

Second Quarter 2018 Results

July 26, 2018

Candelaria, Atacama Region, Chile

Cautionary Statements

Caution Regarding Forward-Looking Information and Non-GAAP Performance Measures

All statements, other than statements of historical fact, made and information contained or incorporated by reference in or made in giving this presentation and responses to questions is "forward-looking information" within the meaning of applicable Canadian securities legislation. Such forward-looking statements are based on expectations, estimates, forecasts and projections as well as beliefs and assumptions made by management, as of the date of this presentation. Forward-looking statements include but are not limited to the Company's guidance and outlook on estimated annual metal production, cash costs, exploration expenditures, and capital expenditures; updates on the Company's various projects including but not limited to the Neves-Corvo Zinc Expansion Project (ZEP), the Eagle East project and Candelaria's Los Diques tailings facility, underground expansion and mill optimization projects; Mineral Resource and Mineral Reserve estimates; exploration; and mechanics, completion and settlement of the Company's Offer to Acquire Nevsun Resources Ltd. (the "Offer") and the ability of Lundin Mining to complete the transactions contemplated by the Offer, including the information on and presented with the corresponding slides regarding any of foregoing in this presentation. Forward-looking statements may be identified by terminology such as, without limitation, "anticipate", "assumption", "believe", "budget", "compelling", "development", "estimate", "exploration", "expectation", "forward", "flexibility", "focus", "forecast", "future", "growth", "guidance", "initiative", "intend", "on track", "opportunities", "optimization", "outlook", "plan", "positioned", "possibility", "potential", "priority", "probable", "program", "progressing", "project", "pursuing", "ramp-up", "risk", "schedule", "target", "trend", and "upside", similar such words and phrases or statements that certain actions, events or results may, can, could, would, should, might, indicates, or will be taken, and any similar expressions. Forward-looking statements are necessarily based upon a number of estimates, assumptions and expectations that, while considered reasonable by the Company as of the date of such statements, are inherently subject to known and unknown risks, uncertainties and contingencies. Such risks, uncertainties and contingencies could cause assumptions, estimates and expectations to be incorrect and actual results to differ materially from those projected in the forward-looking statement and, as such, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. These risks, uncertainties and contingencies include, without limitation, estimates of future production, and operating, cash and all-in sustaining costs; metal and commodity price fluctuations; foreign currency fluctuations; risks associated with mining operations including but not limited to environmental hazards, industrial accidents, ground control problems and flooding; geological risks including, but not limited to, unusual or unexpected geological formations and events (including but not limited to rock slides and falls of ground), estimation and modelling of grade, tonnes, metallurgy, continuity of mineral deposits, dilution and Mineral Resource and Mineral Reserve estimates, and actual ore mined and/or metal recoveries varying from such estimates; mine plans including but not limited to mine life or life-of-mine (or LOM) estimates; the possibility that future exploration, development or mining results will not be consistent with expectations; the potential for and effects of labour disputes (including but not limited to at Neves-Corvo), shortages, community or other civil protests or demonstrations, or other unanticipated difficulties with or interruptions to operations; potential for unexpected costs and expenses including, without limitation, for mine closure and reclamation at current and historical operations; uncertain political and economic environments; changes in laws or policies, foreign taxation, delays or the inability to obtain and/or maintain necessary governmental approvals and/or permits; regulatory investigations, enforcement, sanctions and/or related or other litigation including but not limited to securities class action litigation; the conditions to the Offer will not be satisfied on a timely basis or at all and the failure of the transaction to be consummated for any other reason, competitive responses to the announcement of the Offer, actions that may be taken by Nevsun Resources Ltd. or by its security holders in respect of the Offer, as well as additional risks disclosed in the Offer and take-over bid circular filed on July 26, 2018 ("Offer Documents") and other filings made by the Company with Canadian securities regulatory authorities, and other risks and uncertainties, including but not limited to those described in the "Cautionary Statement on Forward-Looking Information" in the Company's July 25, 2018 and July 26, 2018 news releases, the "Forward-Looking Statements" section of the Offer Documents, the "Risks and Uncertainties" section of the Company's most recently filed Annual Information Form and in the "Managing Risks" section of the Company's full-year 2017 and 2018 interim Management's Discussion and Analysis. There can be no assurance that forward-looking information will prove to be accurate or achieved, including no assurance that the Offer will be successful or that, if successful, that the combination of the operations of Lundin Mining and Nevsun Resources Ltd. will achieve the anticipated benefits. 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.

This presentation contains certain financial measures such as net cash, net debt, operating cash flow per share and cash costs which have no standardized 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.

Participants

Paul Conibear	President & Chief Executive Officer
Marie Inkster	Senior Vice President & Chief Financial Officer
Peter Richardson	Vice President Chief Operating Officer

Q2 2018 Highlights



Operational Performance On Track

- all operations well positioned to achieve guidance
- Neves-Corvo delivered an excellent quarter; production and cash cost guidance improved



Excellent Project Execution

- Los Diques tailings facility fully operational
- ZEP on track to commence production in late 2019
- Eagle East ahead of schedule
- Candelaria underground and plant projects progressing well



Disciplined Capital Management

- actively pursuing strategic growth opportunities
- remain disciplined to investment criteria
- well supported regular dividend with an excellent balance sheet

Q2 2018 Summary Results

First New Caterpillar 793F Haul Truck Delivered to Candelaria



Attributable Production

- 44,219 t of copper
- 37,075 t of zinc
- 4,234 t of nickel

\$468M in Sales

- 66% copper
- 16% zinc
- 8% nickel
- 7% gold and silver

Financial Highlights

Realized Metal Prices ¹	Q2 2018	Q2 2017	Δ
Copper	\$3.03/lb	\$2.59/lb	17%
Nickel	\$7.66/lb	\$3.78/lb	103%
Zinc	\$1.31/lb	\$1.20/lb	9%

Summarized Financial Results ²	Q2 2018	Q2 2017	Δ
Revenue	\$468M	\$455M	3%
Gross Profit	\$155M	\$143M	8%
Attributable Net Earnings from Continuing Operations	\$88M	\$64M	38%
	\$0.11/sh	\$0.07/sh	\$0.04/sh
Cash Flow from Operations	\$118M	\$179M	-34%
Operating Cash Flow (before working capital)	\$118M	\$162M	-27%
	\$0.16/sh	\$0.22/sh	(\$0.06/sh)
Dividends Declared (Quarterly)	C\$0.03/sh	C\$0.03/sh	-

1. LUN average realized price, including impact of provisional price adjustments.

2. Operating Cash Flow is a non-GAAP measure. Please see Lundin Mining's MD&A for the quarter ended June 30, 2018 for discussion on non-GAAP measures.

Candelaria



Candelaria Mill – Copper / Gold / Silver – Atacama Region, Chile

Candelaria

On Track to Achieve Full-Year Guidance

- copper production of 34.4 kt (100% basis) at \$1.71/lb cash cost
- mill throughput modestly exceeded plan for the quarter, offset by copper head grade below expectations
- open pit waste mining rates planned to increase in H2/18 with delivery of new equipment and continued ramp-up of contractor

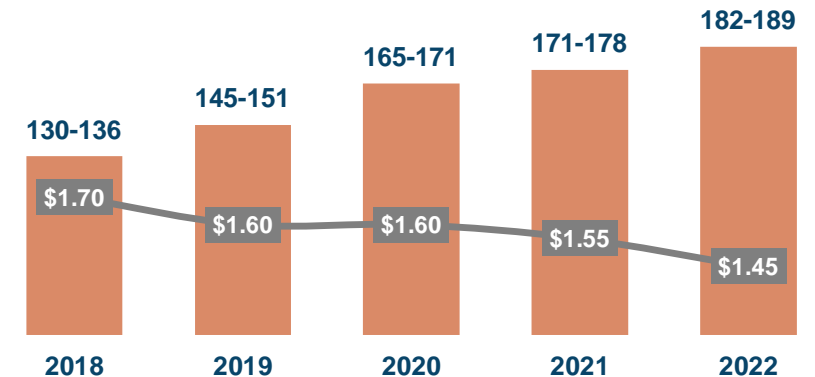
Underground Ramp-Up and Development Advancing Well

- Candelaria North Sector produced ~9,000 tpd on average in the second quarter; a 17% increase over Q1/18
- Candelaria South Sector on track for start-up in late 2019

Pit Fleet Reinvestment and Mill Optimization Progressing

- five pieces of pit equipment delivered during the quarter; delivery of some mine fleet equipment being accelerated
- 70% of Mill Optimization Project equipment orders placed and awarding of major construction contracts underway

Copper Production & Cash Cost Outlook
(100% basis; kt & \$/lb Cu, net of by-product credits)



Los Diques Tailings Storage Facility



Los Diques transitioned ahead of schedule to operations team
– continue to advance future phases to take advantage of cost synergies

Neves-Corvo



Copper / Zinc / Lead – Portugal

Continued Excellent Mine and Mill Performance

- production of 11.9 kt copper, 20.2 kt zinc and 1.9 kt lead
- \$0.96/lb copper cash cost
- higher head grades, improved mine productivity and mill throughput all contributed to improved performance
- monthly zinc production record set in June of 7,554 t

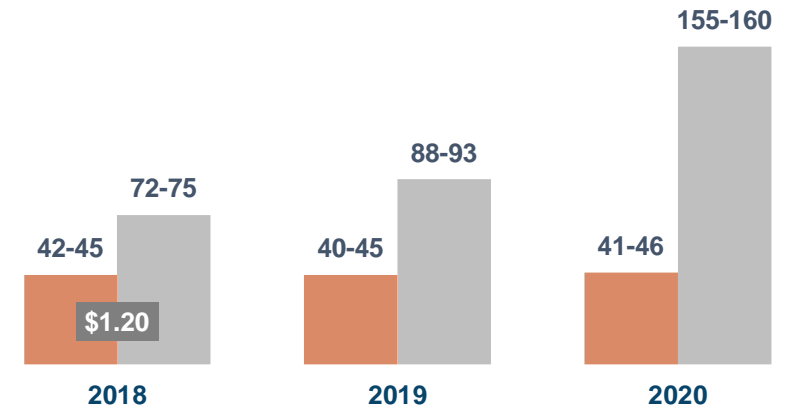
Improved 2018 Guidance

- positive production trend year to date for all metals
- increased copper and zinc production and improved cash cost guidance for the full-year

Exploration Drilling Targeting Step-Out Areas

- 5,800 metres drilled in Q2/18 targeting step-out areas from existing orebodies and other targets within the existing mine lease

Copper, Zinc Production & Cash Cost Outlook
(kt & \$/lb Cu, net of by-product credits)



Zinc Expansion Project (ZEP)



Pouring of Mill Foundation

Comprehensive Project Review Complete

- no change to schedule; ramp up production by end of 2019
- total capital costs expected to be €270M, approximately 5% higher than original estimate, accounting for earlier delays
- 2018 capital guidance reduced to \$130M (from \$190M) reflecting deferred project cash outlays to 2019

Underground Development Advancing

- 70% underground materials handling development complete
- all major contracts awarded and delivery of conveying and crushing equipment underway

Surface Activities Underway

- 95% of new zinc plant engineering complete and major equipment being received at site
- Mill foundation poured in July



Humboldt Mill – Nickel / Copper / PGMs – Michigan, U.S.A.

Performance on Plan

- production of 4.2 kt nickel and 4.1 kt copper
- \$1.09/lb nickel cash cost
- consistent with plan and on track to meet full year guidance

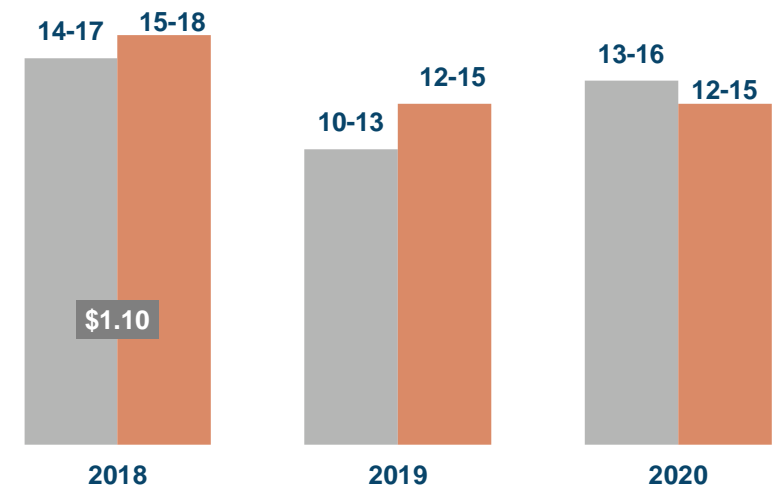
Excellent Progress on Eagle East

- dual decline stretch of ramp completed during the quarter
- 56% of pre-production works complete and project trending ahead of schedule
- approval for permit amendment for additional tailings at the Humboldt mill facility expected in Q3/18

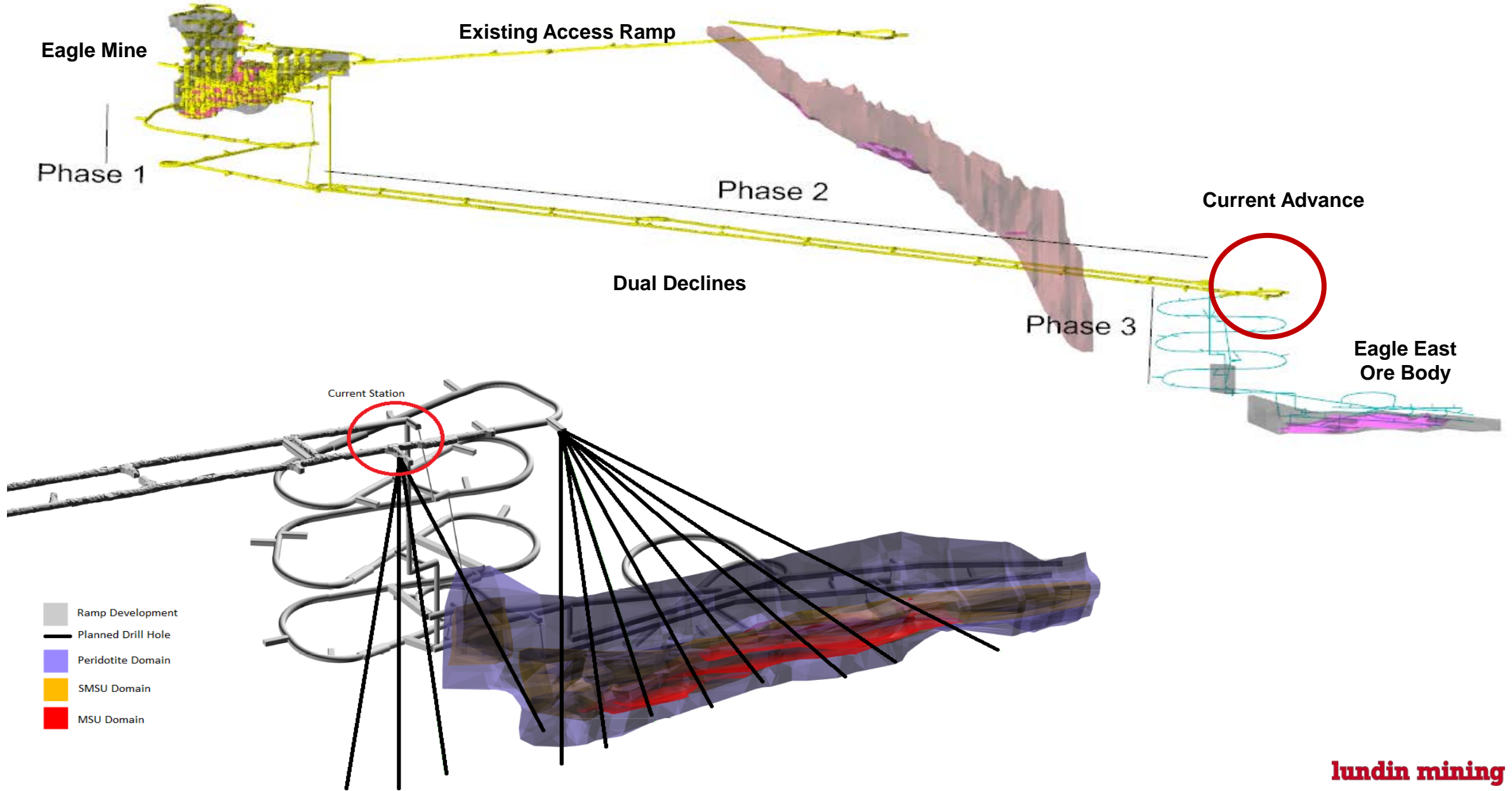
Active Drilling Program

- Eagle East underground definition drilling underway
- over 9,800 m drilled from surface in the quarter

Nickel, Copper Production & Cash Cost Outlook
(kt & \$/lb Ni, net of by-product credits)



Eagle East



Zinkgruvan



Zinc / Lead / Copper – Sweden

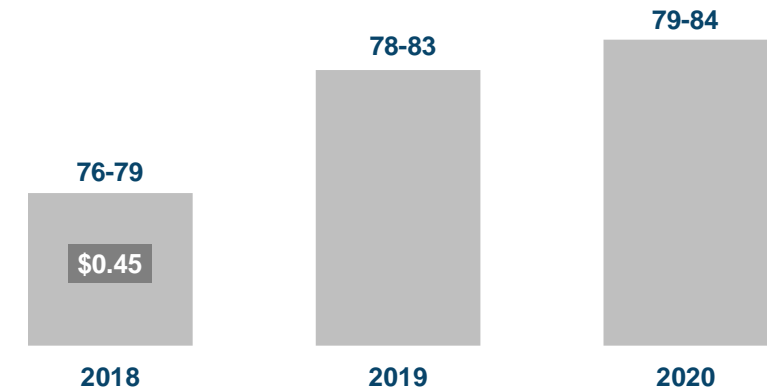
On Track to Achieve Full Year Guidance

- production of 16.8 kt zinc, and 3.9 kt lead
- \$0.41/lb zinc cash cost
- strong throughput offset by lower than planned head grades as a result of mine sequencing and greater than planned dilution
- site teams focusing on head grade issue improvements demonstrated in late Q2/18 and thus far in Q3/18

Ramp up of Exploration Activities

- 9,905 meters drilled from surface and underground
- new exploration permit granted and a seismic survey to commence in Q3/18. Multiple targets to be drilled H22018
- highest exploration priority to drill and expand the mineral resource estimate of the Dalby mineralization¹

Zinc Production & Cash Cost Outlook
(kt & \$/lb Zn, net of by-product credits)



1. Refer to news release “Lundin Mining Announces 2017 Mineral Resource and Mineral Reserve Estimates” dated September 5, 2017. See also slide 25.

2018 Capital Expenditure & Exploration Guidance

Capital Expenditures¹ (US\$M)

Total Capitalized Stripping ²	215
Los Diques Facility	60
New Mine Fleet Investment	120
Mill Optimization Investment	30
Candelaria UG South Development	15
Other Candelaria Sustaining	80
Total Candelaria (100% basis)	520
Eagle Sustaining	20
Neves-Corvo Sustaining	55
Zinkgruvan Sustaining	40
Total Sustaining	635
Eagle Expansionary	30
Zinc Expansion (Neves-Corvo)	130
Total Expansionary	160
Total Capital Expenditures	\$795M

2018 Capital Guidance Reduced by \$55M

- mainly on timing of expenditures

Candelaria

- increase in capitalized stripping on fuel and FX
- equipment deliveries pulled forward into 2018
- deferred timing of payments to 2019 for some mill optimization and other sustaining expenditures

Neves-Corvo

- \$60M deferral into 2019

\$83M Exploration Budget Unchanged

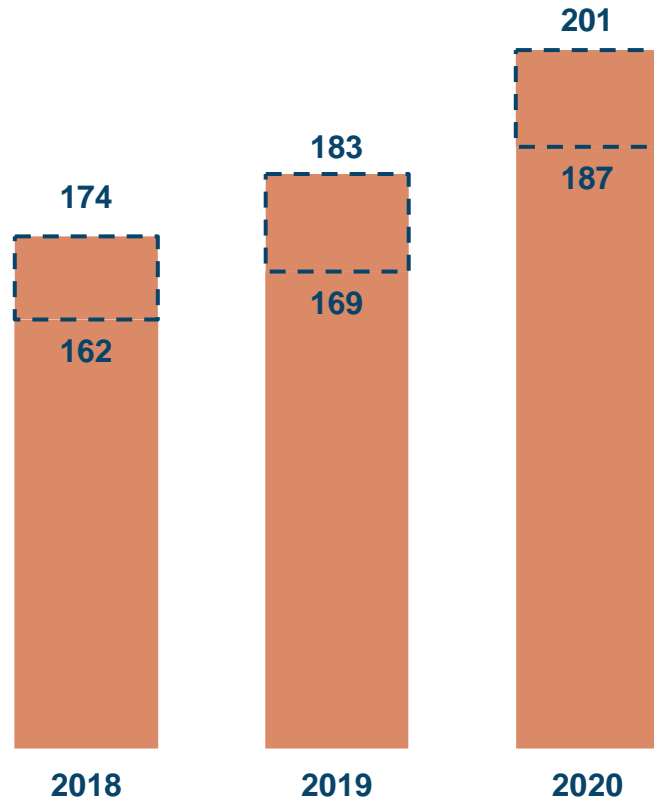
1. Excludes capitalized interest. Amounts forecast above are on a cash basis, and may vary from accrual based estimates.

2. During the production phase, waste stripping costs which provide probable future economic benefits and improved access to the orebody are capitalized to mineral properties. The Company capitalizes waste costs when experienced strip ratios are above the average planned strip ratio for each open pit phase under development.

Three-Year Production Outlook¹ (kt attributable)

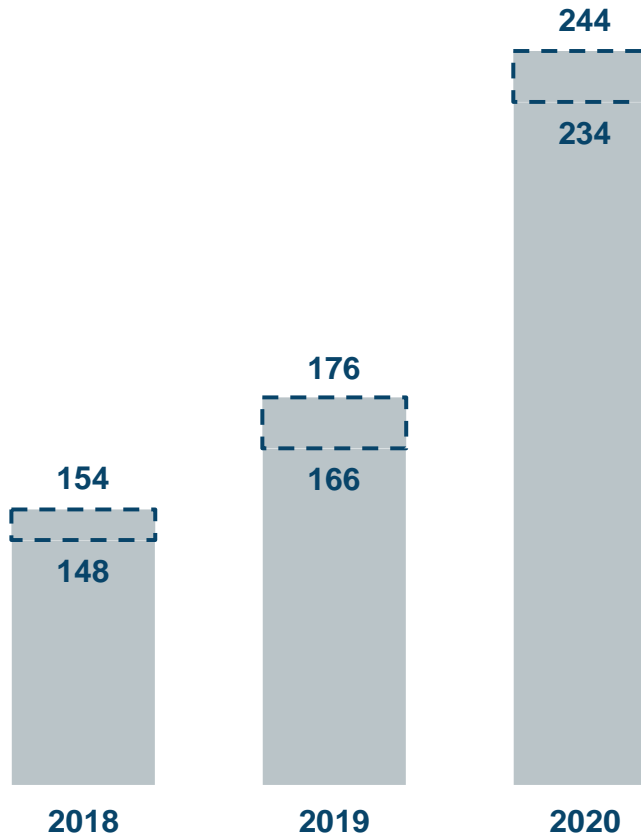
Copper

Forecast increase primarily on improved Candelaria mine plan



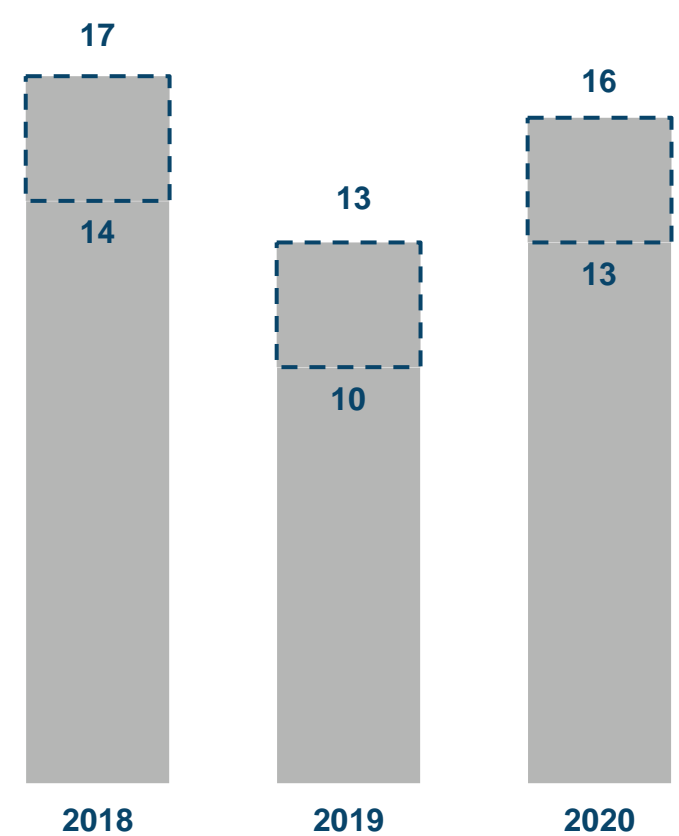
Zinc

Forecast ~60% increase primarily on Neves-Corvo Zinc Expansion Project



Nickel

Eagle East planned on-line in 2020



 Production Guidance Range

1. Production guidance is based on certain estimates and assumptions, including but not limited to; Mineral Resource and Mineral Reserve estimates (see slide 25), geological formations, grade and continuity of deposits and metallurgical characteristics. This guidance was originally announced by news release on November 29, 2017 and revised in our news release on July 25, 2018.

Offer to Acquire Nevsun Resources Ltd. ¹

Terms of the Offer

C\$4.75 per share in cash

- values Nevsun at a fully-diluted equity value of approximately C\$1.5 billion

Open until 5:00 p.m. (Toronto time) on November 9, 2018

Customary Conditions

- Minimum Tender Conditions
 - At least 66 2/3% of Nevsun's shares must be tendered
 - Government, Regulatory and Third-Party Approvals
- No Material Adverse Effect

Not Subject to Financing Conditions

1. Please see slide 26 – Cautionary Statements Respecting the Offer

Offer to Acquire Nevsun Resources Ltd. ¹

Reasons to Accept Offer

Compelling Premium

- 82% to the closing price of February 6, 2018, date of first offer to Nevsun related to Lundin Mining's interest
- 42% premium to the 20-day VWAP on April 30, 2018, the date of Lundin Mining's previously announced prior proposal to Nevsun

Liquidity and Certainty of Value

- opportunity for shareholders to realize cash proceeds

Fully Financed Cash Offer

1. Please see slide 26 – Cautionary Statements Respecting the Offer

Offer to Acquire Nevsun Resources Ltd. ¹

Risks of Not Accepting Offer

Potential for Downward Impact to Nevsun Share Price

- likelihood of negative impact on Nevsun share price if Offer not accepted

Risk of Substantial Nevsun Shareholder Dilution

- Nevsun needs significant financing in near term in the form of equity, stream/royalty and or debt

Nevsun Assets Not Developed Optimally Due to Lack of Financial Capability

- Bisha available cash stripped to help finance Timok, detracting from all stakeholders value
- Bisha Mine and concession value not realized due to lack of investment in exploration, sustaining capital, pit stripping and expansion, underground development and lack of asset focus

1. Please see slide 26 – Cautionary Statements Respecting the Offer

Offer to Acquire Nevsun Resources Ltd. ¹

How to Accept the Offer

For assistance in depositing Nevsun Shares to the Offer, Nevsun shareholders should contact the Information Agent and Depositary:

Kingsdale Advisors

North American Toll Free: 1-866-851-3214

Outside North America: 1-416-867-2272

Email: contactus@kingsdaleadvisors.com

Lundin Mining encourages securityholders of Nevsun to read the full details of the Offer set forth in the offer to purchase and take-over bid circular dated July 26, 2018, available under Nevsun's profile on SEDAR, which documents contain the full terms and conditions of the Offer and other important information as well as detailed instructions on how Nevsun shareholders can tender their Nevsun Shares to the Offer.

1. Please see slide 26 – Cautionary Statements Respecting the Offer

Lundin Mining



High Quality Competitive Mines

- strong margins at all operations
- demonstrated operational excellence and culture of continuous improvement
- low-risk mining jurisdictions



Meaningful Scale Growth Oriented

- exploration upside and high value expansion projects underway
- advancing external acquisition initiatives with disciplined criteria



Financial Strength

- proven track record for rigorous investment approach, focused on value creation
- substantial balance sheet strength and flexibility to respond to opportunities

NI 43-101 Compliance

Unless otherwise indicated, Lundin Mining Corporation (the “Company”) has prepared the technical information in this presentation including Mineral Reserve and Mineral Resource estimates (“Technical Information”) based on information contained in the technical reports and news releases (collectively the “Disclosure Documents”) available under the Company’s profile on SEDAR at www.sedar.com. Each Disclosure Document was prepared by or under the supervision of a qualified person (“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 identified below 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 Resource estimates 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 NI 43-101 and has been reviewed and approved by Stephen Gatley, BSc (Eng), C.Eng. Vice President - Technical Services of the Company, a "Qualified Person" under NI 43-101. Mr. Gatley has verified the Technical Information disclosed in this presentation and no limitations were imposed on his verification process.

Mineral Reserve and Mineral Resource estimates are shown on a 100 percent basis for each mine. The Measured and Indicated Mineral Resource estimates are inclusive of those Mineral Resources estimates modified to produce the Mineral Reserve estimates. All estimates are prepared as at June 30, 2017. Estimates for all majority owned operations are prepared by or under the supervision of a Qualified Person as defined in NI 43-101, or have been audited by independent Qualified Persons on behalf of the Company. Unless indicated otherwise in the “Notes on Mineral Resource and Reserve Table” in the Company’s news release on September 5, 2017, Mineral Reserve estimates have been calculated using metal prices of US\$2.75/lb copper, US\$1.00/lb zinc, US\$1.00/lb lead, US\$8.00/lb nickel, US\$1,000/oz gold and exchange rates of EUR/US\$ 1.25, US\$/SEK 7.00 and Chilean Peso/US\$ 550.

Refer to the new release dated September 5, 2017 entitled “Lundin Mining Announces 2017 Mineral Resource and Mineral Reserve Estimates” on the Company’s website (www.lundinmining.com).

For further Technical Information on the Company’s material properties, refer to the following technical reports, each of which is available on the Company’s SEDAR profile at www.sedar.com:

Candelaria: technical report entitled Technical Report for the Candelaria Copper Mining Complex, Atacama Region, Region III, Chile dated November 30, 2017.

Neves-Corvo: technical report entitled NI 43-101 Technical Report for the Neves-Corvo Mine, Portugal dated June 23, 2017.

Zinkgruvan: technical report entitled NI 43-101 Technical Report for the Zinkgruvan Mine, Central Sweden dated November 30, 2017.

Eagle Mine: technical report entitled Technical Report on the Eagle Mine, Michigan, U.S.A. dated April 26, 2017.

Cautionary Statement Respecting the Offer

THE TAKE-OVER BID CIRCULAR CONTAINS IMPORTANT INFORMATION ABOUT THE OFFER AND SHOULD BE READ IN ITS ENTIRETY BY NEVSUN'S SHAREHOLDERS. NEVSUN'S SHAREHOLDERS MAY OBTAIN, AT NO CHARGE, A COPY OF THE TAKE-OVER BID CIRCULAR AND VARIOUS ASSOCIATED DOCUMENTS UNDER NEVSUN'S PROFILE ON THE SYSTEM FOR ELECTRONIC DOCUMENT ANALYSIS AND RETRIEVAL (SEDAR) AT WWW.SEDAR.COM AND ON THE SECURITIES AND EXCHANGE COMMISSION (SEC) WEBSITE AT WWW.SEC.GOV.

THIS PRESENTATION IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE OR FORM PART OF ANY OFFER OR INVITATION TO PURCHASE, OTHERWISE ACQUIRE, SUBSCRIBE FOR, SELL, OTHERWISE DISPOSE OF OR ISSUE, OR ANY OTHER SOLICITATION OF ANY OFFER TO SELL, OTHERWISE DISPOSE OF, ISSUE, PURCHASE, OTHERWISE ACQUIRE OR SUBSCRIBE FOR ANY SECURITY. THE OFFER WAS NOT MADE IN, NOR WILL DEPOSITS OF SECURITIES BE ACCEPTED FROM A PERSON IN, ANY JURISDICTION IN WHICH THE MAKING OR ACCEPTANCE THEREOF WOULD NOT BE IN COMPLIANCE WITH THE LAWS OF SUCH JURISDICTION. HOWEVER, LUNDIN MINING MAY, IN ITS SOLE DISCRETION, TAKE SUCH ACTION AS IT DEEMS NECESSARY TO EXTEND THE OFFER IN ANY SUCH JURISDICTION.

lundin mining

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