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NEWS RELEASE

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TSX-V: CLZ

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**Canasil Closes \$340,000 First Tranche of Non-brokered Private Placement
And Prepares to Mobilize For Drilling Mexican High-Grade Silver-Gold Projects**

Vancouver, March 05, 2020 - Canasil Resources Inc. (**TSX-V: CLZ, DB Frankfurt: 3CC**, "Canasil" or the "Company") announces closing of the first tranche of 4,250,000 units for \$340,000 (the "First Tranche") of the non-brokered private placement (the "Placement") of up to 5,000,000 units (the Units") at a price of \$0.08 per Unit for total gross proceeds of up to \$400,000 announced on February 19, 2020. The proceeds will be used to fund drill programs on the Company's high-grade silver-gold projects in Mexico and the Company is preparing to mobilize a drill on site to start the drill program. The closing of the Placement is subject to final acceptance by the TSX Venture Exchange. The securities issuable in connection with the First Tranche are subject to a hold period expiring four months and one day after date of issuance.

Each Unit will consist of one common share of the Company and one non-transferable share purchase warrant. Each warrant (a "Warrant") will entitle the purchase of one common share of the Company at a price of \$0.12 within two years of closing. 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.

The proceeds of the Placement will be used entirely to fund drill programs on the Company's high-grade silver-gold exploration projects in Mexico. The Placement is expected to close by March 31, 2020.

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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