LUNDINGOLD

NEWS RELEASE

Vancouver, December 14, 2021

LUNDIN GOLD THREE YEAR OUTLOOK ANTICIPATES CONTINUED STRONG GOLD PRODUCTION FROM FRUTA DEL NORTE

2022 production estimated between 405,000 to 445,000 ounces

Lundin Gold Inc. (TSX: LUG; Nasdaq Stockholm: LUG) ("Lundin Gold" or the "Company") is pleased to announce its 2022 guidance and three-year gold production outlook with an estimated average exceeding 400,000 oz annually. All amounts are in U.S. dollars unless otherwise indicated.

Highlights:

- 2022 production is estimated between 405,000 to 445,000 ounces ("oz").
- Cash operating costs[1] and all-in sustaining costs[1] ("AISC") for 2022 are expected to range between $710 and $780 and $860 and $930 per oz gold sold, respectively.
- Total sustaining capital in 2022 is estimated at $40 to $45 million.
- 2022 regional exploration drilling program will consist of 16,500 metres of drilling at Barbasco and Puente Princesa, costing an estimated $14 million.

Ron Hochstein, President and CEO commented, "*With an estimated average gold production above 400,000 oz per year for the next three years, we look forward to continuing to generate strong free cash flow at current gold prices. This increasing cash position will allow us to consider a variety of opportunities, including future growth, further debt reduction, and shareholders' distributions. We are also evaluating the potential to increase production beyond the current 4,200 tpd.*"

2022 Guidance and 2023-2024 Outlook

Gold production at Fruta del Norte for 2022 is estimated to be between 405,000 to 445,000 oz based on an average throughput rate of 4,200 tpd. The head grade is estimated to average 9.79 g/t, with fluctuations expected during the year as different sections of the ore body are mined. Average mill recovery for the year is estimated at 89%.

Cash operating costs are estimated to range between $710 and $780 per oz of gold sold in 2022, with variability expected during the year. AISC for 2022 is expected to range between $860 and $930 per oz of gold sold, based on an assumed gold price of $1,750 / oz and silver price of $22.50 / oz. The projected increase in AISC in 2022 can be attributed principally to the following factors:

- a decrease in head grade of the ore processed through the plant compared to 2021;

[1] See Non-GAAP Financial Measures below.

- an approximate 7% increase in operating costs compared to 2021 due to higher transportation costs, increased maintenance for mining equipment and general inflationary pressures experienced to date on various consumables; and
- higher sustaining capital, mainly due to the planned construction of the third raise of the tailings dam, which is larger than the initial two raises completed in 2021.

These are expected to be offset by higher throughput and reduced COVID-19 related costs compared to 2021, and lower royalties based on the assumed gold price of $1,750 in 2022.

Total sustaining capital in 2022 is estimated at $40 to $45 million, of which $22.9 million is for tailings dam construction, $7.4 million for surface infrastructure, inclusive of a new warehouse and an expanded ore pad to accommodate ore blending, $3.6 million for replacement mobile equipment and $2.5 million for the continuing resource expansion drilling program. The remainder is for underground infrastructure, technology, efficiency improvements and additional small projects in the plant.

The Company's outlook for production, sustaining capital and AISC for the next three years is provided in the table below.

	2022	2023	2024
Gold Production (oz)	405,000-445,000	390,000-430,000	400,000-440,000
Sustaining Capital ($ million)	40 - 45	30 - 35	7 - 12
Cash operating cost ($/oz)[1]	710 – 780	700 – 775	675 – 745
AISC ($/oz)[1]	860 - 930	850 - 915	750 - 810

1. Gold/silver price per oz assumption, based on analyst estimates, is 2022: $1,750/$22.50; 2023: $1,715/$23.81; 2024: $1,642/$22.43

The variance in gold production is mainly impacted by the grade of ore mined and recoveries. Except for variations in gold price and possible continuing inflationary pressure which impact cash operating cost and AISC, the other significant factor affecting AISC is sustaining capital which is higher in the years when a tailings dam lift is planned (2022 and 2023).

Other 2022 Activities

The Company continues to expect to complete the South Ventilation Raise by the end of the second quarter of 2022, at a cost of $6.2 million.

Lundin Gold also expects to continue its regional exploration drilling program at an estimated cost of $14 million and is planning 16,500 metres of drilling at its two high priority targets, Barbasco and Puente-Princesa, which are located in the Suarez Pull-Apart Basin and are approximately seven kilometres from Fruta del Norte.

Non-GAAP Financial Measures

This news release refers to certain financial measures, such as cash operating costs, AISC and free cash flow, which are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. These measures may differ from those made by other companies and accordingly may not be comparable to such measures as reported by other companies. These measures have been calculated on a basis consistent

with historical periods. Please refer to the Company's MD&A filed on SEDAR under the Company's profile at www.sedar.com, pages 11 to 14, for the third quarter of 2021 for an explanation of non-IFRS measures used.

Qualified Persons

The technical information relating to Fruta del Norte contained in this News Release has been reviewed and approved by Ron Hochstein P. Eng, Lundin Gold's President and CEO who is a Qualified Person under National Instrument 43-101.

About Lundin Gold

Lundin Gold, headquartered in Vancouver, Canada, owns the Fruta del Norte gold mine in southeast Ecuador. Fruta del Norte is among the highest-grade operating gold mines in the world.

The Company's board and management team have extensive expertise in mine operations and are dedicated to operating Fruta del Norte responsibly. The Company operates with transparency and in accordance with international best practices. Lundin Gold is committed to delivering value to its shareholders, while simultaneously providing economic and social benefits to impacted communities, fostering a healthy and safe workplace and minimizing the environmental impact. The Company believes that the value created through the development of Fruta del Norte will benefit its shareholders, the Government and the citizens of Ecuador.

Additional Information

The information in this release is subject to the disclosure requirements of Lundin Gold under the EU Market Abuse Regulation. This information was publicly communicated on December 14, 2021 at 4:00 p.m. Pacific Time through the contact persons set out below.

For more information, please contact

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Caution Regarding Forward-Looking Information and Statements

Certain of the information and statements in this press release are considered "forward-looking information" or "forward-looking statements" as those terms are defined under Canadian securities laws (collectively referred to as "forward-looking statements"). 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 "believes", "anticipates", "expects", "is expected", "scheduled", "estimates", "pending", "intends", "plans", "forecasts", "targets", or "hopes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "will", "should" "might", "will be taken", or "occur" and similar expressions) are not statements of historical fact and may be forward-looking statements. By their nature, forward looking statements and information involve assumptions, inherent risks and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements and information. Lundin Gold believes that the expectations reflected in this forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. This information speaks only as of the date of this press release, and the Company will not necessarily update this information, unless required to do so by securities laws.

This press release contains forward-looking information in a number of places, such as in statements relating to its 2022 production outlook, including estimates of gold production, grades and recoveries, and its expectations regarding AISC, cash operating costs, free cash flow, capital costs, the timing of completion of the South Ventilation Raise and its exploration plans. There can be no assurance

that such statements will prove to be accurate, as Lundin Gold's actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed in the "Risk Factors" section in Lundin Gold's Annual Information Form dated March 2, 2021, which is available at www.lundingold.com or on SEDAR.

Lundin Gold's actual results could differ materially from those anticipated. Factors that could cause actual results to differ materially from any forward-looking statement or that could have a material impact on the Company or the trading price of its shares include: risks relating to the impacts of a pandemic virus outbreak, political and economic instability in Ecuador, production estimates, mining operations, the Company's community relationships, ability to maintain obligations or comply with debt, financing requirements, volatility in the price of gold, shortages of critical supplies, compliance with environmental laws and liability for environmental contamination, lack of availability of infrastructure, the Company's reliance on one mine, deficient or vulnerable title to concessions, easements and surface rights, uncertainty with the tax regime in Ecuador, the Company's workforce and its labour relations, inherent safety hazards and risks to the health and safety of the Company's employees and contractors, the Company's ability to obtain, maintain or renew regulatory approvals, permits and licenses, the imprecision of mineral reserve and resource estimates, key talent recruitment and retention of key personnel, volatility in the market price of the shares, the potential influence of the Company's largest shareholders, measures to protect endangered species and critical habitats, the reliance of the Company on its information systems and the risk of cyber-attacks on those systems, the cost of non-compliance and compliance costs, exploration and development risks, risks related to illegal mining, the adequacy of the Company's insurance, uncertainty as to reclamation and decommissioning, the ability of Lundin Gold to ensure compliance with anti-bribery and anti- corruption laws, the uncertainty regarding risks posed by climate change, the potential for litigation, limits of disclosure and internal controls, security risks to the Company, its assets and its personnel, conflicts of interest, risks that the Company will not declare dividends and social media and reputation.