Cabral Gold closes their CAD $3.31 million placing

Cabral Gold Inc.{TSX.V: CBR}

Closed its previously announced non-brokered private placement financing through the issuance of 22,796,832 units at a price of 15 cents per unit for gross proceeds of CAD$3,419,524.80

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Cabral Gold closes $3.41-million financing

2019-07-26 05:53 ET – News Release

Mr. Alan Carter reports

CABRAL GOLD ANNOUNCES CLOSING OF OVER-SUBSCRIBED PRIVATE PLACEMENT

Cabral Gold Inc. has closed its previously announced non-brokered private placement financing through the issuance of 22,796,832 units at a price of 15 cents per unit for gross proceeds of $3,419,524.80. Each unit comprises of one common share of the company and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one common share at a purchase price of 20 cents for a period of 12 months following closing of the private placement.

Officers and directors of Cabral and their spouses subscribed in the private placement for a total of 1,966,667 units for gross proceeds of $345,000 representing 10.1 per cent of the total raised.

The participation of officers and directors of Cabral in the private placement constitutes a related party transaction within the meaning of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions. The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to Section 5.5(a) and Section 5.7(1)(a) as the fair market value of the officers' and directors' participation is not more than 25 per cent of the company's market capitalisation.

The company intends to use the net proceeds from the private placement to further exploration at its Cuiu Cuiu gold project located in northern Brazil and for general corporate and working capital purposes.

In connection with the private placement, the company paid an aggregate cash finder’s fee of $158,846 and issued an aggregate of 1,058,972 share purchase warrants to certain finders in connection with the private placement. Each finder’s warrant entitles the holder to purchase one common share of the company at a purchase price of 20 cents for a period of 12 months following closing of the private placement.

All securities issued in connection with the private placement are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation and the policies of the TSX Venture Exchange, pursuant to which they may not be sold or transferred until Nov. 26, 2019.

About Cabral Gold Inc.

The company is a junior resource company and is engaged in the identification, exploration and development of mineral properties, with a primary focus on gold properties located in Brazil. The company owns the Cuiu Cuiu gold project located in the Tapajos region within the state of Para in northern Brazil, which contains a National Instrument 43-101 mineral resource estimate totalling 5.9 million tonnes grading 0.9 g/t Au (indicated) and 19.5 million tonnes grading 1.2 g/t Au (inferred), or 200,000 ounces and 800,000 ounces of gold, respectively.

The Tapajos gold province is the site of the largest gold rush in Brazil’s history. Cuiu Cuiu was the largest garimpo in the Tapajos and produced an estimate two million ounces of placer gold historically.

We seek Safe Harbor.