



Telson Mining Corporation
1000 – 1111 Melville Street
Vancouver, BC, V6E 3V6, Canada
TSX.V: TSN

Telson Finalizes Empress Royalty Silver Stream Agreement

Vancouver, British Columbia, April 16, 2021

Telson Mining Corporation (“**Telson**” or the “**Company**” (TSX-V: TSN; OTC Pink: SOHFF; Frankfurt: TSGN) is pleased to announce the execution of the US\$5M silver stream agreement (the “Stream Agreement”) with Empress Royalty Corp. (“**Empress**”) previously announced in its news release dated [February 23, 2021](#).

The Agreement

Under the terms of the Stream Agreement, Telson will deliver to Empress silver credits purchased from a bullion bank in an amount equivalent to 100% of the first 1,250,000 ounces of payable silver contained within produced lead and zinc concentrates; thereafter, the Stream percentage silver credit delivery will step down to 20% of the payable silver from produced lead and zinc concentrates. All streaming obligations will fully terminate after 10 years. Empress, to secure the Stream will advance to Telson an initial US\$2M deposit upon Telson fulfilling certain conditions precedent, expected to occur within two weeks, and the remaining US\$3M deposit will be advanced upon closing the Accendo Banco Medium Term Loan Facility and restructuring of existing loan as described below.

In addition, Empress’ Executive Chairman, David Rhodes will be joining the Company’s Board of Directors as Chairman of the Board, providing his extensive expertise and knowledge of the mining and finance industries.

The closing of the Empress US\$5M Stream is the second stage of a larger US\$25 million financing package organized by an investor syndicate with members Accendo Banco S.A. de C.V., Empress Royalty Corp., & Endeavour Financial (the “**Accendo Syndicate**”) as detailed in Telson’s February 23rd news release. The first stage of the financing package, a US\$8M equity private placement was recently closed by Telson (see [March 30, 2021 news release](#)). The third and final stage of the financing package, a US\$12M Medium Term Loan Facility with Accendo Banco S.A. de C.V. is in the documentation stage with anticipated closing near the end of April or early May 2021.

In the event the full Accendo Syndicate financing of the US\$25M fails to close, the obligations of the Empress Stream will terminate and any partial drawdowns of the Stream advance to Telson are to be converted into shares of Telson equity at Market Price as calculated on any date of termination.

This funding package, conditionally approved by Trafigura, will allow Telson to complete negotiations for the restructuring of Telson’s loan debt with Trafigura and Nyrstar as contemplated in previously announced Waiver Agreements (see April 17 and June 18, 2020 news releases), and provide necessary funding to complete the construction of Telson’s Tahuehueto gold mine, where Telson is targeting initial gold production near the end of 2021. Trafigura’s and Nyrstar’s loan restructuring remains subject to final negotiations and is conditional to certain conditions precedent being met.



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About Telson Mining Corporation

Telson Mining Corporation is a Canadian based mining company with two 100% owned Mexican gold, silver, and base metal mining projects.

Telson's Tahuehueto mining project is in north-western Durango State, Mexico where construction has been advanced to an estimated 60% of completion. Upon closing of the recently announced US\$25 million funding package, Telson will have funding available to finish construction of its 1,000 tonne per day processing facility and related mine infrastructure to initiate production of gold, silver, lead, and zinc in concentrates at Tahuehueto. The Company is targeting initial production by end of 2021 and ramping up to full production capacity during Q1 2022.

Campo Morado is an operating polymetallic base metal mine with mining and milling equipment currently producing at an average of 2,150 tonnes per day and is currently estimated to be Mexico's 6th largest zinc producer.

Visit: www.telsonmining.com

On Behalf of the Board of Directors

(signed) "Ralph Shearing"

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

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 the planned recommencement of mining operations at Campo Morado; and other possible events, conditions or financial performance that are 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 using 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; that recommencement of operations at Campo Morado will proceed as planned; 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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