Eagle East: Discovery through Necessity
Caution Regarding Forward-Looking Information and Non-GAAP Performance Measures

This presentation contains forward-looking information, including, but not limited to, guidance on estimated annual production and cash costs. This forward-looking information is not based on historical facts, but rather on current expectations and projections about future events and is subject to risks and uncertainties. Any statements not including historical facts are forward-looking statements and may be identified by terminology such as “believe,” “budget,” “continue,” “can,” “estimate,” “expect,” “intend,” “likely,” “should,” “target,” “will” and any similar expressions.

Forward-looking statements involve known and unknown risks and uncertainties, and as such, they are not guarantees of future performance. Actual results may differ materially from those projected in the forward-looking statements. Potential risks leading to differing results include, without limitation: fluctuation to foreign currency rates, change in commodity prices, industry risks, drilling results, labour disputes or difficulties resulting in labour shortages or interruptions in production, environmental risks, political risks including changes in national or local government legislation, taxation, or regulation, climate and weather related risks, diminishing quantities or grades of reserves, operating or technical difficulties with mining or development activities, and increased costs, delays or suspensions.

Readers are cautioned that many of the assumptions on which the Company’s forward-looking statements are based are likely to change. Lundin cautions that it does not have any intention to update forward-looking statements as a result of new information, future changes, or otherwise.

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 Management ‘s Discussion and Analysis.

This presentation contains certain financial measures such as operating earnings, net debt, operating cash flow per share and cash costs which have no meaning within generally accepted accounting principles under IFRS and therefore amounts presented may not be comparable to similar data presented by other mining companies. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures or performance prepared in accordance with IFRS.

Note: All dollar amounts are in US dollars unless otherwise denoted.
1. Lundin Mining holds a 24% equity stake in the world-class Tenke Fungurume copper/cobalt mine in the Democratic Republic of Congo and in the Freeport Cobalt Oy business, which includes a cobalt refinery located in Kokkola, Finland.

2. Lundin Mining holds an 80% interest in Candelaria.

- Operations: 6 underground mines and 1 large open pit
- 24% equity stake in world-class Tenke Fungurume & Freeport Cobalt
- 2016E production: 260 kt Cu, 23 kt Ni, 150 kt Zn
50 km northwest of Marquette in the Upper Peninsula of Michigan
Baraga Basin (metased's)

Eagle Mine

Regional Geology: Mid-Continent Rift

- Within the 1 Ga Mid-Continent Rift
- Highly endowed copper-nickel geologic province
Tectonic Environment: Rift and Extension

- Ni-rich melts are assumed to be high-degree partial melts of mantle peridotite formed in mantle plumes.
# Eagle Mine and Eagle East Deposit Overviews

## Reserves & Resources as at 30 June 2016

<table>
<thead>
<tr>
<th></th>
<th>K Tonnes</th>
<th>Grade Ni (%)</th>
<th>Grade Cu (%)</th>
<th>Contained Ni (kt)</th>
<th>Contained Cu (kt)</th>
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<tbody>
<tr>
<td><strong>Eagle</strong></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>P&amp;P</td>
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<td>M&amp;I</td>
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<tr>
<td>Inferred</td>
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<td>1.1</td>
<td>1.1</td>
<td>0</td>
<td>0</td>
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<tr>
<td><strong>Eagle East</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Inferred</td>
<td>1,180</td>
<td>5.1</td>
<td>4.3</td>
<td>61</td>
<td>51</td>
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![Diagram showing the Eagle Deposit and Eagle East massive and semi-massive sulphide Mineral Resource]
Eagle Mine: Mineralization Styles & Distribution

- **SMSU**: Semi-Massive Sulphides (25-75% sulphides)
- **MSU**: Massive Sulphides (75-100% sulphides)
- **IBRX**: Intrusive Breccia (variable % sulphides)
- **MPER**: Mineralized Peridotite (5-25% sulphides)
Eagle Discovery Story

- Kennecott Exploration (Rio Tinto) Regional zinc exploration 1990-1992
- Voisey’s Bay (Canada) Ni-Cu discovery in 1993
- Identified mineralized peridotite in Roland Lake area: shifted from zinc to nickel exploration
- Discovered massive sulphide boulder w/ Ni-Cu at surface

1977 MSc thesis describing peridotite outcropping (Eagle East Intrusive)
Airborne magnetics 1VD
1995: Initial drilling focused on testing outcropping Eagle East Intrusive

1996-2001: No Drilling

2002: Drilling program resumed; High-grade Eagle deposit discovered on 1st hole

2004: PEA Study of Eagle
2005-2009 Eagle definition drilling & permitting
2008 PEA study of Eagle East (pre-deep discovery)
2008-2012: more regional exploration
2012: more Eagle Mine exploration

July 17, 2013: Lundin Mining announces acquisition of Eagle Mine from Rio Tinto
Nov. 2014: Eagle Mine commences commercial production
Dynamic Dyke Conduit Concept summary

X-Sectional View

- Fault jog movement
- Injection of barren peridotite magma forming dyke
- Injection of sulphide + silicate magma forming conduit
- Density separation to form massive sulphides at bottom of conduit

Mixing of Silicate + Sulphide magmas = Semi-Massive Sulphide plume

Injection of olivine cumulate + silicate magma into ponded liquid sulphides
Eagle East: Actual Ore Conduit

- Eagle East typical cross section showing massive sulphide (MSU) and semi-massive sulphide (SMSU) mineralization within thickened peridotite conduit
Geophysical Challenges

- Magnetics & Electromagnetics are common targeting tools for magmatic Ni-Cu sulphides
- Massive sulphide: magnetic and conductive
- Siltstone and Black Slate with pyrrhotite beds: also magnetic and conductive
- Airborne magnetic response limited to 300m depth
A Key Risk of Acquisition: Short Mine Life

Eagle East:
- No economic resource
- Conduit appears to be closing off at depth

Eagle Mine: Initial Ore Reserves (Feb 2013):
5.2 Mt of 2.93% Ni, 2.49 Cu*
That is equivalent to only 7 years Mine Life
- This means that we must deliver a new mineable resource by mid-2016 in order to develop, study, permit and construct by 2021;
- No Time To Lose..
- Focus on closest known ore-grade intercepts - Eagle East
- No regional exploration or other distractions

Rio Tinto diamond drilling in the Eagle Block (to 2013)
Eagle East Mineralization (as known in 2013)

- Eagle East massive sulphides: very small pods but very high tenor so if a larger tonnage body can be found it will be very high grade
- Follow host peridotite intrusive downwards with precision navi-drilling to test for economic concentration of Ni-Cu sulphides
Starting point: 2013 -- Follow the Conduit down

- Objectives: Follow the conduit
- Accumulation of high tenor sulfides should mean high grade MSU
- SMSU is a vector to MSU (remobilized)
Eagle East Deep Exploration History: 222A

- Successfully tested directional drilling
Eagle East Deep Exploration History: 222B

- Successfully drilled down the dip of the intrusion.

222B

long section looking south

You are here

plan view
Eagle East Deep Exploration History: 222C

- First IBRX intersected at Eagle East
- Prior to this, no SMSU style mineralization had been seen at Eagle East
- At Eagle, this is the boundary between barren pyroxenite and SMSU

long section looking south

You are here

plan view

Analogy
Eagle East Deep Exploration History: 222D

- First SMSU intersected at Eagle East
- Prior to this, no SMSU had been seen at Eagle East
- This is our vector that we are “downstream” from MSU

You are here

long section looking south

plan view
Eagle East Deep Exploration History: 222E

- 222E intersected SMSU in main conduit zone
- Intersected barren peridotite below
- Is the barren peridotite the side of the conduit or the bottom of the conduit? Does it go vertical or horizontal?

Where are we?

long section
looking south

plan view
Does the Conduit Steepen or Flatten?

222E

Is this the side or the bottom?

long section looking south
Eagle East Deep Exploration History: 222F

- 222F drilled under the peridotite and closed it off vertically
- The conduit must flatten out to the East
Eagle East Deep Exploration History: 331

- 331 hit the conduit and intersected 56.5m of peridotite with a 5.2m core of SMSU
- This is the Eagle East conduit: follow it down to the East
- SMSU is a distal vector to MSU
• 331A hit the conduit and intersected 52.5m of peridotite with a 3.9m core of SMSU

• Promising results. Keep going....
Eagle East Deep Exploration History: 331B

- 331B hit the conduit and intersected 19.2m of peroditite with a 5.9m core of SMSU...
- ...followed by a 0.74m MSU sill 8m outside of the intrusion
- MSU in sediments means MSU in the conduit!

0.74m MSU sill @ 7.2% Ni, 5.7% Cu

You are here
Significance of Massive Sulphide (MSU) sill

Eagle Orebody X-Sections

x-sectional views

MSU silling into sediments

Eagle East Conduit X-Section

MSU sill: 0.74m
MSU @ 7.2% Ni, 5.7% Cu (331B)

Thick MSU should be here at bottom of conduit
Eagle East Deep Exploration History: 331G

- 331G: Hit low grade MPER dike and MSU sill in sediments, with no SMSU
- Top side of conduit, probably above the mixing zone
- Hit 47.5m conduit with 5.6m of MSU

6.49m @ 8.0% Ni, 4.4% Cu,
Eagle East Deep Exploration History: 331H

- 331H: Undercut G
- Intersected 18.35m conduit with 13.85m of SMSU, and 9.83m of MSU

23.85m @ 5.3% Ni, 4.4% Cu
Incl. 9.83m MSU @ 8.2% Ni, 7.1% Cu
331I: Undercut H and intersected full conduit of mineralization.

- Conduit width 30.85m
- SMSU 8.92m
- MSU 19.28m

**Massive Sulphide:**

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<tr>
<th>meters</th>
<th>Ni %</th>
<th>Cu %</th>
<th>Au ppm</th>
<th>Pt ppm</th>
<th>Pd ppm</th>
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<th>Ag ppm</th>
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<td>16.38</td>
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<td>6.9</td>
<td>0.1</td>
<td>53.6</td>
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**MSU plus semi-massive—entire conduit mineralized.**

<table>
<thead>
<tr>
<th>meters</th>
<th>Ni %</th>
<th>Cu %</th>
<th>Au ppm</th>
<th>Pt ppm</th>
<th>Pd ppm</th>
<th>Co %</th>
<th>Ag ppm</th>
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<td>28.2</td>
<td>5.6</td>
<td>9.44</td>
<td>1.73</td>
<td>4.26</td>
<td>4.27</td>
<td>0.10</td>
<td>36.33</td>
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Eagle East Deep Exploration History: 331J

- 331J: Undercut I
- Intersected full conduit of mineralization
- Intersected 27.61m conduit with 9.72m of SMSU, and 10.81m of MSU

30.85 meters of 5.23% Ni and 8.74% Cu

long section looking south

You are here
Resource Drill-Off and PEA completed in 8 Months

NEWS RELEASE

LUNDIN MINING ANNOUNCES EAGLE EAST MINERAL RESOURCE, PEA RESULTS AND PROJECT COMMENCEMENT

Toronto, June 29, 2016 (TSX: LUN; OMX: LUMI) Lundin Mining Corporation (“Lundin” or the “Company”) is pleased to announce an initial Mineral Resource estimate on the Eagle East mineralization, the results of a Preliminary Economic Assessment (“PEA”) and the commencement of access ramp development towards the Eagle East high grade nickel/copper deposit.

**Highlights**

- A maiden Eagle East Inferred Mineral Resource estimate of 1.18 million metric tonnes grading 5.2% Ni and 4.3% Cu.
- A PEA completed on Eagle East indicates that these Inferred Mineral Resources can potentially be mined with no significant changes to the current mine, ore transport, mill and tailings disposal infrastructure.
- Similar mining methods to Eagle are proposed and the potential mine production of 1.57 Mt at 3.32% Ni and 2.83% Cu will significantly increase nickel and copper production from 2020 and extend the mine life to at least the end of 2023.
- The estimated pre-production capital cost is $94.8 million.
- The PEA demonstrates the potential viability of mining Eagle East as an extension of the current Eagle mine with an incremental post-tax net present value (“NPV”) of $181 million at an 8% discount rate and an internal rate of return (“IRR”) of 40%.
- Given the robust results of the PEA, the Company has initiated a Feasibility Study on Eagle East, which is due for completion prior to year-end.
- In parallel, the company has also authorized the commencement of the access ramp development to Eagle East, starting immediately in order to fast track access to the deposit.
- The Eagle East PEA is preliminary in nature and is based solely on Inferred Mineral Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves.
Eagle + Eagle East: Combined Production Plan

- Combined Eagle East and Eagle mine production plan

• Contained nickel and copper metal produced in concentrate compared to the current Eagle mine Life of Mine plan
Eagle East Development: Proposed Ramp Access

- Schematic drawing looking north showing Eagle and Eagle East with the proposed twin ramp access making use of the existing Eagle mine infrastructure.
Thank You!
NI 43-101 Compliance

Unless otherwise indicated, Lundin Mining Corporation has prepared the technical information in this presentation (“Technical Information”) based on information contained in the technical reports and news releases (collectively the “Disclosure Documents”) available under Lundin Mining Corp.’s company profile on SEDAR at www.sedar.com. Each Disclosure Document was prepared by or under the supervision of a qualified person (a “Qualified Person”) as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”). For readers to fully understand the information in this presentation, they should read the Technical Reports (available on www.sedar.com) in their entirety, including all qualifications, assumptions and exclusions that relate to the information set out in this presentation which qualifies the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents.

The technical information in this presentation has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”) and reviewed by Stephen Gatley, Vice President - Technical Services of the Company, a "Qualified Person" under NI 43-101. Mr. Gatley has verified the data disclosed in this presentation and no limitations were imposed on his verification process.

Mineral Reserves and Resources are shown on a 100 percent basis for Eagle and Eagle East. The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Mineral Reserves. Estimates for Eagle and Eagle East are prepared by or under the supervision of a Qualified Person as defined in National Instrument 43-101. Mineral Reserves have been calculated using metal prices of US$2.75/lb copper and US$8.50/lb nickel.

The Eagle and Eagle East Mineral Resources and Reserves are reported above a fixed NSR cut-off of US$142/t. The NSR is calculated on a recovered payable basis taking in to account nickel, copper, cobalt, gold and PGM grades, metallurgical recoveries, prices and realization costs. The Eagle Mineral Resource and Reserve estimates are prepared by the mine’s geology and mine engineering department under the guidance of Robert Mahin, Chief Geologist and Colin Connors, Eagle East Project Mining Lead, respectively, both of whom are employees of Eagle mine. The Eagle East Mineral Resource estimate was prepared by Graham Greenway, Group Resource Geologist, Lundin Mining. The Eagle and Eagle East Mineral Resource and the Eagle Mineral Reserve estimates were audited by Roscoe Postle Associates Inc. Qualified Persons are David Rennie, P.Eng., Associate Principal Geologist and Normand Lecuyer, P.Eng., Principal Mining Engineer, respectively, both of Roscoe Postle Associates Inc.