

NEWS RELEASE

Lundin Mining Announces Closing of Acquisition of the Chapada Copper Mine

Toronto, July 5, 2019 (TSX: LUN; Nasdaq Stockholm: LUMI) Lundin Mining Corporation ("Lundin Mining" or the "Company") is pleased to announce the closing of the acquisition of a 100% ownership stake in Mineração Maracá Indústria e Comércio S/A, which owns the Chapada copper-gold mine located in Brazil ("Chapada") from Yamana Gold Inc. ("Yamana"), as previously announced on April 15, 2019 (the "Acquisition").

Marie Inkster, President and CEO commented: *"The addition of Chapada further solidifies Lundin Mining's position as a leading intermediate base metals producer. We look forward to establishing an excellent reputation in Brazil as we work closely with our new employees and stakeholders. Leveraging our technical expertise, base metals focus and financial strength, we believe further opportunities exist to create meaningful stakeholder value from this high-quality asset."*

Total cash consideration paid at closing by the Company was US\$800 million, funded by cash on hand and the Company's \$550 million revolving credit facility. Yamana retains a 2.0% net smelter return (NSR) royalty on future gold production from the Suruca gold deposit, receives contingent consideration of up to US\$125 million over five years if certain gold price thresholds are met and contingent consideration of US\$100 million on potential construction of a pyrite roaster.

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, nickel and zinc. In addition, Lundin Mining holds an indirect 24% equity stake in the Freeport Cobalt Oy business, which includes a cobalt refinery located in Kokkola, Finland.

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 July 5, 2019 at 9:00 am Eastern Time.

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Cautionary Statement in Forward-Looking Information

Certain of the statements made and information contained herein, other than statements of historical fact and historical information, is “forward-looking information” within the meaning of applicable Canadian securities laws. Forward-looking information includes, but is not limited to, statements with respect to the Company’s plans and business strategy. Words such as “believe”, “contingent”, “create”, “expected”, “further”, “future”, “growth”, “leading”, “opportunities”, and “potential” or variations of these terms or similar terminology or statements that certain actions, events or results will, could or may occur or be achieved are intended to identify such forward-looking information. Although the Company believes that the expectations reflected in the forward-looking information contained herein are reasonable, these statements by their nature involve risks and uncertainties, and are not guarantees of future performance. Forward-looking information is based on a number of assumptions concerning, among other things, the Company’s plans and business strategy and anticipated trends in the Company’s business, and subject to a variety of risks and uncertainties. Assumptions include but are not limited to the expectations and beliefs of management of the Company; the assumed long term price of copper and gold; that the Company can access financing, appropriate equipment and sufficient labour; and that the political environment where the Company operates will continue to support the development and operation of mining projects. Risks include but are not limited to risks and uncertainties relating to the Company’s ability to integrate Chapada and achieve the anticipated benefits of the Acquisition; risks associated with operating in foreign countries; uncertain political and economic environments; community activism, shareholder activism and risks related to negative publicity with respect to the Company or the mining industry in general; changes in laws, regulations or policies including but not limited to those related to operations, permitting and approvals, environmental management, labour, trade relations, and transportation; risks associated with business arrangements and partners over which the Company does not have full control; risks associated with acquisitions and related integration efforts; competition; development or mining results not being consistent with the Company’s expectations; estimates of future production; operating and cash costs estimates; allocation of resources and capital; litigation; uninsurable risks; volatility in metal prices; the estimation of asset carrying values; funding requirements and availability of financing; indebtedness; foreign currency fluctuations; interest rate volatility; changes in the Company’s share price, and equity markets, in general; changing taxation regimes; counterparty and credit risks; health and safety risks; risks related to the environmental impact of the Company’s operations and products and management thereof; unavailable or inaccessible infrastructure and risks related to ageing infrastructure; 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; actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; ore processing efficiency; risks relating to attracting and retaining of highly skilled employees; ability to retain key personnel; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; the price and availability of energy and key operating supplies or services; the inherent uncertainty of exploration and development, and the potential for unexpected costs and expenses; 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; natural phenomena such as earthquakes, flooding, and unusually severe weather; 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; security at the Company’s operations; breach or compromise of key information technology systems; materially increased or unanticipated reclamation obligations; risks related to mine closure activities; risks related to closed and historical sites; title risk and the potential of undetected encumbrances; risks associated with the structural stability of waste rock dumps or tailings storage facilities; and additional risks disclosed in filings made by the Company with Canadian securities regulatory authorities, which are available on SEDAR at www.sedar.com under the Company’s profile. There can be no assurance that the Acquisition will achieve the anticipated benefits. Readers are cautioned that the foregoing list is not exhaustive of all assumptions and risk factors 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, readers should not place undue reliance on forward-looking information. The forward-looking information contained herein speaks only as of the date of this news release. The Company does not undertake to update such forward-looking information unless required under applicable laws.