



NEWS RELEASE

Excelsior Mining: Altius Exercises C\$5 Million Royalty Option

December 5, 2018

Excelsior Mining Corp. (TSX: MIN) (FSE: 3XS) (OTCQX: EXMGF) ("Excelsior" or the "Company") is pleased to announce that Altius Royalty Corporation ("Altius") has exercised the final royalty option under the Share Purchase and Royalty Option Agreement dated July 19, 2013 between the Company and Altius. As a result of the exercise of the final option, Altius has paid the Company C\$5.0 million and in return received an additional gross revenue royalty ("Construction GRR") on the Gunnison Copper Project.

"This investment by one of the mining industry's foremost royalty companies is another significant endorsement for the Gunnison Copper Project," said Excelsior's President and CEO, Stephen Twyerould. "As we transition into the next new copper producer in the United States, we do so from a position of fiscal strength supported by excellent funding partners such as Altius."

"We have been continually impressed by Excelsior's ability to overcome challenging conditions and to ultimately deliver the Gunnison Copper Project to this construction decision milestone. We offer our sincere congratulations to the team and look forward to Gunnison becoming the 16th paying royalty in our portfolio," said Brian Dalton, President and CEO of Altius.

The terms of the Construction GRR are Altius has paid C\$5.0 million for a gross revenue royalty that is equal to (i) 0.625% while the plant capacity of all the plants operated or constructed by the Company or its affiliates for use in connection with the Gunnison Copper Project ("Plant Capacity") is less than 75 million lbs. of copper per annum; and (ii) 0.5% while the Plant Capacity is greater than or equal to 75 million lbs. of copper per annum.

Combined with the GRRs that Altius previously acquired (see Excelsior news releases July 29, 2014 and August 1, 2013) Altius now holds a 1.625% GRR on the Gunnison Copper Project while Plant Capacity is less than 75 million lbs. of copper per annum and 1.5% while the Plant Capacity is greater than or equal to 75 million lbs. of copper per annum.

About Altius

Altius directly and indirectly holds diversified royalties and streams that generate revenue from 15 operating mines. These are located in Canada and Brazil and produce copper, zinc, nickel, cobalt, iron ore, potash and thermal (electrical) and metallurgical coal. The portfolio also includes numerous pre-development stage royalties covering a wide spectrum of mineral commodities and jurisdictions. In addition, Altius holds a large portfolio of exploration stage projects which it has generated for deal making with industry partners that results in newly created royalties and equity and minority interests

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, 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.

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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 timeline for commencement of construction and commercial production from the Gunnison Copper Project; 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 availability of necessary financing and materials to continue to develop and construct the Gunnison Copper Project in the short and long-term, 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, including the risk that the financing necessary to fund the exploration and development activities at the Gunnison Copper Project may not be available on satisfactory terms, or at all, 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.