

-Record first quarter production for JV

-Record first quarter sales for JV show 15-fold increase over comparative period

-CIF Tianjin pricing for 44% manganese increases over 100% during first quarter

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Apr 14, 2016) -

Editors Note: There is a photo associated with this press release.

Cancana Resources Corp. (TSX VENTURE:CNY) (the "Company" or "Cancana") and its joint venture partner Ferrometals BV ("Ferrometals"), together are reporting quarter one, 2016 production and sales results of Brazil Manganese Corporation ("BMC" or "JV").

Cancana's President & CEO, Anthony Julien, said, "BMC has started 2016 where we left off in 2015 and continues to achieve sales and production growth compared to the comparative quarter from the prior year. Our sales figures are steadily increasing while production has outperformed the comparative quarter, despite the wet season closure of Rio Madeira for infrastructure improvements. The JV is also pleased to report that manganese prices, which started the year at historic lows, have recovered over 100% during 2016".

Sales

During the first quarter of 2016 BMC shipped sales of 4,354 tonnes manganese mineral product, which is a 15-fold increase in volume compared to shipped sales for the comparative period in 2015. As announced in the news release on April 7, 2016 the Company has negotiated a sale of 4,500 tonnes to a Brazilian customer which is expected to be shipped during the second quarter, 2016. Current sales orders for 2016 total 15,057 tonnes and the stockpile of manganese mineral product at March 31, 2016 was 17,410 tonnes.

CIF Tianjin pricing for 44% manganese was \$1.86 per dmtu as of January 4, 2016 and has recovered to \$4.01 per dmtu as of April 1, 2016 (source: www.metalbulletin.com).

Production

During the first quarter of 2016 the Company produced 2,558 tonnes, which increased 107% from 1,237 tonnes during the comparative quarter in 2015. Production is down compared to the fourth quarter, but is in line with expectations for the rainy season.

The average grade for stockpile assays from fourth quarter production was 50% Mn. Full assays for first quarter production are pending. Based on available assay data the average grade of the stockpile at December 31, 2015 was 50.8% Mn [i].

Operational improvements

During the rainy season the JV took advantage of the challenging conditions to complete planned annual infrastructure and operational improvements.

Rio Madeira

During the first quarter of 2016 the JV completed the new water reservoir, tailing ponds and water recycling improvements which will remove the water supply constraints that had limited the Rio Madeira production capacity. The JV also relocated and rebuilt the electrical generating plant and electrical feed lines to ensure a safe and reliable supply of electricity.

Plant improvements also included an overhaul of the trommel and scrubber and the installation of a new feeder. The plant maintenance work area has also been refurbished with a cement pad floor and an improved layout, enhancing safety and efficiency.

Rio Madeira is currently fully operational.

Jaburi

During the first quarter of 2016 the JV operated the two new jigs installed during December 2015, which greatly increased reliability and enabled a consistent throughput. A new worker's accommodation block consisting of an accommodation wing, kitchen and meeting area has been completed. The new block offers significant improvements from previous accommodation, while the new kitchen has the capacity to cater for both Jaburi and Rio Madeira plants if required. The expanded accommodation will allow Jaburi to move to 2 working shifts with 1 maintenance shift in a 24 hour day.

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.](#) 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 - 705 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 tolerance levels. Stockpile tonnages are currently monitored by an independent weighbridge service, with trucks weighed upon arrival and departure in the township of Espigao d'Oeste.

To view the photo associated with this press release, please visit the following link:
http://www.marketwire.com/library/20160413-Cancana_Graph.jpg

Contact

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