

NEWS RELEASE

Lundin Mining Announces Declaration of Dividend and Intention to Dual List Directly on Nasdaq Stockholm

Toronto, April 26, 2017 (TSX: LUN; Nasdaq Stockholm: LUMI) Lundin Mining Corporation ("Lundin Mining" or the "Company") is pleased to announce that the Board of Directors has declared a dividend of CAD\$0.03 per share to be payable on June 20, 2017. The Company also advises that it has submitted applications to have its shares listed directly on Nasdaq Stockholm, replacing its current SDR structure.

Dividend

The dividend of CAD\$0.03 per share is payable on June 20, 2017 to the shareholders of record at the close of business on June 2, 2017. This dividend qualifies as an 'eligible dividend' for Canadian income tax purposes. The declaration, timing, amount and payment of future dividends remain at the discretion of the Board of Directors.

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 will be mailed to any new Registered non-resident shareholders as at the dividend record date (June 2, 2017), 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. If you have already completed Form NR301, you do not need to complete a new form.

Notice to All Holders of Swedish Depository Receipts

The dividend declared above is payable to those holders of SDBs (ISIN SE0001134529) ("SDRs") who on the record date for the dividend (June 2, 2017) are entered in 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 exchange from CAD to SEK will be executed by Pareto Securities AB at public market rate. The estimated payment date is on or about June 26, 2017.

To execute the payment of the dividend on the SDRs, a temporary administrative cross border transfer closure will be applied from and including May 30, 2017 up to and including June 2, 2017, during which period shares of the Company cannot be deposited with Pareto Securities AB and deposited shares of the Company cannot be withdrawn.

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 change to direct share listing from SDRs, as described below, will not affect the payment of the dividend to those holders of SDRs who on the record date for the dividend (June 2, 2017) are entered on the SDR register kept by Euroclear Sweden as holders of SDRs or holders of rights, as set forth above.

Listing of Shares on Nasdaq Stockholm

The Company's shares are currently traded on Nasdaq Stockholm indirectly through SDRs. The Company has submitted applications to have its shares listed on Nasdaq Stockholm and obtain a dual listing of its shares on TSX and on Nasdaq Stockholm.

In order to directly list the shares on Nasdaq Stockholm, the Company, Euroclear Sweden and Pareto Securities AB (the "Custodian") will seek to agree the termination of the respective arrangements pursuant to which the shares are represented by SDRs. Once the termination has been agreed by all parties, all SDRs will automatically be converted to the underlying shares. No action is required of holders of SDRs to affect this change. It is expected that a notice of termination of the SDRs will be published in Svenska Dagbladet on or around May 2, 2017 and further that the record date on which the Custodian shall cancel the SDRs and deliver the underlying shares to the holders of SDRs or holder of rights registered on the record date, shall be on or around June 9, 2017.

The first day of trading of shares is expected to be June 8, 2017. The trading symbol of the Company's shares will be "LUN" (CA5503721063). All shares traded on Nasdaq Stockholm will be affiliated to Euroclear Sweden. In conjunction with the above, the Company has also applied to de-list the SDRs from Nasdaq Stockholm. The last day of trading of the SDRs is expected to be June 7, 2017.

To execute the above, an administrative cross border transfer closure will be applied from and including June 5, 2017 from which date shares of the Company cannot be deposited with Pareto Securities AB and deposited shares of the Company cannot be withdrawn.

The Company's application for the listing of its shares on Nasdaq is subject to customary conditions which include the approval and registration, and subsequent publication, of a listing prospectus prepared in accordance with Swedish laws and regulations.

As discussed above, it is expected that the conversion of the SDRs and listing of shares on Nasdaq Stockholm will have been completed before the estimated June 20, 2017 dividend payment date. Payment of the dividend will nonetheless be made to holders of SDRs who on the dividend record date (June 2, 2017) are entered on the SDR register maintained by Euroclear Sweden.

About Lundin Mining

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

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.

Cautionary Statement in Forward-Looking Information

Certain of the statements made and information contained herein, other than statements of historical fact and historical information, is “forward-looking information” within the meaning of applicable Canadian securities laws. Such statements include, but are not limited to, payment of the dividend, listing of the common shares on Nasdaq Stockholm (including timing thereof), delisting of the SDRs from the Nasdaq Stockholm (including timing thereof), future dividends, and the approval and registration of a listing prospectus. Words such as “could” “estimate”, “expect”, “if”, and “schedule”, or variations of these terms or similar terminology or statements that certain actions, events or results “could” occur or be achieved are intended to identify such forward-looking information. Although the Company believes that the expectations reflected in the forward-looking information contained herein are reasonable, these statements by their nature involve risks and uncertainties, and are not guarantees of future performance. Forward-looking information is based on a number of assumptions, and subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements. Such risks and uncertainties include, without limitation, delays encountered with the Nasdaq Stockholm and other regulatory authorities in Sweden, changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental/regulatory approvals (including the approval of the listing prospectus), as well as other risks and uncertainties including but not limited to those described in the Risks and Uncertainties section of the Company’s most recently filed Annual Information Form and in the Managing Risks section of each of the Company’s management discussion and analysis. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward - looking statements or to explain any material difference between subsequent actual events and such forward - looking statements, except to the extent required by applicable law.

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 and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above on April 26, 2017 at 5:40 p.m. Eastern Time.

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