

NEWS RELEASE

LUNDIN GOLD ANNOUNCES LUNDIN FOUNDATION HAS ENTERED INTO MOU TO PROVIDE TECHNICAL, VOCATIONAL AND ENTREPRENEURIAL TRAINING IN ZAMORA CHINCHIPE PROVINCE, ECUADOR

March 16, 2015 (Vancouver, Canada)... **Lundin Gold Inc.** ("Lundin Gold" or the "Company") (TSX: "LUG", Nasdaq Stockholm: "LUG") is pleased to announce that The Lundin Foundation has entered into a Memorandum of Understanding with the Universidad Técnica Particular de Loja (UTPL), Fundación para el Desarrollo Empresarial y Social (FEDES), and Centro Minero Sur to work collaboratively to design and implement initiatives to support enhanced community prosperity in the Province of Zamora Chinchipe, Ecuador. The MOU was signed, as a witness of honour, by Rafael Poveda, Ecuador's Coordinating Minister for Strategic Sectors.

Under the terms of the MOU, cooperation will include, but not be limited to the following:

- Technical, vocational, and entrepreneurial training
- Development of local suppliers of goods and services to capitalize on emerging opportunities during construction and operational phases of the Fruta del Norte project
- Direct support of enterprises promoting regional economic diversification

Collectively, these initiatives are designed to support local job and wealth creation and ensure that benefits from enhanced mining activity are commuted to locally impacted populations.

Stephen Nairne, Managing Director of The Lundin Foundation, commented, "We are honoured to have established an alliance with Confederation College, UTPL, and the Government of Ecuador. Our mission and values are aligned around the role of the mining sector in stimulating regional prosperity through targeted initiatives in the areas of skills training, entrepreneurship, and economic diversification," said Stephen Nairne, Managing Director, Lundin Foundation.

About The Lundin Foundation:

The Lundin Foundation was founded in 2005 and currently operates in sixteen countries globally. The Foundation works in partnership with Lundin Group companies to leverage extractive industry investment as a catalyst for inclusive social and economic development.

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.

On behalf of the Board,

Ron F. Hochstein
President and CEO

For further information please contact Sophia Shane, Corporate Development, at +1 604 689 7842 or info@lundingold.com.