

## Telson Resources Inc. Restarts Operations for Production at Campo Morado



Vancouver, British Columbia, October 23, 2017

### Highlights:

- Starting at a mining and processing rate of 1,400 tonnes per day
- Production expected to increase to 2,500 tonnes per day during the next 6 to 12 months
- First concentrate shipments expected to be sent to Trafigura first week November 2017

Telson Resources Inc. ("Telson" or the "Company") (TSX Venture – TSN.V) is pleased to inform shareholders that ore processing at an initial mill throughput start up rate of approximately 1,400 tonnes per day has been initiated at the Company's 100% owned Campo Morado Mine.

The first two years of production are planned to be mined from the G9 and El Largo ore bodies in areas of elevated gold and silver values within polymetallic base metal zones having average grades of 1.8 g gold/t, 142.7 g silver/t, 3.99% zinc, 0.62% copper and 1.07% lead.

Telson's metallurgists' have conducted numerous metallurgical testing at the mine site laboratory from ore targeted for mining in the initial months of production. Testing has determined that by initially removing carbon organic matter contained within the ore as the first step plus, the addition of new types of reagents to the flotation process, recoveries could potentially be improved. To that end, an initial carbon flotation circuit and new reagents have been added to the Campo Morado processing plant circuit now in operation.

Telson also intends to add additional flotation cells to the overall circuit over the next several months to potentially further increase recoveries of all metals. Telson points out that that there are no guarantees any of these modifications to the processing circuit will prove successful and cannot be assured that recoveries will be increased above previous historical recoveries.

Telson plans to increase the mine's production rate toward the mill's current capacity of 2,500 tonnes per day over the next six to twelve months.

Over the past month the Company has been mining underground and has delivered approximately 29,500 tonnes of the coarse ore to the mill site crushing patio and to date has accumulated a crushed ore stockpile of at least 9,000 tonnes.

“After almost three years of inactivity at Campo Morado while the mine was shut down in care and maintenance, our recently re-hired mining team of technical professionals and employees have been diligently cleaning, servicing, repairing where necessary and rehabilitating underground access to the planned mining areas and their excellent work has allowed Telson to restart mining and milling operations for production at this exciting mine in less than four months from its acquisition.” states Antonio Berlanga, Telson's CEO. “With Campo Morado back in production, we can now bring long term economic benefit to over 250 current employees and their families, the local communities within the area as well as municipal, state and the federal governments of Mexico.”



*Please click on the following links to view videos of mill start-up activities at Campo Morado*

- 1 – [Initiating startup of concentrate processing](#)
- 2 – [Ore on its way to the Ball Mill](#)
- 3 – [Inspecting the flotation circuit](#)
- 4 – [Celebrating the start of processing at Camp Morado](#)



### **About Telson Resources Inc.**

Telson Resources Inc. is a Canadian based mining company with 100% ownership of two operating gold, silver and base metal mines within Mexico. Telson's Tahuehueto Project, located in north-western Durango State, Mexico and its recently acquired Campo Morado Mine in Guerrero, Mexico. Both operations are polymetallic mines 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 initiate the construction of a commercial mining operation on its Tahuehueto project, with an expected timeline to be completed and operational at the mine site during the summer of 2018. As of the date of this press release Telson has restarted mining and milling operations thereby initiating production of concentrates at its recently acquired Campo Morado Mine.

### **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 mine production rate, mill processing modifications and increases in mill processing capacity. 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 Campo Morado and Tahuehueto Project can be achieved; that processing techniques will be improved to increase production rate; 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*



**Telson Resources Inc.**  
**TSX.V: TSN OTCBB: SOHFF**  
**Shares Issued: 107,071,371**

*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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