

Telson Resources Inc. Announces the Acquisition of Mineral Processing Plant for its Tahuehueto Project

Vancouver, British Columbia, February 16, 2017 – Telson Resources Inc. (“Telson” or the “Company”) (TSX Venture – TSN.V) is pleased to announce that it has completed an agreement for the acquisition of a sulfide flotation mineral processing facility, (the “Tahuehueto Mineral Processing Plant”)

The Tahuehueto Mineral Processing Plant consists of most of the milling equipment required, once installed and operational, to process Tahuehueto ore at an estimated capacity of at least 550 tonnes per day at the Tahuehueto project. A complete list of the milling and processing equipment purchased can be viewed on the Company’s website [<here>](#).

The Tahuehueto Mineral Processing Plant is currently strategically located in storage near Gomez Palacio, Durango State, Mexico, approximately 225 km from Tepehuanes, with approximately another 120 km by road from Tepehuanes to the Tahuehueto project site.

Pursuant to the terms of the sale and purchase agreement (the “Purchase Agreement”) Telson has acquired all of the Vendor’s interest in the Tahuehueto Mineral Processing Plant in consideration of CDN \$1,300,000 with 50% payable immediately and the balance payable upon removing the equipment from its current storage location.

Telson plans to immediately start the process to relocate the equipment to a staging area closer to the Tahuehueto Project site in Tepehuanes where all equipment will be fully inspected and refurbished where necessary over the next several months. During this time site preparation and engineering work at Tahuehueto will continue in order to prepare the site to receive the Tahuehueto Mineral Processing Plant for installation.

All equipment purchased and comprising the Tahuehueto Mineral Processing Plant has been inspected by an independent mining contractor firm based out of Durango, Mexico. Equipment purchased is estimated to make up approximately 80% of the total milling equipment required to construct a fully functioning mill facility at Tahuehueto. Any equipment lacking is currently being sourced by Telson and will be added to the Tahuehueto Mineral Processing Plant as located and acquired.



Refurbished Flotation Cell

“The purchase of this fully refurbished milling facility is a significant step towards reaching management’s plans and goals of building and operating an underground mining operation at Tahuehueto in the very near future.” states Antonio Berlanga, CEO and Director of Telson Resources Inc. , “Having the equipment sourced from Durango, Mexico, within the same state as our Tahuehueto Project, has saved considerable time in our development plan schedule and purchasing quality refurbished used equipment will also reduce our capital cost requirements from purchasing new equipment as estimated within our recently published Prefeasibility Study Report filed in accordance with NI 43-101 *Standards of Disclosure for Mineral Projects* (see news release dated January 23, 2017).”

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 cost, viability and timing of construction of a mineral processing plant to service the Tahuehueto Project. 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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