



## Further expansion of Sao Chico exploration tenements

Serabi Gold plc (AIM:SRB, TSX:SBI), the Brazilian-focused gold mining and development company, is pleased to announce that it has acquired the Sao Domingos exploration license to the west of the Sao Chico deposit.

Sao Domingos will add a further 4,999 hectares to Serabi's portfolio. It is contiguous and west of its existing exploration interests and Company's Sao Chico deposit, and most significantly lies along strike from Sao Chico. The tenement hosts multiple active and abandoned artisanal workings which have produced significant levels of gold.

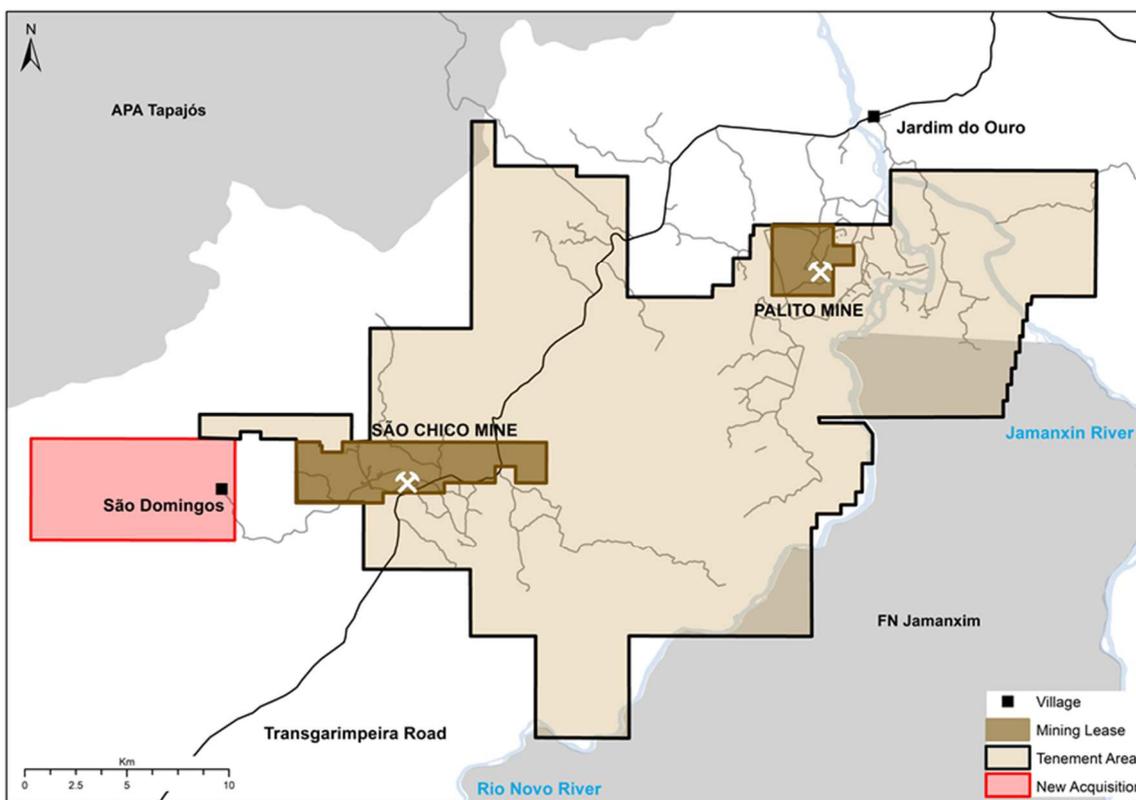


Figure 1 – map showing location of new tenement

The property has been subject to past exploration activity in the late 2000's and early 2010's including a limited surface diamond drilling programme. A limited number of samples taken by Serabi personnel in 2016/2017 from the tailings of artisanal workings returned grades of as high as 14 g/t.

### Mike Hodgson, CEO of Serabi, commented

"The Sao Domingo tenement has been a property we have had an interest in for some years. We see this acquisition as an excellent addition to the Sao Chico project as we try to realise the value of the immediate surrounding district. The Sao Domingo tenement hosts a number of historic artisanal workings, with many examples of exceptionally high-grade ore being mined. Two stand out prospects, Toucano and Atacadao, typify this and are of particular interest. Toucano is an artisanal open pit which is reported to have produced exceptional grades, mining a 20 metre wide mineralised zone to depths of 40 metres and extending over a strike length of one kilometre.



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“At Atacadao, a 11 hole drill programme was completed in 2006, testing the mineralisation under the artisanal workings. The results of this modest programme intersected high grade gold mineralization ranging from 3 to 60g/t gold at an average true width of between 0.2 to 0.8 metres. The mineralogy appears very comparable to what we have found at Palito and Sao Chico.

The prospectivity of the Sao Domingos tenement is extremely exciting and complements the potential of the previous tenement announced on 25 August which hosts the extension of the Fofoca artisanal operation located just to the north of the tenement.

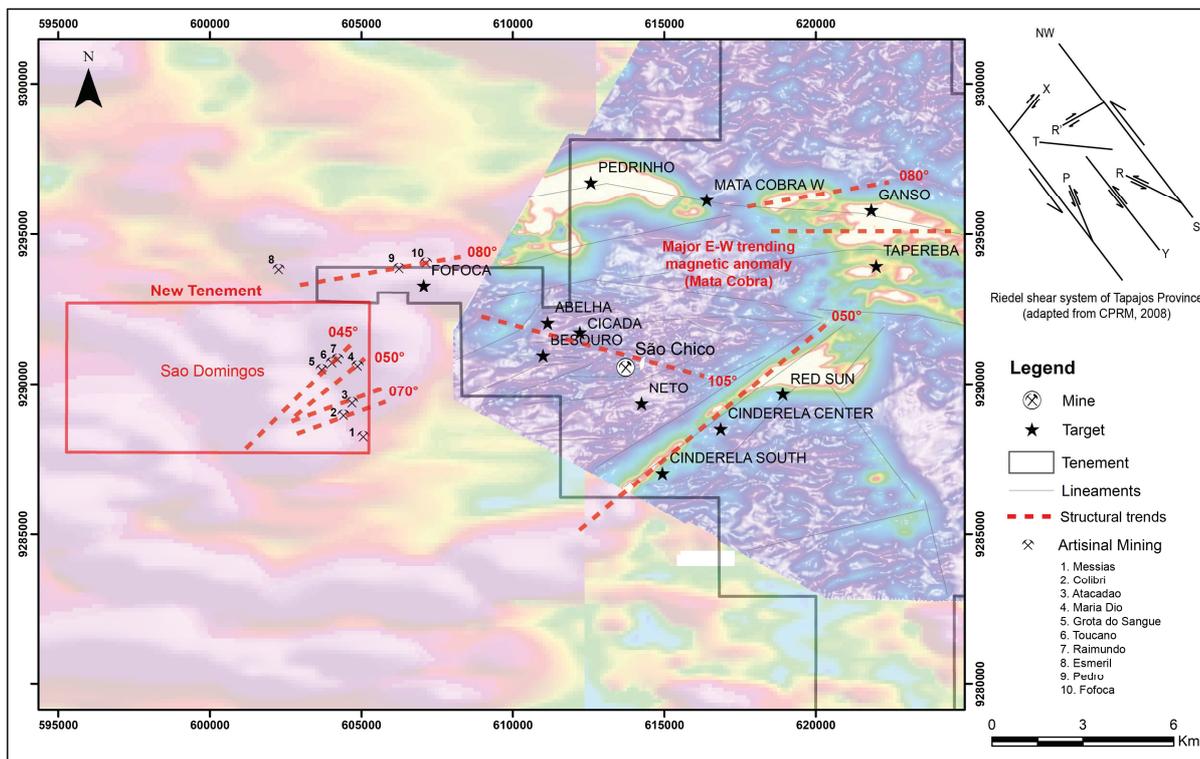


Figure 2 – map showing historic artisanal operations in new tenement and regional structural trends

“Toucano is a walk up, drill ready target. Considering the reported widths that have been mined, any significant depth extension to this prospect could result in a significant discovery for Serabi. Atacadao has reported gold intersections from previous drilling which reinforces the potential around this area including the Colibri prospect to the south west. I am therefore very pleased that Serabi has secured this additional tenement and believe that excellent potential exists for further high-grade satellite ore bodies to be identified.”

### Transaction details

The exploration tenement has been acquired from BRAZIL AMERICAS INVESTMENTS & PARTICIPATION MINERAÇÃO LTDA (BAIP). Under the terms of the agreement between BAIP and Serabi, Serabi has acquired the tenement for a consideration of US\$100,000 in cash and a 2% Net Smelter Return Royalty (“NSR”) over future gold production generated from the licence area. Serabi has paid US\$50,000 upon signing of the acquisition agreement and will pay a further US\$50,000 upon completion of the transfer of the mineral rights. Upon completion of a JORC or NI 43-101 compliant technical report, Serabi can elect to purchase half the royalty (1%) for the greater of US\$10 per gold ounce (for resources identified within this licence area) or US\$500,000.

**This announcement is inside information for the purposes of Article 7 of Regulation 596/2014. The person who arranged the release of this statement on behalf of the Company was Clive Line, Director.**



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Copies of this announcement are available from the Company's website at [www.serabigold.com](http://www.serabigold.com).

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### Forward-looking statements

Certain statements in this announcement are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward looking statements

contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements.

### Qualified Persons Statement

The scientific and technical information contained within this announcement has been reviewed and approved by Michael Hodgson, a Director of the Company. Mr Hodgson is an Economic Geologist by training with over 30 years' experience in the mining industry. He holds a BSc (Hons) Geology, University of London, a MSc Mining Geology, University of Leicester and is a Fellow of the Institute of Materials, Minerals and Mining and a Chartered Engineer of the Engineering Council of UK, recognizing him as both a Qualified Person for the purposes of Canadian National Instrument 43-101 and by the AIM Guidance Note on Mining and Oil & Gas Companies dated June 2009.

*Neither the Toronto Stock Exchange, nor any other securities regulatory authority, has approved or disapproved of the contents of this news release.*

### SERABI GOLD PLC

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