

Gold-Silver-Copper-Zinc Exploration in Mexico and British Columbia, Canada

Corporate Presentation

January 2011

“Forward-looking Statements”

This presentation contains certain statements that may be deemed “forward-looking statements”. All statements in this presentation, other than statements of historical fact, that address events or developments that the Company expects to occur, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, Investors are cautioned that such statements are not guarantees of future performance. Forward-looking statements are based on the beliefs, estimates and opinions of the Company’s management on the date the statements are made.

Corporate overview and objectives:

- ***Exploration company focused on enhancing mineral asset and shareholder value***
- ***Exploring for gold, silver, copper and zinc***
- ***Operating in Mexico and B.C., stable mineral-rich environments with excellent infrastructure***
- ***Multiple projects and targets, multiple chances for discovery and success***
- ***Upside potential for share value based on discovery***
- ***Strong capital structure and low dilution to ensure maximum leverage on share value from value created on projects***

Corporate strengths for building share value:

- ***Strong shareholder focused management team***
- ***Extensive 100% owned project portfolio in Mexico and British Columbia, Canada***
- ***Relatively low issued shares***
- ***Cooperation agreements with leading industry partners: MAG Silver and Pan American Silver***
- ***6 drill ready projects – 5 in Mexico and 1 in B.C.***
- ***Significant committed expenditures by our partners and by Canasil in 2011***

- Well recognized Management Team
- Extensive exploration experience
- Successful track record of discoveries
- Experience in taking projects through to production

Management team:

Alvin Jackson (Brazilian Gold Corp., Eurozinc Mining, Amoco/Cyprus)

Michael McInnis (Riverstone Res., Abacus Minerals)

Gary Nordin (Nevada Pacific Gold, Eldorado Gold, Bema Gold)

Arthur Freeze (Orko Silver, Goldcorp)

Bahman Yamini, Pres. & CEO,

Kerry Spong, CFO & VP Finance

Graham Scott, Corp. Sec. & Legal Counsel (Vector Corp. Fin. Lawyers)

Erme Enriquez, Director Exploration & Development, Mexico

Advisors:

Andre Panteleyev, PH.D. (Consulting geologist)

Iain MacPhail, (CFO Far West Mining)

Share and Capital Structure

Low dilution: High potential upside value

Shares issued:	58,579,592
Warrants (\$0.15 - \$0.45 May – Dec. 2011):	6,583,500
Options (\$0.10 - \$0.50: 2011 - 2015):	4,673,750

Fully diluted:	69,836,842

Capital raised to date:	\$14,943,743
Average price per issued share:	\$ 0.26
Working Capital:	\$ 1.7 million
Additional capital on full dilution:	\$ 3.5 million
52 Week Share Price Range:	\$0.06 - \$0.38
Current Share price:	\$0.38
Market Capitalisation:	\$ 22 Million
3 Month Average Share Trading Volume:	130,787

(Jan. 2011)

**10 Exploration
Projects in
Mexico:**

**70,000 hectares
Combined land
position**

**Located on known
mineralized trends
close to Durango**

**Prospective for
Gold, Silver,
Copper & Zinc**

**High discovery
potential**



Focused Mexico Project Portfolio with Full-time local team:

- Operating subsidiary with experienced local operations team in Durango
- Full time geological and support staff,



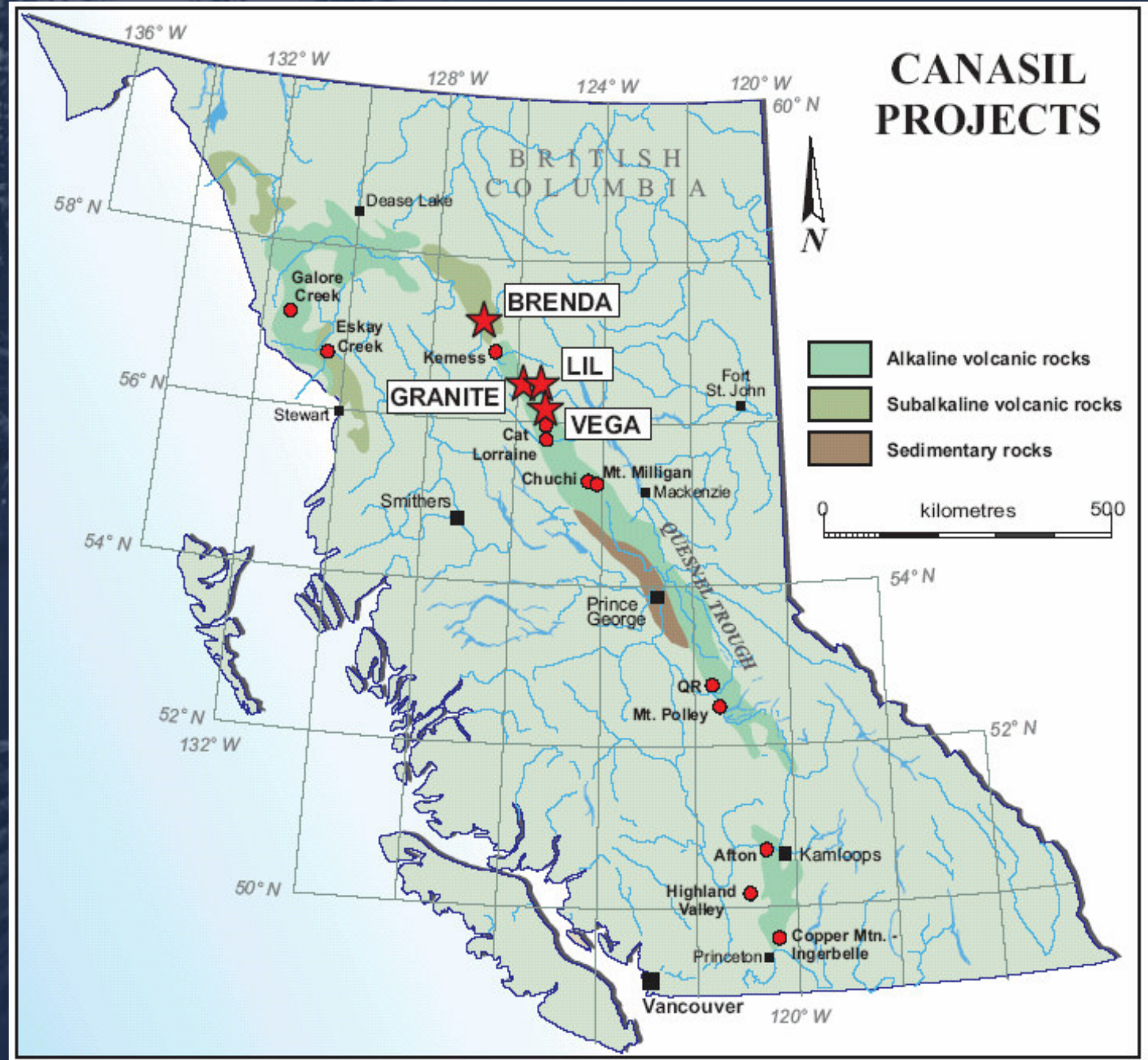
- Focused & cost-effective acquisition program; most projects 100% owned
- Projects located close to current or past producing mines
- Excellent road access & infrastructure
- Efficient implementation of exploration programs

4 Exploration projects in B.C., Canada:

Over 12,000 hectares located on one of the largest mineralized belts In Canada

Located near major producing mines and deposits

Potential for discovery of a multi-million ounce gold-copper deposit



5 Drill ready Gold-Silver Exploration Projects in Mexico:

1. Sandra & Escobar, Durango, Mexico

**Potential for Large Disseminated Gold-Silver system with high grade epithermal veins
Cooperation agreement with Pan American Silver
Drill targets defined, ready for drill testing**

2. La Esperanza, Durango & Zacatecas, Mexico

**High grade Silver-Zinc-Lead epithermal vein
District scale mineralized system
Option agreement with MAG Silver Corp.
Drill testing, further mapping and sampling**

3. Carina, Durango, Mexico

**Disseminated Silver-Gold mineralized system
Option agreement with Pan American Silver
Geophysics and drill testing**

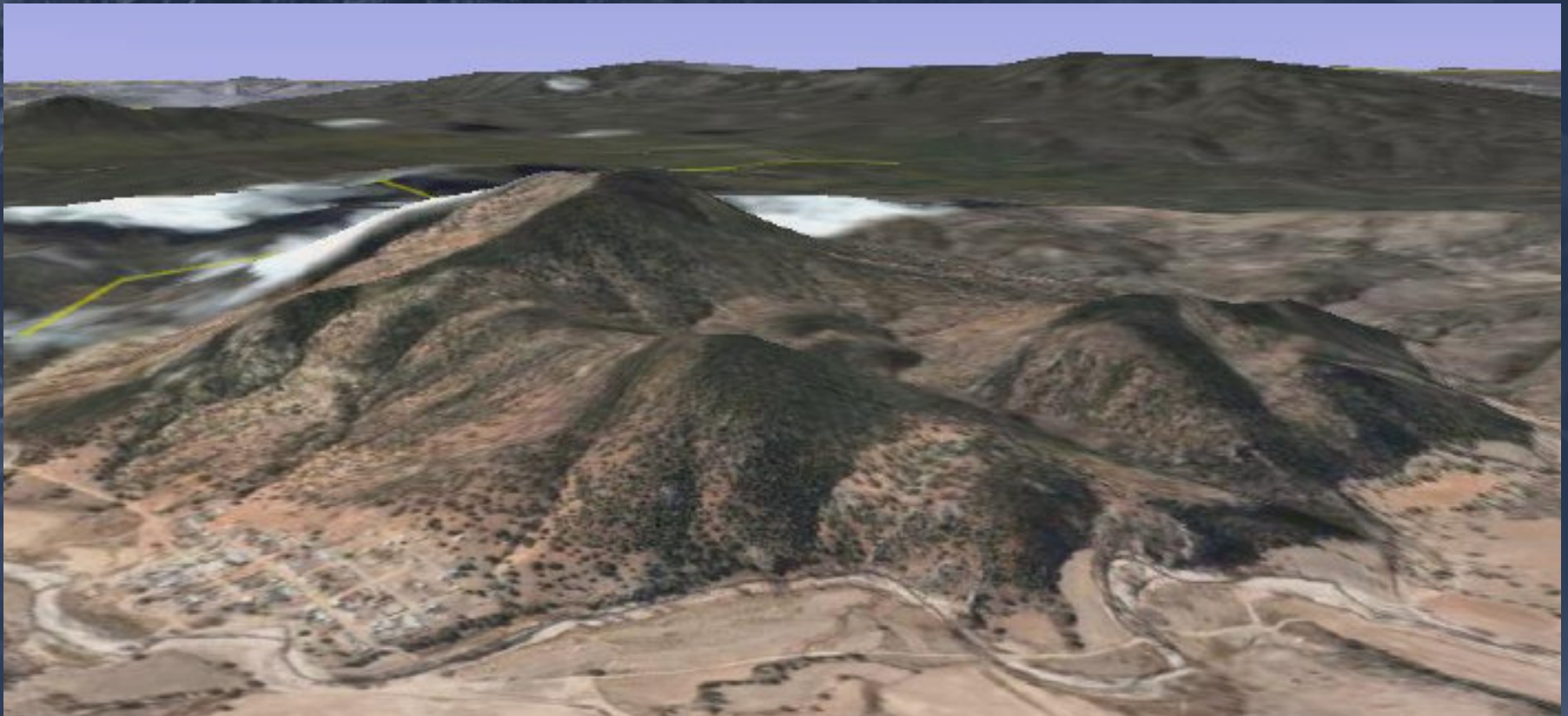
4. Salamandra, Durango, Mexico

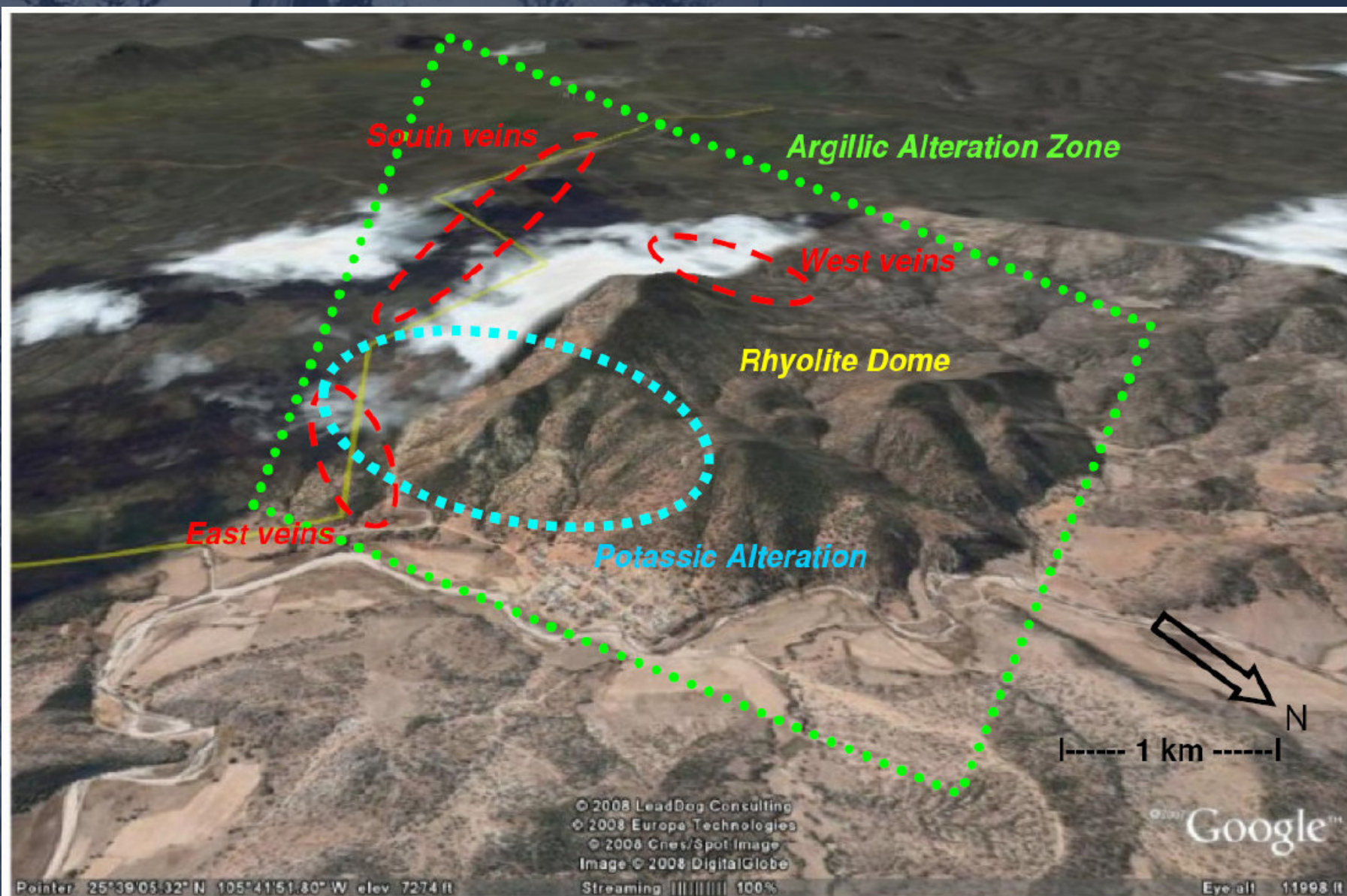
**Large Silver-Zinc mineralized system
Further geophysics and testing of drill targets**

5. Vizcaino, Durango, Mexico

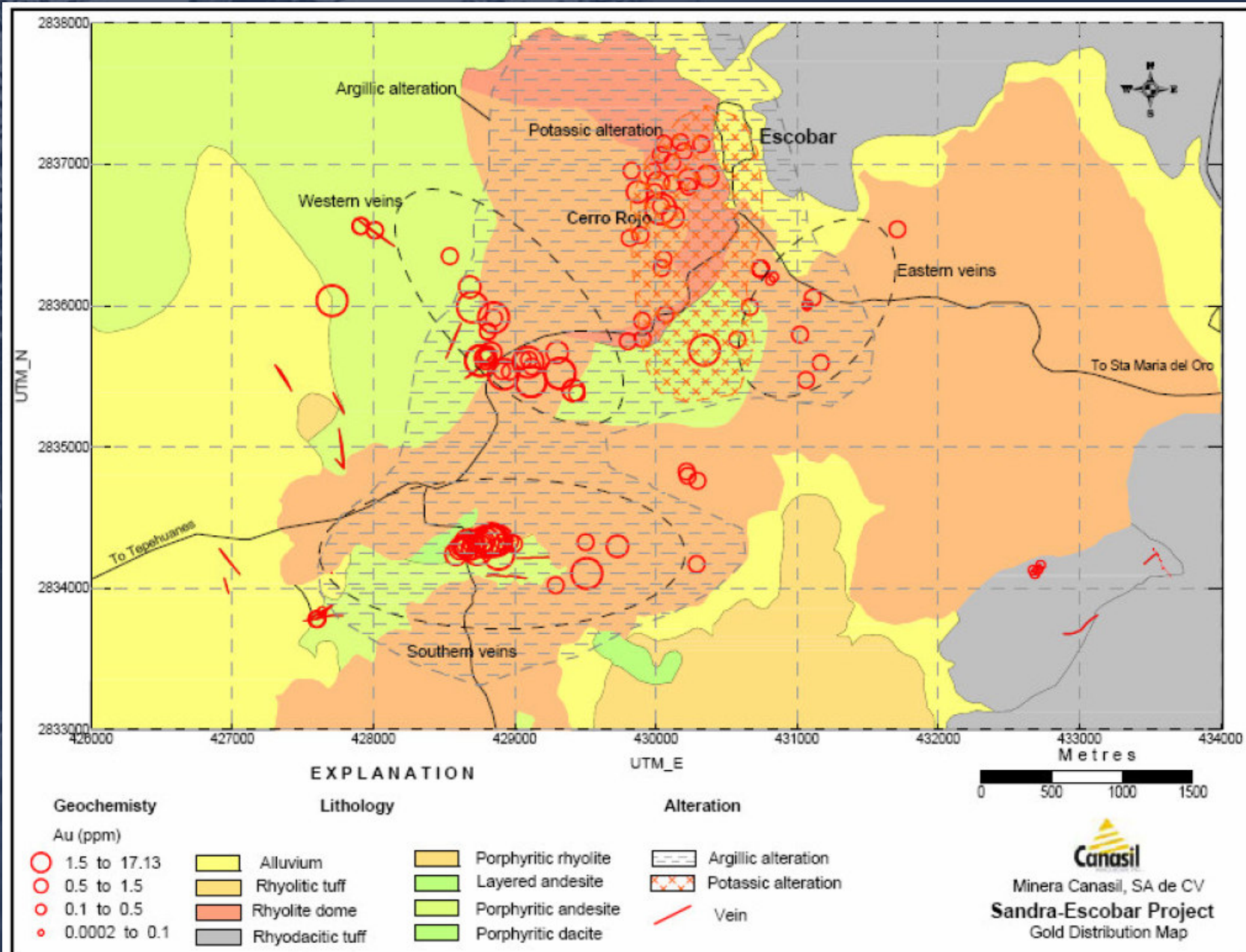
Gold/Silver vein system - drill targets

- *Rhyolite dome complex with argyllic and potassic alteration ringed by high grade veins - samples up to 10 g/t Gold and 1,488 g/t Silver*
- *Physical and geological features of large intrusive hosted disseminated gold/silver systems, similar to other deposits in Durango State*
- *Canasil Sandra Claims 7,500 ha, Pan American Silver Escobar Claims 600 ha*
- *Canasil option to earn 51% in Escobar Claims*
- *Pan American option to back-in to 51% in combined claims and advance project to feasibility & production*

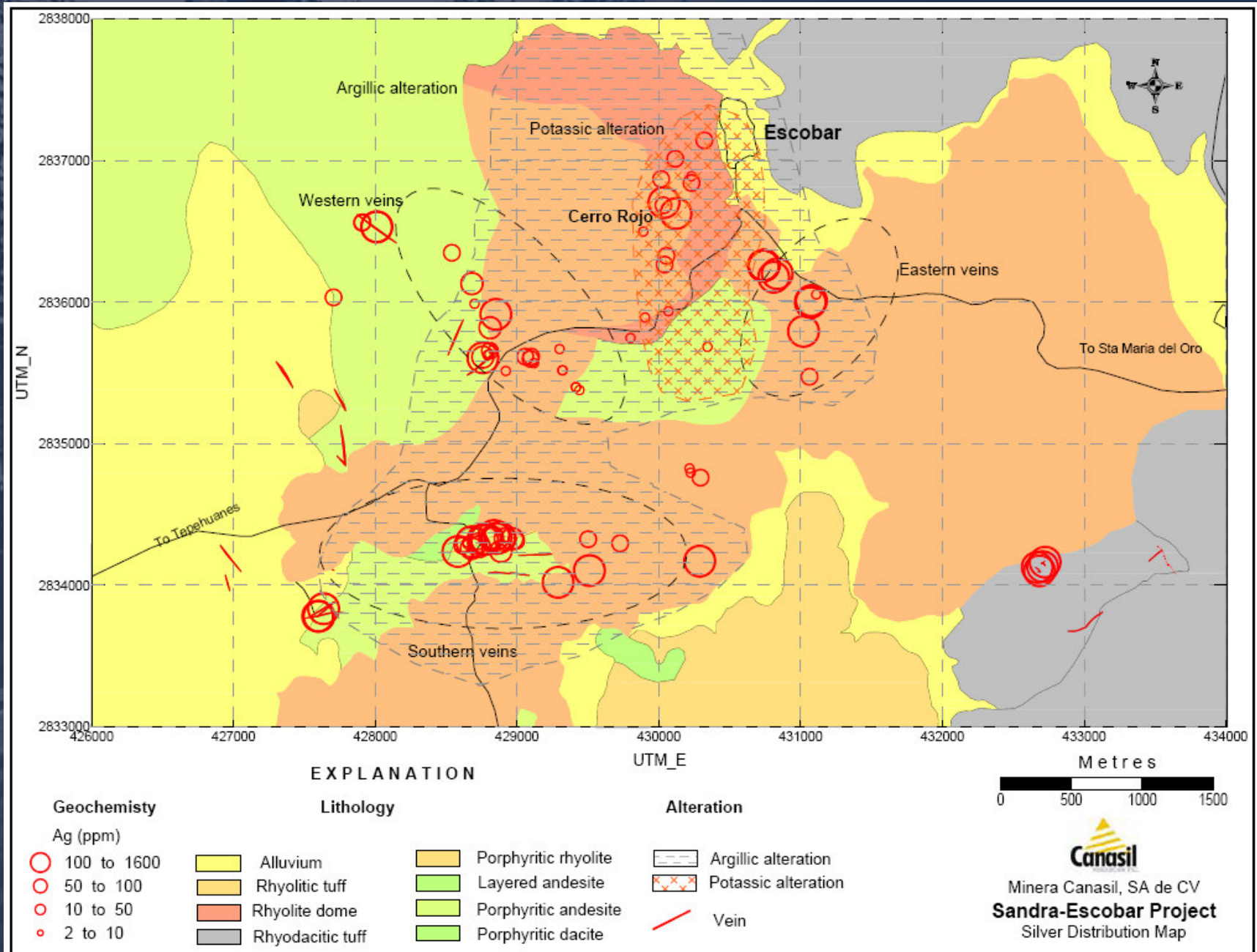


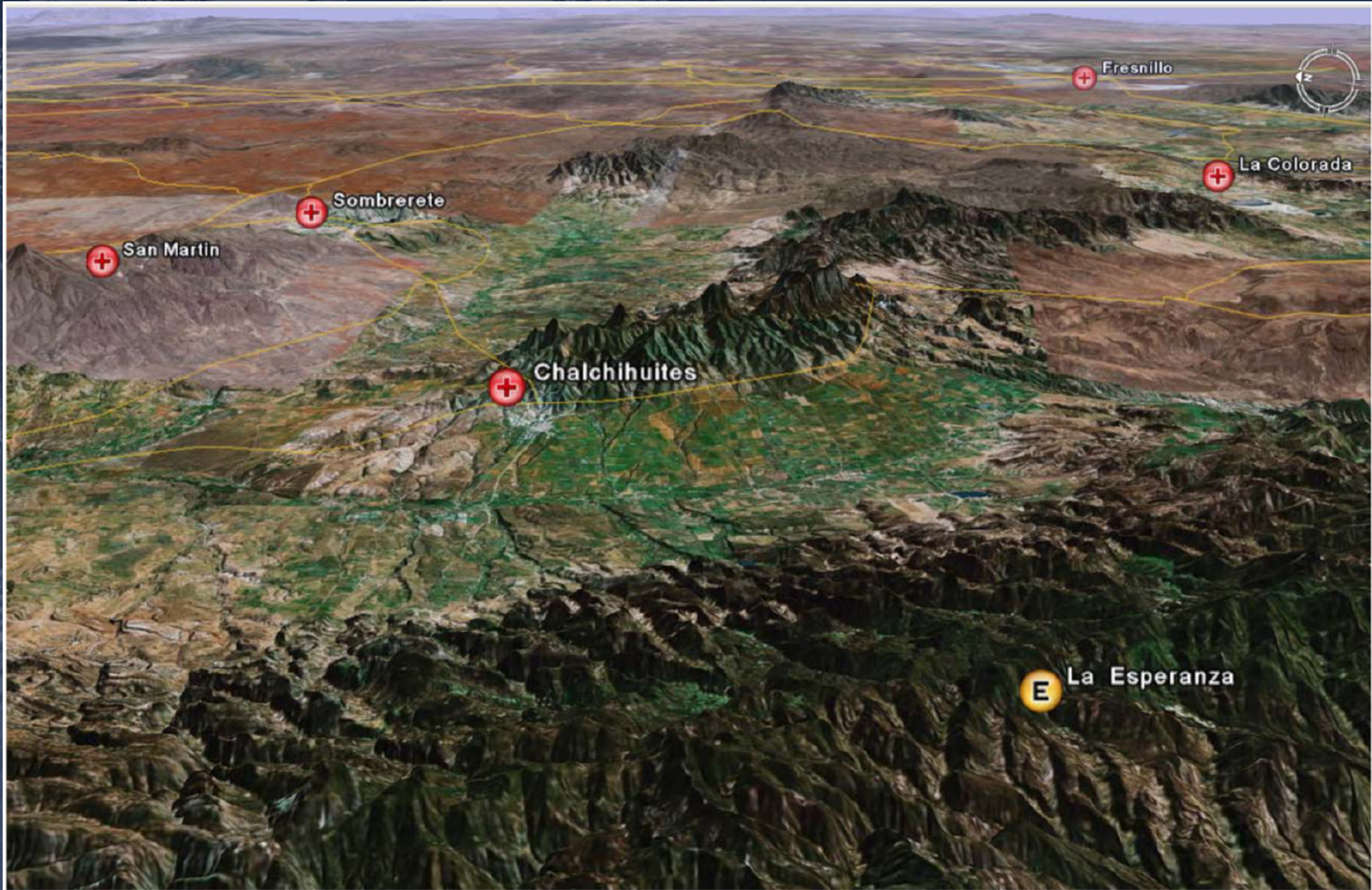


Google Image of Sandra-Escobar Project Area Showing Classic Physical and Geological Features of Large Intrusive Hosted Disseminated Gold-Silver Systems: Rhyolite Dome Complex with Argillic and Potassic Alteration Envelopes Surrounded by Vein Systems on the East, West and South



Sandra-Escobar Project Area Geology with Gold Sample Distribution



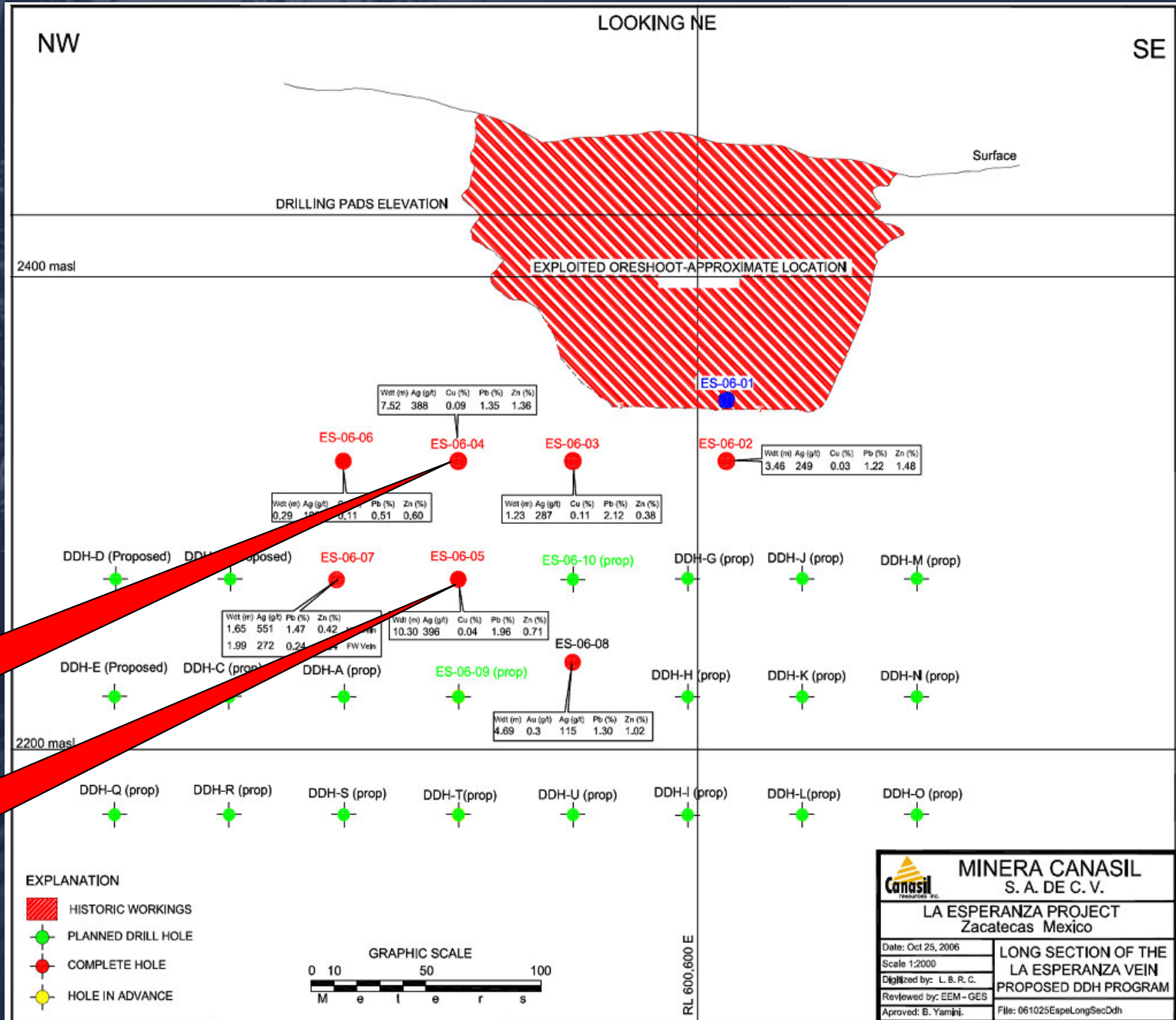


**La Esperanza
Ag-Zn-Pb Vein**

Long section

**Strong silver-zinc-
Lead Vein system,
With wide widths and
High Silver grades**

**Limited drilling
Open along strike
and at depth**

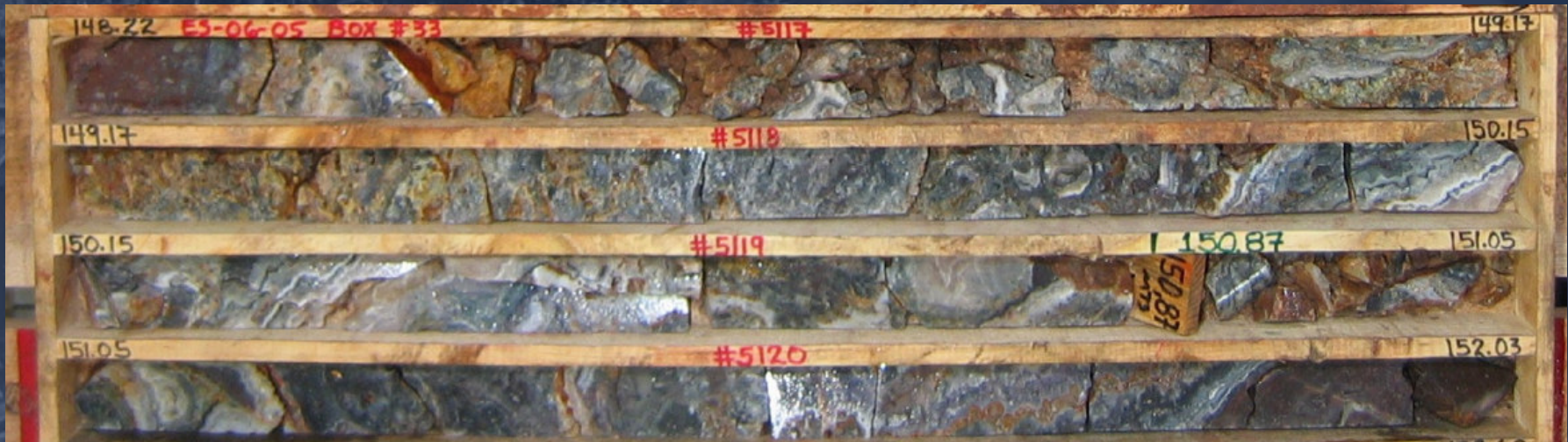


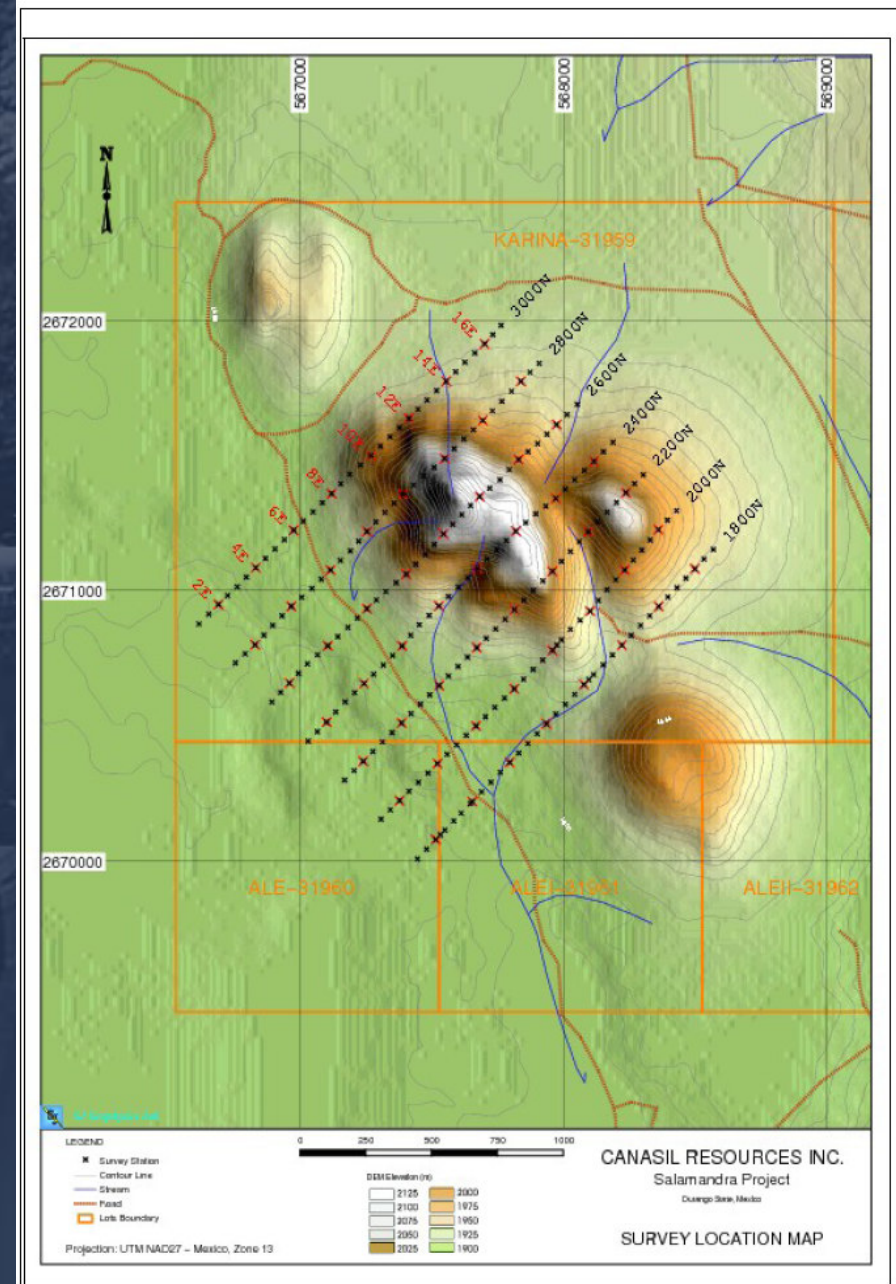
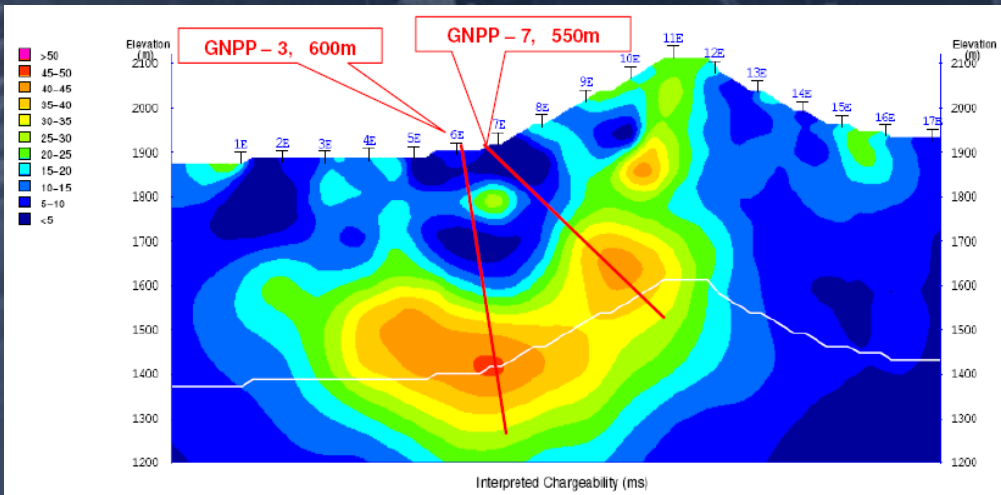
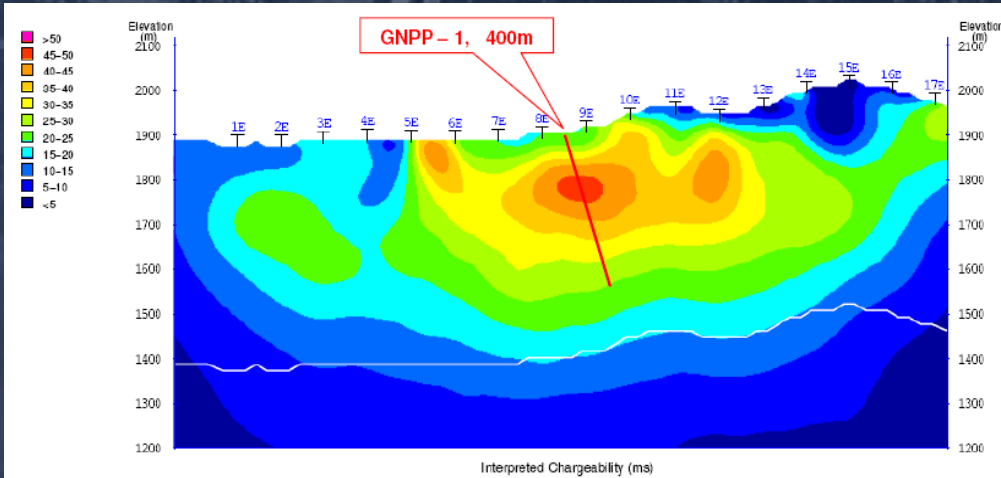
ES-06-04 (-100 m)
7.52 m true width
Av. 388g/t Ag
634g/t Ag over 2.66 m

ES-06-05 (-150 m)
9.8 m true width
Av. 396 g/t Ag
1,360g/t Ag over 1.93 m

La Esperanza drill hole ES-06-05 – Sept. 2006 – high-grade intercepts

Sample No.	Width m	Silver g/t	Zinc %	Lead %
5117: 148.22 – 149.17m	0.95	2,144	0.29	3.20
5118: 149.17 – 150.15m	0.98	600	0.46	3.60
5125: 155.22 – 155.93m	0.71	837	1.66	20.71





Drill Hole	Intercept From – To m	Width m	Silver g/t	Zinc %	Copper %	Lead %
SA-07-02	7.40 – 17.25	9.85	102	0.55	0.02	0.03
SA-07-02	27.65 – 35.10	7.45	50	12.00	0.22	0.06
SA-07-03	195.00 – 205.00	10.00	71	3.48	0.06	1.26
SA-07-04	196.00 – 204.00	8.00	26	1.39	0.08	0.35
SA-07-05	262.00 – 267.66	5.66	19	2.75	0.00	0.03
SA-07-06	3.40 – 15.00	11.60	13	4.05	0.20	0.03
SA-07-08	261.00 – 271.00	10.00	29	3.51	0.04	0.42
SA-07-09	355.10 – 363.30	8.20	4	2.09	0.05	0.01
SA-07-10	230.00 – 234.35	4.35	5	5.51	0.02	0.05
SA-07-11	58.40 – 62.20	3.80	40	1.30	0.12	1.16
SA-07-12	228.50 – 230.90	2.40	10	2.87	0.01	0.09

11 out of 12 drill holes intersected significant zinc-silver mineralized zones

High level Gold vein over 2km strike

www.canasil.com

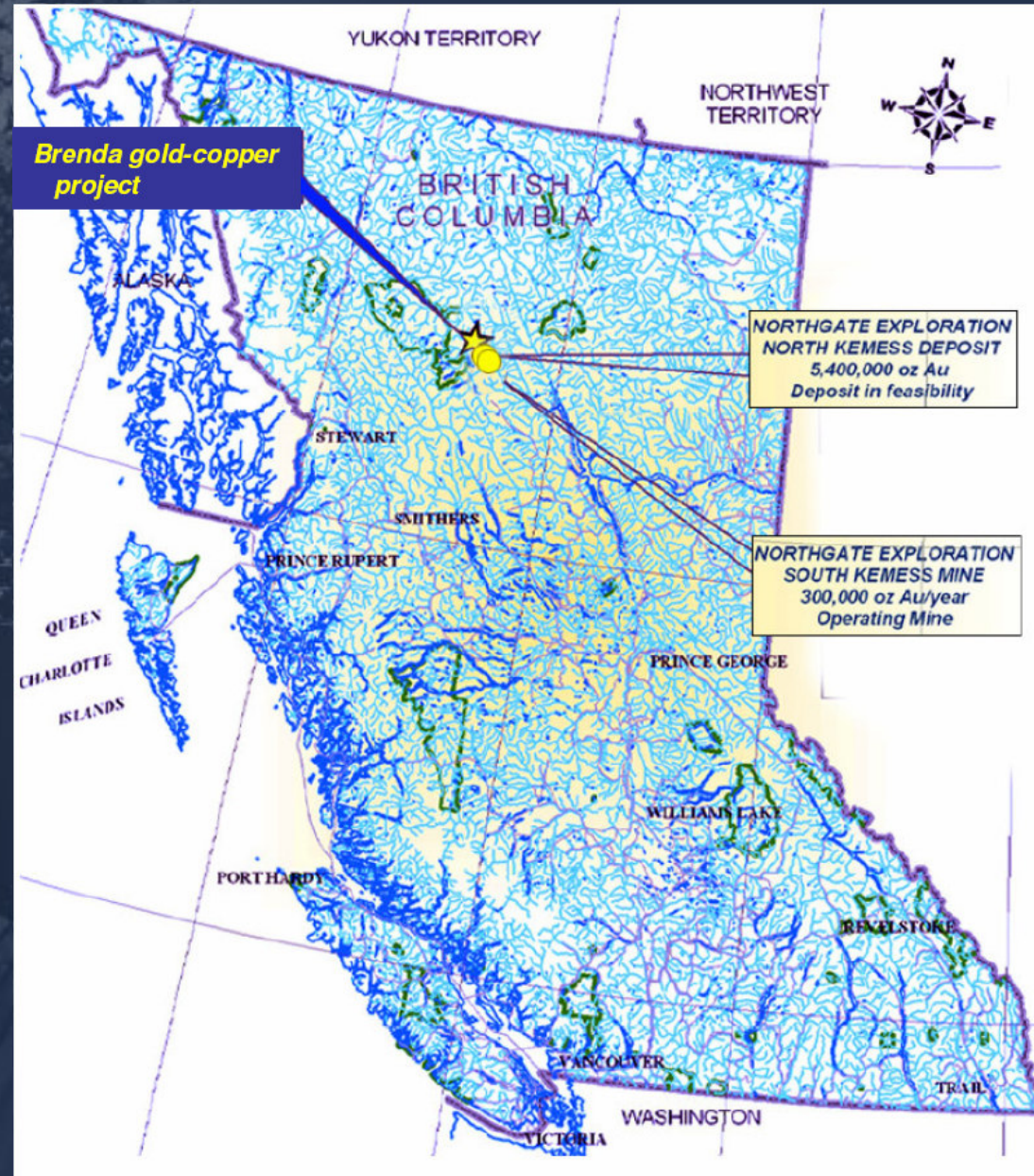
- 3,600ha located 127km N of Durango
- Epithermal quartz vein outcrop on hillside up to 12m in width
- Anomalous gold values
32 to 141 ppb Au in 20 samples
over 1,000m strike distance
- 2,300m to 2,350m elevation



- Vein traced down across fields over strike distance of 2,500m
- 161 to 667 ppb Au in 9 samples over 400m strike distance
- 2,250m elevation
- Increasing gold grades with depth

BRENDA Gold/Copper Project B.C., Canada

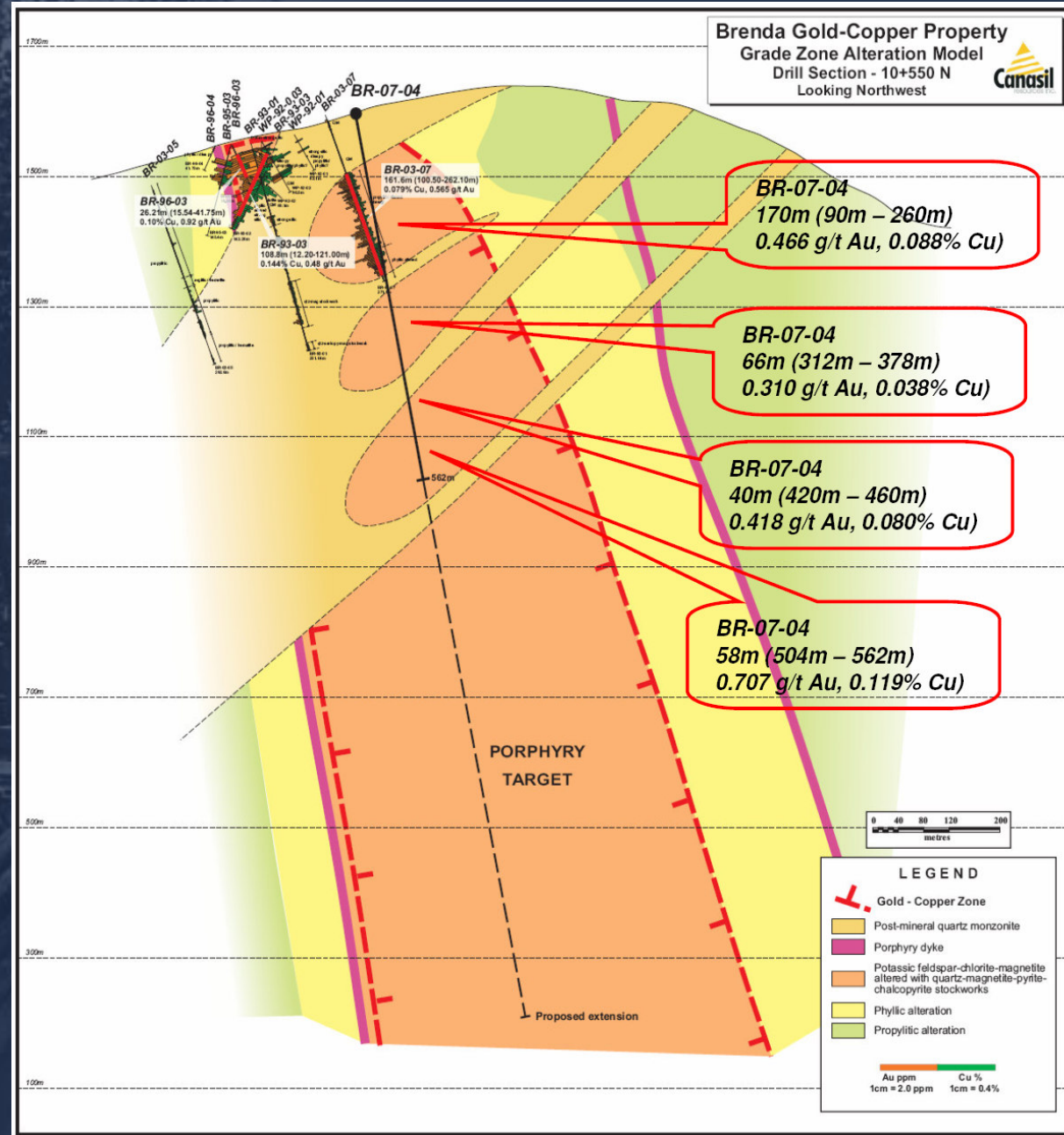
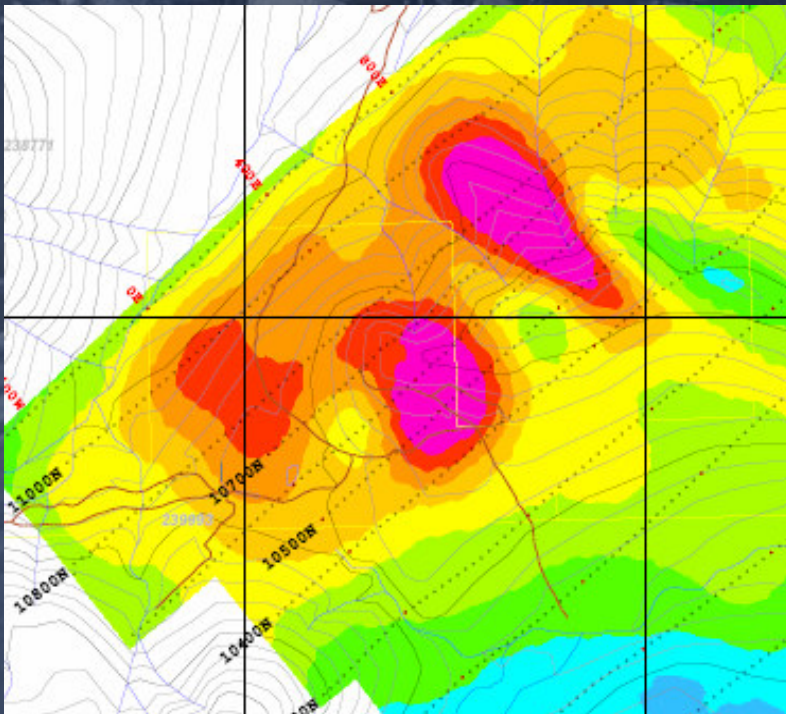
- **Potential for a multi-million ounce gold-copper deposit**
- **25km NW of Northgate Minerals Kemess South mine (+2 mill. oz Gold, 300k oz Au/year)**
- **Excellent access and infrastructure**
- **Past drilling confirmed ore grade porphyry gold-copper mineralization**
- **2007 drilling and geophysics indicates potential for deep porphyry gold-copper system**



Brenda Au-Cu Project

2007 Diamond drill program:
Increasing gold and copper grades with depth

3D-IP Geophysics
Chargeability at -300 metres



**Silver Standard
La Pitarilla**

**Silver Standard
San Agustin**

**Orko/Pan American Silver
La Preciosa**



**MAG Silver
Juanicipio / Fresnillo**

**CanPlats
Camino Rojo**

Key Factors for Growth in Canasil Share Value:

- ***Option and Joint Venture agreement with MAG Silver to advance La Esperanza Silver project***
- ***Option and Joint Venture agreement with Pan American Silver to advance Carina Silver-gold project***
- ***Drill program to test Sandra-Escobar gold/silver project under cooperation agreement with Pan American Silver***
- ***Potential for further Option and JV agreements on other drill ready projects***
- ***Active exploration programs to advance projects funded by JV partners and by Canasil***
- ***Improving economic conditions maintaining high precious and base metal prices***
- ***Improving investment market conditions and investor interest in exploration sector leading to greater funding opportunities for exploration projects***