



## **Candente Gold Advises 70% Interest Earned in on El Oro Gold-Silver Project Mexico**

Vancouver, British Columbia, June 20<sup>th</sup>, 2012. Candente Gold Corp. (TSX:CDG, BVL:CDG, US:CGDXF) ("Candente Gold" or "the Company") is pleased to announce that the Company has fulfilled all requirements necessary to complete the exercise of its second option to earn an undivided 70% interest in the El Oro Gold Project located in Mexico and Michoacan States of Mexico, from Goldcorp S.A. de C.V. ("Goldcorp Mexico", formerly Luismin S.A. de C.V.) a subsidiary of Goldcorp Inc.

"We are very pleased to lock in 70% ownership of the El Oro gold-silver project," said Joanne Freeze P.Ge., President & CEO. "We believe that the large number of high grade gold and silver intersections well below the historical workings of the San Rafael Vein strongly indicate that the El Oro district has excellent potential to host additional high-grade zones, both lateral to and beneath old workings in the Historic Mining Area." Production between the late 1800s and 1939 was reported to be approximately 6.4 million ounces of gold and 74 million ounces of silver predominantly from two veins.

Candente Gold completed the first option and earned a 50% interest in the property on February 15 2011, by incurring \$5M in exploration expenditures (including a minimum of US\$1.5M in the Exploration Area), and issuing 1,000,000 shares in the capital of the Company (*see Candente Gold NR 017 May 3, 2011*).

Candente Gold recently fulfilled all requirements necessary to complete the second option (*see Candente Resource Corp. NR 267 Oct 1, 2009*), and earn an additional 20% in the El Oro Gold Project, for a total of 70%, by spending an additional US\$5M (US\$10M total) and issuing an additional 1,000,000 common shares (2,000,000 total) in the capital of the Company. Goldcorp Mexico has a period of 90 days from May 1<sup>st</sup>, 2012 to advise Candente Gold of its decisions regarding the following options:

- In the Historic Mining Area (as defined in the option agreement): Goldcorp Mexico now has the right to: i) stay at 30% by participating in future expenditures; or ii) dilute to a 6.5% NPI (Net Profit Interest); and
- In the Exploration Area: Goldcorp Mexico now has the right to: i) stay at a 30% interest by participating in future expenditures; ii) dilute to a 6.5% NPI, or iii) earn-back 40% (to hold a 70% interest) by making exploration expenditures on the Exploration Area within the next four years that total 2.5 times the total amount of exploration expenditures made by Candente Gold in the Exploration Area.

### **El Oro Exploration Update**

Since completing the second phase of drilling in December 2011, additional ground exploration and compilation work has been ongoing to better understand the controls to mineralization in the El Oro gold district. The company has engaged experts in alteration and structural studies, and has recently completed a detailed three dimensional model of the San Rafael system. This model is now being reviewed by the Company's team of experts to assist in the Company's interpretations.

Significant historical data from the El Oro district has recently been uncovered which, once compiled with Candente's work to date, will greatly assist in understanding controls to high-grade mineralization and guide future drilling.

Underground rehabilitation of the Dos Estrellas access tunnel has reached the targeted crosscut at 500 metres ("m"), and work to establish a drill station within the crosscut has advanced 10m into the crosscut. This work is to allow underground access for drilling targets at depth below the historic workings on the Veta Verde (vein). Recent production data uncovered for Veta Verde will also have a significant impact on targeting exploration for high grade trends.

## Peru Exploration Update

In Peru, the Company has been advancing drill targets on several properties, and has applied for drilling permits on Lunahuana and Tres Marias. Agreements have been made with the local surface rights owners and communities, and the Company expects to receive the drilling permits in the very near future.

### 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 50 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 relies upon litigation protection for forward-looking statements.*

#### CAUTIONARY NOTE TO U.S. INVESTORS

*We advise U.S. investors that this news release uses terms that are not recognized by the United States Securities and Exchange Commission ("SEC"), including "mineral resources", "measured resources", "indicated resources" and "inferred resources". The estimation of measured and indicated resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. U.S. investors are cautioned not to assume that mineral resources in these categories will be converted to reserves. The estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. U.S. investors are cautioned not to assume that estimates of inferred mineral resources exist, are economically mineable, or will be upgraded into measured or indicated mineral resources. U.S. investors are cautioned not to assume that mineral resources in any of these categories will be converted into reserves.*

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

*"Joanne Freeze" P. Geo.*

President & CEO

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**NR 021**