

## NEWS RELEASE

March 18, 2016

NEX: BNL.H

### **BRANCO ANNOUNCES CLOSING OF QUALIFYING TRANSACTION, NAME CHANGE TO CANDELARIA MINING CORP. AND \$3.395 MILLION PRIVATE PLACEMENT**

**Vancouver, British Columbia:** Candelaria Mining Corp. (formerly Branco Resources Ltd.) (“**Candelaria**” or the “**Company**”) is pleased to announce that it has closed its qualifying transaction (the “**Transaction**”) with Minera Apolo, S.A. de C.V. (“**Apolo**”) a privately held company incorporated pursuant to the laws of Mexico. As part of the Transaction, the Company changed its name from Branco Resources Ltd. to Candelaria Mining Corp.

Pursuant to a share purchase agreement dated February 27, 2015, Candelaria has the right to acquire 60% of the issued and outstanding shares of Apolo in consideration for (a) US\$500,000 payable to the shareholders of Apolo over a period of 8 months; (b) 20,000,000 common shares issuable to the shareholders of Apolo at a deemed price of \$0.05 per share over a period of 18 months; (c) Candelaria obtaining a credit facility in favour of Apolo for a minimum of US\$3,500,000 over a period of 24 months; and (d) Candelaria obtaining a U.S. \$1,000,000 loan in favour of Apolo.

On closing of the Transaction, Candelaria paid the first cash installment in the amount of \$250,000 and issued the first share instalment of 6,000,000 shares to the shareholders of Apolo. In addition, Candelaria previously arranged a U.S. \$1,000,000 loan in favour of Apolo through Credipresto, S.A.P.I. de C.V., SOFOM ENR.

As part of the Transaction, Candelaria has also completed a private placement of 71,918,750 common shares at a price of \$0.05 per share for total proceeds of \$3,595,937.50 (the “**Offering**”). Proceeds of the Offering will be used to fund its exploration expenditures on its Pinos property. The shares issued pursuant to the Offering will be subject to a four month hold period.

Following the completion of the Transaction, there are an aggregate of 94,528,750 common shares of Candelaria issued and outstanding, comprised of 6,000,000 shares issued to the shareholders of Apolo, 1,200,000 issued to Moises Salas Sanchez pursuant to a finder’s fee agreement dated May 15, 2014, 7,408,000 shares issued to holders of Apolo convertible notes, and 71,918,750 shares issued in connection with the Offering. After the closing of the Transaction, 21,430,000 shares are subject to escrow pursuant to a CPC Escrow Agreement and a QT Escrow Agreement, and 3,000,000 shares will be subject to escrow upon exercise of 3,000,000 bonus warrants issued to Credipresto.

The Board of Directors of Candelaria is as follows: Sokhie Puar, Ramon Perez, Javier Reyes and Manuel Gomez. Sokhie Puar remains as President, Chief Executive Officer and Corporate

Secretary. Ramon Perez has been appointed as Chief Financial Officer and Chief Operating Officer. In addition, Hector Felix Gonzalez Ramirez has been appointed as VP of Exploration.

Upon receipt of final approval of the Transaction from the TSX Venture Exchange, the common shares of Candelaria will commence trading on the TSX Venture Exchange as a Tier 2 Mining Issuer under the symbol "CXX".

**CANDELARIA MINING CORP.**

For further information, please contact:

Sokhie Puar, President & CEO

Telephone: (604) 408-1990

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*The securities referenced in this news release have not and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.*