

TORONTO, Aug. 01, 2017 (GLOBE NEWSWIRE) -- [Pelangio Exploration Inc.](#) (TSX-V:PX) (OTC PINK:PGXPF) ("Pelangio" or the "Company") is pleased to announce that it has closed the first tranche of its non-brokered private placement announced July 6, 2017 (the "Private Placement"). The Company raised a total of \$446,000 for the issuance of 8,920,000 units (the "Units") at a price of \$0.05 per Unit.

Each unit consists of one common share of the Company (a "Common Share") and one Common Share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one Common Share at a price of \$0.07 per share until July 31, 2020. In the event that the Common Shares trade on the TSX Venture Exchange at a volume weighted-average price of \$0.14 or more per Common Share for any period of at least ten consecutive trading days after July 31, 2017, the Company shall be entitled to accelerate the expiry time of the Warrants to a date that is at least thirty days from the date that written notice of such acceleration is provided to the holders of the Warrants by way of news release, with the new expiry time specified in such notice.

The Company paid finder's fees to each of Haywood Securities Inc., PI Financial Corp. and Leede Jones Gable Inc. totaling an aggregate of \$7,680 in cash and 57,600 non-transferable finder's warrants, with each such warrant entitling the holder thereof to acquire one Common Share at a price of \$0.05 per share until July 31, 2020, subject to acceleration as described above.

All securities issued in this tranche of the Private Placement are subject to a statutory hold period expiring on December 1, 2017.

Each of the Chief Executive Officer, the Chief Financial Officer and a director of the Company participated in the Private Placement, acquiring 2,000,000, 100,000 Units and 100,000 Units, respectively, which constitutes a "related party transaction" for purposes of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company has relied on the exemptions contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 from the valuation and minority shareholder approval requirements in MI 61-101 in respect of such officers' and director's participation in the Offering, since neither the fair market value of the subject matter of, nor the fair market value of the consideration for, each of the officers' and director's investments, when aggregated together, exceeds 25% of the Company's market capitalization.

Due to the level of interest, the Company has increased the size of the Private Placement up to 12,000,000 units for gross proceeds of up to \$600,000. An additional closing is expected to take place on or about August 9, 2017 with any further closings to occur on or before August 18, 2017. The Company intends to use the proceeds from the Private Placement to begin the planned \$2,000,000 multi-phase exploration program and for working capital purposes, all as further described in the Company's news release dated July 6, 2017. Any additional proceeds above \$500,000 will be used for working capital purposes.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any jurisdictions in which such offer, solicitation or sale would be unlawful. Any offering made will be pursuant to available prospectus exemptions and restricted to persons to whom the securities may be sold in accordance with the laws of such jurisdictions, and by persons permitted to sell the securities in accordance with the laws of such jurisdictions.

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 159 km² Akroma Properties, which includes the Dormaa and Wamfie concessions.

For additional information, please visit our website at www.pelangio.com, follow us on Twitter @PelangioEx or contact:

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Forward-Looking Statements

Certain statements herein may contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. Forward-looking statements or information appear in a number of places and can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements and information include statements regarding the Private Placement generally, the proposed use of proceeds and the Company's exploration plans and drill program. With respect to forward-looking statements and

information contained herein, we have made numerous assumptions, including assumptions about our ability to close additional tranches of the Private Placement in a timely manner, if at all, and the state of the equity markets. Such forward-looking statements and information are subject to risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Such risks include the ability of the Company to meet the conditions of closing, changes in equity markets, share price volatility, volatility of global and local economic climate, gold price volatility, political developments in Ghana, increases in costs, exchange rate fluctuations, speculative nature of gold exploration and other risks involved in the gold exploration industry. See the Company's annual and quarterly financial statements and management's discussion and analysis for additional information on risks and uncertainties relating to the forward-looking statement and information. There can be no assurance that a forward-looking statement or information referenced herein will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Also, many of the factors are beyond the control of the Company. Accordingly, readers should not place undue reliance on forward-looking statements or information. We undertake no obligation to reissue or update any forward-looking statements or information except as required by law. All forward-looking statements and information herein are qualified by this cautionary statement.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.