VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 31, 2016) - Aurcana Corp. ("Aurcana" or the "Company") (TSX VENTURE:AUN) Aurcana Corp. is pleased to announce that it has initiated a Preliminary Economic Assessment (the "PEA") in respect of the Company's 100% owned Shafter Silver Project, in Presidio County, Texas. The PEA will provide a base-case assessment for the further development of the existing mineral resource and the recommencement of mining operations utilizing current mining infrastructure, including the existing shaft and the fully-constructed and permitted mill and tailings facilities. The objective of this study is to determine the potential economic viability of the mineral resources at Shafter along with a level of cost indication sufficient to proceed to the next level of evaluation. Completion of the PEA is expected in Q3 2016.

"The Shafter Silver Project is a unique Texas-based asset with a history of high-grade production, an in-situ high-grade silver resource, mining infrastructure, and constructed and permitted milling and tailings facilities. The completion of a base case development scenario will be a significant milestone as we move toward re-establishing Aurcana as a mineral producer" said Kevin Drover, President and CEO of Aurcana.

Mine Development Associates ("MDA"), based in Reno, Nevada and Samuel Engineering, Inc. ("Samuel") in Denver, Colorado have been contracted to work with the Company's technical team on the PEA. They will report on the PEA level projected capital costs, operating costs, and project economics associated with the potential development of the Shafter mineral resource. The PEA will consider and make recommendations based upon:

- An analysis and evaluation of the economic, technical and geological factors that will determine the potential viability of the mineral resources.
- The requirements to estimate mineable tons and grade based on the shaft-accessible portion of the mineral resource;
- Mine design utilizing the existing shaft and/or surface portal, phased expansion of the related underground access, and mechanized underground mining methods;
- Mill production, which is assumed to be approximately 500 tonnes per day using the existing milling and tailings facility; and a review of throughput efficiencies and opportunities;
- A review of milling performance and metallurgical recovery based on existing mill records;
- A proposed work program to continue advancing the project.

Although the Company had previously completed studies of Shafter and commenced operations during the period from 2012-2013, it is felt that in light of the recently revised resource estimate, volatile metal prices, and changing operating costs, the project should be advanced one-step at a time, starting with this new PEA. The results of the PEA will provide valuable information as to the potential economics and viability of the Shafter Project.

About Shafter

Historic mining at Shafter was conducted by the Presidio Mining Company from 1883 to 1926 and was focused on the outcropping, western end of the deposit. It was then known as the Presidio Mine. Subsequently the American Metal Co. ("Amax") acquired the property and continued production until 1942. Amax mined the Presidio Mine from three principal vertical shafts and developed the mine on eight levels over a vertical distance of approximately 600 feet. From 1883 to 1942, when the Presidio mine was closed, total recorded production was 2.307 million tons of ore containing 35.153 million ounces of silver at an average grade of 15.24 ounces silver ("Ag") per ton.

Gold Fields Mining Corporation ("Gold Fields") held the Shafter property from 1977 to 1982. Gold Fields identified the northeastern, down-dip extension of the Shafter deposit, extending more than 5,000 feet from the deepest development workings in the Presidio mine, through a systematic surface-drilling program. During the 1980s, Gold Fields sunk a 1,052-foot shaft to access and explore this extension, extracting a 10,000 ton bulk sample for metallurgical studies and completing several internal economic assessments.

Rio Grande Mining Company ("RGMC") acquired Shafter in 1994 and in 2008 RGMC was purchased by Aurcana. Aurcana began exploration at Shafter in 2011 and has conducted geophysical surveying, drilling, mapping, and geochemical sampling since that time. Aurcana re-entered the old Presidio mine through a new decline in June 2012, with limited production commencing in December 2012 from mineralized materials found adjacent to Amax's old stopes. During this time a mineral processing plant and silver-recovery facility were constructed and brought on-line. The operation was placed on care and maintenance in December 2013.

Silver mineralization at Shafter occurs as sub-horizontal bodies of variably silicified oxide mineralization in Permian limestone. Mineralization occurs over a 13,000 feet east-northeast strike length, is locally up to 1,200 feet across, and is locally up to 20 feet thick. Thicknesses and silver grades can be variable.

The Shafter Silver Project currently has an Indicated Resource of 10,171,000 ounces silver at 9.15 ounces per ton Ag (in 1.11 million tons) and an Inferred Resource of 6,511,000 ounces silver at 7.47 ounces per ton Ag (in 0.87 million tons)[1], [2]. The mineral resource is based on 1,694 drill holes, the majority being underground holes evenly dispersed throughout the mineral resource, and a geologic model based on geological mapping and sampling.

(1) See the Company's press release dated January 12, 2016.

(2) See the National Instrument 43-101 technical report titled "Technical Report on the Shafter Silver Project, Presidio County, Texas", dated January 11, 2016, that was prepared for Aurcana by Paul Tietz, CPG of Mine Development Associates, Inc. and Ross MacFarlane P.Eng of Watts, Griffis, and McQuat. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

The technical information contained in this news release has been reviewed and approved by Jerry Blackwell, P.Geo, a Technical Advisor to and director of the Company. Mr. Blackwell is a Qualified Person ("QP") as defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

ON BEHALF OF THE BOARD OF DIRECTORS OF Aurcana Corp.

Kevin Drover, President & CEO

For further information, visit the website at www.aurcana.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

FORWARD LOOKING STATEMENTS

This press release contains forward looking statements within the meaning of applicable securities laws. The use of any of the words "anticipate", "plan", "continue", "expect", "estimate", "objective", "may", "will", "project", "should", "predict", "potential" and similar expressions are intended to identify forward looking statements. In particular, this press release contains forward looking statements concerning the completion of the planned PEA regarding the Shafter project, and the subsequent commencement of a feasibility study in respect thereof. Although the Company believes that the expectations and assumptions on which the forward looking statements are based are reasonable, undue reliance should not be placed on the forward looking statements because the Company cannot give any assurance that they will prove correct. Since forward looking statements address future events and conditions, they involve inherent assumptions, risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of assumptions, factors and risks. These assumptions and risks include, but are not limited to, assumptions and risks associated with the results or findings of the PEA.

Management has provided the above summary of risks and assumptions related to forward looking statements in this press release in order to provide readers with a more comprehensive perspective on the Company's future operations. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive from them. These forward looking statements are made as of the date of this press release, and, other than as required by applicable securities laws, the Company disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise.

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