Lundin Mining Announces New Shareholder Distribution Policy

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VANCOUVER, March 26, 2025 - (TSX: LUN; Nasdaq Stockholm: LUMI) Lundin Mining Corp. ("Lundin Mining" or the "Company") today announced that its Board of Directors have amended the shareholder distribution policy to increase the level of share buybacks while adjusting the dividend to maintain the total amount returned to shareholders annually. Unless otherwise stated, all values presented are in United States dollars.

The Company is committed to delivering shareholder returns through a balanced approach of dividends and share buybacks, with a total annual allocation of approximately $220 million. As part of this strategy, the Company is adjusting its quarterly dividend from C$0.09 per share to C$0.0275 per share while allocating up to approximately $150 million per annum in share buybacks through the Company's normal course issuer bid program ("NCIB"). If the Company allocates less than $150 million in share buybacks in a calendar year, the shortfall will be distributed as a special dividend. If applicable, the special dividend will be paid alongside the regular 4th-quarter dividend.

Jack Lundin, President and CEO commented "Returning capital to shareholders remains a fundamental element to Lundin Mining's strategy and an important component to our business. In 2017, the Company initiated our first ever dividend payment, which has since evolved over the course of the past eight years to include regular and special dividends, as well as periodic share buybacks. Through these means of dividends and buybacks, the Company has returned over $1.4 billion to shareholders. We remain in a strong financial position to sustain approximately $220 million in annual shareholder returns through a formal strategy that now integrates share buybacks alongside dividends, thereby enhancing the financial and operational metrics on a per-share basis."

New Shareholder Distribution Framework

Since the inception of our dividend in 2017, Lundin Mining has maintained a peer-leading shareholder distribution framework, returning $1.2 billion in dividends and $227 million in share buybacks. Year-to-date, the Company has acquired approximately $70 million in common shares, amounting to 8.0 million shares for cancelation.

Management and the Board of Directors have completed a strategic review of the dividend policy and approved an amendment to the quarterly dividend from C$0.09 per common share (C$0.36 per common share on an annualized basis) to a quarterly dividend of C$0.0275 per common share (C$0.11 per common share on an annualized basis) and have eliminated the performance dividend which stipulated that the minimum dividend payout should equal 40% of attributable operating cash flow after capital expenditures and contingent payments.

The revised quarterly dividend of C$0.0275 per common share is expected to be declared for Q1 2025 with payment in June 2025.

The Company is committed to distributing approximately $220 million annually in shareholder returns. If total share buybacks and the annual cash dividend of C$0.11 per common share falls short of this amount, a special dividend will be issued to ensure that a total shareholder distribution of approximately $220 million per year is met.

The dividend policy of the Company will undergo periodic review by the Board of Directors and payment of any future dividends will be at the discretion of the Board of Directors and is subject to change from time to time depending on many factors, including the earnings of the Company, its financial requirements and other existing factors.

Normal Course Issuer Bid

On December 11, 2024 the Toronto Stock Exchange approved the Company's NCIB which allows the Company to purchase up to 57,597,388 common shares over a twelve month period. Since the NCIB program was approved on December 11, 2024, the Company has acquired 11,244,712 common shares (approximately $94 million) in the market for cancelation at an average price of C$12.21 per share.

See press release entitled "Lundin Mining Announces TSX Approval for a Normal Course Issuer Bid" for further details.

About Lundin Mining

Lundin Mining is a diversified Canadian base metals mining company with operations or projects in Argentina, Brazil, Chile, and the United States of America, primarily producing copper, gold and nickel.

The information in this release is subject to the disclosure requirements of Lundin Mining under the Swedish Financial Instruments Trading Act. The information was submitted for publication, through the agency of the contact persons set out below on March 26, 2025 at 20:30 Pacific Time.

Cautionary Statement on Forward-Looking Information

Certain of the statements made and information contained herein are "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 shareholder return strategy; the Company's intentions with respect to payment of dividends and purchases under the NCIB; the Company's ability to enhance financial and operational metrics on a per-share basis and build long-term share price appreciation; 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 information.

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, gold, zinc, nickel and other metals; anticipated costs; ability to achieve goals; the prompt and effective integration of acquisitions and the realization of synergies and economies of scale in connection therewith; 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, such information is 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 information and undue reliance should not be placed on such information. Such factors include, but are not limited to: dependence on international market prices and demand for the metals that the Company produces; political, economic, and regulatory uncertainty in 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; risks relating to mine closure and reclamation obligations; health and safety hazards; inherent risks of mining, not all of which related risk events are insurable; risks relating to tailings and waste management facilities; risks relating to the Company's indebtedness; challenges and conflicts that may arise in partnerships and joint operations; risks relating to development projects; risks that revenue may be significantly impacted in the event of any production stoppages or reputational damage in Chile; the impact of global financial conditions, market volatility and inflation; business interruptions caused by critical infrastructure failures; challenges of effective water management; exposure to greater foreign exchange and capital controls, as well as political, social and economic risks as a result of the Company's operation in emerging markets; risks relating to stakeholder opposition to continued operation, further development, or new development of the Company's projects and mines; any breach or failure information systems; risks relating to reliance on estimates of future production; risks relating to litigation and administrative proceedings which the Company may be subject to from time to time; risks relating to acquisitions or business arrangements; risks relating to competition in the industry; failure to comply with existing or new laws or changes in laws; challenges or defects in title or termination of mining or exploitation concessions; the exclusive jurisdiction of foreign courts; the outbreak of infectious diseases or viruses; risks relating to taxation changes; receipt of and ability to maintain all permits that are required for operation; minor elements contained in concentrate products; changes in the relationship with its employees and contractors; the Company's Mineral Reserves and Mineral Resources which are estimates only; payment of dividends in the future; compliance with environmental, health and safety laws and regulations, including changes to such laws or regulations; interests of significant shareholders of the Company; asset values being subject to impairment charges; potential for conflicts of interest and public association with other Lundin Group companies or entities; activist shareholders and proxy solicitation firms; risks associated with climate change; the Company's common shares being subject to dilution; ability to attract and retain highly skilled employees; reliance on key personnel and reporting and oversight systems; risks relating to the Company's internal controls; counterparty and customer concentration risk; risks associated with the use of derivatives; exchange rate fluctuations; the completion of the sale of the Company's European assets; and other risks and uncertainties, including but not limited to those described in the "Risks and Uncertainties" section of the Company's MD&A for the year ended December 31, 2024 and the "Risks and Uncertainties" section of the Company's Annual Information Form for the year ended December 31, 2024, which are available on SEDAR+ at www.sedarplus.ca under the Company's profile.

All of the forward-looking information 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, forecasted 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.

SOURCE Lundin Mining Corporation

Contact

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