

Cancana Announces CDN\$25,000,000 Offering & Agents

Toronto, Ontario, March 21, 2013, Cancana Resources Corp. (TSXV: CNY) (the "Company" or "Cancana") is pleased to announce that it has entered into an engagement agreement with Euro Pacific Canada Inc. and Jennings Capital Inc. as co-bookrunners and co-lead agents (the "**Agents**") pursuant to which the Agents have agreed to act on behalf of Cancana in connection with a proposed "best efforts" private placement offering of up to CDN\$25,000,000 of debt or equity securities (or some combination thereof) (the "**Offering**").

The Agents will be paid a cash commission equal to 6% of the gross proceeds raised as equity pursuant to the Offering and 4% of the gross proceeds raised as debt pursuant to the Offering. The Company will also issue broker warrants ("**Broker Warrants**") exercisable to purchase that number of securities raised in the Offering equal to 6% of the aggregate number securities sold pursuant to the Offering as equity, and 4% of the aggregate number of securities sold pursuant to the Offering as debt.

Proceeds of the Offering will be used for the acquisition of 100% of the share capital and all associated assets, mineral claims and operations of Rio Madeira Comercio Importacao E Exportacao De Minerios, ("**Rio Madeira**") as previously announced pursuant to the Company's press release dated February 8, 2013, (the "**Acquisition**"), capital improvements to the Valdirao manganese mine, and for general working capital purposes.

Rio Madeira is a producing manganese mine operation in Rondonia Brazil, producing lump ore of varying sizes and is located adjacent to, and mainly contiguous with, Cancana's manganese claims. Rio Madeira holds title to 15 mineral claims that total approximately 62,000 hectares in size, averaging similar grades of between 48-56% and is contiguous to Cancana manganese claims. The Acquisition is subject to the successful completion of due diligence and financing.

Mr. Andrew Male, CEO & Director of Cancana commented; "We are pleased to announce the engagement of Euro Pacific Canada Inc. and Jennings Capital Inc. as agents for financing the acquisition of Rio Madeira, with the successful closing of this acquisition, it will immediately transform Cancana into a high grade Manganese producer that will be recognized worldwide."

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

For further information about Cancana Resources Corp., please visit the Company's website or contact the Company at +1 403 269 2065 or preferably email: cancana.ir@cancanacorp.com or **CHF Investor Relations** attention: Morgan Tyghe, Account Manager email: morgan@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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