

Filo Mining Corp.

Condensed Interim Financial Statements

For the period from Incorporation on May 12, 2016 to June 30, 2016

Notice to Reader Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of financial statements by an entity's auditor.

Condensed Interim Financial Statements

**For the period from Incorporation on May 12,
2016 to June 30, 2016**

Table of Contents

Condensed Interim Statement of Financial Position1
Condensed Interim Statement of Comprehensive Loss2
Condensed Interim Statement of Cash Flows3
Condensed Interim Statement of Changes in Equity4
Notes to the Condensed Interim Financial Statements5-7

Filo Mining Corp.
Condensed Interim Statement of Financial Position
(All amounts expressed in Canadian Dollars)

June 30, 2016

ASSETS

Current assets:

Cash and cash equivalents \$ 1

TOTAL ASSETS

\$ 1

LIABILITIES

Current liabilities:

Trade payables and accrued liabilities \$ 3,050

TOTAL LIABILITIES

3,050

SHAREHOLDER'S EQUITY

Share capital (Note 1,4) 1

Deficit (3,050)

TOTAL EQUITY

(3,049)

TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY

\$ 1

Subsequent Event (Note 8)

The accompanying notes are an integral part of these condensed interim financial statements.

ON BEHALF OF THE BOARD:

/s/ Alessandro Bitelli
Director

/s/ Wojtek A. Wodzicki
Director

Filo Mining Corp.
Condensed Interim Statement of Comprehensive Loss
(All amounts expressed in Canadian Dollars)

**Period from incorporation on
May 12, 2016
To June 30, 2016**

Expenses

Professional fees

\$ 3,050

**Net Loss and Comprehensive Loss for
the Period**

\$ 3,050

Basic and diluted loss per common share

(3,050)

**Weighted average common shares
outstanding**

1

The accompanying notes are an integral part of these condensed interim financial statements.

Filo Mining Corp.
Condensed Interim Statement of Cash Flows
(All amounts expressed in Canadian Dollars)

**Period from incorporation on
May 12, 2016 to June 30, 2016**

Cash flows used in operating activities	
Net loss for the period	\$ (3,050)
Net change in working capital items:	
Trade payables and accrued liabilities	3,050
	-
Cash flows used in financing activities	
Share subscription	1
Increase in cash and cash equivalents during the period	1
Cash and cash equivalents, beginning of period	-
Cash and cash equivalents, end of period	\$ 1

The accompanying notes are an integral part of these condensed interim financial statements.

Filo Mining Corp.
Condensed Interim Statement of Changes in Equity
(All amounts expressed in Canadian Dollars)

	Number of shares issued and outstanding	Share capital		Deficit		Total
Balance, Incorporation on May 12, 2016	-	\$	-	\$	-	-
Share issued on incorporation (Note 1,4)	1		1		-	1
Net loss and comprehensive loss for the period	-		-		(3,050)	(3,050)
Balance, June 30, 2016	1	\$	1	\$	(3,050)	\$ (3,049)

The accompanying notes are an integral part of these condensed interim financial statements.

Filo Mining Corp.
Notes to the Condensed Interim Financial Statements
(All amounts expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

Filo Mining Corp. (the "Company" or "Filo Mining") was incorporated on May 12, 2016 under the laws of *Canada Business Corporations Act* in anticipation of a plan of arrangement to reorganize the exploration business of NGEEx Resources Inc. ("NGEEx"), the Company's then parent company (see Note 8). The Company's intended business activity is the exploration and development of the Filo del Sol mineral properties located in South America. To date, the Company has not commenced operations. The Company's registered office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, Canada.

The Company's ability to settle its existing liabilities and continue as a going concern is dependent upon the Company securing financing and continued support from NGEEx (see Note 8).

2. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared on a historical cost basis in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standards 34, Interim Financial Reporting.

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company on August 29, 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Functional and presentation currency

The functional and presentation currency of the Company is the Canadian dollars.

b) Financial instrument classification and risks

In respect of the recognition and measurement of financial instruments, the Company has adopted the following policies:

Accounting classification of the following financial instruments	Other financial liabilities
<i>Measured at amortized cost:</i>	
Trade payables and accrued liabilities	X

c) Current and deferred income tax

The Company follows the liability method of accounting for income taxes. Under the liability method, deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, unused tax losses and other income tax deductions. Deferred income tax assets are recognized for deductible temporary differences, unused tax losses and other income tax deductions to the extent that it is probable the Company will have taxable income against which those deductible temporary differences, unused tax losses and other income tax deductions can be utilized.

Filo Mining Corp.
Notes to the Condensed Interim Financial Statements
(All amounts expressed in Canadian Dollars)

Deferred income tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the related assets are realized or the liabilities are settled. The measurement of deferred income tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover and settle the carrying amounts of its assets and liabilities, respectively. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in the period in which the change is substantively enacted.

4. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares, without par value. On May 12, 2016, the Company issued one common share upon incorporation to NGEx.

5. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management and definition of capital, the Company considers the items included in shareholders' equity to be capital.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its assets. In order to maintain or adjust the capital structure, the Company may attempt to issue new shares or debt instruments, acquire or dispose of assets, or to bring in joint venture partners.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

6. MANAGEMENT OF FINANCIAL RISKS

The Company relies upon NGEx, its parent company for the period from incorporation to June 30, 2016, in managing its capital structure. The Company's financial instruments are exposed to the following financial risk:

- (i) Liquidity risks associated with the inability to meet obligations as they become due is minimized through its dependence on NGEx. Trade payables and accrued liabilities are due within twelve months of the Statement of Financial Position date.

Filo Mining Corp.
Notes to the Condensed Interim Financial Statements
(All amounts expressed in Canadian Dollars)

7. INCOME TAXES

A reconciliation of current income taxes at statutory rates with the period income tax is as follows:

	June 30, 2016
Combined basic federal and provincial income tax rates	26%
Net loss before taxes	\$ (3,050)
Expected income tax recovery	\$ (793)
Income tax benefits not recognized	793
Future income tax recovery	\$ -

	June 30, 2016
Loss carry-forwards	793
Unrecognized deferred tax assets	\$ 793

The income tax benefit, if any, of these losses have not been recorded in the condensed interim financial statements due to the uncertainty of their recovery.

8. SUBSEQUENT EVENT

The plan of arrangement of NGEx under the Canada Business Corporation Act ("Arrangement") was completed on August 16, 2016. In accordance with the Arrangement, NGEx transferred its wholly-owned subsidiaries that directly or indirectly hold the Filo del Sol project and the Tamberias project located in Argentina and Chile, (the "Filo del Sol Exploration Business"), along with approximately \$3 million in cash, to the Company in exchange for 51,270,950 common shares of the Company. The Filo del Sol Exploration Business comprises of properties that straddle the international border between San Juan Province, Argentina and Region III, Chile. The mineral titles for these properties are 100% controlled by the Filo del Sol Exploration Business either through direct ownership or option agreements. Under the Arrangement, NGEx distributed 100% of the common shares of Filo Mining it receives to NGEx shareholders on a pro rata basis. NGEx shareholders will receive one common share of the Company for every four common shares of NGEx held.