



Candente Gold Engages Permitting Team and Provides Updates

Vancouver, British Columbia, December 23, 2020. Candente Gold Corp. (TSXV:CDG) ("Candente Gold" and/or the "Company") is pleased to announce that technical experts have been engaged for permitting and deposit modelling for the El Dorado and Cocula projects and for permitting for the San Dieguito de Arriba ("SDA") plant. Claudia Santos of Consultoría Ambiental VUGALIT S.C. will be handling permitting with Barney Lee, of Mingeo International S.A. de C.V.

Yenlai Chee, of Mountain Goat Consulting, is developing three dimensional models for the El Oro, Cocula and El Dorado mineral deposits to assist in understanding of the deposits and in identifying higher grade zones.

Cocula Gold Project

The Company recently signed the Definitive Agreement for profit sharing on the Cocula Gold Project which gives Candente Gold the right to receive 70% of profits that may be derived from mining and processing of the deposit. Upon signing this agreement, a second payment of US\$20,000 was made to the owners of the property.

Grades of 5.66 grams per tonne ("g/t") gold over 6 metres and 4.32 g/t gold over 8 metres occur in quartz breccia bodies in an oxidized zone that to date has been delineated over an 800 metre length and 54 metre depth. Metallurgical testing indicates that this portion of the deposit is expected to be amenable to either heap, vat or dynamic (agitation) leaching.

In addition, higher grade mineralization associated with sulphides is also known to occur in veins at Cocula. Grades of 59 g/t gold and 729 g/t silver were obtained from a selected sample over a 10 centimetre ("cm") width in the hanging wall of a quartz vein-breccia structure near the portal of a collapsed adit. This style of mineralization will be further explored for the potential for mineralization that could be amenable to flotation and processed at our SDA plant.

The Cocula Project area is located within the Ameca Mining District of Jalisco State which is home to Agnico Eagle's El Barqueño Project, Endeavor Silver's Terronera Project and GoGold's Los Ricos Project. Please see News Releases dated September 10th and October 22nd, 2020 as well as <http://www.candentegold.com/s/cocula.asp> for further details on the Cocula Project.

SDA Plant and El Dorado

The Company has received final TSX Venture Exchange ("TSXV") approval for the Definitive Agreement to acquire the SDA plant and the rights to an agreement on the El Dorado property from Magellan Acquisition Corp. ("Magellan"). The company is issuing 5,000,000 shares for Magellan's rights to the El Dorado property and to obtain the first 10% interest in the SDA plant. The Definitive Agreement also gives Candente Gold the right to earn up to 100% interest in the

plant by issuing shares in stages over 30 months totaling a value of US\$1.425 million. Magellan has also agreed that the total number of shares to be issued for the 100% interest will not exceed 33,500,000.

SDA Plant

The SDA plant consists of a flotation plant which also includes a precious metals leach circuit - Merrill Crowe system and associated assets, licenses and agreements. The plant lies within the rich Sierra Madre Occidental mineralized belt, which historically has yielded millions of ounces (“oz”) of precious metals and offers multiple high-grade gold and silver epithermal vein opportunities. For further details, please see News Releases dated April 28 and September 28, 2020 as well as <http://www.candentegold.com/s/sda.asp>.

El Dorado

The El Dorado Gold-Silver Project is located in the Pacific Coastal Plain, State of Nayarit, within a district of epithermal vein systems which is known to host high grade gold and silver in several veins.

The El Dorado vein system has a history of small-scale mining from two veins and is reported to extend over 3.5 km. Within this system, a mineralized zone 400 meters long and up to 180 meters to depth has been delineated by drilling by previous explorers. Average grades are reported to be in the ranges of 4.4 to 9.8 grams per tonne (“g/t”) gold and 113 to 239 g/t silver, however, drilling has intersected grades ranging from 3.0 to 40.0 gold and 57 to 500 g/t silver over widths ranging from 0.52 meters to 11.2 meters. Silver, lead, zinc and copper mineralization also occurs in the Cocula deposit and is expected to provide secondary credits.

The El Dorado property lies 50 km south of the SDA Plant. The project has excellent road and rail infrastructure. For further details, please see News Releases dated April 28 and September 28, 2020 as well as <http://www.candentegold.com/s/eldorado.asp>.

AGM

The Company is pleased to report that all matters submitted to the shareholders for approval as set out in the Company’s Notice of Meeting and Information Circular, dated November 13, 2020, were approved at the Annual Meeting of Shareholders held on December 18th, 2020 in Vancouver (the “AGM”). A total of 34,356,926 shares were voted, representing 31.17% of total shares issued and outstanding as of the record date of the Meeting.

All of the current Directors: Joanne C. Freeze, Larry D. Kornze, Ian Ward, Mark Lotz and Matthew Melnyk were re-elected. Shareholders also voted in favour of (i) appointing Davidson & Company LLP, Chartered Professional Accountants as auditors of the Company for the ensuing year and authorizing directors to fix their remuneration; (ii) approving the Company’s Stock Option Plan of the Company; and (iii) approving Other Business that may properly come before the meeting or any adjournment or adjournments thereof.

Xali Gold Corp.

The Company also advises that it plans to change its name to Xali Gold Corp. in early 2021 which will include both a change of trading symbol and CUSIP number. The Company will advise the actual date for the change once all of the above is confirmed.

About Candente Gold

Candente Gold has launched a comprehensive growth strategy to build a cash flowing business platform and gain access to properties with near surface exploration potential while maintaining El Oro as its flagship asset and an integral part of the overall growth strategy. The acquisition of the SDA Plant, the El Dorado historic mines and the Cocula Project signify important initial steps.

The financial benefits from Western Mexico operations and the addition of specialized personnel will translate across platforms to strengthen the Company's efforts to explore and potentially mine areas demonstrated to contain mineralization of value. The Company is currently evaluating other properties that are complementary to the SDA plant, El Dorado and the Cocula Project.

El Oro is a district scale gold project encompassing a well-known prolific high-grade gold dominant gold-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.

Joanne C. Freeze, P.Geo., President, CEO and Director and Matthew Melnyk, CPG., Director Operations and Director are Qualified Persons as defined by National Instrument 43-101 for the projects discussed above, however, they have not been able to visit the El Dorado or Cocula Projects nor the SDA Plant recently due to COVID virus travel restrictions. The work discussed in the News Release is either historical and documented by public records or conducted by Mexican professionals with qualifications similar to those of QP's registered in Canada. Ms. Freeze and Mr. Melnyk 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 potential for 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.Ge.
President, CEO and Director

For further information please contact:

Joanne Freeze
President & CEO
Tel: + 1 (604) 689-1957
info@candentegold.com

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