Lundin Mining Provides Update on Readiness and Response to COVID-19, and Operational and Guidance Update

TORONTO, March 25, 2020 /CNW/ - **(TSX: LUN; Nasdaq Stockholm: LUMI) Lundin Mining Corporation**("Lundin Mining" or the "Company") announced today the Company and each of its operations are continuing to manage and respond to COVID-19 within the framework of the Company's Pandemic Response Plan, recommendations of health authorities and local and national regulatory requirements.

COVID-19 Readiness and Response Update

COVID-19 is a global threat which requires a united response from governments, industry and our communities to ensure the safety, health and well-being of all. Lundin Mining has taken numerous steps to ensure needs are being addressed in the communities and regions in which we operate. Our operations have shared action plans and preventative measures being implemented, while seeking and considering input from our employees, unions, contractors, and communities to ensure we are delivering responsive actions consistent with broader efforts. Further, we are actively providing emergency support in the form of community donations of emergency funding and supplies. These efforts will continue to be focused on reducing the spread of the virus and supporting local health infrastructure.

Across Lundin Mining we continue to identify and implement measures to protect our workforce and communities. We have implemented a number of measures including, but not limited to:

- All operations and offices have implemented travel restrictions, surveillance, monitoring and response plans to reduce the risk of COVID-19 exposure and outbreak, including health screening of contractors, visitors and employees when appropriate.

- Employees and contractors who have had incidental contact or exposure to someone who has been diagnosed with the COVID-19 virus, as well as those who have travelled internationally, and at some operations domestically, have been instructed to stay at home for 14-days regardless of whether they are showing symptoms. Suspected cases are being closely monitored and reported to health authorities where appropriate.

- We are taking steps to limit visitors, contractors, and employees to our operations, and where necessary temporarily suspending activities. On March 15, 2020, we announced that construction and commissioning of our Zinc Expansion Project at Neves-Corvo would be placed on hold to reduce the risk to our local communities, employees and contractors, as the workforce for the project includes many contract employees who travel from other regions of Portugal and internationally. Additionally, at several of our operations we have identified and curtailed non-essential activities, such as waste mining and exploration to reduce exposure risk with less people at and commuting to site.

- A portion of our workforce is working from home to reduce interactions through commuting or close contact with co-workers. This group, at certain operations, includes employees that fit COVID-19 risk groups determined by public health authorities. We have temporarily closed many of our community and satellite offices, while continuing to provide services virtually.

- Across all operations we have limited access and implemented new procedures for areas where large groups congregate like canteens, cafeterias, and change rooms. We have also enacted measures to promote social distancing including modifying transportation and shift change routines. Awareness campaigns are being carried out actively with our employees and contractors.

Operational & Guidance Update

There has been no material impact to production or shipment of concentrate from any of the Company's operations to date as a result of COVID-19. Additionally, there has been no significant disruption to the supply chain of the Company's operations. Lundin Mining and each of its operations continue to monitor and implement business continuity measures to mitigate and minimize any potential impacts of the pandemic that might emerge on our operations, supply chain and commercial activities.

As previously announced on March 15, 2020, construction and commissioning activities directly related to the Zinc Expansion Project at the Neves-Corvo operation in Portugal have been temporarily suspended until further notice. The Company is continuing to assess the impacts of the temporary suspension of the project on the timelines and budget and will provide an update once the assessments have been completed. Previously provided zinc production and capital cost guidance for the Neves-Corvo operation, which includes the Zinc Expansion Project, should no longer be relied upon.

Additionally, in preparing for what could be a sustained period of depressed prices for our primary metals, the Company is actively identifying and reviewing measures across our operations and offices to reduce operating costs and defer discretionary capital and exploration expenditures. The range of measures being assessed include possible curtailment of non-essential

projects and studies, deferral of waste mining, reduction in exploration spending, and mine and processing plan modifications. As such, current production, C1 cash cost, exploration spending and capital cost guidance for all operations is under review and may be amended to reflect necessary modifications to our plans. The Company expects to provide an update on these measures and any resulting revisions to guidance not later than the release of First Quarter 2020 Results.

Lundin Mining is in a strong financial position. The Company's net debt position as at March 23, 2020 was approximately $95 million, including $390 million of cash on hand. Included in the net debt position, $375 million had been drawn on the Company's secured revolving credit facility which has borrowing capacity of $800 million, with a $200 million accordion option to total $1.0 billion, and term to August 2023.

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 March 25, 2020 at 20:30 Eastern Time.

Cautionary Statement in 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 (such as the Chapada mine) 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 labour; assumed and future price of copper, nickel, zinc, gold and other metals; anticipated costs; ability to achieve goals; the prompt and effective integration of acquisitions; that the political environment in which the Company operates will continue to support the development and operation of mining projects; and assumptions related to the factors set forth below. While these factors and assumptions are considered reasonable by Lundin Mining as at the date of this document in light of management's experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: risks inherent in and/or 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 permitting and approvals, environmental and tailings management, labour, trade relations, and transportation; delays or the inability to obtain necessary governmental approvals and/or permits; regulatory investigations, enforcement, sanctions and/or related or other litigation; risks associated with business arrangements and partners over which the Company does not have full control; risks associated with acquisitions and related integration efforts (including with respect to the Chapada mine), including the ability to achieve anticipated benefits, unanticipated difficulties or expenditures relating to integration and diversion of management time on integration; competition; development or mining results not being consistent with the Company's expectations; estimates of future production and operations; operating, cash and all-in sustaining cost estimates; allocation of resources and capital; litigation; uninsurable risks; volatility and fluctuations in metal and commodity 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 including, without limitation, for mine closure and reclamation at current and historical operations; risks associated with the estimation of Mineral Resources and Mineral Reserves and the geology, grade and continuity of mineral deposits including but not limited to models relating thereto; actual ore mined and/or metal recoveries varying from Mineral Resource and Mineral Reserve estimates; mine plans, and life of mine estimates; the possibility that future exploration, development or mining results will not be consistent with expectations; 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 other risks and uncertainties, including but not limited to those described in the "Risk and Uncertainties" section of the Annual Information Form for the year ended December 31, 2018 and the "Managing Risks" section of the Company's MD&A for the year ended December 31, 2019, which are available on SEDAR atwww.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.

SOURCE Lundin Mining Corporation

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Additional assets available online: Documents (1)

https://lundinmining.mediaroom.com/2020-03-25-Lundin-Mining-Provides-Update-on-Readiness-and-Response-to-COVID-19-and-Operational-and-Guidance-Update