

Calgary, Alberta--(Newsfile Corp. - September 29, 2016) - Teras Resources Inc. (TSXV: TRA) ("Teras"): Peter Leger, President and Chief Executive Officer of Teras is pleased to announce that the company has engaged Strategic Advisor Red Cloud Klondike Strike Inc. ("Red Cloud"), a Toronto based company, to assist Teras as their flagship project "Cahuilla" advances to a new level.

The Red Cloud team has a mix of in-house technical and financial expertise with over 100 cumulative years of combined mining and corporate finance experience. Working as an extension of management, the Red Cloud team uses its global network of mining and capital markets professionals and extensive in-house experience in the many facets of the mining business to help companies identify sources of capital and quality actionable merger, acquisition and divestiture opportunities, and to generate and maintain important relationships with key investors.

Teras looks forward to working with Red Cloud's team of professionals to develop both market awareness and exploring potential transactions which will be beneficial to our shareholders.

Teras has today granted 1,250,000 million options to purchase common shares of the Company to directors, officers, and consultants of the Company in accordance with the Company's stock option plan (850,000 of these Options are replacing recently expired Options). The options have an exercise price of \$0.15 per share. The expiry date of the options will be 5 years from the date of issuance, being September 29th, 2021.

"Teras has determined that there are exemptions available from the various requirements of TSX Venture Policy 5.9 and Multilateral Instrument 61-101 for the issuance of the options to the directors and officers of Teras (Formal Valuation - Issuer Not Listed on Specified Markets; Minority Approval - Fair Market Value Not More Than 25% of Market Capitalization)."

About Teras

Teras is focused on developing its Cahuilla project located in Imperial County, California. The project encompasses an area of at least 3 km by 1.5 km and Teras believes that the Cahuilla project has the potential to develop into a mining operation consisting of altered and mineralized sedimentary and volcanic host rocks with numerous sheeted high-grade quartz veins. Teras filed a NI 43-101 technical report with an indicated resource of 1.0 million ounces of gold and 11.9 million ounces of silver on its Cahuilla project (70 million tons at an average grade of 0.015 ounces per ton gold and 0.17 ounces per ton silver with a cut-off of 0.008 ounces per ton gold) and inferred class of 10 million tons grading 0.011 opt gold and 0.10 opt silver. Gold equivalent ounces are 1.2 million ounces in indicated class and 130,000 ounces in inferred class using a ratio of 55 silver ounces to 1 gold ounce.

Dr. Dennis LaPoint, a qualified person under National Instrument 43-101 "Standards of Disclosure for Mineral Projects", and a Director for Teras is the Company's nominated qualified person responsible for monitoring the supervision and quality control of the programs completed on the Company's properties. Dr. LaPoint has reviewed and verified the mining, scientific and technical information contained in this news release. Dr. LaPoint is a registered geologist with the Society of Mining Engineers.

For further project and corporate information, contact:

[Teras Resources Inc.](#)

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Neither the 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 of accuracy of this news release.

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein may be forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. In particular, this press release contains forward-looking information regarding: the Cahuilla project, the development and advancement of the Cahuilla project, the development of the geologic model in respect of the Cahuilla project, the development of further drill plans in relation to the Cahuilla project and the potential of the Cahuilla project to develop into a mining operation; and the completed core drilling program including further analysis of the core drilling program, the evaluation of the core drilling program and its impact on the Company's existing NI 43-101 technical report. This forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to, the actual results of exploration projects being equivalent to or better than estimated

results in technical reports or prior exploration results, future costs and expenses being based on historical costs and expenses, adjusted for inflation, the ability of the Company to obtain acceptable financing, market acceptance of its exploration programs and projects; consistent and favorable commodity prices; and regulatory acceptance of the Company's geologic models . Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: the early stage development of the Company and its projects; general business, economic, competitive, political and social uncertainties; commodity prices; the actual results of current exploration and development or operational activities; competition; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Company; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.