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NEWS RELEASE

Filo Reports Q2 2023 Results

Vancouver, BC, August 10, 2023: 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, 2023.

Jamie Beck, President & CEO, commented, “We are continuing with our current drilling campaign through the South American winter with great success so far. There are nine rigs currently drilling at the Project and we have exceeded our planned metres through the end of Q2 2023. Our results were comprised of a mix of both large and small step-outs to the north and south of our current interpretation of the Aurora Zone, including the Filo and Bonita Zones, and preliminary results have indicated that the Bonita Zone is a continuous part of the system, rather than a separate Zone. Our exploration results continue to expand the footprint and demonstrate the potential of the Project as one of the most significant copper-gold-silver discoveries of its generation. Additionally, our recent \$130 million at-market private placement sets Filo up well for the next phase of drilling.”

Q2 2023 Highlights

- On June 14, 2023 the Company closed a non-brokered private placement, whereby the Company sold 6,161,138 common shares at a price of \$21.10 per common share for gross proceeds of \$130.0 million, less share issuance costs of \$0.8 million (net proceeds of \$129.2 million);
- Continued exploration success, highlighted by:
 - The release of assays from multiple holes drilled into the Aurora, Filo and Bonita Zones across large intervals with consistently strong mineralization. Several of the holes reported are entirely outside the Company’s existing resource pit shell and serve to expand the size of the mineralized zones and improve the geological interpretation of the deposit;
 - A magnetotelluric geophysical survey was completed and supports the interpretation of a geological connection between Aurora and Bonita. Modelling of the survey data shows a zone of elevated conductivity trending north-northeast along the length of the Filo del Sol and Aurora Zones and continuing strongly as far as holes FSDH060 and FSDH075 at the Bonita Zone. Combined with the geology seen in recent holes, this provides strong evidence that the system is continuous along at least 3.5km and that the Bonita Zone is the northern part of the system, rather than a separate zone;
 - Drilling results continue to demonstrate growth of the Aurora Zone towards the Bonita Zone. Multiple holes are currently drilling which will provide critical information on the potential continuity of mineralization between these two zones;

- Results from the first two holes drilled into the Gemelos target. Despite low grades of gold and copper encountered, results indicate a high-sulphidation epithermal system. The Gemelos alteration zone is roughly equivalent in size to the Filo del Sol alteration zone and remains a high potential target warranting additional exploration;
- Results from the second hole drilled into the Flamenco target, an area over 3 kilometers to the south of the Aurora Zone. The hole was collared 723m southwest of FSDH077, the first Flamenco hole which was reported in the Company's news release dated March 16, 2023. This hole expanded the area of moderate grade mineralization intersected in hole FSDH077 and continued to support Flamenco as a high-quality exploration target which requires significant additional exploration; and
- The Aurora Zone, the Bonita Zone, and the high-grade Breccia 41 area remain open to expansion in several directions and drilling to further define them is ongoing;
- On June 19, 2023 Filo's inaugural Sustainability Summary Report was published and is available on our website. The report outlines Filo's Sustainability Framework and commitments to guide the company moving forward, discloses Filo's baseline data and provides transparency to our stakeholders. The report also highlights the positive work and activities the Company has already undertaken on our sustainability journey.

Q2 2023 Drilling and Assay Results

Drilling and assay results disclosed by the Company during and subsequent to the first two quarters of 2023 are summarized in Appendix 1 to this news release.

Outlook

Drilling continues to be the Company's primary focus with nine drill rigs at site. Drilling will remain a mix of both large and small step-outs to the north and south of the Aurora Zone, as well as resource definition drilling within it. The Company continues to maintain a strong focus on improving drill productivity through a variety of initiatives and is continuing its drilling and field operations throughout the South American winter.

Data collected from the current campaign is being used to develop a comprehensive geological model which will guide further exploration and form the basis of an eventual update to the Mineral Resource estimate. 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 throughout the winter and in accordance with the Company's health and safety protocols.

Selected Financial Information

<i>(in thousands of Canadian dollars)</i>	June 30, 2023	December 31, 2022
Cash and cash equivalents	165,417	74,915
Working capital	140,848	60,296
Mineral properties	10,962	9,737
Total assets	178,750	85,964

The financial information in this table was selected from the condensed interim consolidated financial statements for the three and six months ended June 30, 2023, which are available on SEDAR+ at www.sedarplus.ca and at the Company's website www.filocorp.com

Financial Results

<i>(in thousands of Canadian dollars, except per share amounts)</i>	Three months ended		Six months ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Exploration and project investigation	35,879	22,136	70,188	37,004
General and administration ("G&A"), excluding share-based compensation expense ⁽¹⁾	1,763	650	4,043	1,605
Share-based compensation expense ⁽¹⁾	2,222	1,041	5,440	2,391
Net loss	29,664	13,513	59,577	27,913
Basic and diluted loss per share	0.24	0.11	0.48	0.23

⁽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. Due to the material increase in the Company's share price and volatility since 2021, the calculated fair value of the Company's share options has increased considerably, resulting in a higher share option value and resultant share-based compensation expense being recognized. 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 condensed interim consolidated financial statements for the three and six months ended June 30, 2023, which are available on SEDAR+ at www.sedarplus.ca and the Company's website www.filocorp.com

For the three and six months ended June 30, 2023, Filo incurred net losses of \$29.7 million and \$59.6 million, respectively (2022 – \$13.5 million and \$27.9 million) including operating losses of \$39.4 million and \$78.7 million (2022 – \$23.7 million and \$40.7 million) and net gains of \$9.0 million and \$17.3 million from the use of marketable securities (2022 – \$10.6 million and \$12.6 million). Exploration and project investigation costs are generally the most significant expenses for the Company and for the three and six months ended June 30, 2023, they accounted for approximately 91% and 89% of the operating losses, respectively (2022 – 94% and 91%). 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.

Liquidity and Capital Resources

As at June 30, 2023, the Company had cash and cash equivalents of \$165.5 million and net working capital of \$140.8 million, compared to cash and cash equivalents of \$74.9 million and net working capital of \$60.3 million as at December 31, 2022. The increase in the Company's cash and cash equivalents and net working capital is due the non-brokered private placement completed in June 2023 which resulted in net proceeds of \$129.2 million, plus the net \$1.1 million BHP Top-Up and \$4.2 million in gross proceeds received by the Company in relation to the exercise of stock options during the six months ended June 30, 2023. These cash inflows were offset by funds used in operations and for general corporate purposes, plus amounts used in the acquisition of mineral properties and equipment and facilities for the Filo del Sol Project.

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.

Technical Information

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: $CuEq \% = Cu \% + (0.7292 * Au \text{ g/t}) + (0.0088 * Ag \text{ g/t})$.

Details on assay procedures and the drill intersections provided in Appendix 1 can be found in the Company's news releases dated January 10, 2023, February 2, 2023, March 16, 2023, April 13, 2023, April 13, 2023, May 30, 2023, July 4, 2023 and July 11, 2023.

Qualified Persons and Technical Notes

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

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, 2023 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 10, 2023 at 6:00 pm EDT.

On behalf of Filo,

Jamie Beck
President and CEO

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A Lundin Group Company

APPENDIX 1 – Q2 2023 DRILLING AND ASSAY RESULTS

Drilling and assay results disclosed by the Company during and subsequent to the first two quarters of 2023 are summarized in the following table:

Hole-ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq ¹ (%)
FSDH068A	18.0	1,794.0	1,776.0	0.45	0.30	4.0	0.70
incl.	54.0	94.0	40.0	0.65	0.92	8.1	1.39
incl.	394.0	1,514.0	1,120.0	0.59	0.38	5.3	0.92
incl.	574.0	1,298.2	724.2	0.69	0.45	6.8	1.08
FSDH069A	138.0	1,434.5	1,296.5	0.60	0.38	13.9	1.00
incl.	404.0	435.0	31.0	0.00	0.27	127.0	
and incl.	498.0	1,096.0	598.0	0.92	0.57	19.3	1.51
incl.	792.0	886.0	94.0	1.78	1.37	26.3	3.01
FSDH070A	282.0	1,338.5	1,056.5	0.54	0.38	4.0	0.86
incl.	369.7	1,040.0	670.4	0.63	0.41	5.3	0.97
incl.	540.0	712.0	172.0	0.75	0.47	5.9	1.15
FSDH071	292.0	1,320.0	1,028.0	0.78	0.47	6.7	1.16
incl.	408.0	580.0	172.0	1.44	0.82	12.6	2.14
incl.	514.0	574.0	60.0	2.18	1.64	16.9	3.53
incl.	776.0	1,013.5	237.5	1.04	0.68	6.0	1.49
FSDH072	484.0	1,712.0	1,228.0	0.55	0.33	4.4	0.83
incl.	650.0	1,472.0	822.0	0.68	0.42	4.4	1.02
incl.	998.0	1,328.0	330.0	0.88	0.61	2.3	1.35

Hole-ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq ¹ (%)
FSDH073	404.5	1,388.4	983.9	0.62	0.32	4.0	0.89
incl.	600.0	1,214.0	614.0	0.74	0.41	3.2	1.06
incl.	756.0	1,028.0	272.0	0.92	0.52	3.2	1.33
FSDH074	278.0	1,300.0	1,022.0	0.49	0.19	4.4	0.66
incl.	644.0	1,160.0	516.0	0.61	0.21	3.2	0.79
incl.	840.0	1,092.0	252.0	0.65	0.23	3.6	0.85
FSDH075	197.1	1,562.0	1,364.9	0.31	0.12	2.9	0.42
incl.	197.1	268.0	70.9	0.33	0.19	15.4	0.60
and incl.	796.0	1,562.0	766.0	0.40	0.13	1.3	0.51
incl.	910.4	1,202.0	291.6	0.52	0.18	1.2	0.66
FSDH076	180.0	1,543.0	1,363.0	0.48	0.35	3.9	0.77
incl.	496.0	850.9	354.9	0.63	0.40	10.0	1.01
and incl.	952.0	1,120.0	168.0	0.52	0.48	1.1	0.88
and incl.	1264.0	1,490.0	226.0	0.55	0.42	1.2	0.87
FSDH077	192.0	194.0	2.0	0.05	10.35	0.5	
plus	404.0	920.2	516.2	0.11	0.11	0.9	0.20
FSDH079	68.0	76.0	8.0	0.25	0.40	8.9	0.61
FSDH080	122.0	1,347.5	1,225.5	0.39	0.29	8.9	0.67
incl.	122.0	1,058.0	936.0	0.42	0.33	11.3	0.77
incl.	122.0	216.0	94.0	1.02	0.42	5.8	1.38
incl.	126.0	148.0	22.0	2.25	0.35	1.0	2.51
and incl.	494.0	882.0	388.0	0.39	0.36	20.7	0.83
FSDH081	192.0	242.0	50.0	0.16	0.13	7.2	0.32
FSDH082	No significant values						
FSDH083	418.7	1,549.8	1,131.1	0.43	0.15	2.8	0.57
incl.	560.0	672.0	112.0	0.52	0.17	6.2	0.70
and incl.	970.0	1,180.0	210.0	0.61	0.22	2.1	0.80
FSDH085	18.0	26.0	8.0	0.98	3.15	433.8	7.09
plus	320.0	1,199.0	879.0	0.32	0.13	6.0	0.47
incl.	658.0	1,114.4	456.4	0.38	0.14	5.8	0.53
incl.	658.0	667.0	9.0	0.33	0.07	156.8	1.76

(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: $CuEq \% = Cu \% + (0.7292 * Au \text{ g/t}) + (0.0088 * Ag \text{ g/t})$

As of the date of this News Release, additional holes have been completed with assays pending, which include:

- **FSDH084**
- **FSDH087**

Assay results for these holes 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 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 COVID-19 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. 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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