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NEWS RELEASE

San Angelo Oil Limited Announces Closing of Second Tranche of Offering by Cabral Gold Ltd.

Vancouver, British Columbia, October 20, 2017 – San Angelo Oil Limited (“San Angelo”) (NEX: SAO.H) is pleased to announce that Cabral Gold Ltd. (“**Cabral**”) has closed the second tranche of their private placement financing (the “**Offering**”). The Offering is being conducted in connection with the business combination (the “**Business Combination**”) between San Angelo and Cabral.

The second tranche of the Offering was completed on a brokered basis pursuant to the terms of an agency agreement between San Angelo, Cabral and M Partners Inc. (the “**Agent**”). In this tranche, Cabral raised gross proceeds of approximately \$1.8 million, bringing total gross proceeds raised in the Offering to \$3.6 million. Cabral expects to close a third and final tranche of the Offering by the end of October. The funds are being held in escrow pending closing of the Business Combination.

In the second tranche of the Offering, Cabral issued 16,665,752 subscription receipts (the “**Subscription Receipts**”) at a price of \$0.108 per Subscription Receipt. Immediately prior to the closing of the Business Combination, each Subscription Receipt will convert, without additional consideration, into one unit of Cabral which will, in conjunction with the closing of the Business Combination, be exchanged for 0.18 of a unit of San Angelo (each whole such unit being referred to as a “**Unit**”). Each whole Unit will be comprised of one post-consolidation common share of San Angelo, one-half of one class A warrant and one-half of one class B warrant. Each whole class A warrant will entitle the holder to purchase one post-consolidation common share of San Angelo at a price of \$0.75 for a period of one year after the closing of the Business Combination. Each whole class B warrant will entitle the holder to purchase one post-consolidation common share of San Angelo at a price of \$0.90 for a period of two years after the closing of the Business Combination.

In connection with the closing of the second tranche of the Offering, Cabral issued a total of 999,945 special warrants to the Agent. Immediately prior to closing the Business Combination each special warrant will automatically be exercised into a warrant of Cabral, which will, in conjunction with the closing of the Business Combination, be exchanged for 0.18 of a compensation warrant of San Angelo (the “**Compensation Warrants**”) without additional consideration or further action by the holder. Each Compensation Warrant will entitle the holder to acquire one Unit at an exercise price of \$0.60 for a period of two years after the closing of the Business Combination. In addition, on closing of the Business Combination, Cabral will pay the Agent a cash commission of approximately \$107,994 in connection with the second tranche of the Offering.

Completion of the Business Combination is subject to a number of conditions, including but not limited to completion of the Offering sufficient to satisfy the conditions precedent, approval of the shareholders of Cabral, receipt of all required regulatory consents (including final TSX Venture Exchange acceptance),

and satisfaction of other customary closing conditions. There can be no assurance that the Business Combination will be completed as proposed or at all.

Further details regarding the Business Combination will be set forth in a filing statement of San Angelo, a copy of which will be available at www.sedar.com. Investors are cautioned that, except as disclosed in the filing statement to be filed, any information released or received with respect to the Business Combination may not be accurate or complete and should not be relied upon. Trading in the securities of San Angelo remains halted on the Exchange and should be considered highly speculative.

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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.

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 any of the word “will”, “expects” 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: completion of the Business Combination and full Offering, receipt of required shareholder and regulatory approvals, and strategic plans and future operations. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. San Angelo 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.