



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

Tel: 604-708 3788
Fax: 604-708 3728
Email: admin@canasil.com

NEWS RELEASE
January 12, 2021

TSX-V: CLZ
www.canasil.com

Canasil Resumes Drilling at the La Esperanza Silver-Gold Project in Durango and Zacatecas States, Mexico

Vancouver, January 12, 2021 - Canasil Resources Inc. (TSX-V: CLZ, DB Frankfurt: 3CC, “Canasil” or the “Company”) announces that drilling has resumed after the year-end holidays at the La Esperanza silver-gold-zinc-lead project in southern Durango and northern Zacatecas States, Mexico. The first drill hole of the planned program, ES-20-22, was completed prior to the year-end on the SE strike extension of the La Esperanza vein to a depth of 171.60 metres and assay results are pending. The second drill hole, ES-21-23, is now in progress. Past drilling on the La Esperanza vein, located in the southeast of the project area, has returned excellent results, identifying high-grade mineralized zones open along strike in both directions to the NW and SE, and to depth. The current drill program is focused on testing extensions of these zones along strike and to depth, and is designed to expand the mineralized envelope delineated to date. The project is exceptionally well located in a region with world-class silver-gold mines and deposits and presents the opportunity for discovery of a significant high-grade silver-gold-zinc-lead epithermal vein deposit.

The La Esperanza vein outcrops for 150 metres and has seen past artisanal mining to a depth of 100 metres below the vein outcrop. Airborne geophysics and the surface alteration signature indicate that the buried vein structure may extend up to five kilometres along a NW-SE strike. The vein textures and symmetry of the vein observed in past drill intercepts suggest a well-developed epithermal environment hosting high-grade gold, silver, zinc and lead mineralization. Drilling to date has delineated the La Esperanza vein mineralized envelope over a strike distance of 425 metres and to a depth of 350 metres. The planned drill program is designed to expand this envelope in both directions along strike from and below prior drill holes, with details previously announced in the Company’s news release dated December 15, 2020, and available on the Company’s website at www.canasil.com/properties/mexico_properties/la_esperanza.

About La Esperanza Silver-Gold-Zinc-Lead Project, Durango and Zacatecas States, Mexico:

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, Mexico. 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 Industrias Peñoles, the La Colorada mine of Pan American Silver Corp., Fresnillo PLC’s Fresnillo mine, and the Fresnillo-MAG Silver Corp. Juanicipio 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. There are five principal vein outcrops identified within the project area, several with evidence of past artisanal mine workings. The main La Esperanza vein, located in the southeast of the project area and the main focus of exploration to date, 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.

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.

Particular care and attention is being paid during all operations to ensure the safety of local communities and the Company's and contractors' personnel working on site.

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

For further information please contact:

Bahman Yamini
President and C.E.O.
Canasil Resources Inc.
Tel: (604) 709-0109
www.canasil.com

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 news 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.