

## Filo Mining Reports First Quarter 2017 Results

VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 11, 2017) - Filo Mining Corporation (TSX VENTURE:FIL) (NASDAQ OMX:FIL) ("Filo Mining" or the "Company") is pleased to announce its results for the three months ended March 31, 2017.

### HIGHLIGHTS

Execution of the 2016/2017 exploration program at the Filo del Sol copper-gold-silver mineral exploration project ("Filo del Sol" or the "Filo del Sol Project") was the focus of the Company's activities for the three months ended March 31, 2017. The program, which was successfully concluded in March 2017, completed 8,616 metres of reverse circulation drilling in 41 holes. To date, assay results have been received from 24 holes and have:

- Confirmed the occurrence of higher grade gold zones within the oxide gold portion of Filo del Sol's current resource;
- Extended the same oxide gold zone such that it currently measures approximately 700 metres by 250 metres, and remains open to the north;
- Confirmed the existence of the high-grade copper portion of the Filo del Sol resource; and
- Identified a potential new zone of shallow oxide copper and gold south of the current Filo del Sol resource, at the Filo South target.

Mr. Wojtek Wodzicki, President and CEO commented, "The advancement of the Filo del Sol Project is proceeding to plan and we continue to be encouraged by the drill results received to date from the recently completed 2016/2017 exploration program. The remaining assays should be available in the coming days, which will enable the Company to update the Mineral Resource estimate at Filo del Sol in the third quarter. Together with the results from ongoing metallurgical testwork and a preliminary internal scoping study, Filo Mining will then be able to decide towards the end of the third quarter whether a formal PEA is warranted at this stage, which will set the Company's course for the remainder of 2017."

### FINANCIAL RESULTS

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

	Three months ended March 31, 2017	Three months ended March 31, 2016
Exploration expenses	8,930	1,286
General and administration ("G&A")	635	503
Net loss	9,513	1,862
Basic and diluted loss per share	0.15	0.04

*The financial information in this table were selected from the Company's unaudited condensed interim consolidated financial statements for the three months ended March 31, 2017 (the "Financial Statements"), which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company's website [www.filo-mining.com](http://www.filo-mining.com).*

### SELECTED FINANCIAL INFORMATION

*(In thousands of Canadian dollars)*

	December 31, 2016	December 31, 2016
Cash	11,616	19,465
Working capital	8,250	17,653
Mineral properties	6,098	6,091
Total assets	18,468	26,151

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The net loss for the three months ended March 31, 2017 totaled \$9.5 million, compared to a net loss of \$1.9 million in the 2016 comparative period, and the variance is largely driven by relative levels of exploration

activity undertaken during the respective periods. Specifically, in the first quarter of 2017 the Company completed a much larger exploration program, which included 8,616 metres of drilling.

## LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2017, the Company had cash of \$11.6 million and net working capital of \$8.3 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.

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 March 31, 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 \$11.6 million as at March 31, 2017, Filo Mining is well positioned to advance the Filo del Sol Project while also remaining flexible and responsive to continuing volatility in the resource sector.

The 2016/2017 exploration program was successfully completed in March 2017 and included 8,616 metres of a mix of infill and exploration drilling in 41 holes. Assay results relating to the first 24 holes have been received (see News Releases date February 15, 2017 and April 10, 2017), and the Company will receive the assay results of the remaining 17 holes shortly. The data generated from the 2016/2017 drill program will:

- Allow the Company to update the resource estimate for the Filo del Sol Project;
- Provide better understanding of the geometry and extent of the oxide gold zone of the current resource, which currently measures approximately 700 metres by 250 metres, and remains open to the north; and
- Confirm the potential of the Filo South target, located approximately 1 km south of the Filo del Sol deposit, where the Company has discovered new shallow oxide copper and oxide gold mineralization.

In addition, Filo Mining is currently conducting a more extensive program of metallurgical testwork to follow up on the encouraging initial results received in October 2016. The Company plans to complete column leach tests which will provide information on the optimum fragment size for leaching and more information on how the mineralized material will behave on a leach pad. This information, together with an updated resource estimate, is expected to provide the information needed for a preliminary internal conceptual study of development options. 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 end of 2017.

## CORPORATE UPDATE

On February 1, 2017, Mr. James Beck was appointed Vice President, Corporate Development and Projects. Mr. Beck is a registered Professional Engineer in the province of Ontario, holds a Bachelor of Applied Science from Queen's University and an MBA from the University of British Columbia, and also serves as the Vice President, Corporate Development and Projects of NGEx. Mr. Beck previously held the position of Director, Corporate Development.

## 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](http://www.filo-mining.com) or under its profile on SEDAR at [www.sedar.com](http://www.sedar.com).

This information was submitted by Filo Mining Corp. for publication, through the agency of the contact person set out below, on May 11, 2017 at 2:30 p.m. 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 speaks 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 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.

*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 or accuracy of this news release.*

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