

Continental Gold Drills 3.0 m @ 162.7 g/t Gold, 41 g/t Silver and 33.68 m @ 6.2 g/t Gold in Yaragua and Extends both the Yaragua and Veta Sur Vein Systems Laterally and Vertically

Toronto, Ontario, December 19, 2011 - Continental Gold Limited ("Continental" or the "Company") (**TSX:CNL**) is pleased to announce results for 20 diamond drill holes and 272 metres of underground channel sampling from the Company's ongoing program at its Buriticá Project in Antioquia, Colombia. Ten drills are currently on schedule to complete over 100,000 metres of surface and underground drilling on the project by the end of 2011.

Highlights

Yaragua System (Figures 1 and 2)

- BUSY213 intersected **3.0 m @ 162.7 g/t Gold and 41 g/t Silver**, the deepest intercept to date in the Murcielagos family of veins. This and other intersections in BUSY213, BUSY202 and BUSY219 have extended the Murcielagos vein family up to 200 metres below the current resource model in central Yaragua.
- Drilling in eastern Yaragua has extended the Murcielagos vein family and several other veins further to the east and to depth. All intercepts in BUSY199 (including **1.5 m @ 21.6 g/t Gold and 8 g/t Silver**) and in BUSY214 (including **1.5 m @ 62.0 g/t Gold and 7 g/t Silver**) are outside the current resource model.
- Drilling in western Yaragua has extended the northern vein family (including San Antonio at higher elevations) and the Murcielagos vein family to west of the current resource model and these vein families remain open along strike to the west and at depth. Significant intercepts in BUSY204 include **7.72 m @ 14.7 g/t Gold and 50 g/t Silver** (San Antonio vein) plus **33.68 m @ 6.2 g/t Gold** (Murcielagos vein) and, in BUSY215, **5.90 m @ 12.3 g/t Gold and 125 g/t Silver** (San Antonio vein) plus **1.62 m @ 30.3 g/t Gold and 21 g/t Silver** (Murcielagos vein).
- Underground sampling on Level 2 in central-western Yaragua has demonstrated high grades and grade continuity along significant strike lengths of the Sofia vein (**along 18 m, 113.3 g/t Gold, 60 g/t Silver over 1.97 m average width**) Hangingwall vein (**along 148 m, 16.0 g/t Gold and 23 g/t Silver over 1.55 m average width**) and the Centena vein. These grades are significantly higher than those for comparable locations in the current resource model. Most interestingly, a Level 2 cross-cut has intersected the high grade San Antonio vein 50 vertical metres below Level 1. Portions of the exposed vein in the cross-cut contain visible gold inclusions. The Company anticipates channel sampling assay results from this cross-cut in early 2012.
- BUSY217 is the first drill hole completed in the Yaragua South/La Mano area and it intersected two high silver/gold veins including **2.5 m @ 0.2 g/t Gold and 360 g/t Silver**. The Company will commence an extensive drilling campaign at La Mano in February 2012.

Veta Sur System (Figures 1 and 3)

- Drill holes BUSY207 and BUSY216 extended the Veta Sur system to the northeast of, and at depth from, the current resource model. BUSY216 contained several substantial high-grade intercepts including **4.85 m @ 14.7 g/t Gold and 59 g/t Silver, 2.2 m @ 6.1 g/t Gold and 174 g/t Silver and 1.0 m @ 27.2 g/t Gold**. BUSY207 intersected a high silver interval including **2.7 m @ 1.9 g/t Gold and 442 g/t Silver**.
- BUSY198 in central Veta Sur intersected several high-grade veins (including **5.5 m @ 16.4 g/t Gold and 25 g/t Silver**) with grades comparable to those in similar locations in the resource model, but also extended the mineralization past the resource model at depth. These deep intersections may relate to vein sets intersected more than 200 metres deeper in BUSY221.
- Mineralized intercepts in BUSY203, BUSY211 and BUSY218 all lie southwest of the Veta Sur resource model and may relate to veins intersected up to 400 metres deeper in BUSY210.

“Drilling continues to yield positive surprises and indicates to us that the number of ounces of gold and silver at Buriticá will continue to grow. Of particular interest are the high-grade intercepts at depth and also the apparent widening of mineralization to the west in the Yaragua system. These results will be followed up on once drilling resumes in January,” commented Ari Sussman, CEO.

Details

Continental’s 100%-owned, 29,329-hectare Buriticá Project contains several known areas of high-grade gold and silver mineralization, of base metal-carbonate style mineralization (“Stage I”) variably overprinted by texturally and chemically distinctive high-grade “Stage II” mineralization. The two most extensively explored of these areas, the Yaragua system and the Veta Sur system (**Figure 1**), are central to this land package. The Yaragua System has been drill-outlined along 600 metres of strike and 600 vertical metres and partially sampled in underground developments. The Veta Sur system has been drill intersected along 550 metres of strike and 1,180 vertical metres. Both systems are characterized by multiple steeply dipping veins and broader more disseminated mineralization and both remain open at depth and along strike at high grades. Continental recently issued a NI 43-101 compliant maiden resource estimate for parts of the Yaragua and Veta Sur systems. See “Technical Information” below.

Yaragua and Yaragua South

Significant new drill intercepts in the Yaragua system and Yaragua South are tabulated below.

Table I: Drilling highlights - Yaragua

Drill-hole	From (m)	To (m)	Interval ¹ (m)	Gold (g/t)	Silver (g/t)	Zinc (ppm)	Vein Set
BUSY199	35.85	41.15	5.30	3.02	29.7	6055	Murcielagos
<i>incl.</i>	40.60	41.15	0.55	12.01	33.0	24500	Murcielagos
	123.50	125.00	1.50	21.59	8.0	124	Murcielagos
	237.20	239.15	1.95	14.07	248.0	29633	Vein B? ²
	262.50	265.50	3.00	7.90	6.1	3209	Vein C? ²
	274.85	278.65	3.80	1.67	5.7	11340	Sofia? ²
	428.30	428.80	0.50	4.04	89.0	16500	FW? ²
	468.95	470.10	1.15	1.70	394.0	5900	New
	508.50	511.25	2.75	4.47	65.6	16313	Vein A
BUSY202	101.00	102.50	1.50	3.10	4.3	202	Yaragua South
	167.50	170.50	3.00	20.70	24.5	2740	Murcielagos
	455.50	459.80	4.30	1.77	7.7	1178	Vein B
BUSY204	148.80	150.30	1.50	30.00	1.9	208	HW
	152.30	160.02	7.72	14.72	50.1	4295	San Antonio
<i>incl.</i>	154.20	155.65	1.45	66.78	19.0	1222	San Antonio
	236.15	242.15	6.00	3.08	1.2	36	Vein B
	325.17	358.85	33.68	6.18	3.9	2476	Murcielagos
<i>incl.</i>	327.00	328.80	1.80	12.06	3.7	972	Murcielagos
	344.80	347.47	2.67	16.55	3.6	1170	Murcielagos
	357.85	358.85	1.00	26.18	4.2	120	Murcielagos
	373.38	374.88	1.50	5.05	4.0	9343	Murcielagos
BUSY208	33.52	65.35	31.29	2.33	32.3	4895	Vein D
<i>incl.</i>	48.55	53.24	4.69	9.75	41.3	4781	Vein D
BUSY209	134.55	135.50	0.95	5.69	11.0	2718	Murcielagos
BUSY213	204.40	209.30	4.90	11.79	45.3	7211	Murcielagos
<i>incl.</i>	206.00	207.75	1.75	22.81	48.8	9747	Murcielagos
	405.50	407.00	1.50	13.23	1.3	404	Murcielagos

Drill-hole	From (m)	To (m)	Interval ¹ (m)	Gold (g/t)	Silver (g/t)	Zinc (ppm)	Vein Set
	425.80	428.00	2.20	9.63	85.5	7151	Murcielagos
	441.00	444.00	3.00	162.71	40.9	976	Murcielagos
	487.00	488.00	1.00	11.16	4.9	1085	Unnamed
BUSY214	59.65	62.20	2.55	2.20	117.0	23568	Murcielagos
	87.45	92.00	4.55	8.61	23.4	6907	Murcielagos
<i>incl.</i>	91.00	92.00	1.00	32.14	61.0	21400	Murcielagos
	140.00	141.50	1.50	4.84	1.9	983	Murcielagos
	186.50	194.00	7.50	1.79	26.2	19229	Vein B? ²
	242.00	243.00	1.00	9.05	9.6	340	Vein C? ²
	329.50	331.00	1.50	62.04	6.9	246	Sofia? ²
	353.00	357.00	4.00	2.46	16.8	2952	HW
BUSY215	141.00	146.90	5.90	12.25	124.6	1445	San Antonio
<i>incl.</i>	143.50	145.40	1.90	35.16	359.3	3228	San Antonio
	227.60	228.60	1.00	21.90	102.0	16500	Vein B
	301.50	310.00	8.50	4.41	6.6	8106	Murcielagos
<i>incl.</i>	302.50	305.70	3.20	8.37	10.1	13879	Murcielagos
	313.60	319.23	5.63	2.36	6.0	12244	Murcielagos
	339.30	340.92	1.62	30.30	20.6	164	Murcielagos
	395.00	396.00	1.00	4.06	213.0	2535	Yaragua South
	450.00	451.10	1.10	14.74	48.0	19100	Yaragua South
BUSY217	7.40	13.40	6.00	0.11	108.0	659	New
	108.60	111.10	2.50	0.24	360.0	3510	New
BUSY219	162.00	163.50	1.50	5.23	6.3	182	Yaragua South
	235.50	237.00	1.50	3.89	6.5	682	Murcielagos
	262.88	263.50	0.62	5.07	23.0	460	Murcielagos
	276.00	277.00	1.00	18.74	21.0	270	Murcielagos
	323.80	326.80	3.00	3.08	30.0	265	Murcielagos
	366.00	368.50	2.50	8.19	55.0	3922	Murcielagos
	406.10	410.50	4.40	8.43	4.9	1024	Unnamed
BUSY220	42.50	48.77	6.27	1.32	0.0	147	Vein D
BUUY062	229.00	244.00	15.00	3.18	5.5	8211	? ²
	273.00	285.00	12.00	12.06	479.2	16949	Sofia

Drill-hole	From (m)	To (m)	Interval ¹ (m)	Gold (g/t)	Silver (g/t)	Zinc (ppm)	Vein Set
<i>incl.</i>	279.25	281.50	2.25	52.85	2351.2	78655	Sofia
	335.20	337.00	1.80	4.84	8.6	2881	HW? ²
BUUY063	238	238.5	0.50	13.31	20.0	1838	Vein B
	274.00	274.95	0.95	7.35	77.0	1289	Vein C
	322.00	328.20	6.20	1.99	46.3	1317	? ²
	384.68	388.50	3.82	3.47	13.4	422	Sofia
	398.00	400.00	2.00	4.62	5.3	539	HW? ²

¹ Intercepts calculated at 1 g/t Gold + 0.03 g/t Silver cut-off grades with up to 20% internal dilution and generally tabulated if greater than 10 gram x metres Gold equivalent. True widths not accurately known but are generally between 0.3 and actual true width of down-hole interval.

² Vein correlation uncertain.

Drilling at Yaragua (**Figure 1**) has focused on and has been successful in:

- extending the system to the east and south outside of the current resource model;
- better defining the central part of the vein system (see also Level 2 tunnel sampling, below); and
- extending the system to the west of the current resource model.

BUSY199 and BUSY214 intersected high-grade gold mineralization to the east of previous drilling in the Yaragua system, demonstrating that the system is open to the east and at depth. All intercepts in both holes are outside the current resource model (**Figure 2**) and although vein correlations (**Table I**) are uncertain, several of the main vein families may extend to the Tonusco fault in the east at potentially economic grade-thicknesses. The deep intercepts in BUSY214 (including **from 329.5 m down-hole, 1.5 m @ 62 g/t Gold**) are the most easterly drilled to date in Yaragua and are at up to 200 metres below Level 3 underground mine development. Mineralized intercepts in BUSY199 generally align well with those at shallower depths in BUSY189 (including 8.1 m @ 137.5 g/t Gold and 24 g/t Silver), demonstrating the continuity of several of the northerly (e.g. Vein A) and southerly (Murcielagos) vein families between RL 1,500 metres to RL 1,150 metres. A previously unknown silver-rich vein was encountered in BUSY199 (from 468.95 m down-hole, 1.15 m @ 1.7 g/t Gold, 394 g/t Silver), showing that silver rich mineralization extends to deep elevations in the Yaragua system.

Two fans of drill holes from underground (BUUY062 and BUUY063), plus surface-collared drill holes (BUSY202, BUSY209, BUSY213 and BUSY219), tested the southern and central vein families at depth in the sparsely-drilled central Yaragua area. BUSY213 encountered several high grade intercepts in the Murcielagos vein family, including from 441.0 m down-hole, **3.0 m @ 162.7 g/t Gold and 41 g/t Silver**, the deepest intersection of the Murcielagos vein to date and 200 metres below the current resource model for this vein (**Figure 2**). This intercept and several others in BUSY202, BUSY209 and BUSY219 (**Table I**) auger well for higher-grade resources in the Murcielagos vein family below the

previous underground developments on this vein family. BUSY219 also intersected an auriferous vein south of Murcielagos.

BUUY062 and BUUY063 each intersected several broad intervals of gold-silver mineralization, which included high-grade veins (**Table I**). The high grade intercept in BUUY062 (which included **2.25 m @ 52.9 g/t Gold and 2,351 g/t Silver**, from 279.25 m down-hole) appears to represent the Sofia Vein, whereas the high-grade intercept in BUUY063 appears to be Vein B. In both cases, these intercepts are higher grade than the current resource model predicts in this area. The other intercepts in these drill holes are not as of yet modeled veins.

Four holes (BUSY204, BUSY208, BUSY215 and BUSY220) were collared from a pad at relatively high elevation in western Yaragua and were drilled to examine extensions of the main vein families to the west of the current resource model (**Figure 2**). BUSY208 and BUSY220 both encountered thick intervals of low-grade gold mineralization (65 m of 0.5 g/t Gold and 67 m of 0.6 g/t Gold from surface, respectively) before being abandoned in a fault zone. BUSY208 intersected Vein D (**4.69 m @ 9.8 g/t Gold and 41 g/t Silver**) within this package as well. BUSY204 and BUSY215 continued to greater depths intersecting several vein sets below and to the west of the Diatrema Fault on the western margins of the current resource model. The intercepts of the San Antonio vein in BUSY215 (**5.9 m @ 12.3 g/t Gold and 125 g/t Silver**) and below this in BUSY204 (**7.72 m @ 14.7 g/t Gold and 50 g/t Silver**) at relatively high elevations and to west of this high grade vein on Level 0 and Level 1, are particularly encouraging. Both drill-holes also encountered good gold grades in the Murcielagos family veins, outside of the current resource model in western Yaragua. The Murcielagos veins and the San Antonio vein have now been outlined along 600 metres and 550 metres of strike length, respectively, and remain open along strike to the west, east and at depth.

BUSY215 encountered a high silver/gold vein and a high-grade gold vein south of the Murcielagos vein family. Both veins align with other drill intercepts in Yaragua South.

BUSY217, the first drill hole (**Figure 1**) to be completed under a large soil geochemical anomaly in the Yaragua South/La Mano area, intersected two vein sets with high silver/gold, the more southerly of these veins assaying **2.5 m @ 0.2 g/t Gold and 360 g/t Silver** from 108.6 metres down-hole.

Central-west Yaragua: Level 2 tunnel sampling

Channel sampling of the Sofia, Hangingwall and Centena veins averaged three metres spacing and 1.9 metres across the back of the drifts on Level 2. The strike lengths of sampled segments totaled 272 metres. The average widths tabulated in Table II below approximate true horizontal widths and represent the assay intervals at zero and 3 g/t gold cut-off grades. In areas of wider veins, splits or where development is "off-vein", mineralization may extend into the walls of the underground openings; hence, the stated widths are the absolute minimum with additional evaluation required to clarify if mineralization continues further into the wall rock.

Table II: Yaragua Level 2 tunnel sampling

Segment	RL* (m)	Length (m)	0 g/t Au cut-off				3 g/t Au cut-off			
			Average Width (m)	Au (g/t)	Ag (g/t)	Zn (%)	Average Width (m)	Au (g/t)	Ag (g/t)	Zn (%)
Sofia Vein set										
1	1445	18	1.97	113.26	60.2	0.48	1.05	210.26	109.0	0.71
Hanging Wall Vein set										
1	1442	148	1.55	15.96	23.1	0.55	0.43	55.92	75.7	1.51
Centena Vein set										
1	1442	82	1.94	8.08	46.2	0.96	0.56	26.10	142.5	2.58
2	1441	24	2.05	6.96	143.6	0.75	0.70	19.03	405	2.02

* RL denotes the average elevation of the drift samples.

Grades are uncut and the average widths are true (but locally minimum) horizontal.

The Level 2 sampling is about 50 vertical metres below Level 1 sampling and demonstrates the strong vertical continuity of high grades in the vein sets as well as continuity of grade along strike in central Yaragua. Gold and silver grades in each vein set on Level 2 are comparable to or higher than those estimated from drilling in the current resource model, thus confirming that the resource model (**Figure 2**) for Central Yaragua is conservative.

A cross-cut driven to the north from Level 2 development on the Hanging Wall vein intersected the San Antonio vein some 55 vertical metres below a very high grade segment of this vein on Level 1. The new Level 2 intercept is both relatively thick and assay results are awaited but the vein mineralogy is consistent with high gold and silver grades, with visible gold observed.

Veta Sur

Significant new drill intercepts in the Veta Sur system are tabulated below.

Table III: Drilling Highlights from the Veta Sur System

Drill-hole	From (m)	To (m)	Interval* (m)	Gold (g/t)	Silver (g/t)	Zinc (ppm)	RL (m)
BUSY198	160.50	161.30	0.80	4.93	92.0	2031	1571
	252.00	253.50	1.50	25.98	6.8	812	1481
	278.00	279.00	1.00	11.26	22.0	5968	1456
	317.50	318.50	1.00	9.68	21.0	9166	1420
	322.20	323.50	1.30	26.44	13.0	2024	1412
	342.25	356.00	13.75	8.61	14.7	2888	1390
<i>incl.</i>	347.50	353.00	5.50	16.38	25.2	4884	1385
	364.50	375.50	11.00	3.72	15.0	1278	1371
<i>incl.</i>	373.70	374.10	0.40	22.91	138.0	1915	1363
	422.50	430.00	7.50	3.90	8.9	546	1310

Drill-hole	From (m)	To (m)	Interval* (m)	Gold (g/t)	Silver (g/t)	Zinc (ppm)	RL (m)
	443.50	446.50	3.00	3.04	17.5	247	1295
	449.50	451.00	1.50	7.74	6.4	875	1287
	462.50	464.00	1.50	5.90	15.0	2051	1276
	475.00	476.50	1.50	6.45	22.0	657	1262
	496.50	503.50	7.00	6.00	21.6	316	1241
	532.00	535.00	3.00	11.06	43.7	864	1207
BUSY203	354.35	354.90	0.55	3.07	33.0	47800	1542
	496.70	499.20	2.50	2.63	37.0	7124	1408
	526.15	526.70	0.55	8.69	31.0	4271	1380
BUSY205	110.35	111.40	1.05	0.50	57.0	185	1634
	274.50	277.40	2.90	2.89	38.0	13510	1492
BUSY207	304.50	310.20	5.70	1.39	216.0	823	1505
<i>incl.</i>	304.50	307.20	2.70	1.87	442.2	1134	1505
	330.50	333.74	3.24	2.22	36.6	426	1480
	451.50	454.50	3.00	2.96	4.2	34	1371
	495.90	498.50	2.60	2.38	5.0	308	1332
BUSY211	370.50	371.00	0.50	1.53	2.4	724	1524
	457.10	457.70	0.60	1.05	3.1	571	1440
	510.50	511.50	1.00	1.31	3.7	650	1390
BUSY216	177.85	182.70	4.85	14.67	58.6	6362	1642
<i>incl.</i>	181.40	182.70	1.30	45.50	144.8	3996	1632
	197.65	198.70	1.05	6.83	28.0	2243	1620
	226.50	228.00	1.50	11.39	3.0	530	1596
	232.51	234.30	1.79	6.24	55.2	1432	1591
	242.00	244.20	2.20	6.13	173.7	4598	1583
	249.48	251.70	2.22	0.76	357.0	705	1576
	286.30	287.30	1.00	27.16	6.4	3028	1547
BUSY218	423.60	427.60	4.00	1.44	15.3	885	1484

* Intercepts calculated at 1 g/t gold + 0.03 g/t silver cut-off grades with up to 20% internal dilution and generally tabulated if greater than 10 gram x metres gold equivalent. True widths not accurately known but generally between 0.3 and 0.7 of down-hole interval.

Drilling at Veta Sur has extended the system to the northeast, to the southwest and to depth outside of the current resource model (**Figures 1 and 3**).

BUSY207 and BUSY216, drilled across northeast Veta Sur, both intersected several vein sets to the northeast of and at greater depths than the extents of the current resource model. The latter drill-hole exhibits a number of high-grade intercepts (including **4.85 m @ 14.7 g/t Gold and 59 g/t Silver** from 177.85 m down-hole and also two high silver/gold intervals: from 242.0 m, **2.2 m @ 6.1 g/t Gold and 174 g/t Silver** plus from 249.48 m, **2.22 m @ 0.8 g/t Gold and 357 g/t Silver**) which appear to align with drill intercepts to the southwest. A deeper intercept in BUSY216 (**1.0 m @ 27.2 g/t Gold and 6 g/t Silver**) appears to be a newly discovered vein. BUSY207 intersected a silver-rich vein (including **2.7 m @ 1.9 g/t Gold and 442 g/t Silver**). This vein and others in BUSY207 may be fault-separated from intercepts in BUSY216.

BUSY198 drilled in central Veta Sur intersected several high grade veins (including from 347.5 m, **5.5 m @ 16.4 g/t Gold and 25 g/t Silver**) in locations and with grades comparable to the current resource model. However intercepts downwards from RL 1350 m are below the current resource model and the deepest of these intercepts (**from RL 1,241 m and RL 1,207 m**) may align with intersections more than 200 metres deeper in hole BUSY221.

BUSY205, drilled southwards from central Veta Sur (**Figure 1**), intersected two new veins, with high and moderate silver/gold respectively; the latter vein being the most southerly discovered to date in the Veta Sur area.

Mineralized intercepts in BUSY203, BUSY211 and BUSY218 exhibit moderate to high silver/gold and all lie to the southwest of the current resource model. Some of these intercepts may relate to veins intersected at RL's up to 400 metres deeper in drill hole BUSY210. Further drilling is required to establish potential vein continuity over more than 900 vertical metres in southwestern Veta Sur.

Technical Information

Vic Wall, PhD, special advisor to the Company and a qualified person for the purpose of NI 43-101, has prepared or supervised the preparation of, or approved, as applicable, the technical information contained in this press release. Dr. Wall is a geologist with 35 years' experience in the minerals mining, consulting, exploration and research industries. Following a career in Australian and North American academes, he held senior positions in a number of multinational major and junior minerals companies. A Fellow of the Australian Institute of Geoscientists, Dr. Wall is Principal of Vic Wall & Associates, a Brisbane-based consultancy that provides geoscientific services to mineral companies and government agencies, worldwide.

The Company utilizes an industry-standard QA/QC program. HQ and NQ diamond drill-core is sawn in half with one-half shipped to a sample preparation lab in Medellín run by SGS Colombia. 100% of BQ diameter drill samples are shipped. Samples are then shipped for analysis to SGS-certified assay laboratory in Lima, Peru. The remainder of the core is stored in a secured storage facility for future assay verification. Blanks, duplicates and certified reference standards are inserted into the sample stream to monitor laboratory performance and a portion of the samples are periodically check assayed at ACME laboratories in Vancouver, Canada and/or Inspectorate Labs in Reno, Nevada.

For additional technical information on the Buriticá Project, please refer to the Company's technical report (the "Technical Report") entitled "Mineral Resource Estimate of the Buriticá Gold Project, Colombia" dated October 24, 2011 as amended November 23, 2011, prepared by Andrew J Vigar, BAppSc Geo, FAusIMM, MSEG, and Martin Recklies, BAppSC Geo, MAIG, each of Mining Associates Pty Limited, available on SEDAR at www.sedar.com and on the Company website at www.continentalgold.com.

About Continental Gold Limited

Continental Gold Limited (**TSX:CNL**) is an advanced-stage exploration and development company with an extensive portfolio of 100% owned gold projects in Colombia. Spearheaded by a team with over 40 years of exploration and mining experience in Colombia, the Company is focused on advancing its high-grade Buriticá gold project to production in 2014. A maiden NI 43-101 compliant resource estimate for the Buriticá Project covering two major vein systems is included in the Technical Report, with combined measured and indicated resources of 630,000 ounces of gold at 17.8 g/t, 1,500,000 ounces of silver at 42 g/t and 18,700,000 pounds of zinc at 0.8% as well as combined inferred resources of 2,500,000 ounces of gold at 11.4 g/t, 9,500,000 ounces of silver at 43 g/t and 88,000,000 pounds of zinc at 0.6%. With a goal of being the first modern day gold producer in Colombia, Continental will commence construction of an underground ramp in Q2 2012, initially providing access for underground drilling and eventually used for commercial production in 2014. A 100,000-metre drill program is also near completion at the Buriticá Project to further delineate the resource and drill new target zones identified within its concession. Additional details on the Buriticá Project and the rest of Continental's suite of gold exploration properties are available at www.continentalgold.com.

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Forward-Looking Statements

This press release contains certain "forward-looking statements" under Canadian securities legislation. Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking statements, and includes, but is not limited to, statements with respect to the Buriticá Project, estimates of concentration of mineralization, mineral resource quantities, mineral resource qualities, the potential scope and context of the mineralized area, the potential for upgrading the mineral resource estimate, the Company's exploration and drilling targets, goals, objectives and plans, and other statements relating to the financial and business prospects of the Company.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget",

“scheduled”, “estimates”, “forecasts”, “intends”, “is projected”, “anticipates” or “does not anticipate”, “believes”, “targets” or variations of such words and phrases. Forward-looking information may also be identified in statements where certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. Forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results of the Company to differ materially from those discussed in or implied by the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: failure to establish estimated mineral resources; the grade, quality, concentration and recovery of mineral resources varying from estimates; risks related to the exploration stage of the Company’s properties; the possibility that future exploration results will not be consistent with the Company’s expectations (including identifying additional and/or deeper mineralization); changes in the price of gold; changes in equity markets; political developments in Colombia; uncertainties relating to the availability and costs of financing needed in the future; changes to regulations affecting the Company’s activities; delays in obtaining or failures to obtain required regulatory approvals; the uncertainties involved in interpreting drilling and exploration results and other geological data and other factors (including exploration, development and operating risks); management’s assessment of future plans for the Buriticá Project; management’s economic outlook regarding future trends; the availability of skilled labour; estimates with respect to the mineralization at the Company’s projects; as well as those further discussed in the section entitled “Description of the Business: Risks of the Business” in the Company’s Revised Initial Annual Information Form and other regulatory filings which are filed on SEDAR at www.sedar.com.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not a guarantee of future performance and accordingly undue reliance should not be placed on such statements due to the inherent uncertainty therein.

Figure 1 – Plan View of New Drilling

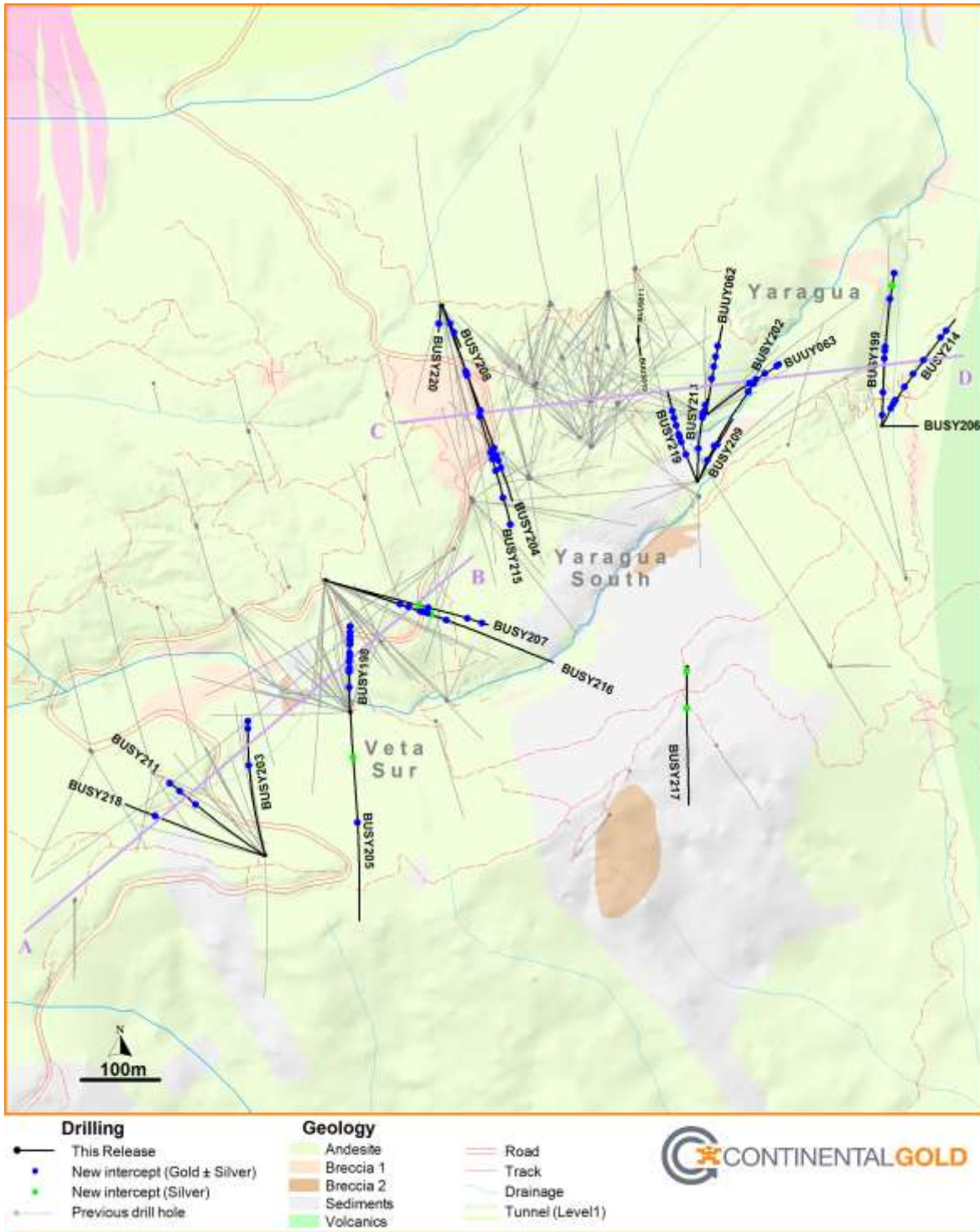


Figure 2 – Longitudinal Section of Yaragua

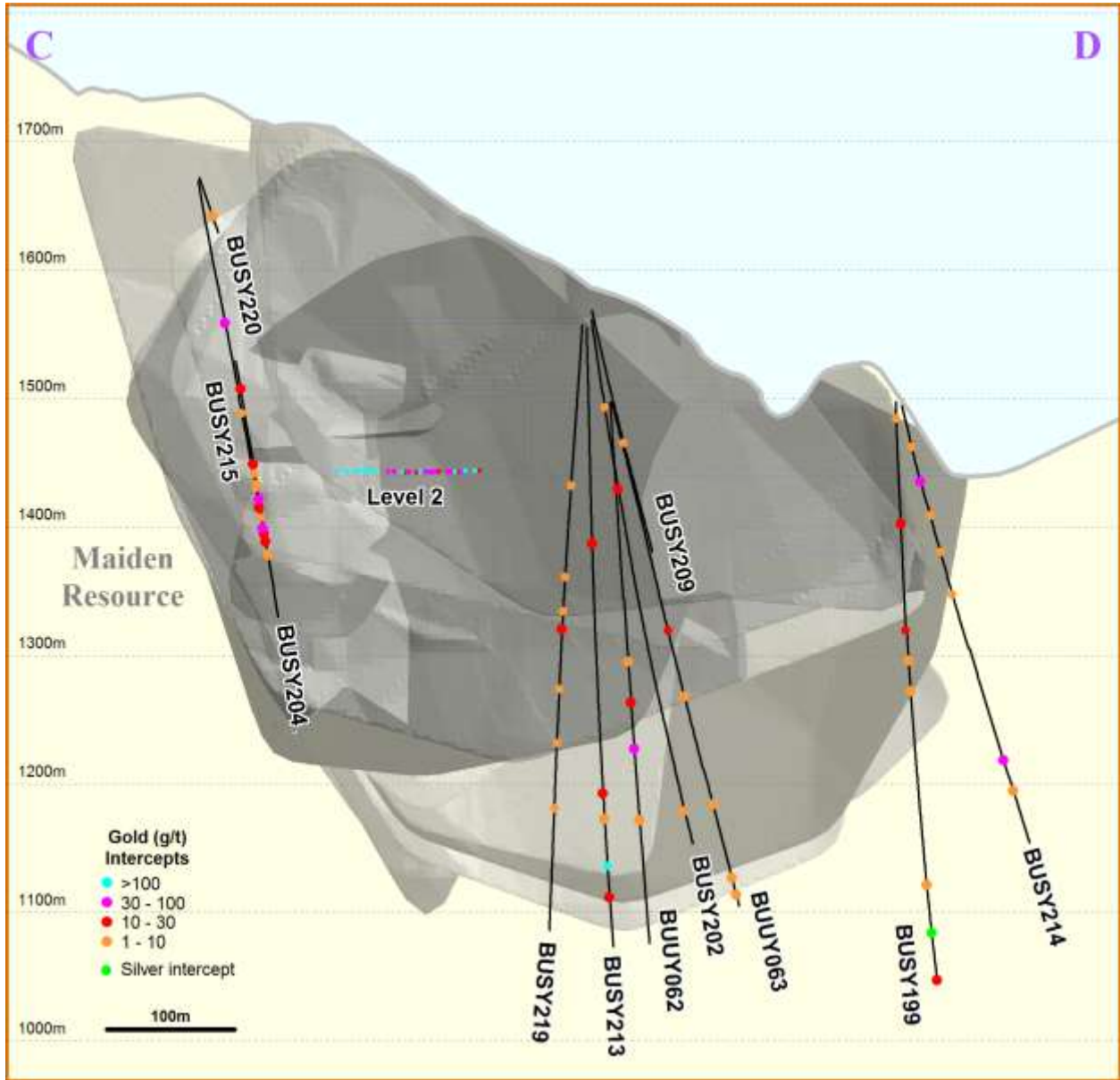


Figure 3 – Longitudinal Section of Veta Sur

