



NEWS RELEASE

Excelsior Mining Commences Mine Construction at the Gunnison Copper Project

December 4, 2018

Excelsior Mining Corp. (TSX: MIN) (FSE: 3XS) (OTCQX: EXMGF) ("Excelsior" or the "Company") is pleased to announce that construction has started at the Gunnison Copper Project ("Gunnison"), in southeast Arizona; first copper production is anticipated in Q4 of 2019.

"Our ability to move quickly from the close of project financing to the initiation of construction at our Gunnison Copper Project is a demonstration of the operational capacity and experience of the Excelsior team," said Stephen Twyerould, President & CEO. "We look forward to updating all stakeholders as we move through the construction process. Our approach during this stage of development will remain, as always, focused on delivering technical excellence and long-term value for our shareholders."

Hydro Resources has commenced drilling the production wellfield and the accompanying compliance wells. *Hydro Resources* are experienced in-situ recovery ("ISR") wellfield drillers; this experience includes drilling for in-situ copper recovery projects. There are currently three drilling rigs on site with two additional drilling rigs arriving in January. A total of 63 wells, including 41 production wells and 22 compliance wells totalling approximately 82,000 feet will be completed. The significant number of compliance wells will ensure groundwater protection as per state and federal regulatory requirements. Drilling of the production wellfield is expected to be finished in Q2 of 2019. The initial wellfield area will be 400 feet by 400 feet with a spacing of approximately 70 feet between delivery and production wells.

Schmueser and Associates has been chosen as the general contractor. Construction activities will include:

- **Wellfield drilling and infrastructure** – The wellfield has been designed to provide maximum operational flexibility including reversing wells and adjustable flowrates to maximize copper production.
- **Access road construction** - An additional access road south of the I10 Highway is currently being installed. The Gunnison Copper Project is one of the most easily accessible mining projects in the world.
- **Johnson Camp Mine ("JCM") plant upgrades** – Upgrades to the processing facilities include enhanced controls and instrumentation, new rectifiers, increased solution heating capacity as well as a number of other modifications that will ensure Gunnison produces Grade A, 99.999% pure copper cathode.
- **Pipeline distribution and infrastructure** – A two-mile-long high-density polyethylene (HDPE) pipeline corridor will safely transport solution to the JCM processing facilities. Pipeline corridor liners, double-pipe containment and maintenance ponds will ensure best practice in terms of environmental management and safety.
- **Electrical distribution and infrastructure** – Electrical distribution to the wellfield will include moving and utilizing the existing substation near the crushing facilities that are currently on care and maintenance; thereby providing substantial cost savings to Excelsior.

- **Process pond upgrades and completions** – The existing ponds are being modified to accommodate the copper solutions from the wellfield. Additional pregnant leach solution (PLS) capacity is also being created at Gunnison to provide operational flexibility.
- **New acid storage facilities** – These new facilities have been designed to enable the Company to take advantage of market acid pricing opportunities as they arise.

“Schmueser & Associates, LLC is pleased to have been selected as the General Contractor for the Stage I Gunnison Copper Project/Johnson Camp Mine,” said Larry Schmueser II, President of Schmueser & Associates. “We look forward to working with Excelsior Mining Corp. on this low cost, environmentally friendly, copper production process. The goal of our Project Team puts a priority on safety with the understanding that achieving the budget and schedule are critical to the success of the project.”

About Excelsior Mining

Excelsior “*The Copper Solution Company*” is a mineral exploration and development company that is advancing the Gunnison Copper Project in Cochise County, Arizona. The project is a fully-permitted, fully finance, advanced staged, low cost, environmentally friendly in-situ recovery copper extraction project. The Feasibility Study projected an after-tax NPV of US\$ 807 million and an IRR of 40% using a US\$ 2.75 per pound copper price and a 7.5% discount rate.

Excelsior’s technical work on the Gunnison Copper Project is supervised by Stephen Twyerould, Fellow of AUSIMM, President & CEO of Excelsior and a Qualified Person as defined by National Instrument 43-101. Mr. Twyerould has reviewed and approved the technical information contained in this news release.

Additional information about the Gunnison Copper Project can be found in the technical report filed on SEDAR at www.sedar.com entitled: “Gunnison Copper Project, NI 43-101 Technical Report, Feasibility Study” dated effective December 17, 2016.

For more information on Excelsior, please visit our website at www.excelsiormining.com.

For further information regarding this press release, please contact:

Excelsior Mining Corp.
Concord Place, Suite 300, 2999 North 44th Street, Phoenix, AZ, 85018.

JJ Jennex, Vice President, Corporate Affairs
T: 604 723 1433
E: info@excelsiormining.com
www.excelsiormining.com

Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" concerning anticipated developments and events that may occur in the future. Forward looking information contained in this news release includes, but is not limited to, statements with respect to: (i) the results of the Feasibility Study, including operating and capital cost estimates and the economic benefits from the Gunnison Copper Project; (ii) the details of the various construction activities that will be undertaken on the Gunnison Copper Project; (iii) the potential for cost savings;; and (iii) the ability to mine the Gunnison Copper Project using in-situ recovery mining techniques.

In certain cases, forward-looking information can be identified by the use of words 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 state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information contained in this news release is based on certain factors and assumptions regarding,

among other things, the estimation of mineral resources and mineral reserves, the realization of resource and reserve estimates, copper and other metal prices, the timing and amount of future development expenditures, the estimation of initial and sustaining capital requirements, the estimation of labour and operating costs, the progress of development activities, the receipt of necessary regulatory approvals, the estimation of insurance coverage, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined including the possibility that mining operations may not commence at the Gunnison Copper Project, risks relating to variations in mineral resources and reserves, grade or recovery rates resulting from current exploration and development activities, risks relating to the ability to access infrastructure, risks relating to changes in copper and other commodity prices and the worldwide demand for and supply of copper and related products, risks related to increased competition in the market for copper and related products and in the mining industry generally, risks related to current global financial conditions, uncertainties inherent in the estimation of mineral resources, access and supply risks, reliance on key personnel, operational risks inherent in the conduct of mining activities, including the risk of accidents, labour disputes, increases in capital and operating costs and the risk of delays or increased costs that might be encountered during the development process, regulatory risks, financing, capitalization and liquidity risks, risks related to disputes concerning property titles and interest, environmental risks and the additional risks identified in the "Risk Factors" section of the Company's reports and filings with applicable Canadian securities regulators.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information is made as of the date of this news release. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking information.