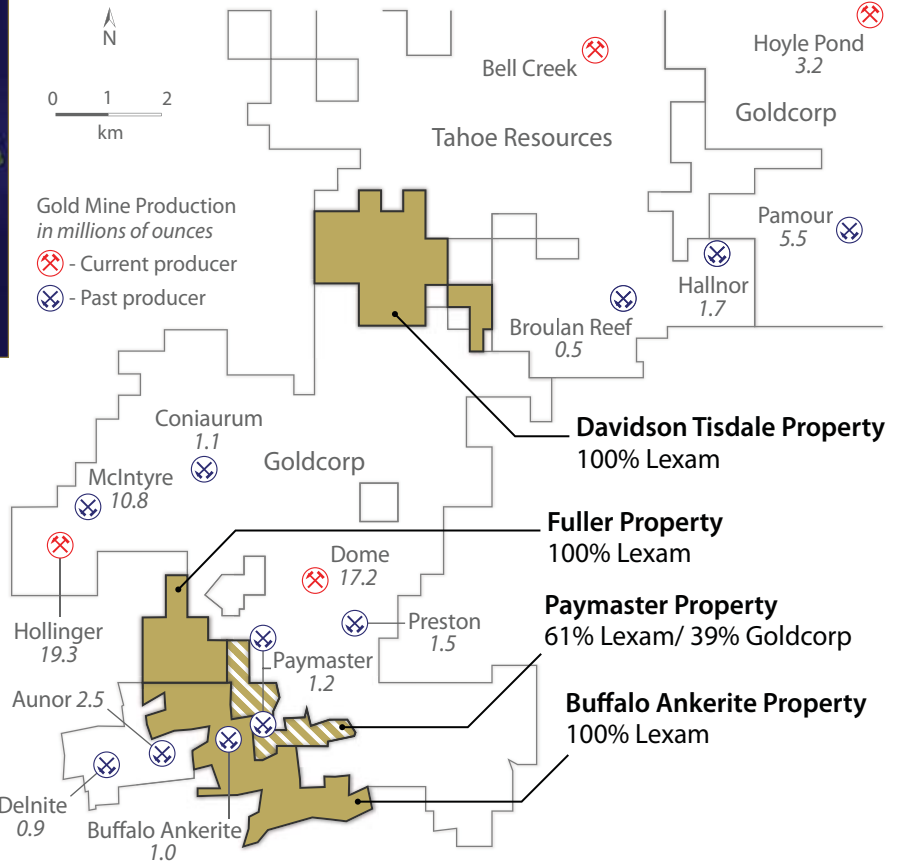


LexamVG

Exploring for Gold in Northern Ontario



TIMMINS GOLD CAMP - Canada's Largest Gold Producing Area 70 Million Ounces Over Past 100 Years



Potential for Open Pit Mining, Underground Mining & Resource Expansion

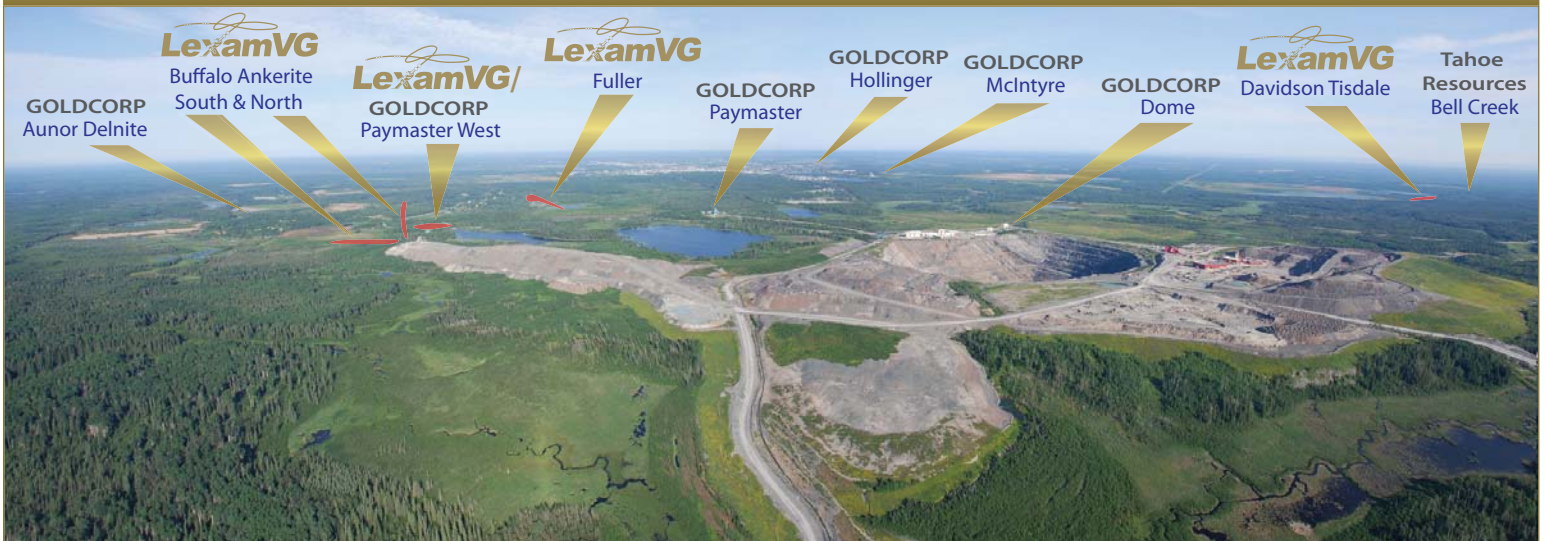
NI 43-101 Resources
1.47 M oz Au Measured+Indicated
0.95 M oz Au Inferred

PEA on Open Pits @
US\$1,250/ oz Au, 0.9 C\$:US\$ FX Rate
US\$860/ oz Au Cash Cost, After Tax
\$50 M Cash Flow, \$26 M NPV, 27% IRR

Lexam & McEwen Mining
Proposed Transaction: McEwen Mining
to Acquire Lexam's Securities
by Plan of Arrangement.

- Proven mining area, with developed infrastructure for mining & exploration
- High grade deposits, 2nd largest gold camp in the western hemisphere
- Safe jurisdiction, with stable regulatory environment

Four Lexam Projects Surrounded by Major Mines, In the Heart of Timmins Gold Camp



Lexam 43-101 Resource Estimates

Open Pit Resources				Underground Resources			
Tonnage (Mt)	Grade (gpt)	Gold (oz)		Tonnage (Mt)	Grade (gpt)	Gold (oz)	
Measured Resources							
DTM	0.45	2.44	35,500	DTM	0.02	6.64	3,800
				DTS	0.34	5.50	59,800
Indicated Resources							
BA	3.82	2.37	292,800	BA	3.27	4.76	500,200
P	2.80	1.61	145,000	F	0.33	5.76	61,000
F	5.33	1.68	290,000	DTM	0.04	4.91	6,500
DTM	0.17	2.43	13,500	DTS	0.42	4.52	60,400
Total M+Ind	12.57	1.91	776,800		4.41	4.88	691,700
Inferred Resources							
BA	2.74	2.31	203,400	BA	2.81	4.05	367,100
P	0.84	1.61	43,000	P	0.13	6.14	26,000
F	2.70	1.30	112,000	F	0.84	4.97	135,000
				DTM	0.07	4.20	9,600
				DTS	0.39	4.68	58,200
Total Inferred	6.28	1.79	358,400		4.24	4.35	595,800
Total M+Ind (Open Pit + Underground)				1,468,500			
Total Inferred (Open Pit + Underground)				954,200			

M+Ind - Measured + Indicated; Projects: BA - Buffalo Ankerite; DTM - Davidson Tisdale Main Zone; DTS - Davidson Tisdale S Zone, F - Fuller, P - Paymaster. Numbers may not add due to rounding. These resources are net to Lexam @ US\$1,600/oz Au, 1:1 C\$/US\$ FX rate. Cut-Offs: Open Pit - 0.51 gpt (BA, P, F), 0.5 gpt (DTM); Underground - 2.57 gpt (BA, P, F), 2.6 gpt (DTM), 2.0 gpt (DTS).

Open Pit PEA

@ US\$1,250/oz Gold Price,
0.9 C\$:US\$ Exchange Rate

- C\$58 M Capex @ 25% contingency.
- US\$860/oz cash operating cost.
- After tax:
 - C\$50 M Cash Flow,
 - C\$26 M NPV @ 7.5%, 27% IRR,
 - 2.3 years payback.
- 6.5 Y LoM @ 2.23 gpt processing grade.
- 293,000 oz recovered gold.
- Factored in:
 - 9.6:1 strip ratio,
 - 95% mining extraction,
 - Up to 27.5% mining dilution.
- Potential for further cost reduction through project optimization studies.

Lexam & McEwen Mining Proposed Transaction

Announced on February 13, 2017

McEwen Mining to acquire Lexam's securities by plan of arrangement
0.056 exchange ratio, based on a 30% implied premium for Lexam shares¹.

Benefits of the Proposed Transaction:

- Lexam projects to **ACCESS** McEwen Mining's: - financial resources
- management team, experienced in gold exploration & mining.
- Lexam assest to **EXPAND** McEwen Mining's: - resource base & exploration potential
- development & production pipeline through potential to commence Timmins production within 24 months.

¹-Based on 30-day volume weighted average price of Lexam shares on TSX and on McEwen Mining share price on NYSE at the time of announcement. The arrangement is subject to approval by shareholders, the TSX, the NYSE and the Ontario Superior Court of Justice.

Share & Contact Information

TSX: LEX



Price ⁽¹⁾	\$24
One Year Price Range	\$.16-\$38
Market Capitalization	\$53 M
Shares Outstanding/ Diluted	227/ 228 M
Average Volume ⁽²⁾	585 K
Shares Owned by Chairman Rob McEwen	27%

(1) - price on April 11, 2017

(2) - 3 months average daily trading volume from Canada, US & EU markets

Investor Relations

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