

Consolidated Financial Statements of

Lundin Mining Corporation

December 31, 2025

Management's Report

The accompanying consolidated financial statements of Lundin Mining Corporation ("Lundin Mining" or the "Company") and other information contained in the management's discussion and analysis are the responsibility of management and have been approved by the Board of Directors. The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") as outlined in Part 1 of the Handbook of the Chartered Professional Accountants ("CPA") of Canada, and include some amounts that are based on management's estimates and judgment.

The Board of Directors carries out its responsibility for the consolidated financial statements principally through its Audit Committee, which is comprised solely of independent directors. The Audit Committee reviews the Company's annual consolidated financial statements and recommends its approval to the Board of Directors. The Company's auditors have full access to the Audit Committee, with and without management being present. These consolidated financial statements have been audited by PricewaterhouseCoopers LLP, Chartered Professional Accountants.

(Signed) Jack Lundin

President and Chief Executive Officer

Vancouver, British Columbia, Canada
February 19, 2026

(Signed) Teitur Poulsen

Executive Vice President and Chief Financial Officer



Independent auditor's report

To the Shareholders of Lundin Mining Corporation

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Lundin Mining Corporation and its subsidiaries (together, the Company) as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated balance sheets as at December 31, 2025 and 2024;
- the consolidated statements of earnings (loss) for the years then ended;
- the consolidated statements of comprehensive income (loss) for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Chapada cash-generating unit (CGU) goodwill impairment assessment</p> <p>Refer to note 2 – Basis of presentation and summary of material accounting policies and note 10 – Goodwill and asset impairment to the consolidated financial statements.</p> <p>The Company's total carrying amount of goodwill as at December 31, 2025 was \$134 million, which related to the Chapada CGU. The Company's goodwill is required to be tested annually for impairment or when events or changes in circumstances indicate that the related carrying amount may not be recoverable. When the recoverable amount of the</p>	<p>Our approach to addressing the matter included the following procedures, among others:</p> <ul style="list-style-type: none">• Tested how management estimated the recoverable amount of the Chapada CGU, which included the following:<ul style="list-style-type: none">– Tested the underlying data used by management in the discounted cash flow model and market-based valuation.– Evaluated the reasonableness of significant assumptions such as future metal prices, foreign exchange rate and production and capital expenditures by (i) comparing future metal prices

Key audit matter

How our audit addressed the key audit matter

CGU is less than the carrying amount of that CGU, an impairment loss is recognized.

The recoverable amount of the Chapada CGU was based on a fair value less cost of disposal method using a discounted cash flow model and market-based approach. Management applied significant judgment in estimating the recoverable amount of the Chapada CGU. Significant assumptions used by management to determine the recoverable amounts include future metal prices, production based on estimated quantities of mineral reserves and mineral resources, production and capital expenditures, foreign exchange rate, in-situ multiples and discount rate. The recoverable amount of the Chapada CGU determined by management exceeded its carrying value, and as a result, no impairment loss was recorded. Management's estimates of production based on estimated quantities of mineral reserves and mineral resources are based on information compiled by qualified persons (management's experts).

We considered this a key audit matter due to the significant auditor effort, subjectivity and significant judgment in performing procedures to test significant assumptions used by management in determining the fair value of the Chapada CGU. Professionals with specialized skill and knowledge in the field of valuation assisted us in performing our procedures.

and foreign exchange rate with external market and industry data; (ii) comparing future production and capital expenditures against current and past performance; and (iii) assessing whether these assumptions were consistent with evidence obtained in other areas of the audit.

- The work of management's experts was used in performing the procedures to evaluate the reasonableness of the estimates associated with the production based on estimated quantities of mineral reserves and mineral resources. As a basis for using this work, the competence, capabilities and objectivity of management's experts were evaluated, the work performed was understood and the appropriateness of the work as audit evidence was evaluated. The procedures performed also included evaluation of the methods and assumptions used by management's experts, tests of the data used by management's experts and an evaluation of their findings.
- Professionals with specialized skill and knowledge in the field of valuation assisted in assessing the following: (i) appropriateness of the discounted cash flow model and market-based approach to determine the recoverable amount of the Chapada CGU; and (ii) the reasonableness of the discount rate and in-situ multiples.

Recoverability of the Caserones deferred tax asset

Refer to note 2 – Basis of presentation and summary of material accounting policies and note 25 – Current and deferred income taxes to the consolidated financial statements.

The Company's total deferred tax asset as at December 31, 2025 was \$720 million, of which \$665 million related to the Caserones mine ("Caserones"). Deferred tax assets are

Our approach to addressing the matter included the following procedures, among others:

- Tested how management estimated the recoverability of the Caserones deferred tax asset, which included the following:
 - Tested the underlying data used by management in determining the future taxable income.

Key audit matter

How our audit addressed the key audit matter

recognized to the extent that it is probable that future taxable income will be available against which deductible temporary differences or tax loss carry-forwards can be utilized. The determination of the ability of the Company to utilize tax loss carry-forwards and deductible temporary differences to recognize deferred tax assets requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether it is "probable" that the Company will benefit from these prior losses and other deductible temporary differences.

Caserones has approximately \$3.9 billion in net operating losses arising prior to the acquisition by the Company which can be applied to future taxable income over the mine life to reduce taxes payable in future years. In determining the amount of the net operating losses and deductible temporary differences which are probable to be utilized, management has evaluated future taxable income and assessed the probability of achieving the taxable income projections over different planning horizons. Significant assumptions used by management to determine the future taxable income include future metal prices, production based on estimated quantities of mineral reserves and mineral resources (R&R), foreign exchange rates and production costs. Management's estimates of production based on estimated quantities of R&R are based on information compiled by qualified persons (management's experts).

As estimation uncertainty increases with the length of the forecast period, progressively less reliance is placed on longer-dated forecasts when assessing the recoverability of deferred tax assets and therefore management has used significant judgment in assessing the probability of achieving various levels of future taxable income.

We considered this a key audit matter due to the significant auditor effort, subjectivity and judgment in performing procedures to test significant assumptions used to determine

- Assessed the appropriateness of management's methodology to estimate future taxable income.
- Evaluated the reasonableness of significant assumptions used in the determination of future taxable income such as future metal prices, foreign exchange rates and production costs by (i) comparing future metal prices and foreign exchange rates with external market and industry data; (ii) comparing future production costs to current and past performance of Caserones; and (iii) assessing whether these assumptions were consistent with evidence obtained in other areas of the audit.
- The work of management's experts was used in performing the procedures to evaluate the reasonableness of the production based on estimated quantities of R&R. As a basis for using this work, the competence, capabilities and objectivity of management's experts were evaluated, the work performed was understood and the appropriateness of the work as audit evidence was evaluated. The procedures performed also included evaluation of the methods and assumptions used by management's experts, tests of the data used by management's experts and an evaluation of their findings.
- Assessed the reasonableness of management's judgment regarding the probability of achieving various levels of future taxable income based on consideration of different planning horizons and current and past operating performance.

Key audit matter**How our audit addressed the key audit matter**

the future taxable income, and due to the significant judgment used by management in assessing the probability of achieving the various levels of future taxable income.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis, which we obtained prior to the date of this auditor's report, and the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report that will be filed with the Swedish regulatory authority, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. When we read the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report that will be filed with the Swedish regulatory authority, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mark Patterson.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia

February 19, 2026

LUNDIN MINING CORPORATION

CONSOLIDATED BALANCE SHEETS

(in millions of US dollars)

As at

	December 31, 2025	December 31, 2024
ASSETS		
Cash and cash equivalents (Note 5)	\$ 296.2	\$ 357.5
Trade and other receivables (Note 6)	824.6	510.9
Income taxes receivable	27.3	14.4
Inventories (Note 7)	587.6	607.4
Marketable securities	8.1	50.1
Current portion of derivative assets (Note 26)	9.8	1.0
Other current assets (Note 3)	53.6	5.9
Assets held for sale (Note 3)	229.1	1,389.7
Total current assets	2,036.3	2,936.9
Restricted funds	16.4	8.7
Long-term inventory (Note 7)	802.1	871.9
Contingent consideration and other non-current assets (Note 8)	75.5	19.1
Mineral properties, plant and equipment (Note 9)	7,036.4	6,244.6
Deferred tax assets (Note 25)	719.6	191.3
Goodwill (Note 10)	134.3	134.3
	8,784.3	7,469.9
Total assets	\$ 10,820.6	\$ 10,406.8
LIABILITIES		
Trade and other payables (Note 11)	\$ 700.2	\$ 674.2
Income taxes payable	75.7	128.3
Current portion of derivative liabilities (Note 26)	43.0	39.4
Current portion of debt (Note 12)	180.8	344.6
Current portion of lease liabilities (Note 13)	45.6	50.6
Current portion of deferred revenue (Note 14)	56.3	60.6
Current portion of reclamation and other closure provisions (Note 15)	12.1	20.9
Liabilities held for sale (Note 3)	126.8	393.1
Total current liabilities	1,240.5	1,711.7
Derivative liabilities (Note 26)	—	24.5
Debt (Note 12)	56.3	1,412.4
Lease liabilities (Note 13)	166.9	198.6
Deferred revenue (Note 14)	404.2	447.1
Reclamation and other closure provisions (Note 15)	276.1	323.3
Deferred consideration and other long-term liabilities (Note 16)	118.9	129.6
Deferred tax liabilities (Note 25)	611.6	643.8
	1,634.0	3,179.3
Total liabilities	2,874.5	4,891.0
SHAREHOLDERS' EQUITY		
Share capital (Note 17)	5,316.5	4,585.6
Contributed surplus	56.3	51.3
Accumulated other comprehensive loss	(23.2)	(375.8)
Retained earnings	1,270.2	161.1
Equity attributable to Lundin Mining Corporation shareholders	6,619.8	4,422.2
Non-controlling interests (Note 18)	1,326.3	1,093.6
Total shareholders' equity	7,946.1	5,515.8
Total liabilities and shareholders' equity	\$ 10,820.6	\$ 10,406.8
Commitments and contingencies (Note 27)		
Subsequent events (Note 33)		

The accompanying notes are an integral part of these consolidated financial statements.

APPROVED BY THE BOARD OF DIRECTORS

(Signed) Adam I. Lundin - **Director**

(Signed) Dale C. Peniuk - **Director**

LUNDIN MINING CORPORATION

CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

For the years ended December 31, 2025 and 2024

(in millions of US dollars, except for shares and per share amounts)

	2025	2024
Continuing Operations:		
Revenue (Note 19)	\$ 4,053.2	\$ 3,270.1
Cost of goods sold		
Production costs (Note 20)	(1,948.1)	(1,786.7)
Depreciation, depletion and amortization	(618.9)	(574.2)
Inventory (write-down) reversal (Note 7)	(88.2)	26.6
Gross profit	1,398.0	935.8
General and administrative expenses (Note 21)	(63.9)	(58.3)
Exploration and business development (Note 22)	(43.5)	(42.1)
Finance income (Note 23)	14.6	16.1
Finance costs (Note 23)	(105.1)	(153.8)
Other expense (Note 24)	(52.4)	(21.9)
Goodwill and asset impairment (Note 10)	—	(149.4)
Earnings before income taxes from continuing operations	1,147.7	526.4
Current tax expense (Note 25)	(299.7)	(294.9)
Deferred tax recovery (Note 25)	569.7	36.1
Net earnings from continuing operations	\$ 1,417.7	\$ 267.6
Net earnings (loss) from discontinued operations, net of taxes (Note 3)	235.8	(328.9)
Net earnings (loss)	\$ 1,653.5	\$ (61.3)
Net earnings from continuing operations attributable to:		
Lundin Mining Corporation shareholders	\$ 1,047.2	\$ 125.4
Non-controlling interests (Note 18)	370.5	142.2
Net earnings from continuing operations	\$ 1,417.7	\$ 267.6
Net earnings (loss) attributable to:		
Lundin Mining Corporation shareholders	\$ 1,283.0	\$ (203.5)
Non-controlling interests (Note 18)	370.5	142.2
Net earnings (loss)	\$ 1,653.5	\$ (61.3)
Basic and diluted earnings per share from continuing operations attributable to Lundin Mining Corporation shareholders:	\$ 1.22	\$ 0.16
Basic earnings (loss) per share from discontinued operations attributable to Lundin Mining Corporation shareholders:	\$ 0.28	\$ (0.42)
Diluted earnings (loss) per share from discontinued operations attributable to Lundin Mining Corporation shareholders:	\$ 0.27	\$ (0.42)
Basic earnings (loss) per share attributable to Lundin Mining Corporation shareholders:	\$ 1.50	\$ (0.26)
Diluted earnings (loss) per share attributable to Lundin Mining Corporation shareholders:	\$ 1.49	\$ (0.26)
Weighted average shares outstanding (Note 17)	855,632,088	774,825,230
Weighted average diluted shares outstanding (Note 17)	858,736,530	777,569,041

The accompanying notes are an integral part of these consolidated financial statements.

LUNDIN MINING CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the years ended December 31, 2025 and 2024

(in millions of US dollars)

	2025	2024
Net earnings (loss)	\$ 1,653.5	\$ (61.3)
Other comprehensive income (loss), net of taxes		
Item that will not be reclassified to net earnings:		
Remeasurements for post-employment benefit plans	1.0	0.6
Item that may be reclassified subsequently to net earnings:		
Effects of foreign exchange	79.1	(79.7)
Item that was reclassified to net earnings:		
Reclassification of cumulative foreign currency translation reserve to statement of earnings on disposal of discontinued operations	269.2	—
Other comprehensive income (loss)	349.3	(79.1)
Total comprehensive income (loss)	\$ 2,002.8	\$ (140.4)
Comprehensive income (loss) attributable to:		
Lundin Mining Corporation shareholders	\$ 1,632.1	\$ (282.7)
Non-controlling interests	370.7	142.3
Total comprehensive income (loss)	\$ 2,002.8	\$ (140.4)
Total comprehensive income (loss) attributable to Lundin Mining Corporation shareholders arising from:		
Continuing operations	\$ 1,048.0	\$ 125.7
Discontinued operations	584.1	(408.4)
Comprehensive income (loss) attributable to Lundin Mining Corporation shareholders	\$ 1,632.1	\$ (282.7)

The accompanying notes are an integral part of these consolidated financial statements.

LUNDIN MINING CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2025 and 2024

(in millions of US dollars, except for shares)

	Number of shares	Share capital	Contributed surplus	Accumulated other comprehensive loss	Retained earnings	Non- controlling interests	Total
Balance, December 31, 2024	774,102,971	\$ 4,585.6	\$ 51.3	\$ (375.8)	\$ 161.1	\$ 1,093.6	\$ 5,515.8
Acquisition of Filo Corp. (Note 4)	94,074,959	799.8	—	—	—	—	799.8
Distributions	—	—	—	—	—	(138.0)	(138.0)
Exercise of share-based awards	1,687,641	16.3	(6.1)	—	—	—	10.2
Share-based compensation	—	—	11.1	—	—	—	11.1
Dividends declared (Note 17(f))	—	—	—	—	(105.6)	—	(105.6)
Shares purchased (Note 17(g))	(15,517,980)	(85.2)	—	—	(64.8)	—	(150.0)
Net earnings	—	—	—	—	1,283.0	370.5	1,653.5
Other comprehensive income	—	—	—	349.1	—	0.2	349.3
Reclassification of pension remeasurements to retained earnings on disposal of discontinued operations	—	—	—	3.5	(3.5)	—	—
Total comprehensive income	—	—	—	352.6	1,279.5	370.7	2,002.8
Balance, December 31, 2025	854,347,591	\$ 5,316.5	\$ 56.3	\$ (23.2)	\$ 1,270.2	\$ 1,326.3	\$ 7,946.1
Balance, December 31, 2023	773,667,789	\$ 4,574.8	\$ 55.2	\$ (296.6)	\$ 627.9	\$ 1,456.8	\$ 6,418.1
Distributions	—	—	—	—	—	(152.0)	(152.0)
Caserones acquisition	—	—	—	—	(52.6)	(353.5)	(406.1)
Exercise of share-based awards	3,250,382	31.2	(10.2)	—	—	—	21.0
Share-based compensation	—	—	6.3	—	—	—	6.3
Dividends declared	—	—	—	—	(203.0)	—	(203.0)
Shares purchased	(2,815,200)	(16.7)	—	—	(7.7)	—	(24.4)
Accrued liability for automatic share purchase plan commitment	—	(3.7)	—	—	—	—	(3.7)
Net (loss) earnings	—	—	—	—	(203.5)	142.2	(61.3)
Other comprehensive (loss) income	—	—	—	(79.2)	—	0.1	(79.1)
Total comprehensive (loss) income	—	—	—	(79.2)	(203.5)	142.3	(140.4)
Balance, December 31, 2024	774,102,971	\$ 4,585.6	\$ 51.3	\$ (375.8)	\$ 161.1	\$ 1,093.6	\$ 5,515.8

The accompanying notes are an integral part of these consolidated financial statements.

LUNDIN MINING CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2025 and 2024

(in millions of US dollars)

Cash provided by (used in)	2025	2024
Operating activities		
Net earnings from continuing operations	\$ 1,417.7	\$ 267.6
Items not involving cash and other adjustments		
Depreciation, depletion and amortization	618.9	574.2
Share-based compensation	12.4	6.4
Unrealized foreign exchange loss (gain)	5.2	(10.9)
Finance costs, net (Note 23)	90.5	137.7
Recognition of deferred revenue (Note 14)	(72.1)	(78.1)
Deferred tax recovery	(569.7)	(36.1)
Goodwill and asset impairment (Note 10)	—	149.4
Revaluation of foreign currency and commodity derivatives (Note 26)	8.2	87.2
Long-term inventory write-down (reversal) (Note 7)	88.2	(26.6)
Write-down of assets and loss on disposal (Note 24)	20.9	30.4
Revaluation of Caserones purchase option (Note 24)	—	(11.7)
Other	3.8	17.3
Reclamation payments (Note 15)	(7.9)	(9.9)
Changes in long-term inventory	5.8	(7.2)
Changes in non-cash working capital items (Note 32)	(414.0)	221.7
Cash provided by operating activities from continuing operations	1,207.9	1,311.4
Cash provided by operating activities from discontinued operations	134.7	207.5
	1,342.6	1,518.9
Investing activities		
Investment in mineral properties, plant and equipment	(684.6)	(786.1)
Acquisition of Filo Corp. (Note 4)	(610.7)	—
Proceeds from partial disposal of subsidiary (Note 4)	689.5	—
Proceeds from disposal of subsidiaries, net of cash disposed (Note 3)	1,314.6	—
Purchase of marketable securities	(5.0)	(41.7)
Payment of Chapada derivative liability (Note 16)	—	(25.0)
Interest received	14.6	15.5
Other	(11.2)	2.4
Cash provided by (used in) investing activities from continuing operations	707.2	(834.9)
Cash used in investing activities from discontinued operations	(76.2)	(172.0)
	631.0	(1,006.9)
Financing activities		
Proceeds from debt (Note 12)	1,714.9	1,500.6
Principal repayments of debt (Note 12)	(3,245.2)	(944.3)
Principal payments of lease liabilities (Note 13)	(54.6)	(60.1)
Interest paid	(66.9)	(118.5)
Payment of Caserones deferred consideration (Note 26)	(10.0)	(10.0)
Exercise of Caserones purchase option	—	(350.0)
Dividends paid to shareholders	(105.7)	(202.5)
Shares purchased (Note 17)	(153.7)	(24.4)
Proceeds from common shares issued	10.2	21.0
Distributions paid to non-controlling interests	(138.0)	(152.0)
Net payment from settlement of foreign currency and commodity derivatives	(31.8)	(0.5)
Other	0.5	(2.2)
Cash used in financing activities from continuing operations	(2,080.3)	(342.9)
Cash used in financing activities from discontinued operations	(8.9)	(1.4)
	(2,089.2)	(344.3)
Effect of foreign exchange on cash balances	1.5	(4.2)
(Decrease) increase in cash and cash equivalents during the year	(114.1)	163.5
Cash and cash equivalents, beginning of year	432.3	268.8
Less: Cash and cash equivalents included in assets held for sale, end of year (Note 3)	(22.0)	(74.8)
Cash and cash equivalents, end of year	\$ 296.2	\$ 357.5
Supplemental cash flow information (Note 32)		

The accompanying notes are an integral part of these consolidated financial statements.

LUNDIN MINING CORPORATION

Notes to consolidated financial statements

For the years ended December 31, 2025 and 2024

(Tabular amounts in millions of US dollars, except for shares and per share amounts)

1. NATURE OF OPERATIONS

Lundin Mining Corporation ("Lundin Mining" or the "Company") is a diversified Canadian base metals mining company primarily producing copper and gold. The Company owns 80% of the Candelaria and Ojos del Salado mining complex ("Candelaria") and 70% of the Caserones mine, each of which are located in Chile. As at December 31, 2025, the Company's wholly-owned operating assets included the Chapada mine located in Brazil and the Eagle mine located in the United States of America ("USA"). The Company also has a 50% ownership interest in Vicuña Corp., holding the Josemaria project in Argentina and Filo del Sol project in Argentina and Chile ("Vicuña").

In December 2025, the Company entered into a definitive agreement to sell its 100% interest in Lundin Mining US Ltd. and its subsidiaries (together "Eagle mine") to Talon Metals Corp. ("Talon"). The transaction was completed on January 9, 2026. As a result, the Company determined that the Eagle reporting segment met the criteria to be classified as held for sale on December 31, 2025. The assets of Eagle mine have been classified as current assets held for sale and the liabilities of Eagle mine have been classified as current liabilities associated with assets held for sale, and the operating results of the Eagle reporting segment have been re-presented and included in the single line item of earnings (loss) from discontinued operations, net of taxes, on the consolidated statement of earnings (loss) (Note 3).

On April 16, 2025, the Company completed the previously announced transaction to sell its 100% interests in Somincor-Sociedade Mineira de Neves-Corvo, S.A. ("Neves-Corvo") in Portugal and its 100% interests in each of Zinkgruvan Mining AB and North Atlantic Natural Resources AB (together "Zinkgruvan") in Sweden. The assets and liabilities of the Neves-Corvo mine and the Zinkgruvan mine were classified as held for sale on December 31, 2024. The operating results of these segments for the year ended December 31, 2024 have been re-presented as a single line item of earnings (loss) from discontinued operations, net of taxes, on the consolidated statement of earnings (loss) (Note 3).

The Company's common shares are listed on the Toronto Stock Exchange ("TSX") in Canada and the Nasdaq Stockholm Exchange in Sweden. The Company is incorporated under the Canada Business Corporations Act and is domiciled in Canada. Its principal place of business is 1055 Dunsmuir Street, Suite 2800, Vancouver, British Columbia, Canada.

2. BASIS OF PRESENTATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

(i) Basis of presentation and measurement

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CPA Canada Handbook – Accounting.

No new accounting standards or interpretations were adopted January 1, 2025.

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which have been measured at fair value.

The Company's presentation currency is United States ("US") dollars. Reference herein of \$ or USD is to US dollars, C\$ or CAD is to Canadian dollars, SEK is to Swedish krona, € refers to the Euro, CLP refers to the Chilean peso, BRL refers to the Brazilian real, and ARS refers to the Argentine peso.

These consolidated financial statements were approved by the Board of Directors of the Company for issue on February 19, 2026.

LUNDIN MINING CORPORATION

Notes to consolidated financial statements

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(ii) Material accounting policies

The Company has consistently applied the accounting policies to all the years presented. The material accounting policies applied in these consolidated financial statements are set out below.

(a) Basis of consolidation

The financial statements consist of the consolidation of the financial statements of the Company and its subsidiaries.

Subsidiaries are entities over which the Company has control, including the power to govern the financial and operating policies in order to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are de-consolidated from the date that control ceases.

Where necessary, adjustments are made to the results of the subsidiaries and associates to bring their accounting policies in line with those used by the Company. Intra-group transactions, balances, income and expenses are eliminated on consolidation.

For non wholly-owned subsidiaries, the net assets attributable to outside equity shareholders are presented as non-controlling interests in the equity section of the consolidated balance sheet. Net earnings for the period that are attributable to non-controlling interests are calculated based on the ownership of the minority shareholders in the subsidiary.

(b) Interests in joint arrangements

A joint arrangement can take the form of a joint venture or a joint operation. All joint arrangements involve a contractual arrangement that establishes joint control which exists when decisions about the activities that significantly affect the returns of the investee require unanimous consent of the parties sharing control. A joint venture is a joint arrangement in which the Company has rights to only the net assets of the arrangement. A joint operation is a joint arrangement in which the Company has the rights to the assets and obligations for the liabilities relating to the arrangement. Joint operations are accounted for by recognizing the Company's share of the assets, liabilities, revenue, expenses and cash flows of the joint operation in the consolidated financial statements.

(c) Translation of foreign currencies

The functional currency of each entity within the Company is the currency of the primary economic environment in which it operates. The Company's presentation currency is US dollars.

Transactions denominated in currencies other than the functional currency are recorded using the exchange rates prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated at the rates prevailing on the date when the fair value was determined. Foreign currency translation differences on deferred foreign tax liabilities and assets are reported in deferred tax expense/recovery in the consolidated statement of earnings (loss).

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognized in the consolidated statement of earnings (loss) in the period in which they arise. Exchange differences arising on the translation of non-monetary items carried at fair value are included in the consolidated statement of earnings (loss).

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For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated into US dollars, which is the presentation currency of the group, at the rate of exchange prevailing at the end of the reporting period. Income and expenses are translated at the average exchange rates for the period where these approximate the rates on the dates of transactions.

On disposal of a foreign operation, the historical, cumulative amount of exchange differences recognized as a separate component of equity is reclassified and recognized in the consolidated statement of earnings (loss).

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash on deposit with banks and highly liquid short-term interest-bearing investments with a term to maturity at the date of purchase of 90 days or less which are subject to an insignificant risk of change in value.

(e) Restricted funds

Restricted funds include reclamation funds and cash on deposit that have been pledged for reclamation and closure activities which are not available for immediate disbursement.

(f) Inventories

Ore and concentrate stockpiles and cathode inventory are valued at the lower of production cost and net realizable value ("NRV"). Production costs include costs of materials and labour related directly to mining and processing activities, including production phase stripping costs, depreciation and amortization of mineral property, plant and equipment directly involved in the related mining and production process, amortization of any stripping costs previously capitalized and directly attributable overhead costs.

Dump leach pad inventory represents ore that has been mined and placed on leach pads where a solution is applied to the surface of the heap to dissolve the copper and by-products. The resulting solution is further processed in a plant to recover the copper. The cost of dump leach inventory is derived from current mining and leaching costs and is removed at the weighted average cost per recoverable pound ("lb") of copper on the leach pads as lbs of copper are recovered. Estimates of recoverable copper on the dump leach are calculated based on the quantities of ore placed on the leach pads (measured in tonnes added to the leach pads), the grade of ore placed on the leach pads (based on assay data), and an estimated recovery percentage (based on estimated recovery assumptions from the block model). The nature of the leaching process inherently limits the ability to precisely monitor inventory levels. As a result, estimates are refined based on actual results and engineering studies over time. The final recovery of copper from the dump leach will not be known until the leaching process is concluded at the end of the mine life. Ore on the dump leach that is not expected to be recovered within the next twelve months is classified as non-current.

Materials and supplies inventories are valued at the lower of average cost less allowances for obsolescence and NRV.

If the carrying value of inventories exceeds NRV, a write-down is recognized. The write-down may be reversed in a subsequent period if the circumstances which caused the write-down no longer exist.

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(g) Mineral properties

Mineral properties are carried at cost, less accumulated depletion and any accumulated impairment charges. Expenditures on mineral properties include:

- i. Acquisition costs which consist of payments for property rights and leases, including the estimated fair value of exploration properties acquired as part of a business combination or the acquisition of a group of assets.
- ii. Exploration, evaluation and project investigation costs incurred on an area of interest once a determination has been made that a property has economically recoverable Mineral Resources and Mineral Reserves ("R&R") and there is a reasonable expectation that costs can be recovered by future exploitation or sale of the property. Exploration, evaluation and project investigation expenditures made prior to a determination that a property has economically recoverable R&R are expensed as incurred.
- iii. Deferred stripping costs which represent the costs incurred to remove overburden and other waste materials to access ore in an open pit mine. Stripping costs incurred prior to the production phase of the mine are capitalized and included as part of the carrying value of the mineral property. During the production phase, stripping costs which provide probable future economic benefits, identifiable improved access to the ore body and which can be measured reliably are capitalized to mineral properties. Capitalized stripping costs are amortized using a unit-of-production basis over the Proven and Probable Mineral Reserve to which they relate.
- iv. Development costs incurred in an area of interest, once management has determined the technical feasibility and commercial viability of a project, the project presents an appropriate rate of return on investment, and the Board of Directors has demonstrated commitment to advance the project. When additional development expenditures are made on a property after commencement of production, the expenditure is capitalized as mineral property when it is probable that additional economic benefit will be derived from future operations. Development costs are amortized using a unit-of-production basis over the Proven and Probable Mineral Reserve to which they relate.
- v. Interest and financing costs on debt or other liabilities that are directly attributed to the acquisition, construction and development of a qualifying asset. All other borrowing costs are expensed as incurred.

(h) Plant and equipment

Plant and equipment are carried at cost, less accumulated depreciation and any accumulated impairment charges. For production plant and equipment, depreciation is recorded on a units-of-production basis. Depreciation on all other plant and equipment is recorded on a straight-line basis over the estimated useful life of the asset or over the estimated remaining life of the mine, if shorter. Residual values and useful lives are reviewed annually. Gains and losses on disposals are calculated as proceeds received less the carrying amount and are recognized in the consolidated statement of earnings (loss).

Useful lives are as follows:

	<u>Number of years</u>
Buildings	8-20
Plant and machinery	3-20
Equipment	3-8

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(i) Intangible assets

Separately acquired intangible assets are initially measured at cost which is comprised of its purchase price and any directly attributable costs of preparing the asset for its intended use. The Company depreciates intangible assets with finite useful lives on a straight-line basis over the estimated useful life of the asset. For intangibles with an indefinite useful life, no amortization is calculated.

(j) Impairment and impairment reversals

At the end of each reporting period, the Company assesses whether there is an indication that an asset or group of assets within a cash generating unit ("CGU") may be impaired. When impairment indicators exist, the Company estimates the recoverable amount of the asset or CGU and compares it against the asset or CGU's carrying amount. The recoverable amount is the higher of the fair value less cost of disposal ("FVLCD") and the asset or CGU's value in use ("VIU"). If the carrying value exceeds the recoverable amount, an impairment loss is recorded in the consolidated statement of earnings (loss) during the period. If either FVLCD or VIU exceeds the asset or CGU's carrying amount, the asset or CGU is not impaired, and the Company does not estimate the other amount.

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU for which the estimates of future cash flows have not been adjusted. The cash flows are based on best estimates of expected future cash flows from the continued use of the asset or the CGU and its eventual disposal.

FVLCD is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, which is best evidenced if obtained from an active market or binding sale agreement. Where neither exists, the fair value is based partly on a discounted cash flow projections model. Costs of disposal, other than those that have been recognized as liabilities, are deducted in measuring FVLCD.

Reversals of impairment are assessed at each reporting period where there is an indication that an impairment loss recognized previously may no longer exist or has decreased. If an impairment reversal indicator exists, the recoverable amount is calculated. If the recoverable amount exceeds the carrying amount, the carrying value of the CGU is increased to the recoverable amount net of depreciation. The increased carrying amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the CGU in prior years. A reversal of an impairment loss is recognized as a gain in the consolidated statement of earnings (loss) in the period it is determined.

(k) Business combinations and goodwill

Acquisitions of businesses are accounted for using the purchase method of accounting whereby all identifiable assets and liabilities are recorded at their fair values as at the date of acquisition. Any excess purchase price over the aggregate fair value of net assets is recorded as goodwill. Goodwill is identified and allocated to CGUs, or groups of CGUs, that are expected to benefit from the synergies of the acquisition. Goodwill is not amortized. Any excess of the aggregate fair value of net assets over the purchase price is recognized in the consolidated statement of earnings (loss).

A CGU to which goodwill has been allocated is tested for impairment at least annually or when events or changes in circumstances indicate that the related carrying amount may not be recoverable. For goodwill arising on an acquisition in a financial year, the CGU to which the goodwill has been allocated is tested for impairment before the end of that financial year.

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When the recoverable amount of the CGU is less than the carrying amount of that CGU, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to that CGU first, and then to the other assets of that CGU on a pro-rata basis of the carrying amount of each asset in the CGU. Any impairment loss for goodwill is recognized directly in the consolidated statement of earnings (loss). An impairment loss for goodwill is not reversed in subsequent periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

(l) Leases

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases of low-value assets. For these leases, the Company recognizes the lease payments as an expense in the consolidated statement of earnings (loss) on a straight-line basis over the term of the lease.

The Company recognizes a lease liability and a right-of-use asset at the lease commencement date.

The lease liability is initially measured as the present value of future lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, each operation's applicable incremental borrowing rate. The incremental borrowing rate is the rate which the operation would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the Company expects to exercise an option to terminate the lease.

The lease liability is subsequently measured by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

Each lease payment is allocated between the lease liability and finance cost. The finance cost is recorded as an expense in the consolidated statement of earnings (loss) over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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The right-of-use asset is initially measured at cost, which comprises the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Company; and
- an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The right-of-use asset is subsequently measured at cost, less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. It is depreciated in accordance with the Company's accounting policy for plant and equipment, from the commencement date to the earlier of the end of its useful life or the end of the lease term.

On the consolidated balance sheet, right-of-use assets and lease liabilities are reported in mineral properties, plant and equipment and lease liabilities, respectively.

(m) Non-current assets held for sale and discontinued operations

Assets and businesses are classified as held for sale if their carrying amount will be recovered or settled principally through a sale transaction rather than through continuing use. The asset or business must be available for immediate sale and the sale must be highly probable within one year.

Assets and businesses classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell ("FVLCS"). Immediately prior to reclassification to assets held for sale, the Company is required to assess for impairment of assets of CGU's under its normal impairment policies. If the carrying value related to a specific asset or business classified as held for sale exceeds its FVLCS an impairment loss is recognized in the consolidated statement of (loss) earnings. No depreciation is charged on assets and businesses classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the consolidated balance sheet.

A discontinued operation is a component of the Company's business that represents a separate major line of business or geographical area of operations that has been disposed of, has been abandoned, or meets the criteria to be classified as held for sale. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of earnings (loss).

(n) Reclamation and other closure provisions

The Company incurs reclamation and other closure costs related to its mining properties such as facility decommissioning and dismantling, end of mine life severance, site restoration and ongoing environmental monitoring. These costs are a normal consequence of mining and are dependent on the requirements of the Company's legal and constructive obligations, as well as any other commitments made to stakeholders. The majority of these expenditures will be incurred at the end of the life of mine and are dependent upon a number of factors such as the life and nature of the asset, the operating license conditions and the environment in which the mine operates.

The future obligations for mine closure activities are estimated by the Company using mine closure plans or other similar studies which outline the activities to be undertaken to meet regulatory and internal requirements. Since the obligations are dependent on the laws and regulations of the countries in which the mines operate, they are regularly evaluated by management and external experts. Costs included in the obligations encompass all reclamation and other closure activities expected to occur progressively over the life of the operation, at the time of closure and post-closure in connection with disturbances as at the reporting date.

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Obligations may change as a result of amendments in laws and regulations relating to environmental protection and/or other legislation affecting resource companies. Included in the estimated obligations are a number of significant assumptions made by management in determining closure provisions. Accordingly, closure provisions are more uncertain the further into the future mine closure activities are expected to be carried out.

The Company records the present value of its reclamation and other closure provisions as a liability with a corresponding increase in the carrying value of the related asset. The provision is discounted to its net present value using a country specific, current market, pre-tax discount rate. The unwinding of the discount, referred to as an accretion expense, is included in finance costs in the consolidated statement of earnings (loss) and results in an increase in the carrying amount of the liability. Reclamation obligations settled in the year are offset against the corresponding liability. Unplanned reclamation costs are reported as either part of the cost of inventory or recognized as a cost in the consolidated statement of earnings (loss), if they relate to either production activities or a closed site.

The capitalized cost of the reclamation and other closure activities is recognized in the mineral property and plant & equipment and depreciated on a unit-of-production basis over the expected mine life of the operation or asset to which it relates. Depreciation costs are included in the consolidated statement of earnings (loss) as part of cost of goods sold.

Changes in obligations resulting from revisions to the timing or amount of expenditures, discount rate or foreign exchange rate are recognized as an increase or decrease in the reclamation and other closure provision liability, and a corresponding change in the carrying amount of the related assets.

(o) Revenue recognition

Revenue from contracts with customers is recognized when a customer obtains control of the promised asset and the Company satisfies its performance obligation. Revenue is allocated to each performance obligation. The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for the transferring of promised goods. The Company earns revenue from contracts with customers related to its concentrate and copper cathode sales, and its copper, gold and silver streaming arrangements.

The Company satisfies its performance obligations for its concentrate and copper cathode sales per specified contract terms which are generally upon shipment or delivery of an individual parcel. Revenue from concentrate and copper cathode sales is recorded based upon forward market prices of the expected final sales price date. The Company typically recognizes revenue when concentrate or copper cathodes have been placed on board a vessel for shipment or delivered to a location specified by the customer.

Deferred revenue arises from up-front payments received by the Company or obligations acquired in consideration for future commitments as specified in its various streaming arrangements. The accounting for streaming arrangements is dependent on the facts and terms of each of the arrangements. Revenue from streaming arrangements is recognized when the customer obtains control of the copper, gold and/or silver metal and the Company has satisfied its performance obligations.

The Company identified significant financing components related to its streaming arrangements resulting from a difference in the timing of the up-front consideration received and delivery of the promised goods. Interest expense on deferred revenue is recognized in finance costs, or in mineral properties, plant and equipment if directly attributable to the acquisition, construction and development of a qualifying asset. The interest rate is determined based on the rate implicit in each streaming agreement at the date of inception or acquisition.

The initial consideration received from the streaming arrangements is considered variable, subject to changes in the total copper, gold and silver volumes to be delivered. Changes to variable consideration are reflected in revenue in the consolidated statement of earnings (loss).

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(p) Share-based compensation

The Company grants share-based awards in the form of share options and share units to certain employees in exchange for the provision of services. The share options and share units are equity-settled awards. The Company determines the fair value of the awards on the date of grant. This fair value is charged to the consolidated statement of earnings (loss) using a graded vesting attribution method over the vesting period of the awards, with a corresponding credit to contributed surplus. When the share options or share units are exercised, the applicable amounts of contributed surplus are transferred to share capital. At the end of the reporting period, the Company updates its estimate of the number of awards that are expected to vest and adjusts the total expense to be recognized over the vesting period. The Company also grants share-based awards to non-employee Directors in the form of deferred share units ("DSUs") in exchange for the provision of services. DSUs are liability awards settled in cash and measured at the quoted market price at the grant date. The corresponding liability is adjusted for changes in fair value at each subsequent reporting date until the awards are settled. The fair value of the DSUs are expensed at the grant date and subsequent changes to fair value are charged to the consolidated statement of earnings (loss).

(q) Current and deferred income taxes

Income tax expense represents the sum of current and deferred tax. Current taxes payable is based on taxable earnings for the year. Taxable earnings may differ from earnings before income tax as reported in the consolidated statement of earnings (loss) because it may exclude items of income or expense that are taxable or deductible in other years and it may further exclude items of income or expense that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Income tax assets and liabilities are offset when there is a legally enforceable right to offset the assets and liabilities and when they relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities where there is an intention to settle the balance on a net basis.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which deductible temporary differences or tax loss carryforwards can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable earnings nor the accounting earnings. Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and investments in associates, except where the Company is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to earnings, except when it relates to items charged or credited directly to equity, in which case the deferred tax is reflected in equity.

(r) Earnings per share

Basic earnings per share is calculated using the weighted average number of common shares outstanding during each reporting period. Diluted earnings per share is calculated assuming the proceeds from the exercise of "in-the-money" share-based arrangements are used to purchase common shares at the average market price during the period.

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(s) Financial instruments

Financial instruments are recognized on the consolidated balance sheet on the trade date, the date on which the Company becomes a party to the contractual provisions of the financial instrument. The Company classifies its financial instruments in the following categories:

Financial Assets at Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. The Company intends to hold these receivables until cash flows are collected. Receivables are recognized initially at fair value, net of any transaction costs incurred and subsequently measured at amortized cost using the effective interest method. The Company recognizes a loss allowance for expected credit losses on a financial asset that is measured at amortized cost.

Financial Assets at Fair Value through Profit or Loss ("FVTPL")

Financial assets measured at FVTPL are assets which do not qualify as financial assets at amortized cost or those not designated in hedge relationships.

Provisionally priced trade receivables are measured at FVTPL as some or all of the cash flows are dependent on commodity prices. These receivables are initially measured at their transaction price. Subsequent changes to provisionally priced trade receivables are recorded in the consolidated statement of earnings (loss) as revenue from other sources.

Marketable securities, equity investments, and derivative assets not designated in hedge relationships are classified as FVTPL. These financial assets are initially recognized at their fair value with changes to fair values recognized in the consolidated statement of earnings (loss).

Financial Liabilities at Amortized Cost

Financial liabilities are measured at amortized cost using the effective interest method, unless they are required to be measured at FVTPL, or the Company has opted to measure them at FVTPL. Long-term debt is recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method.

Financial Liabilities at FVTPL

Financial liabilities at FVTPL are liabilities that cannot be classified as amortized cost which include embedded derivatives and derivative liabilities not designated in hedge relationships. Financial liabilities at FVTPL are initially recognized at fair value with changes to fair values recognized in the consolidated statement of earnings (loss).

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership. Gains and losses on derecognition are generally recognized in the consolidated statement of earnings (loss).

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of earnings (loss).

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The Company may enter into derivative instruments to mitigate exposures to commodity price and currency exchange rate fluctuations, among other exposures. Unless the derivative instruments qualify for hedge accounting, and management undertakes appropriate steps to designate them as such, they are classified as financial assets or liabilities at FVTPL and recorded at their fair value with realized and unrealized gains or losses arising from changes in the fair value recorded in the consolidated statement of earnings (loss) in the period they occur. Fair values for derivative instruments are determined using valuation techniques. The valuations use assumptions based on prevailing market conditions on the reporting date.

(iii) New standards and interpretations not yet adopted

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18 - Presentation and Disclosure in Financial Statements, which replaces IAS 1 - Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into three defined categories (operating, investing, and financing) and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided ("management-defined performance measures"), IFRS 18 requires disclosure of the explanations around those measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and notes. IFRS 18 will not impact the recognition and measurement of items in the financial statements, nor will it impact which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required and early application is permitted.

The Company has completed a preliminary evaluation of the impact of IFRS 18 on the presentation of the statements of financial position, earnings (loss) and cash flows. The Company has commenced system and process changes to allow tracking of certain items for presentation in accordance with IFRS 18 in comparative period financial statements. The Company continues to assess other matters related to the implementation of this new standard on its financial statements.

IFRS 9 - Financial Instruments and IFRS 7 – Financial Instruments: Disclosures

In May 2024, the IASB issued amendments to the classification and measurement of financial instruments. These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. Moreover, the amendments clarify the assessment of the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest (SPPI) criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs, and amended disclosures relating to equity instruments designated at fair value through other comprehensive income.

Additionally in December 2024, the IASB published amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments clarify the application of the 'own-use' requirements for in-scope contracts, amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts, and add new disclosure requirements.

These amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2026, with early application permitted.

The Company does not expect the adoption of the amendments to have a material impact on the Company's consolidated financial statements or require a restatement of the comparative period.

(iv) Estimation uncertainty and judgements in applying the entity's accounting policies

The preparation of consolidated financial statements in accordance with IFRS Accounting Standards requires the use of certain critical accounting estimates and judgements. These estimates and judgements are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience, but actual results may differ materially from the amounts included in the financial statements.

Areas of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Depreciation, depletion and amortization of mineral properties, plant and equipment - Mineral properties, plant and equipment comprise a large component of the Company's assets and as such, the depreciation, depletion and amortization of these assets have a significant effect on the Company's financial statements. Upon commencement of commercial production, the Company depletes mineral property over the life of the mine based on the depletion of the mine's Proven and Probable Mineral Reserves. In the case of mining equipment or other assets, if the useful life of the asset is shorter than the life of the mine, the asset is amortized over its expected useful life.

Proven and Probable Mineral Reserves are determined based on a professional evaluation using accepted international standards for the estimation of Mineral Reserves. The assessment involves geological and geophysical studies, economic data and the reliance on a number of assumptions. The estimates of the Mineral Reserves may change based on additional knowledge gained subsequent to the initial assessment. This may include additional data available from continuing exploration, results from the reconciliation of actual mining production data against the original Mineral Reserve estimates, or the impact of economic factors such as changes in the price of commodities or the cost of components of production. A change in the original estimate of Mineral Reserves would result in a change in the rate of depreciation, depletion and amortization of the related mineral assets.

Valuation of long-term inventory - The Company carries its long-term inventory at the lower of production cost and NRV. If the carrying value exceeds the net realizable amount, a write-down is required. The write-down may be reversed in a subsequent period if the circumstances which caused it no longer exist.

The Company reviews NRV at least annually. In particular, for the NRV of long-term inventory, the Company makes significant estimates in its use of a discounted NRV model related to future production plans, forecasted commodity prices, foreign exchange rates, inventory quantities, future capital and production costs to complete, estimates of recoverable copper in leach pads, and the discount rate. These estimates are subject to various risks and uncertainties and may have an effect on the NRV estimate and the carrying value of the long-term inventory.

Valuation of mineral properties - The Company carries its mineral properties at cost, less accumulated depletion and any accumulated provision for impairment. The Company undertakes a review of the carrying values of mineral properties and related expenditures whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts determined by reference to estimated future operating results and discounted net cash flows. An impairment loss is recognized when the carrying value of those assets is not recoverable. Where a previous impairment has been recorded, the Company analyzes any reverse impairment indicators. Impairment reversals are recognized in subsequent periods when there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In undertaking this review, management of the Company is required to make significant estimates of, amongst other things, future production and sale volumes, metal prices, foreign exchange rates, R&R quantities, future capital and production costs and reclamation costs to the end of the mine's life. These estimates are subject to various risks and uncertainties which may ultimately have an effect on the expected recoverability of the carrying values of the mineral properties and related expenditures.

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Goodwill - The amount by which the purchase price of a business acquisition exceeds the fair value of identifiable assets and liabilities acquired is recorded as goodwill. Estimates of recoverable value may be impacted by changes in future metal prices, foreign exchange rates, production based on estimated quantities of R&R, production and capital expenditures, pricing of in-situ mineral resources implied by the market value of selected comparable transactions involving the sale of similar companies and mineral properties, and discount rates. Changes in estimates could have a material impact on the carrying value of the goodwill. Management's estimates of production based on quantities of R&R are based on information compiled by qualified persons (management's experts).

Reclamation and other closure provisions - The Company incurs reclamation and other closure costs related to its mining properties. The future obligations for mine closure activities are estimated by the Company using mine closure plans or other similar studies which outline the activities to be undertaken to meet regulatory and internal requirements. Since the obligations are dependent on the laws and regulations of the countries in which the mines operate, they are regularly reviewed by management and external experts, and could change as a result of amendments to the laws and regulations. Included in the estimated obligations are a number of significant assumptions made by management, including nominal discount rates, inflation rates and foreign exchange rates. Accordingly, closure provisions are more uncertain the further into the future the mine closure activities are to be carried out.

Valuation of deferred tax assets - The valuation of deferred tax assets is sensitive to significant assumptions used in forecasting future taxable income including future metal prices, production based on estimated quantities of R&R, foreign exchange rates, and production costs. These estimates are subject to various risks and uncertainties which may ultimately have an effect on the future taxable income which support the valuation of deferred tax assets. Management's estimates of production based on estimated quantities of R&R are based on information compiled by qualified persons (management's experts).

Significant judgements in applying accounting policies

The following are the judgements, apart from those involving estimations, that management has made in applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Deferred tax assets - The determination of the ability of the Company to utilize tax loss carry-forwards and deductible temporary differences to recognize deferred tax assets requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether it is "probable" that the Company will benefit from these prior losses and other deductible temporary differences.

Caserones has approximately \$3.9 billion in net operating losses arising prior to the acquisition by the Company which can be applied to future taxable income over the mine life to reduce taxes payable in future years. In determining the amount of the net operating losses and deductible temporary differences which are probable to be utilized, management has evaluated forecast taxable income and assessed the probability of achieving the taxable income projections over different planning horizons. Management has also considered the level of uncertainty associated with future events outside of the Company's control, including future commodity prices, foreign exchange rates, labour disruptions, political and regulatory stability, climate-related events, and geotechnical conditions. As estimation uncertainty increases with the length of the forecast period, progressively less reliance is placed on longer-dated forecasts when assessing the recoverability of deferred tax assets and therefore management has used significant judgment in assessing the probability of achieving various levels of future taxable income.

Assessment of impairment and reverse impairment indicators - Management applies significant judgement in assessing whether indicators of impairment or reversal of impairment exist for a CGU which would necessitate impairment testing. Internal and external factors used by management to determine whether indicators exist include, but are not limited to, significant changes in the use of the asset, commodity prices, foreign exchange rates, the Company's market capitalization, capital and production forecasts, R&R quantities, and discount rates.

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Contingent liabilities - Contingent liabilities are possible obligations that arise from past events which will be confirmed by the occurrence or non-occurrence of future events. These contingencies are not recognized in the consolidated financial statements when the obligation is not probable or if the obligation cannot be measured reliably. The Company exercises significant judgment when determining the probability of the future outcome and with regard to any required disclosure of contingencies, and measuring the liability is a significant estimate.

Joint arrangements - The Company is party to Vicuña, an arrangement over which it does not have control. Significant judgment is required in determining whether joint control over the arrangement exists and, if so, which parties have joint control, and whether the arrangement is a joint venture or a joint operation. In assessing whether the Company has joint control, management analyzes the activities of an arrangement to determine which activities most significantly affect the returns of the arrangement over its life. If joint control over the arrangement exists, an assessment of whether the arrangement is a joint venture or a joint operation is required. This assessment is based on whether the Company retains rights to the assets, and obligations for the liabilities, relating to the arrangement or the Company only has the rights to the net assets of the arrangement is more applicable. In making this determination, management reviews the legal form of the arrangement, the terms of the contractual arrangement, and other facts and circumstances. In a situation where the legal form and the terms of the contractual arrangement do not give the Company rights to the assets and obligations for the liabilities, an assessment of other facts and circumstances is required, including whether the activities of the arrangement are primarily designed for the provision of output to the parties and whether the parties are substantially the only source of cash flows contributing to the arrangement. These assessments require judgment and are specific to each arrangement.

3. ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS

Disposal of Eagle mine

On December 18, 2025, the Company entered into a definitive agreement to sell its 100% interest in the Eagle mine to Talon (the "Definitive Agreement"). The transaction completed on January 9, 2026. Under the terms of the agreement, the Company received 275.2 million common shares of Talon which, along with the Company's existing 1.57% interest in Talon, resulted in the Company owning 19.86% of the issued and outstanding common shares of Talon on completion of the transaction. The Company will also receive ore delivery payments of \$1.00 per tonne for any non-Eagle ore processed through the Humboldt mill, to a maximum of \$20.0 million. The transaction consideration is subject to customary working capital adjustments.

As at December 31, 2025, the Eagle mine reporting segment met the criteria to be classified as held for sale and discontinued operations. The results of this operation have been re-presented for the current and comparative years to reclassify the earnings (loss) as earnings (loss) from discontinued operations. All assets and liabilities relating to the Eagle mine reporting segment have been classified as current assets and current liabilities held for sale at December 31, 2025.

The Company is required to assess the Eagle mine CGU for impairment or impairment reversal immediately prior to its reclassification as held for sale. On December 31, 2025, the recoverable amount of the Eagle mine CGU exceeded its carrying value and a partial impairment reversal of \$88.4 million (\$69.8 million net of tax) was recorded in net earnings (loss) from discontinued operations. The recoverable amount was based on consideration as established by the Definitive Agreement. An impairment charge of \$104.9 million (\$82.8 million net of tax) was previously recorded for the Eagle mine at December 31, 2024 due to a decline in nickel prices and prolonged rehabilitation of the Eagle East ramp.

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Disposal of European operations

On December 9, 2024, the Company entered into a definitive agreement to sell its 100% interests in the Neves-Corvo and Zinkgruvan mines to Boliden AB ("Boliden"). The transaction constitutes the sale of all of the Company's European operating assets allowing the Company to focus on its copper-dominant assets in South America. The transaction completed on April 16, 2025 and the Company received cash consideration of \$1.4 billion.

The Company may also receive up to \$150.0 million in contingent cash consideration if certain metal price thresholds are met. These include a percentage of incremental revenue realized at the Neves-Corvo mine in each of the three calendar years between 2025 and 2027 and at the Zinkgruvan mine between 2025 and 2026. The estimated fair value of the contingent consideration on April 16, 2025 was \$44.1 million (Note 26). Contingent consideration is revalued at each reporting period with changes recorded in net earnings (loss) from discontinued operations. At December 31, 2025, the fair value of the contingent consideration was \$85.7 million, of which \$42.9 million is included in other current assets and \$42.8 million is included in contingent consideration and other non-current assets (Note 8) in the consolidated balance sheet. For the year ended December 31, 2025, a realized and unrealized gain on the revaluation of the contingent consideration of \$5.5 million and \$41.5 million, respectively were recorded in net earnings (loss) from discontinued operations.

On completion of the disposal of the European operations, the Company recognized a gain on disposal of \$106.4 million, net of income tax, calculated as follows:

	Neves-Corvo mine	Zinkgruvan mine	Total
Cash consideration	\$ 773.6	\$ 628.5	\$ 1,402.1
Fair value of contingent consideration	41.7	2.4	44.1
Transaction costs	(4.7)	(3.8)	(8.5)
Net proceeds	\$ 810.6	\$ 627.1	\$ 1,437.7
Net assets	Neves-Corvo mine	Zinkgruvan mine	Total
Cash and cash equivalents	\$ 20.0	\$ 59.0	\$ 79.0
Trade and other receivables	77.5	9.7	87.2
Inventories	45.9	22.8	68.7
Restricted funds	52.4	—	52.4
Mineral properties, plant and equipment	840.2	344.9	1,185.1
Trade and other payables	(85.8)	(36.5)	(122.3)
Income taxes receivable (payable)	0.9	(8.2)	(7.3)
Lease liabilities	(16.4)	(0.6)	(17.0)
Deferred revenue	(27.2)	(44.0)	(71.2)
Reclamation and other closure provisions	(98.7)	(50.1)	(148.8)
Other long-term liabilities	(8.4)	(4.4)	(12.8)
Deferred tax liabilities	—	(30.9)	(30.9)
	800.4	261.7	1,062.1
Gain on disposal before reclassification of foreign currency translation reserve	10.2	365.4	375.6
Reclassification of foreign currency translation reserve to earnings	(161.4)	(107.8)	(269.2)
Net gain (loss) on disposal	\$ (151.2)	\$ 257.6	\$ 106.4

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The net earnings (loss) from discontinued operations for the years ended December 31, 2025 and 2024, are as follows:

For the year ended December 31, 2025	Neves-Corvo ¹	Zinkgruvan ¹	Eagle	Total
Revenue	\$ 128.3	\$ 72.4	\$ 208.6	\$ 409.3
Production costs	(90.2)	(36.9)	(150.7)	(277.8)
Depreciation, depletion and amortization	—	—	(22.3)	(22.3)
Exploration and business development	(2.0)	(3.4)	(1.5)	(6.9)
Finance (costs) income	(3.9)	(0.8)	(4.3)	(9.0)
Other income (expense)	41.3	(1.2)	—	40.1
Asset (impairment) reversal	(65.7)	—	88.4	22.7
Earnings before income taxes	7.8	30.1	118.2	156.1
Income tax (expense) recovery	(0.1)	(2.9)	(0.3)	(3.3)
Deferred tax (expense) recovery	0.2	(2.6)	(20.9)	(23.3)
Net earnings before gain (loss) on disposal	\$ 7.9	\$ 24.6	\$ 97.0	\$ 129.5
Gain (loss) on disposal of subsidiaries	(151.2)	257.5	—	106.3
Net earnings (loss) from discontinued operations	\$ (143.3)	\$ 282.1	\$ 97.0	\$ 235.8

¹ Includes financial results from January 1, 2025 to April 16, 2025 and the revaluation of contingent consideration at December 31, 2025.

For the year ended December 31, 2024	Neves-Corvo	Zinkgruvan	Eagle	Total
Revenue	\$ 438.1	\$ 256.7	\$ 152.5	\$ 847.3
Production costs	(323.2)	(122.1)	(111.9)	(557.2)
Depreciation, depletion and amortization	(118.3)	(37.0)	(33.6)	(188.9)
Exploration and business development	(2.8)	(10.0)	(3.2)	(16.0)
Finance (costs) income	(4.8)	(4.9)	(3.6)	(13.4)
Other (expense) income	(4.8)	(4.0)	(2.2)	(11.0)
Goodwill and asset impairment	(291.2)	—	(104.9)	(396.1)
Partial suspension of underground mining operations	—	—	(36.1)	(36.1)
(Loss) earnings before income taxes	(307.0)	78.7	(143.0)	(371.4)
Income tax (expense) recovery	0.8	(15.5)	—	(14.7)
Deferred tax recovery	27.7	0.7	28.8	57.2
Net (loss) earnings from discontinued operations	\$ (278.5)	\$ 63.9	\$ (114.2)	\$ (328.9)

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The assets and liabilities that are included in the held for sale categories as at December 31, 2025 are summarized below:

	Eagle mine
Assets classified as held for sale	
Cash and cash equivalents	\$ 22.0
Trade and other receivables	10.4
Inventories	20.9
Mineral properties, plant and equipment	175.8
	\$ 229.1
Liabilities classified as held for sale	
Trade and other payables	\$ 19.5
Lease liabilities	9.0
Reclamation and other closure provisions	73.8
Other long-term liabilities	1.0
Deferred tax liabilities	23.5
	\$ 126.8

The assets and liabilities that are included in the held for sale categories as at December 31, 2024 are summarized below:

	Neves-Corvo mine	Zinkgruvan mine	Total
Assets classified as held for sale			
Cash and cash equivalents	\$ 23.9	\$ 50.9	\$ 74.8
Trade and other receivables	90.2	22.9	113.1
Income taxes receivable	0.8	—	0.8
Inventories	39.7	16.5	56.2
Restricted funds	49.6	—	49.6
Mineral properties, plant and equipment	810.6	284.6	1,095.2
	\$ 1,014.8	\$ 374.9	\$ 1,389.7
Liabilities classified as held for sale			
Trade and other payables	\$ 99.8	\$ 32.4	\$ 132.2
Income taxes payable	—	7.8	7.8
Lease liabilities	15.7	0.6	16.3
Deferred revenue	25.1	39.2	64.3
Reclamation and other closure provisions	89.9	44.2	134.1
Other long-term liabilities	7.7	4.5	12.2
Deferred tax liabilities	—	26.2	26.2
	\$ 238.2	\$ 154.9	\$ 393.1

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4. ACQUISITION OF FILO AND FORMATION OF VICUÑA

On January 15, 2025, the Company, together with BHP Investments Canada Inc. ("BHP"), completed the acquisition of Filo Corp. ("Filo") through a plan of arrangement (the "Arrangement"). The Company's share of the consideration for the Arrangement was \$610.7 million (C\$877.8 million) in cash and 94.1 million of the Company's shares to Filo shareholders, along with its existing 1.7% interest in Filo (prior to completion). BHP's share of the consideration for the Arrangement was \$1.4 billion (C\$2.0 billion) in cash, along with its existing 7.0% interest in Filo (prior to completion). Concurrently, BHP paid the Company cash consideration of \$689.5 million for a 50% interest in the Josemaria project, and the Company and BHP formed the Vicuña 50/50 independently managed joint arrangement holding interests in the Filo del Sol project and the Josemaria project (the "Vicuña Project").

The Company has concluded the Vicuña joint arrangement is a joint operation upon considering other facts and circumstances, such as the right and the obligation to take a share of the output of the arrangement. Accordingly, the Company includes its 50% share of the respective assets, liabilities, expenses, and cash flows of Vicuña in the consolidated financial statements of the Company.

The purchase price of Filo (50% share) is as follows:

Cash consideration	\$	610.7
Fair value of 94,074,959 common shares issued by the Company (a) (b)		799.8
Transaction costs		10.1
The Company's previously held common shares in Filo (b)		49.9
Total purchase price	\$	1,470.5

- The fair value of the common shares issued was determined using the Company's share price of C\$12.22 and foreign exchange rate of USD/CAD: 1.437 at the close of business on January, 15, 2025.
- Immediately prior to the acquisition of Filo, the Company held 2,264,924 Filo shares with a fair value of \$49.9 million (December 31, 2024 - \$50.2 million).

The Company's initial interest in Vicuña as at January 15, 2025, including transaction costs, is comprised of the following:

	50% interest in Filo	50% interest in Josemaria	50% share of Vicuña on formation
Cash and cash equivalents	\$ 17.3	\$ 7.0	24.3
Receivables and other assets	0.5	\$ 1.2	1.7
Mineral properties, plant and equipment	1,456.7	701.1	2,157.8
Total assets	1,474.5	709.3	2,183.8
Trade and other payables	(4.0)	(19.8)	(23.8)
Total liabilities	(4.0)	(19.8)	(23.8)
Total net assets	\$ 1,470.5	\$ 689.5	\$ 2,160.0

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5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of the following:

	December 31, 2025	December 31, 2024
Cash	\$ 274.4	\$ 197.2
Short-term deposits	21.8	160.3
	\$ 296.2	\$ 357.5

6. TRADE AND OTHER RECEIVABLES

Trade and other receivables are comprised of the following:

	December 31, 2025	December 31, 2024
Trade receivables	\$ 673.6	\$ 347.8
Value added tax	68.7	53.0
Prepaid expenses	22.3	42.6
Other receivables	60.0	67.5
	\$ 824.6	\$ 510.9

The Company does not have any significant balances that are past due nor any significant expected credit losses. The Company's credit risk is discussed in Note 30.

The carrying amounts of trade and other receivables are denominated as follows:

Currency	December 31, 2025	December 31, 2024
USD	683.3	365.0
CLP	95,661.1	93,826.7
CAD	19.4	37.8
SEK	—	100.0
BRL	121.4	94.6
ARS	97.5	621.6

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7. INVENTORIES

Inventories are comprised of the following:

	December 31, 2025	December 31, 2024
Materials and supplies	\$ 297.1	\$ 279.4
Ore stockpiles and dump leach	222.8	188.8
Finished goods - concentrate stockpiles	48.7	116.6
Finished goods - copper cathode and other	19.0	22.6
	\$ 587.6	\$ 607.4

Long-term inventories are comprised of the following:

	December 31, 2025	December 31, 2024
Ore stockpiles at Candelaria	\$ 502.8	\$ 480.9
Ore stockpiles at Chapada	217.6	299.9
Dump leach at Caserones	81.7	91.1
	\$ 802.1	\$ 871.9

As at December 31, 2025, primarily as a result of mine plan changes deprioritizing the timing of processing of stockpiles, the Company recognized a net realizable value write-down of \$99.9 million of the long-term ore stockpile at Chapada (December 31, 2024 - partial reversal of previous write-down of \$28.3 million). Included in the write-down was \$11.7 million of depreciation, depletion and amortization (December 31, 2024 - \$1.7 million reversal of depreciation, depletion and amortization).

8. CONTINGENT CONSIDERATION AND OTHER NON-CURRENT ASSETS

Other non-current assets are comprised of the following:

	December 31, 2025	December 31, 2024
Contingent consideration (Note 3)	\$ 42.8	\$ —
Marketable securities, non-current portion	22.8	10.0
Other	9.9	9.1
	\$ 75.5	\$ 19.1

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9. MINERAL PROPERTIES, PLANT AND EQUIPMENT

Mineral properties, plant and equipment ("MPP&E") are comprised of the following:

Cost	Mineral properties	Plant and equipment	Assets under construction ¹	Development project ²	Software intangible assets	Total
As at December 31, 2023	\$ 6,014.8	\$ 5,308.0	\$ 330.3	\$ 1,130.1	\$ 63.6	\$ 12,846.8
Additions	239.2	100.0	367.9	265.5	0.7	973.3
Impairment (Note 10)	(331.2)	(111.7)	(1.1)	—	—	(444.0)
Write-downs	—	—	(4.1)	(18.0)	—	(22.1)
Disposals	—	(91.5)	—	—	—	(91.5)
Transfers	68.6	285.6	(355.8)	—	1.6	—
Reclassification to assets held for sale (Note 3)	(1,720.5)	(1,009.2)	(79.3)	—	(7.2)	(2,816.2)
Effects of foreign exchange	(134.4)	(72.8)	(6.3)	—	(0.5)	(214.0)
As at December 31, 2024	4,136.5	4,408.4	251.6	1,377.6	58.2	10,232.3
Formation of Vicuña ³ (Note 4)	—	(16.5)	—	785.7	—	769.2
Additions	176.7	33.7	356.2	204.0	1.7	772.3
Impairment reversal (Note 3)	80.4	8.0	—	—	—	88.4
Disposals	(6.9)	(251.8)	(0.3)	—	—	(259.0)
Transfers	46.1	129.0	(175.2)	—	0.1	—
Reclassification to assets held for sale (Note 3)	(470.4)	(535.1)	(3.8)	—	(4.3)	(1,013.6)
As at December 31, 2025	\$ 3,962.4	\$ 3,775.7	\$ 428.5	\$ 2,367.3	\$ 55.7	\$ 10,589.6
Accumulated depreciation, depletion and amortization	Mineral properties	Plant and equipment	Assets under construction ¹	Development project ²	Software intangible assets	Total
As at December 31, 2023	\$ 3,194.1	\$ 1,910.4	\$ —	\$ —	\$ 17.0	\$ 5,121.5
Depreciation	368.2	419.6	—	—	9.3	797.1
Disposals	—	(85.2)	—	—	—	(85.2)
Reclassification to assets held for sale (Note 3)	(1,187.6)	(530.0)	—	—	(3.3)	(1,720.9)
Effects of foreign exchange	(88.2)	(36.3)	—	—	(0.3)	(124.8)
As at December 31, 2024	2,286.5	1,678.5	—	—	22.7	3,987.7
Formation of Vicuña ³ (Note 4)	—	(4.0)	—	—	—	(4.0)
Depreciation	304.5	332.0	—	—	8.3	644.8
Disposals	(2.8)	(234.7)	—	—	—	(237.5)
Reclassification to assets held for sale (Note 3)	(376.3)	(459.1)	—	—	(2.4)	(837.8)
As at December 31, 2025	\$ 2,211.9	\$ 1,312.7	\$ —	\$ —	\$ 28.6	\$ 3,553.2

¹ Represent assets under construction at the Company's operating mine sites which are currently non-depreciable.

² Assets relate to the Company's share of the Vicuña Project assets which are currently non-depreciable.

³ Formation of Vicuña movements in cost of \$769.1 million and accumulated depreciation of \$4.0 million, totaling \$773.1 million, includes the 50% interest in Filo of \$1,456.7 million less the 50% interest in Josemaria sold to BHP of \$683.6 million and are inclusive of capitalized borrowing and transaction costs.

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Net book value	Mineral properties	Plant and equipment	Assets under construction	Development project	Software intangible assets	Total
As at December 31, 2024	\$ 1,850.0	\$ 2,729.9	\$ 251.6	\$ 1,377.6	\$ 35.5	\$ 6,244.6
As at December 31, 2025	\$ 1,750.5	\$ 2,463.0	\$ 428.5	\$ 2,367.3	\$ 27.1	\$ 7,036.4

During the year ended December 31, 2025, the Company capitalized \$25.8 million (December 31, 2024 - \$37.4 million), of finance costs related to the Vicuña Project at a weighted average interest rate of 5.8% (December 31, 2024 - 6.0%).

During the year ended December 31, 2025, the Company capitalized \$166.4 million (December 31, 2024 - \$226.2 million), of deferred stripping costs to mineral properties. The depreciation expense related to deferred stripping for the year ended December 31, 2025 was \$197.4 million (December 31, 2024 - \$187.0 million). Included in the mineral properties balance at December 31, 2025 is \$0.8 million related to deferred stripping at Chapada (December 31, 2024 - \$436.3 million at Candelaria and Caserones), which is currently non-depreciable.

The Company leases various assets including power line infrastructure, buildings and storage facilities, vehicles, machinery and equipment. The following table summarizes the changes in right-of-use assets within plant and equipment:

	Net book value
As at December 31, 2023	\$ 284.0
Additions	70.8
Depreciation	(76.4)
Disposals	(2.7)
Effects of foreign exchange	(0.3)
Reclassification to assets held for sale (Note 3)	(16.1)
As at December 31, 2024	259.3
Additions	25.3
Depreciation	(65.3)
Contribution to Vicuña (Note 4)	(1.6)
Reclassification to assets held for sale (Note 3)	(8.9)
As at December 31, 2025	\$ 208.8

10. GOODWILL AND ASSET IMPAIRMENT

a) Goodwill

The Company recognized goodwill on the acquisition of Chapada, Neves-Corvo and Ojos del Salado ("Ojos"). Goodwill is allocated to the following CGUs:

	Chapada	Neves-Corvo	Ojos ¹	Total
Balance at December 31, 2023	\$ 134.3	\$ 95.6	\$ 10.7	\$ 240.6
Impairment charges	—	(90.7)	(10.7)	(101.4)
Effects of foreign exchange	—	(4.9)	—	(4.9)
Balance at December 31, 2024	134.3	—	—	134.3
Balance at December 31, 2025	\$ 134.3	\$ —	\$ —	\$ 134.3

¹ Ojos is included in the Candelaria reporting segment.

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The Company performs an impairment assessment annually, or more frequently if there are impairment indicators, for the carrying amount of its CGUs where goodwill is allocated.

The recoverable value of a CGU is determined using the FVLCD method applied by using a discounted cash flow model based on life-of-mine financial plans, and a market-based approach. Significant assumptions used by management to determine the recoverable amount include future metal prices, production based on estimated quantities of R&R, production and capital expenditures, foreign exchange rates, pricing of in-situ mineral resources implied by the market value of selected comparable transactions involving the sale of similar companies and mineral properties, and discount rates.

For the 2025 assessment, future metal prices and foreign exchange rates used in the discounted cash flow models are determined with reference to market consensus estimates observed during the fourth quarter of 2025. The valuation of recoverable amount is most sensitive to changes in metal prices, exchange rates, discount rates and pricing of in-situ mineral resources.

Production costs and capital expenditures included in the discounted cash flow models are based on operating plans which consider past and estimated future performance.

Inputs utilized in the discounted cash flow models were based on level 3 fair value measurements (Note 26), which were not based on observable market data. The R&R were based on the Company's last published estimate dated December 31, 2025. Incorporated in the FVLCD are fair value estimates developed by the Company for mineral resources not captured in the cash flow projections model. These estimates are valued using third-party market information, which includes pricing of in-situ mineral resources implied by the market value of selected comparable transactions involving the sale of similar companies and mineral properties.

Chapada

For the Chapada CGU impairment review, the Company used a FVLCD model (level 3 measurement). For the years ended December 31, 2025 and 2024, the Company determined that the recoverable amount of the Chapada CGU was higher than its carrying value, and therefore no impairment was recognized. Management applied significant judgement in estimating the recoverable amount of the Chapada CGU.

Sensitivity analysis was performed on the cash flow model for Chapada. At December 31, 2025, changes in key inputs such as metal prices (+/-5%), foreign exchange rates (+/-5%) and the discount rate (+/-1%) did not have a material impact on the result of the Company's goodwill impairment assessment.

Key assumptions for Chapada

	2025	2024
Copper price \$/lb	4.50 - 4.95	4.30 - 4.70
Gold price \$/oz	3,200 - 3,800	2,150 - 2,575
After-tax discount rate	8.0%	7.5%
BRL/\$ exchange rate	5.50	5.50
Life of mine	27 years	26 years

Neves-Corvo

An impairment charge of \$291.2 million (\$270.3 million net of tax) was recorded in December 2024 relating to the Neves-Corvo reporting segment to recognize goodwill, mining rights and mineral properties at their estimated fair value, based on the expected sales price as established by the sale to Boliden (level 2 measurement). The impairment charge includes \$90.7 million allocated to the Neves-Corvo goodwill.

Ojos

In January 2025 the Company received a notice from the Superintendencia del Medio Ambiente ("SMA"), following its investigative proceedings involving the sinkhole that occurred at the Alcaparrosa mine in 2022. The Alcaparrosa mine

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is included in the Ojos CGU. The notice levied a fine of \$3.3 million and ordered the continued closure of the Alcaparrosa mine, at which mining operations have been suspended since the incident occurred in 2022. As a result, an impairment charge of \$55.9 million (\$41.6 million net of tax) was recorded in December 2024 relating to the Ojos CGU to write off goodwill and the remaining carrying values of underground development and mine infrastructure. The impairment charge includes \$10.7 million allocated to the Ojos goodwill.

b) Other Asset Impairment

At every reporting period, the Company assesses whether there is an indication that an asset or group of assets may be impaired. When impairment indicators exist, the Company estimates the recoverable amount of the asset and compares it against the asset's carrying amount.

Suruca

In February 2025, the Company removed the Suruca gold deposit from Mineral Reserves as development is not contemplated in the current life-of-mine plan. The Suruca gold deposit is included in the Chapada segment. This was considered an indicator of impairment for the Suruca mineral property asset. An impairment of \$93.4 million (\$61.7 million net of tax) was recorded in earnings in December 2024 to reduce the carrying value of the mineral property asset to nil.

11. TRADE AND OTHER PAYABLES

Trade and other payables are comprised of the following:

	December 31, 2025	December 31, 2024
Trade payables	\$ 363.0	\$ 297.7
Unbilled goods and services	193.8	175.2
Employee benefits payable	72.9	68.8
Sinkhole provision (a)	23.2	16.9
Royalties payable	15.7	24.5
Deferred consideration, current portion (b)	10.0	10.0
Pricing provisions on concentrate sales (c)	4.5	15.5
Prepayment from customers	—	45.0
Automatic share purchase plan commitment (d)	—	3.7
Other	17.1	16.9
	\$ 700.2	\$ 674.2

- Relates to expected remediation costs and fines directly related to the sinkhole near the Company's Ojos del Salado operations. During the year ended December 31, 2025, the Company increased the provision following the notice received from Chilean State Defense Council (CDE) regarding the civil claim related to the sinkhole (Note 24).
- Relates to the current portion of the remaining deferred cash consideration arising from the Caserones acquisition, payable in installments in 2026 through 2029.
- Includes balances owing to customers and provisions arising from forward market price adjustments.
- As at December 31, 2024, the Company recorded an accrual for the repurchase of shares on the last trading day of the year that were settled during January 2025.

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12. DEBT

Debt facilities are comprised of the following:

	December 31, 2025	December 31, 2024
Candelaria and Chapada term loans (a)	\$ 180.8	\$ 245.9
Revolving credit facility (b)	56.3	264.7
Term loan (c)	—	1,147.7
Commercial paper (d)	—	98.7
Debt	237.1	1,757.0
Less: current portion	180.8	344.6
Long-term portion	\$ 56.3	\$ 1,412.4

The changes in the Company's debt facilities are comprised of the following:

As at December 31, 2023	\$ 1,208.6
Additions	1,500.6
Payments	(944.4)
Deferred financing fee	(3.6)
Financing fee amortization	2.4
Effects of foreign exchange	(6.6)
As at December 31, 2024	1,757.0
Additions	1,714.9
Payments	(3,245.2)
Deferred financing fee	(0.2)
Financing fee amortization	4.1
Effects of foreign exchange	6.5
As at December 31, 2025	237.1
Less: current portion	180.8
Long-term portion	\$ 56.3

- a) Compañía Contractual Minera Candelaria S.A. ("Candelaria mine"), a subsidiary owned 80% by the Company, which owns the Candelaria mine, holds a series of unsecured fixed term loans. During the year ended December 31, 2025, Candelaria mine obtained loans totaling \$100.0 million (December 31, 2024 - \$215.0 million) and repaid \$150.0 million (December 31, 2024 - \$115.0 million) of the outstanding loans. As at December 31, 2025, there was one term loan outstanding of \$50.0 million (December 31, 2024 - two term loans totaling \$100.0 million). The outstanding term loan accrues interest at a rate of 4.30% per annum with interest payable upon maturity in May 2026.

Mineração Maracá Indústria e Comércio S.A. ("Chapada"), a subsidiary of the Company, which owns the Chapada mine, holds a series of export-linked unsecured fixed term loans. During the year ended December 31, 2025, Chapada obtained loans totaling \$316.8 million (December 31, 2024 - \$324.2 million), and repaid \$331.9 million (December 31, 2024 - \$227.1 million) of the outstanding loans. As at December 31, 2025, there were 24 term loans outstanding at Chapada totalling \$130.8 million (December 31, 2024 - 41 term loans totalling \$145.9 million). These outstanding term loans accrue interest at rates ranging from 4.63% to 5.19% per annum with interest payable upon their maturities, ranging from January to March 2026.

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- b) The Company has a revolving credit facility of \$1,750.0 million, maturing in April 2029. The credit facility bears interest on drawn funds at rates of Term Secured Overnight Financing Rate (“Term SOFR”) plus Credit Spread Adjustment (“CSA”) of 0.10% plus an applicable margin of 1.40% to 2.55%, depending on the Company’s net leverage ratio and progress against sustainability performance targets. The facility is subject to customary covenants. During the year ended December 31, 2025, the Company drew down \$1,050.0 million (December 31, 2024 - \$340.0 million), and repaid \$1,260.0 million (December 31, 2024 - \$320.0 million). As at December 31, 2025, a principal balance of \$60.0 million (December 31, 2024 - \$270.0 million) was outstanding, with unamortized deferred financing fees of \$3.7 million (December 31, 2024 - \$5.3 million) netted against borrowings.
- c) In April 2025, the Company repaid in full the \$1,150.0 million outstanding balance of its term loan using the proceeds from sale of the Neves-Corvo and Zinkgruvan mines (Note 3). As a result of the repayment, the term loan has been extinguished and cannot be redrawn. During the year ended December 31, 2025, the remaining unamortized deferred financing fees of \$2.3 million, were recognized in finance costs.
- d) Neves-Corvo was party to three unsecured commercial paper programs with maturities ranging from May 2025 to July 2028. Pursuant to the terms of the transaction with Boliden, the Company repaid the \$102.7 million (€95.0 million) outstanding balance of the commercial papers immediately prior to the sale of Neves-Corvo and this balance was not included in the net assets disposed (Note 3). During April 2025, the program was cancelled and therefore as at December 31, 2025, \$nil principal balance (December 31, 2024 - \$98.7 million (€95.0 million)) was outstanding.

During the year ended December 31, 2025, Neves-Corvo drew down \$248.1 million (€235.0 million) from the commercial paper program (December 31, 2024 - \$271.3 million (€250.0 million)), and repaid \$353.3 million (€310.0 million) (December 31, 2024 - \$282.3 million (€260.0 million)).

The schedule of undiscounted debt obligations is as follows:

Less than one year	\$	180.8
One to five years		60.0
More than five years		—
Total undiscounted obligations as at December 31, 2025	\$	240.8
Related to continuing operations	\$	240.8
Related to discontinued operations	\$	—

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13. LEASE LIABILITIES

The following table summarizes the changes in the Company's lease liabilities:

As at December 31, 2023	\$	277.2
Additions		69.9
Payments		(93.5)
Disposals		(2.0)
Interest		24.1
Reclassified to liabilities held for sale (Note 3)		(16.3)
Effects of foreign exchange		(10.2)
As at December 31, 2024		249.2
Contribution to Vicuña (Note 4)		(1.1)
Additions		24.7
Payments		(82.4)
Interest		22.6
Reclassified to liabilities held for sale (Note 3)		(9.0)
Effects of foreign exchange		8.5
As at December 31, 2025		212.5
Less: current portion		45.6
Long-term portion	\$	166.9

Lease liabilities relate to leases on power line infrastructure, buildings and storage facilities, vehicles, machinery and equipment, which have remaining lease terms of one to twelve years and interest rates of 1.0% - 10.0% over the terms of the leases.

Certain leases relating to mine development, exploration, production and transportation equipment contain variable lease expenses based on tonnage or drilling metres. Variable lease expense for the year ended December 31, 2025 was \$87.4 million (December 31, 2024 - \$111.7 million). The Company has short-term leases related to mining equipment and office space. Short-term lease expense for the year ended December 31, 2025 was \$24.5 million (December 31, 2024 - \$27.0 million).

The schedule of undiscounted lease obligations is as follows:

Less than one year	\$	61.6
One to five years		129.8
More than five years		113.4
Total undiscounted obligations as at December 31, 2025	\$	304.8
Related to continuing operations	\$	294.0
Related to discontinued operations	\$	10.8

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14. DEFERRED REVENUE

The following table summarizes the changes in deferred revenue:

As at December 31, 2023	\$	623.2
Recognition of revenue		(78.3)
Variable consideration adjustment		(1.6)
Finance costs		34.3
Reclassified to liabilities held for sale (Note 3)		(64.3)
Effects of foreign exchange		(5.6)
As at December 31, 2024		507.7
Recognition of revenue		(67.1)
Variable consideration adjustment		(6.5)
Finance costs		26.4
As at December 31, 2025		460.5
Less: current portion		56.3
Long-term portion	\$	404.2

Consideration received under the Company's gold, silver and copper streaming agreements is deemed to be variable and can be subject to cumulative adjustments when the contractual volume to be delivered changes. As a result of changes to the Company's R&R, adjustments have been made to the deferred revenue liability for 2024 and 2025 which were recognized through revenue and finance costs.

For the year ended December 31, 2025, the Company recognized finance costs at a weighted average rate of 5.2% (2024 - 5.5%) on the deferred revenue balances.

a) Candelaria

The Company entered into a stream agreement with Franco-Nevada Corporation ("FN"), whereby the Company has agreed to sell 68% of all the gold and silver contained in production from Candelaria until 720,000 ounces ("oz") of gold and 12 million oz of silver have been delivered. Thereafter, FN will be entitled to purchase 40% of the gold and silver production from Candelaria. The Company received an up-front payment of \$648 million which is being recognized as gold and silver are delivered to FN under the contract.

For each ounce of gold and silver delivered, FN makes payments equal to the lesser of the prevailing market prices and approximately \$433/oz of gold and \$4.32/oz of silver (2024 - \$429/oz of gold and \$4.28/oz of silver), subject to a 1% annual inflationary adjustment. In 2025, approximately 51,000 oz of gold and 1,101,000 oz of silver (2024 - approximately 59,000 oz of gold and 1,225,000 oz of silver) were subject to the terms of the streaming agreement. As at December 31, 2025, approximately 654,000 oz of gold and 11,092,000 oz of silver have cumulatively been subject to the terms of the streaming agreement (2024 - 603,000 oz of gold and 9,991,000 oz of silver).

The deferred revenue balance as at December 31, 2025 at Candelaria is \$330.2 million (December 31, 2024 - \$368.0 million).

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b) Chapada mine

The Company assumed the following streaming agreements with Sandstorm Gold Ltd., now International Royalty Corporation ("IRC"), a subsidiary of Royal Gold, Inc., and Altius Minerals Corporation ("Altius") when the Chapada mine was acquired.

IRC is entitled to purchase the lesser of 3.9 million pounds ("Mlbs") or 4.2% of the payable copper produced annually from Chapada at 30% of the market price. The percentage of payable copper is subject to two reduction thresholds. Once an aggregate of 39 Mlbs has been delivered, the percentage of payable copper reduces to 3.0%. Upon delivery of 50 Mlbs of copper in aggregate, the percentage of payable copper reduces to 1.5% for the remaining life of mine. In 2025, approximately 4.2 Mlbs (2024 - 3.6 Mlbs) were delivered under this agreement. As at December 31, 2025, approximately 37.4 Mlbs (2024 - 33.2 Mlbs) have cumulatively been delivered under this agreement.

Altius is entitled to purchase 3.7% of the payable copper produced from Chapada at 30% of the market price. The percentage of payable copper is subject to two reduction thresholds. In the event of a specified expansion at Chapada, the percentage of payable copper reduces to 2.65%. Also, upon delivery of 75 Mlbs of copper in aggregate, the percentage of payable copper reduces to 1.5% for the remaining life of mine. In 2025, approximately 3.5 Mlbs (2024 - 3.3 Mlbs) were delivered under this agreement. As at December 31, 2025, approximately 36.8 Mlbs (2024 - 33.3 Mlbs) have cumulatively been delivered under this agreement.

The deferred revenue balance as at December 31, 2025 at Chapada is \$130.4 million (December 31, 2024 - \$139.7 million).

15. RECLAMATION AND OTHER CLOSURE PROVISIONS

Reclamation and other closure provisions relating to the Company's mining operations are as follows:

	Reclamation provisions	Other closure provisions	Total
Balance, December 31, 2023	\$ 497.2	\$ 47.0	\$ 544.2
Accretion	25.5	—	25.5
Changes in estimate	(31.3)	6.7	(24.6)
Changes in discount rate	(34.1)	—	(34.1)
Payments	(11.7)	(6.0)	(17.7)
Reclassification to liabilities held for sale (Note 3)	(125.5)	(8.6)	(134.1)
Effects of foreign exchange	(9.7)	(5.3)	(15.0)
Balance, December 31, 2024	310.4	33.8	344.2
Accretion	19.4	—	19.4
Changes in estimate	(5.6)	5.9	0.3
Changes in discount rate	4.9	—	4.9
Payments	(7.1)	(3.3)	(10.4)
Reclassification to liabilities held for sale (Note 3)	(73.8)	—	(73.8)
Effects of foreign exchange	—	3.6	3.6
Balance, December 31, 2025	248.2	40.0	288.2
Less: current portion	6.4	5.7	12.1
Long-term portion	\$ 241.8	\$ 34.3	\$ 276.1

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The Company expects these liabilities to be settled between 2026 and 2111. The reclamation provisions are discounted using current market pre-tax discount rates which range from 3.5% to 14.5% (December 31, 2025 - 4.3% to 14.4%).

The schedule of undiscounted reclamation and other closure payments is as follows:

Less than one year	\$	15.7
One to five years		100.7
More than five years		678.1
Total undiscounted obligations as at December 31, 2025	\$	794.5
Related to continuing operations	\$	715.1
Related to discontinued operations	\$	79.4

16. DEFERRED CONSIDERATION AND OTHER LONG-TERM LIABILITIES

Deferred consideration and other long-term liabilities are comprised of the following:

	December 31, 2025	December 31, 2024
Deferred consideration, non-current portion	\$ 99.3	\$ 102.8
Other	19.6	26.8
	\$ 118.9	\$ 129.6

Deferred consideration represents the non-current portion of the remaining cash consideration for the acquisition of the Caserones mine. The remaining deferred consideration is to be paid in three annual installments of \$10.0 million and \$100 million to be paid in July 2029.

17. SHARE CAPITAL

(a) Authorized and issued shares

Authorized share capital consists of an unlimited number of voting common shares with no par value. As at December 31, 2025, there were 854,347,591 fully paid voting common shares issued (2024 - 774,102,971 shares).

(b) Share units

The Company has a share unit ("SU") plan which provides for share unit awards to be granted by the Board of Directors to certain employees of the Company. The maximum number of SUs that are issuable under the SU plan is 14,000,000. A SU is a unit representing the right to receive one common share (subject to adjustments) issued from treasury.

The number and terms of SUs awarded will be determined by the Board of Directors based on the closing market price on the TSX of the Company's common shares on the date of the grant.

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i) *Time-vesting SUs*

During 2025, the Company granted 456,015 time-vesting SUs to employees and officers that expire in 2028. These SUs vest three years from the grant date with the number of SUs being fixed, and with no vesting conditions other than service. The fair value of the time-vesting SUs are based on the market value of the shares on the date of the grant and an estimated forfeiture rate of approximately 11% (2024 - 11%). The weighted average fair value per time-vesting SU granted during 2025 was C\$12.03 (2024 - C\$10.71). The Company incurred share-based compensation related expenditures of \$3.0 million for 2025 (2024 - \$2.9 million) with a corresponding credit to contributed surplus related to time-vesting SUs. As at December 31, 2025, there was \$3.2 million (2024 - \$4.3 million) of unamortized stock-based compensation expense related to time-vesting SUs.

ii) *Performance-vesting SUs*

During 2025, the Company granted 434,167 performance-vesting SUs to officers that expire in 2028. These SUs vest three years from the grant date with the number of SUs being variable, which can range from zero to 868,334 contingent upon achieving predetermined performance criteria related to the Company's share price over the three-year period. The fair value of the performance-vesting SUs are based on a Monte Carlo model and an estimated forfeiture rate of approximately 11% (2024 - 11%). The weighted average fair value per performance-vesting SU granted during 2025 was C\$11.74 (2024 - C\$10.71). The Company incurred share-based compensation related expenditures of \$2.6 million for 2025 (2024 - \$2.0 million) with a corresponding credit to contributed surplus related to performance-vesting SUs. As at December 31, 2025, there was \$2.8 million (2024 - \$3.2 million) of unamortized stock-based compensation expense related to performance-vesting SUs.

During 2025, 327,364 common shares (2024 - 318,679) were issued as a result of SUs being vested.

(c) **Stock options**

The Company's Stock Option Plan provides for stock option awards to be granted by the Board of Directors to certain employees of the Company. The term of any stock options granted under the Stock Option Plan may not exceed seven years from the date of grant. The maximum number of stock options that are issuable under the Stock Option Plan is 42,000,000. The vesting requirements are established by the Board of Directors.

The Company uses the fair value method of accounting for the recording of stock options. Under this method, the Company incurred share-based compensation related expenditures of \$5.5 million for 2025 (2024 - \$1.4 million) with a corresponding credit to contributed surplus.

During 2025, the Company granted 1,808,370 stock options to employees and officers that expire in 2032. The stock options vest over three years from the grant date. The Black-Scholes option pricing model used to determine the fair value of the stock options at the date of the grant assumed a dividend yield of 3%, risk-free interest rate of 2.29% to 3.70% (2024 - 2.29% to 3.70%), expected life of 3.3 years (2024 - 4.7 years) and expected price volatility of 45% (2024 - 46% to 48%). Volatility is determined using the historical daily volatility over the expected life of the options. A forfeiture rate of approximately 11% was applied (2024 - 11%). The weighted average fair value per stock option granted during 2025 was C\$3.39 (2024 - C\$2.24). As at December 31, 2025, there was \$2.3 million of unamortized stock-based compensation expense (2024 - \$0.5 million) related to stock options.

During 2025, 1,257,659 and 102,617 common shares were issued as a result of stock options and replacement options, respectively, being exercised (2024 - 2,822,650 and 109,077).

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The continuity of share-based payments outstanding is as follows:

	Number of SUs	Number of Replacement options ¹	Weighted average exercise price (C\$)	Number of options	Weighted average exercise price (C\$)
Outstanding, December 31, 2023	1,820,941	280,854	4.91	5,508,802	10.29
Granted	1,041,450	—	—	1,498,160	10.71
Forfeited	(97,683)	(10,189)	5.86	(422,539)	12.51
Exercised	(318,679)	(109,077)	4.84	(2,822,650)	9.95
Outstanding, December 31, 2024	2,446,029	161,588	4.90	3,761,773	10.46
Granted	890,182	—	—	1,808,370	12.91
Forfeited	(208,191)	(3,631)	6.46	(570,638)	13.23
Exercised	(327,364)	(102,617)	4.84	(1,257,659)	11.51
Outstanding, December 31, 2025	2,800,656	55,340	4.91	3,741,846	10.87

¹ During 2022, the Company issued 2,513,866 replacement options upon completion of the Josemaria Resources Inc. acquisition.

The following table summarizes options outstanding as at December 31, 2025:

Range of exercise prices (C\$)	Outstanding Options			Exercisable Options		
	Number of Options Outstanding ¹	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price (C\$)	Number of Options Exercisable ¹	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price (C\$)
4 to 6.99	55,340	0.2	5.05	55,340	0.2	5.05
7 to 9.99	748,201	3.8	7.99	318,803	3.9	7.99
10 to 12.99	2,864,375	5.5	11.37	417,179	4.1	11.11
13 to 16.99	129,270	4.3	15.78	67,500	2.1	14.90
	3,797,186	5.0	10.76	858,822	3.6	9.86

¹ Includes Replacement options

(d) Deferred share units

The Company has a DSU plan under which DSUs are granted by the Board of Directors quarterly to eligible non-employee Directors. During 2025, 41,772 (2024 - 33,076) DSUs were granted and 5,618 (2024 - nil) were exercised under the plan. As at December 31, 2025, there were 59,775 DSUs outstanding (2024 - 23,621).

(e) Basic and diluted weighted average number of shares outstanding

	December 31, 2025	December 31, 2024
Basic weighted average number of shares outstanding	855,632,088	774,825,230
Effect of dilutive securities	3,104,442	2,743,811
Diluted weighted average number of shares outstanding	858,736,530	777,569,041
Antidilutive securities	35,319	705,931

The effect of dilutive securities relates to in-the-money outstanding stock options and SUs.

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(f) Dividends

The Company declared dividends in the amount of \$105.6 million (2024 - \$203.0 million), or C\$0.17 per share, for the year ended December 31, 2025 (2024 - C\$0.36 per share).

(g) Normal course issuer bid

In December 2024, the Company obtained approval from the TSX for the renewal of its normal course issuer bid ("NCIB") to purchase up to 57,597,388 common shares between December 16, 2024 and December 15, 2025. Daily purchases (other than pursuant to a block purchase exemption) on the TSX under the NCIB are limited to a maximum of 560,989 common shares. In connection with the NCIB renewal, the Company entered into an automatic share purchase plan ("ASPP") with its broker to allow for the purchase of common shares at times when the Company ordinarily would not be active in the market due to trading blackout periods, insider trading rules or otherwise.

In December 2025, the Company obtained approval from the TSX for the renewal of its NCIB to purchase up to 67,723,868 common shares between December 16, 2025 and December 15, 2026. Daily purchases (other than pursuant to a block purchase exemption) on the TSX under the NCIB are limited to a maximum of 624,337 common shares. In connection with the NCIB renewal, the Company entered into an ASPP with its broker under the same terms as the ASPP entered in December 2024.

During the year ended December 31, 2025, 15,088,180 shares (2024 - 2,815,200 shares) were purchased under the NCIB at an average price of C\$14.05 per share (2024 - C\$12.33 per share) for total consideration of \$150.0 million (2024 - \$24.4 million). All of the common shares purchased were cancelled in 2025 and 2024. As at December 31, 2024, the Company recorded an accrual of \$3.7 million in trade and other payables due to the timing of settlement of the repurchase of 429,800 shares on the last trading day of the year which were settled during January 2025.

18. NON-CONTROLLING INTERESTS AND JOINT OPERATIONS

a) Non-controlling interests

Set out below is summarized financial information for each subsidiary with non-controlling interest ("NCI") that is material to the group. As part of its Candelaria segment, the Company owns 80% of the Candelaria mine and Compañía Contractual Minera Ojos del Salado S.A.'s ("Ojos") copper mining operations and supporting infrastructure in Chile (together the "Candelaria complex").

On July 2, 2024, the Company exercised its option to acquire an additional 19% interest in the issued and outstanding equity of SCM Minera Lumina Copper Chile ("Lumina Copper"), bringing the Company's ownership in Caserones from 51% to 70% and reducing the NCI to 30%.

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The continuity of the Company's non-wholly owned subsidiaries with material NCI is as follows:

	Candelaria complex		Caserones mine		Total
NCI in subsidiary at December 31, 2025	20%		30% ¹		
As at December 31, 2023	\$	594.8	\$	862.0	\$ 1,456.8
Acquisition of additional interest in Caserones		—		(353.5)	(353.5)
Share of net comprehensive income		71.4		70.9	142.3
Distributions		(86.0)		(66.0)	(152.0)
As at December 31, 2024		580.2		513.4	1,093.6
Share of net comprehensive income		96.2		274.5	370.7
Distributions		(60.0)		(78.0)	(138.0)
As at December 31, 2025	\$	616.4	\$	709.9	\$ 1,326.3

¹ Prior to July 2, 2024, NCI in Caserones was 49%.

Summarized financial information for the Company's non-wholly owned subsidiaries on a 100% basis, before inter-company eliminations is as follows:

Summarized Balance Sheets

	Candelaria complex		Caserones mine	
	As at Dec. 31, 2025	As at Dec. 31, 2024	As at Dec. 31, 2025	As at Dec. 31, 2024
Total current assets	\$ 824.4	\$ 627.0	\$ 760.7	\$ 600.3
Total non-current assets	\$ 3,002.0	\$ 3,070.3	\$ 2,043.8	\$ 1,563.1
Total current liabilities	\$ 406.2	\$ 452.6	\$ 326.4	\$ 298.4
Total non-current liabilities	\$ 643.0	\$ 611.1	\$ 218.0	\$ 231.9

Summarized Statements of Earnings and Comprehensive Income

	Candelaria complex		Caserones mine	
	2025	2024	2025	2024
For the year ended December 31,				
Total revenue	\$ 2,081.4	\$ 1,858.9	\$ 1,533.3	\$ 1,147.7
Net earnings	\$ 479.2	\$ 355.2	\$ 915.2	\$ 171.9
Net comprehensive income	\$ 479.4	\$ 355.3	\$ 915.2	\$ 171.9

Summarized Statement of Cash Flows

	Candelaria complex		Caserones mine	
	2025	2024	2025	2024
For the year ended December 31,				
Cash provided by operating activities	\$ 360.5	\$ 745.2	\$ 643.8	\$ 438.1
Cash used in investing activities	(239.8)	(269.0)	(152.8)	(136.7)
Cash used in financing activities	(120.6)	(377.0)	(141.8)	(313.5)
Increase (decrease) in cash and cash equivalents during the period	\$ 0.1	\$ 99.2	\$ 349.2	\$ (12.1)

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b) Joint operations

Set out below is summarized financial information for the Vicuña joint operation on a 50% basis:

Summarized Balance Sheets (50% share)

	December 31, 2025	January 15, 2025
Total current assets	\$ 30.6	\$ 25.7
Total non-current assets	\$ 2,327.0	\$ 2,148.2
Total current liabilities	\$ 43.5	\$ 20.7
Total non-current liabilities	\$ 7.6	\$ 3.1

Summarized Statements of Loss and Comprehensive Loss (50% share)

	2025 ¹
Net loss	\$ (3.9)
Net comprehensive loss	\$ (3.9)

Summarized Statement of Cash Flows (50% share)

	2025 ¹
Cash provided by operating activities	\$ 0.3
Cash used in investing activities	(164.2)
Cash used in financing activities	(1.2)
Decrease in cash and cash equivalents during the period	\$ (165.1)

¹ Includes financial results between the date of formation, January 15, 2025 and December 31, 2025.

19. REVENUE

The Company's analysis of revenue from contracts with customers, segmented by product, is as follows:

	2025	2024
Revenue from contracts with customers:		
Copper	\$ 3,161.7	\$ 2,754.3
Gold	407.1	295.3
Molybdenum	90.2	136.8
Silver	64.4	47.4
Other	18.0	28.5
	3,741.4	3,262.3
Provisional pricing adjustments on current year concentrate sales	268.8	(9.1)
Provisional pricing adjustments on prior year concentrate sales	43.0	16.9
Revenue	\$ 4,053.2	\$ 3,270.1

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The Company's geographical analysis of revenue from contracts with customers, segmented based on the destination of product, is as follows:

	2025	2024
Revenue from contracts with customers:		
Japan	\$ 1,222.0	\$ 1,122.7
China	1,143.4	1,066.2
Spain	679.7	557.0
USA	265.5	—
Germany	184.7	129.8
Finland	125.2	100.0
Chile	—	169.4
Other	120.9	117.2
	3,741.4	3,262.3
Provisional pricing adjustments on current year concentrate sales	268.8	(9.1)
Provisional pricing adjustments on prior year concentrate sales	43.0	16.9
Revenue	\$ 4,053.2	\$ 3,270.1

Revenue from contracts with customers related to continuing operations for the year ended December 31, 2025 includes an increase of \$5.0 million (2024 - increase of \$4.2 million) due to variable consideration adjustments.

Provisional pricing adjustments on prior year concentrate sales include adjustments on pricing from sales during 2024. During the three months ended December 31, 2025, provisional pricing adjustments on current and prior period concentrate sales were \$90.2 million positive and \$82.5 million positive, respectively.

20. PRODUCTION COSTS

The Company's production costs are comprised of the following:

	2025	2024
Direct mine and mill cost	\$ 1,780.7	\$ 1,639.0
Transportation	95.3	91.3
Royalties	72.1	56.4
Total production costs	\$ 1,948.1	\$ 1,786.7

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21. GENERAL AND ADMINISTRATIVE EXPENSES

The Company's general and administrative expenses are comprised of the following:

	2025		2024
Salaries and benefits	\$ 26.7	\$	23.9
Office related expenses	11.5		14.0
Consulting	11.0		10.6
Stock-based compensation	12.4		6.6
Insurance	0.9		1.3
Other	1.4		1.9
Total general and administrative expenses	\$ 63.9	\$	58.3

22. EXPLORATION AND BUSINESS DEVELOPMENT

The Company's exploration and business development costs are comprised of the following:

	2025		2024
General exploration	\$ 38.1	\$	35.5
Project development	4.6		5.3
Corporate development	0.8		1.3
Total exploration and business development	\$ 43.5	\$	42.1

23. FINANCE INCOME AND COSTS

The Company's finance income and costs are comprised of the following:

	2025		2024
Interest income	\$ 14.6	\$	16.1
Interest expense and bank fees	(47.0)		(100.9)
Accretion expense on reclamation provisions	(15.5)		(18.7)
Lease liability interest	(21.7)		(22.7)
Deferred revenue finance costs	(14.8)		(4.9)
Other	(6.1)		(6.6)
Total finance costs, net	\$ (90.5)	\$	(137.7)
Finance income	\$ 14.6	\$	16.1
Finance costs	(105.1)		(153.8)
Total finance costs, net	\$ (90.5)	\$	(137.7)

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24. OTHER INCOME AND EXPENSE

The Company's other income and expense are comprised of the following:

	2025	2024
Realized losses on derivative contracts (Note 26)	\$ (37.2)	\$ (2.1)
Unrealized gains (losses) on derivative contracts (Note 26)	29.0	(85.2)
Loss on disposal of assets	(20.9)	(8.3)
Foreign exchange (loss) gain (a)	(15.5)	32.8
Revaluation of marketable securities	14.9	7.4
Ojos del Salado sinkhole (expenses) recovery (b)	(10.9)	9.5
Foreign exchange and trading gains on debt and equity investments (c)	3.4	28.3
Gain on partial disposal and contribution to Vicuña	3.0	—
Revaluation of Caserones purchase option (d)	—	11.7
Write-down of assets	—	(22.1)
Other (expense) income	(18.2)	6.1
Total other expense, net	\$ (52.4)	\$ (21.9)

- a) Foreign exchange (loss) gain during the year ended December 31, 2025 and 2024, primarily relate to the foreign exchange revaluation of trade payables and lease liabilities held in foreign currencies.
- b) Ojos del Salado sinkhole (expenses) recovery during the year ended December 31, 2025 and 2024 include adjustments to expenses previously accrued, as a result of updated information related to the sinkhole near the Company's Ojos del Salado operations.
- c) Foreign exchange and trading gains on debt and equity investments include the changes in fair value of debt and equity instruments supporting capital funding for the Josemaria project prior to the formation of Vicuña.
- d) The Caserones purchase option was revalued at each reporting period up to the date of exercise, with changes in fair value recorded in Other Income and Expense. The purchase option was exercised on July 2, 2024.

25. CURRENT AND DEFERRED INCOME TAXES

	2025	2024
Current Tax Expense:		
Current tax on net taxable earnings	\$ 304.4	\$ 290.4
Adjustments in respect of prior years	(4.7)	4.5
Current tax expense	299.7	294.9
Deferred tax recovery	(569.7)	(36.1)
Total tax (recovery) expense	\$ (270.0)	\$ 258.8

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The tax on the Company's earnings before income tax differs from the amount that would arise using the weighted average rate applicable to earnings of the consolidated entities as follows:

	2025	2024
Earnings excluding income taxes	\$ 1,147.7	\$ 526.5
Combined basic federal and provincial rates	27.0%	27.0%
Income taxes based on Canadian statutory income tax rates	\$ 309.9	\$ 142.2
Effect of different tax rates in foreign jurisdictions	2.9	26.9
Tax calculated at domestic tax rates applicable to earnings in the respective countries	312.8	169.1
Tax effects of:		
Mining Royalty Tax	71.7	72.3
Non-deductible and non-taxable items (a)	1.9	17.0
Changes in estimates on Chilean royalty tax rate (b)	(37.8)	15.0
Adjustments in respect of prior years	5.2	(2.4)
Unrecognized deferred tax assets (c)	42.4	44.8
Foreign exchange impact on temporary differences and other translation amounts (d)	(34.2)	12.7
Recognition of previously unrecognized temporary differences (e)	(650.9)	(71.7)
Outside basis difference on investment in subsidiaries	10.9	—
Net withholding tax on accrued interest and dividends received	6.5	5.5
Other	1.5	(3.5)
Total tax (recovery) expense	\$ (270.0)	\$ 258.8

The Company operates in tax jurisdictions that have tax rates (including mining royalty tax) ranging from 15.0% to 37.7%.

- a) Includes non-deductible environmental expenses incurred at Caserones of \$51.6 million (2024 - \$47.6 million), partially offset by tax deductible interest on equity payments in Chapada of \$30.9 million (2024 - \$6.4 million) that are not reflected in the Company's earnings.
- b) The mining royalty law in Chile, which includes a 1% ad-valorem tax on sales applies to Candelaria and will become applicable for Caserones in 2028 when its tax stability agreement expires. In addition to the ad-valorem tax, both operations in Chile are expected to pay mining tax of approximately 8% - 15% on net mining income. The maximum effective tax rate for the combined mining royalty, corporate income tax and final taxes in Chile is set at 46.5%.

Due to changes in future production and mining operating margin estimates, the Company recognized \$31.2 million of deferred tax recovery at Candelaria (2024 - \$23.3 million deferred tax expense) and \$6.6 million of deferred tax recovery at Caserones (2024 - \$8.3 million).

- c) Deferred tax expense associated with temporary differences for which no deferred tax assets were recognized includes \$10.6 million at Candelaria (2024 - \$29.7 million), \$3.5 million in Canada (2024 - \$14.1 million), \$11.5 million in Bermuda (2024 - \$nil) and \$7.8 million in Switzerland (2024 - \$nil).
- d) The revaluation of non-monetary assets in Brazil from the local currency BRL to USD resulted in a deferred tax recovery of \$34.2 million at Chapada (2024 - \$51.3 million deferred tax expense).
- e) Includes the recognition of \$665.0 million of previously unrecognized deferred tax assets at Caserones (2024 - \$64.8 million), primarily related to tax losses and property plant & equipment.

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Global Minimum Top-up Tax - Pillar Two

The Company is within the scope of OECD Pillar Two model rules. Among the jurisdictions where the Company operates, Pillar Two legislation has been enacted in Sweden, Canada, Brazil and the Netherlands.

The Company applies the exception to recognizing and disclosing information about deferred tax assets and liabilities as provided by the amendments to IAS 12 in May 2023. The Company also accounts for any top up taxes as a current tax when it is incurred. The Company has performed an analysis of the Global Minimum Tax rules including country-by-country reporting (CbCR) safe harbour test, and concluded that no top-up tax was required in 2025.

Deferred tax assets (liabilities)

	December 31, 2025	December 31, 2024
Deferred tax assets	\$ 719.6	\$ 191.3
Deferred tax liabilities	(611.6)	(643.8)
Deferred tax assets (liabilities)	\$ 108.0	\$ (452.5)

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same jurisdiction, is as follows:

	As at December 31, 2024	(Expensed)/ recovered	Discontinued Operations	Effects of foreign exchange	As at December 31, 2025
Deferred tax assets:					
Loss carryforwards	\$ 153.3	\$ 516.5	\$ (6.2)	\$ —	\$ 663.6
Reclamation & other closure provisions	48.8	(7.3)	—	2.3	43.8
Leases	25.6	1.2	(2.8)	—	24.0
Sinkhole provision	6.6	1.9	—	—	8.5
Provisional pricing provision & other fair value gain/losses	18.4	(67.9)	—	(0.1)	(49.6)
Deferred tax liabilities:					
Mineral properties, plant & equipment	(444.8)	39.5	9.0	(12.1)	(408.4)
Right-of-use assets	(32.5)	5.6	3.1	(0.1)	(23.9)
Provisions	(65.9)	19.0	—	1.1	(45.8)
Mining royalty taxes	(33.2)	8.0	—	—	(25.2)
Long-term inventory	(119.8)	46.0	(0.6)	(4.0)	(78.4)
Foreign currency contracts	(7.6)	4.4	—	—	(3.2)
Other	(1.4)	2.8	—	1.2	2.6
	\$ (452.5)	\$ 569.7	\$ 2.5	\$ (11.7)	\$ 108.0

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	As at December 31, 2023	(Expensed)/ recovered	Discontinued Operations	Balance Sheet/ Equity adjustment	Effects of foreign exchange	As at December 31, 2024
Deferred tax assets:						
Loss carryforwards	\$ 58.1	\$ 96.2	\$ —	\$ —	\$ (1.0)	153.3
Reclamation & other closure provisions	62.0	5.7	(15.3)	—	(3.6)	48.8
Deferred revenue	12.8	—	(12.8)	—	—	—
Future tax credits	4.3	—	(4.3)	—	—	—
Leases	5.9	20.0	(0.3)	—	—	25.6
Sinkhole provision	6.6	—	—	—	—	6.6
Other	4.9	22.0	7.6	—	1.6	36.1
Deferred tax liabilities:						
Mineral properties, plant & equipment	(496.1)	(10.4)	44.6	—	17.1	(444.8)
Right-of-use assets	(31.3)	(1.5)	0.4	—	(0.1)	(32.5)
Provisions	(88.3)	(5.5)	30.7	—	(2.2)	(65.3)
Mining royalty taxes	(9.6)	(23.6)	—	—	—	(33.2)
Long-term inventory	(88.2)	(34.5)	9.5	—	(6.6)	(119.8)
Fair value gains	(12.8)	1.6	—	—	—	(11.2)
Foreign currency contracts	(9.2)	—	—	—	—	(9.2)
Pension provision	(0.6)	(4.8)	(1.7)	0.3	(0.1)	(6.9)
	\$ (581.5)	\$ 65.2	\$ 58.4	\$ 0.3	\$ 5.1	(452.5)

Deferred tax assets are recognized for tax loss carry-forwards and other temporary differences to the extent that the realization of the related tax benefit through future taxable profits is probable. The Company determined that it is probable that sufficient future taxable profits will be available to allow the benefit of the deferred tax assets to be utilized.

The Company did not recognize deferred tax assets of \$486.0 million (2024 - \$1,058.7 million) in respect of losses amounting to \$1,815.6 million (2024 - \$3,924.3 million) that can be applied against future taxable income.

Caserones has approximately \$3.9 billion in tax losses which can be applied to future taxable income over the mine life. A deferred tax asset of \$665.4 million has been recognized at Caserones in respect of these losses and deductible temporary differences.

Sensitivity analysis was performed on the underlying forecast taxable profits model for Caserones. A 5% reduction to forecast metal prices would decrease the deferred tax asset by approximately \$134.4 million and a 5% weakening of USD:CLP foreign exchange rate would increase the deferred tax asset by \$40.1 million.

Deferred tax liabilities have not been recognized on \$1.2 billion of taxable temporary differences from unremitted earnings of foreign subsidiaries and joint arrangements, because the Company controls when these differences reverse and does not expect them to reverse in the foreseeable future.

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26. FINANCIAL INSTRUMENTS

Derivative instruments

From time to time, the Company uses derivative contracts as part of its risk management strategy to mitigate exposure to foreign currencies and commodities. The Company maintains foreign currency forward and option contracts on CAD, BRL, and CLP foreign currencies intended to limit the foreign exchange exposure of its forecasted foreign currency denominated after-tax attributable operating and capital expenditures. Additional commodity forward swap and option contracts are used from time to time to limit exposure to changes in the price of diesel fuel purchases at Candelaria, and to limit exposure to changes in the price of gold.

The foreign exchange and commodities contracts have not been designated as hedges for purposes of hedge accounting and are measured at fair value with changes in fair value recognized in the consolidated statements of earnings.

The following tables outline the foreign currency and commodity derivative notional contract positions and their expiry dates:

	Expired in 2025	Expiring throughout: 2026
Foreign currency forward contracts		
USD/CAD forwards		
Average contract price	1.40	—
Position (USD millions)	499	—
USD/SEK forwards		
Average contract price	10.83	—
Position (SEK millions)	758	—
Foreign currency option contracts		
USD/BRL collars		
Average contract price	5.06/6.04	5.07/6.04
Position (USD millions)	185	114
USD/CLP collars		
Average contract price	872/1,032	904/1,060
Position (USD millions)	511	342
Commodity hedge contracts		
Gold collars		
Average contract price (\$/oz)	2,500/3,125	2,500/3,455
Position (koz)	62	43
Diesel collars		
Average contract price (\$/L)	0.50/0.65	—
Position (millions of litres)	54	—

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The Company's net unrealized and realized gain/(loss) on foreign currency and commodity derivative contracts are as follows:

	2025	2024
Unrealized gain (loss) on derivative financial instruments:		
Foreign currency contracts	\$ 71.4	(87.7)
Commodity hedge contracts	(42.4)	2.5
	29.0	(85.2)
Realized (loss) gain on derivative financial instruments:		
Foreign currency contracts	(13.7)	2.6
Commodity hedge contracts	(23.5)	(4.6)
	(37.2)	(2.0)
Total unrealized and realized loss on derivative contracts:	\$ (8.2)	\$ (87.2)

A summary of the fair values of unsettled derivative contracts recorded on the consolidated balance sheet is as follows:

	December 31, 2025	December 31, 2024
Foreign currency contracts:		
Current asset position	\$ 9.8	\$ —
Current liability position	2.3	39.4
Non-current liability position	—	24.5
Commodity contracts:		
Current asset position	\$ —	\$ 1.0
Non-current asset position	—	0.7
Current liability position	40.7	—

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Fair values of financial instruments

The Company's financial assets and financial liabilities have been classified into categories that determine their basis of measurement. The following table shows the carrying values, fair values and fair value hierarchy of the Company's financial instruments as at December 31, 2025 and December 31, 2024:

	Level	December 31, 2025		December 31, 2024	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Fair value through profit or loss					
Restricted funds	1	\$ 16.4	\$ 16.4	\$ 8.6	\$ 8.6
Trade receivables (provisional)	2	624.2	624.2	337.1	337.1
Marketable securities	1	30.9	30.9	60.1	60.1
Foreign currency contracts	2	9.8	9.8	—	—
Contingent consideration (Note 3)	3	85.7	85.7	—	—
Commodity contracts	2	—	—	1.6	1.6
		\$ 767.0	\$ 767.0	\$ 407.4	\$ 407.4
Financial liabilities					
Amortized cost					
Debt	3	\$ 237.1	\$ 237.1	\$ 1,757.0	\$ 1,757.0
Caserones deferred consideration	2	109.3	109.3	112.8	112.8
Fair value through profit or loss					
Pricing provisions on concentrate sales	2	\$ 2.4	\$ 2.4	\$ 7.1	\$ 7.1
Foreign currency contracts	2	2.3	2.3	63.9	63.9
Commodity contracts	2	40.7	40.7	—	—
		\$ 45.4	\$ 45.4	\$ 71.0	\$ 71.0

Fair values of financial instruments are determined by valuation methods depending on hierarchy levels as defined below:

Level 1 – Quoted market price in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted market prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. observed prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities are not based on observable market data.

The Company estimates fair values based on the following methods of valuation and assumptions:

Marketable securities/debt and equity investments/restricted funds – The fair value of investments in shares and bonds is determined based on the quoted market price.

Trade receivables/pricing provisions on concentrate sales – The fair value of trade receivables that contain provisional pricing sales arrangements are valued using quoted forward market prices. The Company recognized positive pricing adjustments of \$311.8 million in revenue during the year ended December 31, 2025 (December 31, 2024 - \$7.8 million positive pricing adjustments).

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Foreign currency and commodity contracts – The fair value of these derivatives are determined by the counterparties to the contracts and are assessed by Management using pricing models based on active market prices.

Contingent consideration – The fair value of the contingent consideration was estimated by calculating the present value of the future expected cash flows from the contingent copper and zinc payments related to the Neves-Corvo mine and Zinkgruvan mine based on probability-weighted scenarios of future copper and zinc prices.

Caserones deferred consideration – The fair value of the Caserones deferred consideration has been discounted at the estimated credit adjusted risk free rate applicable to future payments.

Debt – The fair values approximate carrying values as the interest rates are comparable to current market rates.

The carrying values of certain financial instruments maturing in the short-term approximate their fair values. These financial instruments include cash and cash equivalents, trade and other receivables other than those provisionally priced, and trade and other payables other than those provisionally priced, which are classified as amortized cost.

27. COMMITMENTS AND CONTINGENCIES

- a) The Company has capital commitments of \$327.0 million on various initiatives of which \$323.7 million and \$3.3 million relate to continuing and discontinued operations, respectively. Capital commitments of \$197.0 million are expected to be paid during 2026 of which \$193.7 million is related to continuing operations.
- b) The Company has been provided with an indemnity for any tax liabilities that may arise for periods prior to the date of the Chapada acquisition in July 2019. For identified tax claims existing at the date of acquisition, the Company has agreed to be liable for up to the first \$21.0 million (BRL 101.5 million). While the outcome of these tax claims is uncertain, no material liabilities have been accrued as the Company believes material payment is not likely due to the nature of the tax claims.
- c) In respect of the 2017 taxation year, the Canada Revenue Agency ("CRA") issued a reassessment denying the Company's 2007 election to increase the tax cost of its investment in a subsidiary. The reassessment proposes an increase in taxable income of approximately \$456 million, which would result in additional income taxes payable of approximately \$114.1 million and interest of approximately \$46.2 million. The Company filed a Notice of Objection on January 28, 2026 and will vigorously and expeditiously defend its tax filing position through CRA's Appeals Division and, if required, court proceedings. No provision has been recognized as the Company believes its filing position is in compliance with Canadian tax law.
- d) The following summarizes total tax exposure under two contradictory assessments received from the Chilean Internal Revenue Service ("IRS"). Given that the assessments relate to the same issue, the Company's potential exposure is expected to be limited to one of the below scenarios:
 - i) For taxation years 2014 through 2019, the IRS issued tax assessments denying tax deductions related to interest expenses arising from an intercompany debt. The total of all assessments amounts to \$145.6 million in taxes plus estimated interest and penalties of \$131.7 million. All tax refunds arising from the tax deductions related to the intercompany debt have been received up to December 2025.
 - ii) On the same intercompany debt for taxation years 2016 through 2019, the Company has also received assessments from the IRS seeking additional withholding taxes, including interest and penalties, on interest payments made. The total of all assessments amounts to \$114.2 million in taxes plus estimated interest and penalties of \$142.2 million.

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In November 2025, the Company received final rulings from the Second Tax and Customs Court of the Metropolitan Region of Santiago in respect of the assessments summarized above. The rulings were all in favour of the Company. Subsequently, in December 2025, the Chilean IRS filed an appeal. The Company maintains its position that the assessments are inconsistent with Chilean tax law and, therefore, without merit. The Company does not expect further assessments to be issued related to this tax matter, as the intercompany loan was amended in 2020 with an interest rate accepted by the IRS.

- e) The Company may be involved in legal proceedings arising in the ordinary course of business, including the actions described below. The potential amount of the liability with respect to such legal proceedings is not expected to materially affect the Company's financial position. The Company believes the claims to be without merit and the loss, if any, cannot be determined at this time for all contingencies. The Company has accordingly not accrued any amounts related to the litigations below (unless otherwise noted). The Company intends to vigorously defend these claims.

Two proposed class actions were filed against the Company and certain officers and directors. The first, in the province of Ontario, on December 7, 2017 (*Markowich v. Lundin Mining Corporation et al*) and a second overlapping action in the province of Québec on January 18, 2018 (*Prévreau v. Lundin Mining Corporation et al*). Both proposed class actions seek damages of \$132.3 million (C\$175.0 million) and punitive damages of \$7.6 million (C\$10.0 million) and assert various statutory and other claims related to, among other things, alleged misrepresentations and/or failure to make timely disclosure of material information about the Company's business and operations and, in particular, the operations of the Candelaria mine and a rock slide at the Candelaria mine on October 31, 2017. The proposed Ontario class action asserts claims on behalf of a putative class comprising persons who acquired securities of the Company between October 25, 2017, and November 29, 2017, whereas the proposed Québec class action asserts claims on behalf of only such persons who are resident or domiciled in Québec. In June 2018, counsel to the plaintiffs in the Québec action agreed to a stay (i.e., indefinite cessation) of that proceeding in light of the Ontario action. On August 30, 2018, the Québec Superior Court, on consent of the parties, stayed the Québec action indefinitely. On September 2, 2020, the plaintiff in the Ontario action served motion materials for leave and certification with the Ontario Superior Court of Justice. On January 6, 2022, the Ontario Superior Court of Justice denied the leave application and declined the motion for certification. On May 24, 2023, the Ontario Court of Appeal granted the plaintiff's appeal of this decision. In August 2023, the defendants filed an application for leave to appeal the Ontario Court of Appeal decision to the Supreme Court of Canada, which leave to appeal was granted on March 25, 2024. On November 28, 2025, the Supreme Court of Canada upheld the 2023 Ontario Court of Appeal decision allowing the certified class action to proceed before the Ontario Superior Court of Justice. There has been no decision on the merits of the case, and the Company intends to vigorously defend the action.

- f) Pursuant to the Definitive Agreement (Note 3), the Company provides financial assurances for the reclamation and closure of Eagle mine.

28. SEGMENTED INFORMATION

The Company is engaged in mining, exploration and development of mineral properties at three operating sites located in Chile and Brazil, and at Vicuña in Argentina and Chile. Operating segments are reported in a manner consistent with the internal reporting provided to the executive leadership team who act as the operating decision-makers. The chief operating decision makers consider the business from a site and project-level perspective. Executive management are responsible for allocating resources and assessing performance of the operating segments. The Company has identified four reportable segments which include three operating sites, and the Vicuña Project. The Vicuña segment is an independently managed joint arrangement and includes the legacy Josemaria segment for periods up until January 15, 2025 and the Company's 50% share of the Josemaria project and Filo del Sol project after that date (Note 4). Discontinued operations include results from the Eagle, Neves-Corvo and Zinkgruvan segments (Note 3).

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For the year ended December 31, 2025	Candelaria	Caserones	Chapada	Vicuña ¹	Other	Total	Discontinued	Total
	Chile	Chile	Brazil	Argentina & Chile		Continuing Operations	Operations	
Revenue	\$ 1,769.0	\$ 1,618.9	\$ 665.3	\$ —	\$ —	\$ 4,053.2	\$ 409.3	\$ 4,462.5
Cost of goods sold								
Direct mine and mill costs	(738.0)	(777.1)	(262.7)	—	(2.9)	(1,780.7)	(236.8)	(2,017.5)
Transportation	(30.2)	(35.5)	(29.6)	—	—	(95.3)	(27.2)	(122.5)
Royalties	(15.7)	(41.9)	(14.5)	—	—	(72.1)	(13.8)	(85.9)
Depreciation, depletion and amortization	(300.0)	(212.2)	(106.2)	—	(0.5)	(618.9)	(22.3)	(641.2)
Inventory write-down	—	—	(88.2)	—	—	(88.2)	—	(88.2)
Gross profit (loss)	685.1	552.2	164.1	—	(3.4)	1,398.0	109.2	1,507.2
General and administrative expenses	—	—	—	—	(63.9)	(63.9)	—	(63.9)
Exploration and business development	(8.4)	(21.9)	(4.7)	(4.2)	(4.3)	(43.5)	(6.9)	(50.4)
Finance (costs) income	(19.4)	(20.1)	(23.3)	1.0	(28.7)	(90.5)	(9.0)	(99.5)
Other (expense) income	(55.0)	(19.0)	(9.0)	—	30.6	(52.4)	40.1	(12.3)
Gain on disposal of subsidiaries	—	—	—	—	—	—	106.3	106.3
Asset impairment	—	—	—	—	—	—	22.7	22.7
Income tax (expense) recovery	(235.1)	497.8	—	(12.2)	19.5	270.0	(26.6)	243.4
Net earnings (loss)	\$ 367.2	\$ 989.0	\$ 127.1	\$ (15.4)	\$ (50.2)	\$ 1,417.7	\$ 235.8	\$ 1,653.5
Capital expenditures	\$ 246.0	\$ 156.3	\$ 99.2	\$ 182.8	\$ 0.3	\$ 684.6	\$ 79.2	\$ 763.8
Total non-current assets⁽²⁾	\$ 2,997.8	\$ 1,336.2	\$ 1,240.2	\$ 2,392.6	\$ 6.0	\$ 7,972.8	\$ —	\$ 7,972.8

¹ The Vicuña segment includes the legacy Josemaria segment for periods up until January 15, 2025 and the Company's 50% share of the Vicuña Project after that date (Note 4).

² Non-current assets include long-term inventory, mineral properties, plant and equipment, and goodwill.

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For the year ended December 31, 2024	Candelaria	Caserones	Chapada	Vicuña ¹	Other	Total	Discontinued	Total
	Chile	Chile	Brazil	Argentina & Chile		Continuing Operations	Operations	
Revenue	\$ 1,618.9	\$ 1,153.6	\$ 497.6	\$ —	\$ —	\$ 3,270.1	\$ 847.3	\$ 4,117.4
Cost of goods sold								
Direct mine and mill costs	(679.9)	(709.4)	(248.5)	—	(1.2)	(1,639.0)	(501.1)	(2,140.1)
Transportation	(31.0)	(34.7)	(25.6)	—	—	(91.3)	(44.7)	(136.0)
Royalties	(15.7)	(32.1)	(8.6)	—	—	(56.4)	(11.4)	(67.8)
Depreciation, depletion and amortization	(313.1)	(184.1)	(76.5)	—	(0.5)	(574.2)	(188.9)	(763.1)
Reversal of inventory write-down	—	—	26.6	—	—	26.6	—	26.6
Gross profit (loss)	579.2	193.3	165.0	—	(1.7)	935.8	101.2	1,037.0
General and administrative expenses	—	—	—	—	(58.3)	(58.3)	—	(58.3)
Exploration and business development	(10.2)	(14.8)	(5.6)	(8.3)	(3.2)	(42.1)	(16.0)	(58.1)
Finance (costs) income	(26.9)	(17.3)	(25.7)	21.5	(89.3)	(137.7)	(13.4)	(151.1)
Other (expense) income	14.9	37.6	3.8	7.3	(85.5)	(21.9)	(11.0)	(32.9)
Goodwill and asset impairment	(55.9)	—	(93.5)	—	—	(149.4)	(396.1)	(545.5)
Partial suspension of underground operations cost	—	—	—	—	—	—	(36.1)	(36.1)
Income tax (expense) recovery	(237.9)	(0.9)	(62.2)	50.1	(7.9)	(258.8)	42.5	(216.3)
Net earnings (loss)	\$ 263.2	\$ 197.9	\$ (18.2)	\$ 70.6	\$ (245.9)	\$ 267.6	\$ (328.9)	\$ (61.3)
Capital expenditures	\$ 275.7	\$ 144.0	\$ 107.8	\$ 258.2	\$ 0.4	\$ 786.1	\$ 176.2	\$ 962.3
Total non-current assets ⁽²⁾	\$ 3,063.8	\$ 1,374.7	\$ 1,290.0	\$ 1,408.2	\$ 6.6	\$ 7,143.3	\$ 107.5	\$ 7,250.8

¹ The Vicuña segment includes the legacy Josemaria segment for periods up until January 15, 2025 and the Company's 50% share of the Vicuña Project after that date (Note 4).

² Non-current assets include long-term inventory, mineral properties, plant and equipment, and goodwill.

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29. RELATED PARTY TRANSACTIONS

- a) **Key management personnel** - The Company has identified its directors and senior officers as its key management personnel. Employee benefits for key management personnel are as follows:

	2025		2024
Wages, salaries and pension benefits	\$ 7.8	\$	7.4
Share-based compensation	4.2		2.2
	\$ 12.0	\$	9.6

- b) **Other related parties** - For the year ended December 31, 2025, the Company incurred \$7.3 million (December 31, 2024 – \$8.4 million), and no receipt of refunds (December 31, 2024 – \$2.1 million) for services provided by companies owned by members of key management personnel primarily relating to office rental and transportation. For the year ended December 31, 2025, the Company incurred \$2.2 million (December 31, 2024 – \$2.6 million), for services provided by the Lundin Foundation, a not-for-profit organization supporting community economic development programs and related initiatives in the regions in which the Company operates.

30. MANAGEMENT OF FINANCIAL RISK

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, foreign exchange risk, commodity price risk and interest rate risk.

(a) Credit risk

The exposure to credit risk arises through the failure of a customer or another third party to meet its contractual obligations to the Company. The Company believes that its maximum exposure to credit risk as at December 31, 2025 is the carrying value of its trade and other receivables.

Concentrate and cathodes produced at the Company's mines is sold to a number of strategic customers with whom the Company has established long-term relationships. Limited amounts of concentrate are occasionally sold to commodity traders, under prevailing market conditions. Payment terms vary and provisional payments are normally received when concentrate or copper cathodes have been placed on board a vessel for shipment or delivered to a location specified by the customer, in accordance with industry practice, with final settlement up to six months following the date of shipment. Sales to commodity traders are made against secure payment terms such as a letter of credit, pre-payment or payment against shipping documents. Credit worthiness of customers is reviewed by the Company on an annual basis or more frequently, if warranted, and those not meeting certain credit criteria may be asked to make 100% provisional payment up-front or provide an acceptable payment instrument such as a letter of credit. The failure of any of the Company's strategic customers could have a material adverse effect on the Company's financial position. For the year ended December 31, 2025, the Company has four customers that individually account for 10% or more of the Company's total sales. The Company's largest customers represent approximately 16%, 16%, 14%, and 10% of total sales (2024 - four customers representing 20%, 14%, 13%, and 11% of total sales).

With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash equivalents, restricted funds, marketable securities and equity investments, and foreign currency contracts, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Company limits material counterparty credit risk on these assets by dealing with financial institutions with long-term credit ratings with Standard & Poor's of at least A, or the equivalent thereof with Moody's, or those which have been otherwise approved.

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(b) Liquidity risk

The Company has in place a planning and forecasting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there is sufficient available capital to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents. The Company has a revolving credit facility in place to assist with meeting its cash flow needs as required (Note 12).

The maturities of the Company's non-current liabilities are disclosed in Note 12 and Note 27. All current liabilities are due to be settled within one year.

(c) Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currencies, primarily with respect to CLP, BRL, and ARS.

The Company's risk management strategy is to manage cash flow risk related to foreign denominated cash flows. The Company is exposed to currency risk related to changes in rates of exchange between foreign denominated balances and the functional currencies of the Company's principal operating subsidiaries. The Company's revenues are denominated in US dollars, while most of the Company's operating and capital expenditures are denominated in the local currencies. The Company may, at its discretion, use forward or derivative contracts to manage its exposure to foreign currencies, the use of which is subject to appropriate approval procedures. A significant change in the currency exchange rates between the US dollar and foreign currencies could have a material effect on the Company's net earnings and other comprehensive income.

The following table illustrates the estimated impact a 10% US dollar change against the CLP and BRL would have on pre-tax earnings as a result of translating the Company's foreign denominated financial instruments as at December 31, 2025 before the impact of derivative contracts:

Currency	Change	Effect on Pre-Tax Earnings	Change	Effect on Pre-Tax Earnings
CLP	+10%	\$(23.9)	-10%	\$23.9
BRL	+10%	\$(2.4)	-10%	\$2.4

(d) Commodity price risk

The Company is subject to price risk associated with fluctuations in the market prices for metals. A significant change in metal prices could have a material effect on the Company's revenues.

The Company may, at its discretion, use forward or derivative contracts to manage its exposure to changes in commodity prices, the use of which is subject to appropriate approval procedures. The Company is also subject to price risk on the final settlement of its provisionally priced trade receivables.

The following table illustrates the sensitivity of the Company's risk on final settlement of its provisionally priced trade receivables:

Metal	Payable metal	Provisional price on December 31, 2025	Change	Effect on Revenue (\$millions)
Copper	80,435t	\$5.64/lb	+/-10%	+/-100.0
Gold	32koz	\$4,343/oz	+/-10%	+/-13.8
Molybdenum	619t	\$23.30/lb	+/-10%	+/-3.2

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(e) Interest rate risk

The Company's exposure to interest rate risk arises from the interest rate impact on its cash and cash equivalents, restricted funds, and debt facilities. Certain of the Company's debt facilities include a variable rate component such as references to Term SOFR on the revolving credit facility, as well as applicable credit spreads depending on the Company's net leverage ratio.

As at December 31, 2025, holding all other variables constant, a 1% change in the interest rate would result in an approximate \$2.4 million change in interest expense on an annualized basis (2024 - \$12.5 million).

31. MANAGEMENT OF CAPITAL RISK

The Company's objectives when managing its capital include ensuring a sufficient combination of positive operating cash flows and debt and equity financing in order to meet its ongoing capital development and exploration programs in a way that maximizes the shareholder return given the assumed risks of its operations while, at the same time, safeguarding the Company's ability to continue as a going concern. The Company considers the following items as capital: excess cash balances, debt, lease liabilities, and share capital.

Through the ongoing management of its capital, the Company will modify the structure of its capital based on changing economic conditions in the jurisdictions in which it operates. In doing so, the Company may issue new shares or debt, buy back issued shares, or pay off any outstanding debt. The Company continuously monitors its capital structure to determine the appropriateness of paying dividends.

Planning, including life-of-mine plans, annual budgeting and controls over major investment decisions are the primary tools used to manage the Company's capital. Updates are made as necessary to both capital expenditure and operational budgets in order to adapt to changes in risk factors of proposed expenditure programs and market conditions within the mining industry.

32. SUPPLEMENTARY CASH FLOW INFORMATION

	2025	2024
Changes in non-cash working capital items consist of:		
Trade and income taxes receivable, and other current assets	\$ (348.9)	\$ 160.0
Inventories	(39.1)	(72.0)
Trade and income taxes payable, and other current liabilities	(26.0)	133.7
	\$ (414.0)	\$ 221.7
Operating activities included the following cash payments:		
Income taxes paid	\$ 396.4	\$ 184.4

33. SUBSEQUENT EVENT

On January 9, 2026, the Company completed the sale of Eagle mine to Talon (Note 3).