



Castle Silver Resources Inc.
3028 Quadra Court
Coquitlam, B.C., V3B 5X6

CSR ADVANCES CASTLE SILVER-COBALT PROJECT

August 31, 2017 - Castle Silver Resources Inc. (TSX.V: CSR, OTC: TAKRF, FRANKFURT: 4T9B) (the “Company” or “CSR”) is pleased to provide the following update regarding its 100%-owned Castle mine, a prolific past silver producer with polymetallic potential near Gowganda, Ontario, where CSR has important underground access.

Highlights:

- A total of 22 drill holes for 2,405 meters have been completed from surface at Castle;
- Assay results from Swastika Laboratories have returned an average of 3.7 g/t Au in five chip samples from the first level of the Castle mine in addition to the high-grade cobalt, nickel and silver reported June 12, 2017;
- IOS Services Géoscientifiques Inc. has completed a Niton Portable XRF analysis of vein structures throughout the first level of the Castle mine, allowing the company to efficiently target locations for additional bulk sampling.

Frank Basa, President and CEO, commented: “CSR continues to make progress on multiple fronts, and this quarter’s achievements so far are highlighted by the completion of a first phase of drilling and a clear path to the creation of cobalt sample products from Castle-sourced material through our proprietary Re-20X process.

“In addition,” Basa concluded, “we’re seeing the potential for a variety of mineralization types within the Castle mine, well beyond just the high-grade silver that was recovered intermittently throughout the 1900’s. CSR is well-funded to carry out its plans for a strong operational finish to 2017.”

Drilling

Phase 1 drilling from surface at Castle, expanded beyond the originally planned 1,500 meters, was primarily designed to gain a greater understanding of structures carrying potential cobalt mineralization in underground portions of the Castle mine and at shallow levels within approximately 200 meters of the main adit. Assay results will be reported as soon as they are received, reviewed and interpreted.

IOS Services Géoscientifiques Underground Analysis

Using Niton portable XRF technology, IOS Services Géoscientifiques recently spent several days at the Castle Property to test vein structures on the first level of the Castle mine. This work has supported the potential for high-grade cobalt mineralization which will optimize locations for additional bulk sampling and planned underground drilling once portions of drift are rehabilitated as per OHS standards.

Second Lab Supports Gold Content

A second lab has provided significant gold assays from a large underground sample completed earlier this summer from the first level of the Castle mine.

On July 19, 2017, CSR reported that an 82-kilogram sample of vein material from the first level was crushed to minus 10 mesh, blended and assayed by SGS Lakefield, and returned 5.7 g/t Au in addition to 46.3 g/t silver and 1.48% cobalt.

In light of the surprising gold results, Castle instructed Swastika Laboratories to assay potential gold content of five chip samples collected in the immediate vicinity of the vein structure material assayed by SGS Lakefield. Cobalt, silver and nickel results for these five samples were reported June 12 (average values were 1.06% cobalt, 17.5 g/t Ag and 5.3% nickel). Gold assays have been received and the average grade is 3.7 g/t Au for the five chip samples with values ranging from a low of 0.72 g/t Au to a high of 7.03 g/t Au.

Further studies and sampling are required to determine what the gold may be associated with and if CSR can define gold structures.

Quality Assurance/Quality Control

Samples were crushed to 85% passing 2 mm, split to 250 grams and pulverized to 90% passing 200 mesh. Multi-acid digestion followed by AA for the metals. Gold and silver pulp of 30 grams were assayed by fire assay with AA finish. The results are in line with expected values and internal laboratory results. Blank and standard allow the disclosure of results.

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

For further information, contact:

Frank J. Basa, P. Eng., President and CEO at 1-819-797-4144, or

Wayne Cheveldayoff, Investor Relations, waynecheveldayoff@gmail.com, 416-710-2410

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