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NEWS RELEASE

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**Orex Intercepts 60 Metres of 205 g/t Silver
at Canasil's Sandra-Escobar Project in Durango State, Mexico**

Vancouver, May 09, 2016 - Canasil Resources Inc. ([TSX-V: CLZ](http://www.canasil.com), DB Frankfurt: 3CC, "Canasil" or the "Company") is pleased to announce that **Orex Minerals Inc.** ([TSX-V: REX](http://www.orex.com), "Orex") has reported assay results from the initial five drill holes, SA-16-018 to SA-16-022, of the Phase-2 core drilling program in the southeastern region of the Sandra-Escobar Project. The project is being advanced by Orex under an option agreement with Canasil announced on September 15, 2015. The results are detailed in the table below. Orex has now completed 21 drill holes in the Phase-2 program and results will be reported as they are received and analyzed.

A highlight for this first batch of Phase-2 drill holes is SA-16-019, which returned **60 metres core length (49.2 metres true thickness) grading 205 g/t silver**, starting 16 metres vertically below surface. Within this is a sub-interval of **15 metres (12.3 metres true thickness) grading 375 g/t silver**. Drill holes SA-16-018, 021 and 022 were collared on 50-metre to 100-metre step outs to the south on two previously drilled sections in the Phase-1 program, and drill holes SA-16-019 and 020 were drilled between these two sections to test the continuity of mineralization. While the grades and widths are lower in the step outs to the south into the hill, they still intersected substantial widths of significant silver mineralization which increases the dimensions of the mineralized zone. The infill holes confirm the continuity of mineralization between the previously drilled sections.

Canasil President & CEO, Bahman Yamini, commented: *"The initial results from the Phase-2 drill program continue to return encouraging grades and widths, particularly in drill hole SA-16-019. These results are very positive and indicate both a larger mineralized envelope and continuity of silver mineralization within the zone."*

Drilling of silver-bearing mineralization to date has been focused on the north side of a rhyolite volcanic dome. In this area an altered and highly permeable volcanoclastic unit contains disseminations of silver bearing minerals and broadly spaced stockwork veinlets. The current working model has a porphyritic rhyolite unit as an impermeable cap, which may have focused mineralizing fluids into the host volcanoclastic unit. Reconnaissance sampling in areas surrounding the currently drilled mineralized zone indicate the potential for additional mineralized outcrops to be investigated with more detailed surface sampling and drilling.

The drill program is being managed by Orex and the above results were prepared by and provided by Orex. Orex maintains a QA/QC sampling protocol for the diamond drilling program, including the insertion of commercial analytical standards and blank samples. Analytical testing was performed by SGS Mineral Services and Bureau Veritas. Silver was determined by fire assay with an atomic absorption finish. Multi-element analyses are also determined using a 4-acid digestion and ICP-MS (Inductively Coupled Plasma Mass Spectrometry).

Sandra Escobar Project – 2015-2016 Diamond Drilling Program – Holes SA-16-18 to 22					
<i>Hole</i>	<i>From (m)</i>	<i>To (m)</i>	<i>Core Lgth. (m)</i>	<i>True Thick. (m)</i>	<i>Ag (g/t) FA</i>
SA-16-018 a	50.00	89.00	39.00	31.95	119
Includes	60.00	85.00	25.00	20.48	146
Includes	61.00	64.00	3.00	2.46	224
Includes	61.00	62.00	1.00	0.82	285
SA-16-018 b	120.50	137.00	16.50	13.52	46
Includes	131.00	137.00	6.00	4.91	72
SA-16-019	24.00	84.00	60.00	49.15	205
Includes	42.70	74.00	31.30	25.64	284
Includes	59.00	74.00	15.00	12.29	375
Includes	60.00	61.00	1.00	0.82	1,550
SA-16-020	46.00	113.00	67.00	63.50	88
Includes	46.00	77.00	31.00	29.38	114
Includes	50.00	68.00	18.00	17.06	139
Includes	53.00	55.00	2.00	1.90	228
SA-16-021	44.50	75.00	30.50	28.50	110
Includes	49.00	74.00	25.00	23.36	116
Includes	49.00	62.00	13.00	12.14	132
Includes	52.00	53.00	1.00	0.93	184
SA-16-022	69.00	94.00	25.00	24.00	70
Includes	71.00	85.00	14.00	13.44	86
Includes	76.00	79.00	3.00	2.88	142
Includes	76.00	77.00	1.00	0.96	189

True thicknesses are estimated based on structural and stratigraphic interpretations. A drill-hole location map and sample cross sections are available on the Canasil website.

The technical information in this news release is based on data supplied by Orex. 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.

Sandra-Escobar Silver-Gold Project, Durango, Mexico:

The Sandra-Escobar project is located 200 km northwest of the City of Durango, Mexico, in the heart of the “Mexican Silver Trend”, with excellent access and infrastructure. This prolific trend hosts some of the world’s largest silver camps and deposits with many past and present producing mines and significant silver-gold deposits. The project area covers over 6,976 hectares of mineral concessions with multiple mineralized epithermal veins and breccia structures. These veins form a high level silver-gold-base metals system, hosted in andesitic and rhyolitic rocks, centered on a large rhyolite dome complex in the north and silver systems in smaller rhyolite dome complexes to the southeast. Intense alteration zones and fluid flooding in permeable formations may also indicate the presence of bulk tonnage targets. Under the terms of the agreement dated September 15, 2015, Orex has an option to earn up to 65% interest in the project through total cash and share payments of \$1,000,000 and exploration expenditures of US\$4,000,000 over five years.

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.

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