VANCOUVER, BRITISH COLUMBIA--(Marketwired - Aug 21, 2017) - Filo Mining Corp. (TSX VENTURE:FIL)(OMX:FIL) ("Filo Mining" or the "Company") is pleased to announce a significant increase to the Mineral Resource estimate for its 100% controlled Filo del Sol copper-gold-silver deposit located along the Chile-Argentina border.

Commenting on today's news release, Wojtek Wodzicki, President and CEO of Filo Mining remarked, *"Today's results confirm Filo del Sol as one of the best growth projects in South America. With less than 9,000 metres of new drilling we were able increase the resource by 61% and more importantly, define distinct gold oxide, copper-gold oxide, and silver zones that are amenable to heap leach processing. The tonnes and grades in the copper-gold oxide zone by itself are comparable to some of the larger copper leach operations in Northern Chile with the added benefit of significant precious metal resources in the gold and silver zones. The exploration upside at Filo is excellent and we are confident that this resource still has room to grow. These results are an important step toward our goal of building Filo Mining into a significant new gold, copper, and silver producer."*

Highlights (see Table 1 for resource details):

- Significant Increase in overall resource tonnes and contained metals.
  - Resource tonnes increased by 61% to 372.9 million tonnes Indicated plus 238.9 million tonnes Inferred;
  - Total contained gold increased by 62% to 4.0 million ounces Indicated plus 2.5 million ounces Inferred
  - Total contained copper increased by 28% to 2.8 billion pounds Indicated plus 1.4 billion pounds Inferred
  - Total contained silver increased by 13% to 110 million ounces Indicated plus 60 million ounces Inferred
- Resource has now been divided into four zones based on metallurgical characteristics. Metallurgical testwork completed to date indicates that the oxide zones are amenable to heap leach processing and that the silver zone could either be leached or processed by flotation to produce a silver-rich concentrate. The conceptual engineering studies now underway focus on the upper three zones. From top to bottom these are:
  - A gold oxide zone (AuOx) containing 710,000 ounces of gold Indicated plus 368,000 ounces of gold Inferred.
  - A copper-gold oxide (CuAuOx) zone containing 1.6 billion pounds of copper and 1.6 million ounces of gold Indicated plus 0.6 billion pounds of copper and 0.9 million ounces of gold Inferred.
  - A silver zone (Ag) containing 82 million ounces of silver Indicated plus 43 million ounces of silver Inferred.
  - These three zones are underlain by a copper-gold sulphide zone (sulphide), which has not been tested metallurgically yet but based on the mineralogical characteristics is likely to be able to be processed by flotation to produce a concentrate.
  - It is important to note that there are significant zones of higher grade material within the broader resource envelope shown in Table 1 - these can be seen at the higher cut-off grades shown in Tables 2-5.
- Favourable topography for open pit mining methods.
- Excellent conversion of Inferred tonnes to the Indicated category. 61% of the new resource is now Indicated. The conversion rate of Inferred to Indicated was 98%.
- Exploration Upside. The resource remains open for expansion in several directions and at depth. To date only 3 kilometres of the approximately 7 kilometre long strike length of the Filo alteration zone has been drill tested. All holes drilled into the deposit, including the deepest holes at 500 metres long, end in mineralization and the potential for porphyry copper-gold mineralization at depth is considered excellent.

The resource estimate presented in Table 1 represents the total Indicated and Inferred Resource, divided between a gold oxide zone (AuOx), a copper-gold oxide zone (CuAuOx), a silver zone (Ag) and a primary sulphide mineralization zone (sulphide). Each of these zones was reported at a different cutoff grade, based on expectations of the most important metal or metals in each zone. Base case cutoff grades are shown in Table 1 and each zone is reported at a range of cutoff grades in Tables 2-5 below. These four discreet mineralized zones have been aggregated to derive the total mineral resource. The different zones reflect distinct styles of mineralization based on mineralogy, grade distribution and deposit geology and have different metallurgical characteristics based on preliminary testwork completed to date.

This new resource estimate updates and replaces the resource estimate released on November 23, 2015 and is based on a total of 36,200 metres of primarily reverse circulation drilling including an additional 7,500 metres of reverse circulation drilling in 37 new holes from the drill program completed in March 2017. Most of the increase in the resource estimate comes from the Filo South zone which is included in the resource for the first time. Filo South is contiguous with the main Filo deposit. In addition, the oxide gold mineralization at the Filo deposit was not broken out in the previous resource estimate, but drilling this past season has greatly expanded both the size and grade of this area to the point where it is now significant enough to report on its own.

This resource update forms the basis for internal conceptual studies which are now underway to evaluate potential project development options. A decision on whether to proceed towards a Preliminary Economic Assessment ("PEA") is expected during the third quarter of 2017.

A technical report prepared according to the guidelines of NI 43-101 and summarizing this resource estimate will be available under the Company's profile on SEDAR within 45 days. The Mineral Resource estimate as of the effective date of July 1, 2017 is shown in the tables below:

Table 1: Total Resource

Zone	Cutoff	Category	Tonnes (millions)	Cu (%)	Au (g/t)	Ag (g/t)	lbs Cu (millions)	Ounces Au (thousands)	Ounces Ag (thousands)
AuOx	0.20 g/t Au	Indicated	52.5	0.05	0.42	3.0	59	710	5,060
		Inferred	31.7	0.08	0.36	2.4	57	368	2,470
CuAuOx	0.15 % CuEq	Indicated	175.3	0.42	0.29	2.8	1,636	1,630	15,530
		Inferred	94.7	0.30	0.30	2.3	624	924	6,970
Ag	20 g/t Ag	Indicated	36.5	0.52	0.41	69.5	421	485	81,600
		Inferred	17.0	0.40	0.43	78.9	149	235	43,130
Sulphide	0.30 % CuEq	Indicated	108.6	0.28	0.32	2.2	658	1,129	7,690
		Inferred	95.5	0.29	0.32	2.4	612	983	7,420
Total		Indicated	372.9	0.34	0.33	9.2	2,774	3,954	109,880
		Inferred	238.9	0.27	0.33	7.8	1,442	2,510	59,990

*[1] - CuAuOx copper equivalent (CuEq) assumes metallurgical recoveries of 82% for copper, 55% for gold and 71% for silver based on preliminary metallurgical testwork, and metal prices of US$3/lb copper, US$1300/oz gold, US$20/oz silver. The CuEq formula is: CuEq=Cu+Ag*0.0084+Au*0.4239;*

*[2] - Sulphide copper equivalent (CuEq) assumes metallurgical recoveries of 84% for copper, 70% for gold and 77% for silver based on similar deposits, as no metallurgical testwork has been done the Sulphide mineralization, and metal prices of US$3/lb copper, US$1300/oz gold, US$20/oz silver. The CuEq formula is: CuEq=Cu+Ag*0.0089+Au*0.5266;*

[3] - The Qualified Person for the resource estimate is James N. Gray, P.Geo. of Advantage Geoservices Ltd.;

[4] - All figures are rounded to reflect the relative accuracy of the estimate;

[5] - Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability;

[6] - The resource was constrained by a Whittle® pit shell using the following parameters: Cu $3/lb, Ag $20/oz, Au $1300/oz, slope of 45°, a mining cost of $2.50/t and an average process cost of $13.26/t.

TABLE 2: Gold Oxide

Zone	Cutoff	Category	Tonnes (millions)	Cu (%)	Au (g/t)	Ag (g/t)	lbs Cu (millions)	Ounces Au (thousands)	Ounces Ag (thousands)
AuOx	0.10 g/t Au	Indicated	79.2	0.05	0.33	2.6	82	832	6,600
		Inferred	43.8	0.07	0.30	2.3	65	423	3,170
	0.20 g/t Au	Indicated	52.5	0.05	0.42	3.0	59	710	5,060
		Inferred	31.7	0.08	0.36	2.4	57	368	2,470
	0.40 g/t Au	Indicated	20.6	0.05	0.63	3.5	22	418	2,340
		Inferred	9.8	0.08	0.53	3.2	16	166	990
	0.50 g/t Au	Indicated	11.9	0.05	0.77	3.7	13	295	1,400
		Inferred	4.5	0.08	0.63	3.5	8	91	510

TABLE 3: Copper Gold Oxide

Zone	Cutoff	Category	Tonnes (millions)	Cu (%)	Au (g/t)	Ag (g/t)	lbs Cu (millions)	Ounces Au (thousands)	Ounces Ag (thousands)
CuAuOx	0.15 % CuEq	Indicated	175.3	0.42	0.29	2.8	1,636	1,630	15,530
		Inferred	94.7	0.30	0.30	2.3	624	924	6,970
	0.30 % CuEq	Indicated	154.3	0.46	0.30	2.9	1,563	1,497	14,590
		Inferred	73.8	0.35	0.33	2.6	562	780	6,070
	0.50 % CuEq	Indicated	79.4	0.64	0.33	4.0	1,127	848	10,090
		Inferred	29.6	0.49	0.38	3.4	321	362	3,220
	0.70 % CuEq	Indicated	36.5	0.91	0.34	5.0	735	395	5,840
		Inferred	9.1	0.69	0.45	4.5	139	133	1,310

TABLE 4: Silver Zone

Zone	Cutoff	Category	Tonnes (millions)	Cu (%)	Au (g/t)	Ag (g/t)	lbs Cu (millions)	Ounces Au (thousands)	Ounces Ag (thousands)

Ag	20 g/t Ag	Indicated	36.5	0.52	0.41	69.5	421	485	81,600
		Inferred	17.0	0.40	0.43	78.9	149	235	43,130
	50 g/t Ag	Indicated	19.4	0.48	0.41	101.7	205	256	63,430
		Inferred	9.5	0.41	0.44	113.4	87	134	34,790
	60 g/t Ag	Indicated	15.8	0.48	0.40	112.3	166	205	57,180
		Inferred	7.8	0.42	0.44	126.6	71	110	31,680
	80 g/t Ag	Indicated	10.4	0.48	0.41	135.3	108	135	45,050
		Inferred	5.5	0.43	0.45	150.8	52	79	26,610

TABLE 5: Sulphide Mineralization

Zone	Cutoff	Category	Tonnes (millions)	Cu (%)	Au (g/t)	Ag (g/t)	lbs Cu (millions)	Ounces Au (thousands)	Ounces Ag (thousands)
Sulphide	0.30 % CuEq	Indicated	108.6	0.28	0.32	2.2	658	1,129	7,690
		Inferred	95.5	0.29	0.32	2.4	612	983	7,420
	0.40 % CuEq	Indicated	79.3	0.30	0.35	2.4	524	888	6,150
		Inferred	74.7	0.32	0.34	2.5	520	810	6,080
	0.50 % CuEq	Indicated	35.6	0.34	0.40	2.7	269	461	3,140
		Inferred	37.2	0.37	0.37	2.9	301	437	3,500
	0.60 % CuEq	Indicated	10.6	0.40	0.47	3.2	94	162	1,100
		Inferred	12.1	0.44	0.40	3.8	117	157	1,480

ESTIMATION METHODS

The resource estimate was completed by James N. Gray, P.Geo. of Advantage Geoservices Ltd., an Independent Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101) in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves, adopted by CIM Council, as amended. Estimation methods are summarized below. Further details of the estimation methods and procedures will be available in a NI 43-101 Technical Report which will be filed on SEDAR (www.sedar.com), within 45 days from the date of this release.

The resource estimate is controlled by a geologic model based on three-dimensional interpretation of drill results. An additional 37 holes have been included in this resource update compared to the 2015 Inferred Mineral Resource. In total, 144 holes (18 core and 126 RC) have been utilized in the resource estimation. Copper, silver, and gold assays were composited to a constant length of two metres. Outliers to the composite distributions were controlled by high-grade capping. Grades for the three elements were estimated by ordinary kriging using Gemcom® software, into 15 x 15 x 10m blocks. Average rock densities were applied based on the geologic model. A total of 878 density measurements have been made on core samples. Bulk density for the deposit averages 2.31 tonnes/m^3.

Contiguous blocks were assigned as Inferred Mineral Resource where they are nominally: within 50m of a drillhole and/or have sample data in at least three octants of a 150m spherical search. Indicated blocks are greater than 25m inside the classified volume and estimated by at least three holes, and within 65m of the closest hole or have samples in at least five octants of a 150m spherical search.

Reasonable prospects of eventual economic extraction were established by the optimization of a Whittle® pit shell using the following parameters: Cu $3/lb, Ag $20/oz, Au $1300/oz, average recoveries of: 75% Cu, 68% Au and 82% Ag, slope of 45°, mining cost of $2.50/t and an average process cost (including G&A) of $13.26/t. All material included in the Mineral Resource Estimate is within the optimized pit shell. Reported at the cutoff grades by zone as presented in Table 1, the optimized pit shell results in a strip ratio of 1:1.

QUALIFIED PERSONS

Mr. James N. Gray, P.Geo. of Advantage Geoservices Ltd., is an Independent Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101) and is an independent consultant to the Company. Mr. Gray prepared the Mineral Resource Estimate contained herein and has reviewed and approved the technical information pertaining to it contained in this news release.

Mr. Bob Carmichael, B.A.Sc, P.Eng., is the Qualified Person as defined by National Instrument 43-101. Mr. Carmichael is Vice President, Exploration for the Company and has reviewed and verified that the technical disclosure contained in this news release is accurate.

QUALITY ASSURANCE/QUALITY CONTROL

Samples were collected at the drill site by Company personnel with initial splitting carried out at a facility near the drill sites and final splitting completed at the Company's core processing facilities located in San Juan, Argentina or Copiapo, Chile. Individual samples represent final splits from 2 metre intervals down the hole. Samples were analysed the ALS laboratory in Mendoza, Argentina or ACME Labs in Santiago, Chile. Samples were crushed, split and 500g was pulverized to 85% passing 200 mesh. Gold analyses were by fire assay fusion with AAS finish on a 30g sample. Copper and silver were analysed by atomic absorption following a 4 acid digestion. Samples were also analyzed for a suite of 36 elements with ICP-ES. Copper and gold standards as well as blanks and duplicates (field, preparation and analysis) were randomly inserted into the sampling sequence for Quality Control. On average, 9% of the submitted samples correspond to Quality Control samples.

ABOUT FILO DEL SOL

Filo Mining's flagship project is its 100% controlled Filo del Sol Project located on the border between San Juan Province, Argentina and Region III, Chile. Filo del Sol is located between the prolific Maricunga and El Indio Gold Belts, two major mineralized trends that contain such deposits as Caspiche, La Coipa, Veladero, El Indio, and Pascua Lama. The region is mining-friendly and hosts a number of large scale mining operations. The project area is covered under the Mining Integration and Complementation Treaty between Chile and Argentina, which provides the framework for the development of cross border mining projects.

ADDITIONAL INFORMATION

Filo Mining is listed on the TSXV and Nasdaq First North Exchange under the trading symbol "FIL". Pareto Securities AB is the Company's Certified Adviser on Nasdaq First North.

This information is information that Filo Mining Corp. is obliged to make public pursuant to the EU Market Abuse Regulation. This information was submitted for publication, through the agency of the contact person set out below, on August 21, 2017 at 3:30 p.m. Vancouver time.

On behalf of the board of directors of Filo Mining,

Wojtek Wodzicki,
President and CEO,
Filo Mining

Neither 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 release.

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"), concerning the business, operations and financial performance and condition of Filo Mining Corp. 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 financing, 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 and uncertainties more fully described under "Risk Factors" and elsewhere in the Company's most recent Annual Information Form available under the Company's profile at www.sedar.com and on the Company's website. These risks and uncertainties 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 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 information should not be unduly relied upon. This forward-looking information speaks as of the date of this press release. Forward-looking information in this news release includes, but is not limited to, statements regarding the Company's expectations and estimated with respect to the assumptions used in the mineral resource estimates for the Filo del Sol project; expected completion of an internal study and timing with respect to a decision on whether to proceed towards a PEA, expectations with regard to processing methods, potential for the discovery of mineralization at depth, potential for adding to mineral resources through exploration; estimations of commodity prices, mineral resources, and costs.

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.

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