

LUNDIN GOLD REPORTS FIRST QUARTER OF 2024 RESULTS

Results Provide Strong Foundation to Meet 2024 Guidance

Lundin Gold Inc. (TSX: LUG) (Nasdaq Stockholm: LUG) (OTCQX: LUGDF) ("Lundin Gold" or the "Company") is pleased to report results for the first quarter of 2024, highlighted by gold production of 111,572 ounces ("oz") and gold sales of 108,916 oz at a cash operating cost¹ of \$735 per oz sold and all-in sustaining cost ("AISC")¹ of \$868 per oz sold from its Fruta del Norte gold mine ("Fruta del Norte" or "FDN") located in southeastern Ecuador. Bolstered by strong operating performance, reduced debt servicing costs and record high gold prices, Fruta del Norte generated in excess of \$100 million cash from operating activities in the first quarter, and free cash flow¹ of \$82.3 million or \$0.35 per share, resulting in a cash balance of \$324 million as at March 31, 2024. All amounts are in U.S. dollars unless otherwise indicated.

"I'm pleased to report another great start to the year for Lundin Gold. Operations are running consistently, including cost performance and production which is weighted to the second half of the year. Our Process Plant Expansion Project to deliver increased throughput and recoveries is on track for year-end completion. As a result of our conversion drilling, we announced the replacement of our Mineral Reserves and continue to focus on organic growth opportunities." Ron Hochstein, President and CEO commented, "With the buy out of the stream credit facility and offtake agreement, we are poised to repay the final piece of the Fruta del Norte project finance debt by the end of the second quarter, and are looking forward to further margin expansion in addition to unencumbered exposure to rising gold prices. 2024 is shaping up to be a great year with our continued focus on operational excellence, near-term production growth and very exciting exploration throughout the Fruta del Norte district."

OPERATING AND FINANCIAL RESULTS SUMMARY

The following two tables provide an overview of key operating and financial results.

	Three months ended March 31	
	2024	2023
Tonnes ore mined	419,758	427,735
Tonnes ore milled	413,596	392,332
Average mill throughput (tpd)	4,545	4,359
Average mill head grade (g/t)	9.5	12.3
Average recovery	88.3%	90.6%
Gold ounces produced	111,572	140,021
Gold ounces sold	108,916	134,691

¹ Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found on pages 13 to 16 of the Company's MD&A for the first quarter ended March 31, 2024 available on SEDAR+.

	Three months ended March 31	
	2024	2023
Revenues (\$'000)	226,741	256,728
Income from mining operations (\$'000)	113,237	132,708
Earnings before interest, taxes, depreciation, and amortization (\$'000) ¹	111,612	143,632
Adjusted earnings before interest, taxes, depreciation, and amortization (\$'000) ¹	131,456	159,066
Net income (\$'000)	41,897	51,465
Basic income per share (\$)	0.18	0.22
Cash provided by operating activities (\$'000)	107,914	144,439
Free cash flow (\$'000) ¹	82,259	(11,653)
Free cash flow per share (\$) ¹	0.35	(0.05)
Average realized gold price (\$/oz sold) ¹	2,141	1,952
Cash operating cost (\$/oz sold) ¹	735	644
All-in sustaining costs (\$/oz sold) ¹	868	728
Adjusted earnings (\$'000) ¹	57,796	67,014
Adjusted earnings per share (\$) ¹	0.24	0.28
Dividends paid per share (\$)	0.10	0.10

FIRST QUARTER HIGHLIGHTS - FDN STRONGLY POSITIONED TO PROFIT FROM RISING GOLD PRICES

Financial Results

- Gold sales totalled 108,916 oz, consisting of 71,676 oz in concentrate and 37,240 oz as doré, resulting in gross revenues of \$233 million at an average realized gold price¹ of \$2,141 per oz.
- Net of treatment and refining charges, revenues for the quarter were \$227 million.
- Cash operating costs¹ and AISC¹ were \$735 and \$868 per oz of gold sold, respectively, which are both in line with expectations. Cash operating costs¹ per oz sold were at the upper end of guidance as a result of lower gold production resulting from expected lower grades and recoveries, while the lower level of sustaining capital activities than anticipated during the quarter reduced AISC¹.
- The Company generated cash from operating activities of \$108 million and free cash flow¹ of \$82.3 million or \$0.35 per share resulting in a cash balance of \$324 million at March 31, 2024.
- Earnings before interest, taxes, depreciation, and amortization¹ (“EBITDA”) and adjusted EBITDA¹ were \$112 million and \$131 million, respectively, with the difference resulting from derivative losses recognized in the quarter and a one-time special government levy, payable in two equal instalments.
- Net income was \$41.9 million including a derivative loss of \$17.9 million, and net of corporate, exploration, finance costs, and associated taxes. Adjusted earnings¹, which exclude the one-time special government levy, derivative losses and related taxes, were \$57.8 million, or \$0.24 per share.

Production Results

- Gold production was 111,572 oz which was comprised of 73,964 oz in concentrate and 37,608 oz as doré.

¹ Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found on pages 13 to 16 of the Company's MD&A for the first quarter ended March 31, 2024 available on SEDAR+.

- Mine production totalled 419,758 tonnes of ore at an average grade of 10.5 grams per tonne.
- The mill processed 413,596 tonnes of ore at an average throughput rate of 4,545 tpd which is consistent with the throughput rate achieved during the previous year.
- The average grade of ore milled was 9.5 grams per tonne with average recovery at 88.3%.

Outlook

- First quarter performance provides a strong foundation for the rest of the year. The Company's production guidance of 450,000 to 500,000 oz and AISC¹ guidance of \$820 to \$890 oz. sold remain unchanged.
- Production is expected to be higher during the second half of the year driven by planned increase in grades and recoveries.
- Process Plant Expansion Project to increase plant throughput to 5,000 tpd and improve metallurgical recoveries, with the addition of three Jameson cells, remains on track for completion by the end of 2024.
- Near-mine drilling program to continue to explore Bonza Sur where the primary focus is to better understand the target's mineralized zones as well as expanding the system to the north and at depth.
- At the new FDN East discovery, two rigs will focus on expanding the initial positive results achieved to gain a better understanding of the mineralized zones and the main geological controls.
- One underground rig is expected to continue to test the extension of the FDN mineral envelope at depth.
- The regional drilling program is planned to start during the second quarter with one surface rig testing the Robles and Lupita targets in the Southern Basin.
- Ten rigs are turning across the conversion, near-mine and regional programs and a minimum of 65,000 metres of drilling continues to be planned in 2024. This represents the largest drill program ever completed at the land package that hosts the FDN deposit. The estimated exploration budget for 2024 remains \$42 million.
- The Company anticipates continuing to declare quarterly dividends of at least \$0.10 per share, which is equivalent to approximately \$100 million annually, based on currently issued and outstanding shares. With the Company becoming debt free combined with rising gold prices, the Company expects to review its dividend policy in the latter half of 2024.

Liquidity and Capital Resources

At the end of the first quarter of 2024, the Company is in a strong financial position:

<i>(in thousands of U.S. dollars)</i>	As at March 31, 2024	As at December 31, 2023
Financial Position:		
Cash	323,935	268,025
Working capital	413,528	346,859
Total assets	1,508,987	1,468,209
Long-term debt		
Fair value of stream credit facility and offtake	326,791	305,647

¹ Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found on pages 13 to 16 of the Company's MD&A for the first quarter ended March 31, 2024 available on SEDAR+.

The change in cash during the first quarter was primarily due to cash generated from operating activities of \$108 million and proceeds from the exercise of stock options totalling \$4.3 million. This is offset by principal repayments, interest and finance charges, including associated taxes, under the stream credit facility ("Stream Facility") totalling \$15.1 million; dividends of \$23.9 million; cash outflows of \$13.6 million relating to sustaining and plant expansion capital spending; and settlement of vested share units with cash of \$3.6 million.

The Stream Facility was the last remaining debt on the Company's balance sheet following the full repayment of both the gold prepay credit facility and senior debt facility during 2023. On April 25, 2024, the Company announced that it had entered into an agreement with Newmont to buy out 100% of the balance of the Stream Facility and offtake agreement for total consideration of \$330 million (the "Transaction")¹.

Capital Expenditures

- **Sustaining Capital:**

- Sustaining capital activities during the quarter focused on completing projects that began in 2023 including the implementation of a mine dispatch system and the upgrade of the surface haul road from the mine to the ore stockpile area.
- For the conversion drilling program, a total of 3,710 metres across 30 drill holes were completed in the north sector of the FDN deposit. Conversion drilling continues to confirm mineralization at FDN with high-grade drilling intercepts associated with breccias and stockwork zones, like the mineralization found in the north sector of the Mineral Reserve envelope. Two rigs are currently turning under the conversion program.

- **Process Plant Expansion Project**

- Detailed engineering advanced during the quarter, along with procurement activities of plant equipment for the expansion which is expected to improve throughput to 5,000 tonnes per day and improve recoveries by approximately 3%.
- Construction of the upgraded tailings and reclaim pipelines commenced late in the quarter.
- The project continues to track on schedule for completion in December of this year.

Health and Safety

During the first quarter there were two Lost Time Incidents and three Medical Aid Incidents. The Total Recordable Incident Rate across exploration and operations was 0.63 per 200,000 hours worked for the quarter.

Community

Lundin Gold continued to support several community projects in the first quarter of 2024, including initiatives focused on community health and education. The mental health and well-being program run by *Educación para Compartir*, an international non-profit organization, continued with increased participation by local community members. The program has expanded to incorporate extra-curricular activities for young people and extended to rural communities close to Fruta del Norte. Company sponsored education programs, which aim to improve local student access to higher education, continued to show success. At quarter end, there were more than 200 students from the nearby town of Los Encuentros enrolled at public and private universities.

¹ The Transaction constitutes a "related party transaction", as defined under Multilateral Instrument 61-101 ("MI 61-101"). The Transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as the consideration paid pursuant to the Transaction does not exceed 25% of the Company's market capitalization.

Infrastructure investment continued to be a priority for Lundin Gold in the quarter. In line with the Company's long-standing commitment to support road maintenance, Lundin Gold reached an agreement with local authorities to participate in a road paving initiative, which when completed will benefit more than 200 residents.

During the first quarter of 2024, two series of dialogue round tables occurred, with high participation rates by local community members.

EXPLORATION

Near-Mine Exploration Program

During the first quarter of 2024, the Company completed a total of 12,331 metres across 26 holes from surface and underground. Drilling from underground explored mainly the FDN deposit at depth while drilling from surface continued to test sectors located along the extensions of the controlling structures of the FDN deposit, such as Bonza Sur and FDN East.

- During the quarter, the surface drilling program continued along the extensions of the East Fault, where the Bonza Sur discovery and other prospective sectors like FDN East, FDN North and Alejandro are located.
 - At Bonza Sur, located one kilometre from FDN, eight surface drill holes were completed and continue to expand this new epithermal system. Recent results confirm higher-grade intercepts at shallower depths associated mainly to vein/veinlet zones of quartz and minor chalcedony and manganese-carbonate with occurrences of disseminated to semi-massive levels of sulphides (mainly sphalerite and galena). Mineralization has already been identified for more than 1.3 kilometres along the north-south strike and for at least 500 metres along the downdip and remains open in all directions.
 - At FDN East, a new buried epithermal mineralized system was discovered only 100 metres east from FDN. The target is hosted in similar volcanic and intrusive rocks as those found at the FDN deposit and is buried by sedimentary cover. Four drill holes were completed during the first quarter and intercepted gold mineralization associated with significant levels of hydrothermal alteration represented by veins and/or veinlets of chalcedony, sulfides (mainly pyrite) and visible gold.
- Underground exploration drilling at FDN continues to explore extensions of the mineral envelope at depth and four drill holes have been completed year-to-date. Of note, drill hole UGE-DD-24-089 indicates gold mineralization associated with zones of hydrothermal alteration of a similar composition to that found at shallower levels of the mine and underscores the potential to expand FDN's current mineral envelope at depth.

Regional Exploration Program

The 2024 regional program continues to advance the identification of important indicators that point toward the presence of buried epithermal deposits in the southern basin. New sectors have been identified along the south border of the Suarez basin. A total of 10,000 metres of drilling is planned to be completed in 2024.

During the quarter, exploration fieldwork activities were completed on the Robles and Lupita targets, located to the south of the Suarez Basin. Detailed geological interpretation of exploration data and additional fieldwork were completed and aimed at identifying major structures and zones of hydrothermal alteration. The regional drilling program commenced at the Robles target in April.

CORPORATE – QUARTERLY DIVIDEND OF \$0.10 PER SHARE PAID AND DECLARED

The Company paid its quarterly dividend of \$0.10 per share on March 25, 2024 (March 28 for shares trading on Nasdaq Stockholm) based on a record date of March 8, 2024, for a total of \$23.9 million. With the release of its first quarter 2024 results, the Company has declared a cash dividend of \$0.10 per share, which is payable on June 25, 2024 (June 28 for shares trading on Nasdaq Stockholm) to shareholders of record on June 10, 2024.

Qualified Persons

The technical information relating to FDN contained in this News Release has been reviewed and approved by Terry Smith P. Eng, Lundin Gold's COO who is a Qualified Person under NI 43-101. The disclosure of exploration information contained in this press release was prepared by Andre Oliveira, P.Geo, Lundin Gold's V.P. Exploration, who is a Qualified Person in accordance with the requirements of NI 43-101.

Webcast and Conference Call

The Company will host a conference call and webcast to discuss its results on Thursday, May 9 at 9:00 a.m. PT, 12:00 p.m. ET, 6:00 p.m. CET.

Conference Call Dial-In Numbers:

Participant Dial-In North America:	+1 416-764-8659
Toll-Free Participant Dial-In North America:	+1 888-664-6392
Participant Dial-In Sweden:	0200899189
Conference ID:	Lundin Gold / 56420882

A link to the webcast will be available on the Company's website, www.lundingold.com.

A replay of the conference call will be available two hours after the completion of the call until Thursday, May 24, 2024.

Toll Free North America Replay Number:	+1 888-390-0541
International Replay Number:	+1 416-764-8677
Replay passcode:	420882 #

About Lundin Gold

Lundin Gold, headquartered in Vancouver, Canada, is committed to positive and long-lasting impact on our host communities, while delivering significant value to stakeholders through operational excellence, cash flow generation and focused growth. Lundin Gold currently operates its 100% owned Fruta del Norte gold mine in southeast Ecuador, which is one of the highest-grade gold mines in production in the world today. The Company also owns a portfolio of prospective exploration properties close to FDN.

Non-IFRS Measures

This news release refers to certain financial measures, such as average realized gold price per oz sold, EBITDA, adjusted EBITDA, cash operating cost per oz sold, all-in sustaining cost, free cash flow, free cash flow per share, and adjusted earnings, which are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. These measures may differ from those made by other companies and accordingly may not be comparable to such measures as reported by other companies. These measures have been derived from the Company's financial statements because the Company believes that, with the achievement of commercial production, they are of assistance in the understanding of the results of operations and its financial position. Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found on page 13 of the Company's MD&A for the three months ended March 31, 2024 available on SEDAR+.

Additional Information

The information in this release is subject to the disclosure requirements of Lundin Gold under the EU Market Abuse Regulation. This information was publicly communicated on May 8, 2024 at 6:30 p.m. Pacific Time through the contact persons set out below.

For more information, please contact

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Caution Regarding Forward-Looking Information and 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. 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.

This press release contains forward-looking information in several places, such as in statements relating to the Company's 2024 production outlook, including estimates of gold production, grades recoveries and AISC; operating plans; expected sales receipts, and cash flow forecasts; completion of the buy out of the Stream Credit Facility and the Offtake Agreement; timing of the completion of

the Process Plant Expansion Project and its intended benefits, its estimated capital costs; expected management changes; benefits of the Company's community programs; the Company's declaration and payment of dividends pursuant to its dividend policy; the timing and the success of its drill program at Fruta del Norte and its other exploration activities; and estimates of Mineral Resources and Reserves at Fruta del Norte. 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 in the "Risk Factors" section in Lundin Gold's Annual Information Form dated March 26, 2024, which is available at www.lundingold.com or www.sedarplus.ca.

Lundin Gold's actual results could differ materially from those anticipated. Factors that could cause actual results to differ materially from any forward-looking statement or that could have a material impact on the Company or the trading price of its shares include: instability in Ecuador; community relations; forecasts relating to production and costs; mining operations; security; non-compliance with laws and regulations and compliance costs; tax changes in Ecuador; waste disposal and tailings; government or regulatory approvals; environmental compliance; gold price; infrastructure; dependence on a single mine; exploration and development; control of Lundin Gold; availability of workforce and labour relations; dividends; information systems and cyber security; Mineral Reserve and Mineral Resource estimates; title matters and surface rights and access; health and safety; human rights; employee misconduct; measures to protect biodiversity; endangered species and critical habitats; global economic conditions; shortages of critical resources; competition for new projects; key talent recruitment and retention; market price of the Company's shares; social media and reputation; insurance and uninsured risks; pandemics, epidemics or infectious disease outbreak; climate change; illegal mining; conflicts of interest; ability to maintain obligations or comply with debt; violation of anti-bribery and corruption laws; internal controls; claims and legal proceedings; and reclamation obligations.

LUNDIN GOLD

Building a leading Gold Company
through responsible mining

Q1 2024



LUNDIN GOLD INC.

Management's Discussion and Analysis

Three Months Ended March 31, 2024

(All dollar amounts are stated in U.S. dollars unless otherwise indicated. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of Lundin Gold Inc. and its subsidiaries (collectively, "Lundin Gold" or the "Company") provides a detailed analysis of the Company's business and compares its financial results for the three months ended March 31, 2024 with those of the same period from the previous year.

This MD&A is dated as of May 8, 2024 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and related notes thereto for the three months ended March 31, 2024, which are prepared in accordance with IAS 34: Interim Financial Statements, and the Company's audited annual consolidated financial statements and related notes thereto, which are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), and the MD&A for the fiscal year ended December 31, 2023.

Other continuous disclosure documents, including the Company's press releases, quarterly and annual reports, and annual information form, are available through its filings with the securities regulatory authorities in Canada at www.sedarplus.ca.

Lundin Gold, headquartered in Vancouver, Canada, is committed to positive and long-lasting impact on our host communities, while delivering significant value to stakeholders through operational excellence, cash flow generation and focused growth. Lundin Gold currently operates its 100% owned Fruta del Norte ("Fruta del Norte" or "FDN") gold mine in southeast Ecuador, which is one of the highest-grade gold mines in production in the world today. The Company also owns a portfolio of prospective exploration properties close to FDN.

FIRST QUARTER 2024 HIGHLIGHTS AND ACTIVITIES

Bolstered by strong operating performance, reduced debt servicing costs and record high gold prices, Fruta del Norte generated in excess of \$100 million cash from operating activities, and free cash flow¹ of \$82.3 million or \$0.35 per share, during the first quarter of 2024. This resulted in a cash balance of \$324 million as at March 31, 2024.

Operating performance remains consistent with recent quarters, with first quarter gold production of 111,572 ounces ("oz") at mill throughput of 4,545 tonnes per day ("tpd") and average mill head grade of 9.5 g/t. From this, gold sales of 108,916 oz resulted in gross revenues of \$233 million at an average realized gold price¹ of \$2,141 per oz. Cash operating costs¹ were \$735 per oz sold and all-in sustaining costs ("AISC")¹ were \$868 per oz sold for the quarter. With these results, the Company is on track to meet its 2024 guidance of production ranging between 450,000 to 500,000 oz and AISC¹ ranging between \$820 to \$890 per oz. sold.

Exploration activities at the near-mine program continue to yield positive results. After the end of the first quarter, the Company announced the discovery of a new high-grade zone, FDN East, as well as positive drilling intercepts achieved at Bonza Sur and FDN at depth following 12,331 metres of drilling across 26 holes. In addition, the Company increased its estimates of Mineral Reserves at FDN to 5.5 million oz through the results from the 2023 conversion drilling program, while also maintaining its estimates of total Mineral Resources year over year with successful exploration.

After the end of the first quarter, the Company announced that it had entered into an agreement with Newmont Corporation ("Newmont") to buy out 100% of the balance of the stream credit facility (the "Stream Facility") and offtake agreement (the "Offtake") for total consideration of \$330 million (the "Transaction")². The negotiated purchase price for the Stream Facility and the Offtake of \$330 million is payable in cash, with the first tranche of \$180 million due on closing of the transaction which is targeted on June 28, 2024 (the "Effective Date"). Payments and deliveries will continue in accordance with the terms of the Stream Facility and Offtake until the Effective Date. The final tranche of the purchase price of \$150 million is due on or before the end of the third quarter of 2024.

¹ Refer to "Non-IFRS Measures" section.

² The Transaction constitutes a "related party transaction", as defined under Multilateral Instrument 61-101 ("MI 61-101"). The Transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as the consideration paid pursuant to the Transaction does not exceed 25% of the Company's market capitalization.

LUNDIN GOLD INC.

Management's Discussion and Analysis

Three Months Ended March 31, 2024

(All dollar amounts are stated in U.S. dollars unless otherwise indicated. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

The following two tables provide an overview of key operating and financial results achieved during the first quarter of 2024 compared to the same period in 2023.

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Net income ('000)	41,897	51,465	
Basic income per share (\$)	0.18	0.22	
Cash provided by operating activities ('000)	107,914	144,439	
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Free cash flow per share (\$) ¹	0.35	(0.05)	
Average realized gold price (\$/oz sold) ¹	2,141	1,952	
Cash operating cost (\$/oz sold) ¹	735	644	
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Management's Discussion and Analysis

Three Months Ended March 31, 2024

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The difference between net income and adjusted earnings¹ during the first quarter of 2024 is due to a special one-time levy of \$1.9 million, payable in two installments in 2024 and 2025, which was mandated by the Government of Ecuador to strengthen the country's security amid rising violence, and non-cash derivative losses of \$17.9 million (three months ended March 31, 2023: derivative loss of \$15.4 million) associated with fair value accounting of the Stream Facility. This non-cash item is driven by numerous factors including expected production profile, anticipated forward gold and silver prices, and yields. Non-cash derivative gains (or losses) associated with decreased (or increased) short-term production and anticipated decreasing (or increasing) forward gold and silver prices are recorded in the statement of operations, while non-cash derivative gains (or losses) associated with increasing (or decreasing) yields are recorded in the statement of other comprehensive income.

These non-cash gains or losses are derived from complex valuation modelling and accounting treatment which are explained in more detail later in this MD&A. Revaluation of these obligations has and will continue to result in considerable period-to-period volatility in the Company's net income, comprehensive income, current and long-term liabilities until the buy out of the Stream Facility and Offtake on the Effective Date.

Operating and Financial Results During the First Quarter of 2024

- Gold production was 111,572 oz which was comprised of 73,964 oz in concentrate and 37,608 oz as doré.
- During the first quarter, 419,758 tonnes of ore were mined at an average grade of 10.5 grams per tonne.
- The mill processed 413,596 tonnes of ore at an average throughput rate of 4,545 tpd which is consistent with the throughput rate achieved during the previous year.
- The average grade of ore milled was 9.5 grams per tonne with average recovery at 88.3%.
- Gold sales totaled 108,916 oz, consisting of 71,676 oz in concentrate and 37,240 oz as doré, resulting in gross revenues of \$233 million at an average realized gold price¹ of \$2,141 per oz. Net of treatment and refining charges, revenues for the quarter were \$227 million.
- Cash operating costs¹ and AISC¹ were \$735 and \$868 per oz of gold sold, respectively, which are both in line with expectations. Cash operating costs¹ per oz sold were at the upper end of guidance as a result of lower gold production resulting from expected lower grades and recoveries, while the lower level of sustaining capital activities than anticipated during the quarter reduced AISC¹.
- The Company generated cash from operating activities of \$108 million and free cash flow¹ of \$82.3 million, or \$0.35 per share, resulting in a cash balance of \$324 million at March 31, 2024.
- Earnings before interest, taxes, depreciation, and amortization¹ ("EBITDA") and adjusted EBITDA¹ were \$112 million and \$131 million, respectively, with the difference resulting from derivative losses recognized in the quarter and a one-time special government levy.
- Net income was \$41.9 million including a derivative loss of \$17.9 million, and net of corporate, exploration, finance costs, and associated taxes. Adjusted earnings¹, which exclude the one-time special government levy, derivative losses, and related taxes were \$57.8 million, or \$0.24 per share.

Update to Mineral Reserve and Mineral Resource Estimates

On March 27, 2024, the Company updated its estimates of Mineral Reserves and Mineral Resources as at December 31, 2023 for the Fruta del Norte mine. Since operations began in 2019, FDN has added Mineral Reserves of 2.6 million oz. before mining depletion. The tables of the updated estimates of Mineral Reserves and Resources can be found below.

Mineral Reserves, as at December 31, 2023

Mineral Reserves ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾⁽⁸⁾⁽⁹⁾					
	Tonnage (M t)	Grade (g/t Au)	Contained Metal (M oz Au)	Grade (g/t Ag)	Contained Metal (M oz Ag)
Proven	7.56	9.42	2.29	10.5	2.55
Probable	14.14	7.06	3.21	11.7	5.34
Total	21.70	7.89	5.50	11.3	7.89

¹ Refer to "Non-IFRS Measures" section.

LUNDIN GOLD INC.

Management's Discussion and Analysis

Three Months Ended March 31, 2024

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Notes:

1. 2014 CIM Definitions Standards on Mineral Resources and Reserves have been followed.
2. The Qualified Person for this estimate is Terry Smith P.Eng, Lundin Gold's Chief Operating Officer.
3. Mineral Reserves have an effective date of December 31, 2023.
4. Mineral Reserves were estimated using key inputs listed in the table below:

Key Input	December 31, 2022	December 31, 2023	Unit
Gold Price	1,400	1,400	\$/oz
Transverse Stoping Mining Cost	51	53	\$/t
Drift & Fill Mining Cost	77	95	\$/t
Process, Surface Ops, G&A Cost	64	72	\$/t
Surface Royalties, Sustaining Capital, Closure Costs	15	8	\$/t
Dilution Factor	8	8	Percent
Concentrate Transport & Treatment	80	50	\$/oz
Royalty	76	79	\$/oz
Gold Metallurgical Recovery	88.5	91.2	Percent

5. Gold cut-off grades for the different mining methods are listed in the table below:

Gold Cut-off Grade	December 31, 2022	December 31, 2023	Unit
Transverse Stoppe	4.2	4.0	g/t
Drift and Fill	5.0	5.3	g/t

6. Silver was not considered in the calculation of the cut-off grade but is recovered and contributes to the revenue stream.
7. Tonnages are rounded to the nearest 1,000 t, gold grades are rounded to two decimal places, silver grades are rounded to one decimal place, and costs are rounded to the nearest dollar. Tonnage and grade measurements are in metric units; contained gold and silver are reported as thousands of troy ounces.
8. Figures may not add due to rounding.
9. Additional information on Mineral Reserve estimates for Fruta del Norte is contained in the Annual Information Form dated March 26, 2024 (the "AIF") which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Mineral Resources, as at December 31, 2023

Mineral Resources ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾⁽⁸⁾					
Category	Tonnage (M t)	Grade (g/t Au)	Contained Metal (M oz Au)	Grade (g/t Ag)	Contained Metal (M oz Ag)
Measured	7.75	11.74	2.93	12.7	3.18
Indicated	15.78	8.00	4.06	12.5	6.32
Measured & Indicated	23.53	9.24	6.99	12.6	9.50
Inferred	7.98	5.77	1.48	11.3	2.90

Notes:

- (1) 2014 CIM Definition Standards were followed for the classification of Mineral Resources.
- (2) The Qualified Person for the estimate is Freddy Ildefonso, Msc, P.Geo, Mineral Superintendent of Fruta del Norte Mine.
- (3) Measured and Indicated Mineral Resources are reported inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
- (4) Inferred Mineral Resources are considered too speculative geologically to have economic considerations applied to them to enable them to be categorized as Mineral Reserves.
- (5) Mineral Resources are reported at a cut-off grade of 3.4 g/t Au, which is calculated using a long-term gold price of US\$1,600/oz and metallurgical recovery of 91.2%.
- (6) Mineral Resources are reported net of mining to December 31, 2023, and uses drill hole data available as of October 31, 2023.

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(7) *Figures may not add due to rounding.*

(8) *Additional information on Mineral Resource estimates for Fruta del Norte is contained in the AIF which is available under the Company's profile on SEDAR+ at www.sedarplus.ca.*

Capital Expenditures

Sustaining Capital

- Sustaining capital activities during the quarter focused on completing projects that began in 2023 including the implementation of a mine dispatch system and the upgrade of the surface haul road from the mine to the ore stockpile area.
- For the conversion drilling program, a total of 3,710 metres across 30 drill holes were completed in the north sector of the FDN deposit.
 - Conversion drilling continues to confirm mineralization at FDN with high-grade drilling intercepts associated with breccias and stockwork zones, like the mineralization found in the north sector of the Mineral Reserve envelope.
 - Two rigs are currently turning under the conversion program.

A complete table of the conversion drilling results received to date can be found in Lundin Gold's press release dated April 17, 2024.

Process Plant Expansion Project

- Detailed engineering advanced during the quarter, along with procurement activities of plant equipment for the expansion which is expected to improve throughput to 5,000 tonnes per day and improve recoveries by approximately 3%.
- Construction of the upgraded tailings and reclaim pipelines commenced late in the quarter.
- The project continues to track on schedule for completion in December of this year.

Health and Safety and Community

Health and Safety

- During the first quarter there were two Lost Time Incidents and three Medical Aid Incidents.
- The Total Recordable Incident Rate across exploration and operations was 0.63 per 200,000 hours worked for the quarter.

Community

Lundin Gold continued to support several community projects in the first quarter of 2024, including initiatives focused on community health and education. The mental health and well-being program run by *Educación para Compartir*, an international non-profit organization, continued with increased participation by local community members. The program has expanded to incorporate extra-curricular activities for young people and extended to rural communities close to Fruta del Norte. Company sponsored education programs, which aim to improve local student access to higher education, continued to show success. At quarter end, there were more than 200 students from the nearby town of Los Encuentros enrolled at public and private universities. A complementary program designed to improve the quality of local education, sponsored by Lundin Gold, is currently benefiting approximately 1,000 students between the ages of 3 and 18 years.

Infrastructure investment continued to be a priority for Lundin Gold in the quarter. In line with the Company's long-standing commitment to support road maintenance, Lundin Gold reached an agreement with local authorities to participate in a road paving initiative, which when completed will benefit more than 200 residents.

The Company continued to support local businesses in conjunction with the Lundin Foundation, including women-led businesses through the third edition of the "Soy Emprendadora" program. Among the supported local businesses, a textile manufacturer, fire extinguisher maintenance provider and pest control and fumigation service company all expanded their sales in the quarter with Lundin Gold as an anchor client. The Company and Lundin Foundation continued to jointly support the development of local suppliers through the Nexo III program. An area of focus has been ensuring that local farmers obtain and retain access to local, national, and international markets. The Company also continued to engage with local indigenous people, especially the Shuar Federation of Zamora Chinchipe, to jointly implement projects that promote economic opportunities and the Shuar culture.

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During the first quarter of 2024, two series of dialogue round tables occurred, with high participation rates by local community members.

Exploration

Near Mine Exploration Program

During the first quarter of 2024, the Company completed a total of 12,331 metres across 26 holes from surface and underground. Drilling from underground explored mainly the FDN deposit at depth while drilling from surface continued to test sectors located along the extensions of the controlling structures of the FDN deposit, such as Bonza Sur and FDN East.

- During the quarter, the surface drilling program continued along the extensions of the East Fault, where the Bonza Sur discovery and other prospective sectors like FDN East, FDN North and Alejandro are located.
 - At Bonza Sur, located one kilometre from FDN, eight surface drill holes were completed and continue to expand this new epithermal system. Recent results confirm higher-grade intercepts at shallower depths associated mainly to vein/veinlet zones of quartz and minor chalcedony and manganocarbonate with occurrences of disseminated to semi-massive levels of sulphides (mainly sphalerite and galena). Mineralization has already been identified for more than 1.3 kilometres along the north-south strike and for at least 500 metres along the downdip and remains open in all directions.
 - At FDN East, a new buried epithermal mineralized system was discovered only 100 metres east from FDN. The target is hosted in similar volcanic and intrusive rocks as those found at the FDN deposit and is buried by sedimentary cover. Four drill holes were completed during the first quarter and intercepted gold mineralization associated with significant levels of hydrothermal alteration represented by veins and/or veinlets of chalcedony, sulfides (mainly pyrite) and visible gold.
 - The near-mine exploration program advanced in unexplored areas close to FDN. During the first quarter, a systematic exploratory drilling program was initiated and tested new areas with the identification of additional potential targets. A total of ten drill holes were completed. In the north extension of the FDN deposit, exploratory holes intercepted large zones of hydrothermal alteration represented by chalcedony veins and sulfides with low grade gold mineralization. At Alejandro, located along the south extension of the East Fault, two drill holes were completed and results are pending.
- Underground exploration drilling at FDN continues to explore extensions of the mineral envelope at depth and four drill holes have been completed year-to-date. Of note, drill hole UGE-DD-24-089 indicates gold mineralization associated with zones of hydrothermal alteration of a similar composition to that found at shallower levels of the mine and underscores the potential to expand FDN's current mineral envelope at depth.

A complete table of results received to date can be found in Lundin Gold's press release dated April 17, 2024.

Regional Exploration Program

The 2024 regional program continues to advance the identification of important indicators that point toward the presence of buried epithermal deposits in the southern basin. New sectors have been identified along the south border of the Suarez basin. A total of 10,000 metres of drilling is planned to be completed in 2024.

During the quarter, exploration fieldwork activities were completed on the Robles and Lupita targets, located to the south of the Suarez Basin. Detailed geological interpretation of exploration data and additional fieldwork were completed and aimed at identifying major structures and zones of hydrothermal alteration. The regional drilling program commenced at the Robles target in April.

Corporate

- The Company paid a quarterly dividend of \$0.10 per share on March 25, 2024 (March 28, 2024 for shares trading on Nasdaq Stockholm) based on a record date of March 8, 2024, for a total of \$23.9 million.
- With the release of its first quarter 2024 results, the Company has declared a cash dividend of \$0.10 per share, which is payable on June 25, 2024 (June 28, 2024 for shares trading on Nasdaq Stockholm) to shareholders of record on June 10, 2024.

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SUMMARY OF QUARTERLY FINANCIAL RESULTS

The Company's quarterly financial statements are reported under IFRS Accounting Standards as applicable to interim financial reporting. The following table provides highlights from the Company's financial statements for the past eight quarters (unaudited).

	2024 Q1	2023 Q4	2023 Q3	2023 Q2
Revenues	\$ 226,741	\$ 190,688	\$ 211,172	\$ 243,930
Income from mining operations	\$ 113,237	\$ 78,051	\$ 99,620	\$ 124,801
Derivative gain (loss) for the period	\$ (17,931)	\$ (28,634)	\$ 11,678	\$ 321
Net income for the period	\$ 41,897	\$ 11,062	\$ 53,782	\$ 63,148
Basic income per share	\$ 0.18	\$ 0.05	\$ 0.23	\$ 0.27
Diluted income per share	\$ 0.17	\$ 0.05	\$ 0.22	\$ 0.26
Weighted-average number of common shares outstanding				
Basic	238,255,452	237,665,855	237,411,813	236,943,432
Diluted	239,968,974	239,745,358	239,583,745	239,190,085
Additions to property, plant and equipment	\$ 9,701	\$ 15,791	\$ 15,744	\$ 13,245
Total assets	\$ 1,508,987	\$ 1,468,209	\$ 1,516,866	\$ 1,508,831
Long-term debt	\$ 326,791	\$ 305,647	\$ 361,109	\$ 396,588
Working capital	\$ 413,528	\$ 346,859	\$ 313,794	\$ 268,095
	2023 Q1	2022 Q4	2022 Q3	2022 Q2
Revenues	\$ 256,728	\$ 210,961	\$ 210,425	\$ 177,808
Income from mining operations	\$ 132,708	\$ 92,095	\$ 83,930	\$ 82,522
Derivative gain (loss) for the period	\$ (15,434)	\$ 29,217	\$ 41,838	\$ 39,986
Net income (loss) for the period	\$ 51,465	\$ (68,259)	\$ 62,673	\$ 55,962
Basic income (loss) per share	\$ 0.22	\$ (0.29)	\$ 0.27	\$ 0.24
Diluted income (loss) per share	\$ 0.22	\$ (0.29)	\$ 0.26	\$ 0.24
Weighted-average number of common shares outstanding				
Basic	236,062,529	235,332,039	235,165,784	234,933,975
Diluted	238,123,015	235,332,039	236,882,976	236,847,992
Additions to property, plant and equipment	\$ 4,384	\$ 15,253	\$ 15,178	\$ 14,532
Total assets	\$ 1,467,040	\$ 1,668,865	\$ 1,634,590	\$ 1,664,030
Long-term debt	\$ 434,175	\$ 667,966	\$ 589,919	\$ 645,724
Working capital	\$ 256,853	\$ 194,804	\$ 253,673	\$ 253,921

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Three months ended March 31, 2024 compared to the three months ended March 31, 2023

The Company generated net income of \$41.9 million during the first quarter of 2024 compared to \$51.5 million during the first quarter of 2023. Net income was generated from the recognition of revenues of \$227 million and income from mining operations of \$113 million as well as finance income of \$4.5 million and other income of \$1.2 million. This is offset by a derivative loss of \$17.9 million, finance expense of \$12.1 million, income tax expense of \$28.6 million, and other expenses totalling \$18.3 million. During the first quarter of 2023, net income was generated from the recognition of revenues of \$257 million and income from mining operations of \$133 million as well as other income of \$0.5 million, offset by a derivative loss of \$15.4 million, finance expense of \$21.1 million, income tax expense of \$33.8 million, and other expenses totalling \$11.4 million.

Income from mining operations

During the first quarter of 2024, the Company generated revenues of \$227 million from the sale of 108,916 oz of gold and income from mining operations of \$113 million compared to revenues of \$257 million from the sale of 134,691 oz of gold and income from mining operations of \$144 million during the first quarter of 2023. The decrease is primarily attributable to a decrease in oz produced and sold as the increase in mill throughput was offset by a decrease in grade and recoveries.

Exploration

Exploration costs were \$7.9 million in the quarter compared to \$3.8 million during the same period in 2023. The increase is attributable to the continued expansion of the near-mine exploration program following positive results to date.

Corporate administration

Corporate administration costs increased from \$7.6 million during the first quarter of 2023 to \$10.4 million during the first quarter of 2024. This difference is mainly attributable to costs associated with the move of the Vancouver office along with the other Lundin Group companies, a one-time special levy of \$1.9 million by the Government of Ecuador, payable in two equal installments, to strengthen security amid rising violence in the country, as well as an increase in stock-based compensation due to the cash settlement of vested share units as determined by the Company's board of directors.

Finance expense

Finance expense decreased to \$12.1 million during the quarter compared to \$21.1 million during the same period in 2023. The decrease is due to the full repayment of the senior debt facility during the fourth quarter of 2023 as well as reduced repayments under the Stream Facility due to a reduction in oz. sold as noted above.

Finance income

Finance income increased from \$1.8 million during the first quarter of 2023 to \$4.5 million during the first quarter of 2024 which is driven by a higher cash balance and increased yield on short-term investments.

Other income

Other income of \$1.2 million was recognized during the quarter compared to \$0.5 million in the first quarter of 2023. This is mainly driven by foreign exchange gains which are derived from the quantum of U.S. dollar cash held by Canadian group entities and movements in the foreign exchange rate. As the functional currency of the Canadian entities is the Canadian dollar, a strengthening of the U.S. dollar against the Canadian dollar during the period generates an unrealized gain in terms of Canadian dollars.

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Derivative gain or loss

Derivative gains and losses in the statement of operations and other comprehensive income are driven by the Company's debt obligations under the Stream Facility which are classified as financial liabilities at fair value. During the first quarter of 2024, the Company made scheduled principal, interest, and finance charge repayments totaling \$15.1 million (three months ended March 31, 2023: \$21.0 million) under the Stream Facility, based on gold and silver prices at the time of repayment. This was offset by a non-cash increase of this debt obligation of \$24.8 million due to a change in its estimated fair value between December 31, 2023 and March 31, 2024 (2023: an increase of \$14.6 million between December 31, 2022 and March 31, 2023). This variation is recorded as derivative gains or losses, in the statement of operations and other comprehensive income in the applicable period. The fair value calculated under the Company's accounting policies is based on numerous estimates noted below as of the balance sheet date and are, therefore, subject to further future variations until the debt obligation is repaid by the Company.

Fair value is determined using Monte Carlo simulation models. The key inputs used by the Monte Carlo simulation include gold and silver forward prices, the Company's expectation about the gold and silver forward curves, gold and silver volatility, risk-free rate of return, risk-adjusted discount rate, and production expectations. Relatively small variations in some of these inputs can give rise to significant variations in the fair value of financial liabilities; hence, the large derivative gains and losses recorded to date.

Key drivers of current fair value are forward gold and silver prices and the Company's risk adjusted discount rate. The combined net impact of these factors is a net increase in the fair value of the Stream Facility as described more fully below, offset by the decrease from scheduled repayments during the period:

- The value of future repayments under the Stream Facility is based on forward gold and silver price estimates at time of repayment. Spot gold prices at March 31, 2024 were higher compared to December 31, 2023 and as a result, forward prices have followed suit. This has resulted in an increase in the estimated fair value of the debt obligation at the current balance sheet date and the recognition of derivative losses in the statement of operations during the three months ended March 31, 2024. Fair values at a point in time do not necessarily reflect the amounts that will actually be repaid when the obligation becomes due in the future.
- The discount rate used to determine the current fair value of future payments under the Stream Facility is dependent not only on the Company's own weighted average cost of capital, but also on market conditions. These include inflation, interest rates, economic conditions, both local and industry specific, and other factors outside of the Company's control. The change in fair value due to a variation in the Company's credit risk must be recorded as a loss or gain in other comprehensive income ("OCI") rather than in the statement of operations.

Income taxes

Income taxes of \$28.6 million were accrued during the first quarter of 2024 (three months ended March 31, 2023: \$33.8 million) which is comprised of current and deferred income tax expenses of \$23.5 million and \$5.1 million, respectively. In addition to corporate income taxes in Ecuador which are levied at a rate of 22%, income tax expense includes a 5% Ecuadorean withholding tax on the anticipated portion of net income generated from FDN to be paid in the form of dividends, and an accrual for the portion of profit sharing payable to the Government of Ecuador which is calculated at the rate of 12% of the estimated net income for tax purposes for the quarter. The employee portion of profit sharing payable, calculated at the rate of 3% of net income for tax purposes is considered an employee benefit and is included in operating expenses.

Corporate income taxes in Ecuador are due in April of each year. Effective January 1, 2024, the Government of Ecuador introduced monthly corporate income tax instalment payments which is based on a percentage of monthly revenues. Instalment amounts paid during the year ended December 31, 2024 will offset corporate income taxes due in April 2025.

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LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2024, the Company had cash of \$324 million and a working capital balance of \$414 million compared to cash of \$268 million and a working capital balance of \$347 million at December 31, 2023.

The change in cash during the first quarter was primarily due to cash generated from operating activities of \$108 million and proceeds from the exercise of stock options totalling \$4.3 million. This is offset by principal repayments, interest and finance charges, including associated taxes, under the Stream Facility totalling \$15.1 million; dividends of \$23.9 million; cash outflows of \$13.6 million relating to investing activities; and settlement of vested share units with cash of \$3.6 million.

The Stream Facility was the last remaining debt on the Company's balance sheet following the full repayment of both the gold prepay credit facility and senior debt facility during 2023. On April 25, 2024, the Company announced that it had entered into an agreement with Newmont to buy 100% of the balance of the Stream Facility and Offtake for total consideration of \$330 million.

Trade receivables

The majority of trade receivables represent the value of concentrate and doré sold as at period end for which the funds are not yet received. Revenues and related trade receivables for concentrate sales are initially recorded at provisional gold prices. Subsequent determination of final gold prices can range from one to four months after shipment depending on the customer. For sales that are provisionally priced at period end, an estimate of the adjustment to the trade receivable is calculated based on the expected month when the final gold price is forecast to be determined and the related forward price of gold at the end of the reporting period. At March 31, 2024, this resulted in an estimated increase of \$13.4 million (\$7.8 million at December 31, 2023) to trade receivables reflecting rising gold prices during the period.

Consistent with industry standards, concentrate sales have relatively long payment terms and are not fully settled until concentrate is received by the customer and related final assays confirmed, generally two to five months after the export sale occurs.

VAT receivables

Subject to the submission of monthly claims and their acceptance by the applicable authorities, VAT paid in Ecuador by the Company after January 1, 2018 are being refunded or applied, based on the level of export sales in any given month, as a credit against other taxes payable. A portion of the VAT recoverable has been reclassified as current assets based on the Company's assessment of the estimated time for processing VAT claims during the next twelve months.

Advance royalties

Advance royalties are deductible against future royalties on sales payable to the Government of Ecuador at a rate equal to the lesser of 50% of the actual future royalties payable in a six-month period or 10% of the total advance royalty payment. A portion of the advance royalty payment is classified as current assets based on expected utilization over the next twelve months.

Inventories

Gold inventory is recognized in the ore stockpiles and in production inventory, comprised principally of concentrate and doré at site or in transit to port or to the refinery, with a component of gold-in-circuit. Ore stockpile inventory has increased primarily due to higher grade stockpiled compared to December 31, 2023. The variations in doré and concentrate are mainly the result of timing of shipments around period end. The high value of material and supplies, comprised of consumables and spare parts, reflects the Company's assessment of the procurement cycles due to the remoteness of FDN and higher costs of materials and supplies on hand.

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Investment activities

Investment activities during the first quarter of 2024 are comprised principally of sustaining capital expenditures for the mine dispatch system and other capital projects. In addition, costs were incurred relating to the plant upgrade project.

Liquidity and capital resources

The Company generated strong operating cash flow during the three months ended March 31, 2024 and expects to continue to do so for the remainder of the year based on its production and AISC guidance. At current gold prices, this strong operating cash flow will continue to support the exploration programs, planned capital expenditures, further plant expansion, growth initiatives and regular dividend payments under the approved dividend policy.

Monthly payments under the Stream Facility are based on 7.75% and 100% of gold and silver oz sold, respectively, calculated at the current gold and silver prices at the end of each month, less \$408 and \$4.08 per oz (the "Base Prices"), respectively. The Base Prices increase by 1% annually in February of each year. The decrease in repayments under the Stream Facility during the first quarter of 2024 compared to the same period in 2023 is driven by the decrease in oz. sold partially offset by higher spot prices of gold at time of repayment.

TRANSACTIONS WITH RELATED PARTIES

During the three months ended March 31, 2024, the Company incurred \$0.8 million (March 31, 2023 – \$0.2 million), primarily relating to office rental, renovation costs, and related services provided by Namdo Management Services Ltd. ("Namdo"), a company associated with a director of the Company.

FINANCIAL INSTRUMENTS

The Company's financial instruments include cash, cash equivalents and certain receivables, which are categorized as financial assets at amortized cost, and accounts payable and accrued liabilities, which are categorized as financial liabilities at amortized cost. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these instruments. In addition, the Stream Facility and Offtake have been classified as financial liabilities at fair value and the Senior Facility as a financial liability at amortized cost. Further, provisionally priced trade receivables of \$122.4 million (December 31, 2023 - \$93.0 million) are measured at fair value using quoted forward market prices.

The Company's financial instruments are exposed to a variety of financial risks by virtue of its activities.

Currency risk

Lundin Gold is a Canadian company, with foreign operations in Ecuador. Revenues generated and expenditures incurred in Ecuador are primarily denominated in U.S. dollars, as are its loan facilities. However, equity capital, if needed, is typically raised in Canadian dollars. As such, the Company is subject to risk due to fluctuations in the exchange rates of foreign currencies. Although the Company does not enter into derivative financial instruments to manage its exposure, the Company tries to manage this risk by maintaining most of its cash in U.S. dollars.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The majority of the Company's cash is held in large financial institutions with a high investment grade rating. The Company is also subject to credit risk associated with its trade receivables. The Company manages this risk by only selling to a small group of reputable customers with strong financial statements.

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Concentration of credit risk

Cash and cash equivalents are held with high quality financial institutions. Substantially all of the Company's cash and cash equivalents held with financial institutions exceed government-insured limits. The Company has established a treasury policy that seeks to minimize its credit risk by entering into transactions with investment grade creditworthy and reputable financial institutions and by monitoring the credit standing of those financial institutions. The Company seeks to limit the amount of exposure with any one counterparty in accordance with its established treasury policy.

Interest rate risk

The Company is subject to interest rate risk with respect to the fair value of long-term debt which are accounted for at fair value through profit or loss.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. Cash flow forecasting is performed regularly to monitor the Company's liquidity requirements to ensure it has sufficient cash to always meet its operational needs. In addition, management is actively involved in the review, planning and approval of significant expenditures and commitments.

Commodity price risk

The Company is subject to commodity price risk from fluctuations in the market prices of gold and silver. Commodity price risks are affected by many factors that are outside the Company's control including global or regional consumption patterns, the supply of and demand for metals, speculative activities, the availability and costs of substitutes, inflation, and political and economic conditions. The Company has not hedged the price of any commodity at this time.

The fair value of a portion of the Company's trade receivables as well as the Stream Facility are impacted by fluctuations of commodity prices.

COMMITMENTS

Significant capital expenditures contracted as at March 31, 2024 but not recognized as liabilities are as follows:

	Capital expenditures
12 months ending March 31, 2025	\$ 22,399
April 1, 2025 onward	-
Total	\$ 22,399

On January 1, 2024, the Company entered into a long-term rental agreement with Namdo which expires on February 28, 2039, and provides a guarantee of rental fees totaling \$6.5 million for the duration of the contract.

OFF-BALANCE SHEET ARRANGEMENTS

During the three months ended March 31, 2024 and the year ended December 31, 2023, there were no off-balance sheet transactions. The Company has not entered into any specialized financial arrangements to minimize its currency risk.

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OUTSTANDING SHARE DATA

As at the date of this MD&A, there were 238,896,751 common shares issued and outstanding. There were also stock options outstanding to purchase a total of 2,962,471 common shares, 539,080 restricted share units with a performance criteria, 204,379 restricted share units, and 14,185 deferred share units.

OUTLOOK

Lundin Gold's performance in the first quarter of 2024 provides a strong foundation for the rest of the year, and the Company's production guidance of 450,000 to 500,000 oz and AISC¹ guidance of \$820 to \$890 oz. sold remain unchanged. Production is expected to be higher during the second half of the year driven by planned increase in grades and recoveries. In addition, the level of sustaining capital activities is expected to increase in subsequent quarters with guidance for the year remaining between \$35 to \$45 million. The \$36 million Process Plant Expansion Project to increase plant throughput to 5,000 tpd and improve metallurgical recoveries, with the addition of three Jameson cells, remains on track for completion by the end of 2024.

The near-mine drilling program will continue to explore Bonza Sur where the primary focus is to better understand the target's mineralized zones as well as expanding the system to the north and at depth. Three rigs are currently turning at Bonza Sur. At the new FDN East discovery, two rigs will focus on expanding the initial positive results achieved to gain a better understanding of the mineralized zones and the main geological controls. One underground rig is expected to continue to test the extension of the FDN mineral envelope at depth. The regional drilling program is planned to start during the second quarter with one surface rig testing the Robles and Lupita targets in the Southern Basin.

Ten rigs are currently turning across the conversion, near-mine and regional programs and a minimum of 65,000 metres of drilling continues to be planned in 2024. This represents the largest drill program ever completed at the land package that hosts the FDN deposit. The estimated exploration budget for 2024 remains \$42 million.

The Company anticipates continuing to declare quarterly dividends of at least \$0.10 per share, which is equivalent to approximately \$100 million annually, based on currently issued and outstanding shares. With the Company becoming debt free combined with rising gold prices, the Company expects to review its dividend policy in the latter half of 2024.

NON-IFRS MEASURES

This MD&A refers to certain financial measures, such as average realized gold price per oz sold, EBITDA, adjusted EBITDA, cash operating cost per oz sold, all-in sustaining cost, free cash flow, free cash flow per share, and adjusted earnings, which are not recognized under IFRS Accounting Standards and do not have a standardized meaning prescribed by IFRS Accounting Standards. These measures may differ from those made by other companies and accordingly may not be comparable to such measures as reported by other companies. These measures have been derived from the Company's financial statements because the Company believes that they are of assistance in the understanding of the results of operations and its financial position.

¹ Refer to "Non-IFRS Measures" section.

LUNDIN GOLD INC.

Management's Discussion and Analysis

Three Months Ended March 31, 2024

(All dollar amounts are stated in U.S. dollars unless otherwise indicated. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

Average realized gold price per oz sold

Average realized gold price is a metric used to better understand the gold price realized during a period. This is calculated as sales for the period plus treatment and refining charges less silver sales divided by gold oz sold.

	Three months ended March 31, 2024		2023	
Revenues	\$	226,741	\$	256,728
Treatment and refining charges		9,372		9,410
Less: silver revenues		(2,923)		(3,232)
Gold sales	\$	233,190	\$	262,906
Gold oz sold		108,916		134,691
Average realized gold price	\$	2,141	\$	1,952

EBITDA and Adjusted EBITDA

Earnings before interest, taxes, depreciation, and amortization ("EBITDA") is a metric used to better understand the financial performance of the Company by computing earnings from business operations without including the effects of capital structure, tax rates and depreciation. Adjusted EBITDA is EBITDA excluding items which are considered not indicative of underlying business operations.

	Three months ended March 31, 2024		2023	
Net income for the period	\$	41,897	\$	51,465
Adjusted for:				
Finance expense		12,093		22,871
Finance income		(4,454)		(1,814)
Income tax expense		28,622		33,848
Depletion and depreciation		33,454		37,262
EBITDA	\$	111,612	\$	143,632
Special government levy		1,913		-
Derivative loss		17,931		15,434
Adjusted EBITDA	\$	131,456	\$	159,066

Adjusted earnings and adjusted basic earnings per share

Adjusted earnings and adjusted basic earnings per share can be used to measure and may assist in evaluating operating earning trends in comparison with results from prior periods by excluding specific items that are significant, but not reflective of the underlying operating activities of the Company. Presently, these include a special one-time government levy, derivative gains or losses, and related income tax effects, from accounting for the Stream Facility at fair value. Adjusted basic earnings per share is calculated using the weighted average number of shares outstanding under the basic method of earnings per share as determined under IFRS Accounting Standards.

LUNDIN GOLD INC.

Management's Discussion and Analysis

Three Months Ended March 31, 2024

(All dollar amounts are stated in U.S. dollars unless otherwise indicated. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

	Three months ended March 31,		
	2024	2023	
Net income for the period	\$ 41,897	\$ 51,465	
Adjusted for:			
Special government levy	1,913	-	
Derivative loss	17,931	15,434	
Deferred income tax expense	(3,945)	115	
Adjusted earnings	\$ 57,796	\$ 67,014	
Basic weighted average shares outstanding	238,255,452	236,062,529	
Adjusted basic earnings per share	\$ 0.24	\$ 0.28	

Cash operating cost per oz

Cash operating cost per oz sold, combined with revenues, can be used to evaluate the Company's performance and ability to generate operating income and cash flow from operating activities. Cash operating costs include operating expenses and royalty expenses.

	Three months ended March 31,		
	2024	2023	
Operating expenses	\$ 67,268	\$ 72,471	
Royalty expenses	12,788	14,299	
Cash operating costs	\$ 80,056	\$ 86,770	
Gold oz sold	108,916	134,691	
Cash operating cost per oz sold	\$ 735	\$ 644	

All-in sustaining cost

AISC provides information on the total cost associated with producing gold and has been calculated on a basis consistent with historic news releases by the Company.

The Company calculates AISC as the sum of total cash operating costs (as described above), corporate social responsibility costs, treatment and refining charges, accretion of restoration provision, and sustaining capital, less silver revenue, all divided by the gold oz sold to arrive at a per oz amount.

Other companies may calculate this measure differently as a result of differences in underlying principles and policies applied.

LUNDIN GOLD INC.

Management's Discussion and Analysis

Three Months Ended March 31, 2024

(All dollar amounts are stated in U.S. dollars unless otherwise indicated. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

	Three months ended March 31,	
	2024	2023
Cash operating costs	\$ 80,056	\$ 86,770
Corporate social responsibility	686	612
Treatment and refining charges	9,372	9,410
Accretion of restoration provision	205	167
Sustaining capital	7,110	4,384
Less: silver revenues	(2,923)	(3,232)
 All-in sustaining cost	 \$ 94,506	 \$ 98,111
 Gold oz sold	 108,916	 134,691
 All-in sustaining cost per oz sold	 \$ 868	 \$ 728

Free cash flow and free cash flow per share

Free cash flow is indicative of the Company's ability to generate cash from operations after consideration for required capital expenditures, including related VAT impact, necessary to maintain operations and interest and finance charge paid on its debt obligations. Free cash flow is defined as cash flow provided by operating activities, less cash used for investing activities and interest and finance charge paid.

	Three months ended March 31,	
	2024	2023
Net cash provided by operating activities	\$ 107,914	\$ 144,439
Net cash used for investing activities	(13,636)	(7,172)
Interest paid	(1,876)	(6,368)
Finance charge paid	(10,143)	(142,552)
 Free cash flow	 \$ 82,259	 \$ (11,653)
 Basic weighted average shares outstanding	 238,255,452	 236,062,529
 Free cash flow per share	 \$ 0.35	 \$ (0.05)

CRITICAL ACCOUNTING ESTIMATES

The adoption of certain accounting policies requires the Company to make estimates that affect both the amount and timing of the recording of assets, liabilities, revenues and expenses. Some of these estimates require judgments about matters that are inherently uncertain. For a complete discussion of accounting estimates deemed most crucial by the Company, refer to the Company's annual 2023 Management's Discussion and Analysis.

RISKS AND UNCERTAINTIES

Natural resources exploration, development and operation involves a number of risks and uncertainties, many of which are beyond the Company's control. These risks and uncertainties include, without limitation, the risks discussed elsewhere in this MD&A and those set out in the Company's AIF, which is available on SEDAR+ at www.sedarplus.ca.

LUNDIN GOLD INC.

Management's Discussion and Analysis

Three Months Ended March 31, 2024

(All dollar amounts are stated in U.S. dollars unless otherwise indicated. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

QUALIFIED PERSON

The technical information relating to Fruta del Norte contained in this MD&A has been reviewed and approved by Terry Smith P. Eng, Lundin Gold's COO who is a Qualified Person under NI 43-101. The disclosure of exploration information contained in this MD&A was prepared by Andre Oliveira P.Geo, Vice President, Exploration of the Company, who is a Qualified Person in accordance with the requirements of NI 43-101.

FINANCIAL INFORMATION

The report for the six months ended June 30, 2024 is expected to be published on or about August 8, 2024.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures

Management, including the Chief Executive Officer and the Chief Financial Officer, are responsible for the design of the Company's disclosure controls and procedures in order to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation.

Internal controls over financial reporting

Management is also responsible for the design of the Company's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.

Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As required under Multilateral Instrument 52-109, management advises that there have been no changes in the Company's internal control over financial reporting that occurred during the most recent interim period, beginning January 1, 2024 and ending March 31, 2024, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

FORWARD LOOKING STATEMENTS

Certain of the information and statements in this MD&A 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. 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.

LUNDIN GOLD INC.

Management's Discussion and Analysis

Three Months Ended March 31, 2024

(All dollar amounts are stated in U.S. dollars unless otherwise indicated. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

This information speaks only as of the date of this MD&A, and the Company will not necessarily update this information, unless required to do so by securities laws.

This MD&A contains forward-looking information in a number of places, such as in statements pertaining to the Company's 2024 production outlook, including estimates of gold production, grades recoveries and AISC; operating plans; expected sales receipts, completion of the buy back of the Stream Facility and the Offtake; its estimated capital costs; the recovery of VAT; timing of completion of the Process Plant Expansion Project and the anticipated benefits; benefits of the Company's community programs; the Company's declaration and payment of dividends pursuant to its dividend policy; the timing and the success of its drill program at Fruta del Norte and its other exploration activities; and estimates of Mineral Resources and Reserves at Fruta del Norte.

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: instability in Ecuador; community relations; forecasts relating to production and costs; mining operations; security; non-compliance with laws and regulations and compliance costs; tax changes in Ecuador; waste disposal and tailings; government or regulatory approvals; environmental compliance; gold price; infrastructure; dependence on a single mine; exploration and development; control of Lundin Gold; availability of workforce and labour relations; dividends; information systems and cyber security; Mineral Reserve and Mineral Resource estimates; title matters and surface rights and access; health and safety; human rights; employee misconduct; measures to protect biodiversity; endangered species and critical habitats; global economic conditions; shortages of critical resources; competition for new projects; key talent recruitment and retention; market price of the Company's shares; social media and reputation; insurance and uninsured risks; pandemics, epidemics or infectious disease outbreak; climate change; illegal mining; conflicts of interest; ability to maintain obligations or comply with debt; violation of anti-bribery and corruption laws; internal controls; claims and legal proceedings; and reclamation obligations.

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 AIF available at www.sedarplus.ca.

LUNDIN GOLD INC.

Condensed Consolidated Interim Statements of Financial Position
 (Unaudited – Prepared by Management)
 (Expressed in thousands of U.S. Dollars)

	Note	March 31, 2024	December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	17	\$ 323,935	\$ 268,025
Trade receivables and other current assets	3	184,680	163,456
Inventories	4	92,185	89,406
Advance royalty		11,113	13,000
		611,913	533,887
Non-current assets			
VAT recoverable		44,669	51,904
Advance royalty		-	3,494
Property, plant and equipment	5	699,687	718,896
Mineral properties	6	152,718	160,028
		\$ 1,508,987	\$ 1,468,209
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	\$ 67,393	\$ 74,824
Income taxes payable		56,305	48,488
Current portion of long-term debt	8	74,687	63,716
		198,385	187,028
Non-current liabilities			
Long-term debt	8	252,104	241,931
Reclamation provisions		8,927	8,722
Deferred income tax liabilities		78,472	74,722
		537,888	512,403
EQUITY			
Share capital	9	1,015,813	1,008,932
Equity-settled share-based payment reserve	10	11,182	14,535
Accumulated other comprehensive income (loss)		(4,303)	1,955
Deficit		(51,593)	(69,616)
		971,099	955,806
		\$ 1,508,987	\$ 1,468,209

Commitments (Note 20)
 Subsequent events (Note 21)

Approved by the Board of Directors

/s/ Ron F. Hochstein
 Ron F. Hochstein

/s/ Ian W. Gibbs
 Ian W. Gibbs

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LUNDIN GOLD

LUNDIN GOLD INC.

Condensed Consolidated Interim Statements of Income and Comprehensive Income
 (Unaudited – Prepared by Management)
 (Expressed in thousands of U.S. Dollars, except share and per share amounts)

	Note	Three months ended March 31,	
		2024	2023
Revenues	11	\$ 226,741	\$ 256,728
Cost of goods sold			
Operating expenses		67,268	72,471
Royalty expenses		12,788	14,299
Depletion and depreciation		33,448	37,250
		113,504	124,020
Income from mining operations		113,237	132,708
Other expenses (income)			
Exploration	12	7,925	3,843
Corporate administration	13	10,387	7,605
Finance expense	14	12,093	22,871
Finance income		(4,454)	(1,814)
Other income		(1,164)	(544)
Derivative loss	8	17,931	15,434
		42,718	47,395
Net income before tax		70,519	85,313
Income tax expense			
Current income tax expense	16	23,495	26,160
Deferred income tax expense	16	5,127	7,688
		28,622	33,848
Net income for the period		\$ 41,897	\$ 51,465
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that may be reclassified to net income			
Currency translation adjustment		(1,375)	(197)
Items that will not be reclassified to net income			
Derivative loss related to the Company's own credit risk		(6,260)	(368)
Deferred income tax on accumulated other comprehensive income		1,377	115
Comprehensive income		\$ 35,639	\$ 51,015
Income per common share			
Basic		\$ 0.18	\$ 0.22
Diluted		0.17	0.22
Weighted-average number of common shares			
Basic		238,255,452	236,062,529
Diluted		239,968,974	238,123,015

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LUNDIN GOLD

LUNDIN GOLD INC.

Condensed Consolidated Interim Statements of Changes in Equity
 (Unaudited – Prepared by Management)
 (Expressed in thousands of U.S. Dollars, except number of common shares)

	Note	Number of common shares	Share capital	Equity-settled share-based payment reserve	Other reserves	Deficit	Total
Balance, January 1, 2023		235,646,977	\$ 989,772	\$ 13,856	\$ 2,612	\$ (154,159)	\$ 852,081
Exercise of stock options		487,400	2,883	(1,024)	-	-	1,859
Vesting of share units	10	199,227	1,917	(710)	-	-	1,207
Exercise of anti-dilution rights	9	226,349	2,190	-	-	-	2,190
Stock-based compensation	10	-	-	939	-	-	939
Other comprehensive loss		-	-	-	(450)	-	(450)
Net income for the period		-	-	-	-	51,465	51,465
Dividends paid		-	-	-	-	(23,648)	(23,648)
Balance, March 31, 2023		236,559,953	\$ 996,762	\$ 13,061	\$ 2,162	\$ (126,342)	\$ 885,643
Balance, January 1, 2024		237,860,048	\$ 1,008,932	\$ 14,535	\$ 1,955	\$ (69,616)	\$ 955,806
Exercise of stock options		905,198	6,250	(1,931)	-	-	4,319
Vesting of share units	10	57,205	631	(2,463)	-	-	(1,832)
Stock-based compensation	10	-	-	1,041	-	-	1,041
Other comprehensive loss		-	-	-	(6,258)	-	(6,258)
Net income for the period		-	-	-	-	41,897	41,897
Dividends paid		-	-	-	-	(23,874)	(23,874)
Balance, March 31, 2024		238,822,451	\$ 1,015,813	\$ 11,182	\$ (4,303)	\$ (51,593)	\$ 971,099

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LUNDIN GOLD

LUNDIN GOLD INC.

Condensed Consolidated Interim Statements of Cash Flows
 (Unaudited – Prepared by Management)
 (Expressed in thousands of U.S. Dollars)

	Note	Three months ended March 31, 2024		2023
OPERATING ACTIVITIES				
Net income for the period		\$	41,897	\$ 51,465
Items not affecting cash:				
Depletion and depreciation			33,454	37,262
Stock-based compensation	10		2,770	927
Derivative loss	19(b)		17,931	15,434
Other income			(1,045)	(216)
Finance expense			7,639	20,675
Deferred income tax expense			5,127	7,688
			107,773	133,235
Changes in non-cash working capital items:				
Trade receivables and other current assets			(13,014)	7,487
Inventories			(29)	1,705
Advance royalty			5,381	6,002
Accounts payable and accrued liabilities			(4,468)	(8,252)
Income taxes payable			7,817	3,493
Other non-current liabilities			-	(1,045)
Interest received			4,454	1,814
Net cash provided by operating activities			107,914	144,439
FINANCING ACTIVITIES				
Repayments of long-term debt	8		(3,121)	(122,450)
Interest paid	8		(1,876)	(6,368)
Finance charge paid	8		(10,143)	(142,552)
Proceeds from exercise of stock options			4,319	1,859
Proceeds from exercise of anti-dilution rights	9		-	2,190
Share units settled in cash	10		(3,561)	-
Dividends paid			(23,874)	(23,648)
Net cash used for financing activities			(38,256)	(290,969)
INVESTING ACTIVITIES				
Acquisition and development of property, plant and equipment			(12,641)	(6,697)
VAT paid on investing activities			(995)	(475)
Net cash used for investing activities			(13,636)	(7,172)
Effect of foreign exchange rate differences on cash			(112)	16
Net increase (decrease) in cash and cash equivalents			55,910	(153,686)
Cash and cash equivalents, beginning of period			268,025	363,400
Cash and cash equivalents, end of period		\$	323,935	\$ 209,714

Supplemental cash flow information (Note 17)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LUNDIN GOLD

LUNDIN GOLD INC.

Notes to the condensed consolidated interim financial statements as at March 31, 2024

(Unaudited – Prepared by Management)

(Expressed in U.S. Dollars unless otherwise noted. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

1. Nature of operations

Lundin Gold Inc. together with its subsidiaries (collectively referred to as "Lundin Gold" or the "Company") is focused on its Fruta del Norte gold operation and developing its portfolio of mineral concessions in Ecuador.

The common shares of the Company are listed for trading on the Toronto Stock Exchange (the "TSX") and Nasdaq Stockholm under the symbol "LUG" and the OTCQX Best Market under the symbol "LUGDF". The Company was originally incorporated in British Columbia and continued under the Canada Business Corporations Act in 2002.

The Company's head office is located at Suite 2800, 1055 Dunsmuir Street, Vancouver, BC, and it has a corporate office in Quito, Ecuador.

2. Basis of preparation and consolidation

These unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board ("IFRS Accounting Standards"), applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting. As a result, they do not conform in all respects with the disclosure requirements for annual financial statements under IFRS and should be read in conjunction with the Company's audited consolidated financial statements for the fiscal year ended December 31, 2023.

These unaudited condensed interim financial statements are presented in U.S. dollars.

In preparing these unaudited condensed interim financial statements, the Company applied the same accounting policies and key sources of estimation uncertainty as those that were applied to the Company's audited consolidated financial statements for the fiscal year ended December 31, 2023.

These financial statements were approved for issue by the Board of Directors on May 8, 2024.

3. Trade receivables and other current assets

	March 31, 2024	December 31, 2023
Trade receivables (a)	\$ 122,441	\$ 93,036
VAT recoverable (b)	32,405	23,409
Prepaid expenses and other (c)	29,834	47,011
	<hr/>	<hr/>
	\$ 184,680	\$ 163,456

(a) Trade receivables mainly represent the value of concentrate sold as at period end for which the funds are not yet received. Consistent with industry standards, these sales generally have relatively long payment terms and are not settled until two to five months after export.

Concentrate sales are first recorded based on provisional prices. For sales that are provisionally priced as at March 31, 2024, an adjustment is estimated and recorded using the forward gold price at quarter end for the future month when the final gold price for each individual sale is expected to be determined. This adjustment resulted in an increase of \$13.4 million in trade receivables as of March 31, 2024 (December 31, 2023 - \$7.8 million increase) reflecting rising gold prices during the period.

LUNDIN GOLD INC.

Notes to the condensed consolidated interim financial statements as at March 31, 2024

(Unaudited – Prepared by Management)

(Expressed in U.S. Dollars unless otherwise noted. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

3. Trade receivables and other current assets (continued)

(b) Subject to submission of monthly claims and their acceptance by the applicable tax authorities, VAT paid in Ecuador by the Company after January 1, 2018 are being refunded or applied as a credit against other taxes payable, based on the level of export sales in any given month. Therefore, a portion of the VAT recoverable has been reclassified as current assets.

(c) Prepaid expenses and other includes credit notes issued by the tax authorities in Ecuador relating to approved VAT claims. These credit notes are being used to offset taxes payable including statutory tax withholdings from payments to vendors and the newly instituted monthly income tax instalment payments in Ecuador.

4. Inventories

	March 31, 2024	December 31, 2023
Ore stockpile	\$ 9,880	\$ 6,922
Gold in circuit	7,721	7,849
Doré and concentrate	18,399	17,868
Materials and supplies	56,185	56,767
	\$ 92,185	\$ 89,406

As at March 31, 2024, the Company maintained a provision of \$5.5 million (December 31, 2023 - \$7.0 million) associated with obsolete or slow-moving materials & supplies inventory generally accumulated during the construction of Fruta del Norte.

5. Property, plant and equipment

Cost	Construction-in-progress	Mine and plant facilities	Machinery and equipment	Vehicles	Furniture and office equipment	Total
Balance, January 1, 2023	\$ -	\$ 947,124	\$ 54,913	\$ 24,594	\$ 3,418	\$ 1,030,049
Additions	7,009	39,320	649	1,076	1,110	49,164
Disposals and other	-	-	(5,971)	(1,230)	(1,995)	(9,196)
Cumulative translation adjustment	-	297	-	-	10	307
Balance, December 31, 2023	7,009	986,741	49,591	24,440	2,543	1,070,324
Additions	1,678	7,512	-	-	511	9,701
Disposals and other	-	-	-	(67)	-	(67)
Reclassifications	(6,128)	6,128	-	-	-	-
Cumulative translation adjustment	-	(313)	-	-	(2)	(315)
Balance, March 31, 2024	\$ 2,559	\$ 1,000,068	\$ 49,591	\$ 24,373	\$ 3,052	\$ 1,079,643

LUNDIN GOLD INC.

Notes to the condensed consolidated interim financial statements as at March 31, 2024

(Unaudited – Prepared by Management)

(Expressed in U.S. Dollars unless otherwise noted. Tables are expressed in thousands of U.S. dollars, except share and per share amounts)

5. Property, plant and equipment (continued)

Accumulated depletion and depreciation	Construction-in-progress	Mine and plant facilities	Machinery and equipment	Vehicles	Furniture and office equipment	Total
Balance, January 1, 2023	\$ -	\$ 206,579	\$ 23,620	\$ 16,867	\$ 1,684	\$ 248,750
Depletion and depreciation	-	100,225	6,481	3,946	589	111,241
Disposals and other		-	(5,432)	(1,230)	(1,995)	(8,657)
Cumulative translation adjustment	-	92	-	-	2	94
Balance, December 31, 2023	-	306,896	24,669	19,583	280	351,428
Depletion and depreciation	-	26,269	1,629	608	188	28,694
Disposals and other	-	-	-	(67)	-	(67)
Cumulative translation adjustment	-	(99)	-	-	-	(99)
Balance, March 31, 2024	\$ -	\$ 333,066	\$ 26,298	\$ 20,124	\$ 468	\$ 379,959
Net book value						
As at December 31, 2023	\$ 7,009	\$ 679,845	\$ 24,922	\$ 4,857	\$ 2,263	\$ 718,896
As at March 31, 2024	\$ 2,559	\$ 667,002	\$ 23,293	\$ 4,249	\$ 2,584	\$ 699,687

6. Mineral properties

Cost	Fruta del Norte
Balance, January 1, 2023	\$ 183,507
Adjustments to restoration asset	1,004
Depletion	(24,483)
Balance, December 31, 2023	160,028
Depletion	(7,310)
Balance, March 31, 2024	\$ 152,718

LUNDIN GOLD INC.

Notes to the condensed consolidated interim financial statements as at March 31, 2024

(Unaudited – Prepared by Management)

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7. Accounts payable and accrued liabilities

	March 31, 2024	December 31, 2023
Accounts payable	\$ 11,719	\$ 16,750
Accrued liabilities	55,674	58,074
	\$ 67,393	\$ 74,824

8. Long-term debt

	March 31, 2024	December 31, 2023
Stream loan credit facility (a)	\$ 297,888	\$ 276,183
Oftake derivative liability (b)	28,903	29,464
	\$ 326,791	\$ 305,647
Less: current portion		
Stream loan credit facility	69,772	59,568
Oftake derivative liability	4,915	4,148
Long-term portion	\$ 252,104	\$ 241,931

The stream loan credit facility (the “Stream Facility”) and the offtake derivative liability (the “Oftake”) are accounted for as financial liabilities at fair value through profit or loss and are comprised of the following as at March 31, 2024.

	Stream loan credit facility	Oftake derivative liability	Total
Principal	\$ 97,984	\$ -	\$ 97,984
Transaction costs	(1,785)	-	(1,785)
Derivative fair value adjustments	201,689	28,903	230,592
Total	\$ 297,888	\$ 28,903	\$ 326,791

Derivative fair value adjustments reflect the revaluation of the financial instruments at fair value as at March 31, 2024. The derivative loss related to the Company’s own credit risk recorded in other comprehensive income includes the impact of the difference between the Company’s own credit risk at the time of entering into the long-term debt and the statement of financial position date (see also Note 19).

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8. Long-term debt (continued)

(a) Stream Facility

The Stream Facility is a secured loan facility with a stated interest rate of 7.5% per annum with interest accruing based upon the outstanding balance.

The Stream Facility is repayable in variable monthly instalments equivalent to the value of 7.75% of gold production less \$408 per oz. (the “Gold Base Price”) and 100% of the silver production less \$4.08 per oz. (the “Silver Base Price”) up to a maximum of 350,000 oz of gold and six million oz of silver. The Gold Base Price and Silver Base Price will increase by 1% in February of each year. The excess of the monthly repayments over the principal due monthly and the balance of interest accrued to that date, if any, is a variable additional charge (the “Finance Charge”).

During the three months ended March 31, 2024, the Company made payments under the Stream Facility totaling \$15.1 million (three months ended March 31, 2023 – \$21.0 million) of which \$3.1 million (three months ended March 31, 2023 – \$4.8 million) was paid on account of principal; \$1.9 million (three months ended March 31, 2023 – \$2.2 million) for accrued interest; and \$10.1 million (three months ended March 31, 2023 – \$14.0 million) for the Finance Charge (see Note 19). As at March 31, 2024, based on the projected life of mine production and other significant assumptions (see Note 19), the estimated fair value equivalent to 228,630 oz of gold and 4,418,081 oz of silver remains outstanding under the Stream Facility.

The Company has the option to repay (i) 50% of the remaining Stream Facility on June 30, 2024 for \$150 million (“First Reduction Option”) and / or (ii) the other 50% of the remaining Stream Facility on June 30, 2026 for \$225 million.

(b) Offtake

The lender of the Stream Facility has 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. This obligation is satisfied first through the sale of doré and then, if required, financial settlement.

The Company has determined that the Offtake represents a derivative financial liability. Accordingly, the Offtake, which is primarily a function of the gold price option feature, is measured at fair value at each statement of financial position date, with changes in the derivative fair value being recorded in profit or loss. As at March 31, 2024, based on the projected life of mine production and other significant assumptions (see Note 19), the estimated fair value equivalent to 1,684,974 oz of gold remains outstanding under the Offtake.

Under the long-term debt, the Company, together with its subsidiaries related to Fruta del Norte (collectively, the “FDN Subsidiaries”), remain subject to a number of covenants. In addition, the long-term debt is secured by a charge over the FDN Subsidiaries’ assets, pledges of the shares of the FDN Subsidiaries and guarantees of the Company and the FDN Subsidiaries. On April 25, 2024, the Company announced the buy out of the Stream Facility and Offtake, and these covenants will no longer apply after the target effective date of June 28, 2024 (Note 21).

9. Share capital

Authorized:

- Unlimited number of common shares without par value
- Unlimited number of preference shares without par value

During the three months ended March 31, 2024, certain restrictions resulted in a deferral of issuance of common shares to Newmont Corporation pursuant to its anti-dilution rights.

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10. Stock-based compensation

i. Stock options

Stock options granted and outstanding under an omnibus incentive plan (the “Omnibus Plan”) and a pre-existing stock option plan (the “Option Plan”) have an expiry date of five years and vest over a period of three or four years from date of grant. No additional stock options can be granted under the Option Plan.

During the three months ended March 31, 2024, 347,000 stock options were granted under the Omnibus Plan which have an expiry date of five years and vest over a period of three or four years from date of grant.

Stock options are exercisable into one common share of the Company at the price specified in the terms of the option agreement.

A continuity summary of the stock options granted and outstanding under the Omnibus Plan and Option Plan is presented below:

	Three months ended March 31, 2024		Year ended December 31, 2023	
	Number of stock options	Weighted average exercise price (CAD)	Number of stock options	Weighted average exercise price (CAD)
Balance, beginning of period	3,594,969	\$ 10.18	4,237,923	\$ 8.35
Granted	347,000	15.92	530,600	14.13
Forfeited	-	-	(17,002)	10.00
Exercised ⁽¹⁾	(905,198)	6.46	(1,156,552)	5.28
Balance outstanding, end of period	3,036,771	\$ 11.95	3,594,969	\$ 10.18
Balance exercisable, end of period	2,000,818	\$ 11.08	2,299,121	\$ 9.30

⁽¹⁾ The weighted average share price on the exercise date for the stock options exercised during the three months ended March 31, 2024 and year ended December 31, 2023 were CAD\$16.64 and CAD\$16.11, respectively.

The following table summarizes information concerning outstanding and exercisable options at March 31, 2024:

Range of exercise prices (CAD)	Number of options outstanding	Weighted average remaining contractual life (years)	Weighted average exercise price (CAD)
\$ 5.22 to 10.00	719,500	2.75	\$ 9.55
\$ 10.01 to 12.00	854,171	2.03	10.56
\$ 12.01 to 16.12	1,463,100	2.96	13.94
	3,036,771	2.65	\$ 11.95

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10. Stock-based compensation (continued)

The fair value based method of accounting was applied to stock options granted to employees, including directors, and non-employees on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions:

	March 31, 2024	December 31, 2023
Risk-free interest rate	3.16%	3.17%
Expected stock price volatility	33.28%	38.43%
Expected life	3.7 years	5.0 years
Expected dividends (CAD)	\$0.54	\$0.26
Weighted-average fair value per option granted (CAD)	\$3.74	\$4.57

The equity-settled share-based payment reserve includes the fair value of employee options as measured at grant date and amortized over the period during which the employees become unconditionally entitled to the options.

During the three months ended March 31, 2024, the Company recorded stock-based compensation expense of \$0.4 million (three months ended March 31, 2023 – \$0.4 million).

ii. Share units

Under the Omnibus Plan, the Company has granted restricted share units and deferred share units to eligible employees and non-employee directors as presented below.

	Restricted share units with performance criteria		Restricted share units		Deferred share units
	Settled in cash or shares	Settled in shares	Settled in cash	Settled in shares	
Balance at January 1, 2023	152,052	377,252	25,270	160,871	34,678
Granted	-	167,300	-	134,884	9,007
Granted – Dividend Equivalent	-	18,300	-	5,744	607
Cancelled	-	-	(5,752)	(24,652)	-
Settled	(152,052)	-	(19,518)	(101,646)	(30,825)
Balance at December 31, 2023	-	562,852	-	175,201	13,467
Granted	-	162,900	-	110,480	618
Granted - Dividend Equivalent	-	4,006	-	1,505	100
Cancelled	-	-	-	-	-
Settled	-	(190,678)	-	(82,807)	-
Balance at March 31, 2024	-	539,080	-	204,379	14,185

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10. Stock-based compensation (continued)

Restricted share units with performance criteria (“PSUs”)

During the three months ended March 31, 2024, the Company granted 162,900 PSUs that are settled in shares. In addition, in connection with dividends paid during the three months ended March 31, 2024, 4,006 PSUs were granted as Dividend Equivalents. During the year ended December 31, 2023, the Company granted 167,300 PSUs as well as 18,300 PSUs as Dividend Equivalents.

All PSUs that are settled in cash or common shares, at the unitholder’s option, were settled through a combination of payment of cash or issuance of shares during the year ended December 31, 2023. PSUs that are settled in shares that vested during the three months ended March 31, 2024 were settled in cash as determined by the Company’s board of directors resulting in additional stock-based compensation of \$1.7 million.

PSUs are granted to eligible employees and vest three years from date of grant subject to continued employment and certain performance conditions being met. The number of PSUs that vest will be adjusted using a multiplier that is based on total shareholder return by the Company’s shares over the three-year period relative to a peer group as defined by the Company’s board of directors. Each vested PSU entitles the recipient to a payment of one common share.

Using Monte Carlo simulation, the fair value of PSUs was measured on the date of grant with the following weighted-average assumptions:

	March 31, 2024	December 31, 2023
Risk-free interest rate	4.20%	4.22%
Average expected volatility of the Company and its peer group	42.77%	45.64%
Expected life	3 years	3 years
Expected dividends (CAD)	\$0.54	\$0.26
Weighted-average fair value per unit (CAD)	\$15.14	\$12.38

The fair value of PSUs measured at grant date are being amortized over the period during which the employees become unconditionally entitled to the PSUs. During the three months ended March 31, 2024, the Company recorded stock-based compensation expense of \$0.4 million (three months ended March 31, 2023 – \$0.3 million) relating to Share PSUs.

Restricted share units without performance criteria (“RSUs”)

During the three months ended March 31, 2024, the Company granted 110,480 RSUs that are settled in shares. In addition, in connection with dividends paid during the three months ended March 31, 2024, 1,505 RSUs were granted as Dividend Equivalents. During the year ended December 31, 2023, the Company granted 134,884 RSUs as well as 5,744 RSUs as Dividend Equivalents.

All RSUs that are settled in cash were settled during the year ended December 31, 2023. RSUs that are settled in shares that vested during the three months ended March 31, 2024 were settled through a combination of payment of cash or issuance of shares as determined by the Company’s board of directors. This resulted in additional stock-based compensation of \$0.1 million.

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10. Stock-based compensation (continued)

RSUs are granted to eligible employees and vest one to three years from date of grant subject to continued employment. Each vested RSU entitles the recipient to a payment of one common share.

Using the Black-Scholes option pricing model, the fair value of RSUs was measured on the date of grant with the following weighted-average assumptions:

	March 31, 2024	December 31, 2023
Risk-free interest rate	3.52%	3.88%
Expected stock price volatility	42.82%	39.36%
Expected life	3 years	1.96 years
Expected dividends (CAD)	\$0.54	\$0.26
Weighted-average fair value per unit (CAD)	\$15.45	\$17.33

The fair value of RSUs measured at grant date are being amortized over the period during which the employees become unconditionally entitled to the RSUs. During the three months ended March 31, 2024, the Company recorded stock-based compensation expense of \$0.2 million (three months ended March 31, 2023 – \$0.1 million) relating to RSUs.

Deferred share units ("DSUs")

During the three months ended March 31, 2024 and year ended December 31, 2023, the Company granted 618 DSUs and 9,007 DSUs, respectively, to non-employee directors. In addition, in connection with dividends paid by the Company during the three months ended March 31, 2024 and year ended December 31 2023, 100 DSUs and 607 DSUs, respectively, were granted as Dividend Equivalents. The DSUs do not vest until the end of service as a director of the Company. Each vested DSU entitles the recipient to a payment in shares.

During the three months ended March 31, 2024, the Company recorded stock-based compensation expense of \$9 thousand (three months ended March 31, 2023 – \$0.1 million) relating to DSUs.

11. Revenues

	Three months ended March 31, 2024		2023
Doré sales	\$ 76,469	\$ 92,964	
Concentrate sales	144,672	154,064	
Gain on provisionally priced trade receivables	5,600	9,700	
	\$ 226,741	\$ 256,728	

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12. Exploration

	Three months ended March 31,		
	2024	2023	
Catering and camp expenses	\$ 583	\$ 104	
Concessions and land	487	400	
Drilling	3,270	1,430	
Environmental	236	146	
Salaries and benefits	1,561	936	
Sampling and supplies	1,624	738	
Others	164	89	
	\$ 7,925	\$ 3,843	

13. Administration

	Three months ended March 31,		
	2024	2023	
Corporate social responsibility	\$ 686	\$ 612	
Investor relations	36	78	
Office and general	1,061	705	
Professional fees	557	407	
Regulatory and transfer	254	245	
Salaries and benefits	2,928	4,527	
Special government levy (a)	1,913	-	
Stock-based compensation	2,770	927	
Travel	182	104	
	\$ 10,387	\$ 7,605	

(a) In March 2024, the Government of Ecuador introduced a special one-time temporary security contribution to strengthen security amid rising violence in the country. The contribution rate is 3.25% on the 2022 taxable income and is payable in 2024 and 2025.

14. Finance expense

	Three months ended March 31,		
	2024	2023	
Interest expense	\$ 1,876	\$ 5,893	
Finance charge	10,143	14,053	
Other finance costs	-	1,095	
Accretion of transaction costs	74	1,830	
	\$ 12,093	\$ 22,871	

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15. Related party transactions

i. Key management compensation

Key management includes executive officers and directors of the Company. The compensation paid or payable to key management for employee services during the three months ended March 31 is shown below.

	March 31, 2024	March 31, 2023
Salaries, bonuses and benefits	\$ 2,517	\$ 4,131
Stock-based compensation	1,640	790
	<hr/> \$ 4,157	<hr/> \$ 4,921

ii. Other related party transactions

During the three months ended March 31, 2024, the Company incurred \$0.8 million (March 31, 2023 – \$0.2 million), primarily relating to office rental, renovation costs, and related services provided by Namdo Management Services Ltd. ("Namdo"), a company associated with a director of the Company.

16. Income taxes

Current income tax expense is generated from net income for tax purposes in Ecuador relating to operations at Fruta del Norte. In addition to corporate income taxes in Ecuador which are levied at a rate of 22% and dividend withholding taxes levied at a rate of 5% related to the anticipated portion of net income distributed from Ecuador, included in current income tax expense is the portion of profit sharing payable to the Government of Ecuador which is calculated at the rate of 12% of net income for tax purposes. The employee portion of profit sharing, calculated at the rate of 3% of net income for tax purposes, is considered an employment benefit and included in operating costs.

Corporate income taxes in Ecuador are due in April of each year. Effective January 1, 2024, the Government of Ecuador introduced monthly corporate income tax instalment payments which is based on a percentage of monthly revenues. Instalment amounts paid during the year ended December 31, 2024 will offset corporate income taxes due in April 2025.

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16. Income taxes (continued)

The rates used in Ecuador differ from the amount that would result from applying the Canadian federal and provincial income tax rates to net income before tax. These differences result from the following items:

	Three months ended March 31, 2024		2023	
Net income before tax	\$ 70,519		\$ 85,313	
Canadian federal and provincial income tax rates		27.00%		27.00%
Income tax expense based on the above rates		19,040		23,035
Increase due to:				
Differences in foreign tax rates		3,525		5,628
Non-deductible costs		3,527		2,116
Withholding taxes (current and deferred)		1,460		2,291
Losses and temporary differences for which an income tax asset has not been recognized		1,070		778
Income tax expense	\$ 28,622		\$ 33,848	

17. Supplemental cash flow information

Cash and cash equivalents are comprised of the following:

	March 31, 2024	December 31, 2023
Cash	\$ 149,543	\$ 70,670
Short-term investments	174,392	197,355
	\$ 323,935	\$ 268,025

Other supplemental cash information:

	Three months ended March 31, 2024		2023	
Change in accounts payable and accrued liabilities related to:				
Acquisition of property, plant and equipment	\$ (2,940)		\$ (2,313)	

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18. Segmented information

Operating segments are components of an entity that engage in business activities from which they incur expenses and whose operating results are regularly reviewed by a chief operating decision maker to make resource allocation decisions and to assess performance. The Chief Executive Officer is responsible for allocating resources and reviewing operating results of each operating segment on a periodic basis.

The Company's primary business activity is the Fruta del Norte operating mine in Ecuador. Materially all of the Company's non-current assets and non-current liabilities relate to Fruta del Norte. In addition, the Company conducts exploration activities and maintains a number of concessions in Ecuador outside of Fruta del Norte.

The following are summaries of the Company's current and non-current assets, current and non-current liabilities, and net income (loss) by segment:

	Fruta del Norte	Exploration activities	Corporate and other	Total
As at March 31, 2024				
Current assets	\$ 540,872	\$ 1,240	\$ 69,801	\$ 611,913
Non-current assets	896,089	96	889	897,074
Total assets	1,436,961	1,336	70,690	1,508,987
Current liabilities	196,997	644	744	198,385
Non-current liabilities	331,863	-	7,640	339,503
Total liabilities	528,860	644	8,384	537,888
For the three months ended March 31, 2024				
Revenues	226,741	-	-	226,741
Income from mining operations	113,237	-	-	113,237
Corporate administration	(3,304)	(148)	(6,935)	(10,387)
Exploration expenditures	-	(7,925)	-	(7,925)
Finance income (expense)	(8,511)	-	872	(7,639)
Other income	195	-	969	1,164
Derivative loss	(17,931)	-	-	(17,931)
Income tax expense	(27,084)	-	(1,538)	(28,622)
Net income (loss) for the period	56,602	(8,073)	(6,632)	41,897

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18. Segmented information (continued)

	Fruta del Norte	Exploration activities	Corporate and other	Total
As at March 31, 2023				
Current assets	\$ 406,892	\$ 9,360	\$ 67,938	\$ 484,190
Non-current assets	982,850	-	-	982,850
Total assets	1,389,742	9,360	67,938	1,467,040
Current liabilities	224,786	714	1,837	227,337
Non-current liabilities	346,560	-	7,500	354,060
Total liabilities	571,346	714	9,337	581,397
For the three months ended March 31, 2023				
Revenues	256,728	-	-	256,728
Income from mining operations	132,708	-	-	132,708
Corporate administration	(1,232)	(16)	(6,357)	(7,605)
Exploration expenditures	-	(3,843)	-	(3,843)
Finance income (expense)	(21,795)	-	738	(21,057)
Other income	24	-	520	544
Derivative loss	(15,434)	-	-	(15,434)
Income tax expense	(31,557)	-	(2,291)	(33,848)
Net income (loss) for the period	62,714	(3,859)	(7,390)	51,465

19. Financial instruments

The Company's financial instruments include cash, cash equivalents and certain receivables, which are categorized as financial assets at amortized cost, and accounts payable and accrued liabilities, which are categorized as financial liabilities at amortized cost. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these instruments. In addition, the Stream Facility and Offtake have been classified as financial liabilities measured at fair value. Further, provisionally priced trade receivables of \$122.4 million (December 31, 2023 - \$93.0 million) are measured at fair value using quoted forward market prices (level 2).

(a) Fair value measurements and hierarchy

IFRS establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lower priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3: Inputs that are both significant to the fair value measurement and unobservable.

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19. Financial instruments (continued)

(b) Fair value measurements using significant unobservable inputs (Level 3)

The following table sets forth the Company's financial liabilities measured at fair value on a recurring basis by level within the fair value hierarchy for the three months ended March 31, 2024 and year ended December 31, 2023. Each of these financial instruments are classified as Level 3 as their valuation includes significant unobservable inputs.

	Stream loan credit facility	Offtake derivative liability	Total
Balance, December 31, 2022	\$ 259,226	\$ 28,440	\$ 287,666
Principal paid	(17,541)	-	(17,541)
Interest paid	(8,280)	-	(8,280)
Interest accrued at stated rate of 7.5%	8,280	-	8,280
Accretion of transaction costs	212	-	212
Derivative fair value adjustments recognized in:			
Net income	31,045	1,024	32,069
Other comprehensive income	3,241	-	3,241
Change in derivative fair values	34,286	1,024	35,310
Balance, December 31, 2023	\$ 276,183	\$ 29,464	\$ 305,647
Principal paid	(3,121)	-	(3,121)
Interest paid	(1,876)	-	(1,876)
Interest accrued at stated rate of 7.5%	1,876	-	1,876
Accretion of transaction costs	74	-	74
Derivative fair value adjustments recognized in:			
Net income	18,492	(561)	17,931
Other comprehensive income	6,260	-	6,260
Change in derivative fair values	24,752	(561)	24,191
Balance, March 31, 2024	\$ 297,888	\$ 28,903	\$ 326,791

(c) Significant assumptions in valuation and relationship to fair value

The financial liabilities above were valued using Monte Carlo simulation valuation models. The significant assumptions used in the Monte Carlo valuation models include: the gold and silver forward prices, gold and silver price volatility, the risk-free rate of return, risk-adjusted discount rates, and the projected life of mine production schedule.

As the gold price and silver price volatilities and risk-adjusted discount rates are unobservable inputs, the financial liabilities above are classified within Level 3 of the fair value hierarchy. The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements.

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19. Financial instruments (continued)

	Fair value at March 31, 2024	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Stream Facility and Offtake	\$ 326,791	Expected volatility	13% to 27%	An increase or decrease in expected volatility of 5% would increase or decrease fair value by \$8.9 million or \$9.5 million, respectively
		Risk-adjusted discount rate	11% to 12%	An increase or decrease in risk-adjusted discount rate of 1% would decrease or increase fair value by \$4.7 million or \$4.8 million, respectively
		Projected production schedule	FDN mine plan	An increase or decrease in projected production schedule of 5% would increase or decrease fair value by \$0.7 million or \$0.5 million, respectively

(d) Valuation processes

The valuation of financial instruments classified as Level 3 of the fair value hierarchy were prepared by an independent valuation specialist under the direct oversight of the Senior Vice President, Finance of the Company. Discussions of valuation processes and results are reported to the audit committee at least once every three months, in line with the Company's quarterly reporting periods.

20. Commitments

Significant capital expenditures contracted as at March 31, 2024 but not recognized as liabilities are as follows:

	Capital Expenditures
12 months ending March 31, 2025	\$ 22,399
April 1, 2025 onward	-
Total	\$ 22,399

On January 1, 2024, the Company entered into a long-term rental agreement with Namdo which expires on February 28, 2039, and provides a guarantee of rental fees totaling \$6.5 million for the duration of the contract.

21. Subsequent events

On April 25, 2024, the Company announced that it entered into an agreement with Newmont Corporation to buy out 100% of the balance of the Stream Facility and the Offtake for total consideration of \$330 million. The negotiated purchase price is payable in cash, with the first tranche of \$180 million due on closing of the transaction, which is targeted on June 28, 2024 (the "Effective Date"), and the final tranche of \$150 million due on or before the end of the third quarter of 2024. Payments and deliveries will continue in accordance with the terms of the Stream Facility and Offtake until the Effective Date.

Corporate Information

BOARD OF DIRECTORS

Jack Lundin, Chairman
Vancouver, Canada
Carmel Daniele
London, United Kingdom
Gillian Davidson
Edinburgh, United Kingdom
Ian Gibbs
Vancouver, Canada
Melissa Harmon
Denver, USA
Ashley Heppenstall
London, United Kingdom
Ron F. Hochstein
Vancouver, Canada
Scott Langley
Toronto, Canada
Angelina Mehta
Montreal, Canada

OFFICERS

Ron F. Hochstein
President & Chief Executive Officer
Christopher Kololian
Chief Financial Officer
Terry Smith
Chief Operating Officer
Chester See
Senior Vice President, Finance
Sheila Colman
Vice President, Legal and Sustainability & Corporate Secretary
Andre Oliveira
Vice President, Exploration

OFFICES

CORPORATE HEAD OFFICE
Lundin Gold Inc.
Four Bentall Centre
1055 Dunsmuir Street, Suite 2800
Vancouver, BC V7X 1L2
Telephone: 604-689-7842
Toll Free: 1-888-689-7842
Facsimile: 604-689-4250

REGIONAL HEAD OFFICE

Aurelian Ecuador S.A., a subsidiary of Lundin Gold Inc.
Av. Amazonas N37-29 y UNP Edificio
Eurocenter, Piso 5
Quito, Pichincha
Ecuador
Telephone: 593-2-299-6400

COMMUNITY OFFICE

Calle 1ro de Mayo y 12 de Febrero,
esquina
Los Encuentros, Zamora-Chinchipe,
Ecuador

STOCK EXCHANGE

LISTINGS

The Toronto Stock Exchange
Trading Symbol: LUG
Nasdaq Stockholm
Trading Symbol: LUG

SHARE REGISTRAR AND TRANSFER AGENT

Computershare Investor Services Inc.
510 Burrard Street, 3rd Floor
Vancouver, BC V6C 3B9
Telephone: 1-800-564-6253

AUDITOR

PricewaterhouseCoopers LLP
250 Howe St, Suite 700
Vancouver, BC V6C 3S7
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ADDITIONAL INFORMATION

Further information about Lundin Gold is available by contacting:
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LUNDIN GOLD

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