



Castle Silver Resources Inc.
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CSR UNDERGROUND COMPOSITE SAMPLE RETURNS HIGH-GRADE COBALT AND GOLD, PHASE 1 DRILLING EXPANDED

July 19, 2017 - Castle Silver Resources Inc. (TSX.V: CSR, OTC: TAKRF, FRANKFURT: 4T9B) (the "Company" or "CSR"), is pleased to provide an exploration and corporate update as the Company ramps up drilling at its 100%-owned Castle Property in the prolific northern Ontario Cobalt-Silver Camp.

Highlights:

- In a demonstration of CSR's underground advantage, an 82-kilogram sample of vein material from the first level of the Castle mine at Gowganda was crushed to -10 mesh, blended and assayed, returning **1.48%** cobalt, **5.7 g/t** gold and **46.3 g/t** Ag (nickel results pending);
- Phase 1 drilling at the Castle Property, currently in progress, has been expanded to 2,000 meters;
- Initial work program commences at the Beaver Property near the town of Cobalt.

Frank J. Basa, CSR President and CEO, commented: "The high cobalt and gold values from the underground bulk sample support our thesis from the beginning that there is much more to this past producing mine than just silver. At this point, we do not know what the gold mineralization is associated with and our crews have taken an additional large sample from the same area to be tested by another lab in order to verify these stunning gold assays."

With regard to the underground assay results reported above, CSR cautions investors that samples are selective and should not be considered representative of mineralization underground or elsewhere on the property. Chip samples reported by the Company last month (see June 12 CSR news release) were not assayed for gold. They are now being re-checked for possible gold content.

Exploration Update

Phase 1 drilling from surface at the Castle Property, which began about 10 days ago, is proceeding very well and has been expanded to 2,000 meters from 1,500 meters with approximately 20 drill holes expected to be completed. Drilling includes testing of unmined areas below the first and second levels.

Meanwhile, multiple surface samples have been collected from the Beaver Property where a work program has just started on these patented claims. The Beaver is another CSR 100%-owned former high-grade silver producer with untapped cobalt potential.

CSR Closes Private Placement For \$882,500

As reported by the Company July 14, CSR has further strengthened its balance sheet with the closing of an \$882,500 private placement with strategic investors at 20 cents per unit. Since March, CSR has raised nearly \$2.6 million in hard dollars, providing the Company with ample financial resources to successfully advance its key strategies with regard to its properties and the battery sector through its 100%-owned Re-2OX process.

Quality Assurance/Quality Control

An 82 kilogram sample of vein material that was 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 are assayed by ICP after multi-acid digestion.

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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