



Telson Resources Inc. Completes Sale of First Concentrates from Its Industrial Scale Bulk Sample Generating Cash of USD \$332,919 From Its Tahuehueto Gold Silver Lead Zinc Project

Vancouver, British Columbia, December 15, 2016 – Telson Resources Inc. (“Telson” or the “Company”) (TSX Venture – TSN.V) today announces that it has closed the sale of its first lead and zinc concentrates produced from its industrial scale bulk sample collected from the El Creston zone on its 100% owned Tahuehueto Project (the “Project”) located in Northern Durango State, Mexico.

Mercuria Commodities Trading S.A, de C.V. (“Mercuria”) has purchased and partially paid for 98.77 tonnes of lead concentrate and 29.35 tonnes of zinc concentrate resulting in cash of USD \$332,919 for the Company. This amount represents approximately 85% of the final settlement amount with the balance to be paid within two months of the initial payment. Mercuria is part of large global energy and commodities trading company operating in more than 50 countries with over 1000 employees in offices worldwide.

Telson previously announced that it was collecting a 2,000 tonne industrial scale bulk sample of Tahuehueto ore from the El Creston zone on the Tahuehueto project. The Company subsequently increased the tonnage to approximately 3,500 tonnes due to the quality of the mineralization encountered while collecting the original sample underground. The full 3,500 tonnes was trucked to the Andes processing plant located at Guanacevi, Durango, México, where the Company has been testing various recovery techniques in order to maximize the metal recoveries that are anticipated to be achieved from the project mineralization.

To-date the Company has processed substantially all of the 3,500 tonnes bulk sample, delivering five shipments of lead concentrate and five shipments of zinc concentrate to Mercuria’s warehouse in Manzanillo, Mexico. The Company expects to deliver at least one more shipment of lead concentrate and one shipment of zinc concentrate currently in final processing at the Andes Mill processing plant.

Only the first two shipments of lead concentrate and one shipment of zinc concentrate has been commercially settled with Telson’s wholly owned Mexican subsidiary receiving the cash of USD \$332,919 (approximately 85% of total sale price) into its bank account. The remainder of the expected shipments will be settled upon completion of final assaying by both the Company and Mercuria as well as verification by the independent umpire assayer, Ersá Global Mex S.A. de C.V. (“Ersá”)

The sale price of the concentrate was determined through negotiation by comparing the assay results obtained by the Company at the Andes Mill processing site, Mercuria’s internal assays laboratory and the independent results obtained by Ersá. Tonnage of concentrate sold with corresponding assay results settled upon at approximately 85% of final purchase price are as follows:

Lot 1 Payables

- 63.45 tonnes lead concentrate grading 85.91 g Au/tonne, 640 g Ag/tonne 31.43% Pb - USD \$192,346
- 29.35 tonnes zinc concentrate grading 10.96 g Au/tonne, 198 g Ag/tonne, 45.73% Zn - USD \$21,100

Lot 2 Payables

- 35.23 tonnes lead concentrate grading 105 g Au/tonne, 710 g Ag/tonne, 37% Pb - USD \$ 119,473

The Company wishes to point out that the above concentrate sales reflect the first pass bulk sample test processing at the Andes Mill site and as such represent early-stage results obtained in the first two weeks after start up of the processing plant. The Company's subsequent testing of the bulk sample effectively optimized recovery methods and based upon internal concentrate analysis at the Andes Mill site laboratory, subsequent testing has steadily increased recoveries of all payable metals reporting to the concentrate.

"The processing of this large industrial scale bulk sample has allowed us to test various reagents, grinding sizes and recovery methods in order to work towards optimizing recoveries of gold, silver, lead and zinc " states Señor Antonio Berlanga, CEO of the Company, "and although the first shipments of lead and zinc concentrates have produced reasonable cash sales as outlined above, subsequent shipments of lead and zinc concentrates are expected to command even higher sale prices per tonne based upon the assay results obtained in the Andes Mill laboratory as recovery techniques were improved and perfected towards the end of processing the complete 3,500 tonnes industrial scale bulk sample".

The Company's December 6, 2016 news release summarized the results of its pre-feasibility study (PFS) that will be filed within 45 days of December 6, 2016. Please refer to that news release for additional information.

On behalf of the board of directors

(signed) "Ralph Shearing"

Ralph Shearing, President

Qualified Person

This press release was prepared under the supervision and review of Ralph Shearing, P.Geol., President and Director 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.

Cautionary Note Regarding Forward-Looking Statements

Statements contained in this news release that are not historical facts are "forward-looking information" or "forward-looking statements" (collectively, "Forward-Looking Information") within the meaning of applicable Canadian securities laws. Forward Looking Information includes, but is not limited to, disclosure regarding possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action; the timing and costs of future activities on the Company's properties; success of exploration, development and bulk sample processing activities; anticipated results of check assay results; and the timing of receipt of the PFS. In certain cases, Forward-Looking Information can be identified by the use of words and phrases such as "plans", "expects", "scheduled", "estimates", "forecasts", "intends", "anticipates" or variations of such words and phrases. In preparing the Forward-Looking Information in this news release, the Company has applied several material assumptions, including, but not limited to, that the current exploration, development, environmental and other objectives concerning the Tahuehueto Project can be achieved; that the implementation of the selective mining method will prove feasible based on the results of the bulk sample; the continuity of the price of gold and other metals, economic and political conditions and operations. Forward-Looking Information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the Forward-Looking Information. There can be no assurance that Forward-Looking Information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on Forward-Looking Information. Except as required by law, the Company does not assume any obligation to release publicly any revisions to Forward-Looking Information contained in this news release to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Cautionary Note Regarding References to Resources and Reserves

This news release uses the terms "measured and indicated resources" and "inferred resources". We advise U.S. investors that while these terms are defined in, and permitted by, Canadian regulations, these terms are not defined terms under SEC Industry Guide 7 and not normally permitted to be used in reports and registration statements filed with the SEC. "Inferred resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility study or prefeasibility studies, except in rare cases. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves", as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in this category will ever be converted into reserves. U.S. investors are cautioned not to assume that any part or all of an inferred resource exists or is economically or legally minable.

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