

7 September 2017

**Bacanora Minerals Ltd**  
(*'Bacanora'* or the *'Company'*)  
**Update on significant shareholder ownership and Director Dealing**

Bacanora, the London and Canadian listed (AIM: BCN, TSXV: BCN) lithium exploration and development company, notes the announcement today from Cadence Minerals Plc (*'Cadence'*) that it has sold a portion of its interest in the Company (*'the Sale'*) to an existing institutional investor in the Company, which has taken the opportunity to increase its stake, and to other parties, including members of Bacanora's Board. The Sale is in line with Cadence's press release of 21 August 2017 in which it announced that it had commenced discussions with a select group of institutional investors and other parties with regards to a potential sale of part of its interest in Bacanora.

Following today's sale of approximately 8.9 million shares at 70 pence per share, representing 6.75% of Bacanora's current issued share capital, Cadence retains a 9.3% interest in Bacanora.

As part of the Sale, Bacanora is pleased to announce that the following Directors of the Company have purchased ordinary shares in Bacanora from Cadence:

<i>Director</i>	<i>Role</i>	<i>Number of Ordinary Shares purchased</i>	<i>Purchase price (pence)</i>	<i>Number of Ordinary Shares held following the transaction</i>	<i>Percentage of Ordinary Shares held following the transaction</i>
Mark Hohnen	Chairman	714,285	70p	1,514,951	1.15%
James Strauss	Non-executive Director	42,857	70p	102,857	0.08%

Bacanora CEO Peter Secker said, "We welcome the purchase of existing shares in Bacanora by institutional investors and members of the Board. Having a shareholder register which already includes a number of blue chip institutions as well as a strategic partner in the form of leading Japanese trading house Hanwa will be invaluable, as the Feasibility Study at the Sonora Project in Mexico nears completion and we move closer to the construction phase of what we believe will be a world class lithium operation. The Company remains on course with our objective to become a supplier of battery grade lithium carbonate to fast growing industries such as electric vehicles and energy storage, and I look forward to providing further updates on our progress in the months ahead."

"Finally, I would like to thank Cadence for their contribution to the Company's development and look forward to continue working with them going forward."

**ABOUT BACANORA:**

Bacanora is a Canadian and London listed lithium exploration and development company (TSX-V: BCN and AIM: BCN). The Company is exploring for, and developing a pipeline of international lithium projects, with a primary focus on the Sonora Lithium Project. The Company's operations are based in Hermosillo in northern Mexico. The Company is led by a team with lithium expertise and proven mine development, construction and operations experience.

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 (LCE<sup>1</sup>) and 2.7 million tonnes Inferred<sup>2</sup>. A Pre-Feasibility Study completed in Q1 2016<sup>3</sup> demonstrated the economics associated with becoming a 35,000 tpa lithium carbonate and 50,000 tpa SOP producer in Mexico.

In addition to the Sonora Lithium Project, the Company also has a 50% interest in the Zinnwald Lithium Project in

southern Saxony, Germany. The Zinnwald Lithium Project is located in a granite hosted Sn/W/Li belt that has been mined historically for tin, tungsten and lithium at different times over the past 300 years. The strategic location of the Zinnwald Lithium Project allows immediate access to the German automotive and downstream lithium chemical industries.

1 LCE = lithium carbonate (Li<sub>2</sub>CO<sub>3</sub>) equivalent; determined by multiplying Li value in percent by 5.324 to get an equivalent Li<sub>2</sub>CO<sub>3</sub> value in per cent. Use of LCE is to provide data comparable with industry reports and assumes complete conversion of lithium in clays with no recovery or process losses.

2 See *Amended Mineral Resource Estimate for the Sonora Lithium Project, Mexico, April 2016*. The lead author of the amended report is Mr. Martin Pittuck (MSc., C.Eng., FGS, MIMMM) of SRK Consulting (UK) Limited ('SRK'). A copy of this report is available under Bacanora's corporate profile at [www.sedar.com](http://www.sedar.com).

3 See *Technical Report on the Pre-Feasibility Study for the Sonora Lithium Project, Mexico, 15 April 2016*. The authors of the PFS are Ausenco Limited, SRK and Independent Mining Consultants Inc. A copy of this report is available under Bacanora's corporate profile at [www.sedar.com](http://www.sedar.com).

**FORWARD LOOKING STATEMENTS:**

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: the Feasibility Study nearing completion; progression towards the construction phase of the project; and potential future production and becoming a supplier of battery grade lithium carbonate. 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. 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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