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TORONTO, Aug. 31, 2017 /CNW/ - [Cautivo Mining Inc.](#) (CSE:CAI) ("Cautivo" or the "Corporation") is pleased to announce the completion of its previously announced rights offering. The rights offering was fully subscribed and the Corporation issued an aggregate of 11,904,641 common shares of Cautivo ("Shares") at a subscription price of \$0.84 per Share, raising aggregate gross proceeds of approximately \$10,000,000. As a result of the completion of the rights offering, a total of 15,158,229 Shares are currently issued and outstanding.

A total of 2,309,804 Shares were subscribed for by rights holders pursuant to the basic subscription privilege attached to each right, and a total of 9,594,837 Shares were subscribed for by rights holders pursuant to the additional subscription privilege attached to each right.

On August 8, 2017, Arias Resource Capital Fund II L.P. ("ARC II") and Arias Resource Capital Fund II (Mexico) L.P. ("ARC Mexico") received 2,047,648 and 116,192 Shares, respectively, pursuant to the irrevocable exercise of the basic subscription privilege attaching to their rights. Today, ARC II and ARC Mexico received 8,955,780 and 508,185 Shares, respectively, as each exercised its additional subscription privilege for all the remaining Shares that were not subscribed for by other holders under the rights offering. ARC II, ARC Mexico and Arias Resource Capital Fund L.P. now own, together with an affiliate, 13,281,761 Shares in the aggregate, representing approximately 88% of the currently issued and outstanding Shares.

Eight Capital (the "Managing Dealer") was retained to solicit, on a commercially reasonable efforts basis, the exercise of the rights (the "Rights") under the rights offering. In consideration for such services, the Managing Dealer was paid a fee equal to 5.0% of the proceeds received by the Corporation from the exercise of rights (other than from certain insiders).

The Corporation intends to use the net proceeds of the rights offering primarily to fund exploration and development of the Las Lomas Project.

This news release is not an offer of securities for sale in the United States. The Shares being offered have not been and will not be registered under the United States Securities Act of 1933 and accordingly are not being offered for sale and may not be offered, sold or delivered, directly or indirectly within the United States, its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of a U.S. person, except pursuant to an exemption from the registration requirements of that Act.

About Cautivo

The Corporation is an exploration company focused on acquiring, exploring and, if warranted, developing gold, silver, copper, zinc and lead mineral properties. The Las Lomas Project comprises the main asset of the Corporation. The Las Lomas Project consists of 43 existing or pending mining concessions totaling 31,288 ha, located in the Department of Piura in northern Peru, near the Ecuador border.

Forward-Looking Information and Statements

This news release contains certain forward-looking information and statements (collectively referred to herein as "Forward-Looking Statements") within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify Forward-Looking Statements. In particular, but without limiting the foregoing, this news release contains Forward-Looking Statements pertaining to the proposed use of the net proceeds of the rights offering.

Forward-Looking Statements are based on a number of expectations or assumptions, which have been used to develop such information and statements but which may prove to be incorrect. Although Cautivo believes the expectations and assumptions reflected in such Forward-Looking Statements are reasonable, undue reliance should not be placed on Forward-Looking Statements because Cautivo can give no assurance that such expectations and assumptions will prove to be correct. The Forward-Looking Statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors, which may cause actual results or events to differ materially from those anticipated in such Forward-Looking Statements, including, without limitation, (i) those risks listed under the heading "Risk Factors" in the Corporation's (final) long form prospectus dated July 10, 2017 and the Corporation's management's discussion and analysis for the three and six months ended June 30, 2017, both of which may be accessed under Cautivo's profile on SEDAR at www.sedar.com; and (ii) other risks, which are beyond the control of Cautivo. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the Forward-Looking Statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the Forward-Looking Statements contained in this news release.

The Forward-Looking Statements contained in this news release speak only as of the date of this news release, and the

Corporation does not assume any obligation to publicly update or revise any of the included Forward-Looking Statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities laws.

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