Prospectus

prepared by

Lundin Mining Corporation

in conjunction with the acquisition of Josemaria Resources Inc.

IMPORTANT INFORMATION

*This prospectus (the "**Prospectus**") has been prepared in conjunction with Lundin Mining's agreement (the "**Arrangement Agreement**") with Josemaria Resources Inc. ("**Josemaria Resources**") to acquire all of the issued and outstanding shares of Josemaria Resources (the "**Josemaria Resources Shares**") through a plan of arrangement (the "**Transaction**" or "**Arrangement**"), whereby Josemaria Resources shareholders ("**Josemaria Resources Shareholders**") may elect to receive on the closing of the Arrangement, subject to pro-ration: (i) 0.1487 of a common share of Lundin Mining (each whole common share, a "**Lundin Mining Share**" or "**Share**" or "**Common Share**") for each Josemaria Resources Share held, plus for each whole Lundin Mining Share issued to such Josemaria Resources Shareholder, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder; or (ii) C$1.60 in cash for each Josemaria Resources Share held; or (iii) any combination thereof issuable to all Josemaria Resources Shareholders (the "**Offer**"). The "**Company**", the "**Corporation**", "**Lundin Mining**", "**we**", "**our**" or similar words mean Lundin Mining Corporation (incorporation number 443736-5) and/or one or more or all of its subsidiaries, as it may apply. References to "**CAD**" or "**C$**" means Canadian dollars, "**SEK**" means Swedish kronor, and "**$**", "**US$**" or "**USD**" means United States dollars. Reference to "**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board. The Prospectus has been approved by the Swedish Financial Supervisory Authority (the "**SFSA**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The SFSA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the issuer that is the subject of the Prospectus. The Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. The Prospectus may not be distributed, directly or indirectly, in any country where such distribution requires additional registration or other measures than those provided for under Swedish law or that contravene applicable regulations in such country. The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under any equivalent statute in any individual state of the United States of America (the "**US**"). The Offer pursuant to the terms and conditions in the Prospectus is not made, directly or indirectly, in any jurisdiction where the Offer would be unlawful or require other measures than those required under Swedish law. Certain amounts and numbers expressed in per cent in this Prospectus have been rounded off and may therefore not add up correctly. With the exception of the Company's audited consolidated financial statements for the year ended December 31, 2021 no information has been reviewed or audited by the Company's auditors. No person has been authorized to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation not contained herein must not be relied upon as having been authorized by the Company. Any dispute concerning or relating to this Prospectus shall be resolved in accordance with Swedish law and exclusively by a Swedish court of law with the Stockholm district court as the first instance. No rule of Swedish law, which would result in the application of foreign law, shall be applied. The Prospectus is available in electronic form on Lundin Mining's website, www.lundinmining.com, as well as on the website of the SFSA, www.fi.se. The contents of the Company's website and any third party websites referred to herein do not form part of this Prospectus.*

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts included in the Prospectus constitute forward-looking information, including but not limited to statements regarding the Company's plans, prospects and business strategies; the Company's guidance on the timing and amount of future production and its expectations regarding the results of operations; expected costs; permitting requirements and timelines; timing and possible outcome of pending litigation; the results of any Preliminary Economic Assessment, Feasibility Study, or Mineral Resource and Mineral Reserve estimations, life of mine estimates, and mine and mine closure plans; anticipated market prices of metals, currency exchange rates, and interest rates; the development and implementation of the Company's Responsible Mining Management System; the Company's ability to comply with contractual and permitting or other regulatory requirements; anticipated exploration and development activities at the Company's projects; expectations and ability to complete the Transaction; the Company's integration of acquisitions and any anticipated benefits thereof, including the Transaction; and expectations for other economic, business, and/or competitive factors. Words such as "believe", "expect", "anticipate", "contemplate", "target", "plan", "goal", "aim", "intend", "continue", "budget", "estimate", "may", "will", "can", "could", "should", "schedule" and similar expressions identify forward-looking statements. Forward-looking information is necessarily based upon various estimates and assumptions including, without limitation, the expectations and beliefs of management, including that the Company can access financing, appropriate equipment and sufficient labor; assumed and future price of copper, nickel, zinc, gold and other metals; anticipated costs; ability to achieve goals; the prompt and effective integration of acquisitions; that the political environment in which the Company operates will continue to support the development and operation of mining projects; and assumptions related to the factors set forth below. While these factors and assumptions are considered reasonable by Lundin Mining as at the date of this document in light of management's experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: risks inherent in mining including but not limited to risks to the environment, industrial accidents, catastrophic equipment failures, unusual or unexpected geological formations or unstable ground conditions, and natural phenomena such as earthquakes, flooding or unusually severe weather; uninsurable risks; global financial conditions and inflation; changes in the Company's share price, and volatility in the equity markets in general; volatility and fluctuations in metal and commodity demand and prices; changing taxation regimes; delays or the inability to obtain, retain or comply with permits; reliance on a single asset; unavailable or inaccessible infrastructure, infrastructure failures, and risks related to ageing infrastructure; risks related to negative publicity with respect to the Company or the mining industry in general; health and safety risks; pricing and availability of key supplies and services; the threat associated with outbreaks of viruses and infectious diseases, including the COVID-19 virus; the inability to currently control Josemaria Resources Inc. and the ability to satisfy the conditions and consummate the Transaction on the proposed terms and expected schedule; exchange rate fluctuations; risks relating to attracting and retaining of highly skilled employees; risks inherent in and/or associated with operating in foreign countries and emerging markets; climate change; regulatory investigations, enforcement, sanctions and/or related or other litigation; existence of significant shareholders; uncertain political and economic environments, including in Brazil and Chile; risks associated with acquisitions and related integration efforts, including the ability to achieve anticipated benefits, unanticipated difficulties or expenditures relating to integration and diversion of management time on integration; indebtedness; liquidity risks and limited financial resources; funding requirements and availability of financing; exploration, development or mining results not being consistent with the Company's expectations; risks related to the environmental regulation and environmental impact of the Company's operations and products and management thereof; activist shareholders and proxy solicitation matters; reliance on key personnel and reporting and oversight systems, as well as third parties and consultants in foreign jurisdictions; historical environmental liabilities and ongoing reclamation obligations; information technology and cybersecurity risks; risks related to mine closure activities, reclamation obligations, and closed and historical sites; social and political unrest, including civil disruption in Chile; the inability to effectively compete in the industry; financial projections, including estimates of future expenditures and cash costs, and estimates of future production may be unreliable; actual ore mined and/or metal recoveries varying from Mineral Resource and Mineral Reserve estimates, estimates of grade, tonnage, dilution, mine plans and metallurgical and other characteristics; ore processing efficiency; risks associated with the estimation of Mineral Resources and Mineral Reserves and the geology, grade and continuity of mineral deposits including but not limited to models relating thereto; enforcing legal rights in foreign jurisdictions; community and stakeholder opposition; changes in laws, regulations or policies including but not limited to those related to mining regimes, permitting and approvals, environmental and tailings management, labor, trade relations, and transportation; risks associated with the structural stability of waste rock dumps or tailings storage facilities; dilution; risks relating to dividends; conflicts of interest; counterparty and credit risks and customer concentration; the estimation of asset carrying values; challenges or defects in title; internal controls; relationships with employees and contractors, and the potential for and effects of labor disputes or other unanticipated difficulties with or shortages of labor or interruptions in production; compliance with foreign laws; potential for the allegation of fraud and corruption involving the Company, its customers, suppliers or employees, or the allegation of improper or discriminatory employment practices, or human rights violations; compliance with environmental, health and safety regulations and laws; and other risks and uncertainties, including but not limited to those described in the "Risk factors" section of this Prospectus. All of the forward-looking statements made in this document are qualified by these cautionary statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, forecast or intended and readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Accordingly, there can be no assurance that forward-looking information will prove to be accurate and forward-looking information is not a guarantee of future performance. Readers are advised not to place undue reliance on forward-looking information. The forward-looking information contained herein speaks only as of the date of this document. The Company disclaims any intention or obligation to update or revise forward-looking information or to explain any material difference between such and subsequent actual events, except as required by applicable law.

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ISIN-code	CA5503721063
Trading symbol (ticker)	Toronto Stock Exchange: "LUN"
	Nasdaq Stockholm: "LUMI"
LEI-code	549300FQDIM6C8HTN269

Summary

INTRODUCTION AND WARNINGS

Introduction and warnings	*This summary should be read as an introduction to this prospectus (the "**Prospectus**"). Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. An investor could lose all or part of the invested capital.* *Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.* *Civil liability attaches only to persons who have tabled the summary including any translation thereof, but only when the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities*.
Issuer information	Lundin Mining Corporation with corporation no. 443736-5 (the **"Company",** the **"Corporation"** or **"Lundin Mining"**). The Company's registered office is situated at #2200 - 150 King Street West, Suite 2200, Toronto, Ontario, Canada M5H 1J9. The Company's telephone number is +1 416 342 5121 and website is www.lundinmining.com (apart from the documentation incorporated by reference, no information on the Company's website form part of the Prospectus). The ISIN code of the Shares is CA5503721063 and ticker is LUN (TSX) or LUMI (Nasdaq Stockholm). The Company's LEI-code is 549300FQDIM6C8HTN269.
Competent authority	The Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") is the competent authority responsible for approving this Prospectus under the Regulation (EU) 2017/1129. The SFSA's visiting address is Brunnsgatan 3, 111 38 Stockholm, Sweden, postal address P.O. Box 7821, 103 97 Stockholm, Sweden, telephone number +46 (0)8 408 980 00, website wwww.fi.se. The Prospectus was approved on March 24, 2022.

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

Issuer information	Issuer of the securities is Lundin Mining Corporation, a public company incorporated under the *Canada Business Corporations Act* (the "**CBCA**") with corporation No. 443736-5. The registered office of the Company is #2200 - 150 King Street West, Suite 2200, Toronto, Ontario, Canada M5H 1J9. The Company's LEI-code is 549300FQDIM6C8HTN269.
Principal activities	Lundin Mining is a diversified Canadian base metals mining company with operations in Brazil, Chile, Portugal, Sweden and the United States, primarily producing copper, zinc, gold and nickel.
Major shareholders and control over the issuer	To the knowledge of the directors and officers of Lundin Mining[(1)], shareholders carrying 10 per cent or more of the voting rights attached to the shares of Lundin Mining (the "**Shares**", "**Common Shares**" or "**Lundin Mining Shares**") on February 17, 2022 (including subsequent known changes) were

Name	Number of Shares [(1)]	% of Shares
Nemesia S.à.r.l.("**Nemesia**")	95,922,698	Approx. 13.0%

	(1) This information was obtained from the System for Electronic Disclosure by Insiders (SEDI). SEDI (https://www.sedi.ca/sedi) (the website does not form part of the Prospectus) is Canada's on-line, browser-based service for the filing and viewing of insider reports as required by various provincial securities rules and regulations and has not been independently verified by the Company. As far as Lundin Mining is aware, the Company does not have any other major shareholders, other than the one set out above, which, directly or indirectly, individually or jointly with others, own such number of Shares as to have control over the Company.
Key managing directors	Lundin Mining's board of directors (the "**Board**" or "**Lundin Mining Board**") consists of Lukas H. Lundin (chairman), C. Ashley Heppenstall, Donald Charter, Peter Rockandel, Peter C. Jones, Jack O. Lundin, Dale C. Peniuk, Karen Poniachik, Catherine J.G. Stefan and Juliana L. Lam. The Company's senior executive management consists of Peter Rockandel (President & CEO), Patrick Boitumelo (Senior Vice President, Technical Services & Growth), Andrew Hastings (Senior Vice President & General Counsel), Jean-Claude Lalumiere (Senior Vice President, Human Resources), Annie Laurenson (Director, Governance and Corporate Secretary), Jinhee Magie (Senior Vice President & Chief Financial Officer), Peter Richardson (Senior Vice President & Chief Operating Officer), Mikael Schauman (Senior Vice President, Commercial) and Ciara Talbot (Vice President, Exploration).
Auditor	PricewaterhouseCoopers LLP, with office address at PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario Canada M5J 0B2. James Lusby, chartered professional accountant and member of the Chartered Professional Accountants of Ontario, is the Company's engagement leader and a partner at PricewaterhouseCoopers LLP.

What is the key financial information regarding the issuer?

Key financial information in summary

Selected income statement items

'000s USD	**Jan-Dec 2021** Extracted from audited statements	**Jan-Dec 2020** Extracted from audited statements
Revenue	3,328,765	2,041,506
Gross profit or loss	1,369,723	498,121
Net earnings	879,301	189,057
Net earnings attributable to:		
Lundin Mining Corporation shareholders	780,348	168,798
Non-controlling interests	98,953	20,259
Net earnings	879,301	189,057
Basic and diluted earnings per share (**USD**) attributable to Lundin Mining Corporation shareholders	1.06	0.23

Selected balance sheet items

'000s USD	**31 Dec 2021** Extracted from audited statements IFRS	**31 Dec 2020** Extracted from audited statements IFRS
Total assets	7,636,907	7,058,477
Total equity	4,992,733	4,496,529

	'000s USD	**31 Dec 2021**	**31 Dec 2020**
	Net cash (debt)*	563,066	(63,233)
	*Unaudited. Net cash (debt) is a performance measure used by the Company to assess its financial position. Management believes that in addition to conventional performance measures prepared in accordance with IFRS, net cash (debt) is a useful indicator to some investors to evaluate the Company's financial position. Net cash (debt) is defined as cash and cash equivalents, less debt and lease liabilities, excluding deferred financing fees and can be reconciled as follows.		
	'000s USD		
	Cash and cash equivalents	594,069	141,447
	Current portion of total debt and lease liabilities	14,617	116,942
	Debt and lease liabilities	16,386	86,106
		31,003	203,048
	Deferred financing fees (netted in above)	-	1,622
		31,003	204,670
	Net cash (debt)	563,066	(63,223)
	Selected cash flow statement		
	'000s USD	**Jan-Dec 2021** Extracted from audited statements IFRS	**Jan-Dec 2020** Extracted from audited statements IFRS
	Net cash flow from operating activities	1,484,954	565,888
	Net cash flow from financing activities	(496,643)	(236,928)
	Net cash flow from investing activities	(520,013)	(420,979)

What are the key risks that are specific to the issuer?

Main risks related to the issuer and the industry	Prior to any investment decision it is important to carefully analyze the risk factors that are deemed to be material for Lundin Mining. These risks include, *inter alia*, the following: • The Company's mining operations generally involve a high degree of inherent risk that cannot be eliminated and may not be insurable. • The Company derives a significant portion of its revenue from one asset. • The Company's business, financial position and results of operation may be adversely impacted by global financial conditions and inflation. • The Company's business is highly dependent on the international market prices and demand of the metals it produces, which are both cyclical and volatile. • The Company may be subject to sudden changes in the tax legislation, which can have a material adverse effect on profitability. • The Company may be unable to obtain, retain or comply with necessary permits, which could adversely affect operations.

	• Failure in the Company's infrastructure could have an adverse effect on the Company operations. • Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations, and an impediment to its overall ability to advance its projects, thereby having a material adverse impact on the Company's financial performance, financial condition, cash flows, and growth prospects. • Mining operations involve health and personal safety hazards that could adversely affect the Company's reputation, business and future operations.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

Total number of shares in the Company	The authorized share capital of Lundin Mining consists of an unlimited number of Shares without par value, and one special share without nominal or par value. As of the date of this Prospectus, 737,836,961 Shares were issued and outstanding. The special share is not issued and outstanding at this time. The ISIN code of the Shares is CA5503721063. The Shares are denominated in Canadian dollars.
Rights associated with the securities	Shareholders of Lundin Mining are entitled to receive notice of and attend all meetings of shareholders. Each Share held entitles the holder to one vote. Shareholders are entitled to receive dividends if, as and when declared by the Board. Shareholders are entitled to share equally in remaining assets of the Company available for distribution upon dissolution, liquidation, or winding up of the Company.
Restrictions on the free transferability of the securities	There are no limitations to the free transferability of the Shares.
Dividend policy	In November 2016, the Board approved a dividend policy pursuant to which the Company anticipates paying a regular cash base dividend on a quarterly basis. In July 2021, Lundin Mining introduced a semi-annual variable performance dividend, which together with the regular base dividend is designed to return to shareholders a minimum target of 40% of operating cash flow after capital investments, contingent payments and distributions to partners. The declaration, timing, amount and payment of all dividends remain at the discretion of the Board. Upon payment of dividends, if any, the Company administers the payments to holders of Shares listed on Nasdaq Stockholm through Euroclear Sweden AB ("**Euroclear Sweden**") and such payments will be made in SEK.

Where will the securities be traded?

Admission to trading	The Lundin Mining Shares trade in Canada on the Toronto Stock Exchange under the ticker symbol "LUN" and the ISIN code is CA5503721063 as well as in Sweden on Nasdaq Stockholm under the symbol "LUMI" and with the same ISIN code.

What are the key risks that are specific to the securities?

Main risks related to the securities	The main risks relating to the Lundin Mining Shares are: • The price of the Shares may be volatile, and potential investors could lose a portion or all of their investment. • The Company has a significant shareholder, and dispositions by the significant shareholder could have an adverse effect on the market price of its common shares.

	• Future issues of Shares for equity financing of the Company's working capital needs or other securities may dilute the shareholding and have a negative impact on the Share price. • There is a risk that dividends will not continue to be paid in the future or on the same terms as are currently paid by the Company.

KEY INFORMATION ON THE OFFER AND ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

Terms and conditions of the Offer	On December 20, 2021 Lundin Mining announced that it had entered into an arrangement agreement (the "**Arrangement Agreement**") with Josemaria Resources Inc. ("**Josemaria Resources**") to acquire all of the issued and outstanding common shares of Josemaria Resources ("**Josemaria Resources Shares**") through a plan of arrangement (the "**Transaction**" or "**Arrangement**") for an implied equity value of approximately C$625 million (US$485 million) as at such date. Under the terms of the Transaction, Josemaria Resources Shareholders may elect to receive, on the closing of the Arrangement: (i) 0.1487 of a Lundin Mining Share for each Josemaria Resources Share held (the "**Share Consideration**"), plus for each whole Lundin Mining Share issued to such Josemaria Resources Shareholder, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder; or (ii) C$1.60 in cash for each Josemaria Resources Share held (the "**Cash Consideration**"); or (iii) any combination thereof (the "**Offer**"). The Cash Consideration and Share Consideration (together, the "**Consideration**") is subject, in each case, to pro-ration based on a maximum Cash Consideration of approximately C$183 million ("**Maximum Cash**") and a maximum Share Consideration of approximately 39.7 million Lundin Mining Shares ("**Maximum Shares**"), equating to 30% of the Consideration payable in cash and 70% of the Consideration payable in Lundin Mining Shares, respectively. The Maximum Cash and Maximum Shares will be adjusted by C$0.48 in cash and 0.1041 of a Lundin Mining Share for each Josemaria Resources Share issued following the date of the Arrangement Agreement and prior to the effective time of the Transaction. The Consideration implies a purchase price of C$1.60 per Josemaria Resources Share, representing a 29% premium to Josemaria Resources' 10-day volume weighted average price on the Toronto Stock Exchange ("**TSX**") for the period ended December 17, 2021. Any cash payments on Josemaria Resources Shares traded on Nasdaq Stockholm will be paid in Swedish kronor in accordance with Euroclear Sweden's principles. In the event that the aggregate amount of the Cash Consideration or Share Consideration elected by all Josemaria Resources Shareholders exceeds the respective limits, the Consideration will be pro-rated and Josemaria Resources Shareholders will receive the other form of Consideration for the balance of their Josemaria Resources Shares. The Transaction will be effected by way of a court-approved plan of arrangement under the CBCA and will require approval by at least (i) 66⅔% of the votes cast by Josemaria Resources Shareholders and (ii) 66⅔% of the votes cast by Josemaria Resources securityholders (comprised of shareholders and optionholders) voting together as a single class. The completion of the transactions contemplated by the Arrangement Agreement and consequently the Offer are subject to the fulfilment, on or before the effective time of the Arrangement Agreement, of a number of conditions including, among other things:

	• the Arrangement will have been approved by the Josemaria Resources securityholders; • the approval of the Supreme Court of British Columbia of the Arrangement under Section 192 of the CBCA will have been obtained in form and substance satisfactory to each of Josemaria Resources and Lundin Mining, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement; • the necessary conditional approvals of the TSX and Nasdaq Stockholm's approval of the listing of the new Shares, will have been obtained; • no law will have been enacted, issued, promulgated, enforced, made, entered, issued or applied and no proceeding will have been taken under any laws or by any governmental authority that makes the Arrangement illegal or otherwise directly or indirectly cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement; • the Lundin Mining Shares and Replacement Options to be issued pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act; and • the Arrangement Agreement shall not have been terminated in accordance with its terms.
Expected timetable of the Offer	Josemaria Resources Shareholders whose shares are directly registered with Euroclear Sweden who wish to make an election with regard to the Consideration must, during the period from March 25, 2022 up to and including April 13, 2022, at 15.00 CET (the "**Euroclear Election Deadline**"), sign and submit a duly completed election form to Aktieinvest FK AB, either by mail to the address stated on the election form or to the e-mail address stated on the election form. Josemaria Resources Shareholders whose shares are directly registered with Euroclear Sweden who do not make a specific election with respect to the Consideration prior to the Euroclear Election Deadline will be deemed to have elected to receive the Share Consideration in respect of each Josemaria Resources Share (plus for each whole Lundin Mining Share issued to such Josemaria Resources Shareholder, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder), subject to pro-ration. Josemaria Resources Shareholders of Euroclear Sweden registered shares whose holdings are registered in the name of a nominee, i.e. a bank or other nominee, must follow the nominee's instructions. If the Josemaria Meeting to approve the Arrangement Resolution is held as scheduled on April 21, 2022 and is not adjourned or postponed, Josemaria Resources expects to apply for the final order of the Supreme Court of British Columbia approving the Arrangement on April 26, 2022. If the final order is obtained on April 26, 2022, in the form and substance satisfactory to each of Lundin Mining and Josemaria Resources, and all other conditions in the Arrangement Agreement are satisfied or waived, Lundin Mining expects the Effective Date for the Arrangement to be on or about April 28, 2022. It is not possible however, to state with certainty when the Effective Date will occur. Settlement and payment of Consideration with regard to Euroclear Sweden-registered Josemaria Resources Shares will be initiated as soon as possible following the Arrangement becoming effective on the Effective Date.
Admission to trading	Lundin Mining Shares are listed on the Toronto Stock Exchange and Nasdaq Stockholm. Trading in the Lundin Mining Shares issuable pursuant to the Transaction on Nasdaq Stockholm is expected to commence as soon as possible following the Arrangement becoming effective on the Effective Date subject to

	Nasdaq Stockholm approving the admission to trading of the Shares and completion of the Arrangement.
Dilution as a result of the Offer	The issue of the new Shares to Josemaria Resources Shareholders results in an increase in the number of Lundin Mining Shares of approximately 39,700,000 subject to adjustments for Josemaria Resources Shares issued following the date of the Arrangement Agreement and prior to the Effective Time in accordance with the terms of the Plan of Arrangement. Accordingly, on completion of the Arrangement, Lundin Mining expects to issue up to approximately 40,031,990 Shares to the Josemaria Resources Shareholders (assuming no Josemaria Resources stock options will be exercised between the date of this Prospectus and the Effective Date). If consummated, the Arrangement would result in the Josemaria Resources Shareholders owning up to approximately 5% of the Lundin Mining Shares outstanding on a non-diluted basis.
Estimate of the total expenses and expenses charged to the investors	Lundin Mining's costs attributable to the Transaction, the Offer and acceptance of its newly issued Shares for trading on Nasdaq Stockholm, including payment to advisors and auditors, and other estimated Transaction costs are estimated to amount to approximately $8 million.

Why is this Prospectus being produced?

Reasons for the Offer	Under the terms of the Transaction, Josemaria Resources Shareholders may elect to receive: (i) 0.1487 of a Lundin Mining Share for each Josemaria Resources Share held, plus for each whole Lundin Mining Share issued to such Josemaria Resources Shareholder, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder; or (ii) C$1.60 in cash for each Josemaria Resources Share held; or (iii) any combination thereof, issuable to all Josemaria Resources Shareholders, subject, in each case, to pro-ration. Any cash payments on Josemaria Resources Shares traded on Nasdaq Stockholm will be paid in Swedish kronor. The conversion from C$ to SEK will be made at public market rate at the time of the settlement.
Use and estimated net amount of the proceeds	Lundin Mining will not receive any proceeds in conjunction with the Arrangement.
Interests and conflict of interests	Nemesia, Lorito Holdings S.à.r.l. and Zebra Holdings and Investments S.à.r.l beneficially own greater than 10% of the Lundin Mining Shares and Ashley Heppenstall, Lukas Lundin and Jack Lundin are directors of Lundin Mining and as such, all such parties are considered "related parties" of Lundin Mining (the "**LMC Related Parties**"). The LMC Related Parties also hold Josemaria Resources Shares and the issuance of Lundin Mining Shares to such parties in connection with the Transaction is a "related party transaction" for Lundin Mining. The Transaction is therefore subject to a Canadian securities regulatory framework intended to protect the interests of minority security holders when "related parties" (including insiders) of an issuer are involved in certain transactions.

Sammanfattning

INTRODUKTION OCH VARNINGAR

Introduktion och varningar	*Denna sammanfattning bör betraktas som en introduktion till detta prospekt ("**Prospektet**"). Varje beslut om att investera i värdepapperen bör baseras på en bedömning av hela Prospektet från investerarens sida. En investerare kan förlora hela eller delar av det investerade kapitalet.* *Om talan väcks i domstol angående informationen i Prospektet kan den investerare som är kärande enligt nationell lagstiftning bli tvungen att stå för kostnaderna för översättning av Prospektet innan de rättsliga förfarandena inleds.* *Civilrättsligt ansvar kan endast åläggas de personer som har lagt fram sammanfattningen, inklusive översättningar därav, men endast om sammanfattningen är vilseledande, felaktig eller oförenlig med de andra delarna av Prospektet eller om den inte, tillsammans de andra delarna av Prospektet, ger nyckelinformation för att hjälpa investerare när de överväger att investera i värdepapperen.*
Information om emittenten	Lundin Mining Corporation, org. nr 443736-5 (”**Bolaget**” eller "**Lundin Mining**"). Bolagets registrerade kontorsadress är #2200 - 150 King Street West, Suite 2200, Toronto, Ontario M5H 1J9, Kanada, telefonnummer +1 416 342 5121, webbplatsen är www.lundinmining.com (förutom för den information som införlivats genom hänvisning utgör ingen information på Bolagets webbplats en del av detta Prospekt). ISIN-koden för Aktierna är CA5503721063 och kortnamnet (tickern) är LUN (TSX) eller LUMI (Nasdaq Stockholm). Bolagets LEI-kod är 549300FQDIM6C8HTN269.
Behörig myndighet	Finansinspektionen är den behöriga myndigheten som godkänner detta Prospekt enligt förordning (EU) 2017/1129, besöksadress Brunnsgatan 3, 111 38 Stockholm, postadress Box 7821, 103 97 Stockholm, telefonnummer 08-408 980 00 samt webbplats www.fi.se. Prospektet godkändes den 24 mars 2022.

NYCKELINFORMATION OM EMITTENTEN

Vem är emittent av värdepappren?

Information om emittenten	Emittent av värdepapperen är Lundin Mining Corporation, ett publikt aktiebolag registrerat i enlighet med *Canada Business Corporations Act* ("**CBCA**") med org. nr 443736-5. Bolagets registrerade kontorsadress är #2200 - 150 King Street West, Suite 2200, Toronto, Ontario M5H 1J9, Kanada. Bolagets LEI-kod är 549300FQDIM6C8HTN269.
Huvudsaklig verksamhet	Lundin Mining är ett diversifierat kanadensiskt gruvföretag inriktat på basmetaller med verksamhet i Brasilien, Chile, Portugal, Sverige och USA med produktion av framförallt koppar, zink, guld och nickel.
Större aktieägare och kontroll av emittenten	Enligt Lundin Minings styrelseledamöters och lednings kännedom(1), utgör Bolagets aktieägare som innehar mer än 10 procent eller mer av rösträtterna knutna till aktierna i Bolaget ("**Aktierna**", ”**Common Shares**” eller ”**Lundin Mining Aktierna**”) per den 17 februari 2022 (inklusive därefter kända förändringar): Aktieägare | Antal Aktier | Andel röster Nemesia S.à.r.l. (“**Nemesia**”) | 95 922 698 | Ca. 13,0% (1) Denna information har inhämtats från the System for Electronics Disclosure by Insiders (**SEDI**). SEDI (https://www.sedi.ca/sedi) (webbplatsen ingår inte i Prospektet) är Kanadas

	online och webbaserade tjänst för registrering och tillhandahållande av insiderrapporter i enlighet med tillämpliga regionala värdepapperslagar och förordningar och har inte självständigt verifierats av Bolaget. Såvitt Lundin Mining känner till har Bolaget inga andra större aktieägare, förutom vad som anges ovan, som direkt eller indirekt, individuellt eller tillsammans med andra, äger ett sådant antal Aktier att de har kontroll over Bolaget.
Nyckelpersoner	Lundin Minings styrelse (”**Styrelsen**” eller ”**Lundin Mining Styrelsen**”) består av Lukas H. Lundin (ordförande), C. Ashley Heppenstall, Donald Charter, Peter Rockandel, Peter C. Jones, Jack O. Lundin, Dale C. Peniuk, Karen Poniachik, Catherine J.G. Stefan och Juliana L. Lam. Bolagets ledning består av Peter Rockandel (President & CEO), Patrick Boitumelo (Senior Vice President, Technical Services & Growth), Andrew Hastings (Senior Vice President & General Counsel), Jean-Claude Lalumiere (Senior Vice President, Human Resources), Annie Laurenson (Director, Governance och Corporate Secretary), Jinhee Magie (Senior Vice President & Chief Financial Officer), Peter Richardson (Senior Vice President & Chief Operating Officer), Mikael Schauman (Senior Vice President, Commercial) och Ciara Talbot (Vice President, Exploration).
Revisor	PricewaterhouseCoopers LLP. Revisorns kontorsadress är PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario M5J 0B2 Kanada. James Lusby, som är Bolagets huvudansvariga revisor och s.k. *chartered professional accountant* och medlem i *the Chartered Professional Accountants of Ontario*.

Finansiell nyckelinformation för emittenten

Utvald finansiell nyckelinformation

Utvalda resultaträkningsposter

USD tusental	**jan-dec 2021** Hämtad från reviderade rapporter enligt IFRS	**jan-dec 2020** Hämtad från reviderade rapporter enligt IFRS
Omsättning	3 328 765	2 041 506
Bruttoresultat	1 369 723	498 121
Årets resultat	879 301	189 057
Resultat hänförligt till:		
Lundin Minings aktieägare	780 348	168 798
Innehav utan bestämmande inflytande	98 953	20 259
Totalt	879 301	189 057
Resultat per aktie **(USD)** före och efter utspädning för Lundin Minings aktieägare	1,06	0,23

Utvalda balansräkningsposter

USD tusental	**31 dec 2021** Hämtad från reviderade rapporter enligt IFRS	**31 dec 2020** Hämtad från reviderade rapporter enligt IFRS
Totala tillgångar	7 636 907	7 058 477
Totalt eget kapital	4 992 733	4 496 529

USD tusental	31 dec 2021	31 dec 2020
Nettokassa (nettoskuld)*	563 066	(63 233)

*Oreviderad. Nettokassa (nettoskuld) är ett mått som Bolaget använder för att bedöma sin finansiella position. Ledningen anser att, i tillägg till konventionella mått som beräknas i enlighet med IFRS, så är nettokassa (nettoskuld) en användbar indikator för vissa investerare för att bedöma Bolagets finansiella position. Nettokassa (nettoskuld) definieras som kassa och likvida medel minus räntebärande skulder och leasingskulder, exklusive uppskjutna finansieringsavgifter och kan stämmas av enligt följande.

USD tusental		
Likvida medel	594 069	141 447
Kortfristig andel av räntebärande skuld och leasingåtaganden	14 617	116 942
Räntebärande skuld och leasingåtaganden	16 386	86 106
	31 003	203 048
Upplupna finansieringsavgifter (nettoredovisade ovanför)	-	1 622
	31 003	204 670
Nettokassa (nettoskuld)	563 066	(63 223)

Utvalda kassaflödesposter

USD tusental	**jan-dec 2021** Hämtad från reviderade rapporter enligt IFRS	**jan-dec 2020** Hämtad från reviderade rapporter enligt IFRS
Kassaflöde från den löpande verksamheten	1 482 689	565 888
Kassaflöde från finansieringsverksamheten	(496 643)	(236 928)
Kassaflöde från investeringsverksamheten	(520 013)	(420 979)

Specifika nyckelrisker för emittenten

Huvudsakliga risker relaterade till emittenten och branschen	Inför ett eventuellt investeringsbeslut är det viktigt att noggrant analysera de riskfaktorer som bedöms vara väsentliga för Lundin Mining. Dessa risker inkluderar bl.a. följande: • Bolagets gruvverksamhet är generellt förknippad med en hög inneboende risk som inte kan elimineras och som kan vara omöjliga att försäkra sig mot. • En väsentlig andel av Bolagets intäkter kommer från en och samma tillgång. • Bolagets verksamhet, finansiella ställning och verksamhetsresultat kan påverkas negativt av globala finansiella villkor och inflation. • Bolagets verksamhet är starkt beroende av priserna på den internationella marknaden och av efterfrågan på de metaller som produceras, som är både cykliska och volatila. • Bolaget kan bli föremål för plötsliga ändringar i skattelagstiftning, som kan ha en väsentligt negativ påverkan på Bolagets lönsamhet. • Bolaget kan vara oförmöget att erhålla, upprätthålla och följa nödvändiga tillstånd, vilket skulle påverka Bolagets verksamhet negativt.

	• Brister i Bolagets infrastruktur kan ha en negativ påverkan på Bolagets verksamhet. • Förlust av anseende kan resultera i ett lägre förtroende från investerare, ökade svårigheter att upprätthålla goda relationer till omgivningen och allmänt sämre möjligheter för Bolaget att utveckla sina projekt, och kan på det viset ha en väsentligt negativ påverkan på Bolagets finansiella prestation, finansiella situation, kassaflöde och möjlighet att växa. • Gruvverksamhet inbegriper hälso- och olycksrisker som kan ha en negativ påverkan på Bolagets anseende, affärer och framtida verksamhet.

Nyckelinformation om värdepappren

Värdepapprens viktigaste egenskaper

Totalt antal aktier i Bolaget	Det högsta tillåtna aktiekapitalet är ett obegränsat antal Aktier (eng. *Common Shares* eller *Shares* eller *Lundin Mining Shares*) utan kvotvärde värde samt en s.k. särskild aktie utan nominellt värde eller kvotvärde. Per dagen för detta Prospekt var 737 836 961 Aktier emitterade och utestående. Den särskilda aktien är inte emitterad och utgiven för närvarande. ISIN-koden för Aktierna är CA5503721063. Aktierna är denominerade i kanadensiska dollar.
Rättigheter som sammanhänger med värdepappren	Aktieägare i Lundin Mining har rätt att erhålla kallelse till samt att delta på alla bolagsstämmor. Varje Aktie berättigar innehavaren till en röst. Aktieägarna är berättigade till eventuell vinstutdelning beslutad av Styrelsen. I händelse av likvidation, upplösning eller avveckling av Bolaget har aktieägare lika rätt till de återstående tillgångarna i Bolaget som är tillgängliga för utskiftning till aktieägarna.
Inskränkningar i den fria överlåtbarheten	Aktierna i Lundin Mining är inte föremål för begränsningar i den fria överlåtbarheten.
Utdelningspolicy	I november 2016 antog Lundin Mining Styrelsen en utdelningspolicy enligt vilken Bolaget anteciperar att en ordinarie kontant utdelning kommer att betalas kvartalsvis. I juli 2021 offentliggjorde Bolaget dessutom en halvårsvis rörlig, särskild prestationsbaserad utdelning, som tillsammans med den ordinarie utdelningen har som målsättning att aktieägare ska erhålla minst 40% av operationellt kassaflöde efter investeringar, villkorade betalningar och utbetalningar till partners. Beslut, tidpunkt, belopp och betalning av alla eventuella utdelningar är löpande föremål för Styrelsens prövning och beslut. Vid en utdelning hanterar Bolaget utbetalningen via Euroclear Sweden AB (”**Euroclear Sweden**”) såvitt avser Aktier som är upptagna till handel på Nasdaq Stockholm och utbetalningar sker i SEK.

Var kommer värdepappren att handlas?

Upptagande till handel	Aktierna i Lundin Mining är upptagna till handel i Kanada på Toronto Stock Exchange under beteckningen “LUN” med ISIN-kod CA5503721063 samt i Sverige på Nasdaq Stockholm under beteckningen ”LUMI” och med samma ISIN-kod.

Vilka nyckelrisker är specifika för värdepappren?

Huvudsakliga risker relaterade till värdepappren	De huvudsakliga riskerna relaterade till Aktierna i Lundin Mining är: • Aktiekursen kan vara volatil och potentiella investerare kan förlora delar av eller hela sin investering. • Bolaget har en ägare som äger en väsentlig andel av Bolaget, och om denne avyttrar aktier kan det få en negativ påverkan på marknadspriset på Bolagets aktier.

	• Framtida emissioner av aktier för finansiering av Bolagets behov av rörelsekapital eller andra värdepapper kan komma att späda ut aktieinnehavet och ha en negativ inverkan på aktiepriset. • Det finns en risk att utdelningar inte kommer att utbetalas i framtiden eller att utdelningar inte kommer att utbetalas på samma villkor som för närvarande.

NYCKELINFORMATION OM ERBJUDANDET OCH UPPTAGANDET TILL HANDEL PÅ EN REGLERAD MARKNAD

På vilka villkor och enligt vilken tidsplan kan jag investera i detta värdepapper?

Erbjudandets former och villkor	Den 20 december 2021 offentliggjorde Lundin Mining att Lundin Mining ingått ett *arrangement* avtal (”**Arrangement-avtalet**”) med Josemaria Resources Inc. (“**Josemaria Resources**”) om att förvärva samtliga emitterade och utestående aktier i Josemaria Resources (”**Josemaria Resources Aktier**”) genom ett s.k. plan of arrangement (”**Transaktionen**” eller ”**Arrangement**”) för ett underliggande värde om cirka 625 miljoner CAD (485 miljoner USD) vid nämnda tidpunkt. Enligt villkoren för Transaktionen har Josemaria Resources Aktieägare rätt att vid genomförandet av Transaktionen välja att erhålla: (i) 0,1487 av en Lundin Mining Aktie för varje innehavd Josemaria Resources Aktie (”**Aktievederlaget**”), plus för varje hel Lundin Mining Aktie som emitterats till sådan Josemaria Resources Aktieägare en kontant ersättning om 0,11 CAD; eller (ii) ett belopp om 1,60 CAD kontant för varje Josemaria Resources Aktie (”**Kontantvederlaget**”); eller (iii) en kombination därav (”**Erbjudandet**”). Kontantvederlaget och Aktievederlaget (tillsammans ”**Vederlaget**”) är villkorat av att de kan komma att proportioneras i samtliga fall, baserat på ett maximalt Kontantvederlag om 183 miljoner CAD (det ”**Maximala Kontantvederlaget**”) samt ett maximalt Aktievederlag om cirka 39,7 miljoner Lundin Mining Aktier (det ”**Maximala Aktievederlaget**”), vilket innebär att cirka 30% av Vederlaget betalas kontant och cirka 70% av Vederlaget betalas i form av Lundin Mining Aktier. Det Maximala Kontantvederlaget och det Maximala Aktievederlaget kommer att justeras med 0,48 CAD i kontanter och 0,1041 andel av en Lundin Mining Aktie för varje Josemaria Resources Aktie som utfärdas efter datumet för Arrangement-avtalet och före Transaktionens ikraftträdandetid. Vederlaget motsvarar en underliggande köpeskilling om 1,60 CAD per varje Josemaria Resources Aktie, vilket i sin tur motsvarar en premie om cirka 29 % på Josemaria Resources volymvägda genomsnittskurs på Torontobörsen (”**TSX**”) under den period om tio handelsdagar som avslutades den 17 december 2021. Utbetalningar i kontanter avseende Josemaria Resources Aktier som handlas på Nasdaq Stockholm kommer att ske i svenska kronor i enlighet med Euroclear Swedens rutiner. Om det totala Kontantvederlaget eller det totala Aktievederlaget, som samtliga Aktieägare i Josemaria Resources väljer att erhålla, överskrider respektive gräns kommer Vederlaget att proportioneras mellan Aktieägarna i Josemaria Resources som således kommer att erhålla den andra formen av Vederlag för sådana Josemaria Resources Aktier. Transaktionen kommer genomföras genom ett s.k. plan of arrangement som godkänns av domstol i enlighet med CBCA och kommer att kräva godkännande av minst (i) 66 2/3% av avgivna röster av Josemaria Resources Aktieägare samt (ii) 66 2/3% av avgivna röster av Josemaria Resources innehavare av finansiella instrument (bestående av aktieägare och innehavare av optioner i Josemaria Resources) som röstar tillsammans som en enda grupp.

	Transaktionens fullbordan i enlighet med Arrangement-avtalet och följaktligen Erbjudandet förutsätter att ett antal villkor uppfyllts på eller före tidpunkten för ikraftträdande av Arrangement-avtalet. Dessa villkor är bland annat, men inte begränsat till, följande: • Arrangement ska godkännas av värdepappersinnehavarna i Josemaria Resources; • Godkännande av British Columbias Supreme Court enligt section 192 i CBCA ska ha erhållits i skäligen tillfredsställande form för både Josemaria Resources och Lundin Mining, efter att domstolen prövat den processuella och materiella skäligheten i villkoren för Arrangement; • tillämpliga villkorade godkännanden från TSX och godkännande från Nasdaq Stockholm om upptagande till handel av de nya Aktierna ska ha erhållits; • ingen lag får ha antagits, utfärdats, tillkännagivits eller trätt i kraft och inget förfarande får ha inletts i enlighet med gällande lag eller av någon statlig myndighet som leder till att Arrangement blir olagligt eller på annat sätt direkt eller indirekt stoppar handeln, föreskriver, begränsar eller på annat sätt förbjuder fullbordandet av Arrangement; • Lundin Mining Aktierna och Ersättningsoptionerna som utfärdas i enlighet med Arrangement ska vara undantagna från registreringskraven i U.S. Securities Act; och • Arrangement-avtalet får inte ha sagts upp i enlighet med dess avtalsvillkor.
Förväntad tidsplan för Erbjudandet	Josemaria Resources Aktieägare som har sina Josemaria Resources Aktier registrerade i eget namn (direktregistrerade) hos Euroclear Sweden och som önskar göra ett val avseende Vederlaget måste, under perioden från och med den 25 mars 2022 till och med den 13 april 2022 kl. 15:00 CET (”**Euroclear Fristen**”), underteckna och ge in ett korrekt ifylld formulär till Aktieinvest FK AB, antingen via post till den adress som anges på formuläret eller via email till den emailadress som anges på formuläret. Aktieägare i Josemaria Resources med Euroclear Sweden-registrerade aktier som inte i tid gör ett aktivt val avseende Vederlaget före Euroclear Fristen, kommer att anses ha valt att erhålla Aktievederlaget för varje Josemaria Resources Aktie (plus för varje hel Lundin Mining Aktie som emitterats till sådan Josemaria Resources Aktieägare en kontant ersättning om 0,11 CAD), dock med förbehåll för proportionering. Josemaria Resources Aktieägare vars innehav av Euroclear Sweden-registrerade aktier är förvaltarregistrerade måste följa förvaltarens instruktioner. Om Bolagsstämman i Josemaria Resources avseende godkännandet av Arrangement fattas den 21 april 2022 enligt tidsplanen och inte ajourneras eller skjuts upp, förväntar sig Josemaria Resources att ansöka om slutligt beslut från British Columbias Supreme Court för godkännande av Arrangement den 26 april 2022. Om det slutliga beslutet erhålls den 26 april 2022 i tillfredsställande form för både Lundin Mining och Josemaria Resources, och alla andra villkor i Arrangement-avtalet är uppfyllda eller efterges, förväntar sig Lundin Mining att Ikraftträdandedatumet infaller på eller i anslutning till den 28 april 2022. Vid tidpunkten för Prospektet är det dock inte möjligt att med säkerhet fastställa när Ikraftträdandedatumet inträffar. Utbetalning av Vederlaget avseende Euroclear Sweden-registrerade Josemaria Resources Aktier förväntas påbörjas snarast möjligt efter Ikraftträdandedatumet.
Upptagande till handel	Lundin Minings Aktier är upptagna till handel på Toronto Stock Exchange och Nasdaq Stockholm. Handeln med Lundin Minings Aktier, som emitteras till följd av Transaktionen, på Nasdaq Stockholm förväntas påbörjas snarast möjligt efter

	Ikraftträdandedatumet villkorat av Nasdaq Stockholms godkännande av upptagande till handel av Aktierna och slutförandet av Arrangement.
Utspädning	Utgivandet av de nya Aktierna till Josemaria Resources Aktieägarna resulterar i ett ökat antal Lundin Mining Aktier om cirka 39 700 000 Aktier (med förbehåll för justeringar för Josemaria Resources Aktier som emitterats efter datumet för Arrangement-avtalet och före Ikraftträdandetiden i enlighet med villkoren i Plan of Arrangement). I enlighet därmed anteciperar Lundin Mining att vid genomförandet av Transaktionen emittera upp till cirka 40 031 990 Aktier till Josemaria Resources Aktieägarna (förutsatt att inga Josemaria Resources optioner utnyttjas mellan datumet för detta Prospekt och Ikraftträdandedatumet). Om Transaktionen genomförs skulle det leda till att Josemaria Resources Aktieägare äger upp till cirka 5% av de utestånde Lundin Mining Aktierna före utspädning.
Emissionskostnader	Lundin Minings kostnader hänförliga till Transaktionen, Erbjudandet och godkännandet av upptagandet av de nyemitterade Aktierna till handel på Nasdaq Stockholm, inklusive arvoden till rådgivare och andra uppskattade kostnader för Transaktionen beräknas uppgå till cirka 8 miljoner USD.

Varför upprättas detta Prospekt?

Motiv till Erbjudandet	Enligt villkoren för Transaktionen har Josemaria Resources Aktieägare rätt att i välja att erhålla: (i) 0,1487 av en Lundin Mining Aktie för varje innehavd Josemaria Resources Aktie, plus för varje hel Lundin Mining Aktie som emitterats till sådan Josemaria Resources Aktieägare, en kontant ersättning om 0,11 CAD; eller (ii) 1,60 CAD för varje innehavd Josemaria Resources Aktie; eller (iii) en kombination därav, villkorat av att det kan komma att proportioneras i samtliga fall. Kontanta belopp avseende Josemaria Resources Aktier som handlas på Nasdaq Stockholm kommer att betalas i svenska kronor. Konvertering från CAD till SEK kommer att ske till marknadskurs vid tidpunkten för utbetalningen.
Användning av och uppskattat nettobelopp av emissionslikvid	Lundin Mining kommer inte att erhålla någon likvid från Erbjudandet.
Intressen och intressekonflikter	Nemesia, Lorito Holdings S.à.r.l. och Zebra Holdings och Investments S.à.r.l som yttersta ägare, innehar mer än 10% av Lundin Mining Aktierna och Ashley Heppenstall, Lukas Lundin samt Jack Lundin är styrelseledamöter i Lundin Mining och samtliga anses därför som ”närstående parter” till Lundin Mining (”**Närstående Parter till LMC**”). Närstående Parter till LMC innehar också Josemaria Resources Aktier och emissionen av Lundin Mining Aktier till sådana parter i samband med Transaktionen är en ”närstående transaktion” för Lundin Mining. Transaktionen omfattas därför av ett kanadensiskt regelverk för värdepapper som är avsett att skydda minoritetsinnehavarnas intressen när "närstående parter" (inklusive insiders) till en emittent är involverade i vissa transaktioner.

Risk factors

The Company's business activities are subject to risks, including those described below. Every investor or potential investor in the Company's securities should carefully consider these risks. The risks described herein should also be considered in connection with the other information included in the Prospectus and the macro-economic environment. In accordance with the Prospectus Regulation, the risk factors below are limited to those risks which the Company deems are material and specific to the Company. The risk factors that are deemed material to the Company and Shares at the date of this Prospectus are described below. The materiality of the risk factors has been assessed taking into account the negative impact on the Company and the probability of their occurrence. In each subsection, the risk factors currently deemed the most material are presented first. Apart from that, the risk factors below are not ranked or presented in any specific order of importance. The description below is based on information available and estimates made on the date of the Prospectus.

Operational risks

The Company derives a significant portion of its revenue from one asset

The Candelaria Mine accounted for approximately 58% of the Company's 2021 copper production, and accordingly, the Company derives a significant portion of its revenue from the Candelaria Mine. While the acquisition of the Chapada Mine in 2019 and the ramping up of zinc production at Neves-Corvo following commissioning of the Zinc Expansion Project reduces the Company's dependence on the Candelaria Mine, the Company's profitability will be sensitive to changes in, and its performance will depend to a greater extent on, the operations of the Candelaria Mine.

In the Company's assessment, these risks have a high probability and, if realized, could have medium negative impact on the Company.

The Company's mining operations generally involve a high degree of inherent risk that cannot be eliminated and may not be insurable

The mining industry is subject to significant risks and hazards, including environmental hazards, industrial accidents, unusual or unexpected geological conditions, labor force disruptions, civil strife, pandemics, unavailability of materials and equipment, weather conditions, pit wall failures, tailings dam failures, rock bursts, rock falls, rock slides, cave-ins, flooding, seismic activity, fire, geochemical issues, equipment failure, failure of retaining dams, theft, water conditions, water balance and chemistry, acid rock drainage, disruption to power and water supply, unanticipated variations in grade and other geological problems, ground or stope instabilities or failures, backfill quality or availability, underground conditions, metallurgy, ore hardness and other processing issues, supply chain/logistics disruptions, force majeure events, and unanticipated transportation costs, most of which are beyond the Company's control.

These risks and hazards could result in, among other things: damage to, or destruction of, mineral properties or producing facilities; personal injury or death; environmental damage; reputational loss; mining and production delays; monetary losses; poor concentrate quality/marketability; difficulty selling concentrate to customers; limited mine site or smelter access; higher costs and expenditures; project completion delays; contractual obligations and financial covenants defaults, government or regulatory investigations, and possible legal liability. All of these could adversely impact the Company's results of operations and financial position.

The Company maintains insurance to cover some of these risks and hazards. However, insurance is subject to deductibles and, in the case of business interruption insurance, waiting periods during which coverage is not applicable. There is a risk that such insurance will not continue to be available, that it will not be available at economically feasible premiums, or that the Company will not obtain or maintain such insurance. The Company's property, liability and other insurance may not provide sufficient coverage for losses related to these or other risks or hazards. In addition, the Company does not have coverage for certain environmental losses and other risks (for example, political risks), as the potential loss associated with risk events is deemed acceptable or the costs of insurance are deemed excessive for the protection provided. The lack or insufficiency of insurance coverage could adversely affect the Company's cash flow, overall profitability, its business, and its results of operations.

In the Company's assessment, these risks have a medium probability and, if realized, could have medium negative impact on the Company.

The failure or breach of information systems or a component of information systems could adversely impact our reputation and results of operations

The Company's information systems, and those of its third-party service providers and vendors, are vulnerable to an increasing threat of continually evolving cybersecurity risks. These risks may take the form of malware, computer viruses, security breaches, cyber threats, extortion, employee error, malfeasance, system errors or other types of risks, and may occur from inside or outside of Lundin Mining's organization. Cybersecurity risk is increasingly difficult to identify and quantify and cannot be mitigated because of the rapidly evolving nature of the threats, targets, and consequences. Additionally, unauthorized parties may attempt to gain access to these systems or Lundin Mining's information through fraud or other means of deceiving its third-party service providers, employees, or vendors. Lundin Mining's operations depend, in part, on how well it and its suppliers protect networks, equipment, information technology ("IT") systems and software against damage from a number of threats. If Lundin Mining is unable or delayed in maintaining, upgrading, or replacing its IT systems and software, the risk of a cyber-security incident could materially increase. Any of these and other events could result in information system failures, delays and/or increases in capital and operating expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation, ability to comply with regulatory reporting obligations and results of operations.

In addition, targeted attacks on the Company's systems (or on systems of third parties that Lundin Mining relies on), failure or non-availability of a key IT system or a breach of security measures designed to protect its IT systems could result in disruptions to the Company's operations through delays or the corruption and destruction of data, extensive personal injury, property damage, loss of confidential information or financial or reputational risks. For example, in November 2021, Bureau Veritas, the publicly-listed international company that conducts assay testing and certifications for our Zinkgruvan Mine, was the subject of a significant cyberattack affecting their information technology systems. As a result of this cyberattack, Zinkgruvan assay analysis timelines have been delayed which may result in the temporary exclusion of some mineralized intercepts from the Company's regularly scheduled mineral reserves and mineral resources updates. There is a risk that Lundin Mining's ability to monitor for or mitigate cybersecurity risks will not be effective due to the increasing capabilities of hackers and rogue agents, and the increased risk related to the current remote work situation affecting many of the Company's employees and contractors due to the COVID-19 pandemic, and the Company may be unable to identify cybersecurity breaches or discover them in a timely manner. Any significant compromise or breach of data security, whether external or internal, or misuse of data, could result in significant costs, lost sales, fines and lawsuits, and damage to Lundin Mining's reputation. In addition, as the regulatory environment related to information security, data collection and use, and privacy becomes increasingly rigorous, with new and constantly changing requirements applicable to the Company's business, compliance with those requirements could also result in additional costs. As cyber threats continue to evolve, Lundin Mining may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Data privacy is subject to frequently changing rules and regulations. The European Union's General Data Protection Regulation, or GDPR, took effect on May 25, 2018 and introduced increased regulations relating to personal data security. The GDPR requires companies to satisfy new requirements regarding the handling of personal and sensitive data, including its use, protection, and the ability of persons whose data is stored to correct or delete such data about themselves. The Brazilian equivalent (Law No. 13,709, Lei Geral de Proteção de Dados) took effect in September 2020, with the administrative sanctions provisions currently having a delayed application date of August 1, 2021. Any noncompliance with the GDPR, the Law No. 13,709, Lei Geral de Proteção de Dados or any other cybersecurity and data privacy regulations could result in proceedings or actions against the Company and the imposition of fines or penalties, which could have an adverse effect on the Company and its business, reputation, and results of operations.

In the Company's assessment, these risks have a medium probability and, if realized, could have medium negative impact on the Company.

The Company may be unable to obtain, retain or comply with necessary permits, which could adversely affect operations

The Company's mining and processing operations, development, and exploration activities are subject to extensive permitting requirements. Each phase of a mine life cycle requires certain approvals, permits, and licenses. The potential inability to timely secure permits required for the development and operation of the Company's mining assets, as well as to advance its exploration efforts presents a key risk for the Company. Activities required to obtain and/or achieve or maintain full compliance with such permits can be costly and involve extended timelines. The granting, renewal and continued effectiveness of permits and approvals are subject to discretion by the applicable regulatory authority and previously issued permits may be suspended or revoked for a variety of reasons, including through government or court action. Certain governmental approval and permitting processes are subject to public comment and can be challenged by project opponents, which may result in significant delays or in approvals being withheld or withdrawn. In addition, permitting and approval processes may be delayed as a result of a variety of factors, including governmental disruption or upheaval. There is a risk that the necessary permits will not be obtained, that previously issued permits will be suspended for a variety of reasons, including through government or court action, or that delays will occur in connection with obtaining all necessary permits, renewals of permits, or additional permits for any possible future changes to operations, or additional permits associated with new legislation. Material delays in or inability to obtain required permits and/or to maintain compliance with permits once obtained could have serious consequences and a material adverse effect on the Company, including, but not limited to: injunctions, civil or criminal fines or penalties, suspension or revocation of permits; damage to the Company's reputation; stopping the Company from proceeding with the development of a project or harming its ability to secure future approvals and permits; negatively impacting the further development or continued operation of a project or mine or increasing the costs of development or production; material capital expenditures or remedial actions; potential impacts on labor, community, and government relations; erosion of shareholder value; and/or litigation or regulatory action against the Company. There is a risk that the Company will not continue to hold or obtain, if required to, all permits necessary to develop or continue operating at any particular site, which could adversely affect its operations.

At Candeleria, the Company has submitted an environmental permit application that will reflect the continued growth in Mineral Reserves and further extension to the operating life to 2040. Since February 2020, this permit application has been subject to a structured review and public comment period which is expected to conclude in the second half of 2022. At Chapada Mine, numerous historical permits, some of which had expired or were otherwise subject to certain compliance risks or irregularities, are now part of a legislated corrective process that would consolidate these historical permits and activities into a single Unification License. This corrective process includes additional operational requirements and conditions. While the Company believes it will satisfy all operational requirements and conditions, this will be a decision of the relevant regulator. Further, the timing of approvals of all permits and licenses is uncertain and processing times have been negatively affected by COVID - 19. Consequently, these permits and licenses are subject to the risks presented above.

The Company is presently complying in all material respects with necessary licenses and permits under applicable laws and regulations to conduct its current operations. However, licenses and permits are subject to change in various circumstances, permits and approvals may require renewal from time to time, and new permits may need to be obtained in the future. As indicated above, there is a risk that the Company will not continue to hold or obtain, if required to, all permits necessary to develop or continue operating at any particular site, which could adversely affect its operations.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Failure in the Company's infrastructure could have an adverse effect on the Company's operations

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources, pipelines, underground ventilation, ore and waste hoisting equipment, water storage structures, waste impoundments, water supply, and other critical infrastructure are important for the Company's operations. Unusual or infrequent weather phenomena, sabotage, catastrophic failure, corrosion, government or other interference in the operation, maintenance or provision of such infrastructure could adversely affect the Company's business and results of operations.

In addition, infrastructure requires periodic preventative maintenance and, if necessary, replacement to mitigate the risk of failure. Despite the existence of inspection programs and preventative maintenance planning, from time to time the Company experiences unanticipated infrastructure failures which it addresses and, where necessary, reports in accordance with local regulatory requirements and laws. Any such future infrastructure failure could have an adverse effect on the Company's operations.

There is a risk that a significant event may not result in catastrophic losses having an adverse effect on the Company, including, but not limited to its personnel and assets, and its operations.

In the Company's assessment, these risks have a low probability and, if realized, could have high negative impact on the Company.

Mining operations involve health and personal safety hazards that could adversely affect the Company's reputation, business and future operations.

By their nature, exploration and mining activities present a variety of hazards and associated health and safety risks. Workers involved in the Company's operations are subject to many inherent health and safety risks and hazards, including, but not limited to, underground mine fires, underground rock falls, equipment or structural fires, pit wall failures, rock falls, rock slides, rock bursts, cave-ins, floods, falls of ground, tailings dam failures, chemical hazards, exposure to biological, physical or ergonomic agents, mineral dusts, gases and fumes, use of explosives, noise, electricity and moving equipment (especially heavy equipment) and vehicle incidents, incidents related to cranes and rigging, civil disturbances and criminal activities, and slips and falls, which could result in occupational illness or health issues, personal injury, and loss of life, and/or facility and workforce evacuation. In addition, personnel involved with remote activities such as those associated with exploration may be exposed to risks related to wildlife, environmental conditions or civil unrest. For example, in 2020, a fatal accident occurred underground at the Neves-Corvo Mine in Portugal due to a fall of ground.

Incidents resulting in serious injury or death, or those having a negative impact on surrounding communities (real or perceived) could result in litigation, civil or criminal sanctions, regulatory action (including, but not limited to suspension of operations and/or fines and penalties), increased community tensions, or otherwise adversely affect the Company's reputation and ability to meet its objectives.

In the Company's assessment, these risks have a medium probability and, if realized, could have low negative impact on the Company.

The actual operating results of exploration and development projects may differ materially from those anticipated and there is a risk that development projects will not be able to be developed successfully or economically

The Company's ability to maintain, or increase, its annual production of copper, zinc, nickel, gold and other metals is dependent, in significant part, on its ability to bring new mines into production and to expand existing mines. The success of construction projects and the start-up of new mines by the Company is subject to a number of factors including: the availability and performance of engineering and construction contractors, mining contractors, suppliers and consultants; the receipt of required governmental approvals and permits in connection with the construction of mining facilities and the conduct of mining operations (including environmental permits); the successful completion and operation of ore passes, process/recovery plants, and conveyors to move ore, among other operational elements. There is a risk that current or future construction and start-up plans implemented by the Company will not be successful, that the Company will not be able to obtain sufficient funds to finance construction and start-up activities, that personnel and equipment will not be available in a timely manner or on reasonable terms to successfully complete construction projects, that the Company will not be able to obtain all necessary governmental approvals and permits or that construction, start-up and ongoing operating costs associated with the development of new mines will be significantly higher than anticipated by the Company. Any of the foregoing factors could adversely impact the operations and financial condition of the Company.

Further, the exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an orebody may result in substantial rewards, few properties that are explored are ultimately developed into producing mines and it is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; recoverability; metal prices; and government regulations, including regulations relating to prices, taxes, royalties, foreign exchange, repatriation of revenues/profits, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Capital expenditure estimates and timeline estimates for exploration and development projects are based on assumptions and analyses made by the Company's management. Major expenses may be required to locate and establish Mineral Resources and Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. There is a risk that the expenditures made by the Company towards the search and evaluation of mineral deposits will not result in discoveries or development of commercial quantities of ore. Future Company projects may not have an operating history upon which to base estimates of future cash flow. Although the Company utilizes the operating history of its existing mines to derive estimates of future operating costs and capital requirements, such estimates may differ materially from actual operating results. The economic feasibility analysis with respect to any individual project is based upon, among other things, the interpretation of geological data obtained from drill holes and other sampling techniques, feasibility studies (which derive estimates of operating costs based upon anticipated tonnage and grades of ore to be mined and processed), and base metal price assumptions, the configuration of the orebody, expected recovery rates of metals from the ore, comparable facility and equipment costs, anticipated climatic conditions, estimates of labor, productivity, taxes, fiscal policies, royalty or other ownership requirements and other factors. Development projects are also subject to issuance of necessary permits and other governmental approvals, sourcing suitable power and water requirements, confirming the availability of appropriate local area infrastructure, receipt of adequate financing and addressing local stakeholder concerns. If the Company declines or is unable to advance a project on a particular timetable or at all, the rights associated with the project could be negatively affected. Any of the foregoing factors could adversely impact the operations and financial condition of the Company.

In the Company's assessment, these risks have a medium probability and, if realized, could have medium negative impact on the Company.

The Company is reliant on key personnel and reporting and oversight systems for the appropriate management of its assets and interests, as well as compliance with all applicable laws - the failure of such personnel and systems could result in a material adverse effect on the Company's reputation and results of operations

The Company conducts operations through subsidiaries, including foreign subsidiaries, which hold mining and exploration properties in Brazil, Chile, Portugal, Sweden, the United States, and Peru (and, following completion of the Transaction, Argentina). Accordingly, the Company is highly dependent on local management teams and advisors in each of those foreign jurisdictions for advice, legal and regulatory interpretation and compliance, and timely and accurate reporting of risks and issues. These locally managed operations are supported by corporate resources and oversight/assurance systems led by an executive management team and ultimately overseen by the Board, both of which are largely located in Canada. If either local or corporate personnel and/or the Company's oversight/assurance systems fail or otherwise perform their respective functions deficiently, the Company's operations and financial condition may be adversely impacted.

Additionally, the legal and regulatory requirements in the foreign jurisdictions with respect to conducting mineral exploration and mining activities, banking system and controls, as well as local business culture and practices are different from those in Canada. The officers and directors of the Company must rely, to a great extent, on the Company's local leadership and external advisors in order to keep abreast of material legal, regulatory, and governmental developments as they pertain to and affect the Company's business operations, and to assist the Company with its governmental relations. The Company must rely, to some extent, on those members of management and the Board who have previous experience working and conducting business in these countries in order to enhance its understanding of and appreciation for the local business culture and practices. If either local or corporate personnel and/or the Company's oversight/assurance systems fail or otherwise perform their respective functions deficiently, the Company's operations and financial condition may be adversely impacted.

There is a risk that the Company's internal procedures and programs may not be effective in ensuring that the Company, its employees, contractors, or third-party agents will comply strictly with laws. The Company may be liable for violations by its employees, officers, directors, contractors, and third-party agents. If the Company becomes subject to an investigation, allegation or enforcement action or is found to be in violation of such laws, this may have a material adverse effect on its reputation, result in significant penalties, fines and/or sanctions imposed on the Company, and/or have a material adverse effect on its business and operational results.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

The Company may be subject to risks relating to mine closure and reclamation obligations

In order to obtain mining permits and approvals from regulatory authorities, mine operators must typically submit a reclamation plan for restoring, upon prolonged suspension or completion of mining operations, the mined property to a productive use and meet many other permitted conditions. Typically, the Company submits the necessary permit applications several months or even years before it plans to begin activities. Some of the permits the Company requires are becoming increasingly difficult and expensive to obtain, and the application and review processes are taking longer to complete, becoming increasingly complex in terms of required background information, and are subject to challenge.

Closure activities typically include ground stabilization, infrastructure demolition and removal, topsoil replacement, regrading and revegetation and such activities may have significant impacts on local communities and accordingly, may not be supported by local stakeholders. In addition to immediate closure activities, closed mining operations may require long-term surveillance and monitoring. Actual costs realized in satisfaction of mine closure obligations may vary materially from management's estimates. From time to time, regulatory approval for amendments to MCPs and associated permits may be sought, and these could have a significant impact on mine closure costs.

The Company provides the appropriate regulatory authorities with reclamation financial assurance for mine closure obligations in the various jurisdictions in which it operates in accordance with applicable law and regulation. The amount and nature of the financial assurances are dependent upon a number of factors, including the Company's financial condition and reclamation cost estimates. Changes to these amounts, as well as the nature of the collateral to be provided, could significantly increase the Company's costs, making the maintenance and development of existing and new mines less economically feasible.

In the Company's assessment, these risks have a high probability and, if realized, could have low negative impact on the Company.

The Company's inability to effectively compete in the industry may adversely affect our business and future operations

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other mining companies, many of which have greater financial resources than the Company, for the acquisition of mineral claims, leases, and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. The Company may not be able to compete successfully with its competitors in acquiring properties, assets, or access to infrastructure.

In the Company's assessment, these risks have a low probability and, if realized, could have high negative impact on the Company.

The Company is exposed to counterparty and customer concentration risk

The Company is exposed to various counterparty risks including, among others: financial institutions that hold the Company's cash; companies that have payables to the Company, including concentrate customers; the Company's insurance providers; the Company's lenders and other banking counterparties; companies that have received deposits from the Company for the future delivery of equipment; third parties that have agreed to indemnify the Company upon the occurrence of certain events; and joint venture/operations partners.

The Company maintains relationships with various banking partners for its operating activities in the jurisdictions in which the Company operates. The Company's access to funds under its credit facilities or other debt arrangements is dependent on the ability of the financial institutions that are counterparties to the facilities to meet their funding commitments. Default by financial institutions could require the

Company to take measures to conserve cash until the markets stabilize or until alternative credit or other funding arrangements for the Company's business needs can be obtained.

In addition, certain third parties have agreed to indemnify the Company for certain liabilities and obligations associated with, among other things, tax liabilities or certain representations and warranties made by those third parties in connection with certain acquisitions (including Yamana, in relation to the Company's acquisition of the Chapada Mine in 2019). There is a risk, if any such third party is required to indemnify the Company and its subsidiaries for any substantial obligations, that such third party will assert a position that it is not liable in the hopes of avoiding or delaying its indemnity obligations and/or that such third party may be unable to satisfy such obligations when due. The Company may also be required to pursue costly and time-consuming legal action to obtain orders for payment. Any failure to indemnify could have a material adverse effect upon the Company.

The Company is also subject to customer counterparty risks and concentration risk associated with trade receivables. There is a risk that its customers are not solvent over time. In addition, four customers represent a significant portion of the Company's sales and are expected to continue to account for a significant portion of the Company's sales in the future. The Company may be susceptible to an impact on financial returns as a result of the fact that its sales are concentrated on a limited number of customers and, in some cases, on a long-term contract basis. There is a risk that a customer reducing its overall purchases or otherwise seeking to materially change the terms of the business relationship at any time could adversely affect the Company's business, financial condition, and operational results.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Financial risks

The Company's business, financial position and results of operation may be adversely impacted by global financial conditions and inflation

Global financial conditions continue to be characterized as volatile. In recent years, global markets have been adversely impacted by various credit crises and significant fluctuations in fuel, energy, and transportation costs, and metals prices. Many industries, including the mining industry, have been impacted by these market conditions. A slowdown in the financial markets, geopolitical events, or other economic conditions, including, but not limited to, consumer spending, employment rates, business conditions, inflation, fuel, energy and transportation costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's growth and profitability. Future crises may be precipitated by any number of causes, including natural disasters, outbreaks of medical endemic or pandemic issues, geopolitical instability, changes to energy prices or sovereign defaults. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, demand for metals, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of its securities.

In addition to potentially affecting the price of commodities, general inflationary pressures may also affect the Company's labor, commodity, and other input costs at operations, which could have a materially adverse effect on the Company's financial condition, results of operations and capital expenditures for the development of its projects.

In the Company's assessment, these risks have a medium probability and, if realized, could have high negative impact on the Company.

The Company's business is highly dependent on the international market prices and demand of the metals it produces, which are both cyclical and volatile

The Company's business, financial performance and results of operations are significantly affected by the market prices and demand of the metals it produces, particularly copper, zinc, gold and nickel.

Historically, prices and demand for these metals have been subject to wide fluctuations which can be material and can occur over short periods of time, and are affected by numerous factors beyond the Company's control, including international economic and political conditions, government stimulus or austerity measures, the cyclicality of consumer and industrial consumption, actual or perceived changes in levels of supply, the availability and costs of substitutes, inventory levels maintained by users, actions of participants in the commodities markets, interest rates and expectations, global pandemics, inflation or deflation and expectations, and currency exchange rates, among other factors. The Company cannot predict whether, and to what extent, metal prices and demand will rise or fall in the future.

An increase in the production of these metals worldwide or changes in, among other things, technology, industrial processes, or consumer habits, including increased demand for substitute materials, may decrease the demand for these metals. A fall in demand, resulting from economic slow-downs or other factors, could also decrease the volume of metals that the Company sells and, therefore, materially adversely impact the Company's results of operations and financial position.

Future declines in metal prices could have an adverse impact on the Company's results of operations and financial position, and the Company may consider curtailing, modifying, or discontinuing certain operations. In addition, the Company may not be able to adjust production volume in a timely or cost-efficient manner in response to sustained changes in metal prices. Lower utilization of capacity during periods of weak prices may expose the Company to higher unit production costs since a significant portion of its cost structure is fixed in the short-term due to the high capital intensity of mining operations. If prices drop significantly, the economic prospects of the mines and projects in which the Company has an interest could be significantly reduced or rendered uneconomic. Low metal prices will affect the Company's liquidity, and if they persist for an extended period, the Company may have to look for other sources of cash flow or curtail higher cost production to maintain liquidity until metal prices recover. A sustained and material impact on the Company's liquidity may also impact the Company's ability to comply with financial covenants under its credit facilities. Conversely, during periods of high prices, the Company's ability to rapidly increase production capacity may be limited, which could prevent it from selling more products. Moreover, the Company may be unable to complete expansions and greenfield projects in time to take advantage of any rising prices for copper, zinc, gold and nickel or other products. The Company does not currently hedge metal prices.

In the Company's assessment, these risks have a medium probability and, if realized, could have medium negative impact on the Company.

The Company may be subject to sudden tax changes, which can have a material adverse effect on profitability.

The introduction of new tax laws, regulations or rules, or changes to, or differing interpretation of, or application of, existing tax laws, regulations or rules in Canada, the United States, Bermuda, Brazil, Chile, the Netherlands, Portugal, Sweden or any of the countries in which the Company's operations or business is or will be located (including, following completion of the Transaction, Argentina), could result in an increase in taxes, or other governmental charges, duties or impositions, an unreasonable delay in the refund of certain taxes owing to the Company or the application of unfavorable currency controls or on the repatriation of profits. There is a risk that new tax or foreign exchange laws, rules or regulations will be enacted and that existing such laws, rules or regulations will be changed, interpreted or applied in a manner that could result in the Company's profits being subject to additional taxation, result in the Company not recovering certain taxes on a timely basis, be refunded at reasonably equivalent US dollar value as at the time paid, or restricting the manner in and efficiency with which the Company manages its cash balances, or at all, or that could otherwise have a material adverse effect on the Company.

Brazil has recently experienced an increase in the number of tax proceedings, including tax claims and disputes. In addition, Brazil's government is expected to submit its tax reform proposals to Congress in 2022. There is a risk that the Company will be subject to a tax dispute in Brazil, and that the adoption of tax reform policies will have an adverse effect on the Company.

In 2018, 2020, and 2021 the Chilean IRS issued tax assessments denying tax deductions related to interest expenses arising from an intercompany debt for the taxation years from 2014 to 2019. The Company believes the claims are inconsistent with Chilean tax law and without merit and accordingly has filed an appeal for each assessment. If the assessments are upheld, it may have a material adverse effect on the Company. In 2019, 2020, and 2021, the Company received assessments from the Chilean IRS on the same intercompany debt as noted above for the taxation years 2016 to 2019 with respect to the withholding tax rate applied. The Chilean IRS is seeking additional withholding taxes, including interest and penalties, on interest payments made in 2016 to 2019. The Company believes its original filing positions are in compliance with tax regulations and is disputing the claim.

Since October 2019, Chile has been experiencing wide scale public demonstrations demanding, among other things, constitutional and legal reforms, including demands for social program benefit increases and public funding for services that are currently private. In 2020, Chile voted in favor of drafting a new Constitution and in 2021 elected the constituent assembly tasked with preparing a new draft for consideration by the voters in the future. In December 2021, Gabriel Boric was elected President on a platform that committed to implement significant social, economic, and political changes. Simultaneously, the government has been considering tax and royalty reforms and has introduced or proposed a number of changes that affect or could affect businesses, including but not limited to a new royalty structure. Other changes could be considered or proposed in the future, including but not limited to increases to mining or income taxes or new royalties or changes to value added taxes. The constituent assembly may also propose a Constitution that could fundamentally alter key rights (such as water rights and mineral tenure) or introduce new ones (like environmental personage) that could affect the Company's operations and financial condition.

In the Company's assessment, these risks have a high probability and, if realized, could have medium negative impact on the Company.

Exchange rate fluctuations may adversely affect the Company's costs

Currency fluctuations may affect the Company's costs and may affect its operating results and cash flows. Copper, zinc, gold and nickel are each sold principally on the U.S. dollar price, but a portion of the Company's operating expenses are incurred in local currencies, such as CLP, EUR, SEK, BRL and other currencies (including, ARS following completion of the Transaction). Appreciation of certain non-U.S. dollar currencies against the U.S. dollar would increase the costs of production at the Company's mines, making such mines less profitable and may negatively impact the Company's results of operations. Currently, the Company does not hold hedging contracts for foreign currencies. There is a risk that the Company's current position will not remain the same and the Company may enter into foreign currency hedging activities in the future .

In the Company's assessment, these risks have a medium probability and, if realized, could have medium negative impact on the Company.

The Company's indebtedness may adversely affect its business, financial condition and results of operations and its ability to meet payment obligations under its indebtedness

The Company may incur substantial debt from time to time to finance working capital, capital expenditures, investments or acquisitions or for other purposes. If the Company does so, the risks related to the Company's indebtedness could intensify, including, among other things: increased difficulty in satisfying existing debt obligations; limitations on the ability to obtain additional financing, or imposed requirements to make non-strategic divestitures; imposed hedging requirements; imposed restrictions on the Company's cash flows, for debt repayment; increased vulnerability to general adverse economic and industry conditions; interest rate risk exposure as borrowings may be at variable rates of interest; decreased flexibility in planning for and reacting to changes in the industry in which it competes; reduced competitiveness as compared to less leveraged competitors; and increased cost of borrowing.

The terms of the Credit Agreement require the Company to satisfy various affirmative and negative covenants and to meet certain financial ratios and tests. These covenants limit, among other things, the Company's ability to incur further indebtedness if doing so would cause it to fail to meet certain financial covenants, create certain liens on assets or engage in certain types of transactions. There is a risk that in the future, the Company will be limited in its ability to respond to changes in business or competitive activities or be restricted in its ability to engage in mergers, acquisitions or dispositions of assets. Furthermore, a failure to comply with these covenants, including a failure to meet the financial tests or ratios, would likely result in an event of default under the Credit Agreement and would allow the lenders to accelerate the debt, which could materially and adversely affect the Company's business, financial condition and results of operations, its ability to meet payment obligations under its debt and the price of its common shares.

The Company holds various financial assets, the value of which may be impacted by changes in interest rates. Interest rates may also affect the Company's credit arrangements over time. The Company does not currently hedge interest rate exposure.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

The Company is exposed to liquidity risks and limited financial resources

Exploration, acquisition, development and operation activities require significant investment of resources and capital. The Company allocates such resources and capital to support business objectives, and the availability of required resources and capital is subject to market conditions and the Company's financial position. Similarly, a sudden shift in regulation or investor requirements or expectations could force the Company to assume unanticipated additional costs for equipment and technology – for example, to implement more rapid than anticipated carbon reduction or other environmental measures. This may further expose the Company to liquidity risks in meeting its capital expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable.

The Company has limited financial resources and there is a risk that sufficient additional funding and financing will not be available to the Company or its direct and indirect subsidiaries on acceptable terms, or at all, for further exploration or development of its properties or to fulfill its obligations under any applicable agreements. General market conditions, volatile metals and key consumable prices, a claim against the Company, a significant disruption to the Company's business, or other factors may make it difficult to secure the necessary financing. These factors may impact the Company's ability to obtain financing, loans and other credit facilities in the future and, if obtained, on terms favorable to the Company. Furthermore, actions taken by central banks to impact fiscal and monetary policies have increased levels of volatility and market turmoil. As a result of this uncertainty, the Company's growth could be adversely impacted, including through the delay or indefinite postponement of the exploration and development of the Company's properties, and the trading price of its securities could be adversely affected.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

The Company's financial projections rely on estimates of future production and the estimates may not be reliable, which could have a negative impact on the Company's cash flows, business, results of operations and financial condition

The Company prepares estimates and projections of its future production. Any such information is forward-looking, and there is a risk that such estimates will not be achieved. These estimates are based on existing mine plans and other assumptions which change from time to time, including the availability, accessibility, sufficiency and quality of ore, the Company's costs of production, its ability to sustain and increase production levels, the sufficiency of its infrastructure, the performance of its workforce and equipment, the Company's ability to maintain and obtain mining interests and permits and its compliance with existing and future laws and regulations. The Company's actual production may vary from estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to the Mineral Reserves, such as the need for sequential development of orebodies and the processing of new or different ore grades; revisions to mine plans; unusual or unexpected orebody formations; risks and hazards associated with mining; natural phenomena, such as inclement weather conditions, water availability, floods, and earthquakes; suspension of operations; and unexpected labor shortages, strikes, local community opposition or blockades. Failure to achieve the estimated guidance could have an adverse impact on the Company's future cash flows, business, ability to fund expansions or new projects, results of operations and financial condition.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Failure to accurately assess the value of the Company's assets may result in an impairment charge which may adversely affect the Company's results of operations

Annually, or when events or circumstances indicate it is required, the Company undertakes a detailed review of the LOM plans for its operating properties and an evaluation of the Company's portfolio of development projects, exploration projects and other assets. The recoverability of the Company's carrying values of these operating and development properties may be affected by a number of factors including, but not limited to, metal prices, foreign exchange rates, capital cost estimates, mine call factors, mining, processing and other operating costs, metallurgical characteristics of ore, mine design and timing of production. If carrying values of an asset or group of assets exceeds estimated recoverable values, an impairment charge may be required to be recorded, which may have a material adverse effect on the market price of the Company's securities.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

The Company's internal controls may fail and affect the reliability of financial reporting

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. There is risk that the Company's control systems fail and consequently that its financial reporting is not reliable.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Socio-political risks

General economic and political conditions in our operating jurisdictions may materially adversely affect the Company's business, financial position and results of operations

The success of our operations depends, in part, upon the performance of the local economy. As a result, general economic conditions in our operating jurisdictions may have a material adverse impact on the Company's business, financial position and results of operations.

Government action following administration change, or in response to exchange rate movement, monetary policies, inflation control, energy shortages and economic instability, among other matters, may have important effects on the Company's operations. Uncertainty over whether governments will implement changes in policy or regulation affecting these or other factors in the future may contribute to economic uncertainty in those jurisdictions.

In the Company's assessment, these risks have a medium probability and, if realized, could have medium negative impact on the Company.

Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations, and an impediment to our overall ability to advance our projects, thereby having a material adverse impact on Lundin Mining's financial performance, financial condition, cash flows, and growth prospects

Damage to the Company's reputation can result from the actual or perceived occurrence of any number of events or from allegations or investigations into any number of events and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views on the Company and its activities and make allegations against the Company, whether true or not. Lundin Mining does not ultimately have direct control over how it is discussed in the media or perceived by others and reputational loss may lead to decreased investor confidence and an impediment to the Company's ability to advance its projects and could have a material adverse impact on its ability to develop and maintain community relations, as well as its financial performance, financial condition, cash flows and growth prospects.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

The Company may be exposed to greater foreign exchange and capital controls, as well as political, social and economic risks as a result of its operation in emerging markets

The Company's current asset portfolio includes operating assets in Brazil and Chile and exploration licenses in Peru (and will include a significant development project in Argentina following completion of the Transaction). In emerging markets there can be a greater level of exchange and capital controls, as well as political, social, and economic risk compared to some other countries in which the Company operates. From time-to-time, emerging market countries have adopted measures to restrict the availability of the local currency or the repatriation of capital across borders. These measures are typically imposed by governments and/or central banks during times of local economic instability to prevent the removal of capital or the sudden devaluation of local currencies or to maintain in country foreign currency reserves. In addition, many emerging markets require supplementary consents or reporting processes before local currency earnings can be converted into U.S. dollars or other currencies and/or such earnings can be repatriated or otherwise transferred outside of the operating jurisdiction. Furthermore, some jurisdictions regulate the amount of earnings that can be maintained by operating entities in off-shore bank accounts and require additional earnings to be held by banks located in the country of operation. These measures can have a number of negative effects on the Company's operations, including, among other things, a reduction in the quantum of immediately available capital that the Company could otherwise deploy for investment opportunities or the payment of expenses. As a result, the Company may be required to use other sources of funds for these objectives which may result in increased financing costs. In addition, measures that restrict the availability of the local currency or impose a requirement to operate in the local currency may create practical difficulties for the Company.

Mining investments are subject to the risks normally associated with any conduct of business in foreign countries, and operations in emerging markets may also be subject to more frequent civil disturbances and criminal activities, including but not limited to: terrorism; hostage taking; trespassing; sabotage; theft/fraud; vandalism; military repression; expropriation; extreme fluctuations in currency exchange rates; high rates of inflation; labor unrest, opposition or blockades; the risks of war, civil unrest, protests or blockades; renegotiation or nullification of existing concessions, licenses, permits and contracts; ability of governments to unilaterally alter agreements; government imposed local contracting and purchase laws, including laws establishing, among other things, profit margins, production quotas, maximum and minimum price levels and the ability to confiscate merchandise in certain circumstances; surface land access issues; illegal mining; changes in taxation policies (as described above), practices, regulations and laws and the application thereof; restrictions on foreign exchange and repatriation; governmental imposed controls and restrictions in response to pandemics; and changing political conditions, currency controls and governmental regulations that impose local procurement requirements or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. The occurrence of any such events may adversely affect the Company's viability and profitability

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Social and political unrest in our operating jurisdictions may have an adverse effect on the Company's operational results

Since October 2019, Chile has been experiencing varying degrees of civil unrest resulting in proposals for legislative and constitutional reforms. In a plebiscite on October 25, 2020, the electorate voted in favor of the creation of a new national Constitution to be prepared by a constituent assembly that was subsequently elected in April 2021. While the level of civil unrest declined in 2021 , there is a risk that unrest will recur and result in deterioration in social order, increases in criminal activity, damage to property and the deaths of some civilians. While the Company has adopted certain measures to protect its employees, property, and production facilities from unrest , there is a risk that such incidents will continue to occur. Such incidents may halt or delay production, increase operating costs, result in harm to employees or trespassers, cause damage to production facilities or otherwise decrease operational efficiency, increase community tensions, or result in criminal and/or civil liability for the Company or its employees and/or financial damages or penalties.

Additional potential impacts arising from the civil unrest include a longer-term increase in the cost of carrying on business as a result of social reforms and taxes. In 2021, Chile elected Gabriel Boric as President on a platform that committed to implement significant social, economic, and political changes. While the scope and pace of change is not yet fully known, proposals have included potential for changes in mining policies, water use and ownership rights and royalties or other taxation levels. In 2022, Brazil will undergo regularly scheduled municipal, gubernatorial, and presidential elections which may result in significant political and resulting economic changes. Changes, even if seemingly minor in nature, may adversely affect the Company's operations. As such, with respect to its operations at the Candelaria Mine in Chile, the Chapada Mine in Brazil and elsewhere, the Company is subject to the risks normally associated with the conduct of business in foreign jurisdictions. The occurrence of one or more of these risks could have a material and adverse effect on the Company's cash flows, earnings, results of operations and financial condition. These risks may limit or disrupt the Company's operations and exploration activities, restrict the movement of funds, or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation.

In the Company's assessment, these risks have a medium probability and, if realized, could have low negative impact on the Company.

Lundin Mining's current and future operations are subject to a risk that stakeholders may oppose continued operation, further development, or new development of its projects and mines, and such opposition may have a negative impact on Lundin Mining's reputation and operational results

There are evolving expectations related to environmental protection, human rights and indigenous rights and an increasing level of public concern relating to the perceived effect of mining activities on communities, including certain environmental and social aspects such as water consumption and water quality, land use, noise and vibration, dust, and air quality, mine closure, and employment and economic development opportunities. Increased global awareness for the impacts of climate change has contributed to this growing public concern. Further, sustained periods of stress on local economies may increase scrutiny of and pressure on mining operations.

Some of the Company's operations are situated in areas presently or previously inhabited or used by indigenous peoples or people claiming indigenous status, triggering various international and national laws, codes, resolutions, conventions, guidelines, and imposing obligations on government and companies to respect the rights of indigenous people, including mandated consultation with local communities. ILO Convention 169 is an example of an international convention establishing the rights of indigenous people. The obligations of government and private parties under the various international and national rules pertaining to indigenous people continue to evolve and be defined. Examples of recent developments in this area include the United Nations Declaration of the Rights of Indigenous People and the International Finance Corporation's revised Performance Standard 7, which requires governments to obtain the free, prior, and informed consent of indigenous peoples who may be affected by government action, such as the granting of mining concessions or approval of mine permits. Examples of our operating sites where indigenous people reside or people claiming indigenous status include the Candelaria Mine where linear infrastructure and activities including the desalination plant and port area, power lines, water pipelines and concentrate transport are located in or pass through the vicinity of smaller communities and settlement areas, whereby people claiming Indigenous status reside or conduct their activities, as well as the Eagle Mine, where operations and exploration activities require interaction with Indigenous communities. There is a risk for deteriorated relationship with such stakeholders and that required key approvals, permits or licenses will not be obtained when and as necessary.

Opposition to mining activities by communities or indigenous groups may ultimately affect permitting or approval processes, current and future operations, or further development or new development of projects and mines, as well as the Company's reputation. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks, or other forms of public expression against our activities and may have a negative impact on the Company's reputation and operations.

Opposition by any of the aforementioned groups to the Company's operations, partners or the industry generally may require modification of, or preclude the operation or development of, its projects and mines or may require it to enter into agreements with such groups or local governments with respect to the Company's projects and mines, in some cases, causing increased cost and considerable delays to the advancement of its projects.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

The occurrence of mining regime changes that affect foreign ownership, mineral exploration, development, or mining activities, may affect the Company's viability and profitability

As governments continue to struggle with deficits and concerns over the effects of depressed economies, the mining and metals sector has been targeted to raise revenue. Governments are continually assessing the fiscal terms of the economic rent for a mining company to exploit resources in their countries. Numerous countries, including, but not limited to countries in which the Company operates have implemented changes to their respective mining regimes that reflect increased government control or participation in the mining sector, including changes of law affecting foreign ownership and take-overs, mandatory government participation, taxation and royalties, working conditions, currency remittance, rates of exchange, exchange control, exploration licensing, import restrictions, export duties, repatriation of income or return of capital, environmental protection, surface land access, as well as requirements for local procurement of goods, supplies and employment or other benefits to be provided to local residents. Further, there is a risk that the Company's assets will be subject to nationalization, requisition, or confiscation, whether legitimate or not, or undue taxation by an authority or body. The occurrence of mining regime changes adds uncertainties that cannot be accurately predicted and any future adverse changes in government policies or legislation in the jurisdictions in which the Company operates that affect foreign ownership, mineral exploration, development, or mining activities, may adversely affect the Company's viability and profitability. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as partners with carried or other interests and may adversely affect the Company's operations or profitability. It is not possible for the Company to accurately predict such developments or changes in laws or policy or to what extent any such developments or changes may have an adverse effect on the Company, including, but not limited to, its operations.

In the Company's assessment, these risks have a low probability and, if realized, could have high negative impact on the Company.

Risks related to supplies, employees and contractors

The Company is exposed to risks relating to the pricing and availability of key supplies and services

Mining operations and facilities are intensive users of numerous consumables and services, including electricity and carbon-based fuels. Energy prices can be affected by numerous factors beyond the Company's control, including global and regional supply and demand, weather patterns, political, geo-political and economic conditions and applicable regulatory regimes. For example, in 2021 the Company's Portuguese operating subsidiary's long-term electricity supply contract came up for renewal at a time of rapid and continuous price escalation in power costs across Europe and was unable to secure long-term supply on economically attractive terms resulting in significant exposure to the spot electricity price markets. While the Company has since seen a partial decline in electricity prices, prices are still only available at elevated cost relative to those that the Company had previously enjoyed and there is a risk that favorable long-term electricity prices will not be secured in 2022 at Neves-Corvo or any of the Company's other operations. In addition, a key operational risk is the availability of sufficient power and water supplies to support mining operations. The Company's ability to obtain a secure supply of power and water at a reasonable cost depends on many factors, including global and regional supply and demand; political and economic conditions; problems that can affect local supplies (such as climate, severe weather and inadequate infrastructure); delivery; the ability to extend supply contracts and relevant regulatory regimes, all of which are outside the Company's control. The prices and various sources of energy the Company relies on may be negatively impacted and any such change could have an adverse effect on profitability. There is a risk that the Company cannot secure the required power, water and access rights going forward or on reasonable terms at all of its facilities and the failure to do so could have a material adverse effect on the Company's operations, business, financial condition and results of operations.

Key operating supplies such as fuel, explosives, reagents, tires and spare parts are necessary for the ongoing operations of the Company's mines and mills. If these supplies become unavailable or their costs increase significantly, the profitability of the Company's operations would be negatively impacted.

Concentrate treatment and transportation costs are a significant component of costs. Increases in treatment costs, rates, or lack of available ocean vessels or rail cars may have an adverse impact on results of operations, cash flows and financial position.

In the Company's assessment, these risks have a medium probability and, if realized, could have medium negative impact on the Company.

The Company's ability to attract and retain highly skilled employees may adversely impact the Company's business and future operations

The Company is dependent on the services of a number of key executives and management personnel. The success of the Company's operations is also dependent on its highly skilled and experienced workforce, including employees with adequate institutional and technical knowledge, and skills that satisfy the requirements of a "Qualified Person" under applicable securities laws. There continues to be robust global competition over highly skilled experienced workers which has been exacerbated by recent strong metal prices. In addition, the development of new mines in geographic areas without an established mining industry would require the training of inexperienced workers to staff these new mines. The loss of experienced and knowledgeable employees or our inability to attract and retain additional highly skilled, diverse employees may adversely affect the Company's business and future operations.

In the Company's assessment, these risks have a medium probability and, if realized, could have low negative impact on the Company.

Adverse changes in the relationship between Lundin Mining and its employees and contractors may have a material adverse effect on its business, results of operations and financial condition

Production at the Company's mining operations is dependent upon the efforts of its employees and contractors and the Company's operations would be adversely affected if it fails to maintain satisfactory labor relations. In addition, relations between the Company and its employees may be affected by changes in the scheme of labor relations that may be introduced by the relevant governmental authorities in whose jurisdictions the Company carries on business. A prolonged labor disruption by employees or suppliers at any of the Company's mining operations or distribution channels (i.e., product transporters) could have an adverse effect on the Company's ability to achieve its objectives with respect to such properties and its operations. Strikes or other disruptions occur. For example, in the fourth quarter of 2020, the Company's operations at the Candelaria Mine were impacted for over 50 days by significant labor disruptions during collective bargaining negotiations resulting in considerable production impacts. There is a risk that future negotiations will not be successful and may result in protests and/or labor actions which could be prolonged and could have an adverse effect on the Company's results of operations.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Covid-19 virus

The Company is exposed to risk from the threat of infectious diseases or outbreaks of viruses, including the COVID-19 virus

Global markets have been adversely impacted by emerging infectious diseases and/or the threat of outbreaks of viruses, other contagions or epidemic diseases, including the COVID-19 virus and its variants. The speed and extent of the spread of an infectious disease, including COVID-19 and its variants, and the duration and intensity of resulting business disruption and related financial and social impact, are uncertain, and such adverse effects may be material. Significant outbreaks could result in a widespread crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn which could adversely affect the Company's business. If increased levels of volatility should occur over an extended period, or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, demand for metals, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Company's securities. In addition, there may not be an adequate or effective response to emerging or sustained outbreaks of infectious diseases and governments may impose strict emergency measures in response to the threat or existence of an infectious disease. There are potentially significant economic and social impacts, including travel bans, quarantine and self-isolation, labor shortages and shutdowns, delays and disruption in supply chains, social unrest, government or regulatory actions or inactions (including but not limited to permanent changes in taxation or policies), decreased demand or the inability to sell and deliver concentrates and resulting commodities, declines in the price of commodities, delays in permitting or approvals, governmental disruptions or other unknown but potentially significant impacts. At this time, the Company cannot accurately predict what effects large scale outbreaks or pandemics will have on its operations or financial results, including due to uncertainties relating to the ultimate geographic spread, the duration of the outbreak, and the length of restrictions or responses that have been or may be imposed by the governments. Given the global nature of the Company's operations, the Company may not be able to accurately predict which operations will be impacted. Any outbreak or threat of an outbreak of a contagion or epidemic disease could have a material adverse effect on the Company, its business and operational results.

In the Company's assessment, these risks have a high probability and, if realized, could have low negative impact on the Company.

Environmental risks

The Company is subject to risks associated with climate change

Mining and processing operations are energy intensive, resulting in a significant carbon footprint. The Company acknowledges climate change as an international and community concern. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to the potential impacts of climate change. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, this may result in increased costs at some of the Company's operations. In addition, the physical risks of climate change may also have an adverse effect at some of the Company's operations. These may include extreme weather events, natural disasters, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. For example, one of the Company's smelter customers (Ecobat Stolberg GmbH formerly known as Berzelius Stolberg GmbH) was severely impacted by the 2021 flooding in Germany resulting in a declaration of force majeure. Such climate-related disruptions appear to be increasing in frequency and may have increasingly significant impacts. Associated with these physical risks is an increasing risk of climate-related litigation (including class actions) and the associated costs.

Adverse publicity or climate-related litigation could have an adverse effect on the Company's reputation or financial condition.

Certain Company operations are in regions considered to be at high risk of severe natural phenomena. Thus, the risk for regions already exposed can be considered more severe because of the effects of climate change. Severe drought conditions impacting the regions in which the Company operates may affect its access to adequate water to sustain operations in the normal course, may result in conflict with local communities, or may materially increase operating costs. Conversely, extraordinary storm events may result in localized flooding directly or indirectly impacting mine personnel and operations. In Portugal, the Company has recently experienced both of these issues. In 2020, due to drought-like conditions, the Santa Clara reservoir (the primary source of freshwater for the Neves-Corvo Mine) recorded water levels much lower than historical averages and experienced increased drawdown from the surrounding communities. In late 2020 and early 2021, due to much heavier than anticipated rainfall, Neves-Corvo's treated tailings water facility holding pond experienced a significant increase in water volumes which required controlled discharges of treated water in consultation with the local environmental authorities. Should these extreme climate conditions continue, the mine and local communities may be required to seek out alternative freshwater sources or alter existing water management and treatment facilities which may result in adverse impacts to production and operational costs.

In the Company's assessment, these risks have a high probability and, if realized, could have low negative impact on the Company.

The Company is exposed to risks relating to tailings and waste management that may adversely impact the business and its reputation.

The mining and milling processes generate waste rock and tailings, and the disposal of these materials is subject to substantial regulation and involve significant environmental risks. Tailings are a common by-product of the mining process, consisting of the processed rock or soil left over from the separation of the commodities of value from the rock or soil within which they occur. Tailings are commonly in the form of a slurry of fine silt and sand sized particles and water. While the Company employs a comprehensive approach to tailings management and has committed to the Global Industry Standard on Tailings Management, there is a risk that these measures are not sufficient

In Brazil, regulatory requirements for tailings facility management and reporting have steadily increased in the past several years and have required the Chapada Mine to continue to adapt its practices and procedures to ensure legal and regulatory compliance. In some cases, regulations can be ambiguous or subject to varying interpretations, some of which may not be consistent with the views of government regulatory bodies or the court's interpretation of them. There is a risk of legal or administrative action being taken against it which may have a material adverse impact on the Company.

Waste rock dumps and tailings facilities may also be subject to ground movements or deteriorating ground conditions, natural weathering, the generation, and release of acid rock drainage affecting water quality, extraordinary weather or earthquake events resulting in structural instability or overflow, all of which could require that deposition activities be suspended or altered. The tailings facility infrastructure, including pipelines, pumps, liners, etc. may fail or rupture. The occurrence of such an event may result in environmental release, extended business interruption, damage, or harm to third parties, regulatory fines and penalties, revocation or suspension of permits or licenses, material impact to cash flows, balance sheet, share price and reputational damage.

Environmental and regulatory authorities in the applicable jurisdictions of operation conduct periodic or annual inspections of the relevant mine. As a result of these inspections, the Company is from time to time required to modify its waste and water management programs, complete additional monitoring work or take remedial actions with respect to the operations as it pertains to waste or water management.

Liabilities resulting from non-compliance, damage, regulatory orders or demands, or similar, could adversely and materially affect the Company's business, results of operations and financial condition. Moreover, in the event that the Company is deemed liable for any damage caused by a breach, failure or overflow, the Company's losses or consequences of regulatory action might not be covered by insurance policies.

In the Company's assessment, these risks have a low probability and, if realized, could have high negative impact on the Company.

A number of concentrate products include varying amounts of minor elements that are subject to increasing environmental regulation, which may expose the Company to higher smelter treatment charges, penalties or limit the Company's ability to sell certain products

The Company's customer smelters are subject to increasingly stringent environmental regulation which could adversely affect their ability to treat concentrates from certain of the Company's operations. The nature of the ore mined by the Company changes as different parts of an orebody are accessed. This may result in higher levels of minor elements which may negatively impact the marketability of the Company's concentrate. The Company relies on customer smelters to process its concentrates into metals for sale. The Company may be required to pay higher smelter treatment charges or specific penalties relating to minor elements present in its concentrates, it may incur additional costs to blend certain products, or it may not be able to sell certain products in certain jurisdictions, depending on the regulatory environment.

In the Company's assessment, these risks have a low probability and, if realized, could have low negative impact on the Company.

Legal and regulatory risks

The nature of the Company's business includes risks related to litigation and administrative proceedings that could materially adversely affect the Company's business and financial performance

The nature of the Company's business exposes it to various litigation matters, including civil liability claims, environmental matters, health and safety matters, regulatory and administrative proceedings, governmental investigations, tort claims, allegations of discriminatory practices, harassment, unethical behavior, breach of human rights, contract disputes, labor matters and tax matters, among others. In addition, the Company may be subject to proceedings as a result of misconduct by its employees or third-party contractors, such as theft, bribery, sabotage, fraud, insider trading, violation of laws, slander or other illegal actions. The mining industry is subject to legal claims, with and without merit. The Company is currently involved in litigation and may become involved in legal disputes in the future. Defense and settlement costs associated with litigation can be substantial, even with respect to claims that are frivolous or have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding may have a material adverse effect on the Company's financial position or results of operations. Securities class action litigation is also becoming more prevalent and is often brought against companies following periods of volatility in the market price of their securities.

The Company cannot predict the outcome of these pending or threatened proceedings or actions or any other litigation. If the Company cannot resolve disputes favorably, or if there is significant reputational damage as a result of any real or frivolous claim, the Company may face increased costs or liabilities to third parties, impairment of assets, lost revenues and the Company's activities and operations, financial condition, results of operations, future prospects and share price may be adversely affected.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Compliance with environmental, health and safety laws and regulations, including changes to such laws or regulations, could adversely affect the Company's results of operations

The Company's operations are subject to environmental, health and safety regulation in the various jurisdictions in which it operates, including protection of the environment, waste disposal, worker safety, mine development, water management and protection of endangered and other special status species. These operations are subject to various political, economic and social uncertainties, and local laws and regulations. The implementation of new, or the amendment of, existing laws and regulations affecting the mining and metals industry could have an adverse impact on the Company. Further, global initiatives such as those related to climate change, may result in new restrictions affecting not only the mining sector but also key supply chain partners, such as the shipping industry where new requirements to curb greenhouse gas emissions have been promulgated.

These regulations mandate, among other things, the preparation of environmental assessments before commencing certain operations or renewing certain permits, the maintenance of air and water quality standards and land reclamation. They also set out limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner that will likely, in the future, require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. Continuing issues with tailings dam failures at other companies' operations may increase the likelihood that these stricter standards and enforcement mechanisms will be implemented in the future. There is a risk that future changes in environmental regulation will adversely affect its results of operations.

The general area in which the Candelaria Mine is located is arid, contains limited natural vegetation and hosts a number of other industrial and agricultural operations, resulting in considerable latent dust and particulates in the air. Candelaria employs processes and technology to monitor and manage air quality impacts and regularly reviews and updates them. In 2021, the areas of Copiapó and Tierra Amarilla were formally declared a saturated zone for purposes of Chilean law. A saturation zone declaration triggers an obligation for the State to prepare and subsequently implement a decontamination plan in the area. A decontamination plan could require Candelaria to implement additional controls or measures or modify existing ones (including potentially curtailing or resequencing production related activities (such as trucking and blasting), which could adversely affect Candelaria activities, production, and profitability.

Failure to comply with applicable laws, regulations and permitting requirements (including allegations of such) may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, remedial actions, materially increased costs of compliance or impaired ability to secure future approvals and permits. Parties engaged in mining operations or in the exploration or development of mineral properties may also be required to compensate those suffering loss or damage due to the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. For example, in Brazil the Company's Chapada Mine has been engaged since 2019 with the environmental regulator, SEMAD, in a legislated process to consolidate and thereby regularize various historical technical non-compliances which have developed since the mine began operating in 2006 including, certain current operational activities taking place on the basis of expired permits or preliminary permits (such as installation permits) or outside of the defined permit requirements. While draft conditions were informally received around October 2020 and the Company continues to engage in good faith discussions to resolve open matters, there is a risk that the Company will not be successful and/or will face regulatory or other sanctions.

The occurrence of any environmental violation or enforcement action may have an adverse impact on the Company's reputation and could adversely affect its results of operations.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Activist shareholders or proxy solicitation firms could advocate for changes to the Company's corporate governance and operational practices, which could have an adverse effect on the Company's reputation, business, and future operations

In recent years, publicly-traded companies have been increasingly subject to demands from activist shareholders and proxy solicitation firms advocating for changes to corporate governance practices, such as executive compensation practices, social issues, Board composition, or for certain corporate actions or reorganizations. There is a risk that activist shareholders and proxy solicitation firms will publicly advocate for the Company to make certain corporate governance changes or engage in certain corporate actions. Responding to challenges from activist shareholders, such as proxy contests, media campaigns or other activities and similar activities from proxy solicitation firms, could be costly and time consuming and could have an adverse effect on the Company's reputation and divert the attention and resources of the Company's management and Board, which could have an adverse effect on the Company's business and results of operations. Activist shareholders and proxy solicitation firms may continue to promote or attempt to effect further changes. Activist shareholders may attempt to acquire control of the Company to implement such changes. If shareholder activists with differing objectives are elected to the Board, this could adversely affect the Company's business and future operations. Additionally, shareholder activism could create uncertainty about the Company's future strategic direction, resulting in loss of future business opportunities, which could adversely affect the Company's business, future operations, profitability, and the Company's ability to attract and retain qualified personnel.

In the Company's assessment, these risks have a low probability and, if realized, could have low negative impact on the Company.

Historical environmental liabilities and ongoing reclamation obligations may impose significant costs on the Company

Some of the Company's properties may have been used for mining and related operations for many years before being acquired and may have been acquired with assumed environmental liabilities from previous owners or operators. Environmental conditions may exist on these and other properties that are unknown and/or have been caused by previous or existing owners or operators of such properties, the remediation of which may be (or be perceived to be) the Company's responsibility. As the Company grows, it may acquire exploration licenses or operating assets that include old mine workings or closed facilities within the licensed concession. Such sites may be subject to existing or new requirements for their remediation and care and the Company may be required to resolve any such issues to satisfy regulatory requirements and/or key stakeholders. Such requirements may impose significant conditions and costs on the Company.

For example, the Company continues to monitor the Storliden site in northern Sweden, where production ceased in 2008. In 2021, the Company unsuccessfully contested a request from the local county board on the scope, timing, and cost of further environmental studies in and around Åmmeberg. There is a risk for allegations that the Company is partially liable for any remediation costs that may be required. There is a risk that additional, potentially onerous requirements will be asked of or imposed on the Company in the future.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Conflicts of interest and public association with other Lundin Group companies or entities may directly or indirectly impact the Company

Some of the directors, employees/officers and key advisors of the Company are also directors, employees/officers, key advisors, or shareholders of other companies that are similarly engaged in the business of acquiring, exploring, developing, and operating natural resource properties. Such associations may give rise to actual or perceived conflicts of interest from time to time. There is a risk that conflicts of interests may not always be fully or timely identified which could potentially result in adverse impacts on the Company.

The Company is publicly associated with the Lundin Group and Lundin Foundation. The Lundin Group is a collection of approximately a dozen individually managed public companies (including the Company) focused on the resource sector and in which the Lundin family trust has varying degrees of direct or indirect share ownership or other interests. The Lundin Foundation is a Canadian registered non-profit organization that is supported by the Lundin Group of companies (including the Company) and is focused on working collaboratively with communities and corporate partners to create lasting economic opportunities in underserved communities. The Lundin Group is not a legal entity and neither the Lundin Group nor the Lundin Foundation have any control or authority over the Company. Nevertheless, the public association may create a degree of confusion in the mind of suppliers, governments, the investing public, and other stakeholders which may result in adverse impacts on the Company and its interests.

In the Company's assessment, these risks have a medium probability and, if realized, could have low negative impact on the Company.

The Company may be subject to the exclusive jurisdiction of foreign courts, which would impact investors' ability to enforce legal rights. In addition, uncertainty in government agency interpretation or court interpretation and application of laws and regulations could result in unintended non-compliance

The Company's operating assets are owned by subsidiaries that are organized under the laws of foreign jurisdictions and certain of the Company's directors, management and personnel are located in foreign jurisdictions, and as a result investors may have difficulty in effecting service of process within Canada and collecting from or enforcing against the Company, or its directors and officers, any judgments issued by the Canadian courts or Canadian securities regulatory authorities which are predicated on the civil liability provisions of Canadian securities legislation or other laws of Canada. Similarly, in the event a dispute arises in connection with the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada.

The courts in some of the foreign jurisdictions in which the Company operates may offer less certainty as to the judicial outcome of legal proceedings or a more protracted judicial process than is the case in more established economies. Operating in emerging markets can increase the risk that contractual and/or mineral rights may be disregarded or unilaterally altered. Businesses can become involved in lengthy court cases over simple issues when rulings are not clearly defined, and the poor drafting of laws and excessive delays in the legal process for resolving issues or disputes compound such problems. In addition, there may be limited or no relevant case law providing guidance on how courts would interpret such laws and the application of such laws to the Company's contracts, joint ventures, licenses, license applications or other legal arrangements. Accordingly, there is a risk that contracts, joint ventures, licenses, license applications or other legal arrangements will be adversely affected by the actions of government authorities and the effectiveness of and enforcement of such arrangements in these jurisdictions. Moreover, the commitment of local businesses, government officials and agencies and the judicial system in these jurisdictions to abide by legal requirements and negotiated agreements may be more uncertain and may be susceptible to revision or cancellation, and legal redress may be uncertain or delayed. These uncertainties and delays could have a material adverse effect on the Company's business and operational results.

Any challenges or defects in title or termination of mining or exploitation concessions to the Company's properties could have a material and adverse effect on the Company's cash flow, results of operations and financial condition

The validity of mining or exploitation claims, which constitute most of the Company's property holdings, can be uncertain, may be contested, and title insurance is generally not available. Each sovereign state is generally the sole authority able to grant mineral property rights, and the ability to ensure that the Company has obtained secure title to individual mineral properties or mining concessions may be severely constrained. The Company has not conducted surveys of all the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. There is a risk that there are title defects affecting its properties. There is a risk that the Company's properties, may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects (particularly title to undeveloped properties).

Under the laws of the jurisdictions where the Company's operations, development projects and prospects are located, Mineral Resources belong to the state and governmental concessions are required to explore for, and exploit, Mineral Reserves. The Company holds mining, exploration, and other related concessions in each of the jurisdictions where it is operating and where it is carrying on development projects and prospects. The concessions held by the Company in respect of its operations, development projects and prospects may be terminated under certain circumstances, including where minimum activity/production levels are not achieved by the Company (or a corresponding penalty is not paid) if certain fees are not paid or if environmental and safety standards are not met.

Any challenges, disputes, or termination of any one or more of the Company's mining, exploration or other concessions, property holdings or titles could have a material adverse effect on the Company's financial condition or results of operations.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

The Company is subject to laws in various jurisdictions and failure, or alleged failure, to comply with such laws, or any changes in such laws could adversely affect its operational results

The Company has mining operations in Brazil, Chile, Portugal, Sweden, and the United States, and exploration and inactive mine properties in various countries. Accordingly, the Company's mining, processing, development, and mineral exploration activities are subject to various political, economic, and social uncertainties, and local laws and regulations governing prospecting, development, production, royalties, taxes, climate change, labor standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local and indigenous people and other matters. Non-compliance with applicable laws, regulations and permitting requirements (including allegations of such) may result in civil litigation, administrative or criminal sanctions or regulatory enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed or causing the withdrawal of mining licenses, and the imposition of corrective measures requiring material capital expenditure or remedial action resulting in materially increased costs of compliance, reputational damage and potentially impaired ability to secure future approvals and permits. For example, at the Chapada Mine, numerous historical permits, some of which had expired or were otherwise subject to certain compliance risks or irregularities, are now part of a legislated corrective process that would consolidate these historical permits into a single Unification License. This corrective process includes additional operational requirements and conditions. This regularization process and/or any change in the regulatory staff overseeing it may impact or delay the Company's ability to extend its primary operating license in 2022 and/or trigger investigations or other actions by applicable government regulators which could result in the imposition of sanctions, fines, penalties, or additional requirements (such as a renewed, broader environmental impact assessment process).

The Company's operations are governed by, and involve interactions with, many levels of government in numerous countries which raises corruption risk. The Company, its employees, officers, directors, contractors, and third-party agents are required to adhere to policies governing ethical business conduct and practices, which include compliance with anti-corruption and anti-bribery laws, including the Canadian Corruption of Foreign Public Officials Act and the U.S. Foreign Corrupt Practices Act, as well as similar laws in the countries in which the Company conducts business. Furthermore, the Company, its employees, officers, directors, contractors, and third-party agents may be subject to investigations and allegations with respect to anti-corruption and anti-bribery matters, as well as theft, sabotage, fraud, insider trading, violation of laws, slander, or other illegal actions. In 2021, the Company was joined into an investigation in Chile related to certain payments and social funding commitments made by the Company's Chilean operating subsidiary pursuant to separate settlement and community development agreements agreed to with the local municipality during the pendency of the Company's 2015 environmental permit review and approval process. Any investigation or allegation of wrongdoing involving the Company, its employees, officers, directors, contractors, and third-party agents, even if without merit or unfounded, may have an adverse effect on the Company's reputation or the results of its operations.

There is a risk that new laws, rules, or regulations will be enacted or that existing laws, rules, or regulations will not be applied in a manner which could limit or curtail production or development or otherwise adversely affect the Company's costs of operations and financial results.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Risks related to Mineral Reserves and Mineral Resources

The Company's Mineral Reserves and Mineral Resources are estimates only and there is a risk that the anticipated tonnages and grades will not be achieved, that the indicated level of recovery will not be realized and that Mineral Reserves could not be mined and processed profitably

To extend the lives of its mines and projects, ensure the continued operation of the business and realize its growth strategy, it is essential that the Company continues to realize its existing identified Mineral Reserves, convert Mineral Resources into Mineral Reserves, increase its Mineral Resource base by adding new Mineral Resources from areas of identified mineralized potential, and/or undertake successful exploration and/or acquire new Mineral Resources. Exploration is highly speculative in nature and identifying new ore bodies is becoming increasingly difficult.

There is a risk that the anticipated tonnages and grades in respect of Mineral Reserves and Mineral Resources contained in the Prospectus will not be achieved, that the indicated level of recovery will not be realized and that Mineral Reserves will not be mined and processed profitably. The Company's ability to maintain or increase its annual production will be dependent in part on its ability to bring new mines into production and to expand Mineral Reserves at existing mines. Actual Mineral Reserves may not conform to geological, metallurgical, or other expectations, and the volume and grade of ore recovered may differ from estimated levels. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Mineral Resource estimates for properties that have not commenced production are based, in many instances, on limited and widely spaced drill hole information, which is not necessarily indicative of the conditions between and around drill holes. Accordingly, such Mineral Resource estimates may require revision as more drilling information becomes available, as actual production experience is gained or as the Company's mining methods are changed. There is a risk that part or all of the Company's Mineral Resources does not constitute and will not be converted into Mineral Reserves. In addition, short-term operating factors relating to the Mineral Reserves, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may require significant capital expenditures in any particular accounting period. In addition, there is a risk that recoveries in small scale laboratory tests will not be duplicated in larger scale tests under on-site conditions or during production. Lower market prices, increased production costs, reduced recovery rates and other factors may result in a revision of its Mineral Reserve estimates from time to time or may render the Company's Mineral Reserves uneconomic to exploit. Mineral Reserve data is not indicative of future results of operations.

If the Company's actual Mineral Reserves and Mineral Resources are less than current estimates or if the Company fails to expand or develop its Mineral Resource base through the realization of identified mineralized potential or replace depleted Mineral Reserves through development or acquisition, its production, results of operations or financial condition may be materially and adversely affected. Evaluation of Mineral Reserves and Mineral Resources occurs from time to time and they may change depending on further geological interpretation, drilling results and metal prices. The category of Inferred Mineral Resource is the lowest confidence Mineral Resource category and is subject to the most variability. There is a risk that Inferred Mineral Resources will not be upgraded to Measured Mineral Resources or Indicated Mineral Resources and subsequently to Proven Mineral Reserves and Probable Mineral Reserves as a result of continued exploration.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Risks related to acquisitions

The Company does not currently control Josemaria Resources and the Transaction may not complete

The Company will not control Josemaria until completion of the Transaction and the business and results of operations of Josemaria may be adversely affected by events that are outside of the Company's control during the intervening period. The performance of Josemaria may be influenced by, among other factors, economic downturns, changes in commodity prices, political instability in Argentina, changes in applicable laws, expropriation, increased environmental regulation, volatility in the financial markets, unfavorable regulatory decisions, litigation, rising costs, civic and labor unrest, disagreements with joint venture partners, delays in ongoing exploration and development projects and other factors beyond the Company's control. As a result of any one or more of these factors, among others, the operations and financial performance of Josemaria may be negatively affected, which may adversely affect the Company's financial results in the future.

Further, each of Josemaria Resources and Lundin Mining has the right to terminate the Arrangement Agreement in certain circumstances. In addition, the Transaction is conditional upon, among other things, regulatory approvals, including but not limited to TSX, Nasdaq Stockholm's admission to trading of the new common shares of the Company and the satisfaction of customary closing conditions, in addition to Josemaria Resources securityholder and court approvals. There can be no assurance that a party won't terminate the Arrangement Agreement and there can be no assurance that any or all closing approvals will be obtained. Failure to complete the Transaction could adversely affect the Company's business.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

The Company may not complete any acquisitions or business arrangements that it pursues, or is pursuing, on favorable terms and there is a risk that any acquisitions or business arrangements completed will not ultimately benefit the Company's business

From time to time, the Company examines opportunities to acquire additional mining assets and businesses. Any acquisition that the Company may choose to complete may be of a significant size, may change the scale of the Company's business and operations, and may expose the Company to new or greater geographic, political, operating, financial, legal and geological risks. The Company's success in its acquisition activities depends on its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of the Company. Any acquisition and any potential acquisition would be accompanied by risks, including the Josemaria Transaction. For example, there may be a significant change in commodity prices after the Company has committed to complete the transaction and established the purchase price or exchange ratio; a material orebody may prove to be below expectations; the Company may have difficulty integrating and assimilating the operations and personnel of any acquired companies (which may be compounded by geographical separation, unanticipated costs, and the loss of key employees), realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; the integration of the acquired business or assets may divert the attention of management or disrupt the Company's ongoing business and its relationships with employees, customers, suppliers and contractors; and the acquired business or assets may have unknown liabilities which may be significant.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

Risks related to the Shares

Market volatility may impact the price of the Company's common shares

Securities of mining companies experience volatility, at times unrelated to the financial performance or prospects of the companies involved. The Company's share price may be significantly affected by factors unrelated to the Company's performance. Macro-economic, geo-political, and industry-related events, speculation about the Company in the press or investment community, speculation about the metals the Company produces, changes in valuation of similar companies, attempts to benefit from shorting the Company's common shares, additions or departures of key personnel, strategic acquisitions by the Company or competitors and regulatory changes, among others, may affect investor sentiment and have an impact on the price of the Company's common shares. As a result of these changes, the market price of the Company's common shares at any given point in time may not accurately reflect its long-term value.

In the Company's assessment, these risks have a medium probability and, if realized, could have low negative impact on the Company.

The Company has a significant shareholder, and dispositions by the significant shareholder could have an adverse effect on the market price of its common shares

Nemesia, which is controlled by two private companies owned by a trust settled by the late Adolf H. Lundin, currently owns approximately 13.0% of the Company's common shares. If Nemesia were to sell a substantial number of common shares in the public market, the market price of the common shares could fall. Further, as long as Nemesia maintains its current ownership interest in the Company, it may be able to exert influence over matters that are to be determined by votes of the holders of common shares. There is a risk that the interests of Nemesia differ from those of other shareholders.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

The Company's common shares are subject to risks relating to dilution

The Company may issue additional securities to raise funds, to pay for acquisitions or for other reasons. The Company cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of common shares. Sales or issuances of substantial numbers of common shares, or the expectation that such sales could occur, may adversely affect prevailing market prices of the Company's common shares. In connection with any issuance of common shares, investors will suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

In the Company's assessment, these risks have a low probability and, if realized, could have medium negative impact on the Company.

There is risk that dividends will not continue to be paid in the future

Payment of any future dividends will be at the discretion of the Board after taking into account many factors, including the Company's operating results, financial condition, comparability of the dividend yield to peer companies and current and anticipated cash needs. There is a risk that dividends will not continue to be paid in the future or on the same terms as are currently paid by the Company.

In the Company's assessment, these risks have a low probability and, if realized, could have low negative impact on the Company.

Background and reasons

On December 20, 2021 Lundin Mining announced that it had entered into the Arrangement Agreement with Josemaria Resources to acquire all of the issued and outstanding shares of Josemaria Resources through a plan of arrangement for an implied equity value of approximately C$625 million (US$485 million) as at such date.

Lundin Mining will acquire 100% of the Josemaria copper-gold project located in the San Juan Province of Argentina (the "**Josemaria project**", "**Josemaria**" or the "**project**"). The Josemaria project is a unique opportunity at an advanced stage with a clear path to production. With Josemaria, Lundin Mining positions itself as a major copper producer with a diversified portfolio of high-quality, long-life base metal assets.

Under the terms of the Transaction, Josemaria Resources Shareholders may elect to receive: (i) 0.1487 of a Lundin Mining Share for each Josemaria Resources Share held plus for each whole Lundin Mining Share issued to such Josemaria Resources Shareholder, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder; or (ii) C$1.60 in cash for each Josemaria Resources Share held; or (iii) any combination thereof, subject, in each case, to pro-ration.

The Consideration will be subject to a maximum Cash Consideration of approximately C$183 million and a maximum Share Consideration of approximately 39,700,000 Lundin Mining Shares, equating up to 30% of the Consideration payable in cash and 70% of the Consideration payable in Lundin Mining Shares, respectively. The Maximum Cash and Maximum Shares will be adjusted by C$0.48 in cash and 0.1041 of a Lundin Mining Share for each Josemaria Resources Share issued following the date of the Arrangement Agreement and prior to the effective time of the Transaction.

The Consideration implies a purchase price of C$1.60 per Josemaria Resources Share, representing a 29% premium to Josemaria Resources' 10-day volume weighted average price on the Toronto Stock Exchange ("**TSX**") for the period ended December 17, 2021.

On February 17, 2022, Lundin Mining announced a semi-annual variable performance dividend of C$0.11 per Lundin Mining share to be paid to Lundin Mining shareholders. In accordance with the terms of the Arrangement Agreement, the Share Consideration payable pursuant to the Transaction was adjusted such that, for each whole Lundin Mining Share that is issued to such Josemaria Resources Shareholder on closing of the Transaction, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder to reflect the semi-annual variable performance dividend of Lundin Mining and on March 7, 2022, the Plan of Arrangement was revised to reflect the same. The Cash Consideration remained unchanged.

Transaction overview

Approval of Josemaria security holders and court approval

The Transaction will be effected by way of a court-approved plan of arrangement under the CBCA and will require approval by (i) 66⅔% of the votes cast by Josemaria Resources Shareholders and (ii) 66⅔% of the votes cast by Josemaria Resources securityholders (comprised of shareholders and optionholders), voting as a single class.

Consideration

Under the terms of the Transaction, Josemaria Resources Shareholders may elect to receive: (i) 0.1487 of a Lundin Mining Share for each Josemaria Resources Share held, plus for each whole Lundin Mining Share issued to such Josemaria Resources Shareholder, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder; or (ii) C$1.60 in cash for each Josemaria Resources Share held; or (iii) any combination thereof. The Consideration is subject to pro-ration based on a maximum Cash Consideration of approximately C$183 million and a maximum Share Consideration of approximately

39,700,000 Lundin Mining Shares, equating to 30% of the Consideration payable in cash and 70% of the Consideration payable in Lundin Mining Shares, respectively. The Maximum Cash and Maximum Shares will be adjusted by C$0.48 in cash and 0.1041 of a Lundin Mining Share for each Josemaria Resources Share issued following the date of the Arrangement Agreement and prior to the effective time of the Transaction.

In the event that the aggregate amount of the Cash Consideration or Share Consideration elected by all Josemaria Resources Shareholders exceeds the respective limits, the Consideration will be pro-rated and Josemaria Resources Shareholders will receive the other form of Consideration for the balance of their Josemaria Resources Shares.

Board approvals, recommendations and fairness opinion

The Arrangement Agreement has been unanimously approved by the Board of Directors of each of Lundin Mining and Josemaria Resources, excluding: (i) in the case of Lundin Mining, Messrs. Ashley Heppenstall, Lukas Lundin and Jack Lundin who were recused from the considerations of the Transaction and abstained from voting on the Transaction as Mr. Heppenstall, a lead director of Lundin Mining is also a director of Josemaria Resources and Messrs. Jack Lundin and Lukas Lundin, a director and the Chair of Lundin Mining (respectively), are strategic advisors of Josemaria Resources; and (ii) in the case of Josemaria Resources, Mr. Ashley Heppenstall. The special committee of independent directors of Lundin Mining unanimously recommended that the Board approve the Transaction and the entering into of the Arrangement Agreement. The special committee of independent directors of Josemaria Resources unanimously recommended that the Board of Directors of Josemaria Resources approve the Transaction and the entering into of the Arrangement Agreement and recommend to the shareholders of Josemaria Resources to vote in favour of the Transaction.

The Arrangement Agreement includes a US$100 million bridge financing facility with drawdowns based on budgets approved by Lundin Mining.

Morgan Stanley has provided a fairness opinion to the Lundin Mining Board and TD Securities Inc. has provided a fairness opinion to the Lundin Mining special committee, each stating that, as of the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications stated in such opinion, the Consideration to be paid by Lundin Mining under the Transaction was fair, from a financial point of view, to Lundin Mining.

BMO Capital Markets provided the Josemaria Resources special committee and board of directors with a fairness opinion to the effect that, as of the date of such opinion, the Consideration to be paid under the Transaction is fair, from a financial point of view, to holders of Josemaria Resources Shares, based upon and subject to the respective assumptions, limitations, qualifications and other matters set forth in such opinion.

Undertakings to vote in favour of the Transaction

Officers, directors and strategic advisors of Josemaria Resources, along with the largest shareholders of Josemaria Resources, being Lorito Holdings S.á.r.l. ("**Lorito**") and Zebra Holdings and Investments S.á.r.l. ("**Zebra**"), representing in aggregate approximately 42% of the issued and outstanding Josemaria Resources Shares, have entered into voting support agreements with Lundin Mining and have agreed to vote in favour of the Transaction at the Josemaria Meeting to be held to consider the Transaction. Lorito and Zebra representatives have indicated the intention to elect to receive entirely the Share Consideration.

Other Transaction key terms and conditions

Completion of the Transaction is expected to occur early in the second quarter of 2022 and is subject to regulatory approvals, including but not limited to TSX, Nasdaq Stockholm's admission to trading of the new Lundin Mining Shares and the satisfaction of customary closing conditions, in addition to Josemaria Resources securityholder and court approval. The Arrangement Agreement also provides for customary deal-protection measures, including and among others, non-solicitation provisions on the part of Josemaria Resources (subject to customary "fiduciary out" provisions), a right to match an unsolicited superior proposal in favour of Lundin Mining, and a termination fee of C$20 million payable by Josemaria Resources to Lundin Mining under certain circumstances.

Lundin Mining and Josemaria Resources have provided representations and warranties customary for a transaction of this nature. Josemaria Resources has provided customary interim period covenants regarding the operation of its business in the ordinary course.

Further information regarding the Transaction and the Josemaria Meeting

Further information regarding the Transaction will be contained in an information circular (the "**Josemaria Circular**") that Josemaria Resources will prepare, file and mail in due course to its securityholders in connection with the Josemaria Meeting to be held to consider the Transaction.

Details regarding these and other terms of the Transaction are set out in the Arrangement Agreement, which is available on the Company's and Josemaria Resources' respective profile on SEDAR at www.sedar.com (the information on the website does not form part of the Prospectus).

Responsibility for the Prospectus

The Board is responsible for the contents of this Prospectus. The Board hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

The Board of Directors of Lundin Mining Corporation.

Toronto, Ontario, Canada

March 24, 2022

Information regarding the Arrangement

Acquisition highlights and strategic rationale

Aligned with Lundin Mining's strategic goals – Acquisition of the Josemaria project delivers large-scale copper-gold growth. Delivering on the Company's stated strategy, Josemaria complements the existing portfolio of high-quality, long-life base metals mines and adds a strong third pillar to its South American copper business.

Materially increases Lundin Mining copper production and scale – Once in production, Josemaria is expected to produce on average over 130,000 tonnes of copper, nearly 225,000 oz of gold and 1.0 million oz of silver annually over a 19-year mine life (see "Josemaria Copper-Gold Project overview").

This growth would increase the Company's copper production by nearly 50%, and gold production over 140%, compared to guidance for 2022. Josemaria is a top-10 open pit copper asset in the Americas with an estimated 6.7 billion lb of copper, 7.0 million oz of gold and 30.7 million oz of silver in Mineral Reserves (see "Josemaria Mineral Reserve and Mineral Resource Estimates").

- **Clear path to development** – Josemaria Resources has been advancing the feasibility-stage project through environmental approvals with the Province of San Juan and has been negotiating commercial and fiscal terms with the San Juan and Federal authorities. Josemaria Resources anticipates these will be finalized in 2022 and has outlined a project timeline of approximately five years to commercial production. The Lundin family has a 30-year track record of successfully developing mutually beneficial relationships in San Juan and Catamarca provinces of Argentina.
- **Robust project economics** – The November 2020 Josemaria Technical Report estimates robust after-tax NPV, IRR and a short payback period using conservative-to-spot metal prices. With cash costs forecast to be in the 2nd quartile globally, Josemaria is positioned to generate meaningful cash flow throughout the metal price cycle.
- **Removes project financing constraints** – Within Lundin Mining, capital financing risks to the project timeline and Josemaria Resources Shareholders are significantly reduced. The project capital and development timeline offer many funding options under Lundin Mining's stewardship making advancement of permitting and construction the primary focus. The Company expects to continue to generate significant free cash flow at current metal prices, has significant debt capacity supported by the existing portfolio of assets and can proceed while also advancing organic growth opportunities at existing operations.
- **Asset and geographic diversification** – Josemaria adds meaningful-scale copper-gold production growth to Lundin Mining's portfolio, providing further geographic diversification while maintaining a favourable copper-dominant commodity mix.
- **Continued balance sheet strength and attractive direct returns** – The Transaction Cash Consideration will be financed with existing liquidity, which as at September 30, 2021, included cash and cash equivalents of nearly US$430 million and approximately US$780 million available for drawdown on the Company's credit facility. The Company expects to maintain its direct return of capital to shareholders under its dividend framework throughout the development of the Josemaria project.
- **Upside exploration potential** – Lundin Mining believes there is significant potential to further increase value over the longer-term leveraging its copper-focused exploration expertise. Exploration potential in a highly prospective and emerging district, combined with the large Mineral Resource base, position Josemaria as the center of gravity for future development and expansion.

Josemaria copper-gold project overview

*Unless otherwise noted, all information (including scientific and technical information) relating to the Josemaria Copper-Gold Project has been reviewed and approved by Mr. Robert Carmichael, P. Eng. (BC), the corporation's Vice President of Exploration and Mr. Dustin Smiley, P. Eng. (BC), the corporation's Engineering Manager, who are qualified persons pursuant to NI 43-101 (as defined below). Further details with respect to the Josemaria project are available in technical report entitled "NI 43-101 Technical Report, Feasibility Study for the Josemaria Copper-Gold Project, San Juan Province, Argentina" dated November 5, 2020 (the "**Josemaria Technical Report**") prepared for Josemaria Resources and filed under Josemaria Resources' SEDAR profile at www.sedar.com (the information on the website does not form part of the Prospectus).*

Located entirely within the San Juan Province of Argentina, the Josemaria project is expected to produce an average of 166,000 tonnes of copper, 331,000 oz of gold and 1.2 million oz of silver per year for the first three years. Over a 19-year mine life defined by the current Mineral Reserve estimate, average annual production is forecast to be 131,000 t of copper, 224,000 oz of gold and 1.0 million oz of silver at an average total cash cost of US$1.55/lb of copper equivalent.

A feasibility study was completed on the project in November 2020, key operational findings of which are presented in the table at the end of this section. Upon completion of the Transaction, Lundin Mining plans to further review and undertake additional study work on the project development timeline, capital expenditure estimates, and economic estimates.

The project has been advancing through environmental approvals, and commercial and fiscal terms with federal and provincial authorities. The Environment and Social Impact Assessment (ESIA) for the project was submitted in the first quarter of 2021. Josemaria Resources anticipates the ESIA and commercial and fiscal terms to be finalized in 2022, outlining a project timeline of approximately five years to commercial production.

The Josemaria deposit is classified as a porphyry copper-gold system. The deposit area measures approximately 1,500 m north-south by approximately 1,000 m east-west and 600 to 700 m vertically from surface, within a larger alteration footprint of up to 4 km north-south by 2 km east-west. The deposit remains open to the south, beneath a thickening cover of post mineral volcanic rocks and also at depth.

Project highlights:

Mining – Josemaria is to be developed as a large-scale open-pit with a low strip ratio of 0.98 over the 19-year mine life. Electrically powered hydraulic shovels are envisaged in combination with ultra-class 360-tonne haul trucks.

Processing – Mineral processing is to consist of a conventional crush, grind and flotation flowsheet producing a gold-rich copper concentrate. The concentrator is designed to treat sulphide ores at an average capacity of approximately 152,000 tpd, varying by ore type and characteristics over the life-of-mine.

Copper concentrate – Conventional sulphide flotation is to produce copper concentrate with significant gold by-product credit with an average copper concentrate grade of approximately 27% copper.

Operating costs – Life-of-mine total cash cost is estimated to average US$1.55/lb of copper equivalent (co-product basis). Low overall operating costs can be attributed to the low strip ratio and lower cost of power and labour than many other established mining jurisdictions.

Mineral Reserves – Mineral Reserves are estimated by Josemaria Resources to be 1,012 Mt at an average grade of 0.30% copper, 0.22 g/t gold and 0.94 g/t silver, containing approximately 6.7 billion lb of copper, 7.0 million oz of gold and 30.7 million oz of silver estimated using a copper price of US$3.00/lb, gold price of US$1,500/oz and silver price of US$18.00/oz silver. The current Mineral Reserves support a 19-year operational life at the envisaged processing rate of an average of approximately 152,000 tpd.

Josemaria November 2020 feasibility study operational highlights

Average Process Capacity	152,000 tonnes/day	
Mine Life	19 years	
Life-of-Mine Mill Feed	1,012 million tonnes	
Life-of-Mine Diluted Grades	0.30% copper, 0.22 g/t gold, 0.94 g/t silver	
Life-of-Mine Strip Ratio (Waste:Ore)	0.98:1	
Life-of-Mine Average Process Recovery	85.2% copper, 62.6% gold, 72.0% silver	
Average Annual Payable	*First 3 Years*	*Life-of-Mine*
Metal Production	166,000 tonnes copper	131,000 tonnes copper
	331,000 oz gold	224,000 oz gold
	1,248,000 oz silver	1,048,000 oz silver
Total Cash Cost (co-product)	US$1.55/lb copper equivalent	
Metal Prices	US$3.00/lb copper, US$1,500/oz gold, US$18.00/oz silver	

Josemaria Mineral Reserve and Mineral Resource estimates

The estimated Mineral Reserve for the Josemaria project, estimated by Josemaria Resources, is presented in the table below and is extracted from the Josemaria Technical Report. Further details about the Mineral Reserve and Mineral Resource estimates, including assumptions, parameters, estimation methods used, risks and data verification measures, are available in the Josemaria Technical Report filed under Josemaria Resources' SEDAR profile at www.sedar.com (the information on the website does not form part of the Prospectus).

Josemaria mineral reserve statement

Mineral reserve statement for the Josemaria Project, San Juan province, Argentina, September 28, 2020

Category	Tonnage	Grade			Contained Metal		
	(Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (M lbs)	Au (M oz)	Ag (Moz)
Proven	197	0.43	0.34	1.33	1,844	2.14	8.43
Probable	815	0.27	0.19	0.85	4,861	4.87	22.29
Total Proven and Probable	**1,012**	**0.30**	**0.22**	**0.94**	**6,705**	**7.02**	**30.72**

Notes to accompany Josemaria Mineral Reserve statement:

1. Mineral reserves have an effective date of 28 September 2020. The Qualified Person for the estimate is Mr. Robert McCarthy, P.Eng.
2. The mineral reserves were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Definition Standards for Mineral Resources and Reserves, as prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
3. The mineral reserves were based on a pit design which in turn aligned with an ultimate pit shell selected from a Whittle™ pit optimization exercise. Key inputs for that process are:
   - Metal prices of $3.00/lb Cu, $1,500/oz Au; $18.00/oz Ag
   - Variable Mining cost by bench and material type. Average costs are $1.351/t, $1.36/t and $1.65/t for ore, NAG waste and PAG waste, respectively.
   - Processing costs vary by metallurgical zone, ranging from $3.77/t tonalite ore milled to $3.71/t supergene.
   - Infrastructure On and Off-site $0.43/t milled
   - Indirect Costs $0.46/t miled
   - Sustaining capital costs of $0.54/t milled for tailings management and $0.17/t mined for mining equipment
   - Pit average slope angles varying from 37° to 43°
   - Process recoveries for Cu and Au are based on grade. The average recovery is estimated to be 85.2% for Cu and 62.6% for Au. Ag recovery is fixed at 72.0%.
4. Mining dilution is accounted for by averaging grades in adjacent blocks across a thickness of 2.5 m into each block (5.0 m per block contact).
5. The mineral reserve has an economic cut-off for prime mill feed, based on NSR, of $5.22/t, $5.21/t, $5.18/t and $5.16/t milled for tonalite, rhyolite, porphyry and supergene material respectively and an additional $0.53/t for stockpiled ore.
6. There are 991 Mt of waste in the ultimate pit. The strip ratio is 0.98 (waste:ore).
7. All figures are rounded to reflect the relative accuracy of the estimate. Totals may not sum due to rounding as required by reporting guidelines.

Josemaria mineral resource statement

The Mineral Resource for the Josemaria project, estimated by Josemaria Resources, is presented in the table below and is extracted from the Josemaria Technical Report. Mineral Resources are presented inclusive of Mineral Reserves.

Sulphide Mineral Resource Statement at 0.1% Copper Equivalent Cut-Off for the Josemaria Project, San Juan province, Argentina, July 10, 2020

					Contained Metal		
	Tonnes	**Copper**	**Gold**	**Silver**	**Copper**	**Gold**	**Silver**
Category	**(Mt)**	**%**	**g/t**	**g/t**	**(B lb)**	**(M oz)**	**(M oz)**
Measured	197	0.43	0.34	1.3	1.9	2.2	8.5
Indicated	962	0.26	0.18	0.9	5.5	5.6	26.6
Total (M&I)	**1,159**	**0.29**	**0.21**	**0.9**	**7.4**	**7.8**	**33.5**
Inferred	704	0.19	0.10	0.8	2.9	2.3	18.6

Oxide Mineral Resource Statement at 0.2g/t Gold Cut-Off for the Josemaria Project, San Juan province, Argentina, July 10, 2020

				Contained Metal	
	Tonnes	**Gold**	**Silver**	**Gold**	**Silver**
Category	**(Mt)**	**g/t**	**g/t**	**(000 oz)**	**(000 oz)**
Measured	26	0.33	1.2	280	994
Indicated	15	0.28	1.3	132	632
Total (M&I)	**41**	**0.31**	**1.2**	**410**	**1,585**
Inferred	0				

Notes to accompany Josemaria Mineral Resources statement:

1. Mineral Resources are inclusive of Mineral Reserves.
2. Mineral Resources have an effective date of July 10, 2020. The Qualified Person for the estimate is Mr. James N. Gray, P.Geo.
3. The Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Definition Standards for Mineral Resources and Reserves, as prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
4. Sulphide copper equivalency equation (CuEq) assumes metal prices of US$3.00/lb copper, US$1,500/oz gold and US$18/oz silver.
5. CuEq is based on copper, gold and silver recoveries derived from metallurgical test work as applied in the pit optimization and mine design process (average life-of-mine recoveries used: 85.2% copper, 62.6% gold, 72.0% silver).
6. The copper equivalency equation used is: CuEq (%) = (copper grade (%) x copper recovery x copper price ($/t) + gold grade (oz/t) x gold recovery x gold price ($/oz) + silver grade (oz/t) x silver recovery x silver price ($/oz)) / (copper price ($/t) x copper recovery)
7. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
8. All figures are rounded to reflect the relative accuracy of the estimate. Totals may not sum due to rounding as required by reporting guidelines.

Further information on the Arrangement and Plan of Arrangement

Further information on the Arrangement and the Plan of Arrangement can be found in the Josemaria Circular, which is or will be available on Josemaria Resource's' profile at www.sedar.com (the information on the website does not form part of the Prospectus).

Conditions to closing of the Arrangement

The completion of the transactions contemplated by the Arrangement Agreement are subject to the fulfilment, on or before the Effective Time, of a number of conditions including, among other things:

a) the Arrangement Resolution will have been approved by the Josemaria Resources securityholders at the Josemaria Meeting to be held to consider the Transaction;

b) the approval of the Supreme Court of British Columbia of the Arrangement under Section 192 of the CBCA will have been obtained in form and substance satisfactory to each of Josemaria Resources and Lundin Mining, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement;

c) the necessary conditional approvals of the TSX and the approval of Nasdaq Stockholm of the listing of the new Lundin Mining Shares, and the approval and registration by the SFSA of this Prospectus, will have been obtained;

d) no law will have been enacted, issued, promulgated, enforced, made, entered, issued or applied and no proceeding will have been taken under any laws or by any governmental authority that makes the Arrangement illegal or otherwise directly or indirectly cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement;

e) the Lundin Mining Shares and Replacement Options to be issued pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof; and

f) the Arrangement Agreement shall not have been terminated in accordance with its terms.

Completion of the Arrangement is also subject to a number of additional conditions precedent. For information on these conditions, reference is made to the full text of the Arrangement Agreement, which is available on Lundin Mining's and Josemaria Resources' respective profiles at www.sedar.com (the information on the website does not form part of the Prospectus).

Consideration

At the Effective Time of the Arrangement, the following shall occur and shall be deemed to occur sequentially in the following order, each at a one-minute interval, without any further act or formality:

a) each Josemaria Resources Share held by a Dissenting Josemaria Resources Shareholder shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all liens, claims and encumbrances, to Lundin Mining and Lundin Mining shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Article 4 of the Plan of Arrangement, and the name of such holder shall be removed from the central securities register of Josemaria Resources as a Josemaria Resources Shareholder and Lundin Mining shall be recorded as the registered holder of, and shall be deemed to be the legal owner of, such Josemaria Resources Shares;

b) any Former Josemaria Resources Shareholder who has not duly and validly completed a Letter of Transmittal by the Election Deadline[1] shall be deemed to have elected to receive Share Consideration for their Josemaria Resources Shares;

c) each issued Josemaria Resources Share held by a Former Josemaria Resources Shareholder (other than Lundin Mining, any subsidiary of Lundin Mining or a Dissenting Josemaria Resources Shareholder) shall be transferred to Lundin Mining (free and clear of any liens, charges and encumbrances of whatsoever nature) and each such Former Josemaria Resources Shareholder shall be entitled to receive, in exchange therefor and subject to the provisions of these steps and withholding rights under the Plan of Arrangement, consideration comprised of, in accordance with the election or deemed election as described in paragraph (b) of such Former Josemaria Resources Shareholder:

   (i) Cash Consideration of $1.60 for each Josemaria Resources Share held; or

   (ii) Share Consideration of 0.1487 of a Lundin Mining Share for each Josemaria Resources Share held plus for each whole Lundin Mining Share issued to such Josemaria Resources Shareholder, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder (the "**Share Consideration Cash Payment**"); or

   (iii) any combination thereof;

d) for greater certainty, with respect to any election pursuant to the foregoing, a Former Josemaria Resources Shareholder may elect to receive a combination of the Cash Consideration and the Share Consideration in exchange for the aggregate number of Josemaria Resources Shares in respect of which such election is made. The maximum aggregate amount of Cash Consideration to be paid to Former Josemaria Resources Shareholders is C$183,000,000 (the "**Maximum Cash**"). The maximum aggregate number of Lundin Mining Shares that may be elected by Former Josemaria Resources Shareholders is 39,700,000 (the "**Maximum Shares**"), The Maximum Cash and Maximum Shares shall be adjusted by C$0.48 in cash and 0.1041 Lundin Mining Shares for each Josemaria Resources Share issued following the date of the Arrangement Agreement and prior to the Effective Time. In the event that:

   a. the aggregate amount of the Cash Consideration that would, but for this clause, be paid to Former Josemaria Resources Shareholders exceeds the Maximum Cash, then the Cash Consideration to be paid to any Former Josemaria Resources Shareholder who has elected or is deemed to have elected to receive Cash Consideration shall be determined by multiplying the total amount of Cash Consideration otherwise payable to such holder by a fraction, rounded to six decimal places, the numerator of which is the Maximum Cash and the denominator of which is the aggregate amount of Cash Consideration otherwise payable to all Former Josemaria Resources Shareholders who have so elected (or are deemed to have elected), and such Former Josemaria Resources Shareholder shall be deemed to have elected a combination of Cash Consideration and Share Consideration such that the Cash Consideration will be reduced to reflect the Maximum Cash limit and the Share Consideration will be increased such that the Shareholder will receive Share Consideration for the remainder of their Josemaria Resources Shares, for which they would otherwise have received Cash Consideration; or

   b. the aggregate number of Lundin Mining Shares that would, but for this clause, be issuable to Former Josemaria Resources Shareholders exceeds the Maximum Shares then the number of Lundin Mining Shares issuable to any Former Josemaria Resources Shareholder who has elected, or is deemed to have elected to receive Share

[1] Please note that Josemaria Resources Shareholders whose shares are directly registered with Euroclear Sweden who wish to make an election must do so before the Euroclear Election Deadline, see section "Important information for holders of Euroclear Sweden registered Josemaria Resources Shares".

Consideration shall, subject to rounding in accordance with Section 3.05 of the Plan of Arrangement, be determined by multiplying the total number of Lundin Mining Shares otherwise issuable to such Former Josemaria Resources Shareholder by a fraction, rounded to six decimal places, the numerator of which is the Maximum Shares and the denominator of which is the aggregate number of Lundin Mining Shares otherwise issuable to all Former Josemaria Resources Shareholder who have so elected (or are deemed to have so elected), and such Former Josemaria Resources Shareholder shall be deemed to have elected to receive Cash Consideration for the remainder of their Josemaria Resources Shares for which such Former Josemaria Resources Shareholder would, but for this clause, have received Lundin Mining Shares.

For information on the treatment of Josemaria Options, reference is made to the Josemaria Circular which is or will be available on Josemaria Resources' profile at www.sedar.com (the information on the website does not form part of the Prospectus).

Pro-ration of Share Consideration and Cash Consideration

In the event that, based on the elections of Josemaria Resources Shareholders, the aggregate amount of the Cash Consideration that would be paid to Former Josemaria Resources Shareholders exceeds the Maximum Cash, then the Cash Consideration to be paid to any Former Josemaria Resources Shareholder who has elected or is deemed to have elected to receive Cash Consideration shall be determined by multiplying the total amount of Cash Consideration otherwise payable to such holder by a fraction, rounded to six decimal places, the numerator of which is the Maximum Cash and the denominator of which is the aggregate amount of Cash Consideration otherwise payable to all Former Josemaria Resources Shareholders who have so elected (or are deemed to have elected), and such Former Josemaria Resources Shareholder will be deemed to have elected to receive Share Consideration for the remainder of their Josemaria Resources Shares, for which they would otherwise have received Cash Consideration.

In the event that, based on the elections of Josemaria Resources Shareholders, the aggregate number of Lundin Mining Shares that would be issuable to Former Josemaria Resources Shareholders exceeds the Maximum Shares, then the number of Lundin Mining Shares issuable to any Former Josemaria Resources Shareholder shall, subject to rounding in accordance with the Plan of Arrangement, be determined by multiplying the total number of Lundin Mining Shares otherwise issuable to such Former Josemaria Resources Shareholder by a fraction, rounded to six decimal places, the numerator of which is the Maximum Shares and the denominator of which is the aggregate number of Lundin Mining Shares otherwise issuable to all Former Josemaria Resources Shareholders who have so elected (or are deemed to have so elected), and such Former Josemaria Resources Shareholder shall be deemed to have elected to receive Cash Consideration for the remainder of their Josemaria Resources Shares for which such Former Josemaria Resources Shareholder would, but for this clause, have received Lundin Mining Shares.

No fractional shares to be issued

No fractional Lundin Mining Shares shall be issued to Former Josemaria Resources Shareholders. The number of Lundin Mining Shares to be issued to Former Josemaria Resources Shareholders shall be rounded up to the nearest whole Lundin Mining Share, as applicable, in the event that a Former Josemaria Resources Shareholder is entitled to a fractional share of 0.5 or more of a Lundin Mining Share and shall be rounded down to the nearest whole Lundin Mining Share, as applicable, in the event that a Former Josemaria Resources Shareholder is entitled to a fractional share representing less than 0.5 of an Lundin Mining Share.

Effect of the Arrangement

On completion of the Arrangement, Josemaria Resources will be a wholly owned subsidiary of Lundin Mining.

Effective Date of the Arrangement

If the Josemaria Securityholders Meeting is held as scheduled and not adjourned or postponed and the Arrangement Resolution is approved by the Josemaria Resources securityholders, Josemaria Resources expects to apply for the final order from the Supreme Court of British Columbia approving the Arrangement on April 26, 2022. If the final order is obtained on April 26, 2022, in the form and substance satisfactory to each of Lundin Mining and Josemaria Resources, and all other conditions in the Arrangement Agreement are satisfied or waived, Lundin Mining expects the Effective Date to be on or around April 28, 2022.

It is not possible however, to state with certainty when the Effective Date will occur at the time of the Prospectus.

Results

The results of the Josemaria Meeting will be announced by Josemaria Resources after the Josemaria Meeting, and the Effective Date will be announced by Josemaria Resources and Lundin Mining, in each case by means of a press release in accordance with applicable rules and regulations.

New Shares in Lundin Mining

The maximum Share Consideration to be issued to Josemaria Resources Shareholders pursuant to the Arrangement is approximately 39,700,000 Lundin Mining Shares. If Josemaria Resources issues additional Josemaria Resources Shares following the date of the Arrangement Agreement and prior to the Effective Time, the maximum Share Consideration shall be adjusted by 0.1041 of a Lundin Mining Share for each additional Josemaria Resources Share issued. Accordingly, on completion of the Arrangement, Lundin Mining expects to issue up to approximately 40,031,990 Shares to the Josemaria Resources Shareholders (assuming no Josemaria Resources stock options will be exercised between the date of this Prospectus and the Effective Date, and including the Lundin Mining Shares issuable for Josemaria Resources Shares expected to be issued after the date of the Arrangement Agreement and prior to the Effective Date under the terms of the existing Josemaria Resources debentures), resulting in Lundin Mining having up to approximately 776,660,500 Shares outstanding immediately after the completion of the Arrangement. Josemaria Resources may repay amounts owing under its existing debentures on 5 days written notice without premium or penalty. Lundin Mining intends to repay all amounts outstanding under such Josemaria Resources debentures immediately following the Effective Time.

If consummated, the Arrangement would result in the Josemaria Resources Shareholders owning up to approximately 5% of the Lundin Mining Shares outstanding on a non-diluted basis.

Proceeds and estimated costs pursuant to the Arrangement

Lundin Mining will not receive any proceeds from the Arrangement or the Offer. Lundin Mining’s estimated costs pursuant to the Arrangement amount to approximately $8 million which includes legal and financial advisory fees.

Important information for holders of Euroclear Sweden registered Josemaria Resources Shares

Under the terms of the Arrangement Agreement, each Josemaria Resources Shareholder will have the option to elect to receive: (i) C$1.60 in cash for each Josemaria Resources Share held, or (ii) 0.1487 of a Lundin Mining Share for each Josemaria Resources Share held, plus for each whole Lundin Mining Share issued to such Josemaria Resources Shareholder, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder, or (iii) any combination thereof, in each case subject to pro-ration based on a maximum Cash Consideration of approximately $183,000,000 and a maximum of approximately 39,700,000 Lundin Mining Shares. Even if you elect to receive the Cash Consideration or the Share Consideration, it is likely that your election will be pro-rated and you will receive some amount of the other form of Consideration.

For details, see “Further information on the Arrangement and Plan of Arrangement” and “Consideration” above.

Conditions to closing of the Offer

For information on the conditions to closing of the Arrangement and consequently the Offer, see “Further information on the Arrangement and Plan of Arrangement” and “Conditions to closing of the Arrangement” above.

Commission

No commission will be charged in respect of the settlement of Josemaria Resources Shares under the Transaction.

Election

Josemaria Resources Shareholders whose shares are directly registered with Euroclear Sweden who wish to make an election must, during the period from March 25, 2022 up to and including April 13, 2022, at 15.00 CET (the “**Euroclear Election Deadline**”), sign and submit a duly completed election form (the “**Euroclear Election Form**”) to Aktieinvest FK AB (“**Aktieinvest**”), either by mail to the address stated on the Euroclear Election Form or to the e-mail address stated on the Euroclear Election Form.

An Euroclear Election Form that is sent by mail, in the enclosed pre-paid envelope attached, must be sent in ample time before the last day of the election period so that it may be received by Aktieinvest before the Euroclear Election Deadline .

The securities account (Sw. *VP-konto*) and the current number of Josemaria Resources Shares as of March 10, 2022 are pre-printed on the Euroclear Election Form which is sent out with a pre-paid envelope to Josemaria Resources Shareholders who are directly registered with Euroclear Sweden. Josemaria Resources Shareholders should verify that the pre-printed information on the Euroclear Election Form is correct.

Note that Euroclear Election Forms which are incomplete or incorrectly completed may be disregarded. No amendments to the pre-printed text may be conducted on the Euroclear Election Form. Josemaria Resources Shareholders who do not make a valid election pursuant to the Euroclear Election Form, by properly completing and duly executing the Euroclear Election Form and submitting it to Aktieinvest no later than the Euroclear Election Deadline, will be deemed to have elected the Share Consideration (together with the Share Consideration Cash Payment) subject to pro-ration.

If Josemaria Resources Shares are pledged in the Euroclear system, both the shareholder and the pledgee must sign the Euroclear Election Form and confirm that the pledge will be terminated should the Arrangement be completed.

Those who are registered in the list of pledgees and guardians will not receive an Euroclear Election Form but will instead be notified separately.

Nominee registered holdings

Josemaria Resources Shareholders whose holdings are registered in the name of a nominee, i.e. a bank or other nominee, will not receive a pre-printed Euroclear Election Form. Election must be made in accordance with instructions received by the nominee.

Prospectus and election form

This prospectus is available on Lundin Mining's website (www.lundinmining.com) and through Aktieinvest's website (www.aktieinvest.se/josemaria2022) (the information on the websites does not form part of the Prospectus). The Euroclear Election Form for directly registered shareholders with Euroclear can be ordered from Aktieinvest via e-mail emittentservice@aktieinvest.se.

Confirmation and transfer of Josemaria Resources Shares to blocked securities accounts

After Aktieinvest has received and registered the duly completed Euroclear Election Forms the shareholder's Josemaria Resources Shares will be transferred to a new blocked securities account (Sw. *apportkonto*) which has been opened for each Josemaria Resources Shareholder whose Josemaria Resources Shares are registered in the Euroclear system. In connection therewith, Euroclear will send a notification ("**VP-notice**") showing the number Josemaria Resources Shares that has been removed from the original securities account and a VP-notice showing the number of Josemaria Resources Shares that have been entered in the newly opened blocked securities account. Josemaria Resources Shareholders whose shares are directly registered with Euroclear who do not make a valid election pursuant to the Euroclear Election Form, will have their Josemaria Resources Shares transferred to a new blocked securities account (Sw. *apportkonto*) on April 14, 2022, being the business day immediately following the Euroclear Election Deadline. When the Josemaria Resources Shares have been transferred to the blocked securities account as per the above, it will not be possible to trade in the Josemaria Resources Shares on Nasdaq Stockholm.

As of the Effective Date, Josemaria Resources Shareholders will cease to be a shareholder of Josemaria Resources and will only be entitled to receive the appropriate number of Lundin Mining Shares and/or cash to which such shareholder is entitled under the Arrangement.

Settlement

Settlement will be initiated as soon as possible following the Arrangement becoming effective on the Effective Date, which is estimated to occur around April 28, 2022. Josemaria Resources Shareholders will cease to be a shareholder of Josemaria Resources as of the Effective Date and will only be entitled to receive the appropriate number of Lundin Mining Shares and/or cash to which such shareholder is entitled under the Arrangement. Settlement will be notified by distribution of a transaction note.

Any Cash Consideration and Share Consideration Cash Payment, as applicable, will be received by Josemaria Resources Shareholders whose shares are directly registered with Euroclear in Swedish kronor (SEK). The conversion from C$ to SEK will be made at public market rate at the time of the settlement. The settlement amount will be paid to the yield account which is connected to the shareholder's securities account. The payment to Josemaria Resources Shareholders who do not have a yield account connected to their securities account, may be delayed.

Note that, even if the Josemaria Resources Shares are pledged, payment will be made to the yield account or in accordance with what is stated above.

No fractional Lundin Mining Shares will be issued. Please see section "Further information on the Arrangement and Plan of Arrangement" and "No fractional shares to be issued" for additional details.

In connection with settlement, the Josemaria Resources Shares will be removed from the blocked securities account which will then be terminated. No notice evidencing the removal from the blocked securities account will be sent.

If the holding is registered in the name of a nominee, settlement will be provided for by the nominee.

Lundin Mining's right to cancel the Offer

The completion of the Arrangement Agreement is subject to the fulfillment or waiver, on or before the Effective Time, of all of the conditions precedent in the Arrangement Agreement. Lundin Mining expects the Effective Date to be around April 28, 2022. It is not possible however, to state with certainty when the Effective Date will occur at the time of the Prospectus

The Arrangement will be final and binding on Lundin Mining and Josemaria Resources at the Effective Time.

Any termination of the Arrangement and the Arrangement Agreement will be announced by Lundin Mining and Josemaria Resources by means of a press release in accordance with applicable rules and regulations.

Estimated time for trading in the Lundin Mining Shares

Trading in the Lundin Mining Shares issuable pursuant to the Transaction on Nasdaq Stockholm is expected to commence as soon as possible following the Effective Date subject to Nasdaq Stockholm approving the admission to trading of the Shares and completion of the Arrangement.

De-listing of the Josemaria Resources Shares on TSX and Nasdaq Stockholm

The Josemaria Resources Shares are expected to be delisted from the TSX as soon as practicable after the Effective Date. De-listing of the Josemaria Resources Shares from Nasdaq Stockholm is expected to occur as soon as possible following the Effective Date, subject to Nasdaq Stockholm's approval.

Important information regarding NID and LEI

NID code requirement for natural persons: According to Directive 2014/65/EU of the European Parliament and of the Council ("**MiFID II**"), all investors must, as of January 3, 2018, have a global identification code, national ID or a National Client Identifier ("**NID code**") in order to execute a securities transaction. Under this requirement, natural persons must provide their NID code in order to execute a securities transaction. For natural persons who only have Swedish citizenship, the NID number consists of the designation "SE" followed by the individual's personal identity number. If the person in question has more than one citizenship or is a citizen of a country other than Sweden, the NID code will be a different type of number. The code must be provided on the Euroclear Election Form if other citizenship than Swedish. For more information on how to obtain an NID code, contact your bank.

LEI code requirement for legal entities: The Legal Entity Identifier ("**LEI**") is a global identification code for legal entities. Under MiFID II, with effect from January 3, 2018, legal entities must have a LEI code in order to execute a securities transaction. Registration of LEI codes can be done by any of the providers in the market. It is important to register a LEI code well in advance as it must be confirmed on the Euroclear Election Form.

Information about processing of personal data

Those who send in the Euroclear Election Form will submit personal data to Aktieinvest. Personal data provided to Aktieinvest will be processed in data systems to the extent required to administer the Offer. Personal data obtained from sources other than the customer may also be processed. Personal data may also be processed in the data systems of companies with who Aktieinvest cooperate. Information pertaining to the treatment of personal data can be obtained from Aktieinvest's office, who also accepts requests for the correction of personal data. Address details may be obtained by Aktieinvest through an automatic procedure executed by Euroclear. For more information about Aktieinvest's processing of personal data and your rights, go to Aktieinvest's website at www.aktieinvest.se (the information on the website does not form part of the Prospectus).

Questions concerning the Offer

Information regarding the Arrangement is available at Lundin Mining's website (www.lundinmining.com). If you hold your Josemaria Resources Shares in custody and have questions regarding administration of your shares in the Arrangement, please contact your custodian. For other questions regarding the administration of the Arrangement in Sweden, please contact Aktieinvest via telephone +46 8 5065 1795 or by e-mail, emittentservice@aktieinvest.se.

Operations of Lundin Mining – Key principal activities

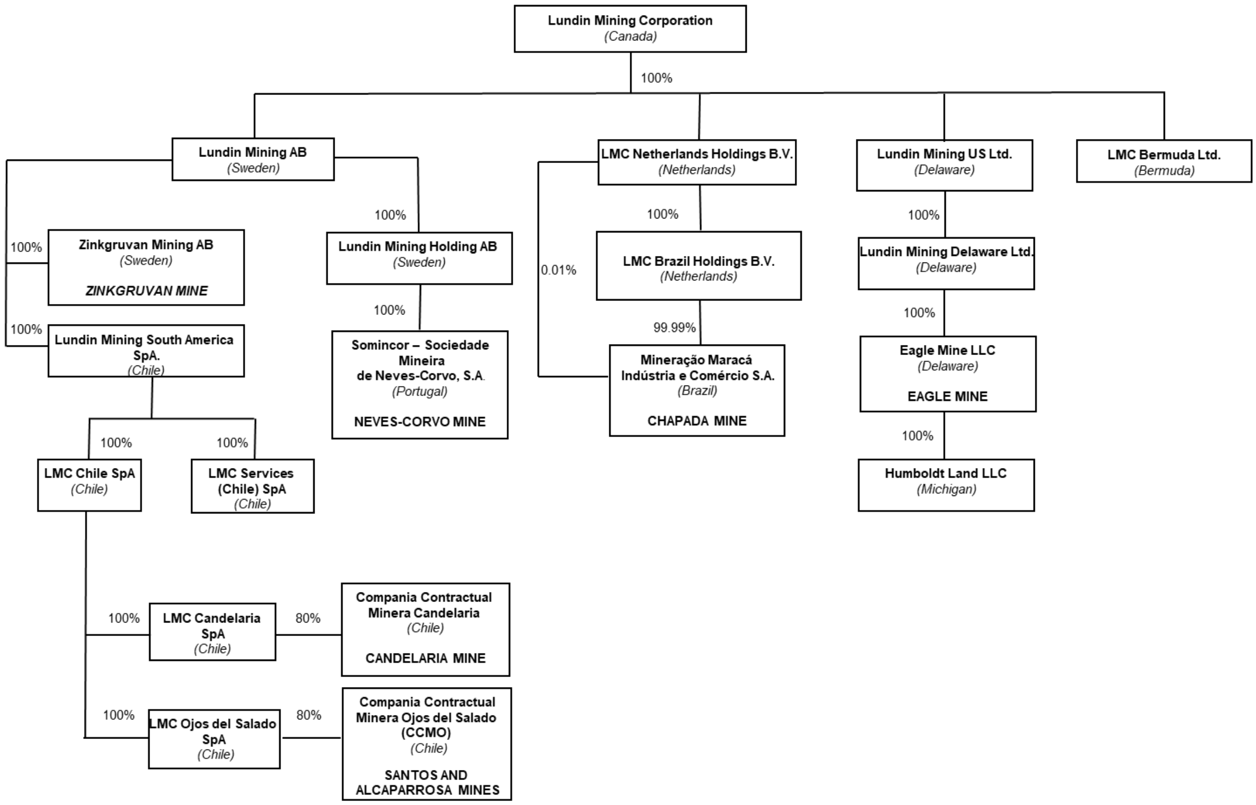
Description of the business

Lundin Mining is a diversified Canadian base metals mining company with operations in Brazil, Chile, Portugal, Sweden and the United States, primarily producing copper, zinc, gold and nickel. For the purposes of this Prospectus, the Company's material mineral properties consist of:

- Candelaria Mine, the open pit and underground copper-gold mines and related infrastructure located in the Atacama Province, Region III of Chile;
- Chapada Mine, the copper-gold mine located in northern Goiás State, Brazil;
- Eagle Mine, the nickel and copper mine located in the Upper Peninsula of Michigan, USA; and
- Neves-Corvo Mine, the copper and zinc mine located in the Alentejo district of southern Portugal.

Lundin Mining also owns 100% of the Zinkgruvan zinc and lead mine located approximately 250 km south-west of Stockholm in south-central Sweden. In addition to ongoing exploration in and around its existing mines, the Company holds exploration property in Peru and through its exploration and corporate development functions regularly considers additional mining, exploration or project opportunities through acquisition, earn-in and other partnership models.

A significant portion of the Company's business is carried on through its various subsidiaries. The following chart illustrates the Company's material subsidiaries, including their respective jurisdiction of incorporation and the percentage of votes attaching to all voting securities of each subsidiary that are beneficially owned, controlled or directed, directly or indirectly, by the Company as at December 31, 2021:



Principal products and operations

Lundin Mining's current principal products and sources of sales are copper, zinc, nickel and lead concentrates from Candelaria, Chapada, Eagle, Neves-Corvo, and Zinkgruvan, with copper concentrates from Candelaria and Chapada containing significant gold content. Information related to Lundin Mining's segmented information is set forth in Note 24 to the annual consolidated financial statements for the year ended December 31, 2021 and the MD&A for the year ended December 31, 2021, which are incorporated by reference in the Prospectus.

Production from operations was as follows:

Contained metal in concentrate	**2021**	**2020**	**2019**
Copper (t)(1)	262,884	230,781	235,498
Zinc (t)	143,797	142,744	151,515
Gold (oz) (1)	167,000	163,000	142,000
Nickel (t)	18,353	16,718	13,494

(1) Reflects results from Chapada for the period of Lundin Mining's ownership, as well as 100% Candelaria production.

Employees and third parties

As of December 31, 2021, Lundin Mining had a total of approximately 4,567 employees and 7,027 contract employees located primarily in Canada, Brazil, Chile, Portugal, Sweden and the United States for a total equivalent full-time employment of 11,594 people. The Company's success at mining and marketing its minerals is reliant on the services of key employees and contractors, as well as the development and continued relationships with certain third parties, including geologists, engineers, metallurgists and other personnel with specialized skill and knowledge. There remains demand for highly skilled, experienced and diverse workers in our industry.

In addition, the Company is highly dependent on third parties in foreign jurisdictions for the provision of services, including contract mining, rail, road haulage, pipeline and port services. Additionally, the officers and directors of the Company must rely, to a great extent, on the Company's local legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist the Company with its governmental relations. The Company must rely, to some extent, on those members of management and the Board who have previous experience working and conducting business in these countries in order to enhance its understanding of and appreciation for the local business culture and practices. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing, labour, litigation and tax matters in these countries.

Responsible mining

Lundin Mining has adopted a responsible mining approach to managing health, safety, environment and communities (HSEC). This approach integrates HSEC considerations into all aspects of the business throughout all stages of the mining life-cycle.

The Company's Responsible Mining Policy ("**RMP**") establishes the HSEC principles and commitments that guide the Company's approach to responsibly operating and managing the Company's business. These principles address key elements of responsible mining that include health and safety, environmental stewardship, social performance, economic contribution, compliance, and governance. The RMP was first issued in 2015 and was updated in 2018 and in February 2022.

The commitments established by the RMP are operationalized through the implementation of a Responsible Mining Management System ("**RMMS**") standard. The RMMS standard is aligned to ISO 14001 and ISO 45001 requirements and has been benchmarked against relevant aspects of the Mining Association of Canada's Toward Sustainable Mining standard. In practice, this standard sets specific HSEC management system requirements which are applicable to all Lundin Mining operations. The RMMS requirements are further supported through the issuance of specific technical standards that address key operational activities and risks such as social performance management, air quality, greenhouse gas management, closure planning, fatality prevention, water management and tailings stewardship.

For the purpose of assurance, management regularly monitors, audits and reviews operational HSEC activities and performance against internal and external requirements. The Company publicly reports on HSEC performance against objectives and targets.

For additional information on Lundin Mining's RMP, RMMS and responsible mining performance, please the Company's website at www.lundinmining.com (the information on the website does not form part of the Prospectus). as well as the most recent Sustainability Report which is also available on the Company's website. The Company's non-financial, sustainability disclosures (including climate related disclosures) are reported annually in its Sustainability Report in accordance with the Global Reporting Initiative framework and the metrics are subject to annual external assurance processes.

Health and safety

Lundin Mining's fundamental objective is Zero Harm and safety is our top priority. The Company actively works to promote and positively influence the health, safety and well-being of our workforce, local communities, vendors and suppliers, and other stakeholders. Key health and safety aspects of RMMS implementation include workplace hazard identification, reporting and control requirements, qualitative and quantitative risk assessments, Life-Saving Rules, fatality prevention requirements called high consequence protocols, leadership training, fatality prevention training, safe work procedures and permit systems, safety interactions, safe work observations, incident reporting and investigation, root cause analysis, and sharing of lessons learned.

A key pillar of Lundin Mining's approach to health and safety is the implementation of the Company's occupational health and industrial hygiene program. Each of the Company's mining operations provide occupational health services to their employees either through on-site clinics or through local occupational medical providers or contracted mobile services. In addition, each operation maintains an industrial hygiene program aimed at reducing the potential long-term occupational health risks through the anticipation, recognition, evaluation, and control of potential exposures to chemical, biological, and physical and ergonomic agents in the workplace. Lundin Mining regularly samples and assesses for potential workplace exposure to hazardous substances such as diesel particulate matter (DPM), elemental carbon, silica, respirable dusts, arsenic, lead, nickel, other heavy metals, and noise. When potential exposures are identified, the Company works to apply the hierarchy of controls to eliminate, reduce and control the risk to human health.

Lundin Mining measures the performance of each of its operations through the application of leading and lagging indicators and the Company's reporting processes are aligned to the International Council on Mining & Metals (ICMM) Health and Safety Performance Indicators Guidance (2021) manual and to the Global Reporting Initiative (GRI) GRI 403-2018: Occupational Health and Safety standard. The overall and publicly reported safety performance measurement is the Total Recordable Injury Frequency ("**TRIF**") rate, which the Company uses to benchmark against its peers. In addition, as a reference indicator, the Company also tracks performance against the Lost Time Injury Frequency ("**LTIF**") rate. The Company's injury rates are calculated based on a 200,000-hour formula and follows the US Occupational Safety and Health Administration definition of first aid and medical treatment for classification of recordable injuries. In 2021, the Company achieved a best ever TRIF rate of 0.54 and an LTIF rate of 0.39.

Environmental management

The Company's mining, exploration and development activities are subject to various levels of federal, provincial, state and local laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties. These requirements are combined with the Company's RMP and RMMS requirements and systems to allow the local teams to manage the Company's impact on the environment in a safe and responsible manner.

Lundin Mining's approach to environmental stewardship is implemented through all stages of the life of a mineral project from design and development through to operation and finally through closure. At each stage, the Company emphasizes an approach that minimizes overall environmental impact. Through the implementation of its RMMS environmental management controls and procedures, the Company efficiently and thoughtfully uses all resources that are necessary to its operations (such as land, air, water and energy); responsibly manages wastes; contributes to the conservation of biodiversity; and applies an integrated approach to mine closure planning.

The Company's total liability for reclamation and other closure provisions at December 31, 2021 was $446 million. Reclamation payments for the year ended December 31, 2021 were $9 million.

Climate change and greenhouse gas emissions

In recent years, there has been considerably more global interest in spurring corporate action to reduce greenhouse gas ("**GHG**") emissions, to commit to low-carbon alternatives, and to develop climate resilience. As a company with deep European operating roots, climate-related considerations have long been a part of Lundin Mining's operating practices. Since 2017, Zinkgruvan's primary source of electricity has been from renewable sources. The same year, Candelaria renewed its long-term electricity supply contract such that, as of 2023, 80% of electricity supply will come from renewable sources. In 2021, Candelaria gained certification of its newly developed Energy Management System under the ISO 50001 Energy Management System standard. As these examples demonstrate, Lundin Mining's approach with respect to climate change and GHG emissions is to manage and mitigate the impact of the Company's operations through a responsible approach to energy consumption and GHG emissions, along with preparing for regulatory and physical changes associated with climate change.

Under the Company's RMP, Lundin Mining has publicly committed to actively address climate change by working to reduce the Company's greenhouse gas emissions, and by preparing its operations and host communities to respond to climate related risks. Lundin Mining's ability to meet this commitment is grounded in the gathering and publication of reliable data on the impacts of our operations. Externally assured climate-related information is included in our annual Sustainability Report and is disclosed through the CDP (formerly Carbon Disclosure Project), Climate Change and Forestry programs, aligned with the Task Force on Climate-related Financial Disclosures. These disclosures currently include Scope 1 and Scope 2 GHG emissions. In 2022, the Company expects to advance its evaluation of material Scope 3 GHG emissions associated with its operations and to complete a gap assessment against the TCFD reporting framework to allow for future enhancements to the Company's reporting of climate-related financial information.

In addition to data collection and reporting, and building on work commenced in 2021, Lundin Mining is in the process of developing a detailed multi-year carbon reduction plan that could support the establishment of a meaningful and realistic carbon reduction target. This work is being coupled with a more formal process in 2022 whereby the Company expects to review and further integrate climate-related risks and opportunities into the Company-wide risk management framework. This process could then serve as the basis for future opportunities for education and planning on potential climate-related impacts at our operations and within our host communities.

Tailings management

Lundin Mining is committed to the safe and responsible management of tailings facilities, to emergency preparedness and response, and to post-incident recovery. Across all operations, the Company actively manages 11 tailings facilities. Of these managed facilities, five are active and six are inactive or closed and no longer receiving tailings material. At these facilities, the Company applies operational processes and procedures to ensure all tailings facilities are well operated and maintained, inspected, independently reviewed, and carefully monitored.

In 2020, the Company publicly committed to the implementation of the Global Industry Standard on Tailings Management ("**GISTM**"), which is the first global standard on tailings management and sets a high benchmark for improving the safe management of tailings facilities and strives to achieve the ultimate goal of zero harm to people and the environment.

In 2021, the Company updated its tailings governance framework to reflect the requirements of GISTM. The tailings governance framework includes multi-tiered oversight of all tailings facilities (including by the

Lundin Mining Board) and strives to provide a consistent company-wide approach to how we manage tailings related risks. Also in 2021, the Company commissioned third party gap assessments against GISTM and intends to finalize and commence implementing the resulting action plans in 2022 for all of its tailings facilities.

With respect to emergency preparedness and response, Lundin Mining conducts simulated breach analyses and inundation studies in order to evaluate the potential impact of tailings facility failures on key consequences such as those to human life, the environment and the socio-economic health of the local community. All of the Company's active tailings facilities with embankments or dams have emergency preparedness and response plans which consider the results of the simulated breach analyses and inundation studies.

As part of GISTM implementation, the Company is committed to maintaining and regularly updating public information on its commitment to safe and responsible tailings management, its tailings governance framework, and its policies and standards on the design, construction, monitoring, and closure of tailings facilities. The Company is also committed to cooperate in credible global transparency initiatives to create standardized, independent, industry-wide, and publicly accessible databases, inventories or other information repositories about the safety and integrity of tailings facilities.

Crisis management and emergency preparedness

Lundin Mining maintains a high degree of emergency preparedness across the Company. As part of that process, each operation and the corporate headquarters have crisis management plans and strategies (including a Pandemic Response Plan), and the Company conducts training and practice scenarios annually. The crisis management plans are supplemented by site-specific emergency response plans that are catered to the unique aspects of each operation. In addition, each operation maintains emergency response capabilities suited to their working environments. This level of preparation allowed the Company to strategically plan for and deliver a timely and effective response to the COVID-19 outbreak in 2020 and its continued application in 2021 and 2022, which resulted in limited business disruption while ensuring the Company's workforce and local communities were protected and supported.

Competitive conditions

The Company competes with numerous other companies and individuals in the search for and the acquisition of financially attractive mineral properties. Lundin Mining's ability to acquire mineral properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for development or exploration. In addition, Lundin Mining also competes with other companies when sourcing goods and services and supplies used in connection with mining operations, as well as for skilled experienced workers.

Foreign operations

The Company currently owns, among other interests, 80% of the Candelaria Mine in Chile, 100% of the Chapada Mine in Brazil, 100% of the Eagle Mine in the U.S., 100% of the Neves Corvo Mine in Portugal and 100% of the Zinkgruvan Mine in Sweden. Candelaria, Chapada, Eagle, Neves-Corvo and Zinkgruvan made up approximately 58%, 20%, 7%, 14% and 1% respectively, of the Company's 2021 copper production. Candelaria and Chapada made up approximately 54% and 46%, respectively, of the Company's 2021 gold production. Neves-Corvo and Zinkgruvan made up approximately 46% and 54%, respectively, of the Company's 2021 zinc production. Eagle made up 100% of the Company's 2021 nickel production. The Company's operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary from country to country. Future development and operations may be affected in varying degrees by such factors as government regulations (or changes thereto) with respect to restrictions on production, export controls, import restrictions, such as restrictions applicable to, among other things, equipment, services and supplies, taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, surface land access, land claims of local people and mine safety. The effect of these factors cannot be accurately predicted.

Mineral Resource and Mineral Reserve Estimates as at June 30, 2021

Details of the Company’s Mineral Resource and Mineral Reserve estimates are shown in the table below. Mineral Resource estimates for all operations are inclusive of estimated Mineral Reserves (also referred to as “**Schedule A**”).

Mineral Resource Estimates – June 30, 2021

	Category	000's Tonnes	Cu %	Zn %	Pb %	Au g/t	Ag g/t	Ni %	Contained Metal Cu kt	Zn kt	Pb kt	Au Moz	Ag Moz	Ni kt	Lundin Mining Interest
Copper															
Candelaria	Measured	479,622	0.45			0.10	1.59		2,158			1.5	25		*80%*
Open Pit	Measured (Stockpile)	83,695	0.31			0.08	1.32		259			0.2	4		*80%*
	Indicated	35,308	0.28			0.07	1.06		99			0.1	1		*80%*
	Inferred	6,237	0.21			0.04	0.63		13			-	-		*80%*
Candelaria	Measured	35,695	0.41			0.09	0.37		147			0.1	-		*80%*
La Espanola	Indicated	39,697	0.39			0.08	0.39		155			0.1	-		*80%*
	Inferred	17,208	0.38			0.08	0.35		66			-	-		*80%*
Candelaria	Measured	274,950	0.94			0.21	3.09		2,577			1.9	27		*80%*
Underground	Measured (Stockpile)	41	0.94			0.23	2.20		-			-	-		*80%*
	Indicated	295,536	0.83			0.18	2.75		2,458			1.7	26		*80%*
	Inferred	75,584	0.87			0.19	2.83		660			0.5	7		*80%*
Chapada	Measured	456,262	0.25			0.15			1,152			2.2			*100%*
Copper	Indicated (Stockpile)	116,234	0.19			0.13			221			0.5			*100%*
	Indicated	502,513	0.23			0.13			1,134			2.1			*100%*
	Inferred	209,102	0.23			0.08			473			0.5			*100%*
Chapada	Measured	12,737				0.42						0.2			*100%*
Suruca Gold	Indicated	134,780				0.54						2.3			*100%*
	Inferred	12,565				0.48						0.2			*100%*
Neves-Corvo	Measured	8,985	3.6	0.8	0.3		44		321	75	26		13		*100%*
	Indicated	51,023	2.1	0.8	0.3		44		1,048	427	176		71		*100%*
	Inferred	12,681	1.8	0.8	0.3		34		231	99	36		14		*100%*
Semblana	Inferred	7,807	2.9				25		223				6		*100%*
Zinkgruvan	Measured	3,526	2.2	0.3			35		77	10			4		*100%*
	Indicated	486	2.0	0.6			36		9	3			1		*100%*
	Inferred	217	1.7	0.6			27		4	1			-		*100%*
Zinc															
Neves-Corvo	Measured	10,609	0.3	7.8	1.8		66		35	830	188		23		*100%*
	Indicated	57,742	0.3	6.7	1.4		61		196	3,872	795		113		*100%*
	Inferred	4,071	0.4	5.7	1.6		64		15	230	65		8		*100%*
Zinkgruvan	Measured	5,770		7.5	3.3		72			430	190		13		*100%*
	Indicated	14,568		8.3	4.3		76			1,214	622		36		*100%*
	Inferred	14,194		8.0	3.5		81			1,136	499		37		*100%*
Nickel															
Eagle	Measured	508	1.9			0.2		2.3	9					12	*100%*
	Indicated	399	1.6			0.1		2.1	6					9	*100%*
	Indicated Eagle East	2,148	2.5			0.3	10	2.9	53			-	1	63	*100%*
	Inferred	18	1.0			0.1		1.0	-			-	-	-	*100%*
Note: totals may not summate correctly due to rounding								**Lundin Mining's share** not including Inferred Resources	**10,545**	**6,861**	**1,997**	**11.8**	**340**	**83**	

Mineral Reserve Estimates – June 30, 2021

									Contained Metal						
	Category	000's Tonnes	Cu %	Zn %	Pb %	Au g/t	Ag g/t	Ni %	Cu kt	Zn kt	Pb kt	Au Moz	Ag Moz	Ni kt	Lundin Mining Interest
Copper															
Candelaria Open Pit	Proven	347,365	0.47			0.11	1.61		1,646			1.3	18		*80%*
	Proven (Stockpile)	83,695	0.31			0.09	1.33		262			0.2	4		*80%*
	Probable	22,342	0.33			0.07	0.76		74			0.1	1		*80%*
	Total	**453,401**	**0.44**			**0.11**	**1.52**		**1,981**			**1.5**	**22**		***80%***
Candelaria La Espanola	Proven	32,702	0.42			0.09	0.38		136			0.1	-		*80%*
	Probable	25,297	0.40			0.09	0.39		102			0.1	-		*80%*
	Total	**58,000**	**0.41**			**0.09**	**0.38**		**238**			**0.2**	**1**		***80%***
Candelaria Underground	Proven	77,126	0.87			0.20	3.19		673			0.5	8		*80%*
	Proven (Stockpile)	41	0.95			0.24	2.20		-			-	-		*80%*
	Probable	87,006	0.79			0.18	2.92		691			0.5	8		*80%*
	Total	**164,173**	**0.83**			**0.19**	**3.04**		**1,364**			**1.0**	**16**		***80%***
Chapada Copper	Proven	385,541	0.24			0.15			931			1.9			*100%*
	Probable (Stockpile)	115,281	0.19			0.13			220			0.5			*100%*
	Probable	254,047	0.22			0.12			559			1.0			*100%*
	Total	**754,870**	**0.23**			**0.14**			**1,710**			**3.3**			***100%***
Chapada Suruca Gold	Proven	11,454				0.42						0.2			*100%*
	Probable	53,741				0.53						0.9			*100%*
	Total	**65,195**				**0.51**						**1.1**			***100%***
Neves-Corvo	Proven	4,382	3.2	0.6	0.2		34		141	25	7		5		*100%*
	Probable	20,708	1.9	0.6	0.2		31		395	122	44		20		*100%*
	Total	**25,090**	**2.1**	**0.6**	**0.2**		**31**		**537**	**147**	**51**		**25**		***100%***
Zinkgruvan	Proven	2,024	2.1				32		42				2		*100%*
	Probable	191	2.0				35		4	-			-		*100%*
	Total	**2,214**	**2.0**				**32**		**45**				**2**		***100%***
Zinc															
Neves-Corvo	Proven	3,801	0.3	8.1	2.1		69		12	309	81		8		*100%*
	Probable	20,974	0.3	7.4	1.8		62		68	1,548	373		42		*100%*
	Total	**24,774**	**0.3**	**7.5**	**1.8**		**63**		**80**	**1,858**	**454**		**50**		***100%***
Zinkgruvan	Proven	3,051		7.6	3.3		80			231	102		8		*100%*
	Probable	7,219		8.0	4.2		88			576	306		20		*100%*
	Total	**10,270**		**7.9**	**4.0**		**86**			**808**	**408**		**28**		***100%***
Nickel															
Eagle	Proven	469	1.6			0.1		2.0	8			-		9	*100%*
	Probable	377	1.2			0.1		1.7	5			-		6	*100%*
	Probable Eagle East	2,434	2.1			0.2	8	2.5	51			-	0.7	61	*100%*
	Total	**3,280**	**1.9**			**0.2**	**6**	**2.4**	**64**			-	**0.7**	**77**	***100%***
Note: totals may not summate correctly due to rounding								**Lundin Mining's share**	**5,302**	**2,813**	**913**	**6.6**	**138**	**77**	

Notes on Mineral Resource and Mineral Reserve tables

Mineral Resources and Mineral Reserve estimates are shown on a 100% basis for each mine. The Measured and Indicated Mineral Resource estimates are inclusive of those Mineral Resource estimates modified to produce the Mineral Reserve estimates. All estimates are prepared as at June 30, 2021.

As further detailed below for the respective operations, estimates for all operations are prepared by or under the supervision of and verified by a Qualified Person as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("**NI 43-101**") or have been audited and verified by independent Qualified Persons on behalf of Lundin Mining.

Reference herein of $ or USD is to United States dollars, CLP is to Chilean pesos, BRL is to Brazilian reais, EUR refers to euros, and SEK is to Swedish kronor. Mineral Reserves for all active mines have been estimated using metal prices of $3.00/lb copper, $1.00/lb zinc, $0.95/lb lead, $6.50/lb nickel and $1,500/oz gold. Exchange rates used were EUR/USD 1.25, USD/SEK 7.50, USD/CLP 620 and USD/BRL 4.25 for Mineral Reserve and Mineral Resource estimates. For the Suruca gold deposit Mineral Reserve, the metal prices used were $3.00/lb copper and $1,250/oz gold and an exchange rate of USD/BRL 3.95.

Material properties

Candelaria and Ojos

Mineral Resources at Candelaria are estimated using metal prices of US$3.45/lb copper and US$1,500/oz gold and an exchange rate of USD/CLP 620. Mineral Reserves were estimated using metal prices of US$3.00/lb copper and US$1,500/oz gold and an exchange rate of USD/CLP 620.

Candelaria and La Española open pit Mineral Resource estimates are reported within a conceptual pit shell based on metal prices of $3.45/lb copper and $1,500/oz gold with cut-off grades of 0.15% and 0.17% copper, respectively. Underground Mineral Resources are estimated at a cut-off grade of 0.45% copper within confining grades shells of 0.40% copper. Mineral Reserves for the Candelaria open pit, Española open pit and underground for the Candelaria property are estimated at cut-off grades of 0.16%, 0.19% and 0.50% copper, respectively. Underground Mineral Reserves for the Ojos del Salado property, Santos and Alcaparrosa mines, are estimated at cut-off grades of 0.55% copper and 0.60% copper respectively. Patricio Calderón, Consultant Geologist, Patricio Oyarce, Senior Engineer Technical Services Open Pit and Cristian Erazo, Deputy Manager Technical Services Candelaria Underground, each of whom is a Registered Member, Chilean Mining Commission, employed by the Candelaria Mining Complex and is a Qualified Person as defined under NI 43-101, supervised the preparation of and verified the Mineral Resource estimate, open pit Mineral Reserve and underground Mineral Reserve estimates, respectively.

For further information, refer to the NI 43-101 Technical Report entitled “Technical Report for the Candelaria Copper Mining Complex, Atacama Province, Region III, Chile” dated effective November 28, 2018.

Chapada

Mineral Resources at Chapada and Suruca SW copper-gold are estimated using metal prices of US$3.45/lb copper and US$1,725/oz gold and an exchange rate of USD/BRL 4.25. Mineral Reserves were estimated using metal prices of US$3.00/lb copper and US$1,500/oz gold and an exchange rate of USD/BRL 4.25. For the Suruca gold only Mineral Resource estimates a gold price of $1,600/oz has been used and an exchange rate of USD/BRL 3.50. For the Suruca gold deposit Mineral Reserve, a gold price of $1,250/oz gold was applied.

The Chapada and Suruca SW copper-gold Mineral Resource estimates are reported within a conceptual pit shell using a variable NSR marginal cut-off averaging $5.15 per tonne. For the Suruca gold only Mineral Resource estimates, cut-off grades of 0.16 g/t gold for oxides and 0.23 g/t for sulphides were used. Mineral Reserves for the Chapada open pit are estimated at a NSR cut-off of $5.15 per tonne. For the Suruca gold only Mineral Reserve estimates cut-off grades of 0.19 g/t gold for oxides and 0.30 g/t for sulphides are used. Renan Garcia Lopes, Geology and Mineral Resources Coordinator, Registered Member of Australasian Institute of Mining and Metallurgy – MAusIMM CP(Geo), employed by Chapada, prepared the Chapada and Suruca Mineral Resource estimates and Jean-Francois St-Onge, P. Eng., Director Technical Services, Lundin Mining, reviewed and verified the Mineral Reserve. Both Messrs. Lopes and St-Onge are Qualified Persons as defined under NI 43-101.

For further information, refer to the Technical Report entitled Technical Report on the Chapada Mine, Goiás State, Brazil, dated October 10, 2019.

Eagle and Eagle East

Mineral Resources and Mineral Reserves at Eagle and Eagle East have been estimated using metal prices of US$3.00/lb copper and US$6.50/lb nickel.

The Eagle Mineral Resources and Reserves are reported above a fixed NSR cut-off of $123/t for long-hole stope and sills. The Eagle East Mineral Resources are reported within constraining grade shells based on a fixed NSR cut-off of $142/t and the Mineral Reserves are reported above $142/t for long-hole stopes and $152/t for cut-and-fill stopes. The NSR is calculated on a recovered payable basis considering nickel, copper, cobalt, gold and PGM grades, metallurgical recoveries, prices and realization costs. The Eagle Mineral Resource and Reserve estimates are prepared by the mine's geology and mine engineering department under the guidance of Lars Olaussen, Technical Services Principal and Josh Lam, P.Eng, Mine Superintendent, both of whom are employees of Eagle Mine. The Eagle East Mineral Resource estimate was prepared by Graham Greenway, P.Geo, former Group Resource Geologist, Lundin Mining, who also reviewed and verified the Eagle Mineral Resource estimate. Josh Lam, P.Eng, reviewed and verified the Eagle and Eagle East Mineral Reserve estimates. Messrs. Greenway and Lam are Qualified Persons as defined under NI 43-101.

For further information, refer to the NI 43-101 Technical Report entitled "Technical Report on the Eagle Mine, Michigan, U.S.A." dated April 26, 2017.

Neves-Corvo and Semblana

Mineral Reserves for Neves-Corvo and Semblana have been estimated using metal prices of US$3.00/lb copper and US$1.00/lb zinc and an exchange rate of EUR/USD 1.25.

The copper Mineral Resources are reported within geological volumes based on a nominal NSR copper cut-off value of EUR 32.85/t (grade equivalent to 1.0% copper), and the zinc Mineral Resources are reported within geological volumes based on a nominal NSR zinc cut-off value of EUR 30.55/t (grade equivalent to 4.5% zinc). The copper and zinc Mineral Reserve estimates have been calculated using variable NSR values based on area and mining method. The NSR is calculated on a recovered payable basis considering copper, lead, zinc and silver grades, metallurgical recoveries, prices and realization costs. The copper Mineral Reserves are estimated above a site average cut-off of EUR 44.4/t (grade equivalent to 1.41% copper). For zinc Mineral Reserve estimates a site average cut-off of EUR 45.4/t (grade equivalent to 5.40% zinc) is used. Mineral Reserves and Mineral Resources for Neves-Corvo were estimated by the mine geology and mine engineering departments at Neves-Corvo under the guidance of Sandra Santos, CEng MIMMM, Geological Engineer, and Sofia Pinto, Chief Mine Planning Engineer, each of whom is employed by the Neves-Corvo mine. Sandra Santos, prepared the Neves-Corvo Mineral Resource estimate and Jean-Francois St-Onge, P. Eng., Director Technical Services, Lundin Mining, reviewed and verified the Mineral Reserve estimate. Both Ms. Santos and Mr. St-Onge are Qualified Persons as defined under NI 43-101.

The Mineral Resources at Semblana are estimated above a cut-off grade of 1.0% copper. The Mineral Resource estimate was prepared by Graham Greenway, P.Geo, former Group Resource Geologist, Lundin Mining, who is a Qualified Person as defined under NI 43-101.

For further information, refer to the NI 43-101 Technical Report entitled "Technical Report for the Neves-Corvo, Portugal" dated June 23, 2017.

Other properties

Zinkgruvan

Mineral Resources and Mineral Reserves at Zinkgruvan have been estimated using metal prices of US$3.00/lb copper, US$1.00/lb zinc and US$0.95/lb lead and an exchange rate of USD/SEK 7.50.

The zinc Mineral Resources are estimated within optimized stope volumes, using a 3.5 m minimum mining width, based on an area dependent marginal NSR cut-off between SEK 475/t and SEK 540/t. The copper

Mineral Resource estimates are reported within optimized stope volumes above a cut-off NSR values of SEK 475/t. The zinc and copper Mineral Reserves are estimated above area-dependent full-cost breakeven NSR cut-off values of between SEK 665/t and SEK 845/t NSR. The NSR is calculated on a recovered payable basis considering copper, lead, zinc and silver grades, metallurgical recoveries, prices and realization costs.

Lundin Mining's significant operations

The information in this section is summarized, compiled or extracted from the results of the Technical Reports and the most recent Mineral Resource and Mineral Reserve estimate update, included in this Prospectus in the table above (Schedule A), and is qualified in its entirety with reference to the full text of the Technical Reports. Readers should read this summary in conjunction with the Technical Reports. Other than the tables reproduced herein, the remaining figures and tables are contained in the Technical Reports.

Description of properties

Certain information presented in each of the following sections describing the Company's material mineral properties, including, but not limited to, Mineral Resource and Mineral Reserve estimates, as well as cost and production guidance, is forward looking information and such information is expressly qualified by the "Cautionary Statement on Forward-Looking Information". See "Cautionary Statement on Forward-Looking Information" and "Risks Factors".

A. Candelaria mine

The Candelaria Mine is located in Chile and is owned by Lundin Mining (80%) and Sumitomo (20%). The scientific and technical information in the following section has been derived from the Candelaria Report (dated November 28, 2018) and subsequent updates from the Company. The Candelaria Report is available on SEDAR under the Company's profile at www.sedar.com (the information on the website does not form part of the Prospectus).

i. Project description, location and access

The Candelaria Copper Mining Complex comprises two adjacent copper mining operations, Candelaria and Ojos del Salado, which produce copper concentrates from open pit and underground mines. Candelaria is an open pit and underground mine providing copper ore to an on-site flotation concentrator with a nominal processing capacity of 75,000 tpd. Ojos del Salado comprises two underground mines: Santos and Alcaparrosa. The Santos Mine provides copper ore to the PAC processing plant with a capacity of 3,800 tpd. The remainder of the ore extracted from the Santos and the total production of Alcaparrosa Mines is treated at the Candelaria processing plant.

Candelaria is located in Chile's Atacama Region, at an elevation of approximately 650 mamsl approximately 20 km south of the city of Copiapó and 650 km north of Santiago. The properties are easily accessed using the public road system. Employees and contractors are primarily from the Atacama region. Copiapó is a modern city with regular services and a population of approximately 160,000. The regional Atacama airport is serviced by daily commercial flights from Santiago and other destinations.

The mineral concentrate products from the two processing plants are either transported by road to a domestic smelter in Chile or to Candelaria's concentrate storage facility and marine terminal at Punta Padrones, which is located on the Pacific coast approximately 110 km from the mining complex and adjacent to the community of Caldera. Punta Padrones port is also the site of a desalination plant that Candelaria built in 2013 to supply it with process water via a dedicated pipeline.

The Candelaria property within the Candelaria District comprises 215 mining exploitation concessions (approximately 6,094 ha) and 34 mining exploration concessions (approximately 6,680 ha). The Ojos del Salado property comprises 196 mining exploitation concessions (approximately 9,305 ha) and 65 mining exploration concessions (approximately 11,050 ha). The tenements are free of material mortgages, encumbrances, prohibitions, injunctions, and litigation. The tenements containing the active and future mining activities are not affected by material royalties. Exploration concessions have a duration of two years and the titleholder must pay an annual fee of approximately $1.40 per hectare to the Chilean Treasury. At the end of this period, the concessions may: (i) be renewed as an exploration concession for two additional years in which case at least 50% of the surface area must be renounced, or (ii) be converted, totally or partially, into exploitation concessions. Exploitation concessions are of indefinite duration and an annual fee is payable to the Chilean Treasury of approximately $6.8 per hectare.

On October 6, 2014 (and as amended on November 4, 2016, June 20, 2017 and August 27, 2020), the Company, LMC Bermuda Ltd., Franco-Nevada and Franco-Nevada (Barbados) Corporation entered into the Candelaria Stream Agreement to sell to Franco-Nevada a gold and silver stream from Candelaria for an upfront deposit of $648 million. In addition to the upfront deposit, Franco-Nevada will make ongoing payments upon delivery of the stream.

ii. History

The Candelaria sulfide deposit was discovered by Phelps Dodge in 1987. A Feasibility Study was completed in 1990 and, following approval by the Chilean government, construction started in October of 1992. Sumitomo acquired a 20% stake in the property in 1992. Production commenced in early 1995.

In 2007, property ownership changed when Freeport acquired Phelps Dodge.

During 2011, a pipeline was completed to bring water from a nearby sewage treatment facility to the Candelaria Mine. A desalination plant at the port of Caldera was built and commissioned in 2013 at a capacity of 500 liters per second.

The Ojos del Salado complex has been in production since 1929, with processing taking place at the PAC plant. Phelps Dodge became sole owner of Ojos del Salado and the Santos Mine and PAC plant in 1985. The PAC plant's current capacity is 3,800 tpd. Sumitomo acquired its 20% interest in Minera Ojos del Salado in 2005.

In early 1996, production from the Alcaparrosa underground mine commenced.

Between October 1998 and 2004, the Santos, Alcaparrosa and PAC plant operations were suspended due to the weak copper price environment.

In November 2014, Lundin Mining acquired Freeport's interest in the Candelaria Copper Mining Complex.

In 2015, the Candelaria 2030 EIA, including the new Los Diques tailings management facility, received environmental approval from Chilean regulators. Construction of Los Diques commenced in 2016 after the receipt of the major construction permits. Construction continued throughout 2017 and first tailings were placed during the first quarter of 2018.

During 2018, exploration success led to the first declaration of Mineral Resources and Mineral Reserves on the Española deposit. In 2019, first ore was produced from the new South Sector of the Candelaria underground mine.

In February 2020, the Company submitted an Environmental Impact Assessment which, if accepted, will provide flexibility to expand and extend the mine operating life to at least 2040. As of the date of the Prospectus, the Environmental Impact Assessment has been through two rounds of review (known as "ICSARAs" or *Informe Consolidado de Rectificaciones y/o Ampliaciones*) and a determination is expected in 2022.

Candelaria has been a significant producer of copper since the mid-1990s. In the last five years, annual payable copper and gold metal in concentrates sold varied between 123 kilotonnes and 179 kilotonnes, and 73,000 oz and 100,000 oz, respectively.

iii. Geological setting, mineralization and deposit type

The Candelaria sulfide deposit is located at the boundary between the Coastal Cordillera and the Copiapó Precordillera. The Coastal Cordillera of Chañaral and Copiapó is composed of Permian to Lower Cretaceous intrusions within a basement of metasedimentary rocks of Devonian to Carboniferous age. Volcanic, volcaniclastic, and marine carbonate rocks represent intra- and back-arc sequences that were deposited during the early to mid-cretaceous period.

The Candelaria, Santos, and Alcaparrosa Mines are located in the district of Punta del Cobre. The polymetallic sulfide deposits are hosted in volcanic rocks of the Punta del Cobre Formation. Polymetallic sulfide deposits in the Punta del Cobre district are located to the east of the main branches of the Atacama fault zone, a subduction-linked strike-slip fault system stretching over 1,000 km along the Chilean coast and active at least since the Jurassic period. The dominant structural elements of the Punta del Cobre area are the northeast-trending Tierra Amarilla Anticlinorium, a southeast verging fold-and-thrust system, and a series of north-northwest to northwest-trending high-angle faults.

The copper-gold sulfide mineralization found at the Candelaria Copper Mining Complex, which is generally referred to as IOCG mineralization, is located within the thermal aureole of the Lower Cretaceous magmatic arc plutonic suite in the Candelaria-Punta del Cobre district. Depending on lithology and the structural setting, the polymetallic sulfide mineralization can occur as veins, hydrothermal breccias, replacement mantos, and calcic skarns within andesite and tuff units. Commonly the mineralization is hosted in the tuff, lower andesite, or “albitoforo” field units of the Punta del Cobre Formation. There are also some localized controls to mineralization in the form of faults, breccias, veins, and foliation. Candelaria has become an exploration model for Andean-type IOCG deposits that display close relationships to the plutonic complexes and broadly coeval fault systems.

The main mineralized body at the Candelaria Mine is up to 400 m thick in its central part and thins towards the edges. In east-west sections, the mineralization has a lenticular, downward concave shape with a steep eastern limb and a shallowly dipping western limb. The shape of the mineralized body in north-south section is irregular. In plain view, the extent of the mineralization in Candelaria is approximately 1,400 m by 4,000 m. The mineralized body was folded after its formation. The north-northeast-trending fold axis corresponds to the Tierra Amarilla Anticline.

In the Santos Mine, three styles of mineralization are observed: veins, mantos, and breccia bodies. An important vein in the Santos Mine is the Isabel Vein, which has a northwest striking orientation, and extends over 1 km in length and between 4 m and 30 m in width. Manto-type mineralization occurs as tabular bodies located at two sedimentary horizons located in the floor and roof of the ”albitoforo”. The manto mineralization is characterized by variable iron contents with magnetite common in the north and deeper areas, and specular hematite in the south. Mineralization occurs within breccia bodies, which are typically contained with the “albitoforo” and lower andesite units and the mineralization generally forms steeply west-dipping and north-northwest- to northwest-striking bodies.

Mineralization at the Alcaparrosa Mine principally occurs as mantos that trend to the northeast and dip to the west. Ore mineralogy consists of chalcopyrite, pyrite, and magnetite, with trace pyrrhotite, molybdenite, and arsenopyrite. Mineralization at the Alcaparrosa Mine also occurs as veinlets defining dense stockwork, breccias as well as fine dissemination in biotite meta-andesites. High-grade bodies are also found in massive veins striking north-northwest, north, and east.

In the La Espanola project area, mineralization occurs within mantos hosted mainly in a brown garnet skarn, and in lesser proportions within silica hornfels. Chalcopyrite is the primary copper sulfide mineral found as clusters and in disseminated form, commonly associated with brown garnet porphyroblasts. Near the surface and down to a depth of approximately 70 m, the mineralization is oxidized, characterized by the presence of chrysocolla, malachite, native copper, diogenite and bornite.

iv. Exploration

Historic exploration has focused on drilling known manto, veins, and breccia masses in proximity to existing underground infrastructure. This strategy has proven very effective in defining new estimated Mineral Resources and Mineral Reserves available for underground mining. Much of the exploration is conducted from underground, requiring significant underground development to provide adequate drilling stations. Regional exploration is also undertaken on the large properties surrounding the mines identifying targets and defining new areas with Mineral Resource potential.

In 2021 exploration focused on near-mine targets at Candelaria, Alcaparrosa, Santos, and La Española with limited drilling on regional targets west of Candelaria. Exploration drifting completed 168 m to provide platforms for future exploration drilling to further expand known Mineral Resources. Downhole geophysics on select drillholes was completed and surface resistivity geophysical surveys were employed at Santos. District surface mapping was carried out to the west of Candelaria.

Exploration drilling in 2021 in the underground North and South sectors of Candelaria continued to intersect extensions of the mineralization. The 2021 drill program in Candelaria North was focused on the far north sector to enable future mine planning. The Santos surface drilling program confirmed the extension of mineralization along veins in the southern portion of the deposit, while the underground drilling in the Santos Mine confirmed the continuation of the sub-vertical orebody in the north.

v. Drilling

Mineral Resources are estimated based on information obtained from surface and underground drill holes. In 2021, a total of 18,890 m were drilled in Candelaria underground (North and South sectors). There were also 4,384 m drilled from underground at the Alcaparrosa Mine and 9,858 m drilled from surface and underground at Santos for exploration. Moving away from the mine, 5,197 m were drilled at La Española with a further 1,676 m of drilling completed in the District. A total of 39,987 m was drilled for exploration purposes. Additionally, a total of 994 m was drilled for geomechanical studies in 11 holes and 334 m for hydrogeological studies in 4 holes. The drilling and sampling procedures used are consistent with generally recognized industry best practices.

Exploration drilling in 2021 in the underground North and South sectors of Candelaria continued to intersect extensions of the mineralization. The 2021 drill program in Candelaria North was focused on the far north sector to enable future mine planning. The Santos surface drilling program confirmed the extension of mineralization along veins in the southern portion of the deposit, while the underground drilling in the Santos Mine confirmed the continuation of the sub-vertical orebody in the north.

vi. Sampling, analysis and data verification

Analytical samples informing the Candelaria open pit Mineral Resources were prepared and assayed at the Candelaria mine site. Analytical samples informing the Ojos del Salado Mineral Resource estimates were formerly prepared and assayed by Intertek in Paipote, Chile, an independent laboratory.

Since 2018, the Candelaria and Ojos del Salado drilling samples have been sent to the Geolaquim laboratory, an independent laboratory in Paipote, and the Candelaria laboratory used as an umpire laboratory. SG is measured systematically every 2 m over the full sample interval.

All drilling assay samples are collected by a contractor under the direct supervision of a mine geologist. Samples from Candelaria are processed at the mine site and transported to the Geolaquim laboratory. Samples from Ojos del Salado are also transported directly from the property to the Geolaquim laboratory in Paipote. In each case, established procedures were used to ensure the security of samples during transportation between the drill rig and the laboratories. Quality assurance procedures, data verification and assay protocols used in connection with drilling and sampling conform to industry accepted quality control methods.

The analytical quality control program implemented at Candelaria and Ojos del Salado includes the use of control samples (coarse and pulp duplicate samples and reference material samples) inserted within all batches submitted for assaying.

Since 2016, exploration data are managed through an acQuire database, which includes quality control management features for sample coordinates from borehole surveys and data management tools. Sample numbering and labelling is controlled through acQuire, including insertion of quality control samples and consignment notes to the primary laboratories. Analytical results are received electronically and managed through acQuire with quality control filters. Samples outside defined limits are rejected by acQuire and flagged for further investigation. The acQuire system includes features for reporting analytical results and preparing bias charts and time series plots.

vii. Mineral Processing and metallurgical testing

The Candelaria Copper Mining Complex maintains regular metallurgical testing programs that are incorporated with historical testing results and mill performance into a statistical model to predict and improve the complex's processing performance in terms of mill throughput, metal recovery to concentrate, and final concentrate grade.

Metallurgical tests are executed in a number of specialized commercial facilities and in the in-house metallurgical development laboratory. Testing includes rock hardness classification, mineralogy using QEMSCANTM technology and bench scale flotation testing that is correlated with industrial scale performance in order to predict mill throughput and metallurgical performance. A similar but less intense program is underway for the PAC plant.

Metallurgical tests initiated in late 2016 involved a blend of ore considered representative of future feedstock. Test work included SAG and ball mill pilot testing, specific SAG design tests, bench scale flotation kinetic modelling and automated scanning electron microscopy. Results and analysis from this test work program were evaluated using the Ausenco Ausgrind methodology to improve confidence in the estimated throughput for the LOM plan.

A number of process initiatives focusing on debottlenecking and improving the existing facilities have been completed. As a part of these initiatives, further variability test work programs were initiated. The Mine-to-Mill study evaluated potential improvements in primary crusher feed size from blasting (both underground and the open pit) and the effect on overall comminution specific energy. This was combined with on-going geo-metallurgical initiatives to characterize different geological zones, adding to the existing ore hardness and rougher flotation response databases by incorporating more underground sections data and replacing the reliance on SPI tests for SAG milling power calculations with the established JKTech or SMC methodology.

The Candelaria Mill Optimization Project ("**CMOP**"), which was completed in 2020, included upgrades in secondary grinding and classification. These improvements allowed reduced grind size feed to the flotation circuit and thus improve metal recovery.

Other initiatives saw the introduction of a gold-specific collector in the cleaning section of the flotation circuit and recirculation of the tailings stream of this area into the scavenger feed stream, to improve gold recovery capability. A study is underway that would increase plant throughput by removing the current partial recirculation of pebbles to the primary grinding circuit and push the overall pebble production into the secondary grinding circuit.

viii. Mineral resource and mineral reserve estimates

The Mineral Resources at the Candelaria Copper Mining Complex are estimated from core drilling information stored in a secure central database and were evaluated using a geostatistical block modelling approach. Separate models were prepared for the Candelaria open pit mine and Candelaria underground (South sector) and the three underground mines (Candelaria North sector, Santos, and Alcaparrosa) using slightly different methodologies and assumptions.

The open pit Mineral Reserve estimates for both Candelaria and Espanola are based on a mine plan and open pit designs developed using modifying parameters including metal prices, metal recovery based on performance of the processing plant, actual operating and sustaining capital cost estimates based on the production schedule and equipment requirements. Open pit optimizations are carried out using Minesight® and Datamine software.

Underground Mineral Reserve estimates at Candelaria underground (North and South sectors), Alcaparrosa and Santos are based on mine plans and designs developed using modifying parameters including metal prices, metal recovery based on performance of the processing plant, actual operating and sustaining capital cost estimates based on the production schedule and equipment requirements. Stope layouts, mining sequence and development plans are developed using Deswik software with Stope Optimizer and MineSight® for detailed design and operational refinements.

Factors which may affect the Mineral Resource and Mineral Reserve estimates include: dilution and mining recovery, metal prices, smelter, refining and shipping terms, metallurgical performance, geotechnical characteristics of the rock mass, capital and operating cost estimates, and the likelihood of obtaining land title, required permits and environmental, social and legal licenses. To the extent such factors are within the control of, or capable of influence, by the Company, these factors are managed through industry accepted practices and procedures and well as maintaining an engaged and constructive dialogue with the local communities and government authorities.

Details of the June 30, 2021 Mineral Resource and Mineral Reserve estimate for the Candelaria Copper Mining Complex are included in Schedule A.

ix. Mining operations

The Candelaria and La Española open pits will operate with an overall mining rate of approximately 326,000 tpd for the next ten years. As the final waste stripping is completed, the overall mining rate will decline. A stockpile strategy has been developed to maximize the grade of material going to the processing facility. Direct milling ore will average 0.65% Cu from Candelaria and 0.43% Cu from Española. Lower grade stockpile ore will be recovered to meet the plant capacity as required. The mine currently operates five electric shovels, five hydraulic shovels, approximately 56 haulage trucks, seven production drills, and a fleet of support equipment.

The Candelaria open pit was designed to be mined in several phases of development. As of June 2021, four phases of development remain in the LOM plan (Phases 10 to 13). The overall strip ratio is 2.2:1 including ore delivered to stockpiles. The total in-pit waste is 810 Mt and the LOM of the open pit mine is 16 years. The Española total in-pit waste is 131 Mt and the overall life estimated is 11 years.

The Candelaria underground (North and South Sectors) is expected to produce over 5.1 Mt of ore per year from 2022 until the end of the life of the mine. Access and infrastructure development to the South sector commenced in 2017 with first ore mined in 2019. The estimated average grade of the Candelaria underground ore is 0.82% Cu.

The Alcaparrosa underground mine produces approximately 1.6 Mt of ore per year with an average grade of 0.81% Cu. The Santos underground mine produces approximately 1.9 Mt of ore per year with an estimated average grade of 0.90% Cu over the remaining LOM. The three underground mines utilize a sublevel stoping mining method for ore extraction. This method is ideal for relatively large, vertical, as well as thick deposits with favorable and stable host rock. The stopes range in sizes from 100,000 tonnes to 1 million tonnes of ore and material is extracted at rates of 1,000 tpd up to 3,000 tpd, depending on the number of draw points and the broken ore flow characteristics.

In early 2022, a feasibility study was completed for expansion of throughput of the underground mines from 15 ktpd to 30 ktpd and included underground crushing and conveying systems and a surface secondary crushing plant. In 2022, the Company expects to commence basic engineering of the potential expansion.

All open pit pushbacks and associated pit slopes are geotechnically evaluated by independent experts to validate the design parameters. Similarly, underground stoping areas are evaluated for overall stability.

x. Processing and recovery operations

Minera Candelaria and Minera Ojos del Salado manage and operate two processing plants. The Candelaria processing plant receives ore from the Candelaria open pit as well as from the Candelaria, Alcaparrosa and Santos underground mines. It has a nominal capacity of 75,000 tpd. The PAC processing plant receives ore from the Santos underground mine and has a design capacity of 3,800 tpd.

The Candelaria processing plant flowsheet is conventional, comprising two parallel process lines for grinding and flotation followed by common final concentrate filtration and shipping of bulk copper concentrates. Run of mine ore is trucked to a primary gyratory crusher, which then feeds via a stockpile the two parallel SAG mill – ball mill grinding circuits complemented with pebble extraction, crushing and milling a portion of the crushed pebbles.

The secondary ball mills cyclone overflow constitutes feed to two parallel rougher flotation banks. Rougher concentrate is reground prior to two-stage cleaning in column flotation cells. Final flotation copper concentrate with gold and silver by-product metals is thickened, filtered with ceramic disc filters, and stored on site. Final flotation tails are conventionally thickened and disposed in the Los Diques tailings management facility. The historical processing performance of Candelaria from 2000 through 2021 has average metallurgical recoveries of 94% for copper, 74% for gold, and 83% for silver.

A Feasibility Study was undertaken in 2017 to evaluate potential debottlenecking options of the main Candelaria processing plant, and add throughput capacity. The expansion of the plant has not been advanced, but a number of process improvement initiatives, highlighted during the study, have been since completed. These included upgrades to the primary crusher motor, ball mill repowering, cyclone and cyclone feed pump capacity upgrades executed as part of the Candelaria Mill Expansion Project (CMOP). The forecast cumulative impact of these upgrades was to deliver an additional 4,000 tpd of throughput and 1.7% copper recovery. Although the recovery improvement, from a finer flotation feed size, was largely achieved, the increase in throughput was limited by a residual bottleneck around the pebble milling circuit. Removal of such is the subject of on-going studies and implementation of the retained solution is planned for 2022-2023 under the Phase 3 Optimization Project.

The PAC concentrator has been in operation since 1929 and upgraded several times to the current capacity of 3,800 tpd. The PAC concentrator flowsheet comprises a conventional three-stage crushing plant. The grinding circuit has three closed-circuit ball mills operating in parallel. The ball mills cyclone overflow constitutes feed to the rougher flotation bank. Rougher concentrates are reground prior to cleaning in a column cell with the tailings scavenged with conventional mechanical flotation cells. Final concentrate is thickened and filtered using a ceramic disc filter. Final flotation tailings from the PAC plant are pumped to the Los Diques tailings storage facilities at the Candelaria site.

Copper concentrates containing precious metals, from both plants, are sold on contract to local smelters or trucked to the Punta Padrones port, near Caldera, for export to overseas smelters. Demand for copper concentrates produced by the Candelaria Copper Mining Complex is strong as they have very low content of critical elements such as lead, arsenic, antimony, bismuth, and mercury which make them good base feed for smelters.

Candelaria Copper Mining Complex has an agreement with a third-party company to process Candelaria's flotation tailings to produce a magnetite concentrate and this produces an additional source of by-product revenue subject to favorable iron ore prices.

xi. Infrastructure, permitting and compliance activities

The mines of the Candelaria Copper Mining Complex receive electrical power through long-term contracts with AES Gener S.A., a local energy company. The main water supply comes from a desalination plant, which was commissioned in 2013 and is located adjacent to the Punta Padrones port facility. Copper concentrate is sold on contract to local smelters or is shipped by road to the Punta Padrones port facility and from there by ship to various smelters around the world. The desalination plant and the Punta Padrones port are owned by Minera Candelaria.

The active TSF, known as Los Diques, commenced operation in 2018 replacing the original Candelaria TSF. The Los Diques TSF, approved as a key part of the Candelaria 2030 EIA, is located to the southwest of the open pit and plant sites and has a designed capacity of approximately 600 million tonnes. The main impoundment of the TSF is constructed from rockfill using the downstream method. The TSF now receives the full flotation tailings from the Candelaria and PAC processing plants. Future phases of the Los Diques TSF have been initiated ahead of schedule, taking advantage of synergies with the original project and the availability of mine waste from the open pit. The original Candelaria TSF is inactive, except for on-going recovery of tailings drain-down water, recycled to the process plant. There is no longer a supernatant pond on the Candelaria tailings facility.

The physical stability of the tailings embankments is inspected and monitored on a continuous basis by Candelaria operations staff and a monitoring report is submitted quarterly to the Chilean Mining and Geology National Authority. All Candelaria Mine tailings facilities have a formally appointed external Engineer of Record that conducts in-person dam safety focused inspections at least annually. For the active Los Diques tailings facility, representatives from the Engineer of Record team maintain a full-time site presence to perform construction quality assurance and supervision. Monitoring data are regularly shared with the Engineer of Record to review and verify that all levels are below pre-determined safety trigger levels. The most recent independent tailings review site visit was completed in November 2021. The Company anticipates that the independent review scope will be expanded at Candelaria in 2022 to conform with the Company's updated Tailings Management Standard requirements (see "*Tailings Management*" above).

Chile has established a comprehensive regulatory framework for mining and other industrial activities, dating from the mid-1990's that has been updated several times since then. Although the Candelaria and Ojos del Salado facilities were permitted and developed prior to the modern framework being in place, both hold numerous environmental approvals stemming from modifications to the original developments and are compliant with current regulatory requirements. In addition, the two companies hold more than 1,000 permits for construction and operation of the mining and milling facilities, and related infrastructure. Candelaria is operating under the Candelaria 2030 EIA approved by the environmental authorities in July 2015.

On February 26, 2020, the Company submitted an Environmental Impact Assessment which, if approved, will include an extension to the mine life, expanded underground mining production, development of the La Española satellite deposit and other mine optimization initiatives. As of the date of the Prospectus, the Environmental Impact Assessment has been through two rounds of review (ICSARAs) and is currently under review with the authorities with a determination expected in 2022. The Company's current authorization to mine extends through 2030 so no material impact is anticipated by continued administrative review; however, the approved EIA will be necessary for the Company to commence building key infrastructure in 2023 or might otherwise require mine plan resequencing.

The Alcaparrosa Mine received environmental approval in 1996 with subsequent amendments, most recently an EIA to support the extension of the mine operation through 2022. A routine permit renewal was submitted in December 2020 and was approved in 2021.

The Santos Mine technical sectorial permit application was submitted to the agency on September 30, 2020 and is under administrative review with a determination anticipated in 2022.

Candelaria and Ojos del Salado operate under Lundin Mining's Responsible Mining Management System and corresponding health, safety, environment and community standards. This system undergoes a third-party audit to ensure continued compliance with those standards and guidance documents. In addition, the Health, Safety and Environmental Management Systems at Candelaria and Ojos del Salado are certified under the international ISO - 45000 and ISO - 14001 (2015) standards. The environmental management systems that fall under ISO - 14001 were last certified in March 2018 and were recertified in the first quarter of 2021. The health and safety management systems that fall under OHSAS - 18001 were last certified in March 2018, and were converted to ISO - 45001 certification in October 2021. The energy management systems that fall under ISO - 50001 were certified in 2021.

Separate MCPs are in place for Candelaria and Ojos and both have been approved by SERNAGEOMIN. These plans are updated periodically, at a minimum of every five years, and include financial guarantees pursuant to local regulations. A final report indicating completion of obligations identified in the San Esteban closure plan (which consisted of two small historical tailings facilities) was approved in 2020 under new Chilean regulations. One of the closed San Esteban tailings facilities has been decommissioned with the tailings solids relocated to the Candelaria tailings facility and the Company continues to maintain and monitor the other closed tailings facility. In addition, the Company maintains and monitors three closed tailings facility locations at Ojos, none of which have a water cover.

The social performance team engages with numerous stakeholders, primarily in the communities nearest the mine and port facilities, namely Tierra Amarilla, Caldera and Copiapó. Community offices are located in each of these municipalities; engagement occurs throughout the year and is focused on managing social impacts, risks and opportunities specific to each community. The team bases its activities on a 5-year social performance strategic plan and systems, which reflect best practice and international standards in stakeholder engagement, grievance procedures, risk management and community investment.

xii. Capital and operating costs

As reported in the Company's MD&A for the year ended December 31, 2021, Candeleria's annual production cost is presented below. In addition, Candelaria's actual cash costs and cash costs per pound for 2021 and guidance for 2022 is presented below.

Candelaria	**2021 Actual**	**2022 Guidance[(2)]**
Annual production cost	$581M	--
Cash Cost[(1)]	$494M	$570M
Cash cost per pound of copper[(1)] ($/lb Cu)	$1.51	$1.55

(1) Cash cost and cash cost per pound of copper are non-GAAP measures. For a description and reconciliation of non-GAAP measures, please refer to the heading "Non-GAAP and Other Performance Measures" on page 26 of Lundin Mining's MD&A for the year ended December 31, 2021, which section is incorporated by reference herein and which is available on SEDAR under the Company's profile at www.sedar.com (the information on the website does not form part of the Prospectus). Cash cost and cash cost per pound of copper include the impact of the Candelaria Stream Agreement but excludes any allocation of upfront cash received under that agreement, and capitalized stripping costs. 68% of Candelaria's total gold and silver production are subject to the Candelaria Stream Agreement and as such cash costs are calculated based on receipt of approximately $420/oz and $4.20/oz, respectively, on gold and silver sales in the year.

(2) Cash cost guidance is based on various assumptions and estimates, including but not limited to production volumes, commodity prices (Au: $1,800/oz), foreign exchange rates (USD/CLP:700), TC/RCs and operating costs.

As reported in the Company's MD&A for the year ended December 31, 2021, capital cost estimates for Candelaria in 2022 are tabulated below. Expected capital expenditure for underground development, supporting infrastructure and equipment is $115 million and that for ongoing development of the Los Diques TSF is $55 million.

The Company capitalizes waste costs during the production phase of the mine when these costs provide probable future economic benefits and identifiable improved access to the ore body which can be reliably measured.

Candelaria Capital Cost Estimates	**Unit**	**2022 Guidance**
Capitalized waste stripping	$M	180
Underground development & equipment	$M	115
Los Diques TSF	$M	55
Other sustaining	$M	20
Total sustaining	**$M**	**370**

xiii. Exploration, development and production

The 2022 exploration efforts will have two objectives. The first is to extend near-mine Mineral Resources at Santos, Alcaparrosa and all sectors of Candelaria underground. The second objective is to test district targets with strategic growth potential to the south and southwest of existing operations. An exploration drilling budget of 54,270 m has been planned for 2022. A further 500 m of exploration drifting has been outlined to develop future drilling platforms. Downhole geophysics and surface geophysics, CSAMT (Controlled-source audio-frequency magnetotellurics) will be strategically employed. An infill drilling program of 13,300 m and 1,370 m of Hydrogeological drilling are planned for 2022.Total exploration expenditure in 2022 is guided at approximately $15 million.

In 2021, the Candelaria Copper Mining Complex produced 151,719 tonnes of copper and 91,000 ounces of gold in concentrate (100% basis). As reported in the Company's MD&A, for the year ended December 31, 2021, 2022 production guidance is as tabulated below.

Candelaria (100%)	Unit	2022 Guidance
Copper production	'000 Tonnes	155-165
Gold production(1)	'000 Ounces	83-88

(1) 68% of Candelaria's total gold and silver production is subject to the Candelaria Stream Agreement.

The current forecast LOM of the Candelaria open pit and stockpiles is to 2044, the Espanola open pit is to 2034 while the underground mines, Candelaria (North and South sectors), Alcaparrosa and Santos, have mine LOMs to 2043, 2029 and 2029, respectively.

B. Chapada mine

The Chapada Mine is located in Goiás State, Brazil and is owned and operated by MMIC, which is a 100% indirect subsidiary of Lundin Mining. The scientific and technical information in the following section has been derived from the Chapada Report (dated June 30, 2019) and subsequent updates from the Company. The Chapada Report is available on SEDAR under the Company's profile at www.sedar.com (the information on the website does not form part of the Prospectus).

i. Project description, location and access

Chapada is located in northern Goiás State, Brazil, approximately 320 km north of the state capital of Goiania and 270 km northwest of the national capital of Brasilia. Chapada comprises the Chapada copper-gold mine, the nearby Suruca gold deposit located six kilometers northeast of Chapada and several nearby exploration concessions.

The mining and processing operations at Chapada produce copper concentrates (with significant gold by-products) from open pit mining. The open pit mines provide copper/gold ore to an on-site flotation concentrator with a nominal processing capacity of 24.0 Mtpa. The mineral concentrate product from the processing plant is transported by road to the port of Vitoria in the state of Espirito Santo from where it is shipped to destinations in Europe and the Far East. The Suruca gold deposit is not yet in production.

Access to Chapada is via the paved BR-153 highway from Brasilia to Campinorte and then via the GO-485 highway to the town of Alto Horizonte, which lies between the Chapada and Suruca deposits. An airport, suitable for small aircraft with an 800 m long airstrip is located close to Alto Horizonte.

Chapada is divided into 74 mining and exploration concessions totaling 105,992 ha and held in the name of MMIC. The Chapada Mine is currently hosted on three mining concessions totaling 3,830 ha with a further three concessions, totaling 1,116 ha, currently in an application process. The Suruca deposit is hosted on a single mining concession totaling 846 ha. MMIC also holds 67 exploration concessions in the area that total approximately 100,200 ha.

MMIC holds all of the surface rights in the area of the Chapada Mine, which incorporates all of the locations of buildings, fixed installations, waste dumps, and tailing disposal facilities in the current mine plan. Lundin Mining is of the opinion that it can acquire the right to dispose of waste rock and tailings on additional surface property (including in the tailings dam self-rescue zone), if and when required.

Chapada is not subject to any rights, agreements or encumbrances which could adversely affect the value of the property or Lundin Mining’s ownership interest. Gold production from Suruca is subject to a 2% net smelter return royalty payable by MMIC.

The Company is subject to separate copper purchase agreements related to the Chapada Mine’s copper production from specific areas in and around the active mining areas of the Chapada Mine with each of Sandstorm and Altius. Pursuant to these copper purchase agreements (which were transferred to the Company as part of its acquisition of the Chapada Mine from Yamana), each of Sandstorm and Altius have agreed to purchase specified amounts of copper from the Company for the life of the Chapada Mine in exchange for ongoing payments for each pound of copper received equal to 30% of the spot price per pound of copper.

ii. History

The Chapada deposit was discovered in 1973 by INCO during a regional program of stream sediment sampling. Follow-up work by INCO was conducted in 1974 and 1975 including detailed stream sediment surveys, soil geochemistry, geophysics, trenching, and broadly spaced drilling.

As there are few outcrops in the mine area due to laterite-saprolite cover, the deposit definition required extensive diamond drill exploration. Development drilling of the deposit occurred in several campaigns from 1976 through 1996 by INCO, Parsons-Eluma, Eluma- Noranda, Santa Elina, and Santa Elina-Echo Bay.

Yamana purchased Chapada in 2003 and commenced construction of the current mine in late 2004. First commercial production of copper concentrates (with significant gold by-products) occurred in early 2007 from a mine and mill with a nominal 16.0 Mtpa capacity. Numerous plant expansion and debottlenecking projects were completed by Yamana increasing the throughput capacity to its current 24.0 Mtpa.

In July 2019, Lundin acquired Chapada from Yamana. The total material processed from the start of production up to the end of June 2019 was 246.2 Mt grading 0.38% Cu and 0.33 g/t Au.

iii. Geological setting, mineralization and deposit type

The Chapada and Suruca deposits are located in the Eastern Belt of the Mara Rosa Volcano-sedimentary sequence. The Eastern Belt in the vicinity of the mine comprises a thick package of amphibolites succeeded by volcanic and volcanoclastic rocks overlying metasedimentary rocks.

The copper-gold deposit at Chapada comprises products of hydrothermal alteration of the copper-gold porphyry system. Alteration styles include biotitization, sericitization, argillitization, and propylitization. The primary copper-gold mineralization at Chapada is epigenetic. Copper is principally present as chalcopyrite with minor amounts of bornite. Fine grained gold is closely associated with the sulfide mineralization and was likely to be contemporaneous with the copper. Other district targets include mineralization styles associated with skarn alteration.

The gold at Suruca is related to folded quartz vein/veinlets with sericitic and biotite alteration, rather than high sulfide concentrations. The second generation of quartz veins/veinlets with sulfides (sphalerite + galena + pyrite), carbonates, and epidote also host gold, which is related to zinc. Mineralization predominately pre-dates deformation, so the gold (Suruca) and copper-gold (Suruca SW) are associated with skarn features, however, some structurally controlled features are also observed.

iv. Exploration

As there are few outcrops in the mine area due to the 30 m thick laterite-saprolite cover, exploration has consisted mainly of drilling. Various drill campaigns have been completed since the mine was acquired by Yamana recognizing that porphyry copper-gold deposits worldwide tend to occur in clusters. The drill campaigns were designed to discover additional deposits in the vicinity of the original mine and to test for possible extensions of known resources. To achieve these objectives, in 2008, regional geological mapping and detailed geological mapping of the open pit were carried out and a geological model of the mine area prepared.

Drilling campaigns from 2008 were successful in discovering extensions to the north east and south west of the main Chapada mineralization including the discovery of Corpo Sul. In 2014, the Sucupira deposit was discovered close to the main Chapada deposit with similar mineralogical features and some holes with average grades above 0.7% CuEq. In 2018, the Baru NE mineralization was discovered close to the plant facilities and the Santa Cruz mineralization was outlined as a southern extension of Corpo Sul.

Exploration work at Suruca started in 2008 with geological mapping, chip sampling and shallow drilling followed by a geophysical program in 2009. Drilling in 2009 discovered the deposit and it was largely delineated and infilled in 2010. No exploration was carried out between 2011 and 2015, but in 2016 extensive drilling was carried out in the oxide mineralization to define a Measured Mineral Resource. In 2017, the Suruca SW mineralization was discovered exhibiting similar geological features to the Chapada deposit and drilling continued in 2018 focusing on strike and down dip extensions. During 2021, the objective was to delineate the copper-gold mineralization to the southwest of Suruca.

In 2021, exploration activities at Chapada included surface geochemical sampling programs spread across new exploration properties, acquired in recent government auctions, with near-term economic potential. Airborne geophysics was flown across several regions, including Chapada and much of the new exploration claims.

v. Drilling

Drilling at Chapada and within the district (excluding Suruca) to year end 2021 comprised a total of 68,375 m. Drilling has delineated the main deposits at a spacing of 100 m by 100 m, with a tighter 50 m pattern in the central portions.

In 2021, drilling focused on Mineral Resource expansion at Chapada, Buriti, Sucupira, Corpo Sul, Baru, Santa Cruz and at Suruca. Regionally, drilling was focused on the recent Sauva discovery to the south of Formiga with limited drilling at Formiga and Taquaruçu. During 2021, a total of 66,331 m has been drilled at Chapada in 250 drill holes, where approximately 28,000 m were drilled to support Indicated Mineral Resources estimation, 100 m by 100 m spacing) including 701 m at Suruca. On the Chapada district targets, 138 holes were drilled totaling 31,770 m, including 12,860 m drilled on the recent discovery at Saúva.

To year end, 2021, 1,119 holes have been drilled for an aggregate total of 96,460 m at Suruca. Initial drill programs focused on delineation by infill drilling at 200 m by 200 m and 100 m by 100 m spacings. In 2016, an extensive drill program was completed to convert Indicated Mineral Resource estimates (100 m by 50 m) to Measured (35 m by 35 m). During 2021 limited drilling was carried out in the Suruca SW area, close to the Chapada Mine.

vi. Sampling, analysis and data verification

Upon arrival of the core at the core logging facility, the hole is checked and marked for lithological contacts. Samples are marked down the entire length of the hole at one or two meter intervals, adjusted for lithological contacts.

Samples are sawn in half with an electric diamond blade core saw and sampled prior to logging. The samples are placed in a numbered plastic bag along with a paper sample tag and sealed. Sample weight is approximately 3.5 kg. Six to eight samples are placed in a larger plastic bag, loaded onto a truck owned and driven by a locally based transport company to the ALS Chemex laboratory sample preparation facility in Goiania, Goiás.

All samples are analyzed by fire assay (gold) or four acid digestion (copper), both with an atomic absorption spectroscopy (AAS) finish by ALS Chemex Lima, Peru, accredited by the Standards Council of Canada ISO 17025:2005, and the secondary laboratory SGS GEOSOL, Vespasiano, Brazil accredited by ISO 9001:2008, both independent laboratories.

The collection and analysis of assay and QA/QC data at Chapada meets standard industry practice and the assay results within the database are considered suitable for use in a Mineral Resource estimate.

vii. Mineral processing and metallurgical testing

A significant amount of process test work was completed for the development of the Chapada flowsheet. The metallurgical test work included mineralogical studies, grinding and Bond Work Index tests, flotation recovery studies and thickener settling tests. Tests and design work indicated that a concentrate grade of 28.0% Cu was achievable with acceptable recoveries of both copper and gold.

Subsequent to the mine commissioning in 2007, further test work was completed. Initially this focused on increasing the plant throughput capacity and improving the grinding circuit. Ore characterization studies and plant surveys were completed allowing the development of a calibrated model of the plant performance. Following this work, the power draw of the existing mills, both SAG and ball, were adjusted to operate under increased power draw providing the additional energy required for fragmentation. This has allowed the plant to increase capacity to 24.0 Mtpa while still achieving acceptable flotation performance. Further ore characterization studies are ongoing to better model the increasingly competent future ore sources.

More recently, after significant testwork, the process plant flowsheet has incorporated Woodgrove Technologies Staged Flotation Reactors and Direct Flotation Reactors and has seen some associated recovery improvements. The mine has addressed future increases in ore competency by implementing a Semi-Mobile Crusher Plant to crush a portion of the SAG Mill Feed Stockpile. Further process benefits have been realized with improved ore size distributions due to a Mine to Mill program and improved SAG Mill Liner configurations. Further debottlenecking, expansion and Enterprise Optimization studies are underway.

At Suruca, separate test work programs were initiated for the oxide and sulfide samples. MMIC managed and supervised all metallurgical test work programs. In April 2017, Kappes, Cassiday & Associates ("**KCA**") completed an updated test work program to evaluate a dynamic heap leach process including head analysis, agglomeration and compaction test work, and column leach test work. The updated KCA test work program confirmed the amenability of Suruca ore to cyanide leaching and recommended further compaction test work.

The Company is currently studying various processing facility expansion scenarios to allow for increased processing from the current level of 24.0 Mtpa. It is anticipated that this work will result in an updated prefeasibility study in 2022.

viii. Mineral resource and mineral reserve estimates

The Chapada Mineral Resource estimate is based on open pit mining scenarios and is constrained by optimized pit shells, which are based on a copper and gold NSR cut-off value. Mineral Resource estimates are prepared using industry standard methods and provide an acceptable representation of the deposit.

Chapada personnel develop mineralization and lithology wireframes, including refinements, using Leapfrog Geo software. Block models are generated in Maptek Vulcan measuring ten meters in each direction for Chapada (Baru, Baruzinho, Cava Central, Cava Norte, Corpo Sul, Sucupira and SW Mina) and five meters in each direction for the Suruca deposits. Block grades are estimated using Ordinary Kriging in areas where sufficient composites are available to produce reliable variograms. In the absence of reliable variograms, block estimates are performed using inverse distance to the third power.

Classification for Chapada, Suruca Sulfide, and Suruca SW is based on a 50 m by 50 m drill pattern for the Measured Mineral Resources, 100 m by 100 m drill pattern for Indicated, and 200 m by 200 m drill pattern for Inferred. For Suruca Oxide, classification is based on a 35 m by 35 m drill pattern for Measured Mineral Resources, 100 m by 50 m drill pattern for Indicated, and 200 m by 200 m drill pattern for Inferred.

Using the reported Mineral Resources, open pit mine designs, production schedules and adequate Modifying Factors to account for mining dilution and ore recovery, the Chapada Mine technical team estimate the Mineral Reserves. Based on this, the Measured and Indicated Mineral Resources within the final pit designs at Chapada are classified as Proven and Probable Mineral Reserves.

Factors which may affect the Mineral Resource and Mineral Reserve estimates include: dilution and mining recovery, metal prices, smelter, refining and shipping terms, metallurgical performance, geotechnical characteristics of the rock mass, capital and operating cost estimates, and the likelihood of obtaining land title, required permits and environmental, social and legal licenses. To the extent such factors are within the control of or capable of influence by the Company, these factors are managed through industry accepted practices and procedures and well as maintaining an engaged and constructive dialogue with the local communities and government authorities.

Details of the June 30, 2021 Mineral Resource and Mineral Reserve estimate for Chapada are included in Schedule A.

ix. Mining operations

Chapada is a traditional open pit truck and shovel operation that has been in continuous operation since 2007. Production is currently entirely from Chapada, with three open pits in operation: Corpo Principal, Cava Norte, and Corpo Sul. These pits are planned to eventually join into a single pit and extraction of the Sucupira deposit is planned as an additional series of pushbacks.

The Chapada open pit has current ultimate design dimensions of approximately 8 km along strike, up to 1.5 km wide, and 380 m deep.

Mine operations are carried out with a fleet of rigid frame haul trucks combined with a variety of diesel-powered hydraulic excavators and front-end loaders as the primary loading equipment. A fleet of large diesel-powered blast hole rigs are employed for production drilling. Blasting is required for all rock types except for unconsolidated material at surface.

The Suruca open pit mining area includes Suruca Oxide and Suruca Sulfide gold Mineral Reserves. The Suruca deposit is located approximately 7 km northeast of the Chapada open pit and final pit dimensions will be approximately 2 km along strike and approximately 1 km wide.

The Chapada LOM plan is based on the Mineral Reserves and a processing rate 24.0 Mtpa with the ore stockpile to be processed intermittently throughout the mine life. The current mine life is 24 years plus an additional eight years at the end of the mine life for processing the remainder of the ore stockpile.

x. Processing and recovery operations

The Chapada concentrator is designed to process copper sulfide ore at a nominal rate of 65,000 tpd for a total of 24.0 Mtpa. Ore is delivered from the mine by haul truck to one of two parallel lines of primary crushers. The first line consists of a primary gyratory crusher located adjacent to the pit. The discharge of the gyratory crusher is then conveyed to the feed bin of an MMD Sizer for secondary crushing. The second system consists of a Metso jaw crusher. Product from both crushing lines is transferred to the crushed ore stockpile. In 2021, copper and gold recoveries averaged 80.4% and 56.0% respectively and the average concentrate grades were 0.27% Cu and 0.18 g/t Au.

Ore from the crushed ore stockpile is passed to a primary grinding circuit comprising a SAG and ball mill, with pebble crushing, that can be operated in either closed or open circuit. Ground cyclone classified material is passed to a rougher cleaner flotation circuit with concentrate regrind taking place in a Metso Vertimill. The scalper SFR cells along with the final cleaner column flotation cell supply concentrate to a conventional thickener and then a Larox filter press. The pressure filter reduces the concentrate moisture to approximately 8% before discharging it to a stockpile below. The concentrate is then loaded onto trucks and transported to the port of Açu for shipping.

Flotation tailings are pumped to the TSF, located to the north of the plant site using a two-stage pumping system and water from the tailings basin is recirculated back to the plant.

In 2018, a study and basic engineering report were commissioned, which combined the information gained from several studies regarding process plant upgrading, optimization and, ultimately, the expansion of the processing facilities from the current 24.0 Mtpa to approximately 32.0 Mtpa. This expansion has not been advanced but options for mine and mill expansions are being evaluated in parallel with the significantly increased exploration efforts. These expansion options will include the need to relocate some elements of the processing plant and site infrastructure in order to mine the Sucupira mineralization. A scoping study is ongoing and will continue into 2022 to assess various expansion scenarios, including a possible 24 Mtpa greenfield process plant.

For Suruca, run of mine ore, which consists of oxide and sulfide mineralization, will be processed separately; the oxide ore will be processed using conventional heap leaching technology, and the sulfide ore will be processed in the existing concentrator after some modifications.

xi. Infrastructure, permitting and compliance activities

Chapada has all the necessary infrastructure for a large open pit mine including truck shop, truck wash facility, warehouse, fuel storage and distribution facility, explosives storage and magazine sites, electrical power distribution and substations. The mine has stockpile areas for high-grade and low-grade ore and waste dumps. Mine and mill infrastructure, including core storage, office buildings, assay laboratory, and maintenance shops, is in place.

The mine is connected to the National Electric Grid through a privately owned 84 km long 230 kV transmission line connected to the CELG electric substation at the city of Itapaci, Goiás. The current power demand at Chapada is 46.5 MW.

Process water is returned from the TSF and held in a water reservoir adjacent to the process plant before use. Additional fresh water supplies for processing can be drawn from the nearby Rio dos Bois, if required.

The Chapada TSF is located to the immediate north of the plant site and consists of one main dam (Main Dam) and two perimeter dams (Dike II, and Dike III). The Main Dam is constructed with compacted cyclone underflow coarse tailings sands using the centerline method of construction and extends about 5 km in crest length. The Main Dam also includes a 17 m high starter embankment constructed of compacted residual, clay-like soil. The current average downstream slope of the Main Dam is 3.5H:1V. The Main Dam also includes a reinforcement buttress around the central maximum section in the valley bottom. centerline method. In 2021, the Main Dam had a crest elevation at 377.5 m. The Dike II perimeter dam is a zoned earth-fill constructed dam consisting of residual, clay-like soil. Dike II retains the supernatant pond at the south end of the Chapada TSF, does not retain any tailings and is equipped with a vertical chimney drain. The Dike III perimeter dam is a centerline constructed dam with compacted cyclone underflow coarse tailings sands, includes a small starter embankment formed of residual, clay-like soil and has a downstream slope of 3.5H:1V. All dams were constructed with foundation drains.

The original TSF design was for an ultimate crest elevation up to 382 m, with the tallest segment of the dam being 54 m with a base elevation of 328 m at the downstream toe. In 2020, a permit application was submitted requesting approval for construction of the 382 m dam raise and was approved in December 2021. The Company will seek an operating permit in 2022.

To contain tailings for the LOM, the existing tailings facility is planned to be raised up to an elevation of 398 m, with a maximum proposed dam height of 70 m. The proposed TSF expansion will be constructed with the same cyclone underflow tailings coarse sands following the centerline method (Main Dam and Dike III). Since tailings are not being deposited from Dike II and it is a water retention dam, it will be raised using local borrow material also by the centerline method.

Tailings facility inspections and monitoring are completed daily by a specialized operations technical team. Data are gathered and submitted every two weeks to Brazil's National Mining Agency (Agência Nacional de Mineração or "**ANM**"). In addition, Chapada also maintains a geotechnical monitoring center (which constantly monitors the tailings facility), an emergency action plan, and a trained team to respond quickly and safely in any situation.

Brazilian regulations require numerous tailings dam safety inspections or reviews to be completed by a Brazilian registered engineer and, upon successful inspection, the issuance of a stability condition declaration that must be filed with the ANM. This includes tailings dam safety inspections twice a year (most recently completed for Chapada in September 2021) and a more comprehensive dam safety review every two years (most recently completed for Chapada in December 2020).

The Company also conducts regular additional tailings review activities, including an independent tailings review (with the most recent review completed virtually in August 2021). The Company anticipates that the independent review scope will be expanded at Chapada in 2022 to conform with the Company's updated Tailings Management Standard requirements (see section "Tailings Management" above).

Environmental management and monitoring programs have been developed and are implemented for Chapada. The mine monitors surface and groundwater water quality, effluent water quality, meteorological inputs, erosion processes, geochemical characteristics of waste material, air quality, flora, terrestrial and aquatic fauna, environmental compensation areas and remediated areas.

Chapada develops environmental control reports, most recently on an annual basis, which are submitted for regulatory review.

A portion of the waste rock at the mine is Potentially Acid Generating ("**PAG**"). Accordingly, the mine operation segregates Non-Acid Generating waste from PAG waste and employs strategic placement of the PAG waste. Static testing results are incorporated in the geologic block model to aid in waste management planning. Seepage from the tailings dams and waste rock dumps is sampled regularly. Contact water collected from the mineral processing plant area is recirculated for operational use. Surface water from the waste rock piles evaporates, infiltrates or is released into the environment.

MMIC holds the mining rights related to the Chapada Mine, having succeeded and incorporated Mineração Alonte Ltda. on May 14, 1998. Mineração Alonte had succeeded Mineração Serras do Leste Ltda. in 1994.

The Environmental Impact Study and corresponding Environmental Impact Report were submitted in December 1996 to the Goiás State environmental regulator (then known as FEMAGO and now known as the Secretaria de Estado de Meio Ambiente e Desenvolvimento Sustentável or "**SEMAD**") in accordance with the National Environmental Council ("**CONAMA**") Resolution 001/86, Goiás State environmental regulator ("**FEMAGO**") directives and the State Council for the Environment, along with preliminary and installation license applications. Preliminary license No. 013/99 was issued to MMIC, along with requisite installation licenses issued under No. 171/2001. The Preliminary license was renewed in June 2000 and its registration number was updated to 009/2000. The installation license was renewed in July 2006 and its registration number was updated to 287/2006.

The operating license was originally obtained on November 20, 2006 and renewed in 2008 and 2012. The operating license expires in August 2022 and the Company will submit an extension request with SEMAD in the second quarter of 2022. Permitting of new activities, such as the mining of the southwest pit and tailings dam raise, progressed well in 2021 with the Company receiving both installation and operating licenses for the southwest pit and an installation license for the tailing dam raise. Simultaneously, the Company has been engaged since 2019 with SEMAD in a legislated process to consolidate a number of other historical permits and activities into a single permit (Unification License) which would streamline permit management and oversight for both the Company and SEMAD. This Unification License process would regularize various historical technical non-compliances which have developed since the mine began operating in 2006 including, certain historical operational activities taking place on the basis of expired permits or preliminary permits (such as installation permits) or outside of the defined permit requirements. In February 2022, MMIC was formally accepted by SEMAD into the Unification License process and, subject to satisfaction of the specified conditions, expects to receive a Unification License in late 2022 or 2023.

Chapada operates under Lundin Mining's Responsible Mining Management System and corresponding health, safety, environment, and community standards. This system undergoes a third-party audit to ensure continued compliance with those standards and guidance documents. In addition, the site is both certified under OHSAS - 18001 for health and safety and ISO-14001 for environmental management. Chapada Mine's health and safety management system was converted from is OHSAS-18001 and recertified under ISO-45001 in September 2021. Chapada has a valid MCP, which is updated periodically. The closure plan is submitted every five years to the State Environmental Agency with the next version expected to be submitted following final approval of the Unification License.

Chapada demonstrates strong integration with the local community through stakeholder engagement, a grievance mechanism and direct investment. The primary sources of investment are through taxation, local jobs, procurement, and community investments.

xii. Capital and operating costs

As reported in the Company's MD&A for the year ended December 31, 2021, Chapada's annual production cost is presented below. In addition, Chapada's actual cash costs and cash costs per pound for 2021 and guidance for 2022 is presented below.

Chapada	**2021 Actual**	**2022 Guidance[(2)]**
Annual production cost	$292M	--
Cash cost[(1)]	$109M	$200M
Cash cost per pound of copper[(1)]($/lb Cu)	$1.05	$1.60

(1) Cash cost and cash cost per pound of copper are non-GAAP measures. For a description and reconciliation of non-GAAP measures, please refer to the heading "Non-GAAP and Other Performance Measures" on page 26 of Lundin Mining's - MD&A for the year ended December 31, 2021, which section is incorporated by reference herein and is available on SEDAR under the Company's profile at www.sedar.com (the information on the website does not form part of the Prospectus). Cash costs are calculated on a by-product basis and do not include the effects of copper stream agreements.

(2) Guidance Cash cost is based on various assumptions and estimates, including but not limited to: production volumes, commodity prices (Au: $1,800/oz), foreign exchange rates (USD/BRL:5.10), TC/RCs and operating costs.

As reported in the Company's MD&A for the year ended December 31, 2021, total capital cost estimates for Chapada for 2022 are tabulated below. Capital expenditures include $10 million for mine equipment and $20 million for raising the TSF and water management systems.

Chapada Capital Cost Estimates	**Unit**	**2022 Guidance**
TSF and water management	$M	20
Capitalized stripping	$M	20
Mobile equipment	$M	10
Other	$M	15
Total sustaining	**$M**	**65**

The Company capitalizes waste costs during the production phase of the mine when these costs provide probable future economic benefits and identifiable improved access to the ore body which can be reliably measured.

xiii. Exploration, development and production

The 2022 exploration program will share a focus on defining near-mine Mineral Resources above 0.3% Cu and following up on a new high-grade discovery at Saúva, to the South-West of Formiga. A limited, stage-gated drilling program will begin on prospects with geophysical and geochemical data coverage within the newly acquired exploration licenses that may contribute to near-term economic Mineral Reserves. Proven effective, regional geophysical and geochemical surveys will continue to be carried out to identify and focus future exploration targeting. $10 million in exploration expenditures have been guided for 2022 with 60,000 m of drilling anticipated.

In 2021, Chapada produced 52,019 tonnes of copper and approximately 76,000 ounces of gold in concentrate. As reported in the Company's MD&A, for the year ended December 31, 2021, 2022 production guidance is tabulated below.

Chapada	Unit	2022 Guidance
Copper production	'000 Tonnes	53-58
Gold production	'000 Ounces	70-75

The current forecast LOM of the Chapada open pit and stockpiles is to 2052. The Suruca Oxides have a potential 6 year LOM while the Suruca Sulfides have a LOM of 7 years.

C. Eagle mine

The Eagle Mine is located in Michigamme Township within Marquette County in the Upper Peninsula of Michigan, U.S.A. Eagle Mine, including Eagle East, is 100% owned by Lundin Mining. The scientific and technical information in the following section has been derived from the Eagle Report (dated April 26, 2017) and subsequent updates from the Company. The Eagle Report is available on SEDAR under the Company's profile at www.sedar.com (the information on the website does not form part of the Prospectus).

i. Project description, location and access

The property is on the watershed divide of the Yellow Dog River and Salmon Trout River. The closest community to the mine site is Big Bay, 24 km from the property by road. Big Bay is an unincorporated community within Powell Township, Marquette County and has limited services. The closest full-service community is Marquette, approximately 53 km by road from the property. Marquette provides a regional airport, rail and shipping facilities, and a full range of commercial services.

The Humboldt mill property, a former iron ore processing facility, occupying approximately 142 ha, is located approximately 61 km west of Marquette, Michigan. The facility is located in the township of Humboldt, Marquette County, Michigan. Ore from the Eagle Mine is trucked approximately 105 km to the Humboldt mill for processing.

Road access to the mine property is by means of paved roads from the communities of Big Bay to the east, and Marquette to the south. The Humboldt mill is located close to the main U.S. Route 41.

The surface of the Eagle Mine is on Company owned property and property leased from the State of Michigan. The surface lease is valid until July 2023 but is extendable by production and reclamation/post closure monitoring requirements. The land on which the Humboldt mill is located is held by the Company through a series of deeds. The Eagle and Eagle East mineral deposits are covered by both state and private mineral leases with the Mineral Resource estimates split approximately 50:50 between them. The state leases expire in July 2023 but are extendable by production, while the private leases have various expiry dates that are extendable by continued payments or production. Eagle Mine has obligations under state and private royalty agreements ranging from 1.0% to 7.0%.

ii. History

The Eagle deposit was first drilled in 2002 as part of a nickel exploration program commenced by Rio Tinto in 2000. Subsequent to further drilling, an initial Mineral Resource was estimated in early 2004.

Following further drilling, feasibility studies, and the receipt of all relevant permits Rio Tinto began construction of the Eagle Mine site in 2010 and commenced underground development in September 2011. The reconstruction work at the Humboldt mill also commenced in 2011. In July 2013, Lundin Mining acquired the Eagle Mine project from Rio Tinto and accelerated construction activities. Construction was completed in mid-2014 and commercial production of nickel and copper concentrates was achieved in November of 2014.

In July 2015, the discovery of high-grade Ni-Cu mineralization at Eagle East was announced and in June 2016, an Inferred Mineral Resource estimate was released, and a Preliminary Economic Assessment published. Access ramp development was commenced at this time. In April 2017, the results of the Eagle East Feasibility Study were released, and a Mineral Reserve estimate was reported for the first time. First ore from Eagle East was extracted at the end of September 2019 and is currently being mined along with the Eagle deposit, according to the Eagle Mine LOM.

Ongoing infill drilling around Eagle East has added Mineral Resource with subsequent conversion to Mineral Reserve over the years, locally known as the Western Extension.

iii. Geological setting, mineralization and deposit type

Eagle and Eagle East are part of the same ultramafic intrusive system that hosts high-grade primary magmatic Ni/Cu sulfide mineralization. These intrusions are related to the feeder system for the Keweenawan flood basalts, a Large Igneous Provence resulting from mantle-tapping extension during the Midcontinent Rift. Mineralization styles are similar at Eagle and Eagle East, consisting of intrusions of mineralized peridotite with concentrations of sulfide mineralization, mostly within the intrusion, resulting in the accumulation of semi-massive sulfide, and a central core zone of massive sulfide.

The Eagle and Eagle East peridotite intrusions are hosted in Paleoproterozoic metasediments of the Baraga Basin, which rest unconformably on the Archean basement rocks. These sediments are assigned to the Upper Fossum Creek Unit and are mainly composed of an upper siltstone sequence with fine grained turbiditic greywacke sandstone interbeds. The principal host rocks are near-vertical dykes of pyroxene to peridotite composition, which strike in an east-west direction.

Eagle East is located deeper than the Eagle deposit and lies approximately 840 m to 990 m below surface. The host sediments encountered in the surroundings of the Eagle East mineralized zone are mainly siltstones with low proportions of sandstone interbeds. Bedding and foliation are the main structural features present in the sediments and represent the weakest planar orientation found.

Two types of potentially economic mineralization are found in the Eagle and Eagle East deposits: semi-massive sulfides and massive sulfides. The sulfide bodies are tabular, pipe-like, or irregular in shape and, although complexly interrelated, are broadly concordant with the host ultramafic. Contacts between the massive and semi-massive sulfides are relatively sharp. Massive sulfides are observed to extend outward of the host dykes, into the sedimentary country rock where they form flat-lying sills.

Most of the nickel is in pentlandite with a small portion in millerite group minerals and secondary violarite. The majority of pentlandite occurs in granular form with less than 1% to 2% as flame or exsolution lamellae. Copper is primarily in chalcopyrite with lesser secondary cubanite. The distribution of PGMs, gold, and cobalt is still poorly understood; however, assay and metallurgical test correlations indicate that the cobalt is associated with the pyrrhotite/pentlandite. PGMs and gold appear to be related to late-stage veining/intrusion and tend to be most abundant in areas with chalcopyrite enrichment. With the exception of cobalt, Eagle East is significantly higher in grade for both precious and base metals than Eagle.

Prior to the commencement of mining at Eagle East in 2019, average nickel and copper grade estimates were in the order of 60% higher at Eagle East compared to Eagle. Since that time, massive sulfide ore has been mined and lower grade ore has been added such that the average nickel and copper grade estimates are now approximately 30% higher at Eagle East compared to Eagle.

iv. Exploration

Exploration activities at Eagle have historically included geological mapping, geochemistry (indicator mineral sampling and Mobile Metal Ion studies from basal tills, dyke litho-geochemistry, sulfur isotype studies, QEMSCANTM studies), and geophysics (airborne, surface, and underground borehole resistivity and gravity). The main and most successful exploration tool has been diamond drilling in combination with a very robust and predictive deposit model.

The mineralization is directly related to small, conduit style ultramafic intrusions. Using the conduit model, the mineralized peridotite conduit at Eagle East was followed to depth with directional drilling, to a location where the conduit flattened to horizontal and high metal tenor sulfide droplets had settled at the base of the conduit, forming the Eagle East deposit. Upon testing the extent of the Eagle and Eagle East peridotites, no additional favorable intrusions were identified.

Surface exploration was halted in late August of 2019. Underground exploration drilling continued from 2019 through 2021 in and around Eagle East, and exploration drilling resumed from underground at Eagle East in 2021 on remaining targets from the surface program.

v. Drilling

In 2021, underground drilling was conducted at Eagle, Eagle East and Eagle East Keel Zone (“**Keel**”). Eagle focused on delineation drilling for ore control, this resulted in 25 drill holes totaling 1,483 m. Eagle East Drilling focused on infill drilling the West Extension zone in preparation for mining in 2022 and near mine exploratory drilling to the East of Eagle East. This resulted in 20 drill holes totaling 5,216 m. Drilling also continued on the Keel target which is to infill gaps of mineralization and confirm grade throughout. This resulted in 11 drill holes totaling 3,495 m.

vi. Sampling, analysis and data verification

The entire Mineral Resource estimate at Eagle and Eagle East is based on drill core samples.

Eagle follows documented protocols for core handling and sample preparation. The sampling takes place at both an exploration facility in Negaunee, and at the Eagle Mine site. Surface drill holes are split using a diamond saw, while for underground holes the entire core is sampled. In strongly mineralized intervals, quarter-core metallurgical samples are taken. The metallurgical samples are not used in Mineral Resource estimation.

Standardized protocols of QA/QC sample insertion using certified reference material, blanks, and duplicates have been used throughout the history of the Eagle project to monitor the quality of the sampling process and assay results. Standards are inserted every tenth sample, blanks also every tenth sample as well as after noticeably high-grade samples. Duplicates are taken every tenth sample, offset by four or five from the nearest standard.

Prior to 2003, drill core samples were shipped to ALS in Reno, Nevada, an independent laboratory, for crushing, splitting, and pulverization. From 2004 to 2015, samples were prepped for analysis at ALS in Thunder Bay, Ontario, an independent laboratory, and from 2015 onwards, some of the samples have been sent to Minerals Processing Corporation (MPC), located in Carney, Michigan, an independent laboratory. From 2018 onwards, underground drill samples were shipped to ALS in Thunder Bay for full sample preparation and analysis.

Sample preparation takes place at either the ALS laboratory in Thunder Bay, Ontario, or at MPC. Both facilities have standard procedures and quality controls for sample preparation to ensure compliance with industry and client standards. Pulps are sent to the ALS laboratory in Vancouver, British Columbia for analysis. Samples are analyzed for multi-elements, oxides and SG.

In each case, established procedures were used to ensure the security of samples during transportation between the drill rig and the laboratories. Quality assurance procedures, data verification and assay protocols used in connection with drilling and sampling conform to industry accepted quality control methods.

vii. Mineral processing and metallurgical testing

Eagle maintains regular metallurgical testing programs that are incorporated with historical testing results and mill performance into a statistical model to predict and improve the complex's processing performance in terms of mill throughput, metal recovery to concentrates, and final concentrate grades. Metallurgical tests are executed in a number of specialized in-house and commercial facilities. Testing includes work index determination, mineralogy using optical and QEMSCANTM technology and bench scale flotation testing that is correlated with industrial scale performance in order to predict mill throughput and metallurgical performance.

Prior to mining Eagle East sulfide ore, metallurgical test work was conducted to confirm the applicability of the Humboldt mill process flowsheet for grinding, flotation and metal recovery. This test work, which was carried out on and off site, consisted of mineralogical analyses, batch grinding and flotation testing and locked cycle testing. The test work found that the metallurgical characteristics for Eagle East sulfide ore was comparable to Eagle sulfide ore, both in hardness and flotation response. Given a common copper-to-nickel feed ratio, metallurgical performance has since tracked along a similar head grade versus recovery curve. As a result, Eagle East and Eagle ore is regularly comingled to simplify ore mining, haulage and processing.

viii. Mineral resource and mineral reserve estimates

Mineral Resources at Eagle are estimated using 3D block modelling with Maptek Vulcan® mining software. Mineral Resources at Eagle East are estimated using Leapfrog Edge software. Grades and density values were estimated using the Ordinary Kriging method for both deposits.

The Eagle and Eagle East Mineral Reserves are estimated from the Mineral Resources by designing stopes and sill layouts using Deswik Stope Optimizer software. A separate NSR cut-off is applied to the two orebodies together with dilution and mining recovery factors.

Factors which may affect the Mineral Resources and Mineral Reserve estimates include: dilution and mining recovery, metal prices, smelter, refining and shipping terms, metallurgical performance, geotechnical characteristics of the rock mass, capital and operating cost estimates, and the likelihood of obtaining land title, required permits and environmental, social and legal licenses.

Details of the June 30, 2021 Mineral Resource and Mineral Reserve estimate for Eagle and Eagle East are included in Schedule A.

ix. Mining operations

Eagle is a relatively shallow underground mine with access gained via a surface ramp that also serves as the route for waste, ore and backfill haulage. The mine employs transverse longhole stoping with mining in an up-dip primary secondary sequence. Backfilling is undertaken using cemented and uncemented rockfill. The longhole mining method with backfill was selected as it provides the advantages of bulk mining, while maintaining a degree of selectivity and flexibility for the high value, variable and generally competent Eagle mineralization. Two ventilation shafts are in place, with the downcast shaft also equipped for emergency egress. Ore from the mine is stored in a covered coarse ore stockpile facility prior to transport by road 105 km to the Humboldt mill site. Backfill is produced at the on-site batch plant.

Eagle East is accessed by a ramp from the bottom of the Eagle Mine, with the mine services and infrastructure extended from Eagle. A twin decline, raises and underground booster fan station are used to ventilate Eagle East, with no new surface infrastructure required. Eagle East is mined using cut and fill, and long-hole stoping mining methods with backfill similar to the main Eagle deposit. Ore, waste and backfill are hauled through the ramp in conventional mine trucks.

x. Processing and recovery operations

The Humboldt mill is a former iron ore processing plant that has been converted for processing Eagle ore. From a covered coarse ore storage facility, the ore is processed using a conventional three stage crushing and single stage ball milling process followed by differential bulk flotation with differential cleaning to produce separate nickel and copper concentrates. Metallurgical recoveries of nickel and copper average 84% and 97% respectively. Tailings from the plant are deposited sub-aqueously in the adjacent former Humboldt iron ore open pit. No modifications to the process plant were necessary for the treatment of the Eagle East ore, which is blended with that from Eagle over the remaining LOM.

Nickel and copper concentrates are stored in a covered concentrate building on site prior to being transported via rail car direct to smelter facilities within North America.

xi. Infrastructure, permitting, and compliance activities

The Eagle Mine and Humboldt mill areas are accessible via an extensive and established network of paved roads, a regional airport, rail services, excellent telecommunications facilities, national grid electricity, an ample supply of freshwater and a highly educated work force. Eagle concentrate is transported offsite from the mill by rail to a central CN rail yard in Michigan, where it is staged for on-transportation by rail to smelters in Canada.

Both the mine and mill operate under several local, state and federal permits, including Part 632 mining, air quality and groundwater and surface water discharge permits. All permits are in place for the mine and mill operations, and Eagle has maintained compliance with the corresponding requirements. In addition to adhering with all legal requirements, Eagle Mine operates under Lundin Mining's Responsible Mining Management System and corresponding health, safety and environment standards. This system undergoes third-party auditing to ensure continued compliance with those standards and additional guidance documents.

From the Humboldt mill, the tailings are sent to the Humboldt Tailings Disposal Facility ("**HTDF**"). The HTDF is the original open-pit iron ore mine that filled with water over time and has housed the tailings from the historical Ropes gold mine for over 20 years. The pit is approximately 120 m deep and contains 61 m of tailings from the Ropes gold mine. Eagle's tailings are permitted to be placed in the pit with water cover varying from a minimum of about six meters, but in some locations water cover is considerably deeper. The tailings facility at Eagle does not have a constructed tailings impoundment with embankments or dams. This subaqueous disposal of tailings in previously mined open pits is broadly considered a best practice for storing sulfide-bearing tailings.

The Company's most recent independent tailings review site visit was completed in November 2021. The Company anticipates that the independent review scope will be expanded at Eagle in 2022 or 2023 to conform with the Company's updated Tailings Management Standard requirements (see section "Tailings Management" above).

The Eagle Mine groundwater discharge permit renewal submission, a routine process required every 5 years, was submitted to the Michigan Department of Environment, Great Lakes and Energy (formerly the Michigan Department of Environmental Quality)in 2017 and continues to be under review in 2022. The Humboldt mill NPDES surface water discharge permit renewal application, also a routine process required every 5 years, was submitted in 2019 with the review process also continuing through 2021 and into 2022. Permit applications for minor modifications to both the mine and mill air permits were approved in 2020.

The social performance team engages with all stakeholders that are impacted by the operations, primarily in the communities nearest to the mine and mill. An outreach office is located in downtown Marquette to increase the opportunity for direct communication. Engagement occurs throughout the year and is focused on managing social impacts, risks and opportunities. The team operates under Lundin Mining's Responsible Mining Management System and bases their activities on a 5-year social performance strategic plan. The systems utilized reflect best practices in stakeholder engagement, grievance procedures, risk management and community investment.

The Community Environmental Monitoring Program, successfully renegotiated in 2019, is an ongoing initiative that provides a local environmental NGO and the Keweenaw Bay Indian Community access to the sites for collecting third party environmental data. As a result of these and other engagements and community investments, Eagle Mine has sustained strong stakeholder relationships and promoted socioeconomic development in the communities nearest to the mine.

Eagle is currently expected to permanently cease operations in 2025. While there is no regulatory requirement in Michigan for Eagle to periodically submit MCPs, there is a requirement to submit a final MCP for the TSF at the Humboldt mill prior to cessation of operations. Mine closure planning at Eagle is routinely refined and integrated with the remaining LOM plan. The Company is also exploring various alternative uses for mine infrastructure both independently and with third parties.

xii. Capital and operating costs

As reported in the Company's MD&A for the year ended December 31, 2021, Eagle's annual production cost is presented below. In addition, Eagle's actual cash costs and cash costs per pound for 2021 and guidance for 2022 is presented below.

Eagle	2021 Actual	2022 Guidance
Annual production cost	$170M	--
Cash cost(1)	$(41)M	$(10)M
Cash cost per pound of nickel(1) ($/lb Ni)	$(1.24)	$(0.25)

(1) Cash cost and cash cost per pound of nickel are non-GAAP measures. For a description and reconciliation of non-GAAP measures, please refer to the heading "Non-GAAP and Other Performance Measures" on page 26 of Lundin Mining's MD&A for the year ended December 31, 2021, which section is incorporated by reference herein and is available on SEDAR under the Company's profile at www.sedar.com (the information on the website does not form part of the Prospectus). Guidance Cash cost is based on various assumptions and estimates, including but not limited to: production volumes, commodity prices (Cu: $3.90/lb) and operating costs.

As reported in the Company's MD&A for the year ended December 31, 2021, capital cost estimates for Eagle for 2022 are tabulated below. Approximately half of the capital is for underground mine development and equipment and the remainder for mill water treatment plant upgrades.

Eagle Capital Cost Estimates	Unit	2022 Guidance
Underground mine equipment and development	$M	5
Mill water treatment plant	$M	5
Total sustaining	**$M**	**10**

xiii. Exploration, development, and production

Exploration expense of $2 million dollars is expected for 2022, with 6,380 m of drilling anticipated and focused on in-mine targets with the potential to add to the LOM at Eagle East and Eagle. Approximately 100m of exploration drifting is also expected.

In 2021, Eagle produced 18,353 tonnes of nickel in concentrate and 18,419 tonnes of copper in concentrate. As reported in the Company's MD&A for the year ended December 31, 2021, production guidance for 2022 is as tabulated below.

Eagle	Unit	2022 Guidance
Nickel production	'000 Tonnes	15-18
Copper production	'000 Tonnes	15-18

The current mine life of Eagle is to 2025.

D. Neves-Corvo mine

The Neves-Corvo Mine is located in Portugal and is owned and operated by the Portuguese company SOMINCOR - Sociedade Mineira de Neves-Corvo, S.A. ("**SOMINCOR**"), which is a 100% owned subsidiary of Lundin Mining. The scientific and technical information in the following section has been derived from the Neves-Corvo Report (dated June 23, 2017) and subsequent updates from the Company. The Neves-Corvo Report is available on SEDAR under the Company's profile at www.sedar.com (the information on the website does not form part of the Prospectus).

i. Project description, location and access

The Neves-Corvo Mine is situated approximately 220 km southeast of Lisbon in the Alentejo Region of southern Portugal. The mine site is located approximately 15 km southeast of the town of Castro Verde and exploits five major orebodies from an underground mine. The ore is processed on-site, and tailings are disposed of in the Cerro do Lobo impoundment approximately 3 km from the plant. Concentrates are dispatched by rail and road for onward shipping to customers.

Neves-Corvo has good connections to the national road network which links Faro to the south and Lisbon to the north. The mine has a dedicated rail link integrated into the Portuguese rail network and to the port of Setúbal.

There are a number of small villages with populations numbered in the hundreds located within the mining concession. Most employees travel to the mine by Company-provided buses or private cars.

The mining operation is contained within a mining concession contract between the Portuguese government and SOMINCOR that, as of July 1, 2014, covers an area of 28.9 km2 and is located in the parishes of Santa Bárbara de Padrões and Union parishes of Almodôvar and Graça dos Padrões, counties of Castro Verde and Almodôvar, district of Beja. The concession comprises the Neves-Corvo area with 13.5 km2 and Area B (which includes the Semblana deposit) with 15.4 km2. The concession provides the rights to exploit the Neves-Corvo deposits for copper, zinc, lead, silver, gold, tin and cobalt for an initial period of fifty years (from November 24, 1994) with two further extensions of twenty years each. The mining concession provides sufficient surface rights to accommodate the existing mine infrastructure and allow expansion if required.

An exploration concession of 141 km2 that surrounds the combined Neves-Corvo mining concession and exploration targets in the counties of Castro Verde, Almodôvar and Mértola district of Beja was granted to SOMINCOR on June 28, 2018 and is valid for an initial period of three years and, in 2021, was extended for an additional two years. Further extensions are not possible and, if SOMINCOR wishes to retain the land, it will be required to submit an application for conversion to a mining concession before the expiry date of June 2023.

Royalties for the Neves-Corvo area of the mining concession are either a profit-related royalty of 10%, or a revenue-based royalty of 1% (at the government's discretion). Royalties on Area B (which includes the Semblana deposit) are a 4% revenue-based royalty for copper and associated payable metals, 3.5% for zinc and associated payable metals and for any other metals. The royalty payments due by SOMINCOR may be reduced by between 2% and 6% of SOMINCOR expenditure on mining related research, social, environmental or archaeological projects and the granting of scholarships.

ii. History

The Neves-Corvo ore bodies were discovered in 1977. The Portuguese company SOMINCOR - Sociedade Mineira de Neves-Corvo, S.A. was established to exploit the deposit and by 1983, the Corvo, Graça, Neves and Zambujal sulfide deposits had been partially outlined, covering an area of approximately 1.5 km by 2 km. Rio Tinto became involved in the project in 1985, effectively forming a 49%/51% joint venture with the Portuguese government-owned company EDM. The project was reappraised with eventual first production commencing from the Upper Corvo and Graça orebodies in January 1989.

During the development of the mine, high-grade tin ores were discovered, associated with the copper mineralization, which led to the rapid construction of a tin plant that was commissioned in 1990.

The railway link between Neves-Corvo and Setúbal was constructed between 1990 and 1992 for the shipment of concentrates and the hauling of sand for backfill on the return journey. This was followed between 1992 and 1994 by a major mine deepening exercise to access the Lower Corvo orebody through the installation of an inclined conveyor ramp linking the 700 and 550 levels.

In June 2004, EuroZinc acquired a 100% interest in SOMINCOR for consideration of €128 million. In October 2006, EuroZinc merged with Lundin Mining and the Lundin Mining name was retained.

In January 2005 an agreement was signed between SOMINCOR and EDM whereby EDM retained the right to acquire up to 15% in mining projects located in SOMINCOR exploration concessions outside the original mining concession area A (which includes the Semblana deposit). In 2014, EDM exercised the right and in December 2021 SOMINCOR purchased the 15% interest for approximately $ 4 million plus contingent consideration.

In 2006, zinc production was commenced at Neves-Corvo with processing through the modified tin plant. In June 2007, Wheaton PMC agreed to acquire 100% of the life-of-mine payable silver production from the mine, within the limits of the original concession, as the mine produces around 0.5 million ounces of silver per year in copper concentrate. Zinc production was temporarily suspended in November 2008 due to the low prevailing zinc price. In September 2009, the decision was made to expand the zinc plant to a design capacity of 50,000 tpa zinc in concentrate and first zinc production was achieved from the expanded plant in mid-2011.

In mid-2009, a copper tailings retreatment circuit was commissioned to recover both copper and zinc, and in late 2010, tailings disposal changed from subaqueous to paste methods at the Cerro do Lobo facility.

In October 2010, the copper rich Semblana deposit was discovered 1 km to the northeast of the Zambujal copper-zinc orebody within the Castro Verde exploration concession. In December 2011, following extensive diamond drilling, an initial Inferred Mineral Resource estimate was published, which was further updated in June 2012. A pre-feasibility study of the Semblana Project was delivered to EDM in August 2013 and no further work has taken place since that time.

An updated Feasibility Study examining an expansion of the zinc operations to 2.5 Mtpa throughput was completed early 2017 and the project approved in May 2017. The Zinc Expansion Project (or ZEP) contemplates increasing zinc ore mining and processing capacity from 1.1 to 2.5 Mtpa generating an average of 150,000 tpa of zinc in concentrate over 10 years. Approval of the ZEP EIA was granted in July 2017, with engineering and underground work commencing thereafter. Construction activities of ZEP were temporarily suspended in March 2020 as a result of the COVID-19 pandemic and were restarted in January 2021.

A phased commissioning approach was commenced in early 2022 with final commissioning anticipated in the first half of 2022. Production ramp up is planned to occur by the second half of 2022. Total pre-production capital is estimated at $430 million (€360 million).

iii. Geological setting, mineralization and deposit types

Neves-Corvo is located in the western part of the Iberian Pyrite Belt, which stretches through southern Spain into Portugal and which has historically hosted numerous major stratiform volcano-sedimentary massive sulfide deposits. At the base, the Iberian Pyrite Belt consists of a pre-orogenic sequence of shales and arenites (phyllites and quartzites)

conformably overlain by a 200 m to 700 m thick volcanic-sedimentary succession, the Volcanic Siliceous Complex (VSC) of Late Devonian-Early Carboniferous age, 360-342 Ma. The VSC comprises fine grained clastic sediments and felsic to mafic (bimodal) volcanic rocks. The entire sequence shows pervasive hydrothermal alteration.

The Neves-Corvo deposits occur within the VSC. Overlying the mineralization, there is a thrust-faulted repetition of volcano-sedimentary and flysch units. The whole assemblage has been folded into a gentle anticline-oriented northwest to southeast plunging to the southeast, resulting in orebodies distributed on both limbs of the fold. All the deposits have been affected by both sub-vertical and low angle thrust faults, causing repetition in some areas.

The mineral deposits at Neves-Corvo are classified as volcano-sedimentary massive sulfide. They typically occur as lenses of polymetallic (Cu, Zn, Sn, Pb) massive sulfides that formed at or near the seafloor in submarine volcanic environments. They formed from accumulations of the focused discharges of hot metal-enriched fluids associated with seafloor hydrothermal convection, typically in tectonic areas of active submarine volcanism, including rift spreading centers and island arc subduction zones.

Six massive sulfide lenses have been defined at Neves-Corvo comprising Neves, Corvo, Graça, Zambujal, Lombador and Semblana. The base metal grades are segregated by the strong metal zoning into copper, tin and zinc zones, as well as barren massive pyrite. The massive sulfide deposits are typically underlain by stockwork sulfide zones, which form an important part of the copper orebodies.

The mineralized zones lie on both flanks of the Rośario-Neves-Corvo anticline. The mineralized zones of Neves, Corvo, Graça, Zambujal and Lombador are connected by thin massive sulfide “bridges” over the crest of the fold and are conformable with the stratigraphy. Within the area of these five main deposits, this has resulted in an almost continuous complex volume of mineralized rock showing a large range in both style of mineralization and geological structure.

The Corvo orebody lies between 230 m and 800 m below surface, dips to the northeast at between 10° and 40° and has a strike of approximately 600 m. The orebody attains a maximum thickness of 95 m and consists of a basal layer of copper ore up to 30 m thick, overlain by barren pyrite containing intermittent lenses of copper mineralization.

The Graça orebody is up to 80 m thick, extends for 700 m along strike, 500 m down dip and ranges in depth below surface from between 230 m and 450 m. The orebody is linked to Corvo by a bridge of thin continuous sulfide mineralization. As with Corvo, much of the copper ore occurs as a basal layer overlain by barren pyrite in which there are also intercalations of copper ore.

The Neves deposit consists of two lenses of mineralization, joined by a thin bridge, which dip north at 0-35°. The maximum true thickness is 55 m with a strike length of 1,200 m and 700 m down dip. The southern lens, Neves South, contains mostly of zinc ore with significant lead, silver and copper grades and minor barren pyrite, underlain by copper ore, which is locally tin-bearing.

The Zambujal orebody comprises significant copper and zinc mineralization straddling the crest of the Neves-Corvo Anticline. It has a thickness of 53 m and plan dimensions of 550 m on strike and 600 m on dip. It contains a succession of zinc rich lenses containing some massive copper mineralization.

The Lombador deposit is the largest of the five massive sulfide deposits at Neves-Corvo situated on the north-eastern flank of the anticline. It is located at a depth of 400 m at its western end and extends down to a depth of 1,200 m below surface. It dips to the northeast at approximately 35° but steepens at depth and has a shallow plunge to the northwest. The sulfide lens has dimensions of up to 15 m in thickness and extends for approximately 1,400 m down dip and at least 1,600 m along strike.

The Semblana deposit is almost flat and has a gentle dip (15-20°) to the north and is located at a depth of 790 m below surface. Most drill holes have intersected copper bearing stockwork mineralization, although several small zones of massive copper in lenses have also been identified. The massive copper zone measures approximately

150 m north to south and 100 m east to west, although it is open to the east and west. Stockwork occurs as one continuous zone measuring approximately 700 m north to south and 250 m east to west.

iv. Exploration

Exploration surrounding the Neves-Corvo Mine has focused on the search for further blind massive sulfide deposits. Exploration techniques employed by SOMINCOR at Neves-Corvo include soil geochemistry, geological mapping and various geophysical techniques including magnetics, gravity, electromagnetic and seismic surveys, in addition to exploration drilling.

In 2021, exploration focused on near-mine stockwork and massive sulfide targets, drilling along the boundaries of known Mineral Resources at Neves, Graca, and Corvo. Electromagnetic geophysical surveys were completed in each drill hole.

v. Drilling

Drilling is undertaken using both surface and underground drilling methods. Underground drilling is a continuous activity at Neves-Corvo focusing on the delineating and upgrading of existing Mineral Resource estimates as well as the exploration of peripheral Inferred Mineral Resource estimates. Surface drilling campaigns have been important over the years in stepping out beyond the limits of underground development to explore extensions to mineralization. Underground drilling is typically undertaken on 35 m spacing, whereas surface drilling is typically undertaken on 70 m to 100 m spacing or greater.

Underground production drilling was largely executed with a 17.5 m spacing between sections in order to better define the shape and grades of the production panels. As a standard procedure, drill holes are surveyed with a Reflex EZ-Shot tool at 30 m intervals, which provides an accurate location of the drill intersections.

In 2021, underground diamond drilling consisted of 612 production holes totaling 28,267 m and 74 geotechnical holes totaling 5,664 m, and 19 infill holes totaling 6,357 m, for a total of 40,288 m. The exploration drilling campaign focused on near-mine Mineral Resource expansion at Neves, Graca, and Corvo.

vi. Sampling, analysis and data verification

The sampling methodology, preparation and analyses differ depending on whether the sample is drill core or face sample. All samples are collected by SOMINCOR geological staff with all sample preparation and analysis currently undertaken at the Neves-Corvo Mine site and laboratory.

Sample preparation is conducted at the Neves-Corvo sample preparation facility located within the mine site for all samples with the exception of drill core from the Semblana exploration drilling where sample preparation was undertaken at the ALS laboratory in Seville, Spain, an independent laboratory.

Sample analysis is conducted at the Neves-Corvo analytical laboratory located within the mine site for all samples with the exception of drill core from the Semblana exploration drilling. Following sample preparation at ALS, Seville, the Semblana samples were then sent for analysis at ALS, Vancouver, an independent laboratory.

Laboratory samples were historically analyzed using Atomic Absorption and X-Ray Fluorescence methods. Since April 2011 analysis by Inductive Coupled Plasma is also undertaken. Assay results based solely on the X-Ray Fluorescence analysis for Cu, Pb, Zn, S, Fe, As, Sn, Sb, Bi, Se and In are used for the purposes of Mineral Resource estimation.

Sample collection and transportation of drill core and face samples is undertaken by SOMINCOR Geology Department staff. SOMINCOR conduct a comprehensive QA/QC program by the routine insertion of certified reference material, blanks and duplicates to monitor the sampling, sample preparation and analytical process. Analysis of QA/QC data is made to assess the reliability of sample assay data and the confidence in the data used for the estimation.

Data entry, validation, storage and database maintenance is carried out by SOMINCOR staff using established procedures. All data are stored in a central SQL database located at the Neves-Corvo Mine offices. The SQL database has a series of automated validation tools during import and export for error identification.

Industry standard exploration drill core splitting, sampling, insertion of quality control samples and density measurement protocols and procedures are in place at Neves-Corvo. In addition to drill core sampling, underground grade control sampling is carried out using face sampling in the areas subject to drift-and-fill mining and short diamond drill holes in the bench-and-fill areas. Samples are prepared on-site and analyzed at either the mine's fully accredited assay laboratory facility or by the independent ALS Chemex laboratory in Vancouver, Canada.

Data verification, sample security and QA/QC procedures that conform to industry standards are in place at Neves-Corvo. All drill cores are logged and photographed, and the cores and sampling splits are stored on-site, except for production holes where the entire core, is crushed and sent to be assayed. Traceability records prevent errors of identification and ensure sample history can be followed.

vii. Mineral processing and metallurgical testing

Neves-Corvo maintains regular metallurgical testing programs that are incorporated with historical testing results and mill performance into statistical models to predict and improve the complex's processing performance. Model outputs are mill throughput, grind requirements, metal recovery to concentrate, and final concentrate grade. Metallurgical tests are executed in a number of specialized in-house and commercial facilities. Testing includes milling work indices, mineralogy using optical QEMSCANTM and MLA techniques and bench scale flotation testing that is correlated with industrial scale performance in order to predict mill throughput and metallurgical performance.

A comprehensive suite of metallurgical test work programs and studies were completed as a part of the ZEP Feasibility Study. These studies included mineralogical, comminution and flotation programs on representative samples obtained from drill core. These programs were carried out at SOMINCOR and third-party facilities demonstrating that acceptable zinc recoveries and concentrate specifications could be achieved from the proposed processing circuit.

viii. Mineral resource and mineral reserve estimates

Mineral Resources at Neves-Corvo are estimated using three-dimensional interpretation and modelling methods with calculations performed using specialized software Leapfrog® and Vulcan® 3D. The Ordinary Kriging method of interpolation is used to estimate metal grades and a multiple regression formula using the estimated sulfur and iron grades is used to estimate density.

Mineral Reserves are estimated by the Neves-Corvo Mine planning department primarily using Deswick software. Stoping volumes are cognizant of the method of access to allow for the cut-off grade boundary and include an allowance for planned and unplanned dilution and ore loss. An effective minimum mining width of 5 m is applied.

The Semblana Mineral Resource was modelled and estimated using Datamine Studio software. Metal grades were estimated using Ordinary Kriging or inverse distance weighting. Bulk density was estimated using inverse distance weighting.

Factors which may affect the Mineral Resource and Mineral Reserve estimates include: dilution and mining recovery, metal prices, smelter, refining and shipping terms, metallurgical performance, geotechnical characteristics of the rock mass, capital and operating cost estimates, and the likelihood of obtaining land title, required permits and environmental, social and legal licenses. To the extent such factors are within the control of or capable of influence by the Company, these factors are managed through industry accepted practices and procedures and well as maintaining an engaged and constructive dialogue with the local communities and government authorities.

Details of the June 30, 2021 Mineral Resource and Mineral Reserve estimates for Neves-Corvo and Semblana are included in Schedule A.

ix. Mining operations

Neves-Corvo is a major underground mine. The principal means of mine access are provided by one vertical 5 m diameter shaft and a ramp from surface. The shaft is used to hoist ore from the 700 m level with surface nominally at 1,220 m above datum, or 220 mamsl. A conveyor decline descends further from the 700 m level to the 550 m level to provide ore transport from deeper levels of the mine. The mine is highly mechanized, and a number of different stoping methods are employed, the most significant of which are bench-and-fill, uphole longhole stoping, and drift-and-fill. Backfill is provided by hydraulically placed sand, paste tailings and internally generated waste rock.

New mine infrastructure for ZEP includes a new crusher station on the 260 m level, a conveyor system connecting this crusher to the 700 m shaft hoisting facilities, an upgrade to the main hoisting shaft together with extensions to the mines ventilation, pumping and electrical distribution systems. Much of the zinc ore for the ZEP will be mined in deep areas of the Lombador orebody using primarily bench and fill mining methods, with limited amounts of drift and fill.

x. Processing and recovery operations

The treatment facility at Neves-Corvo comprises two processing plants. The copper plant processes copper ores and has a maximum capacity of approximately 2.7 Mtpa. The zinc plant, which treats zinc/lead ores, has a capacity of 1.1 Mtpa. Both processing plants comprise conventional crushing, rod and ball mill grinding circuits with flotation cells, concentrate thickening and dewatering. In mid-2009, modifications to the copper plant were completed to add a cleaning circuit (RC which includes flotation and a finer regrind to recover additional copper and produce some zinc concentrate from the copper tailings stream. A similar modification to the zinc plant was commissioned in late 2014, adding the RX circuit, for increasing zinc recovery.

The zinc plant has undergone a further expansion as part of the ZEP that will see its capacity more than double, to a nominal 2.5 Mtpa. Modifications to the existing zinc plant brought on by ZEP include new coarse ore handling facilities, a grinding circuit including a new SAG mill with a reconfigured existing Vertimill used as the secondary mill, expanded flotation capacity, thickening and filtration capacity for lead and zinc concentrates, and associated expansions and upgrades to ancillary services such as water, tailings handling, tailings cycloning for paste fill preparation and electric power.

Copper and zinc concentrates are transported in SOMINCOR owned containers by rail to a dedicated port facility at Setúbal, Portugal, from where they are shipped to smelter customers. Lead concentrate is containerized and trucked or transported by rail to ports for overseas shipment.

The tailings disposal methodology was changed from subaqueous to sub-aerial paste deposition during 2010 following approval by the Portuguese authorities. Tailings are thickened and pumped from a facility located at the Cerro do Lobo tailings impoundment, 3 km from the mine site.

Copper, zinc and lead concentrates from the mine are sold to a variety of smelter customers that are primarily located in Europe. Multi-year sales contracts are normally agreed upon with these customers for the majority of the production volumes. Treatment, refining and penalty charges are typical of those for copper, zinc and lead sulfide concentrates.

xi. Infrastructure, permitting and compliance activities

The Neves-Corvo Mine is in an area of southern Portugal that is easily accessible via a dedicated railhead to the mine site, excellent roads, a major highway within 25 km, and an international airport at Faro, approximately 80 km to the south.

Fresh water is supplied to the mine via a 400-mm diameter pipeline from the Santa Clara reservoir, located approximately 40 km west of the mine. Supply capacity is 600 m3/hour and storage facilities close to the mine hold 30 days' supply requirements. The total water requirement for the mine and plant is estimated at over 1,000 m3/hour, with up to 95% of the volume being reused. The mine is connected to the national energy grid by a single 150 kV, 50 MVA rated, overhead power line, approximately 22.5 km in length.

Neves-Corvo operates under an Integrated Pollution Prevention and Control License, that was granted by the Portuguese Environmental Agency, Agência Portuguesa do Ambiente, in 2008. It has been renewed twice and is valid until May 2025. The license includes conditions covering environmental management systems, tailings and waste rock disposal, water and energy consumption, emissions to the atmosphere, emissions to water courses and water treatment, noise, industrial waste disposal, seismic events, emergency and closure planning.

Neves-Corvo operates under Lundin Mining's Responsible Mining Management System and corresponding health, safety, environment and community standards. This system undergoes a third-party audit to ensure continued compliance with those standards and guidance documents.

Key environmental issues being managed by the mine include the acid-generating potential of the ore and waste rocks; the proximity of the Oeiras River to the mine site; the presence of an area groundwater system that is part of a significant aquifer, connecting to local water supplies and the Oeiras River; and the dispersal of dust and noise from the mine site. To support effective environmental management, Neves-Corvo is progressing various environmental studies, including a site-wide hydrogeological investigation.

Thickened tailings technology was adopted in late 2010 ahead of the TSF capacity limit for subaqueous tailings disposal. Thickened tailings are tailings that have been further dewatered than conventional slurry, enabling them to be stacked. As there is less water in the thickened tailings, there is a reduced ability for them to flow. The deposition layout further changed in 2015 with the completion of Cerro da Mina water storage facility and since then, sub-aerial deposition of thickened tailings has continued on top of the existing tailings facility, within the tailings basin, with the tailings retained by peripheral berms constructed of mine waste rock. The rockfill perimetral TSF embankments contain an internal drainage system that has been designed to capture seepage water from the tailings facility. Comprehensive, routine monitoring and management of the tailings deposition process, tailings pore water pressure, and structural and hydraulic stability of the tailings perimeter impoundments all contribute to managing the risk associated with acid rock drainage.

The TSF is operated in accordance with the European Union legislation on extractive waste (Directive 2006/21/EC), the International Commission on Large Dams (ICOLD) and Portuguese national legislation. The TSF includes one main embankment, seven perimeter or secondary embankments, and six internal upstream thickened tailings discharge rockfill berms. The main and perimeter tailings embankments of the TSF were constructed as water-retaining structures to allow subaqueous tailings deposition for acid rock drainage management. All tailings embankment lifts used downstream construction methods, and the current main embankment height is approximately 42 m. The Neves-Corvo Mine places approximately 40-50% of its tailings back underground as paste and hydraulic backfill to support worked-out areas of the mine, thereby reducing the volume of tailings to be stored on surface. The remainder of Neves-Corvo Mine tailings are co-disposed with mine waste rock at surface in the TSF.

The Company also conducts independent tailings reviews and the most recent site visit was completed in October 2021. The Company anticipates that the independent review scope will be expanded at Neves-Corvo in 2022 to conform with the Company's updated Tailings Management Standard requirements (see "*Tailings Management*" above).

Expansion of the paste tailings thickening and distribution facilities to accommodate the additional tailings from the expanded zinc processing plant, along with provision for additional process reclaim water pumping capability were completed in late 2021. In 2021, SOMINCOR received approval to expand the footprint of the Cerro do Lobo tailings storage facility to allow for sufficient additional tailings storage capacity through 2035, at ZEP production rates. Construction of the expanded footprint will occur during 2022 and 2023, while additional lifts to the expanded facility will be constructed in accordance with the mine plan in the ordinary course.

In 2018, Neves-Corvo commenced the update of the MCP, a regulatory requirement to be completed every five years, including the review of closure costs to cover the final closure process. The next version of the MCP is due to be submitted to the permitting agency in late 2022.

Neves-Corvo submitted an EIA in late November 2016 to the Portuguese authorities, in support of the ZEP. The ZEP EIA was reviewed and approved in July 2017. Following on the receipt of the EIA approval, a Relatório de Conformidade Ambiental do Projecto de Execução ("**RECAPE**") was submitted. The RECAPE is a detailed review of basic engineering data to confirm consistency with the project definition as presented in the EIA, with respect to environmental impacts. The project received regulatory approval, in 2018 and the associated Municipal Construction permit application package was also submitted to municipal authorities in December 2017 with approval received in early 2018.

Documents for the ZEP-associated tailings facility expansion permitting process were submitted as a separate application in 2019 (RECAPE 2). The associated approval was received in January 2020 while the final Directorate-General of Energy and Geology (DGEG) approval was received in the fourth quarter of 2021. The approval allows for the expansion of the footprint of the Cerro do Lobo tailings storage facility to allow for sufficient additional tailings storage capacity through 2035, at ZEP production rates. Construction of the expanded footprint will occur in 2022 and 2023, while additional lifts to the expanded facility to be constructed in accordance with the mine plan in the ordinary course.

The environmental license was issued in August 2017 and was updated in 2019 to incorporate consideration of the ZEP. It was updated again in 2020 to incorporate the tailings facility expansion associated with the LOM plan.

ZEP tie-in and commissioning activities were conducted in late January and early February of 2022. Final inspections by authorities are anticipated to occur by March with the industrial license update expected to be granted by the end of April 2022. The Company has a sufficient production volume allowance under its current industrial license to allow it to continue its ramp up activities as planned without interruption while it waits for the issuance of the updated license.

The social performance team engages with all stakeholders, primarily in the communities nearest the mine, namely Castro Verde, Almodôvar, Aljustrel, Mértola and Ourique. Engagement occurs throughout the year and is focused on managing social impacts, risks and opportunities specific to each community. The team bases their activities on a 5-year social performance strategic plan and systems which reflect best practice and international standards in stakeholder engagement, grievance procedures, risk management and community investment.

xii. Capital and operating costs

As reported in the Company's MD&A for the year ended December 31, 2021, Neves-Corvo's annual production cost is presented below. In addition, Neves-Corvo's actual cash costs and cash costs per pound for 2021 and guidance for 2022 is presented below.

Neves-Corvo	**2021 Actual**	**2022 Guidance**
Annual production cost	$291M	--
Cash cost(1)	$152M	$150M
Cash cost per pound of copper(1) ($/lb Cu)	$1.89	$1.80

(1) Cash cost and cash cost per pound of copper are non-GAAP measures. For a description and reconciliation of non-GAAP measures, please refer to the heading "Non-GAAP and Other Performance Measures" on page 26 of Lundin Mining's MD&A for the year ended December 31, 2021, which section is incorporated by reference herein and is available on SEDAR under the Company's profile at www.sedar.com (the information on the website does not form part of the Prospectus). Guidance Cash cost is based on various assumptions and estimates, including but not limited to: production volumes, commodity prices (Zn: $1.15/lb, Pb: $0.90/lb), foreign exchange rates (€/USD:1.20), TC/RCs and operating costs.

As reported in the Company's MD&A for the year ended December 31, 2021, total capital cost estimates for Neves-Corvo for 2022 are tabulated below. ZEP capital expenditures are expected to be $30 million while remaining capital expenditures include underground development, mobile mining equipment replacements, water initiatives and TSF expansion.

Neves-Corvo Capital Cost Estimates	Unit	2022 Guidance
Development and equipment	$M	65
Water initiatives and TSF expansion	$M	30
Total Sustaining	$M	95
Expansionary - ZEP Project	$M	30
Total	**$M**	**125**

xiii. Exploration, development, and production

Approximately 40,000 m of infill drilling is expected to be completed underground at Neves-Corvo in 2022. The 2022 surface exploration program include a combined total of 32,600 m of drilling within the mining and exploration concession areas. Borehole electro-magnetic surveys will be carried out on select drill holes. Exploration expenditure in 2022 is estimated at $8 million.

In 2021, Neves-Corvo produced 37,941 tonnes of copper in concentrate and 66,031 tonnes of zinc in concentrate. As reported in the Company's MD&A for the year ended December 31, 2021, guided production for 2022 is as tabulated below.

Neves-Corvo	Unit	2022 Guidance
Copper production	'000 Tonnes	33-38
Zinc production	'000 Tonnes	110-120

The current copper and zinc Mineral Reserves at Neves-Corvo will support a LOM of approximately 10 years with copper production, based on current Mineral Reserves estimates, decreasing in the final years, and planned zinc production, with the completion of the ZEP project, substantially increasing in 2022.

E. OTHER PROPERTIES AND INVESTMENTS

i. Zinkgruvan Mine

The Zinkgruvan Mine is located in south central Sweden and is owned and operated by ZMAB which is a 100% indirect subsidiary of Lundin Mining. The mine site is approximately 15 km from the town of Askersund and comprises a deep underground mine, a processing plant and associated infrastructure and tailings disposal facilities. Concentrates are trucked from the mine to the inland port of Otterbäcken on Lake Vänern from where they are shipped via canal and sea to European smelter customers.

The mining operations are contained within two mining concessions that are being actively exploited (Zinkgruvan and Klara) and two other mining concessions, one of which (Dalby) is the subject of further exploration, permitting and development activities and the other (Marketorp) has no material ongoing development or exploration. In addition, the mine currently holds seven exploration concessions in the area totaling 10,000 ha with a variety of expiry dates. The Zinkgruvan Mine owns sufficient freehold surface land to accommodate the existing and planned mine infrastructure.

The mine's total permitted production capacity is 1.5 Mtpa, which is divided 80% zinc/lead ore and 20% copper ore. Zinc/lead ore is milled in two single stage closed-circuit autogenous grinding mills with a permitted capacity of 1.2 Mtpa. A bulk flotation stage is followed by lead-zinc separation in the cleaner flotation section to produce separate zinc and lead concentrates. The concentrates are thickened and filtered and then stockpiled under cover. Over the last five calendar years, metallurgical recoveries average approximately 90% for zinc and 80% for lead. Tailings are pumped some 4 km to a dedicated tailings impoundment from which decant water is returned to the process. Copper ore is processed through a separate 0.3 Mtpa copper treatment line. This line is capable of treating zinc-lead ore as well as copper ore. Over the last five calendar years, metallurgical recoveries of copper average 88%. Zinc, lead and copper concentrates from the mine are sold to a variety of European smelters. Multi-year sales contracts are normally agreed upon with customers and treatment, refining and penalty charges are typical of those for zinc, lead and copper sulfide concentrates. The lead concentrates are particularly high-grade and contain elevated levels of silver.

At Zinkgruvan, the inactive Enemossen and active Enemossen East tailings facilities are located approximately four kilometers south of the mine. The active Enemossen East tailings facility has two main embankments that follow a hybrid combination of centerline followed by downstream construction raises. All future raises are designed and planned to follow the downstream construction methodology. The inactive Enemossen tailings facility reached its capacity in 2017. Typically, between 40 and 50% of the tailings produced at Zinkgruvan are used as paste backfill material in the underground mine, thereby reducing the quantity of tailings to be deposited in the surface facility. An external Engineer of Record for the tailings facilities conducts safety inspections quarterly and reviews monitoring data monthly. The most recent independent tailings review site visit was completed in October 2021. The Company anticipates that the independent review scope will be expanded at Zinkgruvan in 2022 or 2023 to conform with the Company's updated Tailings Management Standard requirements (see section "Tailings Management" above).

Zinkgruvan Mine operates under an environmental license that was issued in 2015. The license includes conditions covering production levels, tailings disposal, hazardous materials, process chemicals, water recirculation, noise levels, blast-induced vibrations, waste handling, energy use and closure planning. The license has temporary limits for water discharge, noise, vibration and fugitive dust, which limits will be made permanent following submission of additional studies to and approval by the Environmental Court. The MCP is updated periodically, and the most recent revision was approved by the authorities in April 2021.

In 2021, Zinkgruvan produced 77,766 tonnes of zinc, 22,183 tonnes of lead and 2,786 tonnes of copper in concentrate. As reported in the Company's MD&A for the year ended December 31, 2021, production guidance for 2022 is as tabulated below.

Zinkgruvan	**Unit**	**2022 Guidance**
Zinc production	'000 Tonnes	78-83
Copper production	'000 Tonnes	2-3

As reported in the Company's MD&A for the year ended December 31, 2021, Zinkgruvan's annual production cost is presented below. In addition, Zinkgruvan's actual cash costs and cash costs per pound for 2021 and guidance for 2022 is presented below.

Zinkgruvan	**2021 Actual**	**2022 Guidance**
Annual production cost	$102M	--
Cash cost(1)	$74M	$100M
Cash cost per pound of zinc(1) ($/lb Zn)	$0.53	$0.55

(1) Cash cost and cash cost per pound of zinc are non-GAAP measures. For a description and reconciliation of non-GAAP measures, please refer to the heading "Non-GAAP and Other Performance Measures" on page 26 of Lundin Mining's MD&A for the year ended December 31, 2021, which section is incorporated by reference herein and is available on SEDAR under the Company's profile at www.sedar.com (the information on the website does not form part of the Prospectus). Guidance Cash cost is based on various assumptions and estimates, including but not limited to: production volumes, commodity prices (Pb: $0.90/lb, Cu: $3.90/lb), foreign exchange rates (USD/SEK:8.20), TC/RCs and operating costs.

As reported in the Company's MD&A for the year ended December 31, 2021, total capital cost estimates for Zinkgruvan for 2022 are tabulated below. Expected capital expenditure for mine development is approximately $35 million and the remainder for equipment, TSF works, improvement initiatives and other matters.

Zinkgruvan Capital Cost Estimates	**Unit**	**2022 Guidance**
Development	$M	35
Other sustaining	$M	25
Total sustaining	**$M**	**60**

The total exploration expenditure in 2022 is guided at approximately $5 million and is primarily focused on replacing mining depletion and adding new Mineral Resources. Underground drilling targeted the near-mine, exploring the continuation of the Borta Bakom, Dalby, Burkland, and Nygruvan ore bodies. Surface exploration drilling focused between near-mine step-out drilling at Dalby and regional exploration targets.

The current zinc/lead and copper Mineral Reserve estimates at Zinkgruvan are able to support a LOM in excess of approximately 10 years.

ii. Freeport Cobalt

During the year ended December 31, 2021, Lundin Mining held an effective 24% ownership interest in Freeport Cobalt, with Freeport holding an effective 56% ownership interest and acting as operator and

Gécamines holding a 20% interest. Freeport Cobalt marketed cobalt products including fine powders, chemicals, catalysts, ceramics and pigments.

On July 27, 2021, the Company announced that its 24% owned subsidiary, Koboltti Chemicals Holding Limited, had entered into an agreement to sell Freeport Cobalt to Jervois. The sale completed on September 1, 2021 and, excluding the contingent consideration, resulted in net proceeds to the Company of approximately $45 million cash plus $8 million in common shares of Jervois.

F. Closed and historical sites

The Company continues to monitor the Storliden site in northern Sweden, where production ceased in 2008. During 2018, in response to an order from the local county board, ZMAB initiated additional groundwater monitoring around the sealed decline. As a result of the analysis of the data obtained and the request for a risk assessment, the Company conducted additional soil delineation studies in preparation for reclamation activities to commence in 2022 (including soil removal and revegetation). Further groundwater analyses is anticipated in 2022 in order to complete the risk assessment in 2023.

The Company's Zinkgruvan operations are located in an area where mining and related operations have been ongoing for over 160 years. As a result, the Zinkgruvan operations are in the vicinity of historical industrial sites which the Company does not own and which were reclaimed by other unrelated companies many years ago. As a responsible mining company, the Company monitors both its sites and, at the request of the applicable local county board, those proximate to the Company's operations but not owned by it.

ZMAB continues to work with local regulatory authorities and local communities at the historical Åmmeberg site, where Belgian company Vieille-Montagne (now Umicore) processed and shipped Zinkgruvan ore from the 1850s until the mid-1970s. The historic processing facilities and tailings storage site were reclaimed by Vieille-Montagne during the 1980s and are currently used primarily as a golf course and marina facility. In June 2018, ZMAB submitted to the local county board (OCAB) a site-specific risk assessment addressing potential residual human health and ecological risks associated with the reclaimed industrial properties. OCAB has requested additional information and for ZMAB to conduct certain further studies. In 2021, ZMAB unsuccessfully contested the appropriateness of this request before the appropriate administrative body and the Swedish Environmental Court. ZMAB is currently engaging with OCAB on the scope, timing and cost of the further studies that OCAB has requested and will continue to seek clarity on the nature and amounts of future contributions that OCAB will expect ZMAB to contribute in relation to any desired remediation activities that might result from this study work.

Other information about Lundin Mining

Corporate history

The Company was incorporated by Articles of Incorporation on September 9, 1994, under the CBCA as "South Atlantic Diamonds Corp." and subsequently changed its name to "South Atlantic Resources Ltd." on July 30, 1996, and to "South Atlantic Ventures Ltd." on March 25, 2002. The Company changed its name to "Lundin Mining Corporation" on August 12, 2004. The Company amalgamated with EuroZinc Mining Corporation effective November 30, 2006 and with Tenke Mining Corp. effective July 31, 2007.

Recent milestones - three year history

Recent developments subsequent to 2021

- On February 17, 2022, the Company announced the retirement of Mr. Lukas Lundin from the Chair of the Board, effective at the time of the Company's 2022 Annual Shareholders Meeting.
- On February 17, 2022, the Company declared its regular quarterly cash dividend of C$0.09 per share and a semiannual variable performance dividend of C$0.11 per share.
- On February 10, 2022, the Company announced the discovery of a new copper-gold mineralized system called Saúva, located approximately 15 kilometers north of the Chapada mine, in the State of Goiás, Brazil.
- Effective January 1, 2022, Mr. Peter Rockandel joined the Board of Directors and Ms. Marie Inkster stepped down as a director.
- Risks related to the global COVID-19 pandemic will continue in 2022 and include additional waves of outbreak and more virulent strains of the virus across multiple jurisdictions. While the Company has been able to successfully mitigate the impact of these risks to date, the unpredictability of the virus, its impacts, and the required responses may adversely affect the Company's business and the market price of the Company's securities.

2021

- In January 2021, ZEP construction activities were officially restarted.
- On February 18, 2021, the Company declared a 50% increase in its cash dividend, to C$0.06 per share paid quarterly, compared to the quarterly dividend paid in 2020. The Company also announced the appointment of Mr. Jack Lundin and Ms. Karen Poniachik as directors to the Board.
- On June 21, 2021, the Company announced it would be adjusting the near-term mining sequence in the Candelaria open pit resulting in a reduction to the 2021 production guidance to 150,000–155,000 t of copper and 85,000–90,000 oz of gold on a 100% basis, and temporary suspension of the annual cash cost guidance for the operation.
- On July 6, 2021, the Company published its annual Sustainability Report which provides updates on the economic, safety, environmental and social issues that are of greatest interest to communities near the Company's operations, employees, investors, and other stakeholders.
- On July 27, 2021, the Company announced that its 24% owned subsidiary, Koboltti Chemicals Holding Limited, had entered into an agreement to sell Freeport Cobalt to Jervois. The sale completed on September 1, 2021 and, excluding the contingent consideration, resulted in net proceeds to the Company of approximately $45 million cash plus $8 million in common shares of Jervois.
- On July 28, 2021, the Company declared an additional 50% increase in its regular cash dividend, to C$0.09 per share paid quarterly, compared to the dividend declared in February

2021, and declared an inaugural semiannual variable performance dividend of C$0.09 per share.

- On September 9, 2021, the Company announced that Ms. Inkster would be stepping down from her role as President and Chief Executive Officer and Director at the end of 2021 and that Mr. Rockandel, Senior Vice President, Corporate Development and Investor Relations, would assume the role of President and Chief Executive Officer and join the Board of Directors at that time.

- On September 13, 2021, the Company reported its Mineral Resource and Mineral Reserve estimates as at June 30, 2021. On a consolidated and attributable basis, estimated contained metal in the Proven and Probable Mineral Reserve categories totaled 5,302 kt of copper, 2,813 kt of zinc, 77 kt of nickel, 913 kt of lead and 6.6 million ounces of gold.

- On November 1, 2021, on the basis of a successful transition of responsibilities, Mr. Rockandel assumed the role of President and Chief Executive Officer as of November 1, 2021. Ms. Inkster remained an employee and Director until December 31, 2021.

- On December 6, 2021, the Company announced that it had renewed its normal course issuer bid ("**NCIB**") which allows the Company to purchase up to 63,762,574 common shares over a period of twelve months commencing on December 9, 2021. The NCIB will expire no later than December 8, 2022. As of the date of the Prospectus, the Company has purchased 140,500 common shares through open market transactions at a weighted average price of approximately C$8.97 per common share. All shares purchased under the NCIB were cancelled.

- On December 20, 2021, the Company announced it had entered into a definitive agreement with Josemaria Resources to acquire all of the issued and outstanding shares of Josemaria Resources through a plan of arrangement for an implied equity value of approximately C$625 million (US$485 million) as at such date.

2020

- On February 20, 2020, the Company declared a 33% increase in its cash dividend, to C$0.04 per share paid quarterly, compared to the quarterly dividend paid in 2019.

- On March 15, 2020, major construction and commissioning activities for ZEP were suspended in order to reduce the COVID-19 risks on the local communities, employees and contractors. Zinc production and capital cost guidance was withdrawn for Neves-Corvo.

- On May 11, 2020, Mr. William Rand retired as a director of the Company's Board of Directors and Mr. Ashley Heppenstall was elected to the Board and was appointed Lead Director.

- On September 8, 2020, the Company reported its Mineral Resource and Mineral Reserve estimates as at June 30, 2020.

- On September 25, 2020, the Company reported a fatal accident at its Neves-Corvo Mine. The incident occurred during underground mining operations. No other personnel were injured in the incident.

- On September 27, 2020, the Company announced that processing activities had been interrupted at the Chapada Mine due to a power outage which damaged all four mill motors; full year production, cash costs and capital expenditure guidance were withdrawn. Operations resumed at a reduced capacity in early October and returned to full production in December 2020.

- On October 7, 2020, the Company reported that mediation with Candelaria's Mine Workers Union ended without an agreement and the workers commenced strike action. Subsequently, on October 20, 2020, negotiations with the Candelaria AOS Union failed to reach an agreement and this union also commenced strike action. With both unions on strike, the Company undertook an orderly shutdown of operations and withdrew its production and cash cost guidance for 2020 for Candelaria pending resolution of the labour actions.

- In late November 2020, the Company announced ratifications of new collective agreements with the striking unions as well as two additional unions that had collective agreements with approaching expiry dates.

- On December 4, 2020, the Company announced that it had renewed its NCIB which allowed the Company to purchase up to 63,682,170 common shares over a period of twelve months commencing on December 9, 2020. The NCIB expired on December 8, 2021 and the Company purchased 4,323,100 common shares through open market transactions at a weighted average price of approximately C$11.25 per common share. All shares purchased under the NCIB were cancelled.

2019

- On July 5, 2019, pursuant to the Chapada Purchase Agreement, Lundin Mining acquired a 100% ownership stake in MMIC, which owns the Chapada copper-gold mine located in Brazil from Yamana. Total cash consideration paid by the Company was $783 million. Contingent consideration includes a 2.0% NSR royalty on future gold production from the Suruca gold deposit and $100 million on potential construction of a pyrite roaster. In addition, the Company is responsible for contingent consideration of up to $125 million over five years ($50 million of which has already been paid) if certain gold price thresholds are met.

- On August 28, 2019, the Company entered into the Credit Agreement in order to (i) increase its secured revolving Credit Facility to $800 million with a $200 million accordion option, (ii) reduce the cost of borrowing, (iii) increase the term to August 2023, from October 2022, and (iv) increase the available permitted indebtedness and lien allowances. The amended Credit Facility bears interest on US dollar denominated drawn funds at rates of LIBOR + 1.75% to LIBOR + 2.75% depending upon the Company's net leverage ratio, reduced from LIBOR + 1.875% to LIBOR + 3.00% previously.

- On September 5, 2019, the Company reported its Mineral Resource and Mineral Reserve estimates as at June 30, 2019.

- On October 10, 2019, the Company filed an initial Technical Report for the Chapada Mine. The Chapada Report was filed in order to support the previous disclosure of the Chapada Mineral Resource and Mineral Reserve estimates as a result of the acquisition of the Chapada Mine.

- On December 2, 2019, the Company announced that Freeport Cobalt, the Company's joint venture with Freeport-McMoRan Inc. sold its cobalt refinery in Kokkola, Finland and related cobalt cathode precursor business to Umicore for cash consideration of approximately $200 million, including net working capital of approximately $50 million at closing, of which Lundin Mining received 30% of the proceeds. The joint venture retained Freeport Cobalt's fine powders, chemicals, catalyst, ceramics and pigments businesses. During the year, Lundin Mining received $114 million in funds distributed by the joint venture, including the attributable proceeds of the transaction.

- On December 5, 2019, the Company announced that the TSX had accepted notice of the Company's intention to renew its NCIB. The approval allowed the Company to purchase up to 63,797,653 common shares of the Company over a period of twelve months commencing on December 9, 2019. The NCIB expired on December 8, 2020 and the Company 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.

Selected financial information

The financial information presented below has been derived from the Company's audited consolidated financial statements for the year ended December 31, 2021. The Company prepares its financial statements in accordance with IFRS. Except where otherwise noted, financial data has been prepared in accordance with IFRS as issued by the International Accounting Standards Board. Except as expressly stated in the Prospectus, no financial information has been audited or reviewed by the Company's auditor. The information in this section should be read together with section "Capital structure, indebtedness and related information", the Company's consolidated financial statements for the financial year 2021 including the notes which have been incorporated in the Prospectus (see section "Documents incorporated by reference").

CONSOLIDATED BALANCE SHEETS

'000s USD	**December 31, 2021** Extracted from audited statements IFRS	**December 31, 2020** Extracted from audited statements IFRS
ASSETS		
Cash and cash equivalents	**$** 594,069	$ 141,447
Trade and other receivables	602,674	360,557
Income taxes receivable	85,642	61,416
Inventories	227,383	254,044
Other current assets	16,817	20,462
Total current assets	1,526,585	837,926
Restricted funds	54,753	56,611
Long-term inventory	719,599	692,362
Other non-current assets	14,933	9,699
Mineral properties, plant and equipment	5,050,899	5,125,611
Investment in associate	15,083	22,342
Deferred tax assets	12,050	62,743
Goodwill	243,005	251,183
	6,110,322	6,220,551
Total assets	**$** 7,636,907	$ 7,058,477

'000s USD		December 31, 2021 Extracted from audited statements IFRS		December 31, 2020 Extracted from audited statements IFRS
LIABILITIES				
Trade and other payables	**$**	438,602	$	317,029
Income taxes payable		226,293		69,738
Current portion of debt and lease liabilities		14,617		116,942
Current portion of deferred revenue		76,202		80,832
Current portion of reclamation and other closure provisions		31,829		2,844
Total current liabilities		787,543		587,385
Debt and lease liabilities		16,386		86,106
Deferred revenue		617,265		658,734
Reclamation and other closure provisions		414,226		441,401
Other long-term liabilities		61,688		76,000
Provision for pension obligations		8,149		11,219
Deferred tax liabilities		738,917		701,103
		1,856,631		1,974,563
Total liabilities		2,644,174		2,561,948
SHAREHOLDERS' EQUITY				
Share capital		4,199,756		4,201,277
Contributed surplus		58,166		52,098
Accumulated other comprehensive loss		(249,929)		(177,215)
Retained earnings (deficit)		437,160		(98,231)
Equity attributable to Lundin Mining Corporation shareholders		4,445,153		3,977,929
Non-controlling interests		547,580		518,600
Total shareholders' equity		4,992,733		4,496,529
Total liabilities and shareholders' equity	**$**	7,636,907	$	7,058,477

CONSOLIDATED STATEMENTS OF EARNINGS

'000s USD (except per share amounts)	**Jan-Dec 2021** Extracted from audited statements IFRS	**Jan-Dec 2020** Extracted from audited statements IFRS
Revenue	3,328,765	2,041,506
Cost of goods sold		
Production costs	(1,436,278)	(1,095,911)
Depreciation, depletion and amortization	(522,764)	(447,474)
Gross profit	1,369,723	498,121
General and administrative expenses	(52,196)	(44,171)
General exploration and business development	(44,938)	(44,212)
Finance income	3,112	6,491
Finance costs	(44,499)	(53,115)
Income from equity investment in associate	24,895	3,302
Other expense	(11,110)	(24,938)
Earnings before income taxes	1,244,987	341,478
Current tax expense	(273,638)	(52,944)
Deferred tax expense	(92,048)	(99,477)
Net earnings	879,301	189,057
Net earnings attributable to:		
Lundin Mining Corporation shareholders	780,348	168,798
Non-controlling interests	98,953	20,259
Net earnings	879,301	189,057
Basic and diluted earnings per share attributable to Lundin Mining Corporation shareholders:	1.06	0.23

Key financial and performance data on Lundin Mining

Non-GAAP and other performance measures

The Company uses certain performance measures in its analysis and disclosure. These performance measures are not standardized financial measures and have no meaning within generally accepted accounting principles under IFRS as issued by the International Accounting Standards Board and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following are non-GAAP and other specified financial measures as defined in National Instrument 52-112 Non-GAAP and Other Financial Measures ("**NI 52-112**") that the Company uses as key performance indicators in the Prospectus, on a historical and forward-looking basis.

Cash cost per pound

Copper, zinc and nickel cash costs per pound are key performance measure ratios that management uses to monitor performance. Management uses these statistics to assess how well the Company's producing mines are performing and to assess overall efficiency and effectiveness of the mining operations. Cash cost per pound is a non-GAAP ratio that uses cash cost, a non-GAAP financial measure, as a component. Although these measures are calculated according to accepted industry practice, the Company's disclosed cash costs per pound and cash costs may not be directly comparable to other base metal producers.

- **Cash cost per pound, gross** – Total cash costs directly attributable to mining operations, excluding any allocation of upfront streaming proceeds or capital expenditures for deferred stripping are divided by the sales volume of the primary metal to arrive at gross cash cost per pound. As this measure is not impacted by fluctuations in sales of by-product metals, it is generally more consistent across periods.
- **Cash cost per pound, net of by-products** – Credits for by-products sales are deducted from total cash costs directly attributable to mining operations. By-product revenue is adjusted for the terms of streaming agreements, but excludes any deferred revenue from the allocation of upfront cash received. The net cash costs are divided by the sales volume of the primary metal to arrive at net cash cost per pound. The inclusion of by-product credits provides a broader economic measurement, incorporating the benefit of other metals extracted in the production of the primary metal.

Reconciliation of Key Performance Indicators which are not in accordance with IFRS

For reconciliation of each of the above non-GAAP measures for the years ended December 31, 2021 and December 31, 2020 reference is made to

- the Company's management's discussion and analysis for the year ended December 31, 2021 under the heading "Non-GAAP and Other Performance Measures" on pages 26-32.

Significant recent trends - operational outlook & update

Lundin Mining provides the following production guidance for the three-year period of 2022 through 2024, as well as cash cost, capital and exploration expenditure forecasts for 2022. This below contains non-GAAP measures and forward-looking information about expected future events and financial and operating performance of the Company. Lundin Mining refers to section "Definitions of Key Performance Indicators which are not in accordance with IFRS" and the cautionary statement on forward-looking information and the "Risk Factor" section in the Prospectus. All dollar amounts are expressed in U.S. dollars, unless otherwise noted.

- Copper production is to increase to 258,000-282,000 t on a consolidated basis in 2022.
- Zinc production is forecast to increase to 188,000-203,000 t in 2022 as the Neves-Corvo Zinc Expansion Project ("ZEP") ramps up and on an improved near-term production profile at Zinkgruvan.
- Gold production is forecast to be 153,000-163,000 oz in 2022, of which approximately 85,000 oz, at the midpoint of guidance, are unencumbered and to receive full market pricing.
- Nickel production is to moderate to 15,000-18,000 t in 2022 with priority on increasing Eagle East ore.

Production Outlook 2022 - 2024
Candelaria: Copper production for the next three years is forecast to increase over that of 2021, primarily on improved copper head grades and achievement of planned processing rates as initiatives to debottleneck the Candelaria plant pebble crushing circuit are realized in early 2023.

From the Candelaria open pit, ore mining is to continue primarily from the Phase 10 pushback in 2022, with initial ore production from the Phase 11 pushback during the year. In 2023 and 2024, ore is to be mined primarily from Phase 11.

Over the guidance period, total mill throughput is forecast to range between 27-28 million tonnes per annum ("**Mtpa**"). Debottlenecking initiatives of the Candelaria plant pebble crushing circuit will increase mill capacity starting in early 2023 and, based on the planned mill feed blend and the ore hardness throughput model, annual throughput is expected to exceed 28 Mtpa commencing in 2025.

In 2022 and 2023, Candelaria open pit ore is forecast to contribute approximately 16 Mtpa to the mill feed, increasing to approximately 18 Mtpa in 2024. The underground mines are forecast to contribute approximately 8 Mtpa of ore in each year, with stockpile ore comprising the balance of the mill feed.

Production guidance considers a mine-to-mill grade call factor of 8% in 2022, reducing to 5% in 2023 and 2024. With focus on operational practices, improvement in grade discrepancy was observed in the third quarter of 2021 compared to the prior two quarters, and to-date in the fourth quarter the positive trend has continued. Candelaria is continuing its methodical approach to identify and address sources of unplanned dilution and discrepancy across the mine-to-mill process.

Candelaria's copper production guidance is 155,000-165,000 t for 2022. Copper production is forecast to be modestly greater in the second half of the year than the first, primarily owing to the copper grade profile. Gold production guidance is 83,000-88,000 oz for 2022 and, similarly, modestly weighted to the second half of the year.

Chapada: Copper production guidance is consistent with the prior outlook, while gold production guidance has been increased for 2022 on refinement of near-term operating plans. Production expectations are based on the current 24 Mtpa throughput capacity over the guidance period with annual changes driven primarily by the forecast grade profile.

Chapada's copper production is forecast to increase in 2022 to 53,000-58,000 t. Copper production is expected to be modestly greater in the second half of the year primarily due to the forecast grade profile and seasonal operating considerations. Gold production guidance is 70,000-75,000 oz for 2022 and, similarly, modestly weighted to the second half of 2022 due to the forecast grade profile and seasonal operating considerations. All of Chapada's gold production remains unencumbered and is to receive full market pricing.

Eagle: Nickel production guidance is modestly lower for 2022 and consistent for 2023, compared to the prior outlook, while copper production guidance is consistent for 2022 and for 2023.

Eagle's nickel production is forecast to be 15,000-18,000 t in 2022. Nickel production is expected to be greater in the second half of the year primarily due to the forecast grade profile. Copper production guidance is 15,000-18,000 t for 2022, modestly weighted to the second half of the year on the forecast grade profile.

Neves-Corvo: Copper production guidance has increased for 2022 and 2023 compared to the prior outlook, on refinement of the near-term mine plan positively impacting the forecast copper head grade. Zinc production guidance is modestly lower in 2022 and 2023 compared to the prior outlook, on the metal recovery assumption for these years. Construction of the ZEP is progressing on schedule and on budget to be substantially complete by the end of 2021.

Neves-Corvo's copper production is forecast to increase to 33,000-38,000 t in 2022, modestly weighted to the first half of the year owing to the forecast grade profile. Zinc production is guided to increase over 65% in 2022, to 110,000-120,000 t, as production ramp up from the ZEP is completed in the first half of the year. With the ZEP contributing a full year of production at design throughput, 2023 zinc production is forecast to be 142,000-152,000 t.

Zinkgruvan: Zinc production guidance has increased 14% for 2022 and 11% for 2023, at the midpoint of the ranges compared to the prior outlook[2], with minor refinement of operating plans forecasting higher head grades and improved metal recoveries. Copper production guidance for 2022 and 2023 is generally consistent with the prior outlook. Zinc production is forecast to increase in 2022 to 78,000-83,000 t.

Candelaria's cash costs are expected to approximate $1.55/lb[3] copper in 2022, similar to 2021 levels, after by-product credits. By-product credits have been adjusted for the terms of the streaming agreement.

At **Chapada**, cash costs are expected to approximate $1.60/lb copper in 2022, after unencumbered gold by-product credits. The forecast increase in Chapada's cash costs reflects higher consumable costs and lower stockpile values. Effects of copper stream agreements are reflected in the realized copper revenue.

Eagle is expected to maintain the first quartile cash costs of negative $0.25/lb nickel in 2022, considering significant by-product copper credits. The forecast increase in Eagle's cash costs is primarily a reflection of lower volumes.

At **Neves-Corvo**, cash costs for 2022 are expected to improve year-on-year to approximately $1.80/lb copper, after zinc and lead by-product credits. The forecast decrease in cash costs is primarily due to increased zinc production volumes.

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[3] 68% of Candelaria's total gold and silver production are subject to a streaming agreement and as such cash costs are calculated based on receipt of $420/oz and $4.20/oz, respectively, on gold and silver sales in the year.

Zinkgruvan's cash costs for 2022 are expected to approximate $0.55/lb zinc after copper and lead by-product credits.

2022 Capital Expenditure Guidance

Capital expenditures in 2022 are forecast to be $630 million on a 100% basis, including deferrals from 2021. The majority of sustaining capital expenditures are for open pit waste stripping, underground mine development, and tailings storage facility ("**TSF**") and water management works. The scope of these activities is generally consistent with prior plans, with expenditure guidance reflecting inflationary cost pressures on key inputs, in particular, fuel, electricity, freight, logistics and labour costs in some markets.

Candelaria: Capital expenditures at Candelaria in 2022 are forecast to total $370 million. Of this total, capitalized waste stripping expenditures are estimated to be $180 million, and underground mine development, including infill drilling and ramp works, is estimated to be approximately $90 million. Capital expenditures for mobile and mine equipment are estimated to be $25 million and $55 million for the continued build of the Los Diques TSF. Pebble crushing debottlenecking initiatives are estimated to be $15 million and forecast to be completed in 2022.

Chapada: Capital expenditures at Chapada in 2022 are estimated to total $65 million. This includes approximately $20 million for capitalized waste stripping, $20 million for TSF and water management systems and $10 million for mine and mobile equipment.

Eagle: Capital expenditures are estimated to total $10 million in 2022 composed of underground mine development, mobile equipment and mill water treatment plant sustaining initiatives.

Neves-Corvo: Capital expenditures are estimated to total $125 million in 2022 of which $30 million is expansionary capital to complete pre-production works on the ZEP and $95 million is forecast sustaining capital. Of the forecast sustaining capital expenditures, approximately $50 million is for underground mine development, including infill drilling, $30 million for TSF works and water initiatives and $15 million for mine and mobile equipment. Total ZEP pre-production capital cost estimate of $430M (€360M) remains unchanged.

Zinkgruvan: Sustaining capital expenditures are estimated to total $60 million in 2022, including approximately $35 million for underground development, including the Dalby orebody, and the remainder primarily for mine and mobile equipment, TSF works and other improvement initiatives.

2022 Exploration Investment Guidance

Exploration expenditures are planned to be $45 million in 2022. Approximately $40 million is to be spent supporting significant in-mine and near-mine targets at our operations ($15 million at Candelaria, $10 million at Chapada, $8 million at Neves-Corvo, $5 million at Zinkgruvan and $2 million at Eagle). The remaining $5 million is planned to advance activities on exploration stage and new business development projects.

Capital structure, indebtedness and related information

The financial information presented below has been derived from the Company's audited financial statements for the year ended December 31, 2021, but has been compiled for the specific purpose of the Prospectus and has not been audited. The tables in this section should be read together with the information set out in the section "Selected financial information ", the Company's consolidated financial statements for the financial year 2021 including the notes which have been incorporated in the Prospectus (see "Documents incorporated by reference").

Capitalization and net indebtedness

'000s USD	**December 31, 2021**
Guaranteed	-
Secured	2,612
Unguaranteed/unsecured	12,005
Total current debt	14,617
Guaranteed	-
Secured	2,513
Unguaranteed/unsecured	13,873
Total non-current debt	16,386
Share capital	4,199,756
Legal reserve(s)	-
Contributed surplus, accumulated other comprehensive loss, retained earnings and non-controlling interests	792,977
Total shareholders' equity	4,992,733
Total capitalisation	5,023,736

Net interest-bearing indebtedness

'000s USD		**December 31, 2021**
A.	Cash	533,560
B.	Cash equivalents (short-term deposits)	60,509
C.	Other current financial assets	16,817
D. Liquidity (A+B+C)		**610,886**
E.	Current financial debt (leases)	12,005
F.	Current financial debt (line of credit)	2,612
G. Current financial indebtedness (E+F)		**14,617**
H. Net current financial indebtedness (G-D)		**(596,269)**
I.	Non-current financial debt (leases)	13,873
J.	Non-current financial debt (leases)	2,513
K.	Non-current trade and other payables	**-**
L. Non-current financial indebtedness (I+J+K)		**16,386**
M. Total financial indebtedness (H+L)		**(579,883)**

Indirect and contingent indebtedness

The Company has received upfront consideration from third parties under various gold, silver and copper streaming agreements in exchange future commitments as specified in its various streaming arrangements. As at December 31, 2021, the Company has recorded a Deferred Revenue liability of $693.5 million, of which $76.2 million is current, with respect to its streaming obligations.

Reclamation and other closure provisions totaling $446.1 million have been recorded as a liability as at December 31, 2021 for estimated future costs associated with mine closure activities. These obligations are expected to settle near the end of the mine life, though $31.8 million is expected to settle within the next 12 months.

At December 31, 2021, the Company has recorded provisions as part of its acquisition of Chapada which included contingent consideration of up to $125.0 million payable over five years from the acquisition date if certain gold price thresholds are met. The first two years, $50 million, has been settled to date. In addition, the Company has been provided with a tax indemnity for any tax liabilities that may arise for periods prior to the date of the acquisition of Chapada. For identified tax claims existing at the date of acquisition, the Company has agreed to be liable for up to the first $18.2 million (BRL 101.5 million). While it is uncertain, no material liabilities have been accrued as the Company believes material payment is not likely due to the nature of the tax claims.

Smaller provisions, totaling less than $30 million at December 31, 2021, have been reported for pensions, possible environment fines related to alleged breaches of an environmental permit, labour claims issued by a national mining agency and potential tax obligations.

Unrecorded commitment and contingencies include:

- Capital commitments of $111.2 million on various initiatives, of which $98.2 million is expected to be paid during 2022.

- The Company has received contradictory tax assessments from the Chilean Internal Revenue Service ("**IRS**"). Given that the assessments relate to the same issue, the Company's potential exposure is expected to be limited to one of the below scenarios:
    - For taxations years 2014 through 2019, the IRS issued tax assessments denying tax deductions related to interest expenses arising from an intercompany debt. The total of all assessments amount to $265.3 million ($145.6 million in taxes plus interest and penalties of $119.7 million). While not yet assessed by the IRS, a similar position could deny tax refunds of approximately $61.1 million and additional penalty taxes of $29.5 million, excluding possible additional penalties and interest, related to taxation years 2020 through to December 31, 2021, in addition to a deferred tax asset of $12.0 million recorded at December 31, 2021. The Company maintains its position that the assessments are inconsistent with Chilean tax law and, therefore, without merit.

    - On the same intercompany debt for taxation years 2016 through 2019, the Company has also received assessments from the IRS seeking additional withholding taxes, including interest and penalties, on interest payments made. The total of all assessments amount to $246.6 million ($114.2 million in taxes plus interest and penalties of $132.4 million). While not yet assessed by the IRS, a similar position taken on interest payments could result in approximately $56.6 million in additional withholding taxes, excluding possible penalties and interest, related to the taxation years 2020 through to December 31, 2021. The Company believes it has applied the correct withholding tax rate according to the Canada-Chile tax treaty.

- The Company has filed claims against the tax assessments related to taxation years 2014 to 2017. For tax assessments related to 2018 and 2019 received in 2021, as with prior assessments, the Company will be challenging the IRS' decision. No tax expense has been accrued for these assessments as the Company believes its original filing position is in compliance with tax regulations and intends to vigorously defend this position

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

Working capital

As at the date of this Prospectus, the Company is of the opinion that the Company's existing working capital is expected to be sufficient to fully fund its present requirements during the next twelve months as of the date of this Prospectus.

In this context working capital refers to a company's ability to access cash and other available liquid resources in order to meet its liabilities as they fall due.

Significant changes in the financial position of the Company

Since December 31, 2021 the Company's financial position has been affected by:

- As contemplated by the Arrangement Agreement, Lundin Mining has agreed to provide to Josemaria Resources a loan (the "**Bridge Loan**") in the principal amount of up to US$100,000,000 to finance certain anticipated activities of Josemaria Resources between the date of the Arrangement Agreement and the Effective Date, to be advanced based on Josemaria Resource's monthly expected costs and expenses based on a budget approved by Lundin Mining. The Bridge Loan matures on June 30, 2022, and bears semi-annual interest at a rate of 5.0% per annum on amounts drawn, payable semi-annually. The Bridge Loan is guaranteed by the subsidiaries of Josemaria Resources.

Apart from the aforementioned, there has been no significant change in the financial position of the Company which has occurred since the end of the last financial period for which either audited financial statements or interim financial information have been published.

Overview investments and funding

For a summary of the Company's principal investments that are in progress, including the geographic distribution of these investments, as well as the Company's principal future investments on which its management bodies have already made firm commitments, see section "2022 Capital Expenditure Guidance", "2022 Exploration Investment Guidance" and "Lundin Mining's significant operations".

The Company believes it will generate sufficient cash flow and has adequate cash and debt facilities to finance on-going operations, contractual obligations and planned capital and exploration investment programs.

Board of Directors, senior executive officers and auditor

Board of Directors

The Board of Directors is currently comprised of eight directors who are elected annually. Each director holds office until the next annual meeting of shareholders or until his successor is duly elected unless his office is earlier vacated in accordance with the Company's articles. On February 17, 2022 Lundin Mining announced the retirement of Mr. Lukas H. Lundin from the Chair of the Board, effective at the time of the Company's 2022 Annual Shareholders Meeting.

Name	*Position*	*Served as director since*
Lukas H. Lundin	Chair and Director	September 9, 1994
C. Ashley Heppenstall	Lead Director	May 11, 2020
Peter Rockandel	President, Chief Executive Officer and Director	January 1, 2022
Donald K. Charter	Director	October 31, 2006
Peter C. Jones	Director	September 20, 2013
Dale C. Peniuk	Director	October 31, 2006
Jack O. Lundin	Director	February 18, 2021
Karen P. Poniachik	Director	February 18, 2021
Catherine J. G. Stefan	Director	May 8, 2015
Juliana L. Lam	Director	March 23, 2022

Biographies

Lukas H. Lundin, Chairman and Director
Mr. Lundin graduated from the New Mexico Institute of Mining and Technology (Engineering). Throughout his career, he has been responsible for various resource discoveries, including the multi-million ounce Veladero gold deposit. Mr. Lundin has also led numerous companies through very profitable business acquisitions and mergers; most recently the $9.2 billion sale of Red Back Mining Inc.

Other current positions: Director of Filo Mining Corp. Lucara Diamond Corp., Lundin Gold Inc., and Lundin Energy AB.

Previous positions (last five years): Denison Mines Corp. Josemaria Resources, and International Petroleum Corporation.

Common Shares owned: 2,271,449

Options/Share Units entitlement: Nil

C. Ashley Heppenstall, Lead Director
Mr. Heppenstall is a corporate director with over 30 years of experience in the oil and gas and resource sectors. He currently serves on the board of directors of four other public mining and oil and gas

companies. From 2001-2015, Mr. Heppenstall served as the President, Chief Executive Officer of Lundin Petroleum AB (now Lundin Energy), an oil and gas exploration and production company with core assets in Norway. 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 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.

Other current positions: Director of International Petroleum Corporation, Josemaria Resources Inc., Lundin Gold Inc., and Lundin Energy AB.

Previous positions (last five years): Director of Africa Energy Corp. .

Common Shares owned: Nil

Options/Share Units entitlement: Nil

Peter Rockandel, President, Chief Executive Officer and Director
Mr. Rockandel has been President and CEO of Lundin Mining since November 2021. He previously served as Senior Vice President, Corporate Development and Investor Relations having joined the Company in 2018. Mr. Rockandel has more than 25 years' experience in Canadian capital markets, particularly in global resources and mining. Prior to joining Lundin Mining, Mr. Rockandel was the Managing Director, Investment Banking at GMP Securities and led their North American Mining practice overseeing and executing GMP's Mining capital markets and investment banking strategy. He brings with him former experience from GMP Institutional Sales, Deutsche Bank Canada and Yorkton Securities (currently Macquarie). Mr. Rockandel holds a Bachelor of Business Administration from Simon Fraser University.

Other current positions: None.

Previous positions (last five years): Senior Vice President, Corporate Development and Investor Relations of Lundin Mining Corporation and Managing Director of GMP Securities.

Common Shares owned: 95,000

Options/Share Units entitlement: Outstanding: 406,000 Options; 97,600 Share Units; 16,600 Performance Share Units.

Donald K. Charter, Director
Mr. Charter has extensive board level experience having been involved in several corporate boards and having sat on and chaired a number of audit, compensation, governance, special, independent and strategic committees. He currently serves on three public company boards, which, in addition to Lundin Mining, includes Dream Office REIT (Trustee) and International Petroleum Corporation. He is also the Chairman of HGC Holding, a private company, which through HGC Investments is an employee-owned firm specializing in low volatility, liquid, event-driven mandates currently managing The HGC Fund. Mr. Charter has extensive senior executive leadership experience, including as the CEO of a major financial institution and the CEO of a publicly traded mining company. His business experience includes financial services, mining, oil and gas real estate and law. He is the President of 3Cs Corporation his private investment and consulting company. He is a graduate of McGill University with degrees in Economics and Law. He has completed the Institute of Corporate Directors, Directors Education Program.

Other current positions: DREAM Office Real Estate Investment Trust (Trustee), and director of International Petroleum Corporation.

Previous positions (last five years): Director of Sprott Resources Holdings Inc., and IAMGOLD Corporation.

Common Shares owned: 82,424

Options/Share Units entitlement: Nil

Peter C. Jones, Director
Mr. Jones has over 40 years of experience in the mining industry, including work in Europe, Africa, North and South America, Australia and Asia. Mr. Jones served as Interim President and CEO of IAMGOLD Corp., President and Chief Operating Officer of Inco Ltd., and President and Chief Executive Officer of Hudson Bay Mining & Smelting Co.

Other current positions: None.

Previous positions (last five years): Royal Nickel Corporation.

Common Shares owned: 76,482

Options/Share Units entitlement: Nil

Jack O. Lundin, Director
Mr. Jack Lundin was recently involved in the successful execution of Lundin Gold's Fruta del Norte Gold Mine in Southern Ecuador where he served as the Project Superintendent, gaining experience in mine project development. He brings with him a recognized legacy and years of natural resource technical and economic expertise. Following many summers in the field, holding international prospecting and field technician roles with the Lundin Group, Jack also has experience working as an analyst in the commercial department for Lundin Norway AS., a subsidiary of Lundin Petroleum AB. Mr. Lundin holds a Bachelor of Science degree in Business Administration from Chapman University and a Master of Engineering degree in Mineral Resource Engineering from the University of Arizona. In addition to serving as President, CEO and a Director of Bluestone Resources Inc., Mr. Lundin also sits on the board of directors of the Lundin Foundation, the University of Arizona's Lowell Institute for Mineral Resources and is an advisor to Josemaria Resources Inc.

Other current positions: Director, president and CEO of Bluestone Resources Inc.

Previous positions (last five years): Director of Denison Mines Corp.

Common Shares owned: 80,000

Options/Share Units entitlement: Nil

Dale C. Peniuk, Director
Mr. Peniuk is a Chartered Professional Accountant (CPA, CA). He serves as a director of three other public companies, Argonaut Gold Inc., Kuya Silver Corporation, and MAG Silver Corp., and has been on the board and chair of the audit committee of numerous other Canadian public mining companies since 2006. Mr. Peniuk spent more than 20 years with KPMG LLP, Chartered Accountants and predecessor firms, including being an assurance partner from 1996 to 2006 and the leader of KPMG's British Columbia mining practice. He received his Bachelor of Commerce degree from the University of British Columbia in

1982 and his designation as a Chartered Accountant from the Institute of Chartered Accountants of British Columbia (now referred to as the Chartered Professional Accountants of British Columbia, or CPABC) in 1986. Mr. Peniuk also served as a member of CPABC's Public Company Forum from 2000 to 2019, including serving as Chair of that Forum for much of his term. Mr. Peniuk is the designated financial expert on the Audit Committee.

Other current positions: Director of Argonaut Gold Inc, Capstone Mining Corp., MAG Silver Corp., and Kuya Silver Corporation.

Previous positions (last five years): Director of Capstone Mining Corp.

Common Shares owned: 50,000

Options/Share Units entitlement: Nil

Karen P. Poniachik, Director
Ms. Poniachik brings extensive knowledge and experience on variety of corporate governance topics, including ESG, how climate change should be addressed by boards, and ethics and compliance. She is currently the Director of Columbia University's Global Centers, Santiago, an ESG Lecturer for Thomson Reuters Latam and a member of the Advisory Boards of Microsoft #Transforma Chile and Chilemujeres. Previously, Ms. Poniachik served as Chile's Minister of Mining from 2006 to 2008, during which time she chaired the boards of directors of state-owned companies Codelco, Enap and Enami. She was Chile's Special Envoy to the Organization for Economic Co-operation and Development (OECD) in charge of the country's accession process to the organization completed in 2010. Currently she is a member of the board of directors of Chilean companies Jetsmart Airlines and Interchile ISA and is part of the advisory board of the Chilean American Chamber of Commerce, AmCham Chile, where she served as chair of the Corporate Governance, Ethics & Compliance Committee for the last two years.

Other current positions: Director of Aclara Resources Inc.

Previous positions (last five years): Director of Columbia Global Centers Santiago, Board Member of Jetsmart Airlines (Private Equity Fund), ISA Interchile S.A. and Metro de Santiago, as well as member of the Board of Advisors of Chilean North American Chamber of Commerce.

Common Shares owned: Nil

Options/Share Units entitlement: Nil

Catherine J. G. Stefan, Director
Ms. Stefan was appointed a director of the Company in May 2015 and is the Chair of the Corporate Governance and Nominating Committee. She is former Board Chair of Denison Mines from 2004 to 2021. Ms. Stefan obtained her Bachelor of Commerce degree from the University of Toronto in 1973. Ms. Stefan is a Chartered Professional Accountant (CPA, CA) and Member of the Institute of Corporate Directors with over 30 years of business experience, primarily in senior management of public companies in the real estate sector. 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.

Other current positions: None.

Previous positions (last five years): Director of Denison Mines Corp.

Common Shares owned: 65,000

Options/Share Units entitlement: Nil

Juliana L. Lam, Director
Ms. Lam has extensive executive level financial management and international business experience in diverse industries including mining, manufacturing, services and distribution. Ms. Lam's principal occupation is a Corporate Director. She currently serves as a member of the Board of Directors of Gibson Energy Inc., Major Drilling Group International Inc., and Toronto Hydro Corporation (a reporting issuer). Prior to becoming a Corporate Director, Ms. Lam has held a number of executive and finance leadership positions in private and publicly traded companies including Executive Vice-President and Chief Operating Officer of Chartered Professional Accountants of Ontario, Executive Vice-President and Chief Financial Officer of Uranium One Inc., Senior Vice-President, Finance at Kinross Gold Corporation, and Chief Financial Officer at Nexans Canada Inc. Ms. Lam holds a Bachelor of Arts from the University of Toronto, an MBA from the Ivey Business School, University of Western Ontario, is a Chartered Professional Accountant, Chartered Accountant (CPA, CA), and holds the ICD.D designation from the Institute of Corporate Directors..

Other current positions: Director of Gibson Energy Inc., Major Drilling Group International Inc. and Toronto Hydro Corporation.

Previous positions (last five years): Executive Vice-President and Chief Operating Officer of Chartered Professional Accountants of Ontario.

Common Shares owned: Nil

Options/Share Units entitlement: Nil

Adam I. Lundin
On March 23, 2022 Lundin Mining announced the nomination of Mr. Adam I. Lundin for election to the Board at the Company's 2022 Annual Shareholders Meeting. Mr. A. Lundin has many years of experience in capital markets and public company management across the natural resources sector. His background includes oil & gas and mining technology, investment advisory, international finance and executive management. He began his career working for several Lundin Group mining companies in various countries before moving into finance where he specialized in institutional equity sales, ultimately becoming co-head of the London office for an international securities firm between 2012 and 2017. Mr. Lundin is currently the President, CEO and a Director of Josemaria Resources. Mr. Lundin was the former President and CEO of Filo Mining Corp, a role he held until 2019, and now serves as the Chairman of the Board. He is also a Director of NGEx Minerals Ltd., Lundin Energy AB and the Lundin Foundation. Mr. Adam I. Lundin holds 2,374,000 options and 437,000 Josemaria Resources Shares. He does not hold any Common Shares or options/share units in the Company at the date of the Prospectus.

Other current positions: Director and Board Chair, Filo Mining Corp., Director NGEX Minerals Ltd. Lundin Energy AB and the Lundin Foundation.

Previous positions (last five years): Former President and CEO, Filo Mining Corp.

Senior executive officers

Peter Rockandel, President, Chief Executive Officer and Director
Please see "Board of Directors" for Mr. Rockandel's biography.

Patrick Boitumelo, Senior Vice President, Technical Services and Growth
Mr. Boitumelo is Senior Vice President, Technical Services & Growth with overall responsibility for Technical Services, Exploration and Projects teams. He has nearly 25 years of mining management and engineering experience. Mr. Boitumelo joined Lundin Mining in February 2022 from Vale Base Metals where he was the Head of Atlantic Operations for Base Metals and previously held various senior positions, including Global Head of Technology & Innovation, Base Metals. Prior to Vale, he held a number of roles with Rio Tinto, including President & Chief Operating Officer (COO) of Diavik Diamond Mines and General Manager at Rio Tinto Kennecott. Mr. Boitumelo holds an Honours Bachelor of Engineering in Mineral Processing from the University of Leeds and a Master of Business Leadership from the University of South Africa.

Other current positions: None

Previous positions (last five years): Vale Base Metals - Head of Atlantic Operations, Vale Base Metals - Head of Mining and Milling, Vale Base Metals - Global Head of Technology & Innovation, Rio Tinto - President & Chief Operating Officer of Diavik Diamond Mines, Rio Tinto - General Manager Shutdowns at Kennecott, and Rio Tinto - General Manager Projects & Contractor Management.

Common Shares owned: Nil

Options/Share Units entitlement: Outstanding: 45,812 Options; 7,897 Share Units; 7,897 Performance Share Units

Andrew Hastings, Senior Vice President and General Counsel
Mr. Hastings is Senior Vice President and General Counsel for Lundin Mining with over 15 years of experience in high-value, complex corporate and commercial transactions, mergers and acquisitions, joint ventures, corporate governance, regulatory compliance, litigation and capital project development. Prior to joining Lundin Mining, Mr. Hastings held progressive legal roles at Barrick Gold including Vice President, Joint Venture Governance and Vice President, Senior Counsel. He also brings with him experience from Vale Canada and Sidley Austin LLP in New York. Mr. Hastings holds a Bachelor of Laws (LL.B.), Bachelor of Civil Law (B.C.L.) and a Bachelor of Arts (Honors) all from McGill University. He was admitted to the New York State Bar in 2003, the Law Society of Upper Canada in 2009 and the Legal Practice Board of Western Australia in 2013.

Other current positions: None

Previous positions (last five years): Vice-President, Joint Venture Governance, Vice President and Senior Counsel of Barrick Gold Corporation.

Common Shares owned: 23,166

Options/Share Units entitlement: Outstanding: 401,100 Options; 76,500 Share Units; 29,500 Performance Share Units.

Jean-Claude (JC) Lalumiere, Senior Vice President, Human Resources
Mr. Lalumiere is the Senior Vice President, Human Resources for Lundin Mining and has over 26 years of human resources leadership expertise and experience. Prior to joining Lundin Mining Mr. Lalumiere was the SVP & CHRO at Empire Life and prior to that Vice-President, Human Resources at Rio Tinto and

Inmet Mining. He also spent three years in Washington, D.C. as Vice-President, Human Resources and Facilities for the universally-known, non-profit World Wildlife Fund (WWF) and 12 years with Lafarge, a global building materials company. JC holds a Bachelor of Commerce from Memorial University of Newfoundland and an International Executive MBA from Instituto de Empresa Business School in Madrid, Spain.

Other current positions: None

Previous positions (last five years): Lundin Mining Corporation - Vice President, Human Resources, Empire Life - SVP & CHRO, and Rio Tinto - Vice President, Human Resources

Common Shares owned: 9,271

Options/Share Units entitlement: Outstanding: 175,666 Options; 68,650 Share Units; 24,650 Performance Share Units.

Annie Laurenson, Director, Governance and Corporate Secretary
Ms. Laurenson is the Director, Governance and Corporate Secretary with extensive experience in business administration including 17 years of experience with public companies within the mining industry. Prior to joining Lundin Ms. Laurenson was the Assistant Manager Bank Board Services and Corporate Secretary of Bank of Montreal, and prior to that Corporate Secretary of Chieftain Metals Corp., and held progressively senior administration roles with several TSX and TSXV listed mining companies. Ms. Laurenson has been involved in all aspects of the administration of publicly listed companies including legal and regulatory compliance, corporate governance, board and committee matters, continuous disclosure requirements, corporate transactions, shareholder communications and corporate records. Ms. Laurenson is a member of the Governance Professionals of Canada.

Other current positions: None

Previous positions (last five years): Lundin Mining Corporation - Assistant Corporate Secretary, BMO Financial Group - Assistant Manager Bank Board Services and Assistant Corporate Secretary.

Common Shares owned: 2,457

Options/Share Units entitlement: Outstanding: 41,166 Options; 9,000 Share Units.

Jinhee Magie, Senior Vice President and Chief Financial Officer
Ms. Magie was appointed Senior Vice President and Chief Financial Officer in October 2018. Prior to her current role, Ms. Magie acted as Vice President, Finance having joined the Company in September 2008 as Director, Finance. With over 25 years of experience, Ms. Magie began her career with Ernst & Young and has held progressively more senior roles in public companies, with the last 13 years being in the mining industry. Before joining Lundin Mining, Ms. Magie was the Director of Corporate Compliance for LionOre Mining International Ltd. She has extensive experience in acquisitions and divestitures, public and private equity fundraising and public company reporting. Ms. Magie holds a Bachelor of Commerce degree from the University of Toronto and is a Chartered Professional Accountant (CPA, CA).

Other current positions: Board Member of Star Royalties Ltd. And Lithium Americas Corp.

Previous positions (last five years): Lundin Mining Corporation - Vice President, Finance (May 15, 2009 to September 30, 2018).

Common Shares owned: 251,263

Options/Share Units entitlement: Outstanding: 660,190 Options; 88,400 Share Units; 35,400 Performance Share Units.

Peter Richardson, Senior Vice President and Chief Operating Officer
Mr. Richardson is Senior Vice President and Chief Operating Officer (COO) for Lundin Mining and has more than 23 years of mining management experience. Prior to his COO position, he was General Manager at Lundin's Eagle Mine in Michigan, USA. Before joining Lundin in September 2015, Peter held a number of senior positions with Boliden ranging from General Manager at the Aitik copper mine, Project Manager for the major mine expansion at the Garpenberg zinc/lead silver mine, and as Director for Strategy and Business Development for all Boliden mines. Peter holds an MSc in Geotechnology from the Luleå University in Sweden specialized in Metallurgical Engineering.

Other current positions: None

Previous positions (last five years): Lundin Mining Corporation - General Manager at Eagle Mine (September 2016 to January 31, 2018).

Common Shares owned: 76,508.

Options/Share Units entitlement: Outstanding: 568,700 Options; 112,300 Share Units; 42,300 Performance Share Units.

Mikael Schauman, Senior Vice President, Commercial
Mr. Schauman was born and educated in Sweden and holds a BA in Finance from The Stockholm School of Economics. He began his career with Boliden in 1983 and has held several senior positions of increasing responsibility in international trading companies since that time. Mr. Schauman's most recent position was as senior trader at Mitsui & Co. Metals (U.S.A.), Inc. with responsibility for zinc and lead concentrate sales globally.

Other current positions: None

Previous positions (last five years): Mr. Schauman has held various positions with the Company since 2007, including Vice President, Marketing.

Common Shares owned: 158,000

Options/Share Units entitlement: Outstanding: 492,000 Options; 68,650 Share Units; 24,650 Performance Share Units.

Ciara Talbot, Vice President, Exploration
Ms. Talbot is the Vice President, Exploration for Lundin Mining and has more than 23 years of international experience in all stages of mineral exploration on surface and underground. Prior to her VP position, she held the role of Director, Exploration & New Business Development. Ms. Talbot joined Lundin Mining as a Senior Exploration Geologist in 2005 working on Lundin's Irish exploration licences. She also acted as a director on the board of several former Lundin companies in Ireland. Before joining Lundin Mining, MS. Talbot held several technical roles with Boliden Limited, BHP Billiton Limited and Teck Resources Limited. Ciara holds a BSc. (Honours) in Applied Geology from Staffordshire University in England.

Other current positions: Director of Hannan Metals Limited.

Previous positions (last five years): Lundin Mining Corporation - Director, Exploration & New Business Development.

Common Shares owned: 36,515

Options/Share Units entitlement: Outstanding: 211,133 Options; 50,000 Share Units.

Other information regarding the Board of Directors and senior executive officers

Documentation for members of the Board and senior executive officers can be sent to the Company's business address at Lundin Mining Corporation, #2200 - 150 King Street West, P.O. Box 38, Toronto, Ontario, Canada M5H 1J9.

There are no family ties between any directors or senior executive officers of the Company, except for between Mr. Lukas H. Lundin and Mr. Jack Lundin.

None of the directors or senior executive officers above has been convicted in relation to any fraudulent offences. None of the directors or senior executive officers above is (or has been within the five years before the date of this Prospectus) a director or executive officer of any company (including Lundin Mining) 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.

None of the persons above has been subject to any official public incrimination and/or sanction by a statutory or regulatory authority (including designated professional bodies) during the past five years.

No director of the Company or any of the senior executive officers has been disqualified by a court from acting as a member of the administrative, management or supervisory body of a company or from acting as the management or conducting of the affairs of a company during the past five years.

The foregoing information, not being within the knowledge of the Company, has been furnished by the respective directors and officers of the Company individually.

Interest of management

There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any member of the Board or senior executive officer was selected to his or her current position.

Except for as described below, no member of the Board or senior executive officer has any private interest which potentially conflicts with the interests of the Company, other than a financial interest in the Company by way of their shareholdings and/or holdings of options or other instruments and as set forth in section "Information regarding the Arrangement". Some senior executive officers are also entitled to severance payments following termination of employment under certain conditions.

The Company's directors and officers (or future directors and officers) may serve as directors or officers of other companies or have significant shareholdings in other resource companies, including (i) Josemaria Resources with which, on December 20, 2021, the Company announced it had entered into the Arrangement Agreement and (ii) Filo Mining Corp. and NGEx Minerals Ltd., which are companies that Josemaria Resources has entered into certain services agreements with and, to the extent that, the Company proposes to enter into a transaction with any of such companies, the directors of the Company may have a conflict of interest in negotiating or approving any such transaction. Any decision made by any of such directors and officers will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such transaction or the terms of such transaction. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties, thereby allowing for their participation in larger programs, the involvement in a greater number of programs or a reduction in financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of Canada, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and the financial position at that time.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors and officers of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts are required to be disclosed by such directors or officers in accordance with the CBCA and they are required to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. Other than as disclosed herein, the directors and officers of the Company are not aware of any such conflicts of interest in any existing or contemplated contracts with or transactions involving the Company.

Conflict of interest

General

In several jurisdictions in Canada, conflict of interest transactions are subject to the regulatory regime set out in MI 61-101. MI 61-101 establishes a securities regulatory framework intended to protect the interests of minority security holders when "related parties" (including insiders) of an issuer are involved in certain transactions.

As a reporting issuer that is listed on the TSX, each of Lundin Mining and Josemaria Resources is subject to MI 61-101, which is intended to regulate certain transactions to ensure equality of treatment among shareholders, generally by requiring enhanced disclosure, approval by a majority of shareholders excluding "interested parties" or "related parties" and, in certain instances, independent valuations and approval and oversight of the transaction by a special committee of independent directors.

Application of MI 61-101 to Lundin Mining

Subject to certain exemptions, the protections of MI 61-101 generally apply to a "related party transaction" (as defined in MI 61-101) that results in the issuer, among other things, issuing a security to a "related party" (as defined in MI 61-101 which includes directors, and senior officers of the issuer and shareholders holding over 10% of the issuer's shares). Such "related party transactions" would be subject to the formal valuation requirement and the minority approval requirement under MI 61-101 unless an exemption is available.

Nemesia, which is controlled by Lorito and Zebra owns an aggregate of 95,922,698 Lundin Mining Shares, representing approximately 13.0% of the issued and outstanding Lundin Mining Shares as of February 17, 2022. and Ashley Heppenstall, Lukas Lundin and Jack Lundin are directors of Lundin Mining. As such, all such parties are considered "related parties" of Lundin Mining under MI 61-101 (the "**LMC Related**

Parties”). The LMC Related Parties also hold Josemaria Resources Shares and the issuance of Lundin Mining Shares to such parties in connection with the Transaction is a “related party transaction” for Lundin Mining under MI 61-101.

There are exemptions from the formal valuation and minority approval requirements available for the issuance of Lundin Mining Shares to the LMC Related Parties on the basis that neither the fair market value of the Lundin Mining Shares nor the fair market value of the consideration for the Lundin Mining Shares issuable to such parties is more than 25% of the market capitalization of LMC.

Based on the Josemaria Resources securities held by the LMC Related Parties (directly or indirectly) as at February 17, 2022, and if the LMC Related Parties elect to receive all share consideration and are not subject to pro-ration, up to 22,393,395 Lundin Mining Shares may be issuable as share consideration to Lorito and Zebra, and up to 1,170,358, 388,812 and 139,926 Lundin Mining Shares (including Lundin Mining Shares issuable upon exercise of the Josemaria Resources stock options) may be issuable as share consideration to Ashley Heppenstall, Lukas Lundin and Jack Lundin, respectively. The Related Parties have indicated their intention to elect to receive entirely the share consideration.

As of February 17, 2022 Lorito and Zebra, own 150,594,449 Josemaria Resources Shares, representing approximately 39.4% of the outstanding Josemaria Resources Shares. Accordingly, up to 22,393,395 Lundin Mining Shares may be issuable as share consideration to Lorito and Zebra (plus additional Lundin Mining Shares which may be issuable in connection with certain debentures of Josemaria Resources held by Lorito and Zebra). Following the issuance of the share consideration on completion of the Transaction and assuming no pro-ration, together Nemesia, Lorito and Zebra will beneficially own approximately 118,316,093 Lundin Mining Shares, representing approximately 14.8% of the issued and outstanding Lundin Mining Shares post-Transaction.

Application of MI 61-101 to Josemaria Resources

MI 61-101 provides that, in certain circumstances, where a “related party” of an issuer is entitled to receive a “collateral benefit” (as defined in MI 61-101 and discussed in more detail below), such transaction may be subject to formal valuation and minority approval requirements unless an exemption is available. A “collateral benefit”, as defined in MI 61-101, includes any benefit that a related party of the issuer is entitled to receive, directly or indirectly, as a consequence of the transaction, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits related to past or future services as an employee, director or consultant of the Company. However, such a benefit will not constitute a “collateral benefit” provided that certain conditions are satisfied.

MI 61-101 excludes from the meaning of collateral benefit certain benefits that a “related party” received solely in connection with the services of the “related party” as an employee or director or consultant of the issuer or an affiliated entity where, among other things, (a) the benefit is not conferred for the purposes of increasing the value of the consideration paid to the “related party” for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the “related party” supporting the transaction; (c) full particulars of the benefit are disclosed in the disclosure document for the transaction; and (d) the “related party” (and his or her associated entities) holds less than 1% of the outstanding securities of each class of equity securities (the “**De Minimis Exclusion**”).

MI 61-101 also excludes from the meaning of collateral benefit certain benefits to a “related party” received solely in connection with the services of the “related party” as an employee or director of an issuer where such benefit meets the criteria described in (a) to (c) of the previous paragraph; and (i) the “related party” discloses to an independent committee of the issuer the amount of consideration that the “related party” expects it will be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities beneficially owned by the “related party”; (ii) the independent committee, acting in good faith, determines that the value of the benefit, net of any offsetting costs to the “related party”, is less than 5% of the value referred to in clause (i) above; and (iii) the independent committee’s determination is disclosed in the disclosure document (the “**Independent Committee Exclusion**”).

If a “related party” receives a “collateral benefit” in connection with the Arrangement, the resolution approving the transaction will also require “minority approval” in accordance with MI 61-101. If “minority approval” is required, the resolution approving the transaction must be approved by a majority of the votes cast, excluding those votes beneficially owned, or over which control or direction is exercised, by the “related parties” of the issuer who receive a “collateral benefit” in connection with the Arrangement.

Such benefits would constitute “collateral benefits” if not otherwise excluded from the definition of “collateral benefit” as a result of the De Minimis Exclusion or the Independent Committee Exclusion.

Following disclosure by each of the directors and senior officers of Josemaria Resources of the number of securities of Josemaria Resources held by them and the total consideration that they expect to receive pursuant to the Arrangement, the only senior officer of Josemaria Resources who is receiving a benefit in connection with the Arrangement and beneficially owns or exercises control or direction over more than one percent (1%) of the Josemaria Resources Shares is Mr. Ashley Heppenstall. As such, any benefit received by any director or senior officer of Josemaria Resources, other than Mr. Ashley Heppenstall, is excluded from the definition of “collateral benefit” as a result of the De Minimis Exclusion.

Mr. Ashley Heppenstall, a Director of Josemaria Resources, beneficially owns or exercises control or direction over more than 1% of the Josemaria Resources Shares (calculated in accordance with the provisions of MI 61-101) and will receive a benefit as a result of the accelerated vesting of the Josemaria Options. Accordingly, such benefit that Mr. Ashley Heppenstall will receive as a result of the completion of the Arrangement would constitute a “collateral benefit” if it is not otherwise excluded from the definition of “collateral benefit” as a result of the Independent Committee Exclusion. The Josemaria special committee has determined that the value of any benefits to be received by Mr. Ashley Heppenstall, net of any offsetting costs, is less than 5% of the value of consideration that Mr. Ashley Heppenstall expects he will be beneficially entitled to receive under the terms of the Arrangement, in exchange for the equity securities beneficially owned by him. The Josemaria special committee has made a good faith determination that the value of consideration that Mr. Ashley Heppenstall may beneficially receive under the terms of the Arrangement is not a “collateral benefit”. As a result of the foregoing, the Josemaria Resources Shares and Josemaria Options Mr. Ashley Heppenstall beneficially owns, directly or indirectly, or over which he has control or direction (being 7,179,160 Josemaria Resources Shares and 691,000 Josemaria Options, respectively), will not be excluded for the purpose of determining if minority approval of the Arrangement is obtained.

Background to the review and approval process

The Arrangement Agreement has been unanimously approved by the board of directors of each of Lundin Mining and Josemaria Resources, excluding: (i) in the case of Lundin Mining, Messrs. Ashley Heppenstall, Lukas Lundin and Jack Lundin who were recused from the considerations of the Transaction and abstained from voting on the Transaction as Mr. Heppenstall is also a director of Josemaria Resources and Messrs. Jack Lundin and Lukas Lundin are strategic advisors of Josemaria Resources; and (ii) in the case of Josemaria Resources, Mr. Ashley Heppenstall. The Lundin Mining special committee unanimously recommended that the Lundin Board approve the Transaction and the entering into of the Arrangement Agreement. The Josemaria Resources special committee unanimously recommended that the board of directors of Josemaria Resources approve the Transaction and the entering into of the Arrangement

Agreement and recommend to the shareholders of Josemaria Resources to vote in favour of the Transaction.

Morgan Stanley has provided a fairness opinion to the Lundin Mining Board and TD Securities Inc. has provided a fairness opinion to the Lundin Mining special committee, each stating that, as of the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications stated in such opinion, the Consideration to be paid by Lundin Mining under the Transaction was fair, from a financial point of view, to Lundin Mining.

BMO Capital Markets provided the Josemaria Resources special committee and the board of directors of Josemaria Resources with a fairness opinion to the effect that, as of the date of such opinion, the Consideration to be paid under the Transaction is fair, from a financial point of view, to holders of Josemaria Resources Shares, based upon and subject to the respective assumptions, limitations, qualifications and other matters set forth in such opinion.

Officers, directors and strategic advisors of Josemaria Resources, along with the largest shareholders of Josemaria Resources, being Lorito and Zebra, representing in aggregate approximately 42% of the issued and outstanding Josemaria Resources Shares, have entered into voting support agreements with Lundin Mining and have agreed to vote in favour of the Transaction at the special meeting of the securityholders of Josemaria Resources to be held to consider the Transaction. Lorito and Zebra representatives have indicated the intention to elect to receive entirely the share consideration.

As described above, the issuance and payment of the Consideration pursuant to the Transaction, including to the LMC Related Parties, was unanimously approved by the board of directors of Lundin Mining (excluding Ashley Heppenstall, Lukas Lundin and Jack Lundin). The Lundin Mining special committee unanimously recommended that the board of directors of Lundin Mining approve the transactions contemplated by the Arrangement Agreement, including the issuance and payment of the Consideration to the Related Parties. The Lundin Mining special committee is comprised of Don Charter (Chair), Peter Jones and Dale Peniuk, all of whom are independent directors of Lundin Mining and independent of Josemaria Resources and Lorito and Zebra.

As part of the review and approval process, the board of directors of Lundin Mining and the Lundin Mining special committee considered that the Company has been pursuing a strategy to expand its copper production, that the Company has reviewed a number of potential acquisitions to achieve this strategy since the Company’s acquisition of the Chapada mine, and that it was management’s view that earlier stage assets presented more viable opportunity to achieve this strategy than producing assets. Lundin Mining conducted due diligence, including site visits, over a period several months prior to the entering into of the Arrangement Agreement. Conflicts of interest were identified and declared at an early stage and protocols were put in place to exclude any directors who had an interest in the Transaction from discussions relating to the Transaction.

Prior to reaching its conclusions, the board of directors of Lundin Mining and Lundin Mining’s special committee reviewed the materials presented by management, asked questions of management and considered risks with respect to the advancement and completion of the Josemaria project. The board of directors of Lundin Mining and Lundin Mining’s special committee discussed the review, and received advice from the legal and financial advisors to the Company and the legal and financial advisors to the Lundin Mining special committee. In each case, the board of directors of Lundin Mining and Lundin Mining’s special committee met on a number of occasions to receive information and consider and evaluate the Transaction.

The board of directors of Lundin Mining and Lundin Mining’s special committee also reviewed a significant amount of technical, financial and operational information relating to Josemaria Resources and Lundin

Mining and considered a number of factors and reasons, including, among other things, those set forth under section “Information regarding the Arrangement – Acquisition Highlights and Strategic Rationale”.

Auditors

The Company’s auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, with the address PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2. James Lusby, chartered professional accountant and member of the Chartered Professional Accountants of Ontario, is the Company’s engagement leader and a partner at PricewaterhouseCoopers LLP.

No auditor has resigned, been removed or not been re-appointed during the period covered by the historical financial information in the Prospectus.

Share capital and related issues

The Shares

None of the Shares have been or will be registered under the U.S. Securities Act or under applicable state securities laws.

The Shares are not subject to any restrictions on their transferability.

The Shares are not subject to offers made as a result of any mandatory takeover bids, and/or squeeze out rules, redemption rights or redemption obligations. There have been no public offers for the Shares during the current or preceding financial year.

As far as the members of the Board are aware, no physical or legal persons involved in the Offer have financial or other relevant interests that are of importance to the Offer, other than as described herein, see section "Interest of Management".

The Lundin Mining Shares trade in Canada on the Toronto Stock Exchange under the ticker symbol "LUN" and the ISIN code is CA5503721063 as well as on NASDAQ Stockholm under the symbol "LUMI" and with the same ISIN code. Shares held through the Euroclear system are in uncertificated form. Shares issued outside of the Euroclear system are in both certificated and uncertificated form and certificated Shares are in registered form. The Company's registrar and transfer agent in Canada is Computershare Investor Services Inc.

Also see section "Certain rights attached to the Shares".

Share capital

The authorized share capital of the Company consists of an unlimited number of Shares without nominal or par value, and one special share without nominal or par value. The special share is not issued and outstanding at this time.

The special share is a non-voting share and the holder thereof is not entitled to receive notice of or attend any meeting of the shareholders of the Company or to vote at any such meeting. The special share is redeemable at the option of either the Company or the holder at an amount determined by the Board of Directors prior to or concurrently with the issuance of the special share (the "Redemption Amount") . The holder of the special share is entitled to receive, in priority to the common shares, a fixed, non-cumulative, preferential dividend at the rate of 8% per annum on the Redemption Amount. The holder of the special share is entitled, upon liquidation, dissolution or winding up of the Company, to receive from the assets of the Company a sum equivalent to the Redemption Amount before any amount is paid or any property or assets of the Company are distributed to holders of common shares or shares of any other class ranking junior to the special share. No dividend or other payment or distribution by the Company may be made if such payment or distribution would result in the net realizable value of the Company's assets being less than the Redemption Amount.

As of the date of this Prospectus, the Company and its subsidiaries held no Shares on its own account.

The Shares have been issued under the CBCA and are denominated in CAD.

As at December 31, 2021, the Company had 734,987,154 Shares issued and outstanding. For information on stock options and share units see section "Equity compensation plans".

For information on the issue of the Shares in Lundin Mining pursuant to the Arrangement, see section "Information regarding the Arrangement" and "New Shares in Lundin Mining".

Normal course issuer bid

The Company intends to continue to utilize NCIB at its discretion to make opportunistic purchases to create shareholder value and manage the number of outstanding common shares of the Company.

Under the NCIB, the Company can purchase up to 63,762,574 Common Shares, representing 10% of the 735,122,870 issued and outstanding Common Shares as of November 30, 2021, minus those Common Shares beneficially owned, or over which control or direction is exercised by the Company, the senior officers and directors of the Company and every shareholder who owns or exercises control or direction over more than 10% of the outstanding Common Shares, over a period of twelve months commencing on December 9, 2021. The NCIB will expire no later than December 8, 2022.

All purchases made pursuant to the NCIB will be made through the facilities of the TSX or other alternative Canadian trading systems. In accordance with TSX rules, any daily purchases (other than pursuant to a block purchase exemption) on the TSX under the NCIB are limited to a maximum of 565,398 Common Shares, which represents 25% of the average daily trading volume of 2,261,595 Common Shares on the TSX for the six months ended November 30, 2021. The price that Lundin Mining will pay for Common Shares in open market transactions will be the market price at the time of purchase.

In connection with the NCIB renewal, Lundin Mining entered into an automatic repurchase plan with its designated broker to allow for the repurchase of Common Shares at times when the Company ordinarily would not be active in the market due to its own internal trading blackout periods, insider trading rules or otherwise (any such period being an “Operating Period”). Before entering an Operating Period, the Company may, but is not required to, instruct the designated broker to make purchases under the NCIB in accordance with the terms of the plan. Purchases made pursuant to the plan, if any, will be made by the Company’s designated broker based upon the parameters prescribed by the TSX, applicable Canadian securities laws and the terms of the written agreement entered between the Company and its designated broker. Outside of these Operating Periods, Common Shares will be purchasable by Lundin Mining at its discretion under its NCIB.

The automatic repurchase plan will commence on the effective date of the NCIB and will terminate on the earliest of the date on which: (i) the purchase limit under the NCIB has been reached; (ii) the NCIB expires; and (iii) the Company terminates the automatic repurchase plan in accordance with its terms. The automatic repurchase plan constitutes an “automatic plan” for purposes of applicable Canadian securities legislation and the agreement governing the plan has been pre-cleared by the TSX.

The actual number of Common Shares that may be purchased and the timing of such purchases will be determined by the Company. Decisions regarding purchases will be based on market conditions, share price, best use of available cash, and other factors. Any Common Shares that are purchased under the NCIB will be cancelled.

Convertible securities and warrants

As at December 31, 2021 the Company had not issued any convertible securities, exchangeable securities or securities with warrants except for as described below under “Equity compensation plans”.

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. The SU Plan was subsequently amended and approved by shareholders on May 10, 2019 and the Stock Option Plan was subsequently amended and approved by the shareholders on May 10, 2019 and May 11, 2020. Both performance equity incentive plans were further amended and approved by the Board on November 30, 2020 and did not require shareholder approval.

Stock Option Plan

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:

- Prior to March 19, 2020, the term of all stock options awarded under the Stock Option Plan was a maximum of five years. Subsequent to March 19, 2020, the term of all stock options awarded under the Stock Option Plan is a maximum of 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. The market price is calculated as the closing market price on the TSX of the Common Shares on the date of the grant.
- 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 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 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 and on or prior to November 30, 2020, the termination provisions under the Stock Option Plan are the same as those granted prior to March 21, 2019, except as follows: (i) 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 optionee complying with any obligations set out in the Corporation’s retirement statement; and (ii) in the event of termination without cause, all options, other than those awarded in the year of termination (which will be forfeited), 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 after November 30, 2020, the termination provisions under the Stock Option Plan are the same as those granted on or prior to November 30, 2020, except as follows: in the event of termination without cause, all options, other than those awarded in the 12-month period immediately prior to the optionee’s termination (which will be forfeited), 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 optionee's 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 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 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 written employment/severance agreement between the optionee and the Corporation which specifically addresses the treatment of options.
- 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 Stock Option Plan does not provide for a maximum number of shares which may be issued to an individual pursuant to the plan and any other security-based compensation arrangement.
- 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 Human Resources/Compensation Committee ("**HRCC**"), 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 December 31, 2021, there were 8,652,925 stock options outstanding under the Stock Option Plan.

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 following is a summary of the key terms of the SU Plan:

- 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 allow for the award of SUs that are subject to performance vesting criteria.
- Any Common Shares subject to a SU (whether time-vesting or performance-vesting) 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 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.
- The SU Plan does not provide for a maximum number of Common Shares which may be issued to an individual pursuant to the plan and any other security-based compensation arrangement.
- 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 either time-based vesting conditions or achieving applicable performance vesting conditions.

- The number and terms of SUs 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. 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 U.S. 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 shall be evidenced by a confirmation share unit grant letter.
- Unless otherwise specified in the share unit grant letter, SUs subject to time-based vesting conditions vest on the third anniversary of the grant date and SUs subject to performance-based vesting conditions vest on the third anniversary of the grant date contingent upon achieving applicable performance vesting conditions.
- The Board or committee will have the discretion to credit a participant with additional SUs 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 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 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 that are subject to a deferred payment date will be settled in Common Shares forthwith.
- For SUs granted on or after March 21, 2019 and on or prior to November 30, 2020, the termination provisions under the SU Plan are the same as those granted prior to March 21, 2019, except as follows: (i) in the event of termination without cause, 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), and any performance vesting criteria applicable to SUs will be deemed achieved at target; and (ii) in the event of retirement, subject to the participant complying with any obligations set out in the Corporation's retirement statement, unvested SUs will continue to vest in accordance with their normal vesting schedule (and, for SUs, based on actual achievement of any applicable performance criteria); however, SUs granted in the year the participant's retirement occurs will be forfeited.
- For all SUs granted after November 30, 2020, the termination provisions under the SU Plan are the same as those granted on or prior to November 30, 2020, except that only those share units that were granted to the participant 12 months or more prior to the participant's date of termination will vest, provided that the participant has been continuously employed for at least two years. Any SUs granted to the participant during the 12-month period immediately prior to the participant's termination date will be forfeited.
- SUs 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 (including SUs or substitute similar awards) and the vesting of SUs will only accelerate if the participant's employment is terminated without cause within 12 months following a change of control. SUs performance vesting criteria will be deemed to be achieved at target. If, however, the surviving, successor or acquiring entity does not assume the outstanding SUs, in connection with the change of control, the SUs will immediately vest on the date of such change of control and for SUs performance vesting criteria will be deemed to be achieved 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 credited to the participant will vest on the date of the participant's death and the Common Shares represented by the SUs 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 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 held shall be issued as soon as reasonably practical. For SUs subject to performance vesting criteria, such 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 written employment/severance agreement between the participant and the Corporation which specifically addresses the treatment of share units.
- SUs 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;
    - changes to the termination provisions of 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 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 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.

As of December 31, 2021, there were 2,320,750 SUs outstanding under the SU Plan.

Major shareholders and control over the Corporation

Any shareholders who own more than 10% of shares in a Canadian company are obliged to file details of such holdings with SEDI (www.sedi.ca) or SEDAR (www.sedar.com) as applicable (the information on the websites does not form part of the Prospectus). To the knowledge of the directors and officers of the Corporation, shareholders carrying more than 10% of the voting rights attached to all the Shares as of February 17, 2022 (including subsequent known changes) were as follows.

Name	Number of Shares[4]	% of Shares
Nemesia S.à.r.l.	95,922,698	Approx. 13.0%

No major shareholders have different voting rights.

The Corporation is not aware of any agreements which could lead to a change in the control of the Corporation. There are no lock-up agreements or similar agreements.

To the extent known to the Corporation, the Corporation does not have any other major shareholders other than as set out above, which directly or indirectly owns or controls the Corporation.

Dividend policy

On November 30, 2016, the Company's Board approved a dividend policy pursuant to which the Company anticipates paying a regular cash base dividend on a quarterly basis. In July 2021, the Company introduced a semi-annual variable performance dividend which, together with the regular base dividend, is designed to return to shareholders a minimum target of 40% of operating cash flow after capital investments, contingent payments and distributions to partners. The declaration, timing, amount and payment of all dividends (i.e., the regular base dividend and semi-annual variable performance dividend) remain at the discretion of the Board.

The Company paid an aggregate cash base dividend of C$0.12 per common share in four equal installments in 2019. In February 2020, the Company increased its quarterly cash base dividend by 33% to C$0.04 per common share and the Company paid an aggregate cash base dividend of C$0.16 per common share in four equal installments in 2020. In February 2021, the Company further increased its quarterly cash base dividend by an additional 50% to C$0.06 per common share. In July 2021, the Company further increased its quarterly cash base dividend by an additional 50% to C$0.09 per common share and paid an aggregate cash base dividend of C$0.30 per common share in four installments in 2021. In July 2021, the Company also announced the inaugural semi-annual variable performance dividend of C$0.09 per common share. This semi-annual variable performance dividend, which related to the Company's performance during the first half of 2021, was paid in the third quarter of the same year. Accordingly, in 2021, the Company paid aggregate cash base and variable performance dividends of C$0.39 per share in five installments (C$0.30 per common share in base dividends paid in four installments and C$0.09 per common share as a variable performance dividend in a single installment).

Based on, among other things, the Company's current and projected liquidity profile (including anticipated capital investments, contingent payments and distributions to partners), the Board of Directors reviews the

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[4] This information was obtained from publicly disclosed information and has not been independently verified by the Corporation. The websites do not form part of the Prospectus.

regular cash base dividend on a quarterly basis and reviews the semi-annual variable performance dividend in connection with the approval of the Company’s second quarter and year-end results.

Legal and supplementary information

The Prospectus

The Prospectus has been approved by the SFSA, as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The SFSA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the issuer that is the subject of the Prospectus. The Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation.

With the exception of the Company's audited consolidated financial statement for 2021 no information in the Prospectus has been reviewed or audited by the Company's auditors.

Information from third parties

Information from third parties has been accurately reproduced and as far as Lundin Mining is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Incorporation and legal form of business

The Corporation is a public company incorporated under the laws of Canada. The Corporation was incorporated on September 9, 1994, under the CBCA. The Corporation operates under the laws of Canada. The incorporation number of the Corporation is 443736-5.

The legal and commercial name of the Corporation is Lundin Mining Corporation (LEI code 549300FQDIM6C8HTN269). The Corporation's registered and records office and its business office are located at #2200 - 150 King Street West, P.O. Box 38, Toronto, Ontario, Canada M5H 1J9, telephone number +1-416-342-5121.

The Corporation's website is www.lundinmining.com. The information on the website does not form part of the Prospectus.

Related party transactions

Other than as set out below, the Corporation has not entered into any related party transactions since December 31, 2021.

Transactions with associates: The Corporation enters into transactions related to its investment in associates. These transactions are entered into in the normal course of business and on an arm's length basis. The Corporation had a 24% ownership interest in Freeport Cobalt, a specialty cobalt business based in Kokkola, Finland, held through its 24% owned associate Koboltti Chemicals Holdings Limited ("**KCHL**"), with the balance held by Freeport-McMoRan Inc. (56%) and La Générale des Carrières et des Mines (20%), a Democratic Republic of the Congo government-owned corporation. On September 1, 2021, KCHL completed the sale of Freeport Cobalt . The Corporation and its partners will have the right to receive contingent cash consideration up to $40 million based on the future performance of Freeport Cobalt, of which the Corporation's share is $9.6 million. The Corporation recognized $2.0 million through its share of equity income in the month of January 2022.

Key management personnel: The Corporation has identified its directors and senior officers as its key management personnel. Employee benefits for key management personnel amounts to approximately $2.6 million since December 31, 2021 and up to the date of the Prospectus.

Significant agreements

Below are summaries of each material contract, other than contracts entered into in the ordinary course of business, to which the Corporation or any member of the group is a party and which were entered into during the two years immediately preceding publication of the Prospectus, and also summaries of other contracts (other than contracts entered into in the ordinary course of business) entered into by the Corporation or any member of the group which contains any provision under which any member of the group has any obligation or entitlement which is material to the group as at the date of the Prospectus (to the extent not described elsewhere in the Prospectus).

Candelaria Stream Agreement. On October 6, 2014 (and as amended on November 4, 2016, June 20, 2017 and August 27, 2020), the Corporation, LMC Bermuda Ltd., Franco-Nevada and Franco-Nevada (Barbados) Corporation entered into the Candelaria Stream Agreement to sell to Franco-Nevada a gold and silver stream from Candelaria for an upfront deposit of US$648 million, subject to expected post-closing adjustments. In addition to the upfront deposit, Franco-Nevada will make ongoing payments upon delivery of the stream.

Chapada Purchase Agreement. The Chapada Purchase Agreement, whereby Lundin Mining acquired a 100% ownership stake in Mineração Maracá Indústria e Comércio S/A, which owns the Chapada Mine from Yamana. Total cash consideration paid by the Company was $783 million. Contingent consideration includes a 2.0% NSR royalty on future gold production from the Suruca gold deposit and US$100 million on potential construction of a pyrite roaster. In addition, the Company is responsible for contingent consideration of up to US$125 million over five years ($50 million of which has already been paid) if certain gold price thresholds are met.

Credit Agreement. The Credit Agreement with respect to the secured revolving US$800 million Credit Facility with a US$200 million accordion option, which bears interest on US dollar denominated drawn funds at rates of LIBOR + 1.75% to LIBOR + 2.75% depending upon the Corporation's net leverage ratio.

Arrangement Agreement. For information, see section "Information regarding the Arrangement".

Licenses

The Corporation's revenues are a result of its mining activities at its material mineral properties and as a result the continuation of these licenses is of utmost importance to the Corporation. For more information on the Corporation's licenses, see "Lundin Mining's Significant Operations".

Legal and arbitration proceedings

Except as set forth below, the Corporation is not currently, and has not been for the past 12 months, involved in any material governmental, legal or arbitrational proceedings which have had or may have significant effect on the Corporation's financial position or profitability, nor is the Corporation aware of any such pending or threatened proceeding except for as described below; however, from time to time, the Corporation may become party to routine litigation incidental to the Corporation's business.

Canadian Securities Class Action

Two proposed class actions were filed against Lundin Mining and certain officers and directors. The first, in the province of Ontario, on December 7, 2017 (Markowich v. Lundin Mining Corporation et al) and a second overlapping action in the Province of Québec on January 18, 2018 (Prévreau v. Lundin Mining Corporation et al). Both proposed class actions seek damages of C$175 million (approximately $130 million) and punitive damages of C$10 million (approximately $7 million) and assert various statutory and other claims related to, among other things, alleged misrepresentations and/or failure to make timely disclosure of material information about the Company's business and operations and, in particular, the operations of the Candelaria Mine and a rock slide at the Candelaria Mine on October 31, 2017. The proposed Ontario class action asserts claims on behalf of a putative class comprising persons who acquired securities of the Company between October 25, 2017, and November 29, 2017, whereas the proposed Québec class action asserts claims on behalf of only such persons who are resident or domiciled in Québec. In June 2018, counsel to the plaintiffs in the Québec action agreed to a stay (i.e., indefinite cessation) of that proceeding in light of the Ontario action. On August 30, 2018, the Québec Superior Court, on consent of the parties, stayed the Québec action indefinitely. The leave and certification motions in the Ontario action were argued on December 8 and 9, 2021, at which time the decision was held in reserve. On January 6, 2022, the Ontario Superior Court of Justice dismissed both motions. The decision of the Ontario Superior Court of Justice was appealed by the plaintiff, which appeal should be heard in 2022.

Candelaria – Caldera Fishermen Civil Action

On January 18, 2018, a claim was filed against Minera Candelaria in the Copiapó Court of Appeals on behalf of three Caldera fishermen. The claim alleges contamination of marine habitat as a result of vessel loading activities at the Punta Padrones port operations owned by Candelaria. Further, the claim alleges that this contamination has caused harm to fishermen and local communities including impact on health and livelihood. In the following months, a further four claims making the same arguments were filed by the same Chilean lawyer on behalf of an aggregate of an additional 452 Caldera fishermen, although Candelaria was not formally notified of these claims (i.e., served) until several weeks after each of the claims was filed. In aggregate, the five claims seek damages totaling approximately CLP 27.3 billion ($39.3 million) which equates to approximately CLP 60 million ($86,000) per each of the 455 claimants. The five claims were consolidated into a single proceeding on June 11, 2018.

In mid-2018, Minera Candelaria filed a response with the Copiapó Court of Appeals against the claims made. The response sought dismissal of the claims based primarily on the lack of evidence supporting the environmental damage caused by the port facility, the imprecise nature of the monetary claims being made and the absence of actual damages (i.e., no reduction in fishing levels). On February 25, 2019, the presiding judge issued a ruling dismissing all claims made by the plaintiff Caldera fishermen. The plaintiff Caldera fishermen filed an appeal with the Valparaiso Court of Appeals which was heard on February 24, 2021. On April 19, 2021, the Valparaíso Court of Appeals dismissed the appeal of the plaintiff Caldera fishermen and confirmed the lower court ruling that dismissed all claims. On May 6, 2021, the plaintiff sought leave to appeal to the Supreme Court of Chile. The Company is awaiting the court's determination. The Company believes the claim to be without merit and accordingly has not accrued any amounts related to the litigation. The Company intends to vigorously defend this claim.

Candelaria – SMA Regulatory Sanctions

In May 2015, Minera Candelaria was notified by the Chilean Environmental Superintendent (Superintendencia de Medio Ambiente, or "SMA") of 16 charges associated with alleged infractions of its environmental approvals. The charges, which originate from two inspections carried out by the SMA in June 2013 and July 2014, relate to issues including dust control, road maintenance and signage, disposal of used tires, brine management at the desalination plant, groundwater consumption and the footprint of the mining operations, among others. Minera Candelaria followed the process established by the SMA for responding to the charges, which continued for approximately 18 months. On November 30, 2016, the SMA issued a resolution clearing some of the charges and sanctioning Minera Candelaria with a fine of approximately $4 million for others. The majority of the fine relates to alleged water management issues. From 2016-2018, Minera Candelaria pursued various appeals and other procedural actions before the Second Environmental Court resulting in the Second Environmental Court confirming the SMA sanctions and Minera Candelaria paying fines and interest of approximately $4.4 million but, with Minera Candelaria also securing the right to appeal to the Supreme Court which it did so. On May 7, 2019, the Supreme Court overturned the ruling issued by the Second Environmental Court and ordered a re-hearing of the case before a new panel of judges on the Second Environmental Court. The re-hearing occurred in 2020 and the Second Environmental Court ruled in favor of the Minera Candelaria overturning the fine and ordered the SMA to carry out a new investigation. The SMA appealed this decision to the Supreme Court of Chile and a hearing took place in December 2021. The Company is awaiting the court's determination.

Regulatory disclosures

The following is a summary of the information disclosed under Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) over the last twelve months from the date of the Prospectus which is relevant as at the date of the Prospectus (presented by category of information).

Financial statements

- On April 28, 2021 Lundin Mining published its First Quarter Results for the three month period ended March 30, 2021.
- On July 28, 2021 Lundin Mining published its Second Quarter Results for the six month period ended June 30, 2021.
- On October 27, 2021 Lundin Mining published its Third Quarter Results for the nine month period ended September 30, 2021
- On February 17, 2022 Lundin Mining published its Fourth Quarter and Full Year 2021 Results.

Normal course issuer bid

- On December 6, 2021 Lundin Mining announced that TSX had accepted the notice of Lundin Mining's intention to renew its normal course issuer bid.

Other regulatory releases

- On May 7, 2021 Lundin Mining announced the voting results from its 2021 Annual Meeting and that shareholders voted in favour of all items of business before the Meeting.
- On June 21, 2021 Lundin Mining announced an updated Candelaria 2021 Production Guidance and that the 2021 production guidance for its Candelaria Copper Mining Complex in Chile was reduced to 150,000–155,000 t of copper and 85,000–90,000 oz of gold on a 100% basis.
- On July 27, 2021 Lundin Mining announced that its 24% owned subsidiary, Koboltti Chemicals Holding Limited, has entered into an agreement to sell its specialty cobalt business based in Kokkola, Finland ("**Freeport Cobalt**") to Jervois Mining Limited. This business was no longer strategic to Lundin Mining following the sale of its interests in Tenke Fungurume in 2016 and the cobalt refinery in Kokkola in 2019.
- On September 9, 2021 Lundin Mining announced that at the Company's President and Chief Executive Officer, Ms. Marie Inkster was to step down as of December 31, 2021, for personal reasons and that Mr. Peter Rockandel had been selected to assume the role of President and Chief Executive Officer to join the Board of Directors as of January 1, 2022.
- On September 13, 2021 Lundin Mining announced its Mineral Resource and Mineral Reserve estimates as at June 30, 2021 and, on a consolidated and attributable basis, estimated contained metal in the Proven and Probable Mineral Reserve categories total 5,302 kt of copper, 2,813 kt of zinc, 77 kt of nickel, 913 kt of lead and 6.6 Moz of gold.
- On November 22, 2021 Lundin Mining announced a production guidance for the three-year period of 2022 through 2024, as well as cash cost, capital and exploration expenditure forecasts for 2022.
- On December 10, 2021 Lundin Mining announced announce the appointment of Mr. Patrick Boitumelo as Senior Vice President, Technical Services and Growth, and Mr. Arman Barha as Vice President, Technical Services, effective February 1, 2022.
- On December 20, 2021 Lundin Mining announced that it had entered into the Arrangement Agreement with Josemaria Resources Inc. to acquire all of the issued and outstanding shares of Josemaria Resources through a plan of arrangement for an implied equity value of approximately C$625 million (US$485 million) as at such date.
- On January 14, 2022 Lundin Mining announced the production results for the three and twelve months ended December 31, 2021.

- On February 10, 2022, the Company announced the discovery of a new copper-gold mineralized system called Saúva, located approximately 15 kilometers north of the Chapada mine, in the State of Goiás, Brazil.
- On February 17, 2022 Lundin Mining announced the retirement of Mr. Lukas H. Lundin from the Chair of the Board effective at the time of the Company's 2022 Annual Shareholders Meeting.
- On March 23, 2022 Lundin Mining announced the appointment of Ms. Juliana L. Lam to the Board effective on March 23, 2022 and the nomination of Mr. Adam I. Lundin for election to the Board at the Company's 2022 Annual Shareholders Meeting.

Tax matters

Certain tax considerations in Sweden

Below is a summary of certain Swedish tax consequences that may arise for individual shareholders and limited liability company (Sw. aktiebolag) shareholders in relation to the proposed Arrangement. The summary is based on current legislation and is intended only as general information for individuals and limited liability companies subject to unlimited tax liability in Sweden, unless otherwise stated. The analysis is not exhaustive and does not, for example, generally cover shares held as trading assets for tax purposes or held by a partnership. Moreover, it does not cover situations where shares are classified as business-related under the Swedish participation exemption regime or relates to a shell company (Sw. skalbolag) as defined in tax legislation. Nor does it cover the special rules that may apply to holding companies that are or have been closely-held companies (Sw. fåmansföretag) or securities acquired on the basis of qualified shares in closely-held companies. Moreover, the summary does not cover shares held in an investment savings account (Sw. investeringssparkonto) or endowment insurance (Sw. kapitalförsäking), nor does it cover situations where shares are held by investment companies as defined in the tax legislation, insurance companies or investment funds (Sw. värdepappersfonder och specialfonder). The summary does not cover matters related to the credit or deduction of foreign taxes. Overall, it is recommended that investors consult their own tax advisor for more detailed advice on the tax implications based on their specific facts and circumstances, including the applicability and effect of foreign rules and tax treaties.

Josemaria Resources Shareholders should note that the tax legislation of the holder's residence state and of the Josemaria Resources' country of incorporation may have an impact on the income received from the Josemaria Resources Shares.

Josemaria Resources Shareholders with unlimited tax liability in Sweden

In this case, "unlimited tax liability" refers to holders of Josemaria Resources Shares who are (a) an individual owner who is resident or has habitual abode in Sweden or who has been resident in Sweden and has an essential connection with Sweden, or (b) any limited liability company incorporated in Sweden or due to its registered office or such circumstance is deemed to constitute a Swedish tax resident legal entity.

Natural persons with unlimited tax liability in Sweden

Disposal of Josemaria Resources Shares against Cash Consideration

Natural persons who have unlimited tax liability in Sweden are taxed as income from capital with a rate of 30% for any profit from the disposal of shares in Josemaria Resources Shares. The capital gain or capital loss is calculated based on the difference between the Consideration received and the Josemaria Resources Shareholders' acquisition cost of the sold share. The acquisition costs consist of the cost of acquiring the Josemaria Resources Shares including transaction costs relating to the acquisition.

The average method is used when calculating the capital gains. Under this method, the acquisition cost per Josemaria Resources Share comprises the average acquisition cost of all shares of the same class and type. The acquisition cost of a listed share can also be calculated under the standard method. The acquisition cost under the standard method would be 20% of the received Consideration from the sale of the share less transaction costs relating to the disposal.

A capital loss on listed shares or other listed securities can be fully deducted against capital gains the same year on listed shares or other securities, except for shares in investment funds that only contain Swedish receivables (fixed income investment funds). Capital losses not absorbed by these set-off rules are deductible at 70% against other forms of capital income. To the extent a capital loss cannot be offset against capital gains, a tax reduction is allowed against municipal and state income tax. A tax reduction is allowed at a rate of 30% of the portion of the capital loss that does not exceed SEK 100,000 and 21% of the remaining portion. Any excess net loss cannot be carried forward to future tax years.

If a Josemaria Resources Shareholder receives Consideration in cash only for their Josemaria Resources Shares, the Josemaria Resources Shareholder will thus have to pay 30% in tax on their net profits. The shareholder must report the sale of the Josemaria Resources Shares in their individual income tax return. If the Josemaria Resources Shareholder makes a loss, it will be deductible under the rules mentioned above.

Disposal of Josemaria Resources Shares against both Cash Consideration and Share Consideration for each Josemaria Resources Share

Please note that the deferral of taxation will cease to apply if the shareholder ceases to reside within the EEA. The shareholder would in such scenario be required to report the capital gain from the share for share exchange as a taxable capital gain in his tax return for the year that the deferral ceases to apply.

If the Consideration is provided in both Lundin Mining Shares and cash, the tax-free rollover applies for the share component of the Consideration. In such a situation the main rule is that the acquisition cost of all the sold Josemaria Resources Shares will be transferred to the acquired Lundin Mining Shares and the entire Cash Consideration will be taxed as a capital income.

The cash received will thus be subject to 30% tax without deduction for any acquisition cost.[5]

The received Share Consideration Cash Payment will also be taxed as capital income as above.

Requirements for the share exchange to qualify for a tax-free rollover

The tax-free rollover provisions are mandatory if the conditions are fulfilled. Hence, it is thus not possible for a shareholder who sells their Josemaria Resources Shares against Consideration in the form of Lundin Mining Shares to opt out of the rollover provisions provided the requirements for the rollover provisions are met. A Josemaria Resources Shareholder is not required to report a share exchange that is covered by the rollover provisions in their tax return.

1. The Josemaria Resources Shareholder must have his permanent home or stay on permanent basis within the EEA.
2. The exchange of Josemaria Resources Shares must be made on market terms and the Consideration is paid in Lundin Mining Shares. The Consideration may partly also been paid in cash.
3. Both Lundin Mining and Josemaria Resources must be a “foreign company”. For tax purposes a “foreign company” is a foreign legal entity which is taxed in its home state in a way similar to the taxation of a Swedish limited company (AB). A foreign legal entity is a foreign association which can (i) acquire rights and assume obligations, (ii) bring actions before courts and authorities in its own name, and (iii) for which shareholders cannot freely dispose of its assets.
4. Lundin Mining must hold more than 50% of the voting rights in Josemaria Resources at the end of the calendar year in which the Lundin Mining Shares were bought. If specific circumstances are at hand that causes a sale/dispose of the bought shares it may be sufficient that this condition is fulfilled some period from the exchange of share and the end of the calendar year.

[5] If the disposal of shares against Cash Consideration and the disposal of shares against Consideration in Lundin Mining Shares could be viewed as two separate transactions according to wording of the terms of the disposal, it may be possible to deduct the acquisition cost attributable to the shares disposed against Cash Consideration.

Please note that the deferral of taxation will cease to apply if the shareholder ceases to reside within the EEA. The shareholder would in such scenario be required to report the capital gain from the share for share exchange as a taxable capital gain in his tax return for the year that the deferral ceases to apply.

Natural persons with limited tax liability in Sweden

Natural persons who have only limited tax liability in Sweden are usually not taxed in Sweden for capital gain on disposal of shares; they may however be subject to taxation in their country of residence. Under a special rule, a natural person with limited tax liability in Sweden may however be subject to Swedish taxation upon the sale of certain foreign securities if the Josemaria Resources Shareholder at any time during the year of the sale or any of the previous ten years has had residency or habitual abode in Sweden. The Josemaria Resources Share must have been acquired while the shareholder was resident or had habitual abode in Sweden for this rule to be applicable. The applicability of this rule may be limited under a double tax treaty.

Limited liability companies with unlimited tax liability in Sweden

Disposal of Josemaria Resources Shares against Cash Consideration

When a Josemaria Resources Shareholder is a limited liability company participating in the Arrangement, the shareholder's capital gain is determined at the time of the disposal. The capital gain is calculated as the Cash Consideration less the acquisition cost for the Josemaria Resources Shares. Limited liability companies which have unlimited tax liability in Sweden are as a starting point subject to 20.6% corporate tax on any profit from the disposal of shares in Josemaria Resources Shares, provided that the shareholding does not qualify as business-related under the Swedish participation exemption regime.

For limited liability companies selling their shares against a Consideration of Lundin Mining Shares, there is a possibility to defer taxation at such share exchange. This is under the assumption that the conditions for a deferral-based share exchange are fulfilled, please see below.

Requirements for the share exchange to qualify as a deferral-based share exchange

The share exchange rules for limited liability companies are applied on a voluntary basis upon application by the Josemaria Resources Shareholders. For the rules to apply, the following main criteria must be met.

a. The Josemaria Resources Shareholder disposes of Josemaria Resources Shares to Lundin Mining in exchange for fair market compensation in the form of Lundin Mining Shares, potentially in combination with cash.

b. Lundin Mining and Josemaria Resources, if not Swedish companies and if resident outside of the EU, must qualify as "foreign companies". For tax purposes a "foreign company" is a foreign legal entity which is taxed where it is tax resident in a way similar to the taxation of a Swedish limited liability company. A foreign legal entity is a foreign association which can (i) acquire rights and assume obligations, (ii) bring actions before courts and authorities in its own name, and (iii) shareholders cannot freely dispose of the company's assets.

c. Lundin Mining must hold Josemaria Resources Shares representing more than 50% of the total voting rights in Josemaria Resources at the end of the calendar year in which the disposal has taken place. If special circumstances led to Lundin Mining divesting the shares after completion of the exchange, it is sufficient that Lundin Mining has had the required holding at some point after the exchange in the relevant calendar year. Considering that Lundin Mining is contemplated to acquire all of the Josemaria Resources Shares, this requirement should be met.

If the criteria in the above paragraphs are met, the Josemaria Resources Shareholders can apply for deferral with capital gains taxation. Lundin Mining intends to apply for general guidelines from the Swedish Tax Agency regarding the deemed sale price of the Josemaria Resources Shares (to be used for the capital gains calculation) and acquisition cost for Lundin Mining Shares. Information from the Swedish Tax Agency´s general guidelines will be published as soon as possible on Lundin Mining's and the Swedish Tax Agency's websites.

Disposal of Josemaria Resources Shares against both Share Consideration and Cash Consideration

If the conditions for a deferral-based share exchange are fulfilled, the Josemaria Resources Shareholder will not be taxed at the exchange. However, any Cash Consideration received must be recognized as income in the tax year in which the share exchange takes place, as stated above. The received Share Consideration Cash Payment will be taxed as ordinary business income as above.

If the divested Josemaria Resources Shares were capital assets for the Josemaria Resources Shareholder, there must be a capital gain for a deferral to apply. If a portion of the Consideration has been provided in the form of cash, the capital gain must exceed the cash part of the Consideration for the rules on deferral to apply. The remaining part of the capital gain is allocated to the Lundin Mining Shares received, i.e., the deferral amount.

As a rule, the deferral amount is taxable when the received Lundin Mining Shares are sold. The shareholder's acquisition cost for the Josemaria Resources Shares could be transferred to the received shares in Lundin Mining. A deferral may continue in subsequent share exchanges.

Taxation of dividends on and capital gains and capital losses upon divestment

Natural persons

Dividends to natural persons on publicly listed shares are taxed as capital income at a 30% tax rate.

Divestments of publicly listed shares may trigger a capital gain or capital loss. Capital gains are subject to Swedish income tax at a 30% tax rate. The capital gain or capital loss is calculated as the difference between the sales price, after deduction of expenses relating to the divestment, and the acquisition cost. The acquisition cost for shares of the same class and type is calculated by applying the average method. By divestment of publicly listed shares, the standard method could be applied to calculate the acquisition cost, whereby the acquisition cost would be 20% of the received consideration from the sale of the share less transaction costs relating to the disposal. Capital losses on publicly listed shares are generally tax deductible against taxable capital gains.

Limited liability companies

For limited liability companies, all income, including taxable capital gains and dividends, is generally taxed as business income at the standard corporate tax rate of 20.6%. Capital gains and capital losses are calculated in accordance with the same principles as described above for natural persons. Capital losses on shares may only be deducted against taxable capital gains on shares and similar instruments. If dividends are taxable, it is generally possible to credit and/or deduct foreign withholding taxes on the dividends, that have not been possible to eliminate by invoking an applicable tax treaty, against the Swedish taxes.

If the received Lundin Mining Shares qualify as business-related under the participation exemption, the rules above are not relevant. For a shareholding in a listed company to qualify as business-related, in general it must inter alia represent voting rights of at least 10% of the total voting rights in the company and a holding period be respected. Dividends and capital gains on business-related shares are tax exempt and capital losses non-deductible.

Interest of experts

The Qualified Persons who have reviewed and approved the scientific and technical information or the Mineral Reserve and Mineral Resource estimates during the year ended December 31, 2021 for the Company's material properties or who have authored portions of the Technical Reports for the Company's material properties disclosed in the Prospectus are as follows:

Candelaria Mine

- Messrs. Patricio Calderón, Registered Member, Chilean Mining Commission, Consultant Geologist, Cristian Erazo, Registered Member, Chilean Mining Commission, Deputy Manager Technical Services Candelaria Underground and Patricio Oyarce, Registered Member, Chilean Mining Commission, Senior Engineer Technical Services Open Pit, Candelaria Mine, in respect of the Mineral Resource and Mineral Reserve estimates;

- Messrs. Glen Cole, P.Geo., Benny Zhang, P.Eng, Adrian Dance, P.Eng., and Cameron C. Scott, P.Eng, of SRK Consulting (Canada) Inc. and John Nilsson, P.Eng., of Nilsson Mine Services Ltd., in respect of the Candelaria Report;

Chapada Mine

- Mr. Renan Garcia Lopes, Registered Member of Australasian Institute of Mining and Metallurgy – MAusIMM CP(Geo), formerly employed by Chapada as Geology and Mineral Resources Coordinator, in respect of the Chapada and Suruca Mineral Resource estimate and Mr. Jean-Francois St-Onge, P. Eng., Director Technical Services, Lundin Mining, in respect of the Chapada Mineral Reserve estimate; and
- Messrs. Chester Moore, P.Eng., Hugo Miranda, ChMc(RM), and Andrew Hampton, P.Eng. of Roscoe Postle Associates Inc, and David Ritchie, P.Eng, of SLR Consulting, in respect of the Chapada Report.

Eagle Mine

- Mr. Graham Greenway, P.Geo, former Group Resource Geologist, Lundin Mining, in respect of the Eagle and Eagle East Mineral Resource estimates and Mr. Josh Lam, P.Eng, Mine Superintendent, Lundin Mining, in respect of the Eagle and Eagle East Mineral Reserve estimates;
- Graham Clow, P.Eng., David Rennie, P.Eng., Brenna Scholey, P.Eng., and Normand Lecuyer, P.Eng., of Roscoe Postle Associates Inc, in respect of the Eagle Report;

Neves-Corvo Mine

- Ms. Sandra Santos, CEng MIMMM, Geological Engineer, Neves-Corvo, in respect of the Neves-Corvo Mineral Resource estimate and Mr. Jean-Francois St-Onge, P. Eng., Director Technical Services, Lundin Mining, in respect of the Neves-Corvo Mineral Reserve estimate;
- Mr. Graham Greenway, P.Geo, former Group Resource Geologist, Lundin Mining, in respect of the Semblana deposit Mineral Resource estimate;
- Mr. Richard Ellis, CGeol, EurGeol, and Dr. Phil Newall, Ceng, FIMMM, of Wardell Armstrong International Ltd., in respect of the Neves-Corvo Report;

General

- All other scientific and technical information in this Prospectus has been reviewed and approved by Mr. Jeremy Weyland, P.Eng., Senior Manager, Studies, Technical Services of Lundin Mining. Mr. Weyland is a Qualified Person under NI 43-101.

Each of the aforementioned firms or persons held less than 1% of the outstanding securities of the same class of the Company or of any associate or affiliate of the Company when such expert prepared the Technical Reports or the Mineral Resource or Mineral Reserve estimates referred to, and held less than

1% of the outstanding securities of the same class of the Company following the preparation of such reports or data.

None of the aforementioned firms or persons, nor any directors, officers or employees of such firms, are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company, other than Messrs. Weyland, Oyarce, Erazo, St-Onge, Lam, Allison and Ms. Santos, each of whom is currently employed by Lundin Mining or one of its subsidiaries.

To the best of the Board's knowledge, none of the persons above has any material interest in the Company, taking into consideration any ownership of securities, any current or former employment or compensation received from the Company, and any past or current membership in any of the Company's bodies.

The Company's independent auditors, PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, has advised that they are independent with respect to the Company within the meaning of the Chartered Professional Accountants of Ontario, CPA Code of Professional Conduct.

Certain rights attached to the Shares

The following is a summary of certain rights of shareholders in the Company based upon current Canadian law and the Company's current articles and bylaws. The summary is of a general nature and it is not an exhaustive account of the aforementioned corporate documents.

Dividend rights

There are no fixed date(s) on which the entitlement arises. The Company does not apply any dividend restrictions and procedures for shareholders not resident in Canada, except for those who may follow from bank or clearing systems, and any such payment of dividends will be made in the same manner for all shareholders regardless of if resident in Canada or not.

If a dividend is declared and a shareholder cannot be reached to settle the payment, the shareholder's receivable on the Company for such payment will be subject to generally applicable statutory limitations. Amounts that become time-barred under such statutory limitations will be credited to the Company.

Voting rights

Each Share entitles the holder to receive notice of and attend all meetings of shareholders with each Share held entitling the holder to one vote on any resolution to be passed at such shareholder meetings.

Unless waived by the shareholders, a company must send meeting related materials not less than 21 days before the meeting.

The record date for a meeting of shareholders is set by the Board. Subject to certain exceptions, the Company is required to file on SEDAR a notice of record date and meeting date at least 25 days before the record date for the meeting. The record date for a meeting of the Company's shareholders must not precede the date on which the meeting is to be held by more than 60 days or by less than 30 days.

The Board has adopted a policy on majority voting (the "Majority Voting Policy") which 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 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 following such meeting, to take effect upon acceptance by the Board. 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 Corporate Governance and Nominating Committee 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.

The Company's By-Laws contain an advance notice requirement for nominations of directors by shareholders in certain circumstances. 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 generally be provided not less than 30 days prior to the date of the applicable annual meeting of shareholders or, where notice and access is to be used for the delivery of the applicable meeting materials, not less than 40 days prior the date of such meeting. If the meeting date is announced less than 50 days prior to the meeting, notice must be provided in either case by no later than the close of business on the 10th day following the date of such announcement.

Pre-emption rights in offers for subscription of securities of the same class

The articles of the Company do not contain any pre-emptive rights.

Right to share in the Company's profits and rights to share in any surplus in the event of liquidation

The holders of Shares are entitled to dividends if, as and when declared by the Board. The Shares are entitled, upon liquidation, dissolution or winding up of the Company, to receive the remaining assets of the Company available for distribution to shareholders.

Under the CBCA, a corporation may liquidate and dissolve by special resolution of the shareholders or by court order. If a court order is sought, the liquidation of a corporation commences when a court makes an order therefor. When making an order for the liquidation of a corporation or at any time thereafter, the court may appoint any person, including a director, an officer or a shareholder of the corporation or any other body corporate as liquidator of the corporation. After giving the appropriate notice and adequately providing for the payment or discharge of all its obligations, the Company will distribute its remaining property, either in money or in kind, among its shareholders according to their respective rights.

Redemption provisions

A listed company can file a Notice of Intention to Make a Normal Course Issuer Bid with the TSX seeking approval for the company to purchase by normal market purchases up to, when aggregated with all other purchases by the listed issuer during the same trading day, the greater of 25% of the average daily trading volume of the Shares and 1,000 securities, up to a maximum in a 12 month period of the greater of 5% of the outstanding Shares or 10% of the Public Float.

Conversion provisions

There are no conversion provisions attached to the Shares.

National legislation on takeovers which may frustrate takeovers

There have been no public takeover bids by third parties in respect of the Company's equity, which have occurred during the last financial year and the current financial year.

The CBCA contains the procedural requirements for going-private transactions and Canadian securities laws govern take-over bids. Under the CBCA, if a take-over bid is accepted by not less than ninety per cent of the shares of any class of shares to which the take-over bid relates (within 120 days after the date of a take-over bid), other than shares held at the date of the take-over bid by or on behalf of the offeror or an affiliate, or associate of the offeror, the offeror is entitles to acquire the shares held by any dissenting offerees.

If the acquiring company elects to proceed by way of take-over bid but fails to acquire the requisite percentage of shares to permit a force-out of the minority, the company may implement a second-step transaction to squeeze out the minority by calling a shareholder meeting to approve a share reorganization or amalgamation of the target.

In Canada, there are several potential defensive tactics that a target company board of directors may adopt. Some of these tactics may be structural in nature and implemented in advance of any hostile take-over bid while other may be tactical in nature and implemented in response to a hostile take-over bid. In general, the Canadian approach to the regulation of the defensive tactics is based on the premise that, in the context of a potential change of control, shareholder interests have ultimate primacy and there should come a time when shareholders have the opportunity to determine the outcome of an unsolicited take-over bid. This approach is reflected in the statement of policies contained in National Policy 62-202 – Take-Over Bids Defensive Tactics ("**NP 62-202**").

In NP 62-202, the Canadian Securities Administrators have stated that (i) the primary objective of the take-over bid provisions of Canadian securities legislation is the protection of the bona fide interests of shareholders of the target company; (ii) a secondary objective is to provide a regulatory framework within which take-over bids may proceed in an open and even-handed environment; and (iii) the take-over bid provisions should favour neither the bidder nor the management of the target company and should leave the shareholders of the target company free to make a fully informed decision.

The Canadian securities regulatory authorities are prepared to take appropriate action if they become aware of defensive tactics that will likely result in shareholders being deprived of the ability to respond to a take-over bid or to a competing bid.

NP 62-202 also sets out certain presumptions as to what may be proper or improper responses to a take-over bid, including:

- Prior shareholder approval may allay concerns that a defensive tactic is abusive.
- The timing of the defensive tactic may be relevant. Regulatory scrutiny may be attracted when conduct occurs during the course of take-over bid (or immediately before a bid if the target board of directors has reason to believe that a bid is imminent).
- Certain defensive tactics may activate regulatory scrutiny, including:
    - the issuance of, the granting of an option on, or the purchase of, securities representing a significant percentage of the outstanding securities of the target company;
    - the sale or acquisition of, granting of an option on, or agreeing to sell or acquire, assets of the target company of a material amount; and
    - Entering into a contract other than in the normal course of business or taking corporate action other than in the normal course of business.

Documents incorporated by reference

The following documents form part of the Prospectus and are incorporated by reference:

- Lundin Mining Corporation, Audited consolidated financial statements of the Company for the financial year ended December 31, 2021 (including also the auditors report to the shareholders of Lundin Mining Corporation, the consolidated balance sheets which can be found on page 1, the consolidated statements of earnings and comprehensive income which can be found on pages 2-3 and the consolidated statements of changes in equity and cash flows which can be found on pages 4-5, and the notes to the consolidated financial statements which can be found on pages 6-48)
- Lundin Mining Corporation, MD&A December 31, 2021 (pages 1-33)

Documents available for inspection

The following documents are available in electronic format for inspection at www.lundinmining.com or at www.sedar.com under the Company's profile for the life of the Prospectus.

- The Company's certificates of incorporation and articles
- The financial statements and MD&A listed above
- All reports, letters, and other documents, valuations and statements prepared by any expert at the Company's request which are included or referred to in Prospectus

Apart from the documents incorporated by reference above, no information in the aforementioned websites form part of the Prospectus or have been reviewed or approved by the SFSA.

Definitions, terms and currency

In addition to the terms defined in the body of the Prospectus, certain defined terms are set out below.

Ag means silver.

AIF means Annual Information Form.

Aktieinvest means Aktieinvest FK AB.

Altius means Altius Minerals Corporation.

Arrangement Resolution means the special resolution of the securityholders of Josemaria Resources approving the Arrangement to be considered at the Josemaria Meeting.

Arrangement Agreement means the arrangement agreement dated December 19, 2021 between the Company and Josemaria Resources pursuant to which the Company will acquire all of the issued and outstanding common shares of Josemaria Resources through a plan of arrangement.

Au means gold.

Board or **Board of Directors** means the board of directors of the Company.

Candelaria or **Candelaria Mine** or **Candelaria Copper Mining Complex** means the open pit and underground mines and related infrastructure located near Copiapó in the Atacama Province, Region III of Chile owned by Minera Candelaria and Minera Ojos del Salado.

Candelaria 2030 EIA means the EIA entitled "Candelaria 2030 - Project Operational Continuity", which was submitted to the environmental authorities in September 2013 and approved on July 23, 2015.

Candelaria Report means the NI 43-101 technical report entitled "Technical Report for the Candelaria Copper Mining Complex, Atacama Region, Region III, Chile" dated effective November 28, 2018 prepared for Lundin Mining by Glen Cole, P.Geo., Benny Zhang, P.Eng., John Nilsson, P.Eng., Adrian Dance, P.Eng., and Cameron C. Scott, P.Eng., each of whom is a Qualified Person.

Candelaria Stream Agreement means the purchase and sale agreement dated October 6, 2014 among the Company, LMC Bermuda Ltd., Franco-Nevada and Franco-Nevada (Barbados) Corporation and as amended on November 4, 2016 and June 20, 2017.

Cash costs means the costs of mining, milling and concentrating, onsite administration and general expenses, property and production royalties not related to revenues or profits, metal concentrate treatment charges, and freight and marketing costs less the net value of by-product credits. Cash costs are a non-GAAP financial measure.

CBCA means the *Canada Business Corporations Act*.

CCAA means *Companies' Creditors Arrangement Act*.

Chapada or **Chapada Mine** means the copper-gold mine located in northern Goiás State, Brazil, approximately 320 km north of the state capital of Goiania owned by MMIC.

Chapada Purchase Agreement means the share and loan purchase agreement dated April 15, 2019, as amended July 5, 2019, among Yamana, Yamana International Holdings Coöperatie U.A., Lundin Mining Corporation and LMC Netherlands Holdings B.V.

Chapada Report means the NI 43-101 technical report entitled "Technical Report on the Chapada Mine, Goiás State, Brazil" dated effective June 30, 2019 prepared for Lundin Mining by Chester M. Moore, P.Eng., Hugo M. Miranda, ChMC(RM), Andrew P. Hampton, M.Sc., P.Eng., and David G. Ritchie, M.Eng., P.Eng., each of whom is a Qualified Person.

CIM means the Canadian Institute of Mining, Metallurgy and Petroleum.

CIM Standards means the definitions adopted by the CIM Council on May 10, 2014, which are utilized by the Canadian Securities Administrators in NI 43-101.

Code of Conduct means the Company's Code of Conduct, Ethical Values and Anti-Corruption Policy.

Company or **Lundin Mining** means Lundin Mining Corporation, and where applicable, includes its subsidiaries.

Credit Agreement means the third amended and restated credit agreement dated August 28, 2019, between the Company and a banking syndicate comprised of The Bank of Nova Scotia, ING Capital LLC, Bank of Montreal, The Toronto-Dominion Bank, Bank of America, N.A., Canada Branch, Skandinaviska Enskilda Banken AB (publ) and Royal Bank of Canada.

Credit Facility means the $800 million revolving credit facility plus $200 million accordion option secured pursuant to the Credit Agreement, which expires August 2023.

Cu means copper.

Dissenting Josemaria Resources Shareholder means a Registered Shareholder as of the record date of the Josemaria Meeting who dissents in respect of the Arrangement in strict compliance with the Dissent Procedures and who is ultimately entitled to be paid fair value for their Josemaria Resources Shares and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.

Eagle or **Eagle Mine** means the Eagle nickel and copper mine located in the Upper Peninsula of Michigan, USA, in Michigamme Township, Marquette County.

Eagle East means the high-grade massive and semi-massive nickel-copper sulfide mineralization approximately 2 km east and 600 m below the Eagle deposit.

Eagle Report means the NI 43-101 technical report entitled "NI 43-101 Technical Report on the Eagle Mine, Michigan, USA" dated April 26, 2017, prepared for Lundin Mining by Graham G. Clow, P.Eng., Normand L. Lecuyer, P.Eng., David W. Rennie, P.Eng., and Brenna J.Y. Scholey, P.Eng., each of whom is a Qualified Person.

EDM means Empresa de Desenvolvimento Mineiro, SA.

Effective Date means the date that the Arrangement becomes effective.

Effective Time means 12:01 a.m. (Vancouver time) on the Effective Date.

EIA means an Environmental Impact Study.

Euroclear Election Deadline means the period from March 25, 2022 up to and including April 13, 2022, at 15.00 CET.

Euroclear Election Form means the pre-printed form from Aktieinvest.

Euroclear Sweden or **Euroclear** means Euroclear Sweden AB.

EuroZinc means EuroZinc Mining Corporation, which was acquired by the Company on October 31, 2006 and subsequently amalgamated with the Company effective November 30, 2006.

Feasibility Study is as defined by CIM and contained in the CIM Standards.

Former Josemaria Resources Shareholder means the holders of Josemaria Resources Shares immediately prior to the Effective Time.

Freeport means Freeport-McMoRan Inc., a US-based international mining company, which owned the majority of Freeport Cobalt.

Franco-Nevada means Franco-Nevada Corporation.

Freeport Cobalt means the Company's former joint venture with Freeport which, prior to the sale in December 2019 of its cobalt refinery related assets and related cobalt cathode precursor business, operated a large-scale cobalt chemical refinery located in Kokkola, Finland and related sales and marketing companies. Effective September 1, 2021, the joint venture sold its remaining business which involved the operation of certain fine powders, chemicals, catalyst, ceramics and pigments businesses.

G&A means general and administrative.

GDPR means the European Union's General Data Protection Regulation.

GISTM means the Global Industry Standard on Tailings Management.

ha means hectare.

HSEC means health, safety, environment and communities.

IFRS means International Financial Reporting Standards as issued by the International Accounting Standards Board.

INCO means INCO Ltda.

IOCG means iron oxide copper gold.

IT means information technology.

Jervois means Jervois Mining Limited, an Australian and TSX-listed company specialized in cobalt minerals, metals and chemicals.

Josemaria Circular means the notice of meeting and management information circular of Josemaria Resources sent to Josemaria Resources securityholders in connection with the Josemaria Meeting.

Josemaria Meeting means the special meeting of the Josemaria Resources securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the interim order of the Supreme Court of British Columbia to consider the Arrangement Resolution.

Josemaria Resources Shareholders means the shareholders of Josemaria Resources.

Josemaria Resources means Josemaria Resources Inc., the owner of the Josemaria Copper-Gold Project in the San Juan Province of Argentina.

Keel means the Eagle East Keel Zone, which is a part of the Eagle East deposit.

km means kilometer.

LOM means life of mine.

m means meter.

mamsl means meters above mean sea level and is a standard metric measurement in meters of vertical distance (height, elevation or altitude) of a location in reference to a historic mean sea level taken as a vertical datum.

Mandate means the Company's audit committee mandate.

MCP means mine closure plan.

MD&A means Management's Discussion and Analysis of results of operations and financial condition of the Company.

Minera Candelaria means Compañía Contractual Minera Candelaria.

Minera Ojos del Salado means Compañía Contractual Minera Ojos del Salado.

Mineral Reserves are defined under the CIM Standards.

Mineral Resources are defined under the CIM Standards.

mm means millimeter.

MMIC means Mineração Maracá Indústria e Comércio S/A.

Modifying Factors are defined under the CIM Standards.

Mtpa means million tonnes per annum.

NCIB means the Company's Normal Course Issuer Bid.

Nemesia means Nemesia S.á.r.l.

Neves-Corvo or **Neves-Corvo Mine** means the copper and zinc mine situated approximately 220 km southeast of Lisbon in the Alentejo district of southern Portugal.

Neves-Corvo Report means the NI 43-101 technical report entitled "NI 43-101 Technical Report for the Neves-Corvo Mine, Portugal" dated June 23, 2017 prepared for Lundin Mining by Richard Ellis, B.Sc., M.Sc. (MCSM), CGeol, EurGeol, FGS, and Phil Newall, B.Sc. (ARSM), PhD (ACSM), C.Eng., FIMMM, each of whom is a Qualified Person.

Ni means nickel.

NI 43-101 means National Instrument 43-101 "*Standards for Disclosure for Mineral Projects*" adopted by the Canadian Securities Administrators.

NI 52-110 means National Instrument 52-110 "*Audit Committees*" adopted by the Canadian Securities Administrators.

NSR means net smelter return.

Offer means the offer whereby Josemaria Resources Shareholders may elect to receive, at the closing of the Arrangement, (i) 0.1487 of a Lundin Mining Share for each Josemaria Resources Share held, plus for each whole Lundin Mining Share issued to such Josemaria Resources Shareholder, C$0.11 in cash will also be paid to such Josemaria Resources Shareholder; or (ii) C$1.60 in cash for each Josemaria Resources held; or (iii) any combination thereof issuable to all Josemaria Resources Shareholders, subject to pro-ration and pursuant to the terms of the Arrangement and this Prospectus.

Order means (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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.

oz means one troy ounce weighing 31.10348 grams.

PAC means Pedro Aguirre Cerde, a processing plant located at Candelaria.

PAG means Potentially Acid Generating.

Pb means lead.

PGM means platinum group metals.

Phelps Dodge means Phelps Dodge Corporation, a copper mining company which was acquired by Freeport in 2007.

Preliminary Economic Assessment means a preliminary economic assessment as defined in NI 43-101.

QA/QC means the combination of quality assurance, the process or set of processes used to measure and assure the quality of a product, and quality control, the process of ensuring products and services meet consumer expectations.

QEMSCAN™ means Quantitative Evaluation of Minerals by SCANning electron microscopy.

Qualified Person means a qualified person as defined in NI 43-101.

RBI means RB Energy Inc.

RECAPE means Relatório de Conformidade Ambiental do Projecto de Execução, a detailed review of basic engineering data to confirm consistency with the project definition as presented in the EIA, with respect to environmental impacts.

Replacement Options means options or rights to purchase Lundin Mining Shares granted by Lundin Mining in respect of Josemaria Resources stock options on the basis set forth in the Plan of Arrangement.

Rio Tinto means the Rio Tinto Group.

SAG means semi-autogenous grinding.

Sandstorm means Sandstorm Gold Ltd.

SEDAR means the System for Electronic Document Analysis and Retrieval.

SEMAD means the Secretary of State for Environment and Sustainable Development (*Secretaria de Estado de Meio Ambiente e Desenvolvimento Sustentável*) for the State of Goiás, Brazil.

SERNAGEOMIN means Chile's National Agency for Geology and Mining (*Servicio Nacional de Geología y Minería*).

SFSA means the Swedish Financial Supervisory Authority.

SG means specific gravity.

Sirocco means Sirocco Mining Inc.

SMA means Chile's Environmental Superintendent (*Superintendencia de Medio Ambiente*).

Sn means tin.

SOMINCOR means SOMINCOR - Sociedade Mineira de Neves-Corvo, S.A., a wholly-owned indirect subsidiary of the Company that owns the Neves-Corvo Mine located in Portugal.

Sumitomo means Sumitomo Metal Mining Co., Ltd. and Sumitomo Corporation and, where applicable, includes their subsidiaries.

TC/RC means Treatment Charge (TC) and Refining Charge (RC).

Technical Reports means the Candelaria Report, Chapada Report, Eagle Report and Neves-Corvo Report.

tpa means tonnes per annum.

tpd means tonnes per day.

TSF means tailings storage facility.

TSX means the Toronto Stock Exchange.

Umicore means Umicore N.V.

US means the United States.

Vieille-Montagne means the Société des Mines et Fonderies de Zinc de la Vieille-Montagne, which was merged into Union Minière group and subsequently merged into Umicore.

Wheaton PMC means Wheaton Precious Metals Corporation (formerly Silver Wheaton Corp. and Silverstone Resources Corp.).

Yamana means Yamana Gold Inc.

ZEP or **Zinc Expansion Project** means the construction project at Neves-Corvo to increase zinc mining and processing capacity to approximately 2.5 Mtpa generating an average of 150,000 tpa of zinc in concentrate over 10 years.

Zinkgruvan or **Zinkgruvan Mine** means the Zinkgruvan zinc and lead mine located approximately 250 km south-west of Stockholm in south-central Sweden.

ZMAB means Zinkgruvan Mining AB, a 100% indirect subsidiary of the Company.

Zn means zinc.

Currency

The Company's presentation currency is United States ("US") dollars. Reference herein of $ or USD is to US dollars, C$ or CAD is to Canadian dollars, SEK is to Swedish krona, € refers to the Euro, CLP refers to the Chilean peso and BRL refers to the Brazilian real. All dollar amounts referenced, unless otherwise indicated, are expressed in United States dollars.

Addresses

Lundin Mining Corporation
#2200 - 150 King Street West
P.O. Box 38
Toronto, Ontario
Canada M5H 1J9
Phone number: +1 416 342 5121

PricewaterhouseCoopers LLP
PwC Tower
18 York Street, Suite 2600,
Toronto, Ontario
Canada M5J 0B2

Central Securities Depositories
Euroclear Sweden AB
P.O. Box 191
Klarabergsviadukten 63
Stockholm 101 23
Sweden

Transfer Agent
Computershare Investor Services Inc.
100 University Avenue, 8th Floor
Toronto, Ontario
Canada M5J 2Y1