

JAVIER REYES

Vancouver, British Columbia – June 7, 2016 – Javier Reyes announces that he has acquired \$1,625,000 worth of unsecured convertible debentures (the “**Convertible Debentures**”) of Candelaria Mining Corp. (the “**Company**”) on May 24, 2016 pursuant to a non-brokered private placement. The Convertible Debenture will mature on December 6, 2017, and will bear interest at a rate of 6.0% per annum. The principal amount the Convertible Debenture is convertible into up to 27,083,333 common shares of the Company at a price of \$0.06 per common share in the first year and \$0.10 per common share for the remainder of the term. The underlying securities issuable upon conversion of the Convertible Debenture represent approximately 12.5% of the issued and outstanding common shares of the Issuer, assuming full conversion of the Convertible Debenture. The Convertible Debenture was acquired by Credipresto SA de CV SOFOM (“**Credipresto**”), a company controlled by Mr. Reyes.

Prior to the acquisition, Mr. Reyes owns and/or controls an aggregate of 30,540,000 common shares of the Issuer representing approximately 16.2% of the issued and outstanding common shares of the Issuer on an undiluted basis. 27,700,000 of these common shares are owned by Credipresto, and 2,840,000 of these common shares are owned by Antares Capital Fund, Ltd, a company controlled by Mr. Reyes. As a result of the foregoing acquisition and assuming full conversion of the Convertible Debenture (and full exercise of the Warrants issued upon conversion), Mr. Reyes would then have direct and indirect beneficial ownership or control and direction over a total of 57,623,333 common shares of the Issuer representing approximately 26.7% of the issued and outstanding shares of the Issuer on a partially diluted basis, assuming that no other common shares of the Issuer have been issued.

Mr. Reyes also holds securities (common share purchase warrants) convertible into up to 3,000,000 common shares of the Issuer. If Mr. Reyes were to exercise all of the share purchase warrants, he would then control a total of 60,623,333 common shares of the Issuer representing approximately 27.7% of the issued and outstanding common shares of the Issuer on a partially diluted basis assuming that no other common shares of the Issuer have been issued.

The proceeds from the private placement will be used by the Issuer for general working capital and to fund the Issuer’s Caballo Blanco acquisition from Timmins Gold Corp.

The securities acquired will be held for investment purposes. Mr. Reyes may, depending on market and other conditions, increase or decrease its beneficial ownership of the Company’s securities, whether in the open market, by privately negotiated agreements or otherwise, subject to a number of factors, including general market conditions and other available investment and business opportunities.

This press release is issued pursuant to Multilateral Instrument 62-104 and a report respecting the above acquisition will be filed with the applicable securities commissions using the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) and will be available for viewing at www.sedar.com.

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