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NEWS RELEASE

March 17, 2021

[TSX-V: CLZ](https://www.canasil.com)
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**Canasil Initial 2020-21 Drill Holes Extend the La Esperanza Mineralized Envelope
Along Strike and to Depth**

Vancouver, March 17, 2021 - Canasil Resources Inc. ([TSX-V: CLZ](https://www.canasil.com), DB Frankfurt: 3CC, “Canasil”, the “Company”) provides an update on the 2020-21 drill program at the La Esperanza silver-gold project in Durango and Zacatecas States, Mexico. Drill holes ES-20-22, ES-21-23 and ES-21-24 on the southeast extension of the La Esperanza vein have been completed to downhole depths of 171 m, 406 m and 422 m respectively, and drill hole ES-21-25 on the northwest extension is currently in progress. The first three drill holes have all intersected the La Esperanza vein as projected, with the intercept points shown on the long sections below.

The objective of the initial 2020-2021 drill holes on the southeast side of the mineralized envelope was to extend the vein zone on a blind step-out along strike in ES-20-22, and step-outs to depth in ES-21-23 and ES-21-24. **ES-20-22** cut the La Esperanza vein and extended the mineralized envelope by 100 metres (m) to the southeast on a blind section which had not been tested to date. **ES-21-23** extended the mineralized envelope by 50 m to depth, and **ES-21-24** cut the La Esperanza vein with a further 50 m extension to depth, increasing the overall depth extent by 100 m. All three drill holes also cut bands of alteration confirming a strong mineralizing environment associated with the La Esperanza vein. Assay results for these drill holes will be announced when they are received and reviewed.

The vein intercepts in these drill holes confirmed that the La Esperanza vein can be located along strike and to depth as projected. The drill defined mineralized envelope, below the 150-metre strike length surface outcrop of the vein, has now been extended from 425 m to 525 m along strike (+23.5%). The southeast depth extent has increased from 250 m to 350 m (+40%), resulting in an overall increase of the mineralized envelope by 73%. The results from these drill holes are encouraging for continued drilling to further expand the known mineralized envelope of the La Esperanza vein.

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, Fresnillo PLC’s Fresnillo mine, and Fresnillo-MAG Silver joint venture’s 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. 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 525 m and to a depth of 350 m depth, defined by mineralized intercepts over appreciable widths with high silver-gold-zinc-lead grades, that is open in both directions to the northwest and southeast along strike and to depth. 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 Robert Brown (P. Eng.), a Qualified Person as defined by National Instrument 43-101. Mr. Brown 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.

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La Esperanza Vein Long Sections With Drill Hole Intercept Locations and Grade x Width Values

