

NEWS RELEASE

Lundin Mining Provides Operational Outlook & Update

Toronto, November 22, 2021 (TSX: LUN; Nasdaq Stockholm: LUMI) Lundin Mining Corporation ("Lundin Mining" or the "Company") provides the following production guidance for the three-year period of 2022 through 2024, as well as cash cost, capital and exploration expenditure forecasts for 2022. The Company will hold a conference call and webcast on Tuesday November 23, 2021, to answer investor and analyst questions. Additionally, the Company announces renewal of its Normal Course Issuer Bid ("NCIB"), pending final approvals.

(This news release contains non-GAAP measures and forward-looking information about expected future events and financial and operating performance of the Company. We refer to the Historical Non-GAAP Measure Comparatives section and the risks and assumptions set out in our Cautionary Statement on Forward-Looking Information section of this press release. All dollar amounts are expressed in U.S. dollars, unless otherwise noted.)

- Copper production is to increase to 258,000-282,000 t on a consolidated basis in 2022.
- Zinc production is forecast to increase to 188,000-203,000 t in 2022 as the Neves-Corvo Zinc Expansion Project ("ZEP") ramps up and on an improved near-term production profile at Zinkgruvan.
- Gold production is forecast to be 153,000-163,000 oz in 2022, of which approximately 85,000 oz, at the midpoint of guidance, are unencumbered and to receive full market pricing.
- Nickel production is to moderate to 15,000-18,000 t in 2022 with priority on increasing Eagle East ore.

Production Outlook 2022 - 2024¹

	2022		2023		2024	
Copper (t)						
Candelaria (100% basis)	155,000	- 165,000	150,000	- 160,000	165,000	- 175,000
Chapada	53,000	- 58,000	50,000	- 55,000	50,000	- 55,000
Eagle	15,000	- 18,000	12,000	- 15,000	9,000	- 12,000
Neves-Corvo	33,000	- 38,000	35,000	- 40,000	35,000	- 40,000
Zinkgruvan	2,000	- 3,000	3,000	- 4,000	3,000	- 4,000
Total Copper	258,000	- 282,000	250,000	- 274,000	262,000	- 286,000
Zinc (t)						
Neves-Corvo	110,000	- 120,000	142,000	- 152,000	142,000	- 152,000
Zinkgruvan	78,000	- 83,000	85,000	- 90,000	83,000	- 88,000
Total Zinc	188,000	- 203,000	227,000	- 242,000	225,000	- 240,000
Gold (oz)						
Candelaria (100% basis) ²	83,000	- 88,000	90,000	- 95,000	93,000	- 98,000
Chapada	70,000	- 75,000	65,000	- 70,000	60,000	- 65,000
Total Gold	153,000	- 163,000	155,000	- 165,000	153,000	- 163,000
Nickel (t)						
Eagle	15,000	- 18,000	13,000	- 16,000	9,000	- 12,000
Total Nickel	15,000	- 18,000	13,000	- 16,000	9,000	- 12,000

¹ Production guidance is based on certain estimates and assumptions, including but not limited to: Mineral Resources and Mineral Reserves, geological formations, grade and continuity of deposits and metallurgical characteristics.

² 68% of Candelaria's total gold and silver production are subject to a streaming agreement.

Production Outlook 2022 - 2024

- **Candelaria:** Copper production for the next three years is forecast to increase over that of 2021, primarily on improved copper head grades and achievement of planned processing rates as initiatives to debottleneck the Candelaria plant pebble crushing circuit are realized in early 2023.

From the Candelaria open pit, ore mining is to continue primarily from the Phase 10 pushback in 2022, with initial ore production from the Phase 11 pushback during the year. In 2023 and 2024, ore is to be mined primarily from Phase 11.

Over the guidance period, total mill throughput is forecast to range between 27-28 million tonnes per annum ("Mtpa"). Debottlenecking initiatives of the Candelaria plant pebble crushing circuit will increase mill capacity starting in early 2023 and, based on the planned mill feed blend and the ore hardness throughput model, annual throughput is expected to exceed 28 Mtpa commencing in 2025.

In 2022 and 2023, Candelaria open pit ore is forecast to contribute approximately 16 Mtpa to the mill feed, increasing to approximately 18 Mtpa in 2024. The underground mines are forecast to contribute approximately 8 Mtpa of ore in each year, with stockpile ore comprising the balance of the mill feed.

Production guidance considers a mine-to-mill grade call factor of 8% in 2022, reducing to 5% in 2023 and 2024. With focus on operational practices, improvement in grade discrepancy was observed in the third quarter of 2021 compared to the prior two quarters, and to-date in the fourth quarter the positive trend has continued. Candelaria is continuing its methodical approach to identify and address sources of unplanned dilution and discrepancy across the mine-to-mill process.

Candelaria's copper production guidance is 155,000-165,000 t for 2022. Copper production is forecast to be modestly greater in the second half of the year than the first, primarily owing to the copper grade profile. Gold production guidance is 83,000-88,000 oz for 2022 and, similarly, modestly weighted to the second half of the year.

- **Chapada:** Copper production guidance is consistent with the prior outlook³, while gold production guidance has been increased for 2022 on refinement of near-term operating plans. Production expectations are based on the current 24 Mtpa throughput capacity over the guidance period with annual changes driven primarily by the forecast grade profile.

Chapada's copper production is forecast to increase in 2022 to 53,000-58,000 t. Copper production is expected to be modestly greater in the second half of the year primarily due to the forecast grade profile and seasonal operating considerations. Gold production guidance is 70,000-75,000 oz for 2022 and, similarly, modestly weighted to the second half of 2022 due to the forecast grade profile and seasonal operating considerations. All of Chapada's gold production remains unencumbered and is to receive full market pricing.

- **Eagle:** Nickel production guidance is modestly lower for 2022 and consistent for 2023, compared to the prior outlook³, while copper production guidance is consistent for 2022 and for 2023.

Eagle's nickel production is forecast to be 15,000-18,000 t in 2022. Nickel production is expected to be greater in the second half of the year primarily due to the forecast grade profile. Copper production

³ Prior production outlook for 2022 & 2023 as announced by news release entitled "Lundin Mining Provides Operational Outlook & Shareholder Returns Update" dated November 30, 2020.

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guidance is 15,000-18,000 t for 2022, modestly weighted to the second half of the year on the forecast grade profile.

- **Neves-Corvo:** Copper production guidance has increased for 2022 and 2023 compared to the prior outlook³, on refinement of the near-term mine plan positively impacting the forecast copper head grade. Zinc production guidance is modestly lower in 2022 and 2023 compared to the prior outlook³, on the metal recovery assumption for these years. Construction of the ZEP is progressing on schedule and on budget to be substantially complete by the end of 2021.

Neves-Corvo's copper production is forecast to increase to 33,000-38,000 t in 2022, modestly weighted to the first half of the year owing to the forecast grade profile. Zinc production is guided to increase over 65% in 2022, to 110,000-120,000 t, as production ramp up from the ZEP is completed in the first half of the year. With the ZEP contributing a full year of production at design throughput, 2023 zinc production is forecast to be 142,000-152,000 t.

- **Zinkgruvan:** Zinc production guidance has increased 14% for 2022 and 11% for 2023, at the midpoint of the ranges compared to the prior outlook³, with minor refinement of operating plans forecasting higher head grades and improved metal recoveries. Copper production guidance for 2022 and 2023 is generally consistent with the prior outlook. Zinc production is forecast to increase in 2022 to 78,000-83,000 t.

2022 Cash Cost Guidance^{4,5}

- **Candelaria's** cash costs are expected to approximate \$1.55/lb⁶ copper in 2022, similar to 2021 levels, after by-product credits. By-product credits have been adjusted for the terms of the streaming agreement.
- At **Chapada**, cash costs are expected to approximate \$1.60/lb copper in 2022, after unencumbered gold by-product credits. The forecast increase in Chapada's cash costs reflects higher consumable costs and lower stockpile values. Effects of copper stream agreements are reflected in the realized copper revenue.
- **Eagle** is expected to maintain the first quartile cash costs of negative \$0.25/lb nickel in 2022, considering significant by-product copper credits. The forecast increase in Eagle's cash costs is primarily a reflection of lower volumes.
- At **Neves-Corvo**, cash costs for 2022 are expected to improve year-on-year to approximately \$1.80/lb copper, after zinc and lead by-product credits. The forecast decrease in cash costs is primarily due to increased zinc production volumes.
- **Zinkgruvan's** cash costs for 2022 are expected to approximate \$0.55/lb zinc after copper and lead by-product credits.

Cash Cost ⁴	2022 ⁵
Copper	
Candelaria	\$1.55/lb ⁶
Chapada	\$1.60/lb
Neves-Corvo	\$1.80/lb
Zinc	
Zinkgruvan	\$0.55/lb
Nickel	
Eagle	\$(0.25)/lb

⁴ This is a non-GAAP measure. For historical comparatives see the Historical Non-GAAP Measure Comparatives section of this press release. Please also see the Management's Discussion and Analysis for the year ended December 31, 2020, for discussion of non-GAAP measures.

⁵ 2022 cash costs are based on various assumptions and estimates, including, but not limited to: production volumes, commodity prices (2022 - Cu: \$3.90/lb, Zn: \$1.15/lb, Pb: \$0.90/lb, Au: \$1,800/oz; Ag: \$25.00/oz) foreign currency exchange rates (2022 - €/USD:1.20, USD/SEK:8.20, CLP/USD:700, USD/BRL:5.10) and operating costs.

⁶ 68% of Candelaria's total gold and silver production are subject to a streaming agreement and as such cash costs are calculated based on receipt of \$420/oz and \$4.20/oz, respectively, on gold and silver sales in the year.

2022 Capital Expenditure Guidance

- Capital expenditures in 2022 are forecast to be \$630 million on a 100% basis, including deferrals from 2021. The majority of sustaining capital expenditures are for open pit waste stripping, underground mine development, and tailings storage facility ("TSF") and water management works. The scope of these activities is generally consistent with prior plans, with expenditure guidance reflecting inflationary cost pressures on key inputs, in particular, fuel, electricity, freight, logistics and labour costs in some markets.

Capital Expenditures (\$ millions)	2022 ⁷
Sustaining Capital⁸	
Candelaria (100% basis)	370
Chapada	65
Eagle	10
Neves-Corvo	95
Zinkgruvan	60
Total Sustaining Capital	600
Zinc Expansion Project (Neves-Corvo)⁸	30
Total Capital Expenditures	630

- Candelaria:** Capital expenditures at Candelaria in 2022 are forecast to total \$370 million. Of this total, capitalized waste stripping expenditures are estimated to be \$180 million, and underground mine development, including infill drilling and ramp works, is estimated to be approximately \$90 million. Capital expenditures for mobile and mine equipment are estimated to be \$25 million and \$55 million for the continued build of the Los Diques TSF. Pebble crushing debottlenecking initiatives are estimated to be \$15 million and forecast to be completed in 2022.
- Chapada:** Capital expenditures at Chapada in 2022 are estimated to total \$65 million. This includes approximately \$20 million for capitalized waste stripping, \$20 million for TSF and water management systems and \$10 million for mine and mobile equipment.
- Eagle:** Capital expenditures are estimated to total \$10 million in 2022 composed of underground mine development, mobile equipment and mill water treatment plant sustaining initiatives.
- Neves-Corvo:** Capital expenditures are estimated to total \$125 million in 2022 of which \$30 million is expansionary capital to complete pre-production works on the ZEP and \$95 million is forecast sustaining capital. Of the forecast sustaining capital expenditures, approximately \$50 million is for underground mine development, including infill drilling, \$30 million for TSF works and water initiatives and \$15 million for mine and mobile equipment. Total ZEP pre-production capital cost estimate of \$430M (€360M) remains unchanged.

⁷ Capital expenditures are based on various assumptions and estimates, including, but not limited to foreign currency exchange rates (2022- €/USD:1.20, USD/SEK:8.20, CLP/USD:700, USD/BRL:5.10).

⁸ This is a non-GAAP measure. For historical comparatives see the Historical Non-GAAP Measure Comparatives section of this press release. Please also see the Management's Discussion and Analysis for the year ended December 31, 2020, for discussion of non-GAAP measures. Capital expenditures have been reported on a cash basis. Discrepancies may exist with other external reports which have been reported on an accrual basis.

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- **Zinkgruvan:** Sustaining capital expenditures are estimated to total \$60 million in 2022, including approximately \$35 million for underground development, including the Dalby orebody, and the remainder primarily for mine and mobile equipment, TSF works and other improvement initiatives.

2022 Exploration Investment Guidance

Exploration expenditures are planned to be \$45 million in 2022. Approximately \$40 million is to be spent supporting significant in-mine and near-mine targets at our operations (\$15 million at Candelaria, \$10 million at Chapada, \$8 million at Neves-Corvo, \$5 million at Zinkgruvan and \$2 million at Eagle). The remaining \$5 million is planned to advance activities on exploration stage and new business development projects.

Conference Call

The Company will hold a telephone conference call and webcast at 08:00am ET, 14:00 CET on Tuesday, November 23, 2021, to answer analyst and investor questions. Conference call details are provided below. Please dial in 15 minutes prior to the call start to ensure placement into the conference on time.

Call-in number for the conference call (North America): +1 647 788 4922

Call-in number for the conference call (North America Toll Free): +1 877 223 4471

Call-in number for the conference call (Sweden): 020 012 3522

To view the live webcast presentation, please log on using this direct link:

<https://onlinexperiences.com/Launch/QReg/ShowUUID=33E372D6-219B-4957-98C2-4285AEF61753>.

The presentation slideshow will also be available in PDF format on the Lundin Mining website www.lundinmining.com before the conference call.

A replay of the telephone conference will be available after the completion of the call through December 23, 2021.

Call-in numbers for the replay are (North America): +1 800 585 8367 or (internationally) +1 416 621 4642.

The passcode for the replay is: 2127909

A replay of the webcast will be available by clicking on the [direct link](#) above.

Normal Course Issuer Bid Renewal

Lundin Mining intends to renew its NCIB to purchase up to 63,761,024 common shares of the Company ("Common Shares") on the Toronto Stock Exchange (the "TSX"). The Company intends to continue to utilize the NCIB from time to time to make opportunistic purchases to create shareholder value and actively manage the number of outstanding Common Shares.

In connection with the NCIB renewal, Lundin Mining intends to enter into an automatic repurchase plan with its designated broker to allow for the repurchase of Common Shares at times when the Company ordinarily would not be active in the market due to its own internal trading blackout periods, insider trading rules or otherwise. Any such plan entered into with the Company's broker will be adopted in accordance with applicable Canadian



securities laws. The Company will determine parameters for such a plan based on market conditions, share price, best use of available cash, and other factors.

The NCIB renewal has been approved by the Company's Board of Directors; however, it is subject to acceptance by the TSX and, if accepted, will be made in accordance with the applicable rules and policies of the TSX and applicable Canadian securities laws. Under the NCIB, Common Shares may be repurchased in open market transactions on the TSX and/or other Canadian exchanges, or by such other means as may be permitted by the TSX and applicable Canadian securities laws. The price that Lundin Mining will pay for Common Shares in open market transactions will be the market price at the time of purchase.

Pursuant to the NCIB renewal, which will commence following expiry of the current NCIB, it is expected that the Company will be able to purchase up to 63,761,024 Common Shares, representing 10% of the total outstanding Common Shares as of November 22, 2021, minus those Common Shares beneficially owned, or over which control or direction is exercised by the Company, the senior officers and directors of the Company and every shareholder who owns or exercises control or direction over more than 10% of the outstanding Common Shares, over a period of twelve months commencing after TSX approval. In accordance with TSX rules, any daily purchases, other than pursuant to a block purchase exception, on the TSX under the NCIB will be limited to a maximum 25% of the average daily trading volume on the TSX for the six months ended November 30, 2021. Any Common Shares that are purchased under the NCIB will be cancelled.

The actual number of Common Shares that may be purchased and the timing of such purchases will be determined by the Company.

Under the Company's current NCIB that commenced on December 9, 2020 and which expires on December 8, 2021, the Company previously sought and received approval from the TSX to purchase up to 63,682,170 Common Shares. As of November 22, 2021, the Company has purchased 4,323,100 Common Shares under its current NCIB through open market transactions at a weighted average price of approximately C\$11.25 per Common Share.

About Lundin Mining

Lundin Mining is a diversified Canadian base metals mining company with operations in Brazil, Chile, Portugal, Sweden and the United States of America, primarily producing copper, zinc, gold and nickel.

The information in this release is subject to the disclosure requirements of Lundin Mining under the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below on November 22, 2021 at 18:00 Eastern Time.

For Further Information, Please Contact:

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Other Information

The Technical Information in this press release has been prepared in accordance with NI 43-101 and has been reviewed and approved by Jeremy Weyland, P.Eng., Acting Vice President, Technical Services of the Company, a "Qualified Person" under NI 43-101. Mr. Weyland has verified the data disclosed in this release and no limitations were imposed on his verification process.

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Historical Non-GAAP Measure Comparatives

Cash Cost – Year Ended December 31, 2020

Operations	Candelaria (Cu)	Chapada (Cu)	Eagle (Ni)	Neves-Corvo (Cu)	Zinkgruvan (Zn)	Total
(\$ thousands, unless otherwise noted)						
Sales volumes (Contained metal in concentrate):						
Tonnes	104,796	33,495	11,622	25,950	46,051	
Pounds (000s)	231,035	73,844	25,622	57,210	101,525	
Production costs						996,246
Less: Royalties and other						(42,695)
						953,551
Deduct: By-product credits						(466,556)
Add: Treatment and refining charges						86,367
Cash cost	368,583	76,527	(39,260)	116,351	51,161	573,362
Cash cost per pound (\$/lb)	1.60	1.04	(1.53)	2.03	0.50	

Cash cost is non-GAAP measure. See the Management's Discussion and Analysis for the year ended December 31, 2020, for discussion of non-GAAP measures.

Capital Expenditures – Year Ended December 31, 2020

(\$ thousands)	Sustaining	Expansionary	Capitalized Interest	Total
Candelaria	216,018	-	-	216,018
Chapada	38,646	-	-	38,646
Eagle	11,259	-	-	11,259
Neves-Corvo	63,360	63,440	1,294	128,094
Zinkgruvan	36,946	-	-	36,946
Other	272	-	-	272
	366,501	63,440	1,294	431,235

Capital expenditures are reported on a cash basis, as presented in the consolidated statement of cash flows.

Sustaining and expansionary capital expenditures are non-GAAP measures. See the Management's Discussion and Analysis for the year ended December 31, 2020, for discussion of non-GAAP measures.

Cautionary Statement on Forward-Looking Information

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts included in this document constitute forward-looking information, including but not limited to statements regarding the Company's plans, prospects and business strategies; the Company's guidance on the timing and amount of future production and its expectations regarding the results of operations; expected costs; permitting requirements and timelines; timing and possible outcome of pending litigation; the results of any Preliminary Economic Assessment, Feasibility Study, or Mineral Resource and Mineral Reserve estimations, life of mine estimates, and mine and mine closure plans; anticipated market prices of metals, currency exchange rates, and interest rates; the development and implementation of the Company's Responsible Mining Management System; the Company's ability to comply with contractual and permitting or other regulatory requirements; anticipated exploration and development activities at the Company's projects; and the Company's integration of acquisitions and any anticipated benefits thereof. Words such as "believe", "expect", "anticipate", "contemplate", "target", "plan", "goal", "aim", "intend", "continue", "budget", "estimate", "may", "will", "can", "could", "should", "schedule" and similar expressions identify forward-looking statements.

Forward-looking information is necessarily based upon various estimates and assumptions including, without limitation, the expectations and beliefs of management, including that the Company can access financing, appropriate equipment and sufficient labor; assumed and future price of copper, nickel, zinc, gold and other metals; anticipated costs; ability to achieve goals; the prompt and effective integration of acquisitions; that the political environment in which the Company operates will

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continue to support the development and operation of mining projects; and assumptions related to the factors set forth below. While these factors and assumptions are considered reasonable by Lundin Mining as at the date of this document in light of management's experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: risks inherent in mining including but not limited to risks to the environment, industrial accidents, catastrophic equipment failures, unusual or unexpected geological formations or unstable ground conditions, and natural phenomena such as earthquakes, flooding or unusually severe weather; uninsurable risks; global financial conditions and inflation; changes in the Company's share price, and volatility in the equity markets in general; volatility and fluctuations in metal and commodity prices; the threat associated with outbreaks of viruses and infectious diseases, including the COVID-19 virus; changing taxation regimes; reliance on a single asset; delays or the inability to obtain, retain or comply with permits; risks related to negative publicity with respect to the Company or the mining industry in general; health and safety risks; exploration, development or mining results not being consistent with the Company's expectations; unavailable or inaccessible infrastructure and risks related to ageing infrastructure; actual ore mined and/or metal recoveries varying from Mineral Resource and Mineral Reserve estimates, estimates of grade, tonnage, dilution, mine plans and metallurgical and other characteristics; risks associated with the estimation of Mineral Resources and Mineral Reserves and the geology, grade and continuity of mineral deposits including but not limited to models relating thereto; ore processing efficiency; community and stakeholder opposition; information technology and cybersecurity risks; potential for the allegation of fraud and corruption involving the Company, its customers, suppliers or employees, or the allegation of improper or discriminatory employment practices, or human rights violations; regulatory investigations, enforcement, sanctions and/or related or other litigation; uncertain political and economic environments, including in Brazil and Chile; risks associated with the structural stability of waste rock dumps or tailings storage facilities; estimates of future production and operations; estimates of operating, cash and all-in sustaining cost estimates; civil disruption in Chile; the potential for and effects of labor disputes or other unanticipated difficulties with or shortages of labor or interruptions in production; risks related to the environmental regulation and environmental impact of the Company's operations and products and management thereof; exchange rate fluctuations; reliance on third parties and consultants in foreign jurisdictions; climate change; risks relating to attracting and retaining of highly skilled employees; compliance with environmental, health and safety laws; counterparty and credit risks and customer concentration; litigation; risks inherent in and/or associated with operating in foreign countries and emerging markets; risks related to mine closure activities and closed and historical sites; changes in laws, regulations or policies including but not limited to those related to mining regimes, permitting and approvals, environmental and tailings management, labor, trade relations, and transportation; internal controls; challenges or defects in title; the estimation of asset carrying values; historical environmental liabilities and ongoing reclamation obligations; the price and availability of key operating supplies or services; competition; indebtedness; compliance with foreign laws; existence of significant shareholders; liquidity risks and limited financial resources; funding requirements and availability of financing; enforcing legal rights in foreign jurisdictions; dilution; risks relating to dividends; risks associated with acquisitions and related integration efforts, including the ability to achieve anticipated benefits, unanticipated difficulties or expenditures relating to integration and diversion of management time on integration; activist shareholders and proxy solicitation matters; and other risks and uncertainties, including but not limited to those described in the "Risk and Uncertainties" section of the Annual Information Form and the "Managing Risks" section of the Company's MD&A for the year ended December 31, 2020, which are available on SEDAR at www.sedar.com under the Company's profile. All of the forward-looking statements made in this document are qualified by these cautionary statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, forecast or intended and readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Accordingly, there can be no assurance that forward-looking information will prove to be accurate and forward-looking information is not a guarantee of future performance. Readers are advised not to place undue reliance on forward-looking information. The forward-looking information contained herein speaks only as of the date of this document. The Company disclaims any intention or obligation to update or revise forward-looking information or to explain any material difference between such and subsequent actual events, except as required by applicable law.