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NEWS RELEASE

BHP and Lundin Mining to Acquire Filo for C\$4.5 Billion

Consideration for the Acquisition to be \$33.00 per share in a mix of cash and Lundin Mining shares; concurrently, Filo announces a C\$115 Million Private Placement to BHP and Lundin Mining in connection with the Acquisition

July 29, 2024: Filo Corp. (TSX: FIL) (Nasdaq First North Growth Market: FIL) (OTCQX: FLMMF) (“Filo”, or the “Company”) is pleased to announce it has entered into a binding agreement (the “Arrangement Agreement”) with BHP (“BHP”) and Lundin Mining Corporation (“Lundin Mining”, together with BHP, the “Purchaser Parties”) (TSX:LUN) (OMX: LUMI) whereby the Purchaser Parties will acquire all of the outstanding common shares of Filo that they do not already own (the “Filo Shares”) through a plan of arrangement (the “Transaction”).

Concurrent with the Transaction, BHP and Lundin Mining will form a Canadian joint venture (“JV”) into which the Filo del Sol copper-gold-silver project and the Josemaria copper-gold project (currently 100% owned by Lundin Mining and located in the San Juan Province of Argentina in the same region as Filo del Sol) will be contributed, allowing for the joint development of the Vicuña district. BHP and Lundin Mining will each own a 50% interest in the JV following the Transaction.

Highlights of the deal

- Crystallizes immediate value for Filo shareholders and delivers a clear and credible path to developing Filo del Sol to its full potential, backed by two of the world’s leading copper miners;
- Consolidation of two key assets in the Vicuña district by the JV creates a market-leading operational footprint in the district and offers:
 - Strong balance sheet capacity to fund future project development;
 - Potential to capture synergies and operational efficiencies; and
 - The ability for Filo del Sol to benefit from recently passed legislation in Argentina benefiting projects entering development;
- Filo shareholders that receive Lundin Mining shares will maintain upside exposure to the JV, while also benefiting from:
 - Jurisdictional and project risk diversification in a company with diversified asset portfolio with long-life assets operating globally;
 - Exposure to strong and increasing cash flow generation and dividends; and
 - Enhanced market profile with greater share liquidity.

Under the terms of the Transaction, Filo shareholders, excluding BHP and Lundin Mining, will receive total consideration of approximately C\$4.1 billion, representing C\$33.00 per Filo Share, based on the 5-day volume weighted average price of Lundin Mining shares as of today's close on the TSX. Filo shareholders will be able to elect to receive the consideration as either (i) C\$33.00 in cash per Filo Share or (ii) 2.3578 Lundin Mining shares per Filo Share, or some combination of cash and shares, subject to proration. The total cash consideration will be subject to maximum cash consideration of approximately C\$2,767 million (representing 68.2% of the aggregate total consideration). The total share consideration will be subject to maximum share consideration of 92.1 million Lundin Mining Shares (representing 31.8% of the aggregate total consideration). Shareholders that do not make an election will be deemed to have elected to receive cash consideration. The consideration represents a premium of 32.2% and 25.8% to the unaffected 30-day volume weighted average price and the unaffected closing price, respectively, of the Filo Shares on the TSX for the period ending July 11, 2024, being the day before press speculation of a transaction. On closing of the Transaction, Filo shareholders are expected to own approximately 11% of Lundin Mining, on a fully diluted basis.

Jamie Beck, President, CEO and Director of Filo said, *"I'm very happy to announce this transaction today, which delivers compelling value to Filo's shareholders. The Transaction delivers a 17.4% premium to the unaffected all time high for Filo's shareholders while offering exposure to the future development of Filo del Sol in addition to Lundin Mining's high-quality operating portfolio. The total consideration represents approximately C\$924 million in value above Filo's unaffected market capitalization on July 11, 2024."*

Mr. Beck continued, *"Our copper-gold-silver exploration success at Filo has been unmatched since spinning the Company out in 2016, and now is the right moment to hand the project off to its next stewards to maximize the potential of this remarkable discovery. Since their initial investment in Filo in 2022, BHP has proven to be a fantastic partner who has shared in our vision of the potential at Filo del Sol. That vision began in 2002 when this property was first acquired by the Lundin Family who had the conviction and perseverance to advance the project over the next two decades – characteristics I'm sure will continue under Lundin Mining's ownership. It's not easy pulling together three parties to an agreement like this. I'm excited to combine Filo del Sol along with Josemaria into the JV, consolidating two key assets in the Vicuña district in this joint venture, whose partners have the financial strength, technical expertise, and operational experience to advance Filo del Sol at the pace and scale it deserves while committing to the highest ESG practices globally."*

Details of the Transaction

The Transaction, which is not subject to any financing conditions, will be carried out by way of a court-approved plan of arrangement under the *Canada Business Corporations Act* and will require approval by (1) 66⅔% of the votes cast by Filo shareholders, and (2) a simple majority of the votes cast by Filo shareholders, excluding votes from certain shareholders, as required under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* at a special meeting expected to be held to consider the Transaction. In addition to approval by Filo shareholders, the Transaction is also subject to the receipt of court approval, regulatory approvals including approval by the TSX, and the admission to trading of the new Lundin Mining shares and other customary closing conditions for transactions of this nature. Lundin Mining will prepare documentation as required under the EU Prospectus Regulation and Lundin Mining shareholder approval is not required. The Transaction is expected to be completed in the first quarter of 2025, subject to the satisfaction of closing conditions.

The Swedish Securities Council (Sw. *Aktiemarknadsnämnden*) has granted Filo, BHP and Lundin Mining relief from the obligation to comply with the requirements of Section VI of the Swedish Takeover Rules for Certain Trading Platforms in connection with the Transaction.

The Arrangement Agreement provides for customary deal-protection provisions, including a non-solicitation covenant on the part of Filo and a right for the Purchaser Parties to match any Superior Proposal (as defined in the Arrangement Agreement). The Arrangement Agreement includes a termination fee of C\$135 million, payable by Filo, under certain circumstances (including if the Arrangement Agreement is terminated by Filo in respect of a Superior Proposal) and a reverse termination fee of C\$135 million, payable by the Purchaser Parties, under certain circumstances. The directors and officers of Filo, in addition to certain securityholders, including Nemesia S.à.r.l, a private company controlled by a Trust settled by the late Adolf H. Lundin, owning in aggregate approximately 35% of Filo's voting securities have entered into voting support agreements pursuant to which they have agreed to vote all the securities they own or control in favour of the Transaction.

Filo Board of Directors and Special Committee Recommendations

A special committee comprised of independent directors of Filo (the "Special Committee") unanimously recommended the Transaction to the board of directors of the Company (the "Filo Board"). The Filo Board has evaluated the Arrangement Agreement with the Company's management and legal and financial advisors and, following the receipt and review of the unanimous recommendation from the Special Committee, the Filo Board unanimously (subject to certain directors declaring a conflict and abstaining from voting on the matter) determined that the Transaction is in the best interest of the Company, approved the Transaction and recommended that the Company's shareholders vote in favour of the Transaction, all subject to the terms and conditions contained in the Arrangement Agreement.

Each of BMO Capital Markets and National Bank Financial have provided an opinion to the Special Committee and Filo Board stating that, as of the date of such opinions and based upon and subject to various assumptions, limitations and qualifications therein, the consideration to be received by the Filo shareholders pursuant to the Arrangement Agreement is fair, from a financial point of view, to such shareholders, excluding the Purchaser Parties.

Further details regarding the terms of the Transaction are set out in the Arrangement Agreement, which will be publicly filed by Filo under its profile at www.sedarplus.ca. Additional information regarding the terms of the Arrangement Agreement, the background to the Transaction, the rationale for the recommendations made by the Special Committee and the Filo Board and how Filo shareholders can participate in and vote at the special meeting to be held to consider the Transaction, will be provided in the management information circular for the special meeting which will be mailed to shareholders and also filed at www.sedarplus.ca. Shareholders are urged to read these and other relevant materials when they become available.

Concurrent Private Placement

Concurrent with entering into the Arrangement Agreement, Filo and each of the Purchaser Parties entered into a subscription agreement pursuant to which each of the Purchaser Parties will subscribe for 3,484,848 Filo Shares at an issue price of C\$33.00 per Filo Share, or approximately C\$115 million in the aggregate (the "Concurrent Private Placement"). Upon completion of the Concurrent Private Placement,

BHP and Lundin Mining will hold approximately 7.1% and 1.7% of the total issued and outstanding Filo Shares, respectively. The Concurrent Private Placement entails a dilution of approximately 2.7% of the number of shares and votes in the Company (calculated as the number of newly issued shares divided by the total number of shares in the Company after the Concurrent Private Placement). Through the Concurrent Private Placement, the number of shares and votes in the Company will increase by 3,484,848 from 131,200,800 to 134,685,648. The proceeds from the Concurrent Private Placement will be used by Filo to fund the development of the Filo del Sol project, general working capital expenses and general and administration expenses for the period between announcement and closing of the Transaction, in accordance with Filo's budget. The Concurrent Private Placement is not conditional on completion of the Transaction and is expected to complete on or before August 12, 2024.

Advisors and Counsel

BMO Capital Markets is acting as financial advisor to Filo and National Bank Financial is providing a fixed fee fairness opinion to the Special Committee and the Filo Board. Blake, Cassels & Graydon LLP is acting as legal advisors to the Company. Stikeman Elliott LLP is acting as legal advisors to BHP. Cassels Brock & Blackwell LLP and Sullivan & Cromwell LLP are acting as legal advisors to Lundin Mining.

About Filo Corp.

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

Additional Information

The Company's certified adviser on the Nasdaq First North Growth Market is Aktieinvest FK AB, +46 8 506 51703, rutger.ahlerup@aktieinvest.se.

The information contained in this news release was accurate at the time of dissemination, but may be superseded by subsequent news release(s).

This press release contains inside information that Filo Corp. is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by the contact persons below on July 29, 2024 at 7:30pmEDT.

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A Lundin Group Company

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This press release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking information") within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included herein may be forward-looking statements, including, without limitation, statements relating to the consummation and timing of the Transaction; the consummation of the Concurrent Private Placement; the satisfaction of the conditions precedent to the Transaction; the strengths, characteristics and potential of Lundin Mining post-Transaction; timing, receipt and anticipated effects of court and regulatory approvals; the impact of the Transaction on employees and local stakeholders; and discussion of future plans, projects, objectives, estimates and forecasts and the timing related thereto. Forward-looking information is frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. These forward-looking statements may also include statements regarding perceived merit of properties; exploration plans and budgets; mineral reserves and resource estimates; work programs; capital expenditures; timelines; strategic plans; market prices for precious and base metals; or other statements that are not statements of fact. In addition, statements relating to "mineral resources" and "mineral reserves" are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions that the mineral resources and mineral reserves described can be profitably produced in the future.

Forward-looking information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. Important factors that could cause actual results to differ materially from the Company's expectations include failure to receive the required court and regulatory approvals to effect the Transaction; changes in laws, regulations and government practices; the potential of a third party making a superior proposal to the Transaction; risks pertaining to the outbreak of the global pandemics; government regulation of mining operations; environmental risks; and other risks and uncertainties disclosed in the Company's periodic filings with Canadian securities regulators and in other Company reports and documents filed with applicable securities regulatory authorities from time to time, including the Company's Annual Information Form available under the Company's profile at www.sedarplus.ca. In addition, these statements involve assumptions made with regards to the Company's ability to develop the Filo del Sol project and to achieve the results outlined in the Technical Report; the ability to raise the capital required to fund construction and development of the Filo del Sol project; and the results and impact of future exploration at the Filo del Sol project. The Company's forward-looking information reflects the beliefs, opinions, and projections on the date the statements are made. The Company assumes no obligation to update the forward-looking information or beliefs, opinions, projections, or other factors, should they change, except as required by law.