

LUNDIN GOLD REPORTS FIRST QUARTER OF 2024 RESULTS

Results Provide Strong Foundation to Meet 2024 Guidance

Lundin Gold Inc. (TSX: LUG) (Nasdaq Stockholm: LUG) (OTCQX: LUGDF) ("Lundin Gold" or the "Company") is pleased to report results for the first quarter of 2024, highlighted by gold production of 111,572 ounces ("oz") and gold sales of 108,916 oz at a cash operating cost¹ of \$735 per oz sold and all-in sustaining cost ("AISC")¹ of \$868 per oz sold from its Fruta del Norte gold mine ("Fruta del Norte" or "FDN") located in southeastern Ecuador. Bolstered by strong operating performance, reduced debt servicing costs and record high gold prices, Fruta del Norte generated in excess of \$100 million cash from operating activities in the first quarter, and free cash flow¹ of \$82.3 million or \$0.35 per share, resulting in a cash balance of \$324 million as at March 31, 2024. All amounts are in U.S. dollars unless otherwise indicated.

"I'm pleased to report another great start to the year for Lundin Gold. Operations are running consistently, including cost performance and production which is weighted to the second half of the year. Our Process Plant Expansion Project to deliver increased throughput and recoveries is on track for year-end completion. As a result of our conversion drilling, we announced the replacement of our Mineral Reserves and continue to focus on organic growth opportunities." Ron Hochstein, President and CEO commented, *"With the buy out of the stream credit facility and offtake agreement, we are poised to repay the final piece of the Fruta del Norte project finance debt by the end of the second quarter, and are looking forward to further margin expansion in addition to unencumbered exposure to rising gold prices. 2024 is shaping up to be a great year with our continued focus on operational excellence, near-term production growth and very exciting exploration throughout the Fruta del Norte district."*

OPERATING AND FINANCIAL RESULTS SUMMARY

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

	Three months ended March 31	
	2024	2023
Tonnes ore mined	419,758	427,735
Tonnes ore milled	413,596	392,332
Average mill throughput (tpd)	4,545	4,359
Average mill head grade (g/t)	9.5	12.3
Average recovery	88.3%	90.6%
Gold ounces produced	111,572	140,021
Gold ounces sold	108,916	134,691

¹ Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found on pages 13 to 16 of the Company's MD&A for the first quarter ended March 31, 2024 available on SEDAR+.

	Three months ended	
	March 31	
	2024	2023
Revenues (\$'000)	226,741	256,728
Income from mining operations (\$'000)	113,237	132,708
Earnings before interest, taxes, depreciation, and amortization (\$'000) ¹	111,612	143,632
Adjusted earnings before interest, taxes, depreciation, and amortization (\$'000) ¹	131,456	159,066
Net income (\$'000)	41,897	51,465
Basic income per share (\$)	0.18	0.22
Cash provided by operating activities (\$'000)	107,914	144,439
Free cash flow (\$'000) ¹	82,259	(11,653)
Free cash flow per share (\$) ¹	0.35	(0.05)
Average realized gold price (\$/oz sold) ¹	2,141	1,952
Cash operating cost (\$/oz sold) ¹	735	644
All-in sustaining costs (\$/oz sold) ¹	868	728
Adjusted earnings (\$'000) ¹	57,796	67,014
Adjusted earnings per share (\$) ¹	0.24	0.28
Dividends paid per share (\$)	0.10	0.10

FIRST QUARTER HIGHLIGHTS - FDN STRONGLY POSITIONED TO PROFIT FROM RISING GOLD PRICES

Financial Results

- Gold sales totalled 108,916 oz, consisting of 71,676 oz in concentrate and 37,240 oz as doré, resulting in gross revenues of \$233 million at an average realized gold price¹ of \$2,141 per oz.
- Net of treatment and refining charges, revenues for the quarter were \$227 million.
- Cash operating costs¹ and AISC¹ were \$735 and \$868 per oz of gold sold, respectively, which are both in line with expectations. Cash operating costs¹ per oz sold were at the upper end of guidance as a result of lower gold production resulting from expected lower grades and recoveries, while the lower level of sustaining capital activities than anticipated during the quarter reduced AISC¹.
- The Company generated cash from operating activities of \$108 million and free cash flow¹ of \$82.3 million or \$0.35 per share resulting in a cash balance of \$324 million at March 31, 2024.
- Earnings before interest, taxes, depreciation, and amortization¹ (“EBITDA”) and adjusted EBITDA¹ were \$112 million and \$131 million, respectively, with the difference resulting from derivative losses recognized in the quarter and a one-time special government levy, payable in two equal instalments.
- Net income was \$41.9 million including a derivative loss of \$17.9 million, and net of corporate, exploration, finance costs, and associated taxes. Adjusted earnings¹, which exclude the one-time special government levy, derivative losses and related taxes, were \$57.8 million, or \$0.24 per share.

Production Results

- Gold production was 111,572 oz which was comprised of 73,964 oz in concentrate and 37,608 oz as doré.

¹ Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found on pages 13 to 16 of the Company's MD&A for the first quarter ended March 31, 2024 available on SEDAR+.

- Mine production totalled 419,758 tonnes of ore at an average grade of 10.5 grams per tonne.
- The mill processed 413,596 tonnes of ore at an average throughput rate of 4,545 tpd which is consistent with the throughput rate achieved during the previous year.
- The average grade of ore milled was 9.5 grams per tonne with average recovery at 88.3%.

Outlook

- First quarter performance provides a strong foundation for the rest of the year. The Company's production guidance of 450,000 to 500,000 oz and AISC¹ guidance of \$820 to \$890 oz. sold remain unchanged.
- Production is expected to be higher during the second half of the year driven by planned increase in grades and recoveries.
- Process Plant Expansion Project to increase plant throughput to 5,000 tpd and improve metallurgical recoveries, with the addition of three Jameson cells, remains on track for completion by the end of 2024.
- Near-mine drilling program to continue to explore Bonza Sur where the primary focus is to better understand the target's mineralized zones as well as expanding the system to the north and at depth.
- At the new FDN East discovery, two rigs will focus on expanding the initial positive results achieved to gain a better understanding of the mineralized zones and the main geological controls.
- One underground rig is expected to continue to test the extension of the FDN mineral envelope at depth.
- The regional drilling program is planned to start during the second quarter with one surface rig testing the Robles and Lupita targets in the Southern Basin.
- Ten rigs are turning across the conversion, near-mine and regional programs and a minimum of 65,000 metres of drilling continues to be planned in 2024. This represents the largest drill program ever completed at the land package that hosts the FDN deposit. The estimated exploration budget for 2024 remains \$42 million.
- The Company anticipates continuing to declare quarterly dividends of at least \$0.10 per share, which is equivalent to approximately \$100 million annually, based on currently issued and outstanding shares. With the Company becoming debt free combined with rising gold prices, the Company expects to review its dividend policy in the latter half of 2024.

Liquidity and Capital Resources

At the end of the first quarter of 2024, the Company is in a strong financial position:

<i>(in thousands of U.S. dollars)</i>	As at March 31, 2024	As at December 31, 2023
Financial Position:		
Cash	323,935	268,025
Working capital	413,528	346,859
Total assets	1,508,987	1,468,209
Long-term debt		
Fair value of stream credit facility and offtake	326,791	305,647

¹ Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found on pages 13 to 16 of the Company's MD&A for the first quarter ended March 31, 2024 available on SEDAR+.

The change in cash during the first quarter was primarily due to cash generated from operating activities of \$108 million and proceeds from the exercise of stock options totalling \$4.3 million. This is offset by principal repayments, interest and finance charges, including associated taxes, under the stream credit facility (“Stream Facility”) totalling \$15.1 million; dividends of \$23.9 million; cash outflows of \$13.6 million relating to sustaining and plant expansion capital spending; and settlement of vested share units with cash of \$3.6 million.

The Stream Facility was the last remaining debt on the Company’s balance sheet following the full repayment of both the gold prepay credit facility and senior debt facility during 2023. On April 25, 2024, the Company announced that it had entered into an agreement with Newmont to buy out 100% of the balance of the Stream Facility and offtake agreement for total consideration of \$330 million (the “Transaction”)¹.

Capital Expenditures

- **Sustaining Capital:**
 - Sustaining capital activities during the quarter focused on completing projects that began in 2023 including the implementation of a mine dispatch system and the upgrade of the surface haul road from the mine to the ore stockpile area.
 - For the conversion drilling program, a total of 3,710 metres across 30 drill holes were completed in the north sector of the FDN deposit. Conversion drilling continues to confirm mineralization at FDN with high-grade drilling intercepts associated with breccias and stockwork zones, like the mineralization found in the north sector of the Mineral Reserve envelope. Two rigs are currently turning under the conversion program.
- **Process Plant Expansion Project**
 - Detailed engineering advanced during the quarter, along with procurement activities of plant equipment for the expansion which is expected to improve throughput to 5,000 tonnes per day and improve recoveries by approximately 3%.
 - Construction of the upgraded tailings and reclaim pipelines commenced late in the quarter.
 - The project continues to track on schedule for completion in December of this year.

Health and Safety

During the first quarter there were two Lost Time Incidents and three Medical Aid Incidents. The Total Recordable Incident Rate across exploration and operations was 0.63 per 200,000 hours worked for the quarter.

Community

Lundin Gold continued to support several community projects in the first quarter of 2024, including initiatives focused on community health and education. The mental health and well-being program run by Educación para Compartir, an international non-profit organization, continued with increased participation by local community members. The program has expanded to incorporate extra-curricular activities for young people and extended to rural communities close to Fruta del Norte. Company sponsored education programs, which aim to improve local student access to higher education, continued to show success. At quarter end, there were more than 200 students from the nearby town of Los Encuentros enrolled at public and private universities.

¹ The Transaction constitutes a "related party transaction", as defined under Multilateral Instrument 61-101 ("MI 61-101"). The Transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as the consideration paid pursuant to the Transaction does not exceed 25% of the Company's market capitalization.

Infrastructure investment continued to be a priority for Lundin Gold in the quarter. In line with the Company's long-standing commitment to support road maintenance, Lundin Gold reached an agreement with local authorities to participate in a road paving initiative, which when completed will benefit more than 200 residents.

During the first quarter of 2024, two series of dialogue round tables occurred, with high participation rates by local community members.

EXPLORATION

Near-Mine Exploration Program

During the first quarter of 2024, the Company completed a total of 12,331 metres across 26 holes from surface and underground. Drilling from underground explored mainly the FDN deposit at depth while drilling from surface continued to test sectors located along the extensions of the controlling structures of the FDN deposit, such as Bonza Sur and FDN East.

- During the quarter, the surface drilling program continued along the extensions of the East Fault, where the Bonza Sur discovery and other prospective sectors like FDN East, FDN North and Alejandro are located.
 - At Bonza Sur, located one kilometre from FDN, eight surface drill holes were completed and continue to expand this new epithermal system. Recent results confirm higher-grade intercepts at shallower depths associated mainly to vein/veinlet zones of quartz and minor chalcedony and manganoan-carbonate with occurrences of disseminated to semi-massive levels of sulphides (mainly sphalerite and galena). Mineralization has already been identified for more than 1.3 kilometres along the north-south strike and for at least 500 metres along the downdip and remains open in all directions.
 - At FDN East, a new buried epithermal mineralized system was discovered only 100 metres east from FDN. The target is hosted in similar volcanic and intrusive rocks as those found at the FDN deposit and is buried by sedimentary cover. Four drill holes were completed during the first quarter and intercepted gold mineralization associated with significant levels of hydrothermal alteration represented by veins and/or veinlets of chalcedony, sulfides (mainly pyrite) and visible gold.
- Underground exploration drilling at FDN continues to explore extensions of the mineral envelope at depth and four drill holes have been completed year-to-date. Of note, drill hole UGE-DD-24-089 indicates gold mineralization associated with zones of hydrothermal alteration of a similar composition to that found at shallower levels of the mine and underscores the potential to expand FDN's current mineral envelope at depth.

Regional Exploration Program

The 2024 regional program continues to advance the identification of important indicators that point toward the presence of buried epithermal deposits in the southern basin. New sectors have been identified along the south border of the Suarez basin. A total of 10,000 metres of drilling is planned to be completed in 2024.

During the quarter, exploration fieldwork activities were completed on the Robles and Lupita targets, located to the south of the Suarez Basin. Detailed geological interpretation of exploration data and additional fieldwork were completed and aimed at identifying major structures and zones of hydrothermal alteration. The regional drilling program commenced at the Robles target in April.

CORPORATE – QUARTERLY DIVIDEND OF \$0.10 PER SHARE PAID AND DECLARED

The Company paid its quarterly dividend of \$0.10 per share on March 25, 2024 (March 28 for shares trading on Nasdaq Stockholm) based on a record date of March 8, 2024, for a total of \$23.9 million. With the release of its first quarter 2024 results, the Company has declared a cash dividend of \$0.10 per share, which is payable on June 25, 2024 (June 28 for shares trading on Nasdaq Stockholm) to shareholders of record on June 10, 2024.

Qualified Persons

The technical information relating to FDN contained in this News Release has been reviewed and approved by Terry Smith P. Eng, Lundin Gold's COO who is a Qualified Person under NI 43-101. The disclosure of exploration information contained in this press release was prepared by Andre Oliveira, P.Geol, Lundin Gold's V.P. Exploration, 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 Thursday, May 9 at 9:00 a.m. PT, 12:00 p.m. ET, 6:00 p.m. CET.

Conference Call Dial-In Numbers:

Participant Dial-In North America:	+1 416-764-8659
Toll-Free Participant Dial-In North America:	+1 888-664-6392
Participant Dial-In Sweden:	0200899189
Conference ID:	Lundin Gold / 56420882

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 the completion of the call until Thursday, May 24, 2024.

Toll Free North America Replay Number:	+1 888-390-0541
International Replay Number:	+1 416-764-8677
Replay passcode:	420882 #

About Lundin Gold

Lundin Gold, headquartered in Vancouver, Canada, is committed to positive and long-lasting impact on our host communities, while delivering significant value to stakeholders through operational excellence, cash flow generation and focused growth. Lundin Gold currently operates its 100% owned Fruta del Norte gold mine in southeast Ecuador, which is one of the highest-grade gold mines in production in the world today. The Company also owns a portfolio of prospective exploration properties close to FDN.

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, 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, with the achievement of commercial production, 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 13 of the Company's MD&A for the three months ended March 31, 2024 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 May 8, 2024 at 6:30 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 2024 production outlook, including estimates of gold production, grades recoveries and AISC; operating plans; expected sales receipts, and cash flow forecasts, completion of the buy out of the Stream Credit Facility and the Offtake Agreement; timing of the completion of

the Process Plant Expansion Project and its intended benefits, its estimated capital costs; expected management changes; benefits of the Company's community programs; the Company's declaration and payment of dividends pursuant to its dividend policy; 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. 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 26, 2024, which is available at www.lundingold.com or www.sedarplus.ca.

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: instability in Ecuador; community relations; forecasts relating to production and costs; mining operations; security; non-compliance with laws and regulations and compliance costs; tax changes in Ecuador; waste disposal and tailings; government or regulatory approvals; environmental compliance; gold price; infrastructure; dependence on a single mine; exploration and development; control of Lundin Gold; availability of workforce and labour relations; dividends; information systems and cyber security; Mineral Reserve and Mineral Resource estimates; 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; shortages of critical resources; 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; climate change; illegal mining; conflicts of interest; ability to maintain obligations or comply with debt; violation of anti-bribery and corruption laws; internal controls; claims and legal proceedings; and reclamation obligations.