

Lundin Gold Announces 50% Increase to Quarterly Dividend and Implementation of Normal Course Issuer Bid

VANCOUVER, BC, February 20, 2025 /CNW/ - **Lundin Gold Inc. (TSX: LUG; Nasdaq Stockholm: LUG; OTCQX: LUGDF) ("Lundin Gold" or the "Company")** is pleased to announce that its Board of Directors has declared an increased quarterly cash dividend of US\$0.30 per common share (equivalent to C\$0.43¹), up from US\$0.20 per common share in previous quarters. The dividend will be payable on March 26, 2025 to shareholders of record at the close of business on March 11, 2025. This dividend qualifies as an "eligible dividend" for Canadian income tax purposes. In addition, the Board of Directors has approved and the Toronto Stock Exchange (the "TSX") has accepted the Company's notice of intention to commence a normal course issuer bid (the "NCIB").

"The Board's decision today to increase our quarterly dividend, for the second time in less than a year, reflects the ongoing strength of the business given Lundin Gold's strong revenues and operating cash flow and its future outlook," said Ron Hochstein, President and CEO. "In conjunction with the increased dividend, we have put in place a normal course issuer bid, which is another tool under the Company's capital allocation program that increases flexibility and will be used opportunistically with respect to returning capital to shareholders. We remain committed to pursuing growth through our exploration programs and corporate development initiatives."

Dividend Increase to US\$0.30 per common share

Based on today's closing price of the Company's common shares on the TSX of CAD\$38.37 this quarterly dividend of US\$0.30 per common share represents an estimated annual yield of approximately 4.4%.²

Dividends for common shares trading on the TSX and the OTCQX will be paid in Canadian dollars on March 26, based on the prevailing exchange rate at the record date. Dividends for shares trading on Nasdaq Stockholm will be paid on March 31, 2025 in Swedish kronor (SEK) in accordance with Euroclear principles. To execute the payment of the dividend, a temporary administrative cross-border transfer closure will be applied by Euroclear from March 7, 2025, up to and including Tuesday, March 11, 2025 during which period shares of the Company cannot be transferred between TSX and Nasdaq Stockholm. Payments to shareholders who are not residents of Canada will be net of any Canadian withholding taxes that may be applicable. For further details, please visit: www.lundin.gold/investors/dividends.

Normal Course Issuer Bid

Under the NCIB, Lundin Gold may purchase for cancellation up to 12,020,129 common shares of Lundin Gold, representing 5% of the 240,402,598 issued and outstanding common shares as of February 11, 2025. Purchases can be made at prevailing market prices during a 12-month period commencing on February 25, 2025 and ending on the earlier of February 24, 2026 and the date on which the Company reaches the maximum purchases permitted under the NCIB.

Purchases of common shares under the NCIB will be made in accordance with TSX rules through the facilities of the TSX and/or through alternative Canadian trading systems. Daily purchases on the TSX under the NCIB will be limited to a maximum of 82,088 common shares, representing 25% of 328,355, the average daily trading volume of the common shares on the TSX for six months ending January 31, 2025 subject to any purchases made pursuant to the block purchase exception.

Lundin Gold believes that the NCIB will provide a flexible tool as part of Lundin Gold's overall capital allocation program. The repurchase of common shares at certain market prices is an appropriate and desirable use of the Company's funds that is in the best interests of Lundin Gold and beneficial to its shareholders. Lundin Gold intends to make any purchases on an opportunistic basis, taking share price and other considerations into account. The NCIB will be funded using Lundin Gold's existing cash resources.

The actual number of common shares which may be purchased under the NCIB and the timing of any such purchases will be determined by the management of Lundin Gold, subject to applicable securities laws and TSX rules. Lundin Gold may elect to suspend or discontinue repurchases of common shares at any time, in accordance with applicable laws. There can be no assurances that any such purchases

of common shares under the NCIB will be completed.

Additional Information

The information in this release is subject to the disclosure requirements of Lundin Gold under the Swedish Financial Instruments Trading Act. This information was publicly communicated on February 20, 2025 at 4:30 p.m. Pacific Time through the contact persons set out below.

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 a number of places, such as in statements relating to the Company's declaration and payment of dividends pursuant to its dividend policy and the estimated annual yield and the NCIB, potential purchases of shares under the NCIB, the anticipated benefits of the NCIB, including enhancing shareholder value and returning additional capital to shareholders, and Lundin Gold's strategies and objectives. 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 on 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 risks relating to: 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; reclamation obligations.

¹ C\$0.43 per common share has been calculated using today's CAD\$ to US\$ exchange rate of 1.4188 as provided by the Bank of Canada

² Estimated yield assumes four quarterly dividends of US\$0.30 per common share and has been calculated using today's CAD\$ to US\$ exchange rate of 1.4188 as provided by the Bank of Canada.

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For more information, please contact

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About Lundin Gold

Lundin Gold, headquartered in Vancouver, Canada, owns the Fruta del Norte gold mine in southeast Ecuador. Fruta del Norte is among the highest-grade operating gold mines in the world.

The Company's board and management team have extensive expertise and are dedicated to operating Fruta del Norte responsibly. The Company operates with transparency and in accordance with international best practices. Lundin Gold is committed to delivering value to its shareholders through operational excellence and growth, while simultaneously providing economic and social benefits to impacted communities, fostering a healthy and safe workplace and minimizing the environmental impact. Furthermore, Lundin Gold is focused on continued exploration on its extensive and highly prospective land package to identify and develop new resource opportunities to ensure long-term sustainability and growth for the Company and its stakeholders.