



Shareholder Update

Review of Second Quarter and Outlook for Third Quarter of 2011

Vancouver, Canada – August 16, 2011 – Greg Myers, CEO and President of Caza Gold Corp. (CZY: TSX-V and FSE: CZ6), is pleased to provide the following review of Caza's progress in the Second Quarter and its plans for the Third Quarter, 2011.

Q2 Review

- Donald Cameron, M.Sc. Geology appointed as Caza's new Vice President of Exploration
- Phase 1 drill program commenced at the Santiago gold project in Chihuahua, Mexico - 2000 meters of core drilling was completed on the low grade bulk tonnage Road Zone - the high grade multiple vein Cliff Zone will be drilled after the rain season
- Phase 1 drill program now underway at the Moris gold project in Chihuahua, Mexico - 4000 meters of core drilling has been completed on the bulk tonnage Balleza Zone
- Reconnaissance exploration work identified several new gold target areas at the Los Andes gold project, Nicaragua
- Regional exploration in Nicaragua led to the identification and acquisition of 7 additional high sulfidation epithermal gold systems similar to Los Andes.

The appointment of Don Cameron as VP Exploration was very timely for Caza as the Phase 1 drill programs got underway on both of its Mexican projects. Mr. Cameron brings to Caza 35 years of experience in the mining industry, specializing in the exploration, evaluation and development of mineral deposits world-wide. Don has worked in exploration and mining as a senior geologist for major companies such as Hecla Mining, Bema Gold and Kinross Gold in North and South America and Asia. He was most recently with Kinross Gold as Director of Technical Services, responsible for providing mine geology and engineering oversight for the Company's gold mines and exploration projects.

The first phase of drilling began in May on the Santiago gold property located 12 km east of the town of Batopilas, a famous high-grade silver district, and 20 km east of Goldcorp's El Sauzal Gold Mine. A total of 2000 meters of core drilling has now been completed in the bulk tonnage Road Zone target higher in elevation and along trend to the west from the high grade Cliff Vein. Drilling tested the low grade, bulk mineable target of silicified andesite at an intrusive granodiorite contact in the Road Zone. Drill results should be available by late in the Third Quarter. Difficult road access to the Cliff Vein target area required revision of the proposed drilling to a helicopter supported program. This Cliff Vein drilling has been re-scheduled for late 2011 following the rain season and depending on drill and helicopter availability.

Phase 1 drilling began in July at Caza's Balleza gold target on the Moris property in Chihuahua, Mexico. Approximately 4,000 meters of core drilling has been completed to test about 300 meters of strike length along the prospective gold zone. The target is an altered and mineralized zone 1200 meter long and up to 400 meter wide within silicified and potassically altered volcanic rocks adjacent to a dacite dike. This mineralized zone is one portion of a 7 km long regional mineralized structure.

Reconnaissance work on the Los Andes project in Nicaragua continued to delineate the different alteration types and associated trace element geochemical anomalies in order to prioritize gold targets for drilling in 2012. Eight gold targets associated with strongly altered hydrothermal breccia have been identified to date.

Further regional mapping and sampling is underway on the new high-sulfidation type gold systems outside of the Los Andes property in order to prioritize the prospects for more detailed work in 2012. Approximately 130,000 hectares have been acquired covering seven high-sulfidation systems similar to Los Andes. Property acquisition and reconnaissance work on the newly acquired gold properties in Nicaragua will continue.

Q3 Outlook

The outlook for Q3 will include:

- The reporting of Phase 1 drilling results from the Santiago and Balleza projects in Chihuahua, Mexico.
- Evaluation of mapping and sampling results at Los Andes and selection of top priority gold targets.

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

President and CEO

For more information, please contact Greg Myers at Toll Free: 1-877-684-9700, tel: (604) 685-9750, fax: (604) 685-9744, email: gmyers@cazagold.com or visit our website, www.cazagold.com

"Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release."

CAUTIONARY DISCLAIMER – FORWARD LOOKING STATEMENTS

Certain statements contained herein constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. All statements that are not historical facts, including without limitation statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, are "forward-looking statements". We caution you that such "forward-looking statements" involve known and unknown risks and uncertainties, as discussed in the Company's filings with Canadian and United States securities agencies. The Company expressly disclaims any obligation to update any forward-looking statements other than as required by applicable law. We seek safe harbour.