Filo Mining Outlines Potential to Significantly Expand the Current Filo Del Sol Resource

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VANCOUVER, June 25, 2020 - Filo Mining Corp. (TSXV: FIL) (Nasdaq First North Growth Market: FIL) ("Filo Mining", or the "Company") is pleased to provide a summary of the results of the recently completed 2019/2020 field program at the Filo del Sol project, and to discuss the implications of these results for the ultimate size of this impressive mineral system. View PDF

Commenting on the recent results, President and CEO Jamie Beck stated, "Our latest drill program has transformed our understanding of the size and scale of the Filo system. Standout results include two of the best copper-gold exploration holes drilled globally in the past year[1]. We are encouraged by both the length of the intercepts and their high copper and gold grades. This season's drilling confirms the enormous potential for resource expansion that exists at Filo. We now know that there is a very large sulphide deposit underlying the substantial oxide resource. The results of the drilling completed to date, combined with information from surface mapping and recently completed geophysical surveys, have given us a better idea of the potential size and grade of the sulphide mineralization. We are just beginning to see the true scope of the mineralized system and the ultimate potential size of the deposit."

The most important holes from this season were FSDH032 (1,009 m at 0.95% CuEq (0.57% Cu, 0.39g/t Au, 11.1g/t Ag)) and FSDH034 (1,034 m at 0.68% CuEq (0.42% Cu, 0.32g/t Au, 3.4g/t Ag)) (see Filo News Release dated April 20, 2020). These holes demonstrate that good grade copper-gold-silver mineralization extends at least 700 vertical metres below the bottom of the resource, or 1,200 metres below surface, and remains open to expansion below this. Mineralization also remains completely open to the north, as well as to the south, of the resource (see attached map).

The oxide portion of the deposit, and the very uppermost part of the sulphide portion, are defined by the current project resource shown in the table below:

Category	Tonnes (millions)	Cu (%)	Au (g/t)	Ag (g/t)	lbs Cu (millions)	Ounces Au (thousands)	Ounces Ag (thousands)
Indicated	425.1	0.33	0.32	10.7	3,107	4,436	146,738
Inferred	175.1	0.27	0.33	6.2	1,054	1,834	34,811

All of the holes which define this resource ended in mineralization, and it was clear that there was considerable potential to expand it by drilling deeper. This concept was encouraged by our interpretation of Filo del Sol as a telescoped high-sulphidation epithermal / porphyry copper-gold system, an interpretation which continues to be supported by the geological details in recent drill holes, and originally led us to expect that mineralization should be present over a considerable vertical extent, well beyond what had been drilled to date.

Following up on these concepts, several holes were drilled below the resource in 2019 and 2020. The table below shows composited assay results from only those sections of the holes which are below the current resource. Our interpretation is that these deeper holes drilled through a transition between shallow epithermal and deeper porphyry mineralization and ended in the uppermost part of a porphyry system, which suggests that mineralization could still continue for a considerable distance beneath them.

Hole ID	From (m)	To (m)	Length (m)	CuEq %	Cu %	Au g/t	Ag g/t
FSDH025	280.0	1025.0	745.0	0.50	0.32	0.22	2.0
FSDH026	240.0	613.9	373.9	0.62	0.34	0.37	1.6
FSDH027	70.0	545.4	475.4	0.46	0.23	0.29	2.0
FSDH028	410.0	563.5	153.5	1.07	0.55	0.54	14.8
FSDH029	180.0	800.1	620.1	0.43	0.22	0.27	1.8
FSDH030	450.0	512.0	62.0	0.86	0.56	0.40	1.5
FSDH032	400.0	1141.0	741.0	1.09	0.68	0.43	11.7
FSDH033	370.0	552.0	182.0	0.80	0.48	0.31	11.5
FSDH034	330.0	1106.0	776.0	0.71	0.45	0.31	3.9

None of these intervals are included in the current resource estimate and additional drilling will be required in order to capture this mineralization in the resource, however these intersections clearly demonstrate that, as expected, substantial mineralization occurs below the resource, and that this mineralization remains completely open to depth as all these holes ended in mineralization.

In order to better understand the potential, an exploration target was developed by modelling predicted volumes based on approximate east-west extents of the resource, depths below surface drilled by the deeper diamond drill holes and the north-south extent drilled by these holes. Copper, gold and silver grades for these volumes were estimated by taking the average of all drill hole samples within them, a total of between 1,169 and 2,561 samples representing between 2,197 and 4,914 metres of drilling. This analysis results in an exploration target with dimensions of between 1,400 and 2,000 metres north-south, 450 metres east-west and 700 metres vertical, underlying the resource. This target remains completely open to the north and south, and to depth, and is shown in the following table. It is consistent with the geological model and the drill results to expect that there could be smaller zones of considerably higher-grade mineralization within this overall target.

Tonnes	CuEq%	Cu %	Au g/t	Ag g/t
1.2 – 1.6 billion	0.7 – 1.0	0.4 – 0.6	0.3 – 0.4	6 – 10

The potential quantity and grade of this exploration target is conceptual in nature, and there has been insufficient exploration to define a mineral resource in this area. It is uncertain if further exploration will result in the target being delineated as a mineral resource. This target is in addition to the current resource at Filo del Sol and does not include prospective areas to the north and south of the deposit yet to be drilled.

To the north of this target, surface mapping has demonstrated that the same intense hydrothermal alteration that overlies the deposit, stretches for an additional 1,700 metres to a reverse circulation drill hole (VRC093) which ended with 166.0 m (from 284 m depth) at 0.42% CuEq (0.15% Cu, 0.24 g/t Au, 11.9 g/t Ag) including 42.0 m of 0.57% CuEq (0.40% Cu, 0.17 g/t Au, 6.1 g/t Ag) at the bottom of the hole. Additional drilling is required to characterize the mineralization, if any, in this gap area but it has the potential to add substantially to the current exploration target if successful.

Shallow drilling to the south of this target has intersected mineralization over an 800 metre distance towards holes VRC111 (102m from 6m depth at 1.04% CuEq (0.77% Cu, 0.35g/t Au, 1.5g/t Ag) and VRC143 (118m from surface at 1.02% CuEq (0.68% Cu, 0.45g/t Au, 1.4g/t Ag). Holes in this area all ended in mineralization, again indicating that the deposit is open to depth here.

Current work is focused on processing and interpretation of the extensive geophysical data collected during the past season, and integrating it with the updated geological model, including input from the deep drilling, in order to produce a comprehensive 3 dimensional geology-based geophysical model which will help to

guide further drilling into the areas north and south of the resource area. We are working towards initiating this drilling during the upcoming exploration season, expected to begin this fall. The global situation with respect to the covid-19 pandemic represents a potential challenge to exploration, however we are confident that we can safely and effectively carry out this program as our geological & support staff and contractors are based entirely in Argentina. This expectation will be continuously evaluated as the situation in South America develops.

On behalf of Filo Mining,

Jamie Beck
President and CEO

QUALIFIED PERSONS AND TECHNICAL NOTES

The field program was carried out under the supervision of Bob Carmichael, B.A.Sc., P.Eng. who is the Qualified Person as defined by NI 43-101. Mr. Carmichael is Vice President, Exploration for the Company and has reviewed and approved the technical information contained in this news release. Samples were cut at Filo Mining's Batidero camp near the project site by Company personnel. Diamond drill core was sampled in 2 metre intervals (except where shortened by geological contacts) using a rock saw for sulphide mineralization. Oxide mineralization was cut with a core splitter in order to prevent dissolution of water soluble copper minerals during the wet sawing process. Core diameter is a mix of PQ, HQ and NQ depending on the depth of the drill hole. Samples were bagged and tagged at camp, and packaged for shipment by truck to Copiapo, Chile. Samples were delivered to the ALS preparation laboratory in Copiapo where they were crushed and a 500g split was pulverized to 85% passing 200 mesh. The prepared samples were sent to the ALS assay laboratory in Santiago, Chile for copper, gold and silver assays, with a second split sent to the ALS laboratory in Lima, Peru for multi-element ICP and sequential copper analyses. ALS is an accredited laboratory which is independent of the Company. Gold assays were by fire assay fusion with AAS finish on a 30g sample. Copper and silver were assayed by atomic absorption following a 4 acid digestion. Samples were also analyzed for a suite of 36 elements with ICP-ES and a sequential copper leach analysis was completed on each sample with copper greater than 500ppm (0.05%). 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 are Quality Control samples. No data quality problems were indicated by the QA/QC program.

Mineralized zones within the Filo del Sol deposit are typically flat-lying, or bulk porphyry-style zones and drilled widths are interpreted to be very close to true widths.

Copper Equivalent (CuEq) for drill intersections is calculated based on US$ 2.80/lb Cu, US$ 1,400/oz Au and US$ 16/oz Ag. The formula is: CuEq % = Cu % + (0.7292 * Au g/t) + (0.0083 * Ag g/t).

Details of the methodology and assumptions used to estimate the resource estimate can be found in the Technical Report titled "NI 43-101 Technical Report, Pre-feasibility Study for the Filo del Sol Project" dated February 22, 2019 with an effective date of January 13, 2019.

[1]Source: SNL Metals & Mining, Drill Results – Copper, filtered by period for the last year, as of April 2020

ABOUT FILO MINING

Filo Mining is a Canadian exploration and development company focused on advancing its 100% owned Filo del Sol copper-gold-silver deposit located in Chile's Region III and adjacent San Juan Province, Argentina. Filo Mining is listed on the TSX Venture Exchange ("TSXV") and Nasdaq First North Growth Market under the trading symbol "FIL". Filo Mining is a member of the Lundin Group of Companies.

ADDITIONAL INFORMATION

The Company's certified advisor on Nasdaq First North Growth Market is Pareto Securities AB, +46 8 402 50

00, certifiedadviser.se@paretosec.com.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

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The information in this release is subject to the disclosure requirements of Filo Mining under the EU Market Abuse Regulation. This information was submitted for publication, through the agency of the contact person set out below, on June 25, 2020 at 01:00 Eastern Time.

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Certain statements made and information contained herein in the news 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 news release is based on information available to the Company as of the date of this news 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.

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.

The forward-looking statements contained in this news release are made as at the date of this news release and Filo does not undertake any obligations to publicly update and/or revise any of the included forward-looking statements, whether as a result of additional information, future events and/or otherwise, except as may be required by applicable securities laws. Forward-looking information is provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of the Company's operating environment. 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 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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FIL Plan Map

FIL Vertical Section 8500

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