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CANDELARIA PROVIDES CORPORATE UPDATE and GRANT OF OPTIONS

- **Pinos Project Update**
- **Caballo Blanco Exploration Plan**
- **Grant of Options**

Vancouver, B.C., March 4, 2021, Candelaria Mining Corp. (TSX-V: CAND, OTC PINK: CDELFF) (the “Company”) is pleased to provide the following update.

Overview

- Candelaria is a gold-focussed exploration and resource development company about to start construction of its first producing gold mine in Zacatecas, Mexico;
- The Company recently announced additions to its board and executive team in anticipation of executing the construction project and an ambitious exploration program at its flagship asset at Caballo Blanco, in Veracruz, Mexico.

Pinos Project

- The fully permitted Pinos Gold Mine will be an underground cut-and-fill operation on multiple high-grade epithermal quartz-gold veins, followed by comminution, agitated leach, counter-current decantation, and Merrill Crowe Au-Ag precipitation;
- Mill equipment already available; majority of former mine development accessible with minor rehabilitation;
- Major construction contracts ready for execution;
- Operations team already assembled;
- 12 to 14 months construction schedule, the Company expects to commence construction in Q2 2021;
- Resource expansion and exploration drill programs defined.

Caballo Blanco

- The highly prospective Caballo Blanco licence area includes the more advanced La Paila project with a resource per table below¹, and seven other high-priority epithermal / porphyry drill-ready targets in two distinct mineralised districts;

¹ Conceptual open pit based on metal prices of US\$ 1150/oz Au and \$21/oz Ag. Refer to the *Technical Report, Caballo Blanco Resource Update, April 2017*, available on the Company's profile on SEDAR at www.sedar.com.

Indicated and Inferred Resources (1)(2)(3)(4)					
Category	Tonnes	Au Grade (g/t)	Ag Grade (g/t)	Contained Gold Ounces	Contained Silver Ounces
Indicated	31,220,000	0.52	2.16	521,000	2,170,000
Inferred	8,630,000	0.34	2.14	95,000	590,000

1. The resource estimate is based on 200 diamond drill holes completed since the discovery of the La Paila mineralized zone. The resource available for blocks contained within a conceptual open pit using metal prices of US\$1,150 US/oz Au and US\$21/ oz Ag using a cut-off of 0.11 grams per tonne (g/t) gold.
 2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. There is no certainty that all or any part of the Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration.
 3. Gary Giroux, of Giroux Consulting, along with Jim Cuttle B. Sc. P. Geo. are qualified person as defined in NI 43-101, are authors of the technical report and responsible for the resource estimate.
 4. The effective date of the resource estimate is March 20, 2017.
- The Company plans to commence an aggressive 12-month exploration program in mid-2021 to test all high-priority targets and further expand the resources at La Paila. Results from high-potential targets adjacent to La Paila are expected by year-end;
 - Depending on exploration results the Company will then update resources for the licence area, and develop concepts for a series of open pits with a centralised processing facility;
 - In parallel, the Company will frame and execute a robust CSR program during 2021.

Grant of Options

The Company granted incentive stock options pursuant to its stock option plan, to employees, directors and officers of the Company, to purchase up to an aggregate of 1,025,000 common shares of the Company at a price of \$0.54 per share expiring five years from the date of grant. All options vest in three equal installments over 12 months.

Mike Struthers, CEO, commented: *“Both Neil and myself are very pleased to have joined Candelaria at this time, to help the Candelaria team take the Company to the next level. A goal for the next 12 months is to successfully execute the Pinos project and bring that mine back into production, in parallel with executing what we believe could be a very successful exploration program at the company’s flagship asset, the Caballo Blanco mineralised district. We expect that Candelaria will evolve into becoming a producer in early 2022, and this will provide a strong platform for further development of the Company in 2022 and beyond. I look forward to sharing more information on these activities in due course.”*

Gary Giroux, a qualified person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") is responsible for, and has verified and approved, the scientific and technical disclosure contained in this press release.

ON BEHALF OF THE BOARD

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Cautionary Note Regarding Forward-looking Statements: *This press release contains certain “forward-looking statements” and “forward-looking information” under applicable Canadian securities laws concerning the business, operations and financial performance and condition of Candelaria Mining Corp. (“Candelaria” or “Candelaria Mining”). Forward-looking statements and forward-looking information include, but are not limited to, statements with respect to estimation of mineral resources at mineral projects of Candelaria, the construction schedule and related plans for the development of the Pinos Gold Mine and the exploration program and developments for Caballo Blanco. Forward-looking statements are based on the opinions and estimates as at the date the statements are made, and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Many of these assumptions are based on factors and events that are not within the control of Candelaria and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking statements include variations in metal grades, changes in market conditions, variations in recovery rates, risks relating to international operations, fluctuating metal prices and currency exchange rates, changes in project parameters, the possibility of project cost overruns or unanticipated costs and expenses, labor disputes and other risks of the mining industry, failure of plant, equipment or processes to operate as anticipated.*

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