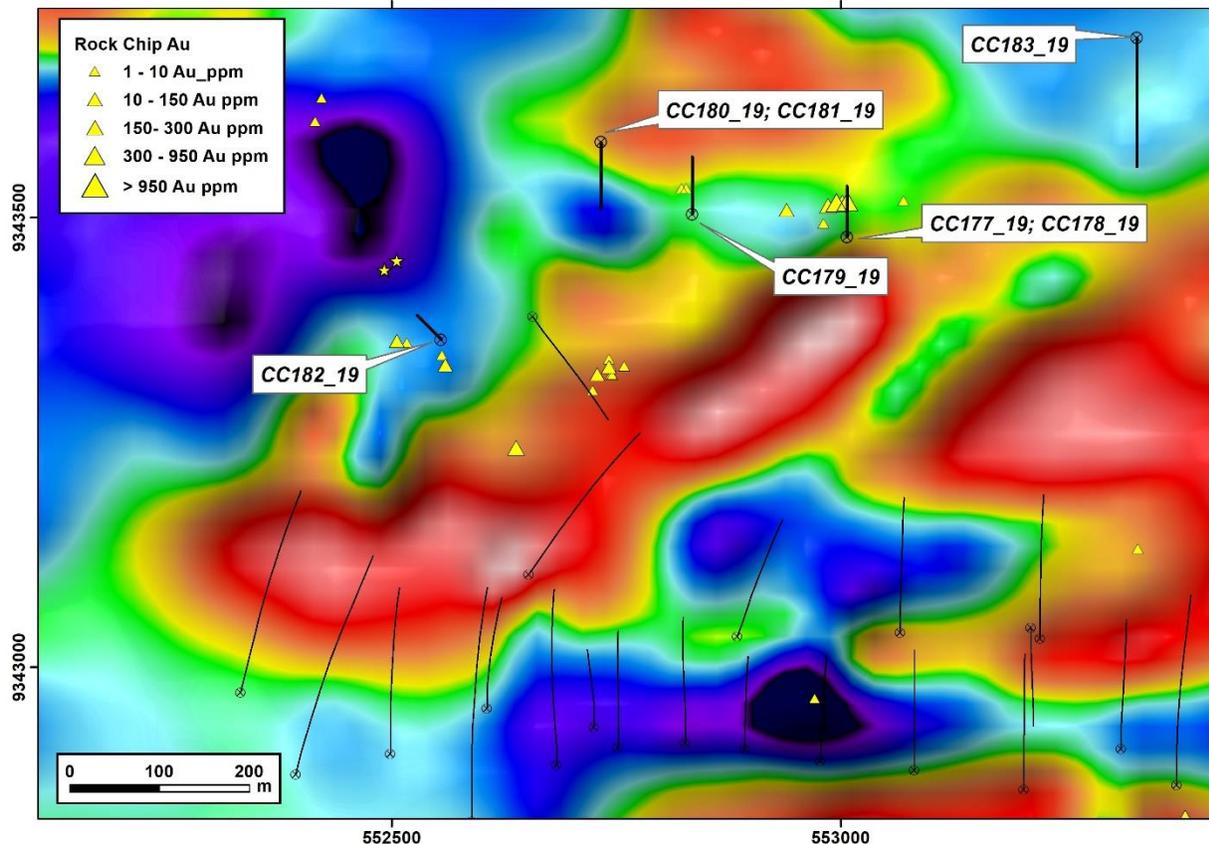


Figure 1: Map showing location of magnetic lows and recent drilling at Machichie in relation to MG deposit

The first two diamond drill holes, CC177-19 and CC178-19 were completed on section 553005E. These combined to establish vertical continuity beneath high-grade mineralization that was previously recognised and sampled at surface (Figures 1, 2 and 3).

Drill Hole CC177-19 cut **3.1m @ 7.3 g/t gold** within a broader mineralized envelope that returned **45m @ 1.0 g/t gold**. Several other narrow high-grade veins are evident within this broader envelope including **0.2m @ 23.9 g/t**, **0.4m @ 13.4 g/t** and **0.6m @ 24.7 g/t gold**.

Drill hole CC-178-19 was drilled from the same platform immediately below CC-177-19 and similarly cut the same structure, returning **2.1m @ 15.3 g/t gold**, approximately 30m below the intercept in CC177-19, or 80m below surface. The high-grade zone is similarly enclosed within a broader lower grade envelope of **62.8m @ 0.9 g/t gold** (Figures 2 and 3).

Drill hole CC179-19 was a step out hole that was drilled approximately 175m west of CC177-19 and CC178-19 and intersected the same mineralized structure and returned **0.5m @ 20.2 g/t gold** within a lower grade envelope of **16.3m @ 1.3 g/t gold**.

Drill holes CC180-19 and CC181-19 were drilled 275m further west of CC177-19. Hole CC180-19 was lost at 40.5m in saprolite before reaching the target zone and results are pending from this hole, but hole CC181-19 again intersected what is interpreted as the extension of the same high-grade structure returning **0.6m @ 10.0 g/t gold** within a narrower lower grade interval of **6.6m @ 1.6 g/t gold**.

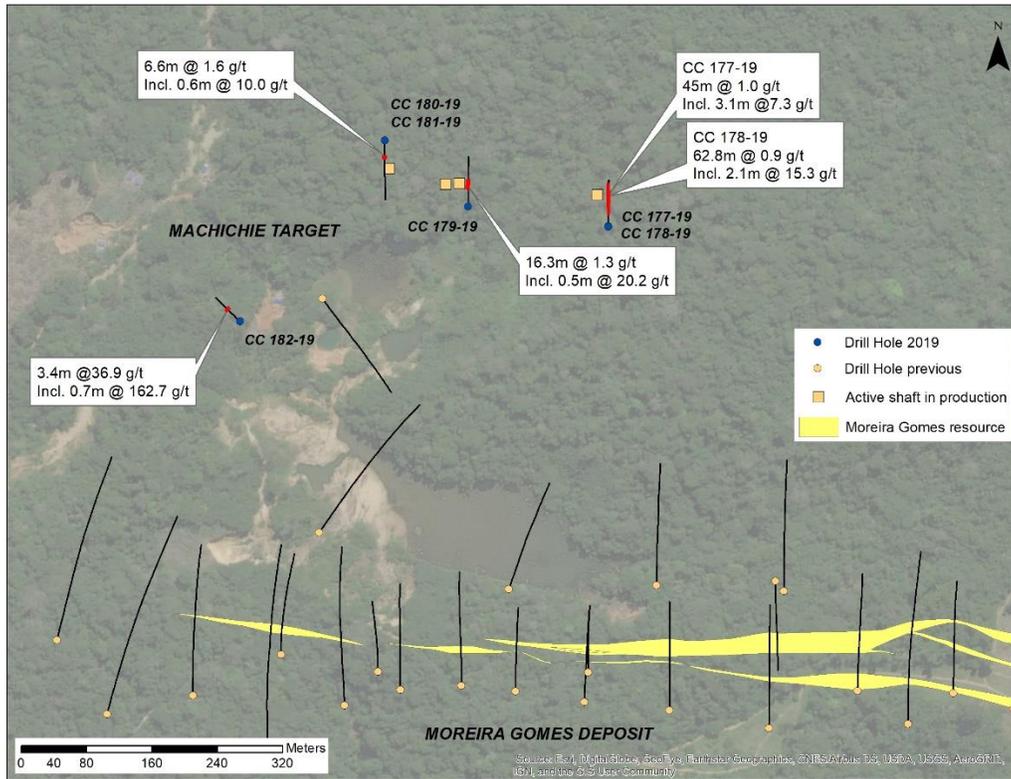


Figure 2: Map showing location of Machichie drill holes in relation to MG deposit

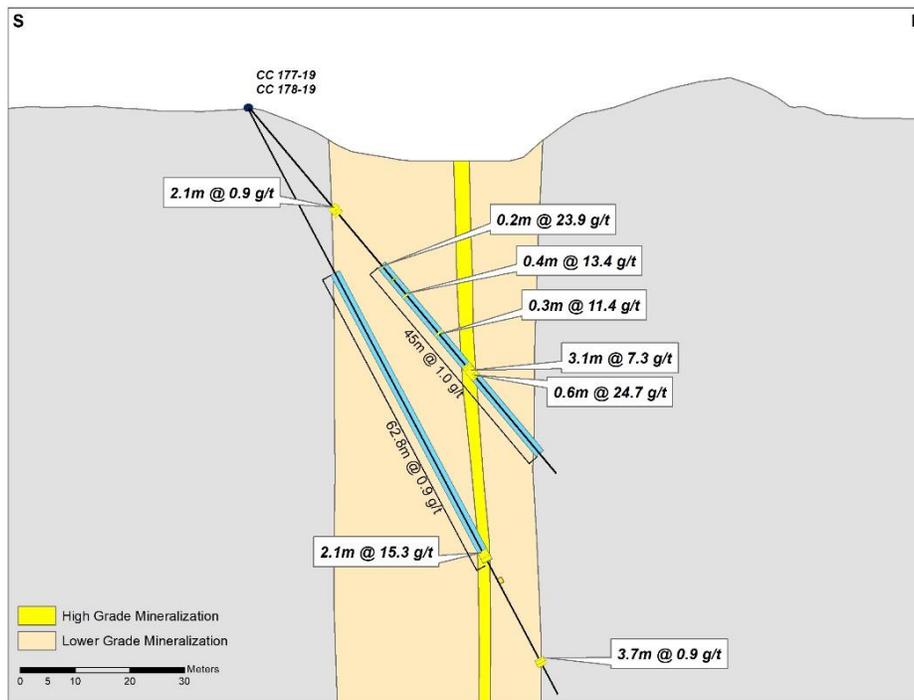


Figure 3: Schematic cross section of line 553005E at Machichie showing drill holes CC177-19 and CC178-19

These initial reconnaissance drill holes clearly demonstrate the presence of an E-W trending zone of high-grade gold mineralization at Machichie which is surrounded by a broader lower grade envelope.

Drilling at the Machichie main E-W trend in this Phase I reconnaissance program has been constrained to a 275m segment of a much larger magnetic-low E-W trend, and was focussed along the northern contact, where overburden depths are shallower and artisanal workers have exposed basement gold mineralization. Much of the width of the magnetic-low trend remains untested and gold mineralized remains open beyond the 275m of strike length and at depth.

Machichie Northeast Trend

Drill hole CC182-19 (Figures 1, 2 and 4) was drilled 280m SW of hole CC181-19 beneath another previously untested NE-trending structure which returned values of 19.2 g/t gold from surface rock chip sampling. This structure is also coincident with another significant magnetic low trend. The hole intersected a pronounced interval of quartz-sulphide alteration and veining at 32m depth, which returned **3.4m @ 36.9 g/t gold including 0.7m @ 162.7 g/t gold** (Figure 4). The zone is open at depth and undrilled along strike in both directions. This NE structural trend, and coincident magnetic low, converges towards the main E-W trending Machichie structure (Figures 1 and 2). Mineralization remains open along strike and at depth.



Figure 4 : Quartz-sulphide vein structure intersected in hole CC182-19 which returned 3.4m @ 36.9 g/t gold

Machichie East Target

Reconnaissance hole CC183-19 was recently completed to a depth of 250.5m at the Machichie East target (see press release dated January 29, 2019). This hole was collared on Section 553680E, approximately 400m NE of CC177-19. It was designed to test a coincident magnetic low (Figure 1), IP chargeability anomaly, and multi-element saprolite/soil geochemical anomaly. CC183-19 intersected intervals of strong silica-pyrite alteration and at least three previously unknown quartz-pyrite vein zones. Extensive scheelite and minor molybdenite was observed in veins and disseminations in the host rock. Assay results are pending.

Next Steps

Drilling is currently proceeding at the MG deposit which contains an existing low grade and E-W trending Inferred Resource of 8.6MMt @ 1.45 g/t Au (0.4MMoz of gold). A re-interpretation of the historic drill data suggests that the low-grade resource may be cut by previously unrecognised NE-trending narrow high-grade zones. Three holes are planned to test for potential high-grade structures at MG.

Following completion of drilling at MG, Cabral intends to complete reconnaissance drilling at five additional high-grade targets. Once the Phase I reconnaissance program is complete the Company expects to systematically follow-up the highest priority drill-core assay results with a view to expanding and upgrading the current resource base at Cuiú Cuiú.

Alan Carter, President and CEO stated “these initial drill results from the previously untested Machichie target strongly support our belief that numerous high-grade zones of gold mineralization exist at the Cuiú Cuiú project. Clearly, we have made a new discovery which has the potential to grow to be a significant high-grade deposit. I would like to extend my congratulations and thanks to our exploration team in Brazil and hope that these initial drill results will dispel the myth that gold mineralization at Cuiú Cuiú is only low grade”.

Hole	X	Y	Dip/Az	Saprolite depth (m)	EOH (m)
CC_177_19	553007	9343478	-50/000	19.1	87.3
CC_178_19	553007	9343478	-62/000	25.3	121.3
CC_179_19	552835	9343504	-50/000	0.3	98.5
CC_180_19	552733	9343584	-50/180	30.3	40.5
CC_181_19	552733	9343584	-60/180	37.5	149.6
CC_182_19	552555	9343364	-50/315	21.0	65.5
			TOTAL		562.7

Table 2: Location information and saprolite depths for Machichie drill holes

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 2M oz of gold from the overall 20-30M oz 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).

Cabral reported an updated NI 43-101 Mineral Resource Estimate in December 2018 totalling 5.9M tonnes grading 0.9 g/t Au (Indicated) and 19.5M tonnes grading 1.2 g/t Au (Inferred), or 0.2M ounces and 0.8M ounces of gold, respectively. That estimate was based on four deposits drilled prior to the cessation of exploration in 2012.

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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.

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.

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

Gold analysis has been conducted by SGS method FAA505 (fire assay of 50g charge), with higher grade samples checked by FAA525. Analytical quality is monitored by 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. Earlier channel sampling completed ahead of the drilling campaign was conducted using a hand-

trenching tool over exposed faces to maintain a consistent sample. The high-grade Machichie sample was collected in run-of-mine stockpiles from the artisanal processing operation. Drill holes results are quoted as down-hole length weighted intersections.

Under the agreement with the Cuiú Cuiú condominium, local artisanal operators can process mineralization to a depth of 30m, unless otherwise negotiated. Shafts generally stop at or above the depth of the water-table.