

NEWS RELEASE

Lundin Mining Announces 50% Increase to Regular Dividend and Inaugural Performance Dividend

Toronto, July 28, 2021 (TSX: LUN; Nasdaq Stockholm: LUMI) Lundin Mining Corporation (“Lundin Mining” or the “Company”) today announced that its Board of Directors has declared dividends totaling CAD\$0.18 per share, comprised of a regular quarterly dividend of CAD\$0.09 per share and a performance dividend of CAD\$0.09 per share. This represents an increase of 300% compared to the most recent CAD\$0.06 per share dividend paid on June 23, 2021.

The regular dividend has increased 50% compared to the most recent dividend paid on June 23, 2021 and increased 125% compared to the dividend paid at the end of last year on December 16, 2020.

The total dividend is supported by the Company's dividend framework aimed at returning to shareholders, through a combination of a regular base dividend and semi-annual variable performance dividend, a minimum target of 40% of operating cash flow after capital investments, contingent payments and distributions to partners. The inaugural performance dividend of CAD\$0.09 per share was based on an approximate 40% payout for the first half of 2021.

The dividends are payable on September 15, 2021, to shareholders of record at the close of business on September 3, 2021. These dividends qualify as an 'eligible dividend' for Canadian income tax purposes. The declaration, timing, amount and payment of future dividends remain at the discretion of the Board of Directors.

Dividends on shares traded on the Toronto Stock Exchange (“TSX”) will be paid in Canadian Dollars (“CAD”) on September 15, 2021. Dividends on shares traded on Nasdaq Stockholm will be paid in Swedish kronor (“SEK”) in accordance with Euroclear principles on September 16, 2021. To execute the payment of the dividend, a temporary administrative cross-border transfer closure will be applied by Euroclear from September 2, 2021 up to and including September 3, 2021 during which period shares of the Company cannot be transferred between TSX and Nasdaq Stockholm.

About Lundin Mining

Lundin Mining is a diversified Canadian base metals mining company with operations in Brazil, Chile, Portugal, Sweden and the United States of America, primarily producing copper, zinc, gold and nickel.

The information was submitted for publication, through the agency of the contact persons set out below on July 28, 2021 at 19:50 Eastern Time.

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Cautionary Statement on Forward-Looking Information

Certain of the statements made and information contained herein, other than statements of historical fact and historical information, is “forward-looking information” within the meaning of applicable Canadian securities laws. Such statements include, but are not limited to, payment of the dividend and declaration of future dividends, and timing and amount thereof. Words such as “if”, “will be”, “may” and “schedule”, or variations of these terms or similar terminology or statements that certain actions, events or results “could” occur or be achieved are intended to identify such forward-looking information. Although the Company believes that the expectations reflected in the forward-looking information contained herein are reasonable, these statements by their nature involve risks and uncertainties, and are not guarantees of future performance. Forward-looking information is based on a number of assumptions, and subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements. 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 statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.