

TSX: LUN
OMX: LUMI



lundin mining

Macquarie Metals & Mining Conference

December 2011

Caution Regarding Forward Looking Statements

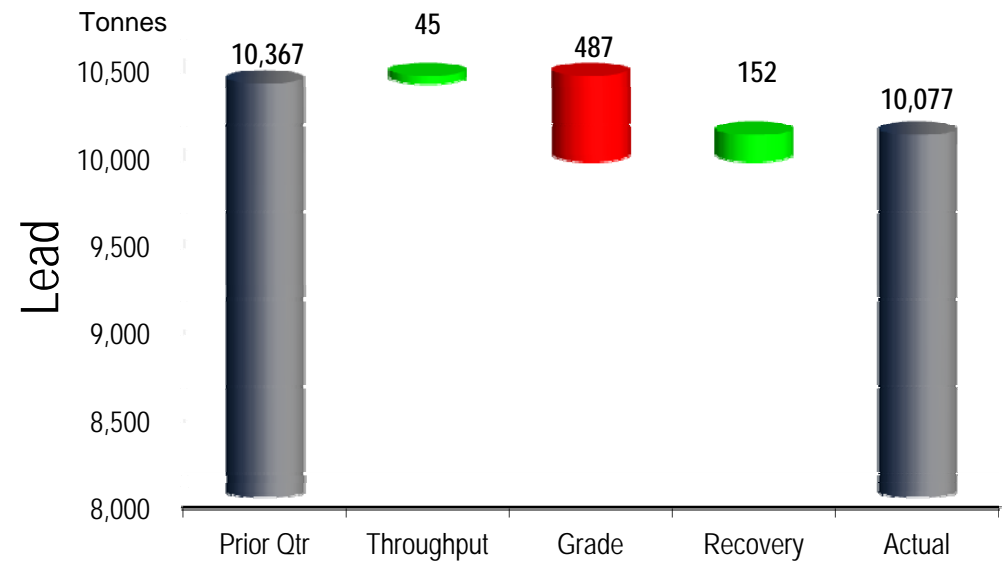
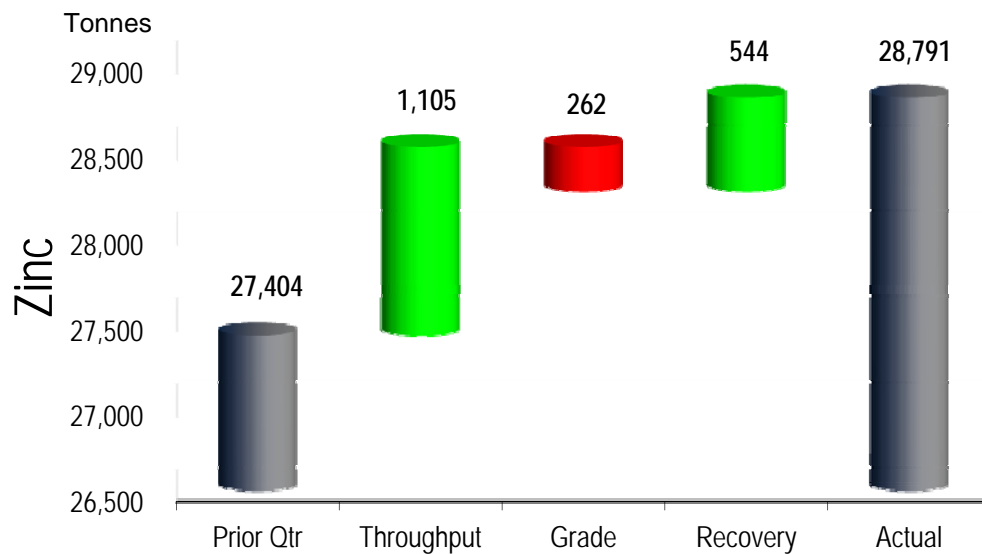
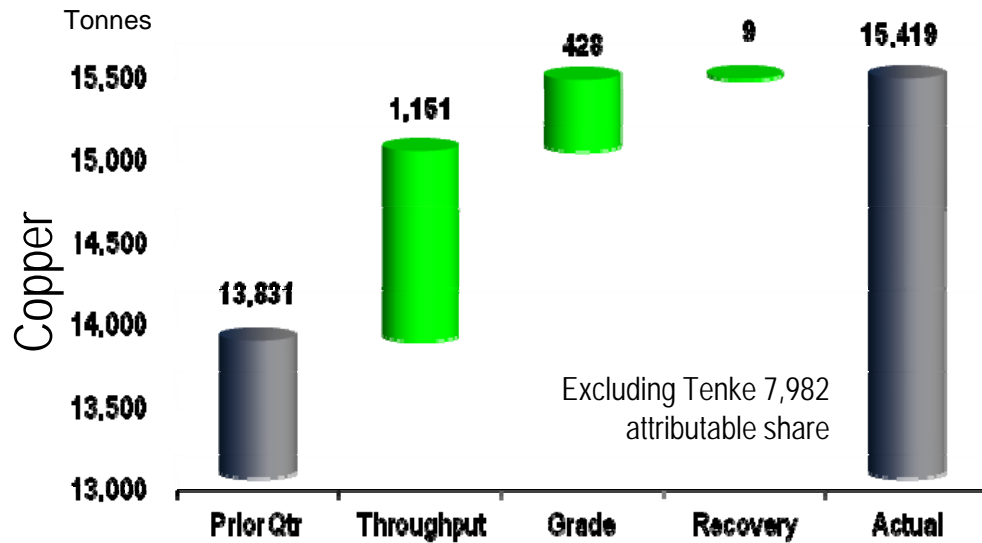
This presentation contains forward-looking statements. These forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events. These forward-looking statements are subject to risks and uncertainties. These risks and uncertainties could 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.

- **Copper:** Production improving. New high grade stopes commenced late September. Fourth quarter copper production trending well at Neves-Corvo, as planned.
- **Zinc:** Largely in-line. Grinding mill issues resolved early in 4th quarter.
- **Tenke initial overrun debt now fully repaid:** First cash return to Lundin Mining of \$7.8 m received in September, in addition to \$32.0m final repayment of EOC balance. Production going well.
- **Tenke Phase II expansion study completed by FCX:** Expansion expected to increase Cu production to ~195ktpa with completion in 2013. Expansion proceeding on schedule.
- **Staffing for growth** – strategic hiring commenced

Change in Production: Q3 '11 vs. Q2 '11



Q3/11 Financial Position

- Net cash at Sept. 30, 2011 of \$209 million, compared to \$126 million at Sept. 30, 2010 and \$308 million at June 30, 2011
- Change in net cash during the quarter was impacted by:
 - \$58 million outflow for income tax payments
 - \$19 million outflow for royalty payments
 - \$9.5 million outflow for acquisition of Belmore Resources
- Operating cashflow (before non-cash working capital) of \$23.7 million
 - In addition Tenke cash distribution of \$7.8 million was received in the quarter.

Outlook and Operations 2011/2012

2011 Guidance

| (contained tonnes) | | Revised 2011 Guidance | | Previous 2011 Guidance | |
|--|-----------|-----------------------|----------------------|------------------------|----------------------|
| | | Tonnes | C1 Cost ¹ | Tonnes | C1 Cost ¹ |
| Neves-Corvo | <i>Cu</i> | 70,000 | \$1.80 | 72,000 | \$1.65 |
| | <i>Zn</i> | 4,500 | | 6,000 | |
| Zinkgruvan | <i>Zn</i> | 76,000 | \$0.32 | 78,000 | \$0.21 |
| | <i>Pb</i> | 34,000 | | 36,000 | |
| | <i>Cu</i> | 1,500 | | 3,400 | |
| Galmoy (in ore) | <i>Zn</i> | 31,000 | | 28,000 | |
| | <i>Pb</i> | 8,000 | | 8,000 | |
| Total: Wholly-owned operations | <i>Cu</i> | 71,500 | | 75,400 | |
| | <i>Zn</i> | 111,500 | | 112,000 | |
| | <i>Pb</i> | 42,000 | | 44,000 | |
| Tenke: 24.0% attributable share | <i>Cu</i> | 30,400 | \$1.03 | 30,400 | \$0.97 |

¹ Cash costs remain dependent upon exchange rates (2011 revised forecast €/USD: 1.35 – USD/SEK: 6.80; previous forecast €/USD: 1.40 –USD/SEK: 6.40).

2011 Capital Cost Guidance – remains unchanged at \$290 million.

Neves-Corvo – Q3/11 Results

- Copper prod'n of 15,070 tonnes vs. 13,475 tonnes in Q2/11
- Production from new high grade stopes commenced in late-Sept. Significantly improved production has occurred since then.
- C1 Costs of \$2.35/lb Cu vs. \$2.13/lb in Q2/11
- Announced Lombador Phase 1 Feasibility Study results
- Advanced drilling of Semblana and several other nearby targets



| | |
|--------------------------------------|---|
| Location | • Portugal |
| 2011 Production Guidance | • 70,000 tonnes Cu • 4,500 tonnes Zn |
| 2011 C1 Costs | • \$1.80/lb Cu |
| 2012 Preliminary Production Guidance | • 52.5 – 57kt Cu • 30 – 40kt Zn |
| Mine Life | • +10 years |



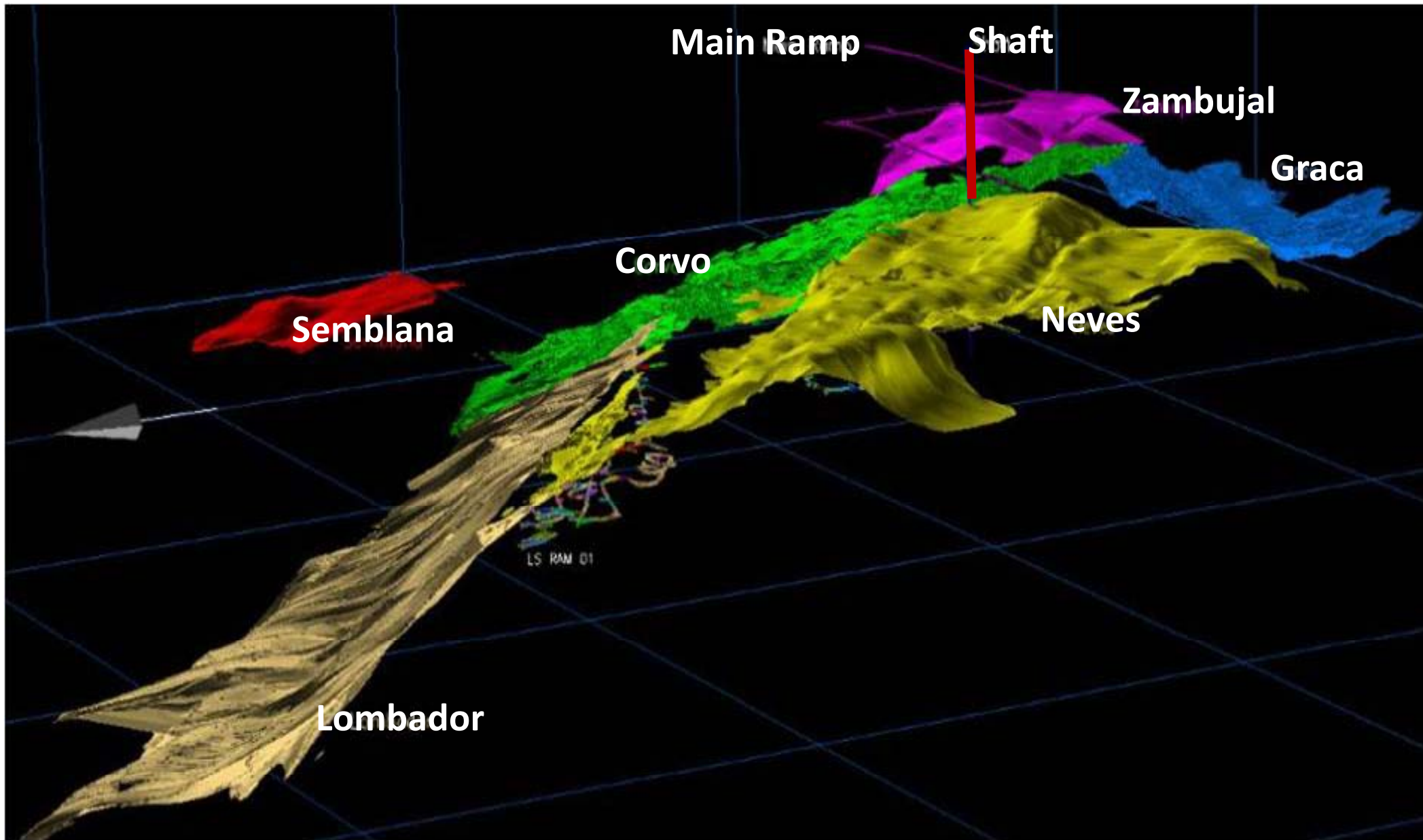
Neves-Corvo – Outlook

- 2012 preliminary prod'n guidance takes into account future proportions of stockworks vs high grade massive sulphide feed
- Several internal projects underway to address changing feed characteristics & improve mine planning
- Initial Semblana resource to be announced in Q4/11
- Expanding Semblana drilling and several new targets
- U/G Materials Handling Study ongoing to assess combined Lombador and Semblana exploitation concepts

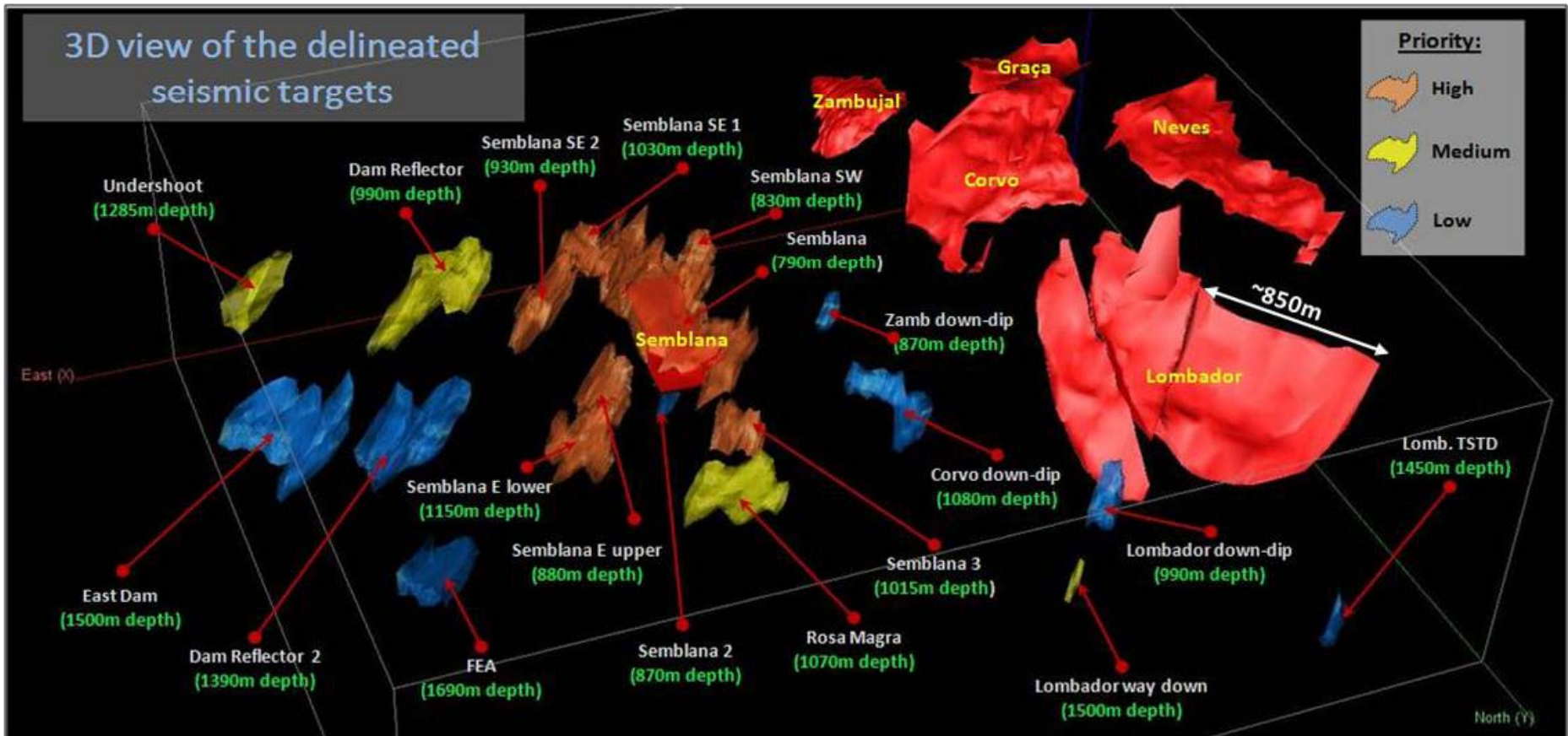
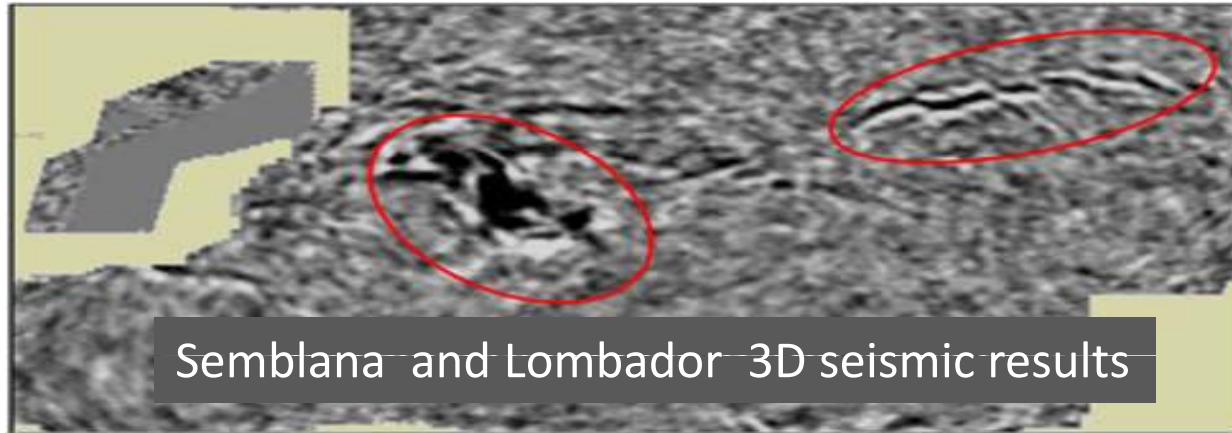


Neves-Corvo Growth - Lombador & Semblana

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Neves-Corvo – Multiple New Targets



Zinkgruvan – Q3/11 Results

- Zinc production of 17,459 tonnes vs. 17,582 tonnes in Q2/11
- C1 costs of \$0.13/lb Zn vs. \$0.26/lb Zn in Q2/11
- New ramp from surface highly successful. Mine continues to outpace mill capacity
- New senior personnel appointments made

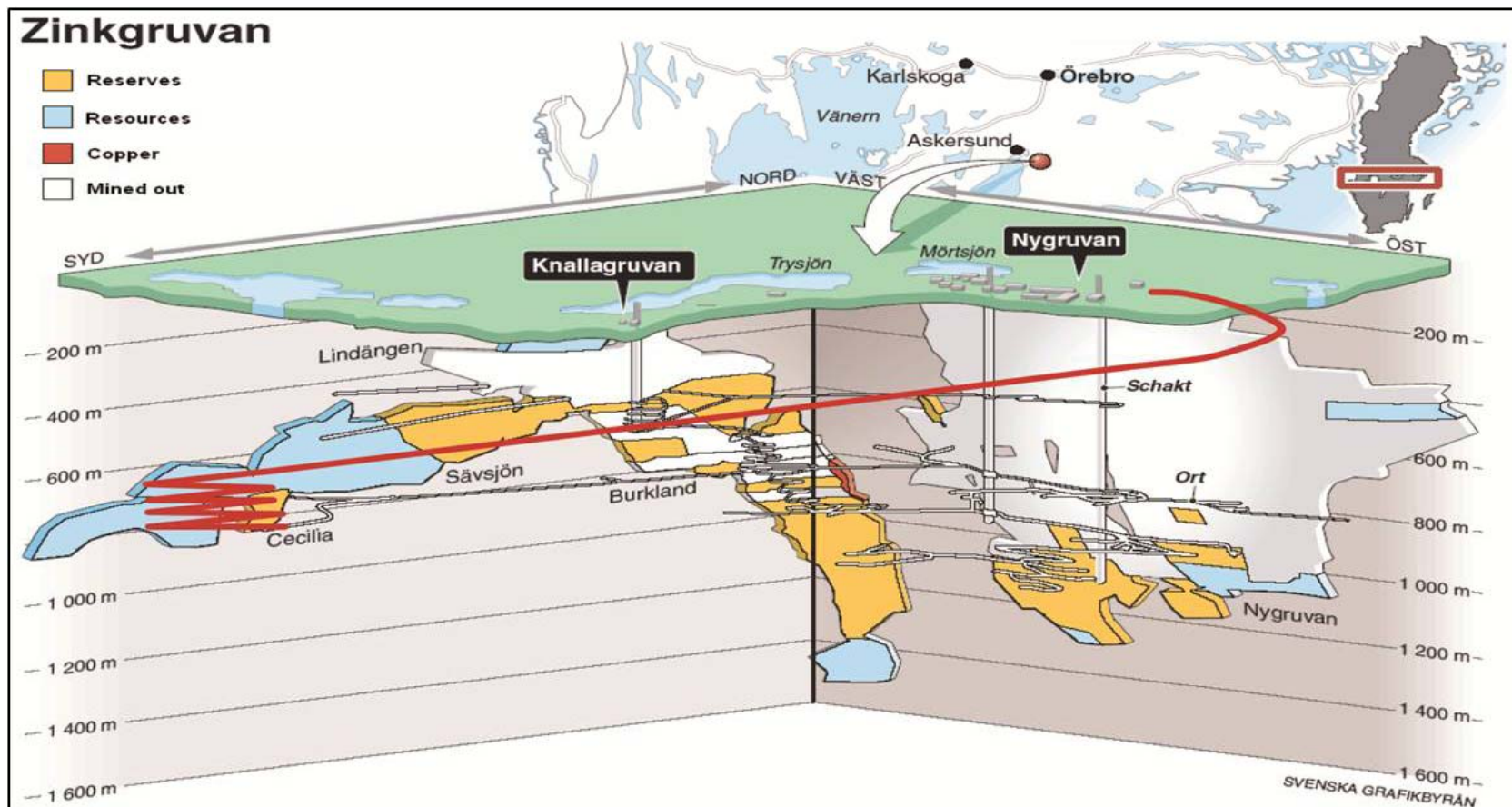


| | |
|--------------------------------------|---|
| Location | • Sweden |
| 2011 Production Guidance | <ul style="list-style-type: none"> • 76,000 tonnes Zn • 34,000 tonnes Pb • 1,500 tonnes Cu |
| 2011 C1 Costs | • \$0.32/lb Zn |
| 2012 Preliminary Production Guidance | <ul style="list-style-type: none"> • 75 – 81kt Zn • 34 – 39kt Pb • 2 – 3kt Cu |
| Mine Life | • +10 years |



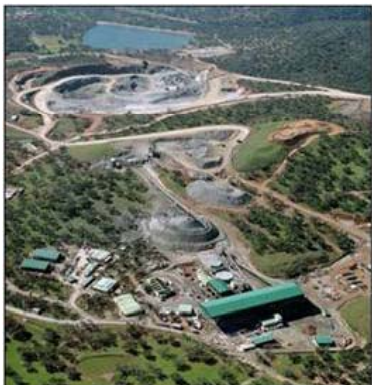
Zinkgruvan - Outlook

- 2012 Preliminary guidance - largely unchanged from this year
- Pursuing several opportunities for incremental improvements
 - Debottlenecking of materials handling system
 - Increased investment in underground exploration



Aguablanca – Update and Outlook

- New mine contractor mobilized in August. Re-instatement of the ramp and pre-stripping progressing well
- Restart nickel/copper production in H2/12 with ~€40M investment for restart
- Underground study in progress targeting the addition of higher grade material in parallel to open pitting



| | |
|--------------------------------------|--|
| Location | • Spain |
| Ownership | • 100% |
| 2012 Preliminary Production Guidance | • 500 – 1,000 t Ni • 500 – 1,000 t Cu |
| 2011E C1 Costs | • N/A |
| Mine Life | • +5 years |



Tenke – Q3/11 Results

- Copper production of 32,249 tonnes vs. 29,891 tonnes in Q2/11
- C1 costs of \$1.12/lb Cu vs. \$0.94/lb Cu in Q2/11
- Equity income of \$17 m vs. \$32 m in Q2/11
 - Negatively impacted by timing of shipments and lower realized prices
- Over-run (EOC) facility fully repaid in Q3 – LUN will now receive 30% of excess cash benefit until initial investment repaid



| | |
|---------------------------|--------------------------------|
| Location | • Democratic Republic of Congo |
| Ownership | • 24% |
| 2011E Production Guidance | • 30,400 tonnes Cu |
| Mine Life | • +40 years |



- Phase 2 Feasibility Study completed by FCX:
 - Expansion to ~195ktpa Cu, w/ completion in 2013
 - Project capex of ~ \$850 m, of which LUN is responsible for 30% (~\$250 m)
 - Investment on critical path activities in progress since January 2011
- LUN portion of expansion capex expected to be funded by Tenke distributions assuming strong metal prices.
- Copper expansions at Tenke are excellent growth drivers for LUN. FCX progressing with heap leaching, mixed and sulphide testing.



Phase 2 Expansion Progress

Tank House Expansion



SX Retaining Wall



2012 Preliminary Production Guidance

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| (contained tonnes of metal in concentrate) | | Preliminary 2012 Guidance Tonnes | Current 2011 Forecast Tonnes |
|--|-----------|--|------------------------------------|
| Neves-Corvo | <i>Cu</i> | 52,500 – 57,000 | 70,000 |
| | <i>Zn</i> | 30,000 – 40,000 | 4,500 |
| Zinkgruvan | <i>Zn</i> | 75,000 – 81,000 | 76,000 |
| | <i>Pb</i> | 34,000 – 39,000 | 34,000 |
| | <i>Cu</i> | 2,000 – 3,000 | 1,500 |
| Aguablanca | <i>Ni</i> | 500 – 1,000 | <i>n.a.</i> |
| | <i>Cu</i> | 500 – 1,000 | <i>n.a.</i> |
| Galmoy¹ (in ore) | <i>Zn</i> | 4,000 – 4,500 | 31,000 |
| | <i>Pb</i> | 500 | 8,000 |
| Total: Wholly-owned operations | <i>Cu</i> | 55,000 – 61,000 | 71,500 |
| | <i>Zn</i> | 109,000 – 125,500 | 111,500 |
| | <i>Pb</i> | 34,500 – 39,500 | 42,000 |
| | <i>Ni</i> | 500 – 1,000 | <i>n.a.</i> |
| Tenke²: 24% attributable share | <i>Cu</i> | > 31,000 | 30,400 |
| Total Attributable Copper Production | | 86,000 – 92,000 | 101,900 |

¹ Metal sales are dependent upon milling at a third party processing facility, which are expected to approximate 12,000t Zn and 3,000t Pb in 2012.

² Tenke 2012 Guidance has not yet been provided by Operator FCX. Lundin Mining anticipates production from Tenke in 2012 to be greater than 2011 guidance subject to the possibilities of staged startup of Phase 2 expansion initiatives.

2011 Exploration Programs

Exploration spend will increase to \$43 m in 2011 (from \$24 m - 2010)

- Portugal - Semblana drilling continues to intersect thick sections of resource-grade Cu mineralization. Drilling ramped up on new 3D targets.
- Spain – Ossa Morena drilling continues - copper /gold targets
- Ireland - Clare (Zn-Pb-Ag) properties - Multiple targets being drilled. Results very encouraging
- Sweden – Expanded exploration program at Zinkgruvan
- Q4 Exploration Update – On all projects including Semblana



Lundin Mining - Summary

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- High quality, long life reserves; exploration upside
- A stake in Tenke - a unique, world-class copper mine
- Strong balance sheet and ongoing cash flows
- Fully-funded organic growth profile
- High leverage to copper and zinc
- Very compelling valuation



Neves-Corvo



Zinkgruvan



Aguablanca



Tenke Fungurume