

NEWS RELEASE

Lundin Mining Announces Completion of Sale of Interest in TF Holdings for \$1.136 Billion

Toronto, April 19, 2017 (TSX: LUN; OMX: LUMI) Lundin Mining Corporation (“Lundin Mining” or the “Company”) is pleased to announce the completion of the sale of its indirect interest in TF Holdings Limited (“TF Holdings”) to an affiliate of BHR Partners, a Chinese private equity firm, for \$1.136 billion in cash.

TF Holdings is a Bermuda holding company that owns an 80 percent interest in Tenke Fungurume Mining S.A. (“Tenke”) located in the Democratic Republic of Congo. Lundin Mining held an indirect 30 percent interest in TF Holdings and therefore, an effective 24 percent interest in Tenke.

Under the terms of the agreement previously announced on November 15, 2016, the Company could also receive contingent consideration of up to \$51.4 million, consisting of \$25.7 million if the average copper price exceeds \$3.50 per pound and \$25.7 million if the average cobalt price exceeds \$20.00 per pound, both during a 24-month period beginning on January 1, 2018.

Concurrently with the completion of the sale, the Company paid approximately \$14.2 million to CMOC Ltd. (together with its affiliates, “CMOC”) as reimbursement for payments made by CMOC in connection with a settlement agreement among La Générale des Carrières et des Mines (“Gécamines”), Tenke, TF Holdings, Freeport-McMoRan Inc., CMOC, the Company and BHR to resolve all claims brought by Gécamines against TF Holdings and several other parties (other than Lundin Mining) related to the sale of TF Holdings.

Mr. Paul Conibear, President and CEO of the Company commented: *“The completion of the sale of our minority interest in Tenke will enable Lundin Mining to focus on its majority-owned operations and projects and in parallel, advance our strategy to grow the company while maintaining a strong balance sheet. Lundin Mining is proud to have been part of Tenke’s successful record. We wish the shareholders of Tenke every success in the future.”*

About Lundin Mining

Lundin Mining is a diversified Canadian base metals mining company with operations in Chile, the United States of America, Portugal, and Sweden, primarily producing copper, nickel and zinc. In addition, Lundin Mining holds an indirect 24 percent equity stake in the Freeport Cobalt Oy business, which includes a cobalt refinery located in Kokkola, Finland.

On Behalf of the Board,

Paul Conibear
President and CEO

The information in this release is subject to the disclosure requirements of Lundin Mining under the EU Market Abuse Regulation and the Swedish Securities Market Act. This information was publically communicated on April 19, 2017 at 6:30 p.m. Eastern Time.

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Cautionary Statement in Forward-Looking Information

Certain of the statements made and information contained herein, other than statements of historical fact and historical information, is "forward-looking information" within the meaning of applicable Canadian securities laws. Such statements include, those with respect to focus and strategy. Words such as "contingent", "could", "focus", "if", and "strategy", or variations of these terms or similar terminology or statements that certain actions, events or results "could" occur or be achieved are intended to identify such forward-looking information. Although the Company believes that the assumptions, estimates and expectations reflected in the forward-looking information contained herein are reasonable, these statements by their nature involve risks and uncertainties, and are not guarantees of future performance. Forward-looking information is based on a number of assumptions, and subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements. Such risks and uncertainties include, those described in the Risks and Uncertainties section of the Company's most recently filed Annual Information Form and in the Managing Risks section of each of the Company's management discussion and analysis. Forward-looking information is also based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of cobalt, copper, nickel, lead and zinc; and that the political environment where the Company operates will continue to support the development and operation of mining projects. 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 statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.