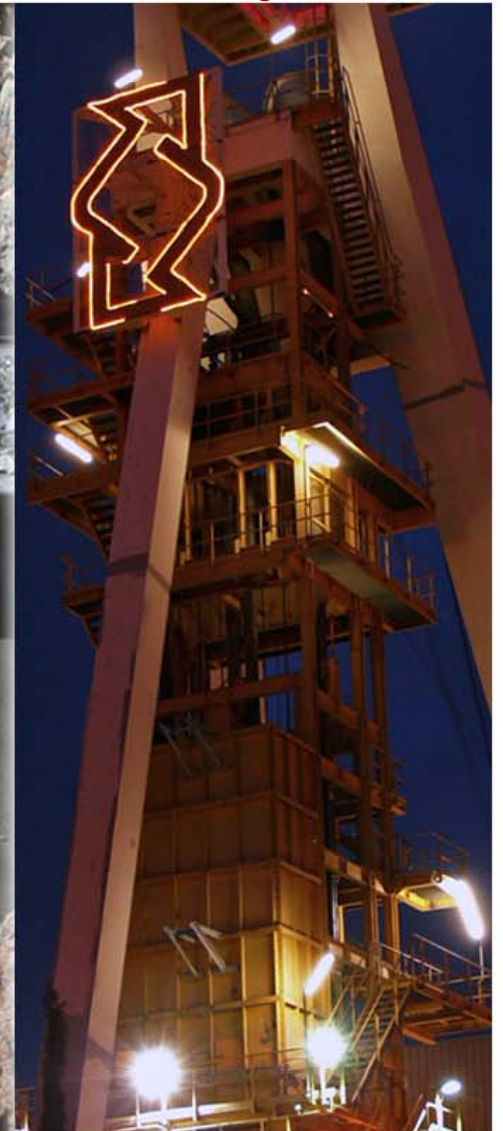


February 24, 2011



Results 2010

**lundin mining**



# Cautionary Statements

## Caution Regarding Forward Looking Statements

This presentation contains forward-looking statements. These forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events. These forward-looking statements are subject to risks and uncertainties. These risks and uncertainties could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

Such risks may include, without limitation: risks and uncertainties relating to foreign currency fluctuations; risks inherent in mining including environmental hazards, unusual or unexpected geological formations, ground control problems and flooding; risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; the potential for and effects of labor disputes or other unanticipated difficulties with or shortages of labor or interruptions in production; actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; and commodity price fluctuations.

For further details of other risks and uncertainties see Risk Factors Relating to the Company's Business in the Company's Annual Information Form and in each management discussion and analysis.



# Presenter

**PHIL WRIGHT**

PRESIDENT & CEO

# Questions

**JOAO CARRELO**

EXEC. VP & COO

**MARIE INKSTER**

CFO

**PAUL CONIBEAR**

SVP CORP DEVELOPMENT



# Highlights

- **Net Income \$317.1 million (\$0.55 p/share), well ahead of last year's \$73.7 million (\$0.13 per share)**
- **Average metal prices 24% to 48% higher than last year. Euro 4% weaker, SEK 6% stronger (annual averages) against US dollar.**
- **Production below prior year** owing to: industrial action at Neves-Corvo (estimated 10,000 tonnes) at start of 2010; and closure of Galmoy in mid-2009.
- **Tenke now consistently above design capacity.**
- In October 2010, the government of the DRC announced the **conclusion of the review of Tenke mining contracts.**
- **New hi-grade massive sulphide discovery at Neves-Corvo – copper rich**
- **Net cash increased by over \$200 million during year (excluding \$118.7 million reduction on Tenke EOC)**
- **Lundin Mining and Inmet announce merger to form Symterra**



# Normalized Earnings

\$ Millions	2010	2009	Q4 '10	Q4 '09
<b>Reported Net Income</b>	317.1	73.7	144.6	35.1
Derivative (gains) losses	(10.2)	61.5	-	27.4
(Gain) loss on sale of assets	(48.4)	6.7	(10.4)	(12.0)
Royalty charge related to 2008	8.1	-	-	-
Long-lived asset impairment	-	53.0	-	53.0
Tax (on above items)	8.1	(31.1)	1.6	(22.0)
Discontinued operations	-	5.6	-	-
Non-recurring tax adjustments <sup>1</sup>	13.6	-	-	-
<b>Adjusted Net Income</b>	<b>288.3</b>	<b>169.4</b>	<b>135.8</b>	<b>81.5</b>
<b>Earnings per share - continuing operations</b>	<b>\$ 0.50</b>	<b>\$ 0.31</b>	<b>\$ 0.23</b>	<b>\$ 0.14</b>

<sup>1</sup> \$13.6 is the initial increase in future tax liability related to the 2.5% tax rate increase in Portugal

- 2010 includes \$5.1 million pre-tax exchange loss (2009, gain of \$14.4 million)



# Financial Position

- Net cash at December 31, 2010 of \$159.2 million, an increase of \$33.5 million for the quarter and \$208.5 million for the year.
- The change in net cash during the year takes into account:
  - \$83.8 million proceeds from the sale of AFS securities and investments
  - \$129.8 million of capital expenditure
  - \$30.5 million advanced in respect of Tenke
  - \$23.6 million of exploration
- Operating cashflow of \$277.3 million during the year compared to \$137.4 million last year.
- As at February 21, net cash on hand of \$265 million

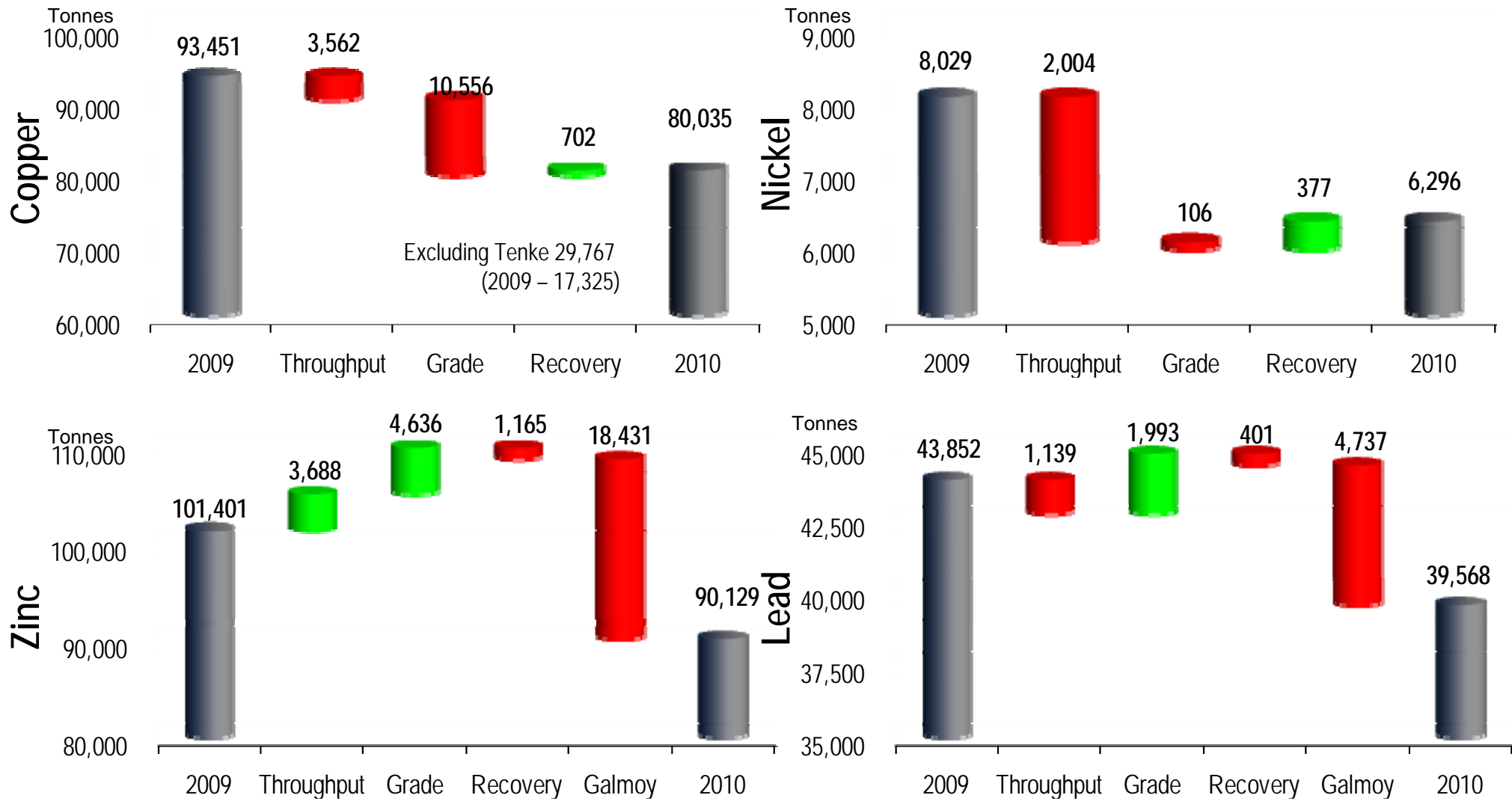


# 2010 Production Vs. Guidance

		Actuals		Guidance	
		Tonnes	C1	Tonnes	C1
Neves-Corvo	Cu	74,011	\$ 1.33	75,000	\$ 1.30
	Zn	6,422		6,000	
Zinkgruvan	Zn	72,206	\$ 0.22	75,000	\$ 0.30
	Pb	36,636		36,000	
Aguablanca	Ni	6,296		6,150	
	Cu	5,484		5,200	
Galmoy (in ore)	Zn	11,501		12,000	
	Pb	2,932		4,000	
Total	Cu	80,035		81,200	
	Zn	90,129		93,000	
	Pb	39,568		40,000	
	Ni	6,296		6,150	
Tenke	Cu	29,767		28,500	



# Change in Production: 2010 and 2009





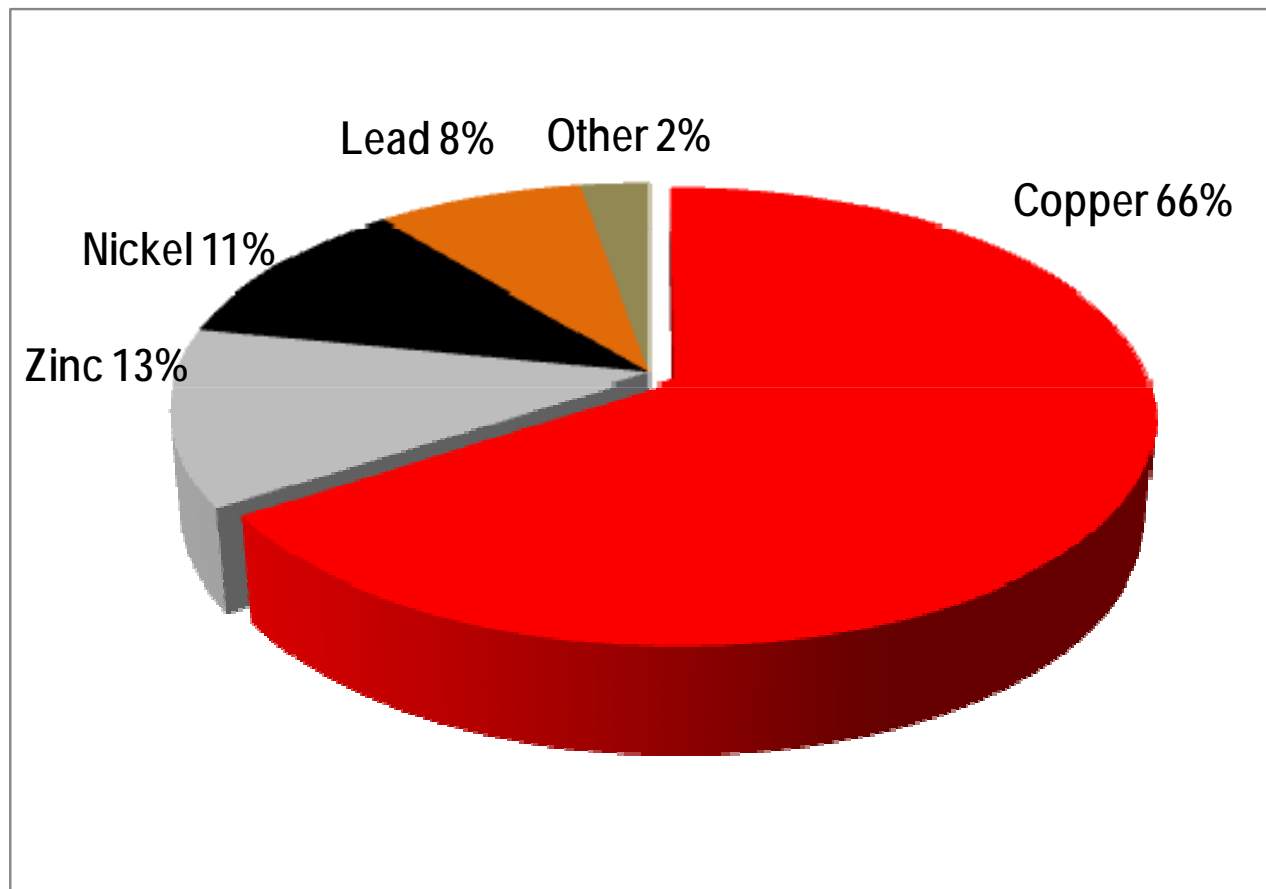
# Cash Costs: 2010 and 2009

		Cash cost per lb of primary metal			
		US dollars		(local currency)	
		2010	2009	2010	2009
Neves-Corvo (Local in €) Copper	Gross cost	1.40	1.16	1.06	0.83
	By-product*	(0.07)	(0.02)	(0.05)	(0.02)
	Net cost	1.33	1.14	1.01	0.81
Zinkgruvan (Local in SEK) Zinc	Gross cost	0.79	0.69	5.75	5.22
	By-product*	(0.57)	(0.43)	(4.15)	(3.25)
	Net cost	0.22	0.26	1.60	1.97
Aguablanca (Local in €) Nickel	Gross cost	10.36	7.13	7.81	5.10
	By-product*	(3.28)	(2.73)	(2.47)	(1.95)
	Net cost	7.08	4.40	5.34	3.15

\* By-product is after related TC/RC



# 2010 Net Sales Contribution By Metal



Note: Inclusion of attributable Tenke share in the above would substantially increase the contribution of copper.



# Change in Metal Prices: 2010 and 2009

Average LME	Year ended Dec 31			Qtr ended Dec 31			
		2010	2009	%	2010	2009	%
Copper	\$/lb	3.42	2.34	46%	3.92	3.01	30%
Lead	\$/lb	0.97	0.78	24%	1.08	1.04	4%
Zinc	\$/lb	0.98	0.75	30%	1.05	1.00	5%
Nickel	\$/lb	9.89	6.67	48%	10.70	7.96	35%
EUR/USD (Avg)		1.33	1.39	-4%	1.36	1.48	-8%
SEK/USD (Avg)		0.14	0.13	6%	0.15	0.14	3%



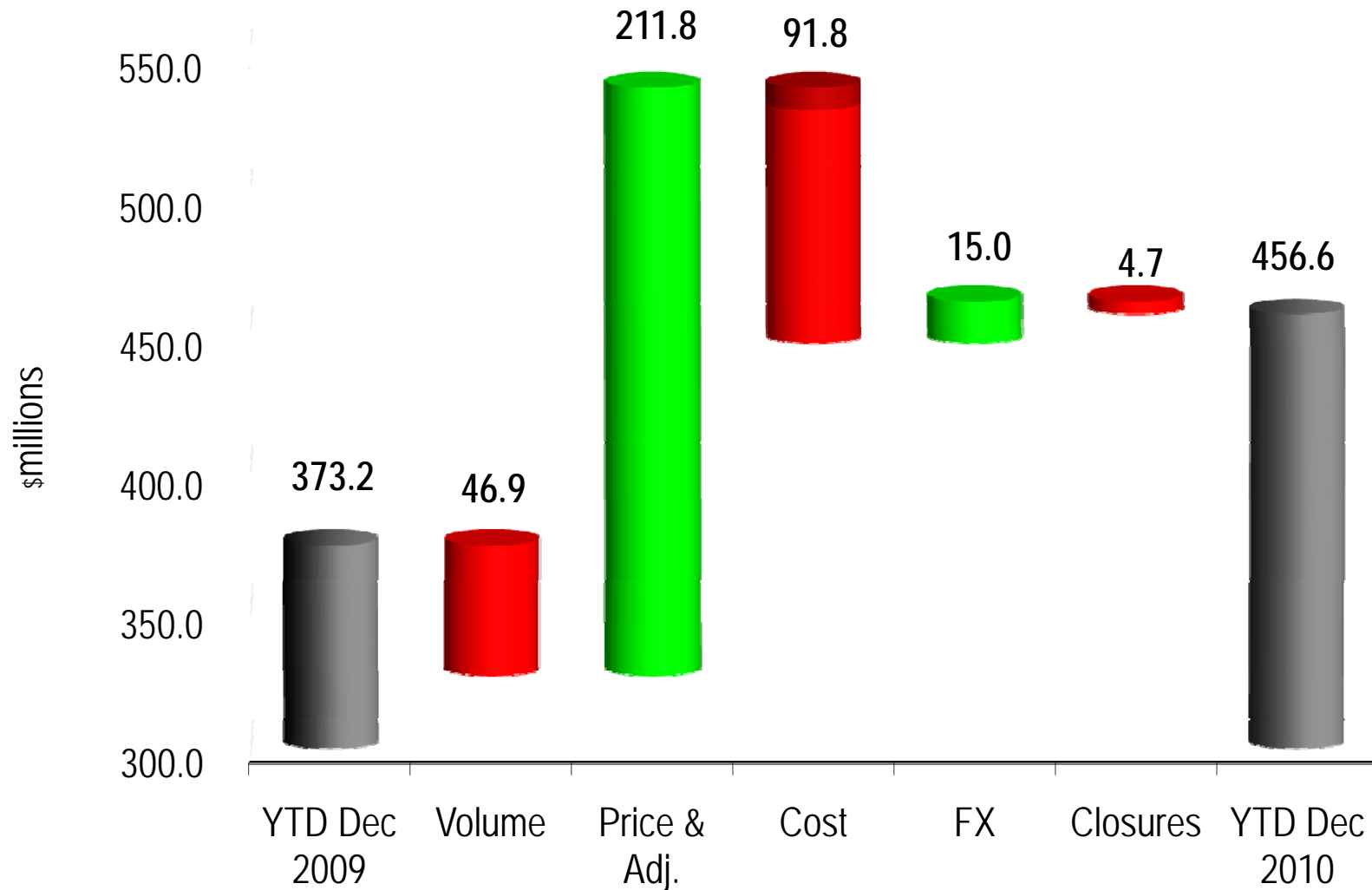
# Financial Results

Selected Financial Information: \$ Millions

	2010	2009		Q4 '10	Q4 '09
Sales	849	746	14%	309	257
Operating costs including ARO	(371)	(347)	7%	(113)	(101)
G&A and stock-based compensation	(21)	(26)	-19%	(5)	(4)
<b>Operating Earnings</b>	<b>457</b>	<b>373</b>	<b>23%</b>	<b>191</b>	<b>152</b>
Add (deduct): Depreciation, Amortization	(123)	(170)		(24)	(41)
Selected items only Exploration/project investigation	(24)	(23)	4%	(7)	(7)
Other income and expenses	(12)	6		(11)	3
Derivative contracts	10	(61)		-	(27)
Tenke equity investment	79	-		36	6
Gain/(loss) AFS & investments	43	(7)		10	12
Long-lived asset impairment	-	(53)		-	(53)
Income tax(expense)/ recovery	(113)	3		(50)	(10)
<b>Net Income from continuing operations</b>	<b>317</b>	<b>68</b>		<b>145</b>	<b>35</b>
<b>Earnings per share</b>	<b>\$ 0.55</b>	<b>\$ 0.12</b>		<b>\$ 0.25</b>	<b>\$ 0.06</b>



# Change in Operating Earnings: 2009 to 2010





# Tenke Production

Lundin attributable 24.75%

## Copper cathode (tonnes)

	2010	2009	Q4 '10	Q4 '09
Production	29,767	17,325	7,907	7,227
Sales	29,435	14,655	7,701	7,223
Average realized price/lb	\$ 3.45	\$ 2.85	\$ 4.05	\$ 3.12

## Cobalt (contained tonnes)

Production	2,283	<i>n/a</i>	723	<i>n/a</i>
Sales	2,246	<i>n/a</i>	784	<i>n/a</i>
Average realized price/lb	\$10.95	<i>n/a</i>	\$10.46	<i>n/a</i>

## Net cash costs/lb of copper:

Gross cost	\$ 1.40	<i>n/a</i>	\$ 1.48	<i>n/a</i>
Cobalt credits	\$ (0.58)	<i>n/a</i>	\$ (0.68)	<i>n/a</i>
Royalties	\$ 0.08	<i>n/a</i>	\$ 0.09	<i>n/a</i>
Net cash cost/lb	<u>\$ 0.90</u>	<u><i>n/a</i></u>	<u>\$ 0.89</u>	<u><i>n/a</i></u>



# Tenke Investment

\$ Millions	2010	2009	Q4 '10	Q4 '09
Income from investment	78.6	0.3	35.6	5.6
Excess Overrun Facility (Repayments) Draws	(118.7)	164.2	(40.4)	6.9
Closing balance	108.4	227.1		
Attributable Cash Flow				
Cash advances to Tenke	(30.5)	(56.7)		
Repayment (draws) on EOC	118.7	(164.2)		
Attributable net cash flow	88.2	(220.9)		

- Production is now consistently above design capacity
- Freeport is expecting copper production to increase from 120,000 tonnes in 2010 to over **130,000 tonnes in 2011**
- Expansion studies continue.



# Outlook

		2011 Guidance		2010 Actuals	
		Tonnes	C1	Tonnes	C1
Same mine comparison i.e. excludes Aguablanca					
Neves-Corvo	Cu	76,000	\$ 1.30	74,011	\$ 1.33
	Zn	25,000		6,422	
Zinkgruvan	Zn	78,000	\$ 0.15	72,206	\$ 0.22
	Pb	38,000		36,636	
	Cu	3,400		540	
Galmoy (in ore)	Zn	17,000		11,501	
	Pb	6,000		2,932	
Total	Cu	79,400		74,551	
	Zn	120,000		90,129	
	Pb	44,000		39,568	
Tenke	Cu	31,200		29,767	

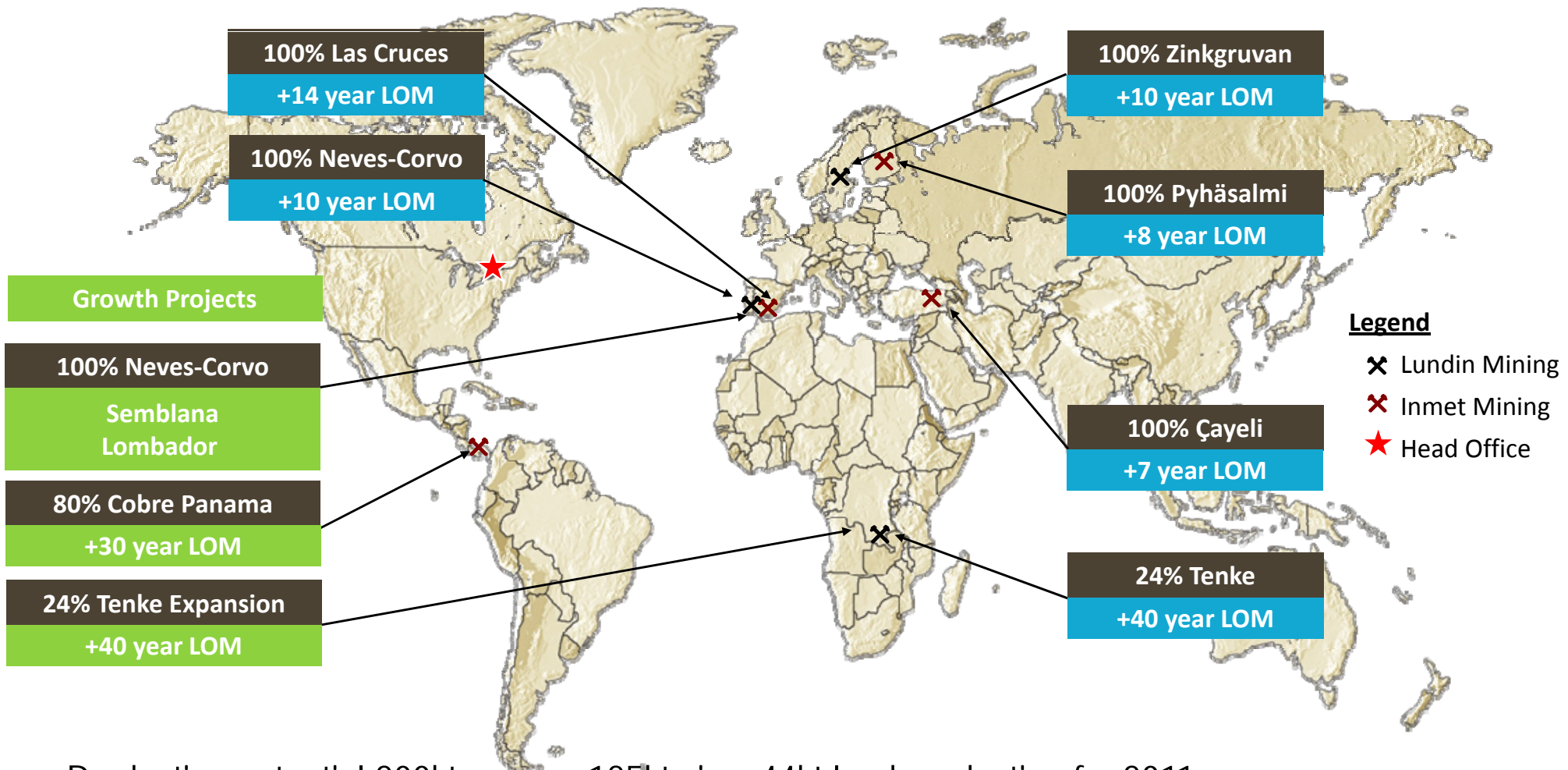


# Outlook

- **Production guidance for 2011 unchanged (lower C1 at Zinkgruvan)**
- **Plans for 2011 indicate: copper production of 110,000 tonnes, including our attributable share of Tenke; zinc production of 120,000 tonnes; and lead production of 44,000 tonnes.**
- **Capex guidance for 2011 around \$290 million: sustaining \$100 million; new investment \$70 million; Tenke \$120 million**
- **Exploration/resource evaluation estimated at \$38 million for 2011. Approx. \$20 million to investigate Semblana; \$4 million seismic at Neves-Corvo looking for further sulphide deposits**
- **Symterra Corporation: shareholder vote scheduled for March 14**

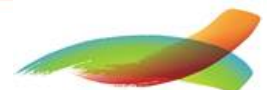


# Symterra: Established Mines, 2 World Class Growth Projects



- Production potential 200kt copper, 185kt zinc, 44kt lead production for 2011
- Operations and projects could drive production growth to > 500kt\* of copper by 2017

\* Based on Cobre Panama assumed production and adding the attributable share (24%) from Tenke Fungurume expansions as per Lundin internal forecasting.





# Symterra: New Canadian Senior Growth Story

- Strong cash flow from portfolio of low cost, long life producing mines
- Two world class development projects
- Cash resources in excess of \$1.3 billion and strong ongoing cash flow
- Leading copper growth profile
- High leverage to copper
- Diversified metal production
- Shared value of corporate responsibility as a competitive advantage
- Significant market cap and liquidity
- Combined strengths of Board and management teams
- Support of major shareholders





# Questions

<b>PHIL WRIGHT</b>	PRESIDENT & CEO
<b>JOAO CARRELO</b>	EXEC. VP & COO
<b>MARIE INKSTER</b>	CFO
<b>PAUL CONIBEAR</b>	SVP CORP DEVELOPMENT