

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Nov 6, 2015) - [Cancana Resources Corp.](#) (TSX VENTURE:CNY) ("Cancana" or the "Company") reports today it has entered into a loan agreement for a short-term loan from its largest shareholder and joint venture partner, Ferrometals BV ("Ferrometals") in the amount of US\$2,000,000 to be repaid on June 30, 2016 and bearing interest at a rate of 10% per annum (the "Loan"). The use of proceeds of the Loan will be for general working capital purposes, including the settlement of a legacy issue in Brazil dating back to 2004.

Cancana President and CEO, Anthony Julien said, "*This short-term loan is a great solution for Cancana given its current corporate structure, the JV position, and the limited opportunity to raise capital without significant dilution. The Company now has time to pursue alternative options for financing, and in the meantime benefits from its partner Ferrometals' continued funding of the JV, including the exploration program. We are also pleased to conclude the outstanding claims from a legacy project that was entered into by previous management of Cancana. We consider this settlement to be prudent and in the best interests of Cancana and its shareholders.*"

Joint Venture Status and Short-Term Loan

As of the date of this news release, Ferrometals has contributed US\$21,570,000 and Cancana has contributed US\$7,500,000 to the Brazil Manganese Corp joint venture ("BMC"). Based on these contributions, Ferrometals owns approximately 74% and Cancana owns the remaining 26% of BMC. The option for Cancana to increase its ownership in BMC to 40% will expire unexercised on November 7th, 2015. With the option expiring and the Loan in place, the Company will focus on maintaining and funding its 26% interest going forward.

The Loan will be secured by a share pledge over Cancana's shares in BMC in favour of Ferrometals. The Loan is expected to be disbursed by December 21st, 2015 and is subject to certain usual closing conditions.

Legacy Settlement

Cancana and its affiliate Cancana Exploração Mineral Ltda (formerly known as Sola Exploração Mineral Ltda), have entered into a Full and Irrevocable Settlement and Release Agreement (the "Agreement") with Canamera Geoscience Corporation and its affiliate Canamera Mineração Ltda, Bantu Mineração Ltda and its shareholders John Edward Dupuis, Rory MacGregor and Sidmar Christo Sasdelli regarding certain disputes.

The legacy disputes were in connection with a prior Brazilian diamond mining venture, which Cancana originally entered into in August 2004. The venture was held in a local Brazilian company named Cacoal Exploração Mineral Ltda ("Cacoal Exploration"). The Agreement includes the full release of certain individuals who acted as officers and directors of these entities. Cancana assessed the assets in Cacoal Exploration and does not assign any value to them. It is estimated that a maximum cost of R\$2,000,000 is required to conclude the settlement, which is equivalent to approximately US\$525,000.

On behalf of the Board of Directors of

[Cancana Resources Corp.](#)

Anthony Julien, President, CEO & Director

ABOUT CANCANA

[Cancana Resources Corp.](#) is focused on exploring and developing the BMC manganese project in Brazil with its joint venture partner Ferrometals BV. The JV is employing a two-pronged strategy at BMC, where the primary objective is to advance the project to an initial resource and onward to feasibility, while also expanding current small-scale production to support those exploration activities. Further information can be found at www.cancanacorp.com, and www.bmccorporation.com.br.

ABOUT FERROMETALS

Ferrometals is a privately held mining and metallurgical group. It is a global supplier of essential minerals and micronutrients to the agriculture, steel and manufacturing industries. Building on sustainable and ecologically sound production methods, it is developing specific product lines designed to enhance the yield and growth potential of these industries. Further information can be found at www.ferrometals.net.

FORWARD-LOOKING STATEMENTS

Some statements in this news release contain forward-looking information or forward-looking statements for the purposes of

applicable securities laws. These statements include, among others, statements with respect to the Company's plans for exploration and development of the Brazil properties and potential mineralization. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such risk factors include, among others, failure to obtain regulatory approvals, failure to complete anticipated transactions, the timing and success of future exploration and development activities, exploration and development risks, title matters, inability to obtain any required third party consents, operating hazards, metal prices, political and economic factors, competitive factors, general economic conditions, relationships with strategic partners, governmental regulation and supervision, seasonality, technological change, industry practices and one-time events. In making the forward-looking statements, the Company has applied several material assumptions including, but not limited to, the assumptions that: (1) the proposed exploration and development of mineral projects will proceed as planned; (2) market fundamentals will result in sustained metals and minerals prices and (3) any additional financing needed will be available on reasonable terms. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as otherwise required by applicable securities legislation.

The Company cautions that it has not completed any feasibility studies on any of BMC's mineral properties, and no mineral reserve estimate has been established. Because the Company production decision is not based upon a feasibility study of mineral reserves, the economic and technical viability of the property has not been established.

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