



Telson Mining Corporation
TSX.V: TSN OTC Pink: SOHFF
Frankfurt: TSGN.F
Shares Issued: 161,364,823

Telson Updates Delay in Filing Annual Financial Statements and Management's Discussion and Analysis

Vancouver, British Columbia, June 12, 2020

Telson Mining Corporation ("**Telson**" or the "**Company**" (TSX Venture Exchange-TSN, OTC Pink-SOHFF, Frankfurt-TSGN (formerly SQ82)) provides the following mandatory regulatory update that it has requested a temporary Management Cease Trade Order ("**MCTO**") from the British Columbia Securities Commission ("**BCSC**") in connection with the Company's filing of its audited annual financial statements (the "**Audited Financial Statements**") and MD&A for the financial year ended December 31, 2019.

On March 23, 2020, the Canadian Securities Administrators granted blanket relief (the "**Blanket Relief**") for all reporting issuers, providing up to a 45-day extension for periodic filings normally required to be made on or before June 1, 2020. Due to the circumstances created by the COVID-19 pandemic, the Company issued a news release on April 27, 2020, relying on the extension provided for under the Blanket Relief, announcing the delay of filing of its Audited Financial Statements, the annual MD&A and the applicable CEO and CFO certifications (the "**Annual Filings**"), as the Company did not believe that it would be able to file the Annual Filings by its usual 120-day deadline of April 29, 2020 as required pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**"). At that time, the Company expected to complete the Filings to be completed on or before June 16, 2020.

The Company is requesting the MCTO in order to secure additional time to finalize the Annual Financial Statements. As a result of the recent COVID-19 pandemic and the unexpected delays connected therewith, the Company anticipates a longer than anticipated timeframe for the audit of the Annual Financial Statements. However, it is the Company's reasonable expectation that the Annual Filings will be finalized by July 15, 2020.

By way of background and as required by the BCSC, the Company notes the following:

1. The Company is required to file its Annual Filings all in accordance with IFRS, by **June 16, 2020** (the "**Annual Filing Deadline**"), being the extended filing deadline in accordance with the Blanket Relief. The Company does not anticipate that it will be able to complete the Annual Filings on or before the Filing Deadline.
2. The Company and its auditors are working diligently to prepare and file the Annual Filings, on or before July 15, 2020.
3. The Company confirms that it intends to issue a status report on a bi-weekly basis, for as long as it remains in default of the Annual Filing Deadline in respect of the Annual Filings.



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4. There is no other material information concerning the affairs of the Company that has not been generally disclosed.

The Company has imposed an insider trading blackout pending the filing of the Annual Filings and will comply with the alternative information guidelines described in National Policy 12-203 *Management Cease Trade Orders* during such period.

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, located in north-western Durango State, Mexico where construction has been advanced to approximately 70% completion and waiting for final funding to finish construction of the processing plant and related assets to produce gold, silver, lead and zinc in concentrates within its own on-site mineral processing facility, with a designed capacity of at least 1,000 tonnes per day. The Company is targeting completion of construction six to eight months after securing final funding.

Campo Morado is a polymetallic base metal mine that produces zinc, lead, copper, silver and gold. Four months after purchasing Campo Morado, Telson brought the mine back into operation initiating preproduction in October 2017 and declared commercial production in May 2018, operating the mine continuously for 22 months until August 2019 when the project was put on care and maintenance. Telson brought the mine out of care and maintenance, reinitiating mining and milling operations late January 2020, operating through February and March however, temporarily suspended operations at the beginning of April as mandated by the Mexican Government Ministry of Health which proclaimed a national health emergency suspending all "non-essential" public and private sector business, including mining as a result of the COVID-19 pandemic. The Company re-started operations on June 3, 2020 after the Mexican government recognized mining as essential to the economy and are allowing companies to initiate mining activities.

Visit: www.telsonmining.com

On Behalf of the Board of Directors

(signed) "Ralph Shearing"

Ralph Shearing, President, CEO and Director

Cautionary Note Regarding Production Decisions and Forward-Looking Statements

It should be noted that Telson declared commercial production at Campo Morado prior to completing a feasibility study of mineral reserves demonstrating economic and technical viability. Accordingly, readers should be cautioned that Telson's production decision has been made without a comprehensive feasibility study of established reserves such that there is greater risk and uncertainty as to future economic results from the Campo Morado mine and a higher technical risk of failure than would be the case if a feasibility study was completed and relied upon to make a production decision. Telson has completed a preliminary economic assessment ("PEA") mining study on the Campo Morado mine that provides a conceptual life of mine plan and a preliminary economic analysis based on the previously identified mineral resources (see News Release dated November 8, 2017 and April 4, 2018).



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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 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; 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 and that the Filings will be completed in the time period anticipated. 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.

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