CALGARY, ALBERTA--(Marketwired - Dec 19, 2016) - BACANORA MINERALS LTD. ("Bacanora" or the "Company") (TSX VENTURE:BCN)(AIM:BCN), the Canadian and London listed company focused on developing the Sonora Lithium Project ('Sonora' or 'the Project') in Mexico into a world class lithium carbonate operation, announces that it is continuing to develop a long term marketing relationship and off-take strategy and is now in advanced discussions with a significant Asian offtake partner for the supply of battery grade lithium carbonate (Li_2CO_3).

As demonstrated in the Pre-feasibility Study announced in Q1 2016, the Company anticipates commissioning an operation capable of delivering 17,500 tonnes per year of battery-grade Li_2CO_3 for the first two years, following which it anticipates expanding its operations to 35,000 tonnes Li_2CO_3 per year. The Company is planning to commence production of Li_2CO_3 in 2019.

Project Update

The ongoing Feasibility Study ('FS') continues to focus on optimising the process flow sheet for the production of battery grade lithium carbonate. As part of this, the Company is delivering a strategy to optimise the projects operating costs and energy requirements given the continued strengthening in reagent input costs. With this in mind, the Company now believes it will take longer than originally anticipated to ensure that the optimum energy supply for the kiln is selected, and therefore the FS is now expected to be completed in the summer of 2017. Rising costs are relevant to all Bacanora's peers, and importantly, are being experienced in tandem with a rise in lithium carbonate pricing.

Bacanora Executive Chairman Mark Hohnen said, "Securing an offtake partner is a key component in our strategy to commercialise our large scale, long life lithium deposit at Sonora. We are therefore encouraged by these advanced discussions which, in our view, provide third party validation of the processing route we have put in place at our pilot plant, where battery grade lithium carbonate has been produced continuously for over six months. In tandem with securing an offtake partner, work continues on our FS to minimize any impact on our development schedule. With the completion of the FS in 2017, the year ahead is anticipated to be a transformational one for Bacanora, characterised by the development of this world class asset."

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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 National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("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. In particular, forward-looking information in this press release includes, but is not limited to disclosure regarding negotiations with an Asian Off-taker and the potential entering into of an agreement with such party, as well as certain potential terms of such an agreement, in addition to the potential commissioning an operation capable of delivering 17,500 tonnes per year of battery-grade Li_2CO_3 for the first two years, following which it anticipates expanding its operations to 35,000 tonnes Li_2CO_3 per year. 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.

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.

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