



Telson Resources Inc. Delivers Second Shipment of Concentrates from Tahuehueto Pre-Production Plan

Vancouver, British Columbia, August 14, 2017 – Telson Resources Inc. (“**Telson**” or the “**Company**”) (TSX Venture – TSN.V) is pleased to announce that the second shipment of lead and zinc concentrates processed at the Atocha mineral processing plant (the “**Atocha Mill**”) has been delivered to Mercuria Commodities Trading, S.A. de C.V. (“**Mercuria**”) as per the concentrate purchasing arrangement first announced in the Company’s news release of [July 6, 2017](#).

Six concentrate transport trucks departed Atocha Mill site on Aug 11, 2017 carrying four loads of zinc concentrate, totaling approximately 129 dry tonnes and two loads of lead concentrate, totaling approximately 62 dry tonnes.

Pre-production concentrate delivered and/or, en-route to Mercuria as of Aug 11, 2017 total approximately 227.5 dry tonnes of zinc concentrate and 128.7 tonnes of lead concentrate. The accumulated average metallurgical balance of all pre-production processing is shown below,



AVERAGE METALLURGICAL BALANCE														
T:M:H	4260.00	ASSAY							RECOVERIES %					
		Au (g/t)	Ag (g/t)	Pb %	Zn %	Cu %	Fe %	As %	Au	Ag	Pb	Zn	Cu	Fe
CABEZA	4112.245	6.29	60.56	2.09	5.64	0.19	4.55		100	100	100	100	100	100
CONC.PB	166.283	124.99	1047.03	42.11	14.13	2.88	4.61		79.85	77.32	81.59	10.13	68.21	4.37
CONC.ZN	317.248	3.04	85.48	1.24	55.07	0.11	3.21		3.71	12.04	4.58	75.34	5.05	5.79
COLA FINAL	3628.714	1.18	6.60	0.33	0.93	0.05	4.35		16.44	10.64	13.82	14.53	26.74	89.84
Cab.Calculad	4112.245	6.33	54.76	2.09	5.64	0.17	4.27		100.0	100.0	100.00	100.00	100.00	100.00

The above metallurgical balance summary has been derived from daily continuous sampling and analysis of ore throughput, concentrate production and tailings material at the Atocha Mill site laboratory. The reader is cautioned that although the Atocha Mill laboratory is not considered a compliant laboratory under NI 43 101 guidelines, the sampling and analysis is considered standard procedure for the industry and is of sufficient quality and quantity to determine average assay results acceptable to Mercuria for preliminary invoicing of up to approximately 85% of the contained metals. Upon delivery of the concentrates to Mercuria’s warehouse in Manzanillo, a fully independent third-party consulting laboratory, as well as Mercuria, thoroughly sample and analyse all the delivered concentrate in an industry standard monitored procedure. By comparing the assay results obtained at the Atocha Mill, Mercuria and the independent assay consultant, a fair assay grade, metal content and sale price is agreed to between the Company and Mercuria. When final assay results are fully determined and accepted by the parties, likely within the next two weeks, Telson will publicly disclose those concentrate grade results and agreed to sale prices.

“Pre-production processing at the Atocha Mill site is continually improving our recovery methods and procedures”, states Antonio Berlanga, CEO of Telson, “We have achieved average recoveries from Tahuehueto ore of 83.5% gold, 89.3% silver, 86.1% lead and 85.4% zinc plus significantly better separation of zinc from our lead concentrates and overall higher concentrate grades then we experienced earlier this year in our original industrial scale bulk sample processed at the Andes Mill.” (Please refer to news release dated [February 23, 2017](#) for details of grades, recoveries and sale prices of concentrates produced from original industrial scale bulk sample.)

As of August 12, 2017, the Company has delivered approximately 4,910 tonnes of ore mined from the Level 10 ore chute to the Atocha Mill site and processed approximately 4,260 tonnes of ore through mill. A third concentrate delivery is expected to depart Atocha in the next several days upon completion of processing the remaining stockpiled ore at which time processing will be temporarily suspended until the Atocha ore stockpile is replenished. Telson currently has 1,700 tonnes of ore mined and stockpiled at Tahuehueto awaiting transport to the Atocha Mill. Ore processing at Atocha is anticipated to re-commence early September.

Telson Resources Inc. is a Canadian based resource development company advancing two gold, silver and base metal projects towards production over the coming months of 2017 and early 2018. Telson's Tahuehueto Project, located in north-western Durango State, Mexico and its recently acquired Campo Morado Mine in Guerrero, Mexico purchased from Nyrstar Mining are both polymetallic deposits containing significant gold, silver, lead, zinc and copper. Subject to securing funding, Telson plans to recommence mining operations at Campo Morado within 3 to 5 months while at the same time develop its Tahuehueto Project through the mine construction phase with an anticipated timeline to be producing at the project site in its own mineral processing facility by the end of the first quarter of 2018 or earlier.

On behalf of the board of directors

(signed) "Ralph Shearing"

**Ralph Shearing, P.Geol
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 processing plans at the Atocha Mineral Processing Plant for mineralized material from the Company's 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; that the mineral processing plant recently acquired by the Company will be successfully installed and commissioned, 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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