VANCOUVER, BRITISH COLUMBIA--(Marketwired - June 13, 2017) - Lundin Gold Inc. ("Lundin Gold" or the "Company") (TSX:LUG)(OMX:LUG) is pleased to announce that, following receipt of an initial draw of $30 million on May 30, 2017, it has now received an additional $120 million under its previously announced project finance package with the Orion Mine Finance Group and Blackstone Tactical Opportunities (the "Financing"). All dollar amounts are quoted in U.S. dollars ("$").

The Financing is comprised of a gold prepay credit facility for $150 million, a stream loan credit facility of $150 million, an offtake agreement, and committed participation of $100 to $150 million to future equity financings. The Company has now received $75 million from each of the gold prepay credit facility and the stream loan credit facility. The remaining $75 million from each credit facility are available to be drawn at the option of Lundin Gold up to the end of June 2018, subject to the perfection of all security and certain other conditions.

About the Company

Lundin Gold Inc., headquartered in Vancouver, Canada, owns the Fruta del Norte (FDN) gold project in southeast Ecuador, which is one of the largest and highest grade undeveloped gold projects in the world. The Company has an experienced board and management team with extensive expertise in construction and operations dedicated to the advancement of this exceptional project.

The Company operates with transparency and in accordance with international best practices in the areas of sustainability, health and safety, environment and community relations. The Company is committed to addressing the challenge of sustainability - delivering value to its shareholders, while simultaneously providing economic and social benefits to impacted communities and minimizing its environmental footprint. The Company believes that the value created through the development of FDN will not only greatly benefit its shareholders, but also help the Government and people of Ecuador.

Additional Information

The information in this release is subject to the disclosure requirements of the Company under the EU Market Abuse Regulation and the Swedish Securities Market Act. This information was publicly communicated on June 13, 2017 at 10:00 a.m. Pacific Time.

Forward-Looking Statements

Certain of the information and statements in this press release are considered "forward-looking information" or "forward-looking statements" as those terms are defined under Canadian securities laws (collectively referred to as "forward-looking statements"). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "believes", "anticipates", "expects", "is expected", "scheduled", "estimates", "pending", "intends", "plans", "forecasts", "targets", or "hopes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "will", "should" "might", "will be taken", or "occur" and similar expressions) are not statements of historical fact and may be forward-looking statements.

By their nature, forward-looking statements and information involve assumptions, inherent risks and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements and information. This press release contains forward-looking information in a number of places, such as in statements pertaining to the Financing and future sources of liquidity. Lundin Gold believes that the expectations reflected in this forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. This information speaks only as of the date of this press release, and the Company will not necessarily update this information, unless required to do so by securities laws.

Lundin Gold's actual results could differ materially from those anticipated. Management has identified the following risk factors which could have a material impact on the Company or the trading price of its shares: the ability to arrange financing and the risk to shareholders of dilution from future equity financings; risks related to carrying on business in an emerging market such as possible government instability and civil turmoil and economic instability; volatility in the price of gold; the timely receipt of regulatory approvals, permits and licenses; risks associated with the performance of the Company's contractors; risks inherent in the development of an underground mine; deficient or vulnerable title to mining concessions and surface rights; shortages of resources, such as input commodities, equipment and skilled labour, and the dependence on key personnel; risks associated with the Company's community relationships; unreliable infrastructure and local opposition to mining; volatility in the market price of the Company's shares; uncertainty with the tax regime in Ecuador; measures required to protect endangered species; difficulty complying with changing government regulations and policies, including without limitation, compliance with environment, health and safety regulations, and the cost of compliance or failure to comply with applicable laws; exploration and development risks; the accuracy of the Mineral Reserve and Resource estimates for the Fruta del Norte Project and the Company's reliance on one project; the Company's lack of operating history; illegal mining; uncertainty as to reclamation and decommissioning; adverse global economic conditions; risks associated with the Company's information systems; the ability to obtain adequate insurance; risks of bribery or corruption; the potential for litigation; limits of disclosure and internal controls; and

the potential influence of the Company's largest shareholders.

There can be no assurance that such statements will prove to be accurate, as Lundin Gold's actual results and future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed under the heading "Risk Factors" in the Company's current annual information form available at www.sedar.com.

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