

Filo Mining Reports Recoveries of 95.1% for Copper, 93.2% for Gold and 92.7% for Silver From Initial Metallurgical Tests on Mineralization From the Filo Del Sol Deposit

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Oct. 11, 2016) - Filo Mining Corporation (TSX VENTURE:FIL) (NASDAQ OMX:FIL) ("Filo Mining" or the "Company") is pleased to report positive results from an initial program of metallurgical testwork on oxide mineralization from the Filo del Sol deposit. Testwork was completed by SGS Canada Inc. in Lakefield, Ontario under the supervision of Dr. Joe C. Ferron who is a consultant to the Company.

Bottle-roll tests were completed on reverse circulation (RC) drill cuttings of three separate types of mineralization representing three distinct zones within the deposit. The results are summarized below:

Zone	Head Grade	Recovery
Oxide Copper (CuOx)	0.33 gpt Au; 0.44% Cu	95.1% Copper
Oxide Gold (AuOx)	0.49 gpt Au; 0.02% Cu	93.2% Gold
Mixed Silver (M)	0.34 gpt Au; 0.29% Cu; 103 gpt Ag	88.6% Gold; 92.4% Copper; 92.7% Silver

Key results from this initial test program were that the metallurgy of the AuOx mineralization appears totally problem-free and that the CuOx mineralization also appears straightforward, with copper being almost completely soluble. The metallurgy of the M zone mineralization indicates good extractions of silver, gold and copper by cyanidation, but at the expense of high cyanide and lime consumption. The M zone mineralization will require additional work to determine the optimum processing solution.

Bottle roll tests are used to determine whether metals can be recovered by heap leaching, and provide a good indication of maximum expected metal recoveries. Heap leaching is a widely used processing method for recovering metals from oxidized mineralization and typically involves lower capital and operating costs than the flotation process that is used for sulfide material.

In addition to the tests above, a sequential leach test was done on the CuOx sample. Sequential leach involves acid leaching of the material to recover copper, followed by thorough rinsing, neutralisation and cyanide leaching to recover gold. It offers the potential to recover both copper and gold from the CuOx material. The sequential leach test provided 94% copper recovery and 87% gold recovery, indicating that it is a processing method that warrants additional testwork in order to determine if it might be applicable on a project scale.

"These results are very encouraging," commented Wojtek Wodzicki, President and CEO of Filo Mining. "and support further evaluation of the potential to heap leach the upper part of the Filo del Sol Deposit. We are particularly impressed by the fast leach times and the indications that the Oxide Copper zone may be amenable to leaching with plain water rather than sulfuric acid. The excellent gold recoveries obtained from sequential leaching of copper and then gold from the oxide copper material is also very positive and suggests that recovery of gold from the oxide copper zone may be possible."

Bottle roll leach results for the CuOx material indicated that the copper was very soluble and no acid was needed to obtain a target pH < 2.0 suggesting the material may be amenable to simple water leaching. Leach kinetics were excellent with ultimate copper extraction of 95.1% achieved in approximately 24 hours.

Bottle roll cyanide leach results for the AuOx material indicated gold was very soluble, with a recovery of 93.2% achieved after 24 hours when using 1 g/L cyanide concentration. Cyanide consumption was moderate at 0.67 kg/tonne.

Bottle roll cyanide leach results for the M zone material indicated that silver, gold and copper were soluble with recoveries of 92.7%, 88.6% and 92.4% respectively after 96 hours. Cyanide and lime consumption were high, mostly due to the relatively high concentration of copper in the sample. Mineralogical studies completed last year indicated that this zone is comprised of several different silver and copper-bearing minerals and that the mineralogy of this zone is quite variable. Accordingly, it is challenging to obtain a sample which is representative of the zone and the results obtained during this initial test may not necessarily be applicable to the entire M zone.

A key component of the upcoming field program, expected to start in November, will be to collect additional sample material from all three zones in order to complete a more comprehensive test program early in 2017. Coarser sized samples from surface will be collected for use in the column testing which will better approximate the conditions in an actual leach operation. Recoveries from column tests are typically lower than from bottle

roll tests.

In addition to completing initial column leach tests, the 2017 program will have two specific goals:

- Investigate processes which could recover both the copper and gold from the CuOx material. Two methods which will be investigated are sequential leach and Sulfidization, Acidification, Recycling and Thickening (SART). In a sequential leach, material is first leached with acid to recover the copper, then neutralized and leached with cyanide to recover the gold. The SART process allows recycling of the cyanide following the extraction of copper. If successful, either of these methods could allow for the recovery of both the copper and gold from the CuOx material.
- More fully investigate the M zone material, which is more complex than either the CuOx or AuOx. Additional mineralogy studies will be done in order to better define the variability within this zone, to help select representative samples and to confirm expected process recoveries.

Technical details of the initial bottle roll test results are presented below:

Table 1: Acid Leach Conditions

Test No.	Sample	Feed (g)	Density (%)	Time (hours)	H2SO4 (kg/t)	pH	Residue (g)	Weight Loss (g)	Weight Loss (%)
LC-1	ZC CuOx	252.6	20	96	0.0	1.6-1.7	204.6	48.0	19.0

Table 2: Acid Leach Results

Test No.	Sample	Cu Extr'n %	Copper Assay Solution (mg/L)					Solids (%)	
			8 h	24 h	48 h	72 h	96 h	Residue	Calc Feed
LC-1	ZC CuOx	95.1	1050	1050	1070	1060	1020	0.028	0.46

Table 3: Cyanide Leach Conditions

Test No.	Sample	Feed (g)	Density (%)	Time (h)		NaCN Conc (g/L)
				Pre-Aer'n	Leach	
CN-1	ZC AuOx	246	20	2	96	1.0
CN-2	ZC M	263	20	2	96	1.0

Table 4: Cyanide Leach Results

Test No.	Sample	Extraction			Residue Assay			Calc Head		
		Au (%)	Ag (%)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (%)
CN-1	ZC AuOx	93.2	~70*	17.6	0.032	<0.05	0.012	0.47	<0.2	0.01
CN-2	ZC M	88.6	92.7	92.4	0.043	8.37	0.020	0.38	115	0.26

* very approximate due to low silver levels in feed

On behalf of the board of directors of Filo Mining,

Wojtek Wodzicki, President and CEO, Filo Mining

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". 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

This information was submitted for publication, through the agency of the contact person set out above, on October 10, 2016 at 11:00 p.m. Pacific Time. Pareto Securities AB is the Company's Certified Adviser on Nasdaq First North.

Dr. Giovanni Di Prisco, P.Geo., is the Qualified Person as defined by National Instrument 43-101. Dr. Di Prisco is a consultant for the Company and has verified the technical information for the Filo del Sol Project included in this press release and relating to the tests from which results are reported in this press release.

For more details on the Filo del Sol Project please refer to the technical report dated June 10, 2016 and titled "Geological Report for the Filo del Sol Property, Region III, Chile and San Juan Province, Argentina. The resource estimate has an effective date of May 30, 2016. A copy of the technical report is available under the Company's profile on SEDAR www.sedar.com

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 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; expectations with respect to metallurgy, recoveries, and potential processing methods; expectations with regard to adding to mineral resources through exploration, availability of funding, ability to execute the Planned Work Program; estimation of commodity prices, mineral resources, and costs; 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 cover age; and other risks and uncertainties.

Statements relating to "mineral resources" are deemed to be forward looking information, as they involve the implied assessment, based on certain estimates and assumptions that the mineral resources described can be profitably produced in the future.

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.

Filo Mining Corporation
Sophia Shane
Investor Relations
(604) 689-7842

<https://filomining.mediaroom.com/index.php?s=2429&item=122519>