

LUNDIN GOLD REPORTS SECOND QUARTER 2025 RESULTS

Exceptional operating performance drives record revenues and free cash flow

Lundin Gold Inc. (TSX: LUG; Nasdaq Stockholm: LUG; OTCQX: LUGDF) ("Lundin Gold" or the "Company") today announced its financial results for the second quarter of 2025, featuring record revenues of \$453 million and net income of \$197 million (\$0.82 per share). Free cash flow¹ of \$236 million (\$0.98 per share) was driven by strong gold production of 139,433 ounces ("oz"), with 136,737 oz sold at an average realized gold price¹ of \$3,361 per oz, at low cash operating costs¹ of \$756 and all-in sustaining costs¹ ("AISC") of \$927 per oz sold. The Company also announced cash dividends totaling \$0.79 per share (approximately \$190 million) comprised of the fixed quarterly dividend of \$0.30 per share and the variable quarterly dividend of \$0.49 per share, to be paid at the end of the third quarter. All dollar amounts are stated in US dollars unless otherwise indicated.

Ron Hochstein, President and CEO commented, *"The second quarter of 2025 delivered outstanding results for Lundin Gold, featuring record revenues and record free cash flow. This was driven by excellent gold production, sales, and a robust realized gold price. Our mill achieved impressive throughput of 5,064 tpd with improved recoveries, a testament to our team's operational excellence."*

Given this strong performance and outlook, we've elevated the lower end of our 2025 production guidance from 475,000 to 490,000 oz while maintaining the upper end at 525,000 oz. We also expect to remain within the upper end of our cash operating cost¹ and AISC¹ guidance for the year. We are confident that our continued efforts to reduce costs and improve mill throughput will allow us to offset the impact of rising gold prices on royalties and profit sharing payable to employees."

As a direct result of our strong Q2 financial performance, we are pleased to declare sector leading dividends totaling \$0.79 per share, comprised of both our fixed and variable components, for payment in the third quarter. This demonstrates the effectiveness of our new dividend policy in returning capital to shareholders during periods of strong free cash flow, while still allowing us to strategically invest in our long-term growth initiatives. Lundin Gold remains in a formidable financial position, poised for continued success."

OPERATING AND FINANCIAL RESULTS SUMMARY

The following two tables provide an overview of key operating and financial results.

¹ Refer to "Non-IFRS Measures" section.

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Tonnes ore mined	448,627	419,173	851,848	838,931
Tonnes ore milled	460,820	424,899	858,979	838,495
Average mill throughput (tpd)	5,064	4,669	4,745	4,607
Average head grade (g/t)	10.4	11.0	10.4	10.2
Average recovery	90.9%	89.0%	89.8%	88.6%
Gold ounces produced	139,433	133,062	256,746	244,634
Gold ounces sold	136,737	129,396	254,378	238,312

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenues (\$'000)	452,880	301,431	809,225	528,172
Income from mining operations (\$'000)	314,161	171,757	547,707	284,994
Earnings before interest, taxes, depreciation, and amortization (\$'000) ¹	318,840	457,069	560,342	568,681
Adjusted earnings before interest, taxes, depreciation, and amortization (\$'000) ¹	318,840	195,401	560,342	326,857
Net income (\$'000)	196,731	119,291	350,231	161,188
Basic income per share (\$)	0.82	0.50	1.46	0.68
Cash provided by operating activities (\$'000)	254,782	144,169	449,090	252,083
Free cash flow (\$'000) ¹	235,670	(123,427)	406,453	(41,168)
Free cash flow per share (\$) ¹	0.98	(0.52)	1.69	(0.17)
Average realized gold price (\$/oz sold) ¹	3,361	2,379	3,231	2,270
Cash operating cost (\$/oz sold) ¹	756	725	773	730
All-in sustaining costs (\$/oz sold) ¹	927	875	918	872
Adjusted earnings (\$'000) ¹	196,731	98,938	350,231	156,734
Adjusted earnings per share (\$) ¹	0.82	0.41	1.46	0.66
Dividends paid per share (\$)	0.86	0.10	1.16	0.20

SECOND QUARTER HIGHLIGHTS

Financial Results

- Gold sales totalled 136,737 oz, consisting of 89,615 oz in concentrate and 47,122 oz as doré, resulting in gross revenues of \$460 million at an average realized gold price¹ of \$3,361 per oz. Average realized gold price¹ was positively impacted by rising gold prices on provisionally priced gold sales which exceeded fair value estimates as at March 31, 2025. Net of treatment and refining charges, revenues for the quarter were \$453 million.
- Average realized gold price¹ includes \$3,276 per ounce of gross price received and a favourable impact of \$85 per ounce from adjustments to provisionally priced sales.
- Cash operating costs¹ and AISC¹ were \$756 and \$927 per oz of gold sold, respectively. Sustaining capital expenditures¹ are expected to increase during the second half of 2025 with the continued ramp up of the fifth tailings dam raise and other site infrastructure improvement projects.
- The Company generated cash from operating activities of \$255 million and free cash flow¹ of \$236 million, or \$0.98 per share, resulting in a cash balance of \$493 million at June 30, 2025 following quarterly dividend and special dividend payments of \$107 million and \$100 million, respectively.

¹ Refer to "Non-IFRS Measures" section.

- EBITDA¹ was \$319 million while income from mining operations was \$314 million which, after deducting corporate, exploration, and taxes, resulted in net income of \$197 million for the quarter or \$0.82 per share.

Production Results

- The mine ramped up during the second quarter to keep pace with the mill resulting in a record 448,627 tonnes mined at an average grade of 9.3 g/t.
- The mill processed 460,820 tonnes at an average throughput rate of 5,064 tpd, with improved recoveries of 90.9%, achieving the process plant expansion operational targets. The average grade of ore milled was 10.4 g/t.
- Gold production was 139,433 oz which was comprised of 92,242 oz in concentrate and 47,191 oz as doré.

Outlook

- As a result of the strong operating performance in the first half of the year, the Company is updating its 2025 production guidance from 475,000 to 525,000 oz to 490,000 to 525,000 oz. Due to mine sequencing, the Company expects a reduction in average head grade during the second half of the year.
- The Company expects its cash operating cost¹ and AISC¹ to be near the upper end of guidance of \$730 to \$790 and \$935 to \$995 per oz sold respectively. While the significant increase in gold price has led to record financial performance during the first half of 2025, it has also resulted in increased royalties and profit sharing to employees, metrics that impact cash operating cost¹ and AISC¹. Continued efforts to reduce cost and improvements to mill throughput is expected to allow the Company to remain within the upper end of its cost guidance even with average realized gold prices¹ of \$3,231 per oz during the first half of 2025, compared to its guidance assumption of \$2,500 per oz.
- Sustaining capital expenditures¹ are expected to increase over the remainder of the year and come in at the previously guided \$75 to \$85 million.
- The near-mine underground drilling program is expected to continue to advance at FDNS where the primary focus is the conversion and expansion of this new system. The surface drilling program is expected to continue to explore the recently discovered Trancaloma copper-gold porphyry mineralization, expand the mineralization along the Bonza Sur and FDN East sectors, and advance on new sectors around FDN.
- Seventeen rigs are currently turning across the conversion and near-mine exploration programs. The Company increased the near-mine drilling program by 18,000 metres to a minimum of 83,000 metres to accelerate the definition of near-mine targets and the conversion drilling program from 15,000 metres to approximately 25,000 metres. A minimum of 108,000 metres of drilling are planned across the conversion and near-mine drilling programs for 2025.
- Mine engineering work is underway on FDNS to evaluate geotechnical, mine design, metallurgical characteristics and infrastructure needs with the goal of integrating FDNS into FDN's long-term mine plan in 2026.
- The regional exploration program is expected to continue to focus on the unexplored large package of mineral concessions located on a highly prospective environment which hosts the Fruta del Norte deposit.

¹ Refer to "Non-IFRS Measures" section.

This is the first year of a new three-year greenfield strategy to identify new areas for exploration drilling. The 2025 program includes a geophysical magnetic survey and a geochemical sampling program.

- The total estimated cost of the near-mine and regional program is \$47 million for the year. This represents the largest drill program ever completed on the land package that hosts the FDN deposit.
- Under its dividend policy, the Company anticipates continuing to declare quarterly minimum dividends of \$0.30 per share, equivalent to approximately \$300 million annually based on currently issued and outstanding shares, plus a variable dividend equal to an amount based on at least 50% of the Company's normalized free cash flow, after the deduction of the fixed dividend.

Liquidity and Capital Resources

At the end of June 30, 2025, the Company is in a strong financial position.

<i>(in thousands of U.S. dollars)</i>	As at June 30, 2025	As at December 31, 2024
Financial Position:		
Cash	493,372	349,200
Working capital	562,273	458,944
Total assets	1,618,899	1,527,481
Long-term debt	-	-

As at June 30, 2025, the Company had cash of \$493 million and a working capital balance of \$562 million compared to cash of \$349 million and a working capital balance of \$459 million at December 31, 2024. The change in cash during the 2025 Period was primarily due to cash generated from operating activities of \$449 million and proceeds from the exercise of stock options and anti-dilution rights totalling \$17.7 million. This is offset by dividends paid of \$280 million and capital expenditures of \$42.6 million.

Capital Expenditures

Sustaining Capital

- Sustaining capital expenditures¹ during the second quarter were \$15.9 million.
- Construction of the fifth raise of the tailings dam started in the second quarter with progress to date consistent with plan. Completion during the first quarter of 2026 remains as expected.
- Commissioning of the four additional diesel-powered generators was completed during the second quarter, and they are now operational. In the event of a power disruption from the national grid, the additional generators are expected to allow the FDN process plant to run slightly below capacity.
- Other projects that advanced during the quarter included improvements to the wastewater treatment plants, construction of camp and administration building, as well as enhancements to the South Portal.
- The 2025 conversion drilling program is focused on FDNS, located in the south portion of the FDN deposit. During the second quarter, the conversion drilling program completed approximately 7,085 metres across 50 holes with three rigs currently turning.
 - The completed holes confirmed the mineralization continuity and indicated higher grade zones within the vein system. Some conversion drill holes also intercepted mineralized zones outside of the existing geological model.

- A complete table of the conversion drilling results received to date can be found in Lundin Gold's press release dated July 31, 2025.
- The conversion drilling program has been expanded to 25,000 metres from 15,000 metres.

Health and Safety

During the second quarter there were no Lost Time Incidents and no Medical Aid Incidents. The Total Recordable Incident Rate across the Company was 0.00 per 200,000 hours worked for the quarter and 0.10 for the first six months of 2025.

Community

Lundin Gold sponsored community projects continued to advance well in the second quarter of 2025. One of the Company's most impactful programs, run by the non-governmental organization Educación para Compartir ("EPC"), has focused on mental health and well-being in our local communities since its inception in November 2023. During the second quarter, approximately 957 counselling sessions were provided, with an intake of approximately 55 new patients. As of the end of June, the sports academy component of the program had 359 youth registered in extra-curricular activities, including English studies, basketball, soccer, dance, music and boxing. During the quarter, Lundin Gold committed to the second phase of the EPC program, which is planned to run from July 2025 to December 2026. This second phase will build on the previous phase and seek to increase its reach and impact.

Engagement with El Pangui, Paquisha, Zamora, Yantzaza and Los Encuentros local governments continues to support rural road maintenance, road emergencies caused by extreme weather events, community wellbeing and regional exploration activities. During the quarter, the Company committed to several significant projects, such as improvements to the water system in El Pangui Canton and the installation and electricity network expansion in the Paquisha Canton.

Lundin Gold continued to participate in the community roundtable process. Six separate thematic roundtables were held in May. Approximately 200 individuals participated in these sessions, including local vendors, local authorities and Lundin Gold personnel.

Local businesses receive ongoing support from the Company, in conjunction with the Lundin Foundation. The local companies that participate in the Lundin Foundation's supplier development program continued to provide products and services to FDN, while also advancing growth strategies. The Lundin Foundation continued to support the third cohort of its successful Soy Emprendedora program. In furtherance of the Company's long-standing relationship with the Shuar Indigenous Peoples, Lundin Gold and the Lundin Foundation continued to advance the implementation of a Shuar local supplier initiative for FDN.

EXPLORATION

Near-Mine Exploration Program

During the second quarter of 2025, the Company completed a total of 19,788 metres across 35 holes from surface and underground.

The underground near mine drilling program focused on potential extensions of the FDNS deposit, which remains open for expansion in the north and along the south extensions where two underground rigs are currently turning. The underground drilling program continued to advance in the quarter at FDN East and is currently exploring the mineralization continuity in the central portion of this target. As at the date of this press release, three underground rigs are active in the near mine drilling program. In addition to the drilling programs, mine engineering work is underway on FDNS to evaluate geotechnical, mine design, metallurgical characteristics and infrastructure needs with the goal of integrating FDNS into FDN's long-term mine plan in 2026.

The surface near mine drilling program advanced in the recently discovered copper-gold mineralization at the Trancaloma target, while also continuing the delineation of the Bonza Sur deposit and drilling on new sectors like the Sandia porphyry, located a few kilometres east from the FDN deposit. As at the date of this press release, 11 surface rigs are drilling, with four of them at Trancaloma, one at Sandia, one below FDN depth, one at FDN East, one at Bonza Sur, and three testing new sectors.

- At Trancaloma, located on the east border of Bonza Sur, the drilling program confirmed the extension of the recently discovered copper-gold porphyry mineralization. In the eastern portion of the target, the drilling program followed up on drilling results from the first quarter, extended the mineralized system along the northeastern and southwestern directions, and identified areas for further expansion. The drilling program also advanced in the western portion of Trancaloma, where another near surface copper mineralized zone was identified.
- At Bonza Sur, drill holes were completed along south and southeastern extensions and confirmed the deposit's continuity. In the south end of the deposit recent drilling suggests further potential for expansion along this direction. Toward the southeastern extension, the drilling program advanced along the limit with the Trancaloma porphyry.
- At FDN East, the surface drilling program advanced in conjunction with the underground program and continued to intercept the mineralization continuity in the central part of the target and indicated areas for further expansion potential toward the north and south direction.
- At FDN, directional drilling technology has been employed in the surface drilling program to enhance precision for the target testing in the deeper portions of the deposit. Throughout the program, drill holes tested the mineralization continuity at distinct depths along the central portion of FDN.
- The near-mine exploration program continues to advance in unexplored areas close to FDN. A systematic exploration program employing geochemical and geophysical surveys and geological mapping advanced on potential targets. At Sandia, initial drilling results revealed the occurrence of a new shallow and wide copper-gold porphyry mineralization.

A table of second quarter 2025 near mine results for the FDNS, FDN East, Bonza Sur and Trancaloma and Sandia targets received to date can be found in Lundin Gold's press releases dated July 31 and August 5, 2025.

Regional Exploration Program

The Company advanced its multi-year regional exploration program during the second quarter of 2025. The program is expected to cover approximately 54,000 hectares on 23 of the Company's concessions along the Zamora Copper Gold Belt, a high potential geological setting which hosts the Fruta del Norte mine and several large copper gold projects. The exploration program continues to advance in the Gamora district, located 65 kilometres north of FDN and approximately four kilometres north of the Mirador copper gold mine. The Gamora district comprises multiple exploration sectors that exhibit geological features similar to those found in copper-gold porphyry systems. Geological mapping and geochemical sampling programs were completed in distinct parts of the district during the quarter and resulted in the identification of several new potential targets for further evaluation. Furthermore, exploration started at the Soberano concession, located approximately 22 kilometres southwest from the FDN Mine, where geological mapping followed by soil and rock sampling were completed.

CORPORATE

- The Company published its 2024 Sustainability Report in April which marks its second year of transition towards aligning with the European Sustainability Reporting Standards.
- The Company paid dividends during the quarter as follows:
 - A special dividend of \$0.41 per share on June 9, 2025 (June 12, 2025 for shares trading on Nasdaq Stockholm) for a total of \$100 million.
 - A quarterly dividend of \$0.45 per share, comprised of the fixed dividend of \$0.30 per share and variable dividend of \$0.15 per share, on June 25, 2025 (June 30, 2025 for shares trading on Nasdaq Stockholm) for a total of \$107 million.
- With the release of its second quarter 2025 results, the Company has declared cash dividends totaling \$0.79 per share, comprised of the fixed dividend of \$0.30 per share and variable dividend of \$0.49 per share, payable on September 25, 2025 (September 30, 2025 for shares trading on Nasdaq Stockholm) to shareholders of record at the close of business on September 10, 2025. Pursuant to the Company's dividend policy, the variable dividend was calculated based on 50% of the Company's normalized free cash flow, after deducting the fixed dividend paid, during the second quarter of 2025.

Qualified Persons

The technical information relating to Fruta del Norte contained in this press release has been reviewed and approved by Terry Smith P. Eng, Lundin Gold's COO, who is a Qualified Person in accordance with the requirements of National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). The disclosure of exploration information contained in this press release was prepared by Andre Oliveira P.Geo, Vice President, Exploration of the Company, who is a Qualified Person in accordance with the requirements of NI 43-101.

Webcast and Conference Call

The Company will host a conference call and webcast to discuss its results on August 8 at 5:30 a.m. PT, 8:30 a.m. ET, 2:30 p.m. CET.

Conference Call Dial-In Numbers:

Participant Dial-In North America:	+1 437-900-0527
Toll-Free Participant Dial-In North America:	+1 888-510-2154
Participant Dial-In Sweden:	+46 8 505 24649
Conference ID:	Lundin Gold / 02256

A link to the webcast will be available on the Company's website, www.lundingold.com.

A replay of the conference call will be available two hours after its completion until August 15, 2025.

Toll Free North America Replay Number:	+1 888-660-6345
International Replay Number:	+1 416-764-8677
Replay passcode:	02256 #

About Lundin Gold

Lundin Gold, headquartered in Vancouver, Canada, owns the Fruta del Norte gold mine in southeast Ecuador. Fruta del Norte is among the highest-grade operating gold mines in the world.

The Company's board and management team have extensive expertise and are dedicated to operating Fruta del Norte responsibly. The Company operates with transparency and in accordance with international best practices. Lundin Gold is committed to delivering value to its shareholders through operational excellence and growth, while simultaneously providing economic and social benefits to impacted communities, fostering a healthy and safe workplace and minimizing the environmental impact. Furthermore, Lundin Gold is focused on continued exploration on its extensive and highly prospective land package to identify and develop new resource opportunities to ensure long-term sustainability and growth for the Company and its stakeholders.

Non-IFRS Measures

This news release refers to certain financial measures, such as average realized gold price per oz sold, EBITDA, adjusted EBITDA, cash operating cost per oz sold, all-in sustaining cost, sustaining capital expenditures, free cash flow, free cash flow per share, and adjusted earnings, which are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. These measures may differ from those made by other companies and accordingly may not be comparable to such measures as reported by other companies. These measures have been derived from the Company's financial statements because the Company believes that they are of assistance in the understanding of the results of operations and its financial position. Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found on page 12 of the Company's MD&A for the year ended August 7, 2025 available on SEDAR+.

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 publicly communicated on August 7, 2025 at 4:30 p.m. Pacific Time through the contact persons set out below.

For more information, please contact

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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 several places, such as in statements relating to the Company’s 2025 production outlook, including estimates of gold production, grades recoveries and AISC; operating plans; expected sales receipts and cash flow forecasts; gold price; estimated capital costs and sustaining capital; estimated costs related to the Company’s near-mine and regional drilling programs; the Company’s ability to mitigate the impacts on its operations of a power disruption from the national grid; benefits of the Company’s community programs; the Company’s declaration and payment of dividends pursuant to its dividend policy; and the timing and the success of its drill program at Fruta del Norte and its other exploration activities; and estimates of Mineral Resources and Reserves at Fruta del Norte.

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 risks relating to: instability in Ecuador; community relations; reliability of power supply; tax changes in Ecuador; security; availability of workforce and labour relations; mining operations; waste disposal and tailings; environmental compliance; illegal mining; Mineral Reserve and Mineral Resource estimates; infrastructure; regulatory risk; government or regulatory approvals; forecasts relating to production and costs; gold price; dependence on a single mine; shortages of critical resources; climate change; exploration and development; control of Lundin Gold; dividends; information systems and cyber security; title matters and surface rights and access; health and safety; human rights; employee misconduct; measures to protect biodiversity, endangered species and critical habitats; global economic conditions; competition for new projects; key talent recruitment and retention; market price of the Company’s shares; social media and reputation; insurance and uninsured risks; pandemics, epidemics or infectious disease outbreak; conflicts of interest; violation of anti-bribery and corruption laws; internal controls; claims and legal proceedings; and reclamation obligations.

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 under the heading “Risk Factors” in the Company’s Annual Information Form dated March 17, 2025 available at www.sedarplus.ca.