

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name MCEWEN MINING INC.			2 Issuer's employer identification number (EIN) 84-0796160		
3 Name of contact for additional information ANDREW IABONI		4 Telephone No. of contact 647-258-0395		5 Email address of contact aiaboni@mcewenmining.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 150 KING STREET WEST, SUITE 2500			7 City, town, or post office, state, and Zip code of contact TORONTO, ON, CANADA, M5H 1J9		
8 Date of action FEBRUARY 14, 2018		9 Classification and description COMMON SHARE OF MCEWEN MINING INC.			
10 CUSIP number 58039P107	11 Serial number(s)	12 Ticker symbol MUX	13 Account number(s)		

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **See attached Form 8937 Appendix A**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **See attached Form 8937 Appendix A**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **See attached Form 8937 Appendix A**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
See attached Form 8937 Appendix A

Horizontal lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ No


Horizontal lines for providing additional information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
See attached Form 8937 Appendix A

Horizontal lines for providing other information necessary to implement the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 13/02/2018.

Print your name ▶ Andrew Elinesky Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

**McEwen Mining Inc.
Form 8937 Appendix A**

On February 14, 2018, McEwen Mining Inc. (“**MUX**”) will cause a cash distribution to be paid to its common stock shareholders. Section 6045B of the Internal Revenue Code of 1986, as amended (the “**Code**”), and the underlying Treasury Regulations (the “**Regulations**” or “**Reg.**”) provided that corporations that engage in certain actions which affect the basis of their stock must file with the Internal Revenue Services (the “**IRS**”) an information return describing, among other things, the action and the action’s quantitative effect on the basis of their stock. As an alternative to filing this information return with the IRS, an issuer may post the information return to its public website.

The information contained in the attached Form 8937 and this Appendix A thereto is intended to satisfy the requirements of public reporting under Section 6045B of the Code and the Section 1.6045B-1(a)(3) and (b)(4) of the Regulations by MUX. The information contained in this notice is intended to provide only a general summary of certain US federal income tax consequences of the cash distribution and is not intended to be a complete analysis or description of all potential US federal income tax consequences of the distribution. You should consult your own tax advisor to determine the particular federal, state, local or foreign income, reporting or other tax consequences of the cash distribution to you.

Reporting Issuer Reg. section 1.6045B-1(a)(1)(i)	McEwen Mining Inc. EIN: 84-0796160
Security Identifier Reg. section 1.6045B-1(a)(1)(ii)	McEwen Mining Inc. common stock, which trades on New York Stock Exchange (“ NYSE ”) and Toronto Stock Exchange (“ TSX ”) under the symbol “ MUX ” with CUSIP 58039P107
Contact at Reporting Issuer Reg. section 1.6045B-1(a)(1)(iii)	Andrew Iaboni 150 King Street West, Suite 2800 Toronto, ON M5H 1J9 Canada 647.258.0395 aiaboni@mcewenmining.com
Information About Action Reg. section 1.6045B-1(a)(1)(iv)	On February 14, 2018, MUX will make a cash distribution to its common stock shareholders of \$0.005 per share. MUX has no current or accumulated earnings and profits (“ E&P ”) available.
Effect of Action Reg. section 1.6045B-1(a)(1)(v)	Because of MUX’s deficit in current and accumulated E&P, no part of the distribution will be considered a dividend under sections 301(c)(1) and 316(a) of the Code. Rather, the distribution will have the character of a nontaxable return of capital to the extent of each shareholder’s adjusted basis in the stock as per section 301(c)(2) of the Code. Any distribution in excess of the shareholder’s basis will be taxable capital gain according to

	<p>section 301(c)(3) of the Code. Due to primarily being a return of capital, the distributions should reduce the basis of the MUX common stock in the hands of each shareholder by the amount of the distribution received, but not below zero, as provided by section 301(c)(2) of the Code.</p>
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