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NEWS RELEASE

May 18, 2021

TSX-V: CLZ

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**Canasil Closes \$790,000 Oversubscribed Non-Brokered Private Placement
To Fund Drill Programs on Mexican Silver-Gold Projects**

Vancouver, May 18, 2021 - Canasil Resources Inc. (TSX-V: CLZ, DB Frankfurt: 3CC, “Canasil” or the “Company”) announces closing of a non-brokered private placement (the “Placement”) of 7,900,000 units (the Units”) at a price of \$0.10 per Unit for total gross proceeds \$790,000, effective May 17, 2021. The Placement was initially announced for \$500,000 and subsequently increased to \$750,000 through news releases on April 27 and May 11, 2021. The closing of the Placement is subject to final acceptance by the TSX Venture Exchange. The securities issuable in connection with the Placement are subject to a hold period expiring four months and one day after the date of issuance. A finder’s fee of 6% for \$5,700 is payable on part of the proceeds of the Placement. The proceeds will be used to fund continued drill programs on the Company’s silver-gold exploration projects in Durango and Zacatecas States, Mexico, and for working capital.

Each Unit will consist of one common share of the Company and one half of one non-transferable share purchase warrant. Each whole warrant (a “Warrant”) will be exercisable to purchase one additional common share of the Company at a price of \$0.15 during the first year, increasing to \$0.20 in year two following the closing of the offering. If, commencing after the fourth month after closing, the closing price of the Company’s shares exceeds \$0.25 per share for a period of 20 consecutive trading days (the “Acceleration Trigger Date”), the Company will have the right to accelerate the expiry date of the Warrants to 30 days after the Acceleration Trigger Date by the issuance of a news release announcing such acceleration within three trading days of the Acceleration Trigger Date.

In accordance with the Company’s Stock Option Plan, the Company has granted 1,900,000 incentive stock options to Directors, Officers, Consultants and Employees. The options are exercisable at a price of \$0.15 and valid for five years from the date of grant. The options are being granted as part of the Company’s annual review of outstanding stock options under its Stock Option Plan.

About Canasil:

Canasil is a Canadian mineral exploration company with a strong portfolio of 100% owned 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. 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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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 does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.