lundin mining

Management's Discussion and Analysis
For the three months ended March 31, 2024

This management's discussion and analysis ("MD&A") has been prepared as of May 1, 2024 and should be read in conjunction with the Company's condensed interim consolidated financial statements for the three months ended March 31, 2024. Those financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CPA Canada Handbook - Accounting including IAS 34 Interim Financial Reporting. The Company's presentation currency is United States ("US") dollars. Reference herein of $ or USD is to United States dollars, ARS is to Argentine pesos, BRL is to Brazilian reais, C$ is to Canadian dollars, CLP is to Chilean pesos, € refers to euros, and SEK is to Swedish kronor. "This quarter" or "The quarter" means the first quarter ("Q1") of 2024.

About Lundin Mining

Lundin Mining Corporation ("Lundin Mining" or the "Company") is a diversified Canadian base metals mining company with projects and operations in Argentina, Brazil, Chile, Portugal, Sweden, and the United States of America, primarily producing copper, zinc, nickel and gold.

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Cautionary Statement on Forward-Looking Information

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts included in this document constitute forward-looking information, including but not limited to statements regarding the Company's plans, prospects and business strategies; the Company's guidance on the timing and amount of future production and its expectations regarding the results of operations; expected costs; permitting requirements and timelines; timing and possible outcome of pending litigation; the results of any Preliminary Economic Assessment, Feasibility Study, or Mineral Resource and Mineral Reserve estimations, life of mine estimates, and mine and mine closure plans; anticipated market prices of metals, currency exchange rates, and interest rates; the development and implementation of the Company's Responsible Mining Management System; the Company's ability to comply with contractual and permitting or other regulatory requirements; anticipated exploration and development activities at the Company's projects; the Company's integration of acquisitions and any anticipated benefits thereof; and expectations for other economic, business, and/or competitive factors. Words such as "believe", "expect", "anticipate", "contemplate", "target", "plan", "goal", "aim", "intend", "continue", "budget", "estimate", "may", "will", "can", "could", "should", "schedule" and similar expressions identify forward-looking statements.

Forward-looking information is necessarily based upon various estimates and assumptions including, without limitation, the expectations and beliefs of management, including that the Company can access financing, appropriate equipment and sufficient labour; assumed and future price of copper, nickel, zinc, gold and other metals; anticipated costs; ability to achieve goals; the prompt and effective integration of acquisitions; that the political environment in which the Company operates will continue to support the development and operation of mining projects; and assumptions related to the factors set forth below. While these factors and assumptions are considered reasonable by Lundin Mining as at the date of this document in light of management's experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: global financial conditions, market volatility and inflation, including pricing and availability of key supplies and services; risks inherent in mining including but not limited to risks to the environment, industrial accidents, catastrophic equipment failures, unusual or unexpected geological formations or unstable ground conditions, and natural phenomena such as earthquakes, flooding or unusually severe weather; uninsurable risks; volatility and fluctuations in metal and commodity demand and prices; significant reliance on assets in Chile; reputation risks related to negative publicity with respect to the Company or the mining industry in general; delays or the inability to obtain, retain or comply with permits; risks relating to the development of the Josemaria Project; health and safety laws and regulations; risks associated with climate change; risks relating to indebtedness; economic, political and social instability and mining regime changes in the Company's operating jurisdictions, including but not limited to those related to permitting and approvals, nationalization or expropriation without fair compensation, environmental and tailings management, labour, trade relations, and transportation; inability to attract and retain highly skilled employees; risks inherent in and/or associated with operating in foreign countries and emerging markets, including with respect to foreign exchange and capital controls; project financing risks, liquidity risks and limited financial resources; health and safety risks; compliance with environmental, unavailable or inaccessible infrastructure, infrastructure failures, and risks related to ageing infrastructure; changing taxation regimes; the inability to effectively compete in the industry; risks associated with acquisitions and related integration efforts, including the ability to achieve anticipated benefits, unanticipated difficulties or expenditures relating to integration and diversion of management time on integration; risks related to mine closure activities, reclamation obligations, environmental liabilities and closed and historical sites; reliance on key personnel and reporting and oversight systems, as well as third parties and consultants in foreign jurisdictions; information technology and cybersecurity risks; risks associated with the estimation of Mineral Resources and Mineral Reserves and the geology, grade and continuity of mineral deposits including but not limited to models relating thereto; actual ore mined and/or metal recoveries varying from Mineral Resource and Mineral Reserve estimates, estimates of grade, tonnage, dilution, mine plans and metallurgical and other characteristics; ore processing efficiency; community and stakeholder opposition; regulatory investigations, enforcement, sanctions and/or related or other litigation; financial projections, including estimates of future expenditures and cash costs, and estimates of future production may not be reliable; enforcing legal rights in foreign jurisdictions; risks associated with the use of derivatives; risks relating to joint ventures and operations; environmental and regulatory risks associated with the structural stability of waste rock dumps or tailings storage facilities; exchange rate fluctuations; compliance with foreign laws; potential for the allegation of fraud and corruption involving the Company, its customers, suppliers or employees, or the allegation of improper or discriminatory employment practices, or human rights violations; risks relating to dilution; risks relating to payment of dividends; counterparty and customer concentration risks; activist shareholders and proxy solicitation matters; estimation of asset carrying values; relationships with employees and contractors, and the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; conflicts of interest; existence of significant shareholders; challenges or defects in title; internal controls; risks relating to minor elements contained in concentrate products; the threat associated with outbreaks of viruses and infectious diseases; and other risks and uncertainties, including but not limited to those described in the "Managing Risks" section of this MD&A and the "Risk and Uncertainties" section of the Company's Annual Information Form, which is available on SEDAR+ at www.sedarplus.com under the Company's profile.

All of the forward-looking statements made in this document are qualified by these cautionary statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, forecast or intended and readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. 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 information. Accordingly, there can be no assurance that forward-looking information will prove to be accurate and forward-looking information is not a guarantee of future performance. Readers are advised not to place undue reliance on forward-looking information. The forward-looking information contained herein speaks only as of the date of this document. The Company disclaims any intention or obligation to update or revise forward-looking information or to explain any material difference between such and subsequent actual events, except as required by applicable law.

Highlights

For the quarter ended March 31, 2024, the Company generated revenue of $937.0 million (Q1 2023 - $751.3 million), gross profit of $185.4 million (Q1 2023 - $213.3 million) and adjusted EBITDA[1] of $362.9 million (Q1 2023 - $336.9 million). Financial results benefited from contribution from the Caserones mine, acquired in July 2023.

The operations performed well during the first quarter of 2024 with 88,013 tonnes of copper, 45,688 tonnes of zinc, and 33,000 oz of gold produced. The Company remains on track to achieve annual production guidance.

Operational Performance

Candelaria (80% owned): Candelaria produced 32,527 tonnes of copper and approximately 19,000 ounces of gold in concentrate on a 100% basis in the quarter. Copper and gold production was lower than in the prior year comparable quarter, primarily due to lower grades as a result of planned mine sequencing. Current quarter production costs were lower than in the prior year comparable quarter largely owing to favourable foreign exchange as a result of the Chilean Peso weakening against the US dollar, and lower sales volumes. Copper cash cost[1] of $1.89/lb improved from the prior year comparable quarter due to favourable foreign exchange and higher by-product credits.

Caserones (51% owned): In the quarter ended March 31, 2024 Caserones produced 34,216 tonnes of copper and 864 tonnes of molybdenum on a 100% basis. Copper and molybdenum production was slightly lower than expected due to reduced throughput caused by unplanned maintenance, combined with lower recoveries due to mine sequencing. Production costs and cash costs per pound in the quarter were lower than planned primarily due to favourable foreign exchange as a result of the Chilean peso weakening against the US dollar.

Chapada (100% owned): Chapada produced 10,138 tonnes of copper and approximately 14,000 ounces of gold in concentrate in the quarter. Copper and gold production were higher than in the prior year comparable quarter primarily due to higher recoveries. Production costs were lower than in the prior year comparable quarter primarily due to lower sales volumes and lower mining costs as a result of a planned reduction in waste movement. Copper cash cost of $2.01/lb for the quarter improved from the prior year comparable quarter due to higher by-product credits combined with mining cost decreases due to operational improvements.

Eagle (100% owned): During the quarter Eagle produced 3,255 tonnes of nickel and 2,514 tonnes of copper which were lower than in the prior year comparable quarter due to lower planned grades and recoveries. Production costs were lower than in the prior year comparable quarter due to lower sales volumes. Nickel cash cost[1] in the quarter of $4.04/lb was higher than in the prior year comparable quarter and was impacted by lower sales volumes and lower by-product credits.

Neves-Corvo (100% owned): Neves-Corvo produced 7,044 tonnes of copper and 26,487 tonnes of zinc in the quarter. Both copper and zinc production in the quarter was lower than in the prior year comparable quarter due to lower grades and recoveries. Throughput was lower than planned in the quarter due to a voluntary three-day shutdown and subsequent ramp-up following the fatality that occurred in February. Production costs during the quarter were lower than in the prior year comparable quarter due to lower sales volumes and lower unit production costs. Copper cash cost per pound during the quarter of $3.24/lb was higher than prior year comparable period as a result of lower production volumes, lower by-product credits and unfavorable foreign exchange.

Zinkgruvan (100% owned): Zinc production of 19,201 tonnes was lower than in the prior year comparable quarter primarily due to lower grades. Lead production of 6,748 tonnes and copper production of 1,574 tonnes were lower than in the prior year comparable quarter primarily due to lower grades as a result of delays in mining high-grade stopes. Production costs were slightly higher than in the prior year comparable quarter and zinc cash cost[1] per pound of $0.65/lb during the quarter was higher than in the prior year comparable quarter primarily due to lower production volumes.

[1] This is a non-GAAP measure - see section "Non-GAAP and Other Performance Measures" of this MD&A for discussion.

Total Production[a]

	2024	2023				
	Q1	**Total**	Q4	Q3	Q2	Q1
Copper (t)[b]	**88,013**	314,798	103,337	89,942	60,057	61,462
Zinc (t)	**45,688**	185,161	50,719	49,774	36,115	48,553
Nickel (t)	**3,255**	16,429	3,729	4,290	4,686	3,724
Gold (koz)[b]	**33**	149	44	35	34	36
Molybdenum (t)[b]	**864**	2,024	928	1,096	—	—

a - Tonnes(t) and thousands of ounces (koz).

b - Candelaria and Caserones production are on a 100% basis. Caserones results in 2023 are from July 13, 2023.

Corporate Updates

- On January 14, 2024, the Company provided its 2024 production and cost guidance and reaffirmed the three year production outlook.

- On February 8, 2024, the Company reported its Mineral Resource and Mineral Reserve estimates as at December 31, 2023 (or as otherwise specified).

- On February 12, 2024, the Company reported an employee fatality at the Neves-Corvo Mine in Portugal. Operations were voluntarily suspended and restarted on February 15, 2024. The appropriate authorities in Portugal were notified and the Company is providing its full cooperation in the investigation.

Financial Performance

- Gross profit for the quarter ended March 31, 2024 was $185.4 million which was $28.0 million lower than in the prior year comparable period. The decrease was primarily due to lower realized copper and zinc prices[1] and excluding gross profit results from Caserones, the sales volumes were lower.

- For the quarter ended March 31, 2024, net earnings of $58.6 million were lower than in the prior year comparable period primarily due to non-cash unrealized losses related to the mark-to-market valuation of unexpired foreign exchange contracts, lower gross profit, and higher financing costs.

- Adjusted earnings[1] for the quarter ended March 31, 2024 of $45.2 million were $80.5 million lower than in the prior year comparable period primarily due to lower net attributable earnings.

- Cash provided by operating activities for the quarter ended March 31, 2024 of $267.5 million was $55.7 million higher than in the prior year comparable period and benefited from the inclusion of operating cash flows from Caserones, partially offset by reduced cash in the quarter due to working capital changes.

- For the quarter ended March 31, 2024, the Company recognized a non-cash unrealized loss of approximately $53 million on a pre-tax basis related to the mark-to-market valuation of the Company's unexpired foreign exchange and diesel derivative contracts. During the quarter ended March 31, 2024, the Company entered into zero cost collar contracts in the total amounts of $24 million (equivalent to BRL 121 million) and $950 million (equivalent to CLP 926 billion) with collar ranges of BRL 5.10 to BRL 6.07 and CLP 900 to CLP 1,085, respectively.

- For the quarter ended March 31, 2024, sustaining capital expenditures[1] of $213.3 million were $57.7 million higher than the prior year comparable period as a result of the inclusion of Caserones sustaining capital, as well as increases at Chapada in deferred stripping and tailings spend. Expansionary capital expenditures[1] of $56.0 million were $34.5 million lower than the prior year comparable period as a result of less spend on the Josemaria Project.

- For the quarter ended March 31, 2024, free cash flow from operations[1] of $67.7 million was $3.4 million lower than the prior year comparable period as a result of higher capital expenditures during the quarter.

Financial Position and Financing

- Cash and cash equivalents as at March 31, 2024 were $365.5 million, an increase during the quarter of $96.7 million. Cash provided by operating activities amounted to $267.5 million and cash used to fund investing activities amounted to $269.7 million. Cash provided by financing activities was comprised primarily of proceeds from debt.

- As at March 31, 2024, the Company had a net debt[1] balance of $1,241.9 million and a net debt excluding lease liabilities[1] balance of $981.4 million.

- On April 26, 2024, the Company's revolving credit facility, originally expiring in April 2028, was amended and extended to April 2029. On the same date, the Company's Term Loan (the "Term Loan") was also amended and extended by one year to July 2027.

- As at May 1, 2024, the Company had a cash balance of approximately $395.0 million and a net debt excluding lease liabilities balance of approximately $1,020.0 million.

[1] This is a non-GAAP measure - see section "Non-GAAP and Other Performance Measures" of this MD&A for discussion.

Outlook

Overall, operations performed well in the first quarter of 2024 and the Company is expected to meet annual production and cash cost guidance as disclosed in the Company's MD&A for the year ended December 31, 2023.

Metal production continues to be weighted to the second half of the year at Candelaria, Chapada and Neves-Corvo due to mine sequencing and resultant forecasted grade profiles. As a result of production challenges at Neves-Corvo in the first quarter of 2024, copper production at that operation is tracking to the lower end of its annual production guidance range. Production challenges at Neves-Corvo, Eagle and Zinkgruvan in the first quarter of 2024 led to higher-than-expected cash costs per pound, which are expected to improve later in 2024.

Capital expenditure guidance also remains consistent as disclosed in the Company's MD&A for the year ended December 31, 2023 including $840 million sustaining capital expenditure and $225 million of expenditure related to the Josemaria Project. Similarly, exploration expenditure of $48 million remains on target for 2024.

Selected Quarterly Financial Information

($ millions, except share and per share amounts)	Three months ended March 31, 2024	2023
Revenue	**937.0**	751.3
Costs of goods sold:		
Production costs	**(567.1)**	(417.8)
Depreciation, depletion and amortization	**(184.5)**	(120.2)
Gross profit	**185.4**	213.3
Net earnings attributable to:		
Lundin Mining shareholders	**13.9**	146.6
Non-controlling interests	**44.7**	18.7
Net earnings	**58.6**	**165.3**
Adjusted earnings[1]	**45.2**	125.7
Adjusted EBITDA[1]	**362.9**	336.9
Cash provided by operating activities	**267.5**	211.9
Adjusted operating cash flow[1]	**313.7**	235.1
Free cash flow from operations[1]	**67.7**	71.1
Free cash flow[1]	**(1.7)**	(34.2)
Capital expenditures[2]	**271.9**	246.1
Per share amounts:		
Basic and diluted earnings (loss) per share ("EPS") attributable to shareholders	**0.02**	0.19
Adjusted EPS[1]	**0.06**	0.16
Adjusted operating cash flow per share[1]	**0.41**	0.30
Dividends declared (C$/share)	**0.09**	0.09

	March 31, 2024	December 31, 2023
Total assets	**10,911.9**	10,861.2
Total debt and lease liabilities	**1,601.6**	1,485.8
Net debt excluding lease liabilities[1]	**981.4**	946.2

[1] This is a non-GAAP measure - see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.
[2] Capital expenditures are reported on a cash basis, as presented in the consolidated statement of cash flows.

Summary of Quarterly Results[1]

($ millions, except per share data)	Q1-24	Q4-23	Q3-23	Q2-23	Q1-23	Q4-22	Q3-22	Q2-22
Revenue	937.0	1,060.0	992.2	588.5	751.3	811.4	648.5	590.2
Gross profit	185.4	188.9	197.3	52.8	213.3	155.2	82.5	46.0
Net earnings (loss)	58.6	66.8	21.9	61.3	165.3	145.3	(11.2)	(48.6)
- attributable to shareholders	13.9	38.8	(3.0)	59.1	146.6	145.6	(11.2)	(52.6)
Adjusted earnings (loss)[2]	45.2	79.7	85.3	45.6	125.7	191.5	30.9	(35.3)
Adjusted EBITDA[2]	362.9	419.7	415.1	191.8	336.9	353.7	202.4	148.6
EPS - Basic and Diluted	0.02	0.05	—	0.08	0.19	0.19	(0.01)	(0.07)
Adjusted EPS[2]	0.06	0.10	0.11	0.06	0.16	0.25	0.04	(0.05)
Cash flow from operations	267.5	306.1	303.8	194.8	211.9	156.9	36.3	366.4
Adjusted operating cash flow per share[2]	0.41	0.47	0.41	0.14	0.30	0.38	0.23	0.06
Capital expenditure[3]	271.9	243.9	243.2	279.9	246.1	281.2	199.5	217.3

[1] The sum of quarterly amounts may differ from year-to-date results due to rounding.
[2] This is a non-GAAP measure - see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.
[3] Capital expenditures are reported on a cash basis, as presented in the consolidated statement of cash flows.

On a quarterly basis the Company's revenue, gross profit and net earnings can be impacted by metal prices, sales volumes as a result of the timing of concentrate shipments, and provisional pricing adjustments on current and prior period shipments.

The Company's results have also been impacted by the acquisition of the Josemaria Project in April 2022 and the acquisition of the Caserones mine in July 2023. Project development costs for the Josemaria Project were initially included in general exploration expenses following the acquisition of the project in April 2022, but began to be capitalized from the fourth quarter of 2022. This reduced net earnings in Q2 2022 and Q3 2022 and contributed to higher capital expenditure starting in Q4 2022.

The acquisition of the Caserones mine in July 2023 contributed to an increase in gross profit and cash flow from operations in Q3 2023 and in subsequent quarters. Additionally, fair value adjustments of $32.2 million and $7.8 million were recorded in production costs in Q3 2023 and Q4 2023, respectively, to re-value in-process and concentrate inventory on hand at the acquisition date. The $800 million three-year term loan entered into in conjunction with the acquisition has increased the Company's interest expense in Q3 2023 through Q1 2024, reducing net earnings.

During 2022, inflationary price increases were experienced for electricity, diesel and consumables. In 2023 and continuing into Q1 2024, input prices stabilized, and in some cases lowered. These trends impacted gross profit and net earnings in the quarters presented above.

A non-cash write-down, including depreciation, of long-term ore stockpile inventory at Chapada of $66.8 million was recognized in Q4 2022, reducing net earnings.

From Q3 2022, the Company has entered into derivative contracts for foreign currency and diesel as part of its risk management strategy. From Q2 2022, the Company has also realized foreign exchange and trading gains on debt and equity investments to support capital funding for the Josemaria Project. Realized and unrealized gains and losses on derivative contracts and foreign exchange and trading gains on debt and equity investments are recorded in other income and impact the Company's net earnings.

Revenue Overview

Sales Volumes by Payable Metal

	2024	2023				
	Q1	Total	Q4	Q3	Q2	Q1
Copper (t)						
Candelaria (100%)	**33,536**	144,473	38,888	33,668	36,347	35,570
Caserones (100%)[1]	**35,211**	66,075	35,690	30,385	—	—
Chapada	**8,742**	43,761	13,080	11,445	10,164	9,072
Eagle	**2,058**	11,968	3,055	3,177	2,951	2,785
Neves-Corvo	**5,886**	32,054	9,054	8,799	6,170	8,031
Zinkgruvan	**756**	4,473	845	1,758	1,001	869
	86,189	302,804	100,612	89,232	56,633	56,327
Zinc (t)						
Neves-Corvo	**21,204**	91,115	25,491	21,957	20,125	23,542
Zinkgruvan	**15,825**	65,344	17,316	22,042	9,374	16,612
	37,029	156,459	42,807	43,999	29,499	40,154
Nickel (t)						
Eagle	**2,163**	13,339	3,105	3,640	3,859	2,735
Gold (koz)						
Candelaria (100%)	**19**	87	23	19	23	22
Chapada	**12**	53	18	13	11	11
	31	140	41	32	34	33
Molybdenum (t)						
Caserones (100%)[1]	**836**	2,019	978	1,041	—	—
Lead (t)						
Neves-Corvo	**1,324**	4,970	1,830	1,220	881	1,039
Zinkgruvan	**4,835**	25,527	5,714	9,391	4,944	5,478
	6,159	30,497	7,544	10,611	5,825	6,517
Silver (koz)						
Candelaria (100%)	**400**	1,322	415	279	333	295
Chapada	**21**	129	37	32	29	31
Eagle	**1**	24	8	6	4	6
Neves-Corvo	**224**	821	265	227	158	171
Zinkgruvan	**297**	1,892	449	713	331	399
	943	4,188	1,174	1,257	855	902

[1] Caserones 2023 results are from July 13, 2023.

Revenue Analysis

by Mine	Three months ended March 31, 2024		2023		Change
($ thousands)	$	%	$	%	$
Candelaria (100%)	**330,409**	34	380,405	51	(49,996)
Caserones (100%)[1]	**326,211**	35	—	—	326,211
Chapada	**98,435**	11	111,118	15	(12,683)
Eagle	**57,223**	6	69,420	9	(12,197)
Neves-Corvo	**80,630**	9	129,403	17	(48,773)
Zinkgruvan	**44,073**	5	60,998	8	(16,925)
	936,981		751,344		185,637

[1] Caserones 2023 results are from July 13, 2023.

by Metal	Three months ended March 31, 2024		2023		Change
($ thousands)	$	%	$	%	$
Copper[1]	**715,549**	76	529,681	70	185,868
Gold	**57,708**	6	57,068	8	640
Zinc	**57,367**	6	99,151	13	(41,784)
Nickel	**38,793**	4	41,959	6	(3,166)
Molybdenum[1]	**32,138**	3	—	—	32,138
Silver	**13,806**	2	9,236	1	4,570
Lead	**11,712**	2	11,459	2	253
Other	**9,908**	1	2,790	—	7,118
	936,981		751,344		185,637

[1] Caserones 2023 results are from July 13, 2023.

Revenue for the quarter ended March 31, 2024 amounted to $937.0 million which was higher than the prior year comparable period as a result of the inclusion of Caserones copper and molybdenum revenue partially offset by decreases in copper and zinc volumes and prices at the other operations, and nickel volumes at Eagle.

Revenue from gold and silver for the quarter ended March 31, 2024 includes the partial recognition of an upfront purchase price on the sale of precious metals streams for Candelaria, Neves-Corvo, and Zinkgruvan as well as the cash proceeds which amount to approximately $429/oz for gold and between $4.28/oz and $4.68/oz for silver.

Chapada's copper revenue includes the recognition of deferred revenue from copper streams acquired with the Chapada mine, as well as the cash proceeds of 30% of the market price of the copper sold under the streams.

Revenue is recorded using the metal price received for sales that settle during the reporting period. For sales that have not been settled, an estimate is used based on the expected month of settlement and the forward price of the metal at the end of the reporting period. The difference between the estimate and the final price received is recognized by adjusting revenue in the period in which the sale is settled. Settlement dates can range from one to six months after shipment.

Provisionally Valued Revenue as of March 31, 2024

Metal	Payable metal	Valued at
Copper	96,860 t	$4.02 /lb
Zinc	26,781 t	$1.09 /lb
Nickel	987 t	$7.53 /lb
Gold	34 koz	$2,230 /oz
Molybdenum	802 t	$17.57 /lb

Quarterly Reconciliation of Realized Prices

	Three months ended March 31, 2024						
($ thousands)	Copper	Zinc	Nickel	Gold	Molybdenum	Other	Total
Revenue from contracts with customers[1]	738,145	90,689	35,125	65,235	38,827	39,195	1,007,216
Provisional pricing adjustments on current period concentrate sales	7,669	(3,333)	24	3,412	(816)	19	6,974
Provisional pricing adjustments on prior period concentrate sales	9,677	(4,476)	3,624	901	(5,873)	(1,714)	2,140
	755,491	82,880	38,773	69,548	32,138	37,500	1,016,330
Recognition of deferred revenue							14,095
Copper stream cash effect							(6,098)
Gold stream cash effect							(20,938)
Less: Treatment and refining charges							(66,408)
Total Revenue							**936,981**
Payable Metal	**86,189 t**	**37,029 t**	**2,163 t**	**31 koz**	**836 t**		
Current period sales ($/lb)[2]	$3.93	$1.07	$7.37	$2,218	$20.62		
Provisional pricing adjustments on prior period concentrate sales ($/lb)	$0.05	$(0.05)	$0.76	$29.00	$(3.18)		
Realized prices[3,4]	$3.98 /lb	$1.02 /lb	$8.13 /lb	$2,247 /oz	$17.44 /lb		

	Three months ended March 31, 2023					
	Copper	Zinc	Nickel	Gold	Other	Total
Revenue from contracts with customers[1]	512,309	124,929	74,807	63,581	15,225	790,851
Provisional pricing adjustments on current period concentrate sales	(7,070)	(6,696)	(10,150)	925	10,663	(12,328)
Provisional pricing adjustments on prior period concentrate sales	52,643	5,139	(20,260)	3,147	—	40,669
	557,882	123,372	44,397	67,653	25,888	819,192
Recognition of deferred revenue						15,165
Copper stream cash effect						(6,510)
Gold stream cash effect						(20,596)
Less: Treatment & refining charges						(55,907)
Total Revenue						**751,344**
Payable Metal	**56,327 t**	**40,154 t**	**2,735 t**	**32 koz**		
Current period sales ($/lb)[2]	$4.07	$1.34	$10.72	$1,978		
Provisional pricing adjustments on prior period concentrate sales ($/lb)	$ 0.42	$ 0.05	$ (3.36)	$ 96.00		
Realized prices[3,4]	$4.49 /lb	$1.39 /lb	$7.36 /lb	$2,074 /oz		

1. Revenue from contracts with customers before recognition of deferred revenue, gold and copper stream cash effects and treatment and refining charges, each of which is presented separately in the table.

2. Includes revenue from contracts with customers and provisional pricing adjustments on current period concentrate sales.

3. This is a non-GAAP measure - see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.

4. The realized price for copper inclusive of the impact of streaming agreements for the three months ended March 31, 2024 is $3.95/lb (2023: $4.44/lb). The realized price for gold inclusive of the impact of streaming agreements for the three months ended March 31, 2024 is $1,570/oz (2023: $1,443/oz).

Due to volatility in commodity prices, significant variances may arise between average market prices and realized prices due to the timing of sales in the period.

Financial Results

Production Costs

Production costs for the quarter ended March 31, 2024 were $567.1 million, an increase from $417.8 million in the prior year comparable period. Production cost increases were primarily as a result of the acquisition of Caserones, partially offset by decreased production costs at Candelaria, Neves-Corvo, Eagle and Chapada, each attributed to lower sales volumes. Additionally, production costs at Candelaria benefited from favourable foreign exchange due to a weakened Chilean Peso.

Depreciation, Depletion and Amortization

Depreciation, depletion and amortization expense for the quarter ended March 31, 2024 increased compared to the prior year comparative period. The increase was primarily attributable to the acquisition of Caserones in addition to increased amortization of mineral properties at Candelaria due to higher stripping costs capitalized in 2023.

Depreciation, depletion & amortization	**Three months ended March 31,**		
($ thousands)	**2024**	2023	Change
Candelaria	**73,426**	58,375	15,051
Caserones[1]	**51,729**	—	51,729
Chapada	**15,080**	12,081	2,999
Eagle	**9,151**	11,151	(2,000)
Josemaria	**—**	38	(38)
Neves-Corvo	**27,046**	30,080	(3,034)
Zinkgruvan	**7,983**	8,087	(104)
Other	**77**	435	(358)
	184,492	120,247	64,245

[1] Caserones 2023 results are from July 13, 2023.

Finance Income and Costs

Net finance costs of $35.7 million for the quarter ended March 31, 2024 were higher than $15.7 million in the prior year comparable period primarily due to higher interest expense related to higher outstanding debt through the quarter, combined with increased lease liability interest following the acquisition of Caserones.

Other Income and Expense

Net other expense for the quarter ended March 31, 2024 amounted to $10.3 million and negatively impacted earnings before tax by $56.5 million compared to the prior year comparable period when the Company recorded net other income of $46.2 million. The change in other income and expenses is primarily due to $52.8 million of non-cash unrealized losses related to the mark-to-market valuation of unexpired foreign exchange contracts, particularly for CLP and SEK. Net other expense in the quarter also included reduced realized gains on expired foreign exchange and diesel derivative contracts and reduced foreign exchange and trading gains on debt and equity investments supporting capital funding for the Josemaria Project following the devaluation of the ARS in December 2023.

Foreign exchange gains recorded in other income and expense resulted from foreign exchange revaluation of working capital and leases denominated in foreign currencies, primarily due to the weakening of the CLP against the USD in the quarter. Foreign exchange gains also included changes in fair value of debt and equity instruments supporting capital funding for the Josemaria Project. Period end exchange rates having a meaningful impact on foreign exchange recorded at March 31, 2024 were:

	March 31, 2024	**December 31, 2023**
Brazilian Real (USD:BRL)	**5.00**	4.84
Chilean Peso (USD:CLP)	**982**	877
Euro (USD:€)	**0.93**	0.91
Swedish Kronor (USD:SEK)	**10.69**	9.98
Argentine Peso (USD:ARS)	**857**	808

Income Taxes

Income tax expense (recovery)	**Three months ended March 31,**		
($ thousands)	**2024**	2023	Change
Candelaria	**39,393**	42,547	(3,154)
Caserones[1]	**22,236**	—	22,236
Chapada	**(2,260)**	(5,349)	3,089
Josemaria	**—**	—	—
Eagle	**(1,278)**	7	(1,285)
Neves-Corvo	**(4,837)**	1,272	(6,109)
Zinkgruvan	**(1,278)**	3,979	(5,257)
Other	**(1,410)**	6,237	(7,647)
	50,566	48,693	1,873

[1] Caserones 2023 results are from July 13, 2023.

Income taxes by classification	**Three months ended March 31,**		
($ thousands)	**2024**	2023	Change
Current income tax expense	**47,263**	59,501	(12,238)
Deferred income tax expense (recovery)	**3,303**	(10,808)	14,111
	50,566	48,693	1,873

Income tax expense for the quarter ended March 31, 2024 was higher than the prior year primarily due to a $22.2 million increase in income tax expense following the acquisition of Caserones. This was offset by overall lower taxable earnings when compared to the prior period.

Mining Operations

Production Overview

	2024	2023				
	Q1	Total	Q4	Q3	Q2	Q1
Copper (t)						
Candelaria (100%)	**32,527**	152,012	41,618	34,275	36,952	39,167
Caserones (100%)[1]	**34,216**	65,210	35,389	29,821	—	—
Chapada	**10,138**	45,719	12,872	12,286	10,697	9,864
Eagle	**2,514**	13,600	3,334	3,245	3,881	3,140
Neves-Corvo	**7,044**	33,823	9,623	9,016	7,610	7,574
Zinkgruvan	**1,574**	4,434	501	1,299	917	1,717
	88,013	314,798	103,337	89,942	60,057	61,462
Zinc (t)						
Neves-Corvo	**26,487**	108,812	31,035	25,807	24,177	27,793
Zinkgruvan	**19,201**	76,349	19,684	23,967	11,938	20,760
	45,688	185,161	50,719	49,774	36,115	48,553
Nickel (t)						
Eagle	**3,255**	16,429	3,729	4,290	4,686	3,724
Gold (koz)						
Candelaria (100%)	**19**	90	25	20	21	24
Chapada	**14**	59	19	15	13	12
	33	149	44	35	34	36
Molybdenum (t)						
Caserones (100%)[1]	**864**	2,024	928	1,096	—	—
Lead (t)						
Neves-Corvo	**1,604**	5,600	2,030	1,447	951	1,172
Zinkgruvan	**6,748**	26,284	6,418	8,643	3,816	7,407
	8,352	31,884	8,448	10,090	4,767	8,579
Silver (koz)						
Candelaria (100%)	**415**	1,487	468	306	366	347
Chapada	**58**	258	73	67	62	56
Eagle	**8**	64	17	19	11	17
Neves-Corvo	**524**	1,902	573	486	407	436
Zinkgruvan	**640**	2,300	509	785	374	632
	1,645	6,011	1,640	1,663	1,220	1,488

[1] Caserones 2023 results are from July 13, 2023.

Production Cost and Cash Cost Overview ($ thousand, $/lb)

	Three months ended March 31,	
($ thousands)	**2024**	2023
Candelaria		
Production costs	**$161,250**	$187,979
Gross cost	**2.35**	2.58
By-product[1]	**(0.46)**	(0.37)
Cash Cost (Cu, $/lb)[2]	**1.89**	2.21
AISC (Cu, $/lb)[2]	**3.34**	3.44
Caserones[3]		
Production costs	**$197,655**	—
Gross cost	**2.59**	—
By-product[1]	**(0.45)**	—
Cash Cost (Cu, $/lb)[2]	**2.14**	—
AISC (Cu, $/lb)[2]	**3.02**	—
Chapada		
Production costs	**$64,585**	$68,634
Gross cost	**3.43**	3.54
By-product[1]	**(1.42)**	(1.17)
Cash Cost (Cu, $/lb)[2]	**2.01**	2.37
AISC (Cu, $/lb)[2]	**3.79**	3.42
Eagle		
Production cost	**$40,536**	$45,449
Gross cost	**7.90**	6.98
By-product[1]	**(3.86)**	(4.55)
Cash Cost (Ni, $/lb)[2]	**4.04**	2.43
AISC (Ni, $/lb)[2]	**6.12**	5.16
Neves-Corvo		
Production costs	**$71,712**	$85,726
Gross cost	**5.85**	5.06
By-product[1]	**(2.61)**	(3.37)
Cash Cost (Cu, $/lb)[2]	**3.24**	1.69
AISC (Cu, $/lb)[2]	**5.13**	3.29
Zinkgruvan		
Production costs	**$30,075**	$28,905
Gross cost	**1.12**	1.03
By-product[1]	**(0.47)**	(0.49)
Cash Cost (Zn, $/lb)[2]	**0.65**	0.54
AISC (Zn, $/lb)[2]	**1.10**	0.97

[1] By-product is after related treatment and refining charges.

[2] Cash Cost per pound sold and All-in Sustaining Cost per pound sold ("AISC") are non-GAAP measures, see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.

[3] Caserones 2023 results are from July 13, 2023.

Capital Expenditures[1]

	Three months ended March 31,							
	2024				2023			
($ thousands)	Sustaining	Expansionary	Capitalized Interest	**Total**	Sustaining	Expansionary	Capitalized Interest	Total
Candelaria	99,532	—	—	**99,532**	90,686	—	—	90,686
Caserones	42,754	—	—	**42,754**	—	—	—	—
Chapada	29,199	—	—	**29,199**	16,027	—	—	16,027
Eagle	4,078	—	—	**4,078**	7,102	—	—	7,102
Josemaria	—	55,981	2,665	**58,646**	—	90,519	36	90,555
Neves-Corvo	22,413	—	—	**22,413**	25,061	—	—	25,061
Zinkgruvan	14,341	—	—	**14,341**	14,468	—	—	14,468
Other	943	—	—	**943**	2,220	—	—	2,220
	213,260	55,981	2,665	**271,906**	155,564	90,519	36	246,119

[1] Capital expenditures are reported on a cash basis, as presented in the consolidated statement of cash flows. Sustaining capital expenditures is a supplementary financial measure and expansionary capital expenditures is a non-GAAP measure – see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.

Candelaria (Chile)

Operating Statistics

	2024	2023				
(100% Basis)	Q1	Total	Q4	Q3	Q2	Q1
Ore mined (000s tonnes)	**5,116**	25,939	7,793	5,350	6,194	6,602
Ore milled (000s tonnes)	**7,309**	28,903	7,609	7,168	6,924	7,202
Grade						
Copper (%)	**0.48**	0.58	0.60	0.52	0.59	0.59
Gold (g/t)	**0.11**	0.14	0.15	0.12	0.14	0.15
Recovery						
Copper (%)	**91.9**	91.3	90.3	91.0	91.1	92.6
Gold (%)	**69.8**	69.5	68.6	70.6	68.8	70.3
Production (contained metal)						
Copper (tonnes)	**32,527**	152,012	41,618	34,275	36,952	39,167
Gold (000 oz)	**19**	90	25	20	21	24
Silver (000 oz)	**415**	1,487	468	306	366	347
Revenue ($000s)	**330,409**	1,329,599	359,023	299,745	290,426	380,405
Production costs ($000s)	**161,250**	726,493	178,088	175,468	184,958	187,979
Gross profit ($000s)	**95,733**	330,729	106,997	53,909	35,772	134,051
Cash cost ($ per pound copper)[1]	**1.89**	2.07	1.78	2.19	2.14	2.21
AISC ($ per pound copper)[1]	**3.34**	3.34	2.76	3.43	3.76	3.44

[1]All-in Sustaining Cost per pound sold ("AISC") and Cash cost per pound sold are non-GAAP measures, see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.

Production

Copper and gold production in the quarter ended March 31, 2024 was lower than in the prior year comparable period primarily due to lower grades as a result of mine sequencing, partially offset by higher throughput. Work to backfill stopes from previous underground mining was ongoing in the quarter and will allow access to higher-grade ore in the second half of 2024. Both metals are on track to meet full year annual production guidance.

Production Costs and Cash Cost

Production costs in the quarter ended March 31, 2024 were lower than in the prior year comparable period, largely as a result of favourable foreign exchange due to a weaker Chilean peso, lower sales volume and reduced maintenance costs due to the stabilization of the maintenance cycles in both mines and plants. Cash cost per pound in the quarter ended March 31, 2024 improved from the prior year comparable period primarily due to favourable foreign exchange and higher by-product credits, combined with cost decreases. Annual copper cash cost guidance remains unchanged. All-in sustaining cost per pound ("AISC") in the quarter ended March 31, 2024 was lower than in the prior year comparable period due to decreased cash cost per pound.

In the quarter ended March 31, 2024, approximately 12,600 oz of gold and 272,300 oz of silver were subject to terms of a streaming agreement from which approximately $429/oz of gold and $4.28/oz of silver will be received.

Gross Profit

Gross profit in the quarter ended March 31, 2024 was lower than in the prior year comparable period, primarily due to lower realized copper prices, net of price adjustments, higher depreciation expense and lower sales volume, partially offset by favourable foreign exchange and lower operational cost.

Caserones (Chile)

Operating Statistics

	2024	2023		
(100% Basis)	Q1	Total[2]	Q4	Q3[2]
Ore mined (000s tonnes)	**6,807**	15,583	7,484	8,099
Ore milled (000s tonnes)	**7,690**	15,424	8,262	7,162
Ore placed on leach	**1,914**	5,541	3,234	2,307
Grade				
Copper (%)	**0.44**	0.42	0.41	0.44
Molybdenum (%)	**0.160**	0.203	0.191	0.218
Recovery				
Copper (%)	**79.7**	86.1	88.2	83.9
Molybdenum (%)	**70.0**	72.4	73.9	70.9
Production (tonnes)				
Copper in concentrate	**27,166**	55,191	29,496	25,695
Copper cathode	**7,050**	10,019	5,893	4,126
Total copper	**34,216**	65,210	35,389	29,821
Molybdenum	**864**	2,024	928	1,096
Revenue ($000s)	**326,211**	601,775	317,219	284,556
Production costs ($000s)	**197,655**	404,837	215,855	188,982
Gross profit ($000s)	**76,827**	88,449	31,182	57,267
Cash cost ($ per pound copper)[1]	**2.14**	1.99	2.33	1.60
AISC ($ per pound copper)[1]	**3.02**	3.03	3.48	2.49

[1] All-in Sustaining Cost per pound sold ("AISC") and Cash cost per pound sold are non-GAAP measures, see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.

[2] Caserones 2023 results are from July 13, 2023.

Production

In the quarter ended March 31, 2024, an increase in copper grade from Q4 2023 was offset by lower recoveries as a result of mine sequencing. Throughput in the quarter was reduced by unplanned maintenance on a conveyor feeding the grinding circuit, impacting copper and molybdenum concentrate production. This reduction was partially offset by increased copper cathode production which benefited from increased leach irrigation. Both copper and molybdenum remain on track to meet annual production guidance.

Production Costs and Cash Cost

Production costs and cash costs per pound in the quarter ended March 31, 2024 benefitted from favourable foreign exchange as a result of the Chilean peso weakening against the US dollar. Annual copper cash cost guidance remains unchanged. In April 2024 the Company completed a three-year collective bargaining agreement with one of three employee labour unions at Caserones. Renewal of the remaining two agreements is expected to occur over the next twelve months.

Gross Profit

Gross profit in the quarter ended March 31, 2024 benefited from higher copper prices, net of price adjustments, lower treatment and refining charges as well as favourable foreign exchange.

Chapada (Brazil)

Operating Statistics

	2024	2023				
(100% Basis)	**Q1**	Total	Q4	Q3	Q2	Q1
Ore mined (000s tonnes)	**5,125**	29,508	7,803	8,062	7,522	6,121
Ore milled (000s tonnes)	**5,496**	22,233	5,218	5,832	5,207	5,976
Grade						
Copper (%)	**0.23**	0.26	0.29	0.26	0.26	0.23
Gold (g/t)	**0.14**	0.15	0.18	0.15	0.14	0.13
Recovery						
Copper (%)	**81.1**	80.2	85.9	80.8	80.3	73.3
Gold (%)	**55.3**	55.0	61.1	55.3	54.1	48.0
Production (contained metal)						
Copper (tonnes)	**10,138**	45,719	12,872	12,286	10,697	9,864
Gold (000 oz)	**14**	59	19	15	13	12
Silver (000 oz)	**58**	258	73	67	62	56
Revenue ($000s)	**98,435**	461,175	143,439	111,897	94,721	111,118
Production costs ($000s)	**64,585**	317,317	89,716	78,854	80,113	68,634
Gross profit (loss) ($000s)	**18,770**	80,378	30,126	20,230	(381)	30,403
Cash cost ($ per pound copper)[1]	**2.01**	2.27	1.88	2.28	2.69	2.37
AISC ($ per pound copper)[1]	**3.79**	3.24	2.75	3.15	3.80	3.42

[1]All-in Sustaining Cost per pound sold ("AISC") and Cash cost per pound sold are non-GAAP measures, see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.

Production

Copper and gold production in the quarter ended March 31, 2024 were higher than in the prior year comparable period primarily due to higher recoveries, partially offset by lower throughput. The lower amount of ore mined is a result of a shift to processing increased amounts of stockpiled ore and an optimized mine plan that significantly reduces waste movement. Both metals are on track to meet annual production guidance.

Production Costs and Cash Cost

Production costs in the quarter ended March 31, 2024 were lower than in the prior year comparable period primarily due to lower sales volumes and lower mining costs as a result of a planned reduction in waste movement. Copper cash cost per pound in the quarter ended March 31, 2024 improved from the prior year comparable period primarily due to mining cost decreases combined with increased realized prices for gold sales, which reduce copper cash cost as by-product credits. Annual copper cash cost guidance remains unchanged. AISC per pound in the quarter ended March 31, 2024 was higher than in the prior year comparable period primarily due to higher sustaining capital expenditure.

Gross Profit

Gross profit in the quarter ended March 31, 2024 was lower than in the prior year comparable period due to lower realized copper prices, net of price adjustments, and higher depreciation expense.

Eagle (USA)

Operating Statistics

	2024	2023				
(100% Basis)	**Q1**	Total	Q4	Q3	Q2	Q1
Ore mined (000s tonnes)	**165**	725	188	192	189	156
Ore milled (000s tonnes)	**179**	718	186	190	181	161
Grade						
Nickel (%)	**2.1**	2.6	2.3	2.6	2.9	2.6
Copper (%)	**1.5**	2.0	1.9	1.8	2.2	2.0
Recovery						
Nickel (%)	**85.2**	87.4	86.1	86.2	88.8	88.5
Copper (%)	**95.3**	96.8	96.5	96.4	97.0	97.2
Production (contained metal)						
Nickel (tonnes)	**3,255**	16,429	3,729	4,290	4,686	3,724
Copper (tonnes)	**2,514**	13,600	3,334	3,245	3,881	3,140
Revenue ($000s)	**57,223**	350,895	73,720	102,505	105,250	69,420
Production costs ($000s)	**40,536**	191,704	48,023	52,497	45,735	45,449
Gross profit ($000s)	**7,536**	107,141	11,794	35,682	46,845	12,820
Cash cost ($ per pound nickel)[1]	**4.04**	2.16	2.37	2.07	1.88	2.43
AISC ($ per pound nickel)[1]	**6.12**	4.22	4.60	4.05	3.34	5.16

[1]All-in Sustaining Cost per pound sold ("AISC") and Cash cost per pound sold are non-GAAP measures, see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.

Production

Nickel and copper production in the quarter ended March 31, 2024 was lower than in the prior year comparable period primarily due to expected lower grades and recoveries. Throughput increased from the prior year comparable period but was below plan due to temporary equipment constraints and weather-related haulage interruptions. Both metals are on track to meet annual production guidance.

Production Costs and Cash Cost

Production costs in the quarter ended March 31, 2024 were lower than in the prior year comparable period primarily due to lower sales volumes which also resulted in lower royalty expenses and severance taxes. In the quarter ended March 31, 2024, cash cost per pound was higher than in the prior year comparable period due to lower grades and production challenges, resulting in lower production and sales volumes and a decrease in by-product credits. Annual nickel cash cost guidance remains unchanged. AISC in the quarter ended March 31, 2024 was higher than in the prior year comparable period due to higher cash cost per pound.

Gross Profit

Gross profit in the quarter ended March 31, 2024 was lower than in the prior year comparable period primarily due to lower sales volumes.

Neves-Corvo (Portugal)

Operating Statistics

	2024	2023				
(100% Basis)	Q1	Total	Q4	Q3	Q2	Q1
Ore mined, copper (000s tonnes)	**588**	2,591	677	689	622	603
Ore mined, zinc (000s tonnes)	**518**	1,989	549	459	470	511
Ore milled, copper (000s tonnes)	**599**	2,588	682	674	628	604
Ore milled, zinc (000s tonnes)	**512**	1,989	573	441	465	510
Grade						
Copper (%)	**1.5**	1.7	1.9	1.8	1.6	1.6
Zinc (%)	**6.5**	6.8	6.6	7.4	6.6	6.7
Lead (%)	**1.2**	1.5	1.4	1.5	1.5	1.5
Recovery						
Copper (%)	**77.3**	76.5	75.6	76.1	77.0	77.7
Zinc (%)	**78.4**	78.0	79.9	76.1	76.8	78.7
Lead (%)	**26.5**	19.2	25.2	21.3	14.0	15.7
Production (contained metal)						
Copper (tonnes)	**7,044**	33,823	9,623	9,016	7,610	7,574
Zinc (tonnes)	**26,487**	108,812	31,035	25,807	24,177	27,793
Lead (tonnes)	**1,604**	5,600	2,030	1,447	951	1,172
Silver (000 oz)	**524**	1,902	573	486	407	436
Revenue ($000s)	**80,630**	425,042	115,823	111,202	68,614	129,403
Production costs ($000s)	**71,712**	326,677	82,734	82,137	76,080	85,726
Gross (loss) profit ($000s)	**(18,128)**	(23,234)	642	(2,288)	(35,185)	13,597
Cash cost ($ per pound copper)[1]	**3.24**	2.37	1.96	2.27	3.99	1.69
AISC ($ per pound copper)[1]	**5.13**	3.96	3.50	3.82	5.73	3.29

[1]All-in Sustaining Cost per pound sold ("AISC") and Cash cost per pound sold are non-GAAP measures, see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.

Production
Copper production in the quarter ended March 31, 2024 was lower than in the prior year comparable period due to lower grades and recoveries. Zinc production in the quarter ended March 31, 2024 was lower than in the prior year comparable period due to lower grades and recoveries. Throughput was lower than planned in the quarter due to a voluntary three-day shutdown and subsequent ramp-up following the fatality that occurred in February. Both metals are expected to achieve annual production guidance.

Production Costs and Cash Cost
Production costs in the quarter ended March 31, 2024 were lower than in the prior year comparable period primarily due to decreases in sales volumes. Production costs benefited from lower unit production costs and lower maintenance costs at the mine and mill. Copper cash cost per pound in the quarter ended March 31, 2024 was higher than in the prior year comparable period due to lower production volumes, lower by-product credits and unfavorable foreign exchange. Annual copper cash cost guidance remains unchanged. AISC in the quarter ended March 31, 2024 was higher than in the prior year comparable period due to higher cash cost.

Gross (Loss) Profit
Gross loss for the quarter ended March 31, 2024 was $18.1 million compared to the prior year gross profit of $13.6 million. The decrease was a result of lower copper and zinc sales volumes, lower realized copper and zinc prices and higher treatment and refining charges.

Zinkgruvan (Sweden)

Operating Statistics

	2024	2023				
(100% Basis)	**Q1**	Total	Q4	Q3	Q2	Q1
Ore mined, zinc (000s tonnes)	**306**	1,178	313	287	268	310
Ore mined, copper (000s tonnes)	**47**	207	36	65	51	55
Ore milled, zinc (000s tonnes)	**313**	1,179	327	326	211	315
Ore milled, copper (000s tonnes)	**75**	198	28	58	34	78
Grade						
Zinc (%)	**6.7**	7.3	6.7	8.2	6.6	7.4
Lead (%)	**2.7**	2.9	2.5	3.5	2.4	2.9
Copper (%)	**2.4**	2.5	2.0	2.5	3.1	2.4
Recovery						
Zinc (%)	**91.1**	89.0	89.8	90.0	86.3	88.7
Lead (%)	**79.4**	77.8	77.1	75.7	76.2	82.1
Copper (%)	**89.0**	88.5	86.3	88.7	86.1	90.5
Production (contained metal)						
Zinc (tonnes)	**19,201**	76,349	19,684	23,967	11,938	20,760
Lead (tonnes)	**6,748**	26,284	6,418	8,643	3,816	7,407
Copper (tonnes)	**1,574**	4,434	501	1,299	917	1,717
Silver (000 oz)	**640**	2,300	509	785	374	632
Revenue ($000s)	**44,073**	223,591	50,783	82,290	29,520	60,998
Production costs ($000s)	**30,075**	115,394	31,520	37,183	17,786	28,905
Gross profit ($000s)	**6,015**	74,073	10,519	32,727	6,821	24,006
Cash cost ($ per pound)[1]	**0.65**	0.43	0.63	0.28	0.24	0.54
AISC ($ per pound)[1]	**1.10**	0.83	0.93	0.56	1.06	0.97

[1]All-in Sustaining Cost per pound sold ("AISC") and Cash cost per pound sold are non-GAAP measures, see the "Non-GAAP and Other Performance Measures" section of this MD&A for discussion.

Production

Production of zinc in the quarter ended March 31, 2024 was lower than the prior year comparable period primarily due to lower grades, partially offset by higher recoveries. Lead and copper production in the quarter ended March 31, 2024 was lower than the first quarter of 2023 primarily due to lower grades and recoveries. Temporary challenges with equipment availability also led to a slight delay in mining of high-grade stopes, and reduced throughput in the quarter. Annual zinc and copper production is expected to meet annual production guidance.

Production Costs and Cash Cost

Production costs in the quarter ended March 31, 2024 were slightly higher than in the prior year comparable period and zinc cash cost per pound in quarter ended March 31, 2024 was higher than in the prior year comparable period, primarily due to lower production volumes. Full year cash cost guidance remains unchanged. AISC in quarter ended March 31, 2024 were higher than in the prior year comparable period in line with higher cash cost.

Gross Profit

Gross profit in the quarter ended March 31, 2024 was lower than in the prior year comparable period primarily due to lower zinc prices, net of price adjustments, higher depreciation expense, and higher production costs.

Josemaria Project (Argentina)

Project Development

The Company continues to optimize and de-risk activities for mining and production plans, plant throughput, concentrate transportation, infrastructure, and updating the master schedule and plan including updating capital and operational costs to mirror the optimizations.

Field activities were mainly associated with supporting the water and exploration programs. Work on the confirmation of the water supply continues advancing with drilling on the water sources, testing, and obtaining the data from well tests to update water supply and usage models.

The grinding mills and gearless mill drives ("GMDs") deliveries continue and will be stored at the San Juan warehouse facility for preservation.

Work continues on permitting with the technical review of the tailings dam design, the northern corridor access road and offsite power line EIAs which were submitted in 2023.

Government relations continue at both the national and provincial levels. At the national level, the Company continues to monitor the new governments' implementation of the RIGI (incentive regime for large investments) and the associated financial impacts. In conjunction, discussions on provincial royalties, infrastructure offset, and trust fund agreements continue.

Commercial reviews and capital cost adjustments incorporating the throughput optimization results, infrastructure layout improvement, concentrate shipping recommendations, adjusting major commodities prices to the current markets, and incorporating currency exchange and inflation rates continue.

In Q1 2024, the Company spent $56.0 million in capital expenditure compared to $90.6 million in Q1 2023. The project is expected to incur capital spend within the annual guidance amount.

Exploration Update

During the quarter ended March 31, 2024, exploration activity focused on in-mine and near-mine targets at the Company's operations. Exploration drilling at Zinkgruvan was focused on resource expansion, Candelaria drilling was focused on Candelaria Norte, and Chapada drilling concentrated on delineating the high-grade, near-mine trend at Corpo Sul.

At Caserones, exploration remains in the early stages. Geophysical surveys were recently carried out on the land package and the data collected will help to refine our targets and advance our efforts. Exploration drilling was completed in the lower portion of the mineral resource and at the Angelica oxide and sulphide targets, both near-mine targets that would add potential mineral resources and extend the life of the operation.

At Josemaria, seasonal exploration drilling is coming to a close at the Cumbre Verde target near the Josemaria ore body. Six holes were drilled targeting the same mineralized system and structures that hosted high grade mineralization on the neighbouring property that run towards Josemaria. Exploration remains in its early stages and initial results highlight copper/gold/silver mineralization. The data obtained will help further refine and target this mineralization. Work will continue throughout the remainder of 2024, although it will be minimized during the winter season.

There was no exploration drilling at Neves-Corvo and Eagle in the quarter.

Liquidity and Capital Resources

Consolidated Cash Flow

($ thousands)	Three months ended March 31, 2024	2023	Change
Cash provided by operating activities	267,531	211,875	55,656
Cash used in investing activities	(269,664)	(240,066)	(29,598)
Cash from financing activities	102,258	19,506	82,752
Effect of foreign exchange on cash balances	(3,467)	1,537	(5,004)
Increase (decrease) in cash and cash equivalents	96,658	(7,148)	103,806
Opening cash and cash equivalents	268,793	191,387	77,406
Closing cash and cash equivalents	365,451	184,239	181,212
Adjusted operating cash flow[1]	313,666	235,067	78,599
Free cash flow from operations[1]	67,722	71,076	(3,354)
Free cash flow[1]	(1,710)	(34,208)	32,498

[1]This is a non-GAAP measure - see section "Non-GAAP and Other Performance Measures" of this MD&A for discussion.

Cash provided by operating activities in the first quarter was $55.7 million higher than in the prior year comparable period. This was primarily due to the inclusion of operating cash flows from Caserones, partially offset by reduced cash in the quarter due to working capital changes.

Cash used in investing activities in the first quarter was $29.6 million higher than in the prior year comparable period. Higher spending in the current year was primarily due to the inclusion of sustaining capital expenditure at Caserones, higher sustaining capital expenditure at Chapada and Candelaria and was partially offset by lower expansionary capital expenditures relating to the Josemaria Project.

Cash from financing activities in the first quarter was $82.8 million higher than in the prior year comparable period. The increase was primarily due to $65.0 million proceeds received from subsidiary fixed term loans and a net draw down of $50.0 million from the Company's revolving credit facility during the quarter.

Free cash flow from operations in the first quarter was slightly lower than the prior year comparable period as a result of working capital changes and increased sustaining capital expenditure, and was mostly offset by the inclusion of operating cash flows from Caserones. Free cash flow in the first quarter was $32.5 million higher than in the prior year comparable period as a result of reduced spending relating to the Josemaria Project.

Liquidity and Financial Position

($ thousands)	March 31, 2024	December 31, 2023	Change
Cash and cash equivalents	365,451	268,793	96,658
Total assets	10,911,882	10,861,199	50,683
Debt[1]	1,341,131	1,208,600	132,531
Lease liabilities	260,463	277,208	(16,745)
Net debt[2]	(1,241,872)	(1,223,389)	(18,483)
Net debt excluding lease liabilities[2]	(981,409)	(946,181)	(35,228)

[1]Debt includes both current and non-current portions.

[2]This is a non-GAAP measure - see section "Non-GAAP and Other Performance Measures" of this MD&A for discussion.

The Company continues to expect to be able to fund all its contractual commitments with its operating cash flow, cash on hand and available capital resources.

Net debt excluding lease liabilities at March 31, 2024 increased slightly from December 31, 2023 due to net proceeds from debt, including new subsidiary fixed term loans as well as amounts drawn down during the quarter from the Company’s revolving credit facility.

During the quarter ended March 31, 2024, no shares were purchased under the Company's Normal Course Issuer Bid (“NCIB”) (quarter ended March 31, 2023 - nil shares).

Contractual Obligations, Commitments and Contingencies

The Company has contractual obligations and capital commitments as described in Note 21 “Commitments and Contingencies” in the Company’s condensed interim consolidated financial statements for the three months ended March 31, 2024. From time to time, the Company may also be involved in legal proceedings that arise in the ordinary course of its business.

Capital Resources

As at March 31, 2024, the Company has a revolving credit facility of $1,750.0 million with $300.0 million outstanding (December 31, 2023 - $250.0 million). The credit facility bears interest on drawn funds at rates of Term Secured Overnight Financing Rate ("Term SOFR") + Credit Spread Adjustment ("CSA") of 0.10%+ 1.45% to Term SOFR + 0.10% + 2.50% depending on the Company’s net leverage ratio. The revolving credit facility is unsecured, save and except for a charge over certain assets in the United States of America, and is subject to customary covenants. On April 26, 2024, the credit facility, which originally expired in April 2028, was amended and extended to April 2029.

As at March 31, 2024, the Company's Term Loan has a principal amount of $800.0 million with an additional $400.0 million accordion option maturing in July 2026. On April 26, 2024, the term loan was amended and extended to July 2027.

As at March 31, 2024, the Company also has unsecured commercial paper programs maturing in 2025 through 2028 of which $108.1 million (December 31, 2023 - $116.0 million) were drawn. As at March 31, 2024, certain subsidiaries of the Company had outstanding unsecured term loans totalling $138.8 million (December 31, 2023 - $48.9 million) and accruing interest at rates ranging from 5.67% to 7.15% per annum with interest payable upon maturity. The maturity dates range from April to June 2024.

The development of the Josemaria Project requires significant capital commitments from the Company, and additional funding, beyond debt, may be required to advance the project to completion.

Financial Instruments

Revenue, cost of goods sold and capital expenditures are affected by certain external factors including fluctuations in metal prices, energy prices, and changes in exchange rates between the €, the SEK, the CLP, the BRL, the ARS and the $.

During the quarter ended March 31, 2024, the Company entered into derivative contracts as part of its risk management strategy to mitigate exposure to foreign currency and commodities. At March 31, 2024, derivative contracts consist of foreign currency forward and option contracts as well as diesel swap forward contracts. The foreign currency option contracts consist of put and call contracts in a collar structure.

Subsequent to March 31, 2024, the Company entered into commodity collar contracts in the amount of 21,500 metric tonnes of copper with collar ranges of $4.10/lb to $4.52/lb, expiring in May 2024.

The derivative contracts have not been designated as hedges for purposes of hedge accounting and are measured at fair value as assessed by pricing models based on active market prices. Changes in fair value are recognized in other income and expense in the consolidated statement of earnings.

The Company's trade receivables also contain provisional pricing sales arrangements that are valued using quoted forward market prices. The following table illustrates the sensitivity of the Company's risk on final settlement of its provisionally priced revenues as at March 31, 2024.

Metal	Payable Metal	Provisional price on March 31, 2024	Change	Effect on Revenue ($millions)
Copper	96,860 t	$4.02/lb	+/- 10%	+/- $85.8
Zinc	26,781 t	$1.09/lb	+/- 10%	+/- $6.4
Nickel	987 t	$7.53/lb	+/- 10%	+/- $1.6
Gold	34 koz	$2,230/oz	+/- 10%	+/- $7.6
Molybdenum	802 t	$17.57/lb	+/- 10%	+/- $3.1

For a detailed discussion of the Company's financial instruments, refer to Note 20 "Financial Instruments" in the Company's condensed interim consolidated financial statements for the three months ended March 31, 2024.

Non-GAAP and Other Performance Measures

The Company uses certain performance measures in its analysis. These performance measures 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 of performance prepared in accordance with IFRS. The following are non-GAAP measures that the Company uses as key performance indicators.

Non-GAAP financial measure or ratio	Definition	Most directly comparable IFRS measure	Why management uses the measure and why it may be useful to investors
Cash cost	Includes costs directly attributable to mining operations (including mining, processing and administration), treatment, refining and transportation charges, but excludes royalty expenses, expenses associated with non-cash fair value adjustments to inventory, depreciation and amortization and capital expenditures for deferred stripping. Revenue from sales of by-products, inclusive of adjustments for the terms of streaming agreements but excluding the recognition of any deferred revenue from the allocation of upfront streaming proceeds, reduce cash costs.	Production costs	Copper, zinc and nickel cash cost per pound sold are useful measures to assess the operating performance of the Company's mines, and their ability to generate cash. The inclusion of by-product credits incorporates the benefit of other metals extracted in the production of the primary metal.
Cash cost per pound sold	This ratio is calculated by dividing cash cost by the sales volume of the primary metal (copper, zinc, or nickel).		
All-in sustaining cost ("AISC")	Includes cash cost (as defined above), royalties, sustaining capital expenditure (including deferred stripping and underground mine development), reclamation and other closure cost accretion and amortization and lease payments (cash basis). As this measure seeks to reflect the full cost of production from current operations, expansionary capital and certain exploration costs are excluded as these are costs typically incurred to extend mine life or materially increase the productive capacity of existing assets, or for new operations. Corporate general and administrative expenses have also been excluded as any attribution of these costs to an operating site would not necessarily be reflective of costs directly attributable to the administration of the site. Certain other cash expenditures, including tax payments, financing charges (including capitalized interest) and costs related to business combinations, asset acquisitions and asset disposals are also excluded.	Production costs	Copper, zinc and nickel AISC and ASIC per pound sold are useful measures to understand the full cost of producing and selling metal at the Company's mines, and each mine's ability to generate cash while sustaining production at current levels.
AISC per pound sold	This ratio is calculated by dividing AISC by the sales volume of the primary metal (copper, zinc, or nickel).		
Sustaining capital expenditures	This supplementary financial measure is defined as cash-basis expenditures which maintain existing operations and sustain production levels.	Investment in mineral properties, plant and equipment	Sustaining capital expenditures provide an understanding of costs required to maintain existing production levels. Expansionary capital expenditures provide information on costs required for future growth of existing or new assets.
Expansionary capital expenditures	This non-GAAP measure is defined as cash-basis expenditures which increase current or future production capacity, cash flow or earnings potential and are reported excluding capitalized interest. Where an expenditure both maintains and expands current operations, classification would be based on the primary decision for which the expenditure is being made.		

Non-GAAP financial measure or ratio	Definition	Most directly comparable IFRS measure	Why management uses the measure and why it is useful to investors
Realized price per pound and realized price per ounce[1]	Defined as revenue from metal sales (copper, zinc, gold, nickel and molybdenum) adding back treatment and refining charges, cash effects of gold and copper streams, recognition of deferred revenue from the allocation of upfront streaming proceeds and sales of silver and other metals, divided by the volume of metal sold in the period.	Revenue	These measures provide an understanding of the price realized in each reporting period for metal sales.
Earnings before interest, taxes, depreciation and amortization (EBITDA) and Adjusted EBITDA	EBITDA represents net earnings or loss for the period before income tax expense or recovery, depreciation and amortization, interest income and finance costs. Adjusted EBITDA removes the effects of items that do not reflect the Company's underlying operating performance and are not necessarily indicative of future operating results. These may include: unrealized foreign exchange, unrealized gains or losses from derivative contracts, revaluation gains or losses on marketable securities, derivative liabilities and purchase options, expenses for acquisition-related fair value adjustments to inventory, non-cash impairment charges and reversals, non-cash stockpile inventory or fixed asset write-downs, costs relating to the sinkhole near Ojos del Salado operations, income from investments in associates, gains or losses on disposals of subsidiaries, insurance proceeds and litigation and settlements.	Net earnings (loss)	EBITDA and Adjusted EBITDA are used to evaluate the Company's operational performance and its ability to generate cash from core operations.
Adjusted earnings (loss)	Defined as net earnings or loss attributable to shareholders of the Company excluding the effects (net of tax) of significant items that do not reflect the Company's underlying operating performance. In addition to the items listed for Adjusted EBITDA, these may also include: deferred tax recovery or expense arising from foreign exchange translation and deferred tax recovery or expense arising from changes in tax rates. Adjustments exclude amounts attributable to non-controlling interests.	Net earnings (loss) attributable to Lundin Mining Corporation shareholders	In addition to conventional measures prepared in accordance with IFRS, adjusted earnings and adjusted earnings per share measure the underlying operating performance of the Company.
Adjusted earnings (loss) per share	This ratio is calculated by dividing adjusted net earnings or loss by the weighted average number of shares outstanding.		
Free cash flow from operations	Defined as cash flow provided by operating activities, excluding general exploration and business development costs and deducting sustaining capital expenditures (as defined above).	Cash provided by operating activities	Free cash flow from operations is indicative of the Company's ability to generate cash from its operations after consideration of required sustaining capital expenditure necessary to maintain existing production levels.
Free cash flow	Defined as cash flow provided by operating activities, deducting sustaining capital expenditures and expansionary capital expenditures (both as defined above).		
Adjusted operating cash flow	Defined as cash provided by operating activities, excluding changes in non-cash working capital items.	Cash provided by operating activities	These measures are indicative of the Company's ability to generate cash from its operations and remove the impact of working capital, which can experience volatility from period-to-period.
Adjusted operating cash flow per share	This ratio is calculated by dividing adjusted operating cash flow by the weighted average number of shares outstanding.		
Net debt	Net debt is defined as total debt and lease liabilities excluding deferred financing fees, less cash and cash equivalents. Net debt excluding lease liabilities is defined as total debt excluding lease liabilities, deferred financing fees, less cash and cash equivalents.	Debt and lease liabilities, current portion of debt and lease liabilities, cash and cash equivalents	These measures are indicative of the Company's financial position.
Net debt excluding lease liabilities			

[1]See the 'Revenue Overview' section of this MD&A for reconciliations to revenue, the most directly comparable IFRS measure.

Cash Cost per Pound and All-in Sustaining Cost ("AISC") per Pound

Cash Cost per Pound and All-in Sustaining Costs per pound can be reconciled to Production Costs on the Company's Condensed Interim Consolidated Statement of Earnings as follows:

Three months ended March 31, 2024							
Operations ($000s, unless otherwise noted)	**Candelaria (Cu)**	**Caserones (Cu)**	**Chapada (Cu)**	**Eagle (Ni)**	**Neves-Corvo (Cu)**	**Zinkgruvan (Zn)**	**Total**
Sales volumes:							
Tonnes	33,536	35,211	8,742	2,163	5,886	15,825	
Pounds (000s)	73,934	77,627	19,273	4,769	12,976	34,888	
Production costs							567,134
Less: Royalties and other							(19,970)
							547,164
Deduct: By-product credits							(165,308)
Add: Treatment and refining charges							46,951
Cash cost	139,490	166,439	38,735	19,249	42,057	22,837	428,807
Cash cost per pound ($/lb)	**1.89**	**2.14**	**2.01**	**4.04**	**3.24**	**0.65**	
Add: Sustaining capital expenditure	99,532	42,754	29,199	4,078	22,413	14,341	
Royalties	2,968	8,814	1,617	2,678	735	—	
Reclamation and other closure accretion and depreciation	2,167	1,040	2,679	1,968	1,335	1,186	
Leases and other	3,033	15,381	765	1,236	64	78	
All-in sustaining cost	247,190	234,428	72,995	29,209	66,604	38,442	
AISC per pound ($/lb)	**3.34**	**3.02**	**3.79**	**6.12**	**5.13**	**1.10**	

Three months ended March 31, 2023						
Operations ($000s, unless otherwise noted)	**Candelaria (Cu)**	**Chapada (Cu)**	**Eagle (Ni)**	**Neves-Corvo (Cu)**	**Zinkgruvan (Zn)**	**Total**
Sales volumes:						
Tonnes	35,570	9,072	2,735	8,031	16,612	
Pounds (000s)	78,418	20,000	6,030	17,705	36,623	
Production costs						417,764
Less: Royalties and other						(12,086)
						405,678
Deduct: By-product credits						(156,965)
Add: Treatment and refining charges						36,615
Cash cost	173,692	47,318	14,640	29,892	19,786	285,328
Cash cost per pound ($/lb)	**2.21**	**2.37**	**2.43**	**1.69**	**0.54**	
Add: Sustaining capital expenditure	90,686	16,027	7,102	25,061	14,468	
Royalties	—	2,223	5,686	1,730	—	
Reclamation and other closure accretion and depreciation	2,307	1,801	2,958	1,324	1,061	
Leases and other	3,143	966	747	158	102	
All-in sustaining cost	269,828	68,335	31,133	58,165	35,417	
AISC per pound ($/lb)	**3.44**	**3.42**	**5.16**	**3.29**	**0.97**	

Adjusted EBITDA

Adjusted EBITDA can be reconciled to Net Earnings (Loss) on the Company's Condensed Interim Consolidated Statement of Earnings as follows:

	Three months ended March 31,	
($thousands)	**2024**	2023
Net earnings	**58,555**	165,311
Add back:		
Depreciation, depletion and amortization	**184,492**	120,247
Finance income and costs	**35,694**	15,699
Income taxes expense (recovery)	**50,566**	48,693
	329,307	349,950
Unrealized foreign exchange loss (gain)	**(15,500)**	8,644
Unrealized losses (gains) on derivative contracts	**52,832**	(20,666)
Ojos del Salado sinkhole (recoveries) expenses	**(1,031)**	4,582
Revaluation loss (gain) on marketable securities	**(2,430)**	(438)
Gain on disposal of subsidiary	**—**	(5,718)
Other	**(322)**	589
Total adjustments - EBITDA	**33,549**	(13,007)
Adjusted EBITDA	**362,856**	336,943

Adjusted Earnings and Adjusted EPS

Adjusted Earnings and Adjusted EPS can be reconciled to Net Earnings (Loss) Attributable to Lundin Mining Shareholders on the Company's Condensed Interim Consolidated Statement of Earnings as follows:

	Three months ended March 31,	
($thousands, except share and per share amounts)	**2024**	2023
Net earnings attributable to Lundin Mining shareholders	**13,883**	146,620
Add back:		
Total adjustments - EBITDA	**33,549**	(13,007)
Tax effect on adjustments	**(1,767)**	(3,126)
Deferred tax arising from foreign exchange translation	**(6,300)**	(6,007)
Non-controlling interest on adjustments	**5,852**	1,202
Total adjustments	**31,335**	(20,938)
Adjusted earnings	**45,218**	125,682
Basic weighted average number of shares outstanding	**773,048,710**	771,216,060
Net (loss) earnings attributable to Lundin Mining shareholders	**0.02**	0.19
Total adjustments	**0.04**	(0.03)
Adjusted EPS	**0.06**	0.16

Free Cash Flow from Operations and Free Cash Flow

Free Cash Flow from Operations and Free Cash Flow can be reconciled to Cash provided by Operating Activities on the Company's Condensed Interim Consolidated Statement of Cash Flows as follows:

	Three months ended March 31,	
($thousands)	**2024**	2023
Cash provided by operating activities	**267,531**	211,875
General exploration and business development	**13,451**	14,765
Sustaining capital expenditures	**(213,260)**	(155,564)
Free cash flow from operations	**67,722**	71,076
General exploration and business development	**(13,451)**	(14,765)
Expansionary capital expenditures	**(55,981)**	(90,519)
Free cash flow	**(1,710)**	(34,208)

Adjusted Operating Cash Flow and Adjusted Operating Cash Flow per Share

Adjusted Operating Cash Flow and Adjusted Operating Cash Flow per Share can be reconciled to Cash Provided by Operating Activities on the Company's Condensed Interim Consolidated Statement of Cash Flows as follows:

	Three months ended March 31,	
($thousands, except share and per share amounts)	**2024**	2023
Cash provided by operating activities	**267,531**	211,875
Changes in non-cash working capital items	**46,135**	23,192
Adjusted operating cash flow	**313,666**	235,067
Basic weighted average number of shares outstanding	**773,048,710**	771,216,060
Adjusted operating cash flow per share	**0.41**	0.30

Net Debt and Net Debt Excluding Lease Liabilities

Net debt and net debt excluding lease liabilities can be reconciled to Debt and Lease Liabilities, Current Portion of Debt and Lease Liabilities and Cash and Cash Equivalents on the Company's condensed interim consolidated balance sheet as follows:

($thousands)	**March 31, 2024**	December 31, 2023
Debt and lease liabilities	**(1,417,892)**	(1,273,162)
Current portion of debt and lease liabilities	**(183,702)**	(212,646)
Less deferred financing fees (netted in above)	**(5,729)**	(6,374)
	(1,607,323)	(1,492,182)
Cash and cash equivalents	**365,451**	268,793
Net debt	**(1,241,872)**	(1,223,389)
Lease liabilities	**260,463**	277,208
Net debt excluding lease liabilities	**(981,409)**	(946,181)

Other Information and Advisories

Related Party Transactions

The Company enters into related party transactions that are in the normal course of business and on an arm's length basis. Related party disclosures can be found in Note 23 of the Company's condensed interim consolidated financial statements for the three months ended March 31, 2024.

Changes in Accounting Policies

The accounting policies applied in the Company's condensed interim consolidated financial statements for the three months ended March 31, 2024 are the same as those applied in the Company's consolidated financial statements for the year ended December 31, 2023.

Certain amendments to standards were effective for annual periods beginning on or after January 1, 2024, including amendments to IAS 1 – Presentation of Financial Statements and IAS 12 – Income Taxes. There was no material impact on the Company's condensed interim consolidated financial statements from the adoption of these amendments.

Critical Accounting Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each period end. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

For further information on the Company's significant accounting estimates and judgements, refer to Note 2 of the Company's consolidated financial statements for the year ended December 31, 2023. There have been no subsequent material changes to these significant accounting estimates and judgements.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all material information related to the Company is identified and communicated on a timely basis. Management of the Company, under the supervision of the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer, is responsible for the design and operation of disclosure controls and procedures. Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that they were effective as at December 31, 2023.

There have been no changes in the Company's disclosure controls and procedures during the three months ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's financial reporting.

Internal Control over Financial Reporting ("ICFR")

Management of the Company, under the supervision of the President and Chief Executive Officer and Executive Vice President and Chief Financial Officer, is responsible for establishing and maintaining adequate ICFR. The Company's ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with IFRS. However, due to inherent limitations ICFR may not prevent or detect all misstatements and fraud. Management will continue to monitor the effectiveness of its ICFR and may make modifications from time to time as considered necessary.

Management assesses the effectiveness of the Company's ICFR using the Internal Control – Integrated Framework (2013 Framework) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Management conducted an evaluation of the effectiveness of ICFR and concluded that it was effective as at December 31, 2023.

There have been no changes in the Company's ICFR during the three months ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's financial reporting.

Risks and Uncertainties

The Company's business activities are subject to a variety and wide range of inherent risks and uncertainties. Any of these risks could have an adverse effect on the Company, its business and prospects, and could cause actual outcomes and results to differ materially from those described in forward-looking statements relating to the Company.

For additional discussion on Lundin Mining's risks, refer to the "Risks and Uncertainties" section of the Company's Annual Information Form ("AIF") for the year ended December 31, 2023 and the "Cautionary Statement on Forward-Looking Information" of this MD&A.

National Instrument 43-101 Compliance

The scientific and technical information in this document has been reviewed and approved in accordance with the disclosure standards of National Instrument 43-101 ("NI 43-101") by Arman Barha, P.Eng., Vice President, Technical Services, a "Qualified Person" under NI 43-101. Mr. Barha has verified the data disclosed in this document and no limitations were imposed on his verification process.

Other Information

Additional information regarding the Company is included in the Company's AIF which is filed with the Canadian securities regulators. A copy of the Company's AIF can be obtained on SEDAR+ (www.sedarplus.com) or on the Company's website (www.lundinmining.com).

Outstanding Share Data

The table below summarizes the Company's common shares and securities convertible into common shares as at May 1, 2024.

	May 1, 2024
Common shares issued and outstanding	776,004,962
Stock options outstanding (weighted average exercise price of C$10.11)	4,870,143
Time vesting share units[1]	1,523,037
Performance vesting share units[2]	1,040,377

[1] Time vesting share units represent the right to receive one common share (subject to adjustments) issued from treasury.

[2] Performance vesting share units ("PSU") represent the right to receive a variable number of common shares (subject to adjustments) issued from treasury contingent upon achieving applicable performance vesting conditions. The number of common shares listed above in respect of PSU assumes that 100% of PSU granted (without change) will vest and be paid out in common shares on a one for one basis. However, as noted, the final number of PSU that may be earned and redeemed may be higher or lower than the PSU initially granted.

Condensed Interim Consolidated Financial Statements of

Lundin Mining Corporation

March 31, 2024
(Unaudited)

LUNDIN MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS
(Unaudited - in thousands of US dollars)

	As at	
	March 31, 2024	December 31, 2023
ASSETS		
Cash and cash equivalents (Note 3)	**$ 365,451**	$ 268,793
Trade and other receivables (Note 4)	**759,377**	828,871
Income taxes receivable	**39,352**	34,542
Inventories (Note 5)	**617,020**	599,407
Current portion of derivative assets (Note 20)	**12,646**	38,114
Other current assets	**21,538**	21,421
Total current assets	**1,815,384**	1,791,148
Restricted funds	**60,840**	59,979
Long-term inventory (Note 5)	**774,772**	797,597
Derivative assets (Note 20)	**2,582**	9,397
Other non-current assets (Note 6)	**67,784**	67,090
Mineral properties, plant and equipment (Note 7)	**7,789,521**	7,725,169
Deferred tax assets	**162,450**	170,203
Goodwill	**238,549**	240,616
	9,096,498	9,070,051
Total assets	**$ 10,911,882**	$ 10,861,199
LIABILITIES		
Trade and other payables (Note 8)	**$ 772,966**	$ 805,763
Income taxes payable	**64,785**	62,926
Current portion of derivative liabilities (Note 20)	**33,779**	26,389
Current portion of debt and lease liabilities (Note 9)	**183,702**	212,646
Current portion of deferred revenue (Note 10)	**86,709**	87,867
Current portion of reclamation and other closure provisions (Note 11)	**11,627**	14,442
Total current liabilities	**1,153,568**	1,210,033
Derivative liabilities (Note 20)	**17,527**	3,148
Debt and lease liabilities (Note 9)	**1,417,892**	1,273,162
Deferred revenue (Note 10)	**523,009**	535,363
Reclamation and other closure provisions (Note 11)	**519,836**	529,734
Deferred consideration and other long-term liabilities	**134,440**	133,199
Provision for pension obligations	**5,658**	6,752
Deferred tax liabilities	**745,075**	751,688
	3,363,437	3,233,046
Total liabilities	**4,517,005**	4,443,079
SHAREHOLDERS' EQUITY		
Share capital (Note 12)	**4,587,131**	4,574,830
Contributed surplus	**52,118**	55,201
Accumulated other comprehensive loss	**(336,267)**	(296,617)
Retained earnings	**590,464**	627,903
Equity attributable to Lundin Mining Corporation shareholders	**4,893,446**	4,961,317
Non-controlling interests (Note 13)	**1,501,431**	1,456,803
Total shareholders' equity	**6,394,877**	6,418,120
Total liabilities and shareholders' equity	**$ 10,911,882**	$ 10,861,199

Commitments and contingencies (Note 21)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

APPROVED BY THE BOARD OF DIRECTORS

(Signed) Adam I. Lundin - **Director**

(Signed) Dale C. Peniuk - **Director**

LUNDIN MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited - in thousands of US dollars, except for shares and per share amounts)

	Three months ended March 31,	
	2024	2023
Revenue (Note 14)	**$ 936,981**	$ 751,344
Cost of goods sold		
Production costs (Note 15)	**(567,134)**	(417,764)
Depreciation, depletion and amortization	**(184,492)**	(120,247)
Gross profit	**185,355**	213,333
General and administrative expenses	**(16,760)**	(15,110)
General exploration and business development (Note 17)	**(13,451)**	(14,765)
Finance income (Note 18)	**3,833**	1,764
Finance costs (Note 18)	**(39,527)**	(17,463)
Other (expense) income (Note 19)	**(10,329)**	46,245
Earnings before income taxes	**109,121**	214,004
Current tax expense	**(47,263)**	(59,501)
Deferred tax (expense) recovery	**(3,303)**	10,808
Net earnings	**$ 58,555**	$ 165,311
Net earnings attributable to:		
Lundin Mining Corporation shareholders	**$ 13,883**	$ 146,620
Non-controlling interests	**44,672**	18,691
Net earnings	**$ 58,555**	$ 165,311
Basic and diluted earnings per share attributable to Lundin Mining Corporation shareholders:	**$ 0.02**	$ 0.19
Weighted average number of shares outstanding (Note 12)		
Basic	**773,048,710**	771,216,060
Diluted	**775,002,730**	771,992,179

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

LUNDIN MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited - in thousands of US dollars)

	Three months ended March 31,	
	2024	2023
Net earnings	**$ 58,555**	$ 165,311
Other comprehensive (loss) income, net of taxes		
Item that will not be reclassified to net earnings:		
Remeasurements for post-employment benefit plans	**(241)**	(258)
Item that may be reclassified subsequently to net earnings:		
Effects of foreign exchange	**(39,453)**	19,453
Other comprehensive (loss) income	**(39,694)**	19,195
Total comprehensive income	**$ 18,861**	$ 184,506
Comprehensive income attributable to:		
Lundin Mining Corporation shareholders	**$ (25,767)**	$ 165,872
Non-controlling interests	**44,628**	18,634
Total comprehensive income	**$ 18,861**	$ 184,506

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

LUNDIN MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Unaudited - in thousands of US dollars, except for shares)

	Number of shares	Share capital	Contributed surplus	Accumulated other comprehensive (loss) income	Retained earnings	Non-controlling interests	Total
Balance, December 31, 2023	773,667,789	$ 4,574,830	$ 55,201	$ (296,617)	$ 627,903	$ 1,456,803	$ 6,418,120
Exercise of share-based awards	1,516,779	12,301	(4,748)	—	—	—	7,553
Share-based compensation	—	—	1,665	—	—	—	1,665
Dividends declared (Note 12(d))	—	—	—	—	(51,322)	—	(51,322)
Net earnings	—	—	—	—	13,883	44,672	58,555
Other comprehensive loss	—	—	—	(39,650)	—	(44)	(39,694)
Total comprehensive (loss) income	—	—	—	(39,650)	13,883	44,628	18,861
Balance, March 31, 2024	**775,184,568**	**$ 4,587,131**	**$ 52,118**	**$ (336,267)**	**$ 590,464**	**$ 1,501,431**	**$ 6,394,877**

	Number of shares	Share capital	Contributed surplus	Accumulated other comprehensive (loss) income	Retained earnings	Non-controlling interests	Total
Balance, December 31, 2022	770,746,531	$ 4,555,125	$ 55,769	$ (342,287)	$ 592,425	$ 564,089	$ 5,425,121
Exercise of share-based awards	999,480	6,353	(4,268)	—	—	—	2,085
Share-based compensation	—	—	2,266	—	—	—	2,266
Dividends declared	—	—	—	—	(51,290)	—	(51,290)
Net earnings	—	—	—	—	146,620	18,691	165,311
Other comprehensive income (loss)	—	—	—	19,252	—	(57)	19,195
Total comprehensive income	—	—	—	19,252	146,620	18,634	184,506
Balance, March 31, 2023	771,746,011	$ 4,561,478	$ 53,767	$ (323,035)	$ 687,755	$ 582,723	$ 5,562,688

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

LUNDIN MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - in thousands of US dollars)

	Three months ended March 31,	
Cash provided by (used in)	**2024**	2023
Operating activities		
Net earnings	**$ 58,555**	$ 165,311
Items not involving cash and other adjustments		
Depreciation, depletion and amortization	**184,492**	120,247
Share-based compensation	**1,641**	2,266
Unrealized foreign exchange (gain) loss	**(15,500)**	8,644
Finance costs, net (Note 18)	**35,694**	15,699
Recognition of deferred revenue (Note 10)	**(18,838)**	(19,100)
Deferred tax expense (recovery)	**3,303**	(10,808)
Revaluation of marketable securities (Note 19)	**(2,430)**	(438)
Revaluation of foreign currency and diesel derivatives (Note 20)	**49,117**	(34,243)
Other	**2,234**	8,063
Reclamation payments (Note 11)	**(4,984)**	(2,581)
Pension payments	**(843)**	(578)
Changes in long-term inventory	**21,225**	(17,415)
Changes in non-cash working capital items (Note 24)	**(46,135)**	(23,192)
	267,531	211,875
Investing activities		
Investment in mineral properties, plant and equipment	**(271,906)**	(246,119)
Cash received from disposal of subsidiary (Note 19)	**—**	5,718
Interest received	**1,915**	878
Other	**327**	(543)
	(269,664)	(240,066)
Financing activities		
Proceeds from debt (Note 9)	**267,802**	148,830
Principal repayments of debt (Note 9)	**(133,397)**	(130,480)
Principal payments of lease liabilities	**(14,905)**	(5,218)
Interest paid	**(28,135)**	(4,695)
Proceeds from common shares issued	**7,553**	2,085
Net proceeds from settlement of foreign currency and diesel derivatives	**3,942**	11,069
Other	**(602)**	(2,085)
	102,258	19,506
Effect of foreign exchange on cash balances	**(3,467)**	1,537
Increase (decrease) in cash and cash equivalents during the period	**96,658**	(7,148)
Cash and cash equivalents, beginning of period	**268,793**	191,387
Cash and cash equivalents, end of period	**$ 365,451**	$ 184,239

Supplemental cash flow information (Note 24)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

Lundin Mining Corporation ("Lundin Mining" or the "Company") is a diversified Canadian base metals mining company primarily producing copper, zinc, nickel and gold. The Company owns 80% of the Candelaria and Ojos del Salado mining complex ("Candelaria") and 51% of the Caserones copper-molybdenum mine ("Caserones"), each of which are located in Chile. The Company's wholly-owned operating assets include the Chapada mine located in Brazil, the Eagle mine located in the United States of America ("USA"), the Neves-Corvo mine located in Portugal, and the Zinkgruvan mine located in Sweden. In addition, the Company owns the large scale copper-gold Josemaria project ("Josemaria Project"), located in Argentina.

The Company's common shares are listed on the Toronto Stock Exchange ("TSX") in Canada and the Nasdaq Stockholm Exchange in Sweden. The Company is incorporated under the Canada Business Corporations Act. The Company is domiciled in Canada and its principal place of business is 1055 Dunsmuir Street, Suite 2800, Vancouver, British Columbia, Canada.

2. BASIS OF PRESENTATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

(i) Basis of presentation and measurement

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CPA Canada Handbook - Accounting including IAS 34 Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023.

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which have been measured at fair value.

The Company's presentation currency is United States ("US") dollars. Reference herein to $ or USD is to US dollars, C$ or CAD is to Canadian dollars, SEK is to Swedish krona, € refers to the Euro, CLP refers to the Chilean peso, BRL refers to the Brazilian real, and ARS refers to the Argentine peso.

Balance sheet items are classified as current if receipt or payment is due within twelve months. Otherwise, they are presented as non-current.

These condensed interim consolidated financial statements were approved by the Board of Directors of the Company for issue on May 1, 2024.

(ii) Material accounting policies

The accounting policies followed in these condensed interim consolidated financial statements are consistent with those disclosed in Note 2 of the Company's consolidated financial statements for the year ended December 31, 2023. Except as described in Note 2(iii), there were no changes in material accounting policies during the three months ended March 31, 2024.

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

(iii) New accounting standards issued

Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current
In January, 2020, the IASB issued Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) providing a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. Under existing requirements, a liability is current if an unconditional right to defer settlement of the liability for at least twelve months after the reporting period does not exist. With the introduction of the two amendments to IAS 1 in 2024, for a liability to be classified as non-current, a company must have the right to defer settlement of the liability for at least twelve months after the reporting period. The right must have substance and exist at the end of the reporting period, and the classification of the liability must be unaffected by the likelihood that the company will exercise that right. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with early application permitted and have been applied with no material impact on the Company in the current reporting period.

Amendments to IAS 12 - International Tax Reform - Pillar Two Model Rules
In May 2023, the IASB issued amendments to IAS 12 – Income Taxes. The amendments provide an exception to the requirements regarding the recognition of deferred tax assets and liabilities related to the Pillar Two global minimum tax rules and were effective immediately. The Company has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes whilst it continues to evaluate the impact of these income taxes on its consolidated financial statements.

Additionally, the amendments to IAS 12 require disclosure of the Company's current tax expense or income related to Pillar Two income taxes and disclosure of known or reasonably estimable information regarding the Company's exposure to Pillar Two income taxes. Among the jurisdictions where the Company operates, Pillar Two legislation is enacted in Sweden and Netherlands and is expected to be substantially enacted in Canada and Portugal in 2024. The Company is currently assessing the potential impact of the Pillar Two legislation for when it comes into effect, but the quantitative impact of the enacted or substantively enacted legislation has not yet been determined.

(iv) Critical accounting estimates and judgments in applying the entity's accounting policies

Areas of judgment that have the most significant effect on the amounts recognized in the financial statements are disclosed in Note 2 of the Company's consolidated financial statements for the year ended December 31, 2023.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of the following:

	March 31, 2024	December 31, 2023
Cash	**$ 269,755**	$ 197,537
Short-term deposits	**95,696**	71,256
	$ 365,451	$ 268,793

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

4. TRADE AND OTHER RECEIVABLES

Trade and other receivables are comprised of the following:

		March 31, 2024		December 31, 2023
Trade receivables	**$**	**578,134**	$	643,722
Prepaid expenses		**69,947**		48,901
Value added tax		**67,150**		80,088
Other receivables		**44,146**		56,160
	$	**759,377**	$	828,871

5. INVENTORIES

Inventories are comprised of the following:

		March 31, 2024		December 31, 2023
Materials and supplies	**$**	**335,906**	$	313,966
Ore stockpiles and dump leach		**201,472**		207,602
Finished goods - concentrate stockpiles		**66,852**		72,515
Finished goods - copper cathode		**12,790**		5,324
	$	**617,020**	$	599,407

Long-term inventory is comprised of the following:

		March 31, 2024		December 31, 2023
Ore stockpiles at Candelaria	**$**	**420,416**	$	427,075
Ore stockpiles at Chapada		**259,694**		270,570
Dump leach at Caserones		**94,662**		99,952
	$	**774,772**	$	797,597

6. OTHER NON-CURRENT ASSETS

Other non-current assets are comprised of the following:

		March 31, 2024		December 31, 2023
Caserones purchase option (a)	**$**	**43,735**	$	44,438
Marketable securities		**16,319**		14,268
Other		**7,730**		8,384
	$	**67,784**	**$**	**67,090**

a) Pursuant to the terms of the purchase agreement to acquire 51% of SCM Minera Lumina Copper Chile ("Caserones mine"), the Company acquired the right to purchase an additional 19% interest in Caserones mine for $350.0 million over a five-year period commencing on July 13, 2024 ("Caserones Purchase Option"). The Caserones Purchase Option is recorded at fair value with changes in fair value recorded in Other income and expense.

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

7. MINERAL PROPERTIES, PLANT AND EQUIPMENT

Mineral properties, plant and equipment are comprised of the following:

Cost	Mineral properties	Plant and equipment	Assets under construction[1]	Development project[2]	Software intangible assets	Total
As at December 31, 2022	$ 5,546,923	$ 3,752,177	$ 236,056	$ 876,419	$ 32,626	$ 10,444,201
Additions	73,485	8,453	80,020	76,149	22	238,129
Disposals and transfers	4,278	1,188	(12,495)	—	99	(6,930)
Effects of foreign exchange	28,534	17,374	1,030	—	98	47,036
As at March 31, 2023	5,653,220	3,779,192	304,611	952,568	32,845	10,722,436
Caserones acquisition	—	1,243,432	94,110	—	—	1,337,542
Additions	206,615	87,828	326,520	177,499	60	798,522
Disposals and transfers	113,184	176,892	(397,432)	—	30,488	(76,868)
Effects of foreign exchange	41,735	20,653	2,452	—	176	65,016
As at December 31, 2023	6,014,754	5,307,997	330,261	1,130,067	63,569	12,846,648
Additions	82,660	14,326	86,554	97,133	78	280,751
Disposals and transfers	12,434	26,134	(42,771)	—	34	(4,169)
Effects of foreign exchange	(66,658)	(31,784)	(3,211)	—	(292)	(101,945)
As at March 31, 2024	**$ 6,043,190**	**$ 5,316,673**	**$ 370,833**	**$ 1,227,200**	**$ 63,389**	**$ 13,021,285**

Accumulated depreciation, depletion and amortization	Mineral properties	Plant and equipment	Assets under construction[1]	Development project[2]	Software intangible assets	Total
As at December 31, 2022	$ 2,835,431	$ 1,621,439	$ —	$ —	$ 11,645	$ 4,468,515
Depreciation	69,765	58,429	—	—	1,056	129,250
Disposals and transfers	—	(6,870)	—	—	—	(6,870)
Effects of foreign exchange	17,096	6,968	—	—	25	24,089
As at March 31, 2023	2,922,292	1,679,966	—	—	12,726	4,614,984
Depreciation	244,135	288,240	—	—	4,214	536,589
Disposals and transfers	—	(67,920)	—	—	—	(67,920)
Effects of foreign exchange	27,648	10,095	—	—	83	37,826
As at December 31, 2023	3,194,075	1,910,381	—	—	17,023	5,121,479
Depreciation	68,736	101,733	—	—	2,486	172,955
Disposals and transfers	—	(2,846)	—	—	—	(2,846)
Effects of foreign exchange	(43,999)	(15,676)	—	—	(149)	(59,824)
As at March 31, 2024	**$ 3,218,812**	**$ 1,993,592**	**$ —**	**$ —**	**$ 19,360**	**$ 5,231,764**

Net book value	Mineral properties	Plant and equipment	Assets under construction[1]	Development project[2]	Software intangible assets	Total
As at December 31, 2023	$ 2,820,679	$ 3,397,616	$ 330,261	$ 1,130,067	$ 46,546	$ 7,725,169
As at March 31, 2024	**$ 2,824,378**	**$ 3,323,081**	**$ 370,833**	**$ 1,227,200**	**$ 44,029**	**$ 7,789,521**

[1] Represent assets under construction at the Company's operating mine sites which are currently non-depreciable.

[2] Assets relate to the Josemaria Project which are currently non-depreciable.

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

During the three months ended March 31, 2024, the Company capitalized $7.5 million (March 31, 2023 - $3.3 million) of finance costs to assets under construction and the Josemaria Project at a weighted average interest rate of 6.0% (March 31, 2023 - 5.5%).

During the three months ended March 31, 2024, the Company capitalized $78.7 million (March 31, 2023 - $41.3 million) of deferred stripping costs to mineral properties. The depreciation expense related to deferred stripping for the quarter was $22.7 million (March 31, 2023 - $25.6 million). Included in the mineral properties balance at March 31, 2024 is $327.2 million (December 31, 2023 - $277.5 million) related to deferred stripping at Candelaria and Caserones, which is currently non-depreciable.

The Company's software intangible assets relate primarily to a global instance of an Enterprise Resource Planning ("ERP") system, and related configuration and customization costs incurred in preparing the intangible asset for its intended use. These assets have useful lives of 8 years or less, and are amortized on a straight-line basis.

The Company leases various assets including power line infrastructure, buildings and storage facilities, rail cars, vehicles, machinery and equipment. The following table summarizes the changes in right-of-use assets within plant and equipment:

		Net book value
As at December 31, 2022	$	27,923
Additions		3,187
Depreciation		(5,606)
Effects of foreign exchange		333
As at March 31, 2023		25,837
Caserones acquisition		257,655
Additions		51,622
Depreciation		(45,785)
Disposals		(5,363)
Effects of foreign exchange		31
As at December 31, 2023		283,997
Additions		9,719
Depreciation		(16,867)
Disposals		(1,534)
Effects of foreign exchange		(75)
As at March 31, 2024	**$**	**275,240**

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

8. TRADE AND OTHER PAYABLES

Trade and other payables are comprised of the following:

	March 31, 2024	December 31, 2023
Trade payables	**$ 391,761**	$ 393,829
Unbilled goods and services	**167,170**	176,444
Employee benefits payable	**78,994**	114,514
Dividends payable	**51,485**	—
Sinkhole provision	**27,200**	29,827
Royalties payable	**22,460**	23,773
Deferred consideration, current portion	**10,000**	10,000
Pricing provisions on concentrate sales	**8,569**	13,201
Prepayment from customers	**494**	21,963
Other	**14,833**	22,212
	$ 772,966	$ 805,763

Included in pricing provisions on concentrate sales are balances owing to customers and provisions arising from forward market price adjustments.

The sinkhole provision relates to expected remediation costs and potential fines directly related to the sinkhole near the Company's Ojos del Salado operations.

The deferred consideration relates to the current portion of the remaining deferred cash consideration arising from the Caserones acquisition, payable in installments over the next six years. The long-term portion of $107.9 million has been reported in Other Long-Term Liabilities.

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

9. DEBT AND LEASE LIABILITIES

Debt and lease liabilities are comprised of the following:

	March 31, 2024	December 31, 2023
Revolving credit facility (a)	**$ 295,437**	$ 245,084
Term loan (b)	**798,834**	798,542
Candelaria and Chapada term loans (c)	**138,750**	48,850
Lease liabilities (d)	**260,463**	277,208
Commercial paper (e)	**108,110**	116,025
Line of credit	**—**	99
Debt and lease liabilities	**1,601,594**	1,485,808
Less: current portion	**183,702**	212,646
Long-term portion	**$ 1,417,892**	$ 1,273,162

The changes in debt and lease liabilities are comprised of the following:

	Leases	Debt	Total
As at December 31, 2022	$ 27,166	$ 170,162	$ 197,328
Additions	3,117	148,830	151,947
Payments	(5,590)	(130,480)	(136,070)
Interest	372	—	372
Financing fee amortization	—	200	200
Effects of foreign exchange	457	508	965
As at March 31, 2023	25,522	189,220	214,742
Caserones acquisition	257,655	—	257,655
Additions	51,275	2,341,767	2,393,042
Payments	(54,251)	(1,321,324)	(1,375,575)
Disposals	(6,221)	—	(6,221)
Interest	12,149	—	12,149
Financing fee amortization	—	646	646
Deferred financing fee	—	(2,950)	(2,950)
Effects of foreign exchange	(8,921)	1,241	(7,680)
As at December 31, 2023	277,208	1,208,600	1,485,808
Additions	9,569	267,802	277,371
Payments	(20,794)	(133,397)	(154,191)
Disposals	(1,495)	—	(1,495)
Interest	5,889	—	5,889
Financing fee amortization	—	645	645
Effects of foreign exchange	(9,914)	(2,519)	(12,433)
As at March 31, 2024	260,463	1,341,131	1,601,594
Less: current portion	44,952	138,750	183,702
Long-term portion	**$ 215,511**	**$ 1,202,381**	**$ 1,417,892**

a) The Company has a revolving credit facility of $1,750.0 million maturing in April 2028 and bears interest on drawn funds at rates of Term Secured Overnight Financing Rate ("Term SOFR") plus Credit Spread Adjustment ("CSA") of 0.10% plus an applicable margin of 1.45% to 2.50%, depending on the Company's net leverage ratio. The revolving credit facility is unsecured, save and except for a charge over certain assets in the USA, and is subject to customary covenants. During the three months ended March 31, 2024, the Company drew down $65.0 million (March 31, 2023 - $25.0 million), and repaid $15.0 million (March 31, 2023 - $13.0 million). As at March 31, 2024, a principal balance of $300.0 million (December 31, 2023 - $250.0 million) was outstanding, with unamortized deferred financing fees of $4.6 million (December 31, 2023 - $4.9 million) netted against borrowings. Subsequent to March 31, 2024, the revolving credit facility was amended and extended to April 2029.

b) In July 2023, the Company obtained a term loan of a principal amount of $800.0 million with an additional $400.0 million accordion option, maturing July 2026. The term loan bears interest at an annual rate equal to Term SOFR + CSA + an applicable margin of 1.60% to 2.65%, depending on the Company's net leverage ratio. Principal is payable at maturity. The term loan is unsecured, save and except for a charge over certain assets in the USA, and has similar covenants to the Company's existing $1,750.0 million revolving credit facility. As at March 31, 2024, a principal balance of $800.0 million (December 31, 2023 - $800.0 million) was outstanding, with unamortized deferred financing fees of $1.2 million (December 31, 2023 - $1.5 million) netted against borrowings. Subsequent to March 31, 2024, the term loan was amended and extended to July 2027.

c) In February and March 2024, Compañia Contractual Minera Candelaria S.A. ("Candelaria") obtained two unsecured fixed term loans in the amount of $50.0 million and $15.0 million, respectively. The loans accrue interest at rates of 5.67% and 5.79% per annum and mature in May and June 2024, respectively. As at March 31, 2024, a principal balance of $65.0 million (December 31, 2023 - $nil) was outstanding.

Mineração Maracá Indústria e Comércio S/A ("Chapada"), a subsidiary of the Company which owns the Chapada mine, obtained a series of unsecured fixed term loans totalling $45.4 million during the three months ended March 31, 2024 (March 31, 2023 - $59.5 million). Chapada repaid $20.5 million of the outstanding term loans during the three months ended March 31, 2024 (March 31, 2023 - $47.1 million).

As at March 31, 2024, there were twenty three term loans outstanding at Chapada totalling $73.8 million (December 31, 2023 - sixteen term loans totalling $48.9 million). These outstanding term loans accrue interest at rates ranging from 6.07% to 7.15% per annum with interest payable upon maturity. The maturity dates range from April to June 2024.

d) Lease liabilities relate to leases on power line infrastructure, buildings and storage facilities, rail cars, vehicles, machinery and equipment which have remaining lease terms of one to fourteen years and interest rates of 0.8% - 10.4% over the terms of the leases.

e) Sociedade Mineira de Neves-Corvo, S.A. ("Somincor"), a subsidiary of the Company which owns the Neves-Corvo mine, entered into three unsecured commercial paper programs during 2022 and 2023 ("Commercial Paper Program 1, 2, and 3", respectively). Commercial Paper Program 1, entered into September 2022, has a borrowing capacity of €25.0 million, matures May 2025, and bears interest on drawn funds at EURIBOR+0.50%. Commercial Paper Program 2, entered into in June 2023, has a borrowing capacity of €50.0 million, matures in June 2028, and bears interest on drawn funds at EURIBOR+0.50%. Commercial Program 3, entered into July 2023, has a borrowing capacity of €40.0 million, matures in July 2028, and bears interest on drawn funds at EURIBOR+0.30%.

During the three months ended March 31, 2024, Somincor had drawn $92.5 million (€85.0 million) from the commercial paper programs (March 31, 2023 - $64.4 million (€60.0 million)) and repaid $97.8 million (€90.0 million) from the respective programs (March 31, 2023 - $69.8 million(€65.0 million)).

As at March 31, 2024, a principal balance of $21.6 million (€20.0 million), $54.1 million (€50.0 million), and $32.4 million (€30.0 million) was outstanding on Commercial Paper Program 1, 2, and 3, respectively (December 31, 2023 - $27.6 million (€25.0 million), $55.3 million (€50.0 million), and $33.2 million (€30.0 million)).

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

The schedule of undiscounted lease payment and debt obligations is as follows:

	Leases	Debt	Total
Less than one year	$ 63,248	$ 138,750	$ 201,998
One to five years	167,624	1,208,110	1,375,734
More than five years	148,127	—	148,127
Total undiscounted obligations as at March 31, 2024	**$ 378,999**	**$ 1,346,860**	**$ 1,725,859**

10. DEFERRED REVENUE

The following table summarizes the changes in deferred revenue:

As at December 31, 2022	$ 654,106
Recognition of revenue	(19,100)
Finance costs	9,010
Effects of foreign exchange	809
As at March 31, 2023	644,825
Recognition of revenue	(53,643)
Variable consideration adjustment	3,018
Finance costs	26,994
Effects of foreign exchange	2,036
As at December 31, 2023	623,230
Recognition of revenue	(18,838)
Finance costs	8,596
Effects of foreign exchange	(3,270)
As at March 31, 2024	609,718
Less: current portion	86,709
Long-term portion	**$ 523,009**

Consideration received under the Company's gold, silver and copper streaming agreements is deemed to be variable and can be subject to cumulative adjustments when the contractual volume to be delivered changes. In 2023, as a result of changes to the Company's Mineral Resources and Mineral Reserves estimates, an adjustment was made to the deferred revenue liability which was recognized through revenue and finance costs.

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

11. RECLAMATION AND OTHER CLOSURE PROVISIONS

Reclamation and other closure provisions relating to the Company's mining operations are as follows:

	Reclamation provisions	Other closure provisions	Total
Balance, December 31, 2022	$ 401,020	$ 44,828	$ 445,848
Accretion	5,209	—	5,209
Changes in estimate	10,393	1,113	11,506
Changes in discount rate	2,635	—	2,635
Payments	(2,169)	(412)	(2,581)
Effects of foreign exchange	1,864	3,688	5,552
Balance, March 31, 2023	418,952	49,217	468,169
Acquisition of Caserones	92,440	—	92,440
Accretion	17,960	—	17,960
Changes in estimate	(40,900)	4,459	(36,441)
Changes in discount rate	11,949	—	11,949
Payments	(6,673)	(1,237)	(7,910)
Effects of foreign exchange	3,417	(5,408)	(1,991)
Balance, December 31, 2023	497,145	47,031	544,176
Accretion	6,343	—	6,343
Changes in estimate	(5,691)	1,129	(4,562)
Payments	(4,151)	(833)	(4,984)
Effects of foreign exchange	(5,110)	(4,400)	(9,510)
Balance, March 31, 2024	488,536	42,927	531,463
Less: current portion	6,946	4,681	11,627
Long-term portion	**$ 481,590**	**$ 38,246**	**$ 519,836**

The Company expects these liabilities to be settled between 2024 and 2110. The reclamation provisions are discounted using current market pre-tax discount rates which range from 2.0% to 10.4% (December 31, 2023 - 2.0% to 10.4%).

12. SHARE CAPITAL

a) Basic and diluted weighted average number of shares outstanding

	Three months ended March 31,	
	2024	2023
Basic weighted average number of shares outstanding	**773,048,710**	771,216,060
Effect of dilutive securities	**1,954,020**	776,119
Diluted weighted average number of shares outstanding	**775,002,730**	771,992,179
Antidilutive securities	**2,492,016**	1,257,075

The effect of dilutive securities relates to in-the-money outstanding stock options and share units ("SUs").

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

b) Stock options and share units granted

	Three months ended March 31,	
	2024	2023
Stock options	**1,498,160**	1,862,433
Restricted Share Units and Performance Share Units	**1,041,450**	1,247,573

c) Deferred share units

During the year ended December 31, 2023, the Company adopted a Deferred Share Unit ("DSU") Plan effective January 1, 2024 under which DSUs are granted by the Board of Directors quarterly to eligible non-employee Directors. The DSUs will accumulate and will be settled in cash at the time of each eligible Director's departure or at the termination of the DSU Plan. A director will receive a cash payment equal to the market value of such DSUs plus accrued dividend equivalents as of the settlement date. During the three months ended March 31, 2024, 8,204 DSUs were granted under the plan.

d) Dividends

During the three months ended March 31, 2024, the Company declared dividends in the amount of $51.3 million (March 31, 2023 - $51.3 million) or C$0.09 per share (March 31, 2023 - C$0.09 per share), which were paid on April 10, 2024.

13. NON-CONTROLLING INTERESTS

Set out below is summarized financial information for each subsidiary with non-controlling interest ("NCI") that is material to the group. As part of its Candelaria segment, the Company owns 80% of Candelaria mine and Compañia Contractual Minera Ojos del Salado S.A.'s copper mining operations and supporting infrastructure in Chile (together the "Candelaria complex"). In addition, the Company owns 51% of Caserones mine, also located in Chile.

The continuity of the Company's non-wholly owned subsidiaries with material NCI is as follows:

	Candelaria complex	Caserones mine	Total
NCI in subsidiary at March 31, 2024	20%	49%	
As at December 31, 2022	$ 564,089	$ —	$ 564,089
Share of net comprehensive income (loss)	18,634	—	18,634
As at March 31, 2023	582,723	—	582,723
Caserones acquisition	—	873,767	873,767
Share of net comprehensive income (loss)	23,119	32,294	55,413
Distributions	(11,000)	(44,100)	(55,100)
As at December 31, 2023	594,842	861,961	1,456,803
Share of net comprehensive income (loss)	14,369	30,259	44,628
As at March 31, 2024	$ 609,211	$ 892,220	$ 1,501,431

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

Summarized financial information for the Company's non-wholly owned subsidiaries on a 100% basis, before inter-company eliminations is as follows:

Summarized Balance Sheets

	Candelaria complex		Caserones mine	
	As at Mar. 31, 2024	As at Dec. 31, 2023	**As at Mar. 31, 2024**	As at Dec. 31, 2023
Total current assets	**$ 577,424**	$ 512,217	**$ 719,359**	$ 708,927
Total non-current assets	**$ 3,142,286**	$ 3,140,799	**$ 1,608,966**	$ 1,629,052
Total current liabilities	**$ 297,573**	$ 266,314	**$ 285,508**	$ 323,797
Total non-current liabilities	**$ 642,619**	$ 646,189	**$ 255,849**	$ 267,263

Summarized Statements of Earnings and Comprehensive Income (Loss)

	Candelaria complex		Caserones mine	
For the three months ended March 31,	**2024**	2023	**2024**	2023
Total revenue	**$ 374,322**	$ 432,676	**$ 322,793**	$ —
Net earnings (loss)	**$ 71,851**	$ 99,620	**$ 61,049**	$ —
Net comprehensive income (loss)	**$ 71,807**	$ 99,563	**$ 61,049**	$ —

Summarized Statement of Cash Flows

	Candelaria complex		Caserones mine	
For the three months ended March 31,	**2024**	2023	**2024**	2023
Cash provided by operating activities	**$ 52,725**	$ 87,662	**$ 106,104**	$ —
Cash used in investing activities	**(98,772)**	(91,928)	**(40,137)**	—
Cash (used in)/provided by financing activities	**29,801**	(28,270)	**(38,930)**	—
Increase (decrease) in cash and cash equivalents during the period	**$ (16,246)**	$ (32,536)	**$ 27,037**	$ —

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

14. REVENUE

The Company's analysis of revenue from contracts with customers, segmented by product, is as follows:

	Three months ended March 31,	
	2024	2023
Revenue from contracts with customers:		
Copper	**$ 699,255**	$ 480,980
Zinc	**64,941**	98,489
Gold	**54,718**	53,343
Molybdenum	**38,827**	—
Nickel	**35,126**	63,630
Silver	**13,328**	9,266
Lead	**12,496**	12,840
Other	**9,176**	4,455
	927,867	723,003
Provisional pricing adjustments on current period concentrate sales	**6,974**	(12,328)
Provisional pricing adjustments on prior period concentrate sales	**2,140**	40,669
Revenue	**$ 936,981**	$ 751,344

The Company's geographical analysis of revenue from contracts with customers, segmented based on the destination of product, is as follows:

	Three months ended March 31,	
	2024	2023
Revenue from contracts with customers:		
Japan	**$ 381,877**	$ 194,338
China	**194,457**	140,565
Germany	**71,144**	27,788
Finland	**60,449**	67,052
Spain	**53,912**	132,568
Canada	**52,216**	91,116
Chile	**48,594**	15,720
Norway	**19,938**	45,028
Other	**45,280**	8,828
	927,867	723,003
Provisional pricing adjustments on current period concentrate sales	**6,974**	(12,328)
Provisional pricing adjustments on prior period concentrate sales	**2,140**	40,669
Revenue	**$ 936,981**	$ 751,344

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

15. PRODUCTION COSTS

The Company's production costs are comprised of the following:

	Three months ended March 31,	
	2024	2023
Direct mine and mill costs	**$ 517,517**	$ 377,643
Transportation	**32,805**	30,482
Royalties	**16,812**	9,639
Total production costs	**$ 567,134**	$ 417,764

16. EMPLOYEE BENEFITS

The Company's employee benefits recognized in the consolidated statement of earnings are comprised of the following:

	Three months ended March 31,	
	2024	2023
Production costs		
Wages and benefits	**$ 98,295**	$ 79,762
Retirement benefits	**448**	576
Share-based compensation	**402**	542
	99,145	80,880
General and administrative expenses		
Wages and benefits	**7,481**	5,573
Retirement benefits	**175**	402
Share-based compensation	**1,238**	1,640
Termination benefits	**—**	1,849
	8,894	9,464
General exploration and business development		
Wages and benefits	**1,080**	1,658
Retirement benefits	**11**	12
Share-based compensation	**1**	84
	1,092	1,754
Total employee benefits	**$ 109,131**	$ 92,098

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

17. GENERAL EXPLORATION AND BUSINESS DEVELOPMENT

The Company's general exploration and business development costs are comprised of the following:

	Three months ended March 31,	
	2024	2023
General exploration	**$ 12,618**	$ 9,203
Project development	**822**	536
Corporate development	**11**	5,026
Total general exploration and business development	**$ 13,451**	$ 14,765

Corporate development expenses for the three months ended March 31, 2023 included $4.8 million in transaction costs related to the acquisition of Caserones.

18. FINANCE INCOME AND COSTS

The Company's finance income and costs are comprised of the following:

	Three months ended March 31,	
	2024	2023
Interest income	**$ 3,833**	$ 883
Interest expense and bank fees	**(23,157)**	(6,209)
Accretion expense on reclamation provisions	**(6,343)**	(5,209)
Lease liability interest	**(5,889)**	(372)
Deferred revenue finance costs	**(3,746)**	(5,673)
Other	**(392)**	881
Total finance costs, net	**$ (35,694)**	$ (15,699)

Finance income	**$ 3,833**	$ 1,764
Finance costs	**(39,527)**	(17,463)
Total finance costs, net	**$ (35,694)**	$ (15,699)

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

19. OTHER INCOME AND EXPENSE

The Company's other income and expense are comprised of the following:

	Three months ended March 31,	
	2024	2023
Unrealized (losses) gains on derivative contracts (Note 20)	**$ (52,832)**	$ 20,666
Foreign exchange gain (loss) (a)	**26,824**	(9,945)
Foreign exchange and trading gains on debt and equity investments (b)	**8,179**	22,078
Realized gains on derivative contracts (Note 20)	**3,715**	13,577
Revaluation of marketable securities	**2,430**	438
Ojos del Salado sinkhole recoveries (expenses) (c)	**1,031**	(4,582)
Revaluation of Caserones purchase option	**(703)**	—
Revaluation of Chapada derivative liability	**(307)**	(1,416)
Gain on disposal of subsidiary	**—**	5,718
Other income (expense)	**1,334**	(289)
Total other (expense) income, net	**$ (10,329)**	$ 46,245

a) Foreign exchange gains during the three months ended March 31, 2024 primarily relate to the foreign exchange revaluation of trade payables and lease liabilities held in CLP.

b) Foreign exchange and trading gains on debt and equity investments include the changes in fair value of debt and equity instruments supporting capital funding for the Josemaria Project.

c) Ojos del Salado sinkhole recoveries during the three months ended March 31, 2024 include a reversal of expenses originally accrued for as a result of updated information obtained related to the sinkhole near the Company's Ojos del Salado operations.

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

20. FINANCIAL INSTRUMENTS

Derivative instruments

From time to time, the Company uses derivative contracts as part of its risk management strategy to mitigate exposure to foreign currencies and commodities. Beginning in 2022, the Company entered into EUR, BRL, CLP, SEK and CAD foreign currency options and forward contracts intended to limit the foreign exchange exposure of its forecasted foreign currency denominated after-tax attributable operating and capital expenditures. In 2023, the Company entered into commodity forward swap contracts to limit exposure to changes in the price of diesel fuel purchases at Candelaria. The foreign exchange and commodities contracts have not been designated as hedges for purposes of hedge accounting and are measured at fair value with changes in fair value recognized in the consolidated statement of earnings.

During the three months ended March 31, 2024, the Company entered into zero cost collar contracts in the total amounts of $24 million (equivalent to BRL 121 million) and $950 million (equivalent to CLP 926 billion) with collar ranges of BRL 5.10 to BRL 6.07 and CLP 900 to CLP 1,085, respectively. Of the CLP foreign currency contracts entered into during the three months ended March 31, 2024, $29 million (equivalent to CLP 28 billion) expired during the period, with the remaining contracts expiring in the remainder of 2024 through 2026. The following tables outline the foreign currency and diesel derivative contract positions and their expiry dates:

	Expired in	Expiring throughout:		
Foreign currency forward contracts	**Q1 2024**	**remainder of 2024**	**2025**	**2026**
EUR/USD forwards				
Average contract price	1.02	1.02	—	—
Position (EUR millions)	39	116	—	—
USD/SEK forwards				
Average contract price	10.90	10.90	10.83	—
Position (SEK millions)	225	697	758	—

	Expired in	Expiring throughout:		
Foreign currency zero cost collar contracts	**Q1 2024**	**remainder of 2024**	**2025**	**2026**
USD/BRL collars				
Average contract price	5.00/6.40	5.00/6.40	5.05/6.06	5.10/6.07
Position (BRL millions)	243	730	391	121
USD/CLP collars				
Average contract price	872/1,029	884/1,042	872/1,032	904/1,060
Position (CLP millions)	91,775	427,882	480,476	480,476
USD/CAD collars				
Average contract price	1.30/1.40	1.30/1.40	—	—
Position (CAD millions)	5	14	—	—
USD/SEK collars				
Average contract price	10.35/11.15	10.35/11.15	—	—
Position (SEK millions)	99	297	—	—

Subsequent to March 31, 2024, the Company entered into zero cost collar contracts in the total amount of $174 million (equivalent to BRL 894 million) with average collar ranges of BRL 5.07 to BRL 6.04 expiring in 2025 and 2026.

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

Diesel forward swap contracts	Expired in Q1 2024	Expiring throughout: remainder of 2024	2025	2026
Average contract price ($/L)	0.667	0.667	—	—
Position (USD millions)	7	20	—	—

Subsequent to March 31, 2024, the Company entered into commodity collar contracts in the amount of 21,500 metric tonnes of copper with collar ranges of $4.10/lb to $4.52/lb, expiring May 2024.

The Company's net unrealized and realized (loss)/gain on foreign currency and diesel derivative contracts are as follows:

	Three months ended March 31, 2024	2023
Unrealized (loss)/gain on derivative financial instruments:		
Foreign currency contracts	**$ (54,539)**	$ 20,666
Diesel forward swap contracts	**1,707**	—
	(52,832)	20,666
Realized gain on derivative financial instruments:		
Foreign currency contracts	**3,364**	13,577
Diesel forward swap contracts	**351**	—
	3,715	13,577
Total unrealized and realized gain on derivative contracts:	**$ (49,117)**	$ 34,243

A summary of the fair values of unsettled derivative contracts recorded on the consolidated balance sheet is as follows:

	March 31, 2024	December 31, 2023
Foreign currency contracts:		
Current asset position	**$ 11,835**	$ 38,114
Non-current asset position	**2,582**	9,397
Current liability position	**9,103**	1,124
Non-current liability position	**17,527**	3,148
Diesel forward swap contracts:		
Current asset position	**811**	—
Current liability position	**—**	896
Other contracts:		
Chapada derivative current liability	**24,676**	24,369

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

Fair values of financial instruments

The Company's financial assets and financial liabilities have been classified into categories that determine their basis of measurement. The following table shows the carrying values, fair values and fair value hierarchy of the Company's financial instruments as at March 31, 2024 and December 31, 2023:

		March 31, 2024		December 31, 2023	
	Level	**Carrying value**	**Fair value**	Carrying value	Fair value
Financial assets					
Fair value through profit or loss					
Restricted funds	1	**$ 60,840**	**$ 60,840**	$ 59,979	$ 59,979
Trade receivables (provisional)	2	**534,688**	**534,688**	605,644	605,644
Marketable securities, and debt & equity investments	1	**16,319**	**16,319**	14,268	14,268
Foreign currency contracts	2	**14,417**	**14,417**	47,511	47,511
Diesel forward swap contracts	2	**811**	**811**	—	—
Caserones purchase option	3	**43,735**	**43,735**	44,438	44,438
		$ 670,810	**$ 670,810**	$ 771,840	$ 771,840
Financial liabilities					
Amortized cost					
Debt	3	**$ 1,341,131**	**$ 1,341,131**	$ 1,208,600	$ 1,208,600
Fair value through profit or loss					
Pricing provisions on concentrate sales	2	**$ 1,401**	**$ 1,401**	$ 1,840	$ 1,840
Chapada derivative liability	2	**24,676**	**24,676**	24,369	24,369
Caserones deferred consideration	2	**117,940**	**117,940**	116,210	116,210
Foreign currency contracts	2	**26,630**	**26,630**	4,272	4,272
Diesel forward swap contracts	2	**—**	**—**	896	896
		$ 170,647	**$ 170,647**	$ 147,587	$ 147,587

Fair values of financial instruments are determined by valuation methods depending on hierarchy levels as defined below:

Level 1 – Quoted market price in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted market prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. observed prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities are not based on observable market data.

The Company calculates fair values based on the following methods of valuation and assumptions:

Marketable securities/debt and equity investments/restricted funds – The fair value of investments in shares and bonds is determined based on the quoted market price.

Trade receivables/pricing provisions on concentrate sales – The fair value of trade receivables that contain provisional pricing sales arrangements are valued using quoted forward market prices. The Company recognized positive pricing adjustments of $9.1 million in revenue during the three months ended March 31, 2024 (March 31, 2023 - $28.3 million positive pricing adjustments).

Foreign currency and diesel forward swap contracts – The fair value of these derivatives are determined by the counterparties to the contracts and are assessed by Management using pricing models based on active market prices.

Caserones purchase option – The fair value of the Caserones purchase option is determined using a valuation model that incorporates such factors as the mine's discounted cash flow projections, metal price volatility, expiry date, and risk-free interest rate.

Chapada derivative liability – The fair value of this derivative is determined using a valuation model that incorporates such factors as metal prices, metal price volatility, expiry date, and risk-free interest rate.

Caserones deferred consideration – The fair value of the Caserones deferred consideration has been discounted at the estimated credit adjusted risk free rate applicable to future payments.

Debt – The fair values approximate carrying values as the interest rates are comparable to current market rates.

The carrying values of certain financial instruments maturing in the short-term approximate their fair values. These financial instruments include cash and cash equivalents, trade and other receivables other than those provisionally priced, and trade and other payables other than those provisionally priced, which are classified as amortized cost.

21. COMMITMENTS AND CONTINGENCIES

a) The Company has capital commitments of $436.7 million on various initiatives, of which $249.8 million is expected to be paid during 2024.

b) The Company may be involved in legal proceedings arising in the ordinary course of business, including the action described below. The potential amount of the liabilities with respect to such legal proceedings is not expected to materially affect the Company's financial position.

c) Significant changes to commitments and contingencies, since those reported at December 31, 2023, are described below:

    i. With respect to the Ontario class action, the Supreme Court of Canada granted the Company's leave application on March 28, 2024. The appeal will likely be heard in Q4 2024 or the first half of 2025.

22. SEGMENTED INFORMATION

The Company is engaged in mining, exploration and development of mineral properties at six operating sites located in Chile, Brazil, USA, Portugal, and Sweden, and at the Josemaria Project located in Argentina. Operating segments are reported in a manner consistent with the internal reporting provided to executive management who act as the chief operating decision-makers. The chief operating decision makers consider the business from a site and project-level perspective. Executive management are responsible for allocating resources and assessing performance of the operating segments. The Company has identified eight reportable segments which include six operating sites, the Josemaria Project, and other corporate office operations.

(Unaudited - Tabular amounts in thousands of US dollars, except for shares and per share amounts)

For the three months ended March 31, 2024

	Candelaria Chile	Caserones Chile	Chapada Brazil	Eagle USA	Josemaria Argentina	Neves-Corvo Portugal	Zinkgruvan Sweden	Other	Total
Revenue	$ 330,409	$ 326,211	$ 98,435	$ 57,223	$ —	$ 80,630	$ 44,073	$ —	$ 936,981
Cost of goods sold									
Production costs	(161,250)	(197,655)	(64,585)	(40,536)	—	(71,712)	(30,075)	(1,321)	(567,134)
Depreciation, depletion and amortization	(73,426)	(51,729)	(15,080)	(9,151)	—	(27,046)	(7,983)	(77)	(184,492)
Gross profit (loss)	95,733	76,827	18,770	7,536	—	(18,128)	6,015	(1,398)	185,355
General and administrative expenses	—	—	—	—	—	—	—	(16,760)	(16,760)
General exploration and business development	(1,880)	(3,600)	(683)	(101)	(3,785)	(199)	(2,388)	(815)	(13,451)
Finance (costs) income	(7,466)	(4,376)	(5,554)	(899)	7,145	(1,183)	(1,226)	(22,135)	(35,694)
Other income (expense)	6,847	18,663	2,362	(306)	8,789	(4,186)	(9,215)	(33,283)	(10,329)
Income tax (expense) recovery	(39,393)	(22,236)	2,260	1,278	—	4,837	1,278	1,410	(50,566)
Net earnings (loss)	**$ 53,841**	**$ 65,278**	**$ 17,155**	**$ 7,508**	**$ 12,149**	**$ (18,859)**	**$ (5,536)**	**$ (72,981)**	**$ 58,555**
Capital expenditures	**$ 99,532**	**$ 42,754**	**$ 29,199**	**$ 4,078**	**$ 58,646**	**$ 22,413**	**$ 14,341**	**$ 943**	**$ 271,906**
Total non-current assets[1]	**$ 3,137,025**	**$ 1,404,367**	**$ 1,386,468**	**$ 195,220**	**$ 1,259,110**	**$ 1,146,910**	**$ 266,052**	**$ 7,690**	**$ 8,802,842**

For the three months ended March 31, 2023

	Candelaria Chile	Chapada Brazil	Eagle USA	Josemaria Argentina	Neves-Corvo Portugal	Zinkgruvan Sweden	Other	Total
Revenue	$ 380,405	$ 111,118	$ 69,420	$ —	$ 129,403	$ 60,998	$ —	$ 751,344
Cost of goods sold								
Production costs	(187,979)	(68,634)	(45,449)	—	(85,726)	(28,905)	(1,071)	(417,764)
Depreciation, depletion and amortization	(58,375)	(12,081)	(11,151)	(38)	(30,080)	(8,087)	(435)	(120,247)
Gross profit (loss)	134,051	30,403	12,820	(38)	13,597	24,006	(1,506)	213,333
General and administrative expenses	—	—	—	—	—	—	(15,110)	(15,110)
General exploration and business development	(3,840)	(1,504)	(586)	—	(1,136)	(1,620)	(6,079)	(14,765)
Finance (costs) income	(8,001)	(6,034)	(1,084)	2,810	(565)	(1,103)	(1,722)	(15,699)
Other income (expense)	13,311	6,368	(182)	15,313	2,569	(248)	9,114	46,245
Income tax (expense) recovery	(42,547)	5,349	(7)	—	(1,272)	(3,979)	(6,237)	(48,693)
Net earnings (loss)	$ 92,974	$ 34,582	$ 10,961	$ 18,085	$ 13,193	$ 17,056	$ (21,540)	$ 165,311
Capital expenditures	$ 90,686	$ 16,027	$ 7,102	$ 90,555	$ 25,061	$ 14,468	$ 2,220	$ 246,119
Total non-current assets[1]	$ 3,015,585	$ 1,345,566	$ 236,873	$ 958,687	$ 1,170,597	$ 253,002	$ 30,305	$ 7,010,615

[1] Non-current assets include long-term inventory, mineral properties, plant and equipment, and goodwill.

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23. RELATED PARTY TRANSACTIONS

a) **Transactions with associates** - The Company may enter into transactions related to its investment in associate. These transactions are entered into in the normal course of business and on an arm's length basis.

b) **Key management personnel** - The Company has identified its directors and senior officers as its key management personnel. Employee benefits for key management personnel are as follows:

	Three months ended March 31,	
	2024	2023
Wages and salaries	**$ 1,869**	$ 1,294
Pension benefits	**28**	44
Share-based compensation	**475**	743
Termination benefits	**—**	1,406
	$ 2,372	$ 3,487

c) **Other related parties** - For the three months ended March 31, 2024, the Company incurred $4.6 million (March 31, 2023 – $0.3 million), for services provided by companies owned by members of key management personnel primarily relating to office rental, renovation costs, and related services.

24. SUPPLEMENTARY CASH FLOW INFORMATION

	Three months ended March 31,	
	2024	2023
Changes in non-cash working capital items consist of:		
Trade and income taxes receivable, inventories, and other current assets	**$ 45,490**	$ (14,169)
Trade and income taxes payable, and other current liabilities	**(91,625)**	(9,023)
	$ (46,135)	$ (23,192)
Operating activities included the following cash payments:		
Income taxes paid	**$ 49,001**	$ 39,857