



## NEWS RELEASE

### **Caza Gold Corp. Signs \$2.5 million Investment Agreement with Polygon**

*Vancouver, Canada – October 29, 2013 – Greg Myers, CEO and President of Caza Gold Corp. (the “Company”, TSX-V: CZY, FSE: CZ6, and OTCQX: CZGDF)* is pleased to announce that the Company has entered into an Investment Agreement (the “IA”) with Polygon Mining Opportunity Master Fund (“Polygon”), a fund managed by Polygon Global Partners. Under the terms of the IA, Polygon has agreed to invest C\$2.5 million to acquire 51.2% of the common shares of the Company on a post-consolidation basis. The Company has agreed to hold a special general meeting of shareholders (the “SGM”) as soon as possible to approve the investment and the creation of a new control person, to seek shareholder approval for a 3:1 share consolidation and to approve the appointment of two nominees of Polygon to the Board of Directors of the Company. The proceeds of the investment will be used to fund further exploration on the Company’s Los Andes High-Sulfidation Gold Project in Nicaragua (in a manner approved by Polygon) and for working capital.

The material terms of the IA include the following terms and conditions:

- Polygon has agreed to purchase, on a post-consolidation basis, 20,833,333 units of the Company at C\$0.12 per unit for total gross proceeds of C\$2.5 million (the “Investment”). Each unit will consist of 1 common share and one share purchase warrant exercisable for three years at C\$0.24 per share. Polygon currently owns 1,527,500 common shares of the Company (2.6% of the current and outstanding share capital of the Company) and 500,000 warrants exercisable to purchase 500,000 common shares of the Company at a price of C\$0.20 per share for a period ending December 28, 2014. Upon completion of the Investment, Polygon will own, on a post-consolidation basis, 52.5% of the issued and outstanding common shares of the Company on a non-diluted basis. Upon the exercise of all of its warrants, Polygon would own, on a partially diluted basis, 68.7% of the issued and outstanding common shares of the Company;
- The Company will seek at the SGM, shareholder approval by way of special resolution, to a 3:1 share consolidation;
- The Company will seek at the SGM, by disinterested ordinary shareholder resolution, approval of the Investment and the resulting creation of a new Control Person based on the post-consolidation share and warrant holdings of Polygon. Polygon, as an interested party, will not vote any shares that it may own or control as of the record date for the proposed meeting on this shareholder resolution;
- The Company will also seek at the SGM, shareholder approval by way of an ordinary resolution to increase the number of directors to seven and to elect two nominees of Polygon. Polygon shall have the right to maintain two nominations for election to the Board of Directors at all shareholder meetings at which directors are elected provided that its proportional interest in the Company is equal to or greater than 20% (the right drops to one nomination should Polygon’s proportional interest in the Company be equal to or greater than 10% or less than 20%);

- As a condition precedent to closing, the Company shall have provided waivers from its officers with respect to change of control payments;
- Polygon shall retain participation rights in any future security offering of the Company that will allow it to maintain its proportionate interest in the Company. Such rights shall not apply to current warrants, or any stock options issued under a 10% stock option plan;
- Polygon will have certain rights regarding future material business decisions of the Company, which decisions will require either its prior approval, or a duty of prior consultation by the Company;
- The Company must pay a break fee of C\$200,000 to Polygon in the event the IA or the transaction set out above does not complete due to, in addition to other events, a bona fide third party acquisition proposal or a material adverse change caused by a breach of the IA by the Company and must in addition reimburse Polygon for expenses incurred in connection with the transaction, up to a maximum of C\$100,000; and
- The IA is subject to TSX Venture Exchange approval.

Consummation of the Investment is subject to a number of customary conditions of closing, including that no material adverse change with respect to the Company shall have occurred and that the Company's representations and warranties made under the IA shall continue to be accurate at closing. As well, Polygon has until November 12, 2013 to complete specific items remaining on the due diligence.

Each of the directors and senior officers of the Company who hold shares in the Company has indicated his intention to vote in favour of the matters to be considered by shareholders at the SGM, the date of which the Company expects to announce within five business days.

The securities being offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold in the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) absent U.S. registration or an applicable exemption from the U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.

**Caza Gold Corp.** is a gold and copper exploration company focused on discovering new deposits in Nicaragua. The Company controls the highly prospective but under-explored claims in the high sulfidation gold trend of Nicaragua and a copper-gold-iron porphyry system to the north of the El Limon mine. Caza Gold Corp is dedicated to discovering gold, defining deposits, and developing value.

**CAZA GOLD CORP.**

*Per:*

*/s/ Greg Myers*

**Greg Myers**

*President and CEO*

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

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This news release includes certain statements and information that may contain forward-looking information within the meaning of applicable Canadian securities laws or forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, the likelihood of commercial mining and financing requirements and the ability to fund future exploration and development are forward-looking statements and contain forward-looking information. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbour.