

# Filo del Sol Copper/Gold/Silver

TSX-V, Nasdaq First North: FIL  
[www.filo-mining.com](http://www.filo-mining.com)



## Corporate Presentation

March 2018



# CAUTIONARY STATEMENT

All information included in this presentation, including any information as to the Company's future financial or operating performance, and other statements that express management's expectations or estimates of future performance, other than statements of historical fact, constitute forward looking information or forward-looking statements and are based on expectations, estimates, and projections as of the date of this presentation. For example, forward-looking statements contained in this presentation are found under, but are not limited to being included under, the headings A Strong Start, Plan, PEA Highlights, PEA–Economic Results, PEA–Production Estimates, PEA–Opportunities, Updated Resource Estimate, Zones at Various Cutoff Grades, Next Steps, and all Resource tables. For a full list of cautionary language related to the Filo del Sol Resource refer to the Filo del Sol Report. References to to all aspects of the PEA, the assumptions used in the mineral resource estimates for the Filo del Sol project; expected timing with respect to completion of a Pre-Feasibility Study, expectations with regard to processing methods, potential for adding to mineral resources through exploration; opportunities identified in the PEA; estimations of commodity prices, mineral resources, and costs are all forward looking statements.

Forward-looking statements are made to provide information about management's current expectations and plans. Forward-looking statements are generally identifiable by, but are not limited to, the use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "targeting", "intend", "plan", "guidance", "outlook", "potential", "strategy" or "project". Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Reliance on such forward-looking statements involves risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of Filo to be materially different from those expressed or implied by those forward-looking statements, and the forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors include, but are not limited to, exploration and development risks, metal price risk, the strength of the financial markets, the market price of Filo shares, the ability to obtain financing, the risks inherent in foreign operations and the risk of inadequate infrastructure, currency risks, environmental and socio-political risks, title risk to property, the dependence on key personnel, risks inherent in mineral resource estimation and exposure to uninsurable risks. Certain data in this presentation was obtained from various external data sources, and the Company has not verified such data with independent sources. Accordingly, no representation or warranty, express or implied, is made and no reliance should be placed, on the fairness, accuracy, correctness, completeness or reliability of that data.

For a more comprehensive discussion of the risks faced by the Company, and which may cause its actual financial results, performance or achievements to be materially different from those expressed or implied by forward-looking information or forward-looking statements, please refer to the risks set out in Filo Mining's Annual Information Form (AIF) which can be found under the Company's profile at [www.sedar.com](http://www.sedar.com). The risks described in the Annual Information Form are hereby incorporated by reference into this presentation. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as required by applicable law.

## Mineral Resource Disclosure Notes and Qualified Persons

This presentation includes written disclosure of Mineral Resources for the Filo del Sol Deposit. These notes are an integral part of this disclosure and should be read in conjunction with every written disclosure of the Mineral Resources in this presentation. To put the summary resource information included in this presentation into its complete context the reader should review the entire relevant Technical Report for each project. This document may use the terms "Measured", "Indicated", and "Inferred" Resources as these terms are defined under Canada's NI 43-101. U.S. investors are advised that, while such terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. Readers are cautioned that Mineral Resources do not have demonstrated economic viability and are further cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into Mineral Reserves.

## Filo del Sol

Filo del Sol is the subject of a Technical Report titled, "Resource Update for the Filo del Sol Property Region III Chile and San Juan Province, Argentina, "the Filo Report" and dated October 4, 2017. The effective date for the Filo Report is September 27, 2017 and this report is available under the Filo Mining profile on SEDAR [www.sedar.com](http://www.sedar.com). Refer also to the News Release dated November 28, 2017 titled "Filo Mining Announces Positive PEA for Filo del Sol With a USD 705m NPV<sub>8%</sub> and 23% IRR". This document is also available under the Company's profile on SEDAR [www.sedar.com](http://www.sedar.com).

## Qualified Persons

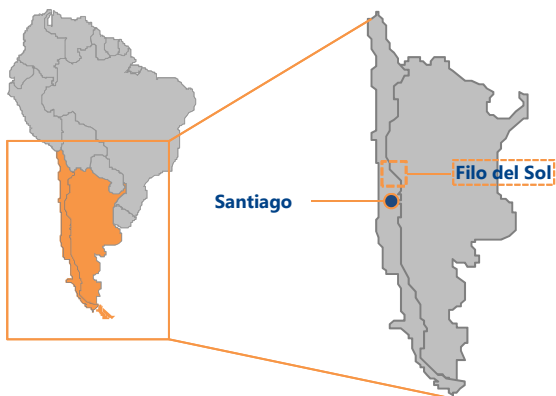
The disclosure of scientific and technical information regarding the Company's properties in this presentation was prepared by or reviewed by: Bob Carmichael, P. Eng., the Company's Vice President, Exploration, and James Beck P.Eng., the Company's Vice President Corporate Development & Projects, who are Qualified Persons in accordance with the requirements of NI 43-101.

# CORPORATE OVERVIEW

A NEW EXCITING COPPER-GOLD-SILVER DEVELOPMENT COMPANY WITH EXPLORATION UPSIDE



## Filo del Sol Location

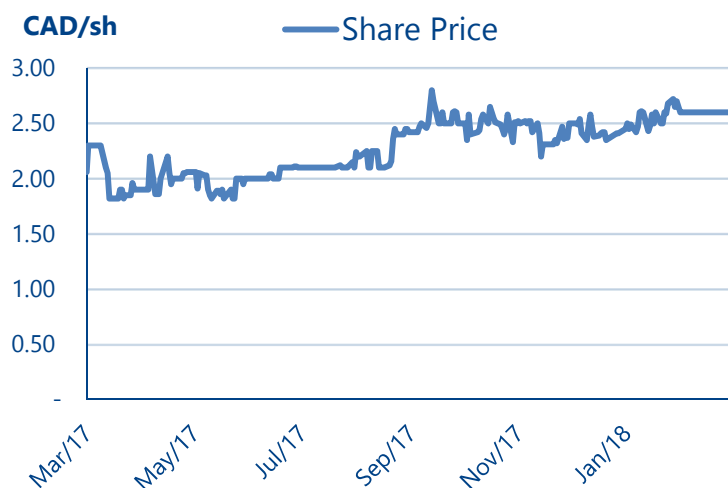


## Key Financial Data

As of December 1, 2017

<b>Head Office:</b>	Vancouver, BC
<b>Ticker:</b>	TSXV: FIL NASDAQ First North: FIL
<b>Share price:</b>	CAD 2.60/sh
<b>Shares outstanding:</b>	72.2m
<b>Fully diluted:</b>	76.7m
<b>Market cap:</b>	CAD 187.5m

## YTD Share Price



## Key Shareholders

Key shareholders <sup>(2)</sup>	Msh	Ownership
Zebra Holdings	14.5	20.2 %
Lundin Family	5.7	7.9 %
JP Morgan Asset Management (UK)	5.8	3.7 %
Gadd & Cie Sa	2.9	1.9 %
US Global Investors, Inc.	1.6	1.0 %
Management	8.5	5.7%

# 2018 WILL BE A YEAR OF DE-RISKING FOR THE COMPANY

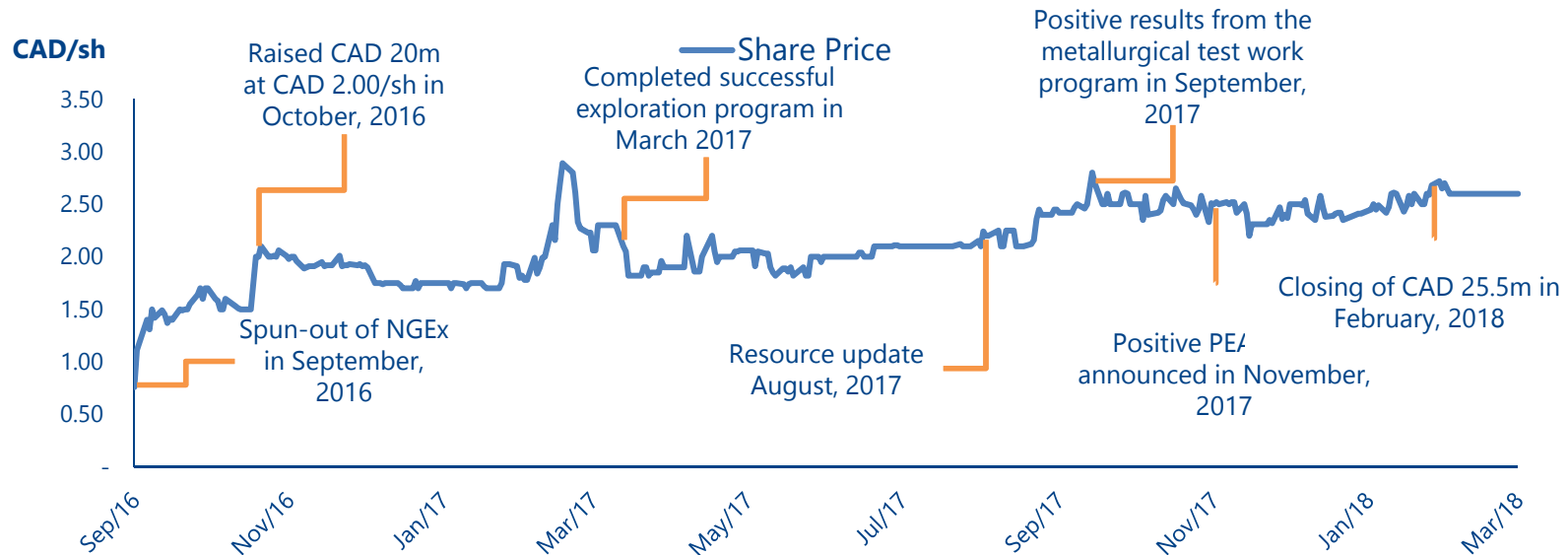


2018 WILL BUILD ON THE SUCCESSES OF 2016 & 2017

## Completed Objectives Since 2017

- Spun-out of NGEx in September, 2016
- Raised CAD 20m at CAD 2.00/sh in October, 2016
- Successful exploration program in March 2017 expanding the resource by 61% (all categories)
- Initial PEA announced with a USD 705m NPV<sub>8%</sub> and 23% IRR on the oxide portion of the resource
- Raised CAD 25.5m at 2.60/sh in February, 2018

## Timeline & Significant Events



# LOCATION

A PROLIFIC MINING DISTRICT



## Detailed Filo del Sol Property Location



- **Excellent Infrastructure in Top Rated Mining Countries of Chile & Argentina**
  - Within approximately 200km from local ports
  - Skilled mining labor in both countries (Bajo Alumbrejo, Cerro Guardia, Valdero, Candelaria, and etc.)
  - Existing exploitation agreements in place that reside on the boarder of Chile and Argentina
  - Water sourced from Argentina and no need to draw from Chilean aquifers or construct a desalination plant

## PLAN – CONTINUE TO OUR THREE PHASE APPROACH

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WE ARE BEGINNING A NEW PHASE OF DE-RISKING AT FILO DEL SOL



- Expand the resource in all categories - **(completed)**
- Complete initial PEA that outlined a financially robust copper-gold-silver deposit - **(completed)**



- Prepare a 10km drill program focused on infilling and upgrading the current resources - **(completed)**
- Continue to execute on de-risking metallurgy through bulk samples and geotechnical work throughout 2018



- Develop Pre-Feasibility Study (“PFS”) work program for the 2017/2018 field season - to collect sufficient data to complete a PFS to be released in Q1 2019
- Continue to engage stakeholders in Chile and Argentina to ensure our rapid timeline to production

# 2016/2017 OUTCOMES & 2018 OBJECTIVES



CRITICAL MASS ACHIEVED BETWEEN 2016-2017 THAT SETS UP FILO MINING FOR 2018



- **Significant expansion to existing resource**

- 61% increase to overall resource (all categories)
- 98% conversion of inferred to indicated



- **New focused management appointed**

- Adam Lundin appointed as President & CEO to lead the Filo Mining through its future funding pathway as the Filo del Sol project progresses towards development



- **Defined a financially robust PEA**

- Initial PEA completed in November 2018 with a USD 705m NPV<sub>8%</sub> and 23% IRR on the oxide portion of the resource
- Contemplates open-pit mining and heap-leach processing



- **In 2018, engineering and further metallurgical advances**

- De-risking of geotechnical work to potentially reduce strip-ratio as well as flowsheet optimization
- 3kt metallurgical bulk sample to confirm and potentially improves current recoveries



- **Exploration is still in its early days with further resource upside to come**

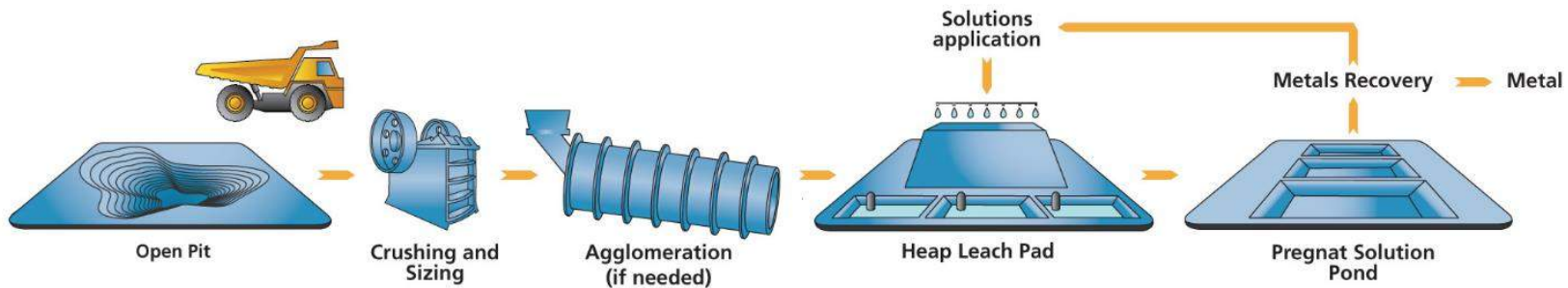
- Resource constrained by open pit ~1:1 strip ratio
- Resource remains open in multiple directions with a large land package

# PROPOSED HEAP LEACHING IS SIMPLE & LOW-COST

COMMONLY USED TO RECOVER GOLD, SILVER, AND COPPER FROM OXIDE ORES

## Simple & Straightforward Proposed Heap-Leaching Operation

- PEA assumes process feed is mined and placed on one of three leach pads or “heaps”
- It is sprinkled with a solution that dissolves the metals
- Metals are then recovered from the solution by various methods



## Advantages over Conventional Flotation

- Lower initial capital expenditure and LOM operating costs
- Low capital intensity
- No tailings disposal required
- Simple and straightforward design with off-the-self equipment
- Faster construction
- Lower energy and water requirements



# FILO DEL SOL PEA - ECONOMIC RESULTS



ROBUST RESULTS, MOVING FORWARD WITH PFS

<b>Pre-Tax NPV<sub>8%</sub> &amp; IRRF</b>	<b>USD 1,163m</b> 28.7% IRR
<b>After-Tax NPV<sub>8%</sub> &amp; IRR</b>	<b>USD 705m NPV</b> 23.3% IRR
<b>Undiscounted After-Tax Cash Flow (LOM)</b>	USD 1,763,m
<b>Payback Period from start of processing (undiscounted, after-tax cash flow)</b>	3.6 Years
<b>Metals Prices Assumed</b>	USD 3.00/lb copper USD 1,300/oz gold USD 20.00/oz silver
<b>Initial Capital Expenditures</b>	USD 792m
<b>LoM Sustaining Capital Expenditure (excluding closure)</b>	USD 122m
<b>LOM C-1 Cash Costs (Co-Product)</b>	USD 1.42/lb copper eq.
<b>Nominal Process Capacity</b>	50,000 t/d
<b>Mine Life</b>	13 years
<b>Average Annual Metal Production (rounded)</b>	50,000 t copper 115,000 oz gold 5,130,000 oz silver
<b>LOM Average Process Recovery</b>	74% copper 75% gold 62% silver

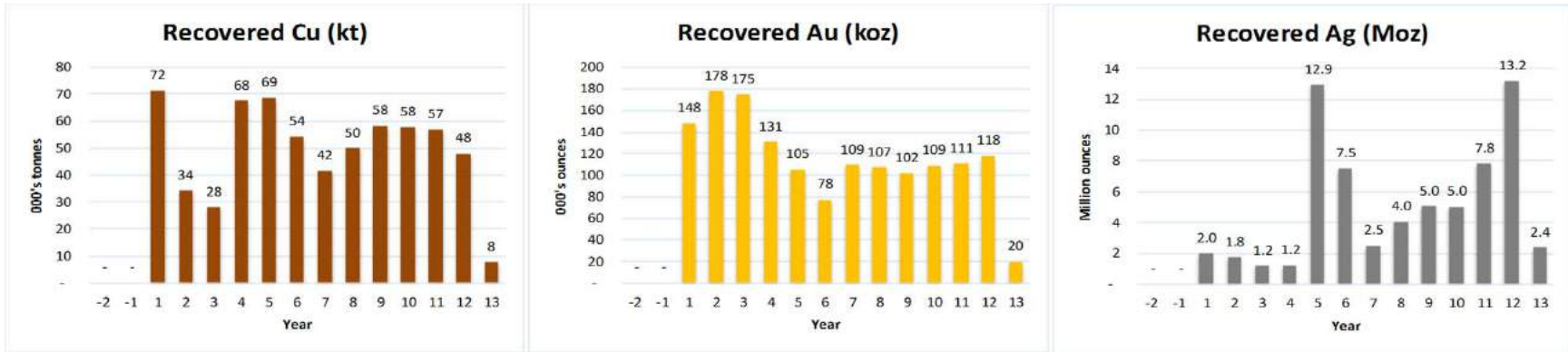
All figures reported are in 2017 US dollars and on a 100% Project and 100% equity basis valuation. 88% of the mineral resources in the PEA mine plan are in Argentina and for the purposes of the PEA valuation, the project has been modeled as though it is entirely in Argentina. This includes a 3% provincial mining royalty and 35% corporate tax rate. See News Release dated November 28, 2017 titled "Filo Mining Announces Positive PEA for Filo del Sol With a USD 705m NPV<sub>8%</sub> and 23% IRR". This document is available under the Company's profile on SEDAR [www.sedar.com](http://www.sedar.com).

The reader is advised that the PEA study results presented here are only intended to provide an initial, high-level summary of the project. The PEA is preliminary in nature and includes the use of inferred mineral resources, which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that PEA results will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

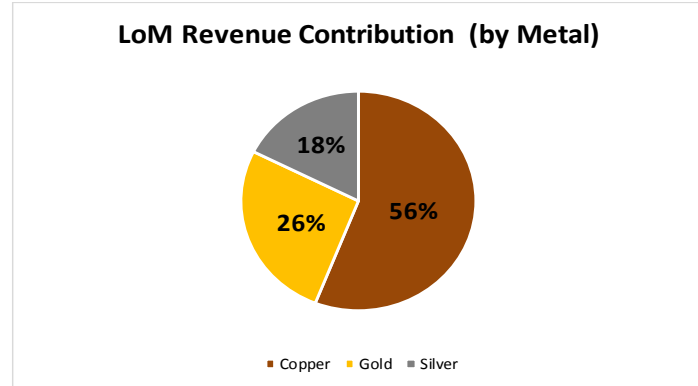
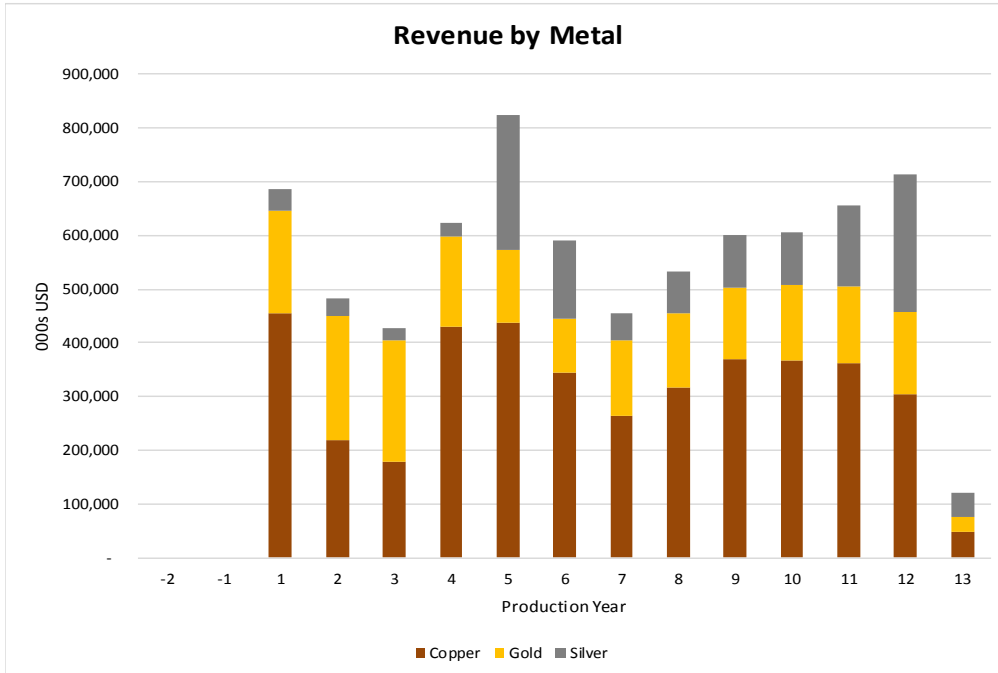
# FILO DEL SOL PEA – PRODUCTION ESTIMATES



## PROPOSED ANNUAL METAL PRODUCTION PROFILES



## ESTIMATED REVENUE CONTRIBUTION



See News Release dated November 28, 2017 titled "Filo Mining Announces Positive PEA for Filo del Sol With a USD 705m NPV<sub>8%</sub> and 23% IRR". This document is available under the Company's profile on SEDAR [www.sedar.com](http://www.sedar.com).

# FILO DEL SOL – PROJECT OPPORTUNITIES

STRONG PEA RESULTS ARE JUST A BEGINNING

- Unique processing options to evaluate at PFS
  - Fast leach kinetics suggest a simple wash stage to recover the soluble copper could replace the copper heap facilities, reducing capital and operating costs
- Optimizing the mine plan
  - Opportunities exist to help smooth production and bring forward copper revenues
- Improved metallurgical recoveries through additional test work
- Exploration success – delineating more or higher grade material
  - Deposit is open in most directions
  - Multiple untested targets that are prospective for discovery
- Eventual inclusion of a flotation circuit for potential processing of the sulphide portion of the resource



# RESOURCE OVERVIEW

PEA FOCUSED ON THE LEACHABLE ZONES WITHIN THE OVERALL RESOURCE  
 GOLD OXIDE – COPPER-GOLD OXIDE - SILVER



**INDICATED PORTION OF RESOURCE ONLY**

- Gold Oxide Zone**
- 59 Mlbs of copper
  - 710 koz of gold
  - 5.1 Moz of silver

- Copper Gold Zone**
- 1.6 Blbs of copper
  - 1.6 Moz of gold
  - 15.5 Moz of silver

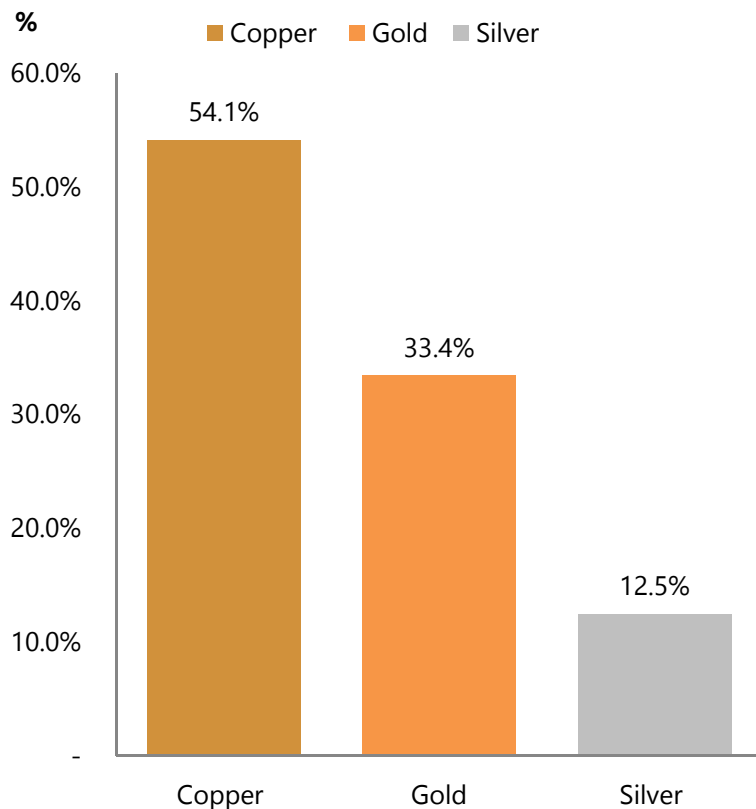
- Silver Zone**
- 0.6 Blbs of copper
  - 0.5 Moz of gold
  - 81.6 Moz of silver



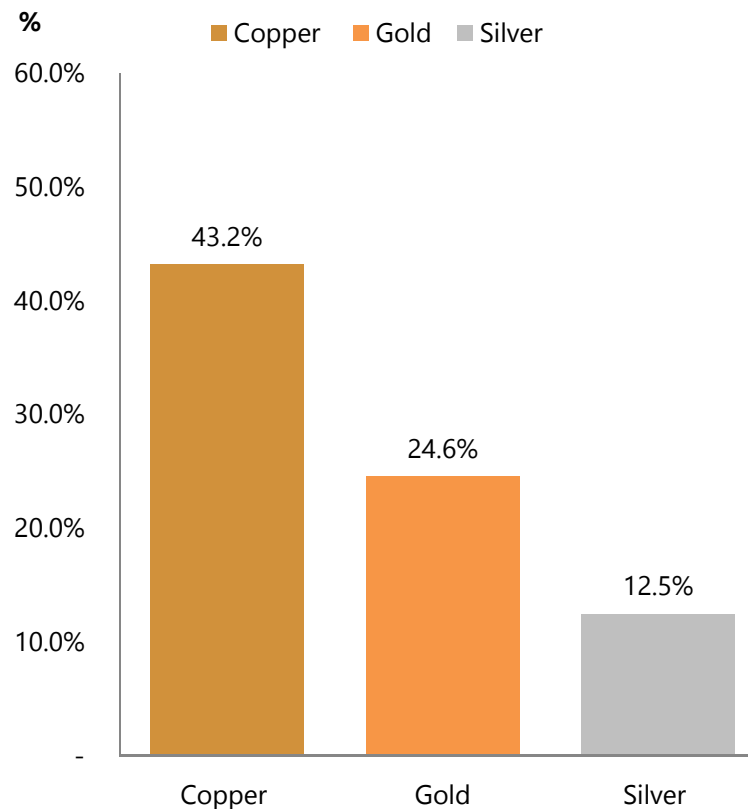
# RESOURCE BREAKDOWN BY METAL VALUE<sup>(1)</sup>

THE PRIMARY ECONOMIC METAL IS COPPER FOLLOWED BY GOLD AND SILVER

## Indicated as % of Metal Value



## Inferred as % of Metal Value



**Filo del Sol is a copper dominant deposit that benefits from excellent gold and silver credits**

1. Assumed metal prices are USD 3.00/lb copper, USD 1,300/oz gold and USD 20.00/lb silver

# UPDATED RESOURCE ESTIMATE

SEE FILO REPORT FOR DETAILS



## 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 USD 3.00/lb copper, USD 1,300/oz gold, USD 20.00/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 USD 3.00/lb, Ag USD 20.00/oz, Au USD 1,300. 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 USD 3.00/lb, Ag USD 20.00/oz, Au USD 1,300/oz, slope of 45°, a mining cost of USD 2.50/t and an average process cost of USD 13.26/t.

# ZONES AT VARYING CUT OFF GRADES

BASE CASE HIGHLIGHTED; SEE FILO REPORT FOR DETAILS



## 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	<b>Indicated</b>	<b>52.5</b>	<b>0.05</b>	<b>0.42</b>	<b>3.0</b>	<b>59</b>	<b>710</b>	<b>5,060</b>
		<b>Inferred</b>	<b>31.7</b>	<b>0.08</b>	<b>0.36</b>	<b>2.4</b>	<b>57</b>	<b>368</b>	<b>2,470</b>
	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

## 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	<b>Indicated</b>	<b>175.3</b>	<b>0.42</b>	<b>0.29</b>	<b>2.8</b>	<b>1,636</b>	<b>1,630</b>	<b>15,530</b>
		<b>Inferred</b>	<b>94.7</b>	<b>0.30</b>	<b>0.30</b>	<b>2.3</b>	<b>624</b>	<b>924</b>	<b>6,970</b>
	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

## 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	<b>Indicated</b>	<b>36.5</b>	<b>0.52</b>	<b>0.41</b>	<b>69.5</b>	<b>421</b>	<b>485</b>	<b>81,600</b>
		<b>Inferred</b>	<b>17.0</b>	<b>0.40</b>	<b>0.43</b>	<b>78.9</b>	<b>149</b>	<b>235</b>	<b>43,130</b>
	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

## NEXT STEPS

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### Current Work

- Planning for the 2018 program
- Preparation of PEA NI43-101 Technical Report

### Planned 2018 Program

- 10km drill program
  - Infill/resource conversion
  - Metallurgical sampling
  - Geotechnical information
  - Step out drilling
- Metallurgical test work
- Geotech
- Water drilling
- Environmental baseline data

### Targeting PFS in early 2019





# FILO MINING'S MANAGEMENT

EXPERTISE IN EXPLORATION, PROJECT STUDIES, FINANCING



**Adam Lundin, President and CEO**

- See biography on next slide (Board of Directors)



**Wojtek Wodzicki, Technical Consultant**

- See biography on next slide (Board of Directors)



**Jamie Beck, Vice President Corporate Development and Projects**

- More than 15 years of international project management and corporate development experience.
- Vice President, Corporate Development and Projects of NGEx Resources
- Previously with Lundin Mining.
- Registered Professional Engineer, Bachelor of Applied Science from Queen's University and an MBA from the University of British Columbia.



**Jeff Yip, Chief Financial Officer**

- CFO of Orca Gold.
- Previously with Ernst & Young and Rusoro Mining and RB Energy.
- Bachelor of Commerce from the University of British Columbia and is a member of the Chartered Professional Accountants of British Columbia (CPA, CA).



**Bob Carmichael, Vice President Exploration**

- Vice President Exploration of NGEx Resources.
- Previously with Lundin Mining and several other Canadian exploration companies.
- He has also been a director and first Vice President of the Association for Mineral Exploration British Columbia (AME BC) and sat on the technical committee for Geoscience BC.
- Registered Professional Engineer, Bachelor of Applied Science degree from the University of British Columbia.



**Julie Kemp, Corporate Secretary**

- More than 30 years of experience with public companies within the mining industry.
- Corporate Secretary of NGEx Resources.
- Previously with Aurizon Mines for more than 23 years.
- Involved in all aspects of the administration of publicly listed companies including legal and regulatory compliance.
- Member of the Governance Professionals of Canada.

# FILO MINING'S BOARD OF DIRECTORS



EXPERTISE IN EXPLORATION, PROJECT STUDIES, FINANCING, M&A  
TRANSACTIONS



## **Lukas Lundin, Chairman (non-executive)**

- Successful entrepreneur focused on natural resources.
- Has led numerous companies through successful M&A.
- Graduate of the New Mexico Institute of Mining and Technology.
- Currently sits on the Board of a number of publicly traded companies.



## **Paul McRae**

- Distinguished global reputation in project and construction management for both surface and underground projects.
- Most recently responsible for the development of Lundin Mining Corporation's Eagle Mine in Northern Michigan.
- Leadership of numerous other projects in Australia, Canada, Spain, Portugal and South America.



## **Adam Lundin, President and CEO**

- Appointed as President and CEO in September 2017, Adam is focused on the future and helping Filo Mining achieve its long-term strategic goals.
- Brings years of international finance and capital markets experience to Filo Mining, complementing the strong technical team.
- Previously co-head of Pareto Securities London office.



## **Pablo Mir**

- Practices natural resources law with focus on mining.
- Senior partner of the Chilean law firm Bofill Mir & Alvarez Jana, where heads the natural resources practice.
- Has advised mining companies on the exploration, development, financing, construction, and acquisitions of mining projects in Chile, Argentina and Ecuador.



## **Alessandro Bitelli**

- Over 30 years of experience in the resource industry and in public accounting, both in North America and Europe.
- Member of the senior management team at the Lundin Group of Companies, he currently holds the position of Executive VP and Chief Financial Officer of Lundin Gold.
- Previously with Red Back Mining and Orca Gold.



## **Wojtek Wodzicki**

- Exploration Geologist with 30 years of international exploration experience. Doctorate in Geosciences from the University of Arizona. P.Geo. (BC)
- President and CEO of NGEx Resources
- Previously CEO Filo Mining and Sanu Resources. Exploration and Business Development roles with Lundin Mining and Teck.



## **Ashley Heppenstall**

- Lead Director of the Board of Directors of Lundin Gold.
- Previously with Lundin Petroleum and other public companies associated with the Lundin family.
- Degree in Mathematics from Durham University.
- Director of Africa Energy, Etrion and ShaMaran Petroleum.

## CONTACT

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## INVESTOR RELATIONS

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