



Suite 915 – 700 West Pender Street
Vancouver, BC
Canada V6C 1G8

Tel: 604-708 3788

Fax: 604-708 3728

Email: admin@canasil.com

NEWS RELEASE

5 - 2014: March 17, 2014

TSX-V: CLZ
www.canasil.com

MAG Silver Reports High-Grade Silver-Copper-Zinc Intercepts and Mobilizes Second Drill Rig at Canasil's Salamandra project in Durango State, Mexico

SM14-15: 7.89m grading 166 g/t (4.9 opt) Ag and 1.2% Cu

Including: 2.3m grading 393 g/t (11.5 opt) Ag and 3.6% Cu

SM13-13: 31.72m grading 3.5% Zn including 17.72m grading 5.0% Zn

Vancouver, March 17, 2014 - Canasil Resources Inc. (TSX-V: CLZ, DB Frankfurt: 3CC, "Canasil" or the Company) announces that MAG Silver Corp. (TSX:MAG, NYSE MKT:MVG, "MAG") has released assay results from MAG's five hole, 3,500 metre Phase 1 drill program on Canasil's Salamandra Silver-Copper-Zinc-Lead Project in Durango State, Mexico. Drilling began in November, 2013 and in February, 2014, an additional 500 metres of drilling was added; this release covers the entire 3,500 metre initial program.

MAG's exploration program consisted of five widely separated drill holes (see map below) and all five hit high-grade to strongly anomalous silver-copper or zinc mineralization over significant widths (see Table 1). True thickness cannot yet be determined for any of the intercepts. The system remains open in all directions and the drilling program is currently operating with two diamond drill rigs.

Hole SM14-15 hit high-grade silver-copper mineralization over 7.89 metres, which reported 166 grams/tonne ("g/t") (4.9 ounces per ton ("opt")) silver ("Ag") and 1.2% copper ("Cu"), **including: 2.3 metres grading 393 g/t (11.5 opt) Ag and 3.6% Cu** with appreciable lead ("Pb") and zinc ("Zn"). In contrast, **Hole SM13-13** cut 31.72 metres grading 3.5% Zn **including 17.72 metres grading 5.0% Zn** with no other appreciable metals. Notably, SM13-13 contained zinc mineralization for almost its entire length, with 810 metres averaging 0.6% Zn including several thick zones grading over 1.5% Zn. The remaining three holes cut significant or strongly anomalous amounts of Ag, Cu, Zn and Pb.

Bahman Yamini, President and CEO of Canasil, commented: *"We are very pleased to see that MAG's initial drilling continues to confirm high-grade silver-copper-zinc mineralization at Salamandra in a metals-rich, multi-stage system with significant size potential. We are also encouraged by MAG mobilizing a second drill rig to increase the pace of the exploration program at Salamandra and look forward to further results."*

Canasil-MAG Salamandra agreement:

Under the agreement, MAG has a first option to earn 55% interest in Salamandra by incurring C\$5,500,000 exploration expenditures and C\$750,000 cash payments to Canasil over four years. The first year expenditures of C\$1,000,000, which must include at least 3,000 metres of diamond drilling, will be a firm commitment. On completion of the first option, MAG will have a second option to earn an additional 15% interest, for a cumulative 70% interest, by either preparing and delivering a NI43-101 compliant feasibility study within four years, or by incurring an additional C\$20,000,000 in exploration expenditures over four years, with a minimum annual expenditure of C\$2,500,000.

Table 1: MAG Salamandra Phase 1 Drill Program Assay Results

Hole Number	From (metres)	To (metres)	Interval (metres)	Au (g/t)	Ag (g/t)	Ag (opt)	Cu (%)	Zn (%)	Pb (%)
SA13-13	20.65	830.81	810.16	0.01	2	0.05	0	0.6	0
SA13-13	288.63	351.87	63.24	0.00	2	0.05	0	1.6	0
SA13-13	455.89	465.67	9.78	0.05	0	0.01	0	2.6	0
SA13-13	483.45	491.85	8.40	0.01	0	0.01	0	1.7	0
SA13-13	637.50	669.22	31.72	0.00	1	0.04	0.1	3.6	0
SA13-13	641.08	658.80	17.72	0.00	2	0.05	0.1	5.0	0
SA13-13	681.48	691.57	10.09	0.03	1	0.04	0.1	1.8	0
SA14-14	146.30	152.18	5.88	0.00	3	0.08	0	1.7	0
SA14-14	165.99	182.88	16.89	0.01	29	0.84	0	1.8	0.2
SA14-14	182.40	182.88	0.48	0.04	197	5.75	0.4	1.1	0.6
SA14-14	184.78	185.28	0.50	0.01	53	1.55	0.1	0.5	0.9
SA14-14	186.38	186.80	0.42	0.07	108	3.15	0.5	0.6	1.4
SA14-15	605.74	613.63	7.89	0.08	166	4.86	1.2	1.2	0.6
SA14-15	607.50	609.80	2.30	0.25	393	11.45	3.6	2.8	0.4
SA14-16	6.52	58.11	51.59	0.00	3	0.09	0	0.4	0
SA14-16	89.10	102.61	13.51	0.00	12	0.36	0	0.4	0
SA14-17	171.45	176.58	5.13	0.00	10	0.30	0	1.2	0.3

About Salamandra:

The Salamandra project covers 14,719 hectares (36,371.44 acres) and is located 35 kilometres northeast of the city of Durango. Access is excellent from the city of Durango via paved and gravel roads. Exploration results to date at the Salamandra project indicate the potential for a large intrusive-related, carbonate-hosted massive sulphide skarn/manto replacement system (CRD). Salamandra lies 80 kilometres northwest of Mexico's largest known silver-lead-zinc CRD-skarn deposit, the Sabinas-San Martin District. Both Salamandra and Sabinas-San Martin are favorably positioned at the intersection of the Mexican CRD Belt (that also hosts MAG's Cinco de Mayo CRD project) and the Fresnillo Trend (that hosts MAG's Juancipio Project). Prior drilling by Canasil cut high-grade zinc and silver mineralization within hornfels which is believed to overlie the same thick limestone host rock section that hosts the nearby San Martin-Sabinas, La Parilla and La Colorada CRD mines. MAG's exploration program was designed to probe and develop a better understanding of the scope and size of the system and development of exploration vectors, so drilling focused on targets 200 to 2000 metres from previous drilling. Targets included mineralized intrusive breccias, dike swarms and mineralized structures revealed by MAG's detailed geologic mapping, geochemical sampling, and reinterpretation of Canasil geophysics.

Qualified Person, Quality Assurance and Control: These results have been compiled and provided by MAG; for details regarding the Qualified Person and Quality Assurance and Control procedures, please refer to the MAG news release dated March 17, 2014, covering these results.

About Canasil:

Canasil is a Canadian mineral exploration company with a strong portfolio of 100% owned silver-gold-copper-lead-zinc projects in Durango, Sinaloa 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.

For further information please contact:

Bahman Yamini
President and C.E.O.
Canasil Resources Inc.
Tel: (604) 709-0109
www.canasil.com

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.

MAG Salamandra Phase 1 Drill Program Map

