Cabral Gold Announces Second Closing of Over-Subscribed Private Placement



Cabral Gold Inc. (TSX.V: CBR)

Announced the second closing of its previously announced non-brokered private placement financing (the “Private Placement”) through the issuance of 3,934,710 common shares at a price of $0.125 per share for gross proceeds of $491,839.

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Vancouver, British Columbia – July 7, 2020 – Cabral Gold Inc.(“Cabral” or the “Company”)(TSXV: CBR; OTC PINK: CBGZF)is pleased to announce the second closing of its previously announced non-brokered private placement financing (the “Private Placement”) through the issuance of 3,934,710 common shares at a price of $0.125 per share for gross proceeds of $491,839.

The Company intends to use the net proceeds from the Private Placement to drill recently identified high-grade gold targets at the Cuiú Cuiú gold project located in northern Brazil and for general corporate and working capital purposes.

In connection with the current closing of the Private Placement, the Company incurred finder’s fees totalling $7,125.

All securities issued in connection with the Private Placement are subject to a statutory hold period of four months from the date of issuance in accordance with applicable securities legislation and the policies of the TSX Venture Exchange, pursuant to which the shares of the current closing may not be sold or transferred until November 7, 2020.

The Company has also increased the size of its previously announced Private Placement from $4,000,000 to up to $4,200,000 due to increased demand. This increase follows from an earlier increase in the size of the Private Placement from $2,000,000 to $4,000,000 (see June 1, 2020 news release). The Private Placement will now comprise up to 33,600,000 common shares at a price of $0.125 per share.

The first and second closings of the Private Placement totalled 29,932,110 common shares for gross proceeds of $3,741,514.

A third and final closing of the Private Placement comprising 3,500,000 common shares to be issued to a single subscriber, is expected following receipt of TSX Venture Exchange approval. **This closing will bring the total Private Placement to 33,432,110 common shares for gross proceeds of $4,179,014.**

About Cabral Gold Inc.

The Company is a junior resource Company and is engaged in the identification, exploration and development of projects in Brazil. The Company owns the Cuiú Cuiú gold project which currently contains Indicated resources of 5.9Mt @ 0.90g/t (200,000 oz) and Inferred resources of 19.5Mt @ 1.24g/t (800,000 oz and is located in the Tapajós Region within the state of Pará in northern Brazil.

The Tapajós Gold Province is the site of the largest gold rush in Brazil’s history producing an estimated 30 to 50 million ounces of placer gold between 1978 and 1995. Cuiú Cuiú was the largest garimpo in the Tapajós and produced an estimated 2M ounces of placer gold historically.

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