



Caza Gold Shareholder Update – 2011 Results and 2012 Outlook

Vancouver, Canada – January 17, 2012– Greg Myers, CEO and President of Caza Gold Corp. (CZY: TSX-V and FSE: CZ6), is pleased to provide shareholders with the following update of the results of Caza's 2011 exploration and acquisition programs and the outlook and proposed exploration programs for 2012.

Los Andes Project, Nicaragua

- Mapping has further defined 8 gold targets based on surface rock chip sampling.
- Three areas have been selected as phase one drill targets for early 2012.
- In general, high sulfidation epithermal gold and silver mineralization has been found to be associated with large fault zones, well developed silicification, and advanced argillic alteration hosted by andesitic volcanic rocks in a caldera setting.
- Multiple breccia and intrusive-hosted mineralized zones at the Cerro Quisaltepe gold target contain gold values ranging from nil to 2.53 gpt Au in an area approximately 2.5 km long and up to 2.5 km wide.
- The Pedregal silver target has been exposed along the entire 100 meter long breccia outcrop with continuous rock chip channel samples ranging from nil to 106 gpt Ag. The silver anomaly continues in discontinuous exposures for at least 300 meters before it disappears under soil cover. This target is topographically 150 meters higher than the Cerro Quisaltepe gold target.

Nicaragua Regional Program

- The Nicaragua regional program has now acquired 8 individual high sulfidation gold prospect zones similar in size, alteration, and geochemistry to the Los Andes Project over an area 120 kilometers long and 45 kilometers wide.
- Mapping, rock chip, and soil sampling has identified significant gold bearing zones on the Cerro Grande target to the south of the Los Andes Claim.
- Cerro Grande hand trenching has defined gold mineralization in a 30 meter wide fault zone with strong silicification. Trench sampling is underway along the outcropping zone which is at least 500 meters long. Individual 2 meter long, rock chip channel samples across the structure returned assays ranging from nil to 1.3 gpt gold.

Balleza Project, Moris Property, Mexico

- in 2011, Caza completed a Phase One, 12 hole, 3,519 meter drilling program at the Balleza gold target on the Moris property.
- Gold mineralization was intersected in all 12 drill holes defining a broad zone of silica-alunite alteration and gold-pyrite mineralization.
- Mineralization occurs from the surface to an average depth of approximately 100 meters and the overall weighted grade averages 0.53 grams per tonne (gpt) gold.
- The mineralized zone was drill tested over 300 meters of strike length, is up to 350 meters wide, and remains open in all directions

- The thickest intercept of gold mineralization was 137.8 m grading 0.64 grams per tonne (gpt) Au in drill hole 2011-08 which included 24 m grading 1.02 gpt Au.
- The mineralized zone is hosted in tuffaceous andesitic volcanics intruded by a dacite sill. Gold mineralization is associated with disseminated pyrite, strong silica flooding, adularia and illite alteration, and quartz stock-work veining.

Santiago Project, Mexico

- A Phase One, 4 hole, 1194 meter drill program was completed to test the low grade Road Zone porphyry target using existing road access. Drilling intersected potassically altered quartz monzonite and breccia containing minor copper and zinc mineralization, and low concentrations of gold.
- Road construction could not access the high grade Cliff Zone gold veins for drilling so two drill pads were constructed for a helicopter supported drill program in 2012.
- Given Caza's success in Nicaragua and at the Balleza project in Mexico, Caza is seeking a partner to continue drilling at Santiago.

2012 Outlook

- **Los Andes Project:** Three of the initial eight gold target areas within the Los Andes project in Nicaragua will be drill tested in 2012. Caza's Los Andes budget is approximately \$2 million for 2012. The proposed drill program will complete at least 5000 meters.
- **Nicaragua Regional:** Property mapping and sampling has begun on outlying claims in order to prioritize the 8 regional targets defined and acquired during 2011. Exploration work will initially focus on a significant area of gold mineralization recently discovered at the Cerro Grande Property, south of the Los Andes property.
- **Balleza-Cienega:** The 2012 exploration program at Balleza will focus on mapping, sampling and possible property acquisitions along the 7 km long mineralized trend in order to define and prioritize additional drill targets. Caza's initial budget for the Balleza-Cienega program is approximately \$250,000 in preparation for a second phase drill program.

Further to earlier news releases dated March 18, 2011 and December 14, 2010, the Company advises that, pending final TSX Venture Exchange approval, it will issue a total of up to 631,145 common shares to Inversiones Ecologicas S.A. pursuant to the terms of a formal option agreement between the Parties dated January 31, 2011 (the "Agreement"). Under the terms of the Agreement, 300,000 shares will be issued for the initial Los Andes gold properties, and an additional 331,145 shares will be issued for additional staked property held in the area of mutual interest, on the basis of 1.6 shares for each additional hectare retained on behalf of the Company. The shares will be subject to a four month plus one day hold period from the date of issuance.

Additionally, a total of 60,000 incentive stocks options have been granted to our senior geologists in Mexico. These stock options have an exercise price of \$0.30, expire in 5 years and are subject to vesting provisions in which 20% are exercisable immediately and 20% every 6 months thereafter.

Greg Myers, Ph.D. P. Geo, is the Qualified Person who reviewed and approved the contents of this news release.

Caza Gold Corp., is a growth-oriented gold exploration company listed on the TSX-V: CZY and FSE: CZ6. The Company is focused on the acquisition and exploration of strategic gold properties in Mexico and Latin America.

CAZA GOLD CORP.

Per:

/s/ Greg Myers

Greg Myers

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