



CANDENTE GOLD CORP

Interim Condensed Consolidated Financial Statements (unaudited)

**As at and for the three and six month periods ended
September 30, 2015 and 2014**

(Expressed in United States dollars, unless otherwise noted)

NOTICE

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these interim condensed consolidated financial statements they must be accompanied by a notice indicating that the interim condensed consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed financial statements of the Company have been prepared by and are the responsibility of the Company's management.

Candente Gold Corp.
Interim Condensed Consolidated Statements of Financial Position
At September 30, 2015 and March 31, 2015 (unaudited)
(expressed in United States dollars unless otherwise noted)

	Notes	September 30, 2015	March 31, 2015
Assets			
Current assets			
Cash and cash equivalents	\$	4,386	\$ 194,760
Trade and other receivables		57,010	42,696
Prepaid expenses and deposits		24,580	28,775
		85,976	266,231
Non-current assets			
Unproven mineral right interests	4	8,392,067	9,554,088
Equipment		22,736	35,378
Total non-current assets		8,414,803	9,589,466
Total assets	\$	8,500,779	\$ 9,855,697
Liabilities			
Current liabilities			
Trade payables and accrued liabilities	\$	1,090,757	\$ 1,049,785
Loan payable	6b	26,413	-
Total liabilities		1,117,170	1,049,785
Equity			
Share capital	5	23,804,489	23,804,489
Reserves		5,603,001	5,580,359
Accumulated deficit		(22,023,881)	(20,578,936)
Total equity		7,383,609	8,805,912
Total liabilities and equity	\$	8,500,779	\$ 9,855,697

General information and going concern 1

Approved on behalf of the Board of Directors on November 27, 2015

(signed) Andres Milla
Director

(signed) Paul Barry
Director

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Candente Gold Corp.
Interim Condensed Consolidated Statements of Loss and Comprehensive Loss

For the three and six months ended September 30, 2015 and 2014 (unaudited)

(expressed in United States dollars unless otherwise noted)

	Note	Three months ended September 30		Six months ended September 30	
		2015	2014	2015	2014
Expenses					
Exploration expenses	8	\$ 55,963	\$ 140,757	\$ 104,703	\$ 299,481
General and administrative expenses	8	83,785	93,161	164,459	239,802
		139,748	233,918	269,162	539,283
Other (income) expenses					
Impairment of unproven mineral right interests - Peru	4	-	-	1,185,000	167,000
Loss (gain) on foreign exchange		(45,935)	4,520	(9,217)	4,239
Interest and other expense (income)		-	682	-	1,460
Net loss		(93,813)	(239,120)	(1,444,945)	(711,982)
Other comprehensive loss					
Items that may be reclassified subsequently to net loss					
Cumulative translation adjustment		(16,834)	42,590	8,326	33,870
Comprehensive loss		\$ (110,647)	\$ (196,530)	\$ (1,436,619)	\$ (678,112)
Loss per share attributable to shareholders					
Basic and diluted		\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding:					
basic and diluted		77,140,260	77,140,260	77,140,260	77,140,260

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Candente Gold Corp.
Interim Condensed Consolidated Statements of Changes in Equity
For the six months ended September 30, 2015 and 2014 (unaudited)
(expresses in United States dollars unless otherwise noted)

	Share Capital		Reserves					Deficit	Total
	Total common shares	Share capital	Equity settled employee compensation and warrants	Other reserve	Foreign currency reserve	Total reserves			
Balance at March 31, 2015	96,206,923	\$ 23,804,489	\$ 5,702,991	\$ 52,047	\$ (174,679)	\$ 5,580,359	\$ (20,578,936)	\$ 8,805,912	
Share-based payment	-	-	14,316	-	-	14,316	-	14,316	
Net loss	-	-	-	-	-	-	(1,444,945)	(1,444,945)	
Cumulative translation adjustment	-	-	-	-	8,327	8,326	-	8,326	
Balance as at September 30, 2015	96,206,923	\$ 23,804,489	\$ 5,717,307	\$ 52,047	\$ (166,352)	\$ 5,603,001	\$ (22,023,881)	\$ 7,383,609	

	Share Capital		Reserves					Deficit	Total
	Total common shares	Share capital	Equity settled employee compensation and warrants	Other reserve	Foreign currency reserve	Total reserves			
Balance at March 31, 2014	77,140,260	\$ 23,356,166	\$ 5,613,865	\$ 52,047	\$ (277,986)	\$ 5,387,926	\$ (19,337,640)	\$ 9,406,452	
Share-based payment	-	-	40,137	-	-	40,137	-	40,137	
Net loss	-	-	-	-	-	-	(711,982)	(711,982)	
Cumulative translation adjustment	-	-	-	-	33,870	33,870	-	33,870	
Balance as at September 30, 2014	77,140,260	\$ 23,356,166	\$ 5,654,002	\$ 52,047	\$ (244,116)	\$ 5,461,933	\$ (20,049,622)	\$ 8,768,477	

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Candente Gold Corp.
Interim Condensed Consolidated Statements of Cash Flows
For the six months ended September 30, 2015 and 2014 (unaudited)
(expresses in United States dollars unless otherwise noted)

	Notes	Six months ended September 30,	
		2015	2014
Cash provided by (used in):			
Loss for the period		\$ (1,444,945)	\$ (711,982)
Items not affecting cash:			
Depreciation		15,478	9,489
Share-based payment	5	14,316	40,137
Impairment of unproven mineral right interests	4	1,185,000	167,000
Changes in non-cash working capital items:			
Decrease (increase) in amounts receivable		(14,314)	38,502
Decrease in prepaid expenses and deposits		4,195	21,618
Decrease in accounts payable and accrued liabilities		40,970	36,689
Cash (used in) operating activities		(199,300)	(398,547)
Investing			
Value added tax paid		-	(1,817)
Addition to unproven mineral rights interests	4	(18,000)	(21,900)
Net cash provided by (used) in investing activities		(18,000)	(23,717)
Financing			
Receipt of loan payable		26,413	82,143
Net cash provided by financing activities		26,413	82,143
Net change in cash and cash equivalents		(190,887)	(340,121)
Effect of exchange rate changes on cash		513	33,870
Cash and cash equivalents at beginning of period		194,760	329,617
Cash and cash equivalents at end of period		\$ 4,386	\$ 23,366

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Candente Gold Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

1. Nature of operations and going concern

Candente Gold Corp. and its subsidiaries (the "Company" or "Candente Gold") are engaged in the exploration of mineral property interests in Mexico and Peru. The Company was incorporated on April 24, 2009 under the Business Corporation Act of British Columbia. The principal subsidiaries of the Company as at September 30, 2014 are as follows:

Subsidiary	Interest	Functional Currency
Candente Mexico Resource Corp.	100%	CDN Dollars
El Oro (BC) Exploration Inc.	100%	CDN Dollars
Candente Gold Peru S.A.	100%	US Dollars
Minera CCM, S.A. de C.V. ("CCM")	100%	US Dollars
Minera CCM El Oro Jales S.A. de C.V.	100%	US Dollars
Candente Mexico Servicios S.A. de C.V.	100%	US Dollars

Candente Gold's common shares are listed on the TSX Venture Exchange ("TSX-V") under the trading symbol CDG.V. The Company's share options and warrants are not listed.

These consolidated financial statements were authorized for issue by the Board of Directors on November 27, 2015.

At the date of these consolidated financial statements, the Company has not yet determined whether any of its mineral right interests contain economically recoverable mineral reserves. Accordingly, the value of mineral right interests represents cumulative acquisition costs incurred to date and does not necessarily reflect present or future values. The recovery of these costs is dependent upon the discovery of economically recoverable mineral reserves and the ability of Candente Gold to obtain the necessary financing to complete their exploration and development and to resolve any environmental, regulatory, or other constraints.

Uncertainty also exists with respect to the recoverability of the carrying value of certain mineral right interests. The ability of the Company to realize on its investment in resource properties is contingent upon resolution of the uncertainties and confirmation of the Company's title to the mineral right interests.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. For the six months ended September 30, 2015, the Company incurred a loss of approximately \$1.44 million, current liabilities exceed current assets by \$1.03 million at September 30, 2015 and as at September 30, 2015, the Company had cumulative losses since inception of \$22.02 million. The Company does not generate cash flows from operations and accordingly, Candente Gold will need to raise additional funds through the issuance of securities, resource secured debt or joint venture projects. Although, Candente Gold has been successful in raising funds in the past there can be no assurance Candente Gold will be able to raise sufficient funds in the future, in which case the Company may be unable to meet its obligations as they come due in the normal course of business. In addition, the Company is subject to sovereign risk, including political and economic instability, changes in existing government regulations relating to mining, as well as currency fluctuations and local inflation. These factors may cast significant doubt regarding the Company's ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts on the statement of financial position.

Candente Gold Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

2. Statement of compliance and basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These condensed consolidated interim financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended March 31, 2015, which have been prepared in accordance with IFRS issued by the IASB.

3. Significant accounting estimates and judgments

These interim condensed consolidated financial statements have been prepared using the same accounting policies and methods of computation as the annual consolidated financial statements of the Company for the year ended March 31, 2015. The disclosure contained in these condensed consolidated interim financial statements does not include all the requirements in IAS 1 *Presentation of Financial Statements* (“IAS 1”). Accordingly these interim condensed consolidated financial statements should be read in conjunction with the Company’s consolidated financial statements for the year ended March 31, 2015.

The accounting policies below have been applied consistently to all periods presented in these interim condensed consolidated financial statements.

4. Unproven mineral right interests

As of September 30, 2015 and March 31, 2015, the Company’s capitalized unproven mineral right interest costs are as follows:

	Balance at April 1, 2015	Acquisition costs and additions	Recovery of acquisition costs	Impairment of unproven mineral rights interests	Balance at September 30, 2015
Mexico Properties					
El Oro - Hardrock	\$ 8,009,752	\$ -	\$ -	\$ -	\$ 8,009,752
El Oro mine tailings	82,840	18,000	-	-	100,840
Peruvian Properties	1,389,489	-	-	(1,185,000)	204,489
Value-added tax	72,007	4,979	-	-	76,986
Closing balance	\$ 9,554,088	\$ 22,979	\$ -	\$ (1,185,000)	\$ 8,392,067
	Balance at April 1, 2014	Acquisition costs and additions	Recovery of acquisition costs	Impairment of unproven mineral rights interests	Balance at March 31, 2015
Mexico Properties					
El Oro - Hardrock	\$ 8,009,752	\$ -	\$ -	\$ -	\$ 8,009,752
El Oro mine tailings	46,840	36,000	-	-	82,840
Peruvian properties	1,557,000	39,357	(39,868)	(167,000)	1,389,489
Value-added tax	75,165	(3,158)	-	-	72,007
Closing balance	\$ 9,688,757	\$ 72,199	\$ (39,868)	\$ (167,000)	\$ 9,554,088

Candente Gold Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

4. Unproven mineral right interests (continued)

There may be material uncertainties associated with the Company's title and ownership of its unproven mineral right interests. Ordinarily the Company does not own the land upon which an interest is located, and title may be subject to unregistered prior agreements or transfers or other undetected defects.

El Oro

For the period ended September 30, 2015, the Company incurred no acquisition expenditures related to the El Oro property. Included in unproven mineral right interests is an accrual for taxes owing on the Company's concession on El Oro of approximately \$109,000.

El Oro Mine Tailings

During the year ended March 31, 2014, the Company signed an agreement with the municipality of El Oro that provides the Company with the access and processing rights to tailings deposits. Upon signing the agreement, \$25,000 was due and paid with monthly contributions of \$3,000 thereafter.

Peruvian properties

During the period ended September 30, 2015, the Company allowed certain claims to lapse and thus, recorded a non-cash impairment of \$1,185,000. As at September 30, 2015, the Company has maintained in good standing a portion of the Tres Marias and Lunahuana properties. These properties are early to mid-stage gold and gold-silver exploration projects in Peru.

The Company has entered into an agreement with Inversiones Troy SAC ("Troy") giving Troy the right to acquire 100% of the Tres Marias property subject to an NSR of 1% as well as option payments totaling \$500,000. The payments are to be made to Candente Gold upon initiating a drilling program and on both of the 12 and 24 month anniversaries of initiating the drilling. Troy retains the right to buy back 50% of the NSR for \$500,000.

5. Capital and equity reserve

a. Shares authorized

The Company has an unlimited number of common shares with no par value.

b. Common share issues

Shares issued and outstanding

	Total amount of common shares issued	Total value of common shares issued
Balance as of March 31, 2014	77,140,260	\$ 23,356,166
Financing, net of issue costs (i),	19,066,663	448,323
Balance as of March 31, 2015 and September 30, 2015	96,206,923	\$ 23,804,489

- (i) On February 20, 2015, the Company completed a non-brokered private placement issuing a total of 19,066,663 common shares (4,489,044 issued to directors of the Company) at a price of CDN\$0.03 per common share for total gross proceeds of \$457,048 (CDN\$ 572,000). Finders' fees totaling \$5,234 (CDN\$ 6,552) and share issue costs of \$298 (CDN\$ 373) were paid along with the issuance of 218,400 finders' warrants exercisable at CDN\$0.06 until February 5, 2017. These warrants were valued at \$3,193 using the Black-Scholes model (see Note 5(d)).

Candente Gold Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

5. Capital and equity reserve (continued)

c. Share options

Candente Gold has an incentive share option plan (the "Plan"). Under the Plan a total of 10% of Candente Gold's outstanding common shares are reserved for the issuance of shares at the discretion of the Board of Directors. The terms of each option award, is fixed by the Board of Directors at the time of grant. Share option awards have a maximum term of five years.

The changes in stock options were as follows:

	Number of Options	Weighted Average Exercise Price (Cdn\$)
Options outstanding, March 31, 2014	4,836,500	\$0.45
Options granted	3,080,000	\$0.15
Options forfeited	(185,000)	\$0.27
Options expired	(2,436,500)	\$0.60
Options outstanding, March 31, 2015 and September 30, 2015	5,295,000	\$0.18

As at September 30, 2015, the following options were exercisable and outstanding:

Grant date	Outstanding		Exercisable		Expiry date
	Exercise price	Number of options	Exercise price	Number of options	
November 2, 2010	\$0.80	100,000	\$0.80	100,000	November 2, 2015*
May 25, 2011	\$0.65	130,000	\$0.65	130,000	May 25, 2016
December 5, 2012	\$0.25	250,000	\$0.25	250,000	December 5, 2017
February 15, 2013	\$0.25	1,435,000	\$0.25	1,435,000	February 15, 2018
March 26, 2013	\$0.25	50,000	\$0.25	50,000	March 26, 2018
January 21, 2014	\$0.25	250,000	\$0.25	250,000	January 21, 2019
August 27, 2014	\$0.10	2,980,000	\$0.10	745,000	August 27, 2019
September 10, 2014	\$0.10	100,000	\$0.10	25,000	September 10, 2019
Weighted average	\$0.18	5,295,000	\$0.25	2,985,000	

*Subsequently expired unexercised

The Company used the Black-Scholes option-pricing model under the following weighted average assumptions and recorded total stock based compensation for the six months period ended September 30, 2015 and 2014 of \$14,316 and \$22,201 respectively:

	Three months ended September 30, 2015	Three months ended September 30, 2014
Dividend yield	0.00%	0.00%
Risk-free interest rate	1.52%	1.52%
Volatility range	97.96%	97.96%
Expected life	3.91	3.84
Forfeiture rate	0.85%	0.85%

Candente Gold Corp.
Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

5. Capital and equity reserve (continued)

d. Warrants

	Number of Warrants	Weighted Average Exercise Price (Cdn\$)
Warrants outstanding, March 31, 2014	629,000	\$0.07
Granted (Note 5(b)(i))	218,400	0.06
Warrants outstanding, March 31, 2015 and September 30, 2015	847,400	\$0.07

The Company used the Black-Scholes option-pricing model under the following weighted average assumptions and recorded total finders' warrants share issue costs for the years ended March 31, 2015 and 2014 of \$3,193 and \$25,327 respectively:

	2015	2014
Dividend yield	0%	0%
Risk-free interest rate	0.43%	1.13%
Volatility range	106%	109%
Expected life	2 years	2 years
Forfeiture rate	0.00%	0.00%

6. Related party disclosures

The Company's related parties consist of companies owned by executive officers and directors. The following is a list of the related parties that the Company enters into trading transactions with:

- Ridley Rocks Inc. – Management and exploration fees
- SW Project Management – Project management and engineering fees
- Michael Thicke Geological Consulting Inc. – Exploration fees for member group of companies
- CJ Dong Consulting Inc. - CFO and management fees starting November 29, 2013 and ending March 19, 2015
- Candente Copper Corp. - shared administrative expenses with a Company related by directors and management in common

a. Related party transactions

The Company incurred the following fees and expenses in the normal course of operations in connection with companies owned by key management and directors. Expenses have been measured at the exchange amount that is determined on a cost recovery basis.

	Six months ended	
	September 30, 2015	September 30, 2014
Salaries and management and exploration fees	\$ 62,643	\$ 24,987
Share-based payment	9,885	29,845
	\$ 75,528	\$ 54,832

Candente Gold Corp.

Notes to the Interim Condensed Consolidated Financial Statements

For the three and six months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

6. Related party disclosures (continued)

- Share-based payments are the fair value of options expensed to directors and key management personnel during the six months ended September 30, 2015.
- The Company does not remunerate the directors of the Company unless its market capitalization is greater than \$75 million. During the six month period ended September 30, 2015, the Company paid \$nil in directors fees (2014 - \$nil).

Amounts due to related parties are unsecured, non-interest bearing and due on demand. Accounts payable at September 30, 2015 included approximately \$289,000 due to related parties (March 31, 2015 – \$215,000) and approximately \$570,000 (March 31, 2015 - \$595,000) due to Candente Copper Corp., a shareholder of the Company.

b. Loan Payable

During the period ended September 30, 2015, certain directors of the Company loaned funds to the Company. The funds were advanced to assist in the operations of the Company. The amounts are unsecured and have no fixed terms of repayment.

7. Segmented information

The Company operates in one segment being the exploration of mineral properties. The Company operates in three geographical areas, being Peru, Mexico and Canada. The following is an analysis of the Company's assets by geographical area and reconciled to the Company's consolidated financial statements

	September 30, 2015			
	Canada	Peru	Mexico	Total
Unproven mineral right interests	\$ -	\$ 274,746	\$ 8,117,321	\$ 8,392,067
Equipment	-	3,316	19,420	22,736
	\$ -	\$ 278,062	\$ 8,136,741	\$ 8,414,803

	March 31, 2015			
	Canada	Peru	Mexico	Total
Unproven mineral right interests	\$ -	\$ 1,461,496	\$ 8,092,592	\$ 9,554,088
Equipment	-	1,739	33,639	35,378
	\$ -	\$ 1,463,235	\$ 8,126,231	\$ 9,589,466

Candente Gold Corp.
Notes to the Interim Condensed Consolidated Financial Statements
For the three and six months ended September 30, 2015 and 2014 (unaudited)
(Expressed in United States dollars unless otherwise noted)

8. Expenses

Included in general and administrative expenses are the following:

	Three Months Ended		Six Months Ended	
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
GENERAL AND ADMINISTRATIVE				
Depreciation	\$ 7,024	4,867	\$ 15,478	\$ 9,489
Audit and tax advisory fees	19,705	(57)	19,705	22,943
Bank charges and interest	189	1,719	553	2,128
Consulting	8,931	7,772	23,450	10,524
Legal	-	4,396	4,388	7,764
Management fees, office salaries and benefits	15,426	6,301	31,057	42,702
Office, rent and miscellaneous	14,005	35,388	25,870	72,308
Travel and accommodations	-	56	-	396
Regulatory and filing fees	11,929	9,005	27,135	24,744
Shareholder communications	289	1,514	2,507	6,667
Share-based payment	6,287	22,200	14,316	40,137
Total general and administrative expenses	\$ 83,785	93,161	\$ 164,459	\$ 239,802

Included in exploration expenses are the following:

	Three Months Ended		Six Months Ended	
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
EXPLORATION				
Community engagement and initiatives	\$ 1,305	\$ -	\$ 1,383	\$ 6,785
Drilling	-	-	-	154
Exploration	29,864	96,011	59,173	223,765
Project administration	24,794	44,746	44,147	68,777
Total exploration expenses	\$ 55,963	\$ 140,757	\$ 104,703	\$ 299,481