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NEWS RELEASE

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Orex Announces 33.3 Million Ounces of Silver in an Inferred Resource Estimate for the Boleras Deposit at the Sandra-Escobar Project in Durango State, Mexico

Vancouver, October 31, 2016 - Canasil Resources Inc. (TSX-V: CLZ, DB Frankfurt: 3CC, “Canasil” or the “Company”) is pleased to report that **Orex Minerals Inc. (TSX-V: REX, “Orex”)** has announced a first resource estimate for the Boleras Silver Deposit on the Sandra-Escobar Project in Durango, Mexico, prepared by the consulting firm Mining Plus. The project is being advanced by Orex under an option agreement with Canasil announced on September 15, 2015.

At a “Base Case” of 45 g/t Ag cut-off, the Inferred Resource Estimate yields **9.8 million tonnes (Mt) grading 106 g/t Ag for a total of 33.3 million ounces (M-oz) of silver.**

Boleras Silver Deposit – Inferred Resource Estimate by Cut-Off Grade					
Cut-off Grade	Tonnes	Grade	Grade	Silver	Silver
Ag (g/t)	(Mt)	Ag (g/t)	Ag (oz/t)	(M-g)	(M-oz)
15	12.1	92	3.0	1,120	35.8
30	11.5	96	3.0	1,100	35.4
45 – BASE CASE	9.8	106	3.4	1,040	33.3
60	8.0	118	3.8	950	30.4
75	6.4	131	4.2	840	26.9
90	5.0	145	4.7	720	23.1

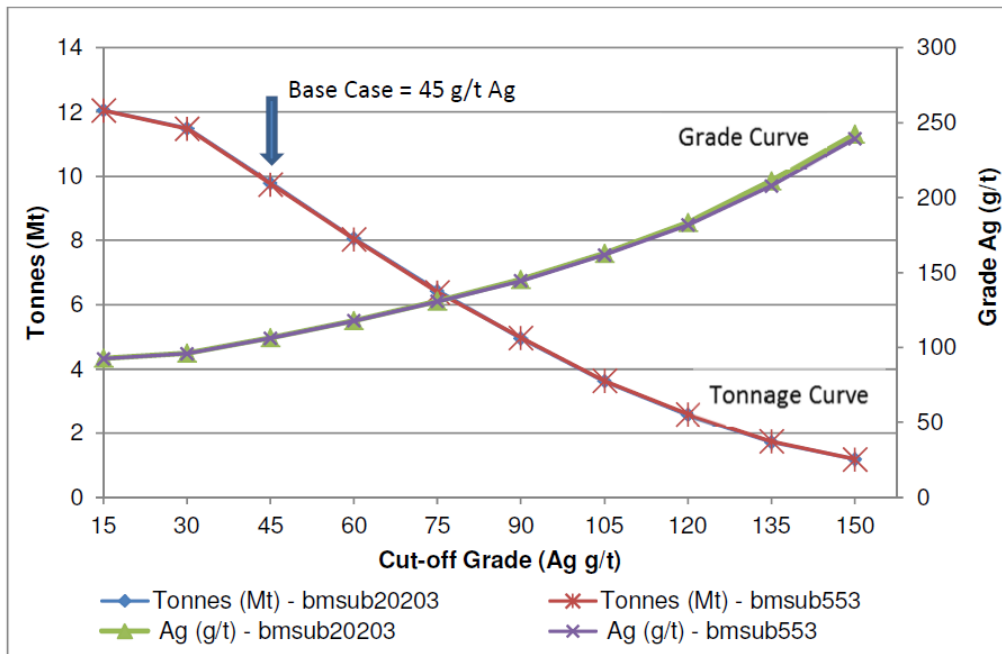
Note: Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the estimated Mineral Resources will be converted into Mineral Reserves. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The Mineral Resource was estimated by Dr. A. Fowler, MAusIMM, CP (Geo), Independent Qualified Person under NI 43-101. Data was verified by Mr. Michael Collins, P.Geo., Independent Qualified Person under NI 43-101, of Mining Plus Consultants. The Mineral Resource was estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the Standards Committee on Reserve Definitions and adopted by the CIM Council on May 10, 2014. The Mineral Resource is sub-horizontal, outcropping or close to surface, and is therefore expected to be mineable by open pit methods with a low strip ratio. It has reasonable prospects of economic extraction at a cut-off grade of 45 g/t silver. The cut-off grade of 45 g/t silver was estimated using a silver price of \$17.50 per ounce. Drilling results as of 7 October 2016 are included. The numbers may not add due to rounding.

Mining Plus is a mining engineering consultancy, established in 2006, consisting of skilled experts specializing in mining engineering, geoscience, and mining operation management. The resource estimate is based on the results from diamond drilling up to and including drill hole SA-16-059 for a total of 7,432 metres. The “Effective Date” for the Inferred Resource Estimate is October 25, 2016.

Two discrete domain types were modelled; D1 – disseminated silver mineralization in a horizontal rhyolite crystal tuff, and D2 – disseminated and stockwork veinlet hosted silver mineralization crosscutting the horizontal tuff horizon. D1 is of average grade material and includes a top capping of values at 225 g/t Ag. D2 is of higher grade material and includes a top capping of values at 1,500 g/t Ag.

The block model was run at different block sizes of 5x5x3 metres and at 20x20x3 metres. Sub-blocking was used to model the D2 high grade domain. Grades were assigned to the blocks by the Ordinary Kriging (OK) method, which correlated well with the Inverse Distance Squared (ID²) method. Bulk Density values were assigned by the ID² method.

The following graph illustrates the “Grade – Tonnage Curves.” The large block size 20x20x3 metres and the small block size 5x5x3 metres are nearly identical.



A detailed, National Instrument 43-101-compliant “Technical Report” on the Boleras Silver Deposit's resource estimate will be filed on SEDAR within the next 45 days.

Silver mineralization is hosted in a rhyolite volcanic dome. An altered and highly permeable crystal lithic tuff unit contains disseminations of silver bearing minerals and domains with broadly spaced stockwork veinlets. The current working model has a porphyritic rhyolite unit, with andesite sills, as an impermeable cap, which may have focused mineralizing fluids into the host permeable volcanoclastic unit.

The drill programs were managed by Orex which 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 Bureau Veritas. Silver was determined by fire assay with a gravimetric finish. Multi-element analyses are also determined using a 4-acid digestion and ICP-MS (Inductively Coupled Plasma Mass Spectrometry).

The technical disclosures contained in this news release replicates the technical information released by Orex on October 31, 2016, and have been approved by Ben Whiting, P.Geo. and Dale Brittliffe, P.Geo., each being "Qualified Persons" as defined in NI 43-101 on behalf of Orex. Michael Collins, P.Geo., and Dr. Andrew Fowler, full time Mining Plus Consulting employees, have consented to applicable disclosure contained herein regarding the Mineral Resource estimate and Mr. Collins and Dr. Fowler are “Independent Qualified Persons”, within the meaning of NI 43-101, from Orex Minerals Inc., Canasil Resources Inc. and their subsidiary companies. J. Blackwell (P. Geo.), a technical advisor to Canasil and a Qualified Person as defined by National Instrument 43-101, has reviewed the technical information on behalf of 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 Sandra-Escobar project area covers over 6,333 hectares of mineral concessions with multiple mineralized epithermal veins and breccia structures. These veins and structures form a high level silver-gold-base metals system, hosted in andesitic and rhyolitic rocks, and are centered on a large rhyolite dome complex in the north with silver-dominant systems around smaller rhyolite dome complexes to the southeast. 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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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.