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NEWS RELEASE

Declaration of Dividend Amendment to the General Terms and Conditions for Swedish Depository Receipts

Toronto, February 22, 2017 (TSX: LUN; Nasdaq Stockholm: LUMI) Lundin Mining Corporation (“Lundin Mining” or the “Company”) reports the following:

The Company is pleased to announce that today it has declared a dividend of CAD\$0.03 per share. The dividend is payable on April 18, 2017 to the shareholders of record at the close of business on March 31, 2017. This dividend qualifies as an 'eligible dividend' for Canadian income tax purposes.

Notice to all Non-Canadian Resident Shareholders

In 2012, the Canada Revenue Agency (CRA) changed how the tax withholding rate applied to dividend payments made to non-residents is determined. The CRA now requires a certification of residency from each shareholder so that the preferred tax treaty rate can be applied where applicable to persons resident in countries which have a tax treaty with Canada.

Form NR301 form will be mailed to all Registered non-resident shareholders by Computershare Investor Services Inc. In order to receive the preferred treaty rate, you must complete and mail back the form as soon as possible. Failure to supply a completed NR301 form will result in Computershare withholding the statutory 25% withholding tax rate on any payments to Registered non-resident shareholders. You can also download the form at <https://cda.computershare.com/Content/4f677775-5e6c-4e64-a695-a5785771fec3>. Instructions on how to correctly complete the NR301 are on the back of the form. Shareholders who hold their shares through a broker should contact their broker directly. They do not need to return a form to Computershare.

Notice to all holders of Swedish Depository Receipts

The dividend is payable to those holders of SDBs (ISIN SE0001134529) (“SDRs”) who on the record date (March 31, 2017) are entered on the SDR register kept by Euroclear Sweden as holders of SDRs or holders of rights. Dividends payable to SDR holders shall be paid in Swedish kronor (SEK). The conversion from CAD\$ to SEK will be executed by Pareto Securities AB (“Pareto”) at public market rate. The estimated payment date is on or about April 25, 2017.

In order to execute the payment of the dividend on the SDRs, a temporary administrative cross border transfer closure will be applied from and including March 28, 2017 up to and including March 31, 2017, during which period shares of the Company cannot be deposited with Pareto Securities AB and deposited shares of the Company cannot be withdrawn.

In order to make possible a payment of dividends on the SDRs, the Company and Pareto have jointly amended and further updated the General Terms and Conditions for the SDRs (the “Terms”). The

complete amended Terms are available on the Company's website and on Pareto's website at www.paretosec.com. A notice of the change of the Terms will also be published in Svenska Dagbladet on or around February 27, 2017, from which date the amended Terms will take effect.

Dividend payments on SDRs will be made net of 25% Canadian withholding tax and any other Canadian and Swedish taxes deemed applicable under Canadian and Swedish law. SDR holders who are entitled to reclaim Canadian and/or Swedish tax under applicable tax treaties should contact the CRA and the Swedish Tax Agency, respectively, directly. SDR holders who hold their SDRs through a nominee should contact their nominee.

The declaration, timing, amount and payment of future dividends remain at the discretion of the Board of Directors.

About Lundin Mining

Lundin Mining is a diversified Canadian base metals mining company with operations in Chile, the USA, Portugal, and Sweden, primarily producing copper, nickel and zinc. In addition, Lundin Mining holds an indirect 24% equity stake in the world-class Tenke Fungurume copper/cobalt mine in the Democratic Republic of Congo and in the Freeport Cobalt Oy business, which includes a cobalt refinery located in Kokkola, Finland. The Company has entered into an agreement to sell its indirect equity stake in Tenke Fungurume.

On Behalf of the Board,

Paul Conibear, President and CEO

This is information that Lundin Mining Corporation is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above on February 22, 2017 at 7:15 p.m. Eastern Time.

The content contained herein is not tax advice. Do not use or otherwise rely upon any of the content without first seeking independent tax advice.

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