



## TELSON RESOURCES INC. SIGNS A LETTER OF INTENT FOR POSSIBLE CHANGE OF CONTROL OF THE COMPANY AND NON-BROKERED PRIVATE PLACEMENT.

VANCOUVER, BRITISH COLUMBIA, May 5, 2015 – Telson Resources Inc. (TSX Venture - TSN) (“Telson” or the “Company”) is pleased to announce that it has signed a Letter of Intent (“LOI”) with Reyna Minas, S.A. de C.V. (“Reyna” or the “Investors”) a private Mexican mining group focused on the acquisition and development of mining projects in Mexico. The proposed transaction will take the form of a corporate restructuring, including a private placement and share consolidation of the outstanding common shares of the Company, whereby upon full implementation, the Investors will collectively become the control persons of Telson.

### Private Placement

The Investors intend, upon completion of due diligence, to acquire Telson Units in consideration for the minimum payment of CAD \$2,000,000 (the “Purchase Price”) as a result of which the Investors will collectively become control persons of Telson. The Telson Units will be comprised of one (1) common share of Telson and one half (1/2) of a transferable share purchase warrant (a “Telson Warrant”), each whole Telson Warrant entitling the holder thereof to acquire an additional one (1) common share of Telson for a period of 2 years from the date of issue.

The Purchase Price is payable against the issuance to the Investors of share and warrant certificates representing the Telson Units at a deemed price of \$.025 per Telson Unit, if calculated on a pre-consolidation basis, or \$0.05 per Telson Unit, if calculated on a post-consolidation basis, provided that a consolidation of Telson’s common shares takes place on a two old for one (1) new basis. All securities to be issued under the proposed private placement will be subject to a four (4) month hold period under Canadian securities laws.

Telson will use the proceeds from the Offering, plus a series of debt settlement for shares, to eliminate substantially all of its corporate debt and to fund the regulatory and legal costs to complete the corporate reorganization described herein and for general working capital, which will include the preparation of an internal “scoping study” type analysis focused on the economics of underground mining of the higher grade resources, as calculated in the June 29, 2009, NI43-101 compliant resource report prepared in accordance with NI 43-101 produced by Scott E. Wilson Consulting Inc., (the “2009 Wilson Resource Report”)

### Share Consolidation

The parties acknowledge that as part and parcel of the corporate restructuring, Telson will seek shareholder and TSX Venture Exchange approval to consolidate its common shares on a minimum two (2) old for one (1) new basis. The parties further acknowledge that it is the intention of the parties that the price of the Telson Units on a pre consolidation basis shall be \$.025 per Telson Unit ( the “Unit Price”), and that each Telson whole Warrant shall be exercisable at a price of \$.025 per share on a pre consolidated basis (the “Warrant Price”). In the event that Telson consolidates its share capital on other than a two (2) for one (1) basis, if mutually agreed, then the

price of the Telson Units and Telson warrants shall be adjusted by multiplying the Unit Price and the Warrant Price by the consolidation ratio adopted.

### **Voting Undertakings**

Three of Telson's major controlling shareholders will provide irrevocable undertakings to vote in favor of the private placement and resulting change of control of the Company to be voted upon at a mandatory shareholders meeting that will be held in order for Telson's current shareholders to approve the transaction contemplated in the LOI.

### **Due Diligence**

The Investors shall be entitled, until the close of business on July 15, 2015 (the "**Due Diligence Period**"), to carry out at the Investors' expense, a complete inspection and review of the business and records of Telson.

### **Cash Advance / Standstill / Exclusivity**

The Investors will provide to Telson a cash advance of Cdn \$25,000 every month during the Due Diligence Period to be used by Telson as operating capital. In recognition of these advance payments, Telson has agreed not to enter into negotiations with other third parties and thereby provide an exclusivity term to the Investors equal to the due diligence term outlined above. At any time during the due diligence term should the Investors elect not to proceed with the proposed transaction, the cash advances provided to Telson will be converted into a private placement of Telson shares at Telson's Discounted Market Price, as this term is defined in TSX.V policies, calculated as of the date the Investors notifies Telson of their intention to withdraw from this Letter of Intent.

### **Debt Settlement**

Certain insiders of Telson have agreed to and will accept a share for debt settlement to eliminate a minimum of \$693,500 of shareholder loans and cash advances provided to Telson as working capital over the last several years at the pre consolidated price of \$0.025 per share.

### **Appointment of Directors by Investors**

The Investors will have the right to appoint a majority, by one, of Directors to the Board of Directors of Telson upon closing of the investment. Telson will have the right to maintain at least two of its current directors on the reorganized Board of Directors.

### **Finders Fees**

Finders fees calculated in accordance with TSX Venture Exchange guidelines are payable on the placement.

### **About Telson Resources Inc.**

Telson Resources Inc. is an exploration and development company strategically focused on gold, silver and base metals in the prolific Sierra Madre Belt of Mexico. The Company holds 99% of the outstanding shares of its Mexican subsidiary company that maintains 100% ownership in 9,081 hectare Tahuehueto Property, an advanced stage gold and base metal exploration and development project.

Past exploration efforts led to the delivery of the 2009 Wilson Resource Report. Tables from this report showing the Resource Summary – Grade/Tonne are presented below. The full 2009 Wilson Resource Report can be viewed at the following link;

[http://www.telsonresources.com/images/Tahuehueto/Technical\\_Reports/tahuehueto\\_43-101\\_june\\_26\\_2009.pdf](http://www.telsonresources.com/images/Tahuehueto/Technical_Reports/tahuehueto_43-101_june_26_2009.pdf)

**TAHUEHUETO PROJECT**  
**Resource Summary – Grade/Tonne Charts**

**Tahuehueto – Measured**

Cut Off AuEQ/t	Tonnes	g Au/t	g Ag/t	Cu%	Pb%	Zn%
3	2,304,040	3.14	43.22	0.34	1.32	2.45
4	1,646,376	3.98	48.40	0.39	1.46	2.78
5	1,220,321	4.85	51.63	0.43	1.58	3.07
6	931,641	5.72	55.46	0.48	1.70	3.27
7	713,946	6.65	59.34	0.52	1.80	3.49
8	563,038	7.60	61.99	0.56	1.86	3.64
9	447,797	8.59	63.96	0.58	1.90	3.81
10	352,023	9.67	64.65	0.61	1.99	4.01

**Tahuehueto – Indicated**

Cut Off AuEQ/t	Tonnes	g Au/t	g Ag/t	Cu%	Pb%	Zn%
3	2,757,330	2.29	33.46	0.27	0.98	1.86
4	1,843,533	3.16	40.58	0.33	1.20	2.27
5	1,313,064	3.93	45.40	0.39	1.35	2.58
6	932,990	5.03	52.32	0.46	1.56	2.95
7	645,883	6.72	62.06	0.56	1.80	3.48
8	501,971	7.89	65.23	0.59	1.85	3.62
9	361,629	10.12	74.52	0.69	2.05	4.05
10	274,382	11.70	76.25	0.72	2.23	4.34

**Tahuehueto – Inferred**

Cut Off AuEQ/t	Tonnes	g Au/t	g Ag/t	Cu%	Pb%	Zn%
3	2,945,828	1.38	34.53	0.26	1.43	2.68
4	1,945,005	1.72	38.07	0.30	1.56	3.11
5	1,173,344	2.19	46.93	0.38	1.83	3.32
6	685,997	2.78	50.78	0.43	1.98	3.60
7	373,791	3.98	53.69	0.47	1.83	3.86
8	264,775	4.61	56.75	0.46	1.87	4.12
9	165,165	5.48	50.86	0.42	1.90	4.44
10	89,157	6.86	64.38	0.59	1.85	4.30

A Preliminary Economic Assessment (“PEA”) dated October 29, 2010 prepared by Snowden Mining Consultants in accordance with NI 43-101 demonstrated positive preliminary economics for a combined open pit underground mining operation processing one million tonnes per annum. Key findings from this report can be viewed on the Telson website at the following link, <http://www.telsonresources.com/tahuehuetooverview.html>

The Tahuehueto Project is a classic epithermal system hosting multiple structures traced for up to six kilometers of strike length. Considerable upside exploration potential remains on the existing explored resource structures both down dip and along strike, as well as on numerous other unexplored mineralized structures known to occur on the property.

Upon completion of the offering and reorganization contemplated above, the Company intends to investigate, within NI 43-101 guidelines, the economics associated with a smaller underground mining operation than that

contemplated in Oct 29, 2010 PEA, focusing its studies on the mining of the higher grade resources identified within the published resources of the 2009 Wilson Resource Report.

### **Qualified Persons**

This press release was prepared under the supervision and review of Ralph Shearing, President and CEO of Telson Resources Inc., a Professional Geologist registered in Alberta as a member of the professional organization APEGA, and a Qualified Person as defined by NI 43-101.

### **ON BEHALF OF THE BOARD OF DIRECTORS**

(signed) "*Ralph Shearing*"

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Ralph Shearing, Chief Executive Officer

*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release*

*WARNING: The Company relies upon litigation protection for "forward-looking" statements. This News Release may contain forward-looking statements including but not limited to comments regarding the timing and content of up-coming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Telson Resources Inc. relies upon litigation protection for forward-looking statements.*

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