



Telson Resources Inc.
TSX.V: TSN OTCBB: SOHFF
Shares Issued: 104,276,905

Telson Resources Inc. Commences Underground Mining at Campo Morado to stockpile mill throughput in advance of anticipated mill start

Vancouver, British Columbia, August 28, 2017 – Telson Resources Inc. (“**Telson**” or the “**Company**”) (TSX Venture – TSN.V) is pleased to announce that it has commenced underground mining operations at its newly acquired Campo Morado Mine. Mining has commenced within areas of the El Largo Zone containing higher precious metal values along with significant base metals.

The Company plans to create a stockpile of mill feed of up to 80,000 tons to support the initial start-up of the sulfide floatation mill, planned to commence immediately after securing operating capital. The initial processing is planned to commence at approximately 1000 tons per day and will slowly be ramped up to the mill’s ultimate capacity of 2,500 tonnes per day.

During the past six weeks Campo Morado mine site personnel have fully serviced all mobile underground and surface mining equipment. Crews have been servicing, cleaning, repairing/rehabilitating electrical motors and moving parts and equipment where necessary to ready the mine site and mineral processing plant for commencement of commercial production planned immediately after securing operating capital.



“Telson’s management team is very happy with the rapid progress we have made at Campo Morado since acquiring the project just over two months ago which has allowed us to work continually towards last week’s restart of underground mining operations.” States Antonio Berlanga, Telson’s CEO, “With the full support of local communities, municipal and state authorities, newly formed mining union, and our mine site personnel, we are well ahead of our originally planned schedule and hope to have a large stockpile of mill throughput available to start continuous milling and the mining operations in the near future.”

About Telson Resources Inc.

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. Telson is currently mining ore at Tahuehueto at a rate of approximately 150 tonnes per day and direct shipping to a toll mill for processing off-site. Subject to securing funding, Telson plans to soon recommence mineral processing milling operations at Campo Morado while at the same time develop its Tahuehueto Project through the mine construction phase with an anticipated timeline to be processing at the project site in its own mineral processing facility near the end of the first quarter 2018.

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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