

## NEWS RELEASE

### Lundin Mining First Quarter Results

**Toronto, April 28, 2021 (TSX: LUN; Nasdaq Stockholm: LUMI) Lundin Mining Corporation** (“Lundin Mining” or the “Company”) today reported cash flows of \$158.7 million generated from operations in its first quarter 2021. Adjusted operating cash flow<sup>2</sup> for the quarter was \$279.8 million (\$0.38 per share). Net earnings attributable to Lundin Mining shareholders for the quarter was \$135.2 million (\$0.18 per share) and adjusted earnings<sup>2</sup> was \$144.4 million (\$0.20 per share). Adjusted EBITDA<sup>2</sup> was \$354.4 million for the quarter.

Marie Inkster, President and CEO commented, “Our operations performed well in the first quarter. Candelaria and Chapada significantly increased mill throughput quarter-over-quarter and a new record for zinc ore was set at Zinkgruvan. With increasing ore grades at Candelaria and Chapada, we are well positioned to deliver our annual guidance.

While first quarter financial results were impacted by timing with a shipment from Chapada pushed into early April, we generated significant operating cash flow. Eagle achieved a cash cost<sup>2</sup> of negative \$1.62/lb nickel and contributed over \$75 million of operating cash flow. The Zinc Expansion Project at Neves-Corvo restarted in early January and is on-track for commissioning later this year. Lastly, in early April, at Chapada we were successful in the acquisition of 23 highly prospective near-mine exploration claims through government auction, increasing our overall land position by 80%.

We continue to expect 2021 to be an exciting and rewarding year for Lundin Mining, as we benefit from the recent investments made in our operations to take full advantage of the favourable metal price environment and to generate meaningful free cash flow for our shareholders.”

### Summary Financial Results

US\$ Millions (except per share amounts)	Three months ended	
	March 31	
	2021	2020
Revenue	<b>681.5</b>	378.0
Gross profit (loss)	<b>252.5</b>	(22.7)
Attributable net earnings (loss) <sup>1</sup>	<b>135.2</b>	(111.5)
Net earnings (loss)	<b>154.2</b>	(113.6)
Adjusted earnings (loss) <sup>2</sup>	<b>144.4</b>	(40.6)
Adjusted EBITDA <sup>2</sup>	<b>354.4</b>	90.3
Basic and diluted earnings (loss) per share <sup>1</sup>	<b>0.18</b>	(0.15)
Basic and diluted adjusted earnings (loss) per share <sup>2</sup>	<b>0.20</b>	(0.06)
Cash flow from operations	<b>158.7</b>	83.4
Adjusted operating cash flow <sup>2</sup>	<b>279.8</b>	27.9
Adjusted operating cash flow per share <sup>2</sup>	<b>0.38</b>	0.04
Cash and cash equivalents	<b>181.3</b>	366.9
Net debt <sup>2</sup>	<b>8.1</b>	117.7

<sup>1</sup> Attributable to shareholders of Lundin Mining Corporation.

<sup>2</sup> This is a non-GAAP measure. Please refer to the Company's discussion of non-GAAP measures in its Management's Discussion and Analysis for the three months ended March 31, 2021.

## Highlights

### Operational Performance

Operations performed well during the quarter with production in-line with expectations. Full-year metal production at all mines remains on track to achieve or exceed previously reported guidance. Cash costs are also trending at or better than previously reported guidance.

The Company continues to manage and respond to the COVID-19 pandemic and has implemented preventative measures to ensure the safety of its workforce, local communities and other key stakeholders. Candelaria and Chapada have experienced a recent increase in case levels as infection rates in Brazil and Chile have been increasing. The sites have reinforced safety procedures and implemented additional controls and mass testing to identify and control further spread. To date, production disruptions as a result of COVID-19 have been minimal and there has been no significant disruption in the delivery or receipt of goods at our operations.

**Candelaria (80% owned):** Candelaria produced 34,203 tonnes of copper, and approximately 21,000 ounces of gold in concentrate on a 100% basis in the quarter. While mill throughput was higher than the prior year quarter, copper production was lower primarily due to planned lower grades in the current year quarter. Gold production was comparable to the prior year quarter. Copper cash costs<sup>1</sup> of \$1.65/lb for the quarter were higher than the prior year comparable quarter largely owing to the impact of lower sales volumes.

**Chapada (100% owned):** Chapada produced 9,841 tonnes of copper and approximately 13,000 ounces of gold in concentrate. Copper and gold production for the quarter were lower than the prior year quarter primarily due to planned lower grades and recoveries. Processed ore of over 5.8 million tonnes was the second highest quarterly throughput achieved since acquisition. Copper cash costs of \$1.33/lb for the quarter were higher than the prior year quarter due mainly to lower sales volumes, impacted by timing of sales.

**Eagle (100% owned):** Eagle produced 5,354 tonnes of nickel and 5,391 tonnes of copper during the quarter. Nickel and copper production were higher than the prior year quarter as a result of a greater proportion of mining in the higher grade Eagle East orebody. By-product credits, aided by rising copper prices, exceeded gross cash costs in the quarter resulting in nickel cash costs of negative \$1.62/lb.

**Neves-Corvo (100% owned):** Neves-Corvo produced 7,441 tonnes of copper and 14,710 tonnes of zinc for the quarter. Copper and zinc production were lower than the prior year quarter due to lower mill throughput and grades. Copper cash costs of \$2.61/lb for the quarter were higher than the prior year quarter primarily due to lower sales volumes.

The Zinc Expansion Project ("ZEP") officially restarted in January 2021, following proactive suspension in March 2020 due to the COVID-19 pandemic. It is expected that the project construction will be substantially completed by the end of 2021 with commissioning of the mine materials handling systems, shaft upgrade and the expanded zinc processing plant.

**Zinkgruvan (100% owned):** Zinc production of 18,655 tonnes was comparable with the prior year quarter. Lead production of 4,709 tonnes was lower than the prior year quarter due to lower feed grades. Zinc cash costs of \$0.76/lb were higher than the prior year quarter as a result of lower by-product credits.

<sup>1</sup> This is a non-GAAP measure. Please refer to the Company's discussion of non-GAAP measures in its Management's Discussion and Analysis for the three months ended March 31, 2021.

## Total Production

(Contained metal in concentrate)	2021	Total	2020			
	Q1		Q4	Q3	Q2	Q1
Copper (t) <sup>a</sup>	57,354	230,781	41,885	61,444	65,285	62,167
Zinc (t)	33,365	142,744	41,428	32,787	31,582	36,947
Gold (koz) <sup>a</sup>	34	163	35	45	44	39
Nickel (t)	5,354	16,718	4,909	4,854	3,380	3,575

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

## Corporate Highlights

- On February 18, 2021, the Company announced a 50% increase in its cash dividend, to C\$0.06 per share or C\$0.24 per share annualized, compared to the quarterly dividend paid in 2020.

## Financial Performance

- Gross profit for the quarter ended March 31, 2021 was \$252.5 million, an increase in gross profit of \$275.2 million compared to the first quarter of 2020. The increase was primarily due to higher revenues driven by higher metal prices and price adjustments (\$331.0 million), partially offset by lower copper sales volumes.
- Net earnings for the current quarter were \$154.2 million, a \$267.8 million increase over the net loss from the first quarter of 2020. The increase was primarily attributable to higher gross profit.
- Adjusted earnings for the quarter were \$144.4 million, compared to adjusted loss of \$40.6 million in the prior year quarter and reflects higher gross profit partially offset by higher income taxes and non-controlling interest.

## Financial Position and Financing

- Cash and cash equivalents increased by \$39.9 million during the quarter ended March 31, 2021 to \$181.3 million. Cash flow from operations of \$158.7 million exceeded capital expenditures of \$112.5 million, partially offset by the effects of foreign exchange on cash balances.
- Net debt as at March 31, 2021 was \$8.1 million, a decrease of \$55.1 million from the net debt balance as at December 31, 2020. The decrease in net debt is attributable to the positive cash flow impacts previously described.
- As of April 28, 2021, the Company had a cash and net cash balance of approximately \$215.0 million and \$25.0 million, respectively.

## Outlook

Annual nickel production guidance has been increased, reflecting excellent first quarter 2021 results from Eagle. All other production guidance for 2021 remains unchanged from that previously provided.

Cash cost guidance for Eagle has been improved given the first quarter performance and the expectation of continued favourable copper by-product metal prices. Cash cost guidance for all other operations are unchanged from those previously provided.

While the Company has not experienced significant disruptions to production, shipments of concentrate, or its supply chain due to COVID-19, we continue to caution that a localized outbreak at the operations may require the need to implement increased isolation and containment measures which could impact production, delay maintenance activities or disrupt supply chains. Given the uncertainty of the duration and magnitude of the impact of COVID-19, production and cash cost estimates are subject to a higher than normal degree of uncertainty. The guidance below does not reflect any potential for additional suspensions or other significant disruption to operations due to COVID-19.

### 2021 Production and Cash Cost Guidance

		Previous Guidance <sup>a</sup>		Revised Guidance	
		Production	Cash Costs	Production	Cash Costs <sup>b</sup>
<b>Copper (t)</b>	Candelaria	172,000 - 182,000	\$1.35/lb	172,000 - 182,000	\$1.35/lb <sup>c</sup>
	Chapada	48,000 - 53,000	\$1.10/lb	48,000 - 53,000	\$1.10/lb <sup>d</sup>
	Eagle	17,000 - 20,000		17,000 - 20,000	
	Neves-Corvo	35,000 - 40,000	\$2.20/lb	35,000 - 40,000	\$2.20/lb <sup>c</sup>
	Zinkgruvan	3,000 - 4,000		3,000 - 4,000	
	<b>Total</b>	<b>275,000 - 299,000</b>		<b>275,000 - 299,000</b>	
<b>Zinc (t)</b>	Neves-Corvo	70,000 - 75,000		70,000 - 75,000	
	Zinkgruvan	71,000 - 76,000	\$0.65/lb	71,000 - 76,000	\$0.65/lb <sup>c</sup>
	<b>Total</b>	<b>141,000 - 151,000</b>		<b>141,000 - 151,000</b>	
<b>Gold (oz)</b>	Candelaria	95,000 - 100,000		95,000 - 100,000	
	Chapada	75,000 - 80,000		75,000 - 80,000	
	<b>Total</b>	<b>170,000 - 180,000</b>		<b>170,000 - 180,000</b>	
<b>Nickel (t)</b>	<b>Eagle</b>	<b>15,000 - 18,000</b>	<b>\$0.50/lb</b>	<b>17,000 - 20,000</b>	<b>\$(0.25)/lb</b>

a. Guidance as outlined in the Management's Discussion and Analysis for the year ended December 31, 2020.

b. Cash costs are based on various assumptions and estimates, including but not limited to: production volumes, as noted above, commodity prices (Cu: \$3.75/lb, Zn: \$1.15/lb, Pb: \$0.85/lb, Au: \$1,700/oz), foreign exchange rates (€/USD:1.20, USD/SEK:8.20, USD/CLP:700, USD/BRL:5.10) and operating costs for the remaining of 2021.

c. 68% of Candelaria's total gold and silver production are subject to a streaming agreement and silver production at Zinkgruvan and Neves-Corvo are also subject to streaming agreements. Cash costs are calculated based on the receipt of approximately \$4.16/oz gold \$4.16/oz to \$4.48/oz silver.

d. Chapada cash costs are calculated on a by-product basis and do not include the effects of its copper stream agreements. Effects of copper stream agreements are reflected in copper revenue and will impact realized revenue per pound.

## 2021 Capital Expenditure Guidance

Capital expenditures, excluding capitalized interest, are outlined below.

<b>2020 Guidance (\$millions)</b>	<b>Previous Guidance<sup>a</sup></b>	<b>Revisions</b>	<b>Revised Guidance</b>
<b>Sustaining Capital</b>			
Candelaria (100% basis)	345		345
Chapada	65		65
Eagle	15	5	<b>20</b>
Neves-Corvo	65		65
Zinkgruvan	50		50
<b>Total Sustaining Capital</b>	<b>540</b>	<b>5</b>	<b>545</b>
<b>Zinc Expansion Project (Neves-Corvo)</b>	<b>70</b>		<b>70</b>
<b>Total Capital Expenditures</b>	<b>610</b>	<b>5</b>	<b>615</b>

a. Guidance as outlined in the Management's Discussion and Analysis for the year ended December 31, 2020.

## 2021 Exploration Investment Guidance

Total planned exploration expenditures are expected to be \$40.0 million in 2021, unchanged from previous guidance. Approximately \$38.0 million will be spent supporting significant in-mine and near-mine targets at our operations (\$14.0 million at Candelaria, \$6.0 million at Zinkgruvan, \$14.0 million at Chapada, and \$4.0 million at Neves-Corvo). The remaining amount is planned to advance activities on exploration stage and new business development projects.

## 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 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 April 28, 2021 at 17:00 Eastern Time.

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## 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; and the Company’s integration of acquisitions and any anticipated benefits thereof. 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 labor; 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: 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; global financial conditions and inflation; changes in the Company’s share price, and volatility in the equity markets in general; volatility and fluctuations in metal and commodity prices; the threat associated with outbreaks of viruses and infectious diseases, including the COVID-19 virus; changing taxation regimes; reliance on a single asset; delays or the inability to obtain, retain or comply with permits; risks related to negative publicity with respect to the Company or the mining industry in general; health and safety risks; exploration, development or mining results not being consistent with the Company’s expectations; unavailable or inaccessible infrastructure and risks related to ageing infrastructure; 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; 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; ore processing efficiency; community and stakeholder opposition; information technology and cybersecurity risks; 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; regulatory investigations, enforcement, sanctions and/or related or other litigation; uncertain political and economic environments, including in Brazil and Chile; risks associated with the structural stability of waste rock dumps or tailings storage facilities; estimates of future production and operations; estimates of operating, cash and all-in sustaining cost estimates; civil disruption in Chile; the potential for and effects of labor disputes or other unanticipated difficulties with or shortages of labor or interruptions in production; risks related to the environmental regulation and environmental impact of the Company’s operations and products and management thereof; exchange rate fluctuations; reliance on third parties and consultants in foreign jurisdictions; climate change; risks relating to attracting and retaining of highly skilled employees; compliance with environmental, health and safety laws; counterparty and credit risks and customer concentration; litigation; risks inherent in and/or associated with operating in foreign countries and emerging markets; risks related to mine closure activities and closed and historical sites; changes in laws, regulations or policies including but not limited to those related to mining regimes, permitting and approvals, environmental and tailings management, labor, trade relations, and transportation; internal controls; challenges or defects in title; the estimation of asset carrying values; historical environmental liabilities and ongoing reclamation obligations; the price and availability of key operating supplies or services; competition; indebtedness; compliance with foreign laws; existence of significant shareholders; liquidity risks and limited financial resources; funding requirements and availability of financing; enforcing legal rights in foreign jurisdictions; dilution; risks relating to dividends; 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; activist shareholders and proxy solicitation matters; and other risks and uncertainties, including but not limited to those described in the “Risk and Uncertainties” section of the Annual Information Form and the “Managing Risks” section of the Company’s MD&A for the year ended December 31, 2020, which are available on SEDAR at [www.sedar.com](http://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.