



Castle Silver Resources Inc.
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CSR TARGETS ASIAN MARKET FOR COBALT

July 25, 2017 - Castle Silver Resources Inc. (TSX.V: CSR, OTC: TAKRF, FRANKFURT: 4T9B) (the “Company” or “CSR”), is pleased to provide a corporate update as the company advances its battery sector strategy through its proprietary **Re-2OX** process after recent meetings in Asia.

Highlights:

- SGS Lakefield has produced a **14.8%** cobalt concentrate from recently sampled material (see July 19 news release) from the first level of the Castle mine;
- The cobalt concentrate will now go through CSR’s proprietary Re-2OX process;
- The Re-2OX process is designed to meet the cobalt hydroxide specifications of four large Japanese metal trading companies that CSR management met with recently in Japan.

Frank J. Basa, CSR President and CEO, commented: “I’m excited about how we’re advancing our cobalt strategy for the battery sector, moving closer to filling a request for client specific test samples of cobalt hydroxide sourced from the Castle mine and created through our 100%-owned Re-2OX process.

“While in Asia, besides our dealings in China and with some large metal trading companies in Japan, we met with officials from a Japanese car manufacturer that produces electric vehicles. Cobalt’s critical role in electric vehicle batteries is going to drive even greater demand for cobalt product. As an innovative leader in the northern Ontario Cobalt-Silver Camp, CSR is aggressively implementing its action plan to seize exciting opportunities in the growing cobalt sector,” Basa concluded.

Exploration Update

Surface drilling, additional underground sampling and preparations for underground drilling continue at the Castle mine near Gowganda, Ontario, a high-grade past silver producer.

The shallow-dipping 300-metre thick Nipissing diabase intrusive that underlies a large portion of the Castle Property is interpreted to be a heat source that mobilized various metals – notably, of course, silver intimately associated with cobalt, but also gold, nickel, copper and zinc.

Meanwhile, a work program is in progress at the Beaver Property, a high-grade past silver producer considered very prospective for cobalt mineralization, near the town of Cobalt.

Private Placement Closing

Further to the Company's news release dated July 14, 2017 announcing the closing of a non-brokered private placement, CSR confirms that it has now raised and closed gross proceeds from that financing in the amount of \$897,500 and issued 4,487,500 units at a price of \$0.20 per unit.

75,000 units issued in connection with the private placement are subject to a four-month and a day hold period expiring November 26, 2017, in accordance with applicable securities laws. All other terms of this completed private placement remain the same.

Quality Assurance/Quality Control

An 82 kilogram sample of vein material recently taken from the first level of the Castle mine was crushed to -10 mesh and blended by SGS Laboratories in Lakefield, Ontario, from which a representative sample was submitted for analysis by Lead Fusion Fire assay for silver and gold. Other metals, including cobalt, were assayed by ICP after multi-acid digestion.

A high-grade cobalt concentrate was recovered by SGS Laboratories using the Wilfley table. The material was fed to a one-quarter size Wilfley table using a hopper and vibratory feeder. The Wilfley concentrate, middling and tailing streams were collected. All three products were filtered, dried, weighed and sampled for assay.

No blank or standard was inserted within the sequence of this met test material by the company. CSR relies on internal SGS laboratory independent QA/QC which allows the disclosure of the results provided.

Qualified Person

Claude Duplessis, PEng, of Goldminds Geoservices Inc., a geological, environmental and mining consultant, is an independent qualified person in accordance with National Instrument 43-101, and has reviewed and approved the contents of this news release.

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 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

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