

**lundin mining**

# Q2 Financial Results

July 2024

TSX: **LUN** NASDAQ STOCKHOLM: **LUMI**

# Cautionary Statements

## Caution Regarding Forward-Looking Information and Non-IFRS Performance Measures

Certain of the statements made and information contained herein are “forward-looking information” within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts included in this document constitute forward-looking information, including but not limited to statements regarding the Company’s plans, prospects and business strategies; the completion of the acquisition of Filo Corp. and the timing thereof; the establishment and operation of a new joint venture with BHP; the realization of synergies in the Vicuña district; the identification of additional value creation opportunities; 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, Pre-Feasibility Study, 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; expansion projects and the realization of additional value; the Company’s integration of acquisitions and expansions and any anticipated benefits thereof; the Company’s ability to become a top tier copper producer; 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 information.

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 labour; assumed and future price of copper, zinc, gold, nickel and other metals; anticipated costs; ability to achieve goals and identify and realize opportunities; the prompt and effective integration of acquisitions, including the completion of each of the acquisition of Filo, the establishment of the joint venture with BHP and the realization of synergies and economies of scale in connection therewith; 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 information and undue reliance should not be placed on such information. Such factors include, but are not limited to: global financial conditions, market volatility and inflation, including pricing and availability of key supplies and services; 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; volatility and fluctuations in metal and commodity demand and prices; significant reliance on assets in Chile; reputation risks related to negative publicity with respect to the Company or the mining industry in general; delays or the inability to obtain, retain or comply with permits; risks relating to the development of the Josemaria Project; health and safety laws and regulations; risks associated with climate change; risks relating to indebtedness; economic, political and social instability and mining regime changes in the Company’s operating jurisdictions, including but not limited to those related to permitting and approvals, nationalization or expropriation without fair compensation, environmental and tailings management, labour, trade relations, and transportation; inability to attract and retain highly skilled employees; risks inherent in and/or associated with operating in foreign countries and emerging markets, including with respect to foreign exchange and capital controls; project financing risks, liquidity risks and limited financial resources; health and safety risks; compliance with environmental, unavailable or inaccessible infrastructure, infrastructure failures, and risks related to ageing infrastructure; changing taxation regimes; the inability to effectively compete in the industry; risks associated with acquisitions and partnerships, including the completion of each of the acquisition of Filo and the establishment of the joint venture with BHP; expansions 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; risks related to mine closure activities, reclamation obligations, environmental liabilities and closed and historical sites; reliance on key personnel and reporting and oversight systems, as well as third

parties and consultants in foreign jurisdictions; information technology and cybersecurity risks; 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; 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; community and stakeholder opposition; regulatory investigations, enforcement, sanctions and/or related or other litigation; financial projections, including estimates of future expenditures and cash costs, and estimates of future production may not be reliable; enforcing legal rights in foreign jurisdictions; risks associated with the use of derivatives; risks relating to joint ventures and operations; environmental and regulatory risks associated with the structural stability of waste rock dumps or tailings storage facilities; exchange rate fluctuations; 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; risks relating to dilution; risks relating to payment of dividends; counterparty and customer concentration risks; activist shareholders and proxy solicitation matters; estimation of asset carrying values; relationships with employees and contractors, and the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; conflicts of interest; existence of significant shareholders; challenges or defects in title; internal controls; risks relating to minor elements contained in concentrate products; the threat associated with outbreaks of viruses and infectious diseases; mining rates and rehabilitation projects; mill shut downs; and other risks and uncertainties, including but not limited to those described in the “Risks and Uncertainties” section of the Company’s MD&A for the three months ended March 31, 2024 and the “Risks and Uncertainties” section of the Company’s Annual Information Form for the year ended December 31, 2023, which are available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) under the Company’s profile.

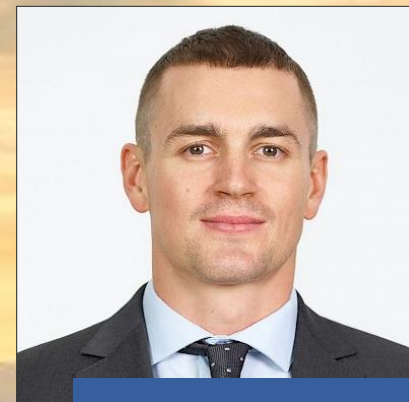
All of the forward-looking information in this document are qualified by these cautionary statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, forecasted 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.

### Non-IFRS Measures

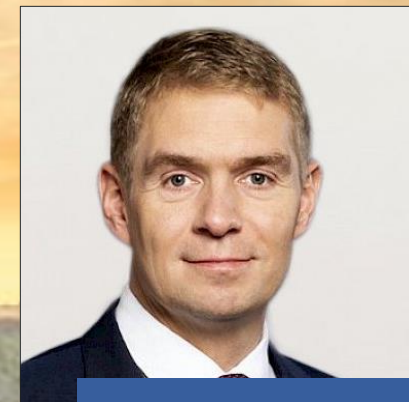
Lundin has included certain non-IFRS measures in this document such as realized price per pound, adjusted EBITDA, free cash flow (“FCF”) from operations, net cash (debt), cash cost, existing liquidity and sustaining and expansionary capital expenditures. Please see the Management’s Discussion and Analysis (“MD&A”) for the period ended June 30, 2024, for discussion of non-GAAP measures and reconciliations, which information is incorporated by reference herein and which is available under the Company’s profile on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com). Lundin Mining believes that these measures, in addition to conventional measures prepared in accordance with International Financial Reporting Standards (“IFRS”), provide investors an improved ability to evaluate the underlying performance of Lundin Mining. The non-IFRS measures are 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. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

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

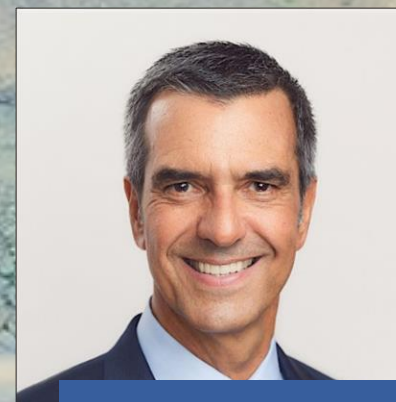
# Participants on the Call



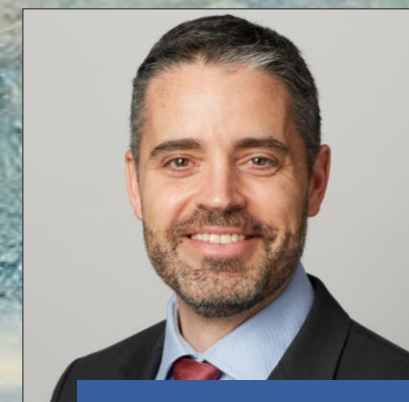
**Jack Lundin**  
President & CEO



**Teitur Poulsen**  
CFO



**Juan Andres Morel**  
COO

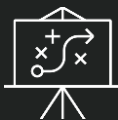


**Nathan Monash**  
VP Sustainability

# Unlocking the Vicuna District:

Acquisition of Filo & Partnership of the  
Josemaria Project





# Q2 2024 Highlights

## 80ktCu

Quarterly Cu production in 2024<sup>1</sup>

## 47ktZn

Quarterly Zn production in 2024<sup>1</sup>

## 32kozAu

Quarterly Au production in 2024<sup>1</sup>

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## \$461M

Adjusted EBITDA in Q2 2024<sup>2</sup>

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## \$338M

FCF from Operations in Q2 2024<sup>2</sup>

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## C\$0.09/sh

Quarterly dividend yield (annualized dividend of C\$0.36/sh)<sup>3</sup>

1. Q2 2024 consolidated copper and gold production on a 100% basis, Lundin Mining holds an 80% interest in Candelaria and a 70% interest in Caserones.  
 2. For the three months ended June 30, 2024. Adjusted EBITDA and FCF from operations are non-GAAP measures. Please see Lundin Mining's MD&A for the three months ended June 30, 2024, for discussion on non-GAAP and other performance measures, which is incorporated by reference herein.  
 3. For more information, please refer to Lundin Mining's Financial Statements and MD&A for the period ended June 30, 2024, which are incorporated by reference herein. The declaration, timing, amount and payment of future dividends remain at the discretion of the Board of Directors.

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**Sustainability**



# 2023 Sustainability Report

- Copper Mark certification for Candelaria and Caserones



## Lundin's Strategic Pillars and SDGs

### Environmental Stewardship

We commit to climate action, strengthening water and waste management, and biodiversity conservation to contribute towards a more sustainable environment for all.



### Thriving Communities

We collaborate to enhance the health and well-being of our communities by addressing impacts and developing initiatives



### Business Resilience

We adapt to changing conditions and leverage proven and new technology, partnerships, and operational excellence to ensure sustained growth of our business into the future.



### Empowered Workforce

We support and motivate our people by providing safe work environments, fostering open communication and inclusivity, and investing in skills and talent for tomorrow.



### Good Governance

We engage in ethical business practices founded on transparency and accountability to enhance trust with all our stakeholders throughout the mine life and beyond.



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# Production Highlights



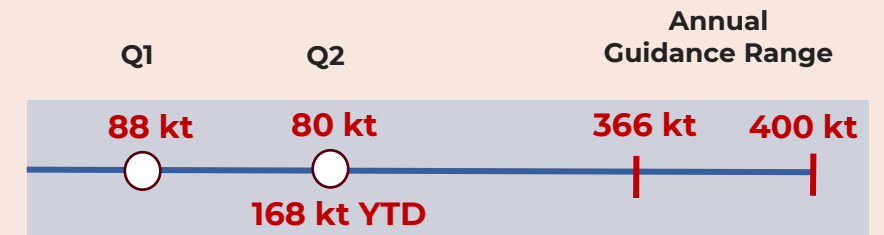
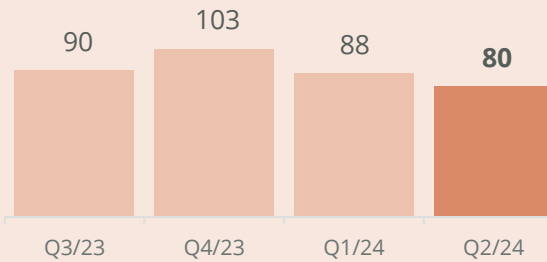




# Q2/24 Production Results

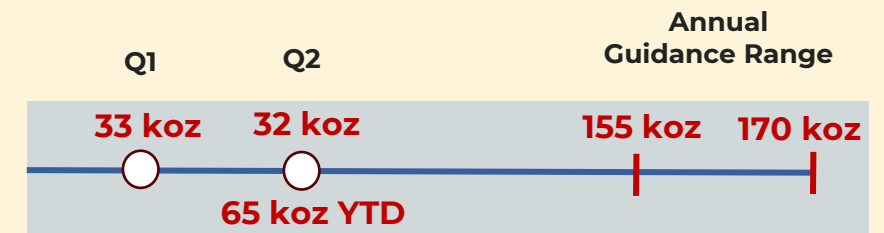
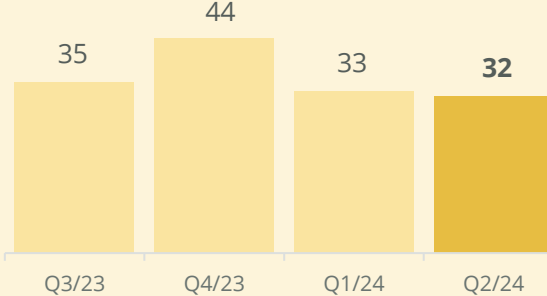
## Copper

Q2 production of 80 kt



## Gold

Q2 production of 32 koz

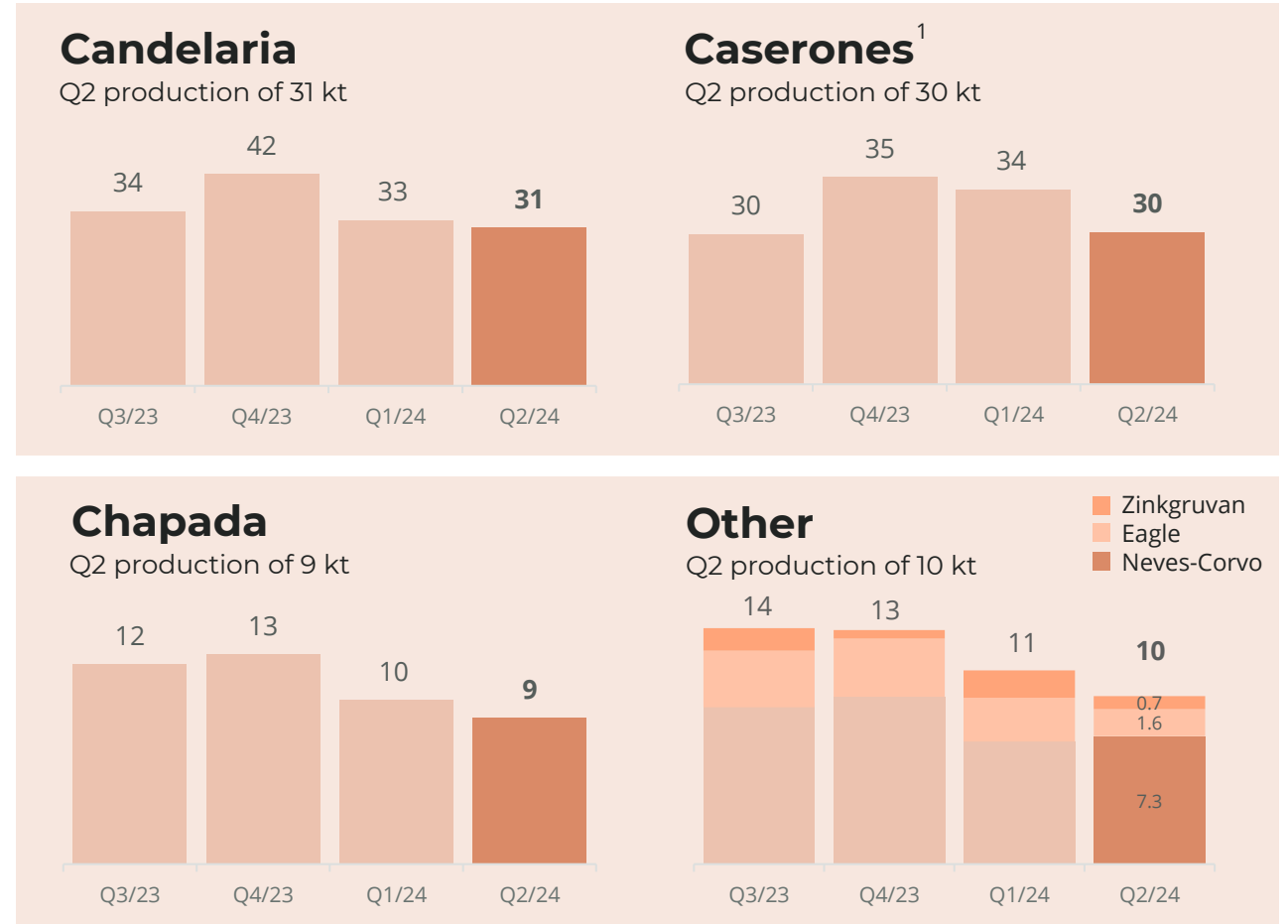


Copper Cathode

# Q2/24 Copper Production

## By Mine

- Candelaria and Chapada are weighted to the second half of the year
- Improved grades at Candelaria in the month of July
- Unplanned shutdowns during the quarter at Caserones (weather/unscheduled maintenance)
- Production tracking to annual guidance



1. Lundin Mining acquired Caserones July 13, 2023

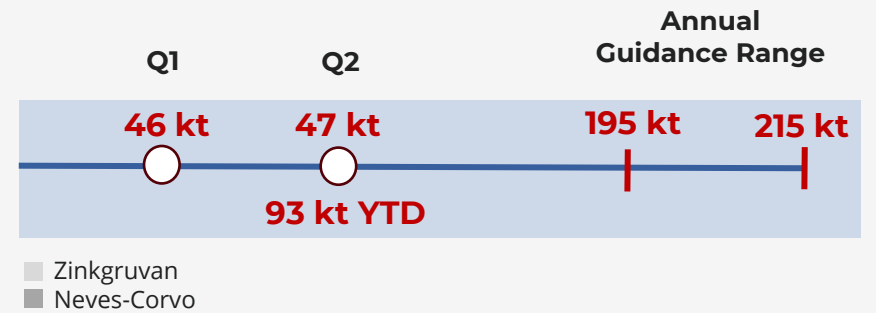
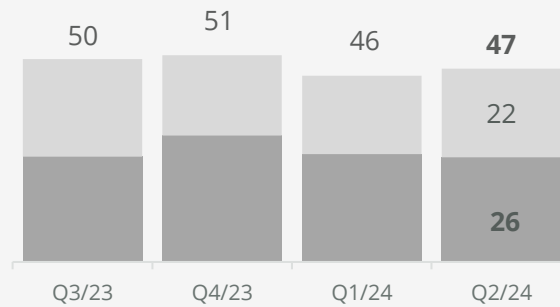


Neves-Corvo Headframe

# Q2/24 Production Results

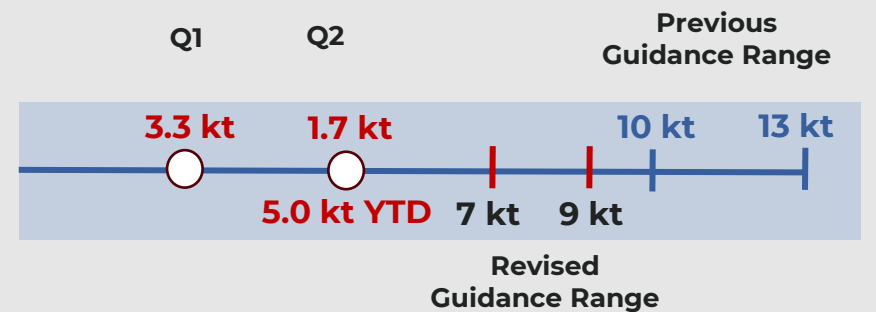
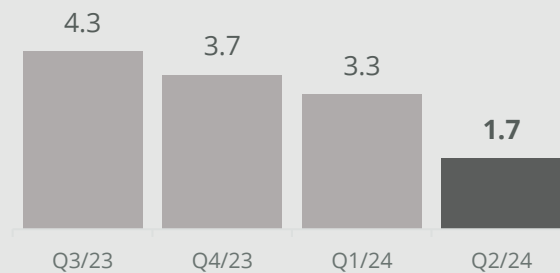
## Zinc

Q2 production of 47 kt



## Nickel

Q2 production of 1.7 kt



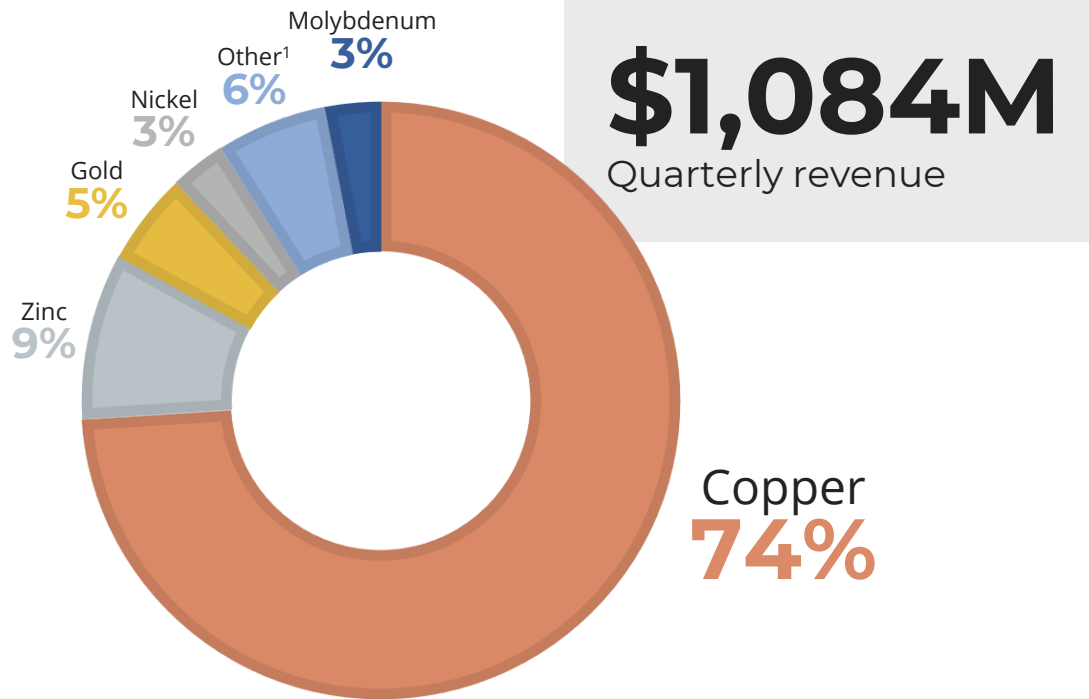
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# Financial Performance

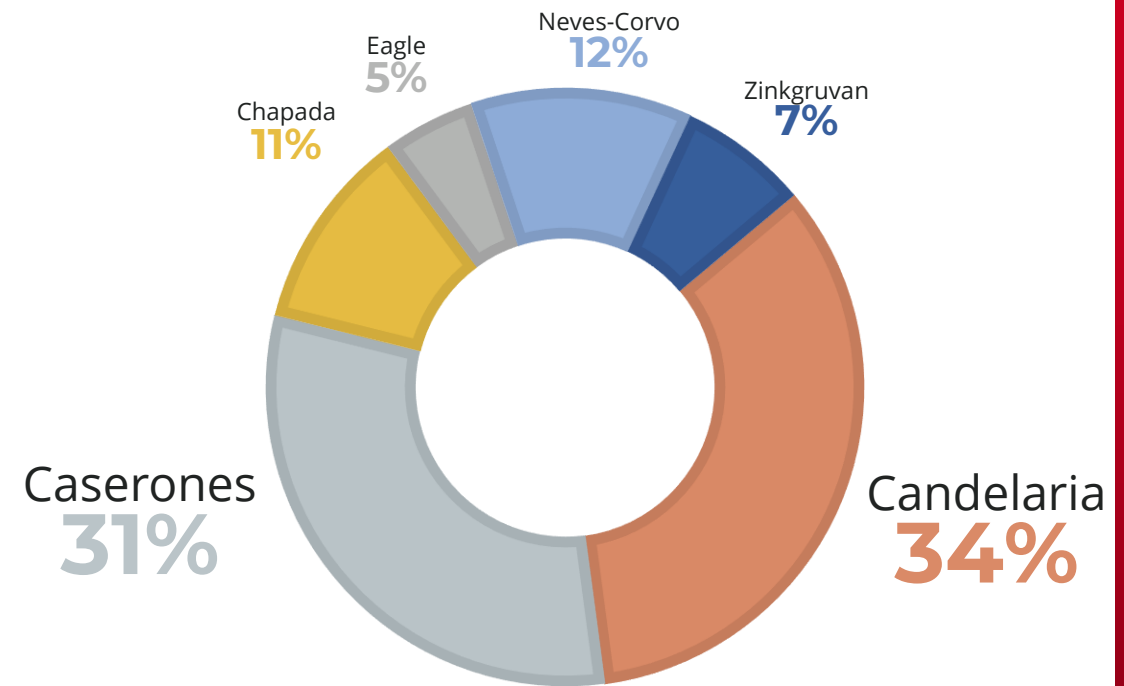


# Q2/24 Revenue

## Metal Mix



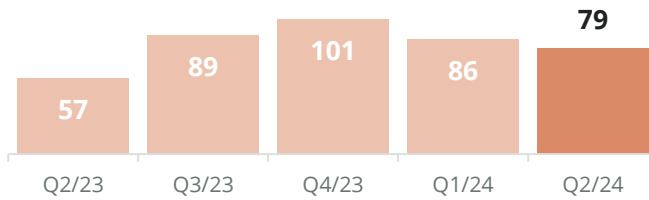
## By Mine



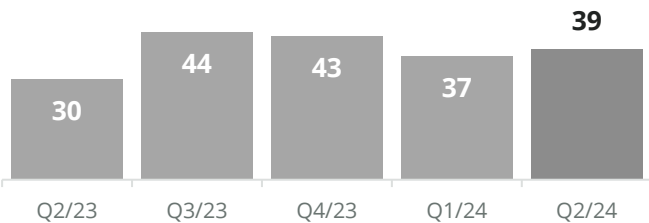
1. Other metals include lead, cobalt, silver and PGM sales.

# Volume Sold and Realized Prices

**Copper Volume Sold**  
(kt)

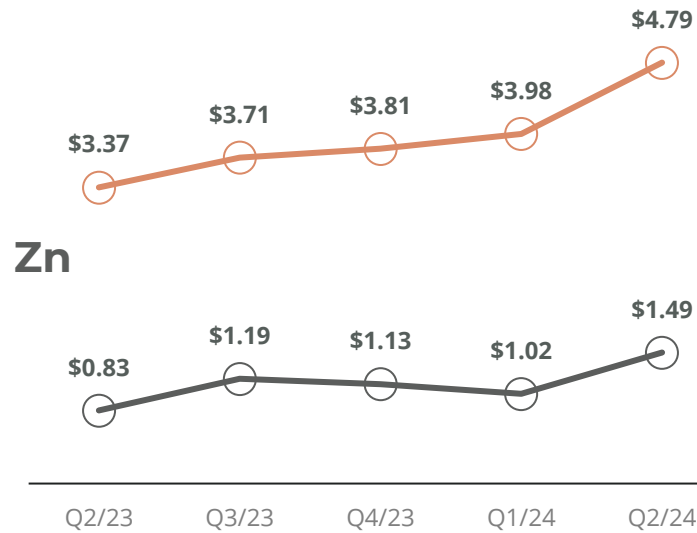


**Zinc Volume Sold**  
(kt)

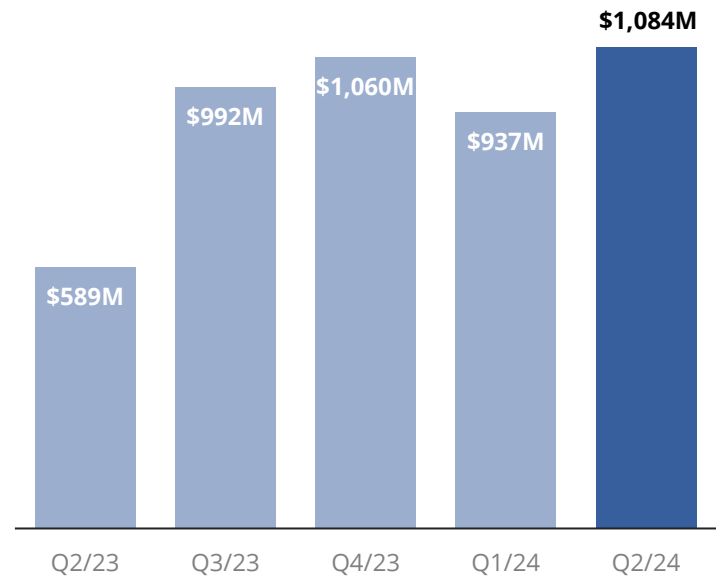


**Realized Pricing**  
Cu | Zn (\$/lb)

Cu



**Revenue**  
of \$1,084 million in Q2

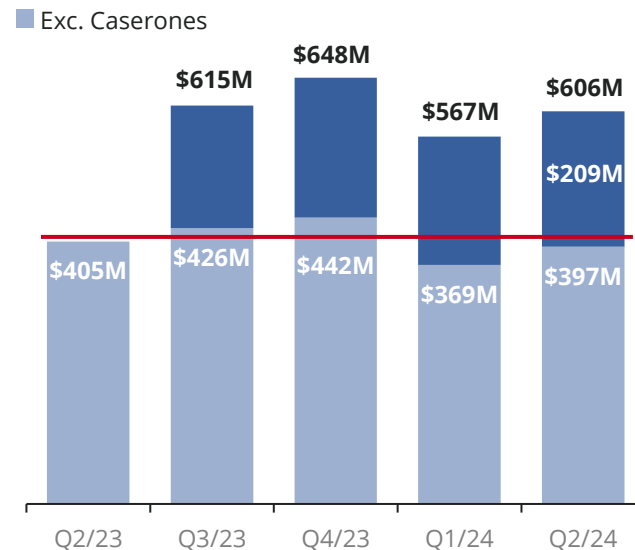


**Record Quarterly Revenue**

# Q2 Production Costs

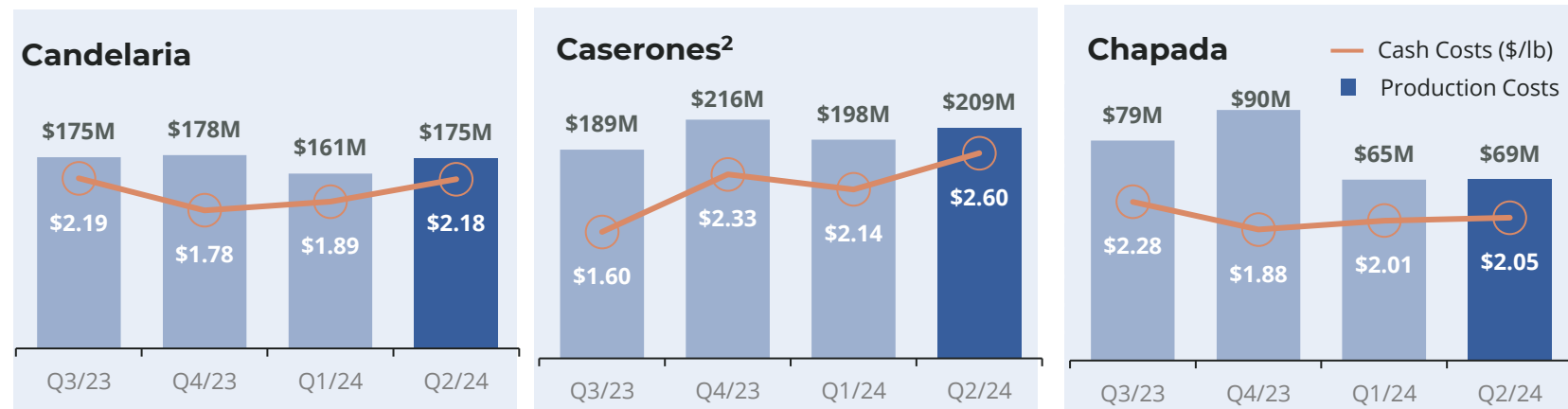
- Production costs inline with last quarter, cash costs impacted by lower production volumes
- Costs tracking to full year guidance at all sites with the exception of Eagle

## Consolidated Costs



## Asset Costs

(\$M or Cu \$/lb net credits)<sup>1</sup>

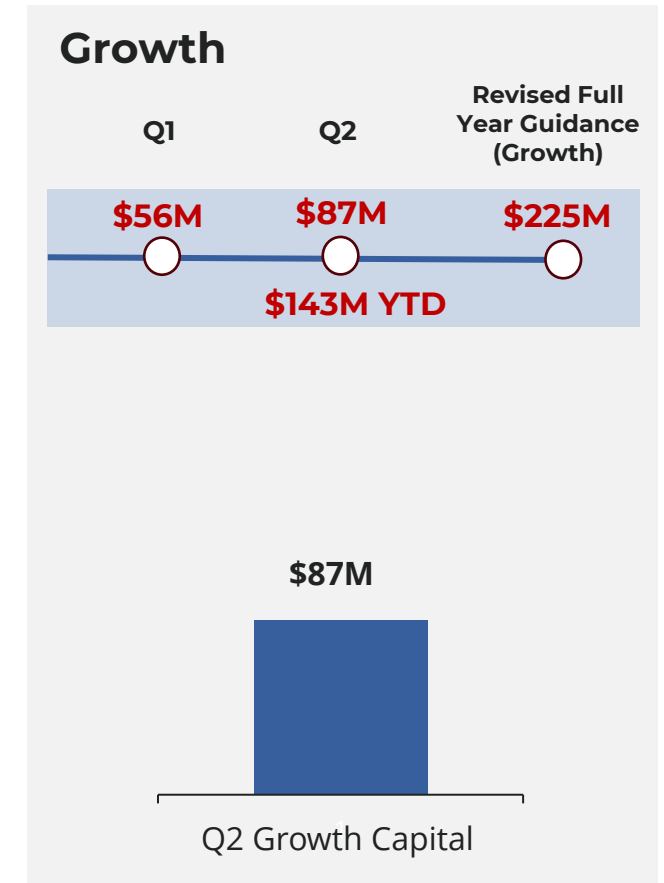
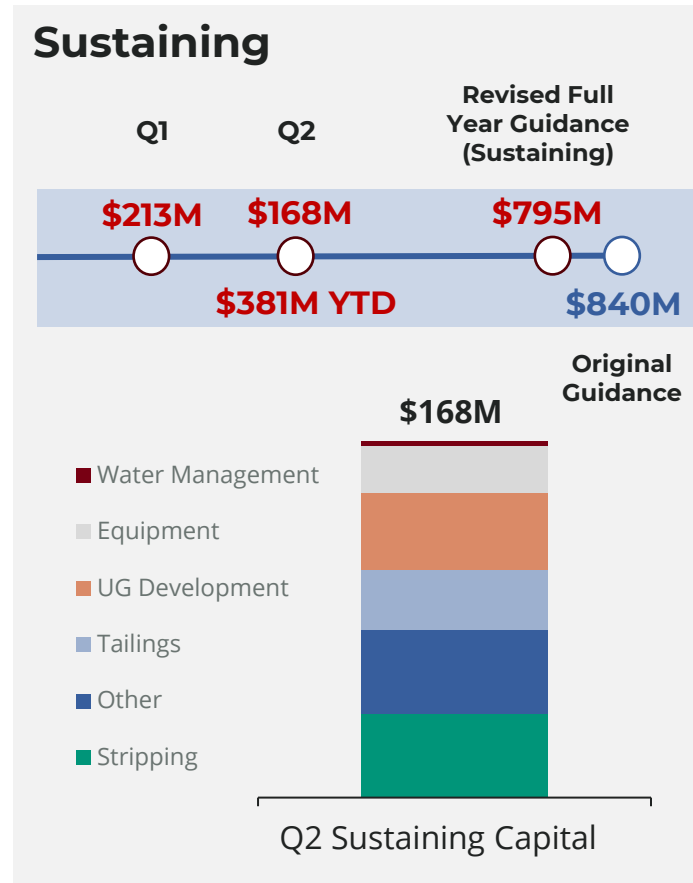


1. Please refer to the Company's discussion of non-GAAP and other performance measures in its MD&A for the three months ended June 30, 2024, which is incorporated by reference herein.  
 2. Lundin Mining acquired Caserones July 13, 2023

# Capital Costs

## Q2 2024 Capital Expenditure

- Full year sustaining capital guidance reduced from \$840M to \$795M
- Over 50% of sustaining capital attributable to stripping, underground development and tailings
- Josemaria capex was higher during the quarter due to payment of equipment

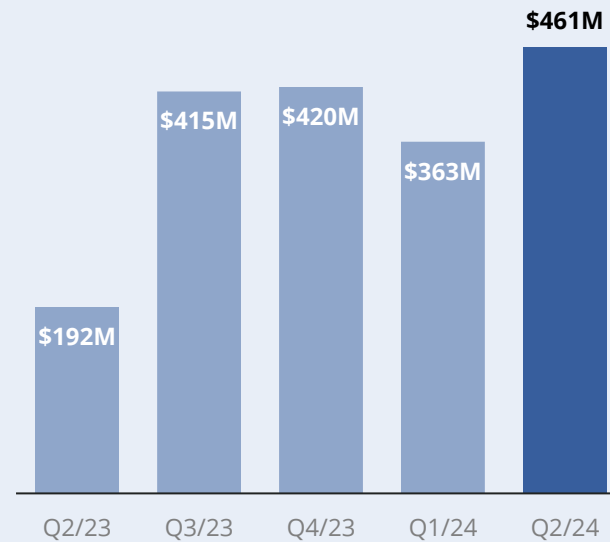




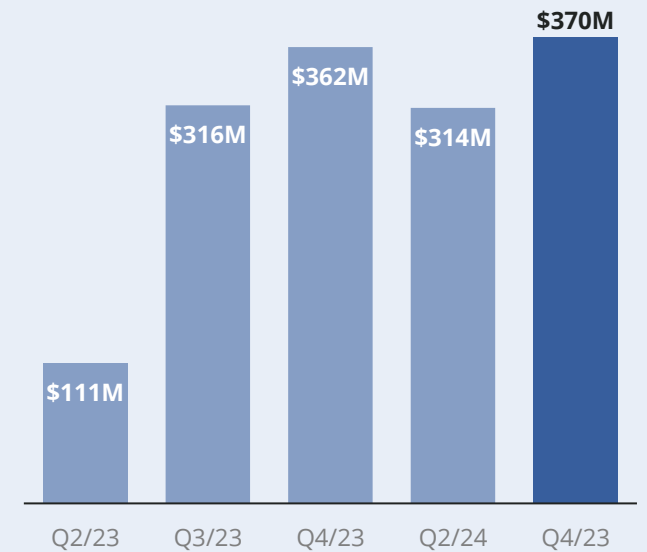
# Key Financial Metrics



**Adjusted EBITDA<sup>1</sup>**  
of \$461 million in Q2

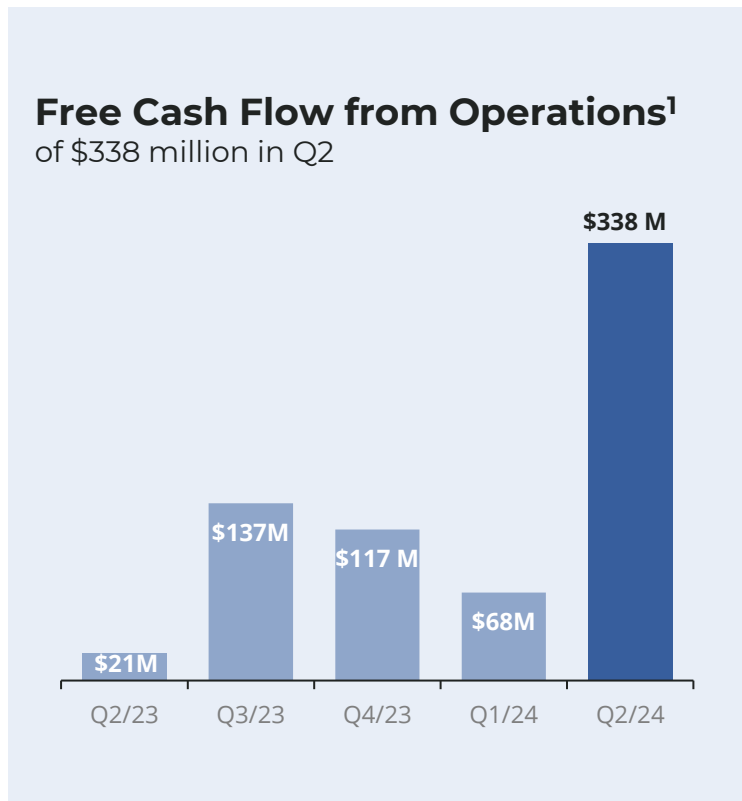


**Adjusted Operating Cash Flow<sup>1</sup>**  
of \$370 million in Q2



1. For the three months ended June 30, 2024, net earnings were \$156.7M, cashflow from operations were \$491.8M and cash and equivalents was \$452.8M. Adjusted EBITDA, adjusted earnings (loss), adjusted operating cash flow, free cash flow from operations and net cash (debt) are non-GAAP measures. Please see Lundin Mining's MD&A for the period ended June 30, 2024 for discussion on non-GAAP and other performance measures.

# Key Financial Metrics



### Net Debt / Adjusted EBITDA<sup>1,2</sup>

**0.5X**  
LTM

Net debt of \$894M<sup>2</sup>  
\$1,470M liquidity headroom

1. For the three months ended June 30, 2024, net earnings were \$156.70M, cashflow from operations were \$491.8M and cash and equivalents was \$452.8M. Adjusted EBITDA, adjusted earnings (loss), adjusted operating cash flow, free cash flow from operations and net cash (debt) are non-GAAP measures. Please see Lundin Mining's MD&A for the period ended June 30, 2024 for discussion on non-GAAP and other performance measures.

2. Excluding lease liabilities

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# **Growth & Exploration**





Caserones Operation

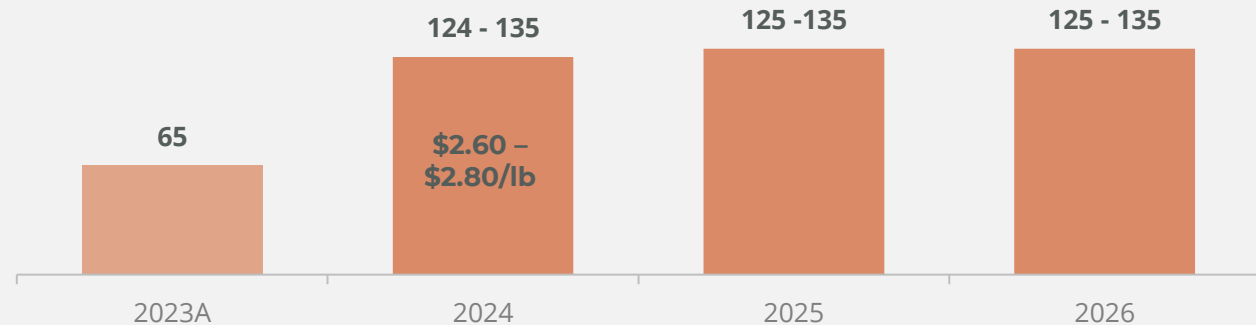
## 19% Call Option **Caserones**

**Announced in Q2 | Closed July 2, 2024**

- Early exercise to increase ownership to 70% for \$350M executed
- Adds approximately 25,000 tonnes of attributable copper
- Dividend payment retroactive from the start of the year

### Copper & Cash Cost Outlook<sup>1,2</sup>

(100% basis; kt Cu, \$/lb Cu net of by-product credits)



1. Updated guidance as announced by news release "Lundin Mining Second Quarter 2024 Results" July 30, 2024.

2. This is a non-GAAP measure. For historical comparatives please also see the Management's Discussion and Analysis for period ended June 30, 2024 for discussion of non-GAAP measures.

# Exploration

Exploration efforts continue to focus on near mine and higher-grade resources

## \$48M Exploration Budget

- Candelaria – 18,000 meter program
- Caserones – 12,900 meter program
- Chapada – 16,000 meter program
- Neves-Corvo – 15,000 meter program
- Zinkgruvan – 55,000 meter program



# Conclusion

Strong financial results

- Record quarterly revenue
- Focused on business improvements and optimizing assets
- Tracking to full year guidance on copper, zinc, gold on a consolidated basis
- Exciting outlook for the Company



Candelaria

# Disciplined copper growth at scale

We have the **team** and **conviction** to deliver.

We have **multiple opportunities** to create meaningful growth in both near- and long-term horizons.

We are **well-positioned** to achieve our vision of becoming a top-tier copper producer of global scale.