lundin mining

Notice of Annual Meeting and Management Information Circular

with respect to the
Annual Meeting of Shareholders
to be held on **May 11, 2020**

MARCH 20, 2020

Notice of Annual Meeting of Shareholders

NOTICE is hereby given that an annual meeting of the shareholders of **LUNDIN MINING CORPORATION** (the "Corporation") will be held as a virtual shareholders' meeting via live audio webcast online at www.virtualshareholdermeeting.com/LUN2020 on Monday, May 11, 2020 at 11:00 a.m. ET ("Meeting"), for the following purposes:

1. To receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2019 and the report of the auditors thereon;
2. To elect the directors for the ensuing year; **(Resolution 1)**
3. To appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants as auditors of the Corporation for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditors; **(Resolution 2)**
4. To provide shareholders with an advisory vote on Executive Compensation; **(Resolution 3)**
5. To consider and if deemed appropriate, passing with or without amendment, an ordinary resolution to approve amendments to the Amended and Restated Incentive Stock Option Plan (the "Stock Option Plan") of the Corporation all as more fully described in the Circular, and to increase the number of Common Shares reserved for issuance thereunder by 12,000,000 Common Shares, resulting in a total of 19,967,925 Common Shares available for future issuance under the Stock Option Plan (and an aggregate total of 42,000,000 Common Shares issuable since adoption of the Stock Option Plan in 2014), and increase the maximum term of the options granted pursuant to the Stock Option Plan to seven years; and **(Resolution 4)**
6. To transact such further and other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

This Notice is accompanied by a management information circular (the "Circular") and form of proxy. The nature of the business to be transacted at the Meeting is described in further detail in the Circular.

Given the significant uncertainty relating to the coronavirus (COVID-19) pandemic, its public health impact and the associated current restrictions on and the risk in attending large group gatherings, the Corporation has made arrangements to enable shareholders to attend and vote virtually at this year's Meeting. Registered shareholders and proxyholders (including non-registered shareholders who have appointed themselves as proxyholder) will be able to listen to the Meeting, ask questions and vote at the Meeting online in real time. Non-registered shareholders who do not appoint themselves as proxyholder may still access the Meeting and will be able to ask questions. Others wishing to attend the Meeting as guests will be able to listen to the Meeting but will not be entitled to ask questions or to vote during the Meeting. The Meeting will be available via a live audio webcast at www.virtualshareholdermeeting.com/LUN2020. This decision has been made in keeping with the Corporation's objective of "Zero Harm – Safer Every Day!" and its focus on the health and safety of its employees, contractors and visitors in line with our corporate value of Safety. Instructions for shareholders to vote by proxy or to attend the Meeting virtually are provided in the Circular on pages 1–9.

Shareholders will not be able to attend this year's Meeting in person. Those wishing to attend and vote at the Meeting will need to ensure that they remain connected to the Meeting at all times in order to vote when balloting commences, and it is such persons' responsibility to ensure internet connectivity for the duration of the Meeting.

Shareholders are encouraged to vote online at www.proxyvote.com, by telephone or by completing, dating, signing and delivering the enclosed form of proxy or voting instruction form to Broadridge Investor Communications Corporation ("Broadridge"), Data Processing Centre, P.O. Box 3700 Stn. Industrial Park, Markham, ON L3R 9Z9, in each case in accordance with the instructions contained in the Circular and on the form of proxy or voting instruction form. Broadridge must receive these instructions or forms of proxy by 10:00 a.m. ET on Thursday, May 7, 2020 (or not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any adjournments or postponements of the Meeting at which the proxy is to be used). The above time limit for deposit of proxies may be waived or extended by the Chairman of the Meeting at his or her discretion without notice.

As provided in the *Canada Business Corporations Act*, the directors have fixed a record date of March 20, 2020. Accordingly, shareholders registered on the books of the Corporation at the close of business on March 20, 2020 are entitled to receive notice of the Meeting and to vote at the Meeting or any adjournment or postponement thereof.

DATED at Toronto, Ontario this 20th day of March 2020.

BY ORDER OF THE BOARD OF DIRECTORS

Annie Laurenson
Corporate Secretary

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General Voting Information

Solicitation of Proxies

This Management Information Circular ("Circular") is furnished in connection with the solicitation of proxies being undertaken by the management of Lundin Mining Corporation (the "Corporation" or "Lundin Mining") for use at the annual meeting of the Corporation's shareholders to be held on Monday, May 11, 2020 (the "Meeting") at the time and location and for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders ("Notice") or at any adjournment or postponement thereof.

Management's solicitation of proxies will primarily be by mail and may be supplemented by telephone or other means of communication to be made, without compensation other than their regular fees or salaries, by directors, officers and employees of the Corporation. The cost of solicitation by management will be borne by the Corporation.

It is anticipated that this Circular, together with the accompanying Notice and form of proxy will be mailed to shareholders of the Corporation on or about April 14, 2020.

Unless otherwise stated, the information contained in this Circular is as of March 20, 2020.

Currency

The Corporation's reporting currency is United States Dollars. References in this Circular to (i) US$ or $ is to United States Dollars; (ii) C$ is to Canadian Dollars; (iii) SEK is to Swedish Kronor. The Corporation has used the following annual average exchange rate for each year for all currency conversions throughout this Circular, unless indicated otherwise:

	C$	SEK
2019	US$0.7537 to C$1.00	US$0.1058 to SEK 1.00
2018	US$0.7719 to C$1.00	US$0.1153 to SEK 1.00
2017	US$0.7712 to C$1.00	US$0.1172 to SEK 1.00

Voting at the Meeting

A registered shareholder ("Registered Shareholder") or a proxyholder (including a Beneficial Shareholder (as defined below) who has appointed themselves as proxyholder in the manner described below) may attend and vote at the Meeting during the live webcast.

Given the significant uncertainty relating to the coronavirus (COVID-19) pandemic, its public health impact and the associated restrictions on and the risk in attending large group gatherings, the Corporation has made arrangements to enable shareholders (and proxyholders) to attend and vote virtually at this year's Meeting. Registered Shareholders and proxyholders (including Beneficial Shareholders who have appointed themselves as proxyholder) will be able to listen to the Meeting, ask questions and vote at the Meeting online in real time. Beneficial Shareholders who do not appoint themselves as proxyholder may still access the Meeting and will be able to ask questions, but they will not be able to vote at the Meeting (unless the proxy deadline is waived). Others wishing to attend the virtual meeting as guests will be able to listen to the Meeting but will not be entitled to ask questions or to vote during the Meeting. The virtual meeting will be available via a live audio webcast at www.virtualshareholdermeeting.com/LUN2020.

Shareholders will not be able to attend this year's Meeting in person. Persons participating in the virtual meeting must remain connected to the internet at all times during the Meeting in order to vote when balloting commences. It is the responsibility of those attending the virtual meeting to ensure internet connectivity for the duration of the Meeting.

Shareholders may also vote online at www.proxyvote.com, by telephone or by proxy.

Accessing and Voting at the Virtual Meeting

Shareholders may attend the Meeting virtually using an internet connected device such as a laptop, computer, tablet or mobile phone and the meeting platform will be supported across browsers and devices that are running the most updated version of the applicable software plugins. The steps that shareholders will need to follow to access the Meeting will depend on whether they are Registered Shareholders or Beneficial Shareholders. Please read and follow the applicable instructions below carefully.

Registered Shareholders

If you are a Registered Shareholder, Broadridge Investor Communications Corporation ("Broadridge") will have sent you a form of proxy. Registered Shareholders planning to access and vote at the Meeting should not complete the form of proxy or return it to Broadridge since you will be accessing and voting at the Meeting during the live webcast.

If you are planning to access the Meeting, your form of proxy will be required in order for you to complete the instructions below, which must be followed very carefully:

1. Log into www.virtualshareholdermeeting.com/LUN2020 at least 15 minutes before the Meeting starts. You should allow ample time to check into the virtual meeting and to complete the related procedures.
2. Enter your 16-digit control number into the Shareholder Login section (your control number is located on your proxy form) and click on "Enter Here".
3. Follow the instructions to access the Meeting and vote when prompted.

Even if you currently plan to access the Meeting, you should consider voting your Common Shares by proxy in advance so that your vote will be counted if you later decide not to attend the Meeting or in the event that you are unable to access the Meeting for any reason. If you access and vote on any matter at the Meeting during the live webcast, then you will revoke any previously submitted proxy.

Beneficial Shareholders

Beneficial Shareholders wishing to access and vote at the Meeting during the live webcast can do so as follows:

1. Appoint yourself as proxyholder as described below under the heading "Voting by Beneficial (Non-Registered) Shareholders", including by providing an "Appointee Name" and designating an 8-character "Appointee Identification Number". Please note that these steps must be completed prior to the proxy deadline (defined below) or you will not be able to vote your Common Shares at the Meeting during the live webcast.
2. Follow the instructions below for Proxyholders to log in and vote at the Meeting.

In the event that the proxy deadline is waived by the Corporation prior to the Meeting, all Beneficial Shareholders will be able to access and vote at the Meeting during the live webcast in the same manner as for registered shareholders described above except that your 16-digit control number will be located on your voting information form or form of proxy. In that case, if you have previously provided voting instructions or appointed another person to vote on your behalf and you choose to access and vote on any matter at the Meeting during the live webcast, then you will revoke all prior voting instructions or appointments. If you do not wish to revoke your prior instructions or appointments, you will still be able to access the Meeting virtually and you will be able ask questions. You should not assume that the proxy deadline will be waived in whole or in part, and you should vote prior to the Meeting or appoint yourself or another person to vote on your behalf at the Meeting prior to the proxy deadline to ensure your vote is counted at the Meeting.

A non-registered shareholder wishing to access the Meeting without voting during the live webcast – for example, because you have provided voting instructions prior to the Meeting or appointed another person to vote on your behalf at the Meeting – can access the Meeting in the same manner as for registered shareholders described above using the 16-digit control number located on your voting information form or form of proxy. You will be able to ask questions if you access the Meeting in this manner.

Proxyholders

If you have been appointed as proxyholder for a Registered or Beneficial Shareholder (or you are a Beneficial Shareholder who has appointed themselves as proxyholder), you can access and vote at the Meeting during the live webcast as follows:

1. Log into www.virtualshareholdermeeting.com/LUN2020 at least 15 minutes before the Meeting starts. You should allow ample time to check into the virtual meeting and to complete the related procedures.
2. Enter the Appointee Name and Appointee Identification Number exactly as it was provided to Broadridge by the shareholder who appointed you as proxyholder and click on "Enter Here". If this information is not provided to you by such shareholder, or if you do not enter it exactly as that shareholder provided it to Broadridge, you will not be able to access the Meeting or vote on their behalf during the live webcast.

   If you have been appointed as proxyholder for more than one shareholder, you will be asked to enter the Appointee Information for each separate shareholder in order to vote the applicable Common Shares on their behalf at the Meeting.

3. Follow the instructions to access the Meeting and vote when prompted.

All shareholders <u>must</u> provide the Appointee Information to their appointed proxyholder <u>exactly</u> as they provided it to Broadridge online at www.proxyvote.com or on their voting information form or form of proxy in order for their proxyholder to access and vote their Common Shares at the Meeting during the live webcast. Proxyholders who have forgotten or misplaced the applicable Appointee Information should contact the shareholder who appointed them as quickly as possible. If that shareholder has forgotten or misplaced the applicable Appointee Information, they should follow the steps described under the heading "Accessing and Voting at the Meeting – Beneficial Shareholders" as quickly as possible.

Asking Questions at the Virtual Meeting

The Corporation believes that the ability to participate in the Meeting in a meaningful way, including asking questions, remains important for those accessing this year's Meeting virtually. Registered shareholders, proxyholders and non-registered shareholders will have an opportunity to ask questions at the Meeting in writing by sending a message to the chair of the Meeting online through the virtual meeting platform. It is anticipated that shareholders will have substantially the same opportunity to ask questions on matters of business at the Meeting as in past years when the annual shareholders' meeting was held in person.

Difficulties Accessing the Virtual Meeting

If you have questions regarding the Meeting portal or require assistance accessing the Meeting website, you may call Broadridge's technical support line at 1-800-586-1548 (toll-free) or 303-562-9288 (toll) on the day of the Meeting, or visit the website www.virtualshareholdermeeting.com or contact your intermediary at any time, for additional information.

If you are accessing the Meeting you must remain connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure internet connectivity for the duration of the Meeting. Note that if you lose connectivity once the Meeting has commenced, there may be insufficient time to resolve your issue before ballot voting is completed. Therefore, even if you currently plan to access the Meeting and vote during the live webcast, you should consider voting your shares in advance or by proxy so that your vote will be counted in the event you experience any technical difficulties or are otherwise unable to access the Meeting.

Attending the Meeting as a Guest

If you wish to access the virtual Meeting as a guest, you can log into the Meeting as set out below. Note that guests will be able to listen to the Meeting but will not be able to ask questions or vote. If you wish to contact the board chair or any member of the board please see back for contact information. Please read and follow the instructions below carefully.

1. Log into www.virtualshareholdermeeting.com/LUN2020 at least 15 minutes before the Meeting starts. You should allow ample time to check into the virtual meeting and to complete the related procedures.
2. Complete the GUEST LOGIN section and click on "Enter Here".

Appointment of Proxyholder

The persons named as proxyholders in the enclosed form of proxy are directors and/or officers of the Corporation ("Management Proxyholders"). A registered shareholder ("Registered Shareholder") has the right to appoint a person or company other than one of the Management Proxyholders to represent the Registered Shareholder at the Meeting by striking out the printed names and inserting that other person's or company's name in the blank space provided or by following the instructions online at www.proxyvote.com. A proxyholder need not be a shareholder of the Corporation.

A Registered Shareholder appointing a proxy holder may indicate the manner in which the appointed proxy holder is to vote regarding any specific item by checking the space opposite the item on the proxy. If the Registered Shareholder giving the proxy wishes to confer discretionary authority regarding any item of business, the space opposite the item should be left blank. The Common Shares (as defined below) represented by the proxy submitted by a Registered Shareholder appointing one of the Management Proxyholders as proxyholder will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and that, if the Registered Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares represented by that proxy will be voted accordingly. If a Registered Shareholder appoints one of the Management Proxyholders as proxyholder and there is no direction by the Registered Shareholder, the Management Proxyholder will vote the proxy **FOR** the election of the directors, **FOR** the appointment of the auditors, and **FOR** the advisory vote on Executive Compensation, and **FOR** the amendments to the Corporation's amended and restated Stock Option Plan.

If you are a Registered Shareholder, you are encouraged to provide your voting instructions to the Management Proxyholders or to appoint another person as your proxyholder by internet at www.proxyvote.com or by telephone to reduce the risk of any mail or other disruptions in the current environment, or by completing, signing, dating and returning the form of proxy to Broadridge, in each case in accordance with the instructions appearing on your form of proxy.

You may also appoint a proxyholder by an instrument signed in writing by you, or your attorney authorized in writing. If the Registered Shareholder is a corporation, the instrument (including the form of proxy) appointing a proxyholder must be in writing signed by an officer or attorney of the corporation duly authorized by resolution of the directors of such corporation, which resolution must accompany such instrument.

Appointing a Proxyholder (other than the Management Proxyholders) to Attend the Virtual Meeting

The process for appointing another person as your proxyholder (other than the Management Proxyholders) to access the Meeting and vote on your behalf during the live webcast is different than it is for them to attend a meeting in person. You must therefore follow the instructions on your form of proxy very carefully, including:

- inserting an "Appointee Name" and designating an 8-character "Appointee Identification Number" (together, this is the *Appointee Information*) online at www.proxyvote.com or in the spaces provided on your form of proxy; and

- informing your appointed proxyholder of the exact Appointee Name and 8-character Appointee Identification Number prior to the Meeting. Your proxyholder will require both your Appointee Name and Appointee Identification Number in order to access the Meeting and vote on your behalf.

You are encouraged to appoint your proxyholder online at www.proxyvote.com in accordance with the instructions on the form of proxy as this will allow you share the Appointee Information you have created with your appointed proxyholder more easily. You may also complete and return your form of proxy by following the instructions on your form of proxy.

Please note that if you wish to appoint a person as your proxyholder other than the Management Proxyholders and you do not designate the Appointee Information as required when completing your appointment online or on your form of proxy *or* if you do not provide the exact Appointee Name and Appointee Identification Number to that other person, that other person will not be able to access the Meeting and vote on your behalf.

Proxy Deadline

Your voting instructions or proxyholder appointment must be provided by no later than 10:00 a.m. ET on Thursday May 7, 2020 or if the Meeting is adjourned, at least 48 hours (not including Saturdays, Sundays or statutory holidays in Ontario) prior to the reconvened Meeting (the "proxy deadline"). If you prefer, you may also complete and return your form of proxy to Broadridge at: Data Processing Centre, P.O. Box 3700 STN Industrial Park, Markham, ON, L3R 9Z9, in which case Broadridge must receive your completed form of proxy prior to the proxy deadline. The proxy deadline may be waived or extended by the Chairman of the Meeting at his or her discretion without notice, but the Corporation is under no obligation to accept or reject any particular late proxy.

Providing your voting instructions to the Management Proxyholders or appointing another person as your proxy will ensure your vote is counted at the Meeting even if you later decide not to attend the Meeting or are unable to access the Meeting in the event of technical difficulties. If you access and vote on any matter at the Meeting during the live webcast, any proxy you have previously submitted will be revoked.

Voting of Proxies

Common shares of the Corporation ("Common Shares") represented by properly executed and deposited proxies in the accompanying form will be voted or withheld from voting on each respective matter in accordance with the instructions of the Registered Shareholder (as defined below) on any ballot that may be called for and, if the Registered Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Common Shares represented by such proxy will be voted accordingly. If no choice is specified, the person designated in the accompanying form of proxy will vote **FOR** all matters proposed by management at the Meeting.

Exercise of Discretion

The enclosed form of proxy, when properly completed and delivered and not revoked, gives discretionary authority to the persons named therein with respect to any amendments or variations of matters identified in the Notice and with respect to other matters which may properly come before the Meeting. As of the date of this Circular, management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting.

Voting by Beneficial (Non-Registered) Shareholders

The information in this section is important to many shareholders as a substantial number of shareholders do not hold their shares in their own name. Most shareholders of Lundin Mining are "non-registered" shareholders ("Beneficial Shareholders") because the Common Shares they own are not registered in their names. Common Shares beneficially owned by a Beneficial Shareholder are registered either: (i) in the name of an intermediary ("Intermediary") that the Beneficial Shareholder deals with in respect of the Common Shares of Lundin Mining (Intermediaries include, among others, banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

This Circular and related Meeting materials are being sent to both Registered Shareholders and Beneficial Shareholders. Even if you are an "objecting" Beneficial Shareholder, the Corporation will pay the cost of mailing the Meeting materials to you.

Beneficial Shareholders should note that only proxies deposited by shareholders whose names appear on the share register of the Corporation may be recognized and acted upon at the Meeting. If Common Shares are shown on an account statement provided to a Beneficial Shareholder by an Intermediary, then in almost all cases the name of such Beneficial Shareholder will not appear on the share register of the Corporation. Such shares can only be voted by Intermediaries and can only be voted by them in accordance with instructions received from Beneficial Shareholders. As a result, Beneficial Shareholders should carefully review the voting instructions provided by their Intermediary with this Circular and ensure that they direct the voting of their shares in accordance with those instructions.

Applicable regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of a shareholders' meeting. Each Intermediary has its own mailing procedures and provides its own return instructions to clients. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder by such shareholder's Intermediary is limited to instructing the registered holder on how to vote their shares on behalf of the Beneficial Shareholder. Most Intermediaries in Canada now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically prepares voting instruction forms, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions with respect to the voting of shares at the Meeting.

A Beneficial Shareholder who receives a voting instruction form from Broadridge cannot use that form to vote their shares at the Meeting.

Instead, if you are a Beneficial Shareholder and you wish to provide voting instructions or to appoint yourself or another person (other than the Management Proxyholders) to attend and vote in person or virtually at the Meeting, you must follow the instructions below together with those provided by your Intermediary and on the forms that you receive. You should contact your Intermediary promptly if you need assistance.

Providing voting instructions

You may provide your voting instructions by following the instructions on the voting instruction form or form of proxy provided to you by your Intermediary. You are encouraged to do so online at www.proxyvote.com or by telephone if your Intermediary provides you with this option. You may also mark your voting instructions on the voting instruction form or form of proxy provided to you by your Intermediary, sign and date it, and return it as instructed and within the timelines provided by your intermediary.

Appointing yourself (or another person) to vote at the Meeting

If you wish to access and vote at the Meeting during the live webcast or to appoint another person (other than the Management Proxyholders) to do so:

- You are encouraged to make this appointment online at www.proxyvote.com using the instructions provided on your voting instruction form or form of proxy, if your Intermediary provides you with this option.
- Alternatively, you may do so by inserting your name (or the name of such other person) in the space provided for the proxyholder appointment in your voting instruction form or form of proxy, and return it as instructed by your Intermediary. Do not complete the voting section of the voting information form or form of proxy, since you or your designate will vote at the Meeting during the live webcast.

The process for any non-registered shareholder to appoint themselves or another person (other than the Management Proxyholders) to access and vote at the Meeting during the live webcast is different than it is for you or them to attend a meeting in person. In addition to the steps above, you must follow the additional instructions on your voting instruction form or form of proxy very carefully, including:

- inserting an "Appointee Name" and designating an 8-character "Appointee Identification Number" online at www.proxyvote.com or in the spaces provided on your form of proxy or voting information form. You must complete this step regardless of whether you wish to appoint yourself or another person (other than the Management Proxyholders); and
- if you have appointed someone other than yourself to access and vote at the Meeting on your behalf, informing your appointed proxyholder of the exact Appointee Name and 8-character Appointee Identification Number prior to the Meeting.

You are encouraged to appoint yourself or such other person (other than the Management Proxyholders) online at www.proxyvote.com as this will reduce the risk of any mail or other disruptions in the current environment and will allow you to share the Appointee Information you have designated with any other person you have appointed to represent you at the Meeting more easily. If you do not designate the Appointee Information as required when completing your appointment online or on your voting information form or form of proxy or if you do not provide the exact Appointee Identification Number and Appointee Name to any other person (other than the Management Proxyholders) who has been appointed to access and vote at the Meeting on your behalf, neither you nor that other person, as applicable, will be able to access the Meeting to vote.

Your intermediary must receive your voting instructions or your appointment in sufficient time for your intermediary to act on them. You are encouraged to provide your voting instructions or appointment online at www.proxyvote.com in accordance with the instructions on your voting instruction form or form of proxy and you must do so by no later than the proxy deadline. If you prefer, you may also complete and return your voting information form or form of proxy to Broadridge at: Data Processing Centre, P.O. Box 3700 STN Industrial Park, Markham, ON, L3R 9Z9, in which case Broadridge must receive your completed voting information form or form of proxy prior to the proxy deadline.

Changing Your Vote

Registered Shareholders

If you are a Registered Shareholder who has provided voting instructions or otherwise returned a proxy, you may revoke it at any time before it has been exercised. You may revoke any prior proxy by providing new voting instructions or Appointment Information at www.proxyvote.com at a later time or a new form of proxy with a later date.

Further, in addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing (including a proxy bearing a later date), executed by you or by your attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. The instrument revoking the proxy must be deposited at the registered office of the Corporation, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment or postponement thereof.

Proxies, however submitted, received after the proxy deadline but before the Meeting may only be effective to revoke any previously submitted proxy. If you attend the Meeting in person or access the Meeting and vote on any matter during the live webcast, any previously submitted proxy will be revoked. The proxy deadline may be waived or extended by the Chairman of the Meeting at his or her discretion without notice, but the Corporation is under no obligation to accept or reject any particular late proxy.

Beneficial Shareholders

If you are a Beneficial Shareholder, you can revoke your prior voting instructions or appointment by providing new instructions or Appointment Information at a later time online at www.proxyvote.com, by telephone or on a voting instruction form with a later date, in each case in accordance with the instructions on your voting instruction form, provided that your new instructions or appointment are received by your intermediary in sufficient time for your intermediary to act on them. In order to be effective, your new voting instructions or appointment must be received by Broadridge by the proxy deadline described above. Otherwise, contact your intermediary if you want to revoke your prior voting instructions or appointment.

If you are eligible to access and vote at the Meeting during the live webcast and you have previously provided voting instructions or appointed another person to vote on your behalf you may access the Meeting and revoke your prior instructions or appointments, but you will not be able to vote on any matter at the Meeting during the live webcast unless the proxy deadline has been waived. If you do not wish to revoke your prior instructions or appointments, you will still be able to access the Meeting and you will be able ask questions

Proxies, voting instructions and appointments received after the proxy deadline may only be effective to revoke previously submitted proxies, voting instructions or appointments. The proxy deadline may be waived or extended by the Chairman of the Meeting at his or her discretion without notice, but the Corporation is under no obligation to accept or reject any particular late proxy, voting instructions or appointments.

Quorum

The quorum required at the Meeting will be not less than two shareholders present, each being a shareholder, a proxyholder or a representative for a shareholder, at the opening of the Meeting.

Record Date

Shareholders registered as at March 20, 2020 (the "Record Date") are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the proxy to attend and vote, deliver their proxies at the place and within the time set forth in the notes to the proxy.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Except as otherwise set out herein, no director or executive officer of the Corporation, or any person who has held such a position since the beginning of the last completed financial year of the Corporation, nor any nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors.

Voting Securities and Principal Holders Thereof

The Corporation is authorized to issue an unlimited number of Common Shares and one special share, of which 733,574,447 Common Shares and no special shares were issued and outstanding as of the Record Date. Each Common Share is entitled to one vote on all matters to be acted upon at the Meeting.

The following table sets forth those persons who, to the knowledge of the directors and executive officers of the Corporation, beneficially own, control or direct, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all Common Shares:

Name of Shareholder	Number of Common Shares	Percentage of Common Shares
Nemesia S.a.r.l. ("Nemesia")[1] Luxembourg	93,822,698	Approximately 12.80%

(1) Two private companies controlled by a trust settled by the late Adolf H. Lundin, together hold 100% of the outstanding Class C shares of Nemesia and control Nemesia.

Business of the Meeting

Financial Statements

The audited consolidated financial statements of the Corporation for the year ended December 31, 2019, including the report of the auditors thereon, will be tabled at the Meeting and will be received by the shareholders. These audited consolidated financial statements of the Corporation for the year ended December 31, 2019 and the report of the auditors thereon and the related management's discussion and analysis have been provided to shareholders who have validly requested such statements separately and are available on under the Corporation's profile on SEDAR at www.sedar.com.

Election of Directors and Information Regarding Proposed Directors

The directors of the Corporation for the ensuing year will be elected at this Meeting.

The board of directors of the Corporation (the "Board") has accepted a recommendation of the Corporate Governance and Nominating Committee (the "CGNC") of the Corporation and has determined that the size of the Board should be eight directors. The number of directors to be elected is eight. Except for Mr. Ashley Heppenstall, the remaining seven nominees are presently members of the Board and the dates on which they were first elected or appointed are indicated below. Each director nominee elected will hold office until their successor is elected at the next annual meeting of shareholders, or any postponement(s) or adjournment(s) thereof, or until their successor is otherwise elected or appointed.

Unless authority to vote is withheld, the Common Shares represented by the proxies held by a Management Proxyholder will be voted by the persons named therein **FOR** the election of each of the eight nominees as directors. Management does not contemplate that any nominee will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote **FOR** another nominee in their discretion, unless the shareholder has specified in the accompanying form of proxy that such shareholder's shares are to be withheld from voting on the election of directors. Please see the summary below on our Majority Voting Policy.

Advance Notice

The Corporation's By-Law No. 1 includes an advance notice requirement for nominations of directors by shareholders in certain circumstances. This advance notice bylaw was approved by the shareholders of the Corporation on May 10, 2013. Among other things, the advance notice by-law fixes a deadline by which holders of record of Common Shares must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation. In the case of an annual meeting of shareholders, notice to the Corporation must be provided not less than 30 days nor more than 65 days prior to the date of the annual meeting. Please see "Shareholder Proposals" for additional information.

As at the date of this Circular, the Corporation has not received notice of any director nominations in connection with the Meeting.

Appointment and Remuneration of Auditors

The auditors for the Corporation will be appointed at this Meeting. Following a detailed review and tender process completed in late 2018 and an assessment of the effectiveness of the auditors for the current year, the directors of the Corporation recommend the re-appointment of PricewaterhouseCoopers LLP ("PwC"), Chartered Professional Accountants, Licensed Public Accountants, located in Toronto, Ontario, as auditor of the Corporation to hold office until the termination of the next annual meeting of the shareholders of the Corporation. PwC was first appointed as the auditor of the Corporation on October 19, 2006. The Corporation also proposes that the remuneration to be paid to the auditors be determined by the directors of the Corporation.

The disclosure required by National Instrument 52-110 – *Audit Committees* ("NI 52-110"), including the text of the Audit Committee's charter and the fees paid to the Corporation's external auditors, can be found in the "Audit Committee" section of the Corporation's Annual Information Form for the year ended December 31, 2019 as filed on SEDAR at www.sedar.com.

Auditors' Fees

The following table discloses the fees billed to the Corporation by its external auditors during the financial years ended December 31, 2019 and 2018. Services billed in C$, Chilean Pesos, Brazilian Reais, Euros or SEK were converted using average exchange rates that prevailed during 2019 and 2018 (as quoted on Bloomberg).

Fiscal Year Ending	Audit Fees(1)	Audit-Related Fees(2)	Tax Fees(3)	All other Fees(4)
December 31, 2019	$1,400,515	$3,682	$8,861	$nil
December 31, 2018	$1,113,662	$12,428	$12,533	$35,619

(1) Audit fees represent fees billed by the Corporation's auditors for audit services.
(2) Audit-related fees represent fees billed for assurance and related services by the Corporation's auditors that are reasonably related to the performance of the audit or review of the Corporation's financial statements and not disclosed in the Audit Fees column.
(3) Tax fees represent fees billed for professional services rendered by the Corporation's auditor for tax compliance, tax advice and tax planning.
(4) All other fees represent fees billed for products and services provided by the Corporation's auditors other than services reported under notes (1), (2) and (3) above.

The Board recommends that shareholders vote FOR the re-appointment of PricewaterhouseCoopers LLP ("PwC") as auditors of the Corporation for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditors.

In the absence of any instructions to withhold a vote, the Common Shares represented by proxies held by a Management Proxyholder will be voted **FOR** the re-appointment of PwC, Chartered Professional Accountants, Licensed Public Accountants, as auditor of the Corporation until the close of the next annual meeting of shareholders or until their successor is appointed and to authorize the directors to fix their remuneration. This item of business must be approved by a majority of votes (50% +1) cast by shareholders present in person or represented by proxy at the Meeting or any adjournment thereof.

Advisory Vote on the Corporation's Approach to Executive Compensation

The Board has adopted a shareholder advisory vote on the Corporation's approach to executive compensation, as disclosed under the heading "Executive Compensation". As a formal opportunity to provide their views on the disclosed objectives of the Corporation's pay for performance compensation model, shareholders are asked to review and vote, in a non-binding, advisory manner, on the following resolution:

Resolved, on an advisory basis and not to diminish the role and responsibilities of the Board, that the shareholders accept the approach to executive compensation disclosed in the Circular.

The Human Resources/Compensation Committee ("HRCC") and the Board will take the results of the vote into account, as appropriate, when considering future compensation policies, procedures and decisions, all of which are to be consistent with its pay for performance compensation model (see Executive Compensation for details regarding the compensation philosophy and guidelines of the Board and the performance metrics and process used to assess performance as well as whether any compensation consultant was retained last year and, if so, the mandate of such consultant). The pay for performance compensation model is designed to attract, retain and motivate talented management and pay for actual performance which drives the long-term creation and preservation of shareholder value.

The Board recommends that shareholders vote FOR the resolution to accept the Corporation's approach to executive compensation.

In the absence of any instructions to the contrary, the Common Shares represented by proxies received by management will be voted **FOR** the approval of the resolution to accept the Corporation's approach to executive compensation.

Amendment to the Corporation's Stock Option Plan

The Board has approved amendments to the Amended and Restated Incentive Stock Option Plan (the "Stock Option Plan") to (1) increase the number of Common Shares available for issuance by 12,000,000 Common Shares; and (2) increase the maximum term of options granted pursuant to the Stock Option Plan from five to seven years from the date of the option grant.

Shareholders will be asked to vote on this matter in accordance with the following resolution:

Resolved that:

1. ***subject to regulatory approval, the amendments to the Amended and Restated Incentive Stock Option Plan to increase the number of Common Shares available for issuance by 12,000,000 Common Shares, resulting in a total of 19,967,925 Common Shares available for future issuance under the Stock Option Plan (and an aggregate total of 42,000,000 Common Shares issuable since adoption of the Stock Option Plan in 2014), and increase the maximum term of options issued pursuant to the Amended and Restated Incentive Stock Option Plan from five to seven years is hereby approved; and***
2. ***any director or officer of the Corporation is authorized to do all such things and execute all instruments and documents on behalf of the Corporation as such director or officer, in such director's or officer's sole discretion, considers necessary or desirable to carry out this resolution.***

The Board recommends that shareholders vote FOR the Stock Option Plan Resolution.

In the absence of any instructions to the contrary, the Common Shares represented by proxies received by management will be voted **FOR** the approval of the Stock Option Plan Resolution.

Election of Directors

Director Nominee Profiles

This section profiles each of the nominated directors, including principal occupation and experience, participation on the Corporation's Board and Board committees and shareholdings in Lundin Mining. The Corporation has been advised that each of the nominated directors is willing to serve on the Board for the ensuing year.

The nominated directors have confirmed the following information as of the date of this Circular.

Lukas H. Lundin

Vaud, Switzerland

Chairman

Age: 61
Director since: September 9, 1994

Chairman and a director of the Corporation since September 1994; chairman, and/or director of a number of publicly traded resource-based companies.

Non-Independent[1][2]

LUNDIN MINING BOARD AND BOARD COMMITTEES

Board

PUBLIC COMPANY BOARD MEMBERSHIP[3]

Filo Mining Corp.
(TSX/Nasdaq Stockholm)

Lucara Diamond Corp.
(TSX/Nasdaq Stockholm)

Lundin Gold Inc.
(TSX/Nasdaq Stockholm)

Lundin Petroleum AB
(TSX/Nasdaq Stockholm)

Common Shares Owned[5]

2,271,449

(valued at C$9,994,376)[6]

Total Compensation for Fiscal 2019

US$195,962

President and Chief Executive Officer ("CEO") of the Corporation since September 30, 2018; Senior Vice President and Chief Financial Officer of the Corporation from May 2009 to September 2018; Vice President, Finance, of the Corporation from September 2008 to May 2009.

Marie Inkster

Ontario, Canada

Age: 48
Director since: September 30, 2018

Non-Independent[1][2]

LUNDIN MINING BOARD AND BOARD COMMITTEES

Board

Health, Safety, Environment and Community Committee

PUBLIC COMPANY BOARD MEMBERSHIP

Lucara Diamond Corp. (TSX/Nasdaq Stockholm)

Common Shares Owned[5]

426,653

(valued at C$1,877,273)[6]

A corporate director since 2006 with experience in executive leadership positions in mining and financial services as well as mergers and acquisitions and finance. He was the President and Chief Executive Officer of Corsa Coal Corp. from August 2010 to July 2013.

Donald K. Charter

Ontario, Canada

Age: 63
Director since: October 31, 2006

Independent[1]

LUNDIN MINING BOARD AND BOARD COMMITTEES

Board

Human Resources/Compensation Committee (Chair)

Corporate Governance and Nominating Committee

PUBLIC COMPANY BOARD MEMBERSHIP

DREAM Office Real Estate Investment Trust (TSX)

IAMGOLD Corporation (TSX)

International Petroleum Corporation (TSX/Nasdaq Stockholm)

Common Shares Owned[5]

67,424

(valued at C$296,666)[6]

Total Compensation for Fiscal 2019

US$131,898

John H. Craig

Ontario, Canada

Age: 72
Director since: June 11, 2003

Senior Counsel at Cassels Brock & Blackwell LLP ("Cassels") since January 1, 2016. Prior to that date, Mr. Craig was a Partner at Cassels. Also, a director of other publicly traded companies.

Independent[4]

LUNDIN MINING BOARD AND BOARD COMMITTEES

Board

Health, Safety, Environment and Community Committee

PUBLIC COMPANY BOARD MEMBERSHIP

Africa Oil Corp. (TSX)

Consolidated HCI Holdings Corp. (TSX)

Corsa Coal Corp. (TSX-V)

Common Shares Owned[5]

213,849

(valued at C$940,936)[6]

Total Compensation for Fiscal 2019

US$116,824

C. Ashley Heppenstall

London, United Kingdom

Age: 57
Director since: Nominated for Election at the Meeting

A Corporate Director since 2015, Mr. Heppenstall has over 30 years of experience in the oil and gas and resource sectors. From 2001-2015, Mr. Heppenstall served as the President, Chief Executive Officer and Finance Director of Lundin Petroleum AB, an oil and gas exploration and production company with core assets in Norway and South East Asia. Early in his career, Mr. Heppenstall worked in the banking sector where he was involved in project financing of oil and resource sector businesses. In 1990, Mr. Heppenstall was a founding director and shareholder of Sceptre Management Limited. In 1998 he was appointed Finance Director of Lundin Oil AB. Following the acquisition of Lundin Oil by Talisman Energy in 2001, Lundin Petroleum was formed, and Mr. Heppenstall was appointed President and Chief Executive Officer in 2002 until his retirement in 2015. Mr. Heppenstall holds a degree in Mathematics from Durham University.

Independent[1]

LUNDIN MINING BOARD AND BOARD COMMITTEES

N/A

PUBLIC COMPANY BOARD MEMBERSHIP[3]

International Petroleum Corporation (TSX/Nasdaq Stockholm)

Josemaría Resources Inc. (TSX/Nasdaq Stockholm)

Lundin Gold Inc. (TSX/Nasdaq Stockholm)

Lundin Petroleum AB (Nasdaq Stockholm)

Common Shares Owned[5]

Nil

(valued at C$Nil)[6]

Total Compensation for Fiscal 2019

N/A

Peter C. Jones

Alberta, Canada

Age: 72
Director since: September 20, 2013

Corporate director and retired executive with over 40 years of experience in the global mining industry. Mr. Jones served as Interim President and CEO of IAMGOLD Corporation, President and Chief Operating Officer of Inco Ltd., and President and Chief Executive Officer of Hudson Bay Mining & Smelting Co. Mr. Jones has been a director of public companies for over 20 years.

Independent[1]

LUNDIN MINING BOARD AND BOARD COMMITTEES

Board

Health, Safety, Environment and Community Committee (Chair)

Human Resources/Compensation Committee

PUBLIC COMPANY BOARD MEMBERSHIP

N/A

Common Shares Owned[5]

76,482

(valued at C$336,521)[6]

Total Compensation for Fiscal 2019

US$128,129

Dale C. Peniuk

British Columbia, Canada

Age: 60
Director since: October 31, 2006

Chartered Professional Accountant (CPA, CA) and corporate director; formerly an assurance partner with KPMG LLP; director of a number of publicly traded companies.

Independent[1]

LUNDIN MINING BOARD AND BOARD COMMITTEES

Board

Audit Committee (Chair)[7]

Corporate Governance and Nominating Committee

PUBLIC COMPANY BOARD MEMBERSHIP

Argonaut Gold Inc. (TSX)

Capstone Mining Corp. (TSX)

Miramont Resources Corp. (CSE)

Common Shares Owned[5]

50,000

(valued at C$220,000)[6]

Total Compensation for Fiscal 2019

US$135,666

Corporate director since 2016. President of Stefan & Associates, a consulting firm, between 1990 and 2016. Ms. Stefan served as Chief Operating Officer of O&Y Properties Inc. from 1996 to 1998. From 1999 until 2008, Ms. Stefan was Managing Partner of Tivona Capital Corporation, a private investment firm. Ms. Stefan is a Chartered Professional Accountant (CPA, CA).

Catherine J. G. Stefan

Ontario, Canada

Age: 67
Director since: May 8, 2015

Independent(1)

LUNDIN MINING BOARD AND BOARD COMMITTEES

Board

Audit Committee

Corporate Governance and Nomination Committee (Chair)

PUBLIC COMPANY BOARD MEMBERSHIP

Denison Mines Corp. (TSX/NYSE MKT)

Common Shares Owned(5)

56,400

(valued at C$242,000)(6)

Total Compensation for Fiscal 2019

US$131,898

(1) "Independent" refers to the Board's determination of whether a director is "independent" as described under the heading "Independence and Lead Director" on page 28.
(2) Mr. Lundin, Chairman of the Board, is considered not to be independent due to his direct involvement with management of the Corporation. Ms. Inkster is not independent because of her current role as CEO of the Corporation.
(3) Mr. Lundin has advised the Corporation that he will not be standing for re-election to the boards of directors of either of International Petroleum Corporation or Josemaría Resources Inc. Mr. Heppenstall has advised the Corporation that he will not be standing for re-election to the boards of directors of either of Africa Energy Corp. or Filo Mining Corp. Each of these issuers has issued a press release publicly announcing these decisions. Consequently, following the respective annual meetings of these issuers in 2020, each of Mr. Lundin and Mr. Heppenstall (assuming his election at the Meeting) will serve as directors of not more than four other public companies. The Board has considered this and does not believe that the very limited time period (resulting solely from the timing of the issuers' respective annual meetings) where Mr. Lundin and/or Mr. Heppenstall serve on more than four other public company boards will in any way negatively impact their ability to sufficiently prepare for, attend or effectively participate at meetings of the Board or otherwise fulfil their responsibilities as directors of the Corporation.
(4) In assessing Mr. Craig's independence, the Board carefully considered (i) the relationship between Lundin Mining and Cassels, (ii) Mr. Craig's position as Senior Counsel at Cassels, (in particular the absence of any ongoing equity interest in that firm or in the fees paid to Cassels by the Corporation), (iii) the length of time since Mr. Craig's resignation as an equity partner of Cassels in 2015, and (iv) the fees paid by Lundin Mining to Cassels, prior to coming to the view that the foregoing could not reasonably be expected to interfere with Mr. Craig's ability to exercise independent judgment as a director of Lundin Mining. Lundin Mining intends to continue to use Cassels to provide legal services, and the Board will reassess Mr. Craig's independence on an annual basis.
(5) Represents the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly.
(6) Calculated using the closing market price of the Common Shares on the TSX as at March 20, 2020 (being C$4.40). Values have been rounded. All applicable directors comply with the Corporation's Director Share Ownership Policy, which tests ownership based on the greater of cost and market value. However, in light of the very recent decline in the Corporation's share price resulting from market volatility associated with the coronavirus (COVID-19) pandemic, the response to that pandemic and similar factors outside the Corporation's control, Messrs. Charter and Peniuk do not satisfy such requirements if tested using the March 20, 2020 closing price. However, each of these directors was in compliance with such requirements last year based on market price on the relevant date, and they would have remained in compliance with such requirements using the market price of the Common Shares on the TSX as at December 31, 2019 and as recently as March 10, 2020, prior to the commencement of the recent market volatility. Messrs. Lundin and Craig remain in compliance with such requirements based on the March 20, 2020 closing price, and Ms. Stefan and Mr. Heppenstall each have five years from the date of their respective elections to the Board to attain the required level of Common Share ownership. Ms. Inkster's ownership of Common Shares complies with the requirements of the Executive Share Ownership Guidelines. See "Director Share Ownership Policy" and "Executive Share Ownership Guidelines" for additional information.
(7) Mr. Peniuk is the designated financial expert on the Audit Committee.

2019 Voting Results

At the Corporation's 2019 annual meeting of shareholders, the votes for and withheld from voting for each of the directors nominated for election at that meeting was as follows:

Name	Votes For	Votes Withheld
Lukas H. Lundin	66.76%	33.24%
Donald K. Charter	96.75%	3.25%
John H. Craig	89.15%	10.85%
Marie Inkster	97.97%	2.03%
Peter C. Jones	99.45%	0.55%
Dale C. Peniuk	97.58%	2.42%
William A. Rand(1)	94.01%	5.99%
Catherine J. G. Stefan	99.23%	0.77%

(1) Mr. Rand will not be standing for re-election at the Meeting.

Director Compensation

The following table provides information regarding compensation paid to the Corporation's non-executive directors during the financial year ended December 31, 2019.

Name	Fees earned (US$)(1)	Share-based awards (US$)	Option-based awards (US$)	Non-equity incentive plan compensation (US$)	Pension value (US$)	All other compensation (US$)	Total (US$)(1)
Lukas H. Lundin	195,962	–	–	–	–	–	195,962
Donald K. Charter	131,898	–	–	–	–	–	131,898
John H. Craig	116,824	–	–	–	–	–	116,824
Peter C. Jones	128,129	–	–	–	–	–	128,129
Dale Peniuk	135,666	–	–	–	–	–	135,666
William A. Rand(2)	150,740	–	–	–	–	–	150,740
Catherine J. G. Stefan	131,898	–	–	–	–	–	131,898

(1) See heading "Currency" on page 1 for the exchange rates.
(2) Mr. Rand will not be standing for re-election at the Meeting.

The CEO did not receive any compensation for her services as a director.

The following table sets out details of the flat fee structure for the non-executive directors for 2019. No changes were made to the fee structure in respect of the 2019 fiscal year compared to the prior year.

Description of fee	2019 fees (C$)
Chairman of Board	260,000
Lead Director	175,000
Annual Retainer for other Directors	150,000
Chair:	
Audit Committee	25,000
Human Resources/Compensation Committee	20,000
Health, Safety, Environment and Community Committee	10,000
Corporate Governance and Nominating Committee	10,000
Member:	
Audit Committee	15,000
Human Resources/Compensation Committee	10,000
Health, Safety, Environment and Community Committee	5,000
Corporate Governance and Nominating Committee	5,000

The Corporation also reimburses directors for reasonable travel and out-of-pocket expenses relating to their duties as directors. In 2016, after the review by the Board, the independent directors of the Board approved an arrangement for the provision of offices and administrative services for the Chairman and for its other directors and officers when they are in Geneva, Switzerland. The services are being provided for a monthly fee of C$10,000, effective June 1, 2016, by a company which is owned by a relative of the Chairman.

Non-executive directors do not receive any equity incentives or cash incentives.

No other director was compensated either directly or indirectly by the Corporation and its subsidiaries during the most recently completed financial year for services as consultants or experts.

Directors' Outstanding Share-Based Awards and Option-Based Awards

No share-based awards or option-based awards were outstanding for non-management directors at December 31, 2019, and the Corporation does not currently issue any share-based awards to directors.

Directors' Attendance Record at Board and Board Committee Meetings

Below is the attendance record of each director for all Board and Board committee meetings held during the period from January 1, 2019 to December 31, 2019.

	Board		Audit		Human Resources/ Compensation		Corporate Governance and Nominating		Health, Safety, Environment and Community	
Directors	# of Meetings Attended	Total # of Meetings(1)	# of Meetings Attended	Total # of Meetings(1)	# of Meetings Attended	Total # of Meetings(1)	# of Meetings Attended	Total # of Meetings(1)	# of Meetings Attended	Total # of Meetings(1)
Lukas H. Lundin	9	9								
Donald K. Charter	9	9			7	7	4	4		
John H. Craig(2)	8	9							5	5
Marie Inkster	9	9							5	5
Peter C. Jones(3)	9	9			7	7			4	5
Dale C. Peniuk	9	9	5	5			4	4		
William A. Rand(4)	9	9	5	5	7	7				
Catherine J. G. Stefan	9	9	5	5			4	4		

(1) Represents number of meetings held during the year.
(2) Mr. Craig was unable to attend the February 14, 2019 Board Meeting due to prior travel commitments.
(3) Mr. Jones was unable to attend the February 13, 2019 HSEC meeting due to travel disruptions.
(4) Mr. Rand will not be standing for re-election at the Meeting.

Corporate Cease Trade Orders or Bankruptcies

Except as noted below, no proposed director is, as of the date hereof, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Corporation), that:

a. was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, "order") that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer; or

b. was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as noted below, no proposed director is, as of the date hereof, or has been, within 10 years before the date hereof, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Messrs. Craig and Lundin were directors of Sirocco Mining Inc. (“Sirocco”). Pursuant to a plan of arrangement completed on January 31, 2014, Canadian Lithium Corp. acquired Sirocco. Under the plan of arrangement, Canadian Lithium Corp. amalgamated with Sirocco to form RB Energy Inc. (“RBI”).

In October 2014, RBI commenced proceedings under the *Companies’ Creditors Arrangement Act* (the CCAA). CCAA proceedings continued in 2015 and a receiver was appointed in May 2015. The TSX de-listed RBI’s common shares in November 24, 2014 for failure to meet the continued listing requirements of the TSX.

Messrs. Craig and Lundin were never directors, officers or insiders of RBI. Messrs. Craig and Lundin, however, were directors of Sirocco within the 12-month period prior to RBI filing under the CCAA.

Individual Bankruptcies

No proposed director of the Corporation has, within the 10 years prior to the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

No proposed director of the Corporation has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for the proposed director.

Statement of Corporate Governance Practices

Introduction

This statement of corporate governance practices is made with reference to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and to National Policy 58-201 – *Corporate Governance Guidelines* (collectively, the "Governance Guidelines") which are initiatives of the Canadian Securities Administrators. In accordance with the Governance Guidelines, the Corporation has chosen to disclose its system of corporate governance in this Circular. The following text sets forth the steps taken by the Corporation in order to comply with the Governance Guidelines and its system of corporate governance currently in force.

Overview of Governance

The CGNC oversees our governance policies and practices with a view to ensuring that they are sound and support the Board in carrying out its duties.

WHAT WE DO

Independent Board

Six of our eight directors or 75% are independent.

see page 28

Separate Chair and CEO

We maintain separate Chair and CEO positions.

see page 34

Non-Executive Lead Director Leads the Board

As our Chair and CEO are not independent, we have a non-executive, independent, Lead Director that leads the Board.

see page 28

As Mr. Rand will not be standing for re-election at the Meeting, the Board will be appointing a new Lead Director following the Meeting.

Majority Voting Policy

In February 2013 the Board adopted a Majority Voting Policy in order to promote enhanced director accountability. The Majority Voting Policy was subsequently amended on February 14, 2019.

see page 29

WHAT WE DO

Director Share Ownership

We require our directors to own a significant number of shares in the Corporation to align their interests with those of our shareholders.

see page 30

Director Engagement

Board members are fully engaged in their duties as directors, which is demonstrated in 2019 by excellent director attendance at Board and committee meetings, and inter-meeting participation in the business as required.

see page 21

Regular In Camera Sessions

We hold in camera (independent directors only) discussions at each meeting of the Board and regular in-camera discussions at Board committee meetings.

Independent Director Committees

The Audit Committee, the CGNC and the HRCC are comprised entirely of independent directors.

Regular Review of Board and Committee Mandates

Written mandates for each of the Board and its committees are reviewed and updated regularly to maintain continued relevancy and, collectively, provide an effective framework for a high standard of governance.

Annual Formal Assessment Process

The directors complete an annual formal assessment, including personal interviews with the CGNC Chair, to review the Board overall, the committees and their individual performance.

see page 31

Board Diversity

The Board has a diverse mix of skills, background and experience which is reviewed at least annually. In February 2019, the Board adopted a Board Diversity Policy and in March 2020, the Board replaced it with an enhanced Diversity & Inclusion Policy.

see page 31

Independent Advice

The Board committees can retain independent advisors to assist them with carrying out their duties and responsibilities.

WHAT WE DO

Code of Conduct, Ethical Values and Anti-Corruption Policy

Directors, officers, employees, consultants and contractors must comply with the Corporation's Code of Conduct. Directors, officers and certain employees must confirm their compliance every year.

see page 26

Risk Oversight

The Board and committees oversee the Corporation's risk management and strategic, financial, operational and other risks. Board members meet periodically to review and discuss risk factors of the Corporation and the effective management of them.

Environmental and Social Risk Oversight

The Health, Safety, Environment and Community Committee oversees risk management for environmental and social risks.

Compensation Risk Management

The HRCC evaluates potential risks relating to the Corporation's compensation policies and practices.

see page 67

Say-on-Pay

The Board has included a shareholder advisory vote on the Corporation's approach to executive compensation. In 2019, 97% of shareholders voted "For" the Corporation's approach to executive compensation.

Succession Planning

We continue to develop a director succession planning program, with the goal to be able to recruit directors with a diverse set of skills. We also oversee the executive succession planning program, which is designed to ensure a deep diversified pool of talent exists within the Corporation.

Executive Share Ownership Guidelines

We have guidelines for our executives to own shares in the Corporation to align their interests with those of our shareholders.

see page 55

Recoupment Policy (clawback)

In March 2019, the Board adopted a Recoupment Policy.

see page 67

WHAT WE DON'T DO

No Slate Voting

Stock Option Awards or Other Form of Equity Awards for Non-executive Directors

Interlocking Board Relationships

The CGNC annually reviews the interlocking board relationships between directors. Based on this review, the CGNC discusses interlocks between directors with the Board to determine if there are any concerns or conflicts. During the annual assessment process held for 2019, it was determined there are no concerns or conflicts arising from the interlocks between directors.

No Hedging

The Corporation has a policy prohibiting executives, directors and employees from hedging personal holdings against a decrease in the price of our common shares.

Governance Principles

POLICIES AND GUIDELINES

Code of Conduct

The Board has adopted a formal written Code of Conduct, Ethical Values and Anti-Corruption Policy (the "Code of Conduct") for the directors, officers, employees, consultants and contractors of Lundin Mining and its subsidiaries with respect to conducting the business and affairs of the Corporation. The Board encourages adherence to an overall culture of ethical business conduct by: promoting compliance with the Code of Conduct, including applicable laws, rules and regulations; providing guidance to directors, officers and employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

The Corporation places a high priority on ensuring the health and safety of its employees, contractors and consultants in line with our corporate value of safety, and works proactively to eliminate health risks and develop safe workplace environments. Employees, contractors and consultants are expected to continuously assess the risks and impacts of operations in an effort to avoid injury and death and damage to property and the environment.

The Code of Conduct prohibits the provision of, or offer or agreement to provide, a benefit of any kind, directly or indirectly, to government or other public official for the purpose of influencing the performance of official duties or functions, or the acts or decisions of the public official, government or public organization, or to obtain any other business advantage. Further, employees of the Corporation are prohibited from accepting gratuities, favours or gifts of any sort having more than a nominal value from any person or organization that does, or is seeking to do, business with the Corporation.

The Board takes steps to ensure that directors, officers and employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or employee of the Corporation has a material interest, which include ensuring that directors, officers and employees are familiar with the Code of Conduct. Under the Code of Conduct, directors, officers and employees are required to avoid all situations in which their personal interests conflict or might conflict or might be perceived to conflict with their duties to the Corporation or with the economic interest of the Corporation. Individuals governed by the Code of Conduct who have executive, managerial or supervisory responsibilities are required to ensure that actions and decisions within his or her jurisdiction are free from the influence of any conflict of interest with respect to the Corporation. Where a director declares an interest in any material contract or transaction being considered at a meeting of directors, the director recuses themselves from the meeting during the consideration of the matter and does not vote on the matter.

Employees, officers and directors of the Corporation who are involved in the issuance of regulatory and financial reports have a responsibility to fairly present all information in a truthful, accurate and timely manner. The Corporation maintains all records in accordance with laws and regulations regarding the retention of business records. Employees must maintain the confidentiality of information, including all non-public information that might be harmful to the Corporation or its partners or associates.

Individuals governed by the Code of Conduct are required to report violations or suspected violations of the Code of Conduct on a confidential and, if preferred, anonymous basis by raising such concern with his or her immediate supervisor or, if impractical to do so, with senior management of the Corporation, or by submitting a report via the Corporation's independently hosted online and telephone reporting service, or directly to the Audit Committee Chair or the CGNC Chair, who will treat the matter in confidence, disclosing information only as required for the purposes of properly conducting an investigation. Any retaliation against an individual disclosing a violation in good faith is prohibited by the Code of Conduct.

In carrying out its mandate, the CGNC, among other things, reviews compliance with the Code of Conduct, and periodically reviews the policy, recommending such amendments to the Board as the CGNC may deem appropriate. The Audit Committee in satisfying its mandate, among other things, also reviews compliance with the Code of Conduct as relates to the accounting, internal accounting control and auditing procedures of the Corporation. On an annual basis, or otherwise upon request from the Board, the Chair of the Audit Committee also prepares a report to the Board summarizing all complaints received during the prior year, all outstanding unresolved complaints, how such complaints are being handled, the results of any investigations and any corrective actions implemented.

The foregoing is a summary of the Code of Conduct only. The Code of Conduct is available on the Corporation's website and has been filed and is accessible through SEDAR under the Corporation's profile at www.sedar.com.

Whistleblower Policy

The Board, through the Audit Committee and the CGNC, has also established a Whistleblower Policy to establish procedures for the receipt, retention and treatment by the Corporation and its subsidiaries of concerns reported, on a confidential and, if preferred, anonymous basis, from its directors, officers, employees, consultants and contractors regarding known or suspected accounting, financial or auditing irregularities or other known or suspected violations of the Corporation's Code of Conduct. Individuals governed by the Whistleblower Policy are required to report such improper conduct on a confidential and, if preferred, anonymous basis which includes submitting a report via the Corporation's independently hosted online and telephone reporting service, or by sending a letter to the applicable Committee Chair. The applicable Committee Chair is responsible for assessing and evaluating any such reports or letters and conducting investigations and may engage management and/or independent advisors to assist in investigations and recommend appropriate action.

The foregoing is a summary of the Whistleblower Policy only. The Whistleblower Policy is available on the Corporation's website.

About the Board

The Board is responsible for overseeing management and our strategy and business affairs. Its goal is to ensure we operate as a successful business, optimizing financial returns while effectively managing risk.

The Board carries out its responsibilities directly and through its four standing committees. The Board believes that this provides proper oversight and accountability for specific aspects of governance, risk and the Corporation's business activities and affairs, and frees up the Board to focus more on our strategic priorities and broader oversight of enterprise risk and other matters.

Independence and Lead Director

Currently, the Corporation has six independent directors representing 75% of the eight directors and two female directors representing 25% of the eight directors. Mr. Rand is not standing for re-election. If all the nominated directors are elected at the Meeting, the Board will continue to consist of eight directors, six of whom will be considered independent under Canadian Securities laws, including NI 52-110. Pursuant to NI 52-110, an independent director is one who is free from any direct or indirect relationship that could, in the view of the Board, be reasonably expected to interfere with independent judgment.

The non-independent directors of the Board are Mr. Lundin and Ms. Inkster. Mr. Lundin, Chair of the Board, is not considered independent due to his direct involvement with management of the Corporation. Ms. Inkster is not independent as a result of her position as President and CEO of the Corporation.

The Board sets aside a portion of each Board meeting to meet in camera without management and non-independent directors present. During the financial year ended December 31, 2019, there were eight such meetings. The Board committees also regularly hold in camera sessions at their meetings. In addition, the mandates of the Board and the CGNC require that procedures be implemented at such times as are desirable or necessary to enable the Board to function independently of management and to facilitate open and candid discussion among its independent directors.

Annually, and for a one-year term, the Board appoints an independent director, as Lead Director to act as effective leader of the Board, to ensure that the Board's agenda will enable it to successfully carry out its duties and to provide leadership for the Board's independent directors. The lead director, among other things, presides at meetings of the Board and of the Corporation's shareholders, ensures that the Board is alert to its obligations and responsibilities and that it fully discharges its duties, communicates with the Board to keep the Board up to date on all major developments, and acts as a liaison between the Board and management of the Corporation. Since the current Lead Director, Mr. Rand, is not standing for re-election at the Meeting, the Board intends to appoint a new Lead Director from among the independent directors elected at the Meeting.

Our Expectations for Directors

We expect each member of the Board to act honestly and in good faith, and to exercise business judgment in the Corporation's best interest. We expect our directors to bring their skills, experience and functional expertise to the Board. They are expected to draw on a variety of resources to support their decision making, including materials prepared by management, their own research and business experience, independently-prepared media reports on the Corporation and the industry and knowledge gained from serving on other boards.

We also expect each director to:

- Comply with our Code of Conduct
- Promptly report on any perceived, potential or actual conflicts of interest
- Develop an understanding of the Corporation's strategy, business environment, operations, performance, financial position and markets in which we operate
- Diligently prepare for each Board and committee meeting
- Attend all Board meetings, their committee meetings and the annual meeting of shareholders
- Actively participate in each meeting and seek clarification from management and outside advisors to fully understand the issues
- Participate in the annual Board, committee and director assessment process

Majority Voting Policy

On February 21, 2013, the Board adopted a majority voting policy which was subsequently amended on February 14, 2019 (the "Majority Voting Policy"). The Majority Voting Policy states that in an uncontested election of Directors of the Corporation, if any nominee for election as Director has received, on a ballot vote at, or, if a ballot vote was not conducted, a majority of the votes represented by proxies validly deposited prior to, a meeting of the Shareholders at which Directors of the Corporation are to be elected, a greater number of votes "withheld" from his or her election than votes "for" his or her election (a "Majority Withhold Vote"), such Director will promptly tender his or her resignation to the Chair of the Board of Directors following such meeting, to take effect upon acceptance by the Board of Directors. If a Director who receives a Majority Withhold Vote at a meeting of the Shareholders refuses to tender their resignation, such Director will not be nominated for election as a Director of the Corporation at the next meeting of the Shareholders at which Directors of the Corporation are to be elected. Under the Majority Voting Policy, an "uncontested election" means an election where the number of nominees for Director is equal to the number of Directors to be elected. The CGNC will expeditiously consider the director's offer to resign and make a recommendation to the Board whether to accept that offer. Within 90 days of the meeting of shareholders, the Board will make a final decision concerning the acceptance of the director's resignation and announce that decision by way of a news release. The Board must accept the affected director's resignation absent exceptional circumstances. Any director who tenders his or her resignation will not generally participate in the deliberations of the Board or any of its committees pertaining to the resignation.

Director Share Ownership Policy

On July 27, 2010, the Board approved a share ownership policy for the directors of the Corporation, which was subsequently amended in March 2015 and March 2016. All directors are required to own, at a minimum, two times their annual retainer fee in Common Shares of the Corporation, based on the greater of cost and market value. The directors are required to attain this level within five years after becoming a director. Furthermore, if the annual retainer fees increase, directors will have an additional five years to attain the new required level.

Internal Controls

The Board and Board committees are responsible for overseeing the monitoring of the integrity of our internal controls and management information systems.

The Audit Committee is responsible for overseeing the Corporation's internal controls, including controls over accounting and financial reporting systems.

Succession Planning and Leadership Development

The Board oversees succession planning to ensure we have a pool of strong, diverse candidates for senior management positions, and that we nurture talent and attract and retain key people for our long-term success. The Corporation's approach to leadership development focuses on building competencies throughout the organization, identifying high-potential employees and preparing those employees to take on executive officer and other senior management positions in the future.

The CGNC, which is composed entirely of independent directors, is responsible for identifying and recruiting new candidates for nomination to the Board. Among the duties under its mandate, the CGNC: reviews the composition of the Board to ensure it has an appropriate number of independent directors; maintains a list of potential nominees; analyzes the needs of the Board when vacancies arise; ensures that an appropriate selection process for the new Board nominee is in place; makes recommendations to the Board for the election of nominees to the Board; and continually engages in succession planning for the Board, by performing at least annually, through the annual Board assessment process, identifying the needs of the Board through the skills assessment, and diversity analysis.

In assessing the composition of the Board, the CGNC takes into account the following considerations: the independence of each director; diversity of the Board, including gender representation; the competencies and skills that the Board, as a whole, should possess; and the current strengths, skills and experience represented by each director, as well as each director's personality and other qualities as they affect Board dynamics. Nominees to the Board proposed for election at the meeting are elected by individual voting on each nominee to the Board.

Term Limits

The Board believes there is value to having continuity of directors who have experience with the Corporation; therefore, there are no limits on the number of terms for which a director may hold office, nor is there any mandatory retirement age for directors. The Board believes that the best means to achieving Board renewal is for it to happen organically, and in concert with a robust nomination process that considers a range of factors including performance, attendance, skills and diversity as a whole, when identifying and selecting candidates for election or re-election to the Board. The Corporation has had Board turnover with the appointment of Mr. Jones in 2013, Ms. Stefan in 2015, Ms. Inkster in 2018, and, assuming he is elected at the Meeting, Mr. Heppenstall in 2020.

Annual Assessments of the Board

In accordance with the Board's mandate, the Board, through the CGNC, undertakes formal Board evaluations of itself, its committees and also of each individual director's effectiveness and contribution on an annual basis. The directors also complete an annual skills self-assessment.

The CGNC prepares and delivers an annual Board Effectiveness Assessment questionnaire to each member of the Board. The questionnaire is divided into four parts dealing with: (i) Board Responsibility; (ii) Board Operations; (iii) Board Effectiveness; and (iv) Individual Assessments. Each director must complete the entire questionnaire including the rating of each director and also complete a personal assessment. The CGNC also prepares and delivers an annual Board skills self-assessment form to each member of the Board. The Chair of the CGNC also conducts one-on-one interviews with each of the directors upon receipt of the completed questionnaire and skills self-assessment. The CGNC reviews and considers the responses received and makes a final report, with recommendations, if any, to the Board. This process occurs prior to the consideration by the CGNC of nominations for director elections at the Corporation's annual meeting of shareholders each year.

Orientation and Education

The Corporation provides new directors with an electronic orientation package upon joining the Corporation that includes financial and technical information relevant to the Corporation's operations, and periodically arranges for project site visits to familiarize members of the Board with the Corporation's operations and to ensure that their knowledge and understanding of the Corporation's business remains current. Board members are encouraged to communicate with management and others, to keep themselves current with industry trends and development, and to attend related industry seminars. Board members have full access to the Corporation's records and receive a monthly report from management discussing the operations, health and safety matters, sales of product, projects and investments, financial summary, exploration, human resources, and new business and corporate development. The Corporation's legal counsel also provides directors and senior officers with summary updates of any developments relating to the duties and responsibilities of directors and officers and of any other corporate governance matters. In addition, the Board will provide any further continuing education opportunities for all directors, where required, so that individual directors may maintain or enhance their skills and abilities as directors. Each director is expected to maintain the necessary level of expertise to perform his or her responsibilities as a director.

Diversity and Inclusion

The Corporation is a global company and believes that its workforce should reflect the diversity of the countries and communities in which it operates. The Corporation believes that diversity promotes the inclusion of different perspectives and ideas, encourages independent thinking and ensures that the Corporation benefits from all available talent. It also values the benefits that diversity can bring to the Board, members of senior management and employees of the Corporation and its subsidiaries.

Diversity and Inclusion Policy

In furtherance of those beliefs, the Corporation first adopted a written Diversity Policy in February 2019. In response to recent amendments to the *Canada Business Corporations Act* and the associated regulations relating to disclosure by the Corporation in respect of the representation of "designated groups" on the Board and in executive officer positions, the Board adopted an amended and enhanced written Diversity and Inclusion Policy on March 19, 2020. These new regulations define "designated groups" to include women, Aboriginal peoples, persons with disabilities and members of visible minorities, each as defined in the *Employment Equity Act* (Canada). The amended and expanded Diversity and Inclusion Policy reflects the Corporation's ongoing commitment to promoting diversity at the highest levels of the Corporation in order to set the "tone at the top" and demonstrate the Corporation's commitment to diversity at all levels within the organization, and its commitment to fostering an inclusive culture based on merit and free of conscious or unconscious basis.

Diversity Among Directors and Executive Officers

The Diversity and Inclusion Policy provides that the Corporation seeks to have directors and executive officers that are comprised of talented and dedicated individuals with a diverse mix of experience, skills, knowledge, education, personal qualities and backgrounds collectively reflecting the strategic needs of the business and the nature of the environment in which the Corporation operates.

When assessing Board and committee composition or identifying suitable individuals for appointment or re-election to the Board or as executive officers, the CGNC, the Board and/or the Corporation (as applicable) will consider candidates using objective criteria and on their merit, having due regard to the needs of the Board or the Corporation (as applicable) and to diversity, including the current level of representation of women and each of the other designated groups on the Board or among the Corporation's executive officers (as applicable).

The Corporation has chosen to focus on the level of representation of women on the Board at this time, as women represent approximately half the population in each of the jurisdictions in which the Corporation operates and the other designated groups do not represent as high a proportion of the population in these jurisdictions. However, the Corporation considers the extent to which members of the Board and executive officers are comprised of individuals who reflect diverse characteristics (which includes members of all of the designated groups) and when recruiting new candidates for director or executive officer positions, the Corporation adopts search protocols and specifically instructs external consultants engaged to help identify such candidates to include the identification of a reasonable proportion of candidates who are women and/or members of the other designated groups.

If all nominees proposed for election at the Meeting are elected, there will be two women on the Board, representing 25% of the directors. The Corporation has ten executive officers, of whom four (or 40%) are women. A material subsidiary of the Corporation has four additional executive officers, of which one (or 25%) is a woman. Of the 14 total executive officers at the Corporation and its material subsidiary, five (or 38%) are women. There are no members of the other designated groups on the Board or in executive officer positions. The Corporation has based all information provided in respect of the representation of each designated group on the Board or among the Corporation's executive officers on information provided by the directors and executive officers, who have been requested, but are not required, to identify whether they are a member of a designated group.

Targets

The Corporation has not adopted specific targets for directors or executive officers in respect of any of the designated groups, including women. The Corporation believes that the progress made by the Corporation in increasing the number of women on the Board and in executive officer positions without the adoption of a formal target reflects the Corporation's commitment to and success in promoting diversity. The Corporation also believes promotion of diversity is best served through careful consideration of all of the knowledge, experience, skills and backgrounds of each individual candidate for director and senior management positions (including executive officer positions) in light of the needs of the Board or the Corporation, as the case may be, without focusing on any single diversity characteristic.

Reporting

As part of its consideration of Board and senior management succession and in furtherance of the Corporation's commitment to diversity, the CGNC: (i) monitors the proportion of the Corporation's directors and executive officers and other members of senior management that are members of each of the designated groups; (ii) reviews the Corporation's determination regarding the adoption of specific diversity targets for directors and executive officers in respect of women and each of the other designated groups; and (iii) monitors compliance with the Diversity and Inclusion Policy and the annual and cumulative progress made by the Corporation in achieving the objectives of that policy. The CGNC provides reports to the Board on these matters on a periodic basis. It will also review and, if necessary, recommend amendments to the Diversity and Inclusion Policy on an annual basis.

Role of the Board

Board Mandate

The Board has adopted a mandate which acknowledges its responsibility for the overall stewardship of the conduct of the business of the Corporation and the activities of management. Management is responsible for the day-to-day conduct of the business of the Corporation. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, to ensure the Corporation meets its obligations on an ongoing basis and to ensure that the Corporation operates in a reliable and safe manner. In performing its functions, the Board considers the legitimate interests that its other stakeholders, such as employees (including consultants and contractors), suppliers, customers and communities, may have in the Corporation. In overseeing the conduct of the business, the Board, through the CEO, sets the standards of conduct for the Corporation.

The Board oversees the Corporation's risk management and strategic, financial and operational risks, including, but not limited to risks relating to external stakeholder relations, regulatory environment, acquisitions/business arrangements, commodity price volatility, liquidity and financing, health, safety and environmental risks, mining and processing, risks to infrastructure, including cyber technology and physical assets. Board members meet periodically to review and discuss risk factors of the Corporation and the effective management of them.

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair and Lead Director, nominating candidates for election to the Board and constituting committees of the Board. Subject to the Articles and By-Laws of the Corporation and the *Canada Business Corporations Act*, the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

Under its mandate, the Board is required to oversee the Corporation's communications policy. The Board has put structures in place to ensure effective communication between the Corporation, its shareholders and other members of the public. The Corporation has established a Disclosure and Confidentiality Policy. The Board monitors the policies and procedures that are in place to provide for effective communication by the Corporation with its shareholders and with the public generally, including effective means to enable shareholders to communicate with senior management and the Board. The Board also monitors the policies and procedures that are in place to ensure a strong, cohesive, sustained and positive image of the Corporation with shareholders, governments and the public generally. Significant shareholder concerns are brought to the attention of management or the Board. Shareholders are informed of corporate developments by the issuance of timely press releases which are concurrently posted to the Corporation's website and are available on SEDAR at www.sedar.com.

The full text of the Board's mandate is attached as Appendix A.

Position Descriptions

The Board has adopted a written position description for each of the Chair, Lead Director, the Chair of each Board Committee, and the CEO.

Chair and Lead Director

The Chair of the Board is Mr. Lundin and the Lead Director is currently Mr. Rand. Since Mr. Rand is not standing for re-election at the Meeting, the Board intends to appoint a new Lead Director from among the independent directors elected at the Meeting. The Board has established a written position description for the Chair and the Lead Director of the Board who are responsible for, among other things, presiding at meetings of the Board and shareholders, providing leadership to the Board, managing the Board, acting as liaison between the Board and management, and representing the Corporation to external groups including shareholders, local communities and governments. A copy of the description of these positions is available on the Corporation's website at www.lundinmining.com.

Chair of the Audit Committee

The Chair of the Audit Committee is Mr. Peniuk. The Board has established a written position description for the Chair of the Audit Committee, who is responsible for, among other things, acting as liaison between the Audit Committee, the Board and management, chairing all meetings of the Audit Committee, ensuring that meetings of the Audit Committee are held as required, coordinating the attendance of the Corporation's external auditors at meetings of the Audit Committee, and reporting regularly to the Board on all matters within the authority of the Audit Committee and in particular, the recommendations of the Audit Committee in respect of the Corporation's quarterly and annual financial statements and risk management.

Chair of the Corporate Governance and Nominating Committee

The Chair of the CGNC is Ms. Stefan. The Board has established a written position description for the Chair of the CGNC, who is responsible for, among other things, acting as liaison between the CGNC and the Board, chairing all meetings of the CGNC, proposing nominees for the Board and each committee of the Board, ensuring that the meetings of the CGNC are held as required, monitoring the preparation of the statement of corporate governance to be provided to the shareholders of the Corporation each year, and reporting regularly to the Board on matters within the authority of the CGNC.

Chair of the Health, Safety, Environment and Community Committee (the "HSEC")
The Chair of the HSEC is Mr. Jones. The Board has established a written position description for the Chair of the HSEC, who is responsible for, among other things, acting as liaison between the HSEC, the Board and management, chairing all meetings of the HSEC, ensuring that the meetings of the HSEC are held as required, and reporting regularly to the Board on matters within the authority of the HSEC.

Chair of the Human Resources/ Compensation Committee
The Chair of the HRCC is Mr. Charter. The Board has established a written position description for the Chair of the HRCC, who is responsible for, among other things, acting as liaison between the HRCC, the Board, the CEO and management, chairing all meetings of the HRCC, ensuring that the meetings of the HRCC are held as required, overseeing the process whereby annual salary, bonus, equity awards and other benefits of the Corporation's executive officers (other than the CEO) are reviewed and assessed following discussion with and with consideration for the recommendations of the CEO, reviewing the directors' and CEO compensation and reporting regularly to the Board on matters within the authority of the HRCC.

President and Chief Executive Officer
The President and Chief Executive Officer is Ms. Inkster. The Board has established a written position description for the CEO, who is responsible for, among other things, the day-to-day management of the business and the affairs of the Corporation. The CEO is also responsible for assisting the Chair of the Board, the Lead Director and the Chairs of the Board committees to develop agendas for the Board and Board committee meetings to enable these entities to carry out their responsibilities, reporting to the Board in an accurate, timely and clear manner on all aspects of the business that are relevant so that the directors may carry out their responsibilities, making recommendations to the Board on those matters on which the Board is required to make decisions, ensuring that the financial statements and other financial information contained in regulatory filings and other public disclosure fairly present the financial condition of the Corporation, ensuring the integrity of the financial and other internal control and management information systems and risk management systems, the promoting of ethical conduct within the Corporation and its subsidiaries, recruiting of senior management as may be directed by the Board, senior management development and succession, acting as the principal interface between the Board and senior management, promoting a safe work environment that is conducive to attracting, retaining and motivating a diverse group of high-quality employees, promoting continuous improvement in the timeliness, quality, value and results of the work of the employees of the Corporation, and speaking on behalf of the Corporation in its communications to its shareholders, government and the public.

Board Committees

To assist the Board with its responsibilities, the Board has established four standing committees including the Audit Committee, the CGNC, the HSEC and the HRCC. Each committee has a written mandate and reviews its mandate annually.

Audit Committee
The Audit Committee comprises three directors. The current members of the Audit Committee are Mr. Peniuk (Chair), Mr. Rand and Ms. Stefan,

all of whom are independent and financially literate for the purposes of NI 52-110. As Mr. Rand will not be standing for re-election at the Meeting, a successor to Mr. Rand is expected to be appointed from among the independent directors elected at the Meeting. Mr. Peniuk is the designated financial expert on the Audit Committee.

The Audit Committee's purpose is to ensure that management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements of the Corporation and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material risks and facts. The Audit Committee assists the Board in the discharge of its responsibilities in this regard. Its other duties and responsibilities include: (i) making recommendations to the Board regarding the Corporation's external auditors, their independence and remuneration; (ii) ensuring that management has designed, implemented and is maintaining an effective system of internal financial controls; (iii) reviewing and approving the fee, scope and timing of the audit and other related services rendered by the external auditors and reviewing any unresolved issues between management and the external auditors; (iv) reviewing the Corporation's quarterly statement of earnings and regulatory filings and decisions as they relate to the Corporation's consolidated financial statements; (v) reviewing and approving the internal audit plan; (vi) reviewing the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to risk management; (vii) reviewing compliance under the Corporation's Code of Conduct, Ethical Values and Anti-Corruption Policy; (vii) establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters; (viii) reviewing financial risk management programs (such as material commodity, currency or interest rate hedging); and (ix) coordinating with the HSEC Committee (in respect of relevant risks) and review with management the effectiveness of the Corporation's procedures with respect to risk identification, assessment and management, the Corporation's major risk exposures and the steps taken to monitor and control such exposures and the effect of relevant regulatory initiatives and trends.

The Board appoints the members of the Audit Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the shareholders of the Corporation. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the Audit Committee.

The Audit Committee meets a minimum of four times a year. The Audit Committee has access to such officers and employees of the Corporation and to such information respecting the Corporation and may engage independent counsel and advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

Additional information relating to the Audit Committee, including a copy of the Audit Committee's mandate, is provided in the Corporation's Annual Information Form for the year ended December 31, 2019, a copy of which is available on the SEDAR website at www.sedar.com and on the Corporation's website at www.lundinmining.com in the section titled "About Us – Governance – Audit Committee".

Human Resources/Compensation Committee

The HRCC comprises three directors, all of whom are independent within the meaning of the Governance Guidelines. The current members of the HRCC are Mr. Charter (Chair), Mr. Jones and Mr. Rand. As Mr. Rand will not be standing for re-election at the Meeting, a successor to Mr. Rand is expected to be appointed from among the independent directors elected at the Meeting.

The principal purpose of the HRCC is to implement and oversee human resources and compensation policies approved by the Board. The duties and responsibilities of the HRCC include recommending to the Board the annual salary, bonus, equity awards and other benefits, direct and indirect, for the CEO, and after considering the recommendations of the CEO approving the compensation for the Corporation's other executive officers, approving other human resources and compensation policies and guidelines, ensuring management compensation is competitive to enable the Corporation to continue to attract individuals of the highest caliber, and recommending the adequacy and form of director compensation to the Board.

The Board appoints the members of the HRCC for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the shareholders of the Corporation. The Board may at any time remove or replace any member of the HRCC and may fill any vacancy in the HRCC.

The HRCC meets regularly each year on such dates and at such locations as the Chair of the HRCC determines. The HRCC has access to such officers and employees of the Corporation and to such information respecting the Corporation and may engage independent counsel or advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

Corporate Governance and Nominating Committee

The CGNC comprises three directors, all of whom are independent within the meaning of the Governance Guidelines. The current members of the CGNC are Ms. Stefan (Chair), Mr. Charter and Mr. Peniuk.

The principal purpose of the CGNC is to provide a focus on corporate governance that will enhance the Corporation's performance, and to oversee on behalf of the Board the Corporation's corporate governance system and its effectiveness in facilitating the discharge of the Board's obligations to the Corporation's stakeholders. The duties and responsibilities of the CGNC include: (i) the development and monitoring of the Corporation's overall approach to corporate governance issues and, subject to approval by the Board, implementation and administration of a system of corporate governance which reflects superior standards of corporate governance practices; (ii) recommendation of nominees to the Board for election as directors of the Corporation at the annual meeting of shareholders; (iii) reporting annually to the Corporation's shareholders, through the Corporation's annual management information circular or annual reports to shareholders, on the Corporation's system of corporate governance and the operation of its system of governance (including the Corporation's Code of Conduct and Whistleblower Policy in respect of concerns reported regarding known or suspected violations of the Code of Conduct other than those matters under the power of the Audit Committee); (iv) analyzing and reporting annually to the Board the relationship of each director to the Corporation as to whether such director is an independent director or not an independent director; (v) advising the Board or any of the committees of the Board of any corporate governance issues which the CGNC determines ought to be considered by the Board or any such committee; and (vi) in the event of a vacancy on the Board, whether to recommend to the Board to fill the vacancy and if the vacancy is to be filled, and, if it is to be filled, to recommend an individual to the Board to fill such vacancy, and, in the event of a vacancy occurring on a committee of the Board, to recommend to the Board an individual for appointment as a member to the applicable committee of the Board to fill such vacancy.

The Board appoints the members of the CGNC for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the shareholders of the Corporation. The Board may at any time remove or replace any member of the CGNC and may fill any vacancy in the CGNC.

The CGNC meets regularly each year on such dates and at such locations as the Chair of the CGNC determines. The CGNC has access to such officers and employees of the Corporation and to such information respecting the Corporation and may engage independent counsel and advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

Health, Safety, Environment and Community Committee

The HSEC comprises three directors. The current members of the HSEC are Mr. Jones (Chair), Ms. Inkster and Mr. Craig.

The principal purpose of the HSEC is to assist the Board in its oversight of health, safety, environment and community risks, compliance with applicable legal and regulatory requirements associated with health, safety, environmental and community matters, performance in relation to health, safety, environmental and community matters, the performance and leadership of the health, safety, environment and community function in the Corporation, and external reporting in relation to health, safety, environmental and community matters.

The Board appoints the members of the HSEC for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the shareholders of the Corporation. The Board may at any time remove or replace any member of the HSEC and may fill any vacancy in the HSEC.

The HSEC meets a minimum of four times a year. The HSEC has access to such officers and employees of the Corporation and to such information respecting the Corporation and may engage independent counsel and advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

Message from the Human Resources/Compensation Committee

On behalf of the HRCC, we are pleased to share with you our report on executive compensation. What follows under the "Compensation Discussion and Analysis" is a detailed review of the compensation policies and procedures which are followed and applied in determining the annual salaries, cash incentive and equity incentive awards for our executives. In addition, there is also the regulatory mandated disclosure of compensation in the format required by the applicable regulatory rules and regulations. To assist shareholders in understanding this disclosure, the following is a summary of the HRCC's approach. In reviewing the detailed information in the Compensation Discussion and Analysis, it is important to keep our basic approach and philosophy in mind.

Performance Based

Our fundamental premise is that compensation must have a direct link to long-term performance while being fair to all stakeholders. A majority of compensation for the executive group is "at risk" incentive awards. The incentive program, as discussed below, is comprised of a cash incentive plan and equity incentive plans that are tied directly to both corporate performance (including share price performance) and individual performance, primarily on a long-term basis. Both cash and equity incentive awards are 100% performance based and therefore "at risk". No one is guaranteed either cash or equity awards. The result is that consistent long-term corporate and individual performance provides the highest incentive awards and value over time.

We believe that our shareholders and stakeholders are best served when executives manage the business throughout the entire business cycle in a commodity business such as ours. Total compensation is based on operational achievement, project execution, shareholder value creation, health and safety of our people, cash and balance sheet management, sustainability and community involvement. In 2019, we added to the operational performance criteria a measurement of project execution as it is an important part of effective management of capital in the business. The process ensures flexibility and discretion so that we can respond to changes in the market and the business and to avoid results that are unfair to shareholders and stakeholders.

Our commitment to driving long-term value for shareholders and stakeholders is precisely why, in February 2020, the HRCC approved post-grant vesting provisions for performance share units which we believe will establish a deeper connection between long-term value creation and executive compensation. Commencing with the grant of performance share units to be made in 2021 (which will be based on the 2020 fiscal year performance assessment), fifty percent of the share units granted will vest only if the relative three-year share performance targets have been met.

Process

The Corporation sets an annual budget which is prepared in the context of a five-year forward-looking forecast and in conjunction with the full "life of mine" plans. The nature of mining operations requires a long-term outlook to determine the optimum mine designs and operation based upon a long-term commodity price view. This determines not only mineral reserves but the mine plans and operations. It also looks at the issue of reserve replacement (exploration) given the nature of the resource extraction business and the ongoing need to replenish mined mineral reserves. Accordingly, the annual budget, which is the basis for management's objectives for the year, is done with a view to how this is best positioned in terms of the long-term outlook to create and sustain shareholder value. This prevents putting operations at risk from short-term thinking and short-term commodity price swings. As a result, the annual management targets, which are established as benchmarks for management at both the corporate and individual level, are tied to a long-term outlook and reflect the key drivers of long-term value creation. We believe that the targets which are set for the Corporation require management to "outperform" while operating responsibly. This is an important part of our risk management.

The cash bonus incentives are based on achieving the annual goals which have been consistently determined to best ensure long-term value creation. The level of goal achievement is tracked over time to ensure that the goals continue to be relevant and appropriate.

The amount of equity incentive awards is based on the consistent achievement of the corporate and individual performance goals over a three-year period. We review management's goals achieved for the current year and then review the historical management goal achievement over the last three years. We then determine how management has performed over this time frame in determining the amount of the equity awards. Once granted, the equity awards have vesting periods of three years and, for grants applicable to the 2020 fiscal year performance, one-half of all performance share units granted will be tied to achieving post grant relative total share return benchmarks. The result for the equity awards is that the final value to an executive, when the equity is actually realized, is based upon at least a six-year period of long-term performance in corporate, individual and share price results.

It is important to remember that the results of operational and financial performance can often take time to be reflected in the share price which is why only one part of corporate performance is current share price return. Outstanding work may take more than one year to be reflected in the market price of the shares. This format best reflects this reality. In addition, our executive share ownership guidelines encourage the continued holding of vested equity incentives.

In assessing total shareholder return we normally use a December to December volume weighted average price ("VWAP"). We also used discretion in determining the value of options and share units in setting the equity awards for 2019 granted in 2020. Generally, the allocation of stock option and share unit awards for all executives is an approximate 50/50 split.

We are of the view that this approach provides the greatest control over the amount of cash and equity incentive awards and a direct connection to overall performance. With respect to equity awards, we do not believe that any executive should be guaranteed a specific equity grant. With a direct link in the amount of an equity award to performance, there is no pre-determined fixed awards. Another factor that is best served by our approach is the inherent difficulty of dollar-based equity awards with share price volatility. The use of a formula tied directly to a Black Scholes equation on options and a one day closing price on share units can very easily result in unfair outcomes. The level of shareholder dilution is a very important factor we take into account in setting equity grants. Having maintained the discretion around the size of the equity incentive awards greatly reduces unfair or unanticipated outcomes. This is reflected in our historically conservative levels of shareholder dilution.

To date, we believe the result has shown a strong relationship of executive "at risk" compensation to long-term corporate and executive performance. CEO "at risk" compensation has consistently varied with the performance of the Corporation.

2019 Performance

As discussed below under Executive Renewal, 2019 was a year of transition and change in our executive leadership. Marie Inkster successfully completed her first full year in the role of CEO. Under her leadership, stability and focus was maintained throughout the organization with a renewed and restructured team, reflective of a strong culture and cohesive management team.

You will see below under "Compensation Discussion and Analysis" the various levels of achievement against the corporate, operational and individual performance goals which were set for 2019.

With respect to the Corporation's corporate target on relative share price performance, we reviewed a December to December VWAP comparison to the peer group. The Corporation outperformed its peer group, resulting in an above target rating. In making this determination, we also reviewed, as we always do, a one-year, three-year, and a five-year comparison of the Corporation's share performance and market cap change to various benchmarks, including the TSX, TSX global base metals index, copper price, peer group and, where determined, the proxy advisory firm peer group. This provides a wider context on share performance and a broader perspective given the small size of the peer group.

Management set aggressive targets for performance and corporate performance measures include targets for health and safety, environment, operations, projects, and shareholder return elements. The Corporation performed well in many areas and was at or above thresholds or in line with targets. On the execution of projects, the targets were not met in respect of the Zinc Expansion Project (ZEP), with a schedule and budget revision announced mid-year. This weighed heavily on the overall corporate score of 77.75%, with a 20% weighting for the ZEP project being given a score of zero.

While the Corporation's corporate score was below the aggressive targets we set for ourselves, the stock price performed well. The 2019 TSR on a December to December VWAP calculation outperformed the entire peer group, the S&P/TSX Global Base Metals Index as well as, the price of copper, zinc and nickel.

In addition, the Corporation executed on a well-received and accretive acquisition of the Chapada mine in Brazil. With a disciplined approach to acquisitions and patience in the approach, management was able to take advantage of the Corporation's strong balance sheet and complete this acquisition which was very well-received by our investors. Not only were we able to identify and execute on this asset acquisition but management was very successful in a quick integration of these new operations into the Corporation without disruption to the newly acquired mine or existing operations.

The balance sheet continues to be in a strong position even after the cash purchase of Chapada.

The management team, in addition to the above achievements were faced with the abrupt and unexpected social unrest in Chile where we own and operate the Candelaria mine, our largest mining operation. This team was able, through real time innovative thinking and strong community relations, to continue operations and production throughout the period of unrest and disruption which included local communities around our operations.

For each of the Named Executive Officer ("NEO"), personal achievement, represents 50% of their total incentive award potential. We assessed the performance of management based on their specific key performance indicators as well as the achievements discussed above. The HRCC was of the view that management individual performance in all cases met or exceeded our expectations. The result is that for the 50% weighting attributable to individual performance executives were all either at or above target for this portion of the incentive awards. These scores were combined with the corporate performance score of 77.75% to provide an overall cash incentive score which resulted in cash incentive awards at or above target. Accordingly, when reviewing the historical performance as well as the current year in accordance with our guidelines for equity incentive awards the executive group received equity awards of 1.2 times their individual targets.

The HRCC is of the view that this compensation outcome is consistent with our philosophy of pay for performance. It reflects strong achievements in 2019 by the management team lead by the CEO. In assessing the personal score performance of the CEO the HRCC recommended to the Board of Directors and the Board of Directors agreed that her personal performance exceeded expectations with the result that her personal score exceeded target. The result is that when combined with the corporate rating of 77.75% her cash incentive award is at target and her equity incentive award exceeded target.

Executive Renewal

Fiscal 2018 and 2019 saw a significant renewal and change in the senior executive team at the Corporation. Three of our Named Executive Officers completed their first full year in their respective roles in 2019: Marie Inkster, CEO; Jinhee Magie, Senior Vice President and Chief Financial Officer ("CFO"); and Peter Rockandel, Senior Vice President, Corporate Development and Investor Relations ("SVP, Corporate Development & IR"). Andrew Hastings, Senior Vice President and General Counsel ("SVP and General Counsel"), is new to this position effective February 27, 2019. In addition to these changes in executives and positions, the reporting structure was restructured and streamlined. With so many executives in new positions, the usual historical analysis, which is part of the HRCC review, was of less direct application; however, it was used for context.

This amount of change presented certain challenges in performing a direct year-over-year comparison of performance and fair compensation for 2019. The Committee wanted to ensure that compensation not only properly reflects corporate achievements, but also accounts for new roles and the seamless manner in which the management changes occurred.

We wish to remind shareholders that the numbers reported in accordance with the disclosure rules should be taken in the context of the executive transitions.

Looking Ahead

In 2019, the Committee oversaw a review of the Corporation's current executive compensation program and design. Based on the findings of this review, the Corporation will introduce changes to the executive compensation program in 2020, with the objective of incorporating evolving best practices continued alignment of pay and performance to the program. Key changes being made include the addition of the Performance Share Units (PSUs) post vesting targets to the long-term incentive mix, a greater emphasis on corporate performance in the determination of annual incentive award, and more stringent equity ownership requirements.

Conclusion

Please review the detailed Compensation Discussion and Analysis which is set out below. We believe it will demonstrate how we have consistently applied the basic philosophy we summarized above and supports our conclusions regarding the performance of your management team.

Signed,

Human Resources/Compensation Committee

Compensation Discussion and Analysis

Introduction

This section describes the Corporation's approach to executive compensation by outlining the processes and decisions supporting the determination of the amounts which the Corporation paid to its current Chief Executive Officer, Chief Financial Officer and its three other most highly compensated executives during the financial year ended December 31, 2019 (the "NEOs"). While this discussion relates to the NEOs, the other executives of the Corporation participate in the same plans and are subject to a similar process. The NEOs for the financial year ended December 31, 2019 were:

Name	Title
Marie Inkster	President and Chief Executive Officer ("CEO")
Jinhee Magie	Senior Vice President and Chief Financial Officer ("CFO")
Peter Richardson	Senior Vice President and Chief Operating Officer ("COO")
Peter Rockandel	Senior Vice President, Corporate Development and Investor Relations ("SVP, Corporate Development & IR")
Andrew Hastings[1]	Senior Vice President and General Counsel ("SVP and General Counsel")

(1) Mr. Hastings joined the Corporation on February 27, 2019

Compensation Governance

Role of the Human Resources/ Compensation Committee

The HRCC assists the Board in monitoring the Corporation's guidelines and practices with respect to compensation and benefits, as well as monitoring the administration of the Corporation's equity-based compensation plans. In overseeing the Corporation's compensation guidelines and practices, the HRCC's responsibilities include, but are not limited to:

- recommending to the Board human resources and compensation policies and guidelines for application to the Corporation;
- ensuring that the Corporation has in place programs to attract and develop management of the highest calibre and a process to provide for appropriate succession planning;
- reviewing and approving corporate goals and objectives relevant to the compensation of the CEO and, in light of those goals and objectives, recommending to the Board the annual salary, bonus, equity awards and other benefits, direct and indirect, of the CEO, and to approve all compensation for all other executive officers of the Corporation, after considering the recommendations of the CEO, all within the human resources and compensation policies and guidelines approved by the Board; and
- implementing and administering human resources and executive compensation policies approved by the Board.

Composition of the HRCC

The Board has determined that the HRCC shall comprise at least three directors, each of whom must be independent as defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") and who are knowledgeable about issues related to human resources, talent management, compensation, governance and risk management.

The current members of the HRCC are Messrs. Charter (Chair), Jones and Rand, all of whom are independent within the meaning of NI 58-101 and have the skills and experience required by the Board and the HRCC mandate to carry out the responsibilities of the HRCC.

Below is a summary of the skills and experience of the HRCC members:

Mr. Charter is a corporate director with career experience in executive leadership positions in mining and financial services as well as mergers, acquisitions and finance. Mr. Charter's business experience relevant to the HRCC includes being the President and CEO of a publicly traded producing coal mining company; the Chief Executive Officer of a large financial services company; and a member or former member of the compensation committees of several Canadian publicly traded companies. As such, Mr. Charter has been directly involved with compensation matters. Accordingly, Mr. Charter has the requisite experience and knowledge in reviewing and approving compensation programs, policies and guidelines in the mining industry for the CEO level, other executive officers and senior management, to ensure that such compensation programs are relevant to the goals of the Corporation.

Mr. Jones is a corporate director and retired executive with over 40 years of experience in the global mining industry. Mr. Jones' business experience which is relevant to the HRCC include serving as Interim President and CEO of IAMGOLD Corporation, President and COO of Inco Ltd., and President and Chief Executive Officer of Hudson Bay Mining & Smelting Co. Mr. Jones has been a director of public companies for over 20 years. Mr. Jones is the former chairman of the compensation committee of Century Aluminum Co. and IAMGOLD Corporation and a former member of the compensation committee of Concordia Resources and Red Crescent Resources. As such, Mr. Jones has been directly involved with compensation matters. As a member of these committees and his executive positions, Mr. Jones has developed the requisite experience in reviewing and approving compensation programs, policies and guidelines in the mining industry for the CEO level, other executive officers and senior management, to ensure that such compensation programs are relevant to the goals of the Corporation.

Mr. Rand has been a member for many years of the compensation committees of several Canadian and Swedish publicly traded companies including Denison Mines Corp., Lundin Petroleum AB and NGEx Resources Inc. As a member of these committees, Mr. Rand has the requisite experience in reviewing and approving compensation programs, policies and guidelines in the mining industry for the CEO level, other executive officers and senior management, that are relevant to the goals of the Corporation. He has worked with human resource specialists to develop such programs, policies and guidelines. As Mr. Rand will not be standing for re-election at the Meeting, a successor to Mr. Rand is expected to be appointed from among the independent directors elected at the Meeting.

Objectives of Compensation Program

The fundamental objective of the Corporation is the long-term creation and protection of shareholder value. The Corporation's approach is to encourage management to make decisions and take actions that will create long-term sustainable growth and long-term shareholder value.

The Corporation's executive compensation program is based on the following objectives:

- compensation must be guided by a pay for performance philosophy;
- compensation must be market-competitive to attract and retain the leadership talent required to drive business results;
- compensation must incorporate an appropriate balance of short-term and long-term performance;
- compensation must foster an environment of accountability, teamwork, and cross-functional collaboration;
- compensation must be linked to specific corporate, operational, functional and personal performance objectives of the Corporation while not encouraging excessive or inappropriate risk taking, in order to maximize shareholder return, promote sustainable growth and constantly improve the performance of the Corporation's operations; and
- compensation must motivate high performers to achieve exceptional levels of performance.

Critical criteria for the Corporation in all compensation mechanisms are as follows:

- simple to understand and communicate;
- linked to measurable benchmarks; and
- motivating.

Compensation Structure and Decision-making Process

Annually, the HRCC assesses and confirms the Corporation's compensation philosophy, program guidelines and structure.

At the end of every year, we apply a rigorous process to assess performance and award compensation. This includes corporate and individual performance reviews for each executive officer.

Review structure	Annually, the HRCC reviews the Corporation's compensation philosophy and structure for the executive officers and, if applicable, recommends any changes to the Board for approval.
Confirm peer group	Annually, the HRCC reviews, among other things, the Corporation's peer groups for total direct compensation and for stock price performance (see "Peer Groups" below).
Establish performance measures	The HRCC works with management to develop performance measures and levels that will be used to assess corporate performance and determine the cash bonus and equity incentives for the executive officers. Management provides quarterly updates to the Board on the Corporation's performance against these corporate objectives.
Assess risk and confirm approach	The HRCC reviews the overall executive cash and equity incentive plan design and the selected performance measures to: • consider potential payouts under different scenarios; • ensure a balanced approach to risk; and • ensure the decision-making process, cash and equity incentive plans and compensation governance do not provide executives incentive to take excessive risks or make inappropriate decisions.

Review performance	Management reviews executives' performance at mid-year and at the end of the year. The HRCC assesses the performance of the executive officers throughout the year and an extensive review process is conducted during the first quarter of each year, on the performance of the preceding year.
Review past compensation	The HRCC reviews historical cash bonus and equity incentive compensation for the executive officers for the previous three years to assess the longer-term performance against benchmarks.
Awards	The CEO reviews proposed compensation for each executive officer based on the results of the Corporation's annual corporate objectives and each executive's individual performance (based on the results of their KPIs set at the beginning of the year). The CEO will recommend each executive officer's annual salary adjustments, cash bonus incentives and equity incentives to the HRCC. The HRCC will review each executive officer's annual performance, competitive positioning, past compensation and the recommendations from the CEO. The HRCC will also discuss total compensation based on performance, market practice and board-approved compensation philosophy and consulting with independent consultants (if required). The HRCC approves the compensation of all executive officers, excluding the CEO. The CEO's compensation is reviewed by the HRCC on the same metrics described above and recommended to the Board for approval.

Peer Groups

The HRCC assesses the competitiveness of the Corporation's executive compensation program by examining compensation practices of a group of mining companies that are considered peers of the Corporation. The HRCC utilizes similar, but different peer groups for Total Direct Compensation and Stock Price Performance. On an annual basis, the HRCC evaluates and, if appropriate, updates the composition of the peer groups to ensure it remains relevant to the markets in which the Corporation competes.

Total Direct Compensation Peer Group

For purposes of benchmarking total direct compensation for executives, the HRCC selected a peer group based on mining companies trading on the TSX with which the Corporation believes it competes for qualified and experienced executive talent in the mining industry (the "Total Direct Compensation Peer Group"). The Corporation's 2019 Total Direct Compensation Peer Group is set out in the table below.

2019 Total Direct Compensation Peer Group	
Agnico Eagle Mines Limited	Kinross Gold Corp.
Eldorado Gold Corp.	New Gold Inc.
First Quantum Minerals Ltd.	Pan American Silver Corp.
HudBay Minerals Inc.	Yamana Gold Inc.
IAMGOLD Corp.	

For 2020, the HRCC modified the Total Direct Compensation Peer Group to include three new additions in Kirkland Lake Gold Ltd., B2Gold Corp. and Centerra Gold Inc.; and removed First Quantum Minerals Ltd., Eldorado Gold Corp. and New Gold Inc. The Corporation's 2020 Total Direct Compensation Peer Group is set out in the table below.

2020 Total Direct Compensation Peer Group	
Agnico Eagle Mines Limited	Kirkland Lake Gold Ltd.
B2Gold Corp.	Kinross Gold Corp.
Centerra Gold Inc.	Pan American Silver Corp.
HudBay Minerals Inc.	Yamana Gold Inc.
IAMGOLD Corp.	

Stock Price Performance Peer Group

For purposes of measuring the Corporation's relative stock price performance, the HRCC selected a peer group based on mining companies that have similar operational and/or metals characteristics and therefore are considered key competitors with the Corporation for shareholders, capital and mineral properties (the "Stock Price Performance Peer Group"). The HRCC believes that this peer group of key competitors will provide an accurate and fair measure of the Corporation's relative stock price performance. The Corporation's 2019 Stock Price Performance Peer Group is set out in the table below. The 2019 Stock Price Performance Peer Group is relatively small so the HRCC also considered, on an indicative basis, other comparators as previously discussed.

2019 Stock Price Performance Peer Group	
Antofagasta PLC	HudBay Minerals Inc.
Boliden AB	Nexa Resources S.A.
First Quantum Minerals Ltd.	Turquoise Hill Resources Ltd.

For 2020, the HRCC modified the Stock Price Performance Peer Group to include Capstone Mining Corp., Ero Copper Corp., Freeport McMoran Inc. and Southern Copper Corporation. The 2019 Stock Price Performance Peer Group is set out below.

2020 Stock Price Performance Peer Group	
Antofagasta PLC	Freeport McMoRan Inc.
Boliden AB	HudBay Minerals Inc.
Capstone Mining Corp.	Nexa Resources S.A.
Ero Copper Corp.	Southern Copper Corporation
First Quantum Minerals Ltd.	Turquoise Hill Resources Ltd.

Elements of Compensation

The Corporation's compensation program has three primary elements: base salary, annual cash bonus incentive and equity incentive. The combination of elements is designed to encourage executives to achieve strong results which drive long-term sustainable growth and long-term shareholder value. The Corporation regularly reviews all elements of executive compensation to ensure that it continues to be aligned with the strategic plan of the Corporation and industry practices.

Compensation Component	Objectives	Form
Base Salary	To provide fixed compensation that reflects the market value of the role, skills and experience of the executive. To attract, retain and motivate a competent, strong and effective executive management group.	Cash
Cash Bonus Incentive	To pay for performance and provide alignment with the Corporation's annual and long-term business strategy. This is "at risk" compensation.	Cash
Equity Incentive	To provide alignment with shareholder interests and the Corporation's long-term business strategy. This is "at risk" compensation.	Equity

The HRCC has not established a strict policy regarding the mix of base salary, cash and equity incentives to be paid or awarded to executives. Incentive plan awards are not guaranteed; they are "at risk" and performance based. This allows the HRCC to be flexible in tailoring the compensation mix for each executive to the circumstances in effect at the time. However, the HRCC believes that a greater percentage of compensation for the Corporation's executives should come from the variable, performance-based elements, and the mix of compensation should be structured to balance the need to drive results based on the executive's position as well as to support the long-term growth of the Corporation overall.

The HRCC believes the Corporation's compensation programs are reasonable and fair to both executives and shareholders, and competitive with compensation made available by the Corporation's peers.

2019 Compensation

The following provides a summary of the 2019 performance highlights followed by a detailed discussion of the decisions made in order to determine each NEO's total compensation for 2019, which comprises base salary, cash and equity incentives.

Summary of 2019 Performance Highlights

As noted above in the discussion under "2019 Performance" in the "Message from the Compensation/Human Resources Committee", management set aggressive targets and performed at or above thresholds or target, except for project execution (notably the Zinc Expansion Project), which weighed heavily on the overall corporate score of 77.75%. In addition to the specific corporate performance on each KPI (as described below), the HRCC always looks at the overall performance of the Corporation to ensure that the compensation outcomes are reflective of the year the Corporation had overall. The HRCC is of the view that this corporate score, each component of which is described in more detail below, yielded a compensation outcome consistent with our philosophy of pay for performance and is fair to shareholders and stakeholders.

Relative Stock Price Performance: Measured on the comparison of the December to December VWAPs, the Corporation's share price increased by 29% in 2019 – outperforming not only the entire 2019 Peer Group for Stock Price Performance, but also the S&P/TSX Global Base Metals Index as well as, the price of copper, zinc and nickel. Over three-year and five-year periods, the Corporation's relative stock price performance has significantly outperformed the Corporation's Peer Group for Stock Price Performance and the Corporation continues to receive strong support from both the analyst community and the Corporation's top shareholders. This exceptional result yielded an above target rating for this metric.

Operating Cash Flow: With operating cash flow of $550.7 million, the Corporation came in below the target of $633.5 million (adjusted for actual commodity prices and foreign exchange), but above threshold. Higher operating costs and lower production volumes were significant factors that impacted operating cash flow.

Capital Spending: 2019 capital expenditures of $665.3 million were modestly less than the target of $695 million, mainly due to lower than expected sustaining capital requirements of our European operations in the fourth quarter of 2019.

Project Execution: Project execution targets were not met in respect of the Zinc Expansion Project (ZEP), with a schedule and budget revision announced mid-year. This weighed heavily on the overall corporate score of 77.75%, with a 20% weighting for the ZEP project being given a score of zero.

Health and Safety: The Corporation achieved a Total Recordable Injury Frequency ("TRIF") rate of 0.66 against a target of 0.60 per 200,000 person hours worked. While 2019 TRIF performance fell short of target, it represents a modest improvement over the 2018 TRIF of 0.67 (vs. target of 0.70).

Environment: The Corporation recorded two level 3 environmental incidents during 2019 against a target of zero, resulting in a below target rating.

Overall Performance: Total sales for the year were $1,892.7 million, with cash flow from operations of $564.6 million. Cash and cash equivalents decreased $564.9 million over the year, from $815.4 million at December 31, 2018, to $250.6 million at December 31, 2019, compared to a decrease of $751.6 million in the 2018. Net cash outflows were lower in 2019 by $186.7 million due mainly to higher cash flow from operations ($88.2 million), lower capital expenditures of $86.5 million and higher distributions from its investment in associates of $119.8 million primarily due to sale proceeds from the Freeport Cobalt Transaction. In addition, the Corporation also utilized cash during the year for the acquisition of Chapada ($472.0 million) which approximates the cash used in the prior year for debt repayments and related fees of $461.9 million. The Corporation continues to maintain a healthy balance sheet with a net debt position of $60.2 million as at December 31, 2019. "Net debt" is a non-GAAP measure (refer to the section entitled "Non-GAAP Performance Measures" on page 75).

Base Salary

The overall objective of the base salary paid to the Corporation's executives is to provide fixed compensation that reflects the market value of the role, skills and experience of the executive. The salary structure includes market competitive ranges for the executives.

The HRCC reviewed base salaries by analyzing industry trends, competitive market data, the 2019 Total Direct Compensation Peer Group compensation practices (including base salary levels), internal equality among executive positions and individual performance measured against the achievement of business and operating goals. The change in the size and complexity of the Corporation is also taken into account over time. The following table summarizes each NEO's annual base salary.

NEO	2019 Base Salary (C$)	2019 Base Salary (US$)[1]	Increase to Base Salary for 2020	2020 Base Salary (C$)	2020 Base Salary (US$)[1]
Marie Inkster CEO	1,000,000	753,700	10.0%	1,100,000	829,070
Jinhee Magie CFO	475,000	358,008	3.16%	490,000	369,313
Peter Richardson COO	550,000	414,535	3.64%	570,000	429,609
Peter Rockandel SVP, Corporate Development & IR	450,000	339,165	6.67%	480,000	361,776
Andrew Hastings[2] SVP and General Counsel	420,000	316,554	5.95%	445,000	335,397

(1) During 2019, all the NEOs were paid in Canadian dollars. See "Currency" on page 1 for the applicable exchange rates.
(2) Mr. Hastings joined the Corporation on February 27, 2019. His prorated realized salary during 2019 was C$353,218.

Cash Bonus Incentive Plan

Introduction

The Corporation's Cash Bonus Incentive Plan ("CBI") provides a performance-based "at risk" annual cash payment based on a targeted amount for each position based on results measured against specific performance measures, including corporate level objectives together with each executive's "personal objectives". The amount of the target CBI award is set as a percent of base salary and is divided between corporate targets and personal objectives all as set out below and is subject to an overall cap of 1.5 times target, subject to HRCC discretion to grant a higher award where considered appropriate. Consistent with the overriding discretion of the HRCC, all CBI awards are subject to the ability of the Corporation to make such awards based upon its financial performance and situation.

The CBI award is the outcome of a process that links long-term business planning and a five-year forecast and annual budgeting with an evaluation of performance against benchmarks which include specific corporate performance targets and executive's personal objectives. Each year the Corporation completes a rigorous budget process. The annual budget is determined in conjunction with a five year forward looking forecast, full life of mine plans for each operation and a long-term strategic plan, all of which are done based upon a long-term price outlook. Accordingly, the annual budget and therefore the specific performance benchmarks for management are determined to be in line with the long-term outlook and are set to achieve long-term value. The CBI links the award amount to management's performance relative to these benchmarks. Accordingly, the targets for the CBI all reflect goals which are aimed at long-term shareholder value.

Each individual CBI award is based on corporate performance and personal objectives against the benchmarks.

The proportion of cash bonus incentive linked to corporate objectives and personal objectives is based on the position of the individual.

With respect to individual performance each executive is scored on a scale of 1 to 5 where the score can range from 0% to 150% of target with performance that meets expectation target to be scored at 100% of target. The HRCC can exercise its discretion to provide for an individual performance in excess of 150%.

Target levels of performance are established as guidelines and are not applied as an absolute formula. The HRCC believes that fixed formulas may lead to a CBI award that does not accurately reflect actual performance, and accordingly, the knowledge and experience of the HRCC should be the ultimate determinant of final, overall compensation within the context of those pre-determined guidelines.

2019 CBI Award

With respect to the corporate performance benchmarks of relative stock price performance and operational budget, the Corporation achieved a result of 77.75%. The corporate objective weighting is 50% of the each NEO's CBI target and the personal performance weighting is 50% of each NEO's CBI target. With respect to the individual's KPI performance, each individual achieved between at or above target. In view of the overall performance for the year discussed above together with the CBI guidelines, each NEO achieved a personal weighting above his/her respective target. The table below sets out each NEO's 2019 target CBI with the respective corporate and personal results and the 2019 actual CBI paid.

NEO	2019 Target CBI as a Percentage of Base Salary	2019 Actual CBI as a Percentage of Base Salary	2019 CBI Paid (C$)(1)	2019 CBI Paid (US$)(2)
Marie Inkster CEO	120%	120%	1,200,000	**904,440**
Jinhee Magie CFO	70%	73%	346,000	**260,780**
Peter Richardson COO	80%	84%	463,000	**348,963**
Peter Rockandel SVP, Corporate Development & IR	70%	97%	435,000	**327,860**
Andrew Hastings(3) SVP and General Counsel	70%	91%	321,000	**241,938**

(1) During 2019, all the NEOs were paid in Canadian dollars. See "Currency" on page 1 for the applicable exchange rates.
(2) Mr. Richardson's target CBI for 2019 was increased to 80% and his target CBI corporate weighting increased from 35% to 50%
(3) Mr. Hastings joined the Corporation on February 27, 2019.

Cash Bonus Incentive Plan – Corporate Performance

The table below outlines the 2019 financial performance and safety targets, share price performance targets and results. The 2019 share price performance objectives were measured against the 2019 Stock Price Performance Peer Group and other criteria discussed earlier. In all categories, if the overall results of the corporate objectives are at (i) Target, 100% of the Target payment will be allocated, (ii) Stretch, 150% of the Target payment will be allocated, and (iii) Threshold, 75% of the Target payment will be allocated. The amounts in between are not necessarily determined on a straight-line basis but rather at the discretion of the HRCC. Below threshold it is a zero and there are caps in place to limit the maximum award.

As discussed at "Summary of 2019 Performance Highlights" above, the corporate result was awarded at 77.75% of each executive's corporate objective weighting. The table below outlines the actual 2019 corporate performance results.

2019 Achievements	2019 Actual	Threshold	Target	Stretch	As at	Weight	Result
Capital Spending/ Project Execution	8%	10% (below plan)	100% (on budget and schedule)	10% (better than plan)	31-Dec	35%	14%
Stock Price Performance(1)	32.9%	8.6%	10.1%	12.1%	31-Dec	20%	30%
Operating Cash Flow (millions)(2)(3)	$550.7	$538.5	$633.5	$760.2	31-Dec	25%	18.75%
Safety: Incidents (frequency rate)	0.66	0.8	0.6	0.5	31-Dec	10%	7.5%
Environment: Level 3 Incidents	2	2	0	12 (level 2)	31-Dec	10%	7.5%
Total						**100%**	**77.75%**

(1) Measured as December 2018 to December 2019 VWAP. VWAP is the ratio of the value traded to total volume traded over a period. 10.1% is equal to the average stock price performance of the Corporation's 2019 Stock Price Performance Peer Group.
(2) Operating Cash Flow is a non-GAAP measure (refer to the section entitled "Non-GAAP Performance Measures" on page 75) and describes adjusted operating cash flow before changes in non-cash working capital items.
(3) Actual realized metal prices and average foreign exchange rates for the year were used for each of these calculations.

Cash Bonus Incentive Plan – Individual Performance Measurement

Performance of the NEOs and each member of the senior management team is measured annually through a comprehensive system of pre-set, formally documented KPIs. Achievements against the KPI's are evaluated by the CEO and discussed with and confirmed by the HRCC. However, the assessment of individual performance is not a formulaic process and judgment is exercised in determining the level of individual performance for compensation purposes. Below is a summary of the NEO's 2019 KPI achievements.

Fiscal 2018 and 2019 saw a significant renewal and change in the senior executive team at the Corporation. Three of our NEOs completed their first full year in their respective roles in 2019: Marie Inkster, President and CEO; Jinhee Magie, Senior Vice President and Chief Financial Officer; and Peter Rockandel, Senior Vice President, Corporate Development and Investor Relations. Andrew Hastings, Senior Vice President and General Counsel joined the Corporation effective February 27, 2019.

2019 was also a year for strategic execution. The defining event of the year was the acquisition of the Chapada Mine. The transaction, which was well-received by investors and analysts, brought an end to nearly three years of speculation about whether the Corporation would be able to execute on its M&A objectives and successfully redeploy the cash received from the sale of the Corporations indirect interest in the Tenke Fungurume mine. Each NEO performed a pivotal function in the seamless execution of the Chapada acquisition from due diligence through to completion and successful asset integration. In addition to the Chapada acquisition, the Corporation successfully disposed of its minority interest in the Kokkola cobalt refinery in Finland and renegotiated an upsized credit facility providing access to up to $1 billion in funding, with lower pricing and improved flexibility.

Operationally, metal prices remained muted throughout the year. While it is difficult to quantify the impacts on operational performance, the civil unrest in Chile during the fourth quarter of 2019 presented unique challenges to the Candelaria operation and its management. The management team at Candelaria managed the civil unrest with great prudence and creativity, minimizing effects on the business and with a focus on maintaining safe production. Senior leadership also drove operational improvements with proactive planning and continuous improvement initiatives, particularly in the area of life of mine planning as well as site safety action plan initiatives and industrial hygiene.

The Corporation continued to execute on significant capital investment, including the significant 1.5 year pushback at Candelaria, as well as the Candelaria Underground South Sector, CMOP project, Eagle East and ZEP. The ZEP project had setbacks in the first half of the year and more changes were needed to the ZEP leadership team before the project was able to stabilize in the second half with a new reduced-risk, staged commissioning plan. The Eagle East project proceeded ahead of schedule and budget, with first ore processed early in the 4th quarter.

In September, the Corporation announced an increase in the copper mineral reserves by over 1,800 kt, a 50% increase over that announced a year earlier driven by the acquisition of Chapada and exploration success at Candelaria. And lastly, the Eagle Mine life was extended to 2025 from 2024.

Equity Incentive Plans

Introduction

The Corporation provides performance-based equity incentives currently through the grant of share units and stock options (collectively, the “Equity Awards”) under its Share Unit Plan and its Stock Option Plan.

The Corporation believes its equity incentive plans are directly tied to executive and corporate performance and provides executives an opportunity to build ownership in the business and align their interests with those of shareholders with consistent long-term performance. The recipients of Equity Awards only receive awards based on performance and achieve an increase in value only to the extent the Corporation’s shareholders benefit from the increase in the Corporation’s stock price. Typically, share units vest 36 months after the award date and stock option grants vest over three years from the date of grant and have a five-year term. As described above, if the amendments to the Stock Option Plan are approved, options will have a term of seven (7) years.

The value of an Equity Award is based on a range, generally between zero to three times the executive’s target CBI awards and targeted at two times CBI. The HRCC, when determining any Equity Award, will review and base an Equity Award on corporate and personal performance achievement targets for the year as well as over the last three years, prior equity grants, and while not set as specific benchmarks will take into consideration long-term total share performance over a three to five-year period against a variety of relevant comparisons such as commodity prices and indexes and total compensation. The HRCC also considers the amount of share dilution to shareholders represented by any awards to ensure fairness. The purpose of basing an Equity Award in this manner, is that an executive who consistently demonstrates high performance in meeting and exceeding goals will over the long-term receive higher levels of Equity Awards and consistent strong performance of the Corporation will result in executives receiving higher value of equity grants. The evaluation period and vesting periods ensure a long-term performance connection for executives and provides a significant retention factor, particularly in connection with the Corporation's executive share ownership guidelines.

Equity Awards are targeted to be approximately 50% share units and 50% stock options for all the executives. The HRCC and/or Board reviews the composition of share units and stock options from time to time and may make changes to the composition as may be required. Equity Awards are made after the release of the Corporation's annual financial statements.

2019 Equity Awards

The following share units and stock options were granted in 2020 with respect to 2019 compensation to each NEO. The share units vest on the third anniversary of the date of grant. The stock options will vest one-third on the first, second and third anniversary of the date of grant and expire five years after the date of grant. The HRCC, in determining the number of share units and stock options to be granted to each NEO as disclosed considered several factors only one of which was a Black Scholes option valuation.

Accordingly, the value used by the HRCC in determining the amount of equity grants was C$7.51 for share units and a stock option value of C$2.45. This value is different from the accounting values typically used, and as shown in the Summary Compensation Table; however, the HRCC believes the values selected produced a more meaningful and reasonable estimate of the value than utilizing a single day price. The values used by the HRCC and the regulatory disclosure are different.

In the chart below, the equity award values as determined by the HRCC are shown in C$.

NEO	Number of Share Units Awarded	Value of Share Units Awarded (C$)	Number of Stock Options Awarded	Value of Stock Options Awarded (C$)
Marie Inkster CEO	192,000	1,441,920	588,000	1,440,600
Jinhee Magie CFO	53,000	398,030	163,000	399,350
Peter Richardson COO	70,000	525,700	216,000	529,200
Peter Rockandel SVP, Corporate Development & IR	50,000	375,500	155,000	379,750
Andrew Hastings SVP and General Counsel	47,000	352,970	144,000	352,800

Executive Share Ownership Guidelines

To further align the interests of the Corporation's executive officers with the interests of the Corporation's shareholders, for 2020 the HRCC modified executive share ownership guidelines. Executive officers are expected to acquire and retain Common Shares of the Corporation as set out in the table below.

Position	Share Ownership Target (multiple of base salary)
Chief Executive Officer	3.0 times
Senior Vice President	1.5 times
Vice President (officers)	1.0 times

Executive officers will have five years from January 1, 2020 (or from the date of their respective appointments) to attain the share ownership guidelines above. The HRCC in its discretion may extend the period of time for attainment of these ownership levels in appropriate circumstances. For purposes of these guidelines an executive officer's share ownership shall include the following:

- Common Shares purchased on the open market
- Common Shares owned jointly with, or separately, by the executive officer's immediate family members (spouse and/or dependent children)
- Common Shares held in trust for the executive officer or immediate family member
- Common Shares obtained through the exercise of stock options
- Unvested share units and any other form of equity compensation as determined by the HRCC and/or Board

In the event an executive officer does not meet the requirement, he or she will not be permitted to sell Common Shares until the requirement is met.

As at the date of this Circular, all the executive officers of the Corporation meet or exceed the Executive Share Ownership Guidelines. Using the March 20, 2020 closing price of the Common Shares of C$4.40 per share, Ms. Inkster has 426,653 Common Shares with a value of C$1,877,273, and 508,000 Share Units with a value of C$2,235,200 for an aggregate value of C$4,112,473.

Equity Compensation Plans

At the Annual and Special Shareholders' meeting held on May 9, 2014, the shareholders approved, among other things, the adoption of a new Share Unit Plan (the "SU Plan"), and the adoption of the Stock Option Plan.

Stock Option Plan

As noted above, the shareholders are being asked to approve amendments to the Stock Option Plan to: (1) increase the number of Common Shares available for issuance by 12,000,000 Common Shares; and (2) increase the maximum term of an option from five to seven years from the date of the option grant. Subject to shareholder approval, a copy of the amended Stock Option Plan is filed on SEDAR at www.sedar.com.

In addition to amending the Stock Option Plan to increase the number of Common Shares available for issuance, the Board approved other amendments to the Stock Option Plan which do not require shareholder approval. These amendments include: (1) removal of directors from participating in the Stock Option Plan; (2) specifying the methods for satisfying the exercise price for the option, including broker assisted and cashless exercise; (3) clarification of provisions regarding compliance with U.S. tax laws for grants made to U.S. taxpayers, and that allows the Board to modify, without shareholder approval, the terms of the Stock Option Plan or options with respect to Participants outside of Canada and the United States to comply with local law by establishing sub-plans to reflect such amended or otherwise modified provisions; and (4) other minor housekeeping changes.

The Stock Option Plan has the dual purpose of (i) attracting, incentivizing and retaining those key employees and consultants, of the Corporation who are considered by the Board to be key to the growth and success of the Corporation; and (ii) aligning the interests of key employees and consultants with those of the shareholders through longer term equity ownership in the Corporation.

The following is a summary of the key terms of the Stock Option Plan:

Stock Option Plan

- The term of all stock options awarded under the Stock Option Plan is a maximum of five years. Subject to shareholder approval, the Board amended the Stock Option Plan on March 19, 2020 to increase the maximum term of all stock options to seven years.
- The exercise price per Common Share under an option shall be determined by the Board but, in any event, shall not be lower than the market price of the Common Shares of the Corporation on the date of grant of the options.
- Stock options granted pursuant to the Stock Option Plan shall vest and become exercisable by an optionee at such time or times as may be determined by the Board at the date of grant and as indicated in the option commitment. Stock options generally vest on each of the first, second and third anniversary of the grant date.
- In the event that the expiry of an option falls within, or within two days after the end of a trading blackout period imposed by the Corporation, the expiry date of the option shall be automatically extended to the tenth business day following the end of the blackout period as permitted by applicable TSX policies.
- Options are not transferable other than by will or the laws of descent and distribution.
- Employees and consultants of the Corporation or its affiliates are eligible to receive option grants.
- For stock options granted prior to March 21, 2019, the termination provisions under the Stock Option Plan are as follows and, in all cases subject to the original option expiry date: (i) in the event of retirement, all options will automatically vest and the optionee will have a 12 month period to exercise his/her options; (ii) in the event of termination without cause, all options will automatically vest for optionees who have been continuously employed by the Corporation or by a company providing management services to the Corporation for at least two years including any notice period, as applicable; (iii) in the event of resignation, the optionee will have 90 days to exercise his/her options that have vested as of the date of resignation; and (iv) in the event of termination with cause, all options will immediately be terminated, except as may be set out in the optionee's grant agreement or as otherwise determined by the Board in its sole discretion.
- For stock options granted on or after March 21, 2019: in the event of retirement, all options will continue to vest in accordance with their normal vesting schedule and the optionee will have a 12-month period after the final vesting date of his/her options to exercise his/her options, subject to the participant complying with any obligations set out in the Corporation's retirement statement.

- For stock options granted on or after March 21, 2019: in the event of termination without cause, subject to the original option expiry date, all options, other than those awarded in the year of termination, will automatically vest for optionees who have been continuously employed by the Corporation or by a company providing management services to the Corporation for at least two years including any notice period, as applicable, and the optionee will have 90 days to exercise his/her options.
- For stock options granted prior to March 21, 2019: in the event of a change of control, all unvested options shall automatically vest on the date of the change of control and options may be cancelled if such options are out of the money.
- Stock options granted on or after March 21, 2019 are subject to "double-trigger" vesting conditions. In the event of a change of control any surviving, successor or acquiring entity shall assume outstanding stock options or substitute similar awards and the vesting of stock options will only accelerate if the optionees employment is terminated without cause within 12 months following a change of control, in which case the optionee will have 90 days to exercise his/her options, subject to the original option expiry date. If, however, the surviving, successor or acquiring entity does not assume the outstanding stock options, in connection with the change of control, the stock options will immediately vest on the date of such change of control, and options may be cancelled if such options are out of the money. If any options are subject to performance vesting criteria, the level of achievement of the applicable performance vesting criteria will be deemed to be achieved at target.
- Change of control is defined as the occurrence of any one or more of the following events: (1) a consolidation, merger, amalgamation or other reorganization or acquisition involving the Corporation or any of its affiliates as a result of which the Corporation's shareholders immediately prior to the transaction hold less than 50% of the outstanding shares of the successor corporation; (2) the sale, lease, exchange or disposition of all or substantially all of the assets of the Corporation or its subsidiaries on a consolidated basis; (3) a resolution to wind-up dissolve or liquidate the Corporation; (4) any person or group of persons acting jointly or in concert acquires 50% or more of the Corporation's outstanding voting securities; (5) as a result of or in connection with a contested election of directors or a transaction, fewer than 50% of the directors of the Corporation immediately prior to such transaction remain are directors of the Corporation; or (6) the Board adopts a resolution to the effect that a change of control has occurred.
- In the event of the death or disability of an optionee, all options will vest and the optionee's estate or the optionee, as applicable, will have, subject to the original option expiry date, 12 months to exercise his/her options.
- Notwithstanding the foregoing, all of the termination provisions shall be subject to the terms of any employment/severance agreement between the optionee and the Corporation.
- All stock options granted on or after March 21, 2019 are subject to the Corporation's recoupment policy.
- The grant of stock options under the Stock Option Plan is subject to the number of the Common Shares: (i) issued to insiders of the Corporation, within any one (1) year period, and (ii) issuable to insiders of the Corporation, at any time, under the Stock Option Plan, or when combined with all of the Corporation's other security based compensation arrangements, not exceeding 10% of the Corporation's total issued and outstanding Common Shares, respectively.

- The Board may delegate, to the extent permitted by applicable law and by resolution of the Board, its powers under the Stock Option Plan to the HRCC of the Board, or such other committee as the Board may determine from time to time.
- The specific amendment provisions for the Stock Option Plan provide the Board or committee with the power, subject to the requisite regulatory approval, to make the following amendments without shareholder approval (without limitation):
  - amendments of a housekeeping nature;
  - the addition or a change to any vesting provisions of an option;
  - changes to the termination provisions of an option or the Stock Option Plan which do not entail an extension beyond the original expiry date;
  - the addition of a cashless exercise feature, payable in cash or securities, whether or not providing for a full deduction of the number of underlying Common Shares from the Stock Option Plan reserves; and
  - amendments to reflect changes to applicable securities or tax laws.
- Any of the following amendments shall require shareholder approval:
  - reduce the exercise price of an option or cancel and reissue an option;
  - amend the term of an option to extend the term beyond its original expiry;
  - materially increase the benefits to the holder of the options who is an insider to the material detriment of the Corporation and its shareholders;
  - increase the number of Common Shares or maximum percentage of Common Shares which may be issued pursuant to the Stock Option Plan (other than by virtue of adjustments permitted under the Stock Option Plan);
  - permit options to be transferred other than for normal estate settlement purposes;
  - remove or exceed the insider participation limits of the Stock Option Plan;
  - materially modify the eligibility requirements for participation in the Stock Option Plan, including the re-introduction of non-employee directors as participants; or
  - modify the amending provisions of the Stock Option Plan.

As of February 29, 2020, the aggregate number of Common Shares which remain available for issuance under the Stock Option Plan is 7,967,925, which represents approximately 1.08% of the Corporation's issued and outstanding Common Shares as at the date of this Circular. Any option which has been cancelled or terminated prior to exercise in accordance with the terms of the Stock Option Plan will again be available under the Stock Option Plan. Subject to shareholder approval, the Board amended the Stock Option Plan on March 19, 2020 to increase the number of Common Shares reserved for issuance by 12,000,000 Common Shares, which represents approximately 1.63% of the Corporation's issued and outstanding Common Shares as at the date of this Circular. The aggregate number of Common Shares available for issuance under the Stock Option Plan since its adoption in 2014 is 30,000,000 and, subject to shareholder approval, will increase to 42,000,000. If the increase to the number of issued and outstanding Common Shares available for issuance under the Stock Option Plan is approved, 19,967,925 Common Shares will be available for grant under the Stock Option Plan, representing 2.72% of the Corporation's issued and outstanding Common Shares as at the date of this Circular.

As of December 31, 2019, there were 11,008,365 stock options outstanding under the Stock Option Plan, representing approximately 1.50% of the Corporation's issued and outstanding Common Shares. As of December 31, 2019, there were an aggregate of 10,575,185 stock options available for grant under the Stock Option Plan, representing 1.44% of the Corporation's issued and outstanding Common Shares. As of February 29, 2020, there were 13,346,230 stock options outstanding under the Stock Option Plan, representing approximately 1.82% of the Corporation's issued and outstanding Common Shares as at the date of this Circular. Since May 9, 2014 an aggregate of 8,685,845 Common Shares were issued upon exercise of stock options granted under the Stock Option Plan, representing approximately 1.18% of the Corporation's issued and outstanding Common Shares as at the date of this Circular.

SU Plan

The SU Plan has the dual purpose of (i) attracting, incentivizing and retaining those key employees of the Corporation who are considered by the Board to be key to the growth and success of the Corporation; and (ii) aligning the interests of key employees with those of the shareholders through longer term equity ownership in the Corporation.

- The SU Plan provides that share unit awards (the "SUs") may be granted by the Board or the HRCC, or any other committee of directors authorized by the Board to administer the SU Plan. Effective March 19, 2020, the SU Plan was amended to include additional provisions to address share units that are subject to performance vesting criteria ("PSUs"). Under the SU Plan's amendment provision, this amendment does not require shareholder approval.
- Any Common Shares subject to a SU or PSU which has been cancelled or terminated in accordance with the terms of the SU Plan without settlement will again be available for issuance under the SU Plan.
- The grant of SUs and PSUs under the SU Plan is subject to the number of the Common Shares: (i) issued to insiders of the Corporation, within any one (1) year period, and (ii) issuable to insiders of the Corporation, at any time, under the SU Plan, or when combined with all of the Corporation's other security based compensation arrangements, shall not exceed 10% of the Corporation's total issued and outstanding Common Shares, respectively.
- Employees of the Corporation or any affiliate, including any senior executive, vice president, and/or member of the management team of the Corporation or its affiliates, are eligible to participate in the SU Plan. Non-employee directors are not eligible to participate in the SU Plan.
- A SU is a unit credited by means of an entry on the books of the Corporation to a participant, representing the right to receive one Common Share (subject to adjustments) issued from treasury. SUs are subject to time-based vesting conditions.
- A PSU is a unit credited by means of an entry on the books of the Corporation to a participant, representing the right to receive, subject to achieving applicable performance vesting conditions, one Common Share (subject to adjustments) issued from treasury.
- The number and terms of SUs and PSUs granted to participants will be determined by the Board or committee based on the market price of the Common Shares on the grant date and credited to the participant's account effective on the grant date. The market price shall be calculated as the closing market price on the TSX of the Common Shares on the date

of the grant. PSUs are subject to performance vesting conditions. The SUs will be settled by way of the issuance of Common Shares from treasury as soon as practicable following the entitlement date determined by the Board or committee in accordance with the terms of the SU Plan. However, participants who are residents of Canada or as otherwise may be designated in the grant letter (except for US taxpayers) will be permitted to elect to defer issuance of all or any part of the Common Shares issuable to them provided proper notice is provided to the Board or committee pursuant to the terms of the SU Plan.

- All grants of SUs and PSUs shall be evidenced by a confirmation share unit grant letter.
- Unless otherwise specified in the share unit grant letter, SUs vest on the third anniversary of the grant date. PSUs will vest following the end of the applicable performance period based on performance conditions.
- The Board or committee will have the discretion to credit a participant with additional SUs or PSUs in lieu of any cash dividends paid to shareholders of the Corporation, equal to the aggregate amount of any cash dividends that would have been paid to the participant if the SUs or PSUs had been Common Shares, divided by the market value of the Common Shares on the date on which dividends were paid by the Corporation. For the avoidance of doubt, no cash payment will be made to a participant if cash dividends are paid to shareholders.
- In the event of a participant's resignation or termination with cause, the unvested SUs and PSUs will be forfeited and of no further force or effect at the date of termination, unless otherwise determined by the HRCC or provided for in the share unit grant letter. Vested SUs and Vested PSUs that are subject to a deferred payment date will be settled in Common Shares forthwith.
- For SUs granted prior to March 21, 2019: In the event of termination without cause, all unvested SUs that are not subject to performance vesting criteria will vest for participants who were continuously employed by the Corporation or any affiliate for at least two years including any notice period, if applicable, on the date of termination and the Common Shares represented by the SUs held shall be issued as soon as reasonably practical. For participants who were not continuously employed by the Corporation for two years their SUs will be forfeited and of no further force or effect at the date of termination, except as may otherwise be stipulated in the participant's grant letter or as may otherwise be determined by the HRCC in its sole and absolute discretion. In the event of retirement, in accordance with the retirement policies of the Corporation, any unvested SUs will automatically vest, and the Common Shares will be issued as soon as practicable. However, any unvested SUs held by a US taxpayer will automatically vest on the date such participant attains the age of 65 and the Common Shares will be issued forthwith but no later than March 15 of the following calendar year.
- For SUs or PSUs granted on or after March 21, 2019: In the event of termination without cause, a pro-rated portion of each SU or PSU award will vest on the date of termination (based on the number of days that the participant was employed during the three-year vesting period), and any performance vesting criteria applicable to PSUs will be deemed achieved at target. In the event of retirement, subject to the participant complying with any obligations set out in the Corporation's retirement statement, unvested SUs and PSUs will continue to vest in accordance with their normal vesting schedule (and, for PSUs, based on actual achievement of any applicable performance criteria). SUs and PSUs granted in the year the participant's retirement occurs will become void.

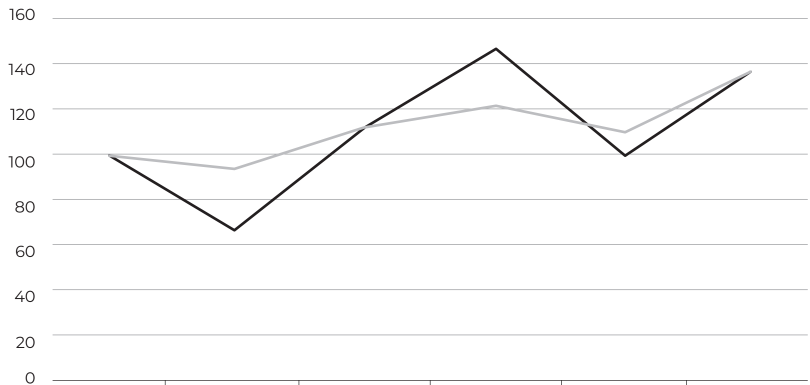
- For SUs granted prior to March 21, 2019: In the event of a change of control, all SUs outstanding will immediately vest on the date of such change of control.
- SUs or PSUs granted on or after March 21, 2019, are subject to “double-trigger” vesting conditions. In the event of a change of control any surviving, successor or acquiring entity shall assume outstanding SUs and PSUs or substitute similar awards and the vesting of SUs and PSUs will only accelerate if the participant’s employment is terminated without cause within 12 months following a change of control. For PSUs, any applicable performance vesting criteria will be deemed to be at target. If, however, the surviving, successor or acquiring entity does not assume the outstanding SUs and PSUs, in connection with the change of control, the SUs and PSUs will immediately vest on the date of such change of control and, for PSUs, any applicable performance vesting criteria will be deemed to be at target. Change of control is defined in the same manner as under the Stock Option Plan.
- In the event of death, all unvested SUs and PSUs credited to the participant will vest on the date of the participant’s death and the Common Shares represented by the SUs and PSUs held shall be issued to the participant’s estate as soon as reasonably practical. In the event of the total disability of a participant, all unvested SUs and PSUs credited to the participant will vest on the date in which the participant is determined to be totally disabled and the Common Shares represented by the SUs and PSUs held shall be issued as soon as reasonably practical. For PSUs, any applicable performance vesting criteria will be deemed to be achieved at target.
- Notwithstanding the terms of the SU Plan, all the termination provisions shall be subject to the terms of any employment/severance agreement between the participant and the Corporation.
- SUs and PSUs are not transferable other than by will or the laws of descent and distribution.
- The specific amendment provisions for the SU Plan provide the Board or committee with the power, subject to the requisite regulatory approval, to make the following amendments without shareholder approval (without limitation):
  - amendments of a housekeeping nature;
  - the addition or a change to any vesting provisions of a SU or PSU;
  - changes to the termination provisions of a SU or PSU or the SU Plan; and
  - amendments to reflect changes to applicable securities or tax laws.
- Any of the following amendments require shareholder approval:
  - materially increasing the benefits to a holder of SUs or PSUs who is an insider to the material detriment of the Corporation and its shareholders;
  - increasing the number of Common Shares or maximum percentage of Common Shares which may be issued pursuant to the SU Plan (other than by virtue of adjustments permitted under the SU Plan);
  - permitting SUs or PSUs to be transferred other than for normal estate settlement purposes;
  - removing or exceeding the insider participation limits of the SU Plan;
  - materially modifying the eligibility requirements for participation in the SU Plan; or
  - modifying the amending provisions of the SU Plan.

The SU Plan currently has reserved 7,863,120 Common Shares for issuance under the SU Plan, which represents approximately 1.07% of the Corporation’s issued and outstanding Common Shares as of the date of this Circular.

As of December 31, 2019, there were 2,122,410 SUs outstanding under the SU Plan, representing approximately 0.29% of the Corporation's issued and outstanding Common Shares. As of December 31, 2019, an aggregate of 8,847,120 SUs were available for grant under the SU Plan, representing approximately 1.20% of the Corporation's issued and outstanding Common Shares. As of February 29, 2020, there were 2,712,100 SUs outstanding under the SU Plan, representing approximately 0.37% of the Corporation's issued and outstanding Common Shares and there were 7,851,120 SUs available for grant under the Plan, representing approximately 1.07% of the Corporation's issued and outstanding Common Shares as at the date of this Circular. Since May 9, 2014, an aggregate of 3,253,707 Common Shares were issued following the entitlement date attaching to outstanding SUs granted under the SU Plan, representing approximately 0.44% of the Corporation's issued and outstanding Common Shares.

Performance Graph

The following graph compares the yearly percentage change in the cumulative total shareholder return on the TSX for C$100 invested in Common Shares on December 31, 2014 against the cumulative total shareholder return of the S&P/TSX Composite Index for the five most recently completed financial years of the Corporation. In both cases, it has been assumed that dividends have been reinvested.



	31-Dec-14	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18	31-Dec-19
LMC Share Price	100	66	112	146	99	136
S&P/TSX Composite Index	100	93	112	121	110	135

The Corporation is included in the S&P/TSX Composite and the graph and chart above shows the relative share performance of the Corporation to this index. As discussed above, the current compensation policy relates performance compensation of executives to specific benchmarks which include specific operational objectives and individual objectives as well as relative share price performance compared to the described specific peer group. Accordingly, there is no direct link between the index shown and executive compensation as determined by the HRCC.

Summary Compensation Table

The total compensation cost of the NEOs for 2019 as reflected in the Summary Compensation Table represented 0.47% of the Corporation's consolidated revenues for 2019.

The following table sets out the total compensation actually paid to the NEOs in the most recently completed financial year as well as the two previous financial years, to the extent the NEO was employed by the Corporation.[(1)] The Corporation does not have a pension plan.

					Non-equity incentive plan compensation (US$)			
Name and principal position	Year	Salary (US$)	Share-based awards (US$)[(2)]	Option-based awards (US$)[(2)]	Annual incentive plans (US$)[(4)]	Long-term incentive plans	All other compensation (US$)[(5)]	Total compensation (US$)
Marie Inkster[(6)] CEO	**2019**	**753,700**	**1,025,280**	**882,000**	**904,400**	**–**	**19,973**	**3,585,393**
	2018	511,384	1,236,060	797,560	583,556	–	20,247	3,148,807
	2017	377,639	347,220	340,080	294,598	–	65,349	1,424,886
Jinhee Magie[(7)] CFO	**2019**	**358,008**	**283,020**	**244,500**	**260,780**	**–**	**19,973**	**1,166,281**
	2018	270,165	347,760	291,240	185,256	–	16,210	1,110,631
	2017	243,176	128,600	200,640	131,335	–	13,375	717,126
Peter Richardson[(8)] COO	**2019**	**414,535**	**373,800**	**324,000**	**348,963**	**–**	**33,944**	**1,495,242**
	2018	385,950	430,920	409,770	301,041	–	51,320	1,579,001
	2017	365,000	289,350	250,800	173,598	–	16,207	1,094,955
Peter Rockandel[(9)] SVP, Corporate Development & IR	**2019**	**339,165**	**267,000**	**232,500**	**327,860**	**–**	**19,973**	**1,186,498**
	2018	112,890	439,160	373,600	94,944	–	45,368	1,065,962
	2017	–	–	–	–	–	–	–
Andrew Hastings[(10)] SVP and General Counsel	**2019**	**266,221**	**501,480**	**373,000**	**241,938**	**–**	**91,343**	**1,473,982**
	2018	–	–	–	–	–	–	–
	2017	–	–	–	–	–	–	–

(1) During 2019, all the NEOs were paid in CDN$. See "Currency" on page 1 for the applicable exchange rates.
(2) The value of the SU awards is determined by multiplying the number of SUs granted by the fair value which is the closing price of the Corporation's Common Shares on the TSX on the date of the grant:

Grant Date	Performance Year	Fair Value on Grant[(1)]
February 25, 2020*	2019 (annual)	C$7.09 / $5.34
February 21, 2019**	2018 (annual)	C$6.65 / $5.13
February 21, 2019	Initial Grant	C$6.65 / $5.13
February 21, 2018***	2017 (annual)	C$8.34 / $6.43
September 21, 2018	Initial Grant	C$7.13 / $5.50
October 26, 2018	Promotional Grant	C$5.25 / $4.05

*The February 25, 2020 award was converted at the average exchange rate for 2019 as this relates to 2019 compensation.
**The February 21, 2019 annual awards were converted at the average exchange rate for 2018 as this relates to 2018 compensation.
***The February 21, 2018 award was converted at the average exchange rate for 2017 as this relates to 2017 compensation.

(3) The fair value of stock option awards on the grant date were calculated using the Black-Scholes model according to IFRS2 Share-based payment since it is used consistently by comparable companies. Below are the key assumptions and estimates:

Grant Date	Performance Year	Excercise Price	Risk-free Rate of Return	Volatility Estimate	Dividend	Expected Life (years)	Black-Scholes Value[1]
February 25, 2020*	2019 (annual)	C$7.09 / $5.34	1.38%	42.1%	0.12	3.15	C$1.99 / $1.50
February 21, 2019**	2018 (annual)	C$6.65 / $5.13	1.82%	46.9%	0.12	3.15	C$2.03 / $1.57
February 21, 2019	2019 (initial)	C$6.65 / $5.13	1.82%	46.9%	0.12	3.15	C$2.03 / $1.57
February 21, 2018***	2017 (annual)	C$8.34 / $6.43	2.01%	49.7%	0.12	3.15	C$2.71 / $2.09
September 21, 2018	Promotional Grant	C$7.13 / $5.50	2.20%	47.2%	0.12	3.15	C$2.20 / $1.70
October 26, 2018	Promotional Grant	C$5.25 / $4.05	2.29%	47.3%	0.12	3.15	C$1.59 / $1.23

*The February 25, 2020 award was converted at the average exchange rate for 2019 as this relates to 2019 compensation.
**The February 21, 2019 award was converted at the average exchange rate for 2018 as this relates to 2018 compensation.
***The February 21, 2018 award was converted at the average exchange rate for 2017 as this relates to 2017 compensation.

(4) Represents annual incentive awards in respect of the corresponding year's performance but which are paid the following year.
(5) Amounts in this column typically consist of, but are not limited to, benefits such as retirement savings benefits and other additional benefits.
(6) Ms. Inkster's realized salary for 2019 in US$ is shown in the table above. Ms. Inkster received C$26,500 during 2019 in registered retirement savings.
(7) Ms. Magie's realized salary for 2019 in US$ is shown in the table above. Ms. Magie received C$26,500 during 2019 in registered retirement savings.
(8) Mr. Richardson's realized salary for 2019 in US$ is shown above. Mr. Richardson received C$26,500 during 2019 in registered retirement savings contributions made by the Corporation and C$18,536 in 401(k) plan contributions related to 2018 compensation paid out in 2019.
(9) Mr. Rockandel's realized salary for 2019 in US$ is shown above. Mr. Rockandel received C$26,500 during 2019 in registered retirement savings.
(10) Mr. Hastings joined the Corporation on February 27, 2019. His realized salary for 2019 in US$ is shown in the table above. His annualized base salary for 2019 in US$ was $316,554. Mr. Hastings received an on-hire signing bonus of C$100,000 and C$21,193 during 2019 in registered retirement savings contributions. Mr. Hastings' equity grants noted above include an initial grant of 50,000 SUs and 100,000 options on February 21, 2019, using the fair value on grant and Black-Scholes value disclosed above.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth for each NEO all awards outstanding at the end of the most recently completed financial year.

		Option-based Awards				Share-based Awards		
NEO	Grant date	Number of securities underlying unexcercised options (#)	Option excercise price (US$)[(1)(2)]	Option expiration date	Value of unexercised in-the-money options (US$)[(2)(3)]	Number of shares of units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (US$)[(2)(3)]	Market or payout value of vested share-based awards not paid out or distributed (US$)
Marie Inkster CEO	08-Mar-2016	246,000	3.33	07-Mar-2021	649,400[(4)]	–	–	–
	24-Feb-2017	207,900	6.29	23-Feb-2022	nil[(5)]	83,160	496,465	–
	21-Feb-2018	156,000	6.42	20-Feb-2023	nil[(6)]	54,000	322,380	–
	26-Oct-2018[(8)]	–	–	–	–	100,000	597,000	–
	21-Feb-2019	508,000	5.12	20-Feb-2024	nil[(7)]	162,000	967,140	
Jinhee Magie CFO	20-Feb-2015	112,000	4.12	09-Mar-2020	207,200[(4)]	–	–	–
	08-Mar-2016	132,000	3.33	07-Mar-2021	348,480[(4)]			–
	24-Feb-2017	99,990	6.29	23-Feb-2022	nil[(5)]	40,000	238,800	–
	21-Feb-2018	66,000	6.42	20-Feb-2023	nil[(6)]	20,000	119,400	–
	26-Oct-2018[(9)]	30,000	4.04	25-Oct-2023	57,900[(9)]	20,000	119,400	–
	21-Feb-2019	162,000	5.12	20-Feb-2024	nil[(7)]	52,000	310,440	
Peter Richardson COO	24-Aug-2015	26,000	2.97	23-Aug-2020	77,740[(4)]	–	–	–
	08-Mar-2016	33,000	3.33	07-Mar-2021	87,120[(4)]			–
	24-Feb-2017	78,000	6.29	23-Feb-2022	nil[(5)]	16,500	98,505	–
	21-Feb-2018	120,000	6.42	20-Feb-2023	nil[(6)]	45,000	268,650	–
	21-Feb-2019	261,000	5.12	20-Feb-2024	nil[(7)]	84,000	501,480	–
Peter Rockandel SVP, Corporate Development & IR	21-Sept-2018	125,000	5.49	26-Jul-2023	60,000[(10)]	50,000	298,500	–
	21-Feb-2019	100,000	5.12	20-Feb-2024	nil[(7)]	32,000	191,040	–
Andrew Hastings SVP and General Counsel	21-Feb-2019	100,000	5.12	20-Feb-2024	nil[(7)]	50,000	298,500	–

(1) Based on the closing exchange rate of C$1.00:US$0.7699 on December 31, 2019.
(2) All stock options are granted in C$. Below are the exercise prices in C$:

February 20, 2015	–	C$5.35
August 24, 2015	–	C$3.86
March 8, 2016	–	C$4.32
February 24, 2017	–	C$8.17
February 21, 2018	–	C$8.34
March 20, 2018	–	C$8.68
September 21, 2018	–	C$7.13
October 26, 2018	–	C$5.25
February 21, 2019	–	C$6.65

(3) In respect of stock options, the value is based on the closing price of the Common Shares on the TSX on December 31, 2019 of C$7.76 (US$5.96) per Common Share, less the exercise price of the in-the-money stock options. These stock options have not been, and may never be, exercised and the actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise. In respect of SUs, the value is based on the closing price of the Common Shares on the TSX on December 31, 2019 of C$7.76 (US$5.96) per Common Share. The SUs granted February 21, 2018 and February 21, 2019 are currently unvested and the actual market value will depend on the value of the Common Shares on the vesting date. The vesting date for SUs is the third anniversary date after the grant date. The February 24, 2017 SUs vested on February 24, 2020.
(4) These values represent all vested stock options. After December 31, 2019 all options granted on February 20, 2015 were exercised prior to the expiry date. The expiry date was extended from February 19, 2020 to March 9, 2020 due to a management-imposed blackout period.
(5) These values represent two-thirds vested stock options. The remaining one-third vested on February 24, 2020.
(6) These values represent one-third vested stock options. The remaining two-thirds vested one-third on February 21, 2020 and will vest one-third on February 21, 2021.
(7) Unvested as at December 31, 2019.
(8) Ms. Inkster received a grant of share units with respect to her promotion to CEO.
(9) Ms. Magie received a grant of stock options and share units with respect to her promotion to CFO. These values represent one-third vested stock options. The remaining two-thirds will vest one-third on October 18, 2020 and October 18, 2021, respectively.
(10) These values represent one-third vested stock options. The remaining two-thirds will vest one-third on each of September 21, 2020 and September 21, 2021, respectively.

Incentive Plan Awards – Value Vested or Earned In 2019

The following table provides information regarding the value on vesting of incentive plan awards for the financial year ended December 31, 2019, plus a summary of cash awards made under the CBI for 2019 performance (paid in 2020).

NEO	Option-based awards – value vested during the year (US$)(1)(2)	Share-based awards – value vested during year (US$)(1)(3)	Non-equity incentive plan compensation – value earned during year (US$)(4)
Marie Inkster CEO	121,213	288,251	904,440
Jinhee Magie CFO	77,129	134,517	260,780
Peter Richardson COO	16,260	33,629	348,963
Peter Rockandel SVP, Corporate Development & IR	Nil	Nil	327,860
Andrew Hastings SVP and General Counsel	Nil	Nil	241,938

(1) Based on the closing exchange rate of C$1.00:US$0.7699 on December 31, 2019.
(2) Calculated using the closing price of the Corporation's Common Shares on the TSX on the relevant vesting date and subtracting the exercise price of in-the-money stock options.
(3) Calculated using C$6.24 (US$4.79) which was the closing market price of the Common Shares on the TSX on March 8, 2019.
(4) Non-equity incentive plan compensation includes the amount of the annual performance bonus awards earned by NEOs for the noted year, as paid in the following year. All the NEO's annual performance bonus awards were paid in C$. See "Currency" on page 1 for the applicable exchange rates.

Pension Plan Benefits

The Corporation does not have any defined benefit or actuarial plans for the NEOs.

Compensation Risk Management

As part of its annual review, the HRCC evaluated potential risks related to the Corporation's compensation policies and practices. The Corporation's annual corporate and personal objectives which form the basis of the compensation plan evaluations are carefully considered by the HRCC with a view of establishing a realistic and balanced set of objectives together with a range of achievement level factors that both encourage initiative and discourage under performance in areas important to the Corporation and do not encourage excessive risk-taking by senior management.

Below are some of the risk mitigating features of the Corporation's executive compensation programs:

- consistent program design among all executive officers;
- a mix of performance measures are used in the cash bonus incentives, and granting of equity incentives provides a balanced performance focus;
- benchmark compensation against size and industry appropriate peer group and target total direct compensation in the median range;
- capped payout opportunity within the CBI of 1.5 times the target CBI % which is subject to Board discretion;
- awards are granted annually;
- SUs vest three years after the award date;
- stock options vest over three years and have a five-year term;
- potential equity awards are regularly "stress-tested" to avoid unintended behaviours and compensation outcomes;
- the Corporation provides a non-binding advisory vote on the Corporation's approach to executive compensation; and
- in camera sessions are held after certain HRCC meetings.

The HRCC determined that there are no risks arising from the Corporation's compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

Hedging

Directors and officers are prohibited from purchasing financial instruments that are designed to hedge or offset any decrease in the market value of the Corporation's equity securities that are held directly or indirectly by them or granted as compensation to them. Such prohibited financial instruments with respect to the Corporation's equity securities include prepaid variable forward contracts, equity swaps, collars, put or call options, and similar financial instruments.

Recoupment Policy

Effective as of March 21, 2019, the Board approved a Recoupment Policy that provides that the Corporation may recover or cancel certain incentive compensation, including cash bonuses, options, share appreciation rights, share units, restricted shares, or equivalents, and any other equity-based compensation, provided to executives and other designated employees in circumstances where (i) there has been an accounting restatement of the Corporation's financial statements as a result of significant non-compliance with financial reporting requirements and the amount of incentive compensation received or realized was higher than it would have been based on the restated financial results, or (ii) the employee has engaged in misconduct (fraud, or intentional and/or reckless non-compliance with applicable laws or the Corporation's Code of Conduct).

Management's Role in Compensation Decision Making

The CEO and Senior Vice President, Human Resources provide information to the HRCC as required on compensation risk management and also provide annual recommendations to the HRCC on base salary adjustments, cash and equity incentives for the executives and other members of management, excluding the CEO. The HRCC approves any base salary adjustments, cash and equity incentive awards for the executives and recommends to the Board all compensation for the CEO, based on the results of the key strategic deliverables, the results of each executive's KPIs and in the context of total compensation. As part of the final determination of the total compensation, the HRCC also refers to compensation of executives among the selected peer group.

The CEO is not a member of the HRCC. She provides input on the performance of senior executives and managers. Discussions affecting the CEO's remuneration package, either directly or indirectly, are held in camera without management present.

Compensation Consultants

Since 2016, the HRCC has retained Willis Towers Watson to serve as the HRCC's compensation consultant. Willis Towers Watson provides advice to the HRCC on executive compensation and related governance matters. In 2019, the services Willis Towers Watson provided to the Corporation and to HRCC included:

- Short-term and long-term incentive plan design
- Review of compensation peer group
- Executive compensation benchmarking

Advisor	Type of Work	2019 Fees (C$)	2018 Fees (C$)
Willis Towers Watson	Executive compensation-related fees	$176,641	68,308
	All other fees	$90,757	–

Other than services to the HRCC related to executive compensation, in 2019 Willis Tower Watson conducted a review of compensation level and structure for non-executives at the request of management. HRCC pre-approval was required before Willis Towers Watson could provide this and other services to the Corporation at management's request.

Termination and Change of Control Benefits

Introduction

Each of the Corporation's NEOs as of December 31, 2019 is a party to an indefinite term employment agreement with the Corporation that sets forth certain instances where payments and other obligations arise on the termination of their employment or in the event of a change of control of the Corporation.

Termination Without Cause

The employment agreements for each of the NEOs include specific terms and conditions describing the Corporation's obligations should the employment of the NEO be terminated without cause. If the employment of a NEO is terminated by the Corporation without cause, or if a NEO terminates their own employment for good reason, then payment of base salary and, in some cases, CBI payments, equity awards and benefits shall be due as provided in the respective agreement.

Following a without cause termination of Ms. Inkster's employment by the Corporation, the Corporation will be required to pay, on termination, 24 months' base salary, plus two times the average of the CBI payments received in the previous two years. All unvested SUs will automatically vest, and all unvested stock options awarded pursuant to the Stock Option Plan, as amended or replaced from time to time, shall automatically vest and Ms. Inkster will have 90 days from the date following termination to exercise such stock options. Furthermore, the terms of termination without cause, as set out in Ms. Inkster's employment agreement, will prevail over the terms regarding termination without cause as contained in the SU Plan and/or the Stock Option Plan, as may be amended or replaced from time to time, unless such terms contained in the SU Plan and/or the Stock Option Plan are more favourable, in which case the terms in the SU Plan and/or the Stock Option Plan, as applicable, shall prevail. Ms. Inkster shall also continue to participate in the Corporation's group medical and dental benefits plan for 24 months following the termination date; her participation in the Corporation's short- and long-term disability, life insurance, and accidental death and dismemberment plans will continue for 12 months, if available and to the extent permitted under the plan.

Following a without cause termination of Ms. Magie's employment by the Corporation, Ms. Magie will receive working notice of 24 months, or at the discretion of the Corporation, in lieu of such notice, a payment consisting of 24 months' base salary and two times the average of the CBI payments received in the previous two years. Ms. Magie shall also continue to participate in the Corporation's group medical and dental benefits program for a period of 24 months after the termination date. Such payments shall be in full satisfaction of any claim Ms. Magie may have to notice of termination, severance, or separation pay of any kind in respect of the termination of her employment with the Corporation. Any equity awards received by Ms. Magie prior to the date of termination will be treated in accordance with the applicable equity award plan terms.

Following a without cause termination of Mr. Richardson's employment by the Corporation, Mr. Richardson will receive working notice of 12 months, or at the discretion of the Corporation, in lieu of such notice a payment consisting of 12 months' base salary. Mr. Richardson will also receive a payment equal to the average of the CBI payments received in the previous two years, and his participation in the Corporation's group health benefits plan and the group RRSP program will continue for a period of 12 months. Such payments will be in full satisfaction of any claim Mr. Richardson may have to notice of termination, severance, or separation pay of any kind, in respect of the termination of his employment with the Corporation. Any equity awards received by Mr. Richardson prior to the date of termination will be treated in accordance with the applicable equity award plan terms.

Following a without cause termination of Mr. Rockandel's employment by the Corporation, Mr. Rockandel will receive working notice of 12 months, or at the discretion of the Corporation, in lieu of such notice a payment consisting of 12 months' base salary. Mr. Rockandel will also receive a payment equal to the average of the CBI payments received in the previous two years, or if termination occurs before Mr. Rockandel has received two annual CBI payments, he will receive the product of his CBI target percentage. Mr. Rockandel's participation in the Corporation's group health benefits plan will continue for 12 months. Such payments will be in full satisfaction of any claim Mr. Rockandel may have to notice of termination, severance, or separation pay of any kind, in respect of the termination of his employment with the Corporation. Any equity awards received by Mr. Rockandel prior to the date of termination will be treated in accordance with the applicable equity award plan terms.

Following a without cause termination of Mr. Hastings' employment by the Corporation, Mr. Hastings will receive working notice of 12 months, or at the discretion of the Corporation, in lieu of such notice a payment consisting of 12 months' base salary. Mr. Hastings will also receive a payment equal to the average of the CBI payments received in the previous two years, or if termination occurs before Mr. Hastings will receive the product of his CBI target percentage. Mr. Hastings' participation in the Corporation's group health benefits plan will continue for 12 months. Such payments will be in full satisfaction of any claim Mr. Hastings may have to notice of termination, severance, or separation pay of any kind, in respect of the termination of his employment with the Corporation. Any equity awards received by Mr. Hastings prior to the date of termination will be treated in accordance with the applicable equity award plan terms.

The following table provides details regarding the estimated incremental payments payable by the Corporation to the NEOs assuming termination of employment without cause on December 31, 2019.

NEO	Severence: Base Salary (US$)(1)	Severence: CBI (US$)(1)	Severence: Value of Benefits (US$)(1)	Equity (US$)(1)(2)	Total (US$)(1)
Marie Inkster CEO	1,539,800	1,847,760	69,318	3,467,067	**6,923,945**
Jinhee Magie CFO	731,405	511,984	69,318	1,539,936	**2,852,642**
Peter Richardson COO	423,445	338,756	33,550	1,079,276	**1,875,027**
Peter Rockandel SVP, Corporate Development & IR	346,455	242,519	33,550	634,633	**1,257,156**
Andrew Hastings SVP and General Counsel	323,358	226,351	33,550	nil	**583,258**

(1) Based on the closing exchange rate of C$1.00:US$0.7699 on December 31, 2019.
(2) Unless provisions are included in an employment contract (as set forth above), in accordance with the Stock Option Plan and SU Plan, all options granted prior to March 21, 2019 vest and become exercisable and all share units granted prior to March 21, 2019 automatically vest following a termination of employment without cause, if an individual has been continuously employed with the Corporation for two years. In accordance with the SU Plan, for share units granted on or after March 21, 2019 a pro-rated portion of each SU award will vest on the date of termination based on the number of days that the participant was employed during the three-year vesting period. Values represent the in the money value of all vested and unvested options and share units, using a TSX closing price on December 31, 2019 of C$7.76 (US$5.96).

Change of Control

If there is a Change of Control of the Corporation, as defined in the employment agreement, within 60 days of such change of control Ms. Inkster may provide the Corporation with written notice of resignation for good reason with immediate effect and she will be entitled to receive the payments and benefits of her employment contract as set out for termination without cause. In the event of a Change of Control of the Corporation, all unvested stock option and share unit awards outstanding and held by Ms. Inkster as of the effective date of such Change of Control shall, notwithstanding any provisions of any resolution, by-law, equity incentive plan, agreement, contract or instrument pertaining to or evidencing the unvested stock option and share unit awards to the contrary, automatically immediately vest on such effective date and any share units so vesting shall be immediately issued and any stock options so vesting shall be immediately exercisable and shall remain exercisable until their expiry date.

If there is a Change of Control of the Corporation, as defined in the employment agreement, and Ms. Magie's employment is terminated within 12 months of the Change of Control for any reason other than cause, death, or disability, she will be entitled to the payments and benefits of her employment contract as set out for termination without cause. Alternately Ms. Magie may, within 60 days of such Change of Control, provide the Corporation with written notice of resignation for good reason with immediate effect and she will be entitled to receive the payments and benefits of her employment contract as set out for termination without cause. In the event of a Change of Control of the Corporation, all unvested stock option and share unit awards outstanding and held by Ms. Magie as of the effective date of such Change of Control shall, notwithstanding any provisions of any resolution, by-law, equity incentive plan, agreement, contract or instrument pertaining to or evidencing the unvested stock option and share unit awards to the contrary, automatically immediately vest on such effective date and any share units so vesting shall be immediately issued and any stock options so vesting shall be immediately exercisable and shall remain exercisable until their expiry date.

If there is a Change of Control of the Corporation, as defined in the employment agreement, and Mr. Richardson's employment is terminated within 12 months of the Change of Control for any reason other than cause, death, or disability, he will be entitled to the payments and benefits of his employment contract as set out for termination without cause. Alternately Mr. Richardson may, within 60 days of such Change of Control, provide the Corporation with written notice of resignation for good reason with immediate effect and the notice requirement of his employment contract shall not apply and he will be entitled to receive the payments and benefits of his contract as set out for termination without cause. In the event of a Change of Control of the Corporation, all unvested stock options and share units outstanding and held by Mr. Richardson as of the effective date of such Change of Control shall, notwithstanding any provisions of any resolution, by-law, equity incentive plan, agreement, contract or instrument pertaining to or evidencing the unvested stock option and share unit awards to the contrary, automatically immediately vest on such effective date and any share units so vesting shall be immediately issued and any stock options so vesting shall be immediately exercisable and shall remain exercisable until their expiry date.

If there is a Change of Control of the Corporation, as defined in the employment agreement, and Mr. Rockandel's employment is terminated within 12 months of the Change of Control for any reason other than cause, death, or disability, he will be entitled to the payments and benefits of his employment contract as set out for termination without cause. Alternately Mr. Rockandel may, within 60 days of such Change of Control, provide the Corporation with written notice of resignation for good reason with immediate effect and he will be entitled to receive the payments and benefits of his contract as set out for termination without cause. In the event of a Change of Control of the Corporation, all unvested stock option and share unit awards outstanding and held by Mr. Rockandel as of the effective date of such Change of Control shall, notwithstanding any provisions of any resolution, by-law, equity incentive plan, agreement, contract or instrument pertaining to or evidencing the unvested stock option and share unit awards to the contrary, automatically immediately vest on such effective date and any share units so vesting shall be immediately issued and any stock options so vesting shall be immediately exercisable and shall remain exercisable until their expiry date.

If there is a Change of Control of the Corporation, as defined in the employment agreement, and Mr. Hastings' employment is terminated within 12 months of the Change of Control for any reason other than cause, death, or disability, he will be entitled to the payments and benefits of his employment contract as set out for termination without cause. Alternately Mr. Hastings may, within 60 days of such Change of Control, provide the Corporation with written notice of resignation for good reason with immediate effect and he will be entitled to receive the payments and benefits of his contract as set out for termination without cause. In the event of a Change of Control of the Corporation, all unvested stock option and share unit awards outstanding and held by Mr. Hastings as of the effective date of such Change of Control shall, notwithstanding any provisions of any resolution, by-law, equity incentive plan, agreement, contract or instrument pertaining to or evidencing the unvested stock option and share unit awards to the contrary, automatically immediately vest on such effective date and any share units so vesting shall be immediately issued and any stock options so vesting shall be immediately exercisable and shall remain exercisable until their expiry date.

Change of Control is defined in the employment agreements in a substantially similar manner as it is defined in the Stock Option Plan, provided that, pursuant to the employment agreements, a Change of Control is triggered where any person or group of persons acting jointly or in concert acquires 30% or more of the Corporation's outstanding voting securities (as compared to the Stock Option Plan threshold of 50% of the Corporation's outstanding voting securities).

Other than as set forth herein, the Corporation has no compensatory plan, contract or arrangement where a NEO is entitled to receive compensation in the event of resignation, retirement or other termination of the NEO's employment with the Corporation.

The following table provides details regarding the estimated incremental payments from the Corporation to the NEOs assuming a change of control of the Corporation on December 31, 2019. If a NEO is terminated without cause following a change of control, the NEO's entitlement is set out in the table detailing estimated incremental payments for a termination without cause.

NEO	Severence: Base Salary (US$)(1)	Severence: CBI (US$)(1)	Severence: Value of Benefits (US$)(1)	Equity (US$)(1)(2)	Total (US$)(1)
Marie Inkster CEO	1,539,800	1,847,760	69,318	3,467,067	**6,923,945**
Jinhee Magie CFO	731,405	511,984	69,318	1,539,936	**2,852,642**
Peter Richardson COO	423,445	338,756	33,550	1,079,276	**1,875,027**
Peter Rockandel SVP, Corporate Development & IR	346,455	242,519	33,550	634,633	**1,257,156**
Andrew Hastings SVP and General Counsel	323,358	226,351	33,550	383,517	**966,775**

(1) Based on the closing exchange rate of C$1.00:US$0.7699 on December 31, 2019.
(2) In accordance with the Stock Option Plan and SU Plan and certain employment agreements, as set forth above, all options vest and become exercisable and all share units automatically vest following a change of control. Values represent the gain on all vested and unvested options and share units, using a TSX closing price on December 31, 2019 of C$7.76 (US$5.96).

Indebtedness of Directors and Executive Officers

None of the directors or executive officers of the Corporation, proposed nominees for election as directors, or associates of any of the foregoing persons, is as at the date hereof, or has been, during the year ended December 31, 2019, indebted to the Corporation or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

Securities Authorized for Issuance Under Equity Compensation Plan

The Corporation's Stock Option Plan, as described above, provides for the grant of non-transferable stock options to permit the purchase of the Common Shares by the participants of the Stock Option Plan. The Corporation's SU Plan, as described above, provides for the grant of share unit awards which represent a right to receive Common Shares by participants of the SU Plan.

Equity Compensation Plan Information as of December 31, 2019:

Plan category	Number of securities to be issued upon exercise of outstanding options and SUs	Weighted-average exercise price of outstanding options and SUs (C$)	Number of securities remaining available for future issuance under equity compensation plans
Equity Compensation Plans approved by security holders	11,008,365 (stock options) 2,122,410 (SUs)	7.07 (stock options) N/A (SUs)	10,575,185 (stock options) 8,847,120 (SUs)
Equity Compensation Plans not approved by security holders	N/A	N/A	N/A

Equity Compensation Plan Information as of February 29, 2020:

Plan category	Number of securities to be issued upon exercise of outstanding options and SUs	Weighted-average exercise price of outstanding options and SUs (C$)(1)	Number of securities remaining available for future issuance under equity compensation plans
Equity Compensation Plans approved by security holders	13,346,230 (stock options) 2,712,100 (SUs)	7.02 (stock options) N/A (SUs)	7,967,925 (stock options) 7,851,120 (SUs)
Equity Compensation Plans not approved by security holders	N/A	N/A	N/A

(1) The weighted average remaining term is 3.6 years.

Annual Burn Rate

The table below sets out the burn rate for each of the Corporation's equity compensation plans as at December 31, 2019 for each of the last three years. The burn rate represents the total number of stock options and SUs granted during the year, divided by the weighted average number of Corporation shares outstanding during the year.

Plan	2019	2018	2017
Share Unit Plan	0.15%	0.14%	0.16%
2014 Stock Option Plan	0.57%	0.44%	0.61%

Normal Course Issuer Bid

On December 5, 2019, the Corporation announced TSX approval of the renewal of the Corporation's normal course issuer bid ("NCIB"), commencing on December 9, 2019 and will expire no later than December 8, 2020. The NCIB allows the Corporation to repurchase for cancellation up to an aggregate of 63,797,653 shares representing approximately 10% of the "public float" (as defined by the TSX) of the Corporation as at the date the NCIB notice filed with the TSX. Daily purchases under the NCIB (other than pursuant to a block purchase exemption) on the TSX under the NCIB are limited to a maximum of 517,131 Common Shares. The Corporation will pay market price at the time of purchase for all Common Shares purchased in open market transactions. As of the date of this Circular, the Corporation has purchased 1,990,300 Common Shares through open market transactions at a weighted average price of approximately C$6.49 per Common Share. All shares purchased under the NCIB were cancelled.

Compensation of Directors and Officers

The extent and level of director and officers' compensation is determined by the Board after considering the recommendations of the HRCC which is composed entirely of independent directors. The HRCC has been mandated to review the adequacy and form of the compensation of directors and officers to ensure that such compensation realistically reflects the responsibilities and risks involved in being an effective director or officer in the Corporation and the mining industry. In making recommendations to the Board in respect of compensation to directors, the HRCC considers the time commitment, risks and responsibilities involved in being a director with the Corporation as well as market data pertinent to the compensation paid to directors of peer group companies.

Please review the section in this Circular titled "Director Compensation" for further information concerning director compensation.

Management Contracts

Management functions of the Corporation and its subsidiaries are performed by the directors and executive officers of the Corporation and are not performed, to any substantial degree, other than by the directors or executive officers of the Corporation.

Interest of Informed Persons in Material Transactions

To the best of the Corporation's knowledge, no informed person of the Corporation, proposed nominees for election as directors, or any associate or affiliate of any informed person or proposed nominee, has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Corporation or any of its subsidiaries.

Other Business

Management of the Corporation knows of no other matters which will be brought before the Meeting, other than those referred to in the Notice of Meeting. Should any other matters properly be brought before the Meeting, the Common Shares represented by the proxies solicited hereby will be voted on those matters in accordance with the best judgment of the persons voting such proxies.

Non-GAAP Performance Measures

Net debt and Operating Cash Flow are non-GAAP performance measures and may not be comparable to measures used by other companies. Management uses these measures internally to assess its financial position. Net debt is defined as cash and cash equivalents, less debt and lease liabilities, excluding deferred financing fees. Adjusted operating cash flow is used to assess the Corporation's ability to generate cash from its operations, and is defined as cash provided by operating activities, excluding change in non-cash working capital items. For further details, including how these measures are reconciled, see the Corporation's management's discussion and analysis for the years ended December 31, 2019 and 2018.

Additional Information

Additional information relating to the Corporation is available on the SEDAR website under the Corporation's profile at www.sedar.com. Financial information related to the Corporation is contained in the Corporation's consolidated audited financial statements and related management's discussion and analysis for the year ended December 31, 2019. Copies of the Corporation's consolidated audited financial statements, related management's discussion and analysis and Annual Information Form prepared for its fiscal year ended December 31, 2019 may be obtained free of charge by writing to the Corporate Secretary of the Corporation at Suite 2200, 150 King Street West, P.O. Box 38, Toronto, Ontario, Canada, M5H 1J9 or may be accessed on the Corporation's website at www.lundinmining.com or under the Corporation's profile on the SEDAR website at www.sedar.com.

Shareholder Proposals

Shareholder Proposals – General

The *Canada Business Corporations Act* permits certain eligible shareholders to submit shareholder proposals to the Corporation, which may be included in a management proxy circular relating to an annual meeting of shareholders. The final date by which the Corporation must receive shareholder proposals for the annual meeting of shareholders in 2021 is December 20, 2020.

Shareholder Proposals – Nominations for Directors

Shareholders may at any time submit to the Board the names of individuals for consideration as directors. The CGNC will consider such submissions when assessing the Board's composition and when making recommendations for individuals to be nominated for election as directors.

Holders of shares representing in the aggregate not less than 5% of the Corporation's outstanding shares may nominate individuals to serve as directors and have their nominations included in the Corporation's proxy circular for its annual meeting of shareholders by submitting a shareholder proposal in compliance with and subject to the provisions of the Canada Business Corporations Act. No such shareholder proposal was received this year. For additional information regarding the process for nominating directors for election, please see "Advance Notice".

Certificate of Approval

The contents and the distribution of this Circular have been approved by the Board.

DATED at Toronto, Ontario this 20th day of March 2020.

BY ORDER OF THE BOARD OF DIRECTORS

Annie Laurenson
Corporate Secretary

Appendix A
Mandate of the Board of Directors

A. Introduction

The Board of Directors (the **"Board"**) has the responsibility for the overall stewardship of the conduct of the business of Lundin Mining Corporation (the **"Corporation")** and the activities of management. Management is responsible for the day-to-day conduct of the business. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, and to ensure the Corporation meets its obligations on an ongoing basis and that the Corporation operates in a reliable and safe manner. In performing its functions, the Board should also consider the legitimate interests that its other stakeholders, such as employees, customers and communities, may have in the Corporation. In overseeing the conduct of the business, the Board, through the President and Chief Executive Officer (**"CEO"**), shall set the standards of conduct for the Corporation.

B. Procedures and Organization

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair and Lead Director, nominating candidates for election to the Board and constituting committees of the Board. Subject to the Articles and By-Laws of the Corporation and the Canada Business Corporations Act (the **"Act"**), the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

C. Duties and Responsibilities

The Board's principal duties and responsibilities fall into the categories outlined below.

1. **Legal Requirements**
    a. The Board has the responsibility to ensure that legal requirements have been met and documents and records have been properly prepared, approved and maintained;
    b. The Board has the statutory responsibility to:
        i. manage or, to the extent it is entitled to delegate such power, to supervise the management of the business and affairs of the Corporation by the senior officers of the Corporation;
        ii. act honestly and in good faith with a view to the best interests of the Corporation;
        iii. exercise the care, diligence and skill that reasonable, prudent people would exercise in comparable circumstances; and
        iv. act in accordance with its obligations contained in the Act and the regulations thereto, the Corporation's Articles and By-laws, securities legislation of each province and territory of Canada, and other relevant legislation and regulations.

2. **Independence**

   The Board has the responsibility to ensure that appropriate structures and procedures are in place to permit the Board to function independently of management, including endeavouring to have a majority of independent directors as well as an independent Chair or an independent Lead Director, as the term “independent” is defined in National Instrument 58-101 “Disclosure of Corporate Governance Practices” and set out by the Canadian Securities Administrators in Multilateral Instrument 52-110 and any other applicable laws and regulations as the same may be amended from time to time.

3. **Strategy Determination**

   The Board has the responsibility to ensure that there are long-term goals and a strategic planning process in place for the Corporation and to participate with management directly or through its committees in developing and approving the mission of the business of the Corporation and the strategic plan by which it proposes to achieve its goals, which strategic plan takes into account, among other things, the opportunities and risks of the Corporation’s business.

4. **Managing Risk**

   The Board has the responsibility to identify and understand the principal risks of the business in which the Corporation is engaged, to achieve a proper balance between risks incurred and the potential return to shareholders, and to ensure that there are systems in place which effectively monitor and manage those risks with a view to the long-term viability of the Corporation.

5. **Division of Responsibilities**

   The Board has the responsibility:

   a. to appoint and delegate responsibilities to committees where appropriate to do so; and

   b. to develop position descriptions for:

      i. the Board;

      ii. the Chair and Lead Director of the Board;

      iii. the Chair of each Board Committee;

      iv. the President and Chief Executive Officer;

      v. the Chief Financial Officer; and

      vi. the Chief Operating Officer;

   c. ensure that the directors of the Corporation’s subsidiaries are qualified and appropriate in keeping with the Corporation’s guidelines and that they are provided with copies of the Corporation’s policies for implementation by the subsidiaries.

To assist it in exercising its responsibilities, the Board hereby establishes four standing committees of the Board: the Audit Committee, the Corporate Governance and Nominating Committee, the Health, Safety, Environment and Community Committee and the Human Resources/Compensation Committee. The Board may also establish other standing committees from time to time.

Each committee shall have a written mandate that clearly establishes its purpose, responsibilities, members, structure and functions. Each mandate shall be reviewed by the applicable Committee and Board regularly. The Board is responsible for appointing committee members.

6. **Appointment, Training and Monitoring Senior Management**

The Board has the responsibility:

a. to appoint the CEO, to monitor and assess the CEO's performance, to satisfy itself as to his or her integrity, and to provide advice and counsel in the execution of the CEO's duties;

b. to develop or approve the corporate goals or objectives that the CEO is responsible for;

c. to approve the appointment of all senior corporate officers, acting upon the advice of the CEO and to satisfy itself as to the integrity of such corporate officers;

d. to ensure that adequate provision has been made to train, develop and compensate management and to ensure that all new directors receive a comprehensive orientation, fully understand the role of the Board and its committees, the nature and operation of the Corporation's business and the contribution that individual directors are required to make;

e. to create a culture of integrity throughout the Corporation;

f. to ensure that management is aware of the Board's expectations of management;

g. to provide for succession of management; and

h. to set out expectations and responsibilities of directors including attendance at meetings and review of meeting materials.

7. **Policies, Procedures and Compliance**

The Board has the responsibility:

a. to ensure that the Corporation always operates within applicable laws, regulations and ethical standards; and

b. to approve and monitor compliance with significant policies and procedures by which the Corporation is operated.

8. **Reporting and Communication**

The Board has the responsibility:

a. to ensure the Corporation has in place policies and programs to enable the Corporation to communicate effectively with its shareholders, other stakeholders and the public generally;

b. to ensure that the financial performance of the Corporation is adequately reported to shareholders, other security holders and regulators on a timely and regular basis;

c. to ensure the timely reporting of developments that have a significant and material impact on the value of the Corporation;

d. to report annually to shareholders on its stewardship of the affairs of the Corporation for the preceding year;

e. to develop appropriate measures for receiving shareholder feedback; and

f. to develop the Corporation's approach to corporate governance and to develop a set of corporate governance principles and guidelines.

9. Monitoring and Acting

The Board has the responsibility:

a. to monitor the Corporation's progress towards its goals and objectives and to revise and alter its direction through management in response to changing circumstances;

b. to act when performance falls short of its goals and objectives or when other special circumstances warrant;

c. to ensure that the Corporation has implemented adequate control and information systems which ensure the effective discharge of its responsibilities; and

d. to make regular assessments of itself, its committees and each individual director's effectiveness and contribution.

Approved: March 19, 2020

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