

VANCOUVER, Nov. 7, 2016 /CNW/ - [Canasil Resources Inc.](#) (TSX-V: CLZ, DB Frankfurt: 3CC, "Canasil" or the "Company") is pleased to announce that [Orex Minerals Inc.](#) (TSX-V: REX, "Orex") has commenced a new round of diamond drilling on the Sandra-Escobar Silver Project in northern Durango State, Mexico. This Phase-IV drilling program will utilize two drill rigs and consist of approximately 4,000 metres in 10 to 15 drill holes. The project is being advanced by Orex under an option agreement with Canasil announced on September 15, 2015.

To date, Orex has drilled 8,372 metres in 62 diamond drill holes in the southeastern region of the project. The first 59 holes formed the basis for an initial Resource Estimate on the "Boleras Silver Deposit". At a "Base Case" of 45 g/t Ag cut-off, the Inferred Resource Estimate* yielded 9.8 million tonnes grading 106 g/t Ag for a total of 33.3 million ounces of silver (See Canasil news release of 31 October, 2016).

Canasil President, Bahman Yamini commented, "We are pleased to see the start of a significant Phase-IV drill program at the Sandra-Escobar project with two drill rigs in operation. We look forward to the results from this next exploratory phase of core drilling, which is planned to include drilling adjacent to the current Boleras Silver Deposit, as well as several deeper reconnaissance drill holes."

Assay results are now available for the final two reconnaissance holes from the Phase-III drill program. Hole SA-16-061 is located along Puma Ridge, 300 metres southeast of the Burro Zone and 250 metres southwest of the Main Zone. SA-16-061 yielded 14.52 metres core length (10.89 metres true thickness) from surface, grading 55 g/t Ag, including 4.0 metres core length (3.0 metres true thickness) grading 111 g/t Ag. More drilling is warranted in the Puma Ridge Zone.

Sandra-Escobar Project – 2015-2016 Diamond Drilling Program – Holes 61 to 62					
Hole	From (m)	To (m)	Core Length (m)	True Thick. (m)	Ag (g/t)
PUMA RIDGE ZONE					
SA-16-061	2.48	17.00	14.52	10.89	55
Includes	8.00	16.00	8.00	6.00	72
Includes	8.00	12.00	4.00	3.00	111
Includes	9.00	11.00	2.00	1.50	157
RECONAISSANCE DRILLING – (No Zone Assigned)					
SA-16-062	No Significant Intercepts				

True thicknesses are estimated based on structural and stratigraphic interpretations. An updated drill-hole location map is available on the Canasil website.

* Note: Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. The Mineral Resource was estimated by Mining Plus Consultants with an Effective Date of October 25, 2016.

Silver mineralization is hosted in a rhyolite volcanic dome. In this area an altered and highly permeable crystal lithic tuff unit contains disseminations of silver bearing minerals 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 program is being managed by Orex and the above results were prepared by and provided by Orex. Orex maintains a QA/QC sampling protocol for the diamond drilling program, including the insertion of commercial analytical standards and blank samples. Analytical testing has been performed by SGS Minerals Services and Bureau Veritas. Silver values are 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 information in this news release is based on data supplied by Orex. The technical information herein has been reviewed and approved by J. Blackwell (P. Geo.), a Qualified Person as defined by National Instrument 43-101. Mr. Blackwell is a technical advisor to 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, centered on a large rhyolite dome complex in the north with silver-dominant systems around smaller rhyolite dome complexes to the southeast, all within a large caldera complex. Intense alteration zones and fluid flooding in permeable formations indicates the presence of bulk tonnage targets. 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.

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 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.

SOURCE [Canasil Resources Inc.](#)

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