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[Candelaria Mining Corp.](#) ("Candelaria") (TSX VENTURE:CAND)(OTCQX:CDELFF)(FRANKFURT:29LN) is pleased to announce [Agnico Eagle Mines Ltd.](#) ("Agnico") is making a strategic investment of \$9,765,800 in Candelaria (the "Private Placement"). (All dollar amounts are in Canadian Dollars unless otherwise stated).

Upon completion of the Private Placement, Agnico will own approximately 9.95% of the common shares of Candelaria, through the purchase of 10,120,000 common shares at a price of \$0.965 per share. No warrants are being issued. In connection with the closing of the transaction, Agnico and Candelaria will enter into an investor rights agreement pursuant to which Agnico will, provided Agnico owns at least a 5% interest in Candelaria (calculated in accordance with the investor rights agreement), have the right to participate in equity financings by Candelaria in order to maintain its 9.95% ownership interest in Candelaria, and the right to nominate one person (and in the case of an increase in the size of the board of directors of Candelaria to 10 or more directors, two persons) to the board of directors of Candelaria.

Ramon Perez, CEO of Candelaria, stated: "This strategic investment by Agnico, one of the world's top gold producers, is a strong endorsement of the quality and potential of Candelaria's Caballo Blanco gold project. We are excited to have this investment to allow us to initiate on our strategic objectives, principally intended to expand and upgrade the Caballo Blanco resource."

Candelaria intends to use the net proceeds of the investment for infill and definition drilling to enhance the classification and extension of Caballo Blanco's current mineral resource, exploration of highly prospective targets within the Caballo Blanco claim area, further technical and optimization studies, payment of final amounts owed to [Alio Gold Inc.](#) (formerly known as Timmins Gold Corp.) in connection with the acquisition of the Caballo Blanco gold project and for general working capital and corporate needs. Completion of the investment is subject to TSXV approval.

#### About Candelaria

Candelaria Mining is a Canadian-based gold development and exploration company with a portfolio of highly prospective projects in Mexico, one of the world's best mining jurisdictions. Candelaria's 100% owned Caballo Blanco Project hosts NI 43-101 Indicated Resources of 521,000 ounces of gold and 2,170,000 ounces of silver (31,220,000 tonnes grading 0.52 g/t gold and 2.16 g/t silver) and Inferred Resources of 95,000 ounces of gold and 590,000 ounces of silver (8,630,000 tonnes grading 0.34 g/t gold and 2.14 g/t silver). Potential exists to increase these estimated resources through continued drilling and exploration. For more information on resource estimates, please see the Company's news release dated May 8, 2017.

ON BEHALF OF THE BOARD,

*Ramon Perez*, Chief Executive Officer

*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.*

*This news release contains certain information that may constitute forward-looking information or forward-looking statements under applicable Canadian securities legislation (collectively, "forward-looking information"), including but not limited to the exploration potential at the Caballo Blanco Project, and future exploration plans of Candelaria. This forward-looking information entails various risks and uncertainties that are based on current expectations, and actual results may differ materially from those contained in such information. These uncertainties and risks include, but are not limited to, the strength of the global economy; the price of gold; developmental, funding and liquidity risks; the degree to which mineral resource estimates are reflective of actual mineral resources; the degree to which factors which would make a mineral deposit commercially viable are present; the risks and hazards associated with mining operations; and the ability of Candelaria to fund its capital requirements and exploration and development activities.*

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