

*A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces and territories of Canada, except Québec, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.*

*This preliminary short form prospectus is a base shelf prospectus. This short form prospectus has been filed under legislation in each of the provinces and territories of Canada, except Québec, that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Sheila Colman, Vice President, Legal and Corporate Secretary, at 885 West Georgia Street, Suite 2000, Vancouver, British Columbia, V6C 3E8, telephone: 604-689-7842 and are also available electronically at [www.sedar.com](http://www.sedar.com).*

*The securities offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act) except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state laws. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution."*

## PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS

*New Issue*

**December 11, 2017**

**LUNDIN GOLD INC.**

The logo for LUNDIN GOLD features the word "LUNDIN" in blue and "GOLD" in yellow, with a stylized yellow and blue graphic element resembling a globe or a mountain range behind the text.

US\$500,000,000  
Common Shares  
Subscription Receipts  
Units  
Debt Securities  
Warrants

This prospectus relates to the offering for sale from time to time, during the 25-month period that this prospectus, including any amendments hereto, remains effective, of the securities of Lundin Gold Inc. (the "**Company**" or "**Lundin Gold**") listed above in one or more series, with a total offering price of such securities, in the aggregate, of up to US\$500,000,000 (or the equivalent thereof in Canadian dollars or one or more foreign currencies or composite currencies). The securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of the sale and set forth in an accompanying prospectus supplement.

The common shares of the Company (the "**Common Shares**") are listed for trading on the Toronto Stock Exchange (the "**TSX**") and on NASDAQ Stockholm under the symbol "LUG". On December 8, 2017, the last full trading day prior to the date hereof, the closing price of the Common Shares on the TSX was C\$4.18 and on NASDAQ Stockholm was SEK27.40. Unless otherwise specified in an applicable prospectus supplement, our subscription receipts, units, debt securities and warrants will not be listed on any securities or stock exchange or on any automated dealer quotation system. **There is currently no market through which these securities, other than our Common Shares, may be sold and purchasers may not be able to resell such securities purchased under this short form prospectus. This may affect the pricing of our securities, other than our Common Shares, in the secondary market, the transparency and availability of trading prices, the liquidity of these securities and the extent of issuer regulation. See "Risk Factors".**

**No underwriter or agent has been involved in the preparation of this prospectus or performed any review of the contents of this prospectus.**

All applicable information permitted under securities legislation to be omitted from this prospectus that has been so omitted will be contained in one or more prospectus supplements that will be delivered to purchasers together with this prospectus. Each prospectus supplement will be incorporated by reference into this prospectus for the purposes of securities legislation as of the date of the prospectus supplement and only for the purposes of the distribution of the securities to which the prospectus supplement pertains. You should read this prospectus and any applicable prospectus supplement carefully before you invest in any securities issued pursuant to this prospectus. The Company's securities may be sold pursuant to this prospectus through underwriters or dealers or directly or through agents designated from time to time at amounts and prices and other terms determined by the Company from time to time, or by the Company directly pursuant to applicable statutory exemptions. In connection with any underwritten offering of securities, the underwriters may over-allot or effect transactions which stabilize or maintain the market price of the securities offered. Such transactions, if commenced, may discontinue at any time. See "*Plan of Distribution*". A prospectus supplement will set out the names of any underwriters, dealers or agents involved in the sale of our securities, the amounts, if any, to be purchased by underwriters, the plan of distribution for such securities, including the anticipated net proceeds to the Company from the sale of such securities, the amounts and prices at which such securities are sold and, if applicable, the compensation of such underwriters, dealers or agents.

**Investment in the securities being offered is highly speculative and involves significant risks that you should consider before purchasing such securities. You should carefully review the risks outlined in this prospectus (including any prospectus supplement) and in the documents incorporated by reference as well as the information under the heading "*Cautionary Note Regarding Forward-Looking Statements*" and consider such risks and information in connection with an investment in the securities. See "*Risk Factors*".**

The head office of Lundin Gold is located at 885 West Georgia Street, Suite 2000, Vancouver, British Columbia, V6C 3E8. The registered office of Lundin Gold is located at 595 Burrard Street, Suite 2600, Three Bentall Centre, Vancouver, British Columbia, V7X 1L3.

Lukas Lundin, Non-Executive Chairman and Director; as well as Paul McRae, Pablo Jose Mir, Carmel Daniele and Charles Ashley Heppenstall, directors of the Company, reside outside of Canada and have appointed Blakes Vancouver Services Inc., c/o Blake, Cassels & Graydon LLP, 595 Burrard Street, P.O. Box 49314, Suite 2600, Three Bentall Centre, Vancouver, British Columbia, V7X 1L3 as their agent for service of process in Canada.

Each of (i) Juleen Brown, Stella Searston, Alejandro Sepúlveda and Anthony R. Maycock, each of whom is a named expert, resides outside of Canada, and (ii) Amec Foster Wheeler E&C Services Inc. ("**Amec**"), MM Consultores Limitada ("**MM Consultores**") and NCL Ingeniería y Construcción SpA ("**NCL**"), each of which is a named expert, is a company incorporated, continued or otherwise organized under the laws of a foreign jurisdiction.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See "*Agent for Service of Process*".

Investors should rely only on the information contained in or incorporated by reference into this prospectus and any applicable prospectus supplement. We have not authorized anyone to provide investors with different information. Information contained on our website shall not be deemed to be a part of this prospectus (including any applicable prospectus supplement) or incorporated by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in the securities. We will not make an offer of these securities in any jurisdiction where the offer or sale is not permitted. Investors should not assume that the information contained in this prospectus is accurate as of any date other than the date on the face page of this prospectus, the date of any applicable prospectus supplement, or the date of any documents incorporated by reference herein.

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## ABOUT THIS PROSPECTUS

You should rely only on the information contained or incorporated by reference in this prospectus or any applicable prospectus supplement and on the other information included in any registration statement of which this prospectus forms a part. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not making an offer to sell or seeking an offer to buy the securities offered pursuant to this prospectus in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this prospectus or any applicable prospectus supplement is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this prospectus or any applicable prospectus supplement or of any sale of our securities pursuant thereto. Our business, financial condition, results of operations and prospects may have changed since those dates.

Market data and certain industry forecasts used in this prospectus or any applicable prospectus supplement and the documents incorporated by reference in this prospectus or any applicable prospectus supplement were obtained from market research, publicly available information and industry publications. We believe that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. We have not independently verified such information, and we do not make any representation as to the accuracy of such information.

In this prospectus and in any prospectus supplement, unless the context otherwise requires, references to “we”, “us”, “our” or similar terms, as well as references to “Lundin Gold” or the “Company”, refer to Lundin Gold Inc. together with our subsidiaries.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains “forward-looking statements” within the meaning of Canadian securities laws concerning results and developments in our operations in future periods, planned exploration activities, the adequacy of our financial resources and other events or conditions that may occur in the future. These forward-looking statements may include statements regarding perceived merit of properties, exploration results and budgets, mineral reserves and resource estimates, work programs, capital expenditures, operating costs, cash flow estimates, production estimates and similar statements relating to the economic viability of a project, timelines, future permitting and regulatory approvals; future tax payments and rates; strategic plans, including our plans and expectations relating to the Fruta del Norte Gold Project in southeast Ecuador (the “**Fruta del Norte Project**”), completion of transactions, market prices for precious and base metals, project financing and future sources of liquidity, capital expenditures and requirements; or other statements that are not statements of fact. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute “forward-looking statements” to the extent that they involve estimates of the mineralization that will be encountered if the Fruta del Norte Project is developed.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as “expects”, “is expected”, “anticipates”, “believes”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives”, “potential”, “possible” or variations thereof or stating that certain actions, events, conditions or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements are based on a number of material assumptions, including those listed below, which could prove to be significantly incorrect:

- our ability to achieve production at the Fruta del Norte Project;
- assumptions regarding the cost, timing and availability of additional required financing;
- the assumption that Lundin Gold will be able to obtain or maintain the permits it requires and on a timely basis, and comply with the terms of any such permits;
- estimated capital costs, operating costs, production and economic returns;
- estimated commodity and metal pricing, currency exchange rates, mineability and marketability, together with other assumptions underlying mineral resource and mineral reserve estimates, as applicable;
- Lundin Gold’s expected ability to develop infrastructure and that the cost of doing so will be reasonable;
- assumptions made in the interpretation of drill results, geology, grade and continuity of mineral deposits;

- Lundin Gold's expectations regarding demand for equipment, skilled labour and services needed for exploration and development of mineral properties;
- there being no significant disruptions affecting development, whether relating to labor, supply, power, damage to equipment or other matter;
- Lundin Gold's activities will not be adversely disrupted or impeded by development, operating or regulatory risks; and
- prices for and availability of fuel, electricity, parts and equipment and other key supplies remaining consistent with current levels.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others:

- the ability to arrange financing and the risk to shareholders of dilution from future equity financings;
- risks related to carrying on business in an emerging market such as possible government instability and civil turmoil and economic instability;
- volatility in the price of gold;
- the timely receipt of regulatory approvals, permits and licenses;
- risks associated with the performance of the Company's contractors;
- risks inherent in the development of an underground mine;
- deficient or vulnerable title to mining concessions and surface rights;
- shortages of resources, such as input commodities, equipment and skilled labour, and the dependence on key personnel;
- risks associated with the Company's community relationships;
- unreliable infrastructure and local opposition to mining;
- volatility in the market price of the Company's shares;
- uncertainty with the tax regime in Ecuador;
- measures required to protect endangered species;
- difficulty complying with changing government regulations and policies, including without limitation, compliance with environment, health and safety regulations, and the cost of compliance or failure to comply with applicable laws;
- exploration and development risks;
- the accuracy of the mineral reserve and resource estimates for Fruta del Norte Project and the Company's reliance on one project;
- the Company's lack of operating history;
- illegal and artisanal mining;
- uncertainty as to reclamation and decommissioning;
- adverse global economic conditions;
- risks associated with the Company's information systems;
- the ability to obtain adequate insurance;
- risks of bribery or corruption;
- the potential for litigation;
- limits of disclosure and internal controls;
- the potential influence of the Company's largest shareholders;
- risks related to future sales or issuances of our debt or equity securities decreasing the value of our Common Shares, diluting voting power and reducing future earnings per share;
- uncertainty as to the volatility in the price of the Company's shares;
- broad discretion relating to the use of any proceeds raised hereunder;
- the Company's expectation of not paying cash dividends;
- the absence of a market through which the Company's securities, other than Common Shares, may be sold; and
- risks related to the debt securities being unsecured.

This list is not exhaustive of the factors that may affect any of our forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and our actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including,

without limitation, those referred to in this short form prospectus under the heading “Risk Factors” and in the Company’s AIF (as defined below).

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The forward-looking statements contained in this short form prospectus are based on the beliefs, expectations and opinions of management as of the date hereof. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers and investors should not place undue reliance on forward-looking statements. Lundin Gold does not intend to update forward-looking statements, except as required by law.

## DOCUMENTS INCORPORATED BY REFERENCE

**Information has been incorporated by reference in this prospectus from documents filed with the securities commissions or similar authorities in Canada.**

Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Lundin Gold at 885 West Georgia Street, Suite 2000, Vancouver, British Columbia, V6C 3E8, Canada, telephone: (604) 689-7842 or by accessing the disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (“SEDAR”), at [www.sedar.com](http://www.sedar.com).

The following documents, filed with the securities commissions or similar regulatory authorities in certain provinces and territories of Canada, except Québec are specifically incorporated by reference into, and form an integral part of, this prospectus:

- the annual information form for the fiscal year ended December 31, 2016, dated as of February 28, 2017 (the “**AIF**”);
- the management information circular of the Company dated April 20, 2017 regarding the annual general and special meeting of shareholders of the Company that was held on June 1, 2017;
- the audited annual consolidated financial statements of the Company as at and for the years ended December 31, 2016 and 2015, together with the notes thereto, and the auditor’s report thereon (the “**Annual Financial Statements**”);
- management’s discussion and analysis of financial condition and results of operations of the Company for the year ended December 31, 2016 dated February 24, 2017 (the “**Annual MD&A**”);
- the unaudited interim consolidated financial statements of the Company as at and for the nine months ended September 30, 2017, together with the notes thereto;
- management’s discussion and analysis of financial condition and results of operations of the Company for the nine months ended September 30, 2017 dated November 7, 2017 (the “**Interim MD&A**”); and
- the material change report of the Company dated June 9, 2017 announcing a project finance package of US\$400 to US\$450 million with the Orion Mine Finance Group and Blackstone Tactical Opportunities (the “**Financing**”);

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus Distributions* filed by the Company with a securities commission or similar authority in any province of Canada subsequent to the date of this prospectus and prior to the expiry of this prospectus, or the completion of the issuance of securities pursuant hereto, will be deemed to be incorporated by reference into this prospectus.

A prospectus supplement containing the specific terms of any offering of our securities will be delivered to purchasers of our securities together with this prospectus and will be deemed to be incorporated by reference in this prospectus as of the date of the prospectus supplement and only for the purposes of the offering of our securities to which that prospectus supplement pertains.

**Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained**

herein, in any prospectus supplement hereto or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of material fact or an omission to state a material fact that is required to be stated or is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

Upon our filing of a new annual information form and the related annual financial statements and management’s discussion and analysis with applicable securities regulatory authorities during the duration of this prospectus, the previous annual information form, the previous annual financial statements and management’s discussion and analysis and all interim financial statements, supplemental information, material change reports and information circulars filed prior to the commencement of our financial year in which the new annual information form is filed will be deemed no longer to be incorporated into this prospectus for purposes of future offers and sales of our securities under this prospectus. Upon interim consolidated financial statements and the accompanying management’s discussion and analysis and material change report being filed by us with the applicable securities regulatory authorities during the duration of this prospectus, all interim consolidated financial statements and the accompanying management’s discussion and analysis filed prior to the new interim consolidated financial statements shall be deemed no longer to be incorporated into this prospectus for purposes of future offers and sales of securities under this prospectus.

References to our website in any documents that are incorporated by reference into this prospectus do not incorporate by reference the information on such website into this prospectus, and we disclaim any such incorporation by reference.

#### FINANCIAL AND EXCHANGE RATE INFORMATION

The financial statements of the Company incorporated by reference in this prospectus have been prepared in accordance with IFRS and are reported in U.S. dollars.

Unless otherwise indicated, all references to “\$”, “US\$”, U.S.\$ or “dollars” in this prospectus refer to U.S. Dollars. References to “C\$” in this prospectus refer to Canadian Dollars. References to “SEK” in this prospectus refer to Swedish krona.

The following table sets forth (i) the rate of exchange for the Canadian dollar, expressed in U.S. dollars and Swedish krona, in effect at the end of the periods indicated; (ii) the average exchange rates for the Canadian dollar, expressed in U.S. dollars and Swedish krona, during such periods; and (iii) the high and low exchange rates for the Canadian dollar, expressed in U.S. dollars and Swedish krona, during such periods, each based on the noon rate of exchange as reported by the Bank of Canada for conversion of Canadian dollars into U.S. dollars and Canadian dollars into Swedish krona:

	C\$ to US\$			C\$ to SEK		
	Fiscal Year Ended			Fiscal Year Ended		
	<u>Dec. 31,</u> <u>2016</u>	<u>Dec. 31,</u> <u>2015</u>	<u>Dec. 31,</u> <u>2014</u>	<u>Dec. 31,</u> <u>2016</u>	<u>Dec. 31,</u> <u>2015</u>	<u>Dec. 31,</u> <u>2014</u>
Rate at the end of period	0.7448	0.7225	0.8620	6.7658	6.1050	6.7431
Average rate during period	0.7500	0.7820	0.9054	6.4523	6.5974	6.1974
Highest rate during period	0.7972	0.8527	0.9422	7.0323	7.1225	6.7431
Lowest rate during period	0.6854	0.7148	0.8589	5.8858	6.0386	5.6883

The daily average exchange rates on December 8, 2017 as reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars was C\$1.00 equals US\$0.7776 and for the conversion of Canadian dollars into Swedish krona was C\$1.00 equals SEK6.5833.

## THE COMPANY

### Name, Address and Incorporation

Lundin Gold was incorporated in British Columbia in 1986 and in 2002 was continued under the *Canada Business Corporations Act* (the “CBCA”). The Company was originally engaged in the information technology sector. In 2004 the Company undertook a change of business and became a mineral exploration company. At the same time, the Company changed its name to Fortress Minerals Corp. The Company was then listed on the TSX Venture Exchange (the “TSX-V”) with the trading symbol “FST”. Subsequent to 2004, the Company became engaged in precious and base-metal mineral exploration primarily in Russia and also briefly in Mongolia and Nicaragua.

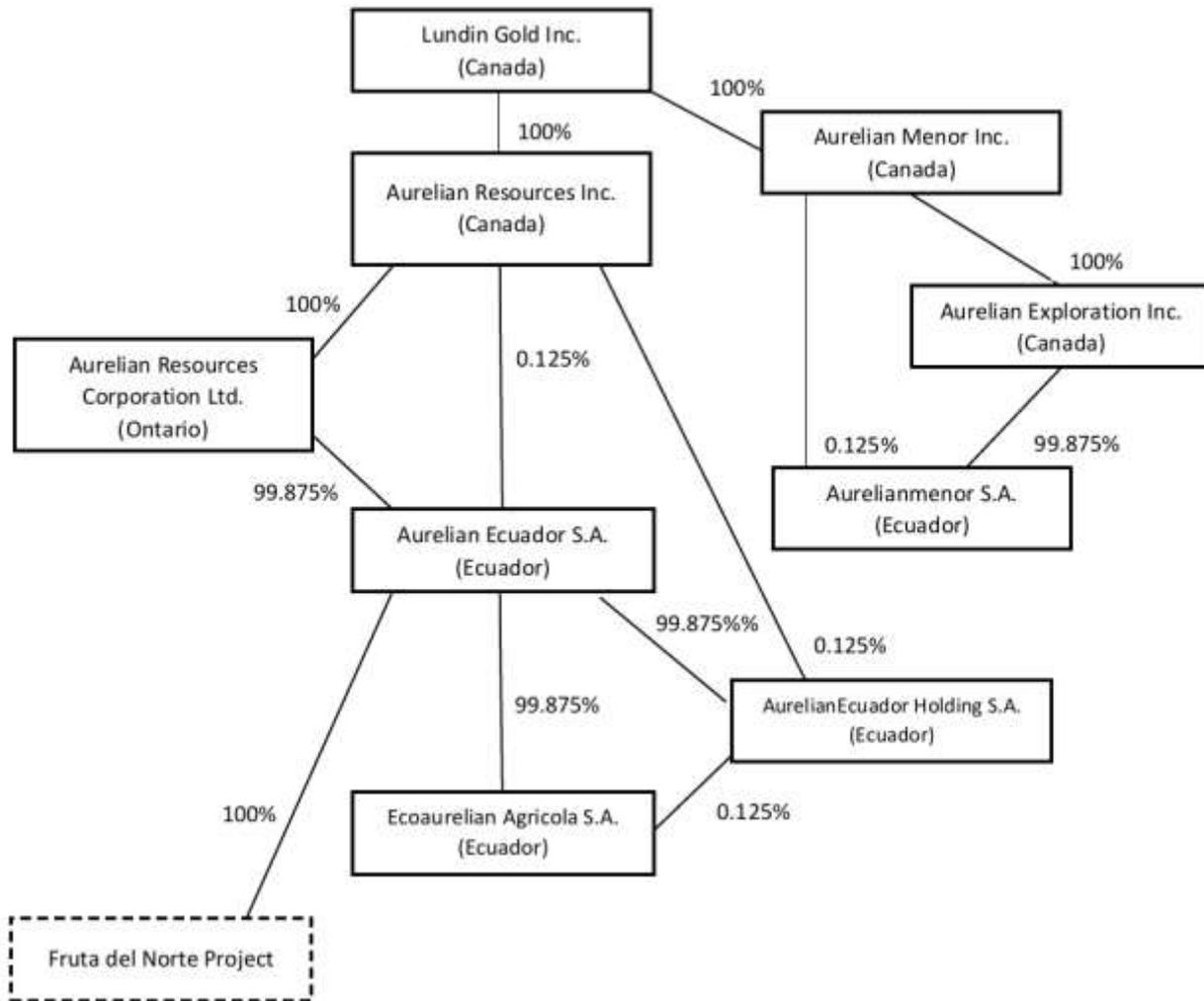
Several years later, the Company wound up its Nicaraguan and Mongolian interests, and then in 2010, the Company disposed of its Russian assets. In October 2012, the Company’s listing was transferred to the NEX board of the TSX-V (the “NEX”), and the Common Shares commenced trading on NEX under the symbol “FST.H”.

In December 2014, the Company undertook a reorganization which involved the acquisition of the Fruta del Norte Project in Ecuador, a major gold development project, from Kinross Gold Corporation, a name change to Lundin Gold Inc., an equity financing, a convertible debt offering, a graduation from NEX to the TSX and a listing on Nasdaq Stockholm under the symbol “LUG”.

The head office of Lundin Gold is located at 885 West Georgia Street, Suite 2000, Vancouver, British Columbia, V6C 3E8. The registered office of Lundin Gold is located at 595 Burrard Street, Suite 2600, Three Bentall Centre, Vancouver, British Columbia, V7X 1L3.

## Inter-Corporate Relationships

The chart below illustrates the Company's inter-corporate relationships as at the date hereof:



## Business of the Company

Lundin Gold is a Canadian mining company listed on the TSX and NASDAQ Stockholm under the symbol “LUG”. Lundin Gold owns the Fruta del Norte Project located in southeast Ecuador.

## RECENT DEVELOPMENTS

### Fruta del Norte Project Update

In May of 2017, the Company announced the start of construction of the mine development support facilities at the Fruta del Norte Project, as well as a project update based on advancing the design and estimates from the technical report entitled "*Fruta del Norte - NI 43-101 Technical Report on Feasibility Study*" with an effective date of April 30, 2016 and filed by the Company in June 2016 (the “**Feasibility Study**”). The update included a revised mine plan, updated capital and operating costs and a new execution plan based on a self-perform approach versus engineering, procurement, construction and management (“**EPCM**”).

Highlights of the project update compared to the Feasibility Study were as follows:

- Based on field investigations and improved mine design, the expected first gold production was moved forward several months, from first quarter 2020 to fourth quarter 2019;
- The mining rate is expected to ramp up quicker, over a twelve-month period, to an extraction rate of 3,500 tonnes per day (“**tpd**”) until 2022, when the extraction rate is planned to reach 3,600 tpd;
- Average annual gold production is again anticipated to exceed 300,000 ounces over 15 years (compared to 13 years in the Feasibility Study) at an average life of mine (“**LOM**”) total cash cost of \$561/oz and a LOM all-in sustaining cash cost (“**AISC**”) of \$609/oz compared to \$553/oz and \$623/oz respectively in the Feasibility Study;
- LOM production is still expected to be approximately 4.5 million ounces of gold and 5.5 million ounces of silver;
- Estimated capital cost for the Fruta del Norte Project, including contingency and pre-production costs and revenues, is \$684 million, net of taxes, compared to \$669 million in the Feasibility Study. This revised estimate includes the cost of mining equipment and the paste plant, estimated at \$58 million, previously included in sustaining capital;
- Project economics show an improvement over the Feasibility Study (in the Table below, Feasibility Study numbers shown in brackets), at the same gold and silver price assumptions used in the Feasibility Study (\$1,250/ounce of Au and \$20/ounce of Ag):

	Pre-tax	After Tax
Net Present Value at a 5% discount rate (NPV <sub>5</sub> )	\$1,323 million (\$1,283 million)	\$717 million (\$676 million)
Internal Rate of Return (IRR)	24.7% (23.8%)	16.3% (15.7%)
Capital Payback (yrs)	3.1 (3.7)	4.0 (4.5)

Notes:

1. All figures are reported on a 100% equity project basis valuation. Capital payback is calculated based on start of commercial production.
2. Economic valuation is presented using a start date of July 1, 2017.

For information with respect to the key assumptions, parameters and risks associated with the results of the Feasibility Study for the Fruta del Norte Project, the Mineral Resource and Mineral Reserve estimates included therein and other technical information, please refer to the Feasibility Study filed on SEDAR at [www.sedar.com](http://www.sedar.com).

In October of 2017, the Company announced that long-lead time processing plant equipment had been ordered for the Fruta del Norte Projects and that soft tunneling is well advanced. Additionally, the Company announced that detailed engineering contracts for the process plant, tailings facility and water management were awarded. Lundin Gold has also awarded an engineering, procurement and construction contract for the power transmission line from the Bomboiza substation to the Fruta del Norte Project.

### Update on Project Financing Package

In June of 2017, the Company announced that, following receipt of an initial draw of \$30 million on May 30, 2017, it had received an additional \$120 million under its previously announced Financing with the Orion Mine Finance Group and Blackstone Tactical Opportunities. The Financing is comprised of a gold prepay credit facility for \$150 million, a stream loan credit facility of \$150 million, an offtake agreement, and committed participation of \$100 to \$150 million to future equity financings. On December 6, 2017, the Company announced that it had drawn an additional \$40 million under the gold prepay credit facility. The Company has now received a total of \$190 million from the gold prepay credit facility and the stream loan credit facility. The remaining \$110 million is available to be drawn at the option of Lundin Gold up to the end of June 2018.

### Recent Exploration Activity

In November of 2017, the Company began an exploration drill program at the El Puma target (“**El Puma**”). El Puma is located approximately 12 kilometres south of the Fruta del Norte Project. The Company has planned 4,000 metres of diamond drilling under the program, which is expected to be completed in early 2018.

Soil sampling and two drill holes completed during the Company's 2016 exploration drilling campaign indicate that El Puma has a similar epithermal geochemical signature to the Fruta del Norte deposit.

## **RISK FACTORS**

*Investing in our securities is speculative and involves a high degree of risk due to the nature of our business and the present stage of its development. The following risk factors, as well as risks currently unknown to us, could materially adversely affect our future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company, or its business, property or financial results, each of which could cause purchasers of our securities to lose part or all of their investment. The risks set out below are not the only risks we face; risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, results of operations and prospects. Before deciding whether to invest in any securities of the Company, investors should consider carefully the risks discussed below, the risks incorporated by reference in this prospectus (including subsequently filed documents incorporated by reference) and those described in a prospectus supplement relating to a specific offering of securities.*

### **Risks Related to Our Securities**

***Future sales or issuances of debt or equity securities could decrease the value of any existing Common Shares, dilute investors' voting power and reduce our earnings per share.***

We may sell additional equity securities (including through the sale of securities convertible into Common Shares) and may issue additional debt or equity securities to finance our operations, exploration, development, acquisitions or other projects. We are authorized to issue an unlimited number of Common Shares. We cannot predict the size of future sales and issuances of debt or equity securities or the effect, if any, that future sales and issuances of debt or equity securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in our earnings per share.

***Our Common Shares are subject to various factors that have historically made share prices volatile.***

The market price of our Common Shares may be subject to large fluctuations, which may result in losses to investors. The market price of the Common Shares may increase or decrease in response to a number of events and factors, including: our operating performance and the performance of competitors and other similar companies; volatility in metal prices; the arrival or departure of key personnel; the number of Common Shares to be publicly traded after an offering pursuant to any prospectus supplement; the public's reaction to our press releases, material change reports, other public announcements and our filings with the various securities regulatory authorities; changes in earnings estimates or recommendations by research analysts who track the Common Shares or the shares of other companies in the resource sector; changes in general economic and/or political conditions; acquisitions, strategic alliances or joint ventures involving us or our competitors; and the factors listed under the heading "*Cautionary Note Regarding Forward-Looking Statements*".

The market price of the Common Shares may be affected by many other variables which are not directly related to our success and are, therefore, not within our control, including other developments that affect the market for all resource sector securities, the breadth of the public market for the Common Shares and the attractiveness of alternative investments.

### ***Use of Proceeds***

While detailed information regarding the use of proceeds from the sale of our securities will be described in the applicable prospectus supplement, we will have broad discretion over the use of the net proceeds from an offering of our securities. Because of the number and variability of factors that will determine our use of such proceeds, the Company's ultimate use might vary substantially from its planned use. You may not agree with how we allocate or spend the proceeds from an offering of our securities. We may pursue acquisitions, collaborations or other opportunities that do not result in an increase in the market value of our securities, including the market value of our Common Shares, and that may increase our losses.

***We do not intend to pay any cash dividends in the foreseeable future.***

We have not declared or paid any dividends on our Common Shares. Our current business plan requires that for the foreseeable future, any future earnings be reinvested to finance the growth and development of our business. We do not intend to pay cash dividends on the Common Shares in the foreseeable future. We will not declare or pay any dividends until such time as our cash flow exceeds our capital requirements and will depend upon, among other things, conditions then existing including earnings, financial condition, restrictions in financing arrangements, business opportunities and conditions and other factors, or our Board of Directors determines that our shareholders could make better use of the cash.

### ***Market for securities***

There is currently no market through which our securities, other than our Common Shares, may be sold and, unless otherwise specified in the applicable prospectus supplement, our subscription receipts, units, debt securities or warrants will not be listed on any securities or stock exchange or any automated dealer quotation system. As a consequence, purchasers may not be able to resell subscription receipts, units, debt securities or warrants purchased under this prospectus. This may affect the pricing of our securities, other than our Common Shares, in the secondary market, the transparency and availability of trading prices, the liquidity of these securities and the extent of issuer regulation. There can be no assurance that an active trading market will develop for the aforementioned securities, or if developed, that such a market will be sustained at the price level at which it was offered. The liquidity of the trading market in those securities, and the market price quoted of those securities, may be adversely affected, by among other things:

- changes in the overall market for those securities;
- changes in our financial performance or prospects;
- changes or perceived changes in our creditworthiness;
- the prospects for companies in the industry generally;
- the number of holders of those securities;
- the interest of securities dealers in making a market for those securities; and
- prevailing interest rates.

There can be no assurance that fluctuations in the trading price will not materially adversely impact our ability to raise equity funding without significant dilution to our existing shareholders, or at all.

### ***Unsecured Debt Securities***

Unless otherwise indicated in the applicable prospectus supplement, the debt securities will be unsecured and will rank equally in right of payment with all of our other existing and future unsecured debt. The debt securities will be effectively subordinated to all of our existing and future secured debt to the extent of the assets securing such debt. If we are involved in any bankruptcy, dissolution, liquidation or reorganization, the secured debt holders would, to the extent of the value of the assets securing the secured debt, be paid before the holders of unsecured debt securities, including the debt securities. In that event, a holder of debt securities may not be able to recover any principal or interest due to it under the debt securities. See “*Description of Debt Securities*”.

## **USE OF PROCEEDS**

Specific information about the use of proceeds from the specific issuance of any securities will be set forth in the applicable prospectus supplement.

We had negative operating cash flow for the financial year ended December 31, 2016. We anticipate that we will continue to have negative cash flow until such time, if ever, that commercial production is achieved at the Fruta del Norte Project. To the extent that we have negative operating cash flows in future periods, we may need to allocate a portion of our existing working capital to fund such negative cash flow. See “*Risk Factors*”.

## CONSOLIDATED CAPITALIZATION

There have been no material changes in our consolidated share or debt capital since September 30, 2017, the date of our financial statements for the most recently completed financial period other than the draw of an additional \$40 million from the gold prepay credit facility.

### PRIOR SALES

Information in respect of our Common Shares that we issued within the previous 12-month period, including Common Shares that we issued either upon the exercise of options, or which were granted under our Stock Option Plan, or any other equity compensation plan, will be provided as required in a prospectus supplement with respect to the issuance of securities pursuant to such prospectus supplement.

### TRADING PRICE AND VOLUME

The Company's Shares are listed and posted for trading on the TSX and NASDAQ Stockholm under the symbol "LUG". Trading price and volume of the Company's securities will be provided as required for all of our Common Shares, as applicable, in each prospectus supplement to this prospectus.

### EARNINGS COVERAGE

If we offer debt securities having a term to maturity in excess of one year under this prospectus and any applicable prospectus supplement, the applicable prospectus supplement will include earnings coverage ratios giving effect to the issuance of such securities.

### DESCRIPTION OF SHARE CAPITAL

The authorized share capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preference shares in the capital of the Company ("**Preference Shares**"). As of the date of this prospectus, there were 119,666,840 Common Shares and no Preference Shares issued and outstanding.

In addition, as of the date of this prospectus, there were 4,625,500 Common Shares issuable upon the exercise of outstanding stock options, at a weighted average exercise price of C\$4.44.

#### Common Shares

All of our Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of our Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company, the holders of our Common Shares will be entitled to receive, on a *pro rata* basis, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of our Common Shares are entitled to receive any dividends declared by the Company in respect of the Common Shares, subject to the rights of holders of other classes ranking in priority to our Common Shares with respect to the payment of dividends, on a *pro rata* basis. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions. Any alteration of the rights attached to our Common Shares must be approved by at least two-thirds of the Common Shares voted at a meeting of our shareholders. Provisions as to the modification, amendment or variation of such rights or provisions are contained in our bylaws, articles and in the CBCA. See "*Risk Factors*".

#### Preference Shares

The Preference Shares may be issued from time to time in one or more series, each consisting of a number of Preference Shares as determined by the Board of Directors which also may fix, subject to the restrictions set out below, the designations, rights, privileges, restrictions and conditions attaching to the shares of each series of Preference Shares. The Preference Shares of each series shall, with respect to payment of dividends and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding-up of Lundin Gold rank on parity with the Preference Shares of every other series and shall be entitled to preference over the Shares and the shares of any other class ranking junior to the Preference Shares.

The Preference Shares of any series may be purchased for cancellation or made subject to redemption as determined by the Board of Directors. The holders of Preference Shares shall be entitled to notice of meetings called for the purpose of authorizing the dissolution of Lundin Gold or the sale, lease or exchange of substantially all of its assets, but shall not be entitled to vote thereat, except as provided by applicable law.

## DESCRIPTION OF SUBSCRIPTION RECEIPTS

Lundin Gold may issue subscription receipts separately or in combination with one or more other securities. The subscription receipts will entitle holders thereof to receive, upon satisfaction of certain release conditions and for no additional consideration, Common Shares, warrants or any combination thereof. Subscription receipts will be issued pursuant to one or more subscription receipt agreements (each, a “**Subscription Receipt Agreement**”), each to be entered into between the Company and an escrow agent (the “**Escrow Agent**”) that will be named in the relevant prospectus supplement. Each Escrow Agent will be a financial institution organized under the laws of Canada or a province thereof and authorized to carry on business as a trustee. If underwriters or agents are used in the sale of any subscription receipts, one or more of such underwriters or agents may also be a party to the Subscription Receipt Agreement governing the subscription receipts sold to or through such underwriter or agent.

The following description sets forth certain general terms and provisions of subscription receipts that may be issued hereunder and is not intended to be complete. The statements made in this prospectus relating to any Subscription Receipt Agreement and subscription receipts to be issued thereunder are summaries of certain anticipated provisions thereof and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable Subscription Receipt Agreement. Prospective investors should refer to the Subscription Receipt Agreement relating to the specific subscription receipts being offered for the complete terms of the subscription receipts. Lundin Gold will file a copy of any Subscription Receipt Agreement relating to an offering of subscription receipts with the securities commissions or similar regulatory authorities in applicable Canadian offering jurisdictions, after it has been entered into, and such Subscription Receipt Agreement will be available electronically on SEDAR at [www.sedar.com](http://www.sedar.com).

### General

The prospectus supplement and the Subscription Receipt Agreement for any subscription receipts that the Company may offer will describe the specific terms of the subscription receipts offered. This description may include, but may not be limited to, any of the following, if applicable:

- the designation and aggregate number of subscription receipts being offered;
- the price at which the subscription receipts will be offered;
- the designation, number and terms of the Common Shares, warrants or a combination thereof to be received by the holders of subscription receipts upon satisfaction of the Release Conditions (as defined herein), and any procedures that will result in the adjustment of those numbers;
- the conditions that must be met in order for holders of subscription receipts to receive, for no additional consideration, the Common Shares, warrants or a combination thereof (the “**Release Conditions**”);
- the procedures for the issuance and delivery of the Common Shares, warrants or a combination thereof to holders of subscription receipts upon satisfaction of the Release Conditions;
- whether any payments will be made to holders of subscription receipts upon delivery of the Common Shares, warrants or a combination thereof upon satisfaction of the Release Conditions;
- the identity of the Escrow Agent;
- the terms and conditions under which the Escrow Agent will hold all or a portion of the gross proceeds from the sale of subscription receipts, together with interest and income earned thereon (collectively, the “**Escrowed Funds**”), pending satisfaction of the Release Conditions;
- the terms and conditions pursuant to which the Escrow Agent will hold Common Shares, warrants or a combination thereof pending satisfaction of the Release Conditions;
- the terms and conditions under which the Escrow Agent will release all or a portion of the Escrowed Funds to the Company upon satisfaction of the Release Conditions;
- if the subscription receipts are sold to or through underwriters or agents, the terms and conditions under which the Escrow Agent will release a portion of the Escrowed Funds to such underwriters or agents in payment of all or a portion of their fees or commissions in connection with the sale of the subscription receipts;

- procedures for the refund by the Escrow Agent to holders of subscription receipts of all or a portion of the subscription price of their subscription receipts, plus any *pro rata* entitlement to interest earned or income generated on such amount, if the Release Conditions are not satisfied;
- any contractual right of rescission to be granted to initial purchasers of subscription receipts in the event that this prospectus, the prospectus supplement under which subscription receipts are issued or any amendment hereto or thereto contains a misrepresentation;
- any entitlement of Lundin Gold to purchase the subscription receipts in the open market by private agreement or otherwise;
- whether the Company will issue the subscription receipts as global securities and, if so, the identity of the depository for the global securities;
- whether the Company will issue the subscription receipts as bearer securities, as registered securities or both;
- provisions as to modification, amendment or variation of the Subscription Receipt Agreement or any rights or terms of the subscription receipts, including upon any subdivision, consolidation, reclassification or other material change of the Common Shares, warrants or other Lundin Gold securities, any other reorganization, amalgamation, merger or sale of all or substantially all of the Company's assets or any distribution of property or rights to all or substantially all of the holders of Common Shares;
- whether the Company will apply to list the subscription receipts on a securities exchange or automated interdealer quotation system;
- material Canadian federal income tax consequences of owning the subscription receipts; and
- any other material terms or conditions of the subscription receipts.

Original purchasers of subscription receipts will have a contractual right of rescission against the Company in respect of the conversion of the subscription receipt. The contractual right of rescission will entitle such original purchasers to receive the amount paid on original purchase of the subscription receipt upon surrender of the underlying securities gained thereby, in the event that this prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion takes place within 180 days of the date of the purchase of the subscription receipt under this prospectus; and (ii) the right of rescission is exercised within 180 days of the date of purchase of the subscription receipt under this prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 of the *Securities Act* (British Columbia) or otherwise at law.

### **Rights of Holders of Subscription Receipts Prior to Satisfaction of Release Conditions**

The holders of subscription receipts will not be, and will not have the rights of, shareholders of Lundin Gold. Holders of subscription receipts are entitled only to receive Common Shares, warrants or a combination thereof on exchange of their subscription receipts, plus any cash payments, all as provided for under the Subscription Receipt Agreement and only once the Release Conditions have been satisfied. If the Release Conditions are not satisfied, holders of subscription receipts shall be entitled to a refund of all or a portion of the subscription price thereof and all or a portion of the *pro rata* share of interest earned or income generated thereon, as provided in the Subscription Receipt Agreement.

### **Escrow**

The Subscription Receipt Agreement will provide that the Escrowed Funds will be held in escrow by the Escrow Agent, and such Escrowed Funds will be released to the Company (and, if the subscription receipts are sold to or through underwriters or agents, a portion of the Escrowed Funds may be released to such underwriters or agents in payment of all or a portion of their fees in connection with the sale of the subscription receipts) at the time and under the terms specified by the Subscription Receipt Agreement. If the Release Conditions are not satisfied, holders of subscription receipts will receive a refund of all or a portion of the subscription price for their subscription receipts, plus their *pro rata* entitlement to interest earned or income generated on such amount, if provided for in the Subscription Receipt Agreement, in accordance with the terms of the Subscription Receipt Agreement. Common shares or warrants may be held in escrow by the Escrow Agent and will be released to the holders of subscription receipts following satisfaction of the Release Conditions at the time and under the terms specified in the Subscription Receipt Agreement.

### **Modifications**

The Subscription Receipt Agreement will specify the terms upon which modifications and alterations to the subscription receipts issued thereunder may be made by way of a resolution of holders of subscription receipts at a meeting of such holders or consent in writing from such holders. The number of holders of subscription receipts required to pass such a resolution or execute such a written consent will be specified in the Subscription Receipt Agreement.

The Subscription Receipt Agreement will also specify that the Company may amend any Subscription Receipt Agreement and the subscription receipts, without the consent of the holders of the subscription receipts, to cure any ambiguity, to cure, correct or supplement any defective or inconsistent provision, or in any other manner that will not materially and adversely affect the interests of the holders of outstanding subscription receipts or as otherwise specified in the Subscription Receipt Agreement.

### DESCRIPTION OF UNITS

Lundin Gold may issue units, which may consist of one or more Common Shares, warrants, subscription receipts, debt securities or any combination of securities as is specified in the relevant prospectus supplement. In addition, the relevant prospectus supplement relating to an offering of units will describe all material terms of any units offered, including, as applicable:

- the designation and aggregate number of units being offered;
- the price at which the units will be offered;
- the designation, number and terms of the securities comprising the units and any agreement governing the units;
- the date or dates, if any, on or after which the securities comprising the units will be transferable separately;
- whether the Company will apply to list the units on a securities exchange or automated interdealer quotation system;
- material Canadian federal income tax consequences of owning the units, including how the purchase price paid for the units will be allocated among the securities comprising the units; and
- any other material terms or conditions of the units.

### DESCRIPTION OF DEBT SECURITIES

The following description of the terms of debt securities sets forth certain general terms and provisions of debt securities in respect of which a prospectus supplement may be filed. The particular terms and provisions of debt securities offered by any prospectus supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the prospectus supplement filed in respect of such debt securities. Prospective investors should rely on information in the applicable prospectus supplement if it is different from the following information.

Debt securities may be offered separately or in combination with one or more other securities of the Company. The Company may, from time to time, issue debt securities and incur additional indebtedness other than through the issue of debt securities pursuant to this prospectus.

The debt securities will be issued under one or more indentures (each, a “**Trust Indenture**”), in each case between the Company and a financial institution or trust company organized under the laws of Canada or any province thereof and authorized to carry on business as a trustee (each, a “**Trustee**”).

The following description sets forth certain general terms and provisions of the debt securities and is not intended to be complete. The particular terms and provisions of the debt securities and a description of how the general terms and provisions described below may apply to the debt securities will be included in the applicable prospectus supplement. The following description is subject to the detailed provisions of the applicable Trust Indenture. Accordingly, reference should also be made to the applicable Trust Indenture, a copy of which will be filed by the Company with the securities commissions or similar regulatory authorities in applicable Canadian offering jurisdictions, after it has been entered into, and will be available electronically at [www.sedar.com](http://www.sedar.com).

#### General

The applicable Trust Indenture will not limit the aggregate principal amount of debt securities that may be issued under such Trust Indenture and will not limit the amount of other indebtedness that the Company may incur. The applicable Trust Indenture will provide that the Company may issue debt securities from time to time in one or more series and may be denominated and payable in U.S. dollars, Canadian dollars or any foreign currency. Unless otherwise indicated in the applicable prospectus supplement, the debt securities will be unsecured obligations of the Company.

The Company may specify a maximum aggregate principal amount for the debt securities of any series and, unless otherwise provided in the applicable prospectus supplement, a series of debt securities may be reopened for issuance of additional debt securities of such series. The applicable Trust Indenture will also permit the Company to increase the principal amount of any series of the debt securities previously issued and to issue that increased principal amount.

Any prospectus supplement for debt securities supplementing this prospectus will contain the specific terms and other information with respect to the debt securities being offered thereby, including, but not limited to, the following:

- the designation, aggregate principal amount and authorized denominations of such debt securities;
- the percentage of principal amount at which the debt securities will be issued;
- whether payment on the debt securities will be senior or subordinated to other liabilities or obligations of the Company;
- whether the payment of the debt securities will be guaranteed by any other person;
- the date or dates, or the methods by which such dates will be determined or extended, on which the Company may issue the debt securities and the date or dates, or the methods by which such dates will be determined or extended, on which the Company will pay the principal and any premium on the debt securities and the portion (if less than the principal amount) of debt securities to be payable upon a declaration of acceleration of maturity;
- whether the debt securities will bear interest, the interest rate (whether fixed or variable) or the method of determining the interest rate, the date from which interest will accrue, the dates on which the Company will pay interest and the record dates for interest payments, or the methods by which such dates will be determined or extended;
- the place or places the Company will pay principal, premium, if any, and interest, if any, and the place or places where debt securities can be presented for registration of transfer or exchange;
- whether and under what circumstances the Company will be required to pay any additional amounts for withholding or deduction for Canadian taxes with respect to the debt securities, and whether and on what terms the Company will have the option to redeem the debt securities rather than pay the additional amounts;
- whether the Company will be obligated to redeem or repurchase the debt securities pursuant to any sinking or purchase fund or other provisions, or at the option of a holder, and the terms and conditions of such redemption;
- whether the Company may redeem the debt securities at its option and the terms and conditions of any such redemption;
- the denominations in which the Company will issue any registered and unregistered debt securities;
- the currency or currency units for which debt securities may be purchased and the currency or currency units in which the principal and any interest is payable (in either case, if other than Canadian dollars) or if payments on the debt securities will be made by delivery of Common Shares or other property;
- whether payments on the debt securities will be payable with reference to any index or formula;
- if applicable, the ability of the Company to satisfy all or a portion of any redemption of the debt securities, any payment of any interest on such debt securities or any repayment of the principal owing upon the maturity of such debt securities through the issuance of securities of the Company or of any other entity, and any restriction(s) on the persons to whom such securities may be issued;
- whether the debt securities will be issued as global securities and, if so, the identity of the depositary for the global securities;
- whether the debt securities will be issued as unregistered securities (with or without coupons), registered securities or both;
- the periods within which and the terms and conditions, if any, upon which the Company may redeem the debt securities prior to maturity and the price or prices of which, and the currency or currency units in which, the debt securities are payable;
- any events of default or covenants applicable to the debt securities;
- any terms under which debt securities may be defeased, whether at or prior to maturity;
- whether the holders of any series of debt securities have special rights if specified events occur;
- any mandatory or optional redemption or sinking fund or analogous provisions;
- the terms, if any, for any conversion or exchange of the debt securities for any other securities;
- rights, if any, on a change of control;
- provisions as to modification, amendment or variation of any rights or terms attaching to the debt securities;
- the Trustee under the Trust Indenture pursuant to which the debt securities are to be issued;
- whether the Company will undertake to list the debt securities of the series on any securities exchange or automated interdealer quotation system; and
- any other terms, conditions, rights and preferences (or limitations on such rights and preferences) including covenants and events of default which apply solely to a particular series of the debt securities being offered which do not apply generally to other debt securities, or any covenants or events of default generally applicable to the debt securities which do not apply to a particular series of the debt securities.

The Company reserves the right to include in a prospectus supplement specific terms pertaining to the debt securities which are not within the options and parameters set forth in this prospectus. In addition, to the extent that any particular terms of the debt securities described in a prospectus supplement differ from any of the terms described in this prospectus, the description of such terms set forth in

this prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such prospectus supplement with respect to such debt securities.

Unless stated otherwise in the applicable prospectus supplement, no holder of debt securities will have the right to require the Company to repurchase the debt securities and there will be no increase in the interest rate if the Company becomes involved in a highly leveraged transaction or has a change of control.

The Company may issue debt securities bearing no interest or interest at a rate below the prevailing market rate at the time of issuance, and offer and sell these securities at a discount below their stated principal amount. The Company may also sell any of the debt securities for a foreign currency or currency unit, and payments on the debt securities may be payable in a foreign currency or currency unit. In any of these cases, the Company will describe certain Canadian federal income tax consequences and other special considerations in the applicable prospectus supplement.

Unless otherwise indicated in the applicable prospectus supplement, the Company may issue debt securities with terms different from those of debt securities previously issued and, without the consent of the holders thereof, reopen a previous issue of a series of debt securities and issue additional debt securities of such series.

### **Ranking and Other Indebtedness**

Unless otherwise indicated in an applicable prospectus supplement, the debt securities will be direct unsecured obligations of the Company. The debt securities will be senior or subordinated indebtedness of the Company as described in the applicable prospectus supplement. If the debt securities are senior indebtedness, they will rank equally and rateably with all other unsecured indebtedness of the Company from time to time issued and outstanding which is not subordinated. If the debt securities are subordinated indebtedness, they will be subordinated to senior indebtedness of the Company as described in the applicable prospectus supplement, and they will rank equally and rateably with other subordinated indebtedness of the Company from time to time issued and outstanding as described in the applicable prospectus supplement. The Company reserves the right to specify in a prospectus supplement whether a particular series of subordinated debt securities is subordinated to any other series of subordinated debt securities.

The Company's board of directors may establish the extent and manner, if any, to which payment on or in respect of a series of debt securities will be senior or will be subordinated to the prior payment of our other liabilities and obligations and whether the payment of principal, premium, if any, and interest, if any, will be guaranteed by any other person and the nature and priority of any security.

### **Registration of Debt Securities**

#### ***Debt Securities in Book Entry Form***

Unless otherwise indicated in an applicable prospectus supplement, debt securities of any series may be issued in whole or in part in the form of one or more global securities ("**Global Securities**") registered in the name of a designated clearing agency (a "**Depository**") or its nominee and held by or on behalf of the Depository in accordance with the terms of the applicable Trust Indenture. The specific terms of the depository arrangement with respect to any portion of a series of debt securities to be represented by a Global Security will, to the extent not described herein, be described in the prospectus supplement relating to such series. The Company anticipates that the provisions described in this section will apply to all depository arrangements.

Upon the issuance of a Global Security, the Depository or its nominee will credit, in its book-entry and registration system, the respective principal amounts of the debt securities represented by the Global Security to the accounts of such participants that have accounts with the Depository or its nominee ("**Participants**"). Such accounts are typically designated by the underwriters, dealers or agents participating in the distribution of the debt securities or by the Company if such debt securities are offered and sold directly by the Company. Ownership of beneficial interests in a Global Security will be limited to Participants or persons that may hold beneficial interests through Participants. With respect to the interests of Participants, ownership of beneficial interests in a Global Security will be shown on, and the transfer of that ownership will be effected only through records maintained by the Depository or its nominee. With respect to the interests of persons other than Participants, ownership of beneficial interests in a Global Security will be shown on, and the transfer of that ownership will be effected only through records maintained by Participants or persons that hold through Participants.

So long as the Depository for a Global Security, or its nominee, is the registered owner of such Global Security, such Depository or such nominee, as the case may be, will be considered the sole owner or holder of the debt securities represented by such Global Security for all

purposes under the applicable Trust Indenture and payments of principal, premium, if any, and interest, if any, on the debt securities represented by a Global Security will be made by the Company to the Depository or its nominee. The Company expects that the Depository or its nominee, upon receipt of any payment of principal, premium, if any, or interest, if any, will credit Participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Security as shown on the records of such Depository or its nominee. The Company also expects that payments by Participants to owners of beneficial interests in a Global Security held through such Participants will be governed by standing instructions and customary practices and will be the responsibility of such Participants.

Conveyance of notices and other communications by the Depository to direct Participants, by direct Participants to indirect Participants and by direct and indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of debt securities may wish to take certain steps to augment transmission to them of notices of significant events with respect to the debt securities, such as redemptions, tenders, defaults and proposed amendments to the Trust Indenture.

Owners of beneficial interests in a Global Security will not be entitled to have the debt securities represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of such debt securities in certificated non-book-entry form, and will not be considered the owners or holders thereof under the applicable Trust Indenture, and the ability of a holder to pledge a debt security or otherwise take action with respect to such holder's interest in a debt security (other than through a Participant) may be limited due to the lack of a physical certificate.

No Global Security may be exchanged in whole or in part for debt securities registered, and no transfer of a Global Security in whole or in part may be registered, in the name of any person other than the Depository for such Global Security or any nominee of such Depository unless: (i) the Depository is no longer willing or able to discharge properly its responsibilities as depository and the Company is unable to locate a qualified successor; (ii) the Company at its option elects, or is required by law, to terminate the book-entry system through the Depository or the book-entry system ceases to exist; or (iii) if provided for in the Trust Indenture, after the occurrence of an event of default thereunder (provided the Trustee has not waived the event of default in accordance with the terms of the Trust Indenture), Participants acting on behalf of beneficial holders representing, in aggregate, a threshold percentage of the aggregate principal amount of the debt securities then outstanding advise the Depository in writing that the continuation of a book-entry system through the Depository is no longer in their best interest.

If one of the foregoing events occurs, such Global Security shall be exchanged for certificated non-book-entry debt securities of the same series in an aggregate principal amount equal to the principal amount of such Global Security and registered in such names and denominations as the Depository may direct.

The Company, any underwriters, dealers or agents and any Trustee identified in an accompanying prospectus supplement, as applicable, will not have any liability or responsibility for (i) records maintained by the Depository relating to beneficial ownership interests in the debt securities held by the Depository or the book-entry accounts maintained by the Depository, (ii) maintaining, supervising or reviewing any records relating to any such beneficial ownership interests, or (iii) any advice or representation made by or with respect to the Depository and contained in this prospectus or in any prospectus supplement or Trust Indenture with respect to the rules and regulations of the Depository or at the direction of Depository Participants.

Unless otherwise stated in the applicable prospectus supplement, CDS Clearing and Depository Services Inc. or its successor will act as Depository for any debt securities represented by a Global Security.

### ***Debt Securities in Certificated Form***

A series of the debt securities may be issued in definitive form, solely as registered securities, solely as unregistered securities or as both registered securities and unregistered securities. Unless otherwise indicated in the applicable prospectus supplement, unregistered securities will have interest coupons attached.

In the event that the debt securities are issued in certificated non-book-entry form, and unless otherwise indicated in the applicable prospectus supplement, payment of principal, premium, if any, and interest, if any, on the debt securities (other than a Global Security) will be made at the office or agency of the Trustee or, at the option of the Company, by the Company by way of cheque mailed or delivered to the address of the person entitled at the address appearing in the security register of the Trustee or electronic funds wire or other transmission to an account of the person entitled to receive such payments. Unless otherwise indicated in the applicable prospectus

supplement, payment of interest, if any, will be made to the persons in whose name the debt securities are registered at the close of business on the day or days specified by the Company.

At the option of the holder of debt securities, registered securities of any series will be exchangeable for other registered securities of the same series, of any authorized denomination and of a like aggregate principal amount and tenor. If, but only if, provided in an applicable prospectus supplement, unregistered securities (with all unmatured coupons, except as provided below, and all matured coupons in default) of any series may be exchanged for registered securities of the same series, of any authorized denominations and of a like aggregate principal amount and tenor. In such event, unregistered securities surrendered in a permitted exchange for registered securities between a regular record date or a special record date and the relevant date for payment of interest shall be surrendered without the coupon relating to such date for payment of interest, and interest will not be payable on such date for payment of interest in respect of the registered security issued in exchange for such unregistered security, but will be payable only to the holder of such coupon when due in accordance with the terms of the Trust Indenture. Unless otherwise specified in an applicable prospectus supplement, unregistered securities will not be issued in exchange for registered securities.

The applicable prospectus supplement may indicate the places to register a transfer of the debt securities in definitive form. Except for certain restrictions to be set forth in the Trust Indenture, no service charge will be payable by the holder for any registration of transfer or exchange of the debt securities in definitive form, but the Company may, in certain instances, require a sum sufficient to cover any tax or other governmental charges payable in connection with these transactions.

## DESCRIPTION OF WARRANTS

### General

This section describes the general terms that will apply to any warrants for the purchase of Common Shares, or equity warrants, or for the purchase of debt securities, or debt warrants.

Warrants may be issued independently or together with other securities, and warrants sold with other securities may be attached to or separate from the other securities. Warrants will be issued under one or more warrant agency agreements to be entered into by the Company and with one or more financial institutions or trust companies acting as warrant agent.

The Company will deliver an undertaking to the securities regulatory authority in each of the provinces and territories of Canada, except Québec, that it will not distribute warrants that, according to the aforementioned terms as described in the applicable prospectus supplement for warrants supplementing this prospectus, are “novel” specified derivatives within the meaning of Canadian securities legislation, separately to any member of the public in Canada, unless the offering is in connection with and forms part of the consideration for an acquisition or merger transaction or unless such prospectus supplement containing the specific terms of the warrants to be distributed separately is first approved by or on behalf of the securities commissions or similar regulatory authorities in each of the provinces and territories of Canada, except Québec, where the warrants will be distributed.

This summary of some of the provisions of the warrants is not complete. The statements made in this prospectus relating to any warrant agreement and warrants to be issued under this prospectus are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable warrant agreement. You should refer to the warrant indenture or warrant agency agreement relating to the specific warrants being offered for the complete terms of the warrants. A copy of any warrant indenture or warrant agency agreement relating to an offering or warrants will be filed by the Company with the securities commissions or similar regulatory authorities in applicable Canadian offering jurisdictions, after it has been entered into, and will be available electronically on SEDAR at [www.sedar.com](http://www.sedar.com).

The applicable prospectus supplement relating to any warrants that we offer will describe the particular terms of those warrants and include specific terms relating to the offering.

Original purchasers of warrants (if offered separately) will have a contractual right of rescission against the Company in respect of the exercise of such warrant. The contractual right of rescission will entitle such original purchasers to receive, upon surrender of the underlying securities acquired upon exercise of the warrant, the total of the amount paid on original purchase of the warrant and the amount paid upon exercise, in the event that this prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the exercise takes place within 180 days of the date of the purchase of the warrant under the applicable prospectus supplement; and (ii) the right of rescission is exercised within 180 days of the date of purchase of the warrant under the applicable prospectus supplement.

This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 of the *Securities Act* (British Columbia) or otherwise at law.

In an offering of warrants, or other convertible securities, original purchasers are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial and territorial securities legislation, to the price at which the warrants, or other convertible securities, are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon conversion, exchange or exercise of such securities, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights, or consult with a legal advisor.

### **Equity Warrants**

The particular terms of each issue of equity warrants will be described in the applicable prospectus supplement. This description will include, where applicable:

- the designation and aggregate number of equity warrants;
- the price at which the equity warrants will be offered;
- the currency or currencies in which the equity warrants will be offered;
- the date on which the right to exercise the equity warrants will commence and the date on which the right will expire;
- the number of Common Shares that may be purchased upon exercise of each equity warrant and the price at which and currency or currencies in which the Common Shares may be purchased upon exercise of each equity warrant;
- the terms of any provisions allowing or providing for adjustments in (i) the number and/or class of Common Shares that may be purchased, (ii) the exercise price per Common Share or (iii) the expiry of the equity warrants;
- whether the Company will issue fractional shares;
- whether the Company has applied to list the equity warrants or the underlying shares on a securities exchange or automated interdealer quotation system;
- the designation and terms of any securities with which the equity warrants will be offered, if any, and the number of the equity warrants that will be offered with each security;
- the date or dates, if any, on or after which the equity warrants and the related securities will be transferable separately;
- whether the equity warrants will be subject to redemption or call and, if so, the terms of such redemption or call provisions;
- material Canadian federal income tax consequences of owning the equity warrants; and
- any other material terms or conditions of the equity warrants.

### **Debt Warrants**

The particular terms of each issue of debt warrants will be described in the related prospectus supplement. This description will include, where applicable:

- the designation and aggregate number of debt warrants;
- the price at which the debt warrants will be offered;
- the currency or currencies in which the debt warrants will be offered;
- the designation and terms of any securities with which the debt warrants are being offered, if any, and the number of the debt warrants that will be offered with each security;
- the date or dates, if any, on or after which the debt warrants and the related securities will be transferable separately;
- the principal amount of debt securities that may be purchased upon exercise of each debt warrant and the price at which and currency or currencies in which that principal amount of debt securities may be purchased upon exercise of each debt warrant;
- the date on which the right to exercise the debt warrants will commence and the date on which the right will expire;
- the minimum or maximum amount of debt warrants that may be exercised at any one time;
- whether the debt warrants will be subject to redemption or call, and, if so, the terms of such redemption or call provisions;
- material Canadian federal income tax consequences of owning the debt warrants; and
- any other material terms or conditions of the debt warrants.

Prior to the exercise of their warrants, holders of warrants will not have any of the rights of holders of the securities subject to the warrants.

**The foregoing summary of certain of the principal provisions of the securities is a summary of anticipated terms and conditions only and is qualified in its entirety by the description in the applicable prospectus supplement under which any securities are being offered.**

### CERTAIN INCOME TAX CONSIDERATIONS

The applicable prospectus supplement may describe certain Canadian federal income tax consequences to an investor who is a non-resident of Canada or to an investor who is a resident of Canada of acquiring, owning and disposing of any of our securities offered thereunder.

### PLAN OF DISTRIBUTION

The Company may sell securities offered by this prospectus for cash or other consideration (i) to or through underwriters, dealers, placement agents or other intermediaries, (ii) directly to one or more purchasers or (iii) in connection with acquisitions of assets or shares or another entity or company.

Each prospectus supplement with respect to our securities being offered will set forth the terms of the offering, including:

- the name or names of any underwriters, dealers or other placement agents;
- the number and the purchase price of, and form of consideration for, the securities;
- the proceeds to the Company from such sale; and
- any commissions, fees, discounts and other items constituting underwriters', dealers' or agents' compensation.

Our securities may be sold, from time to time, in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market price or at negotiated prices, including sales in transactions that are deemed to be "at the market distributions" as defined in National Instrument 44-102 - *Shelf Distributions*, including sales made directly on the TSX or other existing trading markets for the securities. The prices at which the securities may be offered may vary as between purchasers and during the period of distribution. If, in connection with the offering of securities at a fixed price or prices, the underwriters have made a *bona fide* effort to sell all of the securities at the initial offering price fixed in the applicable prospectus supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial offering price fixed in such prospectus supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the securities is less than the gross proceeds paid by the underwriters to the Company.

Only underwriters named in the prospectus supplement are deemed to be underwriters in connection with our securities offered by that prospectus supplement.

Under agreements which may be entered into by us, underwriters, dealers and agents who participate in the distribution of our securities may be entitled to indemnification by us against certain liabilities, including liabilities under the U.S. Securities Act and applicable Canadian securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. The underwriters, dealers and agents with whom we enter into agreements may be customers of, engage in transactions with, or perform services for, us in the ordinary course of business.

No underwriter or dealer involved in an "at the market distribution" as defined under applicable Canadian securities legislation, no affiliate of such underwriter or dealer and no person acting jointly or in concert with such underwriter or dealer has over-allotted, or will over allot, our securities in connection with an offering of our securities or effect any other transactions that are intended to stabilize the market price of our securities.

In connection with any offering of our securities, other than an "at the market distribution", the underwriters may over-allot or effect transactions which stabilize or maintain the market price of our securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Unless otherwise specified in the applicable prospectus supplement, the securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered, sold or delivered in the United States or to or for the account or benefit of a U.S. person as defined in Regulation S under the U.S. Securities Act, except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state laws, including transactions under Rule 144A under the U.S. Securities Act. If underwriters or dealers purchase securities as principal, the underwriters or dealers will severally agree that they will not offer or sell the securities in the United States, except that the underwriters or dealers may arrange for the offer and sale of the Securities to “qualified institutional buyers” in the United States pursuant to Rule 144A under the U.S. Securities Act.

In addition, until 40 days after the commencement of any offering of the securities, an offer or sale of the securities within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act.

#### **AGENT FOR SERVICE OF PROCESS**

Lukas Lundin, Non-Executive Chairman and Director; as well as Paul McRae, Pablo Jose Mir, Carmel Daniele and Charles Ashley Heppenstall, directors of the Company, reside outside of Canada and have appointed the following agent for service of process in Canada:

<u>Name of Person</u>	<u>Name and Address of Agent</u>
Lukas Lundin, Non-Executive Chairman and Director	Blakes Vancouver Services Inc. Suite 2600 – 595 Burrard Street, Vancouver, British Columbia, V7X 1L3, Canada
Paul McRae, Director	Blakes Vancouver Services Inc. Suite 2600 – 595 Burrard Street, Vancouver, British Columbia, V7X 1L3, Canada
Pablo Jose Mir, Director	Blakes Vancouver Services Inc. Suite 2600 – 595 Burrard Street, Vancouver, British Columbia, V7X 1L3, Canada
Carmel Daniele, Director	Blakes Vancouver Services Inc. Suite 2600 – 595 Burrard Street, Vancouver, British Columbia, V7X 1L3, Canada
Charles Ashley Heppenstall, Director	Blakes Vancouver Services Inc. Suite 2600 – 595 Burrard Street, Vancouver, British Columbia, V7X 1L3, Canada

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or that resides outside of Canada, even if the party has appointed an agent for service of process.

#### **LEGAL MATTERS**

Certain legal matters related to our securities offered by this prospectus will be passed upon on our behalf by Blake, Cassels & Graydon LLP, with respect to matters of Canadian law. The partners and associates of Blake, Cassels & Graydon LLP, as a group, each beneficially own, directly or indirectly, less than 1% of the securities of the Company.

#### **INTEREST OF EXPERTS**

Certain of the scientific and technical information relating to our mineral projects in the documents incorporated by reference herein has been derived from technical reports prepared by the experts listed below and has been included in reliance on such person’s expertise. Copies of the technical reports can be accessed online on SEDAR at [www.sedar.com](http://www.sedar.com).

Ignacy (Tony) Lipiec, Juleen Brown, Simon Allard, Charles Masala, Stella Searston, Bryan D. Watts, Alejandro Sepúlveda, Anthony R. Maycock, and David A. Ross prepared the technical report entitled “*Fruta del Norte Project, Ecuador, NI 43-101 Technical Report on the Feasibility Study*” dated June 2016 with an effective date of April 30, 2016 that is summarized in the AIF.

None of Amec, KCB, NCL, MM Consultores, RPA, Ignacy (Tony) Lipiec, Juleen Brown, Simon Allard, Charles Masala, Stella Searston, Bryan D. Watts, Alejandro Sepúlveda, Anthony R. Maycock, or David A. Ross, each being companies or persons who have authored or contributed to the preparation of the Feasibility Study, or any director, officer, employee or partner thereof, as applicable, received or has received a direct or indirect interest in the property of the Company or of any associate or affiliate of the Company. Each of the above named persons are independent of the Company and as at the date hereof, to the knowledge of the Company, the aforementioned persons, and the directors, officers, employees and partners, as applicable, of each of the aforementioned companies beneficially own, directly or indirectly, individually, less than 1% of the securities of the Company.

Ron F. Hochstein, P.Eng., Lundin Gold's President and Chief Executive Officer and Nicholas Teasdale, MAusIMM CP(GEO), previously Lundin Gold's Vice-President Exploration, both "Qualified Persons" under NI 43-101 have reviewed and approved the scientific and technical disclosure contained in the AIF and Annual MD&A. Mr. Hochstein and Steve Leary, MAusIMM CP(Geo), a "Qualified Persons" under NI 43-101 have reviewed and approved the scientific and technical disclosure contained in the Interim MD&A. Certain scientific and technical information contained in this prospectus under the heading "*Recent Developments*" has been reviewed, approved and verified by Mr. Hochstein. Mr. Hochstein, Mr. Teasdale and Mr. Leary own, directly or indirectly, individually, less than 1% of the outstanding securities of the Company.

Neither the aforementioned persons, nor any director, officer, employee or partner, as applicable, of the aforementioned companies or partnerships are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

#### **AUDITOR, TRANSFER AGENT AND REGISTRAR**

The auditor of the Company is PricewaterhouseCoopers LLP, Chartered Professional Accountants, ("PwC"), located at 250 Howe Street, Suite 1400, Vancouver, BC, Canada, V6C 3S7.

PwC reports that they are independent from the Company in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia, Canada. PwC refers to the Canadian member firm, and in certain documents incorporated by reference in this prospectus, may also refer to the PwC network. Each member firm is a separate legal entity.

The Company's transfer agent and registrar is Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 and 510 Burrard Street, 2nd Floor, Vancouver, British Columbia V6C 3B9.

#### **WHERE YOU CAN FIND MORE INFORMATION**

We are required to file with the securities commission or authority in each of the applicable provinces and territories of Canada, except Québec, annual and quarterly financial statements, material change reports and other information.

You may read any document we file with or furnish to the securities commissions and authorities of the provinces and territories of Canada, except Québec, through SEDAR at [www.sedar.com](http://www.sedar.com).

#### **STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus or a prospectus supplement relating to the securities purchased by a purchaser and any amendments thereto. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revision of the price or damages if the prospectus or a prospectus supplement relating to the securities purchased by a purchaser and any amendments thereto contain a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

In an offering of warrants, or other convertible, exchangeable or exercisable securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial and territorial securities legislation, to the price at which the warrants, or other convertible, exchangeable or exercisable securities, are offered to the public under

the prospectus offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon conversion, exchange or exercise of such securities, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages, or consult with a legal advisor.

**CERTIFICATE OF THE COMPANY**

Dated: December 11, 2017

This short form prospectus, together with the documents incorporated in this prospectus by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada, except Québec.

(signed) Ron F. Hochstein  
Ron F. Hochstein  
President & Chief Executive Officer

(signed) Alessandro Bitelli  
Alessandro Bitelli  
Chief Financial Officer

On behalf of the Board of Directors:

(signed) Lukas H. Lundin  
Lukas H. Lundin  
Director

(signed) Ian Gibbs  
Ian Gibbs  
Director