Lundin Mining Announces 2020 Production Guidance Achieved for All Metals; Fourth Quarter and Full Year 2020 Results to be Released February 18, 2021

TORONTO, Jan. 20, 2021 /CNW/ - (TSX: LUN) (Nasdaq Stockholm: LUMI) **Lundin Mining Corporation** ("Lundin Mining" or the "Company") announces production results for the three and twelve months ended December 31, 2020. The consolidated financial results for the year ended December 31, 2020 will be published on February 18, 2021.

Highlights

- 2020 annual production guidance achieved for all metals. Production of 230,781 t of copper was at the upper end of the guidance range and gold production of 163,000 oz exceeded guidance.
- Candelaria copper and gold production both exceeded annual guidance. The operation safely returned to full production capacity in December 2020 after reaching new collective union agreements and the upgrade installation of the fourth and final ball mill motor as part of the Candelaria Mill Optimization Project (CMOP). The CMOP is now complete.
- Chapada copper and gold production both exceeded annual guidance. Chapada returned to full processing capacity in December 2020 after installation of a second repaired motor on the ball mill.
- Eagle achieved strong and consistent operating performance again in 2020. Nickel and copper production both achieved annual guidance, with copper production approaching the upper bound of the guidance range.
- Neves-Corvo achieved annual copper production guidance and zinc production was within 1kt of guidance. The Zinc Expansion Project (ZEP), to double current zinc production capacity and improve per unit operating cost, was officially restarted in early January 2021.
- Zinkgruvan zinc and copper production both achieved annual production guidance, with zinc approaching the upper bound of the guidance range. 2020 zinc production finished strong, with a grade-driven significant increase in production during the fourth quarter.
- Continuing the trend of improvement, Lundin Mining achieved its best ever Total Recordable Injury Frequency (TRIF) rate in 2020 with a rate of 0.55 against a target of 0.60 per 200,000 person hours worked. While this achievement was dampened by the fatality at Neves-Corvo in the third quarter, the excellent overall safety result was realized during a challenging year and reflects project activities at Candelaria and Neves-Corvo ZEP, as well as significant changes to work practices, workplaces and work schedules to ensure our workforce and local communities were protected from the spread of COVID-19.
- Year-end 2020 net debt position was approximately $65 million.

Summary of 2020 Production

	Q4 2020 Production	Full Year 2020 Production	2020 Production Guidance[1]		
Copper (t)					
Candelaria (100% basis)	19,509	126,702	120,000	-	125,000
Chapada	11,368	50,038	45,000	-	50,000
Eagle	5,128	18,663	17,000	-	19,000
Neves-Corvo	5,880	32,032	32,000	-	34,000
Zinkgruvan	-	3,346	3,000	-	4,000
Total Copper	**41,885**	**230,781**	**217,000**	**-**	**232,000**
Zinc (t)					
Neves-Corvo	16,750	69,143	70,000	-	72,000
Zinkgruvan	24,678	73,601	72,000	-	74,000
Total Zinc	**41,428**	**142,744**	**142,000**	**-**	**146,000**
Gold (oz)					
Candelaria (100% basis)	13,000	76,000	70,000	-	75,000
Chapada	22,000	87,000	80,000	-	85,000
Total Gold	**35,000**	**163,000**	**150,000**	**-**	**160,000**
Nickel (t)					
Eagle	4,909	16,718	15,000	-	18,000
Total Nickel	**4,909**	**16,718**	**15,000**	**-**	**18,000**

Fourth Quarter and Full Year 2020 Results Date

Results for the fourth quarter and full year ended December 31, 2020 will be published on Thursday February 18, 2021.

The Company will hold a telephone conference call and webcast at 08:00 ET, 14:00 CET on Friday February 19, 2021. Conference call details are provided below. Please call in 10 minutes before the conference starts.

Call-in number for the conference call (North America): +1 647 788 4922
Call-in number for the conference call (North America Toll Free): +1 877 223 4471
Call-in number for the conference call (Sweden): 02 00 123 522

To view the live webcast presentation, please log on using this direct link:
https://onlinexperiences.com/Launch/QReg/ShowUUID=65DB13F5-4368-40A3-AD28-644F121D63BA

The presentation slideshow will also be available in PDF format on the Lundin Mining website www.lundinmining.com before the conference call.

A replay of the telephone conference will be available after the completion of the call until March 21, 2021.

Call-in numbers for the replay are (North America): +1 800 585 8367 or +1 416 621 4642
The passcode for the replay is: 1197895

A replay of the webcast will be available by clicking on the direct link above.

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[1] Guidance as most recently disclosed in the Company's Management Discussion and Analysis for the three and nine months ended September 30, 2020 for Chapada, Eagle, Neves-Corvo and Zinkgruvan. Guidance for Candelaria as most recently disclosed in the Company's news release of November 30, 2020 entitled, "Lundin Mining Provides Operational Outlook & Shareholder Returns Update."

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 January 20, 2021 at 16:30 Eastern Time.

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 or labour disputes; timing for any required repairs and resumption of any interrupted operations; the results of any 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 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: volatility and fluctuations in metal and commodity prices; global financial conditions and inflation; 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; changes in the Company's share price, and volatility in the equity markets in general; the threat associated with outbreaks of viruses and infectious diseases, including the novel COVID-19 virus; risks related to negative publicity with respect to the Company or the mining industry in general; reliance on a single asset; 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; 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; risks inherent in and/or associated with operating in foreign countries and emerging markets; security at the Company's operations; changing taxation regimes; 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; counterparty and credit risks and customer concentration; 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; community and stakeholder opposition; civil disruption; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; uncertain political and economic environments; litigation; regulatory investigations, enforcement, sanctions and/or related or other litigation; risks associated with the structural stability of waste rock dumps or tailings storage facilities; changes in laws, regulations or policies including but not limited to those related to mining regimes, permitting and approvals, environmental and tailings management, labour, trade relations, and transportation; climate change; compliance with environmental, health and safety laws; enforcing legal rights in foreign jurisdictions; information technology and cybersecurity risks; estimates of future production and operations; estimates of operating, cash and all-in sustaining cost estimates; delays or the inability to obtain, retain or comply with permits; compliance with foreign laws; risks related to mine closure activities and closed and historical sites; challenges or defects in title; the price and availability of key operating supplies or services; historical environmental liabilities and ongoing reclamation obligations; indebtedness; funding requirements and availability of financing; liquidity risks and limited financial resources; risks relating to attracting and retaining of highly skilled employees; 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; the estimation of asset carrying values; internal controls; competition; dilution; existence of significant shareholders; conflicts of interest; activist shareholders and proxy solicitation matters; risks relating to dividends; risks associated with business arrangements and partners over which the Company does not have full control; and other risks and uncertainties, including but not limited to those described in the "Risks 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, 2019, and the quarter end September 30, 2020, 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/2021-01-20-Lundin-Mining-Announces-2020-Production-Guidance-Achieved-for-All-Metals-Fourth-Quarter-and-Full-Year-2020-Results-to-be-Released-February-18-2021