

CALGARY, ALBERTA--(Marketwired - Jul 7, 2015) - [Bacanora Minerals Ltd.](#), the Canadian and London listed (TSX VENTURE:BCN) (AIM:BCN) lithium and borates company based in Mexico, is pleased to provide an update on progress on the ongoing development work that is being conducted in connection with its upcoming pre-feasibility study ("PFS") at its Sonora Lithium Project. This ongoing development work and the resulting PFS are expected to be used to design a plant capable of potentially delivering up to 50,000 tonnes per year of lithium carbonate. This highlights Bacanora's strategy to continue the transition from an exploration company into a mine development company.

This PFS program will initially be comprised of infill drilling, detailed metallurgical design work, process engineering and mine design, with a planned timetable of completing a PFS in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101") by the end of Q1 2016. We are currently on target to achieve this timeline with the following works already started or planned within the next six months:

- Commencement of a 4,000 metre drilling programme has begun on the Fleur and El Sauz concessions with the primary objective of significantly increasing the Indicated Mineral Resources within the Sonora Lithium Project. The current resource was recently updated by SRK Consulting (UK) Limited ("SRK") to:
 - Indicated resources of 1.14 million tonnes ("Mt") lithium carbonate equivalent ("LCE")⁽¹⁾ contained in 95Mt of clay, at lithium ("Li") grade of 2,200 ppm
 - Inferred resources of 6.3Mt LCE contained in 500 Mt of clay at a Li grade of 2,300 ppm
- The drill program will also test the continuity of higher grade, near surface mineralization in the northern area of the Fleur concession that immediately adjoins the southern end of the La Ventana concession with the objective of further expanding the current resource base;
- Upon completion of the drilling programme, an updated resource model will be developed for mine design purposes with an initial focus on the higher grade, open pit resources on the La Ventana and Fleur concessions;
- SGS Canada Inc. ("SGS") has been appointed to carry out lithium carbonate metallurgical testwork at their Lakefield site on a number of ore samples from the Sonora Lithium Project concessions. SGS is one of the world's leading inspection, verification, testing and certification companies, with proven expertise in lithium metallurgy. The data from this testwork will be used to produce a detailed lithium carbonate flowsheet;
- In addition, the Company will carry out work on the development of a lithium hydroxide, (LiOH) flowsheet at its Hermosillo pilot plant and will also commence preliminary testwork with a number of international specialist groups with LiOH extraction expertise;
- Ausenco Engineering Canada Inc, ("Ausenco") has been appointed to carry out the flow sheet review, process engineering design, infrastructure optimization and PFS documentation for a two-stage lithium carbonate processing plant, for the production of battery grade lithium carbonate. Ausenco is internationally recognised as a specialist in the study, engineering, procurement, construction management, programme management, commissioning and operation of minerals processing projects. They recently completed an updated Feasibility Study for Talison Lithium's lithium carbonate plant in Australia and will manage Bacanora's PFS out of their office in Hermosillo, Mexico with support from Vancouver, Canada and Perth, Australia; and
- Mr. Eric Carter has been appointed as Project Manager to manage the PFS, based in Hermosillo. Eric has over 30 years' project management expertise, including 22 years of lithium operations experience in North America, mainly with FMC Lithium at their North Carolina operations with a focus on lithium carbonate and lithium hydroxide.

(1) LCE = lithium carbonate (Li_2CO_3) equivalent; determined by multiplying Li value in percent by 5.324 to get an equivalent Li_2CO_3 value in percent. Use of LCE is to provide data comparable with industry reports and assumes complete conversion of lithium in clays with no recovery or process losses.

Peter Secker, CEO of Bacanora, commented, "We are confident that the PFS will confirm both the significant potential of the Sonora Lithium Project as a large, scalable, long life lithium resource, and also indicate the strength of its commercial viability. We have made excellent progress on all fronts, including a successful drilling programme which highlights the considerable scope to upgrade the Indicated Resources at the Sonora Lithium Project and continue the metallurgical testwork at our pilot plant. We are focussed on building on the excellent momentum behind the business as the PFS progresses towards completion."

"Subject to the PFS results, the next stage in the Sonora Lithium Project's development would involve a bankable feasibility study ahead of mine and plant construction and commercial production. As a result of its crucial role in fast-growing new markets such as electric vehicles and energy storage, demand for lithium is forecast to remain strong for many years to come. The Sonora Lithium Project has the potential to play a major role in supplying these high growth emerging industries, and at the same time transform Bacanora into a leading supplier of what is very much a 21st century energy commodity."

ABOUT BACANORA:

Bacanora is a Canadian and London listed minerals explorer (TSX-V: BCN and AIM: BCN). The Company explores and develops industrial mineral projects, with a primary focus on lithium and borates. The Company's operations are based in Hermosillo in northern Mexico and it currently has two significant projects under development in the state of Sonora. The two main assets of Bacanora are:

- The Sonora Lithium Project, which consists of ten mining concession areas covering approximately 100 thousand hectares in the northeast of Sonora State. The Company, through drilling and exploration work to date, has established an Indicated Mineral Resource (in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101")) of 1.14 Mt LCE contained in 95 Mt of clay at a Li grade of 2,200 ppm and an Inferred Mineral Resource of 6.3 Mt LCE contained in 500 Mt of clay at a Li grade of 2,300 ppm.
- The Magdalena Borate Project, covering 16,503 hectares in Sonora state, Mexico, where the Company's main borate zone, El Cajon, has an Indicated Resource (in accordance with NI 43-101) of 1.17 Mt of B₂O₃, at an eight per cent. cut-off grade. The Company has completed a number of measures to determine the geological and commercial potential of the project and is undertaking a prefeasibility exercise to determine the economic benefit of developing the mine and constructing a processing plant on site in order to become a supplier of boric acid.

Reader Advisory

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this press release includes, but is not limited to future drilling activity and results therefrom, potential expansion of Indicated Resources, preparation of an updated resource model, production of flowsheets and engineering design work and preparation of a PFS. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: commodity price volatility; general economic conditions in Canada, the United States, Mexico and globally; industry conditions, governmental regulation, including environmental regulation; unanticipated operating events or performance; failure to obtain industry partner and other third party consents and approvals, if and when required; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; competition for, among other things, capital, skilled personnel and supplies; changes in tax laws; and the other risk factors disclosed under our profile on SEDAR at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

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