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NEWS RELEASE

Lundin Mining First Quarter 2023 Results

Toronto, May 3, 2023 (TSX: LUN; Nasdaq Stockholm: LUMI) Lundin Mining Corporation ("Lundin Mining" or the "Company") today reported net earnings attributable to Lundin Mining shareholders of $146.6 million ($0.19 per share) in the first quarter of 2023. The Company also generated adjusted earnings[1] of $125.7 million ($0.16 per share), adjusted EBITDA[1] of $336.9 million, and adjusted cash flow from operations[1] of $235.1 million ($0.30 per share).

"Our operations performed well in the first quarter of 2023, reflecting our continued focus on improving operational consistency and excellence. Copper production increased quarter-over-quarter with strong performance across our portfolio. Zinc production also increased meaningfully with the ongoing ramp-up of the Zinc Expansion Project at Neves-Corvo delivering a fourth quarter of sequential improvement and achieving record quarterly zinc production of nearly 27,800 tonnes. We remain on track to deliver our annual production guidance for all metals and cash costs," commented Peter Rockandel, CEO.

Mr. Rockandel added, *"With healthy metal prices, we generated adjusted EBITDA[1] of over $335 million and free cash flow from operations[1] of over $70 million in the first quarter. We continue to be very constructive on the outlook for the metals we produce and look forward to immediately growing our business with the closing and integration of our acquisition of an initial 51% interest in the Caserones copper-molybdenum mine early in the second half of this year."*

Summary Financial Results

	Three months ended March 31,	
US$ Millions (except per share amounts)	**2023**	2022
Revenue	**751.3**	991.1
Gross profit	**213.3**	478.8
Attributable net earnings[2]	**146.6**	345.1
Net earnings	**165.3**	378.1
Adjusted earnings [1,2]	**125.7**	295.6
Adjusted EBITDA[1]	**336.9**	587.8
Basic and diluted earnings per share ("EPS")[2]	**0.19**	0.47
Adjusted EPS[1,2]	**0.16**	0.40
Cash flow from operations	**211.9**	317.3
Adjusted operating cash flow[1]	**235.1**	472.8
Adjusted operating cash flow per share[1]	**0.30**	0.64
Free cash flow from operations[1]	**71.1**	194.8
Free cash flow[1]	**(34.2)**	172.3
Cash and cash equivalents	**184.2**	733.9
Net debt[1]	**(34.6)**	704.9

[1] These are non-GAAP measures. Please refer to the Company's discussion of non-GAAP and other performance measures in its Management's Discussion and Analysis for the three months ended March 31, 2023 and the Reconciliation of Non-GAAP Measures section at the end of this news release.

[2] Attributable to shareholders of Lundin Mining Corporation.

Highlights

For the quarter ended March 31, 2023 the Company generated revenue of $751.3 million (Q1 2022 - $991.1 million). Production costs were higher than the prior year quarter due to inflationary impacts, however cash cost[1] continue on track with recent guidance. The Company generated gross profit of $213.3 million (Q1 2022 - $478.8 million) and adjusted EBITDA of $336.9 million (Q1 2022 - $587.8 million).

Overall, our operations performed well during the first quarter of 2023 and the Company remains on track to achieve production guidance.

Operational Performance

Candelaria (80% owned): Candelaria produced 39,167 tonnes of copper, and approximately 24,000 ounces of gold in concentrate on a 100% basis in the quarter. Copper production was lower than the comparable prior year quarter due to grades whereas gold production was higher than the prior year quarter due to throughput. Current quarter production costs and copper cash cost of $2.21/lb were higher than the prior year quarter largely owing to higher contractor and maintenance costs. Cash cost was further impacted by union bonus payments for the finalization of the remaining two union negotiations which were successfully completed during the first quarter 2023, and lower sales volumes.

Chapada (100% owned): Chapada produced 9,864 tonnes of copper and approximately 12,000 ounces of gold in concentrate in the quarter. Copper production was lower than the prior year quarter primarily due to planned lower recoveries partially offset by higher throughput. Current quarter production for both metals was above expectations due to higher throughput. Production costs were lower due to lower sales volumes. Copper cash cost of $2.37/lb for the quarter was higher than the prior year quarter due to higher consumable costs and lower sales volumes.

Eagle (100% owned): During the quarter Eagle produced 3,724 tonnes of nickel and 3,140 tonnes of copper which were lower than the prior year quarter due to planned lower grades and lower throughput. Production costs were higher than the comparable prior year quarter due to higher consumable costs. Nickel cash cost in the quarter of $2.43/lb was higher than the prior year quarter due primarily to lower by-product copper price and lower sales volumes.

Neves-Corvo (100% owned): Neves-Corvo produced 7,574 tonnes of copper for the quarter and 27,793 tonnes of zinc. Copper production was lower than the prior year comparable quarter, due primarily to lower throughput and grades, while zinc production was higher primarily due to increased throughput driven by the ramp-up of the Zinc Expansion Project ("ZEP"). Production costs were higher than the prior year due to higher zinc volumes and copper cash cost of $1.69/lb for the quarter was comparable to the prior year quarter.

Zinkgruvan (100% owned): Zinc production of 20,760 tonnes, lead production of 7,407 tonnes and copper production of 1,717 tonnes were higher than the prior year quarter. Zinc and lead production were higher due to higher grades, and better than expected throughput while copper production was higher due to grades. Production costs were lower than the prior year quarter due to favourable foreign exchange. Zinc cash cost of $0.54/lb was higher than the prior year quarter due to lower by-product credits.

Total Production

(Contained metal in concentrate)[a]	2023	2022				
	Q1	Total	Q4	Q3	Q2	Q1
Copper (t)[b]	**61,462**	249,659	56,552	63,930	64,096	65,081
Zinc (t)	**48,553**	158,938	44,308	40,327	41,912	32,391
Gold (koz)[b]	**36**	154	36	45	39	34
Nickel (t)	**3,724**	17,475	4,096	4,379	4,719	4,281

a. Tonnes (t) and thousands of ounces (koz)

b. Candelaria's production is on a 100% basis.

1These are non-GAAP measures. Please refer to the Company's discussion of non-GAAP and other performance measures in its Management's Discussion and Analysis for the three months ended March 31, 2023 and the Reconciliation of Non-GAAP Measures section at the end of this news release.

Corporate Updates

- On February 8, 2023, the Company reported its Mineral Resource and Mineral Reserve estimates as at December 31, 2022.
- On February 22, 2023, the Company filed updated technical reports for Candelaria, Neves-Corvo and Eagle.
- On March 23, 2023, the Company announced the appointment of Ms. Maria Olivia Recart to the Company's Board of Directors.
- On March 27, 2023, the Company announced it entered into a binding purchase agreement with JX Nippon Mining and Metals Corporation to acquire a majority interest in the Caserones copper-molybdenum mine ("Caserones") in Chile. The Company will pay $800 million and in addition, $150 million in deferred cash consideration over a six year period following the closing date. The Company will also have the right to acquire an additional 19% interest in Caserones for $350 million over a five-year period commencing on the first anniversary of the date of closing. The transaction is expected to close in the third quarter of 2023.
- On April 11, 2023, the Company announced the Annual Meeting of Shareholders will be held on Thursday, May 11, 2023.
- On April 26, 2023, the Company executed a fifth amended and restated credit agreement that extended the term of its revolving credit facility (“the Credit Facility”) to April 2028.

Financial Performance

- Gross profit for the quarter ended March 31, 2023 was $213.3 million, a decrease of $265.5 million in comparison to the prior year quarter due to higher operating costs impacted by inflationary impacts, lower metal prices net of price adjustments ($151.8 million) and lower sales volumes.
- For the three months ended March 31, 2023, net earnings of $165.3 million were $212.8 million lower than the prior year comparable period due to lower gross profit partially offset by lower income taxes.
- Adjusted earnings of $125.7 million for the quarter ended March 31, 2023, were lower than the prior year comparable quarter due to lower net attributable earnings.

Financial Position and Financing

- During the quarter ended March 31, 2023, cash and cash equivalents decreased by $7.1 million. Cash flow from operations of $211.9 million was used to fund investing activities of $240.1 million. Cash from financing activities was $19.5 million which was comprised primarily of the proceeds from debt on a net basis and the settlement of foreign currency derivatives.
- As at March 31, 2023, the Company had a net debt balance of $34.6 million.
- As at May 3, 2023, the Company had cash and net debt balances of approximately $180 million and $90 million, respectively.

Outlook

The Company remains in a strong financial position with its producing assets generating material free cash flow from operations which continues to be allocated towards growth projects, acquisitions and shareholder distributions.

All metal production continues to track against the most recently reported guidance ranges as outlined in the MD&A for the year ended December 31, 2022. Metal production is modestly weighted to the second half of the year for all sites except Neves-Corvo where copper is equally weighted and zinc production is expected to increase as initiatives to enable ZEP to consistently achieve nameplate capacity are executed and expected to result in improved overall throughput and metal recovery rates.

Forecast cash costs at all sites are trending within or better than guidance ranges due to lower than anticipated production cost at all sites except Eagle, where cash cost is trending higher due to anticipated lower sales volumes.

The Company continues to experience continuing risks associated with global inflation as well as supply chain delivery. To date, there have been no significant impacts on our operations relating to supply chain availability. The Company has implemented procurement strategies and foreign exchange and diesel hedging programs to mitigate the impact on costs and continues to monitor these risks.

Cash based capital expenditures, are tracking well to the most recent guidance of $1,100.0 million, inclusive of capitalized costs for the Josemaria Project. Similarly, total exploration expenditures are on target of $45.0 million for 2023.

About Lundin Mining

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

The information in this release is subject to the disclosure requirements of Lundin Mining under the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below on May 3, 2023 at 18:00 Eastern Time.

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Technical Information

The scientific and technical information in this press release has been prepared in accordance with the disclosure standards of National Instrument 43-101 (“NI 43-101”) and has been reviewed by Arman Barha, P.Eng., Vice President, Technical Services, a "Qualified Person" under NI 43-101. Mr. Barha has verified the data disclosed in this release and no limitations were imposed on his verification process.

Reconciliation of Non-GAAP Measures

The Company uses certain performance measures in its analysis. These performance measures have no standardized meaning within generally accepted accounting principles under International Financial Reporting Standards and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. For additional details please refer to the Company's discussion of non-GAAP and other performance measures in its Management's Discussion and Analysis for the three months ended March 31, 2023 which is available on SEDAR at www.sedar.com.

Adjusted EBITDA can be reconciled to the Company's Consolidated Statement of Earnings as follows:

	Three months ended March 31,	
($thousands)	**2023**	2022
Net earnings	**165,311**	378,109
Add back:		
Depreciation, depletion and amortization	**120,247**	129,837
Finance income and costs	**15,699**	14,972
Income taxes	**48,693**	77,206
	349,950	600,124
Unrealized foreign exchange	**8,644**	7,853
Revaluation loss (gain) on derivative liability	**(19,250)**	3,293
Sinkhole costs	**4,582**	—
Revaluation gain on marketable securities	**(438)**	(3,892)
Gain on disposal of subsidiary	**(5,718)**	(16,828)
Other	**(827)**	(2,776)
Total adjustments - EBITDA	**(13,007)**	(12,350)
Adjusted EBITDA	**336,943**	587,774

Adjusted earnings and adjusted earnings per share can be reconciled to the Company's Consolidated Statement of Earnings as follows:

	Three months ended March 31,	
($thousands, except share and per share amounts)	**2023**	2022
Net earnings attributable to Lundin Mining shareholders	**146,620**	345,078
Add back:		
Total adjustments - EBITDA	**(13,007)**	(12,350)
Tax effect on adjustments	**(3,126)**	(2,034)
Deferred tax arising from foreign exchange translation	**(6,007)**	(34,954)
Other	**1,202**	(132)
Total adjustments	**(20,938)**	(49,470)
Adjusted earnings	**125,682**	295,608
Basic weighted average number of shares outstanding	**771,216,060**	736,410,739
Net earnings attributable to shareholders	**0.19**	**0.47**
Total adjustments	**(0.03)**	**(0.07)**
Adjusted earnings per share	**0.16**	**0.40**

Adjusted operating cash flow and adjusted operating cash flow per share can be reconciled to cash provided by operating activities as follows:

	Three months ended March 31,	
($thousands, except share and per share amounts)	**2023**	2022
Cash provided by operating activities	**211,875**	317,257
Changes in non-cash working capital items	**23,192**	155,548
Adjusted operating cash flow	**235,067**	472,805
Basic weighted average number of shares outstanding	**771,216,060**	736,410,739
Adjusted operating cash flow per share	**0.30**	**0.64**

Free cash flow from operations can be reconciled to cash provided by operating activities as follows:

	Three months ended March 31,	
($thousands)	**2023**	2022
Cash provided by operating activities	**211,875**	317,257
Sustaining capital expenditures	**(155,564)**	(130,758)
General exploration and business development	**14,765**	(8,282)
Free cash flow from operations	**71,076**	194,781
General exploration and business development	**(14,765)**	(8,282)
Expansionary capital expenditures	**(90,519)**	(14,154)
Free cash flow	**(34,208)**	172,345

Net (debt) cash can be reconciled as follows:

($thousands)	**March 31, 2023**	December 31, 2022
Cash and cash equivalents	**184,239**	191,387
Current portion of total debt and lease liabilities	**(177,108)**	(170,149)
Debt and lease liabilities	**(37,634)**	(27,179)
	(214,742)	(197,328)
Deferred financing fees (netted in above)	**(4,070)**	(4,926)
	(218,812)	(202,254)
Net debt	**(34,573)**	(10,867)

Cash and All-in Sustaining Costs can be reconciled to the Company's operating costs as follows:

Three months ended March 31, 2023						
Operations	**Candelaria**	**Chapada**	**Eagle**	**Neves-Corvo**	**Zinkgruvan**	
($000s, unless otherwise noted)	**(Cu)**	**(Cu)**	**(Ni)**	**(Cu)**	**(Zn)**	**Total**
Sales volumes (Contained metal in concentrate):						
Tonnes	35,570	9,072	2,735	8,031	16,612	
Pounds (000s)	78,418	20,000	6,030	17,705	36,623	
Production costs						417,764
Less: Royalties and other						(12,086)
						405,678
Deduct: By-product credits						(156,965)
Add: Treatment and refining						36,615
Cash cost	173,692	47,318	14,640	29,892	19,786	285,328
Cash cost per pound ($/lb)	**2.21**	**2.37**	**2.43**	**1.69**	**0.54**	
Add: Sustaining capital	90,686	16,027	7,102	25,061	14,468	
Royalties	—	2,223	5,686	1,730	—	
Reclamation and other closure accretion and depreciation	2,307	1,801	2,958	1,324	1,061	
Leases & other	3,143	966	747	158	102	
All-in sustaining cost	269,828	68,335	31,133	58,165	35,417	
AISC per pound ($/lb)	**3.44**	**3.42**	**5.16**	**3.29**	**0.97**	

Three months ended March 31, 2022						
Operations	**Candelaria**	**Chapada**	**Eagle**	**Neves-**	**Zinkgruvan**	
($000s, unless otherwise noted)	**(Cu)**	**(Cu)**	**(Ni)**	**(Cu)**	**(Zn)**	**Total**
Sales volumes (Contained metal in concentrate):						
Tonnes	38,448	12,804	3,267	8,484	15,802	
Pounds (000s)	84,763	28,228	7,202	18,704	34,837	
Production costs						382,427
Less: Royalties and other						(15,877)
						366,550
Deduct: By-product credits						(181,007)
Add: Treatment and refining						32,155
Cash cost	133,985	51,437	(8,979)	31,797	9,458	217,698
Cash cost per pound ($/lb)	**1.58**	**1.82**	**(1.25)**	**1.70**	**0.27**	
Add: Sustaining capital	82,964	14,455	4,460	19,516	9,039	
Royalties	—	3,664	7,791	2,813	—	
Reclamation and other closure accretion and depreciation	1,969	1,884	4,617	331	1,117	
Leases & other	1,968	929	651	202	238	
All-in sustaining cost	220,886	72,369	8,540	54,659	19,852	
AISC per pound ($/lb)	**2.61**	**2.56**	**1.19**	**2.92**	**0.57**	

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 this document 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 Caserones transaction; the Company's integration of acquisitions and any anticipated benefits thereof, including the Caserones 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 labour; 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: 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; project financing risks, liquidity risks and limited financial resources; volatility and fluctuations in metal and commodity demand and prices; delays or the inability to obtain, retain or comply with permits; significant reliance on a single asset; reputation risks related to negative publicity with respect to the Company or the mining industry in general; health and safety risks; risks relating to the development of the Josemaria Project; inability to attract and retain highly skilled employees; risks associated with climate change; compliance with environmental, health and safety laws and regulations; unavailable or inaccessible infrastructure, infrastructure failures, and risks related to ageing infrastructure; risks inherent in and/or associated with operating in foreign countries and emerging markets, including with respect to foreign exchange and capital controls; 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, environmental and tailings management, labour, trade relations, and transportation; risks relating to indebtedness; the inability to effectively compete in the industry; the inability to currently control the Caserones mine and the ability to satisfy the conditions and consummate the Caserones transaction on the proposed terms and expected schedule; 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; changing taxation regimes; 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; 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; environmental and regulatory risks associated with the structural stability of waste rock dumps or tailings storage facilities; activist shareholders and proxy solicitation matters; risks relating to dilution; regulatory investigations, enforcement, sanctions and/or related or other litigation; risks relating to payment of dividends; counterparty and customer concentration risks; the estimation of asset carrying values; risks associated with the use of derivatives; 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 a significant shareholder; exchange rate fluctuations; challenges or defects in title; internal controls; 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; the threat associated with outbreaks of viruses and infectious diseases; risks relating to minor elements contained in concentrate products; and other risks and uncertainties, including but not limited to those described in the "Risk and Uncertainties" section of the Company's Annual Information Form and the "Managing Risks" section of the Company's MD&A for the year ended December 31, 2022, which are available on SEDAR at www.sedar.com under the Company's profile.

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.