

McEwen Mining Inc.: Announce First Quarter 2016 Results

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Toronto, Canada - [McEwen Mining Inc.](#) (NYSE:MUX) (TSE:MUX) is pleased to announce production highlights of the first quarter 2016 and one acquisition.

Highlights

- Total production in Q1 was 37,958 gold equivalent ounces(1), a 14% increase over Q1 2015.
- Increased production guidance for 2016 to 144,000 gold equivalent ounces.
- Acquired the Net Smelter Return (NSR) royalty on our El Gallo Mine and El Gallo Silver deposit.
- Strong balance sheet: \$43 million(2) in liquid assets and no debt!

El Gallo Mine, Mexico - A Record Quarter

In Q1 the mine produced 20,101 gold equivalent ounces, compared to 15,391 gold equivalent ounces during same period in 2015. Production in Q1 set a new quarterly record as a result of processing higher grade ore stockpiled in the previous quarter. Production in subsequent quarters is expected to be lower as the influence of higher grade ore diminishes during the year. Full year guidance for El Gallo in 2016 is now increased to 55,000 gold equivalent ounces. The 2016 exploration budget for Mexico is \$4 million.

Today we acquired the existing tiered NSR royalty (the "Royalty") on the El Gallo Mine, currently paying 3.5% of gross revenue less allowable deductions. The purchase price consisted of a \$5.25 million payment on closing and a conditional deferred payment of \$1 million to be made on June 30, 2018. The Royalty ceased being payable at the end of February 2016. This transaction will enhance the future profitability of the El Gallo Mine and removes a royalty burden on existing and potentially new deposits inside the Royalty's area of influence, including the El Gallo Silver deposit.

San José Mine, Argentina (49%)(3)

Our attributable production from San José in Q1 was 8,960 gold ounces and 667,319 silver ounces, for a total of 17,857 gold equivalent ounces. Compared to Q1 2015, gold and silver production was down 5% and up 4% respectively. Q1 production is typically lower than other quarters due to mill shutdown and maintenance over the holidays.

Full year production guidance for San José in 2016 is 45,000 gold ounces and 3.3 million silver ounces, for a total of 89,000 gold equivalent ounces attributable to us. The 2016 exploration budget is \$4.5 million.

Nevada Exploration

Exploration drilling is planned to begin on the newly acquired Afgan-Kobeh property in mid-May. The primary objective of this drilling is to expand the size of the existing resource.

Financial Results

Operating costs for the quarter ended March 31st, 2016 will be released with our Quarterly Financial Statements in early May.

Footnotes:

1. 'Gold Equivalent Ounces' are calculated based on a 75:1 silver to gold ratio.

2. Figures updated as of April 18, 2016. Includes cash, cash equivalents and precious metals at market. Net of royalty and property acquisitions mentioned herein.

3. The San José Mine is owned by Minera Santa Cruz S.A., which is a joint venture 49% owned by [McEwen Mining Inc.](#) and 51% owned and operated by [Hochschild Mining plc](#)

About McEwen Mining Inc:

McEwen Mining (NYSE:MUX) (TSE:MUX) has an ambitious goal of qualifying for inclusion in the S&P 500 index by creating a high growth gold/silver producer focused in the Americas. McEwen Mining's principal assets consist of the San Jose mine in Santa Cruz, Argentina (49% interest), the El Gallo Mine and El Gallo 2 project in Sinaloa, Mexico, the Gold Bar project in Nevada, USA, and the Los Azules copper project in San Juan, Argentina.

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