



## NEWS RELEASE

### **Foran Announces Filing of Technical Report for Pre-Feasibility Study for Mcllvenna Bay**

VANCOUVER, British Columbia, April 28, 2020 – **Foran Mining Corporation** (TSX-V: FOM) (the “**Company**” or “**Foran**”) is pleased to announce that further to its news release issued March 12, 2020 (“**News Release**”), it has filed an independent National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”) technical report (the “**Report**”) for the Pre-feasibility Study (“**PFS**”) on the Company’s Mcllvenna Bay Project in eastern Saskatchewan. The PFS demonstrates that Mcllvenna Bay is poised to be the centre of operations for a new mining camp.

The Report, effective March 12, 2020, was prepared by AGP Mining Consultants Inc., as principal consultant, and is titled “*NI 43-101 Technical Report, Pre-feasibility Study for the Mcllvenna Bay Project*” and will be available at the Company’s website [www.foranmining.com](http://www.foranmining.com) or under the Company’s profile on SEDAR [www.sedar.com](http://www.sedar.com). There are no material differences in the Report from the information disclosed in the News Release. All dollar amounts are disclosed in Canadian dollars, unless otherwise indicated.

#### **Economics**

- \$219 million (“M”) pre-tax net present value (“NPV”) using a 7.5% discount rate (\$147M after-tax) and an internal rate of return (“IRR”) of 23.4% (19.2% after-tax) using 3 year trailing average metal prices of US\$1.26 per pound (“lb”) zinc (“Zn”), US\$2.82/lb copper (“Cu”), US\$1,312/ounce (“oz”) gold (“Au”) and US\$16.30/oz silver (“Ag”), foreign exchange rate CAD:USD \$1.30 / USD:CAD \$0.77.
- Cash cost of US\$0.41/lb Zn or US\$0.44/lb Cu (net of by-product credits).
  - Cash cost includes mine cash operating costs (including sustaining capital), smelting and refining charges, royalties and transportation costs.
- Pre-production capital cost of \$261.3M and Life of Mine (“LOM”) sustaining capital cost of \$338.6M.
- After-tax free cash flow of over \$626M (\$365M net of pre-production capital).
- Overall average operating cost of \$69.48 per tonne:
  - In addition, LOM sustaining capital of \$29.86 per tonne (calculated from total LOM sustaining capital of \$338.6M)

#### **Reserves & Resources**

- A Probable Mineral Reserve of 11.34 million tonnes (“Mt”) at 4.01% Zn, 1.14% Cu, 0.54 grams per tonne (“g/t”) Au and 20.97 g/t Ag, derived using a US\$100/t net smelter return (“NSR”) cut-off

- Probable Reserves are contained within Indicated Resources outlined in the 2019 Mineral Resource Estimate (using a US\$60/t NSR cut-off):
  - Indicated resources of 22.95Mt
    - Grading 1.17% Cu, 3.05% Zn, 0.44 g/t Au and 16.68 g/t Ag
  - Inferred resources of 11.15Mt
    - Grading 1.38% Cu, 1.83% Zn, 0.10 % lead, 0.47 g/t Au and 14.81 g/t Ag
  - Resources and reserves are open for expansion.

### **Mining & Processing**

- LOM concentrate production containing over 800M lbs Zn, over 250M lbs Cu, over 155,000 oz Au and approximately 4.4M oz Ag
- Average annual production of 89.2M lbs Zn, 27.9M lbs Cu, 17,312 oz Au and 492,667 oz Ag
- Underground mine with 9-year life, employing a combination of longitudinal longhole retreat and sub-level transverse stoping methods to mine at a nominal rate of 3,600 tonnes per day
- Metallurgical testwork yielded robust metallurgical performance, with recoveries of 80% Zn, 88.2% Cu, 79.1% Au and 58.0% Ag into separate high-grade zinc and copper flotation concentrates
- Low carbon footprint mining project:
  - Powered by existing hydroelectric power
  - Haulage of ore to surface using Battery Electric Vehicles (“BEVs”)
  - Efficient ore haulage from deeper levels using vertical ore conveying technology.

### **Surface Infrastructure**

- Modern on-site processing facilities, including conventional crushing, grinding, flotation and dewatering units
- Cemented paste backfill plant
- On-site 5.6Mt capacity filter tailing (“dry stack”) storage impoundment.

Several opportunities to improve project margins include:

- Refinement of the mine cut-off value to identify additional accretive material
- Investigate the inclusion of incremental economic material into the mine plan
- Further refinement of the metallurgical program
- Extend the use of BEVs to LHD fleet
- Optimize backfill schedule with waste development to reduce pastefill cost by displacing paste fill with waste)
- Large inferred resource remains which may be converted into additional reserves with further drilling to extend mine life
- Additional feed source development: further expansion of the resource at Mclivena Bay, and continuation of exploration of identified and new satellite deposits.

## **About Foran Mining**

Foran Mining is a zinc-copper exploration and development company with projects located along the Flin Flon Greenstone Belt. The McIlvenna Bay Project, Foran's flagship asset located within the Hanson Lake District, sits just 65km from Flin Flon, Manitoba and is part of the world class Flin Flon Greenstone Belt that extends from Snow Lake, Manitoba, through Flin Flon to Foran's ground in eastern Saskatchewan, a distance of over 225km.

McIlvenna Bay is the largest undeveloped VMS deposit in the region. This prolific Metallogenic Belt is host to 29 past and present producing mines, including Hudbay Minerals Inc.'s 777 and Lalor operations. The Company released the results of the Pre-Feasibility Study ("PFS") on March 12, 2020. Based on the PFS, the McIlvenna Bay Project is expected to yield a Base Case pre-tax, 7.5% net present value of \$219 million and an internal rate of return of 23.4%, using assumed zinc, copper, gold and silver prices of US\$1.26/lb, US\$2.82/lb, US\$1,312/oz and US\$16.30/oz. The Company has filed a NI-43-101 Technical Report for the PFS on the McIlvenna Bay Deposit on SEDAR and the Report is available on the Company's website [www.foranmining.com](http://www.foranmining.com).

The technical information contained in this news release has been reviewed and approved by Andrew Holloway, P.Eng., an independent Qualified Person within the meaning of the National Instrument NI-43-101 – *Standards of Disclosure for Mineral Projects* and Roger March, P.Geo., Foran's Vice President of Exploration.

Foran trades on the TSX.V under the symbol "FOM".

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## **CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

This news release contains "forward-looking information" (also referred to as "forward looking statements"), which relate to future events or future performance and reflect management's current expectations and assumptions. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "hopes", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. All statements, other

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than statements of historical fact, are forward-looking statements or information. Forward-looking statements or information in this news release relate to, among other things: the PFS and the anticipated capital and operating costs, sustaining costs, net present value, internal rate of return, payback period, process capacity, average annual metal production, average process recoveries, anticipated mining and processing methods, proposed PFS production schedule and metal production profile, anticipated construction period, anticipated mine life, expected recoveries and grades, anticipated production rates, infrastructure, social and environmental impact studies, future financial or operating performance of the Company, subsidiaries and its projects, estimation of mineral resources, exploration results, opportunities for exploration, development and expansion of the McIlvenna Bay Project, its potential mineralization, the future price of metals, the realization of mineral reserve estimates, costs and timing of future exploration, the timing of the development of new deposits, requirements for additional capital, foreign exchange risk, government regulation of mining and exploration operations, environmental risks, reclamation expenses, title disputes or claims, insurance coverage and regulatory matters. In addition, these statements involve assumptions made with regard to the Company's ability to develop the McIlvenna Bay Project and to achieve the results outlined in the PFS, and the ability to raise capital to fund construction and development of the McIlvenna Bay Project.

These forward-looking statements and information reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include: our mineral reserve and resource estimates and the assumptions upon which they are based, including geotechnical and metallurgical characteristics of rock confirming to sampled results and metallurgical performance; tonnage of ore to be mined and processed; ore grades and recoveries; assumptions and discount rates being appropriately applied to the PFS; success of the Company's projects, including the McIlvenna Bay Project; prices for zinc, copper, gold and silver remaining as estimated; currency exchange rates remaining as estimated; availability of funds for the Company's projects; capital decommissioning and reclamation estimates; mineral reserve and resource estimates and the assumptions upon which they are based; prices for energy inputs, labour, materials, supplies and services (including transportation); no labour-related disruptions; no unplanned delays or interruptions in scheduled construction and production; all necessary permits, licenses and regulatory approvals are received in a timely manner; and the ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive.

The Company cautions the reader that forward-looking statements and information include known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements or information contained in this news release and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: the projected and actual effects of the COVID-19 coronavirus on the factors relevant to the business of the Corporation, including the effect on supply chains, labour market, currency and commodity prices and global and Canadian capital markets, fluctuations in zinc, copper, gold and silver prices; fluctuations in prices for energy inputs, labour, materials, supplies and services (including transportation); fluctuations in currency markets (such as the Canadian dollar versus the U.S. dollar); operational risks and hazards inherent with the business of mining (including environmental accidents and hazards, industrial accidents, equipment breakdown, unusual or unexpected geological or structure formations, cave-ins, flooding and severe weather); inadequate insurance, or the inability to obtain insurance, to cover these risks and hazards; our ability to obtain all necessary permits, licenses and regulatory approvals in a timely manner; changes in laws, regulations and government practices in Canada, including environmental, export and import laws and regulations; legal restrictions relating to mining; risks

relating to expropriation; increased competition in the mining industry for equipment and qualified personnel; the availability of additional capital; title matters and the additional risks identified in our filings with Canadian securities regulators on SEDAR in Canada (available at [www.sedar.com](http://www.sedar.com)). Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Investors are cautioned against undue reliance on forward-looking statements or information.

These forward-looking statements are made as of the date hereof and, except as required by applicable securities regulations, the Company does not intend, and does not assume any obligation, to update the forward-looking information.