



Candente Gold Announces new Growth Strategy

Vancouver, British Columbia, April 28th, 2020. Candente Gold Corp. (TSXV:CDG) ("Candente Gold" and/or the "Company") is pleased to advise that Matthew Melnyk, M.Sc., CPG, has been appointed to the role of Director of Operations to oversee a new growth strategy for Candente Gold.

Matthew worked in Nayarit and Sinaloa as a Mining and Exploration Geologist with VANE Minerals/Rose Petroleum to source and produce feed for their SDA plant in 2014-15. He also served as Chief Geologist for Premium Exploration in 2008 with the task of leading the evaluation and exploration of projects throughout the states of Nayarit and Jalisco while living in Nayarit, Mexico (for 5 years). More recently, from November 2015 until February 2018, Mr. Melnyk served as Manager of Project Evaluations for Agnico Eagle's Southern Business Unit with an emphasis on Mexican projects. Matthew joined Candente Gold as a Director in June 2019.

As a first step in our new growth strategy, the Company has signed an Memorandum of Understanding ("MOU") with Magellan Acquisition Corp. ("Magellan") which gives Candente Gold the right to earn up to a 100% interest in both the San Dieguito de Arriba beneficiation mill ("SDA plant") and the El Dorado property, both located in Nayarit State, Mexico.

"This is an exciting time to be part of the Candente Gold team as we launch a comprehensive growth strategy to tie in all of our Mexican assets, existing and new. Acquisition of the SDA Plant and the El Dorado Historic Mines signifies an important first step. By building a cash flowing business platform around the new assets we will establish a solid foundation from which to expand our operations in Western Mexico.

The financial benefits from Western Mexico operations and the addition of specialized personnel will translate across platforms to strengthen our efforts to explore and potentially mine backfill at the El Oro Property. If viable, opening up the historic workings could enable greater access to define the extents of the mineralized system at depth while providing an additional revenue stream. Together with Sun River Gold's efforts to process the Mexico Mine Tailings this should reinforce El Oro as an integral part of the overall growth strategy", commented Mr. Melnyk.

"I am very pleased to hand the reins of our exploration and operations over to a person with such recognized professional skills and extensive experience in Mexico, especially while we follow this new growth strategy in an exciting time for gold investments", commented Joanne Freeze, CEO and President.

SDA Plant

The SDA Mill is a fully operational flotation plant which also includes a precious metals leach circuit - Merrill Crowe system and associated assets, licenses and agreements. The mill has a ten-year operating history at 100 tons per day but has the capacity to process ore at a rate of up to 200 tons per day. Historically its operation has been based on sales of flotation concentrates to smelters, and payment for precious metals content. The mill lies within the rich Sierra Madre Occidental mineralized belt, which historically has yielded millions of ounces of precious metals and offers multiple high-grade gold and silver epithermal vein opportunities.

The mill was operational from 2007 (by Minerales Vane S.A. de C.V.) until April 2017, processing ore from various operators in the region on a toll basis. The toll ores were tested prior to processing to estimate recoveries and concentrate grades. Typical reported recoveries were in the range 85 to 92% for gold and 72 to 77% for silver.

The mill was operational as recently as 2019 when processing of a bulk sample of approximately 600 tons was completed for a tolling opportunity in February 2019. While the results of the test were encouraging, the supplier experienced challenges in providing mineralized ore on a consistent basis and therefore the mill has not operated since.

El Dorado Gold-Silver Project

The El Dorado Gold-Silver Project is located in the Pacific Coastal Plain, State of Nayarit, within a district of epithermal vein systems. A number of prospective exploration targets have been defined along the El Dorado Vein structure related to historic mines (reported to have produced high grades), anomalous geochemical sample results and zones of structural complexity.

The principal vein system is the El Dorado epithermal vein trend comprising outcropping vein over 1.5 kilometers in length and additional discontinuous outcrops indicate a strike length of 3.5 kilometers. This structure hosts multiple mineralized zones including high-grade veins potentially minable underground, and lower-grade bulk tonnage stockwork zones that are observed to extend over tens of meters in width in both the hanging wall and footwall of the El Dorado vein system. In addition to the vein material there is also high level silicification and argillic alteration in outcrop, potentially indicative of good depth potential to the mineralizing system. (Magellan Gold Corporation, Form 10-K Annual Report US SEC dated Dec 31, 2018, File No. 333-174287)

El Dorado lies 50 kilometers south of the SDA Mill, 70 kilometers north-northwest of Tepic, the state capital, and 180 kilometers southeast of Mazatlan, Sinaloa. The project has excellent road and rail infrastructure. The property comprises a 50-hectare concession held under option by Magellan's wholly-owned subsidiary Minerales Vane 2 S.A. de C.V. from a Mexican private company, Ingenieros Mineros S.A. de C.V.

History of El Dorado

The El Dorado vein system has a history of small-scale mining from two veins. Mining in the area has been documented during the periods of: 1900 to 1927; 1965 to 1975; 1975 to 1983; and 1985 to 1990.

From 1985 to 1990 operations were conducted in the El Dorado Mine on three levels to a depth of 30 meters below the surface and ore was shipped to the "El Venado" processing plant located near Ruiz, Nayarit, for toll treatment to produce a flotation concentrate. Historic metallurgical balance sheets from this plant indicate the grade of the material was on the order of 5 g/t Au and 70 g/t Ag.

In a report dated May 1986 by Compañía Fresnillo, S.A. de C.V., a list of 46 underground samples reported an average grade of 7.88 g/t Au and 55 g/t Ag for the three levels of the El Dorado Mine with vein widths ranging from 1.2 meters to 4.0 meters.

Neither Magellan nor Candente Gold have verified available historic data.

Drilling El Dorado 2010-2011

Drilling on the El Dorado vein system was conducted by Prospero Silver (<http://www.prosperosilver.com/QuikReport>), in 2010-2011 and comprised 28 diamond core holes totaling 4,950 meters. The drilling intersected multiple steeply-dipping silicified mineralized zones extending from near-surface to a drilled depth of 150 meters. It was reported that results indicated that two veins appear to offer particular promise for mining, namely the Hundido and Intermedia veins. Additionally, mineralization associated with the Las Pilas Vein appears to be increasing in width and grade with depth. These veins lie adjacent to and along strike from the old Hundido Mine. While a resource calculation was conducted it was also reported that it does not constitute ore reserves under SEC Industry Guide 7 and therefore Candente Gold must review further before using it.

Continuation of Candente's Growth Strategy

Western Mexico

The Company is currently evaluating properties that are complimentary to the SDA plant and El Dorado Property. While the El Dorado Property is intended to provide mill feed to the SDA plant in the near term, the Company is evaluating other properties as potential sources of feed. The leach circuit at SDA which has not been used in past operations represents an underutilized asset and will be considered for use if a property that is more amenable to leaching than flotation is identified.

The Company also plans to add professionals with operational track records to the Company team.

El Oro

Candente Gold's flagship asset (since 2007) 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**)

One of the most productive veins, the San Rafael Vein, historically produced over 4 million ounces of gold and 44 million ounces of silver from the upper 150 to 250 metre mine levels. Mine grades averaged 10 to 12 grams per tonne ("g/t") gold and 120 to 160 g/t silver over average widths of 3 to 10 metres. High grade bonanza shoots in San Rafael graded up to 50 g/t gold and 500 g/t silver, and in some places the vein is over 70m wide. Many of the El Oro district's veins hold significant discovery potential, particularly below the historic workings of San Rafael, which was mined to an average depth of only 200 metres before being shut down in the 1920s due to flooding and the low price of gold.

Much of the waste material from historic mining activities was re-introduced to the mines as backfill with a grade that would not be considered waste by modern standards. The Company will be undertaking an evaluation of the potential to economically recover and process the backfill material. In addition to potential economic benefits of processing the backfill, the exercise could serve to open up historic workings to more efficiently access and explore the El Oro District veins below the level of historic workings.

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.

Terms of the Agreement

Candente Gold will have the Option to earn up to a 100% interest in the Plant and the Property and/or MAC or MV2 as agreed upon by the parties in the definitive agreement by completing the following:

- a) Making the following share payments to Magellan, according to the following schedule (share values to be calculated on a 30 day VWAP and all funds are expressed in US dollars unless otherwise noted):
 - i. 1,000,000 shares upon the signing of the MOU;
 - ii. 4,000,000 shares upon completion of Due Diligence and a Definitive Agreement to earn 10% interest;
 - iii. shares with a value of \$100,000 within 6 months following the signing of a Definitive Agreement to earn 20% interest;
 - iv. shares with a value of \$150,000 within 12 months following the signing of a Definitive Agreement to earn 30% interest;
 - v. shares with a value of \$275,000 within 18 months following the signing of a Definitive Agreement to earn 50% interest;

- vi. shares with a value of \$400,000 within 24 months following the signing of a Definitive Agreement to earn 70% interest and
- vii. shares with a value of \$500,000 within 30 months following the signing of a Definitive Agreement to earn 100% interest

The MOU is subject to TSX Venture approvals as well as due diligence and execution of a Definitive Agreement, which is to be completed within 60 days of travel restrictions related to the COVID19 Pandemic being lifted within Mexico and between the USA and Canada and Mexico.

About Candente Gold

In addition to the hard rock potential at El Oro, Candente Gold has an option with Sun River Gold who 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.

Joanne C. Freeze, P.Geo., President, CEO and Director and Matthew Melnyk, CPG. are Qualified Persons as defined by National Instrument 43-101 for the project discussed above. Ms. Freeze has 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

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