



Telson Mining Corporation  
TSX.V: TSN OTCPink: SOHFF  
Frankfurt: TSGN.F  
Shares Issued: 139,569,152

# Telson Mining Corporation Reports First Quarter 2019 Financial Results

**Vancouver, British Columbia, May 30, 2019**

Telson Mining Corporation ("Telson" or the "Company" (TSX-V, OTC Pink-SOHFF, Frankfurt-TSGN (formerly SQ82)) is pleased to report its first quarter 2019 summary financial and operating results. The full unaudited consolidated interim financial statements ("Q1 Financial Statements") and related management discussion and analysis ("Q1 MD&A) for the three months ended March 31, 2019 can be found on the company website at [www.telsonmining.com](http://www.telsonmining.com) as well as the [SEDAR website](#).

## Highlights for the three months ended March 31, 2019

### Campo Morado Operational and Financial Highlights

- Mine operating profit of C\$3.05 million for the three months ended March 31, 2019
- C1 Cash Cost of US\$0.71 and AISC of US\$1.01 per pound of zinc produced.
- Gross sales estimated at C\$15,335,000 (US\$11,435,000), generated by the sales of;
  - approximately 20.0 million lbs of zinc concentrate with an average grade of 45%, and
  - approximately 4.8 million lbs of lead concentrate with and average grade of 23%
- Ore processed during Q1 2019 was 148,318 tonnes with an average throughput of 1,765 tonnes per day ("tpd") and recovery of 69% from ore into zinc concentrate and 33% from ore into lead concentrate
- Mined 152,147 tonnes of ore (average 1,811 tpd) grading 4.25% zinc, 1.14% lead, 118 g/t silver and 1.08 g/t gold
- In Q1 2019 the Company produced 9,094 tonnes of zinc concentrate and 2,220 tonnes of lead concentrate, containing an estimated 9.7 million pounds of zinc, 1.5 million pounds of lead, 212,692 ounces of silver and 895 ounces of gold

"After taking Campo Morado out of an extended period of care and maintenance just over one year ago, we are very happy to report that for the first time in many years the mine has generated a significant operating profit of C\$3.05 million during Q1 2019." States Antonio Berlanga, CEO, "This was achieved by the Campo Morado operations team's diligence and hard work in implementing efficiencies, correcting start-up challenges and controlling costs. It is notable the Q1 average daily mill throughput rate was approximately 1,765 tonnes per day and that management is working towards increasing this rate towards 2,500 Tonnes per day during 2019 and thereby expects to increase the operating profit margins through economics of scale."



Telson Mining Corporation  
TSX.V: TSN OTCPink: SOHFF  
Frankfurt: TSGN.F  
Shares Issued: 139,569,152

### **Tahuehueto Operational and Financial Highlights**

- Produced 168 tonnes of lead concentrate grading approximately 39% lead, 6% copper, 80 g/t gold, 840 g/t silver and sold 172 tonnes of lead concentrate for estimated cash proceeds of US\$606,000\*
- Produced 218 tonnes of zinc concentrate grading an average of 44% zinc, 9 g/t gold, 68 g/t silver and sold 320 tonnes of zinc concentrate for estimated cash proceeds of US\$290,000\*
- Total Tahuehueto estimated cash proceeds from pre-production in Q1 2019 were US\$896,000\*
- Average recoveries achieved during Q1 2019 toll milling were 81% gold, 86% silver, 90% lead, 60% zinc and 88% copper
- Pre-production mining produced approximately 21,613 tonnes of ore
- Telson advanced a total of 579 meters of underground development, 97 meters within ore which supplied the pre-production toll milling feed and 482 meters in waste preparing the mine for future commercial production. Development included the Level 12 decline, the El Perdido development drift, El Creston development drift, the Haulage level portal and the main access decline for Level 20

\* Cautionary note – As require under IFRS, pre-commercial production revenues, costs and expenses incurred are capitalized to Mineral Interest and Development Assets up to the total of capitalized development asset. Any excess in revenues over the development asset, if any, is presented in the statement of income and comprehensive income as recovery of expenses under other income.

### **About Telson Mining Corporation**

Telson Mining Corporation is a Canadian based mining company with two Mexican gold, silver and base metal mining projects. Effective May 15, 2018 Telson declared commercial production at its 100% owned Campo Morado Mine, which is currently producing zinc and lead concentrates with gold, silver and copper as by-products.

Telson's 100% owned Tahuehueto Project, located in north-western Durango State, Mexico is currently in construction development. Pre-production commenced at Tahuehueto in August 2017, currently mining at a rate averaging approximately 100 tonnes per day and shipping ore to a third-party toll mill for processing. Management has a targeted timeline at Tahuehueto to be producing with its own on-site mineral processing plant, with a designed capacity of at least 1,000 tonnes per day by the end of 2019.

Visit: [www.telsonmining.com](http://www.telsonmining.com)

### **Qualified Persons**

This press release was prepared under the supervision and review of Ralph Shearing, P.Geol., President and Director of Telson Mining Corporation, a Professional Geologist registered in Alberta as a member of the professional association APEGA, and a Qualified Person as defined by NI 43-101.



Telson Mining Corporation  
TSX.V: TSN OTCPink: SOHFF  
Frankfurt: TSGN.F  
Shares Issued: 139,569,152

**On behalf of the board of directors**

*(signed) "Ralph Shearing"*

**Ralph Shearing, P.Geol, President and Director**

## **Cautionary Note Regarding Production Decisions and 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, such as production rates and increases; success of exploration, development and bulk sample processing activities, and timing for processing at its own mineral processing facility on the Tahuehueto project site. 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 Mine and the Tahuehueto Project can be achieved, 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.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### **For further information about Telson Mining Corporation, please contact:**

Glen Sandwell  
Corporate Communications Manager  
[ir@telsonmining.com](mailto:ir@telsonmining.com)  
Tel: +1 (604) 684-8071