

Due Diligence Team Successful on Western Mexico Projects

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VANCOUVER, July 09, 2020 - [Candente Gold Corp.](#) (TSXV:CDG) ("Candente Gold" and/or the Company) is pleased to advise that due diligence visits have been conducted at both the San Dieguito de Arriba processing plant ("SDA plant") and the historic El Dorado Mine both in Nayarit, Mexico. The examination of the SDA plant found all key components in good order and, as expected, identified the need for the replacement of various working parts for which a cost estimate is being prepared. The historical mine, La Hundida, at El Dorado, was accessed both on surface and underground.

In April 2020, Candente Gold signed a Memorandum of Understanding ("MOU") with Magellan Acquisition Corp. ("Magellan") giving Candente Gold the right to earn up to a 100% interest in both the SDA plant and the El Dorado property. The site visits to the SDA plant and El Dorado Project represent the physical inspection portion of Candente Gold's due diligence on the properties. The reviews will provide the Company with valuable information to progress toward a definitive agreement and implementation of the initial stages of our growth strategy. Legal due diligence work is ongoing although preliminary reviews have not identified any concerns.

In the historical La Hundida Mine, underground workings were found to be in stable condition. Rock chip sampling was conducted and samples were collected and sent to Altiplano Gold Silver SA de CV laboratories in Matehuala, San Luis Potosi, Mexico for assay and metallurgical testing. Due to the current COVID19 travel restrictions, the Company's Qualified Persons cannot verify the Quality Assurance and Quality Control (QA-QC) procedures carried out during the sampling process but understand that it was overseen by Ing. Gerardo Moreno, an experienced Geological Engineer and Project Manager with more than 35 years of experience with mining projects.

The results of these tests along with recommendations for rehabilitation work and projections of ongoing operating expenses will provide the basis for a cost estimate to return the plant to operational status with feed material from the El Dorado Property. The company is targeting a 1000t bulk sample for an initial trial run.

The SDA plant was operational from 2007 (by Minerales Vane S.A. de C.V.) until April 2017, processing ore from various operators in the region on a toll and partnership basis. Magellan acquired the SDA plant from Rose Petroleum in November 2017 through the purchase of its subsidiary, Minerales Vane, for a value of \$1.5M (\$1M cash plus shares). Magellan only operated the plant in February 2019 when processing a bulk sample of approximately 600 tons for a tolling opportunity. While the results of the test were encouraging, the supplier subsequently experienced challenges in providing feed to the plant on a consistent basis and therefore the plant has not operated since.

Magellan entered an option agreement on the El Dorado property in August of 2018, with Ingenieros Mineros, S.A. de C.V. and modified the agreement January 15, 2020. IMSA retains a negotiable NSR of 3.5% and Magellan is obligated to either perform US\$20,000 of work on the property in 2020 and \$25,000 in 2021 or make payments of US\$5,000 per quarter. Under the Definitive Option Agreement with Magellan, Candente Gold would assume these obligations.

About Candente Gold

Candente Gold has launched a comprehensive growth strategy to build a cash flowing business platform and gain access to properties with near surface exploration potential while maintaining El Oro as its flagship asset and an integral part of the overall growth strategy. The acquisition of the SDA Plant and the El Dorado historic mines signifies an important first step.

The financial benefits from Western Mexico operations and the addition of specialized personnel will

translate across platforms to strengthen our efforts to explore and potentially mine. The Company is currently evaluating properties that are complimentary to the SDA plant and El Dorado Property.

El Oro is a district scale gold project encompassing a well-known prolific high-grade gold dominant gold-silver epithermal vein system in Mexico. The project covers 20 veins with past production and more than 57 veins in total, from which approximately 6.4 million ounces of gold and 74 million ounces of silver were reported to have been produced from just two of these veins (Ref. *Mexico Geological Service Bulletin No. 37, Mining of the El Oro and Tlapujahua Districts. 1920, T. Flores**)

Modern understanding of epithermal vein systems indicates that several of the El Oro district's veins hold excellent discovery potential, particularly below and adjacent to the historic workings of the San Rafael Vein, which was mined to an average depth of only 200 metres.

Joanne C. Freeze, P.Geo., President, CEO and Director and Matthew Melnyk, CPG., Director Operations are Qualified Persons as defined by National Instrument 43-101 for the projects discussed above. Ms. Freeze and Mr. Melnyk have reviewed and approved the contents of this release.

Neither TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Forward-looking Information

This news release may contain forward-looking information (as such term is defined under Canadian securities laws) including but not limited to information regarding the potential for discovery in the El Oro district and other statements that are not historical facts. While such forward-looking information is expressed by Candente Gold in good faith and believed by Candente Gold to have a reasonable basis, they address future events and conditions and are therefore subject to inherent risks and uncertainties including those set out in Candente Gold's MD&A. Factors that cause the actual results to differ materially from those in forward-looking information include, without limitation, gold prices, results of exploration and development activities, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, potential environmental issues, availability of capital and financing and general economic, market or business conditions. Candente Gold expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

On behalf of the Board of [Candente Gold Corp.](#)
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