

**NEWS RELEASE****LUNDIN GOLD ANNOUNCES C\$50 MILLION  
BOUGHT DEAL FINANCING*****NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR  
DISSEMINATION TO UNITED STATES***

**May 26, 2020 (Vancouver, Canada) Lundin Gold Inc.** ("Lundin Gold" or the "Company") (TSX: LUG, Nasdaq Stockholm: LUG) has announced today that it has entered into an agreement with BMO Capital Markets ("BMO"), under which BMO has agreed to buy on a bought deal basis 4,150,000 common shares (the "Common Shares"), at a price of C\$12.05 per Common Share for gross proceeds of approximately C\$50 million (the "Offering"). The Company has granted BMO an option, exercisable at the offering price for a period of 30 days following the closing of the Offering, to purchase up to an additional 15% of the Offering to cover over-allotments, if any. The offering is expected to close on or about June 11, 2020 and is subject to Lundin Gold receiving all necessary regulatory approvals.

Newcrest Mining Limited, which currently holds approximately 32% of the Company's issued and outstanding shares through a wholly-owned subsidiary, has exercised its pre-emptive participation rights in the Offering, along with Orion Mine Finance, which currently holds approximately 11% of the Company's issued and outstanding shares. The Company expects that Zebra Holdings and Investments S.à.r.l, Lorito Holdings S.à.r.l and/or Nemesia S.à.r.l (the "Lundin Family Trusts"), which collectively hold approximately 27% of the Company's issued and outstanding shares, will participate in the financing at their collective pro-rata shareholdings.

The net proceeds of the offering will be used to study increased throughput, future resource expansion, potential COVID-19 related costs and for general working capital purposes.

The Common Shares will be offered by way of a short form prospectus in all of the provinces and territories of Canada other than Quebec and may also be offered by way of private placement in the United States pursuant to exemptions from the registration requirements of the U.S. Securities Act of 1933, as amended, and applicable U.S. state securities laws.

**The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.**

**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 largest and highest-grade gold deposits in the world.

The Company's board and management team have extensive expertise in mine operations 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, while simultaneously providing economic and social benefits to impacted communities, fostering a healthy and safe workplace and minimizing the environmental impact. The Company believes that the value created through the operation of Fruta del Norte will benefit its shareholders, the Government and the citizens of Ecuador.

### **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 26, 2020 at 4:25 a.m. Pacific Time through the contact persons set out below.

#### ***For more information, please contact***

Lundin Gold Inc.  
Ron F. Hochstein  
President and CEO  
+593 2-299-6400  
+1-604-806-3589

Lundin Gold Inc.  
Sabina Srubiski  
Manager, Investor Relations  
+1-604-806-3089  
[info@lundingold.com](mailto:info@lundingold.com)  
[www.lundingold.com](http://www.lundingold.com)

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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 a number of places, such as in statements relating to use of proceeds from the Offering, closing of the Offering, and the ability to obtain the necessary regulatory authority and approvals.. 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 24, 2020, which is available at [www.lundingold.com](http://www.lundingold.com) or on SEDAR.

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 the impacts of a pandemic virus outbreak; risks associated with the Company's community relationships; risks related to financing requirements; failure by the Company to maintain its obligations under its credit facilities; operating risks; risks associated with the ramp up of mining operations; risks related to political and economic instability in Ecuador; risks related to production estimates; risks related to Lundin Gold's compliance with environmental laws and liability for environmental contamination; volatility in the price of gold; shortages of critical supplies; lack of availability of infrastructure; deficient or vulnerable title to mining concessions; easements and surface rights; risks related to the Company's workforce and its labour relations; inherent safety hazards and risk to the health and safety of the Company's employees and contractors; risks related to the Company's ability to obtain, maintain or renew regulatory approvals, permits and licenses; the imprecision of mineral reserve and resource estimates; key talent recruitment and retention of key personnel; volatility in the market price of the Company's shares; the potential influence of the Company's largest shareholders; uncertainty with the tax regime in Ecuador; measures to protect endangered species and critical habitats; the cost of non-compliance and compliance costs; exploration and development risks; the Company's reliance on one project; risks related to illegal mining; the reliance of the Company on its information systems and the risk of cyber-attacks on those systems; the adequacy of the Company's insurance; uncertainty as to reclamation and decommissioning; the ability of Lundin Gold to ensure compliance with anti-bribery and anti-corruption laws; the uncertainty regarding risks posed by climate change; the potential for litigation; limits of disclosure and internal controls; security risks to the Company; its assets and its personnel; conflicts of interest; the risk that the Company will not declare dividends; and social media and the Company's reputation.