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**NEWS RELEASE**

June 14, 2017

[TSX-V: CLZ](http://www.canasil.com)  
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**Review of Drilling and Sampling Results Demonstrate Extensive Silver Mineralized System  
at La Esperanza Project in Durango and Zacatecas States, Mexico**

Vancouver, June 14, 2017 - Canasil Resources Inc. ([TSX-V: CLZ](http://www.canasil.com), DB Frankfurt: 3CC, “Canasil”) has completed an initial review of the results from the recently completed 2016 - 17 drill program together with the results from past drilling and surface sampling from the multiple silver-zinc-lead mineralized veins at the La Esperanza project in Durango and Zacatecas States, Mexico. The drill results from the La Esperanza vein, located in the southeast of the project area, together with high silver-zinc-lead values from rock chip and dump samples from four veins located in the northwest of the project area, suggest the potential for an extensive silver mineralized system within the La Esperanza project area. These veins occur within a target area of approximately 75 square kilometres with a northwest-southeast dimension of over 15 kilometres. A map showing the vein zones with details of past drill and sampling results is attached below. Of particular note are the higher grade intercepts from drilling to date and high grade rock chip and dump samples from the four principal veins in the northwest of the project area.

Bahman Yamini, President and CEO of Canasil, commented: *“We are very pleased with the results from the recent drill program on the La Esperanza vein returning several intercepts of high grade silver mineralization, and particularly the last drill hole which included high gold values as well. The La Esperanza project covers a district scale land package located in a highly recognized silver district known for high grade silver deposits. It is close to several active mining operations, 35 km from Pan American Silver’s La Colorada mine and 80 km from the Fresnillo mine, both recognized for high silver grades and low costs of silver production. We look forward to further exploration and drilling to advance this highly prospective project.”*

The results of the 2016 - 17 drilling on the La Esperanza vein are particularly encouraging as all eight drill holes intercepted the vein. These results extend the known mineralized envelope with intercepts over appreciable widths and high silver-gold-zinc-lead grades over a strike distance of 400 metres and to a depth of 350 metres, which is open in both directions to the northwest and southeast along strike and to depth. Alteration of the volcanic host rocks extending along strike from the La Esperanza vein outcrop, the spatial association with a discrete broad magnetic anomaly (possibly an igneous intrusion at depth), as well as local drainage patterns has outlined a target extending for over 5 kilometres in this area. The Company is currently undertaking a surface geochemical sampling and mapping program along this trend aimed at identifying additional extensions of the vein itself. This work is an important step in preparation for the next phase of drilling, which would be aimed at extending the known mineralized envelope. A plan map and cross section showing drilling to date on the La Esperanza vein is attached, as well as a table with complete results from the 2016 - 17 drill program, all of which have been previously announced.

There has been relatively little exploration and drilling on the four veins located in the northwest of the project area, Los Alamitos, San Pasqual, San Felipe and Fatima. There is evidence of past artisanal mining activity at the Los Alamitos, San Pasqual and San Felipe veins. Surface sampling along the strike of these veins, and from mineral dumps from past mining activity, has returned high silver-zinc-lead values indicating the potential for high grade mineralization associated with these veins. These veins will be the subject of further investigation and provide multiple targets for future drilling.

The drill and sampling programs were implemented by the Company's exploration team under the direction of Eng. Erme Enriquez (CPG), Director of Exploration and Development of Minera Canasil S.A. de C.V., the Company's wholly owned Mexican subsidiary. Additional drilling and sampling was carried out by Mag Silver Corp. (Mag) under an option agreement from 2010 to 2013. All samples from the Canasil programs were prepared and logged at the Company's core storage facility in Durango, Mexico. Drill core samples are cut by diamond saw, with half being sent for assay and half secured for reference. Samples are sent to the ALS Laboratories in Zacatecas, Mexico for preparation and then on to ALS Global in Vancouver for gold and silver analyses by fire assay with an atomic absorption finish ("FA-AA") on a 30 gram split, and for silver, copper, lead, zinc and trace elements by ICP analysis following digestion of 0.50 gram sample in aqua regia.

The technical information herein has been reviewed and approved by J. Blackwell (P. Geo.), a Qualified Person as defined by National Instrument 43-101. Mr. Blackwell is a technical advisor to Canasil.

### **About La Esperanza**

The La Esperanza silver-lead-zinc project covers 14,916 hectares, located 100 km SSE of the city of Durango in southern Durango and northern Zacatecas States. The project is easily accessible from Canasil's operating base in Durango with excellent infrastructure. The project is located on the well-recognized world class Fresnillo silver belt, hosting a number of prominent silver mines such as the San Martin-Sabinas mines of Grupo Mexico and Penoles, the La Colorada mine of Pan American Silver and La Parrilla and Del Toro mines of First Majestic Silver and Fresnillo PLC's Fresnillo mine.

A series of silver-zinc-lead epithermal veins are observed over a northwest-southeast striking zone extending over approximately 15 kilometres hosted in the Lower Volcanic Group. Mineralization occurs in low to intermediate sulphidation veins, primarily striking northwest and dipping southwest. The main La Esperanza vein is a banded and cockade white to grey quartz breccia epithermal vein with silver, lead and zinc mineralization associated with argentiferous galena, silver sulfosalt minerals and sphalerite. Prior to the current 2016 - 17 drill program drilling on this vein was focused along an approximate strike length of 250 metres and to a relatively shallow depth of approximately 250 metres and returned consistent high-grade silver-zinc-lead intercepts from the main La Esperanza vein and an associated Hanging Wall vein at the upper levels. The average true width of intercepts from 8 drill holes on the main La Esperanza vein was 4.21 metres returning 330 g/t silver, 0.93% zinc and 1.57% lead. The average true width of drill intercepts from 5 drill holes which intersected the Hanging Wall vein was 1.53 metres returning 324 g/t silver, 1.37% zinc and 1.80% lead (details listed under the La Esperanza project profile on the Company's website [www.canasil.com](http://www.canasil.com), and previously reported in the news release dated November 6, 2006).

### **About Canasil:**

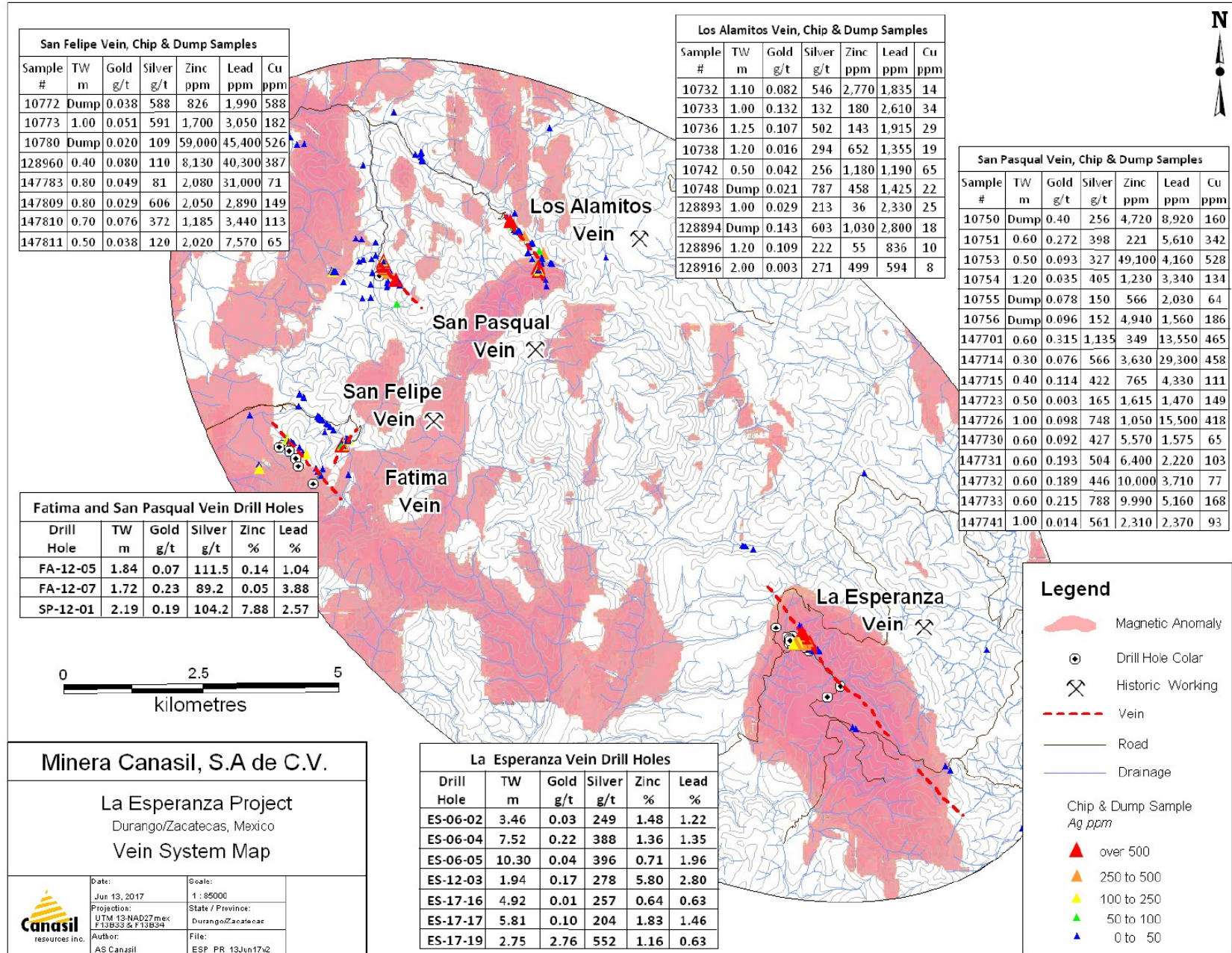
Canasil is a Canadian mineral exploration company with a strong portfolio of 100% owned silver-gold-copper-lead-zinc projects in Durango and Zacatecas States, Mexico, and in British Columbia, Canada. The Company's directors and management include industry professionals with a track record of identifying and advancing successful mineral exploration projects through to discovery and further development. The Company is actively engaged in the exploration of its mineral properties, and maintains an operating subsidiary in Durango, Mexico, with full time geological and support staff for its operations in Mexico.

For further information please contact:

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**President & CEO**  
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*This release includes certain statements that may be deemed to be “forward-looking statements”. All statements in this release, other than statements of historical facts are forward looking statements, including statements that address future mineral production, reserve potential, exploration drilling, exploitation activities and events or developments. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, changes in commodities prices, exploration successes, continued availability of capital and financing, and general economic, market or business conditions. The reader is referred to the Company’s filings with the Canadian securities regulators for disclosure regarding these and other risk factors. There is no certainty that any forward-looking statement will come to pass and investors should not place undue reliance upon forward-looking statements.*



Note: Selected higher-grade drill results are presented for reference on this map; complete drill results can be viewed under the La Esperanza page at [www.canasil.com](http://www.canasil.com)



La Esperanza 2016 - 17 Drill Program – December 2016 to May 2017										
Hole ES-16-12										
	Interval - Metres		Width – Metres		Gold	Silver	Zinc	Lead	Copper	Silver Eq*
	From	To	Interval	True	Au g/t	Ag g/t	Zn %	Pb %	Cu %	Ag Eq g/t
	347.36	348.94	1.58	1.36	0.08	23.0	1.98	1.31	0.04	192
Including	347.36	347.83	0.47	0.41	0.08	16.5	<b>4.81</b>	<b>2.89</b>	0.02	<b>398</b>
And	348.47	348.94	0.47	0.41	0.16	57.9	1.74	1.45	0.11	<b>251</b>
	368.40	370.07	1.67	1.44	0.11	5.0	<b>3.60</b>	0.75	0.03	<b>309</b>
Including	369.45	370.07	0.62	0.54	0.27	8.9	<b>9.64</b>	<b>2.00</b>	0.00	<b>584</b>
	387.16	390.73	<b>3.57</b>	<b>3.08</b>	0.14	21.0	<b>2.63</b>	0.82	0.08	<b>211</b>
Including	387.16	389.87	<b>2.71</b>	<b>2.34</b>	0.17	26.0	<b>2.17</b>	1.07	0.09	<b>206</b>
Including	387.71	388.71	1.00	0.86	0.10	35.0	<b>2.63</b>	0.78	0.14	<b>227</b>
Including	387.71	388.01	0.30	0.26	0.12	38.2	<b>3.57</b>	1.43	0.14	<b>308</b>
And	388.01	388.35	0.34	0.29	0.08	51.5	<b>3.31</b>	0.66	0.20	<b>278</b>
And	389.36	389.87	0.51	0.44	0.54	33.2	<b>4.38</b>	<b>3.64</b>	0.13	<b>469</b>
<i>Bit fused unable to complete hole, may not have intersected entire vein structure</i>										
Hole ES-17-13										
	421.38	422.20	0.82	0.71	0.30	131	0.64	0.23	0.84	<b>281</b>
<i>Hole lost in cavity, may not have intersected or recovered entire vein structure</i>										
Hole ES-17-14										
HW Vein	176.30	179.50	<b>3.20</b>	<b>2.13</b>	0.01	38	0.50	0.14	0.02	70
La Esp	187.40	190.40	<b>3.00</b>	<b>2.51</b>	0.01	63	0.50	0.15	0.03	98
<i>Vein intercept close to fault, broken and soft material, low recoveries</i>										
Hole ES-17-15										
	202.90	208.32	<b>5.42</b>	<b>4.14</b>	0.10	33	1.06	0.63	0.02	122
Including	202.90	204.95	<b>2.05</b>	<b>1.56</b>	0.05	51	1.90	1.38	0.03	<b>215</b>
<i>Vein intercept close to fault, broken and soft material, low recoveries</i>										
Hole ES-17-16										
	139.41	145.35	<b>5.94</b>	<b>4.92</b>	0.01	<b>257</b>	0.64	0.63	0.03	<b>321</b>
Including	143.00	145.35	<b>2.35</b>	<b>1.95</b>	0.03	<b>628</b>	0.90	1.52	0.08	<b>750</b>
Including	144.20	145.35	1.15	0.95	0.06	<b>1,133</b>	1.56	<b>2.98</b>	0.16	<b>1,362</b>
Hole ES-17-17										
HW 1 Vn	240.15	242.48	<b>2.33</b>	<b>2.02</b>	0.00	89	1.82	1.00	0.01	<b>228</b>
HW 2 Vn	248.33	248.60	0.27	0.23	0.04	<b>236</b>	0.28	<b>8.43</b>	0.06	<b>618</b>
HW 3 Vn	250.02	252.00	1.98	1.71	0.03	<b>225</b>	1.30	0.59	0.12	<b>332</b>
Including	250.02	251.21	1.19	1.03	0.03	<b>277</b>	<b>2.01</b>	0.81	0.19	<b>438</b>
Main Vn	258.70	265.41	<b>6.71</b>	<b>5.81</b>	0.10	<b>204</b>	1.83	1.46	0.07	<b>376</b>
Including	259.25	260.60	1.35	1.17	0.03	<b>233</b>	0.98	1.03	0.08	<b>338</b>
And	261.84	262.75	0.91	0.79	0.11	<b>347</b>	<b>2.98</b>	<b>2.20</b>	0.02	<b>606</b>
And	264.51	265.41	0.90	0.78	0.10	<b>244</b>	<b>3.00</b>	<b>2.04</b>	0.03	<b>498</b>
FW Vein	272.60	272.72	0.12	0.10	0.12	30	<b>3.61</b>	1.84	0.04	<b>310</b>
Holes ES-17-18										
	257.49	265.31	<b>7.82</b>	<b>6.77</b>	0.04	79	0.68	0.53	0.03	141
Including	257.49	259.65	<b>2.16</b>	<b>1.87</b>	0.03	<b>231</b>	1.19	1.38	0.03	<b>357</b>
Including	258.98	259.65	0.67	0.58	0.04	<b>358</b>	0.70	1.85	0.03	<b>479</b>
Hole ES-17-19										
	296.44	309.41	<b>12.97</b>	<b>11.23</b>	0.74	<b>219</b>	0.90	0.43	0.05	<b>382</b>
HW Vein	296.44	298.83	<b>2.39</b>	<b>2.07</b>	0.04	<b>261</b>	<b>2.09</b>	0.92	0.15	<b>406</b>
Main Vn	298.33	302.01	<b>3.18</b>	<b>2.75</b>	<b>2.76</b>	<b>552</b>	1.16	0.63	0.08	<b>850</b>
Including	300.73	302.01	1.28	1.11	<b>6.39</b>	<b>1,281</b>	<b>2.23</b>	1.25	0.18	<b>1,938</b>
FW Vein	306.88	308.62	1.74	1.51	0.39	<b>256</b>	1.68	0.74	0.02	<b>406</b>
*Silver equivalents calculated assuming 100% recoveries (for Ag Eq calculation only – may not reflect actual recoveries) and Ag US\$17/oz, Au US\$1,250/oz, Cu US\$2.50/lb, Zn US\$1.30/lb, and Pb US\$1.00/lb These results were announced in News Releases dated Feb. 09, Mar. 23, Apr. 5 and May 02, 2017										

**La Esperanza Project, Durango & Zacatecas, Mexico: La Esperanza Vein Drill Plan and Long Section**

