

NEWS RELEASE

**LUNDIN GOLD DRAWS ON SENIOR BANK DEBT AND
CLOSES PROJECT COST OVERRUN FACILITY**

April 2, 2019 (Vancouver, Canada) Lundin Gold Inc. ("Lundin Gold" or the "Company") (TSX: LUG, Nasdaq Stockholm: LUG) is pleased to announce that it has drawn \$159 million today under its previously announced senior secured debt facility (the "Facility"). The funds will be used to advance the development of the Company's Fruta del Norte gold project (the "Project"). The Company has \$191 million remaining under the Facility available to be drawn at its option. All amounts in this release are quoted in U.S. dollars, unless otherwise indicated.

Lundin Gold also entered into a \$75 million cost overrun facility (the "COF") with Nemesia S.à.r.l. ("Nemesia"), a company owned by a trust whose settlor was the late Adolf H. Lundin (the "Lundin Family Trust"). Entering into the COF was a condition precedent to first draw under the Facility. It is available once the Facility is fully drawn and can only be used to fund a potential cost overrun related to the development of the Project.

In accordance with the terms of the COF, the Company issued Nemesia 300,000 common shares and 300,000 warrants ("Warrants") in lieu of fees. Each Warrant has a term of three years from the date of issue and is exercisable for a common share upon payment of the exercise price of CAD\$5.98. Lundin Gold is required to issue an additional 300,000 common shares to Nemesia as a condition precedent to the first utilization of the COF. The common shares and Warrants were issued to Nemesia pursuant to applicable exemptions from the prospectus requirements under securities laws and are subject to a four month hold period.

The COF and the issuance of the common shares and Warrants to Nemesia (collectively, the "Transaction") are each considered a "related party transaction" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company has relied upon the exemptions provided under Sections 5.5(a) and 5.7(a) of MI 61-101 – *Fair Market Value Not More than 25% of Market Capitalization* from the requirements that Lundin Gold obtain a formal valuation of the Transaction and that the Transaction receive the approval of the minority shareholders of the Company.

The Lundin Family Trust now holds 51,721,852 shares, representing 23.3% of Lundin Gold's outstanding shares.

About Lundin Gold

Lundin Gold, headquartered in Vancouver, Canada, is developing its wholly-owned Fruta del Norte gold project in southeast Ecuador. Fruta del Norte is one of the world's largest, highest-grade gold projects currently under construction. The Company's board and management team have extensive expertise in mine construction and operations, and are dedicated to advancing this project through to first gold production in the fourth quarter of this year.

The Company operates with transparency and in accordance with international best practices. Lundin Gold is committed to delivering value to its shareholders, while simultaneously providing economic and social benefits to impacted communities, fostering a healthy and safe workplace and minimizing the environmental impact. The Company

believes that the value created through the development of Fruta del Norte will benefit its shareholders, the Government and the people of Ecuador.

Additional Information

The information in this release is subject to the disclosure requirements of Lundin Gold under the EU Market Abuse Regulation. This information was submitted for publication April 2, 2019 at 2:30 p.m. PT through the contact persons set out below.

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Caution Regarding Forward-Looking Information and Statements

Certain of the information and statements in this press release are considered "forward-looking information" or "forward-looking statements" as those terms are defined under Canadian securities laws (collectively referred to as "forward-looking statements"). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "believes", "anticipates", "expects", "is expected", "scheduled", "estimates", "pending", "intends", "plans", "forecasts", "targets", or "hopes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "will", "should" "might", "will be taken", or "occur" and similar expressions) are not statements of historical fact and may be forward-looking statements.

By their nature, forward-looking statements and information involve assumptions, inherent risks and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements and information. Lundin Gold believes that the expectations reflected in this forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. This information speaks only as of the date of this press release, and the Company will not necessarily update this information, unless required to do so by securities laws.

This press release contains forward-looking information in a number of places, such as in statements pertaining to the use of proceeds from the Facility and the COF, the ability of the Company to draw down on the Facility or the COF and the satisfaction of conditions to utilization and the timing of first gold production. There can be no assurance that such statements will prove to be accurate, as Lundin Gold's actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed in the "Risk Factors" section in Lundin Gold's Annual Information Form dated March 27, 2019, which is available at www.lundingold.com or on SEDAR.

Lundin Gold's actual results could differ materially from those anticipated. Factors that could cause actual results to differ materially from any forward-looking statement or that could have a material impact on the Company or the trading price of its shares, include: receipt of regulatory approvals, risks associated with the Company's community relationships; risks and hazards inherent in mining and processing; lack of availability of or interference with infrastructure; risks related to Lundin Gold's compliance with increasingly strict environmental laws and liability for environmental contamination; risks related political and economic instability in Ecuador; deficient or vulnerable title to mining concessions and surface rights; risk to shareholders of dilution from future equity financings; failure to maintain its obligations under its debt facilities; shortages of critical resources, such as skilled labour and supplies, consumables and equipment; inherent safety hazards and risk to the health and safety of the Company's employees and contractors; volatility in the price of gold; the cost of compliance or failure to comply with applicable laws; the timely receipt of regulatory approvals, permits and licenses; risks associated with the performance of the Company's contractors; the imprecision of Mineral Reserve and Resource estimates; dependence on key personnel; volatility in the market price of the Company's shares; the potential influence of the Company's largest shareholders; uncertainty with the tax regime in Ecuador; measures required to protect endangered species; exploration and development risks; the Company's reliance on one project risks related to artisanal and illegal mining; the reliance of the Company on its information systems and the risk of cyber-attacks on those systems; the ability to obtain adequate insurance; uncertainty as to reclamation and decommissioning; the uncertainty regarding risks posed by climate change; the ability of Lundin Gold to ensure compliance with anti-bribery and anti-corruption laws; the potential for litigation; and limits of disclosure and internal controls.