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NEWS RELEASE

**BACANORA ANNOUNCES STRATEGIC CORNERSTONE INVESTOR
& OFFTAKE AGREEMENT**

Highlights

- **New Institutional Investor agrees to acquire 19.89% interest in Bacanora**
- **Follows highly favourable Feasibility Study which estimated a NPV8 of US\$1.253 Billion**
- **Provides entry into key Chinese market**

BACANORA MINERALS LTD. ("Bacanora" or the "Company") (TSX-V: BCN and AIM: BCN), the Canadian and London listed lithium company, is pleased to announce that NextView Capital ("NextView"), a leading Chinese institutional fund management group focused on new technologies and energy, has agreed to acquire a 19.89% equity interest (non-diluted) in Bacanora (the "Strategic Investment") via the placement of 32,976,635 common shares in the Company (the "Placing") at a price of 94.53 pence (approximately C\$1.6223) per share (the "Placing Price"). The £31,172,813 (approximately C\$53,498,000) capital raised by the Placing will be used for the continued development of the Company's Sonora Lithium Project. The Placing Price represents the volume weighted average price of the Company's shares on the AIM Market of the London Stock Exchange over the previous seven trading days. The actual number of shares to be issued may be adjusted upwards at closing (to keep the total equity interest at 19.89%) in order to reflect any securities issuances (in particular, potential option exercises) occurring in the interim. Ashanti Capital acted as lead broker for the Placing.

In addition, Bacanora has agreed to supply NextView with 5,000tpa of lithium carbonate produced at its Sonora Project in Mexico ("Sonora" or the "Project") on a best endeavours basis at market prices from its Stage 1 of production, with a firm commitment to supply 8,000tpa of lithium carbonate during Stage 2 and a best endeavours promise to supply a further 7,000tpa during Stage 2. NextView has also agreed to employ its reasonable endeavours to assist the Company in procuring project debt financing for Sonora. The Company believes that these commitments, along with the Strategic Investment, represent further validation of the quality of Sonora's battery grade (+99.5%) lithium carbonate product and Bacanora's production process. NextView will (following closing) be entitled to present a nominee for appointment to the board of directors of Bacanora and subsequent election by shareholders and NextView has indicated that it will nominate its President, Mr. Yaping He, to be appointed as a Non-Executive Director of the Company, subject to the completion of the relevant due diligence process, including standard regulatory background checks and approvals by AIM and TSX Venture Exchange. Further profile information for Mr. He will be provided in a subsequent news release prior to his appointment taking effect.

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The Strategic Investment and offtake agreement follows the completion of a Feasibility Study ("FS") at Sonora which confirmed the positive economics and favourable operating costs of a 35,000 tonnes per annum ("tpa") battery grade Li_2CO_3 operation at Sonora: estimated pre-tax project Net Present Value ("NPV") of US\$1.253 Billion, an Internal Rate of Return ("IRR") of 26.2%, and Life of Mine ("LOM") operating costs of US\$3,910/t of lithium carbonate (" Li_2CO_3 ") (see announcement 12 December 2017).

NextView becomes the latest institutional cornerstone investor in Bacanora and further strengthens the Company's funding platform for the commencement of the construction of mining and large-scale processing facilities at Sonora in H1 2018. This platform already includes cornerstone investor Hanwa Co., LTD. ("Hanwa"), a leading Japan-based global trading company and one of the larger traders of battery chemicals in the Asian region. The Company believes that the addition of NextView with its extensive network of associated groups across China opens up the Chinese investment market for Bacanora. Together with the Company's established relationship with Hanwa, Bacanora now has key partners in place for the major Chinese and Japanese markets.

In view of the size of the opportunity provided by the Chinese and Japanese markets for lithium, the Company intends to commence a review of the parameters of its planned two stage operation at Sonora with a view to increasing Stage 1 from 17,500tpa.

Further details regarding the completion of the Strategic Investment will be provided in due course but it is anticipated that it will close in January 2018, subject to regulatory approval.

Peter Secker, CEO of Bacanora, commented, "NextView's investment and offtake agreement underlines both the quality of our asset and the progress we have made to date. The recently completed FS shows why Sonora has and continues to attract such strong institutional interest: US\$1.253 Billion pre-tax project NPV; 26.2% IRR; and LOM operating costs of US\$3,910/t of lithium carbonate. Together with highly favourable demand/supply dynamics for lithium carbonate driven by fast growing end markets such as electric vehicles and energy storage, the investment case for Bacanora is clear.

Having completed the FS, secured an offtake agreement with leading trading house Hanwa, who are also a major shareholder in the Company, a shareholder register dominated by blue chip institutions and with all relevant approvals in place, we have an excellent funding platform with which to move to the construction phase at Sonora in H1 2018. With an estimated construction period of 24 months, Sonora remains on track to become the next major world class lithium carbonate producer and I look forward to providing further updates on our progress."

Mr. Yaping He, Managing Partner and President of NextView, commented, "Through this investment, NextView Capital intends to build a long-term strategic partnership with Bacanora to capitalise on the expanding lithium battery raw materials market which has significant potential given the electric vehicle industry in China, the largest new energy vehicles market in the world. NextView Capital believes that Bacanora has a central role to play in the field of new energy upstream lithium resources and that NextView is ideally placed to assist it in achieving its growth potential."

About NextView

NextView Capital ("NextView") is an active investment fund based in Beijing and Shanghai, China. NextView Capital has available resources of c.RMB 30 billion and invests primarily in new energy, mineral resources, TMT, sports and consumption sectors. NextView's recent investments include a shareholding in Nanjing Yuebo Auto Electronics Co., Ltd., a leader in the field of electric vehicle systems in China.

NextView's strategic aim is to become a long-term strategic partner of listed companies by investing in them and assisting in the realisation of their long-term investment value.

Earlier this year, NextView together with Tibet Summit Resources Co., Ltd. (a company listed on the Shanghai Stock Exchange) launched a USD 1.5 billion fund focused on investments in the new energy and resources sectors (the "Fund"). The Fund has recently acquired a Canadian listed company with a South American lithium salt lake project. Limited partners of the Fund comprise a number of large Asian institutions including China Huarong Asset Management Co., Ltd. (China Huarong, 中国华融) one of the largest financial asset management companies in China in terms of total assets.

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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 Project¹, 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 a Measured plus Indicated Mineral Resource estimate of

¹ The Sonora Lithium Project is comprised of the following lithium properties: La Ventana lithium concession, which is 100 percent owned by Bacanora and El Sauz and Fleur concessions, which are held by Mexilit S.A. de C.V. ('Mexilit') which is owned 70 percent by Bacanora and 30 percent by Cadence Minerals Plc.

over 5 Mt (comprising 1.9Mt of Measured Resources and 3.1Mt of Indicated Resources) of LCE² and an additional Inferred Mineral Resource of 3.7 Mt of LCE. The Feasibility Study discussed herein has established Proven Mineral Reserves (in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101")) of 1.67 MT and Probable Mineral Reserves of 2.85 Mt LCE and confirmed 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.

Cautionary Statement Regarding Forward-Looking Information

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 completion of the aforementioned financing and the anticipated timing thereof; appointment of a new director; future plant construction and production information; as well as estimated operating costs, estimated IRR and NPV. 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.

² LCE = lithium carbonate (Li₂CO₃) equivalent; determined by multiplying Li value in percent by 5.324 to get an equivalent Li₂CO₃ 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.

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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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