

CANDELARIA MINING CORP.

News Release
TSX-V: CXX

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CANDELARIA MINING COMPLETES \$9.4 MILLION PRIVATE PLACEMENT

June 07, 2016 – Vancouver, British Columbia – Candelaria Mining Corp. (the “Company”) announces it has concluded a private placement offering for gross proceeds of \$9,434,900. A total of \$5,534,900 of the private placement has closed, with the balance to close upon completion of standard background checks by the TSX Venture Exchange in connection with two investors that will become insiders. Pursuant to the private placement, a total of 78,099,000 common shares were sold at a price of \$0.10 per share.

In addition, the Company raised \$1,625,000 through the sale of a convertible note. The note 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 \$0.06 per share for the first 12 months, and \$0.10 per share for the remainder of the term. The Company may prepay the convertible note at any time during the initial 12 month term by paying the holders all remaining interest to maturity in addition to the principal amount.

Finder’s fees of \$260,216 were paid in connection with the private placement.

The securities issued in connection with the private placement are subject to a four month hold period expiring on September 7, 2016.

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

The Company further announces that has made a payment of US\$2,250,000 to Timmons pursuant to an agreement to acquire the Caballo Blanco Gold Project in Veracruz from Molimentales Del Noroeste, SA de CV, a subsidiary of Timmins. Completion of the acquisition is subject to final approval of the TSX Venture Exchange and payment of an additional US\$6.5 million to Timmins as described in the Company’s news release dated May 12, 2016.

For further information, please contact:

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Neither the 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.