

VANCOUVER, May 26, 2017 /CNW/ - [Castle Silver Resources Inc.](#) (TSX.V: CSR, OTC: TAKRF, FRANKFURT: 4T9B) (the "Company" or "CSR") has closed the second tranche of an over-subscribed private placement and is pleased to provide an update on developments at its 100%-owned Castle Silver-Cobalt mine in Gowganda, Ontario:

- Additional equipment and personnel have been mobilized to the mine site in preparation for a fully funded Phase 1 underground drilling and sampling program from the first level, commencing shortly;
- A high-grade cobalt vein structure featuring black sulphides and cobalt "bloom" has been identified on the first level and is the initial target of upcoming extraction that will utilize the company's Re-2OX process to produce value added high-purity cobalt powder test samples for end users in the battery sector;
- A 3D underground model is being produced using extensive historical data from all levels that includes silver assays and many references of visible cobalt (no drill holes were assayed for cobalt). As an example of Castle's exceedingly high silver values, 12 historical drill holes on the first level feature weighted average grades of 100 oz/ton silver (3,428 g/tonne) or better over 1-foot intervals (9 holes with one such interval each, two holes with two such intervals, and one hole with 3 such intervals).

Frank Basa, CSR President and CEO, commented: "Given a treasure chest of historical data, and visual analysis of the entire first level which requires just minor rehabilitation, we are very confident in our ability to target high-grade cobalt and silver mineralization in vein structures that were either overlooked or left untouched by Agnico Eagle in the 1980's. Their focus, along with previous operators going back to the early 1900's, was only on silver and at exceptionally high grades."

Castle Mine Features 11 Levels

Historical data features silver assays for hundreds of drill holes in addition to locations of drifts and certain stopes throughout the 11 levels of the Castle mine. The total footprint of the underground workings extends as much as 2,400 feet (727 meters) east-west, 1,500 feet (455 meters) north-south, and 850 feet (258 meters) to depth.

Considerable exploration potential exists outside of the mined area at the property and the Company eagerly anticipates results from a recently completed IP program designed to expand drill targets.

The mine site includes easy year-round road access, buildings, core shack, water and power, with the community of Gowganda just a few kilometers away.

CSR Closes Second Tranche, Increases Financing to \$1.2 Million

CSR has closed a second tranche of \$466,500 in its recently announced private placement, bringing total gross proceeds to \$966,500. Due to investor demand, CSR has increased this over-subscribed financing to \$1.2 million.

The Company will be issuing 2,332,500 units in the second tranche closing. Each unit comprises one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.30 per share for a period of two years from closing, subject to TSX Venture Exchange ("Exchange") approval.

All securities issued in connection with the private placement are subject to a four-month and a day hold period expiring on September 27, 2017, in accordance with applicable Securities Laws.

Qualified Person

The technical information in this news release was prepared under the supervision of Frank J. Basa, P.Eng., Castle's President and CEO who is a member of Professional Engineers Ontario and a qualified person in accordance with National Instrument 43-101.

About Castle Silver Resources Inc.

[Castle Silver Resources Inc.](#) (formerly Takara Resources Inc.) is a TSX Venture-listed junior natural resource company focusing on the exploration and development of former silver and cobalt mine properties in northern Ontario including the Castle Silver-Cobalt mine near Gowganda and the Beaver and Violet mines near Cobalt. Additional information on the Company's properties is available by visiting its website at www.CastleSilverResources.com.

"Frank J. Basa"

Frank J. Basa, P. Eng.

President and Chief Executive Officer

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore, involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.

SOURCE [Granada Gold Mine Inc.](#)

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