



NEWS RELEASE

INDEPENDENT PROXY ADVISORY FIRMS RECOMMEND LEXAM SHAREHOLDERS TO APPROVE PLAN OF ARRANGEMENT WITH MCEWEN MINING

March 30, 2017, Toronto, Ontario, Canada: Lexam VG Gold Inc. (“Lexam”, the “Company”) (TSX: LEX, FRANKFURT: VN3A, OTCQX: LEXVF) announces that Institutional Shareholder Services Inc. (“ISS”) and Glass, Lewis & Co. (“Glass Lewis”), leading independent proxy advisory firms, have each recommended that for the Special Meeting to be held on April 12, 2017 Lexam shareholders vote **FOR** the proposed transaction under which McEwen Mining Inc. (“McEwen Mining”) can acquire all Lexam securities by way of Plan of Arrangement.

Information for the Special Meeting is available on our website at www.lexamvggold.com.

Lexam Shareholders, Here Is How You Can Vote:

http://www.lexamvggold.com/pdfs/Voting_Instructions.pdf

For **assistance with voting**, please contact our proxy solicitation agent, Laurel Hill Advisory Group:
North American Toll-Free: 1-877-452-7184, International Collect: 416-304-0211, assistance@laurelhill.com

ISS and Glass Lewis Recommendations

ISS and Glass Lewis are independent proxy advisory firms which provide proxy voting recommendations to pension and mutual funds, investment managers and other institutional investors based on a careful review of disclosure materials.

In making its recommendation on the proposed transaction for Lexam and McEwen Mining, ISS advises:

“The proposed arrangement makes strategic sense given the adequate implied premium and the Company’s limited financial position. Company shareholders will be able to continue to participate in the future growth opportunities by receiving shares of McEwen Mining which has a larger market capitalization and is a better established market player. Specifically, the acquirer’s financial resources are expected to provide funding for development and construction of the Company’s Timmins properties. Moreover, exposure to the acquirer’s portfolio of producing and development assets would provide a better diversification to the Company’s shareholders.”

“**Vote FOR this resolution** based on the review of the terms of the transaction and, in particular, the adequate implied consideration premium, the ongoing concern risk facing the Company and the reasonable strategic rationale.”

Glass Lewis also advises with respect to the proposed transaction:

“For Lexam, the proposed merger will enable it to gain access to McEwen Mining’s technical and financial resources, which could help to accelerate the advancement of Lexam’s mining projects to the production stage. The proposed merger should enable Lexam to benefit from the improved capital position of the combined company and eliminate some of the potential investor uncertainty regarding how Lexam would otherwise fund the development of its projects on a standalone basis. Further, by receiving stock consideration, Lexam shareholders will be able to participate in the potential future upside of a larger and more diversified mining firm.”

“Based on these factors, the unanimous support of the Company’s unaffiliated directors, and absent a superior competing offer, we believe that the proposed merger warrants shareholder support at this time. Accordingly, **we recommend that shareholders vote FOR this proposal.**”

The full text of the resolution and the meeting materials have been mailed to Shareholders of record date March 9, 2017, together with all related voting materials. Information about the transaction is available in the press release dated February 13, 2017, at www.lexamvggold.com/news.php.

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