LUNDIN GOLD

NEWS RELEASE

Vancouver, May 8, 2025

LUNDIN GOLD REPORTS FIRST QUARTER 2025 RESULTS

Strong production and high gold prices result in increased shareholder dividends

Lundin Gold Inc. (TSX: LUG; Nasdaq Stockholm: LUG; OTCQX: LUGDF) ("Lundin Gold" or the "Company") today announced its financial results for the first quarter of 2025, featuring record revenues of $356 million and net income of $154 million ($0.64 per share). Free cash flow[1] of $171 million ($0.71 per share) was driven by strong gold production of 117,313 ounces ("oz"), with 117,641 oz sold at an average realized gold price[1] of $3,081 per oz, at low cash operating costs[1] of $792 and all-in sustaining costs[1] ("AISC") of $909 per oz sold. The Company also reported increased shareholder returns through an amendment to its dividend policy as well as the declaration of a special dividend. All dollar amounts are stated in US dollars unless otherwise indicated.

Ron Hochstein, President and CEO commented, *"The first quarter of 2025 is yet another quarter marked by record financial results for Lundin Gold. As a result of our exploration program results in the first quarter, we have expanded our program to continue to evaluate numerous targets. In addition, given the Company's future outlook, which includes the benefits of the recently completed process plant expansion project, we are on track to meet our full-year guidance and have increased shareholder returns through the special dividend and introduction of a variable dividend to complement our fixed sustainable dividend."*

OPERATING AND FINANCIAL RESULTS SUMMARY

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

	Three months ended March 31,	
	2025	**2024**
Tonnes ore mined	403,221	419,758
Tonnes ore milled	398,159	413,596
Average mill throughput (tpd)	4,424	4,545
Average head grade (g/t)	10.4	9.5
Average recovery	88.5%	88.3%
Gold ounces produced	117,313	111,572
Gold ounces sold	117,641	108,916

[1] Refer to "Non-IFRS Measures" section.

	Three months ended March 31,	
	2025	**2024**
Revenues ($'000)	356,345	226,741
Income from mining operations ($'000)	233,546	113,237
Earnings before interest, taxes, depreciation, and amortization ($'000)[1]	241,502	111,612
Adjusted earnings before interest, taxes, depreciation, and amortization ($'000)[1]	241,502	131,456
Net income ($'000)	153,500	41,897
Basic income per share ($)	0.64	0.18
Cash provided by operating activities ($'000)	194,308	107,914
Free cash flow ($'000)[1]	170,783	82,259
Free cash flow per share ($)[1]	0.71	0.35
Average realized gold price ($/oz sold)[1]	3,081	2,141
Cash operating cost ($/oz sold)[1]	792	735
All-in sustaining costs ($/oz sold)[1]	909	864
Adjusted earnings ($'000)[1]	153,500	57,796
Adjusted earnings per share ($)[1]	0.64	0.24
Dividends paid per share ($)	0.30	0.10

FIRST QUARTER HIGHLIGHTS

Financial Results

- Gold sales totalled 117,641 oz, consisting of 78,552 oz in concentrate and 39,089 oz as doré, resulting in gross revenues of $362 million at an average realized gold price[1] of $3,081 per oz. Average realized gold price[1] was positively impacted by rising gold prices on provisionally priced gold sales which exceeded fair value estimates as at December 31, 2024. Net of treatment and refining charges, revenues for the quarter were $356 million.
- Average realized gold price[1] includes $2,926 per ounce of gross price received and a favourable impact of $155 per oz mark-to-market on provisionally priced sales.
- Cash operating costs[1] and AISC[1] were $792 and $909 per oz of gold sold, respectively. Sustaining capital expenditures[1] are expected to increase in future quarters with the initiation of the fifth tailings dam raise and other site infrastructure improvement projects.
- The Company generated cash from operating activities of $194 million and free cash flow[1] of $171 million, or $0.71 per share, resulting in a cash balance of $452 million at March 31, 2025 following the quarterly dividend payment of $72.7 million.
- EBITDA[1] was $242 million while income from mining operations was $234 million which, after deducting corporate, exploration, and taxes, resulted in net income of $154 million for the quarter or $0.64 per share.

Production Results

- Mine production was aligned with mill availability which resulted in 403,221 tonnes mined at an average grade of 9.5 g/t.

[1] Refer to "Non-IFRS Measures" section.

- The mill processed 398,159 tonnes at an average throughput rate of 4,424 tpd with performance affected by the proactive completion of the relining of the SAG mill and other maintenance activities. These activities, originally scheduled for the second quarter, were completed during planned downtime associated with equipment tie-ins for the process plant expansion project.
- The average grade of ore milled was 10.4 g/t with average recovery at 88.5%. Mined grades were lower than milled grades, mainly due to positive reconciliation.
- Gold production was 117,313 oz which was comprised of 75,494 oz in concentrate and 41,819 oz as doré.
- Plant throughput for the month of March averaged 5,076 tpd and recoveries averaged 90.0%. These figures demonstrate the early benefits of the expansion with more potential expected to be unlocked through optimization.

Outlook

- With the process plant expansion project now complete, the Company is well-positioned to meet its production guidance of 475,000 to 525,000 oz and AISC[1] guidance of $935 to $995 per oz sold. Sustaining capital expenditures[1] are expected to increase over the remaining quarters of 2025 with construction of the fifth raise of the tailings dam starting in the second quarter as well as several other capital projects.
- Increased rainfall in Ecuador since the start of 2025 has normalized power supply from the national grid. Commissioning of the four additional diesel generators purchased last year continues with completion expected by the end of the second quarter. These additional diesel generators are expected to allow the FDN process plant to run slightly below capacity in the event of recurrence of power disruption from the national grid.
- On the Company's exploration programs, results continue to demonstrate significant exploration potential and provide a growing pipeline of targets around FDN. The near-mine underground drilling program will continue to advance at FDNS where the primary focus is the conversion and expansion of this new system. The surface drilling program will continue to explore the extensions of Bonza Sur, FDN East, advance at Trancaloma, and explore for new sectors around FDN. Due to the proximity between Bonza Sur and the recently discovered Trancaloma porphyry system, the decision has been made to delay the initial Mineral Resource Estimate for Bonza Sur to better understand the geological environment. Fourteen rigs are currently turning across the conversion and near-mine exploration programs.
- The regional exploration program will continue to focus on the unexplored large package of mineral concessions located on a highly prospective environment which hosts the Fruta del Norte deposit. This is the first year of a new three-year greenfield strategy to identify new areas for exploration drilling. The 2025 program includes a geophysical magnetic survey and a geochemical sampling program.
- Based on the first quarter results, the Company expects to increase the near-mine drilling program by 18,000 metres to a minimum of 83,000 metres to accelerate the definition of near-mine targets and the conversion drilling program from 15,000 metres to approximately 25,000 metres. A minimum of 108,000 metres of drilling are planned across the conversion and near-mine drilling programs for 2025. The total estimated cost of the near-mine and regional exploration program is $47 million for the year. This represents the largest drill program ever completed on the land package that hosts the FDN deposit.

[1] Refer to "Non-IFRS Measures" section.

- Under its amended dividend policy, the Company anticipates continuing to declare quarterly fixed dividends of $0.30 per share (the "Fixed Dividend"), equivalent to approximately $300 million annually based on currently issued and outstanding shares, plus a variable dividend equal to an amount per share based on at least 50% of the Company's normalized free cash flow less the Fixed Dividend. The Company will determine its normalized free cash flow each quarter by removing significant non-recurring items from its free cash flow[1] calculation such as annual income taxes and profit sharing which have historically been paid in the second quarter of each year.

Liquidity and Capital Resources

At the end of March 31, 2025, the Company is in a strong financial position.

(in thousands of U.S. dollars)	**As at March 31, 2025**	**As at December 31, 2024**
Financial Position:		
Cash	451,737	349,200
Working capital	551,032	458,944
Total assets	1,613,365	1,527,481
Long-term debt	-	-

As at March 31, 2025, the Company had cash of $452 million and a working capital balance of $551 million compared to cash of $349 million and a working capital balance of $459 million at December 31, 2024. The change in cash during the first quarter of 2025 was primarily due to cash generated from operating activities of $194 million and proceeds from the exercise of stock options and anti-dilution rights totalling $4.5 million. This is offset by dividends paid of $72.7 million and capital expenditures of $23.5 million.

Capital Expenditures

- **Sustaining Capital**
    - Preparations were underway for the fifth raise of the tailings dam with work starting late in the second quarter and expected to conclude during the first quarter of 2026.
    - Other projects that advanced during the quarter included improvements to the industrial and potable water supply as well as enhancements to the South Portal.
    - Commissioning of the four diesel-powered generators continued and is expected to be completed by the end of the second quarter.
    - The 2025 conversion drilling program is focused on FDNS, located in the south portion of the FDN deposit. During the first quarter, the conversion drilling program completed approximately 2,762 metres across 17 holes with two rigs currently turning.
        - All drill holes confirmed the mineralization continuity and indicated higher grade zones within the vein system. Some conversion drill holes also intercepted mineralized zones outside of the existing geological model.
        - A complete table of the conversion drilling results received to date can be found in Lundin Gold's press release dated May 7, 2025.

[1] Refer to "Non-IFRS Measures" section.

- **Process Plant Expansion Project**

    - The process plant expansion project was completed during the quarter, including commissioning of the remaining two Jameson cells, new concentrate filter, and other ancillary upgrades.
    - Downtime was required in the quarter to complete the remaining tie-ins and commissioning, with the relining of the SAG mill completed opportunistically.
    - Plant throughput for the month of March averaged 5,076 tpd and recoveries averaged 90.0%. These figures demonstrate the early benefits of the expansion with more potential expected to be unlocked through optimization.

Health and Safety

During the first quarter there were no Lost Time Incidents and two Medical Aid Incidents. The Total Recordable Incident Rate across the Company was 0.21 per 200,000 hours worked for the quarter.

Community

Lundin Gold sponsored community projects continued to advance well in the first quarter of 2025. One of the Company's most impactful programs, run by the non-governmental organization Educación para Compartir, has focused on mental health and well-being in our local communities since its inception in November 2023. During the first quarter, approximately 775 counselling sessions were provided, with an intake of approximately 70 new patients. As of the end of March, over 550 youth were registered in extra-curricular activities through the program, including English studies, basketball, soccer, dance, music and boxing.

Engagement with the local governments of Yantzaza and Los Encuentros continued through support agreements for rural road maintenance, basic service infrastructure, community well-being and support for livestock and local farmers initiatives. During the quarter, the Company committed to several noteworthy projects, such as the renewal of internet connectivity to all 22 communities in FDN's area of influence, the Neighbourhood Doctor Project which helps Ecuador's Ministry of Health provide care in remote areas of the Yantzaza canton, and projects relating to road maintenance and water treatment. In addition, the Company supported Ecuador's Ministry of Transportation and Public Works to repair critical areas of the national road network.

EXPLORATION

Near-Mine Exploration Program

During the first quarter of 2025, the Company completed a total of 16,105 metres across 43 holes from surface and underground.

The underground near mine drilling program focused on the FDNS deposit, which remains open for expansion in the north and along the south extension. Exploration of this deposit is currently underway using an underground rig at the recently reopened and rehabilitated South Portal. The underground drilling program also advanced at FDN East and is currently exploring the mineralization continuity in the central portion of

this target. As at the date of this press release, two underground rigs are active in the near mine drilling program.

The surface near mine drilling program continues to advance the delineation of the Bonza Sur deposit, the definition of the FDN East target, and exploring new sectors like Trancaloma and Castillo. As at the date of this press release, 10 surface rigs are drilling, three of them at Bonza Sur, one at FDN East, three at Trancaloma, and three testing new sectors.

- At Bonza Sur, drill holes were completed mainly along the east and south extension of the deposit and confirmed the deposit's continuity. In the east extension, the drilling program defined the east limit, close to the contact with the Trancaloma porphyry. In the south end of the deposit recent drilling suggests further potential for expansion along this direction. The Bonza Sur mineralization has already been identified for more than 2.6 kilometres along the north-south strike and for at least 500 metres along the downdip and remains open to the south.

  At FDN East, the surface drilling program advanced in conjunction with the underground program and confirmed the mineralization continuity in the central part of the target and indicated areas for further expansion potential toward the north and south direction.

- The near-mine exploration program continues to advance in unexplored areas close to FDN. A systematic exploration program employing geochemical and geophysical surveys and geological mapping advanced on potential targets, and the initial drilling results confirmed the occurrence of copper-gold porphyry mineralization in distinct sectors. At Trancaloma, located on the east border of Bonza Sur, the drilling program intercepted a wide copper-gold porphyry mineralization in the eastern portion of the target. At the porphyry target Castillo, located along the west border of Bonza Sur, the drilling program intercepted copper gold mineralization, potentially an outer hydrothermal alteration halo of another porphyry system in this sector, and covered by conglomerates of the Suarez Basin.

In addition to the drilling programs, mine engineering work began on FDNS to evaluate geotechnical, mine design, metallurgical characteristics, and infrastructure needs with the goal of integrating this Mineral Resource into FDN's 2026 updated long-term mine plan.

A table of first quarter 2025 near mine results for the FDNS, FDN East, Bonza Sur and Trancaloma targets received to date can be found in Lundin Gold's press release dated February 23 and May 7, 2025.

Regional Exploration Program

The Company initiated its multi-year regional exploration program during the first quarter of 2025. The program is expected to cover approximately 54,000 hectares on 23 of the Company's concessions along the Zamora Copper Gold Belt, a high potential geological setting which hosts the Fruta del Norte mine and several large copper gold projects. The exploration program was initiated in the Gamora district, located 65 kilometres north of FDN and approximately four kilometres north of the Mirador copper gold mine. The Gamora district comprises multiple exploration sectors that exhibit geological features similar to those found in copper-gold porphyry systems. Geological mapping and geochemical sampling program were completed in distinct parts of the district during the quarter. Initial results identified new potential targets for further evaluation.

CORPORATE

- The Company published its 2024 Sustainability Report in April which marks its second year of transition towards aligning with the European Sustainability Reporting Standards.
- The Company paid a quarterly dividend of $0.30 per share on March 26, 2025 (March 31, 2025 for shares trading on Nasdaq Stockholm) based on a record date of March 11, 2025, for a total of $72.7 million.
- With the release of its first quarter 2025 results, the Company amended its dividend policy to provide, subject to the discretion of the Board of Directors, for a quarterly Fixed Dividend, plus a variable dividend equal to an amount per share based on at least 50% of the Company's normalized free cash flow during the preceding quarter less the Fixed Dividend paid during such period.
- Pursuant to the amended dividend policy, the Company declared cash dividends of $0.45 per share, comprised of the Fixed Dividend of $0.30 per share and the variable dividend of $0.15 per share. The dividends are payable on June 25, 2025 (June 30, 2025 for shares trading on Nasdaq Stockholm) to shareholders of record on June 10, 2025.
- As a result of the rapid and substantial increase in gold price, combined with a debt-free balance sheet, and robust performance of operations, the Company also declared a special dividend of $0.41 per share. The special dividend is payable on June 9, 2025 (June 12, 2025 for shares trading on Nasdaq Stockholm) to shareholders of record on May 22, 2025.

Qualified Persons

The technical information relating to Fruta del Norte contained in this press release has been reviewed and approved by Terry Smith P. Eng, Lundin Gold's COO, who is a Qualified Person in accordance with the requirements of National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). The disclosure of exploration information contained in this press release 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.

Webcast and Conference Call

The Company will host a conference call and webcast to discuss its results on Friday, May 9 at 8:00 a.m. PT, 11:00 a.m. ET, 5:00 p.m. CET.

Conference Call Dial-In Numbers:

Participant Dial-In North America:	+1 437-900-0527
Toll-Free Participant Dial-In North America:	+1 888-510-2154
Participant Dial-In Sweden:	+46 8 505 24649
Conference ID:	Lundin Gold / 27398

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 its completion until May 16, 2025.

Toll Free North America Replay Number:	+1 888-660-6345
International Replay Number:	+1 416-764-8677
Replay passcode:	27398 #

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.

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, sustaining capital expenditures, 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 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 11 of the Company's MD&A for the year ended March 31, 2025 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, 2025 at 4:30 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 to the Company's 2025 production outlook, including estimates of gold production, grades recoveries and AISC; operating plans; expected sales receipts and cash flow forecasts, gold price, its estimated capital costs and sustaining capital; the Company's ability to mitigate the impacts on its operations of a power disruption from the national grid; the recovery of VAT, the anticipated benefits of the process plant expansion project; 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. 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; reliability of power supply; tax changes in Ecuador; security; availability of workforce and labour relations; mining operations; waste disposal and tailings; environmental compliance; illegal mining; Mineral Reserve and Mineral Resource estimates; infrastructure; regulatory risk; government or regulatory approvals; forecasts relating to production and costs; gold price; dependence on a single mine; shortages of critical resources; climate change; exploration and development; control of Lundin Gold; dividends; information systems and cyber security; 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; 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; conflicts of interest; 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 Company's Annual Information Form dated March 17, 2025 available at www.sedarplus.ca.