



COMPANY ANNOUNCEMENT

CANGOLD ACQUIRES OPTION ON GOLD PROJECT ADJACENT TO MULATOS GOLD MINE IN MEXICO

24 July 2007 : The company is pleased to release the following announcement by Cangold Limited. Mining Projects Group Limited currently holds approximately 5.8 million shares in Cangold Limited which is listed on the Toronto Venture Exchange (TSX – V : CLD). The current share price of Cangold Limited is CND 28.5 cents.

CANGOLD LIMITED (TSX-V: CLD, the “Company”) is pleased to announce that it has, through its Mexican subsidiary, signed an Option Agreement to acquire a 100% interest in the Los Venados property contiguous with, and along strike from, the Mulatos Gold Mine in the prolific Sierra Madre gold belt of Sonora, Northern Mexico.

Los Venados lies within the emerging Mulatos gold mining district - a 15-20 kilometre long northwest trending belt of strong hydrothermal alteration and gold mineralization in Tertiary volcanic rocks within the Sierra Madre Mountains. The target at Los Venados is a multimillion ounce high sulphidation epithermal gold deposit amenable to open pit mining and heap leaching, similar to Alamos Gold Inc.’s (AGI: TSX) Mulatos gold deposit, which contains a global resource of 3.71 million ounces at a 0.5 g/t Au cut-off grade (Alamos Gold website). The southern boundary of the Los Venados claim is located within 1,500 metres of the Estrella open pit, which contains Proven & Probable Reserves of 31,900,000 tonnes at a grade of 1.64 g/t Au for a total of 1,683,000 ounces of gold.

The 3,200 hectare Los Venados claim is easily accessible by an all weather road, approximately 220 kilometres southeast of Hermosillo, and covers a large hydrothermal system where three zones of intense argillic alteration, silicification and gold mineralization have already been identified. The property has been subjected to very little historical work and initial grab sampling by Cangold has yielded gold values ranging from 0.01 to 1.84 g/t.

Cangold’s first phase of exploration is scheduled to commence in early August and will include geological mapping and prospecting, detailed sampling and possibly trenching of the three zones identified to date, with diamond drilling to follow. Cangold can acquire a 100% interest in the Los Venados property by making staged cash payments totalling CDN\$250,000 and issuing 500,000 shares over 5 years. The acquisition is subject to a 2% NSR, half of which can be purchased for CDN\$500,000. A finders fee is payable upon regulatory acceptance.

Los Venados represents an exciting entry point into gold exploration in Mexico for Cangold. It is rare in today’s market to find a property with such a high profile address, so little previous work and so much potential. As such, Los Venados will play a pivotal role in the accelerated growth of the Company.

For And On Behalf Of The Board

Richard Revelins
Director