

# Cabral Gold Identifies New High-Grade Target and Provides Update on Drilling at the Cuiú Cuiú Gold District

Vancouver, British Columbia--(Newsfile Corp. - December 3, 2020) - **Cabral Gold Inc. (TSXV: CBR) (OTC Pink: CBGZF) ("Cabral" or the "Company")** is pleased to announce the identification of a new high-grade target north of Medusa, and an update on the initial RC drilling at the high-grade Alonso and Medusa targets at the Cuiú Cuiú gold district in northern Brazil. Highlights are as follows;

- **Tracaja target** - Ongoing regional reconnaissance work within the Cuiú Cuiú district has identified a new high-grade gold target at Tracaja, which is located 1.8km NNE of the Medusa target. Nineteen surface grab samples collected from the edge of historic placer workings, returned gold values of **24.2 g/t to 165.0 g/t gold and average 74.9 g/t gold**
- **Alonso target Drilling update** - Results have been received on a further twelve reconnaissance RC holes at the initial Alonso target. None of the holes encountered any significant gold mineralization. Several additional holes will test alternative trending structural targets and the possibility that the high-grade surface boulders may have been transported further than anticipated
- **Medusa target Drilling update** - Initial drilling at the Medusa target is in progress. Twenty holes have been drilled to date and assay results are pending
- **Machichie / Machichie SW Drilling** - A second rig recently arrived and is initially targeting extensions of 2019 high-grade drill results at the Machichie target. Recent surface sampling from the Filao de Amor vein structure in the Machichie SW area returned gold values of **0.5 - 324.5 g/t, with an average of 123.4 g/t gold**

*Alan Carter, Cabral's President and CEO, commented, "The eastern part of the Cuiú Cuiú district is proving to be just as prolific as the central part where we already have two gold deposits drilled off and multiple high-grade targets. Tracaja has some exceptionally high-grade blocks on surface, but in this particular case, we have strong evidence that the surface blocks are derived from two NE trending veins which are currently submerged under water in an adjacent pit.*

*"Whilst the initial drilling at the Alonso target area has not thus far identified the source of the high-grade surface boulders, further drilling is planned to test other possible structural targets".*

## **Tracaja Target**

Ongoing regional reconnaissance work in the eastern part of the Cuiú Cuiú concession area has identified yet another new high-grade target at Tracaja (see Figure 1) which is located 1.8km NNE of the Medusa target.

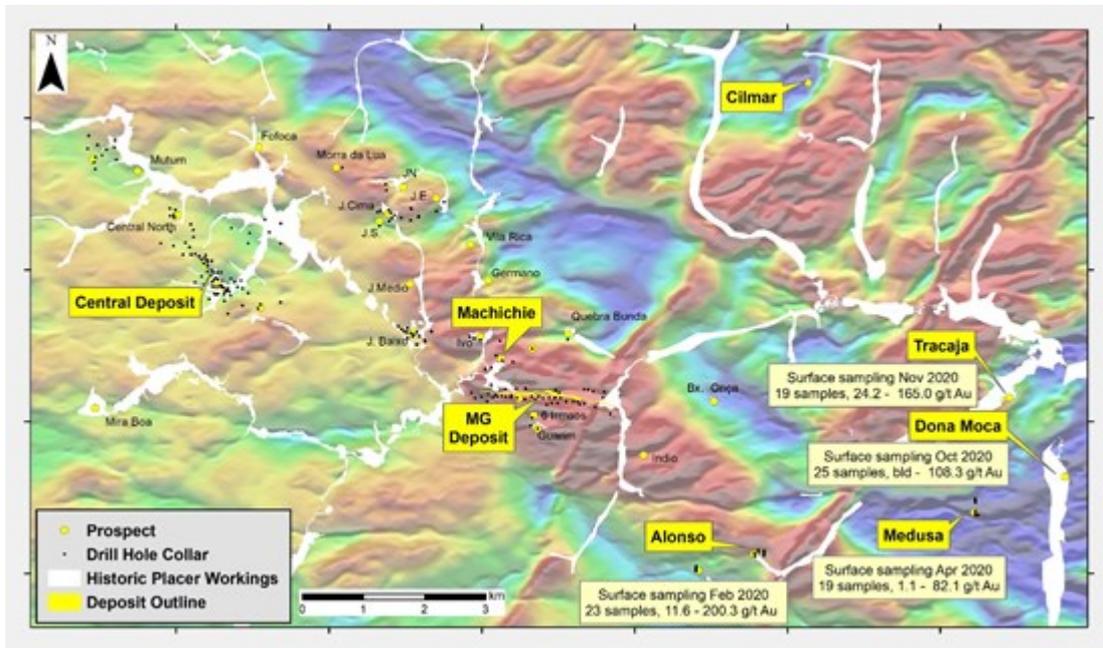


Figure 1: Cuiú Cuiú location map showing the new Tracaja target in relation to the 43-101 compliant MG and Central deposits and the recently identified Cilmar, Alonso, Medusa and Dona Moca targets

To view an enhanced version of Figure 1, please visit:

[https://orders.newsfilecorp.com/files/3900/69386\\_01b876ff44fb89bf\\_002full.jpg](https://orders.newsfilecorp.com/files/3900/69386_01b876ff44fb89bf_002full.jpg)

Nineteen grab samples were taken from a number of blocks of sulphide-rich quartz vein material located over an area 150m in diameter and immediately adjacent to a flooded area of historic placer workings. The samples returned consistently high gold values ranging from **24.2 g/t to 165.0 g/t gold and averaging 74.9 g/t gold** (see Table 1 and Figure 2).

Sample ID	Gold (g/t)	Sample ID	Gold (g/t)	Sample ID	Gold (g/t)
30159	51.9	30166	30.5	30174	24.2
30160	61.5	30167	118.1	30175	50.8
30161	31.6	30168	44.2	30176	61.6
30162	64.4	30169	137.7	30177	93.5
30163	91.6	30170	125.7	30178	47.8
30164	118.5	30172	165.0		
30165	80.1	30173	25.0		
					<b>Average = 74.9</b>

Table 1: Initial sample results from surface rock float at the new Tracaja target.

Note; sample 30171 was an analytical standard

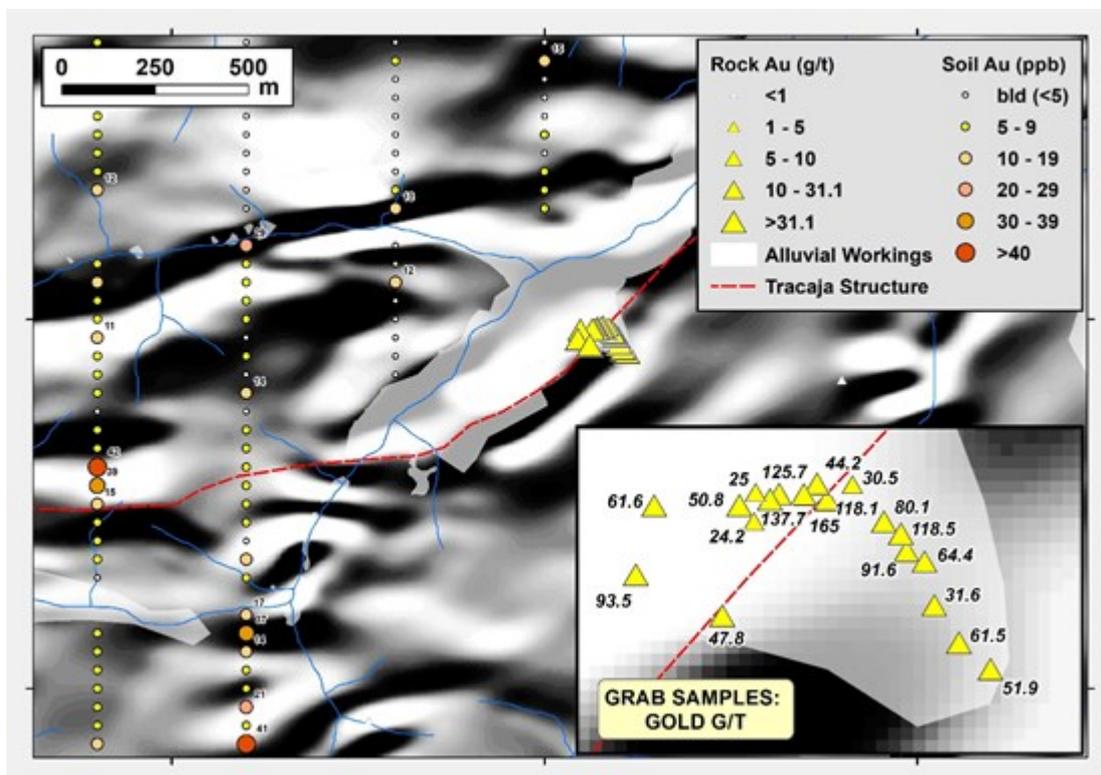


Figure 2. Detailed RTP 1VD magnetic map showing the new Tracaja target and the location of high-grade surface rock samples and the extent of the historic placer workings. Note major NE trending break in magnetic data confirming the anecdotal evidence of a NE trending structure

To view an enhanced version of Figure 2, please visit:

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Anecdotal remarks by individuals who previously mined placer gold from this area suggest that the quartz-sulphide vein material was excavated from two NE trending quartz-pyrite veins that were exposed at the base of the stream bed during the placer mining and are now submerged under an adjacent flooded pit.

Given the very high-grades of these samples and this anecdotal evidence suggesting that they are derived from NE trending veins that were exposed beneath the original placer workings, the Company's reconnaissance RC rig will test the Tracaja target next once the initial RC drilling at Medusa is completed.

## Drill Program

The current drill program at Cuiú Cuiú is designed to test at least ten targets over the next six months. The Company now has two RC rigs at its disposal; the Company-owned track mounted ASV ST-50 mobile rig which can drill to a maximum depth of 200m, and a larger truck mounted contract RC rig capable of drilling to depths of 450m.

The drill program has two distinct components which are as follows;

1. **Reconnaissance drilling:** This is a grass-roots program designed to test regional targets that are not well defined. The drill programs for these targets are planned as drill hole traverse across surface geochemical anomalies or boulder occurrences to identify potential mineralized structures or trends. This utilizes Cabral's own track mounted ASV ST-50 mobile rig. All of the recent drilling completed to date at Alonso (target #1) and Medusa (target #2) has been part of this component; the program at Tracaja (target #3) will also be part of this component
2. **Follow-up drilling of Advanced targets:** This program is designed to follow up positive

**results from previous drill holes and surface trenches where the locations of the mineralized structures are known. It will utilize a larger truck-mounted contract RC rig capable of drilling to depths of 450m. This rig will initially follow up on positive drill results at the Machichie target, including 45m @ 1.0 g/t (incl. 3.1m @ 7.3 g/t gold), 62.8m @ 0.9 g/t (incl. 2.1m @ 15.3 g/t gold), and will then move to further test at least four of the recently identified high-grade veins in the Machichie SW area where previous drilling intersected 3.4m @ 36.9 g/t gold, and 3m @ 7.4 g/t gold**

## **Reconnaissance Drill Program**

In the current drill program, reconnaissance drilling has been testing high-grade surface boulder occurrences at Alonso and Medusa. Both have been traversed with fences of shallow RC holes to identify structural controls and potential basement mineralization.

### *Alonso Drill results*

The Alonso target is the first of at least ten targets to be drilled during the current drill campaign. Alonso had never been previously drilled and numerous angular quartz vein boulders with gold values ranging from **11.6 to 200.3 g/t gold** were found on surface.

There is virtually no surface exposure at Alonso, and the source of the boulders is currently unknown. Several north-south oriented traverses of shallow reconnaissance holes were drilled across what was believed to be an E-W trending structure, based largely on the interpretation of an E-W trending magnetic anomaly.

Results were received on all samples from the remaining 12 reconnaissance RC holes at Alonso from the initial traverses. None of the holes intersected significant gold mineralization. This does not mean the boulders were not locally derived. But the question of where the high-grade boulders have been eroded from has still not been answered. Alternative structural controls will now be tested.

### *Medusa Drilling*

Twenty reconnaissance traverse holes in three fences have so far been completed at the Medusa target. This is the second target of the current program, and is located 4km east of Alonso. Results are pending on all twenty holes and the Company is currently planning to drill an additional two holes before moving to the Tracaja target (see above).

Three fences of holes have been completed over the western extension of the 1.4km long gold-in-soil anomaly at Medusa, including the area where the western group of surface boulders returned gold values of **5.2 to 50.1 g/t gold**. Drilling is currently in progress 350m to the east where surface boulders previously returned **1.1 to 82.1 g/t gold**.

## **Follow-up Drill Program**

### *Machichie Drilling*

Drilling is now in progress at the first follow-up drill target of the larger truck mounted RC rig described earlier. The main Machichie target is an E-W trending mineralized system that was drilled for the first time in 2019 and returned gold values including **45.0m @ 1.0 g/t including 3.1m @ 7.3 g/t gold and 62.8m @ 0.9 g/t including 2.1m @ 15.3 g/t gold** (Figure 3). Initial indications are that mineralization is continuous down dip and along strike for several hundred meters. The current drill program is aimed at systematically determining the limits to the mineralized system.

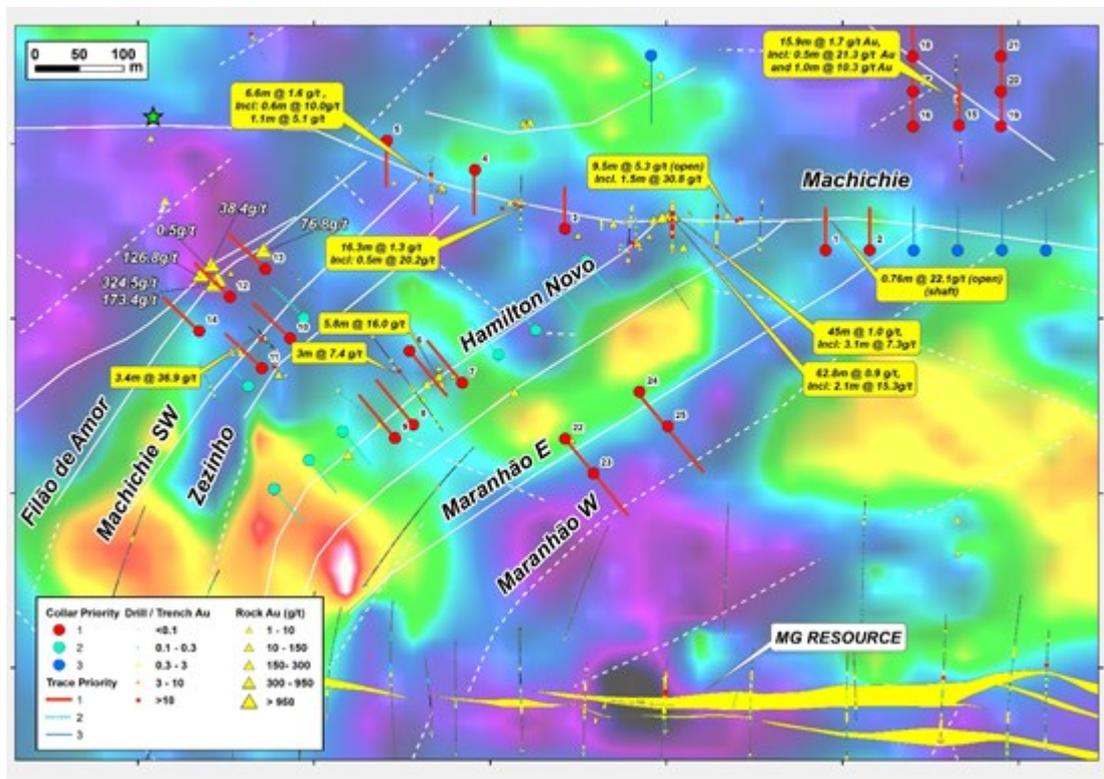


Figure 3. Detailed map of Machichie-MG area showing proposed drill holes at the Machichie, Filão de Amor, Machichie SW, Hamilton Novo, Maranhão East and Machichie NE targets, and new grab sample results from Filão de Amor

To view an enhanced version of Figure 3, please visit:

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Following the completion of a series of infill and step out holes at the main Machichie zone, the rig will move to the Machichie SW area and will test at least four of the six NE trending vein structures, where gold mineralization either occurs in veins exposed in outcrop or veins that have been intersected in limited previous drilling. For example, previous drilling at the Hamilton Novo vein structure returned **3m @ 7.4 g/t gold** while drilling at the Machichie SW vein structure returned **3.4m @ 36.6 g/t gold** (Figure 3).

New surface sampling at Filão de Amor vein structure returned gold values of **0.5 - 324.5 g/t, with an average of 123.4 g/t Au**. These grab samples were taken from historic workings.

The rig will then move to follow up a single drill intercept in the Machichie NE area where a single hole drilled in 2019 that tested a blind soil geochemical anomaly returned **15.9m @ 1.7 g/t gold including 0.5m @ 21.3 g/t gold and 1.0m @ 10.3 g/t gold** (Figure 3).

### About Cabral Gold Inc.

The Company is a junior resource company engaged in the identification, exploration and development of mineral properties, with a primary focus on gold properties located in Brazil. The Company has a 100% interest in the Cuiú Cuiú gold district 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 estimate 2Moz of placer gold historically.

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*Dr Adrian McArthur, B.Sc. Hons, PhD. FAusIMM., a consultant to the Company as well as a Qualified Person as defined by National Instrument 43-101, supervised the preparation of the technical information in this news release.*

*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 the words "will", "expected" 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: strategic plans and future operations, and results of exploration. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. The Company 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.

## **Notes**

*Gold assays have been determined by SGS method FAA505 (fire assay; 50 charge). Analytical quality is monitored by certified references and blanks. Until dispatch, samples are stored in the Company's supervised exploration office. The samples are couriered to the assay laboratory using a commercial contractor. Pulps and rejects are returned to the Company and archived.*

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