

TSX: LUN
OMX: LUMI



lundin mining

Corporate Presentation

March 2013

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.

Note: All dollar amounts are in US dollars unless otherwise denoted.

Key Asset Overview

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• European Assets

- **Neves-Corvo, Portugal** (Cu/Zn)
- **Zinkgruvan, Sweden** (Zn/Pb/Cu)
- **Aguablanca, Spain** (Ni/Cu)
- **Kokkola Cobalt Refinery***, Finland (24% interest - pending closing)

• Tenke Fungurume

- **Tier 1 Cu/Co asset**
- 24% interest
- Freeport-McMoRan operator
- Phase II Expansion substantially complete

• Growth Projects

- Lombador Phases I & II
- Semblana
- Zinkgruvan Plant Modernization
- Tenke Expansions

Exploration

- Neves-Corvo/Iberia
- Ireland
- Chilean Cu/Au



* Note - Acquisition of Kokkola is subject to customary closing conditions, and is expected to close in Q2/2013

Lundin Highlights

- **Copper focused portfolio** of long-life, quality operating mines
- **Stake in Tenke** – a world-class producing copper mine, expected to contribute significant free cash flow to LUN in 2013
- **Solid balance sheet.** All operations generating cash flow. No high risk capital projects
- **Disciplined** focus on value creation through incremental growth – copper preferred

2012 Operational Highlights

Operations continue to consistently perform:

- **Copper:** Annual copper production achieved the high-end of the 2012 guidance range
 - Actual Cu production of **102.0kt** (vs. guidance range of 95.7kt – 102.2kt)
- **Zinc:** Annual zinc production slightly exceeded the high-end of the 2012 guidance range
 - Actual Zn production of **122.2kt** (vs. guidance range of 110.5kt – 122.0kt)
- **Record Production:** New production records set at Zinkgruvan
- **Cash Costs:** Overall in-line with expectations.
- **Tenke:** Achieved record mining, milling and copper production rates during the year principally related to the ramp-up of the Phase II expansion

2012 Financial Highlights

- **Revenues:** \$721 million
- **Adjusted Net Income¹:** \$185 million
- **Operating Cash Flow from Own Operations:** \$194 million
- **Excludes:**
 - **Attributable Operating CF from Tenke:** \$146m (\$39m for Q4/12) retained by site to fund Phase 2 expansion/sustaining capex
- **Net Cash:** \$265 million

¹Adjusted Net income excludes Aguablanca non-cash, after tax impairment of \$62.1M in 2012.

Strong Balance Sheet Continues To Improve

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Net Cash \$265 million

New \$350 million debt facility – undrawn

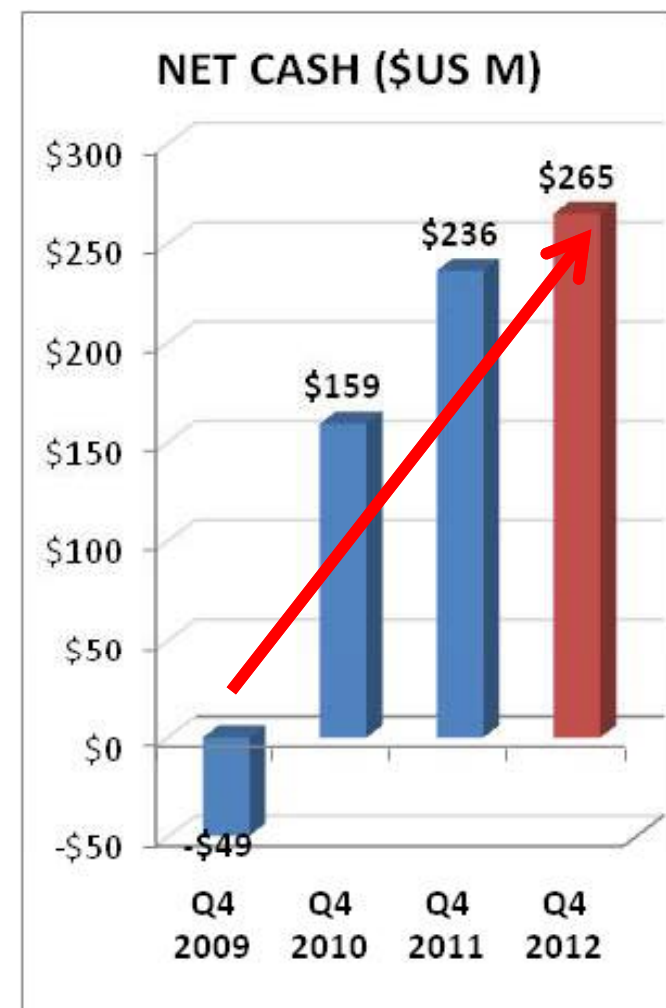
2013 Capex: \$285 million

- \$110m sustaining
- \$60m project capex
- \$115m at Tenke (self-funded by CF's from Tenke)

Positioned on the lowest half of the cost curve

(based on weighted average using 2013 guidance):

- \$1.45/lb Cu - Neves & Tenke
- \$ 0.20/lb Zn – Zinkgruvan



Operations and Outlook

2013 Guidance Remains Unchanged – Expected to Be Largely In-Line with 2012 Results

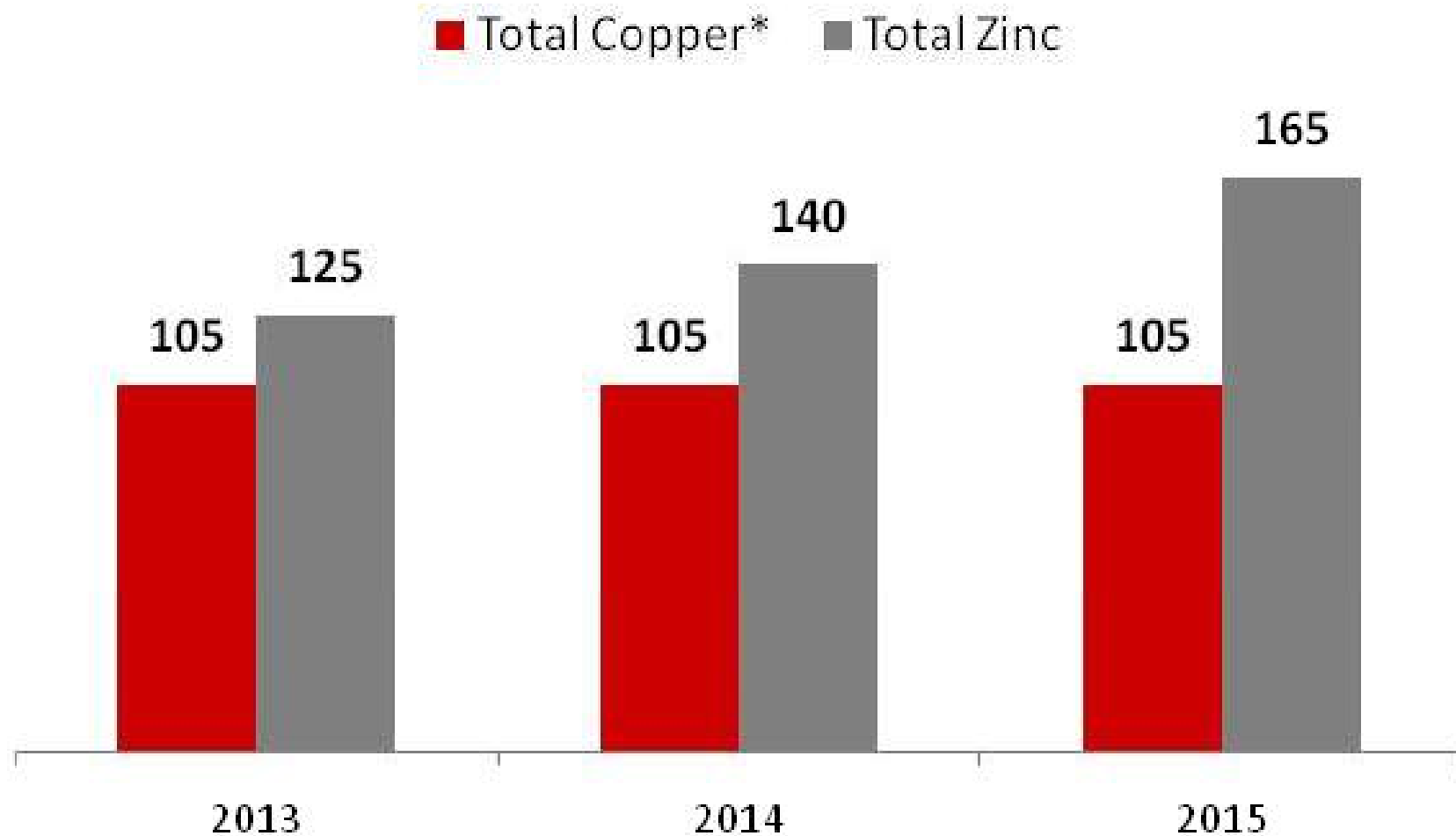
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| | | 2012 Results | | 2013 Guidance | |
|---------------|----------------------------|----------------|---------------|--------------------------|----------------------|
| | | Tonnes | C1 Cost | Tonnes | C1 Cost ^a |
| Copper | Neves-Corvo | 58,559 | \$1.79 | 50,000 – 55,000 | \$1.80 |
| | Zinkgruvan | 3,059 | | 2,500 – 3,500 | |
| | Aguablanca | 2,260 | | 4,500 – 5,000 | |
| | Wholly-owned | 63,878 | | 57,000 – 63,500 | |
| | Tenke (@ 24%) ^b | 38,105 | \$1.23 | 44,650 | \$1.03 |
| | Total | 101,983 | | 101,650 – 108,150 | |
| Zinc | Neves-Corvo | 30,006 | | 45,000 – 50,000 | |
| | Zinkgruvan | 83,209 | \$0.13 | 73,000 – 78,000 | \$0.20 |
| | Galmoy | 8,989 | | - | |
| | Total | 122,204 | | 118,000 – 128,000 | |
| Lead | Zinkgruvan | 37,246 | | 33,000 – 36,000 | |
| | Galmoy | 1,131 | | - | |
| | Total | 38,464 | | 33,000 – 36,000 | |
| Nickel | Aguablanca | 2,398 | \$6.76 | 5,000 – 5,500 | \$5.00 |

a. Cash cost guidance remains dependent on exchange rates (€/USD: 1.30, USD/SEK: 6.75) and metal prices (Cu: \$3.50, Zn: \$0.95, Pb: \$1.00, Ni:\$8.00, Co:\$12.00)

b. Freeport has provided 2013 sales guidance and C1 cash cost. The sales guidance is assumed to approximate Tenke's production.

3 Year Outlook: 2013-2015 (k metric tonnes)



Note – Assumes production near the mid-point of the guidance ranges for each year.

*Includes Tenke attributable copper but does not account for any expansion potential past Freeport sales guidance figures for 2013.

Neves-Corvo – 2012 Results

- Total production of 58.6kt copper & 30.0kt zinc
- C1 costs of \$1.79/lb Cu (net of by-product credits)
- Approximately 42% of copper ore milled was “out of reserve” material, profitable and extending mine life
- Zinc production was at high end of guidance. Record zinc production in Q4 2012.

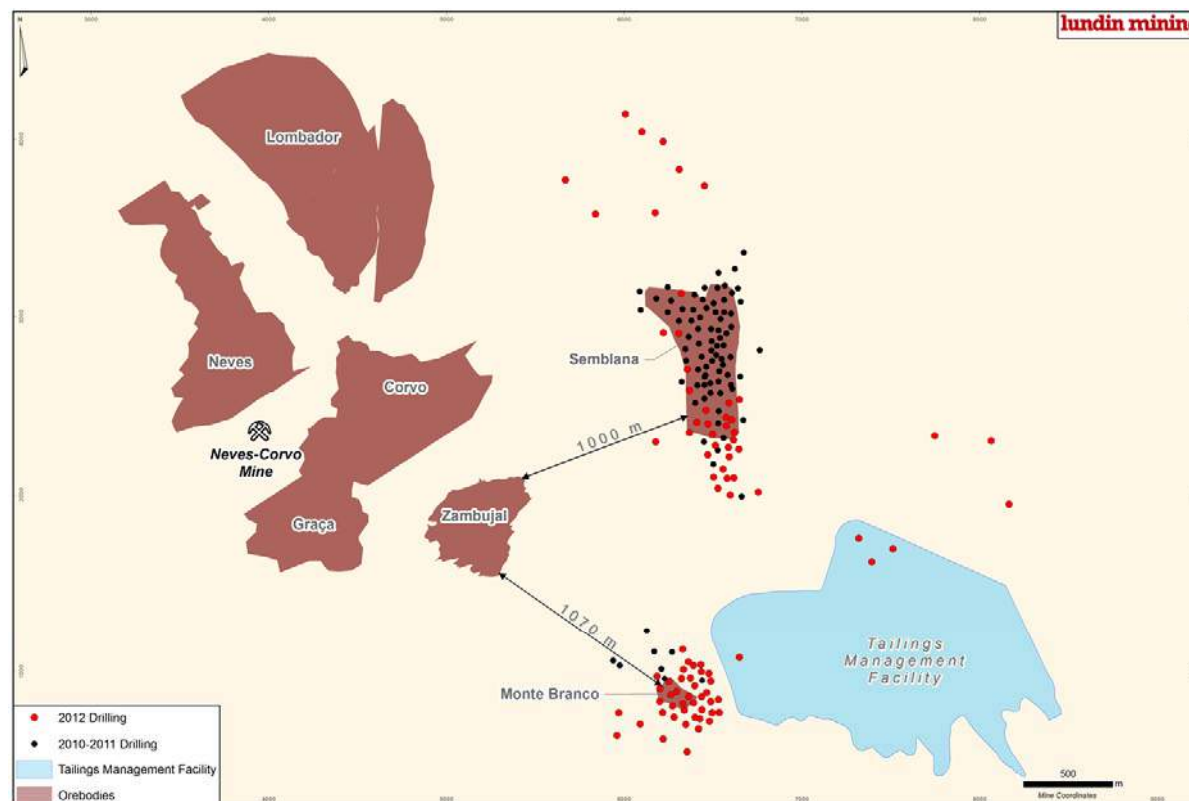


| | |
|--------------------------|----------------------------------|
| Location | • Portugal |
| 2013 Production Guidance | • 50– 55 kt Cu • 45– 50 kt Zn |
| 2013 C1 Costs | • \$1.80/lb Cu |
| Mine Life | • +10 years Cu + Zn |



Neves-Corvo – Outlook

- U/G drilling will increase significantly in 2013 to better define mineralization not currently in reserve models and mine plans
- Minimum capital cases to access Semblana and lower Lombador mineralization continue to advance
- Major exploration continues on Monte Branco and other targets



Zinkgruvan – 2012 Results

- New annual production records achieved for zinc, lead and copper
- Total production of 83.2kt zinc, 37.2kt lead & 3.0kt copper
- Annual average zinc grades of 9.1% at recovery rate of 92%
- Annual average lead grades of 4.4% at recovery rate of 85%
- Annual average copper grades of 2.3% at recovery rate of 92%



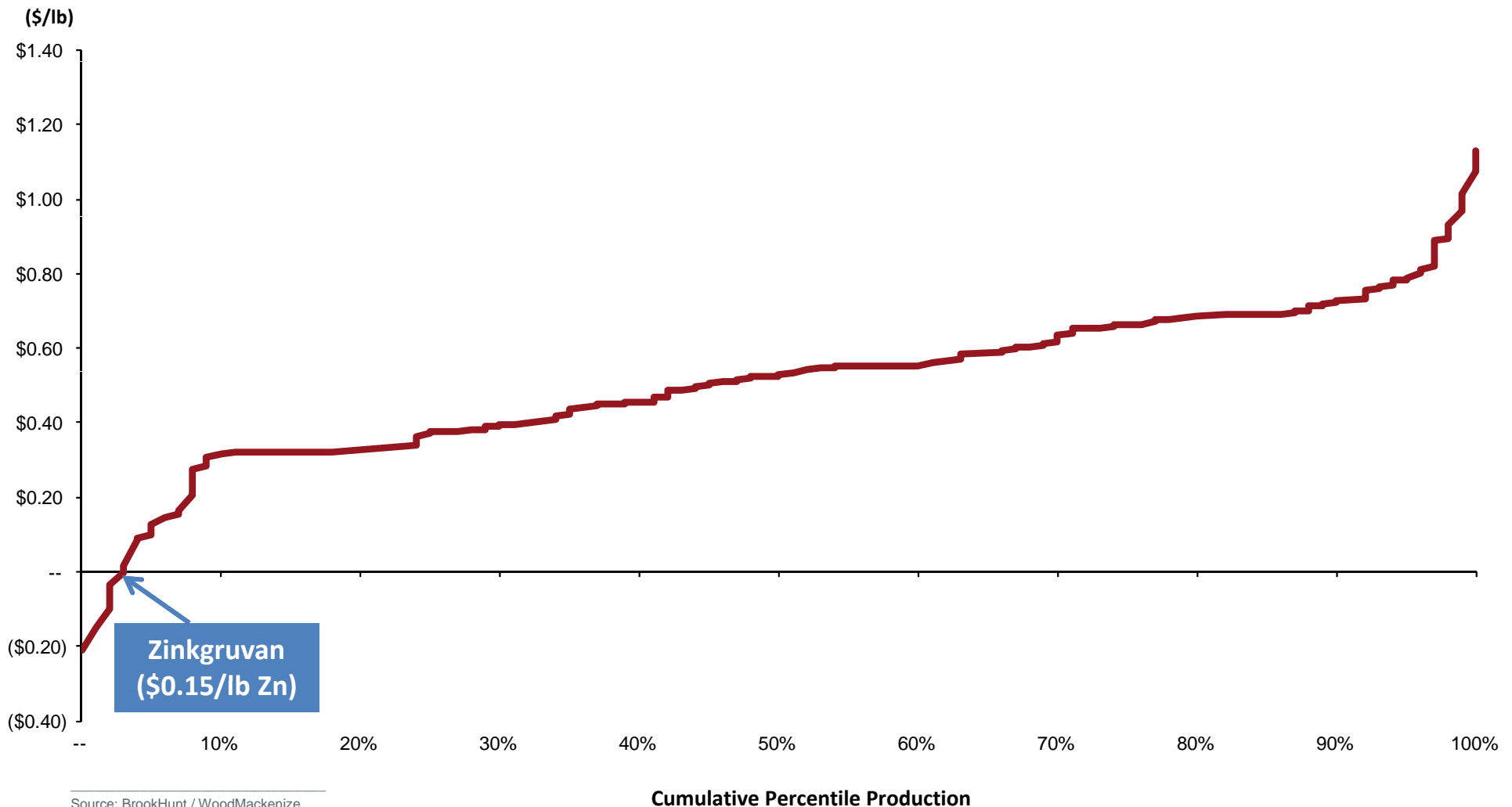
| | |
|--------------------------|---|
| Location | • Sweden |
| 2013 Production Guidance | • 73– 78 kt Zn • 33– 36 kt Pb • 2.5– 3.5 k t Cu |
| 2013 C1 Costs | • \$0.20/lb Zn |
| Mine Life | • +10 years |



Zinkgruvan – Lowest cost quartile producer

- Zinkgruvan's C1 cost guidance **\$0.15/lb Zn** (net of byproduct credits)
- One of the lowest-cost zinc mines in the world

2013 C1 Zinc Cost Curve, Grouped by Mine



Zinkgruvan – Outlook

- Plant Modernization project - Zinc production expected to grow by 2015 with new plant front end
- Expanded exploration program to extend zinc and copper resources



Aguablanca – 2012 Results and Outlook

- Produced 2.4kt nickel and 2.3kt copper; C1 cash cost of \$6.76/lb Ni
- Monitoring of the south pit wall instability continues, while mining of ore and waste remains restricted to the north side of pit
- Earnings impacted by after-tax, non-cash impairment charge of \$62.1m – reflecting reduction in mineable reserve to areas not affected by instability



| | |
|--------------------------|--|
| Location | • Spain |
| Ownership | • 100% |
| 2013 Production Guidance | • 5,000 – 5,500 t Ni • 4,500 – 5,000 t Cu |
| 2013 C1 Costs | • \$5.00/lb Ni |
| Mine Life | • 2 years |



Tenke Fungurume

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Tenke – 2012 Results

- New copper production record set in 2012
- 2012 production (100%) of 158kt Cu and 11.7 kt Co @ \$1.23/lb Cu
- Copper and cobalt production increases significantly in 2013 with Phase II expansion on line
- Phase II expansion substantially completed within budget
- LUN's share of attributable cash flow for 2012 was \$146m
(retained by site to fund expansion initiatives and sustaining capex)



| | |
|---------------------------------|--------------------------------|
| Location | • Democratic Republic of Congo |
| Ownership | • 24% |
| 2013 Sales Estimate (LMC share) | • 44,650 tonnes Cu |
| 2013 C1 Cost | • \$1.03/lb Cu |
| Mine Life | • +40 years |



Tenke Outlook and Expansion Plans

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Significant Cash Returns Expected to Be Received by LUN in 2013

- LUN expects to receive significant cash flows from Tenke in 2013 - 30% of all free cash flows
- 2013 cash distribution to LUN could be in range of ~\$130 million

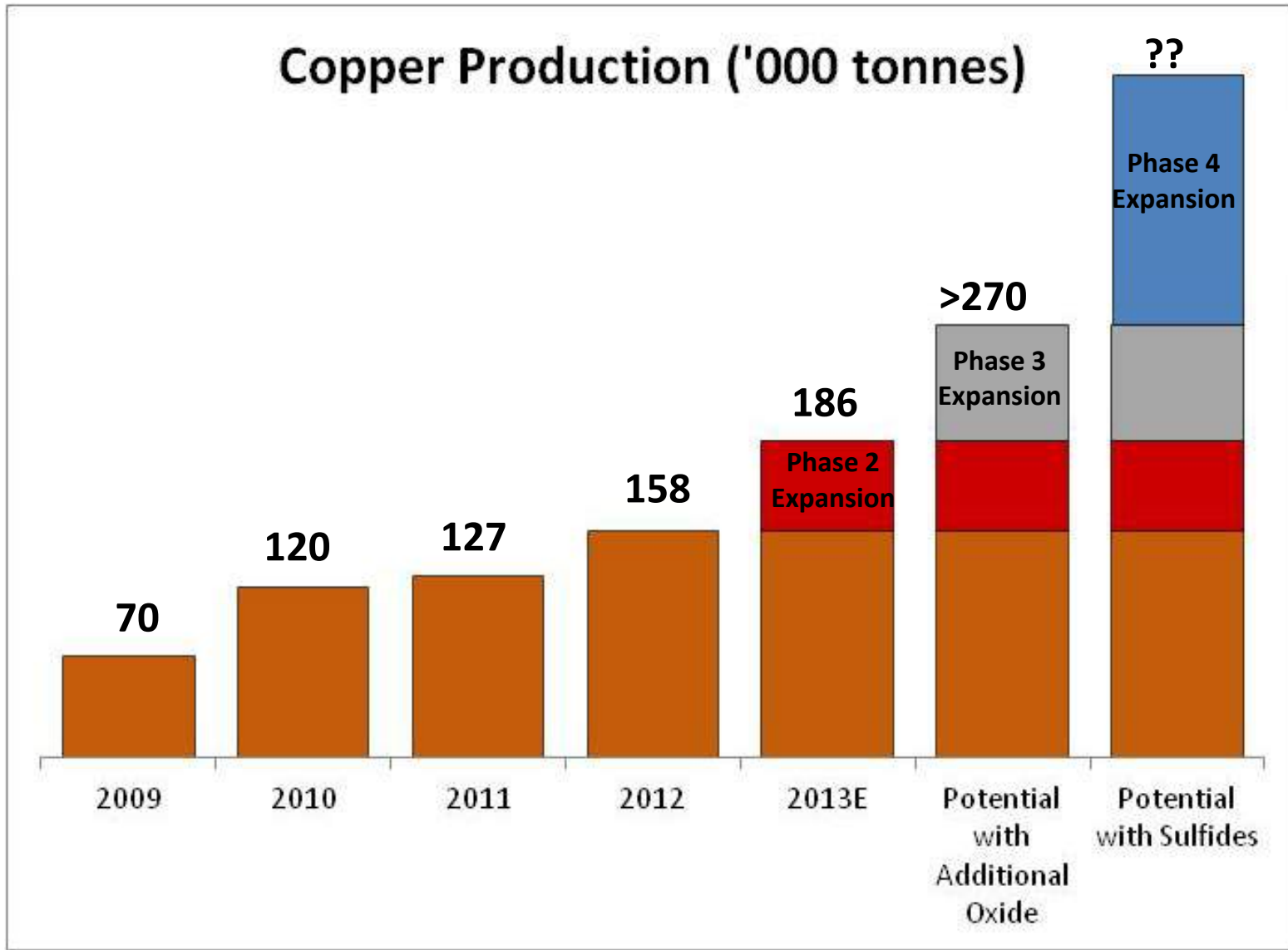


Future Expansion Plans

- Pilot heap leaching on “low grade” oxide material continues through 2013
- Test newly installed Phase II capacity for debottlenecking opportunities
- Extensive drilling and test work progressing for future expansions (oxides and sulfides)



Tenke Copper Production Outlook



Note: Freeport has provided 2013 sales guidance which has been assumed to approximate Tenke's production for 2013.

Cobalt Refinery Acquisition

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- Enhances market position as world's largest producer of cobalt
- Initial purchase consideration of \$325mm
 - Potential for additional consideration of up to \$110mm over three years, contingent on achieving certain revenue targets
- Ownership: 56% FCX (operator), 24% Lundin, 20% Gecamines
- Expected closing in Q2/2013



- **Global market leader**
- **Direct end-market access for cobalt**
- **Capacity to refine 100% of Tenke planned cobalt**
- **Experienced management team**

Lundin Mining – Exploration Initiatives

Exploration – 2013 investment of \$40 million:

- \$18m budget for Neves-Corvo to advance exploration on various copper targets including Monte Branco
- \$5m budget for other high priority targets in Iberian Region
- Expanding junior investment portfolio – Copper/gold and poly-metallic focused
- Llahuin Copper/Gold Project, Chile: Option progressing to earn up to 75% interest - \$7m expected to be spent in 2013. Drilling of three adjacent porphyries progressing

Lundin Mining - Summary

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Portfolio of **high quality, long-life mines** that are performing well

Optimization **opportunities and exploration potential** at all existing assets

No high risk major capital projects

Disciplined growth initiatives supported by strong cash flows

Strong balance sheet



Neves-Corvo



Zinkgruvan



Aguablanca



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