



## Telson Resources Inc Sells 471 Tonnes of Tahuehueto Lead and Zinc Concentrates Processed Aug. 2017 for Cash Proceeds of US \$1,584,902.

**Vancouver, British Columbia, Sept 26, 2017** – Telson Resources Inc. ("Telson" or the "Company") (TSX Venture – TSN.V) is pleased to announce that it has received final assay results and sales terms from 155.38 tonnes of lead concentrates and 316.39 tonnes of zinc concentrates (the “**Lot 2 Atocha Concentrates**”) produced at the Atocha Toll Mill during August 2017 from processing of approximately 4,213 tonnes of ore mined from the Tahuehueto Project – Level 10 El Creston Zone.

The Lot 2 Atocha Concentrates were sold to Mercuria Commodities Trading S.A, de C.V. (“Mercuria”) for total cash proceeds of US \$1,584,902 pursuant to a concentrate purchase arrangement with Mercuria, as announced in a news release dated [July 6, 2017](#), whereby Mercuria advanced US \$1 million to Telson as a prepayment against the purchase of concentrates to be produced during 2017 from Telson’s pre-production initiative.

The Lot 2 Atocha Concentrates are the first concentrates produced and sold from Telson’s pre-production initiative started in July 2017 and the second lot of concentrates sold by the Company in 2017. Telson announced on [February 23, 2017](#) its initial sale of concentrates produced from an industrial scale bulk sample for cash proceeds of US \$1,470,499 (the **Lot 1 Andes Mill Concentrates**”). These two lots of concentrate sales have produced cash proceeds totaling US \$3,055,401 from mining efforts at Tahuehueto so far during 2017.

Average analytical concentrate grades and sale prices of Lot 2 Atocha Concentrates as follows;

	Dry Tonnes	Au (g/t)	Ag (g/t)	% Pb	% Zn	TOTAL USD/DMT + IVA	Total USD/DMT
<b>Lead Con - 17-02</b>	<b>155.38</b>	<b>121.07</b>	<b>1025</b>	<b>49.39</b>	<b>13.03</b>	<b>\$7,034</b>	<b>\$1,087,518</b>
<b>Zinc Con - 17-02</b>	<b>316.390</b>	<b>7.85</b>	<b>120</b>	<b>1.6</b>	<b>55.8</b>	<b>\$1,468</b>	<b>\$462,163</b>
	<b>471.77</b>					<b>\$8,502</b>	<b>\$1,549,681</b>

The sale price of the above concentrates was determined by comparing the assay results obtained on behalf of the Company at the Atocha Mill processing site laboratory, the concentrate purchaser’s internal assays laboratories and the independent umpire assayer, Ersal Global Mex S.A. de C.V. (“Ersal”).

Average Metallurgical Balance for 4,213 tonnes of ore processed to produce the Lot 2 Atocha Concentrates as determined at Atocha Toll Mill laboratory;

	Tonnes	Assay Grades				Metal Content				Recoveries %			
		Au (g/t)	Ag (g/t)	Pb %	Zn %	Au(Kg)	Ag (kg)	Pb (ton)	Zn (ton)	Au	Ag	Pb	Zn
Head	4213	6.26	60.35	2.08	5.63	26.4	254.2	87.8	237.0	100	100	100	100
CONC.PB	170	125.39	1047.51	42.15	14.13	21.3	177.8	71.5	24.0	79.86	77.17	81.49	10.12
CONC.ZN	325	3.05	120.00	1.25	54.99	1.0	27.9	4.0	178.7	3.72	12.12	4.61	75.37
TAILS FINAL	3718	1.18	6.64	0.33	0.93	4.4	24.7	12.2	34.4	16.42	10.71	13.90	14.52
										100.0	100.0	100.00	100.00

“We have produced excellent concentrates from of our first Tahuehueto ore preproduction at the Atocha Toll Mill achieving a significant overall increase in concentrate grade from pervious concentrate production. Atocha milling



has produced an average **42% lead concentrate containing 121 g/t gold and over 1 kg of silver/t** plus an average **55.8% zinc concentrate with payable gold and silver contents,**” states Antonio Berlanga, Telson’s CEO, “and recoveries of all metals have also been significantly increased with total average payable recoveries of 83% gold, 89% silver 81.5% lead and 85% zinc. These current results have exceeded our expectations, markedly surpassing the results achieved beginning of this year from the Initial Bulk Sample processed at the basically equipped Andes Mill.”

In addition to increased recoveries and concentrate grades obtained at the Atocha Toll Mill, reagent consumption, as displayed below, was improved considerably over the processing of the Lot 1 Andes Mill Concentrates, indicating additional positive production economics can be achieved with future production efforts, both from the pre-production initiative currently underway and once future commercial production is achieved from Telson’s planned on site production facility that will be specifically designed and optimized for Tahuehueto ore recovery.

Reagent Consumption Comparison

REAGENT	ANDES MILL	ATOCHA MILL	REDUCTION
	Kgs./ton	Kgs./ton.	%
SULFATO DE ZINC	3.500	1.200	292%
METABISULFITO	0.000	0.680	
CAL	1.500	0.000	
PROMOTOR AF-242	0.060	0.034	176%
ESPUMANTE	0.080	0.080	100%
SULFATO DE COBRE	2.500	0.660	379%
XANTATO 343	0.120	0.046	261%
AEROFINA 3418-A	0.040	0.010	400%
CIANURO DE SODIO	1.250	0.000	

**Tahuehueto Pre-production update.**

Telson in mid Sept commenced processing another lot of Tahuehueto pre-production ore and to date has processed approximately 3,400 tonnes through the Atocha Mill. The analytical and sale results of the concentrate being produced from this September 2017 pre-production processing will be disclosed to shareholders as soon as final data is available.

Mining is continuing on-site at Tahuehueto averaging approximately 166 tonnes per day during Sept 2017 where the Company has mined approximately 2,530 tonnes of ore which is awaiting transport to Atocha.

**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. Telson plans to soon recommence mineral processing milling operations at Campo Morado while at the same time, subject to securing funding, develop its Tahuehueto Project through the mine construction phase with an anticipated timeline to be processing at the Tahuehueto project site in its own mineral processing facility early to mid-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.*

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**Telson Resources Inc.**  
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