

BMO Global Metals & Mining Conference February 2017



Neves-Corvo, Portugal

Cautionary Statements

Caution Regarding Forward-Looking Information and Non-GAAP Performance Measures

This presentation contains forward-looking information, including, but not limited to, guidance on estimated annual production and cash costs. This forward-looking information is not based on historical facts, but rather on current expectations and projections about future events and is subject to risks and uncertainties. Any statements not including historical facts are forward-looking statements and may be identified by terminology such as “believe,” “budget,” “continue,” “can,” “estimate,” “expect,” “intend,” “likely,” “should,” “target,” “will” and any similar expressions.

Forward-looking statements involve known and unknown risks and uncertainties, and as such, they are not guarantees of future performance. Actual results may differ materially from those projected in the forward-looking statements. Potential risks leading to differing results include, without limitation: fluctuation to foreign currency rates, change in commodity prices, industry risks, drilling results, labour disputes or difficulties resulting in labour shortages or interruptions in production, environmental risks, political risks including changes in national or local government legislation, taxation, or regulation, climate and weather related risks, diminishing quantities or grades of reserves, operating or technical difficulties with mining or development activities, and increased costs, delays or suspensions.

Readers are cautioned that many of the assumptions on which the Company’s forward-looking statements are based are likely to change. Lundin cautions that it does not have any intention to update forward-looking statements as a result of new information, future changes, or otherwise.

For further details of other risks and uncertainties see *Risk Factors Relating to the Company’s Business* in the Company’s Annual Information Form and Management’s Discussion and Analysis.

This presentation contains certain financial measures such as operating earnings, net debt, operating cash flow per share and cash costs which have no meaning within generally accepted accounting principles under IFRS and therefore amounts presented may not be comparable to similar data presented by other mining companies. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures or performance prepared in accordance with IFRS.

Note: All dollar amounts are in US dollars unless otherwise denoted.

Lundin Mining

High Quality Competitive Mines

- positive operating cash flows at all operations through the low commodity price environment

Meaningful Production Scale & Growth

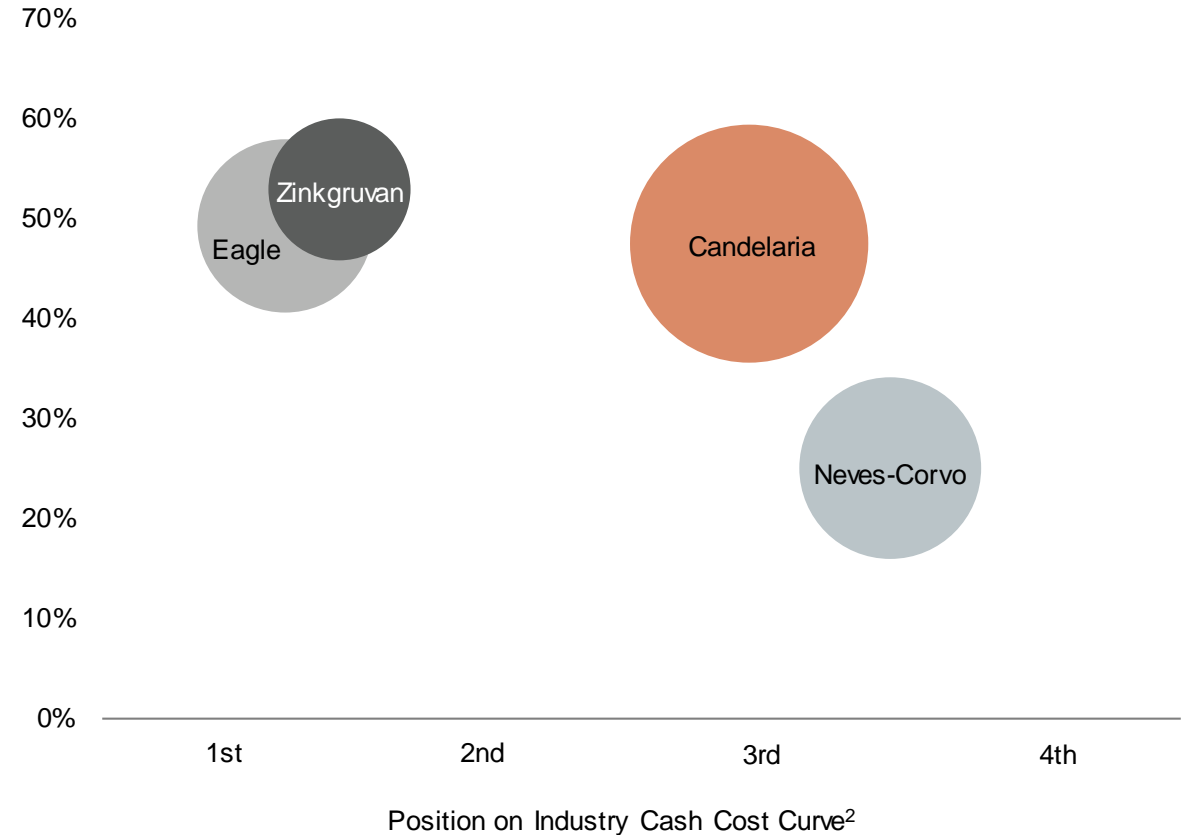
- internal growth projects and exploration upside at all operations

Financial Strength

- year-end net debt balance of \$284M, including cash and equivalents of \$715M
- \$350M undrawn credit facility

Strong Margins and Meaningful Scale¹

(operating margin, %)



Source: Wood Mackenzie, Lundin Mining reports

1. Bubble sizes represent 2016 attributable copper equivalent production based on average 2016 metal prices scaled relative to Candelaria's attributable copper production of 133.3 kt.

2. Based on relative position in the forecast 2016 industry C1 cash cost curve for the primary metal produced from the operation. Candelaria – copper; Eagle – nickel, Neves-Corvo – copper; Zinkgruvan – zinc.

Operating Highlights – 2016 Full Year

Strong aggregate performance across all operations

All mines generated operating cash flow through low commodity prices



Candelaria copper production exceeded guidance on better than planned throughput and improving copper head grade

Eagle achieved copper production guidance with excellent recovery rates



Eagle nickel production met increased guidance on continued robust performance



Neves-Corvo stable zinc plant operations with expansion initiative being permitted

Zinkgruvan plant modernization and 10% expansion project in progress

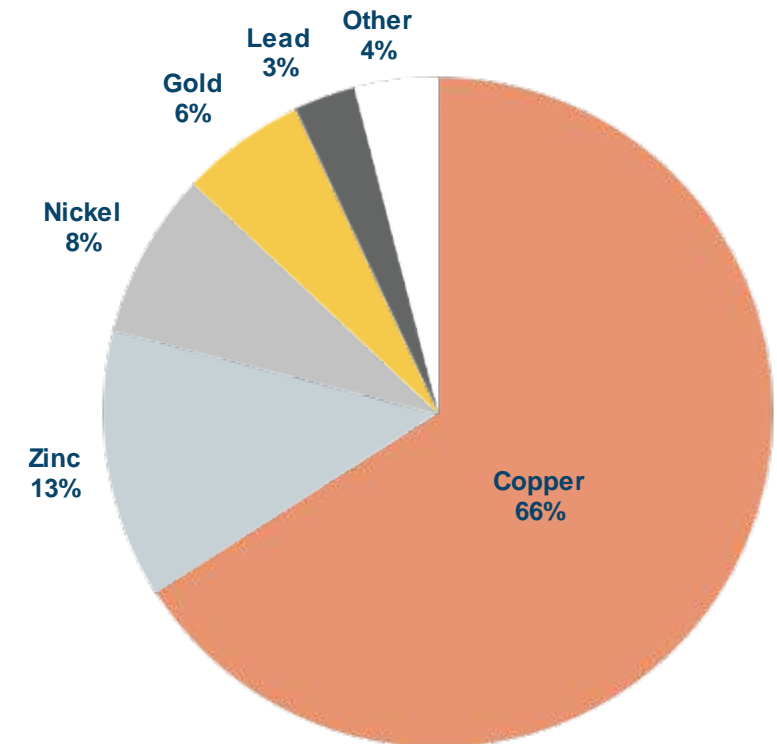
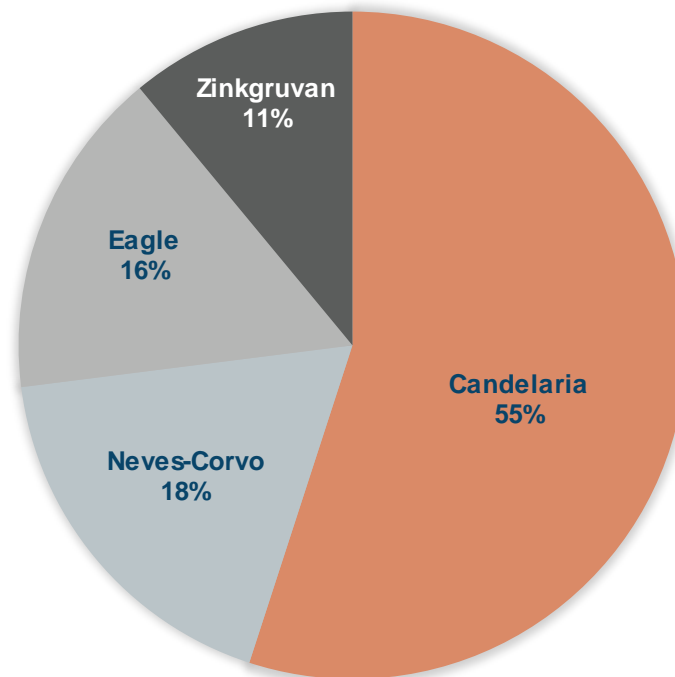
Revenue Breakdown – 2016 Full Year

2016 sales of \$1.55B

Majority of sales from Candelaria

Good contribution from each of Neves-Corvo, Eagle and Zinkgruvan

Increasing contribution from zinc sales



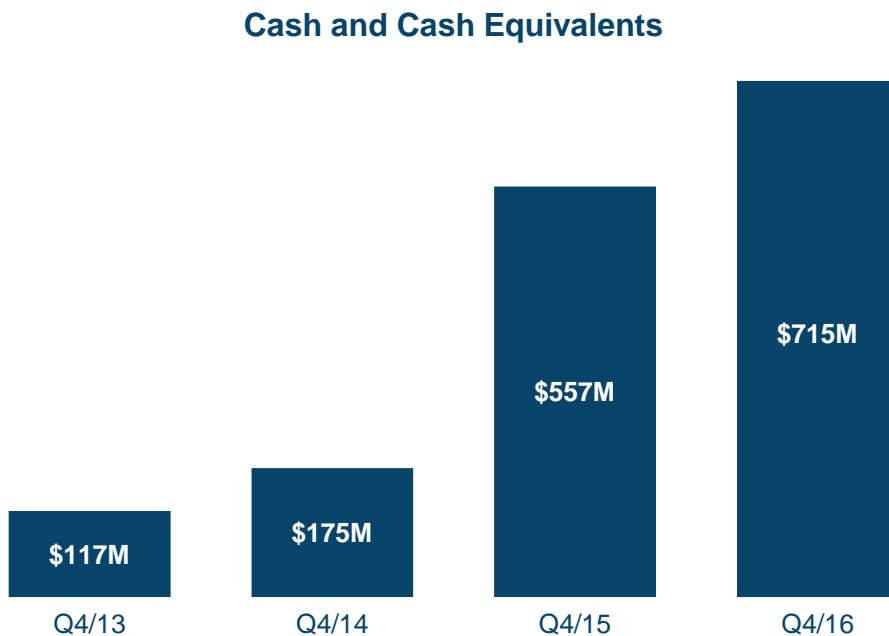
Balance Sheet Strength and Flexibility

2016 capital costs, C1 and all-in sustaining costs came in better than budgeted

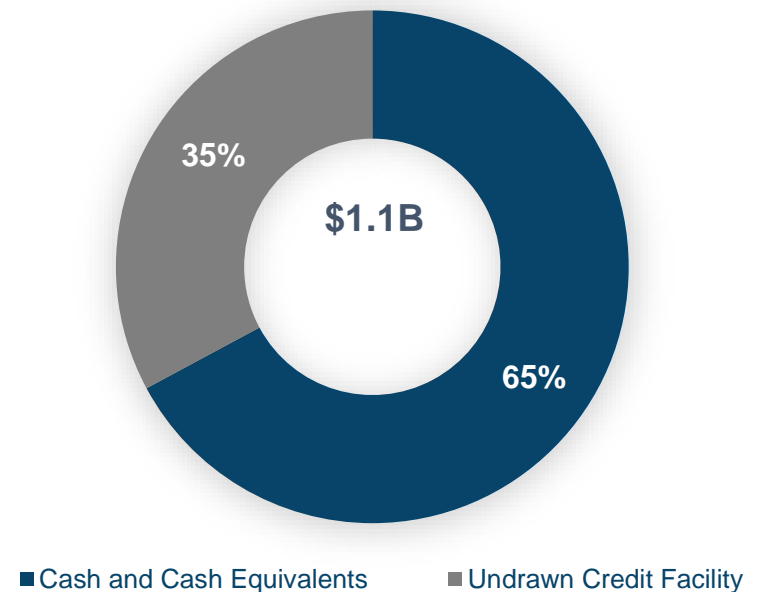
Cash balance at February 20, 2017 of approximately \$850M and net debt of approximately \$150M

Approved quarterly dividend policy and declared first quarterly dividend

\$350M revolving credit facility undrawn



Liquidity Position (Dec. 31, 2016)



The Company has senior secured notes outstanding comprised of: \$550M at 7.5% due in 2020, and \$450M (\$445M net outstanding) at 7.875% due in 2022.

2017 Production and Cash Cost Guidance

Attributable Production¹ and C1 Cash Cost² (kt and \$/lb, net of by-products)

Copper	Candelaria (80%)	145,000	–	150,000	\$1.20/lb
	Eagle	15,000	–	18,000	
	Neves-Corvo	41,000	–	46,000	\$1.35/lb
	Zinkgruvan	1,000	–	2,000	
	Total Attributable	202,000	–	216,000	
Nickel	Eagle	17,000	–	20,000	\$2.45/lb
	Total	17,000	–	20,000	
Zinc	Neves-Corvo	72,000	–	77,000	
	Zinkgruvan	80,000	–	85,000	\$0.40/lb
	Total	152,000	–	162,000	

1. Production guidance is based on certain estimates and assumptions, including but not limited to; Mineral Resources and Reserves, geological formations, grade and continuity of deposits and metallurgical characteristics. Guidance does not include any amount for Tenke Fungurume. Guidance has not yet been provided by China Molybdenum Co., Ltd. the operation's majority owner.

2. C1 cash costs are based on various assumptions and estimates, including, but not limited to; production volumes, as noted above, commodity prices (2017 - Cu: \$2.25/lb, Zn: \$1.00/lb, Pb: \$0.90/lb, Ni: \$5.00/lb) foreign currency exchange rates (2017 - €/USD:1.15, USD/SEK:8.40, CLP/USD:650) and operating costs. All figures in are in US\$ unless otherwise noted.

2017 Capital Expenditure and Exploration Guidance

Capital Expenditures¹ (US\$M)	
Total Capitalized Stripping ²	105
Los Diques Facility	135
Other Candelaria Sustaining	25
Total Candelaria (100% basis)	265
Eagle Sustaining	10
Neves-Corvo Sustaining	50
Zinkgruvan Sustaining	40
Total Sustaining	365
Eagle Expansionary	35
Zinkgruvan Expansionary	5
Total Expansionary	40
Total Capital Expenditures	\$405M

Los Diques Tailings Project – total costs estimated at \$295M. Remaining to be spent:

- \$135M in 2017
- \$30M in 2018

2017 exploration budget of \$65M

- aggressive in-mine and near-mine programs at Candelaria and Eagle
- rejuvenated exploration focus at Neves-Corvo and Zinkgruvan
- two new green fields exploration projects planned – Peru and Eastern Europe

1. Excludes capitalized interest. Amounts forecast above are on a cash basis, and may vary from accruals based estimates.

2. During the production phase, waste stripping costs which provide probable future economic benefits and improved access to the orebody are capitalized to mineral properties. The Company capitalizes waste costs when experienced strip ratios are above the average planned strip ratio for each open pit phase under development.

Candelaria



Copper / Gold / Silver – Region III, Chile

Candelaria

2016 copper production of 166.6 kt (100% basis)

- exceeded target on mill throughput performance
- \$1.31/lb copper cash cost bettered guidance of \$1.35/lb

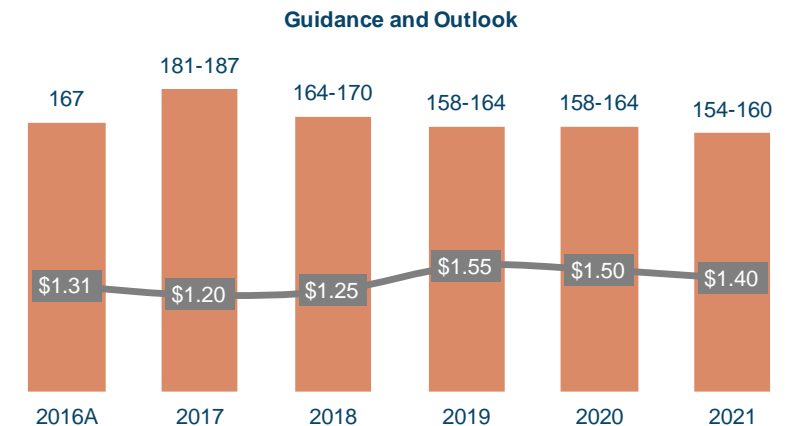
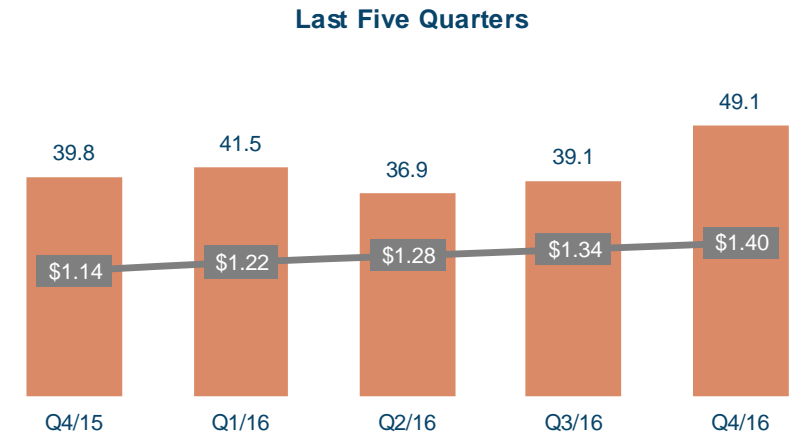
Increased production expected in 2017

- 181-187 kt (100% basis) at \$1.20/lb cash cost
- Increasing copper grade YOY

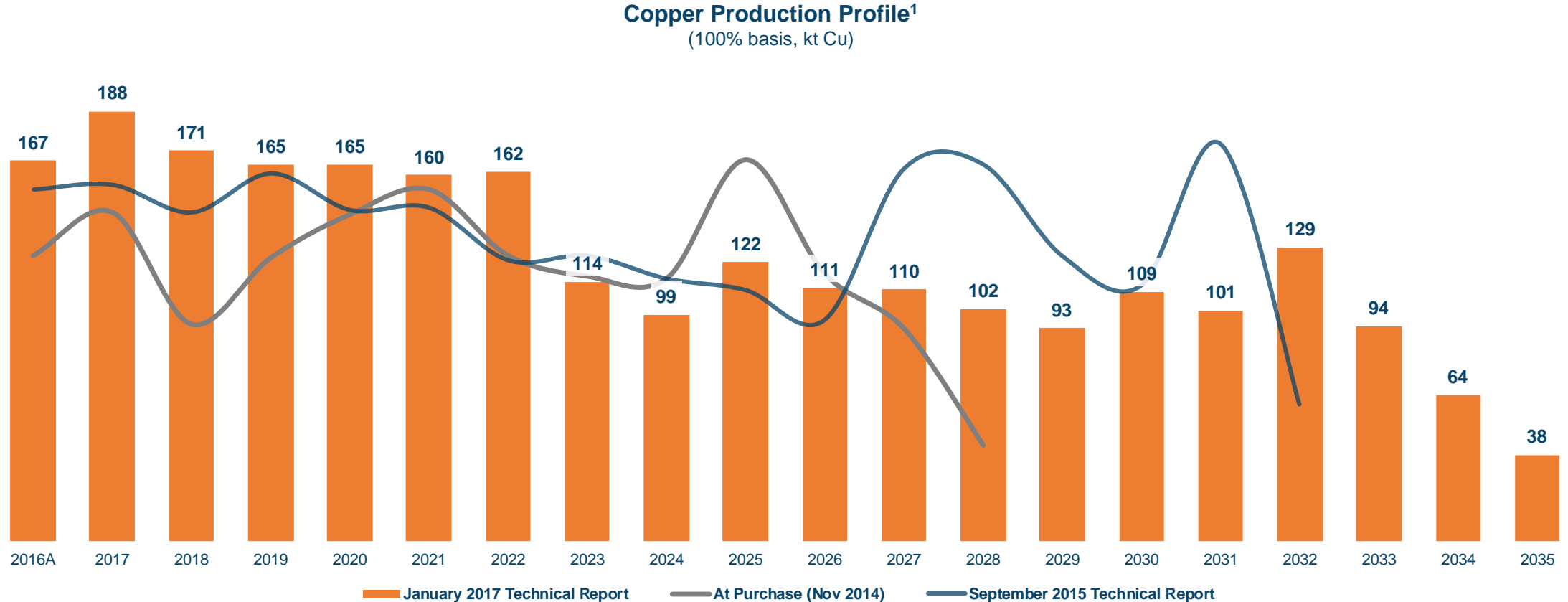
Los Diques tailings facility construction progressing on schedule and on budget

Conceptual studies advancing to increase production from five underground deposits to optimize life-of-mine plan

Copper Production & Cash Cost
(100% basis; kt & \$/lb Cu, net of by-product credits)



Candelaria LOM Production Profile



Since acquisition contained copper and gold in the Mineral Reserves has increased by approximately 50%, when mined depletion is included, and the production profile has been significantly improved

Potential for further improvement to production profile and mine life extension

1. Production shown on 100% basis and reflects NI 43-101 Technical Report filed January 2017.

Eagle



Nickel / Copper / PGMs – Michigan, U.S.A.

2016 production of 24.1 kt nickel and 23.4 kt copper

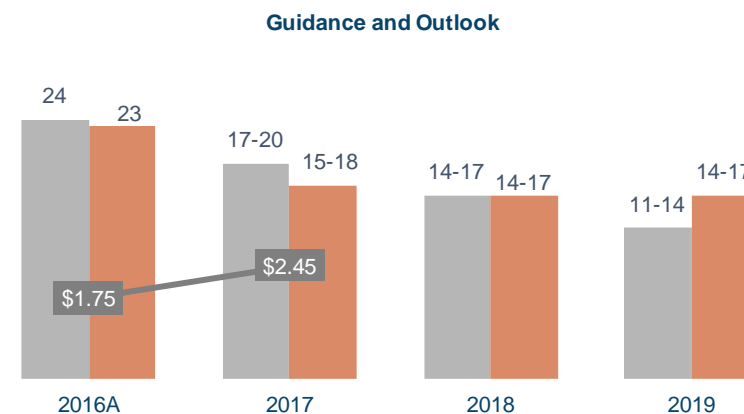
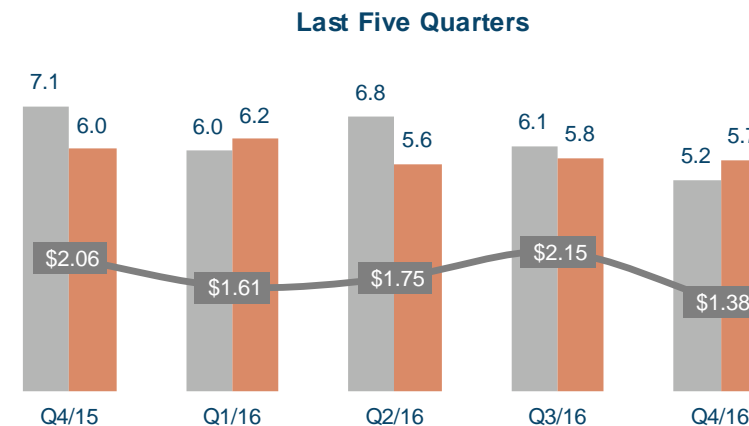
- met guidance on continued robust performance
- excellent margins even at low nickel prices
- cash cost of \$1.75/lb nickel beat guidance of \$1.90/lb

Eagle East Feasibility Study nearing completion

Project is advancing in the permitting phase



Exploration ramp development is progressing on plan

Nickel, Copper Production & Cash Cost
(kt & \$/lb Ni, net of by-product credits)



Eagle and Eagle East Overview

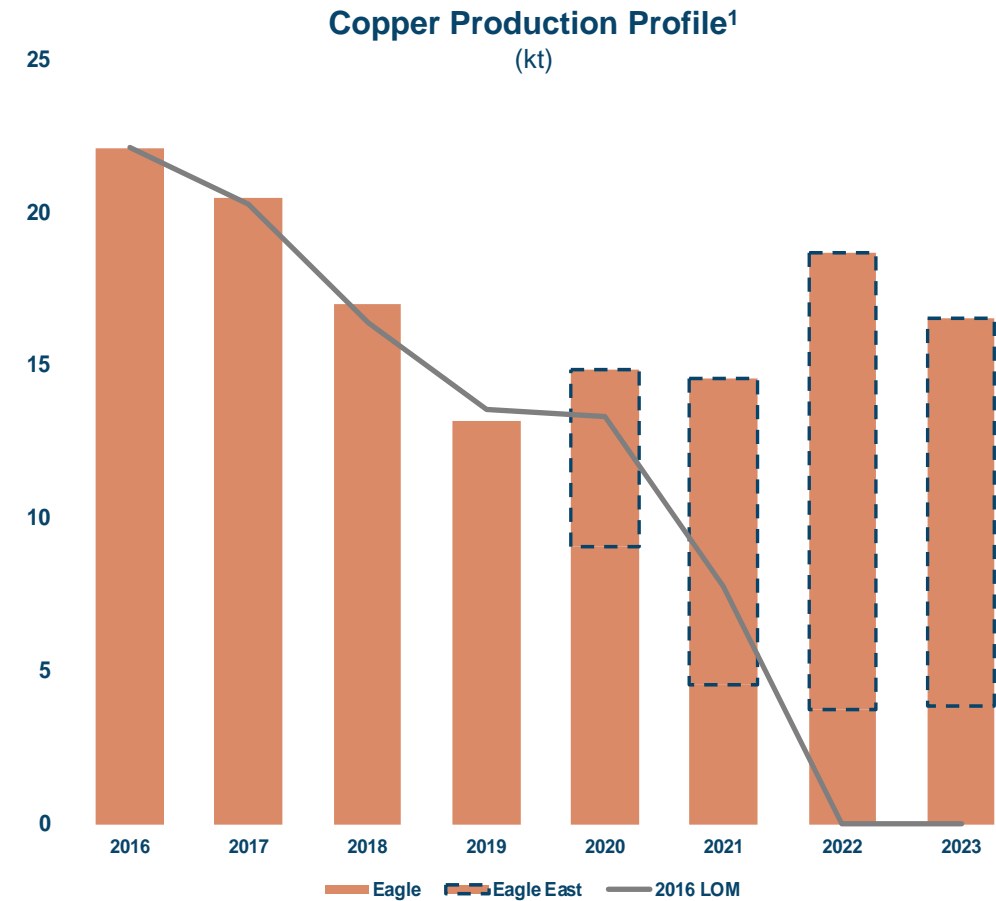
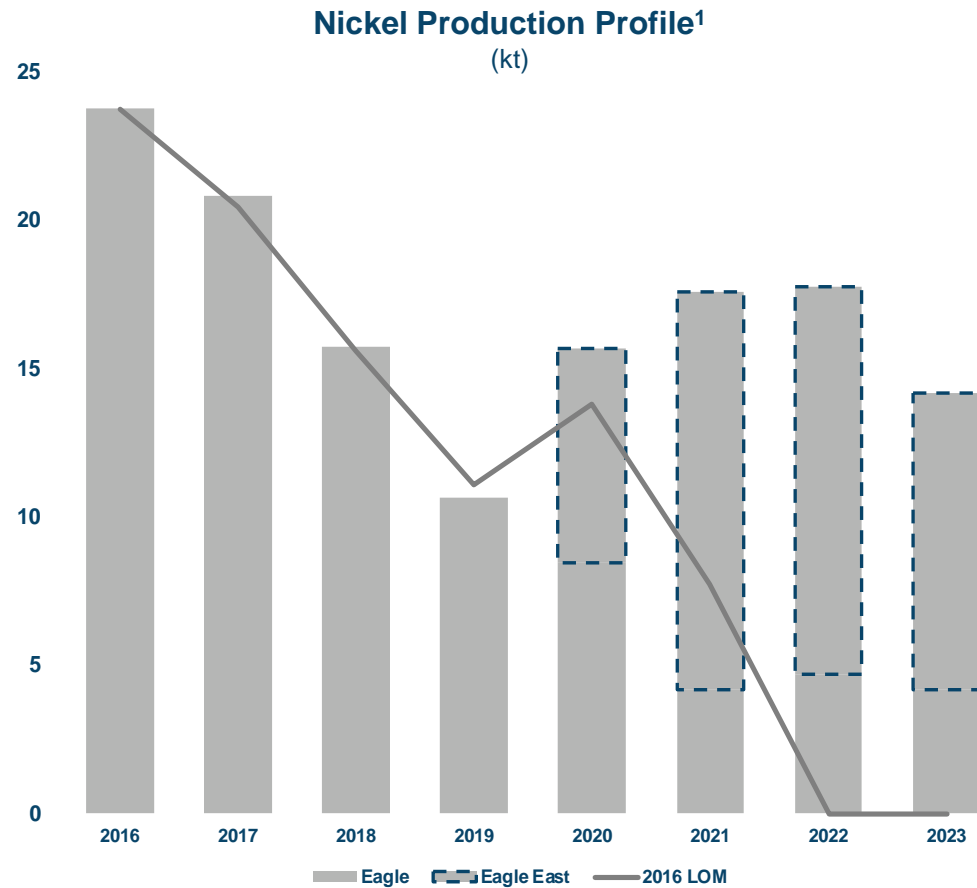


-  Eagle Decline & Development
-  Eagle East Proposed Ramp



Eagle East – Potential Meaningful Addition to Profile

Preliminary Economic Assessment on Eagle East completed in June 2016



1. Refer to the July 29, 2016 new release entitled "Lundin Mining Announces Eagle East Mineral Resources, PEA Results and Project Commencement" on the Company's website (www.lundinmining.com) and the "Technical Report on the Eagle Mine, Michigan, USA" Roscoe Postle Associates, August 2016 available on SEDAR under Lundin Mining's profile at www.sedar.com



2016 production of 46.6 kt copper and 69.5 kt zinc

- zinc plant stable with improved recoveries
- initiatives underway to improve copper recoveries in complex ore zones
- met cash cost guidance of \$1.55/lb copper
- increased zinc production for 2017

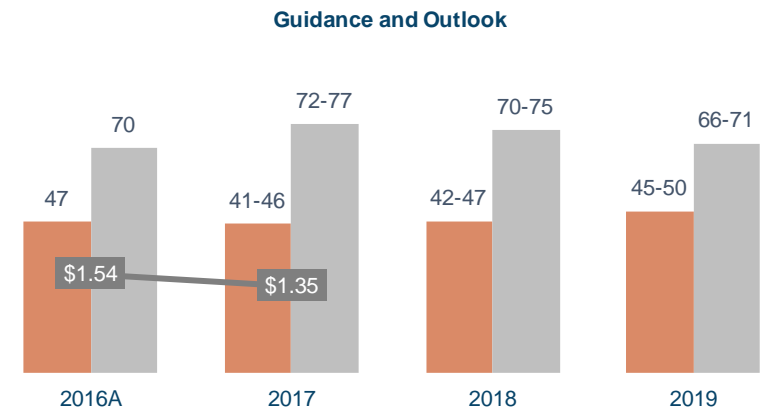
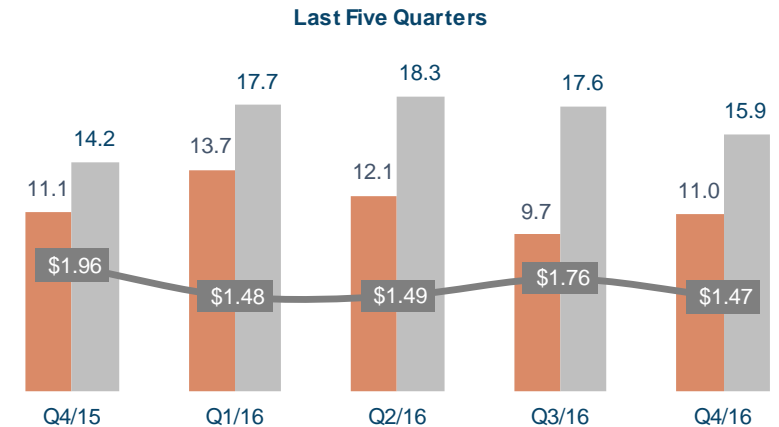
Zinc Expansion Project (ZEP)

- EIA submitted in Q4/16
- approximately €250M initial capital
- doubling of current zinc production levels within 28 months of full project approval
- low risk brownfields project

Exploration program rejuvenated targeting additional copper and zinc resources

Copper, Zinc Production & Cash Cost

(kt & \$/lb Cu, net of by-product credits)



Zinkgruvan



Zinc / Lead / Copper – Sweden

Zinkgruvan

2016 production of 78.5 kt zinc and 1.9 kt copper

- cash cost of \$0.37/lb zinc beat guidance of \$0.40/lb zinc

Increased zinc production targeted for 2017 of 80-85 kt

1350 Zinc Expansion Project

- increase overall mill capacity by ~10%
- on schedule for mid-2017 commissioning
- low capital cost brownfield project; expected high return on investment

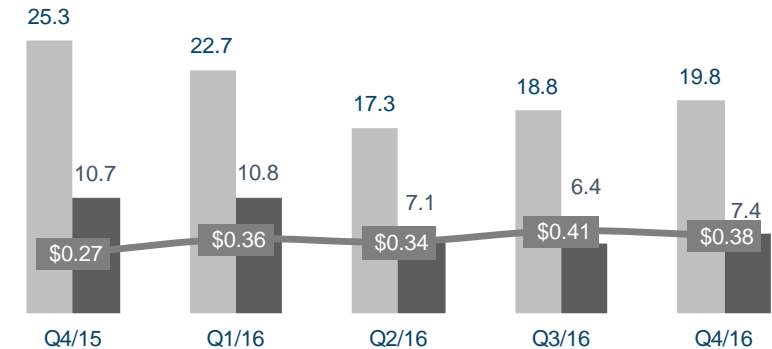
Expansion of Enemossen tailings facility advancing on schedule and budget – new dam expected complete Q3/17

Exploration program rejuvenated targeting two deposits currently not in mine plan

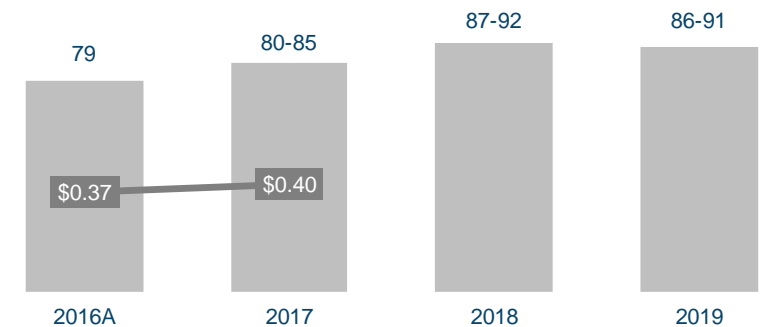
Zinc, Lead Production & Cash Cost

(kt & \$/lb Zn, net of by-product credits)

Last Five Quarters



YTD and Outlook



Tenke Fungurume



Copper / Cobalt – DRC

Tenke Fungurume

2016 production of 215.9 kt copper and 16.1 kt cobalt (100% basis)

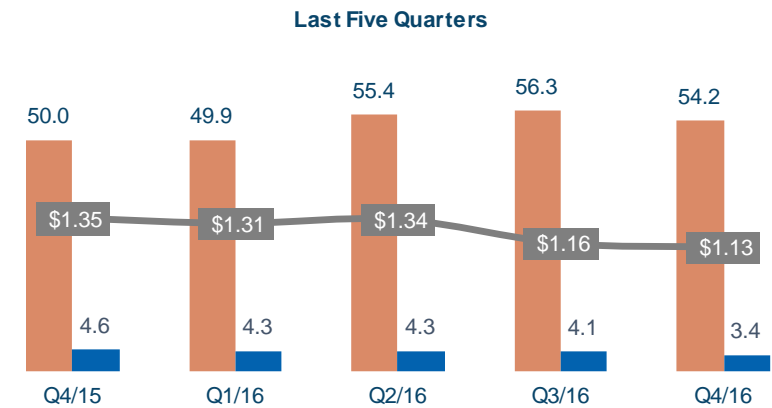
- record copper production in 2016
- cash cost of \$1.23/lb copper slightly bettered full year guidance

Distributions from related investments totaled \$70M in 2016

Agreement to sell indirect interest in TF Holdings Limited

- \$1.136B cash and contingent consideration of up to \$51.4M
- Termination fee of \$100M secured by letter of credit
- Expected to close in H1/17

Copper, Cobalt Production & Cash Cost
(100% basis; kt & \$/lb Cu, net of by-product credits)



Appendices

Production Outlook¹

		2017		2018		2019	
Copper	Candelaria (80%)	145,000	– 150,000	131,000	– 136,000	126,000	– 131,000
	Eagle	15,000	– 18,000	14,000	– 17,000	14,000	– 17,000
	Neves-Corvo	41,000	– 46,000	42,000	– 47,000	45,000	– 50,000
	Zinkgruvan	1,000	– 2,000	2,000	– 3,000	3,000	– 4,000
	Total Attributable²	202,000	– 216,000	189,000	– 203,000	188,000	– 202,000
Nickel	Eagle	17,000	– 20,000	14,000	– 17,000	11,000	– 14,000
	Total	17,000	– 20,000	14,000	– 17,000	11,000	– 14,000
Zinc	Neves-Corvo	72,000	– 77,000	70,000	– 75,000	66,000	– 71,000
	Zinkgruvan	80,000	– 85,000	87,000	– 92,000	86,000	– 91,000
	Total	152,000	– 162,000	157,000	– 167,000	152,000	– 162,000

1. Production guidance is based on certain estimates and assumptions, including but not limited to; Mineral Resources and Reserves, geological formations, grade and continuity of deposits and metallurgical characteristics. This guidance was originally announced on November 30, 2016.

2. Guidance does not include any amount for Tenke Fungurume. Guidance has not yet been provided by China Molybdenum Co., Ltd. the operation's majority owner.

Candelaria Complex



Ownership	80%
Location	Region III, Chile
Mine life	+15 years
2017 exploration budget	~\$32M
P&P copper reserves	2,604 kt contained (482,533 kt @ 0.5%)
M&I copper resources	4,428 kt contained (688,987 kt @ 0.6%)
Inferred copper resources	541 kt contained (61,589 kt @ 0.9%)
P&P gold reserves	2.0 Moz contained (482,533 kt @ 0.1 g/t)
M&I gold resources	3.3 Moz contained (688,987 kt @ 0.2 g/t)
Inferred gold resources	0.4 Moz contained (61,589 kt @ 0.2 g/t)
P&P silver reserves	28 Moz contained (482,533 kt @ 1.8 g/t)
M&I silver resources	45 Moz contained (688,987 kt @ 2.0 g/t)
Inferred silver resources	4 Moz contained (61,589 kt @ 2.0 g/t)

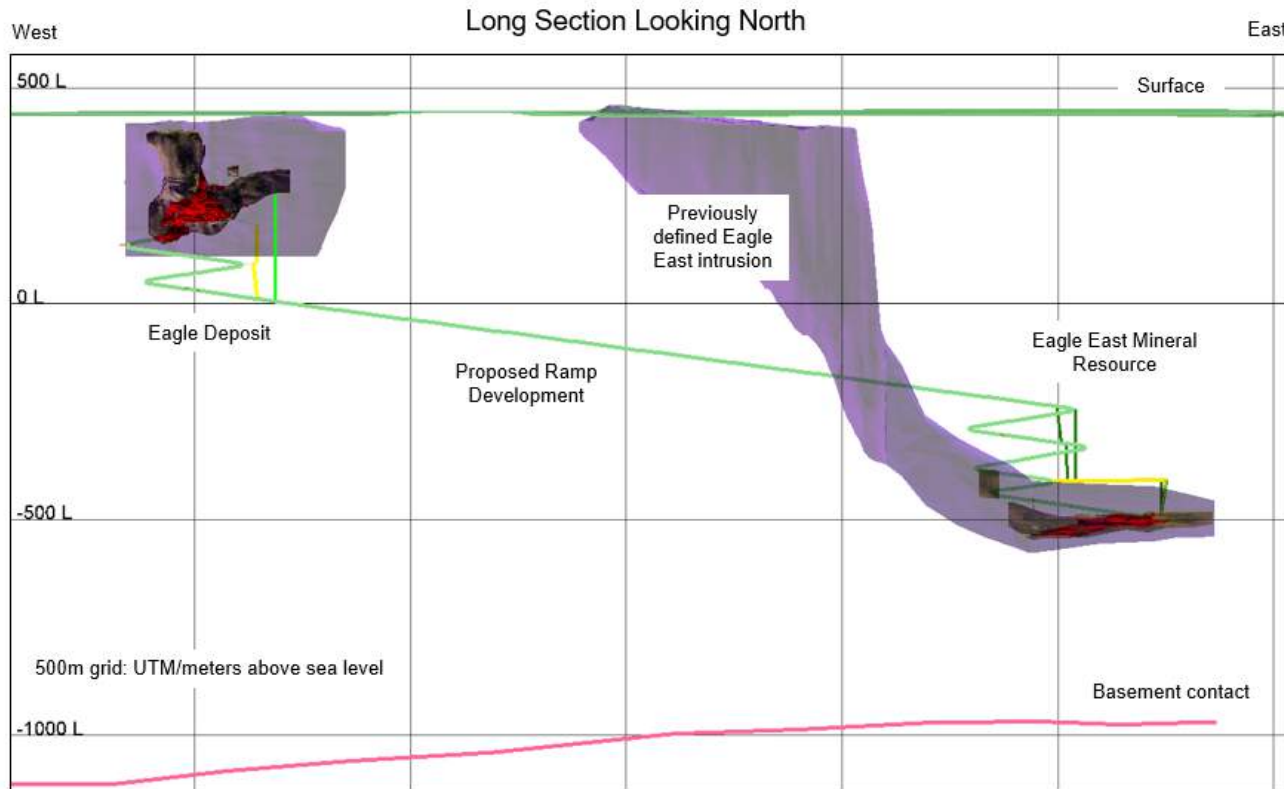


Candelaria – Los Diques Construction



As at January 28, 2017

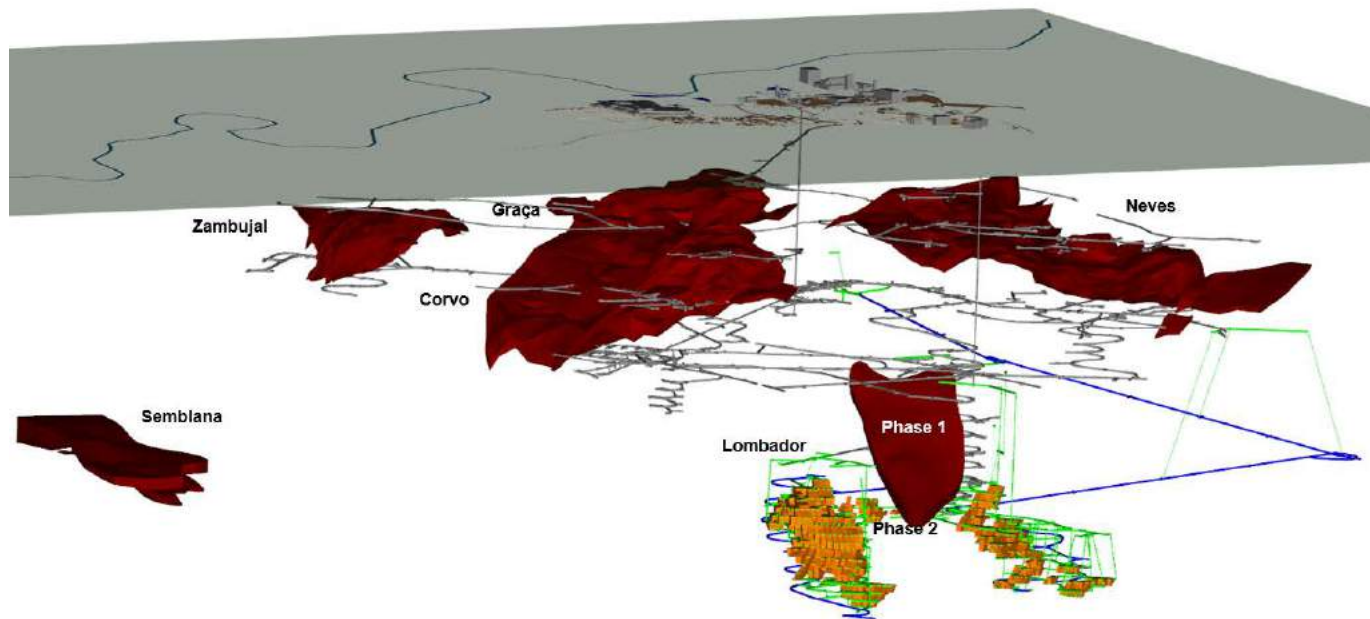
Eagle Mine and Eagle East Overview



Ownership	100%
Location	Michigan, USA
Mine life	7 years
2017 exploration budget	~\$16M
P&P nickel reserves	95 kt contained (3,717 kt @ 2.5%)
M&I nickel resources	119 kt contained (3,671 kt @ 3.3%)
P&P copper reserves	82 kt contained (3,717 kt @ 2.2%)
M&I copper resources	99 kt contained (3,671 kt @ 2.7%)
Eagle East Inferred nickel resource	61 kt contained (1,180 kt @ 5.1%)
Eagle East Inferred copper resource	51 kt contained (1,180 kt @ 4.3%)



Neves-Corvo Overview



Ownership	100%
Location	Alentejo region, Portugal
Mine life	+10 years
2017 exploration budget	~\$3M

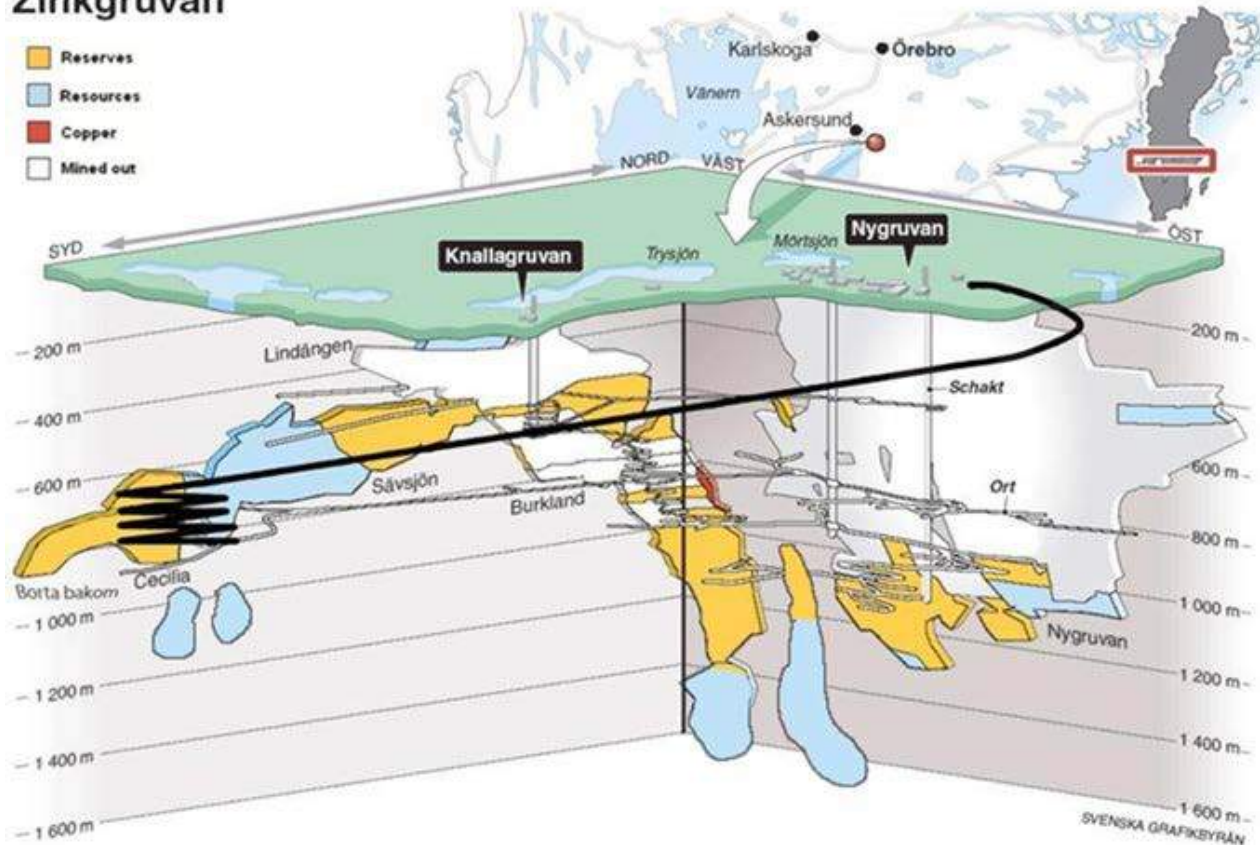
P&P zinc reserves	1,678 kt contained (23,449 kt @ 7.2%)
M&I zinc resources	6,527 kt contained (106,819 kt @ 6.1%)
Inferred zinc resources	499 kt contained (11,386 kt @ 4.4%)

P&P copper reserves	694 kt contained (26,139 kt @ 2.7%)
M&I copper resources	1,857 kt contained (69,986 kt @ 2.7%)
Inferred copper resources	222 kt contained (12,758 kt @ 1.7%)



Zinkgruvan Overview

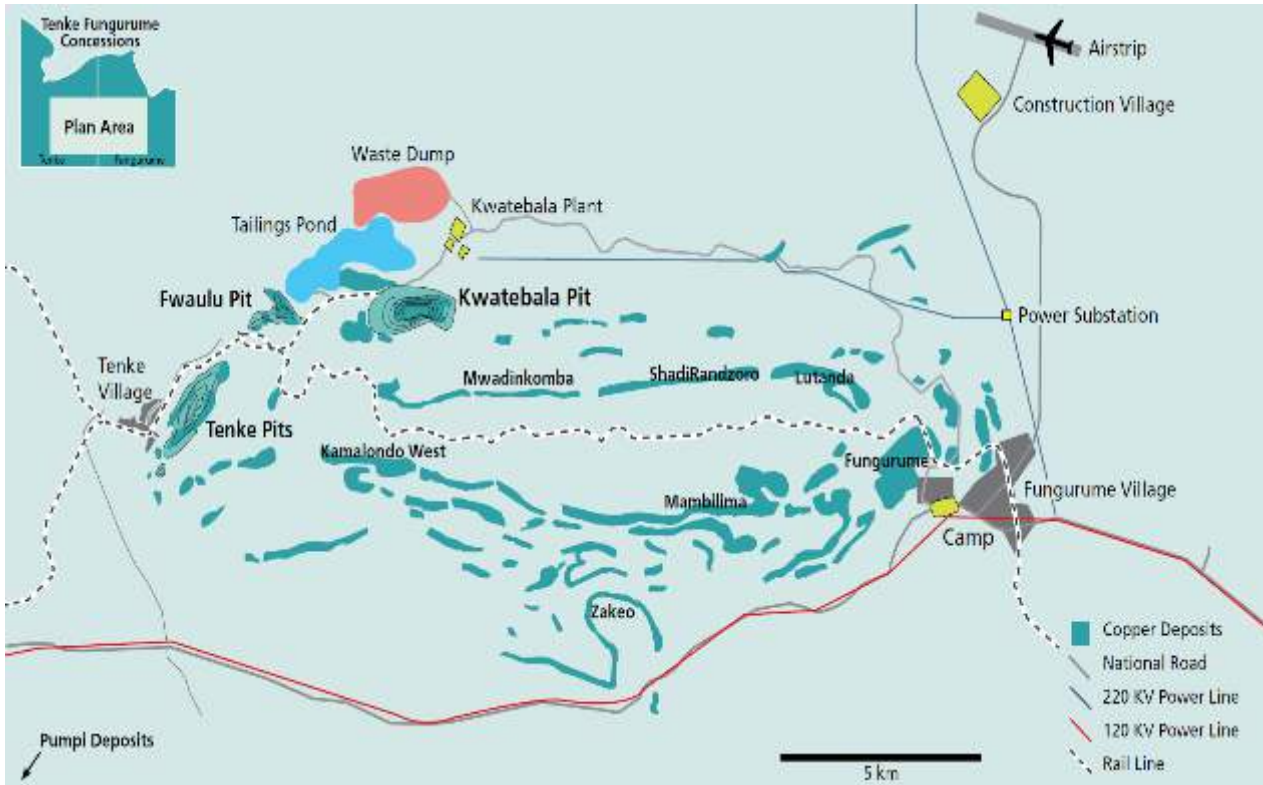
Zinkgruvan



Ownership	100%
Location	Askersund, Sweden
Mine life	+10 years
2017 exploration budget	~\$5M
P&P zinc reserves	861 kt contained (10,770 kt @ 8.0%)
M&I zinc resources	1,511 kt contained (16,090 kt @ 9.4%)
Inferred zinc resources	653 kt contained (7,862 kt @ 8.3%)
P&P lead reserves	354 kt contained (10,770 kt @ 3.3%)
M&I lead resources	627 kt contained (16,090 kt @ 3.9%)
Inferred lead resources	283 kt contained (7,862 kt @ 3.6%)



Tenke Fungurume Overview



Ownership

24% indirect equity interest

Location

Southeast region, DRC

Mine life

+40 years

P&P copper reserves

3,760 kt contained (144,362 kt @ 2.6%)

M&I copper resources

16,857 kt contained (680,341 kt @ 2.5%)

Inferred copper resources

11,594 kt contained (531,651 kt @ 2.2%)

P&P cobalt reserves

510 kt contained (144,362 kt @ 0.4%)

M&I cobalt resources

1,832 kt contained (680,341 kt @ 0.3%)

Inferred cobalt resources

1,291 kt contained (531,651 kt @ 0.2%)



NI 43-101 Compliance

Unless otherwise indicated, Lundin Mining Corporation has prepared the technical information in this presentation (“Technical Information”) based on information contained in the technical reports and news releases (collectively the “Disclosure Documents”) available under Lundin Mining Corp.’s company profile on SEDAR at www.sedar.com. Each Disclosure Document was prepared by or under the supervision of a qualified person (a “Qualified Person”) as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”). For readers to fully understand the information in this presentation, they should read the Technical Reports (available on www.sedar.com) in their entirety, including all qualifications, assumptions and exclusions that relate to the information set out in this presentation which qualifies the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents.

The technical information in this presentation has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”) and reviewed by Stephen Gatley, Vice President - Technical Services of the Company, a “Qualified Person” under NI 43-101. Mr. Gatley has verified the data disclosed in this presentation and no limitations were imposed on his verification process.

Mineral Reserves and Resources are shown on a 100 percent basis for each mine. The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Mineral Reserves. All estimates, with the exception of Tenke Fungurume, are prepared as at June 30, 2016. The Tenke Fungurume estimate is dated December 31, 2015. Estimates for all majority owned operations are prepared by or under the supervision of a Qualified Person as defined in National Instrument 43-101, or have been audited by independent Qualified Persons on behalf of Lundin Mining. Tenke Proven and Probable Mineral Reserves were estimated by the operator Freeport-McMoRan Copper & Gold Inc., and are prepared to SEC standards and are reviewed by Lundin Mining's independent Qualified Persons. Unless indicated otherwise in the “Notes on Mineral Resource and Reserve Table” in Lundin Mining’s news release on September 1, 2016, Mineral Reserves have been calculated using metal prices of US\$2.75/lb copper, US\$1.00/lb zinc, US\$1.00/lb lead, US\$8.50/lb nickel, US\$1,000/oz gold and exchange rates of EUR/US\$ 1.25, US\$/SEK 7.50 and Chilean Peso/US\$ 550.

Refer to the new release entitled “Lundin Reports 2016 Mineral Resource & Reserve Estimate Update” on the Company’s website (www.lundinmining.com) announced on September 1, 2016.

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