

VANCOUVER, BRITISH COLUMBIA--(Marketwire - Jan 20, 2016) - [Cancana Resources Corp.](#) (TSX VENTURE:CNY) (the "Company" or "Cancana") and its joint venture partner Ferrometals, together are reporting 2015 annual operating results of Brazil Manganese Corporation ("BMC").

Cancana's President & CEO, Anthony Julien, said, "BMC had a successful year in 2015, having outperformed all known previous years of operations, and demonstrated scalability and consistency of production and product. We are well positioned to take advantage of the currently challenged manganese market with our high grade product, and intend on continuing to scale-up production and sales in 2016."

To view Figure 1 - 2015 Production by quarter (left) and year over year annual production (right), please visit the following link: www.marketwire.com/library/20160119-cny0120fig1.jpg.

Production

Fourth quarter production at BMC totalled 6,536 tonnes of manganese mineral product, bringing stockpiles as at the end of the fourth quarter to 19,233 tonnes.

Total annual production for 2015 totalled 17,037 tonnes of manganese mineral product. The Rio Madeira plant produced 12,996 tonnes, compared to historical averages of 11,500 tonnes. Much of this (82%) was achieved in the second-half of the year after the implementation of safety and operational improvements, representing a record six-month production period for the plant.

The lower production for the Jaburi Plant was principally due to the closure during the third quarter for safety and operational improvements. Operations recommenced in parallel with ongoing construction during the fourth quarter.

The combined fourth quarter production figures decreased marginally from the third quarter production due to Christmas closure period and commencement of the wet season. Production is expected to be lower in the first quarter of 2016 in line with traditional operating conditions. The number of operational shifts has also been reduced as staff take annual leave.

Average grade for stockpile assays from third quarter production was 51.4% Mn. Assays for fourth quarter production are pending. Based on available assay data the average grade of the stockpile at December 31, 2015 was 51.3% Mn⁽ⁱ⁾.

Assay results include material from the Dnei-Zenilda open pit, which was extended into the vein system. The average grade across all product sizes based on current information is 52.1% Mn. The coarse product stockpiles average 52.8% Mn and the fine-medium material averages 50.6% Mn. The results show that the breccia vein material can be successfully upgraded to a quality product where it is hosted within kaolinitised (clay-altered) granite. The manganese mineral content of the breccia vein is variable but on average represents approximately half the rock volume. The wash-plant removes the clay-altered silicate minerals with no crushing, to produce a product that is in line with the grade of current colluvial mining operations. A proportion of the mineralization below 5mm is currently not recovered in the plant.

To view Figure 2 - Breccia vein (left), containing white clay-altered granite fragmented by manganese veinlets. Stockpile (right), showing high-grade manganese product with the clay fraction washed out, please visit the following link: www.marketwire.com/library/20160119-cny0120fig2.jpg.

Sales

Fourth quarter sales at BMC totalled 867 tonnes. Sales in 2015 totalled 1,957 tonnes. CIF Tianjin pricing for 44% manganese was \$1.86 per dmtu as of December 29th, 2015 (source: www.metalbulletin.com).

On behalf of the Board of Directors of [Cancana Resources Corp.](#)

Anthony Julien, President, CEO and Director

QUALIFIED PERSON

The technical information about the Company's mining activities has been prepared under the supervision of and verified by Dr. Adrian McArthur (B.Sc. Hons, PhD. FAusIMM), a consultant to Brazil Manganese Corporation, who is a "qualified person" within the meaning of National Instrument 43-101.

ABOUT CANCANA

[Cancana Resources Corp.](http://cancanacorp.com) 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 cancanacorp.com, and bmcorporation.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 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.

(i) Stockpile grades are monitored by a channel sampling program on individual truckloads of manganese oxide it is delivered to a centralised storage facility. Samples have been analyzed via lithium borate fusion XRF techniques at accredited laboratories:

- SGS Laboratories in Belo Horizonte, Brazil - 182 samples;
- Bureau Veritas Minerals Laboratories in Perth, Western Australia - 380 samples.

Additional trace elements have been monitored via 4 acid digest and ICP-OES analytical techniques SGS Laboratories, and Fused Bead Laser Ablation ICP-MS techniques at Bureau Veritas Minerals Laboratories.

Submissions include certified references to monitor laboratory performance, which have returned results within the expected laboratory analytical error margins. Average grades of mineralized material fall within laboratory analytical tolerance limits of up to +/- ~1.8% Mn at two standard deviations.

Stockpile tonnages are currently monitored by an independent weighbridge service, with trucks weighed upon arrival and departure in the township of Espigao d'Oeste. Ninety-nine percent of the stockpile tonnage has been confirmed by weighbridge records, with the remainder (from early production) having been surveyed.

Contact

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