

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. NAME AND ADDRESS OF COMPANY

Cabral Gold Inc.
Suite 1500 - 409 Granville Street
Vancouver, British Columbia
V6C 1T2

2. DATE OF MATERIAL CHANGE

October 30, 2017

3. NEWS RELEASE

News release dated October 31, 2017 was disseminated via CNW (Cision).

4. SUMMARY OF MATERIAL CHANGE

Cabral Gold Inc. (formerly San Angelo Oil Limited) completed its previously announced business combination with Cabral Gold Ltd. and 1116669 B.C. Ltd. and concurrent private placement.

5. FULL DESCRIPTION OF MATERIAL CHANGE

Cabral Gold Inc. (formerly San Angelo Oil Limited) (the “**Company**”) announced that it has completed the previously announced business combination with Cabral Gold Ltd. (“**Cabral**”) and 1116669 B.C. Ltd. (the “**Transaction**”). The Company changed its name from “San Angelo Oil Limited” to “Cabral Gold Inc.” and completed a share consolidation. In connection with the completion of the Transaction, the Company’s common shares commenced trading on a consolidated basis on the TSX Venture Exchange under the symbol “CBR” at the open of the market on November 2, 2017.

Financing by Cabral

Shortly prior to closing of the Transaction, Cabral completed a third tranche of its private placement financing (the “**Offering**”). The third tranche was completed on a non-brokered basis, with Cabral raising gross proceeds of approximately \$559,000 through the sale of 5,175,334 subscription receipts (the “**Subscription Receipts**”) at a price of \$0.108 per Subscription Receipt. In connection with the third tranche of the Offering, Cabral issued a total of 238,323 special warrants (the “**Special Warrants**”) to various finders and paid cash finders’ fees totalling approximately \$25,739 to the finders.

Cabral raised total gross proceeds of approximately \$4.16 million in the Offering, through the sale of 38,507,414 Subscription Receipts. Immediately prior to the closing of the Transaction, each Subscription Receipt issued in the Offering was converted, without additional consideration into one unit of Cabral which, in conjunction with the closing of the Transaction, was exchanged for 0.18 of one unit of the Company. Each whole unit of the Company (a “**Unit**”) was comprised of one post-consolidation common share of the Company, one-half of one class A warrant and one-half of one class B warrant. Each whole class A warrant entitles the holder to purchase one post-consolidation common share of the Company at a price of

\$0.75 until October 30, 2018, and each whole class B warrant entitles the holder to purchase one post-consolidation common share of the Company at a price of \$0.90 until October 30, 2019.

Immediately prior to the closing of the Transaction, each Special Warrant was automatically exercised into a compensation warrant of Cabral, which, in conjunction with closing of the Transaction, was exchanged for 0.18 of a compensation warrant of the Company. Each compensation warrant entitles the holder to acquire one Unit of the Company at an exercise price of \$0.60 until October 30, 2019.

The net proceeds of the Offering will be used to finance the Company's work program on the Cuiú Cuiú project and for general working capital, as more particularly described in the filing statement of the Company dated October 23, 2017.

Summary of the Transaction

The Transaction was carried out by way of a three-cornered amalgamation, whereby Cabral amalgamated with 1116669 B.C. Ltd., a wholly owned subsidiary of the Company. Concurrently with closing of the Transaction, the Company completed a share consolidation, such that every five existing common shares were consolidated into one new common share of the Company. Shareholders of Cabral received 0.18 of a post-consolidation common share of the Company for each common share of Cabral held by them immediately prior to the completion of the Transaction. The Company issued 29,753,868 post-consolidation shares in exchange for the common shares of Cabral, which includes shares issued on conversion of the Subscription Receipts. The certificates representing the Subscription Receipts and Special Warrants, and any original share certificates of Cabral, are now null, void and of no further force or effect. As a result of the closing of the Transaction, including the consolidation, the Company now has 31,052,418 common shares issued and outstanding.

The board of directors of the Company is comprised of Alan Carter, acting as President and Chief Executive Officer, Charles Oliver acting as Chairman, Dennis Moore, Donald Njegovan and Derrick Weyrauch. Paul Hansed is the Chief Financial Officer and Corporate Secretary of the Company.

As a result of the exchange of their shares of Cabral for shares of the Company, Alan Carter of Vancouver, British Columbia, and Dennis Moore, of Lisbon, Portugal, each received 5,527,665 post-consolidation common shares of the Company at a deemed value of \$0.60 per post-consolidation common share. Each now holds approximately 17.8% of the issued and outstanding common shares of the Company, and approximately 13.6% on a fully diluted basis. Mr. Carter and Mr. Moore did not own any shares of the Company prior to the Transaction.

M Partners Inc. acted as financial advisor to Cabral in connection with the Transaction. As a result of the completion of the Transaction, the Company will pay M Partners Inc. a success fee, which may be paid in cash or common shares of the Company.

The Transaction was a reverse takeover under securities policies, and information regarding the entity that resulted from the reverse takeover is included in the Filing Statement of the Company dated October 23, 2017, available on SEDAR at www.sedar.com, and incorporated by reference into this report.

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

Not applicable.

7. OMITTED INFORMATION

No information has been omitted on the basis that it is confidential information.

8. EXECUTIVE OFFICER

Alan Carter, President and CEO
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9. DATE OF REPORT

November 6, 2017