

Form 45-106F6

British Columbia Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

Issuer/underwriter information

Item 1: Issuer/underwriter name and contact information

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
- the issuer's website address; and
- the address, telephone number and email address of the issuer's head office.

Candelaria Mining Corp. (formerly Branco Resources Ltd.)

4005 - 1011 West Cordova Street

Vancouver, British Columbia

V6C 0B2

Telephone: 604 408-1990

B. If an underwriter is completing this report, state the following:

- the full name of the underwriter;
- the underwriter's website address; and
- the address, telephone number and email address of the underwriter's head office.

Item 2: Reporting issuer status

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The issuer is a reporting issuer in British Columbia, Alberta and Ontario.

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

Item 3: Issuer's industry

Indicate the industry of the issuer by checking the appropriate box below.

☐ Bio-tech

Financial Services

Mining

☒ exploration/development

- | | |
|---|---|
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production |
| <input type="checkbox"/> mortgage investment companies | <input type="checkbox"/> Oil and gas |
| <input type="checkbox"/> securitized products issuers | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Utilities |
| <input type="checkbox"/> Hi-tech | <input type="checkbox"/> Other (describe) |
| <input type="checkbox"/> Industrial | |
-

Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

Information about insiders and promoters			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)
Not applicable			

Details of distribution

Item 5: Distribution date

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

March 17, 2016

Item 6: Number and type of securities

For each security distributed:

- describe the type of security;

- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and
- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

86,526,750 common shares and 3,000,000 share purchase warrants (the “Warrants”). Each Warrant entitles the holder to purchase a common share of the Issuer at an exercise price of \$0.055 per share for a period of two years from the date of issuance.

Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder’s fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	3	\$0.05	\$18,000
New Mexico	3	\$0.05	\$300,000
Mexico	10	\$0.05	\$2,909,462.50
Netherlands	4	\$0.05	\$378,125
Singapore	1	\$0.05	\$118,750
Switzerland	1	\$0.05	\$400,000
British Virgin Islands	1	\$0.05	\$142,000
Total number of Purchasers	23		
Total dollar value of distribution in all jurisdictions (Canadian \$)			4,266,337.50

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

Item 8: Information about purchasers

Instructions

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
C-Uno S.A. De C.V. Indio De Guelatao 297 NTE. 1ER. Piso, Col. Miguel Hidalgo C.P. 80090, Culiacan Sinaloa, CUN-041227-AW5 Javier Montano 52-667-761-4319	I	28,400,000 common shares	\$1,420,000	Section 2.3 of National Instrument 45-106	2016-03-17
Bayside International, C.V. Pietermaai 20, Unit Willemstad Curacao, Netherlands Antilles Juan Carlos Delgado Diaz/Mario Compean Jimenez +52 (55) 56-16-61-15		2,375,000 common shares	\$118,750	BC Instrument 72-503	2016-03-17

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Challis Corporation, C.V. Pietermaai 20, Unit Willemstad Curacao, Netherlands Antilles Juan Carlos Delgado Diaz/Mario Compean Jimenez +52 (55) 56-16-61-15		1,187,500 common shares	\$59,375	BC Instrument 72-503	2016-03-17
Concrete Investments, C.V. Pietermaai 20, Unit Willemstad Curacao, Netherlands Antilles Juan Carlos Delgado Diaz/Mario Compean Jimenez +52 (55) 56-16-61-15		1,500,000 common shares	\$75,000	BC Instrument 72-503	2016-03-17
Credipresto SA de CV SOFOM Av San Jeronimo 595- 401 Mexico City, 01090 Javier Reyes +52155853.49323	I	14,200,000 common shares 3,000,000 warrants ^[1]	\$710,000	BC Instrument 72-503	2016-03-17
Perth Investments, C.V. Pietermaai 20, Unit Willemstad Curacao, Netherlands Antilles Juan Carlos Delgado Diaz/Mario Compean Jimenez +52 (55) 56-16-61-15		2,500,000 common shares	\$125,000	BC Instrument 72-503	2016-03-17
Hertford Investments Pte. Ltd. 1 Raffles Place, #43-03 One Raffles Place 048616 Singapore Jean-Claude Nuntwyler +52 (55) 56-16-61-15		2,375,000 common shares	\$118,750	BC Instrument 72-503	2016-03-17

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Horizon Art Merchands Eichtalboden 85, 5400 Baden Switzerland Manuel Gomez 41 36 222 4682	I	8,000,000 common shares	\$400,000	BC Instrument 72-503	2016-03-17
Antares Capital Fund, Ltd Nemours Chambers, Road Town Tortol, BVI 9170 Javier Reyes +5215585349323	I	2,840,000 common shares	\$142,000	BC Instrument 72-503	2016-03-17

[1] Each warrant entitles the holder to acquire one common share at a price of \$0.055 per common share for a period of two years following the issuance of the warrants. The warrants are being issued as a bonus pursuant to TSX Venture Exchange policies in connection with a loan.

Commissions and finder's fees

Item 9: Commissions and finder's fees

Instructions

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
			Number and type of securities issued	Price per security (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
Moises Salas Sanchez Av Universidad 935 Mexico DF 03310, Mexico		Nil	1,200,000 common shares	\$0.05	BC Instrument 45-529 2016-03-17	\$60,000

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: March 22, 2016

Candelaria Mining Corp. (formerly Branco Resources Ltd.)

Name of issuer (please print)

Sokhie Puar, President & CEO, 604-408-1990

Print name, title and telephone number of person signing

"Sokhie Puar"

Signature

Instruction

The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.

Item 10: Contact information

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: (604) 899-6500
Toll free across Canada: 1-800-373-6393
Facsimile: (604) 899-6581