

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. NAME AND ADDRESS OF COMPANY

Cabral Gold Inc.
Suite 1500 - 409 Granville Street
Vancouver, British Columbia
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2. DATE OF MATERIAL CHANGE

September 24, 2020

3. NEWS RELEASE

News release dated September 24, 2020 was disseminated through the facilities of Newsfile Corp.

4. SUMMARY OF MATERIAL CHANGE

Cabral Gold Inc. (“Cabral” or the “Company”) identified new high-grade veins and adds second drill rig at Cuiú Cuiú Gold District.

5. FULL DESCRIPTION OF MATERIAL CHANGE

Cabral Gold Inc. announced the identification of at least six new NE trending high-grade veins in the Machichie SW area located immediately north of the MG deposit, at the Cuiú Cuiú gold district in northern Brazil. Highlights are as follows:

- Six new NE trending high-grade vein structures have been identified in the Machichie SW area as a result of recent mapping between the MG deposit and the Machichie target which was drilled during 2019
- Drilling in this area of the Cuiú Cuiú district returned 3.4m @ 36.9 g/t gold during 2019. Previously it was not known if this zone was the western faulted offset of the Machichie structure or a separate discrete mineralized structure. It is now clear that this drill intercept represents a separate mineralized vein structure which has been named Machichie SW
- Five other NE trending veins which are parallel to Machichie SW have now been mapped. These include Filão de Amor immediately to the west, and Zezinho, Hamilton Novo, Maranhão W and Maranhão E to the east. Grab samples from the Maranhão W and Maranhão E veins recently returned 21.4 g/t gold and 15.3 g/t gold, respectively
- Previously, trenching of the Hamilton Novo vein returned 5.8m @ 16.0 g/t gold on surface and 3.0m @ 7.4 g/t gold in a single historic drill hole, with the intercept open along strike and down-dip

- In order to test the increasing number of high-grade targets identified at Cuiú Cuiú, the Company has signed a contract with a third-party independent drilling contractor to add a second RC drill rig on site

Machichie SW

The Machichie SW target area of the Cuiú Cuiú district is located between the E-W trending MG deposit, which currently contains an Initial Inferred Resource of 8.6Mt @ 1.45 g/t gold (400,000oz), and the recently discovered Machichie zone, which is a parallel E-W trending zone located approximately 500m north of the MG deposit.

Prior to 2019, a surface trench in the area cut 5.8m @ 16.0 g/t gold and a single drill hole below the trench intersected 3.0m @ 7.4 g/t gold. This occurrence was never followed up. In early 2019, however, a single hole was drilled 125m to the west of the initial hole and cut 3.4m @ 36.9 g/t gold. At the time, it was not known whether this was the western extent of the Machichie structure, which had been faulted to the south, or a separate structure.

Recent mapping by Cabral Gold's geologists has not only concluded that the two occurrences described above are related to two separate NE trending veins, but four additional NE trending veins have also been recognized further east, none of which have been previously drill tested. These clearly form part of a high-grade vein array and are shown in Figure 1 in the news release dated September 24, 2020. To view an enhanced version of Figure 1, please visit: https://orders.newsfilecorp.com/files/3900/64545_35fa85a1641de9fa_002full.jpg

Details regarding each vein structure from west to east are as follows:

- Filão de Amor (undrilled) - mapped on surface, magnetic anomaly, surface samples range from 8.4 to 38.8 g/t gold
- Machichie SW (2 holes) - mapped on surface, magnetic anomaly, surface samples include 3.4 and 19.2 g/t gold, one of two drill holes completed in 2019 cut 3.4m @ 36.9 g/t gold (Figure 2)
- Zezinho (undrilled) - mapped on surface, magnetic anomaly, surface samples include 1.6 and 20.4 g/t gold
- Hamilton Novo (1 hole) - mapped on surface, magnetic anomaly, surface samples range from 1.0 to 225.8 g/t gold, surface trenching returned 5.8m @ 16.0 g/t gold (Figure 3), a single historic drill hole intersected 3.0m @ 7.4 g/t gold, estimated true width of 2.3 - 5.8m
- Maranhão W (undrilled) - mapped on surface, magnetic anomaly, surface sample of 21.4 g/t gold
- Maranhão E (undrilled) - mapped on surface, magnetic anomaly, surface sample of 15.3 g/t gold

The strike and depth extent of these veins is currently unknown due to variable surface exposure and an almost complete lack of drilling to date. However, processing of the aerial and ground magnetic data indicates that the NE-trending veins sets are developed in tensional structures bound by the E-W trending MG and Machichie shear zones. Each of these NE-trending corridors, which are evident in the magnetic data, extend at least 500-600m along strike. Left-lateral movement on the E-W zones at MG and Machichie is believed to have resulted in the

development of multiple contemporaneous NE trending veins.

Based on this model, Cabral believes there is a high likelihood of discovering additional NE-trending veins within this part of the Cuiú Cuiú District, as a number of E-W trending fault splays off the TZ lineament are known. Additional mapping, sampling and surface trenching is being conducted in order to establish the along strike continuity of these vein structures and to test for additional new parallel veins. Following the completion of this additional work, the Company will decide whether to include some or all of these veins in the recently announced 25,000m drill program.

To view an enhanced version of Figure 2 (Mineralized drill core from Hole 182-19 which intersected the Machichie SW vein structure and returned 3.4m @ 36.9 g/t gold), please visit: https://orders.newsfilecorp.com/files/3900/64545_35fa85a1641de9fa_003full.jpg

To view an enhanced version of Figure 3 (Hamilton Novo vein exposed on surface. Surface channel sampling here returned 5.8m @ 16.0 g/t gold), please visit: https://orders.newsfilecorp.com/files/3900/64545_35fa85a1641de9fa_004full.jpg

Drilling Update

Cabral Gold has already completed several holes at the initial Alonso target and drill results from this important high-grade target are expected shortly. Drilling is ongoing and will continue to systematically test the high-grade gold targets discovered to date.

The identification of a significant number of new high-grade targets in the Machichie SW area, and the ongoing regional reconnaissance program at Cuiú Cuiú, which is expected to generate additional targets, has led to a review of the current drill program. This review has concluded that drilling on two different targets simultaneously will allow for faster identification of high-grade deposits and increased news flow. As a result, the Company has signed a contract with an established third party drilling contractor to provide a second RC rig which is expected on site in the coming weeks.

6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

7. OMITTED INFORMATION

Not applicable.

8. EXECUTIVE OFFICER

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9. **DATE OF REPORT**

May 19, 2021