



Castle Silver Resources Inc.
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CSR ACCELERATES COBALT STRATEGY WITH MULTI-FACETED APPROACH

May 1, 2017 – Castle Silver Resources Inc. (TSX.V: CSR, OTC: TAKRF, FRANKFURT: 4T9B) (the “Company” or “CSR”) is pleased to announce that it has commenced a program to create a suite of value-added, client-specific Cobalt product test samples sourced from material to be extracted during upcoming underground sampling and drilling at its 100%-owned past producing high-grade Castle Silver-Cobalt mine at Gowganda, Ontario.

Battery manufacturers will be the target market for the planned test samples which will be cobalt salts (powder) with a range of purities.

Re-2OX Unlocks New Opportunities For CSR

CSR’s unique 100%-owned hydrometallurgical process, now known as Re-2OX, was developed by President and CEO Frank Basa in conjunction with the National Research Council during the Castle mine’s last production cycle, and has been optimized since then. Re-2OX is extremely adaptable as it’s designed for high recovery of multiple metals and elements from all feeds with varying chemistries. In addition, CSR is now carrying out advanced-stage testing through SGS Lakefield to evaluate the amenability of the process for efficient recycling of spent Lithium-ion batteries.

The Re-2OX process has taken on fresh importance in light of the increasing demand for cobalt and compelling opportunities in the battery and renewable energy sectors.

President and CEO Frank Basa stated, “With underground access at Castle, a unique hydrometallurgical process, and other properties in this district where we have developed deep roots, CSR is powerfully positioned in northern Ontario’s prolific Cobalt-Silver Corridor stretching from Gowganda to Cobalt and Silver Center. We are leveraging our strengths to capture exciting opportunities related to exploration, potential development and clean technology.”

Cobalt Overlooked Historically At Castle Mine

Historically, from the early 1900’s intermittently to the late 1980’s, low cobalt prices and metallurgical issues meant that only very high-grade silver was targeted at Castle which was a well-known and important district producer. However, the shallow dipping 300-metre thick Nipissing diabase intrusive that underlies a large portion of the 33 sq. km Castle Property is interpreted to be a heat source that mobilized various metals - notably, of course, silver intimately associated with cobalt, but also gold, copper, zinc and nickel.

CSR Enters Main Castle Portal, Commences Work Program

CSR's team has opened the Castle main portal with ministry approval following the completion of an environmental audit and financial assurances. Preparations are now under way to soon launch an underground drilling and sampling program from the first level at 21 meters (70 feet) where the Company has been granted full access. The first level (there are 11 in total) extends approximately 365 meters (1,200 feet) east-west and 360 meters north-south. An extensive network of structures and tunnels, developed through a substantial financial investment by various operators in the 1900's, remains in excellent condition and only minor rehabilitation is necessary.

Visible cobalt in veins that pinch and swell and continue intermittently for many tens of meters on the first level has been noted by CSR's exploration team which is consistent with comments in a large amount of invaluable historical Agnico Eagle data acquired by the Company. Agnico Eagle ceased operations at Castle around 1990 due to plunging Silver prices.

Further details regarding the ongoing work program as well as upcoming drilling and sampling at Castle will be provided within approximately two weeks.

Qualified Person

The technical information in this news release was prepared under the supervision of Mr. Frank J. Basa, P. Eng., Castle's President and CEO, who is a member of the 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-cobalt mines in northern Ontario including the Castle 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.
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