ECONOMIC BENEFITS ESTIMATED AT $6.6 BILLION BASED ON $1,300 PER oz Au & LIFE OF MINE ROYALTIES & TAXES

HORNE 5: TOP QUARTILE PROJECT
LOW ALL-IN SUSTAINING CASH COST
- US$399/oz gold AISC (net of by-products)
- Operating cost per tonne of C$41.00/tonne

CAPEX
- US$802M

IRR POST-TAX NPV (5%)
- 15.3%, US$602 million NPV

ANNUAL AVERAGE PRODUCTION
- 219,000 oz Au
- 1,752 koz Ag
- 67 million lbs Zn
- 16 million lbs Cu

INITIAL MINE LIFE
- Over 15 years

1. See Oct. 16, 2017 press release

HORNE 5 PROJECT FEASIBILITY STUDY COMPLETE
- Focus now shifts towards immediate permitting, development and financing
- Results confirm the Horne 5 project supports an economically viable, robust, low-grade, high bulk tonnage underground gold mine
- Targeted start of construction in 2019, first gold expected in late 2021
- Further optimization planned which builds on robust Feasibility Study

Proven & Probable Mineral Reserve
6.0 million oz AuEq (80.9 mt at 2.37 g/t AuEq)
Substantial potential to expand existing resource at depth

SHAREHOLDERS
Osisko Gold Royalties 18.3%
Sprott 7.2%
Government of Québec 5.1%
Falco Insider 1.7%

CAPITAL STRUCTURE
Market Cap C$64.5M
Basic Shares Outstanding 226.0M
Stock Options 11.1M
Warrants 6.4M
Fully Diluted Shares Outstanding 243.7M
Cash & Cash Equivalents ~C$4.7M
Located adjacent to the town of Rouyn-Noranda, roads, railways and electrical power. Extensive local mining expertise.

HIGHLY EXPERIENCED MANAGEMENT TEAM WITH PROVEN TRACK RECORD

HORNE 5 EXPECTS TO BE A SIGNIFICANT EMPLOYER IN THE ROUYN-NORANDA REGION, CREATING 525 LONG-TERM JOBS

COMMUNITY RELATIONS

Falco is committed to sustainable development and the goal of zero harm to people, the environment and our communities. This commitment means that we strive to act consistently in all of our activities in relation to health & safety, the environment, community relations and social development. Wherever we operate, we will ensure we do so in a socially responsible manner and meet or exceed all applicable requirements.

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QUALIFIED PERSONS
Claude Bernier, Exploration Manager, (P.Geo. Eng.) is the qualified person for this release as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects and has reviewed and verified the technical information contained herein. Mr. Bernier is an employee of Falco and is non-independent.

INDEPENDANT QUALIFIED PERSONS
Carl Pelletier (P.Geo. Géo., B.Sc.) the qualified persons as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects for the mineral resource estimate Data in this document as it relates to the technical information related to the 2016 Horne 5 Project Resource Estimate and they have reviewed and verified the technical information contained herein. Mr. Pelletier is a consulting geologist with InnovExpo Inc. and fulfills the requirements to be “qualified person” for the purposes of NI 43-101.

A Feasibility Study was prepared for Falco under the direction of BBA Inc., by leading independent industry consultants, all of whom are qualified persons (“QP”) under National Instrument 43-101. For more details on independent QPs who have prepared or supervised the preparation of the technical information relating to the Feasibility Study, please refer to the press release issued on October 16, 2017.