

CALGARY, ALBERTA--(Marketwired - Nov 23, 2015) - [Bacanora Minerals Ltd.](#) ("Bacanora" or the "Company"), the Canadian and London listed (TSX VENTURE:BCN) (AIM:BCN) lithium and borates company, is pleased to report an updated Mineral Resource estimate ("MRE") for the Sonora Lithium Project<sup>(1)</sup> in Mexico (the "Project"), which has seen its Indicated Minerals Resources increase by over 300% to 5 million tonnes ("Mt") of lithium carbonate equivalent ("LCE")<sup>(2)</sup>. In addition, the Project's Inferred Mineral Resource has been estimated as a total of 3.9 Mt of LCE contained within the deposit.

This significant increase in the Indicated portion of the resource, and the resource in total, has a major positive impact for mine planning and the Project's life of mine. In particular, it will allow management to optimize the mine design, focusing on higher grade mineral resources and to maximize the Project's net present value.

#### Highlights:

- A 337% increase of the Indicated Mineral Resource to 5.0 Mt of LCE (364 Mt of clay at a Li grade of 2,600 ppm), from the previously reported 1.14 Mt (95 Mt of clay, at a Li grade of 2,200 ppm)<sup>(3)</sup>.
  - La Ventana Indicated Mineral Resource has increased from the previously reported 0.84 Mt LCE to 1.9 Mt LCE.
  - El Sauz, El Sauz 1 and Fleur Indicated Mineral Resource has increased from the previously reported 0.30 Mt LCE to 3.1 Mt LCE.
- The Inferred Mineral Resource is now 3.9 Mt of LCE (355 Mt of clay at a Li grade of 2,000 ppm), compared to the previously reported 6.3 Mt of LCE (500 Mt of clay at a Li grade of 2,300 ppm)<sup>(3)</sup> - this change is mainly as a result of the significant upgrade of Inferred Minerals Resource to a Indicated Mineral Resource.
- The Indicated Mineral Resource will be used for detailed life of mine planning with an initial focus on the higher grade Mineral Resources on La Ventana and Fleur concessions.
- The MRE forms part of the ongoing Preliminary Feasibility Study ("PFS"), which remains on schedule for completion in the first three months of 2016.
- The updated MRE is a result of the latest drilling 16 hole (3,934 metre) drilling campaign and corresponding assay result analysis, which was completed in October this year.
- This update is in line with Bacanora's strategy to continue to develop the Sonora Lithium Projects significant potential, which benefits from high grades and scalability.

Colin Orr-Ewing, Chairman of Bacanora, commented, "We set out to significantly increase the Indicated portion of our Mineral Resource at the Sonora Lithium Project, and I am delighted to report that this has been achieved with a fourfold increase in the Indicated Mineral Resource reported. We have now completed a critical part of the PFS, and this resource upgrade represents a major step forward in terms of mine planning and life of mine. With the Sonora Lithium Project's close proximity to excellent infrastructure and location in a stable jurisdiction, we firmly believe that the Project is a high grade and scalable lithium asset. We look forward to the completion of the ongoing PFS (expected in the first quarter 2016) to provide further third party confirmation of the Sonora Lithium Project's potential."

"With the completion of our recent financing, we now have sufficient funds in place to carry us through the next phases of the Sonora Lithium Project's development, specifically a Feasibility Study (assuming satisfactory completion of the PFS), and the upgrading of our Pilot Plant. I look forward to providing further updates on our progress, as we continue to focus on monetizing the Project's maximum potential, and in the process building value for our shareholders."

#### Mineral Resource Statement:

The Sonora Lithium Project has been explored and sampled using appropriate methods and is sufficiently well understood to support the estimation of Indicated and Inferred Mineral Resources. Table 1 shows the Mineral Resource Statement for the Sonora Lithium Project with an effective date of 19 November, 2015. The statement has been classified in accordance with the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources and Mineral Reserves (May 2014) and has been reported in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101"), by the Qualified Person, Mr. Martin Pittuck (MSc., C.Eng., MIMMM). Mr. Pittuck is an engineering consultant who is independent of Bacanora.

The updated Mineral Resource statement for the Sonora Lithium Project was reported using a cut-off grade of 450 ppm lithium and was contained within a pit shell based on reasonable optimisation parameters and lithium selling price agreed between SRK and Bacanora. The updated Mineral Resource statement comprises an Indicated Mineral Resource estimated at 364 Mt, averaging 2,600 ppm Li for 5.0 Mt of LCE, in addition to an Inferred Mineral Resource estimated at 355 Mt averaging 2,000 ppm Li for 3.9 Mt of LCE. The Mineral Resource statement is set out below in table 1 below.

In addition to the Mineral Resource statement, a further conceptual target of 300 to 350 Mt, at a grade of Li of approximately 1,500 to 2,500 ppm was estimated within a pit shell run using all classified and unclassified blocks within the model. This target is considered worthy of further exploration in order to increase the quantity of classified Mineral Resource down-dip. If these figures were converted to a Mineral Resource via successful drilling and exploration, it is estimated that this could represent an additional 2.4 to 4.6 Mt of LCE at the Sonora Lithium Project. It must be noted however, that the potential quantity and grade of this target is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the target being delineated as a mineral resource.

The updated MRE is based on the original assay results from the drilling and trenching made available to SRK and the additional assay results from the most recent 16 hole (3,934 metre) drilling campaign which was completed in late September this year. A summary of the lithium bearing intercepts from this drilling campaign is contained in table 2. A technical report in respect of this updated MRE will be filed on SEDAR within 45 days from today.

*Table 1: Mineral Resource Statement for the Sonora Lithium Project as of 19 November 2015*

| Classification | Concession      | Owner               | Geological Unit | Clay Tonnes (Mt) | Clay Grade (Li ppm) | Contained Metal (Kt Li) |
|----------------|-----------------|---------------------|-----------------|------------------|---------------------|-------------------------|
| Indicated      | La Ventana      | Minera Sonora Borax | Lower Clay      | 75               | 3,500               | 261                     |
|                |                 |                     | Upper Clay      | 66               | 1,500               | 99                      |
|                | El Sauz         | Mexilit (JV-1)      | Lower Clay      | 60               | 2,900               | 174                     |
|                |                 |                     | Upper Clay      | 47               | 1,100               | 52                      |
|                | Fleur           |                     | Lower Clay      | 60               | 4,300               | 258                     |
|                |                 |                     | Upper Clay      | 50               | 1,600               | 81                      |
|                | El Sauz1        |                     | Lower Clay      | 4                | 4,000               | 15                      |
|                |                 |                     | Upper Clay      | 3                | 1,200               | 3                       |
|                | Indicated Total |                     |                 | Combined         | 364                 | 2,600                   |
| Inferred       | La Ventana      | Minera Sonora Borax | Lower Clay      | 55               | 3,800               | 209                     |
|                |                 |                     | Upper Clay      | 80               | 1,500               | 120                     |
|                | El Sauz         | Mexilit (JV-1)      | Lower Clay      | 85               | 1,600               | 136                     |
|                |                 |                     | Upper Clay      | 55               | 800                 | 44                      |
|                | Fleur           |                     | Lower Clay      | 20               | 4,200               | 84                      |
|                |                 |                     | Upper Clay      | 20               | 1,500               | 30                      |
|                | El Sauz1        |                     | Lower Clay      | 20               | 4,000               | 80                      |
|                |                 |                     | Upper Clay      | 20               | 1,200               | 24                      |
|                | Inferred Total  |                     |                 | Combined         | 355                 | 2,000                   |

Notes:

1. LCE is the industry standard terminology for, and is equivalent to,  $\text{Li}_2\text{CO}_3$ . 1 ppm Li metal is equivalent to 5.32 ppm LCE /  $\text{Li}_2\text{CO}_3$ . 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.
2. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material.
3. The reporting standard adopted for the reporting of the MRE uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101 and JORC.
4. The Mineral Resource statement is reported on 100 percent basis for all project areas and the portion of LCE that is attributable to Bacanora is also stated for clarity.
5. SRK assumes the Sonora Lithium deposit to be amenable to surface mining methods. Using results from initial metallurgical test work, suitable surface mining and processing costs, and an optimistic forecast LCE price SRK has reported the Mineral Resource at a cut-off 450 ppm Li (2,400 ppm LCE).
6. SRK completed a site inspection of the deposit by Mr. Martin Pittuck, MSc, C.Eng., MIMMM, an appropriate "independent qualified person" as such term is defined in NI 43-101.

Further Details on Mineral Resource Statement:

SRK visited the Sonora Lithium Project and inspected diamond drilling core, geological outcrop and drill rigs. Field and laboratory data have since been reviewed and analysed such that the scale and nature of the geology and the quality of data upon which this resource relies is well understood. Data has been gathered using industry standard methods and assays have a basic level of quality control sufficient to underpin the confidence SRK has in this resource.

SRK has worked with the drilling results, mapping data, aerial photography and detailed topographic survey provided by Bacanora to develop a 3D geological model of the lithium bearing Upper and Lower Clay units. In many areas the continuity of the clay units is established to the level required for input to project finance studies (Indicated Mineral Resource). In other areas a combination of wide spaced drilling, extrapolation beyond drilling, absence of mapped outcrop and uncertainty around fault presence and location means that confidence in the model is lower (Inferred Mineral Resource) and further work will be required to feed into such studies. Parts of the model that are further way from geological information are unclassified have therefore been excluded from the Mineral Resource (instead, these are referred to as an exploration target).

SRK's block model is some 10 km long and 5 km wide covering the La Ventana in the north and the Fleur - El Sauz concessions

in the south. The drillhole grades have been averaged using length-weighting for each drillhole intersection of each clay unit domain (lower clay, upper clay high-grade and upper clay low-grade) and then these composite values have been interpolated to provide block grade estimates in their respective clay units. The block model has been validated using several methods, including visual inspection of block and sample grades, swath plots, statistical comparisons and check estimates using different methodologies.

Drillhole spacing is variable, achieving approximately 200 m by 200 m in several places; the blocks measure 50 x 50 x 10 m and the model covers the majority of the drilled area except for the far southeast where a couple of isolated drillholes achieved low grade intersections.

Density has been assigned based on drill core samples; a value of 2.3 kg/m<sup>2</sup> has been applied to the clay units and a value of 2.7 kg/m<sup>2</sup> has been applied to the overlying capping basalt. A Mineral Resource has been reported after due consideration of the reasonableness of eventual economic extraction. Processing methods, efficiencies, rates and costs have been provided by Bacanora. The configuration of the deposit lends itself to open pit mining and SRK has used mining costs provided by Bacanora and has assumed a 45 degree overall pit slope angle. Revenue to the project is expected to be derived from sales of battery grade (99.5 percent pure) LCE. Geological samples were assayed for Lithium metal; every 1 ppm Li metal is equivalent to 5.32 ppm LCE.

Whilst no detailed review of market forecast prices has been undertaken, SRK considers a price of USD 6,500 per tonne of LCE to be reasonable given general reported view in the public domain; for the purpose of limiting the Mineral Resource to that part considered to have reasonable prospects of eventual economic extraction; SRK applied a 30 percent uplift to the commodity price and derived a cut-off grade using anticipated technical-economic parameters associated with mining, processing and selling the product. SRK derived a marginal cut-off grade based on Bacanora's unit cost of USD 14 per tonne fed to the processing plant and a 90 percent recovery of product from the feed; on this basis the cut-off grade is 450 ppm Li (2,400 ppm LCE). A basic open pit shell ensures mining costs of USD 2.5 per tonne mined are applied giving consideration to topography driven waste stripping; in conjunction with metal deportment in the deposit, this limits the Mineral Resource to a defensible depth and lateral extent.

This updated MRE differs from the previous estimate announced in May 2015. The updated MRE has a greater proportion of Indicated Mineral Resource following the recent targeted infill drilling programme. The infill drilling confirmed the previous geological interpretation in most areas, which, along with good quality control results and the improved quality of estimation, allowed for a higher level of confidence to be attributed to more of the estimated block model. The overall tonnage within the Mineral Resource statement (Indicated and Inferred Mineral Resource combined) also increased from 595 Mt to 719 Mt. This is due to three main factors:

1. The additional drilling allowed for improved geological control on the model, which extended the interpreted clay units to the west, allowing for the pit optimisation to include more material to the west than the previous MRE.
2. The upper clay unit was split into high-grade footwall and low-grade hangingwall units, which improved the estimation quality and improved the grades in some parts of the model, particularly along strike to the north. This allowed for the pit optimisation to include more material to the north than the previous MRE.
3. The block model used for reporting was changed from a regularized block model with all blocks at 50x50x10m dimensions, to a model including sub-blocks down to 25x25x1m dimensions. This improved the accuracy of reporting tonnage and increased the overall reported tonnage within the Mineral Resource statement.

Further Details on Drilling Programme:

In July 2015 Bacanora announced that it had commenced an infill drilling campaign on Fleur and Sauz as part of the PFS programme. The primary objective was to significantly increase the Indicated Mineral Resources within the Sonora Lithium Project. The drilling campaign was also designed to test the continuity of higher grade, near surface mineralisation 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 resource base.

Bacanora completed 16 NQ-core diamond holes in late September, totalling 3,934 metres. 718 core samples were collected, including standards, blanks and duplicated intercalated within the samples in order to perform QA/QC analyses. All of the samples were analyzed in ALS-Chemex lab, a Canadian certified analytical laboratory. A summary of the lithium bearing intercepts from the drill programme is contained in table 2 below.

Table 2. Summary of Lithium bearing intercepts from 16 hole drill programme.

| Drillhole ID | Lithological Unit | From (m) | To (m) | Interval (m) | Length-Weighted Average Li (ppm) |
|--------------|-------------------|----------|--------|--------------|----------------------------------|
| ES-44        | Lower Clay        | 117.1    | 133.2  | 16.1         | 5,034                            |
|              | Upper Clay        | 74.7     | 105.3  | 30.6         | 2,119                            |
| ES-45        | Lower Clay        | 125.7    | 140.5  | 14.8         | 4,503                            |
| ES-46        | Lower Clay        | 162.5    | 178.9  | 16.5         | 4,604                            |
|              | Upper Clay        | 133.2    | 154.4  | 21.2         | 2,033                            |

|       |            |       |       |      |       |
|-------|------------|-------|-------|------|-------|
| ES-47 | Lower Clay | 124.7 | 150.1 | 25.5 | 5,146 |
|       | Upper Clay | 94.8  | 111.6 | 16.8 | 1,288 |
| ES-48 | Lower Clay | 215.7 | 244.5 | 28.8 | 4,523 |
|       | Upper Clay | 182.6 | 203.3 | 20.7 | 2,135 |
| ES-50 | Lower Clay | 240.2 | 254.8 | 14.6 | 4,916 |
|       | Upper Clay | 193.9 | 228.6 | 34.8 | 1,682 |
| ES-51 | Lower Clay | 238.7 | 267.3 | 28.6 | 4,400 |
|       | Upper Clay | 197.1 | 230.1 | 33.1 | 1,622 |
| ES-52 | Lower Clay | 275.8 | 302.5 | 26.7 | 4,572 |
|       | Upper Clay | 263.0 | 269.6 | 6.6  | 3,239 |
| ES-53 | Lower Clay | 346.0 | 381.9 | 36.0 | 4,844 |
|       | Upper Clay | 286.6 | 330.1 | 43.5 | 1,445 |
| ES-54 | Lower Clay | 288.8 | 326.4 | 37.6 | 3,802 |
|       | Upper Clay | 274.8 | 280.9 | 6.1  | 804   |
| ES-55 | Lower Clay | 236.7 | 243.7 | 7.0  | 2,639 |
|       | Upper Clay | 204.8 | 230.9 | 26.1 | 708   |
| ES-56 | Lower Clay | 217.9 | 253.3 | 35.4 | 3,140 |
|       | Upper Clay | 179.5 | 209.4 | 29.9 | 1,411 |
| ES-57 | Lower Clay | 251.0 | 284.1 | 33.0 | 2,770 |
|       | Upper Clay | 207.0 | 243.0 | 36.1 | 943   |
| ES-58 | Lower Clay | 195.4 | 228.0 | 32.6 | 2,482 |
|       | Upper Clay | 161.9 | 191.7 | 29.9 | 677   |

Qualified Person: *Martin Pittuck, MSc., C.Eng., MIMMM of SRK Consulting (UK) Ltd.*, is a Qualified Person pursuant to NI 43-101 and the AIM Note for Mining and Oil and Gas Companies who has reviewed and approved the technical contents of this news release.

#### 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 NI 43-101) of 5.0 Mt LCE contained in 364 Mt of clay at a Li grade of 2,600 ppm and an Inferred Mineral Resource of 3.9 Mt LCE contained in 355 Mt of clay at a Li grade of 2,000 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 B<sub>2</sub>O<sub>3</sub>, at an eight percent 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: the estimation of resources and the filing of a technical report in connection therewith; estimated additional resources arising at a further conceptual target; the Company's ongoing pre-feasibility process; potential completion of a Bankable Feasibility Study and upgrading of the Company's Pilot Plant. 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](http://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.*

*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.*

(1) The Sonora Lithium Project is comprised of the following lithium properties: La Ventana, La Ventana 1, and Megalit concessions, which are 100 percent owned by Minera Sonora Borax S.A. de C.V. ("MSB"), a wholly-owned subsidiary of Bacanora; El Sauz, El Sauz 1, El Sauz 2, Fleur and Fleur 1 concessions, which are held by Mexilit S.A. de C.V. ("Mexilit"); and the Buenavista, and San Gabriel concessions, which are held by Megalit S.A de C.V ("Megalit"). The Megalit concession is in the process of being transferred from MSB to Megalit. Mexilit and Megalit are owned 70 percent by Bacanora and 30 percent by [Rare Earth Minerals plc](#)

(2) LCE is the industry standard terminology for, and is equivalent to,  $\text{Li}_2\text{CO}_3$ . 1 ppm Li metal is equivalent to 5.32 ppm LCE /  $\text{Li}_2\text{CO}_3$ . 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.

(3) For reference to the Company's previously announced resource estimate on the La Ventana, El Sauz and Fleur concessions, please refer to the Company's news release dated 13 May 2015, together with the Company's technical report dated 29 June 2015. Each of the foregoing items is available under the Company's profile at [www.sedar.com](http://www.sedar.com).

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