



## **Candente Gold Reports High Grade Gold Deep in the San Rafael Vein, El Oro Gold Project, Mexico**

### ***Three Metres of 13.7 g/t Gold Confirms that High Grades Extend Below Old Workings***

Vancouver, British Columbia, May 11<sup>th</sup>, 2011. Candente Gold Corp, (TSX: CDG, BVL: CDG, US: CGDXF) ("Candente Gold") is pleased to report high grade gold results from intervals pending from last week's news release (*Candente Gold NR 017 May 3, 2011*) regarding deep drilling of the San Rafael vein system on the El Oro Gold Project, Mexico.

Three metres grading 13.7 g/t gold were intersected in a composite of quartz/breccia veins from 699.30 to 702.30m in drill hole SR11-01A. This intercept lies along the downward projection of the San Rafael vein, approximately 126 metres below the deepest historical production levels of the Esperanza Mine.

"We are very pleased to have intersected high grade gold in the San Rafael vein system well below the old workings," commented Joanne Freeze, President & CEO. "This confirms that historical mining was not stopped because of the termination of high grade gold at depth. We will now drill even deeper to test the probability that gold-silver mineralization in the El Oro district resulted from overlapping boiling zones that deposited gold and silver over vertical ranges of from 600 to 1200 metres."

**Table 1**

<b>Drill Hole</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Width* (m)</b>	<b>Gold (g/t)</b>	<b>Silver (g/t)</b>	<b>Remarks</b>
SR11-01A	699.30	702.30	3.00	<b>13.7</b>	<b>6.5</b>	San Rafael vein

*\* True widths have not been determined yet as vein dips have not been ascertained.*

*\*\* Third check assays are being performed*

This three metre section of mineralized vein material was intersected within the Esperanza fault which was intersected from 695.20 to 709.00m. SR11-01A was designed to intersect the San Rafael vein above this fault where historic underground sampling indicates bonanza grades (50 g/t gold equivalent), but drilling deviation caused it to intersect the vein deeper than planned, and within the Esperanza fault. This faulting is believed to have greatly reduced the width of the vein in this area.

High grade gold and silver results were recently reported from the Angelica and Nolan veins, which lie approximately 253 metres vertically above this new intersection, in the hanging wall of the San Rafael vein (*See Candente Gold News Release 017 May 3, 2011*).

The Angelica vein, which averaged 6.85 g/t over 4.6m in drill hole SR10-02A, has now been interpreted to be at least one of the feeders to the recently recognized pervasive gold mineralization in the Somera Tuff, including 0.96g/t gold over 75m (*see Candente Gold NR010, Feb. 9, 2011*). Higher grades within the 4.6m wide Angelica vein include 16.73 g/t over 1.4m and 12.86 g/t over 0.5m.

The Angelica and Nolan veins and the Somera tuff are believed to have had only minimal historical production.

Maps and diagrams of the recent drilling on the San Rafael vein system can be found on Candente Gold's website [www.candentegold.com](http://www.candentegold.com).

## **Drill Hole SR11-02**

Drill hole SR11-02 was drilled to intersect projected depth extensions to the high grade mineralization known in the Tiro Norte section of the San Rafael vein system. This hole has now been completed to a depth of 543m and has intersected two hanging wall veins.

At 537m, near the projected depth for the San Rafael vein, the hole intersected some vein material then intersected an open space for 6m. This is likely a previously unmapped stope, indicating that the San Rafael vein had mineable grade at this level. Drill hole SR11-03 has been collared on the same site as SR11-02 and is in progress targeting the San Rafael vein 200 m down dip (vein) from the intersection of SR11-02. Once the San Rafael vein is intersected by SR11-02, wedges will be used to drill shallower intersections between the two holes.

## **Underground Access for Drilling**

Given the difficulties in drilling from surface in the Mexico-Esperanza area of the San Rafael vein system due to the extensive cover of volcanic rocks, further drilling on these targets will be carried out from underground where possible. Rehabilitation continues in the Las Dos Estrellas tunnel, which intersects the historical Verde vein workings at approx. 750m from the portal as well as the historical Esperanza and Mexico mine workings on the San Rafael vein at a distance of approx. 1,900m from the portal. Underground drilling on both the Veta Verde system and the San Rafael vein system is planned to be carried out from this access tunnel.

## **Qualified Persons**

Mark J Pryor, Pr.Sci.Nat., VP Exploration, Candente Gold and Joanne C. Freeze, P.Geo., President and CEO of Candente Gold, are the Qualified Persons as defined by NI 43-101 for the project discussed above and have read and approved the contents of this release.

Candente Gold performs all sampling, sample handling, and assay procedures in conformity with Industry Standard QA/QC procedures. Rock and core samples are sent to Inspectorate laboratories in Durango, Mexico for preparation and to Reno, Nevada, USA for analysis with duplicates assayed by ALS-Chemex in Vancouver, Canada. Both

labs are certified assay laboratories and conform to National Instrument 43-101 standards for independent assay laboratories. Samples are initially run for 32 element ICP to determine the trace-element analysis. Gold values are determined by Fire Assay with an Atomic Absorption finish. Over-limit values of gold (>10 g/t) and silver (>100 g/t), were confirmed with Fire Assay-Gravimetric Analysis.

## **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, with 6.4 million ounces of gold and 74 million ounces of silver produced from just two of these veins.

Modern understanding of epithermal vein systems strongly indicates that many of the El Oro district's veins hold significant 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 believes that the San Rafael vein system is analogous to other epithermal vein systems in Mexico such as the Fresnillo, Guanajuato, Pachuca and Pinos Altos where gold and silver occurs over 600 to 1200 metres vertically.

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.

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*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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