

NEWS RELEASE

Lundin Mining Announces 2018 Production Results and Fourth Quarter and Full Year 2018 Results Date

Toronto, January 15, 2019 (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, 2018 and provides an update on operations and capital projects. The financial results for the quarter and year ended December 31, 2018 will be published on February 14, 2019.

Highlights:

- Annual production guidance was achieved or exceeded for all metals at all operations.
- Safety performance in 2018 was in line with the Company’s five-year health and safety improvement strategy. The 2018 Total Recordable Injury Frequency (TRIF) rate was 0.67.
- Candelaria achieved its full year copper production guidance. The low-risk capital projects focused on delivering the improved life-of-mine production profile continue on schedule and on budget.
- Eagle continued its robust operational performance achieving and exceeding full year copper and nickel production guidance, respectively. The Eagle East project continues to advance well with first ore expected in the fourth quarter of 2019.
- Neves-Corvo achieved full year zinc production guidance and exceeded copper production guidance. The zinc plant set an annual throughput record of 1,125 kt and the copper plant set an annual throughput record of 2,692 kt.
- Zinkgruvan exceeded annual zinc production guidance. Fourth quarter zinc production was the best quarter of the year on improved zinc head grades and mill throughput.
- Year-end cash balance was approximately \$800 million reflecting the fourth quarter investment spend and early redemption of \$429 million principal amount of 7.875% Senior Secured Notes.

Marie Inkster, President and CEO commented: *“We finished 2018 with strong fourth quarter operating performance at each of our mines and excellent progress advancing our growth projects. We are well positioned to deliver significant copper and zinc production growth in 2019 and the next several years from our existing portfolio of high-quality mines.*

We remain focused on value creation through disciplined investment in our existing assets and potential external acquisition initiatives. In the fourth quarter, we announced a normal course issuer bid and significantly reduced our borrowing costs with the early redemption of our Senior Secured Notes. We maintain financial liquidity and flexibility to act quickly on opportunities with a substantive cash position and having increased and extended our low-cost revolving credit facility.”

Summary of 2018 Production

(contained tonnes)		Q4 2018 Production Results	Full Year 2018 Production Results	2018 Production Guidance ¹
Copper	<i>Candelaria (100% basis)</i>	33,011	134,578	133,750 – 136,250
	<i>Eagle</i>	3,908	17,974	16,000 – 18,000
	<i>Neves-Corvo</i>	11,287	45,692	43,000 – 45,000
	<i>Zinkgruvan</i>	-	1,386	1,000 – 2,000
	Total Copper	48,206	199,630	193,750 – 201,250
Zinc	<i>Neves-Corvo</i>	18,465	75,435	73,000 – 76,000
	<i>Zinkgruvan</i>	23,559	76,606	74,000 – 76,000
	Total Zinc	42,024	152,041	147,000 – 151,000
Nickel	<i>Eagle</i>	3,501	17,573	15,000 – 17,000
	Total Nickel	3,501	17,573	15,000 – 17,000

Operations and Capital Projects Commentary

- Safety Performance:** Overall safety performance was better than target with a year-end Company TRIF rate of 0.67 recorded against a target of 0.70 per 200,000 person hours worked. This was the sixth consecutive year that overall safety performance was better than a continually improved target. This performance was achieved even with an increase in exposure hours by 9.5% over 2017 with major project activities underway across the company.
- Candelaria:** Copper production guidance was achieved for the year. Approximately 60% of the new open pit mine fleet has been received and placed in service. The remaining equipment is expected to be delivered mainly in 2019 with some pieces arriving in early 2020.

Ramp-up of the Candelaria underground mines continues with the North Sector achieving a production rate of approximately 10,200 tonnes per day for the year, representing an 11% increase in ore production over 2017. Development of the South Sector continues to progress well for first ore in late 2019. The Candelaria Mill Optimization Project to improve metal recoveries, increase throughput capacity and reduce maintenance costs is advancing well and was approximately 40% complete at year end.

- Eagle:** Copper and nickel production achieved and exceeded full year guidance, respectively, on continued excellent operational performance. Fourth quarter nickel and copper production decreased compared to prior quarters as per planned mine sequencing and resulting in lower nickel and copper head grades prior to commencing production from Eagle East.

The Eagle East project continues to advance well with first ore expected in the fourth quarter of 2019. In 2018, the access ramp development to Eagle East from the Eagle Mine advanced approximately

¹ Guidance as disclosed in the Company's Management Discussion and Analysis for the three and nine months ended September 30, 2018. Candelaria guidance and results were previously disclosed at 80% attributable.

3,400 meters with completion of the dual decline sections and the spiral decline to the orebody now advancing.

- **Neves-Corvo:** Full year zinc and copper production achieved and exceeded guidance, respectively. Fourth quarter production benefited from improving mine productivity and higher mill throughput demonstrated throughout the year.

The Zinc Expansion Project was approximately 43% construction complete at year end. Underground development remains on track for completion in early 2020 with ore from this newly developed area of the mine to contribute to mill feed in the first quarter of 2020.

Surface facilities construction remains on track to be completed and commence commissioning in early 2020. Major surface works milestones achieved in 2018 include completion of the SAG mill foundation as well as structural steel erection for the new flotation building.

- **Zinkgruvan:** Full year zinc production exceeded guidance. Fourth quarter zinc production was the best quarter of the year owing to improved zinc ore head grades following focused efforts in planning and execution to improve dilution and ore loss experienced earlier in the year.

Fourth Quarter and Full Year 2018 Results Date

The report for the fourth quarter and full year ended December 31, 2018 will be published on Thursday February 14, 2019.

The Company will hold a telephone conference call and webcast at 08:00am ET, 14:00 CET on Friday, February 15, 2019. Conference call details are provided below:

Please call in 10 minutes before the conference starts and stay on the line (an operator will be available to assist you).

Call-in number for the conference call (North America): +1 617 826 1698

Call-in number for the conference call (North America Toll Free): +1 877 648 7976

Call-in number for the conference call (Sweden): +46 (0) 8 5661 9361

To view the live webcast presentation, please log on using this direct link:

<https://www.investornetwork.com/event/presentation/42071>

The presentation slideshow will also be available in PDF format for download from the Lundin Mining website <http://www.lundinmining.com> before the conference call.

A replay of the telephone conference will be available after the completion of the conference call until February 22, 2019.

Replay numbers:

North America: 1 855 859 2056 or +1 404 537 3406

The passcode for the replay is: 3568927

A replay of the webcast will be available by clicking on the [direct link](#) above.

About Lundin Mining

Lundin Mining is a diversified Canadian base metals mining company with operations in Chile, the United States of America, Portugal and Sweden, 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 January 15, 2019 at 5:30 p.m. Eastern Time.

For further information, please contact:

Mark Turner, Director, Business Valuations and Investor Relations: +1 416 342 5565

Brandon Throop, Manager, Investor Relations: +1 416 342 5583

Robert Eriksson, Investor Relations Sweden: +46 8 545 015 50

Cautionary Statement in Forward-Looking Information

Certain of the statements made and information contained herein or incorporated by reference is “forward-looking information” within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts in this news release constitute forward-looking information based on current expectations, estimates, forecasts and projections as well as beliefs and assumptions made by the Company’s management. Such forward-looking statements include but are not limited to those regarding the Company’s outlook and guidance on estimated metal production and production profile, costs, and exploration and capital expenditures; the Zinc Expansion Project at Neves-Corvo and the Eagle East project ; Mineral Reserves, Mineral Resources, life-of-mine (or mine life); all of which are estimates (and the parameters, expectations and assumptions underlying, and realization of, such estimates including, but not limited to metal price assumptions, and permitting and development expectations. Words such “aim”, “anticipate”, “assumption”, “believe”, “budget”, “commitment”, “estimate”, “expansive”, “expect”, “exploration”, “flexibility”, “focus”, “forecast”, “foreseeable”, “forward”, “future”, “growth”, “guidance”, “initiative”, “on-track”, “outlook”, “plan”, “positioning”, “potential”, “priority”, “profile”, “project”, “ramp-up”, “risk”, “schedule”, “study”, “target” or “view” , or variations of or similar such terms, or statements that certain actions, events or results could, may, might or will be taken or occur or be achieved,, or variations of these terms or similar terminology or statements that certain actions, events or results could , may, might or will be taken or occur or be achieved are intended to identify such forward-looking information. These estimates, expectations and other forward-looking statements are based on a number of assumptions and are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties inherent in and/or relating to: estimates of future production and operations, cash and all-in sustaining costs; metal and commodity price fluctuations; foreign currency fluctuations; mining operations including but not limited to environmental hazards, industrial accidents, ground control problems and flooding; geology including, but not limited to, unusual or unexpected geological formations, estimation and modelling of grade, tonnes, metallurgy continuity of mineral deposits, dilution, and Mineral Resources and Mineral Reserves, and actual ore mined and/or metal recoveries varying from such estimates; mine plans, and life of mine estimates; the possibility that future exploration, development or mining results will not be consistent with expectations; the potential for and effects of labour disputes or shortages, or other unanticipated difficulties with or interruptions in production; potential for unexpected costs and expenses including, without limitation, for mine closure and reclamation at current and historical operations; uncertain political and economic environments; changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental approvals and/or permits, including but not limited to the Alcaparrosa underground mine operating license, the Punta Padrones process operating license and the Ojos del Salado mill tailings line permit at Candelaria which are required by the end of the year; regulatory investigations, enforcement, sanctions and/or related or other litigation; and other risks and uncertainties, including but not limited to those described in the “Managing Risks” section of the Company’s Management’s Discussion and Analysis for the financial period ending December 31, 2017 and completed financial quarters in 2018, and the “Risks and

Uncertainties” section of our most recently filed Annual Information Form. In addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management; assumed prices of copper, nickel, zinc and other metals; 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. 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 statements. Accordingly, there can be no assurance that forward-looking information will prove to be accurate, and readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise forward-looking statements or to explain any material difference between such and subsequent actual events, except as required by applicable law.