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NEWS RELEASE

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FILO MINING ANNOUNCES US\$2 MILLION CREDIT FACILITY

January 12, 2018 – Filo Mining Corp. ("**Filo Mining** or the "**Company**") (**TSX Venture:FIL**)(**Nasdaq First North:FIL**) ("**Filo Mining**", "**Filo**", or the "**Company**"), reports that the Company has secured a US\$2,000,000 credit facility (the "**Facility**") to be evidenced by a debenture (the "**Debenture**") to provide additional financial flexibility to fund general corporate purposes. The Debenture is unsecured and has a term of 12 months from the issue date of the Debenture (the "**Maturity Date**"). No interest is payable during the term of the Debenture, however, any amount of the Facility remaining unpaid and outstanding on or after the Maturity Date shall bear interest at a rate of 5.00% per annum until repaid in full.

The Facility will be issued by Zebra Holdings and Investments S.à.r.l. (the "**Lender**" or "**Zebra**") a company controlled by a trust settled by the late Adolf H. Lundin and an insider of the Company. The terms of the Facility include the Company issuing to the Lender, subject to approval of the TSX Venture Exchange, an aggregate of 6,000 common shares of Filo (the "**Common Shares**") and an additional 300 Common Shares per month for each US\$50,000 of the Facility outstanding from time to time up to the Maturity Date. All securities issued in conjunction with the Facility will be subject to a four-month hold period under applicable securities law.

The Common Shares to be issued pursuant to the terms of the Debenture will be issued at a deemed price of \$2.60 per share, being the closing price of the Common Shares on the TSX Venture Exchange on January 12, 2018.

The issuance of Common Shares to an insider and entering into of the Debenture each constitute a "related party transaction", as defined under Multilateral Instrument 61-101 ("**MI 61-101**"). The transactions will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of any shares issued to or the consideration paid for the Debenture will exceed 25% of the Company's market capitalization.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein in the U.S., or in any jurisdiction in which such an offer or sale would be unlawful. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws and may not be offered or sold in the U.S. or to the account or benefit of a U.S. person or a person in the U.S. absent registration or an applicable exemption from the registration requirements.

ABOUT FILO MINING CORP.

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 TSX-V 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 was submitted for publication, through the agency of the contact person set out below, on January 12, 2018 at 2:30 p.m. Vancouver Time.

On behalf of the Board of Directors of Filo Mining,

Adam I. Lundin, President and CEO

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.

For further information, please contact: Sophia Shane, Corporate Development (604) 806-3575.

Caution Regarding Forward-Looking Information and 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”). 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. The Company believes that the expectations reflected in the forward-looking statements and 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 statements and information should not be unduly relied upon. This statement and information speaks as of the date of the press release. In particular, this press release contains forward-looking statements or information with respect to the anticipated use of proceed from the Facility, the ability of the Company to satisfy the conditions of the Debenture including repayment of the Facility upon its maturity and the issuance of shares thereunder, and the timing and success in obtaining requisite regulatory approvals. There can be no assurance that such statements will prove to be accurate, as the Company’s actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed in the “Risk Factors” section in the Company’s most recent annual information form available at www.sedar.com.

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, that the Company will not experience any material labour dispute, accident, or failure of plant or equipment, and that the Company will receive regulatory approvals, permits and licenses, as and when required in a timely manner. 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.