

CANDELARIA MINING CORP.

News Release
TSX-V: CXX

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**CANDELARIA MINING ANNOUNCES \$8.6 MILLION PRIVATE PLACEMENT
AND AGREEMENT FOR DEBT CONVERSION**

May 05, 2016 – Vancouver, British Columbia – Candelaria Mining Corp. announces that it is offering on a private placement basis up to 80,000,000 common shares of the Company at a price of \$0.10 per share for total proceeds of up to \$8,000,000.

The company also announces that is offering up to US\$600,000 of unsecured convertible notes. The notes will bear interest at 6% annually, paid monthly and will be convertible into common shares of the Company for a period of 18 months at C\$0.06 per share.

The proceeds from the private placements will be used for general working capital and as a reserve for future mineral property acquisitions. A finder's fee may be paid in connection with the private placement.

In addition Candelaria has obtained the agreement of Credipresto SA to the grant of a conversion right of US\$500,000 of principal loan amount into shares of Candelaria at a price of \$0.05 per share. The conversion would be triggered upon Candelaria completing both the exercise of the option to acquire a 60% interest in Minera Apolo SA de CV, and the acquisition of the remaining 40% interest in Minera Apolo.

Completion of each of the above transactions is subject to stock exchange approval.

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