

An aerial photograph of a mining operation in a desert landscape. The foreground shows a large industrial complex with several circular tanks and buildings. The middle ground features a large, terraced open-pit mine. The background consists of a range of mountains under a clear blue sky. The entire image has a light blue overlay.

# lundin mining

**Fourth Quarter and Full Year 2021 Results**

February 18, 2022

TSX: LUN Nasdaq Stockholm: LUMI

Candelaria, Atacama Region, Chile

# Cautionary Statements

## Caution Regarding Forward-Looking Information and Non-GAAP Performance Measures

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; the Company’s integration of acquisitions and any anticipated benefits thereof, including but not limited to expectations regarding whether the proposed transaction (the “Transaction”) with Josemaria Resources Inc. (“Josemaria Resources”) will be consummated, including whether conditions to the Transaction will be satisfied, or the timing for completing the Transaction, expectations regarding the potential benefits and synergies of the Transaction and the ability of the combined company to successfully achieve business objectives, including integrating the companies or the effects of unexpected costs, liabilities or delays, expectations regarding additions to mineral resources, mineral reserves and future production, expectations regarding financial strength, free cash flow generation, trading liquidity, and capital markets profile, expectations regarding future exploration and development, growth potential for Lundin Mining’s and Josemaria Resources’ operations; 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 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; the ability to consummate the Transaction; the ability to obtain requisite court, regulatory and shareholder approvals and the satisfaction of other conditions to the consummation of the Transaction on the proposed terms and schedule; the ability of Lundin Mining and Josemaria Resources to successfully integrate their respective operations and employees and realize synergies and cost savings at the times, and to the extent, anticipated; the potential impact on exploration activities; the potential impact of the announcement or consummation of the Transaction on relationships, including with regulatory bodies, employees, suppliers, customers and competitors 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, 2021, 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.

### Non-IFRS Measures

Lundin Mining has included certain non-IFRS measures in this document such as adjusted earnings, adjusted EBITDA, adjusted operating cash flow, free cash flow, net cash (debt), cash cost, and expansionary capital expenditures. Please see the Management’s Discussion and Analysis (“MD&A”) for the year ended December 31, 2021, for discussion of non-GAAP measures and reconciliations, which information is incorporated by reference herein and which is available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). Lundin Mining believes that these measures, in addition to conventional measures prepared in accordance with International Financial Reporting Standards (“IFRS”), provide investors an improved ability to evaluate the underlying performance of Lundin Mining and Josemaria Resources and the proposed transaction. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

Note: All dollar amounts are in US dollars unless otherwise denoted.

# Participants

**Peter Rockandel**  
President, CEO & Director

**Jinhee Magie**  
SVP & CFO

**Peter Richardson**  
SVP & COO

**Ciara Talbot**  
VP, Exploration



Five professionals from Candelaria selected among the more than 1,300 nominations to the 100 Inspiring Women of Chilean Mining – January 2022

Karina Briño, General Manager, Administration  
Evelyn Walter, Radar Operator and President of the Candelaria Workers' Union  
Pamela Bordones, Operations Geologist and President of the Candelaria Supervisors Union  
Maricel Dorador, Head of Security for the Industrial Protection Sub-Management  
Jessica Zuleta, Reliability Engineer in the Mine Maintenance Department

# 2021 Highlights



## High Quality Competitive Mines

- best-ever Total Recordable Injury Frequency (TRIF) rate of 0.54
- met or exceeded most recent production guidance for all metals
- cash costs<sup>1</sup> in line or better than guidance at each operation
- generated record net earnings attributable to shareholders of \$780M, adjusted earnings<sup>1</sup> of \$821M, adjusted EBITDA<sup>1</sup> of \$1.9B and free cash flow<sup>1</sup> of over \$1.0B



## Advanced Internal Growth Initiatives

- Neves-Corvo Zinc Expansion Project (ZEP) construction substantially complete
- advanced Chapada expansion study work and discovered the high-grade copper-gold Saúva prospect
- progressed internal feasibility study on Candelaria underground expansion (CUGEP)
- completed internal technical and economic studies on Eagle East Keel zone



## Remain Focused on Value Creation

- declared C\$0.39/sh in dividends in 2021; nearly 145% increase to dividends declared in 2020
- purchased 4.5M shares under normal course issuer bid
- announced acquisition of Josemaria Resources<sup>2</sup> which is expected to significantly increase copper and gold growth and scale

1. Cash cost, adjusted earnings, adjusted EBITDA and free cash flow are non-GAAP and other performance measures. Please see Lundin Mining's MD&A for the three and twelve months ended December 31, 2021 for discussion on non-GAAP measures and other performance measures.

2. Announced acquisition remains subject to completion. The completion of the acquisition of Josemaria by Lundin Mining remains subject to satisfaction of conditions, including the approval by shareholders of Josemaria Resources. See Cautionary Statements. Refer to news release "Lundin Mining to Acquire Josemaria Resources, Meaningfully Increasing Copper and Gold Growth Profile" dated December 20, 2021.

# 2021 Summary Results



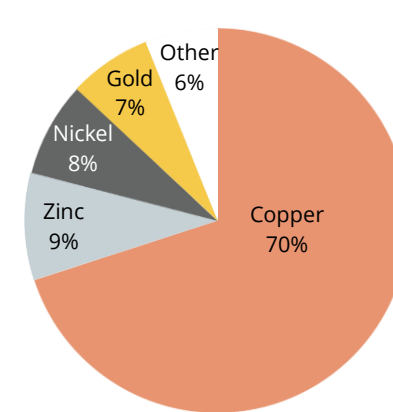
## Production

262,884 t of copper  
143,797 t of zinc  
167,000 oz of gold  
18,353 t of nickel  
27,602 t of lead

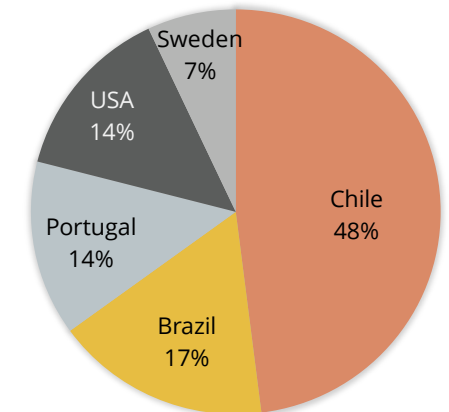
## Payable Sales

250,282 t of copper  
117,678 t of zinc  
157,000 oz of gold  
15,012 t of nickel  
24,135 t of lead

## Record \$3.3B in Sales



**By Metal**



**By Jurisdiction**

# Financial Highlights

<b>Realized Metal Prices<sup>1,2</sup></b>	<b>Q4/21</b>	<b>2021</b>	<b>2020</b>	<b>Δ</b>
Copper	\$4.76/lb	\$4.41/lb	\$2.88/lb	53%
Zinc	\$1.65/lb	\$1.43/lb	\$1.03/lb	39%
Gold	\$1,846/oz	\$1,774/oz	\$1,846/oz	(4%)
Nickel	\$9.67/lb	\$8.49/lb	\$6.22/lb	36%
<b>Summary Financial Results<sup>2</sup></b>	<b>Q4/21</b>	<b>2021</b>	<b>2020</b>	<b>Δ</b>
Revenue	\$1,019M	\$3,329M	\$2,042M	63%
Gross Profit	\$433M	\$1,370M	\$498M	175%
Attributable Net Earnings	\$229M \$0.31/sh	\$780M \$1.06/sh	\$169M \$0.23/sh	362% \$0.83/sh
Adjusted Earnings	\$282M \$0.38/sh	\$821M \$1.11/sh	\$225M \$0.31/sh	265% \$0.80/sh
Adjusted EBITDA	\$623M	\$1,869M	\$857M	118%
Cash Flow from Operations	\$384M	\$1,485M	\$566M	162%
Adjusted Operating Cash Flow	\$482M \$0.65/sh	\$1,487M \$2.02/sh	\$645M \$0.88/sh	131% \$1.14/sh
Free Cash Flow	\$248M	\$1,010M	\$199M	408%
Cash	\$594M	\$594M	\$141M	\$453M
Net Cash (Debt)	\$563M	\$563M	(\$63M)	\$626M

- net cash has since improved to approximately \$620M as at February 17, 2021
- declared regular quarterly dividend of C\$0.09/sh and semi-annual performance dividend of C\$0.11/sh on February 17, 2021

1. LUN average realized price, including impact of provisional price adjustments. Realized price for copper is inclusive of the impact of streaming agreements.

2. Realized metal price, Adjusted Earnings, Adjusted EBITDA, Adjusted Operating Cash Flow, Free Cash Flow and Net Cash (Debt) are non-GAAP and other performance measures. Please see Lundin Mining's MD&A for the three and twelve months ended December 31, 2021 for discussion on non-GAAP measures.

# Candelaria

## Strong Finish to 2021

- copper production achieved, and gold production exceeded, most recent guidance
- cash cost of \$1.51/lb of copper bettered most recent guidance
- particularly strong Q4/21, producing 45,573 t of copper and 26,000 oz of gold, the most since Q3/17, at cash cost of \$1.31/lb of copper
- full year capex of \$312M slightly below guidance of \$325M

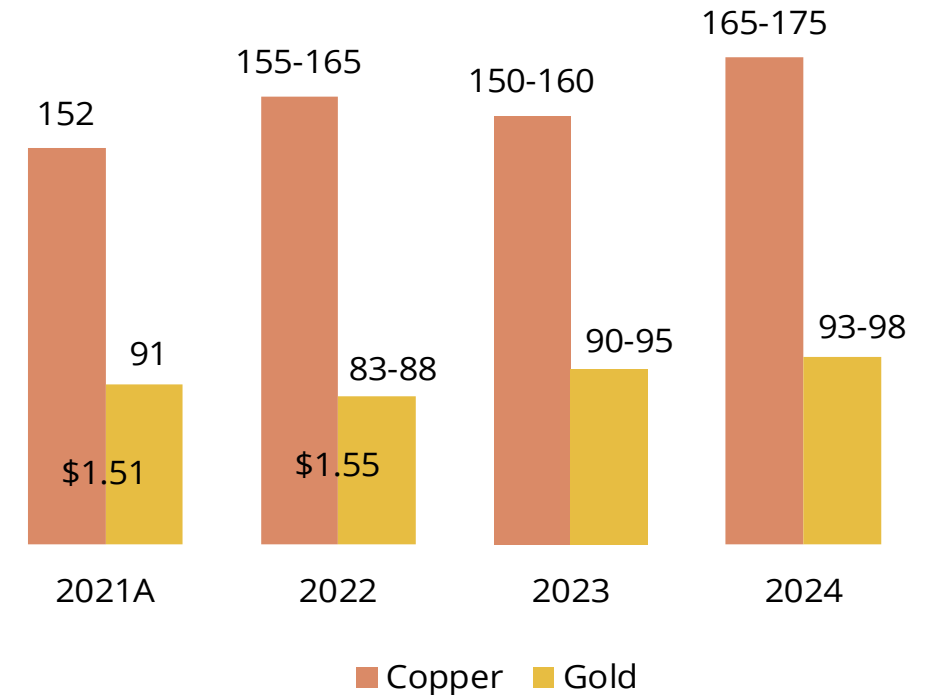
## 2022 Outlook

- open pit ore mining to continue primarily from Phase 10, with initial contribution from Phase 11
- capex guidance of \$370M
- debottlenecking of pebble crushing circuit
- finalization of CUGEP feasibility study
- planned exploration expenditures of \$15M
- over 54,000m of drilling planned



Women Apprentices Program – Future mining equipment operators in-field training program – January 2022

## Copper, Gold Production & Cash Cost Outlook<sup>1,2</sup> (100% basis; kt Cu, koz Au & \$/lb Cu, net of by-product credits)



2. 2021 production and cash cost are actuals as outlined in the Management's Discussion and Analysis for the year ended December 31, 2021. Guidance for 2022 through 2024 is as announced by news release entitled "Lundin Mining Provides Operational Outlook & Update" dated November 22, 2021. Currently, 68% of Candelaria's total gold and silver production are subject to a streaming agreement and as such 2022 cash cost guidance is based on receipt of \$420/oz and \$4.20/oz on the streamed portion of gold and silver sales, respectively.

## Record Mill Throughput

- copper production exceeded guidance and gold production achieved the top end of annual guidance
- set annual mill throughput record of 24.1 Mt processed
- achieved cash cost of \$1.05/lb of copper for the year bettering guidance
- full year capex of \$52M in line with guidance
- completed 66,300 m of exploration drilling, exceeding target

## 2022 Outlook

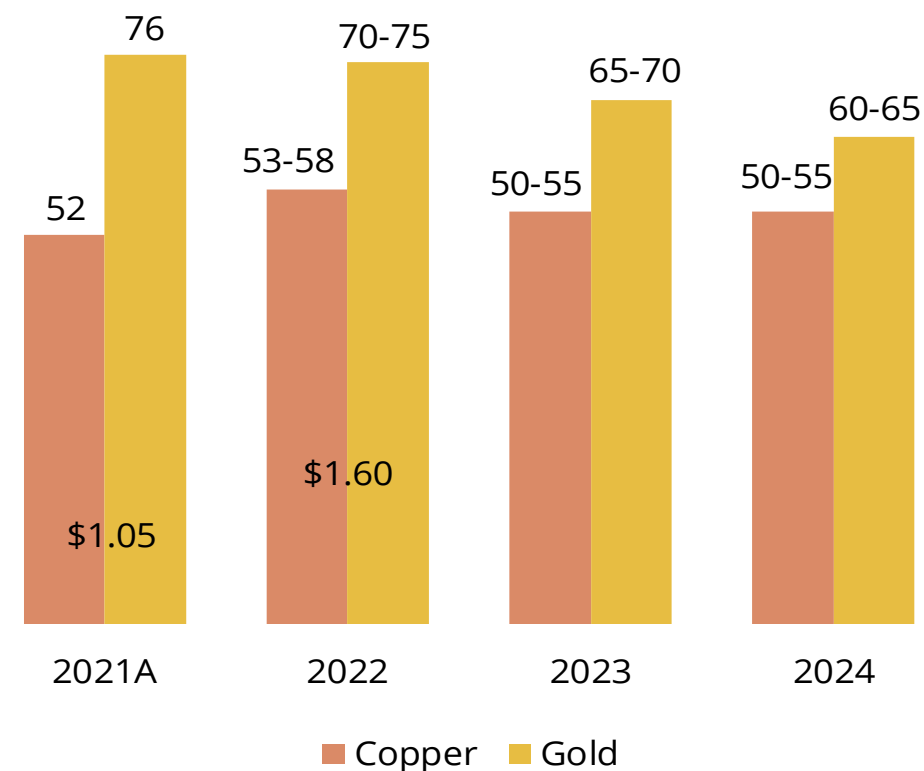
- production expected to be weighted to H2/22, due to grade profile and seasonal operating considerations
- capex guidance of \$65M
- planned exploration expenditure of \$10M
- 60,000 m of drilling planned, including new Saúva discovery
- expansion studies ongoing to optimize life-of-mine value



New Chapada state-of-the-art tailings geotechnical monitoring center

## Copper, Gold Production & Cash Cost Outlook<sup>1</sup>

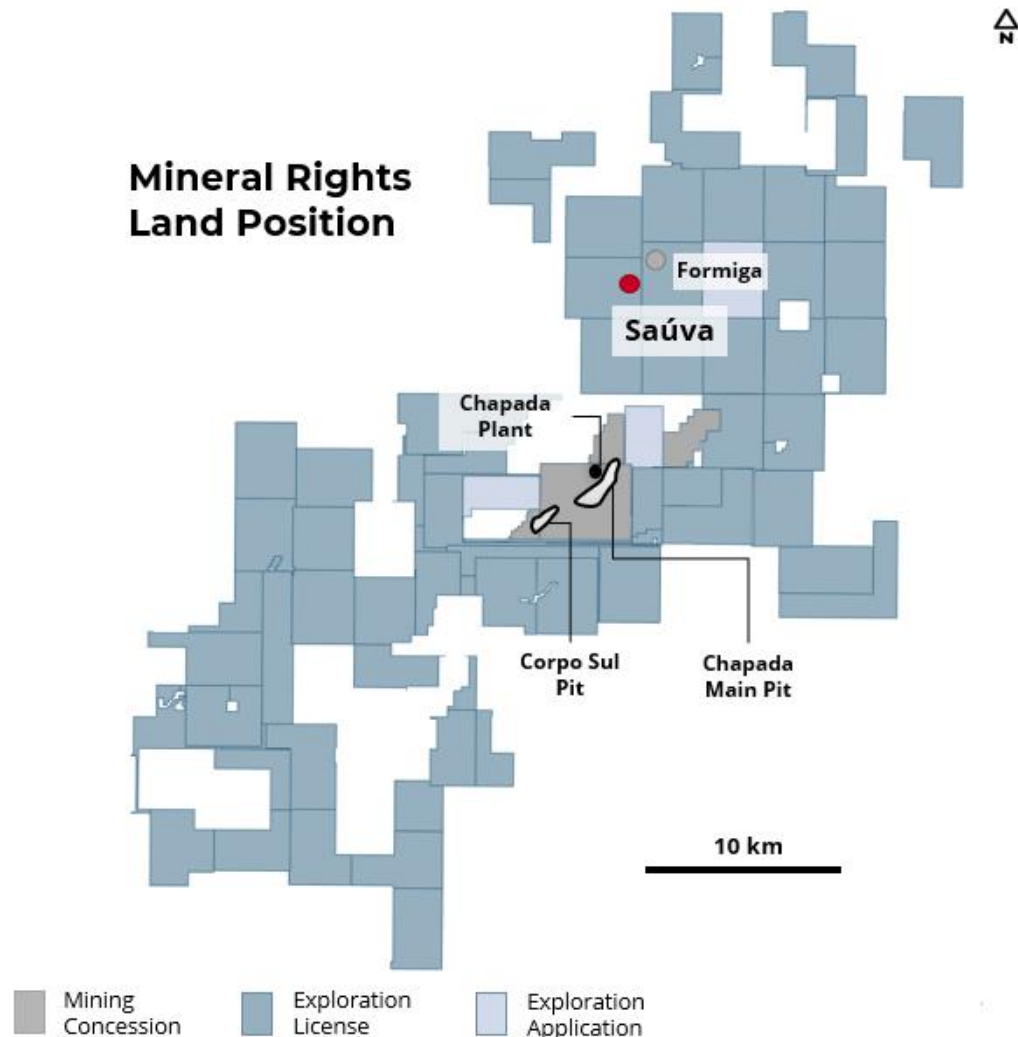
(100% basis; kt Cu, koz Au & \$/lb Cu, net of by-product credits)



1. 2021 production and cash cost are actuals as outlined in the Management's Discussion and Analysis for the year ended December 31, 2021. Guidance for 2022 through 2024 is as announced by news release entitled "Lundin Mining Provides Operational Outlook & Update" dated November 22, 2021. Chapada cash costs are calculated on a by-product basis and do not include the effects of its copper stream agreements. Effects of the copper stream agreements are reflected in copper revenue and will impact realized price per pound.



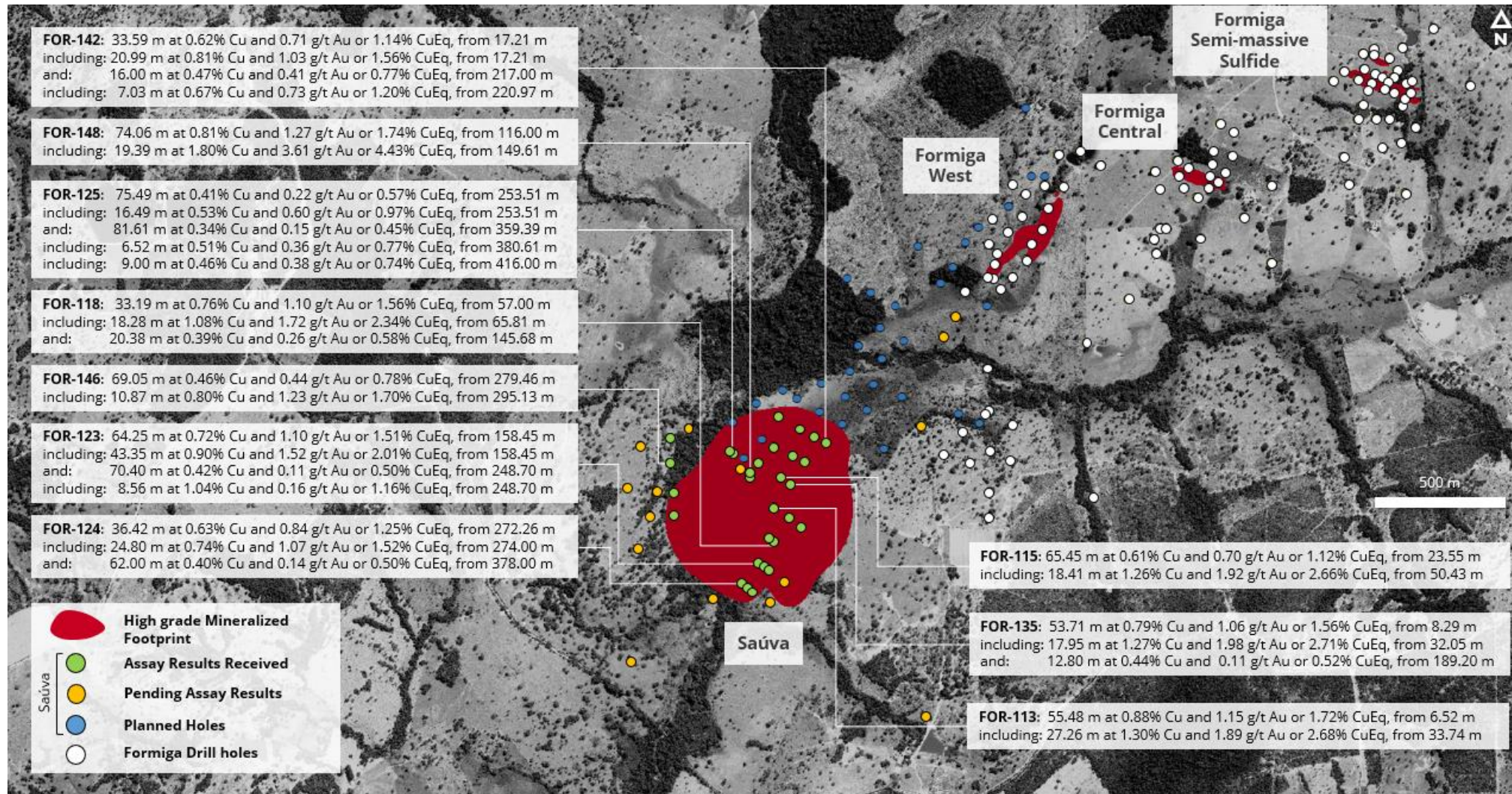
# Copper-Gold Saúva Discovery at Chapada<sup>1</sup>



- located approximately 15 km north of Chapada mine
- exploration concession was prioritized and acquired in 2021 federal auction process
- first two drill holes confirmed presence of shallow high-grade copper-gold mineralization
- 47 drill holes completed to date with assay results received from 29 holes
- current mineralized area measures approximately 750 m by 650 m and remains open in all directions
- presently three rigs testing areas to the northeast and west of the discovery area
- aggressive and methodical exploration of the sector planned for 2022 as part of the \$10 million exploration program
- additional drill rigs and approximately 50 holes planned to test northeast along strike to towards the Formiga sector

1. Refer to news release "Lundin Mining Announces New Copper-Gold Saúva Discovery at Chapada" dated February 10, 2022.

# Copper-Gold Saúva Discovery at Chapada<sup>1</sup>



Copper equivalent grades (CuEq) are for comparative purposes only. Calculations are uncut and recovery is assumed to be 100% as metallurgical data is insufficient to allow for estimation of metal recoveries. Copper equivalence (CuEq %) is calculated as:  $CuEq \% = Cu \% + (Au \text{ g/t} \times 0.7292)$ , employing metal prices of Cu - US\$3.00/lb, Au - US\$1,500/oz.

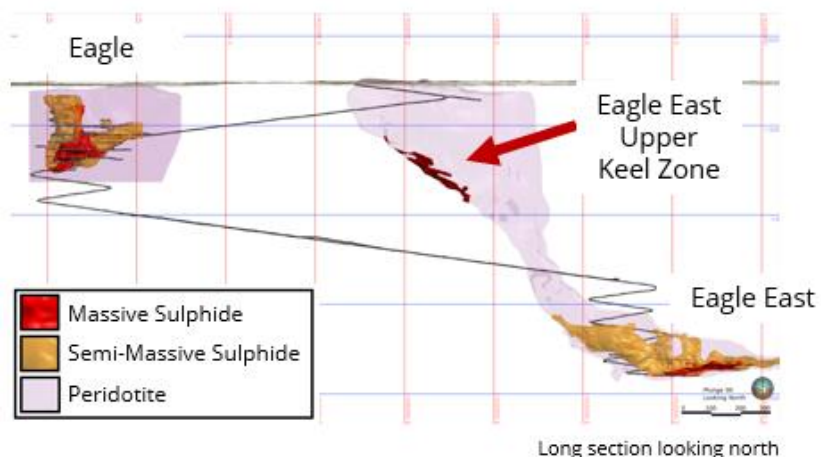
1. Refer to news release "Lundin Mining Announces New Copper-Gold Saúva Discovery at Chapada" dated February 10, 2022.

## Strong Performance Continues

- nickel and copper production achieved annual guidance
- cash cost of negative \$1.24/lb of copper bettering guidance
- full year capex of \$16M below guidance of \$20M

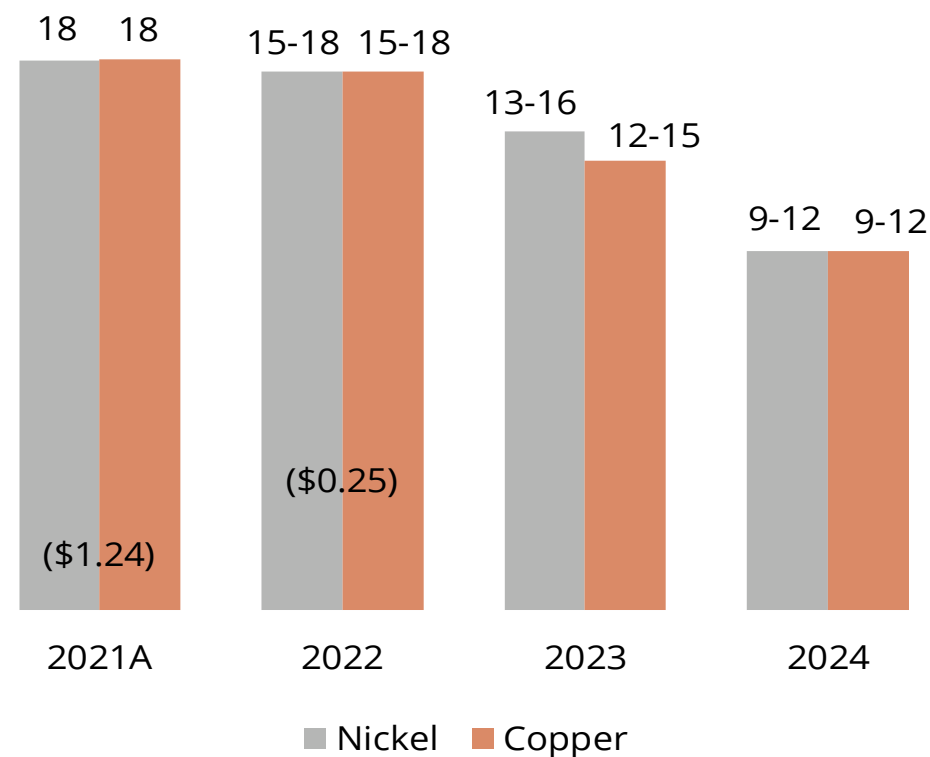
## 2022 Outlook

- production to be weighted to H2/22 primarily on forecasted grade profile
- first-quartile cash costs of negative \$0.25/lb of nickel in 2022; YOY increase primarily a reflection of lower volumes
- planned exploration expenditures of \$2M; five extension targets identified for drilling from underground
- internal studies indicate Upper Keel zone technically & financially feasible
- capex guidance of \$10M



## Nickel, Copper Production & Cash Cost Outlook<sup>1</sup>

(kt & \$/lb Ni, net of by-product credits)



<sup>1</sup> 2021 production and cash cost are actuals as outlined in the Management's Discussion and Analysis for the year ended December 31, 2021. Guidance for 2022 through 2024 is as announced by news release entitled "Lundin Mining Provides Operational Outlook & Update" dated November 22, 2021.

## Q4/21 Strongest of the Year

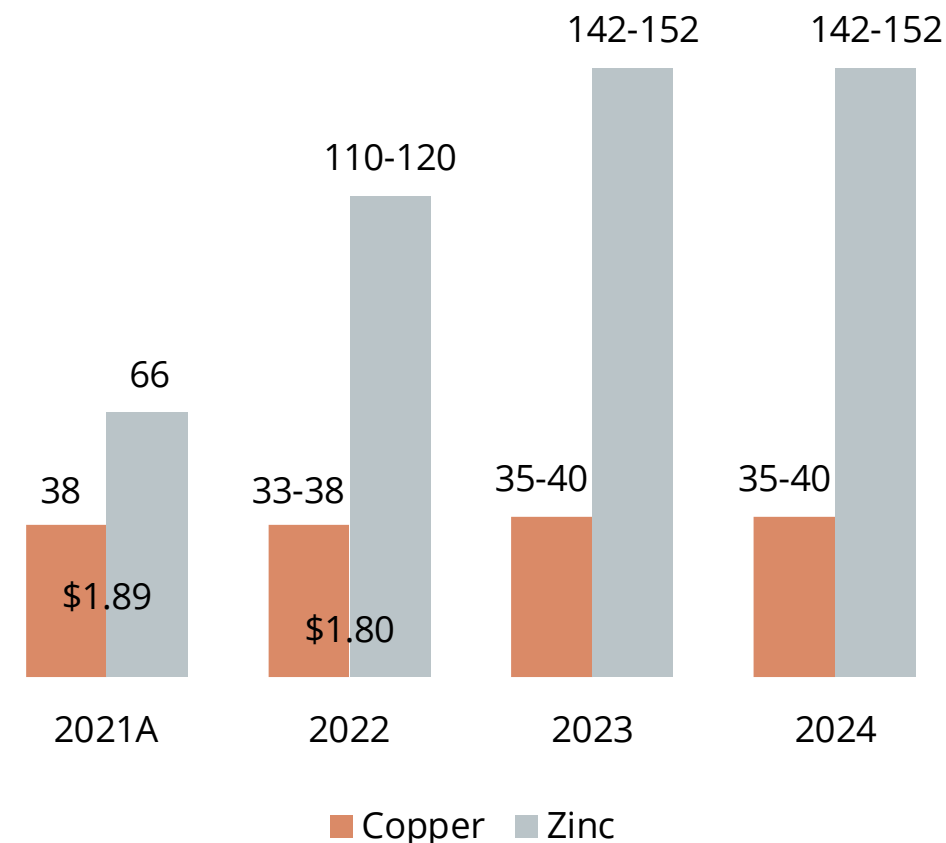
- copper production achieved the top end of annual guidance and zinc production was inline with guidance
- cash cost of \$1.89/lb of copper bettered guidance
- particularly strong Q4/21, producing 12,100 t of copper, 18,750 t of zinc and 1,644 t of lead at cash cost of \$1.53/lb of copper
- full year capex of \$109M below guidance of \$130M on timing of payments
- Zinc Expansion Project (ZEP) construction substantially complete at year end

## 2022 Outlook

- zinc production to increase over 70% YOY with ramp up of ZEP
- cash cost to improve to \$1.80/lb of copper on increased volumes
- capex guidance of \$125M
  - \$30M expansionary<sup>1</sup> to complete ZEP
  - \$95M sustaining<sup>1</sup>
- exploration expenditure of \$7M, including over 32,000 m of drilling
- to initiate feasibility study work evaluating development of Semblana deposit
  - Inferred Mineral Resource<sup>2</sup> estimate of 7,807 kt at 2.9% copper

## Copper, Zinc Production & Cash Cost Outlook<sup>3</sup>

(kt & \$/lb Cu, net of by-product credits)



1. This is supplementary financial measure. Please also see the Management's Discussion and Analysis for the year ended December 31, 2021, for discussion of non-GAAP and other performance measures.  
 2. For more information refer to the NI 43-101 Technical Report for the Neves-Corvo Mine, Portugal dated June 23, 2017 and the Company's news release dated September 13, 2021 entitled "Lundin Mining Announces 2021 Mineral Resource and Mineral Reserve Estimates" on the Company's website ([www.lundinmining.com](http://www.lundinmining.com)). See also slide 19.

3. 2021 production and cash cost are actuals as outlined in the Management's Discussion and Analysis for the year ended December 31, 2021. Guidance for 2022 through 2024 is as announced by news release entitled "Lundin Mining Provides Operational Outlook & Update" dated November 22, 2021.

# Neves-Corvo – ZEP

## Underground

- materials handling and crushing systems commissioned with first ore in December 2021
- service water piping construction finalized, and all dewatering piping supports installed
- electrical rooms commissioned

Underground construction photos – Q4/21



Material handling system commissioning



Crushing system commissioning



Commissioning of electrical rooms

# Neves-Corvo – ZEP

## Surface

- finalized all process plant circuits
- completed backfill cyclones commissioning and start-up
- completed commissioning of 3<sup>rd</sup> thickener
- continued pastefill expansion works

Surface construction photos – Q4/21



Materials handling surface works



Brownfield and greenfield – flotation cells, tanks and pumps mechanical assembly



Zinc filtration works complete



Pastefill feed tank

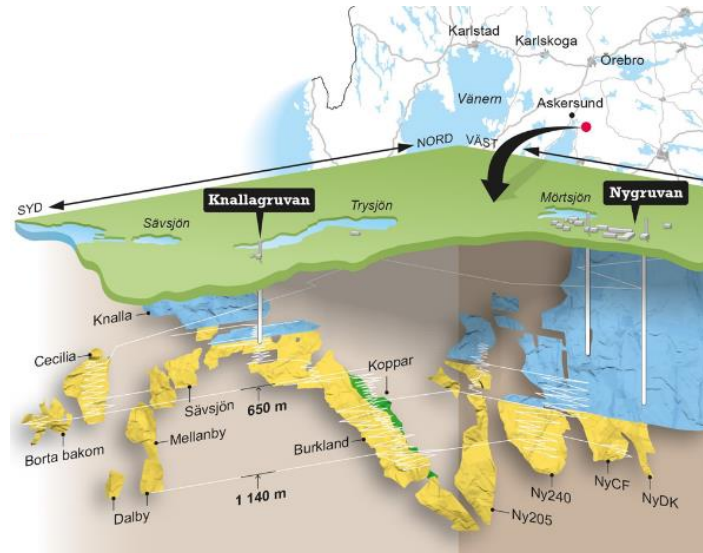
# Zinkgruvan

## Continued Excellent Performance

- zinc production exceeded annual guidance
- cash cost of \$0.53/lb of zinc bettered guidance
- full year capex of \$41M inline with guidance of \$45M

## 2022 Outlook

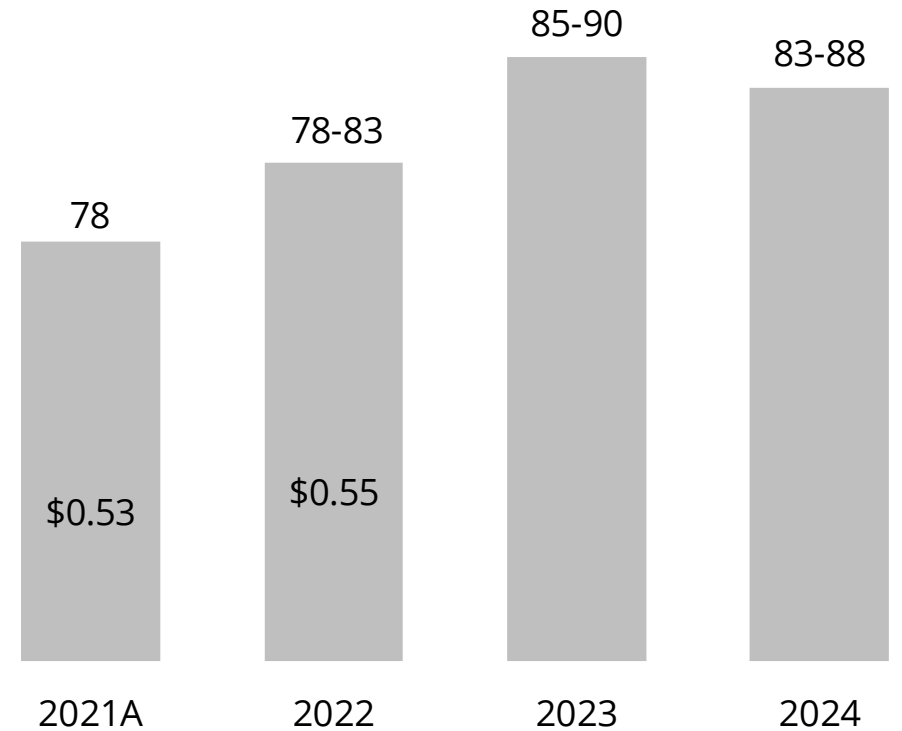
- zinc production to increase on head grades and metal recoveries
- cash cost guidance of \$0.55/lb of zinc, after lead and copper by-product credits
- capital expenditures to total \$60M in 2022
- planned 2022 exploration expenditure of \$5M, including over 20,000 m of drilling
- primary focus on Mineral Resource expansion at Dalby and Nygruvan
- evaluating sequential flotation to further improve concentrate grades and metal recoveries



Zinkgruvan mine Isometric

## Zinc Production & Cash Cost Outlook<sup>1</sup>

(kt & \$/lb Zn, net of by-product credits)



1. 2021 production and cash cost are actuals as outlined in the Management's Discussion and Analysis for the year ended December 31, 2021. Guidance for 2022 through 2024 is as announced by news release entitled "Lundin Mining Provides Operational Outlook & Update" dated November 22, 2021.

# 2022 Guidance Summary<sup>1</sup>

		Production (contained metal in conc.)		Cash Cost <sup>2</sup>
<b>Copper (t)</b>	Candelaria (100%)	155,000	- 165,000	\$1.55 <sup>3</sup>
	Chapada	53,000	- 58,000	\$1.60 <sup>3</sup>
	Eagle	15,000	- 18,000	
	Neves-Corvo	33,000	- 38,000	\$1.80 <sup>3</sup>
	Zinkgruvan	2,000	- 3,000	
	<b>Total</b>	<b>258,000</b>	<b>- 282,000</b>	
<b>Zinc (t)</b>	Neves-Corvo	110,000	- 120,000	
	Zinkgruvan	78,000	- 83,000	\$0.55 <sup>3</sup>
	<b>Total</b>	<b>188,000</b>	<b>- 203,000</b>	
<b>Gold (oz)</b>	Candelaria (100%)	83,000	- 88,000	
	Chapada	70,000	- 75,000	
	<b>Total</b>	<b>153,000</b>	<b>- 163,000</b>	
<b>Nickel (t)</b>	Eagle	15,000	- 18,000	(\$0.25)
	<b>Total</b>	<b>15,000</b>	<b>- 18,000</b>	

## Capital Expenditures (\$M)

### Sustaining Capital

Candelaria (100% basis)	370
Chapada	65
Eagle	10
Neves-Corvo	95
Zinkgruvan	60
Other	25

**Total Sustaining Capital 625**

**Zinc Expansion Project (Neves-Corvo) 30**

**Total Capital Expenditures<sup>2</sup> 655**

- \$45M to be invested in our 2022 exploration programs, including over 170,000 m of drilling

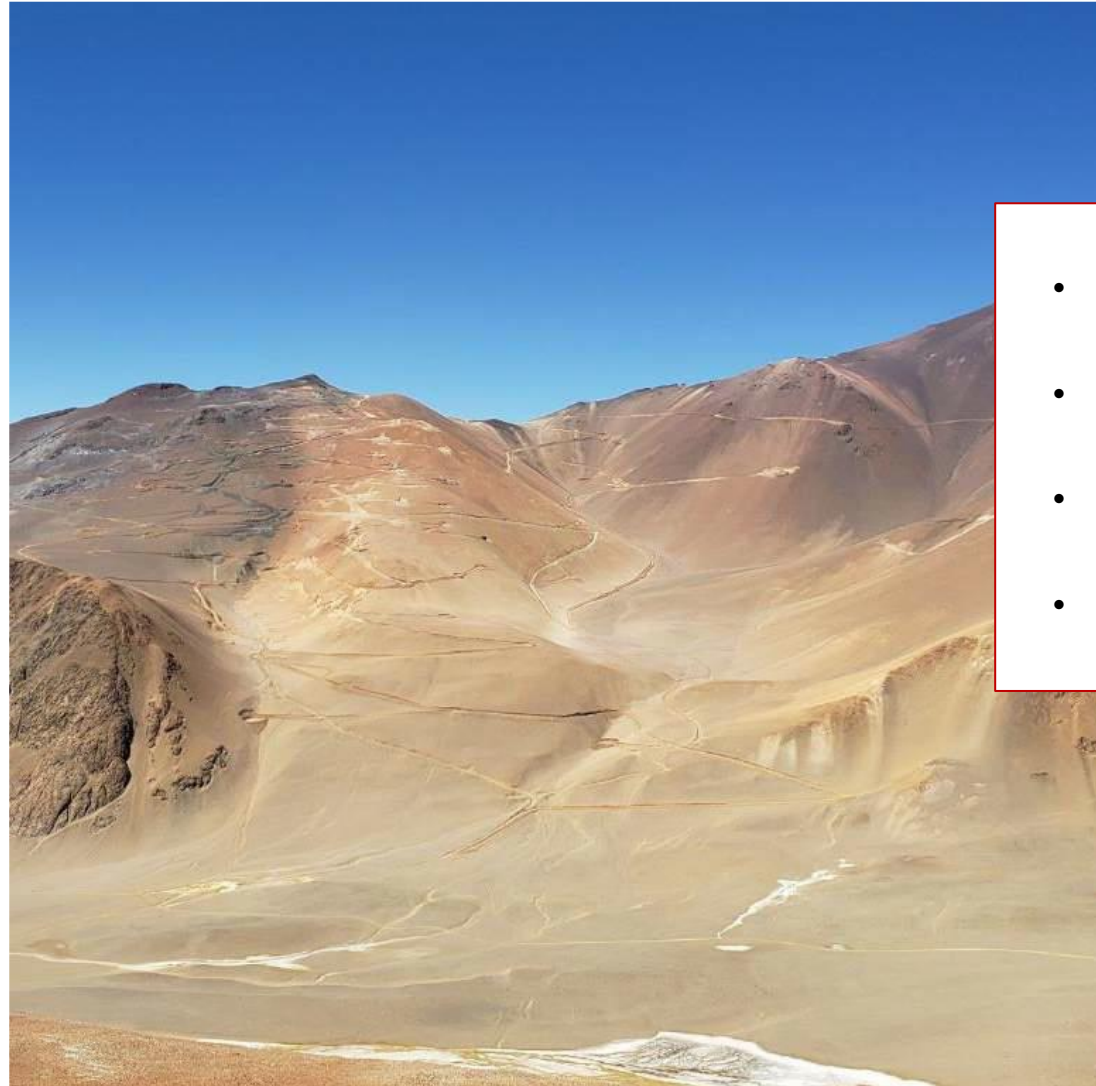
1. Guidance as originally announced by news release entitled, "Lundin Mining Provides Operational Outlook & Update" dated November 22, 2021.

2. Based on various assumptions and estimates, including but not limited to production volumes, as noted above, commodity prices (Cu: \$3.90/lb, Zn: \$1.15/lb, Pb: \$0.90/lb and Au: \$1,800/oz), foreign exchange rates (€/USD:1.20, USD/SEK:8.20, CLP/USD:700 and USD/BRL:5.10) and operating costs.

3. 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. Candelaria cash costs are calculated based on receipt of approximately \$420/oz of gold and \$4.20/oz of silver in the year. Chapada cash costs are calculated on a by-product basis and do not include the effects of its copper stream agreements. Effects of the copper stream agreements are reflected in copper revenue and will impact realized price per pound.



# Josemaria Resources Acquisition<sup>1</sup>



- **Increased Scale & Growth in Copper & Gold**
- **Clear Path to Development**
- **Asset & Geographic Diversification**
- **Attractive Resource Base with District Potential**

Josemaria Copper-Gold Project, San Juan, Argentina

## Our Strategy

Operate, upgrade and grow a base metals portfolio that provides leading returns for our shareholders throughout the cycle

- copper dominant
- competitive cost position
- low-risk mining jurisdictions
- pipeline of exploration and development projects
- low leverage and flexible balance sheet
- attractive direct shareholder returns



1. Lundin Mining holds an 80% interest in Candelaria

2. Announced acquisition remains subject to completion. The completion of the acquisition of Josemaria by Lundin Mining remains subject to satisfaction of conditions, including the approval by shareholders of Josemaria Resources. See Cautionary Statements. Please refer to press release December 20, 2021.

# NI 43-101 Compliance

Unless otherwise indicated, Lundin Mining Corporation (the "Company") has prepared the technical information in this presentation including Mineral Reserve and Mineral Resource estimates ("Technical Information") based on information contained in the technical reports and news releases (collectively the "Disclosure Documents") available under the Company's profile and the profile of Josemaria Resources Inc. ("Josemaria Resources") (100% owner of the Josemaria Project) on SEDAR at [www.sedar.com](http://www.sedar.com). Each Disclosure Document was prepared by or under the supervision of a qualified person ("Qualified Person") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101"). For readers to fully understand the information in this presentation, they should read the technical reports identified below in their entirety, including all qualifications, assumptions and exclusions that relate to the information set out in this presentation which qualifies the Technical Information. Readers are advised that Mineral Resource estimates that are not Mineral Reserves do not have demonstrated economic viability. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents.

The Technical Information in this presentation has been prepared in accordance NI 43-101 and has been reviewed and approved by Jeremy Weyland, P.Eng., Senior Manager of Studies of the Company, a "Qualified Person" under NI 43-101. Mr. Weyland has verified the data disclosed in this presentation and no limitations were imposed on his verification process.

Mineral Resource and Mineral Reserve estimates of the Company are shown on a 100 percent basis for each mine. The Measured and Indicated Mineral Resource estimates are inclusive of those Mineral Resource estimates modified to produce the Mineral Reserve estimates. All estimates of the Company are prepared as at June 30, 2021. Estimates for all operations are prepared by or under the supervision of a Qualified Person as defined in NI 43-101 or have been audited by independent Qualified Persons on behalf of the Company.

Mineral Reserves for all active mines have been estimated using metal prices of US\$3.00/lb copper, US\$1.00/lb zinc, US\$0.95/lb lead, US\$6.50/lb nickel and US\$1,500/oz gold. Exchange rates used were EUR/USD 1.25, USD/SEK 7.50, USD/CLP 620 and USD/BRL 4.25. For the Suruca gold deposit Mineral Reserve, the metal prices used were US\$3.00/lb copper and US\$1,250/oz gold and an exchange rate of USD/BRL 3.95.

Candelaria and La Española open pit Mineral Resource estimates are reported within a conceptual pit shell based on metal prices of US\$3.45/lb copper and US\$1,500/oz gold with cut-off grades of 0.15% and 0.17% copper, respectively. Candelaria underground Mineral Resources are estimated at a cut-off grade of 0.45% copper within confining grades shells of 0.4% copper. Mineral Reserves for the Candelaria open pit, Española open pit and underground for the Candelaria property are estimated at cut-off grades of 0.16%, 0.19% and 0.50% copper, respectively. Underground Mineral Reserves for the Ojos del Salado property, Santos and Alcaparrosa mines, are estimated at cut-off grades of 0.55% copper and 0.60% copper respectively. Chapada and Suruca SW copper-gold Mineral Resource estimates are reported within a conceptual pit shell based on metal prices of US\$3.45/lb copper and US\$1,725/oz gold and at a variable Net Smelter Return (NSR) marginal cut-off averaging US\$5.15 per tonne. For the Suruca gold only Mineral Resource estimates, cut-off grades of 0.16g/t gold for oxides and 0.23g/t for sulphides were used. Mineral Reserves for the Chapada open pit are estimated at a NSR cut-off of US\$5.15 per tonne. For the Suruca gold only Mineral Reserve estimates cutoff grades of 0.19g/t gold for oxides and 0.30g/t for sulphides are used. Eagle Mineral Resources and Reserves are reported above a fixed NSR cut-off of US\$123/t. The Eagle East Mineral Resources are reported within constraining grade shells based on a fixed NSR cut-off of US\$142/t and the Mineral Reserves are reported above US\$142/t for long-hole stopes and US\$152/t for cut-and-fill stopes. The NSR is calculated on a recovered payable basis considering nickel, copper, cobalt, gold and PGM grades, metallurgical recoveries, prices and realization costs. The Neves-Corvo Mineral Resources are reported within geological volumes based on a nominal NSR copper cut-off value of EUR 32.85/t (grade equivalent to 1.0% copper), and the zinc Mineral Resources are reported within geological volumes based on a nominal NSR zinc cut-off value of EUR 30.55/t (grade equivalent to 4.5% zinc). The Neves-Corvo copper and zinc Mineral Reserve estimates have been calculated using variable NSR values based on area and mining method. The NSR is calculated on a recovered payable basis considering copper, lead, zinc and silver grades, metallurgical recoveries, prices and realization costs. The Neves-Corvo copper Mineral Reserves are estimated above a site average cut-off of EUR 44.4/t (grade equivalent to 1.41% copper). For Neves-Corvo zinc Mineral Reserve estimates a site average cut-off of EUR 45.4/t (grade equivalent to 5.40% zinc) is used. The Mineral Resources at Semblana are estimated above a cut-off grade of 1.0% copper. The Zinkgruvan zinc Mineral Resources are estimated within optimized stope volumes, using a 3.5 m minimum mining width, based on an area dependent marginal NSR cut-off between SEK 475/t and SEK 540/t. The Zinkgruvan copper Mineral Resource estimates are reported within optimized stope volumes above a cut-off NSR values of SEK 475/t. The Zinkgruvan zinc and copper Mineral Reserves are estimated above area-dependent full-cost breakeven NSR cut-off values of between SEK 665/t and SEK 845/t NSR. The NSR is calculated on a recovered payable basis considering copper, lead, zinc and silver grades, metallurgical recoveries, prices and realization costs. Refer to the Company's news release dated September 13, 2021 entitled "Lundin Mining Announces 2021 Mineral Reserve and Mineral Reserve Estimates" on the Company's website at [www.lundinmining.com](http://www.lundinmining.com).

Mineral Reserve and Mineral Resource estimates of Josemaria Resources Inc. are shown on a 100 percent basis. The Measured and Indicated Mineral Resource estimates of Josemaria Resources are reported exclusive those Mineral Resources estimates modified to produce the Mineral Reserve estimates. Mineral Reserves have an effective date of September 28, 2020. The Qualified Person for the estimate is Mr. Robert McCarthy, P.Eng. The Mineral Reserves were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Definition Standards for Mineral Resources and Reserves, as prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council. Mineral Resources have an effective date of July 10, 2020. The Qualified Person for the estimate is Mr. James N. Gray, P.Geo. The Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Definition Standards for Mineral Resources and Reserves, as prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council. The Mineral Reserves were based on a pit design which in turn aligned with an ultimate pit shell selected from a Whittle™ pit optimization exercise. Mineral Reserves estimated using metal prices of \$3.00/lb copper, \$1,500/oz gold, \$18.00/oz silver. The Mineral Reserve has an economic cut-off for prime mill feed, based on net smelter return of \$5.22/t, \$5.21/t, \$5.18/t and \$5.16/t milled for tonalite, rhyolite, porphyry and supergene material respectively and an additional \$0.53/t for stockpiled ore. Process recoveries for copper and gold are based on grade. The average recovery is estimated to be 85.2% for copper and 62.6% for gold. Silver recovery is fixed at 72.0%. Mineral Resources have been prepared using metal prices of \$3/lb copper, \$1,500/oz gold and \$18/oz silver. Sulphide Mineral Resource Statement at 0.1% Copper Equivalent Cut-Off and Oxide Mineral Resource Statement at 0.2 g/t Gold Cut-Off. CuEq is based on copper, gold and silver recoveries derived from metallurgical test work as applied in the pit optimization and mine design process (average life-of-mine recoveries used: 85.2% copper, 62.6% gold, 72.0% silver). Refer to Josemaria Resources' news release dated November 15, 2021 entitled "Josemaria Reports Third Quarter 2021 Results" on the website (<https://josemariareources.com/>).

For further Technical Information on to Josemaria Resources' Josemaria project, please refer to the Josemaria Technical Report, which is available on Josemaria Resources' SEDAR profile at [www.sedar.com](http://www.sedar.com).

For further Technical Information on the Company's material properties, refer to the following technical reports, each of which is available on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com):

Candelaria: technical report entitled Technical Report for the Candelaria Copper Mining Complex, Atacama Region, Region III, Chile dated November 28, 2018.

Chapada: technical report entitled Technical Report on the Chapada Mine, Goiás State, Brazil dated October 10, 2019

Neves-Corvo: technical report entitled NI 43-101 Technical Report for the Neves-Corvo Mine, Portugal dated June 23, 2017.

Eagle Mine: technical report entitled Technical Report on the Eagle Mine, Michigan, U.S.A. dated April 26, 2017.

**lundin mining**