

NEWS RELEASE

July 24, 2018

[TSX-V: CLZ](http://www.canasil.com)
www.canasil.com

Canasil Reports 190 g/t Silver, 1.35% Zinc and 0.22% Lead over 1.92 metres True Width from Vein Structure at La Esperanza Silver-Gold-Zinc-Lead Project

Vancouver, July 24, 2018 - Canasil Resources Inc. ([TSX-V: CLZ](http://www.canasil.com), DB Frankfurt: 3CC, “Canasil”, the “Company”) announces assay results from drill hole ES-18-21. This hole intersected the La Esperanza vein, located in the SE of the project area, over a core length of 14.11 metres (true width 12.20 metres) with strong epithermal textures and disseminated sulphide minerals, as announced on July 5, 2018. The entire vein structure is mineralized returning 12.20 metres true width of 68 g/t silver, 0.11 g/t gold, 1.02% zinc, 0.17% lead and 0.07% copper, with bands of higher grade mineralization as detailed below.

The highest grade zone was close to the footwall of the vein structure from 325.33 metres to 327.55 metres, returning **2.22 metres (true width 1.92 metres) of 190 g/t silver, 0.13 g/t gold, 1.35% zinc, 0.22% lead and 0.06% copper**, including **0.80 metres (true width 0.69 metres) of 248 g/t silver, 0.14 g/t gold, 1.28% zinc, 0.31% lead and 0.09% copper**. A lower footwall section from 328.45 metres to 329.10 metres returned **0.65 metres (true width 0.56 metres) of 255 g/t silver, 0.02 g/t gold, 0.18% zinc, 0.15% lead and 0.26% copper**. A hanging wall section from 314.99 metres to 315.54 metres returned **0.55 metres (true width 0.48 metres) of 136 g/t silver, 0.22 g/t gold, 2.63% zinc, 0.60% lead and 0.05% copper**.

This vein intercept is at a vertical depth of approximately 225 metres below surface, located 50 metres below and 25 metres step-out to the SE from drill hole ES-17-16. This wide vein intercept is the southeast extension of the La Esperanza vein and is located in an untested area that is below previous drilling. The entire vein structure appears to be preserved over the 14.11-metre intercept in this zone and this opens the southeast extension of the La Esperanza vein for additional drilling along strike and to depth, which is very encouraging.

The recovery of a complete, non-faulted interval of the La Esperanza vein reveals a number of important geological features that have important implications for exploration. The vein textures and symmetry of the vein suggests a well-developed epithermal environment, with the strongest mineralization within a breccia domain near the footwall contact. Re-logging of earlier vein intersections suggest similar controls on mineralization. The same mineralizing relationships are noted at other epithermal vein deposits and are interpreted to be the result of intense boiling. Drilling has traced the La Esperanza vein over a strike distance of 425 metres and to a depth of 350 metres and remains open for expansion both to the northwest and southeast along strike and to depth. A plan map and long section showing the trace and pierce point of ES-18-21 and photos of the core from the vein intercept are attached below.

La Esperanza 2018 Drill Program										
Hole ES-18-21										
	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
Entire Vein	314.99	329.10	14.11	12.20	0.11	68	1.02	0.17	0.07	143
HW Section	314.99	316.50	1.51	1.31	0.17	69	2.89	0.40	0.05	253
Including	314.99	315.54	0.55	0.48	0.22	136	2.63	0.60	0.05	318
FW Section	323.15	329.10	5.95	5.15	0.11	117	1.33	0.18	0.08	209
Including	325.33	327.55	2.22	1.92	0.13	190	1.35	0.22	0.06	285
Including	326.75	327.55	0.80	0.69	0.14	248	1.28	0.31	0.09	346
And Includ.	328.45	329.10	0.65	0.56	0.02	255	0.18	0.15	0.26	273

**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*

About La Esperanza

The La Esperanza silver-gold-zinc-lead 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 Peñoles, 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, located in the southeast of the project area, is a banded and cockade white to grey quartz breccia epithermal vein with silver, gold, zinc and lead mineralization associated with argentiferous galena, silver sulfosalt minerals and sphalerite. Drilling to date on this vein has outlined a mineralized envelope over a strike distance of 425 metres and to a depth of 350 metres that is open in both directions to the northwest and southeast along strike and to depth defined by mineralized intercepts over appreciable widths and high silver-gold-zinc-lead grades. 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. Further details are listed under the La Esperanza project profile on the Company's website www.canasil.com, and have been previously reported in the company's news releases.

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 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.

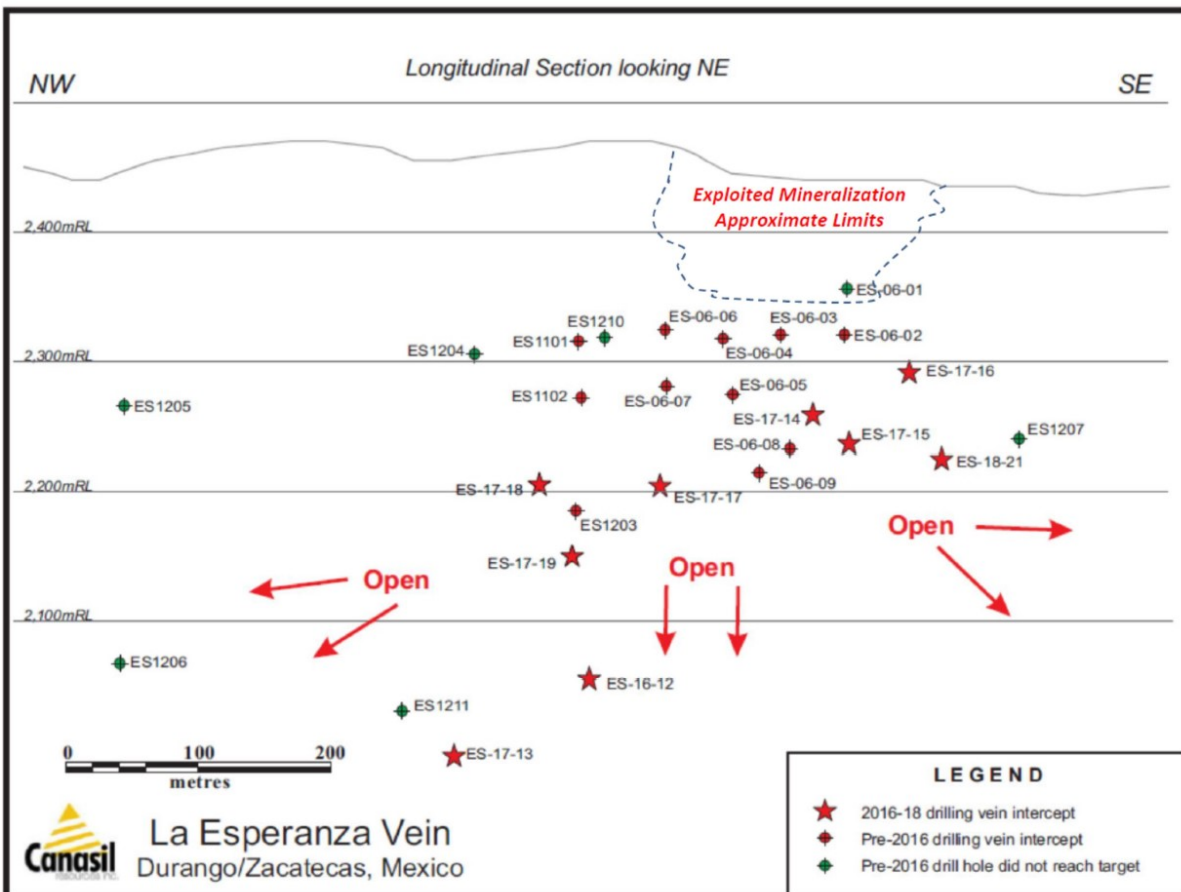
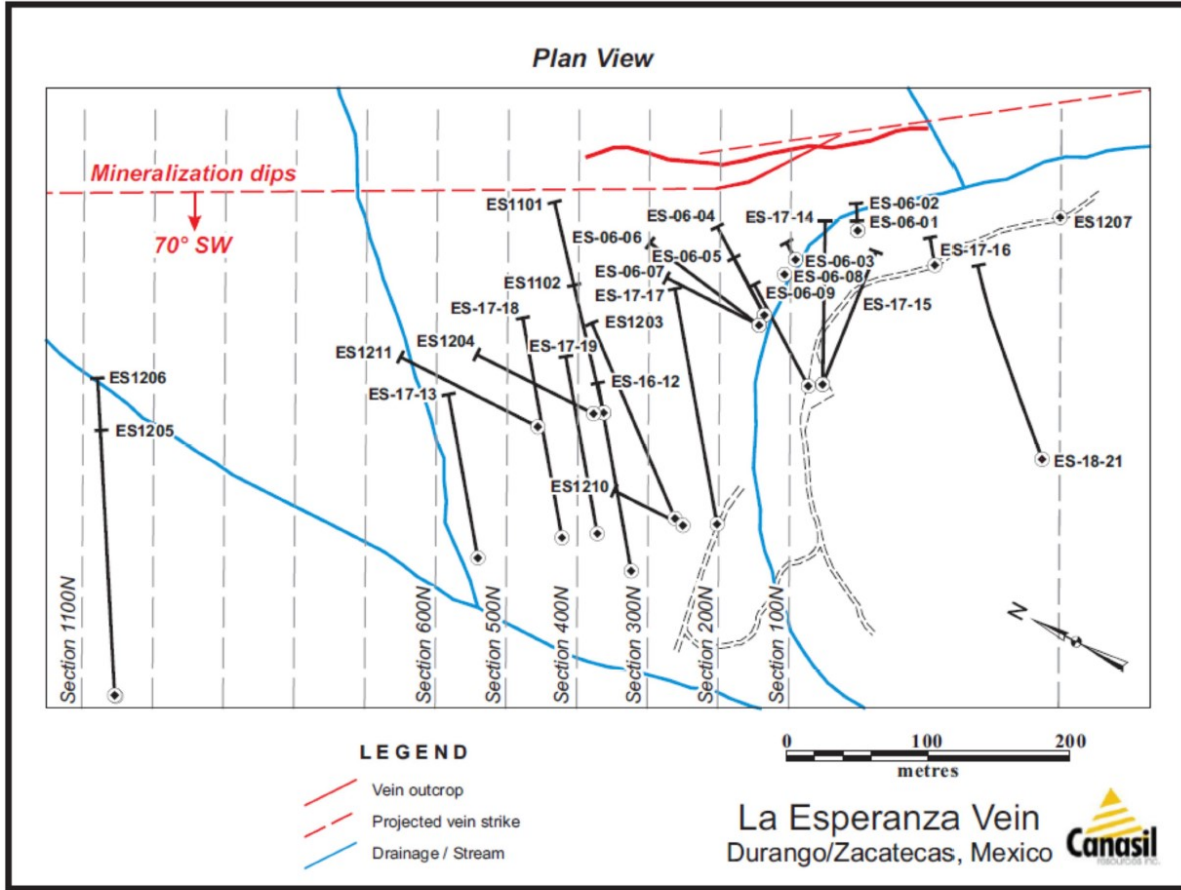
For further information please contact:

Bahman Yamini
President & CEO
Canasil Resources Inc.
Tel: 604-709 0109

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 news release.

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.

La Esperanza Vein Drill Plan and Long Section



La Esperanza Project – Drill Hole ES-18-21 Vein Intercept, Core Photos 312 metres to 331 metres

