



NEWS RELEASE

**PELANGIO EXPLORATION ARRANGES \$50,000 FLOW-THROUGH FINANCING
AND EXTENDS \$675,000 PRIVATE PLACEMENT**

**THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT INTENDED FOR
DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES**

TORONTO, Ontario (December 12, 2018) – Pelangio Exploration Inc. (PX:TSX-V; OTC PINK:PGXPF) (“Pelangio” or the “Company”) is pleased to announce that it has arranged for a \$50,000 Flow-Through Financing and that it has extended the closing of its non-brokered private placement announced November 12, 2018 (the “Private Placement”).

Flow-Through Financing

The Company intends to undertake a non-brokered flow-through private placement consisting of approximately 277,778 flow-through shares (the “FT Shares”) at a price of \$0.18 per share to raise gross proceeds of up to \$50,000 (the “Offering”).

The shares issued under the Offering will be subject to a four-month and one day hold period and will not be sold in the United States. The Company will pay a cash finder’s fee equal to 8% of the proceeds raised, and will issue non-transferable common share purchase warrants (“Finder Warrants”) of the Company equal to 8% of the number of common shares sold. Each Finder Warrant entitles the holder to purchase one common share of the Company at a price of \$0.20 per share prior to two years from the initial closing date.

Closing of the Offering is anticipated to occur on or before December 31, 2018 and is subject to customary closing conditions including, but not limited to, receipt of applicable regulatory approvals, including approval of the TSX Venture Exchange.

The FT Shares will qualify as “flow-through shares” (within the meaning of the Income Tax Act (Canada)). The gross proceeds of the Offering will be primarily used to incur qualifying Canadian Exploration Expenses (the “Qualifying Expenses”) on the Company’s Dalton property strategically located approximately 1.5 kilometres south west of the historic Hollinger Gold Mine, near the city of Timmins, Ontario, or on the other Ontario properties recently acquired with the acquisition of 2522962 Ontario Inc. (5SD Capital). The Qualifying Expenses are to be incurred by no later than December 31, 2019 for renunciation to investors in the Offering effective December 31, 2018.

Extension of Private Placement

The Company also announces that it has extended the closing of its non-brokered private placement. The private placement will be for up to 4,500,000 units of the Company at a price of \$0.15 per unit for gross proceeds of up to \$675,000 (the “Private Placement”), is on-going, and expected to be completed on or before January 11, 2019. 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 \$0.20 for a period of two years from the initial closing date of the Private Placement.

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.

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. 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, our ability to conduct our exploration programs as planned, our ability to spend the proceeds of the flow-through financing by December 31, 2019, and that the expenditure of the proceeds of the flow-through financing will not be considered Qualifying Expenses, 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.