

Filo Mining Reports Second Quarter 2017 Results

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Aug. 11, 2017) - Filo Mining Corporation(TSX VENTURE:FIL) (OMX:FIL) ("Filo Mining" or the "Company") is pleased to announce its results for the three and six months ended June 30, 2017.

HIGHLIGHTS

Following completion of the 2016/2017 field program in March 2017 at the Filo del Sol copper-gold-silver mineral exploration project ("Filo del Sol" or the "Filo del Sol Project"), the Company received the remainder of the assay results from the 8,616 metre, 41 hole drill campaign during the second quarter of 2017. As a result, the Company has successfully:

- Expanded and further defined the oxide gold zone of the Filo del Sol deposit, such that it currently measures approximately 700 metres by 350 metres;
- Confirmed the existence of the high-grade copper oxide zone of the Filo del Sol resource;
- Confirmed the presence of a high-grade silver zone, underlying the copper oxide zone; and
- Outlined a shallow oxide copper zone, an oxide gold zone, and a copper-gold zone at the Filo South target, located 1 kilometer south of the Filo del Sol deposit, which confirms the further exploration upside present at Filo del Sol.

"We are very excited and encouraged with the recent progress that has been made at Filo del Sol," commented Mr. Wojtek Wodzicki, President and CEO. "Following a very successful exploration season, we are now updating the resource estimate. This season's drill program has improved our understanding of zoning in the deposit and we have now defined a gold oxide zone, a copper-gold oxide zone, a high-grade silver zone, and a copper-gold sulphide zone. We will soon have the results from phase 2 of the metallurgical testwork, which will enable us to prepare a preliminary internal scoping study by the end of the third quarter. This internal study will guide our decision on whether to proceed with a formal PEA, as well as chart the course for the upcoming 2017/2018 field season."

FINANCIAL RESULTS

(In thousands of Canadian dollars, except per share amounts)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2017	2016	2017	2016
Exploration and project investigation	1,257	331	10,187	1,617
General and administration ("G&A")	785	303	1,420	806
Net loss	2,053	646	11,566	2,508
Basic and diluted loss per share	0.03	0.01	0.19	0.05

The financial information in this table were selected from the Company's unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2017 (the "Financial Statements"), which are available on SEDAR at www.sedar.com and the Company's website www.filo-mining.com.

SELECTED FINANCIAL INFORMATION

(In thousands of Canadian dollars)

	June 30,	December 31,
	2017	2016
Cash	7,290	19,465
Working capital	6,892	17,653
Mineral properties	6,377	6,091
Total assets	14,208	26,151

The financial information in this table were selected from the Financial Statements, which are available on SEDAR at www.sedar.com and the Company's website www.filo-mining.com.

The Company incurred a net loss of \$2.1 million during the current quarter, comprised of \$1.3 million and \$0.8

million in exploration and project investigation costs and G&A costs, respectively, compared to a net loss of \$0.3 million for the second quarter of 2016. The variance is primarily driven by relative levels of exploration activity undertaken during the respective periods. Specifically, in the second quarter of 2017, the Company incurred higher costs with respect to preliminary engineering studies, in addition to metallurgical, geological, and environmental consultation, in support of the mineral resource update, the ongoing metallurgical testwork, and the aforementioned internal scoping study.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2017, the Company had cash of \$7.3 million and net working capital of \$6.9 million, compared to cash of \$19.5 million and net working capital of \$17.7 million as at December 31, 2016. The decrease in the Company's cash and net working capital is due primarily to funds directed towards advancing the Filo del Sol Project, and to a lesser extent, funds spent for general corporate purposes. This has been partially offset by the receipt of approximately \$0.8 million as proceeds from the exercise of share options during the six months ended June 30, 2017.

Moving forward, the Company expects that the majority of the treasury will be used to fund ongoing work programs to advance the Filo del Sol Project.

Based on Filo Mining's financial position at June 30, 2017, the Company has a strong treasury to support its ongoing exploration initiatives and general corporate activities, while being able to exercise a high degree of flexibility in adapting its work programs and expenditures to changes in market conditions, as necessary.

SUMMARY AND OUTLOOK

With an experienced board of directors and management team, and a treasury of approximately \$7.3 million as at June 30, 2017, Filo Mining is well positioned to advance the Filo del Sol Project.

The Company expects to complete the updated resource estimate for the Filo del Sol Project in the third quarter, 2017. The second phase of metallurgical testwork, which follows up on the encouraging initial results received in October 2016, is also targeted for completion in the third quarter, 2017.

Once the results are received from the current metallurgical test program, the Company will combine the information with the updated Mineral Resource estimate in order to prepare a preliminary internal conceptual study of development options for the Filo del Sol Project. This internal study is expected to be completed towards the end of the third quarter of 2017 and will allow the Company to decide whether to initiate a formal preliminary economic assessment ("PEA") of the Filo del Sol Project. If a PEA is initiated for the Filo del Sol Project, the related technical report would be targeted for completion by the first quarter of 2018.

About Filo Mining

Filo Mining is a Canadian mineral exploration company which holds a 100% interest in the Filo del Sol Project on the border of Argentina's San Juan Province and Chile's adjacent Region III. Filo Mining is listed on the TSX-V and Nasdaq First North Exchange under the trading symbol "FIL". Pareto Securities AB is the Company's Certified Adviser on Nasdaq First North. Built on a foundation of experienced management and focused on advancing exploration projects in Chile and Argentina, Filo Mining is well positioned to build shareholder value through discovery and resource development.

Additional information

The Company's consolidated financial statements for the year ended December 31, 2016 and related management's discussion and analysis are available on the Company's website at www.filo-mining.com or under its profile on SEDAR at www.sedar.com.

This information was submitted by Filo Mining Corp. for publication, through the agency of the contact person set out below, on August 11, 2017 at 2:30pm Pacific time.

On behalf of the board of directors of Filo Mining,

Wojtek Wodzicki, President and CEO
Filo Mining Corp.

Cautionary Note Regarding Forward-Looking Statements

Certain statements made and information contained herein in the press release constitutes "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation (collectively, "forward-looking information"). The forward-looking information contained in this press release is

based on information available to the Company as of the date of this press release. Except as required under applicable securities legislation, the Company does not intend, and does not assume any obligation, to update this forward-looking information. Generally, this forward-looking information can frequently, but not always, be identified by use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events, conditions or results "will", "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotations thereof.

All statements other than statements of historical fact may be forward-looking statements. Forward-looking information is necessarily based on estimates and assumptions that are inherently 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, including but not limited to: risks and uncertainties relating to, among other things, the use of proceeds, the inherent uncertainties regarding cost estimates, changes in commodity prices, currency fluctuation, financing, unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations, as well as other risks, uncertainties and other factors, which 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.

The Company believes that the expectations reflected in the forward-looking statements and information included in this press release are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements and information should not be unduly relied upon. This statement and information is as of the date of the press release. In particular, this press release contains forward-looking statements or information statements with respect to the assumptions used in the mineral resource estimates for the Filo del Sol project, the expected timing of an updated mineral resource estimate for the Filo del Sol project; the expected timing for the completion of column leach testing and metallurgical testwork; expected timing for the completion of preliminary internal conceptual study of development options for the Filo del Sol Project and possible timing for a decision concerning a PEA; expected timing for completion of a PEA if the decision is made to undertake a PEA; the success of future exploration activities; potential for resource expansion; potential for the discovery of new mineral deposits; ability to build shareholder value; expectations with regard to adding to mineral resources through exploration; expectations with respect to the conversion of inferred resources to an indicated resources classification; use of proceeds from the Private Placement; ability to execute the Planned Work programs; estimation of commodity prices, mineral resources, costs and; permitting time lines; ability to obtain surface rights and property interests; currency exchange rate fluctuations; requirements for additional capital; government regulation of mining activities; environmental risks; unanticipated reclamation expenses; title disputes or claims; limitations on insurance coverage; and other risks and uncertainties.

Forward-looking information is based on certain assumptions that the Company believes are reasonable, including that the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, that the general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and that the Company will not experience any material labour dispute, accident, or failure of plant or equipment. These factors are not, and should not be construed as being, exhaustive. Although the Company has attempted to identify important factors that would 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. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking information contained in this document is qualified by these cautionary statements. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

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