



NEWS RELEASE

Birch Lake Property Returned To Pelangio And Pelangio Acquires Net Smelter Royalty On Adjoining Property

TORONTO, Ontario (April 12, 2018) – Pelangio Exploration Inc. (PX:TSX-V; OTC PINK:PGXPF) (“Pelangio” or the “Company”) announces that Pacton Gold Inc. (“Pacton”) has terminated their Option Agreement (the “Agreement”) on the Birch Lake property, and Pelangio will retain its 100% interest in this property. Pelangio also announces it has acquired a net smelter royalty from 2522962 Ontario Inc. (“5SD Capital”) on approximately 1856 hectares adjoining Pelangio’s Birch Lake property.

Pacton (previously Noka Resources Inc.) terminated the Agreement dated March 10, 2017, without earning any interest in the property after making the first-year option payment of \$75,000 and issuing 900,000 common shares to Pelangio, but without completing any exploration expenditures.

Also, Pelangio has acquired a 1.5% net smelter royalty (“NSR Royalty”) in 10 claims (approximately 1856 hectares) adjoining its 100% owned Birch Lake property pursuant to an agreement between 5SD Capital and Pelangio dated April 10, 2018, whereby Pelangio agreed to transfer \$564,000 of assessment work credits to 5SD to enable the adjoining claims to be held for an additional 10 years. Pelangio will retain sufficient assessment work credits to maintain the Birch Lake property for over 10 years. 5SD has the right to purchase 1/3 of this royalty (0.5%) at any time for \$1,000,000.

Ingrid Hibbard, President and CEO of Pelangio states, *“Pelangio is focused on realizing value from our Canadian properties as we did with the option of the Birch Lake property. With the return of the property we are pleased to find innovative ways to add value to Pelangio through the acquisition of a NSR Royalty interest in 5SD’s property which adjoins both Pelangio’s Birch Lake property and First Mining’s Springpole Gold Project and through future collaboration with 5SD on the combined properties.”*

Birch Lake Property, Red Lake District

Pelangio’s Birch Lake property is located within the Birch-Uchi Greenstone Belt, approximately 120 kilometres northeast of the town of Red Lake, Ontario. Within an eight-kilometre radius of the Birch Lake property, there is a large gold resource (Springpole Deposit) and a past producer (Argosy Mine) which produced 101,875 ounces of gold at an average grade of 0.37 ounce per ton (reference: Ontario Geological Survey Open File Report 5835). Over the last decade, significant exploration was conducted in this area by Gold Canyon Resources Inc. (“Gold Canyon”) on the Springpole Deposit, located approximately five kilometres southwest of Pelangio’s Birch Lake property. The Springpole Deposit is a bulk tonnage mineralized system with an indicated resource of 128.2 million tonnes at a grade of 1.07 g/t gold and 5.7 g/t silver or a contained metal content of 4.41 million ounces of gold and 23.8 million ounces of silver (reference: Gold Canyon NI 43-101, May 2013).

Dome Exploration (Canada) Ltd. (later Placer Dome (“Placer Dome”)) and Trade Winds Ventures Inc. (“Trade Winds”) completed the majority of the exploration work conducted on the Birch Lake property to date. Initial exploration work by Placer Dome consisted of mapping, geophysical and geochemical surveys along with diamond drill follow-up, resulting in the discovery of the 70-meter wide, steeply dipping deformation corridor that yielded isolated high-grade gold intersections. Subsequently named the High Grade Island Deformation Zone, high-grade gold mineralization within this corridor is hosted by quartz-tourmaline-pyrite-arsenopyrite veins in the Main Central Zone. Secondary gold mineralization associated with a folded banded iron formation (West Zone) that is proximal to the deformation zone, has also been recorded.

Subsequent to Placer Dome's exploration, Trade Winds conducted two diamond drill programs to evaluate the Main Central Zone between 200 metres and 400 metres below surface.

Select historical intercepts obtained by Placer Dome and Trade Winds on the Birch Lake property's Main Central Zone are shown in the following table.

Highlights of Historical Drilling Intercepts for the Main Central Zone, Birch Lake Property*

Hole No	From	To	Metres ¹⁰	g/t Gold
Placer Dome ^{1,3,6} DDH 53	136.60	138.50	1.90	63.94
Placer Dome ^{1,3,6} DDH 78	174.45	176.45	2.00	105.30
Placer Dome ^{1,4,7} DDH 90	208.00	210.00	2.00	52.08
Trade Winds ^{2,5,8,9} DDH 96	239.15	249.00	9.85	34.54
including	239.15	242.10	2.95	113.94
Trade Winds ^{2,5,8,9} DDH 97	357.85	360.30	2.45	244.73
Trade Winds ^{2,5,8,9} DDH 98	206.00	209.40	3.40	6.15
Trade Winds ^{2,5,8,9} DDH 100	285.00	288.00	3.00	6.69

***Reference from Geological Reports by:**

¹ M. Ball PhD, P.Geo., Mosquito Consolidated Gold Mines Ltd., December 2002.

² R. Wells, P.Geo., Trade Winds Ventures Inc., NI 43-101, February 2005.

³ Data from detailed diamond drill sampling logs and records, received from Placer Dome, assay certificates unavailable.

⁴ Data from detailed diamond drill logs and sampling records, performed by Placer Dome, assay certificates from Chemex Labs, Vancouver, fire assay gravimetric finish.

⁵ Data from diamond drill sampling logs and records, Trade Winds Ventures, fire assaying performed by Eco tech Laboratory Inc., Kamloops BC, assay certificates available, diamond drilling program 2004-2006 supervised by Lorne Warner, P.Geo. N-Q core was split, sample lengths varied from 0.6 m to 1.05 m.

⁶ Data from Placer Dome drill holes DDH 53 and DDH 78 are historical results and cannot be verified with assay sheets, it is unknown what type of quality-control programs were performed.

⁷ Data from Placer Dome drilling has been verified with assay certificates for DDH 96, duplicate assays were performed, but the quality-control program is unknown.

⁸ Data from Trade Winds has been verified with assay certificates, and a comprehensive program of blanks, duplicates and standard were inserted to the sample stream during program. The program was supervised by Lorne Warner P.Geo., and meets modern industry practice. Sample lengths varied from 0.6 m to 1.05 m.

⁹ All Trade Winds drill core was located by Pelangio geologists, during a data verification program in 2008, core was photographed, catalogued and cross-piled. In addition, all Trade Winds collars were field-located as well as a significant number of the older Placer Dome holes and the collar locations were found to be within 5 metres of maps supplied by Trade Winds and Placer Dome. The verification program was carried out under the supervision of Warren Bates P.Geo., (APGO# 0211).

¹⁰ All intervals are core lengths, and estimates of true widths would be 60 to 80 percent of core lengths.

The Main Central Zone has been diamond drill tested along 350 metres of strike length with two mineralized shoots identified. Gaps in drill testing remain.

The bulk of the drilling to date has been completed above 200 metres. However, the Trade Winds' DDH 97 hole (intercept) demonstrated that high-grade potential exists at depth. It is recommended that a program of deeper drilling and infill drilling between the known shoots be completed to fully evaluate the potential of the Main Central Zone.

Geological mapping, drilling results, and geophysical surveying suggest that the High Grade Island Deformation Zone and structure extends across High Grade Island for 1800 metres. Further, induced polarization surveying suggests the deformation zone extends beyond the island for another 1800 metres southeast. Approximately 3250 metres of projected deformation zone remains to be evaluated. (Reference: Trade Winds NI 43-101, February 2005, and Mosquito Consolidated Gold Mines Ltd., December 2002).

Qualified Person

Mr. Warren Bates, P.Ge. is a qualified person as defined by NI 43-101 and has reviewed and approved the technical contents of this press release.

About Pelangio

Pelangio successfully acquires and explores camp-sized land packages in world-class gold belts. The Company primarily operates in Ghana, West Africa, an English-speaking, common law jurisdiction that is consistently ranked amongst the most favourable mining jurisdictions in Africa. The Company is exploring three 100%-owned camp-sized properties: the 100 km² Manfo Property, the site of seven recent near-surface gold discoveries, the 264 km² Obuasi Property, located 4 km on strike and adjacent to AngloGold Ashanti's prolific high-grade Obuasi Mine and the early-stage 86 km² Akroma Property, which includes the Dormaa concession.

For additional information, please visit our website at www.pelangio.com, or contact:

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