

## CANCANA & RIO MADEIRA AGREE TO EXTENSION OF MOU

**Vancouver, Canada – April 30, 2013 – Cancana Resources Corp. (TSXV: CNY) (the “Company” or “Cancana”) and Rio Madeira Comercio Importacao E Exportacao De Minerios, (“Rio Madeira”) have provisionally agreed in principal to an extension (the “Extension”) of the previously announced exclusive Memorandum of Understanding (the “MOU”), announced on February 8, 2013, to purchase Rio Madeira in the State of Rondonia, Brazil.**

The exclusive MOU announced on February 8<sup>th</sup>, 2013 between Cancana and Rio Madeira is for the 100% acquisition of the Rio Madeira share capital and all of its associated assets, mineral claims and operations. Pursuant to the terms of the MOU, this acquisition is subject to the successful completion of due diligence, financing and receipt of all applicable regulatory approvals, and was to expire on April 30, 2013. However, as of April 29<sup>th</sup> 2013, both Cancana and Rio Madeira have provisionally agreed, in principal, to an extension for the completion of the acquisition by no later than June 24, 2013, which shall be subject to the achievement of certain specific milestones to be met within this time frame, including the negotiation and finalization of the terms of the definitive purchase agreement in respect of the acquisition by June 17, 2013.

As announced on March 21, 2013 Cancana has signed an engagement letter with Euro Pacific Canada Inc. and Jennings Capital Inc. as co-bookrunners and co-lead agents (the "**Agents**"), for the financing of the Rio Madeira acquisition and in this respect the Agents recently completed an independent analyst trip to Brazil with a review and site visits of the Rio Madeira operations and facilities and Cancana’s Valdirão greenfield project.

As a result of this due diligence visit by the analysts, Cancana is now working diligently with its Agents to affect the next stage of this financing which will be seeking direct commitments from potential investors. Cancana believes that the Extension provides for sufficient time for certain investors to make their own site visits as well as completion of the financing of this acquisition.

The Company anticipates a review of financing offers in the month of May, 2013 and then moving to closing the financing on or about June 24 2013.

Andrew Male, President & CEO of Cancana, commented; “I am happy that after lengthy and on-going discussion with the partners of Rio Madeira they have agreed to the Extension. The partners were understanding of the challenges of the market conditions and the associated timing of trying to consummate a transaction of this nature. We continue to share a genuine relationship that will help close a transformational acquisition for Cancana and I would like to personally thank them for their efforts and support. “

Cancana Resources Corp. is an exploration stage company with assets in Brazil and Canada. The Company has been seeking projects that expand its resource base and provide for near term production and revenue. All available resource reports and information on the Company’s properties are located on the Company website: [www.cancanacorp.com](http://www.cancanacorp.com)

For further information about Cancana Resources Corp., please visit the Company’s website or contact the Company via email at [cancana.ir@cancanacorp.com](mailto:cancana.ir@cancanacorp.com) or telephone +1 403 269 2065, or **CHF Investor Relations** attention: Jeanny So, Director of Operations email: [jeanny@chfir.com](mailto:jeanny@chfir.com).

Issued on behalf of the Board of Directors of Cancana Resources Corp.

“Andrew Male”

Andrew Male, CEO and Director

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