CALGARY, ALBERTA--(Marketwired - Nov 10, 2016) - Bacanora Minerals Ltd. ("Bacanora" or the "Company") (TSX VENTURE:BCN)(AIM:BCN), the Canadian and London listed lithium company developing the Sonora Lithium Project[1] ("Project") in northern state of Sonora, Mexico, is pleased to provide an update on activities being undertaken as part of the Company's upcoming definitive Feasibility Study ("FS").

The FS is aimed at establishing the Company's production plan for a 35,000 ("tpa") lithium carbonate operation at the Project (production is contemplated to ramp up following an initial phase of producing 17,500 tpa). The Company's strategy is to position itself to satisfy continued growth for lithium carbonate in the fast growing sectors of electric vehicles and energy storage. The FS is targeted for completion in late Q1, 2017 and the Company is fully financed through this process.

Overview

- Resource upgrade and mine planning work has commenced following completion of infill drilling programme
- Preliminary reserve model and mine plan are being prepared by International Mining Consultants ("IMC")
- Ausenco Limited is approximately 35% of the way through the FS process engineering:
  - The initial process flow sheet has been finalised
  - Quotations are being sought from international vendors for larger equipment and machinery
  - Development and optimisation of preliminary operating cost models has commenced
- The expanded Pilot Plant has been operating since May 2016, producing battery grade samples of lithium carbonate which has been supporting the following:
  - Distribution of battery-grade lithium carbonate samples to potential off-takers in Asia and Europe
  - Flow sheet development and optimisation of lithium recoveries and reagent consumption
  - Operator training
- The Company is working with the SignumBox Group in Santiago to develop long-term lithium pricing scenarios and supply-demand models.

[1] The Sonora Lithium Project is comprised of the following lithium properties: La Ventana lithium concession, which is 100 percent owned by Bacanora, and the El Sauz and Fleur concessions, which are held by Mexilit S.A. de C.V. ("Mexilit"). The Megalit concession, which is held by Megalit S.A de C.V ("Megalit"), is not included in the Sonora Project Technical Reports at this time. Mexilit and Megalit are owned 70 percent by Bacanora and 30 percent by Rare Earth Minerals plc

Exploration and Resources

The infil drilling programme to upgrade the resource classifications has been completed. A total of 3,896 metres in 31 NQ-Core infill holes for resource estimations were drilled in the Ventana area. A total of 1,870 samples were collected from the drill core and analysed in ALS-Chemex for a multi-element suite. Duplicated samples, standards and blanks were intercalated with the samples for QA/QC analysis.

Intercepts of the Upper Clay range from 11 to 49 metres in length and those for the Lower Clay range from 7 to 26 metres; the average thickness, including all of the drilling in this zone is for the upper clay unit of 30.7 metres and for the lower clay 20.7 metres. This is consistent along the deposit within the first 20-years pit area.

Also, a total of 1,566 metres in 18 HQ-Geotechnical holes were drilled in the projected 20-years pit area, tailings and plant facilities locations. Rock mechanics, hydrology and pit slope stability studies are being conducted by Ausenco.

Analyses received for the recent infill drillholes indicate that lithium content in the Upper Clay Unit varies from 25 ppm to 6,900 ppm Li with a weighted average of 1,791 ppm Li; for the Lower Clay Unit lithium content varies from 172 ppm to 10,000 ppm with a weighted average of 4,345 ppm Li. As previously announced, the Company has retained SRK Consulting (UK) Limited to provide an updated independent lithium resource estimate.

Table 1. Drill intersections. Infill and geotechnical drillholes

Hole/Unit	Capping Basalt	Upper Sandstone	*Upper Clay*	Ignimbrite	*Lower Clay*	Basement	*Total Depth (m)*
LV-40	95	7.5	*36.85*	5.15	*21*	11.4	176.9
LV-41	106		*25.5*	16.9	*25.6*	5.05	179.05
LV-42	20.1	8.1	*32.2*	6.6	*11.4*	9.15	87.55
LV-43	59.5	11.95	*40.95*	18.25	*18.25*	6.1	155
LV-44	71.8	14.3	*40.73*	12.76	*21.95*	4.41	165.95
LV-45				14.94	*21.52*	13.95	50.41
LV-46				13.18	*20.82*	10.8	44.8
LV-47				15	*22.8*	7.1	44.9
LV-48				14	*22.4*	5.25	41.65

LV-49			*14.14*	15.51	*14.07*	1.18	44.9
LV-50	4.29	14.58	*26.33*	15.45	*10.38*	4.37	75.4
LV-51				12.35	*22.7*	9.85	44.9
LV-52				12.93	*19.32*	6.55	38.8
LV-53	126.8	1.15	*38.83*	16.89	*20.88*	4.85	209.4
LV-54	100.93	11.07	*36.92*	16.63	*19.48*	6.17	191.2
LV-55	32.25	19.83	*30.22*	15.8	*24.2*	8	130.3
LV-56	5.05	26.35	*27.7*	14.88	*21.52*	7.15	102.65
LV-57	2.6	6.7		6.5	*19.8*	9.15	44.75
LV-58	40.4	4.5	*17.9*	11.65	*21.35*	4	99.8
LV-59	45.86		*25.49*	12.6	*15.8*	11.25	111
LV-60	145.34	15.31	*11*	12.12	*26.08*	5.7	215.55
LV-61	96.67	22.16	*35.03*	12.2	*20.72*	10.47	197.25
LV-62	91.67		*11.78*	7.11	*5.42*	17.27	133.25
LV-63	2.41			5.59	*21.57*	12.28	41.85
LV-64	87		*18.4*	19.6	*24.5*	7.55	157.05
LV-65	128.45		*21.7*		*7.65*	14.3	172.1
LV-66	99.17	7.51	*49.24*	15.78	*26.95*	7.75	206.4
LV-67	141.24	4.11	*11.72*	12.2	*24.63*	11.8	205.7
LV-68	133.65	16.27	*33.53*	13.13	*20.22*	7.35	224.15
LV-69	154.25	16.15	*32.9*	15.95	*22.08*	13.92	255.25
LV-70				15.74	*23.48*	9.03	48.25
AUS-SL-16-01	136.10	7.75	26.40	12.20			182.45
AUS-SL-16-02	164.65	15.69	29.26				209.6
AUS-SL-16-03A	132.8	22.7	36.7	8.25			200.45
AUS-SL-16-03B	95.9	13.5	30.1	10.45	23.9	35.7	209.55
AUS-SL-16-04				26.65	32.15	53.30	112.1
BH-16-01	81.65						81.65
BH-16-02	99.90						99.9
BH-16-03	41.95						41.95
BH-16-04	61.95	4.60	28.80				95.35
BH-16-05	32.90						32.9
BH-16-06	32.80						32.8
BH-16-07	32.90						32.9
BH-16-08	32.80						32.8
BH-16-09	32.65						32.65
BH-16-10	32.80						32.8
BH-16-11						39.00	39
BH-16-14	51.10						51.1
BH-16-15						51.10	51.1

Lithium Pricing, Industry Operating Costs and Consumable Pricing

Over the past 12 months there has been a significant strengthening in the selling price of lithium products. Increasing demand from the vehicle electrification and the renewable energy industry has seen lithium prices rise above the pricing used by Bacanora in the Pre-Feasibility Study cashflows. Bacanora are currently working with SignumBox to develop long-term lithium pricing scenarios and supply-demand models.

In tandem with rising prices for lithium carbonate products, average operating costs ($/t Li_2CO_3) have been increasing as a result of increasing operating costs. The recent HSBC Lithium Global Sector Playbook of October 2016 includes a comprehensive overview of the various operating costs of the major lithium producers.

To view the Lithium Production Operating Cost Comparison please click the following link: http://media3.marketwire.com/docs/Bacanora910.pdf

This HSBC report indicates that brine production costs are now between $3,000/t and $4,500/t Li_2CO_3 for the producers that were studied, with Australian hard rock conversion costs significantly higher.

Martin Vidal is the Qualified Person pursuant to National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI

43-101") and the AIM Note for Mining and Oil and Gas Companies who has reviewed and approved the technical contents of this announcement.

ABOUT BACANORA:

Bacanora is a Canadian and London listed minerals explorer (TSX VENTURE:BCN)(AIM:BCN). The Company explores and develops industrial mineral projects, with a primary focus on lithium. 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 4.5 million tonnes (lithium carbonate equivalent) and 2.7 million tonnes Inferred. A Pre-Feasibility Study completed in Q1 2016 demonstrated the positive economics associated with becoming a 35,000 tpa lithium carbonate and 50,000 tpa SOP producer in Mexico. The Company is led by a team with lithium expertise which have proven mine development, construction and operational experience.

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. 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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Contact

Bacanora Minerals Ltd.
Peter Secker
CEO
info@bacanoraminerals.com
Cairn Financial Advisers LLP, Nomad
Sandy Jamieson/Liam Murray
+44 (0) 20 7148 7900
Numis Securities Ltd, Broker
John Prior/James Black/Paul Gillam
+44 (0) 20 7260 1000
St Brides Partners, Financial PR Adviser
Hugo de Salis/Frank Buhagiar /Elisabeth Cowell
+44 (0) 20 7236 1177