



NEWS RELEASE

PELANGIO EXPLORATION PROVIDES UPDATE ON DORMAA PROJECT, GHANA WEST AFRICA

TORONTO, Ontario (AUGUST 15, 2018) – Pelangio Exploration Inc. (PX:TSX-V; OTC PINK:PGXPF) (“Pelangio” or the “Company”) announces results from Air Core (“AC”) drilling carried out using the Multi-Power Grasshopper AC/RC drill rig on the Dormaa Property, Ghana, West Africa.

The AC drill program was designed to test significant gold in soil geochemical anomalism at multiple locations. A total of six soil anomalies were tested in this program. The targets were located at Amasu, Pampamsu, Aboabo No. 1 and Subinkrom within the Dormaa Project. The use of the Grasshopper AC/RC drill rig allowed the Company to cost-effectively test these early stage targets.

Option Agreement with RosCan Minerals Corporation (“RosCan”)

RosCan has the right to earn a 50% interest in the 86 km² concession located in the Brong Ahafo Region of Ghana by paying a total of \$260,000, (\$10,000 of which has been received) and funding a total of \$2,000,000 of exploration to be completed by Pelangio, (\$300,000 of which has been received). The Company has been advised by RosCan that they have elected to discontinue the option on the Dormaa property to allow RosCan to focus on its core project, the Kandiole Project in Mali. As a result, 100% interest in the property will revert to Pelangio.

Details of the Drilling Program

- 49 AC holes were drilled on the Dormaa Project;
- The AC holes were drilled on six fences at 25 metre (m) spacing in a head-to-heel arrangement with approximately 8 holes per fence; and
- An average depth per hole was 41m with a total of 2013.5m completed.

A total of 1332 samples were submitted to Intertek Labs in Tarkwa, Ghana for fire assay gold analysis on 50-gram pulps.

The initial results revealed a total of 31 intercepts of gold mineralization greater than 0.1g/t within five of the six target areas. Of these results, Hole DOAC18-10 recorded 1.2g/t as the highest grade of the entire drilling program within the interval 20-21.5m. Hole DOAC18-07 recorded 0.69g/t from 17-18.5m. These results were well below expectation, hence, a limited re-sampling of the AC samples was carried out and analyzed at the ALS lab in Kumasi, Ghana, for gold using Screen Fire Assay.

Re-Sampling for Screen Fire Assay Analysis

A total of 82 sample rejects were processed by ALS labs for Screen Fire Assay on 1000 gram pulps. Screen Fire Assay was conducted on a few intervals which had weak indications of gold mineralization in the initial fire assay procedure. 82 intervals (each interval is 1.5m) were re-sampled for Screen Fire Assay which did not show a material difference from the original results. As a result, no further work is planned for the Dormaa Project at this time.

Quality Assurance/Quality Control

The drill holes reported in this press release were drilled using 95mm sized AC centre-returned drill bits to an average depth of 41m. All drilling performed with the AC set-up was completed within oxides without water injection. Contractors working for Pelangio conducted all logging and sampling. Company security is provided at the drill site.

Sample intervals for the AC drilling were 1.5m, with samples being split from a cyclone exhaust and weighed. A sample in return was split from the primary sample with a riffle splitter to obtain an average 2.5 kilogram sample for assay. A sample of chips was extracted from the primary sample with a sieve and water and put in a chip tray with the interval marked on the chip tray. Field logging were aided with hand lens. The 2.5 kilogram sample for assay is placed into sealed bags securely stored at the site until it was shipped to Intertek Minerals Limited (Intertek), laboratory in Tarkwa, Ghana. The AC samples were dried and pulverized to 75 microns by Intertek and a 150 gram pulp was prepared from the pulverized material. Intertek conducted routine gold analysis using a 50 gram charge and fire assaying with atomic absorption (“AAS”) finish. Quality control procedures included the systematic insertion of blanks, duplicates and Certified Reference Materials (“CRM”) into the sample stream at the rate of one per every 20 samples. In addition, Intertek inserted one preparation blank and a CRM every 20 samples and ran one duplicate analysis every 20 samples.

The Screen Assay Procedure – ALS Labs

The gravimetric method was used. 1000 gram of the final prepared pulp is passed through a 100 micron (Tyler 150 mesh) stainless steel screen to separate the oversize fractions. Any +100 micron (coarser than 100 micron) material remaining on the screen is retained and analyzed in its entirety by fire assay with gravimetric finish and reported as the Au (+) fraction result. The -100-micron fraction is homogenized, and two sub-samples are analyzed by fire assay with AAS finish (Au-AA24 and Au-AA24d). The average of the two AAS result is taken and reported as the Au (-) fraction result. All three methods are used in calculating the combined gold content of the plus and minus fractions.

In the fire assay procedure, the sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required in order to produce a lead button. The lead button containing the precious metals is cupelled to remove the lead and the resulting precious metal bead is parted in dilute nitric acid, annealed and weighed to determine the gold content.

The gold values for both the +100 and -100 micron fractions are reported together with the weight of each fraction as well as the calculated total gold content of the sample.

Qualified Person

Warren Bates, P. Geo. (Ontario), is a Qualified Person within the meaning of National Instrument 43-101. Mr. Bates has verified and approved the data disclosed in this release, including the sampling, analytical and test data underlying the information.

About Pelangio

Pelangio successfully acquires and explores camp-sized land packages in world-class gold belts. The Company operates in both Canada and 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 25km² Birch Lake Property located adjacent to First Mining’s Springpole Gold Project, the 100 km² Manfo Property, the site of seven recent near-surface gold discoveries, and the 264 km² Obuasi Property, located 4 km on strike and adjacent to AngloGold Ashanti’s prolific high-grade Obuasi Mine.

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

Ingrid Hibbard, President and CEO

Tel: 905-336-3828 / Toll-free: 1-877-746-1632 / Email: info@pelangio.com

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 Company’s exploration plans. With respect to forward-looking statements and information contained herein, we have made numerous assumptions, including assumptions about 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 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.

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