



Suite 1760 – 750 West Pender Street
Vancouver, BC V6C 2T8
Canada

Tel: 604-708 3788
Email: admin@canasil.com

NEWS RELEASE

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TSX-V: CLZ

www.canasil.com

Canasil and Silver Dollar Sign Option and Exclusivity Agreements

Vancouver, April 20, 2023 – Canasil Resources Inc. (TSX-V: CLZ, DB Frankfurt: 3CC, “Canasil” or the “Company”) announces the signing of an Option Agreement and an Exclusivity Agreement with Silver Dollar Resources Inc. (“Silver Dollar”). Pursuant to the agreements, Silver Dollar will provide Canasil with a \$200,000 non-interest-bearing loan (the “Loan”) in return for a two-month exclusivity period to conduct due diligence on the assets of Canasil (the “Exclusivity Period”), and an option to earn a 100% interest in Canasil’s Nora property (the “Nora Option”).

The Exclusivity Period provides Silver Dollar the opportunity to review Canasil’s assets and consider a corporate merger (the “Transaction”) and may be extended for an additional 30 days if requested by Silver Dollar at no cost. Should Silver Dollar decline to propose a Transaction or the parties find the terms of a proposed Transaction unacceptable, then the Exclusivity Period will terminate and Canasil will have 60 days to repay the Loan in shares or cash at Canasil’s option. Completion of a proposed Transaction will be subject to shareholder and regulatory approvals.

Canasil owns a 100% interest in the Nora property, located in Durango State, Mexico (the “Property”). Under the terms of the Nora Option, Silver Dollar can earn a 100% interest in the Property by incurring total exploration expenditures of \$3,000,000 and making cash payments totalling \$375,000 over five years. Upon earning a 100% interest in the Property, Silver Dollar will grant Canasil a 3% net smelter returns royalty (the “Royalty”), with Silver Dollar having the right to buy back 1% of the Royalty for \$3,000,000. After exercising the option, Silver Dollar will also pay an annual advance royalty of \$25,000 which will be offset against the 1% Royalty buyback.

About Canasil

Canasil is a Canadian mineral exploration company with a strong portfolio of silver-gold-copper-lead-zinc exploration 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.

For further information, please visit the Company website at www.canasil.com or contact:

Bahman Yamini
President and CEO
Canasil Resources Inc.
Tel: (604) 708-3788

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 news release includes certain “forward-looking information” and “forward-looking statements” (collectively forward-looking statements”) within the meaning of applicable Canadian securities legislation, including regarding opportunities that are presented to the Company. All statements in this news release that address events or developments that we expect to occur in the future are forward-looking statements. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond Canasil’s control, including those described in the Company’s financial statements and management discussion and analysis (“MD&A”) available on www.sedar.com. The list is not exhaustive of the factors that may affect Canasil’s forward-looking statements.

Canasil’s forward-looking statements are based on the applicable assumptions and factors management considers reasonable as of the date hereof, based on the information available to management at such time. Canasil does not assume any obligation to update forward-looking statements if circumstances or management’s beliefs, expectations or opinions should change other than as required by applicable law. There can be no assurance that forward-looking statements will prove to be accurate, and actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits or liabilities Canasil will derive therefrom. For the reasons set forth above, undue reliance should not be placed on forward-looking statements.