

NEWS RELEASE**LUNDIN GOLD: APPOINTS ENDEAVOUR FINANCIAL
AS FINANCIAL ADVISOR**

June 16, 2015 (Vancouver, Canada)... Lundin Gold Inc. ("Lundin Gold" or the "Company") (TSX: LUG, Nasdaq Stockholm: LUG) is pleased to announce that its wholly owned subsidiary, Aurelian Ecuador S.A., has appointed Endeavour Financial as its Financial Advisor to provide debt financial advisory services with respect to the development of the Fruta del Norte Project in Ecuador.

Ron Hochstein, President and CEO, commented, "We look forward to working with the Endeavour Financial team to evaluate and put in place debt financing for the development of the Fruta del Norte Project. We will be looking at various sources and will work to have project financing in place to move forward with a production decision in mid to late 2016."

Endeavour Financial is an independent advisory firm which has raised over US\$4.0 billion in debt for mining companies. Its team is an award-winning group of experts employing a comprehensive approach to ensuring successful development and financing of mining projects through to production. Most recently, Endeavour Financial won the 2014 Latin American Mining and Metals Deal of Year Award for its work on Guyana Goldfields Inc.'s project finance facility.

The information in this release is subject to the disclosure requirements of Lundin Gold under the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was publicly communicated on June 16, 2015 at 2:00 a.m. Eastern Time.

About Lundin Gold:

In December 2014, the Company acquired the Fruta del Norte gold project located in southeast Ecuador. Fruta del Norte ("FDN") is one of the largest and highest grade undeveloped gold projects in the world and is the Company's flagship project. The Company plans to advance FDN in order to realize the significant potential of this asset.

The Company believes that the value created will not only greatly benefit shareholders, but also the Government and people of Ecuador who are the Company's most important partners in this project. Lundin Gold views its commitment to corporate social responsibility as a strategic advantage that enables it both to access and effectively manage business opportunities in increasingly complex environments. Lundin Gold is committed to addressing the challenge of sustainability - delivering value to its shareholders, while simultaneously providing economic and social benefits to impacted communities and minimizing its environmental footprint.

About Endeavour Financial:

Endeavour Financial is a private independent merchant banking company focused on providing expert and unbiased financial advisory services to the global natural resources sector. Endeavour Financial has a history of achieving success for clients based on resource industry focus, innovative transaction skills and the diverse professional backgrounds of its award-winning team. Offering advice in project, corporate and debt capital markets; equity-linked financings; mergers and acquisitions; and strategic business development over more than two decades, Endeavour Financial has established itself as a leading financial advisor in the natural resources sector. More information on Endeavour Financial and its services can be found at www.endeavourfinancial.com

Caution Regarding Forward-Looking Information and Statements

Certain information contained in this news release constitutes "forward-looking information" or "forward-looking statements" within the meaning of Canadian securities laws. This forward-looking information

includes, or may be based upon, without limitation, estimates, forecasts and statements as to management's expectations with respect to, among other things, the timing and amount of funding required to execute the Company's exploration, development and production plans, capital and exploration expenditures, the effect on the Company of any changes to existing legislation or policy, government regulation of mining operations, the length of time required to obtain permits, certifications and approvals, the success of exploration, development and mining activities or the Company's ability to raise funding privately or on a public market in the future.

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.

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: the timely receipt of regulatory approvals, permits and licenses and the cost of compliance with applicable laws; difficulty complying with changing government regulations and policy, including without limitation, compliance with environment, health and safety regulations; uncertainty as to reclamation and decommissioning liabilities, risks related to carrying on business in an emerging market such as possible government instability and civil turmoil, economic instability and uncertain tax environments, unreliable infrastructure and local opposition to mining; the accuracy of the mineral resource estimates for the Fruta del Norte Project and the Company's reliance on one project; vulnerability of title and surface rights and access; shortages of resources, such as labour, and the dependence on key personnel; the Company's lack of operating history in Ecuador and negative cash flow; the inadequacy of insurance; the potential for litigation; potential conflicts of interest for the Company's directors who are engaged in similar businesses; limitations of disclosure and internal controls; the risk to shareholders of dilution from future equity financings; volatility in the market price of the Company's shares; and the potential influence of the Company's largest shareholders.

Please also see the Company's most recent annual information form available on SEDAR at www.sedar.com for other risks and assumptions relevant to the forward-looking information in this news release.

For more information, please contact:

Ron F. Hochstein
President and CEO

593 2-299-6400
604-806-3589

Sophia Shane
Corporate Development

604-689-7842
info@lundingold.com