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NEWS RELEASE

Filo Reports Q2 2024 Results

Vancouver, BC, August 9, 2024: Filo Corp. (TSX: FIL) (Nasdaq First North Growth Market: FIL) (OTCQX: FLMMF) (“Filo”, or the “Company”) announces its results for the three and six months ended June 30, 2024.

Jamie Beck, President & CEO, commented, “We are very happy to have announced the Company’s transaction with BHP and Lundin Mining, which delivers compelling value to Filo’s shareholders. Our exploration success has been unmatched since the Company was originally spun-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. With respect to our ongoing field program, despite temporarily halting drilling operations during the second quarter due to inclement weather, assays released during the quarter continue to demonstrate the size and scale of the Filo del Sol deposit. Eight holes were underway when operations were suspended due to winter conditions and full results from these holes will be released once they’ve been completed and assays received. We look forward to drilling again once site conditions allow for a safe resumption of activities.”

Q2 2024 Highlights

During and subsequent to the second quarter of 2024, the Company’s highlights included:

- On July 29, 2024, the Company announced that it has entered into a binding arrangement agreement (the “Arrangement Agreement”) with BHP Investments Canada Inc. (“BHP”) and Lundin Mining Corporation (“Lundin Mining”, and together with BHP, the “Purchaser Parties”) whereby the Purchaser Parties will acquire all of the outstanding common shares of Filo that they do not already own through a plan of arrangement (the “Transaction”) for total consideration of Canadian dollars (“\$CAD”) 4.1 billion (\$CAD 33.00/share) through a combination of cash and Lundin Mining shares. The Transaction is expected to be completed in the first quarter of 2025, subject to the satisfaction of closing conditions. Concurrent with entering into the Arrangement Agreement, Filo and each of the Purchaser Parties (or their affiliates) entered into a subscription agreement pursuant to which they subscribed for 3,484,848 Filo Shares at an issue price of \$CAD 33.00 per Filo Share, or approximately \$CAD 115.0 million in the aggregate (the “Concurrent Private Placement”). The Concurrent Private Placement was not conditional on completion of the Transaction and was completed on August 7, 2024. Please refer to the Company press release dated July 29, 2024 for more information;
- Assay results announced for hole FSDH114, which intersected 1,460.0m at 0.45% CuEq from 92.0m including 26.0m at 1.22% CuEq from 1,176.0m, confirming the northern expansion of the Bonita Zone

first seen with hole FSDH108, leaving the deposit open to the north and confirming a minimum width of 600m in this area;

- Assay results announced for hole FSDH112, which intersected 1,036.0m at 0.65% CuEq from 96.0m including 472.5m at 1.02% CuEq from 659.5m, expanding the high-grade zone first drilled in the Bonita Zone with FSDH091 and suggests it may be contiguous with the Aurora Zone over 900m to the southwest;
- In May 2024, notice was provided to the Company by NGEx Minerals Ltd. ("NGEx") and Lundin Mining Corporation ("Lundin Mining") to jointly buy-back two thirds of the existing 3% Net Smelter Royalties ("NSR") attached to three mineral claims (Nacimiento 1, Nacimiento 2, and Vicuña 4) in San Juan Province, Argentina which cover NGEx's Lunahuasi and Lundin Mining's Cumbre Verde copper-gold-silver projects. In consideration for the joint repurchase, the Company received gross cash consideration of \$2.0 million. Following completion of the transaction, the Company retains a 1% NSR over the claims; and
- The Company temporarily halted drilling operations during the second quarter of 2024 due to poor weather conditions which prevented safe operations. The Company has demobilized all non-essential personnel from site and triggered standby provisions with drilling-related contractors. Drilling is expected to recommence in the third quarter of 2024.

2024 Drilling and Assay Results

Drilling and assay results disclosed by the Company during and subsequent to the six months ended June 30, 2024 are summarized in Appendix 1 to this news release.

Outlook

Drilling activities are expected to recommence at the Filo del Sol Project during the third quarter of 2024. The Company and its drilling-related contractors are working closely to monitor the weather and plan for remobilization to site. A small team are currently at site, performing road maintenance and site inspection activities, to ensure coordinated remobilization of site personnel and contractors.

As a result of the shutdown of the drilling program, the Company is now expecting to drill between 30,000 and 35,000 metres during 2024, down from the original target of 40,000m. The focus of the 2024 program will remain exploration and resource growth with multiple step-out targets in all directions from zones of known mineralization, including both the Bonita and Aurora Zones. The Company continues to maintain a strong focus on improving drill productivity through a variety of initiatives.

Data collected from the current campaign is being used to develop a comprehensive geological model which will guide further exploration. The Company is continuing preliminary metallurgical testwork on the sulphide mineralization, as well as environmental and social baseline programs in support of future project permitting.

The Company's plans and timelines are subject to equipment and staff availability, along with being able to operate safely and effectively and in accordance with the Company's health and safety protocols.

Selected Financial Information

Effective January 1, 2024, the Company changed the functional currencies of its parent and subsidiary companies (see table below) to United States dollars ("USD"). The Company also changed its presentation

currency from \$CAD to \$USD. The changes were enacted to reflect changes in the composition of the Company's contracts and monetary outlays being predominantly denominated in \$USD. The change in functional currencies is being recognized prospectively. The change in presentation currency requires retrospective restatement of all prior periods presented in the financial statements. The amounts reported in the statement of financial position as at January 1, 2023 (derived from the consolidated statement of financial position as at December 31, 2022; not presented herein) and December 31, 2023 have been restated in \$USD based on the closing exchange rates on December 31, 2022 and December 31, 2023, respectively. The statements of comprehensive loss, cash flows and changes in equity for the three and six months ended June 30, 2023 have been restated in \$USD based on the average exchange rate for the three and six months ended June 30, 2023.

The \$CAD/\$USD exchange rates used to reflect the change in presentation currency were as follows:

	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Average rate	n/a	0.7398	0.7445	0.7456	0.7344
Closing rate	0.7383	n/a	n/a	n/a	0.7561

<i>(in thousands of US dollars)</i>	June 30, 2024	December 31, 2023 (Restated)	January 1, 2023 (Restated)
Cash and cash equivalents	28,137	81,748	55,313
Working capital	17,585	65,776	44,518
Mineral properties	8,568	7,618	7,189
Total assets	43,373	94,049	63,470

Financial Results

<i>(in thousands of US dollars, except per share amounts)</i>	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023 (Restated)	June 30, 2024	June 30, 2023 (Restated)
Exploration and project investigation	21,261	26,712	53,053	52,093
General and administration ("G&A"), excluding share-based compensation expense ⁽¹⁾	1,479	1,312	2,739	2,999
Share-based compensation expense ⁽¹⁾	1,124	1,654	5,201	4,035
Net loss	18,949	22,085	52,103	44,214
Basic and diluted loss per share	0.14	0.18	0.40	0.36

⁽¹⁾ Share based compensation is a non-cash cost which reflects the amortization of the estimated fair value of share options over their vesting period. The fair value of share options is calculated using the Black-Scholes pricing model, which relies heavily on the Company's share price and historical share price volatility. A portion of this expense is included in Exploration and Project Investigation expense.

The financial information in this table was selected from the Company's unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2024, which are available on SEDAR+ at www.sedarplus.ca and the Company's website www.filocorp.com

During the three months ended June 30, 2024, exploration costs decreased as a result of the temporary halting of drilling operations at the Project site due to weather conditions. The reduction in drilling activities during the three months ended June 30, 2024 were the primary driver of the \$12.8 million reduction in operating loss in comparison to the three months ended March 31, 2024 (\$23.6 million and \$36.4 million, respectively). Costs in any particular period may also be impacted by other relevant factors, such as the financial position of the Company, other corporate initiatives, and the scope of planned exploration/project work.

Exploration and project investigation expenses for the three and six months ended June 30, 2024 were \$21.3 million and \$53.1 million, respectively, compared to expenses of \$26.7 million and \$52.1 million incurred during the comparative periods in 2023. During the three and six months ended June 30, 2024, the Company completed resource drilling of 2,093m and 16,675m, respectively, compared to 9,247m and 18,396m completed during the comparative periods in 2023. Drilling metres during the three months ended June 30, 2024 were negatively impacted as a result of temporarily halting drilling operations at the Filo del Sol site due to poor weather conditions. The Company continues to incur standby costs as it works proactively with its contractors to plan for the recommencement of operations at the Project site. Standby costs are incurred to ensure the continuation of work with our dedicated contractors that are specialized in high elevation operations.

For the three and six months ended June 30, 2024, Filo incurred net losses of \$18.9 million and \$52.1 million, respectively (2023 – \$22.1 million and \$44.2 million), resulting mainly from operating losses of \$23.6 million and \$60.1 million, respectively (2023 – \$29.4 million and \$58.4 million). The operating losses were offset by net gains of \$2.8 million and \$6.1 million from the use of marketable securities (2023 – \$6.7 million and \$12.9 million). Exploration and project investigation costs are the primary driver of the operating losses, and for the three and six months ended June 30, 2024, they accounted for approximately 90% and 88% of the operating losses (2023 – 91% and 89%). The Company expenses its exploration costs through the consolidated statement of comprehensive loss, except for mineral property option payments and mineral property acquisition costs, which are capitalized. The period-over-period decrease in net gains from the use of marketable securities is the result of a devaluation of the Argentinian peso that occurred in December 2023, following the results of the Argentinian federal election.

Liquidity and Capital Resources

As at June 30, 2024, the Company had cash and cash equivalents of \$28.1 million and net working capital of \$17.6 million, compared to cash and cash equivalents of \$81.7 million and net working capital of \$65.8 million as at December 31, 2023. The decrease in the Company's cash and cash equivalents and net working capital is due to funds used in operations and for general corporate purposes, plus \$1.7 million used in the acquisition of equipment and facilities for the Filo del Sol Project and \$1.0 million used in the acquisition of mineral properties, offset by \$1.4 million received on the disposition of NSR and \$1.3 million received from the exercise of stock options.

The Company will continue to deploy the majority of its treasury to fund ongoing advancement of the Filo del Sol Project, and to a lesser extent, for working capital and general corporate purposes.

About Filo del Sol

Filo del Sol is a high-sulphidation epithermal copper-gold-silver deposit associated with one or more large porphyry copper-gold systems. Overlapping mineralizing events combined with weathering effects, including supergene enrichment, have created several different styles of mineralization, including structurally controlled and breccia-hosted gold, manto-style high-grade silver (+/- copper) and high-grade supergene enriched copper within a broader envelope of disseminated, stockwork and breccia-hosted sulphide copper and gold mineralization. This complex geological history has created a heterogeneous orebody which is characterized by zones of very high-grade copper +/- gold +/- silver mineralization within a large envelope of more homogeneous, lower-grade mineralization.

Qualified Persons and Technical Information

The scientific and technical disclosure for the Filo del Sol Project included in this news release have been reviewed and approved by Bob Carmichael, B.A.Sc., P. Eng. (BC). Mr. Carmichael is Filo's Vice-President of Exploration and a Qualified Person under National Instrument 43-101 Standards of Disclosure for Mineral Projects. ("NI 43-101").

The field programs were carried out under the supervision of the Mr. Carmichael. Whole core was transported to the Company's core processing facility located near Rodeo, Argentina, and all sampling activities were carried out there. Diamond drill core was sampled in two 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 Mendoza, Argentina.

Samples were delivered to the ALS preparation laboratory in Mendoza where they were crushed and a 500g split was pulverized to 85% passing 200 mesh. The prepared samples were sent to either the ALS assay laboratory in Santiago, Chile or Lima, Peru for copper, gold and silver assays and multi-element ICP and sequential copper analyses. ALS is an accredited laboratory which is independent of the Corporation. Gold assays were by fire assay fusion with AAS finish on a 30 g sample. Copper and silver were assayed by atomic absorption following a four-acid digestion. Samples were also analyzed for 36 elements with ICP-ES up to drillhole FSDH053. Starting in August 2021 with drillhole FSDH054, the multielement analyses were changed to ME-MS61 which offers ultra low detection limits for 48 elements. A sequential copper leach analysis was completed on each sample with copper greater than 500 ppm (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 quality assurance/quality control 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 is calculated based on US\$ 3.00/lb Cu, US\$ 1,500/oz Au and US\$ 18/oz Ag, with 80% metallurgical recoveries assumed for all metals. The formula is: $CuEq \% = Cu \% + (0.7292 * Au \text{ g/t}) + (0.0088 * Ag \text{ g/t})$.

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 condensed interim consolidated financial statements for the three and six months ended June 30, 2024 and related management's discussion and analysis are available on SEDAR+ at www.sedarplus.ca and the Company's website at www.filocorp.com.

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). The Company is under no obligation, nor does it intend to update or revise the forward-looking information, whether as a result of new information, future events or otherwise.

This information was submitted by Filo Corp. for publication, through the agency of the contact person set out below, on August 9, 2024 at 05:00 pm EDT.

On behalf of Filo,

Jamie Beck
President and CEO

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APPENDIX 1 – 2024 DRILLING AND ASSAY RESULTS

Drilling and assay results disclosed by the Company during and subsequent to the six months ended June 30, 2024 are summarized in the following table:

Hole-ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq ¹ (%)
FSDH093	338.8	1,788.0	1,449.2	0.41	0.21	5.0	0.61
incl.	492.0	1,144.0	652.0	0.55	0.25	8.6	0.81
incl.	804.0	1,080.0	276.0	0.66	0.31	6.7	0.95
and incl.	1,674.0	1,750.0	76.0	0.63	0.26	2.5	0.84
FSDH094	192.0	1,490.0	1,298.0	0.59	0.40	15.0	1.01
incl.	364.0	416.0	52.0	0.59	0.47	252.4	3.15
and incl.	444.0	748.0	304.0	0.84	0.53	9.4	1.30
FSDH097	368.0	1,445.0	1,077.0	0.52	0.25	22.4	0.89
incl.	368.0	1,126.0	758.0	0.53	0.30	31.0	1.03
incl.	372.0	521.0	149.0	0.35	0.10	128.0	

Hole-ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq ¹ (%)
incl.	450.0	474.0	24.0	0.36	0.15	366.8	
incl.	466.0	474.0	8.0	0.44	0.19	725.2	
and incl.	707.0	944.0	237.0	0.73	0.60	3.0	1.20
FSDH098	410.0	1,363.8	953.8	0.31	0.13	2.1	0.42
FSDH100	256.0	887.3	631.3	0.38	0.35	5.8	0.68
incl.	340.0	360.0	20.0	0.42	0.29	95.8	
FSDH101	540.0	1,379.5	839.5	0.31	0.11	1.8	0.41
incl.	550.0	972.0	422.0	0.38	0.13	2.3	0.50
FSDH102	12.0	699.0	687.0	0.18	0.16	4.2	0.33
incl.	250.0	478.0	228.0	0.34	0.15	2.4	0.47
incl.	250.0	349.6	99.6	0.51	0.14	2.2	0.63
FSDH103	296.0	1,556.0	1,260.0	0.58	0.36	2.4	0.86
incl.	302.0	336.0	34.0	4.33	0.97	16.8	5.19
incl.	318.0	326.0	8.0	10.06	2.36	41.3	12.14
incl.	534.0	1,048.0	514.0	0.62	0.54	2.7	1.04
FSDH104	40.0	106.0	66.0	0.17	0.15	22.4	0.48
Plus	744.0	1,336.0	592.0	0.41	0.13	3.7	0.54
incl.	890.0	1,062.0	172.0	0.45	0.17	5.8	0.63
FSDH105	714.0	1,284.0	570.0	0.34	0.10	1.4	0.43
incl.	820.0	1,050.0	230.0	0.43	0.14	1.4	0.54
FSDH106	26.0	190.0	164.0	0.15	0.10	2.3	0.24
FSDH108	69.8	79.8	10.0	0.95	0.56	36.4	1.68
incl.	216.8	1,172.0	955.2	0.36	0.15	3.9	0.50
incl.	382.0	1,006.0	624.0	0.45	0.18	5.0	0.63
incl.	496.0	548.0	52.0	0.66	0.28	31.6	1.14
FSDH109	4.0	10.0	6.0	0.35	0.44	1.0	0.68
plus	110.0	222.5	112.5	0.47	0.06	1.2	0.52
plus	706.0	728.0	22.0	0.52	0.08	1.1	0.59
FSDH111	No significant intervals						
FSDH112	96.0	1,132.0	1,036.0	0.47	0.17	5.7	0.65
incl.	96.0	126.0	30.0	0.29	0.40	27.1	0.82
and incl.	535.1	556.0	20.9	0.62	0.25	13.5	0.92
and incl.	659.5	1,132.0	472.5	0.80	0.22	6.4	1.02
FSDH114	92.0	1,552.0	1,460.0	0.34	0.11	3.2	0.45
incl.	92.0	100.0	8.0	0.51	0.32	6.3	0.80
and incl.	202.0	212.0	10.0	0.80	0.34	2.3	1.07
and incl.	312.0	1,398.0	1,086.0	0.38	0.13	3.8	0.51
incl.	750.0	960.0	210.0	0.51	0.19	2.1	0.66
and incl.	1,090.0	1,248.0	158.0	0.54	0.21	1.9	0.70
incl.	1,176.0	1,202.0	26.0	0.97	0.31	2.8	1.22

(1) Copper Equivalent is calculated based on US\$ 3.00/lb Cu, US\$ 1,500/oz Au and US\$ 18/oz Ag, with 80% metallurgical recoveries assumed for all metals. The formula is: CuEq % = Cu % + (0.7292 * Au g/t) + (0.0088 * Ag g/t). 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.

Additional information on these drilling results is disclosed in the Corporation's press releases. As of the date of this news release, hole FSDH113 has been completed with assays pending. Assay results for this hole will be released as they are received, analyzed and confirmed by the Company.

Cautionary Note Regarding Forward-Looking Statements

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", "projects", "budgets", "assumes", "strategy", "goals", "objectives", "potential", "possible", "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", "should", "might" or "will be taken", "will occur" or "will be achieved" or the negative connotations thereof. All statements other than statements of historical fact may be forward-looking statements.

The Company believes that the expectations reflected in the forward-looking information included in this news release are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon. Information contained in this news release is as of the date of this press release. In particular, this press release contains forward-looking information pertaining to the consummation and timing of the Transaction; the satisfaction of the conditions precedent to the Transaction; and discussion of future plans, projects, objectives, estimates and forecasts and the timing related thereto; assumptions made in the interpretation of drill results, geology, grade, geochemistry, potential implications of geophysics interpretations, and continuity of mineral deposits; expectations regarding access and demand for equipment, skilled labour and services needed for exploration and development of mineral properties; and that activities will not be adversely disrupted or impeded by exploration, development, operating, regulatory, political, community, economic, environmental and/or healthy and safety risks. In addition, this news release may contain forward-looking statements or information pertaining to: potential exploration upside at the Filo del Sol Project, including the extent and significance of the porphyry copper-gold system underlying the current Mineral Resource and the prospectivity of exploration targets; exploration and development plans and expenditures, including a transition to year-round operations and the timing thereof; the ability of the Company's operating protocol to continue to meet government-mandated health and safety guidelines enabling it to conduct its field programs as planned; the success of future exploration activities; potential for resource expansion; ability to build shareholder value; expectations with regard to adding to its Mineral Reserves or Resources through exploration; expectations with respect to the conversion of inferred resources to an indicated resources classification; ability to execute planned work programs; plans or ability to add additional drill rigs; timing or anticipated results of an update to the mineral resource estimate for Filo del Sol; government regulation of mining activities; environmental risks; unanticipated reclamation expenses; title disputes or claims; limitations on insurance coverage; and other risks and uncertainties.

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, including 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. 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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