



## **Candente Gold Updates on El Oro Exploration Progress**

Vancouver, British Columbia, February 28, 2013. Candente Gold Corp. (TSX: CDG) ("Candente Gold") is pleased to provide an update on the continuing definition of gold-silver mineralization at its El Oro Project in central Mexico. Following a recent Director's visit to the property, Candente Gold is of the opinion that the El Oro project has met a major milestone in the ongoing compilation of the historical work by identifying previously unrecognized and untested controls for potential higher grade mineralization.

The Company's drill strategy in 2007, 2010 and 2011 was to drill test near surface, down-dip and along strike mineralization. The results demonstrated that gold and silver mineralization in both the San Rafael Vein and in parallel veins extends over much greater dimensions, both laterally and vertically, than what was interpreted from historic mining. Candente Gold sees considerable potential for expanding gold-silver mineralization discoveries at El Oro. Controls to higher grades include: oxidized portions of the veins near faults; vein splits; horizontal faults; and along rheological or competency contrasts. A new Vulcan 3D model of the San Rafael vein segment currently being generated will aid greatly in targeting potentially higher grade blocks within the district.

The model is planned to be completed in March 2013 at which time new drill targets will be delineated and announced.

Recognizing that controls to the higher grades were not clearly understood and that an immense amount of recently discovered historical data had not been previously considered, the Company has focused recently on the generation of an integrated 3D model of a 1.2 km long segment of the 3.5 km long San Rafael Vein to include: all known underground workings; 2700 two-meter grade control assay level plans; 143 drill hole assays (many with poor core recoveries); surface geochemistry; favorable alteration and structures as well as lithologic contacts amenable to mineralization. On-going work includes characterization of known vein segments via a vein intercept study including: fluid inclusion studies; metal ratios; metal contents; vein textures and mineralogy; sulphide contents; as well as alteration and gangue mineralogy.

*"We anticipate that our newly improved understanding of local and district-scale mineralization controls will facilitate making new discoveries, expand the known mineralized zones within the San Rafael and Verde gold-silver vein systems, explore the remaining 16 blind veins in the eastern El Oro District and find mineralization in the 28 veins in the western Talpujahu Mining District, where silver-rich gold veins and stockwork are exposed over 100's of meters on surface" stated Joanne Freeze, P.Ge., President and CEO.*

*Freeze continues to comment "Our recent work shows that easterly-trending transverse faults offset veins both vertically and laterally and that gold and silver grades increase where they cross the principal NNW-trending veins of the district. This is an important discovery because most historic holes have been drilled sub-parallel to this favored mineralized trend. In addition, horizontal faults have been recognized from the old mining records that have offset vein segments laterally."*

All of this work is being guided by Nadia M. Cairra, P. Geo., who joined Candente Gold in June of 2012 in the role of Independent Qualified Person for the El Oro Project. Final assays and interpretations will be applied to an upcoming 2013 amendment to the NI 43-101 technical report. The following are key parameters for the new interpretation.

**Regional structure:** The structural framework of the district is dominated by WNW/E-W and NE/ENE trending, down-to-the-north extensional/transensional faults. The principal mineralized vein-faults trend NNW-SSE, with slight variations in strike that apparently create increased dilation. The wider vein segments, such as the major San Rafael Vein, trend 150° whereas 160°-170° trending veins are narrower. In addition, NNE/N-S and ENE/E-W trending veins have been recently identified in a GeoEye-1 imagery interpretation. It is this trend, recently acquired from historic data that correlates well with higher grade mineralization.

The major veins have been crosscut and down-thrown by post-mineral extensional faults providing potential for blind mineralized veins to occur at deeper structural levels in the hanging-walls of these structures.

Several broad circular features have been recognized in a recent imagery analysis that probably represents eroded stratovolcanoes or calderas, some with associated domal features that reflect subvolcanic domes, intrusive stocks and/or volcanic necks. Pre-, syn- and post mineral sub-volcanic andesite sills, dykes and intrusions are common-place throughout the district. The NNW-SSE trending quartz-filled vein faults lie along an anticlinal domal feature related to a specific stage of andesitic emplacement. Other intrusive phases spatially and possibly genetically-related to gold mineralization include: pre-mineral andesite porphyry sills; and syn-mineral quartz-eye rhyolite porphyry and syenite porphyry dykes.

**Vein mineralogy:** The veins show multiple pulses of crustification (banding) and replacement textures including: early chalcedonic quartz; bladed quartz after calcite; bladed calcite; dolomite followed by colloform banded quartz – adularia; and late drusy cavity-fill with evidence for multiple brecciation and overprinting events. Sulphides historically reported include: native gold, native silver, electrum (Au-Ag amalgam), and Ag sulfo-salts (Sb-Pb) including pyrargyrite (AgSbS<sub>3</sub>) and auriferous pyrite. Silver sulphides, galena, sphalerite and traces of chalcopyrite appear at deeper elevations within the system. Alteration of flanking wall rocks includes inner quartz-adularia-Ksp and outer chlorite-carbonate(s). Buddingtonite and kutnahorite were also identified in the upper unconformity-related gold target below the Somera Tuff. Kutnahorite is simply a Mn-rich carbonate between siderite and dolomite. Manganese is ubiquitous in epithermal veins. Buddingtonite, however, is an ammonium-feldspar that is exceptional and characterizes major epithermal systems like Fresnillo.

**Vein types and silver to gold ratios:** The veins in the districts can be separated into oxidized veins (developed by influx of meteoric waters along post mineral faults) and sulphide veins. The known oxidized veins include: San Rafael; Verde; Descubridora and San Patricio. San Rafael and Verde vein zones are reportedly up to 70 meters in width and are transverse to the NNW vein swarm trend and are of moderate grade, while some of the much narrower, early and steep sulphide-rich hanging wall veins are higher in gold grades.

**New exploration targets:** At least 31 new exploration targets have been identified at El Oro based on satellite image structural interpretation and alteration processing focused on major faults, intersections, branches and splays along major structures, releasing bends, proximity to intrusions, and ASTER/Landsat ETM+ derived alteration anomalies of known veins. Low sulphidation epithermal alteration minerals studied include alunite, illite-smectite, kaolinite, sericite and silica. In general, alteration anomalies are not well developed across the eastern portions of the El Oro property due to masking by post-mineral volcanics. Alteration is most widespread in the Tlalpujahu area where stockwork and vein zones are exposed at surface.

## About Candente Gold

Candente Gold's flagship asset is El Oro, a district scale gold project encompassing one of the largest and most prolific high grade gold dominant epithermal vein systems in Mexico. The El Oro district includes 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.

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

Candente Gold also holds an extensive portfolio of 100% owned, early to mid-stage; high and low sulphidation epithermal gold projects in Peru. Many of these projects have significant exploration completed and targets ready to be drill tested.

*This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Candente Gold relies upon litigation protection for forward-looking statements.*

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**On behalf of the Board of Candente Gold Corp.**

*"Joanne Freeze" P. Geo.*

President & CEO

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