FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Lundin Gold Inc. (“Lundin Gold” or the “Company”)
Suite 2000 – 885 West Georgia Street
Vancouver, BC V6C 3E8
Telephone Number: (604) 689-7842

Item 2: Date of Material Change

May 30, 2017

Item 3: News Release

A news release announcing the material change was issued on May 30, 2017 through Marketwired and a copy was subsequently filed on SEDAR.

Item 4: Summary of Material Change

The Company announced a project finance package of $400 to $450 million with the Orion Mine Finance Group (“Orion”) and Blackstone Tactical Opportunities ("Blackstone").

Item 5: Full Description of Material Change

The Company announced a project finance package of $400 to $450 million (the "Financing") with Orion and Blackstone (collectively, the “Investors”). The Financing provides the foundation for the development of the Company’s Fruta del Norte project, and is comprised of a gold prepay credit facility for $150 million, a stream loan credit facility of $150 million and committed participation of $100 to $150 million to future equity financings required to fund the project. All dollar amounts are quoted in U.S. dollars (“$”) unless stated otherwise.

The Financing covers a significant portion of the estimated capital costs of $684 million to develop the Fruta del Norte project (based on the project update released on May 30, 2017). The Company is already focused on a number of strategies to fund the balance of the estimated capital costs, indirect taxes of $108 million, advance royalty payments of $40 million, plus working capital requirements and other costs of a discretionary nature (such as corporate and exploration expenses) that will be incurred between now and achieving commercial production at Fruta del Norte in 2020. The Company has committed under the terms of the Financing to secure the balance of the funds required to bring the Fruta del Norte project into production by way of additional debt (minimum of $300 million) and equity (minimum of $350 million, inclusive of the committed equity participation of $100 to $150 million from Orion and Blackstone discussed below) by either December 31, 2018 (with a minimum equity raise by March 31, 2018), or June 30, 2018, depending on ongoing negotiations on the next tranche of debt. The actual amount of debt and equity ultimately required will depend on many factors relating to the project development and otherwise.

The following is a summary of the principal elements of the Financing.

Loan Facilities

- Gold Prepay Credit Agreement:
  - Senior Secured Loan facility of $150 million entered into by the Company's operating subsidiary, Aurelian Ecuador S.A. ("Aurelian Ecuador"), which holds the Fruta del Norte project;
  - $75 million advanced at or shortly after closing. The remaining $75 million is 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;
  - Repayable in 19 fixed quarterly principal and interest cash instalments equivalent to the value of 11,500 oz of delivered gold starting in December 2020;
  - Lundin Gold has an option to defer the quarterly instalments for up to four (4) quarters by increasing the gold equivalent deliveries by 1,000 oz for each deferred quarter; and
  - The quarterly installments are also subject to adjustment in the event that quarterly average gold price exceeds $1,436 per ounce (in which case the gold quantity to be delivered for the next fiscal quarter will be reduced by 15%) or is less than $1,062 per ounce (in which case the gold quantity to be delivered for the next fiscal quarter will be increased by 15%).
- Stream Credit Agreement:
  - Senior Secured Loan facility of $150 million entered into by Aurelian Ecuador;
  - $75 million advanced shortly after closing. The remaining $75 million is 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;
  - Repayable in variable monthly principal and interest cash instalments equivalent to the delivery of 7.75% of gold production and 100% of the silver production starting in December 2020, up to a maximum of 350,000 oz of gold and six million oz of silver;
  - Gold price and silver price for the purposes of calculating instalment payments is at a discount to market price (discount of $400.00 per ounce of gold and $4.00 per ounce of silver, each subject to an increase of 1% per annum, on a compounded basis starting at the end of 2023); and
  - Option for Lundin Gold to repay (i) 50% of the remaining stream loan on June 30, 2024 for $150 million and / or (ii) the other 50% of the remaining stream loan on June 30, 2026 for $225 million.

Aurelian Ecuador's obligations under both the Gold Prepay Credit Agreement and the Stream Credit Agreement are guaranteed by the Company and its subsidiaries, and are secured by the project assets.

Equity Commitment

The Investors have committed to participate in future equity financings of Lundin Gold, in an aggregate amount of not less than $100 million (“Minimum Investment Amount”), as and when initiated by the Company prior to certain agreed upon dates and subject to minimum financing thresholds. The Investors have the right to increase their aggregate maximum participation to $150 million in connection with any equity financing undertaken by the Company during the relevant period. For each equity financing of at least CDN$100 million, the Investors have agreed to acquire, at a minimum, the lower of $45,000,000 and 20%, up to the aggregate Minimum Investment Amount. If the Company provides notice to the Investors that an equity raise would result in the project being fully funded, the Investors will be obligated to subscribe for, and the Company will issue, securities in the amount of any remaining Minimum Investment Amount.

Offtake Agreement

Orion and Blackstone have also been granted the right to purchase 50% of Fruta del Norte gold production, up to a maximum of 2.5 million oz., at a price determined based on monthly delivery dates and a defined quotational period.

Item 6: Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

Ron Hochstein, President and Chief Executive Officer
Telephone: 604-689-7842

Item 9: Date of Report

This Material Change Report is dated as of June 9, 2017.

Forward-Looking Statements

Certain of the information and statements in this material change report 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, 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.