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## NEWS RELEASE

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### **Lundin Mining Closes C\$674 Million Bought Deal Financing**

**Toronto, October 23, 2014 - Lundin Mining Corporation (TSX: LUN) (OMX: LUMI)** ("Lundin Mining" or the "Company") is pleased to announce that it has completed its previously announced bought deal financing (the "Offering"). Lundin Mining, through a syndicate of underwriters co-led by GMP Securities L.P. and BMO Capital Markets and including Scotia Capital Inc., Pareto Securities AS, Merrill Lynch Canada Inc., TD Securities Inc., CIBC World Markets Inc., Dundee Securities Ltd., RBC Dominion Securities Inc., and Haywood Securities Inc. (collectively the "Underwriters"), issued a total of 132,157,000 subscription receipts (the "Subscription Receipts") at a price of C\$5.10 per Subscription Receipt for gross proceeds of approximately C\$674 million.

Each Subscription Receipt represents the right to acquire, without payment of additional consideration or further action, one common share of Lundin Mining (a "Common Share") upon closing of the previously announced acquisition of an 80% ownership stake in the Candelaria/Ojos del Salado copper mining operations and supporting infrastructure (the "Acquisition") from Freeport-McMoRan Inc. and the approval and registration with the Swedish Financial Supervisory Authority of a prospectus (and the subsequent publication of the prospectus), if applicable, regarding the listing of the corresponding Swedish Depository Receipts relating to the Common Shares on conversion of the Subscription Receipts. The Acquisition is expected to be completed by year-end, subject to regulatory approvals and customary industry closing conditions.

The gross proceeds from the sale of the Subscription Receipts have been placed in escrow pending closing of the Acquisition. If the Acquisition is completed prior to year end, the escrowed funds (less the balance of the Underwriters' commission) will be released to Lundin Mining. The Company will use such funds towards the purchase price for the Acquisition.

If the Acquisition is not completed prior to year end, or if Lundin Mining advises the Underwriters or announces to the public that it does not intend to proceed with the transaction, holders of Subscription Receipts shall receive the aggregate subscription price attributable to the Subscription Receipts held by them, together with any interest that was earned thereon during the escrow period.

It is anticipated that the Subscription Receipts will be listed and posted for trading on the Toronto Stock Exchange under the symbol "LUN.R" at the open of markets today. Interim Swedish Depository Receipts (representing Subscription Receipts) of Lundin Mining are expected to be listed on Nasdaq First North under the symbol "LUMI SDB R" on October 24, 2014.

**This press release is not an offer of securities for sale in the United States or in any other jurisdiction. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933 as amended. The securities referred to in this press release have not been and will not be registered under the U.S. Securities Act of 1933 as amended and may not be offered or sold absent an exemption from registration under the U.S. Securities Act of 1933 as amended.**

## **About Lundin Mining**

Lundin Mining is a diversified base metals mining company with operations and projects in Portugal, Sweden, Spain and the U.S.A. producing copper, zinc, lead and nickel. In addition, Lundin Mining holds a 24% equity stake in the world-class Tenke Fungurume copper/cobalt mine in the Democratic Republic of Congo and in the Freeport Cobalt Oy business, which includes a cobalt refinery located in Kokkola, Finland.

## **On Behalf of the Board,**

**Paul Conibear**  
**President and CEO**

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## **Forward Looking Information**

This news release includes “forward-looking information,” within the meaning of applicable Canadian securities laws (collectively referred to herein as “forward-looking statements” or “forward-looking information”). All statements other than statements of historical facts included in this news release, including, without limitation, the Company’s plans and business strategy, statements related to the Acquisition and statements related to the Offering may constitute forward-looking statements. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industries in which the Company operates as well as beliefs and assumptions made by the Company’s management. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, these statements, by their nature, involve risks and uncertainties and are not guarantees of future performance. Such statements are also subject to assumptions concerning, among other things, the Company’s anticipated business strategies and anticipated trends in the Company’s business. The Company can give no assurance that these estimates and expectations will prove to have been correct. Actual outcomes and results may, and often do, differ from what is expressed, implied or projected in such forward-looking statements, and such differences may be material. Some important factors that could cause actual results to differ materially from those expressed in these forward-looking statements include, but are not limited to: risks and uncertainties relating to the Acquisition, such as the Company’s ability to integrate Candelaria and realize the anticipated benefits of the Acquisition; risks and uncertainties relating to the Offering and other related transactions to the Acquisition; risks and uncertainties relating to the estimated cash costs, timing and amount of production, cost estimates, foreign currency fluctuations; risks inherent in mining including environmental hazards, industrial accidents, unusual or unexpected geological formations, ground control problems and flooding; risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company’s expectations; actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; uncertain political and economic environments; changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental permits; and litigation risks. Forward-looking information may also be based on other various assumptions including, without limitation: the expectations and beliefs of management, the assumed long term price of copper, gold or silver; and that the Company can access financing, appropriate equipment and sufficient labour and that the political environment where the Company operates will continue to support the development and operation of mining projects. Accordingly readers are cautioned that the above list of cautionary statements is not exhaustive. These and other factors could cause actual results to differ materially from the Company’s expectations expressed in the forward-looking statements included in this news release, and further details and descriptions of these and other factors are disclosed in the Company’s annual information form and other public filings which are available on SEDAR at [www.sedar.com](http://www.sedar.com). The Company will not update these statements unless applicable securities laws require the Company to do so.