

Lundin Mining Corporation

CONSOLIDATED BALANCE SHEETS

(Unaudited - in thousands of US dollars)	December 31, 2011	December 31, 2010	January 1, 2010
ASSETS			
Current			
Cash and cash equivalents	\$ 265,400	\$ 198,909	\$ 141,575
Trade and other receivables	116,019	231,970	182,210
Income taxes receivable	6,869	1,850	13,160
Inventories	41,203	31,688	27,519
Prepaid expenses	4,047	5,038	3,541
	433,538	469,455	368,005
Non-Current			
Reclamation funds	54,392	61,559	67,076
Mineral properties, plant and equipment	1,242,126	1,249,339	1,301,179
Investment in Tenke Fungurume	1,886,537	1,735,148	1,628,753
Marketable securities and other assets	19,515	32,411	42,508
Deferred tax assets	37,848	45,591	72,882
Goodwill	190,369	232,813	249,820
	3,430,787	3,356,861	3,362,218
	\$ 3,864,325	\$ 3,826,316	\$ 3,730,223
LIABILITIES			
Current			
Trade and other accounts payable	\$ 72,192	\$ 70,976	\$ 59,473
Accrued liabilities	49,541	60,675	48,235
Income taxes payable	5,211	43,743	14,657
Current portion of long-term debt and finance leases	21,740	2,512	2,536
Current portion of reclamation and closure provisions	6,581	5,985	5,830
Current portion of deferred revenue	12,523	9,719	5,667
Derivative liabilities	-	-	40,557
	167,788	193,610	176,955
Non-Current			
Long-term debt and finance leases	7,606	37,152	188,352
Other long-term liabilities	5,745	10,881	11,936
Deferred revenue	68,514	67,957	72,230
Provision for pension obligations	18,525	18,816	16,385
Reclamation and closure provisions	103,046	111,408	122,849
Deferred tax liabilities	195,245	232,906	233,658
	398,681	479,120	645,410
	566,469	672,730	822,365
SHAREHOLDERS' EQUITY			
Share capital	3,497,006	3,485,814	3,480,487
Contributed surplus	29,450	30,312	29,843
Accumulated other comprehensive loss	(116,174)	(66,349)	-
Deficit	(112,426)	(296,191)	(602,472)
	3,297,856	3,153,586	2,907,858
	\$ 3,864,325	\$ 3,826,316	\$ 3,730,223

LUNDIN MINING CORPORATION**CONSOLIDATED STATEMENTS OF EARNINGS**

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

	Three months ended December 31,		Twelve months ended December 31,	
	2011	2010	2011	2010
Sales	\$ 242,130	\$ 309,267	\$ 783,786	\$ 849,223
Operating costs	(105,922)	(111,993)	(382,020)	(367,310)
Depreciation, depletion and amortization	(46,428)	(23,310)	(153,796)	(121,862)
General and administrative	(6,899)	(5,041)	(28,008)	(20,227)
General exploration and project investigation	(8,696)	(7,032)	(42,575)	(23,624)
Income from equity investment in Tenke Fungurume	20,561	35,609	94,681	75,874
Finance income and costs	(469)	13,577	(13,139)	36,142
Other income and costs	9,508	(8,013)	11,607	(1,978)
Impairment of goodwill	(35,726)	-	(35,726)	-
Earnings before income taxes	68,059	203,064	234,810	426,238
Current income tax expense	(25,553)	(55,595)	(77,841)	(85,193)
Deferred income tax (expense) recovery	(26)	(1,356)	26,796	(34,764)
Net earnings	\$ 42,480	\$ 146,113	\$ 183,765	\$ 306,281
Basic and diluted earnings per share	\$ 0.07	\$ 0.25	\$ 0.32	\$ 0.53
Weighted average number of shares outstanding				
Basic	582,475,287	579,889,803	582,074,865	579,924,538
Diluted	582,605,648	580,262,754	582,964,608	580,539,367

LUNDIN MINING CORPORATION**CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME**

(Unaudited - in thousands of US dollars)

	Three months ended		Twelve months ended	
	December 31,		December 31,	
	2011	2010	2011	2010
Net earnings	\$ 42,480	\$ 146,113	\$ 183,765	\$ 306,281
Other comprehensive loss, net of taxes				
Cumulative foreign currency translation adjustment	(49,608)	(24,125)	(49,825)	(66,349)
Comprehensive (loss) income	\$ (7,128)	\$ 121,988	\$ 133,940	\$ 239,932

LUNDIN MINING CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - in thousands of US dollars)

	Three months ended December 31,		Twelve months ended December 31,	
	2011	2010	2011	2010
Cash provided by (used in)				
Operating activities				
Net earnings	\$ 42,480	\$ 146,113	\$ 183,765	\$ 306,281
Items not involving cash				
Finance costs (income)	465	(10,559)	8,784	(38,863)
Share-based compensation	836	288	2,124	2,322
Depreciation, depletion and amortization	46,428	23,310	153,796	121,862
Foreign exchange loss (gain)	(733)	3,298	(5,370)	(3,938)
Income from equity investment in Tenke Fungurume	(20,561)	(35,609)	(94,681)	(75,874)
Deferred income tax expense (recovery)	26	1,356	(26,796)	34,764
Recognition of deferred revenue	(3,573)	(1,745)	(24,529)	(5,688)
Impairment of goodwill	35,726	-	35,726	-
Other	(4,649)	(6,764)	(5,397)	(4,748)
Reclamation payments	(178)	(1,432)	(2,700)	(5,882)
Pension payments	(339)	(253)	(1,293)	(858)
Prepayments received	7,902	3,698	30,443	3,698
Settlement of derivative contracts	-	-	-	(30,591)
Changes in non-cash working capital items	16,424	(53,846)	54,791	(26,402)
	120,254	67,855	308,663	276,083
Investing activities				
Investment in mineral properties, plant and equipment	(56,254)	(35,181)	(179,099)	(129,770)
Acquisition of exploration properties	-	-	(9,532)	-
Investment in Tenke Fungurume	(34,500)	(7,670)	(64,508)	(30,521)
Distribution from Tenke Fungurume	-	-	7,800	-
Changes in reclamation funds	2,766	57	5,563	(1,321)
Proceeds from sale of marketable securities	-	11,839	7,972	52,280
Proceeds from sale of investments	-	-	-	31,500
Other	768	(4,733)	934	1,235
	(87,220)	(35,688)	(230,870)	(76,597)
Financing activities				
Long-term debt repayments	(16,909)	(11,369)	(28,106)	(157,637)
Proceeds from long-term debt	-	-	17,592	-
Common shares issued	-	2,333	8,206	3,474
Other	(333)	-	(335)	(1,684)
	(17,242)	(9,036)	(2,643)	(155,847)
Effect of foreign exchange on cash balances	(6,610)	2,994	(8,659)	13,695
Increase in cash and cash equivalents during the period	9,182	26,125	66,491	57,334
Cash and cash equivalents, beginning of period	256,218	172,784	198,909	141,575
Cash and cash equivalents, end of period	\$ 265,400	\$ 198,909	\$ 265,400	\$ 198,909

LUNDIN MINING CORPORATION

Segmented Information - Operational For the year ended December 31, 2011 (Unaudited - in thousands of US dollars)

	Tenke						Total
	Neves Corvo Portugal	Zinkgruvan Sweden	Aguablanca Spain	Galmoy Ireland	Fungurume DRC	Other	
Sales	\$ 558,044	\$ 188,566	\$ (1,897)	\$ 39,073	\$ -	\$ -	\$ 783,786
Operating costs	(258,991)	(94,978)	(14,820)	(12,570)	-	(661)	(382,020)
General and administrative	-	-	-	-	-	(28,008)	(28,008)
Operating earnings (loss)*	299,053	93,588	(16,717)	26,503	-	(28,669)	373,758
Depreciation, depletion and amortization	(119,418)	(30,876)	(3,067)	(72)	-	(363)	(153,796)
General exploration and project investigation	(29,590)	(651)	(1,404)	-	-	(10,930)	(42,575)
Income from equity investment in Tenke							
Fungurume	-	-	-	-	94,681	-	94,681
Finance income and costs	(2,117)	(562)	(3,901)	460	-	(7,019)	(13,139)
Other income and expenses	(3,834)	2,019	1,863	1,014	-	10,545	11,607
Impairment of goodwill	-	-	(35,726)	-	-	-	(35,726)
Income tax (expense) recovery	(37,498)	(15,615)	(819)	(549)	-	3,436	(51,045)
Net earnings (loss)	\$ 106,596	\$ 47,903	\$ (59,771)	\$ 27,356	\$ 94,681	\$ (33,000)	\$ 183,765
Capital expenditures	\$ 117,727	\$ 41,506	\$ 19,321	\$ 34	\$ 64,508	\$ 10,043	\$ 253,139
Total non-current assets**	\$ 1,110,803	\$ 223,660	\$ 81,472	\$ 15,337	\$ 1,886,537	\$ 1,223	\$ 3,319,032

For the three months ended December 31, 2011

	Tenke						Total
	Neves Corvo Portugal	Zinkgruvan Sweden	Aguablanca Spain	Galmoy Ireland	Fungurume DRC	Other	
Sales	\$ 193,768	\$ 42,240	\$ -	\$ 6,122	\$ -	\$ -	\$ 242,130
Operating costs	(75,009)	(27,111)	1,699	(5,122)	-	(379)	(105,922)
General and administrative	-	-	-	-	-	(6,899)	(6,899)
Operating earnings (loss)*	118,759	15,129	1,699	1,000	-	(7,278)	129,309
Depreciation, depletion and amortiation	(34,012)	(11,570)	(706)	(17)	-	(123)	(46,428)
General exploration and project investigation	(7,082)	(94)	(426)	-	-	(1,094)	(8,696)
Income from equity investment in Tenke							
Fungurume	-	-	-	-	20,561	-	20,561
Finance income and costs	(124)	(121)	(385)	101	-	60	(469)
Other income and expenses	5,445	626	1,689	1,624	-	124	9,508
Impairment of goodwill	-	-	(35,726)	-	-	-	(35,726)
Income tax (expense) recovery	(21,786)	(872)	(3,530)	(156)	-	765	(25,579)
Net earnings (loss)	\$ 61,200	\$ 3,098	\$ (37,385)	\$ 2,552	\$ 20,561	\$ (7,546)	\$ 42,480
Capital expenditures	\$ 28,288	\$ 11,447	\$ 16,368	\$ -	\$ 34,500	\$ 151	\$ 90,754

*Operating earnings (loss) is a non-IFRS measure.

**Non-current assets includes mineral properties, plant and equipment, investment in Tenke Fungurume and goodwill.

LUNDIN MINING CORPORATION

Segmented Information - Operational For the year ended December 31, 2010 (Unaudited - in thousands of US dollars)

	Tenke						Total
	Neves Corvo Portugal	Zinkgruvan Sweden	Aguablanca Spain	Galmoy Ireland	Fungurume DRC	Other	
Sales	\$ 541,313	\$ 165,273	\$ 129,784	\$ 12,853	\$ -	\$ -	\$ 849,223
Operating costs	(205,617)	(69,496)	(85,656)	(5,892)	-	(649)	(367,310)
General and administrative	-	-	-	-	-	(20,227)	(20,227)
Operating earnings (loss)*	335,696	95,777	44,128	6,961	-	(20,876)	461,686
Depreciation, depletion and amortization	(87,459)	(14,915)	(19,003)	(71)	-	(414)	(121,862)
General exploration and project investigation	(19,025)	-	(1,116)	-	-	(3,483)	(23,624)
Income from equity investment in Tenke							
Fungurume	-	-	-	-	75,874	-	75,874
Finance income and costs	7,828	(855)	(31)	211	-	28,989	36,142
Other income and expenses	1,651	(7,020)	(5,265)	833	-	7,823	(1,978)
Income tax expense	(90,684)	(18,561)	(8,205)	(416)	-	(2,091)	(119,957)
Net earnings	\$ 148,007	\$ 54,426	\$ 10,508	\$ 7,518	\$ 75,874	\$ 9,948	\$ 306,281
Capital expenditures	\$ 88,413	\$ 37,974	\$ 3,127	\$ -	\$ 30,521	\$ 256	\$ 160,291
Total non-current assets**	\$ 1,155,093	\$ 217,985	\$ 101,536	\$ 6,573	\$ 1,735,148	\$ 965	\$ 3,217,300
Total non-current assets January 1, 2010**	\$ 1,229,442	\$ 185,129	\$ 129,184	\$ 6,982	\$ 1,628,753	\$ 262	\$ 3,179,752

For the three months ended December 31, 2010

	Tenke						Total
	Neves Corvo Portugal	Zinkgruvan Sweden	Aguablanca Spain	Galmoy Ireland	Fungurume DRC	Other	
Sales	\$ 224,964	\$ 48,421	\$ 31,848	\$ 4,034	\$ -	\$ -	\$ 309,267
Operating costs	(69,458)	(16,572)	(24,861)	(1,023)	-	(79)	(111,993)
General and administrative	-	-	-	-	-	(5,041)	(5,041)
Operating earnings (loss)*	155,506	31,849	6,987	3,011	-	(5,120)	192,233
Depreciation, depletion and amortization	(17,119)	(5,225)	(847)	(18)	-	(101)	(23,310)
General exploration and project investigation	(5,421)	-	(391)	-	-	(1,220)	(7,032)
Income from equity investment in Tenke							
Fungurume	-	-	-	-	35,609	-	35,609
Finance income and costs	639	(174)	1,797	74	-	11,241	13,577
Other income and expenses	(1,791)	(1,000)	(7,147)	(951)	-	2,876	(8,013)
Income tax (expense) recovery	(48,120)	(6,524)	(3,220)	(116)	-	1,029	(56,951)
Net earnings (loss)	\$ 83,694	\$ 18,926	\$ (2,821)	\$ 2,000	\$ 35,609	\$ 8,705	\$ 146,113
Capital expenditures	\$ 23,357	\$ 10,388	\$ 1,335	\$ -	\$ 7,670	\$ 101	\$ 42,851

*Operating earnings (loss) is a non-IFRS measure.

**Non-current assets includes mineral properties, plant and equipment, investment in Tenke Fungurume and goodwill.