



NEWS RELEASE

Caza Gold Identifies Strong Trace Element Anomalies Associated with High Gold Values and High Sulfidation Alteration on the Los Andes Gold Property, Nicaragua

Vancouver, Canada – January 18, 2011 – **Greg Myers, Ph.D., President and CEO of Caza Gold Corp. (CZY: TSX-V, CZ6: FSE)** is pleased announce that the Company has identified several strong trace element anomalies associated with high gold values and high sulfidation alteration on the recently acquired Los Andes gold property in Nicaragua. The property covers approximately 6,575 hectares and is strategically located within the Central Nicaragua Gold Belt between the El Limon and La Libertad gold mines of B2 Gold.

The Los Andes high sulfidation gold system is exposed on surface as an extensive alteration zone of hydrothermal vuggy quartz, pervasive silification, and alunite associated with highly anomalous gold, and trace element anomalies in copper, molybdenum, bismuth, barium, selenium, tellurium, mercury, arsenic, and antimony. The alteration zone covers at least a 45 square kilometer area and measures over 12 kilometers long by up to 6 kilometers wide. It is similar in size, intensity, and trace element geochemistry to the alteration zones of world class gold deposits such as Yanacocha and Pierina in Peru.

Click here for a video summary of news release:

http://cazagold.com/news/videos/index.php?&content_id=48

Overall surface rock chip samples returned low gold values, but when compared with associated trace element geochemical results two interesting areas of anomalous gold values are identified. The strongest gold anomaly, with values ranging from nil to 2.5 gpt., is approximately 2 km in diameter in the Cerro Quisaltepe area (click here for map: http://cazagold.com/resources/los_andes_Au.pdf). This gold anomaly has the highest and most widespread selenium values. A second gold anomaly, with lower values (nil to 0.086 gpt Au) occurs 4 km to the east in the Cerro el Corral area in the northeast area of the Los Andes claim, and although the gold values are low they occur in a clay dominant, lower temperature alteration zone which is about 4.8 km long by 3.7 km wide and occur with strong arsenic, bismuth, and selenium geochemical anomalies. The strongest gold anomalies occur in areas of rock chip samples within alunite-altered and silicified volcanic breccias.

Barium values are elevated over the entire area of sampling and covers an area over 10 km long and 5.5 km wide, with values ranging from low ppm values to 2,032 ppm, indicating a well developed hydrothermal system. Gold anomalies are closely associated with anomalous selenium, bismuth, molybdenum and copper. Selenium values are very interesting and show at least 3 highly anomalous areas and are spatially related to areas with elevated gold values. Selenium values range from nil to greater than 100 ppm, with values above 25 ppm considered to be highly anomalous (click here for map: http://cazagold.com/resources/los_andes_Se.pdf). Bismuth is also an indicator element for these systems with a close gold association. Los Andes samples contain from 0.1 to 74 ppm, with values above 5 ppm considered to be highly anomalous. Sampling along the ridge in the eastern portion of the claims defined a bismuth anomaly 5 km long by 1.3 km wide, and a second anomaly focused around the gold anomaly at Cerro Quisaltepe (click here for map: http://cazagold.com/resources/los_andes_bi.pdf).

Detailed mapping and sampling of the Los Andes Property is now underway to outline the most favorable host rocks and mineralized zones and delineate the different alteration types and associated trace element geochemical anomalies in order to prioritize targets for drilling.

A more regional reconnaissance mapping and sampling program is also underway and additional, highly prospective high-sulfidation type gold systems have been identified for acquisition outside of the Los Andes property.

Greg Myers, Ph.D., P.Geo., is the Qualified Person who reviewed and approved the contents of this news release. Sample collection by Caza Gold was supervised by Dr. Myers and all samples were prepared and analyzed at Inspectorate analytical labs in Reno Nevada. Analyses confirmed assay values obtained from sampling programs completed by previous companies in the Los Andes area.

Caza Gold Corp., is a recently listed exploration company focused on the acquisition and exploration of strategic gold properties in Mexico and Latin America.

CAZA GOLD CORP.

Per:

/s/ Greg Myers

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