

**Form 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Lundin Mining Corporation (“**Lundin Mining**” or the “**Company**”)
150 King Street West, Suite 2200
P.O. Box 38
Toronto, ON M5H 1J9

Item 2 Date of Material Change

July 13, 2023

Item 3 News Release

A news release was disseminated through Cision Canada Newswire on July 13, 2023 and subsequently filed on SEDAR.

Item 4 Summary of Material Change

On July 13, 2023, the Company announced the closing of the acquisition of fifty-one percent (51%) of the issued and outstanding equity of SCM Minera Lumina Copper Chile (“**Lumina Copper**”), which owns the Caserones copper-molybdenum mine (“**Caserones**”) located in Chile, from JX Metals Corporation and certain of its subsidiaries (collectively, “**JX**”), as previously announced on March 27, 2023 (the “**Acquisition**”). Additionally, the Company is pleased to announce it has obtained commitments for a three-year term loan (“**Term Loan**”) in a principal amount of \$800 million, with an additional \$400 million accordion available upon receipt of additional binding commitments and closing of up to an additional nineteen (19%) interest in Lumina Copper and satisfaction of relevant conditions precedent.

A technical report for the Caserones mine titled “Caserones Mining Operation, Chile, NI 43-101 Technical Report on the Caserones Mining Operation” (the “**Technical Report**”) was filed on July 13, 2023 in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects and is available for review under the Company’s profile on SEDAR (www.sedar.com) and on the Company’s website (www.lundinmining.com).

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On July 13, 2023, the Company announced the closing of the acquisition of fifty-one percent (51%) of the issued and outstanding equity of Lumina Copper, which owns Caserones located in Chile, from JX, as previously announced on March 27, 2023. Additionally, the Company is pleased to announce it has obtained commitments for a three-year Term Loan in a principal amount of \$800 million, with an additional \$400 million accordion available upon receipt of additional binding commitments and closing of up to an additional nineteen (19%) interest in Lumina Copper and satisfaction of relevant conditions precedent. The Term Loan is subject to the execution and delivery of definitive documentation in form and substance satisfactory to the Company and the Term Loan lenders and satisfaction of relevant conditions precedent.

The Company paid an aggregate of approximately \$800 million in cash consideration at closing. Remaining deferred cash consideration of \$150 million will be payable in installments over the six-year period following the closing date. Lundin Mining also has the

right to acquire up to an additional 19% interest in Lumina Copper for \$350 million over a five-year period commencing on the first anniversary of the date of closing.

Technical Report for Caserones as Standalone Operation

The Technical Report for the Caserones mine has been prepared and filed on July 13, 2023 in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects and is available for review under the Company's profile on SEDAR (www.sedar.com) and on the Company's website (www.lundinmining.com).

Caserones Production & Guidance

Caserones produced 69,704 t of copper and 2,393 t of molybdenum in the first half of 2023 on a 100% basis. Copper production was comprised of 61,333 t of copper in concentrate and 8,371 t of copper cathodes.

Production guidance for the second half of 2023 is 60,000-65,000 t of copper and 1,500-2,000 t of molybdenum on a 100% basis. Caserones 2023 copper and molybdenum production are expected to be weighted to the first half of the year primarily due to seasonal winter weather operating considerations typically experienced during the third quarter. Implied full-year 2023 production guidance may differ from estimates contained in the Technical Report primarily given results achieved year-to-date and refinement of near-term plans compared to the Technical Report overall effective date of December 31, 2022. Annual production guidance for Caserones on a 100% basis for both 2024 and 2025 is 110,000-120,000 t of copper and 1,500-2,500 t of molybdenum.

Cash cost¹ for the second half of 2023 is forecast to be \$2.30/lb – \$2.45/lb of copper, after by-product credits, assuming an average price of \$20/lb molybdenum.

Caserones' capital expenditures for the second half of 2023 are forecast to total \$110 million on a 100% basis. Of this, capitalized waste stripping and mine development are forecast to be approximately \$45 million, mine and mill capital expenditures are forecast to be \$30 million, and \$25 million is estimated for capitalized tailings storage facilities costs.

Commitments for New \$800 Million Term Loan

The Company has received commitments from ten lenders for a new Term Loan in a principal amount of \$800 million, which it expects to use to refinance the drawdown under the existing \$1.75 billion revolving credit facility which was used to fund the upfront cash consideration of the Acquisition. The commitments remain subject to the execution and delivery of definitive documentation in form and substance satisfactory to the Company and the Term Loan lenders and the satisfaction of applicable conditions precedent. It is expected that the Term Loan will have a term of three years from closing thereof, and provide for an additional \$400 million non-committed accordion, which would become available upon receipt of additional binding commitments and closing of up to an additional nineteen percent (19%) interest in Lumina Copper and satisfaction of applicable conditions precedent.

It is expected that the Term Loan will bear interest on US dollar denominated drawn funds at an annual rate equal to the Term Secured Overnight Financing Rate plus a credit spread adjustment plus an applicable margin of 1.60% to 2.65%, depending upon the Company's

¹ Cash cost is non-GAAP measures. Please refer to the Company's discussion of non-GAAP and other performance measures in its Management's Discussion and Analysis for the three months ended March 31, 2023.

net leverage ratio. It is expected that the Term Loan will be unsecured, save and except for a charge over certain assets in the United States of America, and will have similar covenants to the Company's existing \$1.75 billion revolving credit facility. Upon execution, the Term Loan agreement will be available for review under the Company's profile on SEDAR (www.sedar.com).

Caserones Mineral Resource & Mineral Reserve Estimates

Mineral Resources and Mineral Reserves are reported on a 100% basis (Lundin Mining holds a 51% interest) using the 2014 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves and have an effective date of December 31, 2022. The Mineral Resource estimate is based on 1,045 core and reverse circulation drillholes totaling 175,280 m and includes all drilling completed up until the end of 2017.

Mineral Resources are reported inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves have not demonstrated economic viability. The Qualified Person responsible for the Mineral Resource estimate is Mr. Paul Daigle, P.Geo., Associate Principal Geologist with AGP Mining Consultants Inc.

Mineral Resource Statement, effective December 31, 2022

Category	Million Tonnes	Grade		Contained Metal	
		CuT %	Mo %	CuT kt	Mo kt
Measured	173	0.36	0.012	617	21
Indicated	850	0.30	0.010	2,532	84
Measured & Indicated	1,023	0.31	0.010	3,150	105
Inferred	121	0.26	0.012	317	14

Notes:

1. All figures are rounded to reflect the relative accuracy of the estimate.
2. Totals may not sum due to rounding as required by reporting guidelines.
3. Open pit mineral resources are reported within an optimized constraining shell.
4. Open pit cut-off grade is 0.13% CuT.

The basis for the Mineral Reserve estimate is the ore grade material contained within a set of operational phase designs currently being used at Caserones to guide mining operations. The Qualified Person responsible for the Mineral Reserves estimate is Mr. Kirk Hanson, P.E., Principal Mining Engineer with AGP Mining Consultants Inc.

Mineral Reserve Statement, effective December 31, 2022

Category	Million Tonnes	Grade		Contained Metal	
		CuT %	Mo %	CuT kt	Mo kt
Proven	144	0.36	0.016	518	13
Probable	706	0.29	0.013	2,036	63
Total Reserves	850	0.30	0.014	2,554	76

Notes:

1. The Mineral Reserves have an effective date of December 31, 2022 and are reported at the point of delivery to the process plant. The Qualified Person responsible for the estimate is Mr. Kirk Hanson, P.E., Principal Mining Engineer with AGP.
2. Mineral Reserves are reported within a design pit based on optimized Lerchs–Grossmann pit shell. Input parameters include the following: long term copper price of US\$3.65/lb and long term molybdenum price of US\$11.45/lb; a 2.88% net smelter return (NSR) royalty rate; average life-of-mine (LOM) mining cost of US\$2.32/t mined, average LOM copper concentrate processing cost of US\$8.20/t processed, average LOM general and administrative (G&A) costs of US\$3.83/t processed and average desalinated water cost of \$0.75/t processed; average LOM molybdenum concentrate processing cost of US\$24.93/t of concentrate; average LOM dump leach cost of \$1.47/t placed; bench face angles that range from 60–70°; fixed metallurgical recoveries of 82.7%, 53.7%, and 60% for copper concentrate, copper dump leach, and molybdenum concentrate respectively. Cut-off grades are based on block values with positive value blocks classified as ore. Dilution and ore loss are accounted for in the resource model blocks, and no additional ore loss or dilution is applied.
3. Mineral Reserves are presented on a 100% basis. MLCC owns the project. LMC beneficially holds a 51% interest in MLCC and JX beneficially holds the remaining 49% interest in MLCC.
4. Tonnages are metric tonnes rounded to the nearest 100,000. Copper grade is rounded to the nearest 0.01 % copper. CuT (kt) are estimates of metal contained in tonnages and do not include allowances for processing losses. Contained copper is reported as kilo tonnes, rounded to the nearest 1,000.
5. Rounding of tonnes and contained metal content as required by reporting guidelines may result in apparent differences between tonnes, grade and contained metal content.

Technical Information

The Qualified Person responsible for the scientific and technical information contained herein is Arman Barha, P.Eng., Vice President, Technical Services of the Company. Mr. Barha, who is a “qualified person” as defined under National Instrument 43-101 - Standards of Disclosure for Mineral Projects, has reviewed and approved the technical information in this material change report. For additional information, including with respect to data verification and exploration information, see the Technical Report.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

Mark Turner, Vice President, Business Valuations and Investor Relations
Tel: +1 416-342-5565
Email: mark.turner@lundinmining.com

Item 9 Date of Report

July 20, 2023

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 significant growth potential to the Company's portfolio of assets and expected synergies and potential for cost savings; the potential to unlock additional upside; expectations regarding the world shifting to a lower carbon future; statements regarding the Term Loan, and anticipated timing for completion; the Company's expectations regarding liquidity; the anticipated development of Josemaria and other growth projects; anticipated cash costs and capital expenditures; expectations regarding 2023 production guidance; 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; expectations and ability to complete the Caserones transaction; the Company's integration of acquisitions and any anticipated benefits thereof, including the Caserones transaction; and expectations for other economic, business, and/or competitive factors. 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 achieve certain synergies, access financing, appropriate equipment and sufficient labour; 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 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: the inability to satisfy the conditions of the Term Loan; global financial conditions, market volatility and inflation, including pricing and availability of key supplies and services; 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; project financing risks, liquidity risks and limited financial resources; volatility and fluctuations in metal and commodity demand and prices; delays or the inability to obtain, retain or comply with permits; significant reliance on a single asset; reputation risks related to negative publicity with respect to the Company or the mining industry in general; health and safety risks; risks relating to the development of the Josemaria Project; inability to attract and retain highly skilled employees; risks associated with climate change; compliance with environmental, health and safety laws and regulations; unavailable or inaccessible infrastructure, infrastructure failures, and risks related to ageing infrastructure; risks inherent in and/or associated with operating in foreign countries and emerging markets, including with respect to foreign exchange and capital controls; economic, political and social instability and mining regime changes in the Company's operating jurisdictions, including but not limited to those related to permitting and approvals, environmental and tailings management, labour, trade relations, and transportation; risks relating to indebtedness; the inability to effectively compete in the industry; the inability to currently control the Caserones mine and the ability to satisfy the conditions and consummate the Caserones transaction on the proposed terms and expected schedule; 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; changing taxation regimes; risks related to mine closure activities, reclamation obligations, environmental liabilities and closed and historical sites; reliance on key personnel and reporting and oversight systems, as well as third parties and consultants in foreign jurisdictions; information technology and cybersecurity risks; 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; 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; ore processing efficiency; community and stakeholder opposition; financial projections, including estimates of future expenditures and cash costs, and estimates of future production may not be reliable; enforcing legal rights in foreign jurisdictions; environmental and regulatory risks associated with the structural stability of waste rock dumps or tailings storage facilities; activist shareholders and proxy solicitation matters; risks relating to dilution; regulatory investigations, enforcement, sanctions and/or related or other litigation; risks relating to payment of dividends; counterparty and customer concentration risks; the estimation of asset carrying values; risks associated with the use of derivatives; relationships with employees and contractors, and the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; conflicts of interest; existence of a significant shareholder; exchange rate fluctuations; challenges or defects in title; internal controls; compliance with foreign laws; 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; the threat associated with outbreaks of viruses and infectious diseases; risks relating to minor elements contained in concentrate products; and other risks and uncertainties, including but not limited to those described in the “Risk and Uncertainties” section of the Company’s Annual Information Form and the “Managing Risks” section of the Company’s MD&A for the year ended December 31, 2022, 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.

Cautionary Notes to Investors – Mineral Resource and Reserve Estimates

In accordance with applicable Canadian securities laws, Mineral Reserve and Mineral Resource estimates of the Company disclosed or referenced in this material change report have been prepared in accordance with the disclosure standards of Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators, and have been classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum’s 2014 edition of the “Definition Standards for Mineral Resources and Reserves”. The Measured and Indicated Mineral Resource estimates are inclusive of those Mineral Resource estimates modified to produce the Mineral Reserve estimates. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Caserones Mineral Resource and Mineral Reserve estimates are shown on a 100% basis. Lundin Mining holds a 51% interest in the Caserones operations. Estimates are effective as at December 31, 2022.