



NEWS RELEASE

Canaco Shareholders Approve Acquisition of Shark Minerals Inc. and Spinout of East Africa Metals Inc.

March 28, 2013 – Canaco Resources Inc. (“**Canaco**” or the “**Company**”) (TSX.V:CAN) is pleased to announce that at a special meeting of shareholders (the “**Meeting**”) held on Thursday, March 28, 2013, the shareholders of the Company approved the previously announced acquisition by Canaco of all of the outstanding common shares of Shark Minerals Inc. (“**Shark Minerals**”) in exchange for common shares of Canaco (the “**Acquisition**”) pursuant to the share purchase agreement among Canaco, Shark Minerals and all of the shareholders of Shark Minerals dated December 14, 2012.

At the Meeting, the shareholders of the Company also approved the spinout of certain assets of Canaco to East Africa Metals Inc. (“**East Africa Metals**”), a new company formed by Canaco and expected to be listed on the TSX Venture Exchange (the “**Spinout Transaction**”). The Spinout Transaction will include the transfer by Canaco of its Tanzanian assets and approximately \$24 million in cash and certain other assets and liabilities to East Africa Metals. The Spinout Transaction will be completed by way of a plan of arrangement under the Canada Business Corporations Act, whereby shareholders of Canaco will be entitled to receive one common share of East Africa Metals for every three common shares of Canaco held as of the effective date of the Spinout Transaction, expected to be April 4, 2013. East Africa Metals will be managed by former Canaco executives.

In connection with the Acquisition, the shareholders of the Company also approved the election of four new directors (in addition to Dr. Jingbin Wang and Shuixing Fu who will remain on as directors of the Company). Richard P. Clark, L. Simon Jackson, Robert Chase and Alexander Davidson will join the Company’s board of directors and Richard P. Clark will assume the role of Chairman, concurrently with the closing of the Acquisition.

At the Meeting the Company’s shareholders also approved a change in the name of the Company and a share consolidation. In light of Canaco’s new focus and changes to the board of directors and management team as a result of the Acquisition and Spinout Transaction, the Company’s name will be changed to “Orca Gold Inc.” and following the closing of the Acquisition, its common shares will trade on the TSX Venture Exchange under the new symbol “ORG”. In addition, upon the closing of the Acquisition, expected to take place on or about April 4, 2013 and subject to court and regulatory approval, the common shares will be consolidated on a three to one basis.

This announcement is for informational purposes only and does not constitute an offer to purchase, a solicitation of an offer to sell the shares or a solicitation of a proxy.

Additional information about Canaco including press releases, interim financial statements and other public documents can be viewed at the Company’s website www.canaco.ca or at www.sedar.com.

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On behalf of the Board of Directors:

Andrew Lee Smith, P. Geo
President, CEO and Director

Cautionary Statement Regarding Forward-Looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "anticipate", "believe", "plan", "expect", "intend", "estimate", "forecast", "project", "budget", "schedule", "may", "will", "could", "might", "should" or variations of such words or similar words or expressions or statements that certain events "may" or "will" occur. Forward-looking statements in this press release include, but are not limited to, statements relating to the timing of the closing of the Acquisition and Spinout Transaction, the receipt of final court approval in respect of the Spinout Transaction, the receipt of the approval of the TSX Venture Exchange, the trading of the shares of the Company and East Africa Metals on the TSX Venture Exchange, and the management of and plans for the Company and East Africa Metals following completion of the Acquisition and Spinout Transaction. Forward-looking information is based on reasonable assumptions that have been made by the Company as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks associated with the satisfaction of the conditions to closing in the Share Purchase Agreement and the rules of the TSX Venture Exchange. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Neither the Company, Shark Minerals nor East Africa Metals undertakes any obligation to update forward-looking information if circumstances or management's estimates, assumptions or opinions should change, except as required by applicable law. Accordingly, readers should not place undue reliance on forward-looking information contained herein, except in accordance with applicable securities laws.

Neither 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.