



**Sun River Advances Tailings Project in El Oro Mexico**

Vancouver, British Columbia, June 13, 2019. Candente Gold Corp. (TSXV:CDG) ("Candente Gold" and/or the "Company") is pleased to advise that Sun River Gold has reported very positive recoveries from metallurgical testing of samples from the tailings deposit and is moving the project forward by negotiating the purchase of land for the new processing area and also working on the application for change of use of land for the area where the tailings are currently located.

Sun River Gold ("SRG") reports that it has concentrated on flotation test work as the most promising process to treat the Mexico Mine tailings due to poor recovery of gold and silver by cyanide leaching. The majority of the concentrate is composed of silica, iron and calcium gangue material. The auger drilling conducted in 2018 provided the large quantity of samples to be tested. Due to the grade differences in gold and silver between the upper, middle and lower sections of the tailings (defined by approximately 6 meters), a composite was made of each as shown:

	Average Grades	
	<u>Au (g/t)</u>	<u>Ag (g/t)</u>
Upper	2.623	54.64
Middle	3.422	101.49
<u>Lower</u>	<u>2.935</u>	<u>99.65</u>
Overall	2.993	85.26

Flotation test work on the composites was done on either 600 or 1,000 gram samples. The samples were screened at 325 mesh and the oversize was ground in a lab rod mill so that the overall float sample was approximately 95% -325 mesh. Flotation tests were conducted using a Denver D12 lab float cell at approximately 25% solids. Recoveries from the flotation testing of each section showed the following:

	Recovery (%)	
	<u>Au</u>	<u>Ag</u>
Upper	79.87	58.77
Middle	80.84	68.71
<u>Lower</u>	<u>79.62</u>	<u>75.13</u>
Average	80.11	67.54

A bulk composite of the upper, middle, and lower portions was made and tested by flotation as follows:

	Recovery (%)	
	<u>Au</u>	<u>Ag</u>
Test #33	75.17	61.58
<u>Test #34</u>	<u>75.94</u>	<u>65.66</u>
Average	75.56	63.62

The test work as shown above is all single stage flotation which assumes all other secondary recovery processes like scavenge and cleaner tails values will report to the concentrate. This is not true all the time so in order to provide a more accurate recovery of the gold and silver, closed cycle testing is required using anywhere from 4 to 12 stages which recirculate the secondary recovery streams back into the next stage to see how much for the values report to the concentrate. Closed cycle testing is done until equilibrium is established.

In the limited amount of closed cycle testing that has been conducted on the El Oro composite material, it was found that the number of stages used was not enough. This closed cycle testing is continuing.

However, from the limited data it is projected that the recovery of gold and silver to a final concentrate will be less than what has been found in the singles stage tests.

Jim Bradbury partner in Sun River Gold, Registered Professional Metallurgical Engineer State of Arizona, is the Qualified Person for the content of this News Release. All test work has been conducted by Minerals Technology LLC, a metallurgical testing laboratory located in Tucson, Arizona with extensive capabilities in sample preparation, leaching, gravity, flotation, and wet chemical analysis and whose clients include: Florence Copper, ASARCO and BASF Mining Solutions. Recently, Mineral Technology LLC developed the metallurgical recovery process of titanium from Alto Parana (Paraguay), the world's largest titanium deposit.

Candente Gold's subsidiary, CCM El Oro Jales, has an agreement with the municipality of El Oro which provides the Company the right to recover all available gold and silver from the tailings deposit and pay to the Municipality of El Oro an 8% Net Profits Interest ("NPI"). Candente Gold also retains the first US\$1.5M from the 8%NPI payable to the Municipality.

Sun River has the option to acquire 100% of the Tailings Project by making staged payments totalling US\$300,000 (paid), bring the tailings into commercial production within 36 months of the effective date of the option agreement, and grant to the Company a 10% of NPI, Life of Mine royalty (the "Candente Royalty") as well as the Municipalities 8% NPI on production from the properties. SRG may reduce the NPI payable to the Company to 5% by paying an additional US\$200,000 in payments of \$50,000 each at the end of each quarter starting 18 months from the date of the LOI.

### **About Candente Gold**

Candente Gold's flagship asset is El Oro, a district scale gold project encompassing a well-known prolific high grade gold dominant 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.

In addition to the hard rock potential, Candente Gold is investigating the potential to recover gold and silver from the Mexico Mine Tailings which contain an Inferred Resource\* of 1,267,400 Tonnes grading 2.94 Au g/t, 75.12 Ag g/t containing 119,900 ounces of gold and 3,061,200 ounces of silver.

Candente Gold is dedicated to being a responsible Community partner.

\*Note: Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the accuracy of the estimate. For more information see "National Instrument 43-101 Technical Report on the Inferred Mineral Resource Estimate of the Mexico Mine Tailings" prepared by Nadia Caira, P.Geo. and Allan Reeves, P.Geo., dated August 25, 2014 with an effective date of July 8, 2014 available at [www.sedar.com](http://www.sedar.com).

Joanne C. Freeze, P.Geo., President, CEO and Director is a Qualified Person as defined by National Instrument 43-101 for the project discussed above. Ms. Freeze 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 processing of tailings to generate short-term cash flow, 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.**

*"Joanne Freeze" P.Geo.*

President, CEO and Director

*For further information please contact:*

Joanne Freeze

President & CEO

Tel: + 1 (604) 689-1957

[info@candentegold.com](mailto:info@candentegold.com)

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