



Telferscot Resources Announces Termination of Agreement

TORONTO, Ontario, January 5, 2017 – Telferscot Resources Inc. (CSE:TFS) (“**Telferscot**” or the “Company”) announces that as at December 31, 2016 a number of conditions precedent to the closing of the previously reported transaction with Auxico Resources Canada Inc. (“Auxico”) remained outstanding.

Accordingly, the agreement with Auxico has been terminated and pursuant to the terms of the transaction Telferscot is entitled to a break fee of \$150,000.

Company management is now free to explore other opportunities and will begin investigating such opportunities immediately.

This news release may contain forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. Statements about the closing of the transaction, expected terms of the transaction, the number of securities of Telferscot that may be issued in connection with the transaction, and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements. Statements speak only as of the date on which they are made, and the Company undertakes no obligation to update them publicly to reflect new information or the occurrence of future events or circumstances, unless otherwise required to do so by law.

FOR ADDITIONAL INFORMATION IN RESPECT OF TELFESCOT, PLEASE CONTACT:

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