

**IMPORTANT TAX NOTICE: 2018 PFIC STATUS**

Attention: U.S. SHAREHOLDERS

This statement is provided for shareholders of Lundin Gold Inc. ("Lundin Gold") who are United States persons for purposes of the U.S. Internal Revenue Code of 1986, as amended ("IRC") and the regulations thereunder and are required to file a United States Income Tax Returns. It is not relevant to other shareholders.

Lundin Gold and its wholly owned subsidiaries Aurelian Resources Inc. ("ARI") and Aurelian Ecuador S.A. ("AE") more likely than not would be considered a passive foreign investment company ("PFIC") under §1297(a) of the United States Internal Revenue Code (the "Code") for the taxable year ended December 31, 2018. Lundin Gold's other non-U.S. subsidiaries should not be considered a PFIC under §1297(a) of the Code for the taxable year ended December 31, 2018. The determination as to whether any corporation was, or will be, a PFIC for a particular year end depends, in part on the application of complex U.S. federal income tax statutes, regulations and the interpretation thereof. In addition, whether any corporation will be a PFIC for any tax year depends on its assets and income over the course of such tax year and as a result, the PFIC status of Lundin Gold and any of the Lundin Gold entities for 2018 and any future tax year is subject to a complex analysis and therefore cannot be predicated with certainty. For shareholders of Lundin Gold that are subject to U.S. federal income tax ("U.S. Shareholders"), certain significant and potentially adverse United States federal income tax consequences result from this designation. These consequences may be generally mitigated by making a timely and effective election to treat Lundin Gold, the ARI and the AE subsidiaries as Qualified Electing Funds under §1295 of the Code (a "QEF Election").

Pursuant to the requirements of Treasury Regulation §1.1295-1(g)(1), the attached PFIC Annual Information Statement is being made available to U.S. Shareholders who have made or intend to make a QEF Election. The attached PFIC Annual Information Statement contains information to enable you or your tax advisor to prepare your tax return if you make the QEF Election.

A U.S. Shareholder who makes a QEF Election is required to annually include in income the pro rata share of the ordinary earnings and net capital gains of Lundin Gold, the ARI and the AE subsidiaries. The QEF Election is made by completing and attaching Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (Form 8621) to your federal income tax return filed by the due date of the return.

THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST U.S. SHAREHOLDERS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. WE STRONGLY URGE U.S. SHAREHOLDERS TO CONSULT WITH THEIR OWN TAX ADVISOR TO DETERMINE WHETHER THEY ARE SUBJECT TO U.S. FEDERAL INCOME TAX, AND IF SO, WHETHER THEY ARE ELIGIBLE TO MAKE ANY APPLICABLE ELECTIONS PERTAINING TO THE COMPANY'S STATUS AS A PFIC. ANY DECISION TO MAKE OR NOT MAKE ANY ELECTION THAT MAY BE AVAILABLE WILL DEPEND UPON A U.S. SHAREHOLDER'S PARTICULAR TAX SITUATION AND MAY HAVE SIGNIFICANT AND CONTINUING U.S. TAX CONSEQUENCES. LUNDIN GOLD IS UNABLE TO GIVE ADVICE IN THIS REGARD.

Further information on PFIC rules and the QEF election is available from the Internal Revenue Service, including the following website pages: Instructions to complete Form 8621: <https://www.irs.gov/pub/irs-pdf/i8621.pdf>  
Form 8621: [www.irs.gov/pub/irs-pdf/f8621.pdf](http://www.irs.gov/pub/irs-pdf/f8621.pdf)

For further information, U.S. Shareholders should consult their tax advisor or seek additional information at [www.irs.gov](http://www.irs.gov)

## PFIC ANNUAL INFORMATION STATEMENT

### Lundin Gold Inc.

1. The first and last days of the fiscal year of Lundin Gold Inc. ("Lundin Gold") to which this information applies:

First Day: January 1, 2018  
Last Day: December 31, 2018

2. Ordinary earnings and net capital gains of Lundin Gold for the taxable year specified in item 1 are:

	<b>1/1/2018 – 3/26/2018</b>	<b>3/26/2018 – 12/31/2018</b>
Ordinary Earnings per Share	Nil	Nil
Net Capital Gain per Share	Nil	Nil

3. Cash and fair market value of other property distributed or deemed distributed by Lundin Gold for the taxable year specified in item 1 are:

Cash: Nil  
Fair Market Value of Property: Nil

### Aurelian Resources Inc.

1. The first and last days of the fiscal year of Aurelian Resources Inc. ("ARI") to which this information applies:

First Day: January 1, 2018  
Last Day: December 31, 2018

2. Ordinary earnings and net capital gains of ARI for the taxable year specified in item 1 are:

	<b>1/1/2018 – 3/26/2018</b>	<b>3/26/2018 – 12/31/2018</b>
Ordinary Earnings per Share	\$0.0059	\$0.0101
Net Capital Gain per Share	Nil	Nil

3. Cash and fair market value of other property distributed or deemed distributed by ARI for the taxable year specified in item 1 are:

Cash: Nil  
Fair Market Value of Property: Nil

(Continued)

Aurelian Ecuador S.A.

1. The first and last days of the fiscal year of Aurelian Ecuador S.A. ("AE") to which this information applies:

First Day: January 1, 2018

Last Day: December 31, 2018

2. Ordinary earnings and net capital gains of AE for the taxable year specified in item 1 are:

	<b>1/1/2018 – 3/26/2018</b>	<b>3/26/2018 – 12/31/2018</b>
Ordinary Earnings per Share	Nil	Nil
Net Capital Gain per Share	Nil	Nil

3. Cash and fair market value of other property distributed or deemed distributed by AE for the taxable year specified in item 1 are:

Cash: Nil

Fair Market Value of Property: Nil

Lundin Gold will permit any shareholder subject to U.S. federal income tax to inspect and copy its permanent books of account, records, and other documents that may be necessary to establish Lundin Gold's, ARI's and the AE's subsidiaries' ordinary earnings and net capital gains, as computed for U.S. tax purposes, and to verify the computation of the shareholder's pro-rata share of Lundin Gold, the ARI and the AE subsidiaries ordinary earnings and net capital gains.

Lundin Gold Inc.

*/s/ Chester See*

Chester See

Vice President, Finance