



NEWS RELEASE

**PELANGIO EXPLORATION COMPLETES FIRST TRANCHE OF \$675,000 PRIVATE PLACEMENT
AND COMPLETES \$50,400 FLOW THROUGH FINANCING**

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TORONTO, Ontario (December 18, 2018) – Pelangio Exploration Inc. (PX:TSX-V; 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 November 12, 2018 (the "Private Placement") and closed the Flow-Through Financing previously announced December 12, 2018.

Private Placement

In this first tranche, the Company raised a total of \$480,000 for the issuance of 3,200,000 units (the "Units") at a price of \$0.15 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 \$0.20 for a period of two years from the initial closing date of the Private Placement.

The Company paid finder’s fees to Zuri-Invest AG, an arm’s length finder, totaling an aggregate of \$37,200 in cash and 248,000 non-transferable common share purchase warrants (“Finder Warrants”). Each Finder 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.

All securities issued in this tranche of the Private Placement are subject to a statutory hold period expiring on April 19, 2019.

An additional closing is expected to take place on or before January 11, 2019. The Company intends to use the proceeds from the Private Placement for exploration projects and for working capital purposes.

Flow-Through Financing

The Company is also very pleased to announce that it has completed the non-brokered Flow-Through Financing previously announced on December 12, 2018. The Company raised a total of \$50,400 for the issuance of 280,000 flow-through shares (the “**FT Shares**”) at a price of \$0.18 per flow-through share (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 paid a cash finder’s fee to PI Financial Corp., an arm’s length finder, equal to \$4,032, and will issue 22,400 Finder Warrants of the Company. 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 closing date.

The Offering 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.

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 acquires and explores large land packages in world-class gold belts in Canada and Ghana, West Africa. In Canada, the company is focusing on the 25 km² Birch Lake Property located in the Red Lake Mining District and the Dalton Property located 1.5 km from the Hollinger mine in Timmins. In Ghana, the Company is focusing on two 100%-owned camp-sized properties: the 100 km² Manfo Property, the site of seven recent near-surface gold discoveries, and the 284 km² Obuasi Property, located 4 km on strike and adjacent to AngloGold Ashanti's prolific high-grade Obuasi Mine. Ghana is an English-speaking, common law jurisdiction that is consistently ranked amongst the most favourable mining jurisdictions in Africa.

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.