



FORTESCUE ACQUIRES STRATEGIC INTEREST IN CANDENTE COPPER

Vancouver, British Columbia, May 22nd, 2020, Candente Copper Corp. (TSX:DNT, BVL:DNT) ("Candente Copper" or the "Company") is pleased to announce that Nascent Exploration Pty Ltd., a wholly owned subsidiary of Fortescue Metals Group Ltd. (collectively "Fortescue") has increased its holding in Candente Copper from a 9.72% to a 19.92% interest by subscribing for 27,500,000 shares for gross proceeds of Cdn\$1,375,000 through a non-brokered private placement (the "Private Placement").

Fortescue is one of the largest global iron ore producers, recognised for its culture, innovation and industry-leading development of world class infrastructure and mining assets in Western Australia. Fortescue's recent Australian exploration activity has focussed on early stage target generation for copper-gold in addition to its extensive iron ore deposits in Western Australia, while it simultaneously builds on its world-class exploration expertise, operational reputation and capability through exploration in highly prospective areas such as South America, including Peru, to deliver shareholder value.

"We are very pleased to have a recognized global leader in the mining industry as a strategic investor. Considering Fortescue's cornerstone values including safety, protection of the environment and contributing to opportunities for local communities by working together, we believe they are a great fit to support Candente Copper and the Cañariaco project", commented Joanne Freeze, CEO.

In addition to this placement, Fortescue will at its cost allocate two engineers to work on a part time joint technical committee with Candente Copper nominees, with a goal to identify the optimum strategy for the development of the Cañariaco project.

Fortescue was previously granted and retains the right to appoint one person as a director of Candente Copper as well as certain pre-emptive rights. These rights include anti-dilution rights as well as a Right of First Refusal on any debt financing or royalty or stream agreements on any of Candente Copper's assets (but does not include an earn-in joint venture proposals). Details of such are given below.

The Private Placement comprises the sale of 27,500,000 common shares (the "**Shares**") at a price of \$0.05 per share to raise gross proceeds of Cdn\$1,375,000. The gross proceeds of the Private Placement are to be used for general corporate purposes and to fund costs related to the Cañariaco Copper Project. The Shares will be subject to a statutory 4 month and one day hold period commencing the day of closing of the Private Placement.

Details on Rights Granted to Fortescue

In connection with the Private Placement, and provided that Fortescue beneficially owns or has the right to acquire not less than 5.0% of the issued and outstanding Common Shares of Candente Copper (on a diluted basis), Fortescue was granted the following:

- (a) the right (but not the obligation) to appoint one person as a director of Candente Copper;
- (b) the right (but not the obligation) to participate, on a *pro rata* basis, in any future equity financing of equity securities undertaken by Candente Copper to the extent required to allow Fortescue to maintain the same equity ownership interest (on a diluted basis) in Candente Copper that it possessed immediately prior to closing of the equity financing such that Fortescue does not suffer any equity dilution; and
- (c) if within two (2) years from the Closing Date of the Private Placement, Candente Copper receives a *bona fide* offer (a “**Non-Equity Financing Offer**”) from a third party to provide Candente Copper with any non-equity financing proposal including, but not limited to, debt financing or a royalty or stream for the purpose of funding the future exploration or development of any of Candente Copper’s assets (but for greater certainty does not include an earn-in joint venture proposal) and Candente Copper wishes to accept such Non-Equity Financing Offer, then Fortescue shall have the option to provide such Non-Equity Financing.

The Private Placement is subject to Candente Copper’s completion of its final filings with the Toronto Stock Exchange.

About Candente Copper

Candente Copper is a mineral exploration company engaged in acquisition, exploration, and development of mineral properties. The Company is currently focused on its 100% owned Cañariaco project, which includes the Feasibility stage Cañariaco Norte deposit as well as the Cañariaco Sur deposit and Quebrada Verde prospect, located within the western Cordillera of the Peruvian Andes in the Department of Lambayeque in Northern Peru.

On behalf of the Board of Candente Copper Corp.

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