Lundin Mining Second Quarter 2024 Results

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VANCOUVER, July 30, 2024 - (TSX: LUN) (Nasdaq Stockholm: LUMI) Lundin Mining Corp. ("Lundin Mining" or the "Co
today reported its second quarter 2024 financial results. Unless otherwise stated, results are presented in United State
a 100% basis.

Jack Lundin, President and CEO commented, "During the quarter we generated record quarterly revenue of $1.1 billior
contributed to a strong financial performance for the Company. Adjusted EBITDA[1] for the quarter was $461 million and
flow from operations[1] was $338 million driven by stronger commodity prices and working capital inflows.

"At Candelaria, while mill throughput in the first half of the year was strong, we expect to achieve a significant step-up i
in the second half of the year with planned higher grades and higher mining rates from ore in Phase 11. This productior
has started to materialize during the month of July from the open pit.

"Our team remains dedicated to enhancing operational performance, prioritizing safety and cost optimization. Cash cos
quarter were at the lower end of our guidance range. We are well-positioned for a strong second half of the year and ar
meet our consolidated production guidance for copper, gold, and zinc. Additionally, we have reduced our guidance for s
capital expenditures by $45 million."

Second Quarter Operational and Financial Highlights

- Copper Production: Consolidated production of 79,708 tonnes of copper in the second quarter.
- Other Production: During the quarter, a total of 47,460 tonnes of zinc, 1,721 tonnes of nickel and approximately 3
  of gold were produced.
- Revenue: $1,083.6 million in the second quarter with a realized copper price[1] of $4.79 /lb.
- Net Earnings and Adjusted Earnings[1]: Net earnings attributable to shareholders of the Company were $121.6 mil
  per share in the second quarter with adjusted earnings of $122.1 million or $0.16 per share.
- Adjusted EBITDA[1]: $460.9 million generated during the quarter.
- Cash Generation: Cash provided by operating activities was $491.8 million and free cash flow from operations[1] w
  million, which was increased by a working capital release of $121.9 million.
- Growth: On July 2, 2024, the Company exercised its option to increase ownership in Caserones to 70%, which ac
  additional 25,000 tonnes of attributable copper production to Lundin Mining's production profile[2].
- Sustainability Report: On July 10, 2024 the Company published its annual 2023 Sustainability Report that highligl
  Company's material environmental, health & safety, governance and social performance during the year.
- Outlook: Second quarter 2024 production and cash costs were aligned with expectations, the Company's full yea
  remains unchanged with the exception of nickel:
  - Caserones: Annual copper production guidance range for the Caserones mine for 2024 has been increasec
    135,000 tonnes (previously 120,000 - 130,000 tonnes). Cash cost guidance for Caserones remains unchan
  - Eagle Mine: Annual nickel production guidance range for the Eagle mine for 2024 has been reduced to 7,00
    tonnes (previously 10,000 - 13,000 tonnes) and the copper production guidance range has been reduced to
    tonnes (previously 9,000 - 12,000 tonnes). Cash cost guidance per pound of nickel for the Eagle mine has i
    $3.20/lb - $3.40/lb (previously $2.80/lb - $3.00/lb)
  - Sustaining Capital Expenditures: Will be reduced by $45 million and are expected to total $795 million (prev
    million) due to reductions in planned spending at Caserones, Neves-Corvo and Zinkgruvan.

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[1] These are non-GAAP measures. Please refer to the Company's discussion of non-GAAP and other performance measures in its Management's Discussion and Analysis ("MD&A") for the three and six months ended June 30, 2024 and the Reconciliation of Non-GAAP measures section at the end of this news release.

[2] Based on Caserones 2024 production guidance as outlined in the news release 'Lundin Mining Provides 2024 Guidance & Announces 2023 Production Results' dated January 14, 2024.

Summary Financial Results

	Three months ended		Six months ended	
	June 30,		June 30,	
US$ Millions (except per share amounts)	2024	2023	2024	2023
Revenue	1,083.6	588.5	2,020.6	1,339.9
Gross profit	279.5	52.8	464.9	266.2
Attributable net earnings[a]	121.6	59.1	135.5	205.7
Net earnings	156.7	61.3	215.3	226.6
Adjusted earnings[a,b]	122.1	45.6	167.3	171.3
Adjusted EBITDA[b]	460.9	191.8	823.7	528.7
Basic earnings per share ("EPS")[a]	0.16	0.08	0.18	0.27
Diluted EPS[a]	0.16	0.08	0.17	0.27
Adjusted EPS[a,b]	0.16	0.06	0.22	0.22
Cash provided by operating activities	491.8	194.8	759.3	406.7
Adjusted operating cash flow[b]	369.9	110.6	683.5	345.7
Adjusted operating cash flow per share[b]	0.48	0.14	0.88	0.45
Free cash flow from operations[b]	337.5	20.7	405.2	91.8
Free cash flow[b]	236.8	(84.6)	235.1	(118.8)
Cash and cash equivalents	452.8	190.2	452.8	190.2
Net debt excluding lease liabilities[b]	893.8	201.3	893.8	201.3
Net debt[b]	1,152.9	229.8	1,152.9	229.8

[a] Attributable to shareholders of Lundin Mining Corporation.

[b] These are non-GAAP measures. Please refer to the Company's discussion of non-GAAP and other performance measures in its Management's Discussion and Analysis for the three and six months ended June 30, 2024 and the Reconciliation of Non-GAAP Measures section at the end of this news release.

- For the three months ended June 30, 2024, the Company generated revenue of $1,083.6 million, driven by 78,66 copper sold at a realized price of $4.79 /lb. Revenue benefited from higher realized copper and zinc prices, incluc million positive provisional pricing adjustments on prior period concentrate sales.
- Gross profit of $279.5 million and Adjusted EBITDA of $460.9 million in the three months ended June 30, 2024 re realized copper and zinc prices despite the impacts of planned lower grades and maintenance activities on coppe concentrate sales from Candelaria and Caserones, respectively.
- Net earnings attributable to shareholders of the Company were $121.6 million or $0.16 per share in the three mor June 30, 2024, and included higher tax expense due to higher taxable earnings and the utilization of prior period
- Adjusted earnings attributable to shareholders of the Company for the three months ended June 30, 2024 were $ or $0.16 per share after removing a loss on foreign exchange due to the translation of deferred tax balances and relating to the partial suspension of underground operations at Eagle, among other things.
- Cash and cash equivalents as at June 30, 2024 were $452.8 million. Cash provided by operating activities amour $491.8 million and cash used to fund investing activities amounted to $252.2 million. The Company had a net deb lease liabilities[1] balance of $893.8 million as at June 30, 2024 (December 31, 2023 - $946.2 million).

- Free cash flow[1] for the three months ended June 30, 2024 of $236.8 million reflected higher copper and zinc real positive working capital changes and reduced capital expenditure at Candelaria.
- During the three months ended June 30, 2024, the Company entered into zero cost collar contracts in the total ar $222 million (equivalent to BRL 1.1 billion) with collar ranges of BRL 5.00 to BRL 6.11.
- As at July 30, 2024, the Company had a cash balance of approximately $288.0 million and a net debt excluding le liabilities balance of approximately $1,338.0 million.

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Operational Performance

Total Production

(Contained metal)[a]	2024			2023				
	YTD	Q2	Q1	Total	Q4	Q3	Q2	Q1
Copper (t)[b]	167,721	79,708	88,013	314,798	103,337	89,942	60,057	61,462
Zinc (t)	93,148	47,460	45,688	185,161	50,719	49,774	36,115	48,553
Nickel (t)	4,976	1,721	3,255	16,429	3,729	4,290	4,686	3,724
Gold (koz)[b]	65	32	33	149	44	35	34	36
Molybdenum (t)[b]	1,578	714	864	2,024	928	1,096	-	-

a. Tonnes (t) and thousands of ounces (koz)

b. Candelaria and Caserones production is on a 100% basis.

Candelaria (80% owned): Candelaria produced 31,170 tonnes of copper and approximately 17,000 ounces of gold in concentrate on a 100% basis in the three months ended June 30, 2024. Production in the quarter was impacted by lower grades and recoveries, partially offset by higher throughput. During the three months ended June 30, 2024, mining rates were impacted by the interface of the open pit and historic underground mining stopes, requiring more stockpiled ore to be processed which reduced grades and recoveries. Access to higher grade ore is anticipated in the second half of 2024 as per the mine sequence. Three of four stopes have now been filled and blasted, with work on the fourth expected to begin in Q3, and not expected to impact production in the second half of 2024. Production costs were reduced by lower sales volumes and favourable foreign exchange as a result of the CLP weakening against the US dollar; however, cash cost of $2.18/lb was negatively impacted by lower sales volumes.

Caserones (51% owned): Caserones produced 29,775 tonnes of total copper and 714 tonnes of molybdenum on a 100% basis in the three months ended June 30, 2024. Copper and molybdenum concentrate production was impacted in the quarter by extended mill maintenance and weather events which reduced mining activities and limited tailings deposition. Recoveries were also temporarily reduced by changes in the mining sequence and flotation circuit disruptions. Production costs in the quarter were lower than planned primarily due to lower copper concentrate and molybdenum sales volume, as well as favourable foreign exchange. Cash cost also benefitted from favourable foreign exchange.

Chapada (100% owned): Chapada produced 9,106 tonnes of copper and approximately 15,000 ounces of gold in concentrate in the three months ended June 30, 2024 and was impacted by lower grades and recoveries combined with lower mill availability due to unplanned conveyor maintenance and vibration screen failure. Lower grades were a result of a shift to processing increased amounts of stockpiled ore and an optimized mine plan that significantly reduces waste movement. Production costs were reduced by lower sales volumes and favourable foreign exchange. Cash cost of $2.05/lb benefited from higher gold by-product credits combined with favourable foreign exchange and mining cost decreases due to operational improvements.

Eagle (100% owned): Eagle produced 1,721 tonnes of nickel and 1,563 tonnes of copper in the three months ended June 30, 2024. A fall of ground in the lower ramp restricted access to Eagle East, limiting production. Mining rates are expected to be reduced until late 2024 while ramp rehabilitation is completed, deferring the extraction of ore from Eagle East into future years. Production costs were reduced by lower sales volumes and royalty expense, partially offset by higher maintenance costs. Nickel cash cost[1] of $3.23/lb was impacted by lower sales volumes, partially offset by higher by-product credits.

Neves-Corvo (100% owned): Neves-Corvo produced 7,347 tonnes of copper and 25,696 tonnes of zinc in the three months ended June 30, 2024, both of which were impacted by lower grades due to changes in mine sequencing as a result of Lombador south requiring additional development work. Production costs increased due to an increase in sales volumes and cash cost of $1.70/lb benefited from increased sales volumes and higher by-product credits.

Zinkgruvan (100% owned): Zinkgruvan produced 21,764 tonnes of zinc and 8,966 tonnes of lead in the three months ended June 30, 2024 reflecting higher throughput and grades. Copper production of 747 tonnes was impacted by reduced availability of copper ore. Production costs increased due to higher sales volumes and zinc cash cost of $0.39/lb reflected lower copper by-product credits.

Outlook

Production and cash cost guidance for 2024 has been updated from that disclosed in the Company's Management's Discussion and Analysis for the year ended December 31, 2023.

The Company remains on track to meet annual production and cash cost guidance for all metals with the exception of nickel, and has reduced sustaining capital expenditure guidance from $840 million to $795 million with reductions at Caserones, Neves-Corvo, and Zinkgruvan. Expenditure guidance related to the Josemaria Project of $225 million and exploration of $48 million each remain on target for 2024.

Metal production continues to be weighted to the second half of the year at Candelaria, Chapada and Neves-Corvo due to mine sequencing and resultant forecasted grade profiles. Grade is expected to increase significantly at Candelaria in the second half of 2024 once access is opened to higher-grade ore. As a result of production challenges at Neves-Corvo in the first half of 2024, copper production at that operation continues to track to the lower end of its annual production guidance range. In the first half of 2024, cash cost per pound at most operations benefited from increased realized prices on by-product sales.

Guidance at Caserones has been increased to reflect production from the first half of the year and expected throughput and grades for the remainder of the year. At the Eagle mine, a fall of ground in the lower ramp restricted access to Eagle East, limiting production. Mining rates are expected to be reduced until late 2024 while ramp rehabilitation is completed, deferring the extraction of ore from Eagle East into future years. As a result, the annual nickel and copper production guidance ranges for the Eagle mine for 2024 have been reduced.

2024 Production and Cash Cost Guidance

		Guidance[a]		Revised Guidance	
(contained metal)		Production	Cash Cost ($/lb)[b]	Production	Cash Cost ($/lb)[b]
Copper (t)	Candelaria (100%)	160,000 - 170,000	1.60 - 1.80[c]	160,000 - 170,000	1.60 - 1.80[c]
	Caserones (100%)	120,000 - 130,000	2.60 - 2.80	124,000 - 135,000	2.60 - 2.80
	Chapada	43,000 - 48,000	1.95 - 2.15[d]	43,000 - 48,000	1.95 - 2.15[d]
	Eagle	9,000 - 12,000		5,000 - 7,000	
	Neves-Corvo	30,000 - 35,000	1.95 - 2.15[c]	30,000 - 35,000	1.95 - 2.15[c]
	Zinkgruvan	4,000 - 5,000		4,000 - 5,000	
	Total	366,000 - 400,000		366,000 - 400,000	
Zinc (t)	Neves-Corvo	120,000 - 130,000		120,000 - 130,000	
	Zinkgruvan	75,000 - 85,000	0.45 - 0.50[c]	75,000 - 85,000	0.45 - 0.50[c]
	Total	195,000 - 215,000		195,000 - 215,000	
Nickel (t)	Eagle	10,000 - 13,000	2.80 - 3.00	7,000 - 9,000	3.20 - 3.40
Gold (koz)	Candelaria (100%)	100 - 110		100 - 110	
	Chapada	55 - 60		55 - 60	
	Total	155 - 170		155 - 170	
Molybdenum (t)	Caserones (100%)	2,500 - 3,000		2,500 - 3,000	

a. Guidance as outlined in the Company's Management Discussion and Analysis ("MD&A") for the year ended December 31, 2023.

b. Cash costs are based on various assumptions and estimates, including but not limited to: production volumes, commodity prices (Cu: $3.75/lb, Zn: $1.10/lb, Pb: $0.90/lb, Au: $1,800/oz, Mo: $20.00/lb, Ag: $23.00/oz), foreign exchange rates (â‚¬/USD:1.05, USD/SEK:10.50, USD/CLP:850, USD/BRL:5.00) and production costs. Cash cost is a non-GAAP measure - see the Company's Management Discussion and Analysis for the three and six months ended June 30, 2024 and the Reconciliation of Non-GAAP Measures at the end of this news release.

c. 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. Cash costs are calculated based on receipt of approximately $429/oz gold and $4.28/oz to $4.68/oz silver.

d. Chapada's cash cost is calculated on a by-product basis and does 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.

2024 Capital Expenditure Guidance[b]

($ millions)	Guidance[a]	Revisions	Revised Guidance
Candelaria (100% basis)	300	-	300
Caserones (100% basis)	205	(30)	175
Chapada	110	-	110
Eagle	25	-	25
Neves-Corvo	125	(10)	115
Zinkgruvan	75	(5)	70
Other	-	-	-
Total Sustaining	840	(45)	795
Josemaria	225	-	225
Total Capital Expenditures	1,065	(45)	1,020

a. Guidance as outlined in the Company's Management Discussion and Analysis ("MD&A") for the year ended December 31, 2023.

b. Sustaining capital expenditure is a supplementary financial measure and expansionary capital expenditure is a non-GAAP measure - see the Company's Management Discussion and Analysis for the three and six months ended June 30, 2024 and the Reconciliation of Non-GAAP Measures at the end

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Exploration

During the quarter ended June 30, 2024, exploration activity focused on in-mine and near-mine targets at the Company's operations. Exploration drilling at Zinkgruvan was focused on resource expansion and drilling at Candelaria was focused on Candelaria Norte and La Espanola. Drilling at Chapada concentrated on delineating the high-grade, near-mine trend at Corpo Sul, adding high grade resources to Sauva and testing geochemical anomalies in the Sauva area Curicaca and Curio.

At Caserones, exploration activity remains lower during the winter season. Exploration drilling continues in the lower portion of the mineral resource in search of higher-grade copper breccia bodies that could improve the average grade of the resource, and potentially expand it. Near-mine drilling at Angelica has been paused for winter since April.

At Josemaria, seasonal exploration drilling ended in early April at the Cumbre Verde Target, located west of the Josemaria ore body. Six holes were drilled targeting the same mineralized system and structures that hosted high grade mineralization on the neighbouring property that may potentially run towards the Cumbre Verde Target. Initial results highlight favorable levels of copper/gold/silver mineralization in veins and porphyry. The data obtained will help further refine and target this mineralization. Work will continue throughout the remainder of 2024 with drilling to recommence after the winter season.

There was no exploration drilling at Neves-Corvo and Eagle in the quarter.

About Lundin Mining

Lundin Mining is a diversified Canadian base metals mining company with projects and operations in Argentina, Brazil, Chile, Portugal, Sweden and the United States of America, primarily producing copper, zinc, nickel and gold.

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 30, 2024 at 14:30 Vancouver Time.

Technical Information

The scientific and technical information in this press release has been prepared in accordance with the disclosure standards of National Instrument 43-101 ("NI 43-101") and has been reviewed by Arman Barha, P.Eng., Vice President, Technical Services, a "Qualified Person" under NI 43-101. Mr. Barha has verified the data disclosed in this release and no limitations were imposed on his verification process.

Reconciliation of Non-GAAP Measures

The Company uses certain performance measures in its analysis. These performance measures have no standardized meaning within generally accepted accounting principles under International Financial Reporting Standards and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. For additional details please refer to the Company's discussion of non-GAAP and other performance measures in its Management's Discussion and Analysis for the three and six months ended June 30, 2024 which is available on SEDAR+ at www.sedarplus.com.

Cash Cost per Pound and All-in Sustaining Costs per pound can be reconciled to Production Costs on the Company's Condensed Interim Consolidated Statement of Earnings as follows:

	Three months ended June 30, 2024					
Operations	Candelaria	Caserones	Chapada	Eagle	Neves-Corvo	Zinkgru
($000s, unless otherwise noted)	(Cu)	(Cu)	(Cu)	(Ni)	(Cu)	(Zn)
Sales volumes (Contained metal):						
Tonnes	29,999	29,862	8,293	2,018	7,898	18,510
Pounds (000s)	66,137	65,834	18,283	4,449	17,412	40,808
Production costs						
Less: Royalties and other						
Deduct: By-product credits						
Add: Treatment and refining						
Cash cost	143,935	171,255	37,570	14,381	29,682	15,744
Cash cost per pound ($/lb)	2.18	2.60	2.05	3.23	1.70	0.39
Add: Sustaining capital	60,544	35,328	25,241	3,980	27,921	13,301
Royalties	3,551	9,275	1,631	3,906	1,207	-
Reclamation and other closure accretion and depreciation	1,858	1,094	2,727	1,592	1,320	951
Leases & other	3,026	18,619	775	1,533	194	78
All-in sustaining cost	212,914	235,571	67,944	25,392	60,324	30,074
AISC per pound ($/lb)	3.22	3.58	3.72	5.71	3.46	0.74

	Three months ended June 30, 2023					
Operations	Candelaria	Caserones	Chapada	Eagle	Neves-Corvo	Zinkgru
($000s, unless otherwise noted)	(Cu)	(Cu)	(Cu)	(Ni)	(Cu)	(Zn)
Sales volumes (Contained metal):						
Tonnes	36,347	-	10,164	3,859	6,170	9,374
Pounds (000s)	80,132	-	22,408	8,507	13,603	20,666
Production costs						
Less: Royalties and other						
Deduct: By-product credits						
Add: Treatment and refining						
Cash cost	171,520	-	60,351	15,990	54,271	4,975
Cash cost per pound ($/lb)	2.14	-	2.69	1.88	3.99	0.24
Add: Sustaining capital	123,417	-	19,690	3,562	22,133	15,994
Royalties	-	-	2,029	4,920	83	-
Reclamation and other closure accretion and depreciation	2,444	-	1,847	3,011	1,296	739
Leases & other	3,654	-	1,171	897	148	100
All-in sustaining cost	301,035	-	85,088	28,380	77,931	21,808
AISC per pound ($/lb)	3.76	-	3.80	3.34	5.73	1.06

	Six months ended June 30, 2024					
Operations	Candelaria	Caserones	Chapada	Eagle	Neves-Corvo	Zinkgru
($000s, unless otherwise noted)	(Cu)	(Cu)	(Cu)	(Ni)	(Cu)	(Zn)
Sales volumes (Contained metal):						
Tonnes	63,535	65,073	17,035	4,181	13,784	34,335
Pounds (000s)	140,071	143,461	37,556	9,218	30,388	75,696
Production costs						
Less: Royalties and other						
Deduct: By-product credits						
Add: Treatment and refining						
Cash cost	283,425	337,694	76,305	33,630	71,739	38,581
Cash cost per pound ($/lb)	2.02	2.35	2.03	3.65	2.36	0.51
Add: Sustaining capital	160,076	78,082	54,440	8,058	50,334	27,642
Royalties	6,519	18,089	3,248	6,584	1,942	-
Reclamation and other closure accretion and depreciation	4,025	2,134	5,406	3,560	2,655	2,137
Leases & other	6,059	34,000	1,540	2,769	258	156
All-in sustaining cost	460,104	469,999	140,939	54,601	126,928	68,516
AISC per pound ($/lb)	3.28	3.28	3.75	5.92	4.18	0.91

	Six months ended June 30, 2023					
Operations	Candelaria	Caserones	Chapada	Eagle	Neves-Corvo	Zinkgru
($000s, unless otherwise noted)	(Cu)	(Cu)	(Cu)	(Ni)	(Cu)	(Zn)
Sales volumes (Contained metal):						
Tonnes	71,917	-	19,236	6,594	14,201	25,986
Pounds (000s)	158,550	-	42,408	14,537	31,308	57,289
Production costs						
Less: Royalties and other						
Deduct: By-product credits						
Add: Treatment and refining						
Cash cost	345,212	-	107,669	30,630	84,163	24,761
Cash cost per pound ($/lb)	2.18	-	2.54	2.11	2.69	0.43
Add: Sustaining capital	214,103	-	35,717	10,664	47,194	30,462
Royalties	-	-	4,252	10,606	1,813	-
Reclamation and other closure accretion and depreciation	4,751	-	3,648	5,969	2,620	1,800
Leases & other	6,797	-	2,137	1,644	306	202
All-in sustaining cost	570,863	-	153,423	59,513	136,096	57,225
AISC per pound ($/lb)	3.60	-	3.62	4.09	4.35	1.00

Adjusted EBITDA can be reconciled to Net Earnings (Loss) on the Company's Condensed Interim Consolidated Statement of Earnings as follows:

	Three months ended		Six months ended	
	June 30,		June 30,	
($thousands)	2024	2023	2024	2023
Net earnings	156,733	61,302	215,288	226,613
Add back:				
Depreciation, depletion and amortization	197,658	130,505	382,150	250,752
Finance income and costs	36,307	15,897	72,001	31,596
Income taxes	56,162	(19,601)	106,728	29,092
	446,860	188,103	776,167	538,053
Unrealized foreign exchange loss (gain)	3,173	(19,285)	(12,327)	(10,641)
Unrealized losses (gains) on derivative contracts	(3,974)	14,403	48,858	(6,263)
Ojos del Salado sinkhole (recoveries) expenses	710	11,900	(321)	16,482
Revaluation loss (gain) on marketable securities	(85)	(3,464)	(2,515)	(3,902)
Partial suspension of underground operations at Eagle	9,824	-	9,824	-
Revaluation gain on Caserones purchase option	(12,431)	-	(11,728)	-
Write-down of capital works in progress	17,188	-	17,188	-
Gain on disposal of subsidiary	-	-	-	(5,718)
Other	(407)	97	(1,432)	686
Total adjustments - EBITDA	13,998	3,651	47,547	(9,356)
Adjusted EBITDA	460,858	191,754	823,714	528,697

Adjusted Earnings and Adjusted EPS can be reconciled to Net Earnings (Loss) Attributable to Lundin Mining Shareholders on the Company's Condensed Interim Consolidated Statement of Earnings as follows:

	Three months ended		Six months ended	
	June 30,		June 30,	
($thousands, except share and per share amounts)	2024	2023	2024	2023
Net earnings attributable to Lundin Mining shareholders	121,589	59,109	135,472	205,729
Add back:				
Total adjustments - EBITDA	13,998	3,651	47,547	(9,356)
Tax effect on adjustments	1,981	(54)	214	(3,180)
Deferred tax arising from foreign exchange translation	(13,666)	(20,175)	(19,966)	(28,289)
Non-controlling interest on adjustments	(1,821)	(1,134)	4,031	69
Other	-	4,186	-	6,293
Total adjustments	492	(13,526)	31,826	(34,463)
Adjusted earnings	122,081	45,583	167,298	171,266
Basic weighted average number of shares outstanding	776,173,888	772,255,656	774,033,611	771,739,532
Net earnings attributable to shareholders	0.16	0.08	0.18	0.27
Total adjustments	-	(0.02)	0.04	(0.05)
Adjusted earnings per share	0.16	0.06	0.22	0.22

Free Cash Flow from Operations and Free Cash Flow can be reconciled to Cash provided by Operating Activities on the Company's Condensed Interim Consolidated Statement of Cash Flows as follows:

	Three months ended		Six months ended	
	June 30,		June 30,	
($thousands)	2024	2023	2024	2023
Cash provided by operating activities	491,770	194,844	759,301	406,719
Sustaining capital expenditures	(167,803)	(187,820)	(381,063)	(343,384)
General exploration and business development	13,536	13,693	26,987	28,458
Free cash flow from operations	337,503	20,717	405,225	91,793
General exploration and business development	(13,536)	(13,693)	(26,987)	(28,458)
Expansionary capital expenditures	(87,120)	(91,650)	(143,101)	(182,169)
Free cash flow	236,847	(84,626)	235,137	(118,834)

Adjusted Operating Cash Flow and Adjusted Operating Cash Flow per Share can be reconciled to Cash Provided by Operating Activities on the Company's Condensed Interim Consolidated Statement of Cash Flows as follows:

	Three months ended		Six months ended	
	June 30,		June 30,	
($thousands, except share and per share amounts)	2024	2023	2024	2023
Cash provided by operating activities	491,770	194,844	759,301	406,719
Changes in non-cash working capital items	(121,896)	(84,207)	(75,761)	(61,015)
Adjusted operating cash flow	369,874	110,637	683,540	345,704
Basic weighted average number of shares outstanding	776,173,888	772,255,656	774,033,611	771,739,532
Adjusted operating cash flow per share	$ 0.48	0.14	0.88	0.45

Net debt and net debt excluding lease liabilities can be reconciled to Debt and Lease Liabilities, Current Portion of Debt and Lease Liabilities and Cash and Cash Equivalents on the Company's condensed interim consolidated balance sheet as follows:

($thousands)	June 30, 2024	December 31, 2023
Debt and lease liabilities	(1,282,492)	(1,273,162)
Current portion of total debt and lease liabilities	(315,695)	(212,646)
Less deferred financing fees (netted in above)	(7,547)	(6,374)
	(1,605,734)	(1,492,182)
Cash and cash equivalents	452,809	268,793
Net debt	(1,152,925)	(1,223,389)
Lease liabilities	259,164	277,208
Net debt excluding lease liabilities	(893,761)	(946,181)

Cautionary Statement on Forward-Looking Information

Certain of the statements made and information contained herein are "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, Pre-Feasibility Study, 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; expansion projects and the realization of additional value; expectations regarding, and ability to complete, the acquisition of Filo Corp. and the 50/50 joint venture with BHP; the anticipated development and other plans with respect to the acquisition and joint venture; the Company's integration of acquisitions and expansions and any anticipated benefits thereof; 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 information.

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, zinc, gold, nickel 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 information and undue reliance should not be placed on such information. Such factors include, but are not limited to: global financial conditions, market volatility and inflation, including pricing and availability of key supplies and services; 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; volatility and fluctuations in metal and commodity demand and prices; significant reliance on assets in Chile; reputation risks related to negative publicity with respect to the Company or the mining industry in general; delays or the inability to obtain, retain or comply with permits; risks relating to the development of the Josemaria Project; health and safety laws and regulations; risks associated with climate change; risks relating to indebtedness; economic, political and social instability and mining regime changes in the Company's operating jurisdictions, including but not limited to those related to permitting and approvals, nationalization or expropriation without fair compensation, environmental and tailings management, labour, trade relations, and transportation; inability to attract and retain highly skilled employees; risks inherent in and/or associated with operating in foreign countries and emerging markets, including with respect to foreign exchange and capital controls; project financing risks, liquidity risks and limited financial resources; health and safety risks; compliance with environmental, unavailable or inaccessible infrastructure, infrastructure failures, and risks related to ageing infrastructure; changing taxation regimes; the inability to effectively compete in the industry; the inability to currently control Filo Corp. and the ability to satisfy the conditions and consummate the acquisition of Filo Corp. and the joint venture transaction with BHP on the proposed terms and expected schedule; risks associated with acquisitions, expansions 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; risks related to mine closure activities, reclamation obligations, environmental liabilities and closed and historical sites; reliance on key personnel and reporting and oversight systems, as well as third parties and consultants in foreign jurisdictions; information technology and cybersecurity risks; 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, estimates of grade, tonnage, dilution, mine plans and metallurgical and other characteristics; ore processing efficiency; community and stakeholder opposition; regulatory investigations, enforcement, sanctions and/or related or other litigation; financial projections, including estimates of future expenditures and cash costs, and estimates of future production may not be reliable; enforcing legal rights in foreign jurisdictions; risks associated with the use of derivatives; risks relating to joint ventures and operations; environmental and regulatory risks associated with the structural stability of waste rock dumps or tailings storage facilities; exchange rate fluctuations; compliance with foreign laws; 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; risks relating to dilution; risks relating to payment of dividends; counterparty and customer concentration risks; activist shareholders and proxy solicitation matters; estimation of asset carrying values; relationships with employees and contractors, and the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; conflicts of interest; existence of significant shareholders; challenges or defects in title; internal controls; risks relating to minor elements contained in concentrate products; the threat associated with outbreaks of viruses and infectious diseases; mining rates and rehabilitation projects; mill shut downs; and other risks and uncertainties, including but not limited to those described in the "Risks and Uncertainties" section of the Company's MD&A for the three and six months ended June 30, 2024 and the "Risks and Uncertainties" section of the Company's Annual Information Form for the year ended December 31, 2023, which are available on SEDAR+ at www.sedarplus.com under the Company's profile.

All of the forward-looking information 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, forecasted 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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