

Extractive Sector Transparency Measures Act - Annual Report

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|--|-------------------------|--|---------------------------------|
| Reporting Entity Name | CANASIL RESOURCES INC. | | |
| Reporting Year | From 1/1/2020 | To: 12/31/2020 | Date submitted 5/27/2021 |
| Reporting Entity ESTMA Identification Number | E783995 | <input checked="" type="radio"/> Original Submission <input type="radio"/> Amended Report | |
| Other Subsidiaries Included (optional field) | | | |
| Not Consolidated | | | |
| Not Substituted | | | |
| Attestation by Reporting Entity | | | |
| <i>In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.</i> | | | |
| Full Name of Director or Officer of Reporting Entity | KERRY SPONG | Date | 5/27/2021 |
| Position Title | CHIEF FINANCIAL OFFICER | | |

Reporting Entities May
Insert Their Brand/Logo here

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| Reporting Entity Name | CANASIL RESOURCES INC. | | Currency of the Report CAD |
| Reporting Entity ESTMA Identification Number | E783995 | | |
| Subsidiary Reporting Entities (if necessary) | | | |

Payments by Payee

| Country | Payee Name ¹ | Departments, Agency, etc... within Payee that Received Payments ² | Taxes | Royalties | Fees | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid to Payee | Notes ³⁴ |
|---------|-------------------------|--|-------|-----------|---------|-------------------------|---------|-----------|-------------------------------------|----------------------------|--|
| Mexico | Government of Mexico | Secretary of the Economy, Mexico | | | 385,288 | | | | | 385,288 | Claim fees - average exchange rate for year - 1 MXN peso = CAD \$0.06288 |
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Additional Notes:

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| Reporting Entity Name | CANASIL RESOURCES INC. | | |
| Reporting Entity ESTMA Identification Number | E783995 | | |
| Subsidiary Reporting Entities (if necessary) | | | |

Payments by Project

| Country | Project Name ¹ | Taxes | Royalties | Fees | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid by Project | Notes ²³ |
|---------|---------------------------|-------|-----------|---------|-------------------------|---------|-----------|-------------------------------------|------------------------------|---------------------|
| Mexico | Colibri | | | 4,151 | | | | | 4,151 | claim fees |
| Mexico | La Esperanza | | | 208,265 | | | | | 208,265 | claim fees |
| Mexico | Salamandra | | | 61,975 | | | | | 61,975 | claim fees |
| Mexico | Vizcaino | | | 13,064 | | | | | 13,064 | claim fees |
| Mexico | Picacho | | | 3,565 | | | | | 3,565 | claim fees |
| Mexico | Karina | | | 64,610 | | | | | 64,610 | claim fees |
| Mexico | Nora | | | 29,658 | | | | | 29,658 | claim fees |
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Additional Notes³:

Claim fees - average exchange rate for year - 1 MXN peso = CAD \$0.06288