

LUNDINGOLD

TSX, NASDAQ STOCKHOLM: LUG



BUILDING A LEADING GOLD COMPANY THROUGH RESPONSIBLE MINING

CLIMATE CHANGE REPORT

Presented in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)

MAY 2022



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The CEO's Message

Dear Reader,

On the heels of completing our first full year of operations, I am pleased to present Lundin Gold's inaugural Climate Change Report.

At Lundin Gold, we recognize the urgency of the threat posed by climate change to global economies and to our planet. As part of our commitment to responsible mining, we appreciate the importance of understanding the impact that our operations have on climate change and the impact that climate change is having on our business and our stakeholders. We also recognize the importance of being transparent with our stakeholders, including employees, community members, investors, lenders and regulators regarding the implications of climate change for Lundin Gold. For this reason, Lundin Gold has begun its journey to align its climate related disclosure with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

It is important to highlight the timing of this Climate Change Report. Lundin Gold's gold mine, Fruta del Norte, only achieved production during 2020 and, shortly after achieving production, operations were suspended for three months due to the spread of the COVID-19 pandemic in Ecuador. Hence, 2021 represents our first full year of operations. Against the backdrop of the pandemic and with only one full year of operations under our belt, the Board of Directors and management have committed to respond to the global imperative of taking climate action and the strategic importance of ensuring that our Company is resilient given the imminent impacts of climate change, and the potential longer-term implications of both physical risks and the risks associated with the global transition to a low-carbon economy. As Lundin Gold looks to develop its portfolio of exploration properties in Ecuador and to identify other growth opportunities, this work is important so that we consider climate change impacts in our activities and our corporate strategy.

Lundin Gold has been reporting its emissions since the start of construction at Fruta del Norte in 2017. We recently established the Company's GHG emissions intensity baseline of 35.01 tonnes (t) CO₂ equivalent (CO₂eq) per kilotonne¹ of ore milled and 0.12 t CO₂eq per ounce of gold produced using 2021 as our baseline year. Lundin Gold is in

the lowest quartile of carbon emitters in the gold sector based on ounces of gold produced and average for underground mines based upon tonnes of ore milled.² Our emissions profile can be attributed to a number of factors, including the high grade of ore currently being mined from Fruta del Norte and the primarily hydro-powered national electricity supply. Having established this reference point, Lundin Gold is implementing its climate strategy, the first phase of which is the assessment of options for the decarbonization of our operations. A subsequent step will be the development of an offset strategy. We expect to share our specific goals in this regard later this year. We also recognize that meaningful climate action must entail a curbing of Scope 3 emissions. As you will see in this report, Lundin Gold has shared an initial estimate of these emissions for 2021. We are committed to improving our understanding and reporting of our Scope 3 emissions and will consider them in our climate strategy in the future.

TCFD is proving to be a valuable framework in advancing our understanding of the impacts of climate change. In this report, you will read about the foundational work that we have completed regarding possible futures the planet and the global economy will face depending on our collective action to tackle climate change. We have also initiated analysis to help us understand what risks and opportunities lie ahead for Ecuador and for Lundin Gold's business depending on which scenario unfolds. The development of our strategy and actions are being informed by this groundwork.

I am proud of Lundin Gold's commitment to responsible mining. At Lundin Gold, this commitment to sustainability requires us to accept responsibility for our contribution to climate change and to ensure that our actions consider the future of the Company and our stakeholders. We intend to be a leader by example on climate change action in Ecuador.

Thank you for your continued interest and support.



Ron Hochstein
President and Chief Executive Officer
May 16th, 2022
Quito, Ecuador

¹See "[Metrics and Targets](#)" at the end of this report.

²<https://www.spglobal.com/marketintelligence/en/news-insights/blog/greenhouse-gas-and-gold-mines-emissions-intensities-unaffected-by-lockdowns>

Lundin Gold's Business at a Glance



Lundin Gold Inc. (the Company) is a Canadian-based gold mining company which owns the Fruta del Norte gold mine (Fruta del Norte or FDN) located in southeast Ecuador and a large exploration land package that hosts FDN. The Company's shares are listed on the Toronto Stock Exchange and Nasdaq Stockholm under the symbol "LUG". It is a member of the Lundin Group of Companies and headquartered in Vancouver, Canada with an office in Quito, Ecuador.

Lundin Gold acquired Fruta del Norte, along with a portfolio of exploration concessions, at the end of 2014. Over five years, Lundin Gold financed and developed the project and achieved its first production from FDN in late 2019. The Company produces gold in the form of concentrate and doré, which require smelting and refining or only refining, respectively, to become marketable gold and silver. The Company sells its gold concentrate to various smelters internationally. The Company uses the services of a refiner to refine gold doré. In 2021, Lundin Gold produced a total of 428,514 ounces (oz) of gold, of which 289,499 oz were produced as a concentrate and 139,015 oz as doré. Fruta del Norte is among the highest-grade operating gold mines in the world.

Lundin Gold is committed to responsible mining and understands the importance of sustainability to the success of its business. Our vision is to build a leading gold company through responsible mining, and our commitment to promoting sustainability in everything that we do. Upon the transition from construction to operations, Lundin Gold established a Five-Year Sustainability Strategy (2021-2025) which identifies eight pillars, one of which is climate change. Each pillar includes objectives and KPIs against which annual targets are set and measured. Pursuant to this strategy, Lundin Gold is committed to progressively aligning its climate disclosures to the framework recommended by TCFD.



Lundin Gold's Five-Year Sustainability Strategy



For more information regarding Lundin Gold's Five-Year Sustainability Strategy, please see our [2021 Sustainability Report](#) available on our website at www.lundin.com. This Climate Change Report specifically addresses the climate change pillar.



Community roundtable including stakeholders and company representatives

Our Approach to Climate Disclosure

Scientists are observing changes in the Earth’s climate in every region of the planet. Many of the changes being observed are unprecedented and some are irreversible. In its latest report, “*Climate Change 2021: The Physical Science Basis*”, the Intergovernmental Panel on Climate Change (IPCC) found that:

It is unequivocal that human influence has warmed the atmosphere, ocean and land.

Human-induced climate change is already affecting many weather and climate extremes in every region across the globe.

Climate change of 1.5°C and 2°C will be exceeded during the 21st century unless deep reductions in carbon dioxide (CO₂) and other greenhouse gas emissions occur in the coming decades.



World leaders at the UN Climate Change Conference in 2015 adopted the Paris Agreement to tackle climate change and its negative impacts. The Agreement sets long-term goals to guide all nations to reduce global greenhouse gas (GHG) emissions to limit the global temperature increase in this century to 2 degrees Celsius while pursuing efforts to limit the increase even further to 1.5 degrees.

In line with this and consistent with its commitment to responsible mining, Lundin Gold recognizes its responsibility for addressing its impact on climate change and the importance of supporting the goals of the Paris Agreement to reduce GHG emissions. The Company also recognizes the importance of understanding the potential impacts of change climate change on Lundin Gold’s business and strategically working to improve its climate resilience for the benefit of all of its stakeholders.

Finally, Lundin Gold is fundamentally committed to respecting the environment and biodiversity and, in the face of climate change, understands the criticality of prioritizing both.

This report is Lundin Gold’s first disclosure in alignment with the TCFD recommendations. By employing the TCFD framework, we aim to continually understand our climate risks, opportunities, and responsibilities, evaluate their potential impacts on our business through scenario analysis, develop robust climate-related governance and strategies, and measure, monitor and disclose our progress.

The structure of this report addresses the four disclosure categories outlined in the TCFD: Governance, Strategy, Risk Management, Metrics and Targets.

Governance

We summarize how climate related risks and opportunities have been integrated into our governance.

Strategy

We discuss the possible impacts of climate related risks and opportunities on our business and our strategy.

Risk Management

We describe how Lundin Gold identifies, assesses and manages climate related risks.

Metrics and Targets

We disclose the metrics and targets that we use to assess and manage climate related risks and opportunities.

We have measured and reported on our progress in adopting the TCFD recommendations at the end of this report at [page 29](#).

Lundin Gold's Climate Governance

Lundin Gold recognizes climate change as a potential strategic risk to the Company and has integrated climate change into the Company's governance and management structure. In accordance with the recommendations of TCFD, the Board has oversight of climate-related risks, and Management is responsible for the management of those risks. In addition, climate-related risks have now been integrated into the Company's strategic planning processes.



Roles and Responsibilities of the Board of Directors

Lundin Gold's Board oversees the Company's approach to risk management which is designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term performance and enhance shareholder value. Lundin Gold's Board is responsible for overseeing the Company's risk identification, management and mitigation strategies and the risk assessment process.

Complete Board governance details can be found in our regulatory filings, particularly our most recent Information Circular¹, including independence of directors, skills and experience, tenure, diversity,

evaluation and compensation. As a publicly traded company, Lundin Gold believes that compensation transparency strengthens trust, including the link between sustainability performance and compensation for our executives. We monitor corporate governance development on an ongoing basis, engage with key governance and proxy advisory services and adjust our practices where we determine it is beneficial for the Company and our shareholders.

Recognizing the increasing importance of climate governance, last year the Board implemented a number of changes to enhance its oversight of climate matters.



FND tailings facility

¹ <https://lundingold.com/en/investors/shareholder-meeting-materials/>

This involved amending its governing charter to explicitly set out the Board’s responsibility for oversight of climate change risks. To support this new area of oversight, the Board reconstituted its Environment, Health and Safety Committee as the Health, Safety, Environment and Sustainability Committee (the HSES Committee) and charged that committee with responsibility for overseeing the Company’s effective management of climate-related risks and opportunities. The HSES Committee is also responsible for reviewing and monitoring environmental performance – including climate related performance. Members of Management attend meetings of the HSES Committee, and this committee reports quarterly to the Board. Material risks are reported to the Board.

Lundin Gold’s Board members possess a broad range of knowledge and skills, covering mining, environment, strategic planning, risk management, finance, legal and technology, all of which equip them to consider potential implications of climate change on the Company’s business. Given the increasing importance and focus of sustainability matters, the Board carefully considered the depth of its competency in sustainability matters generally, and climate specifically. In order to enhance this competency, the Board recruited a sustainability expert to the Board in 2021, Dr. Gillian Davidson, and appointed her Chair of the HSES Committee upon her election.

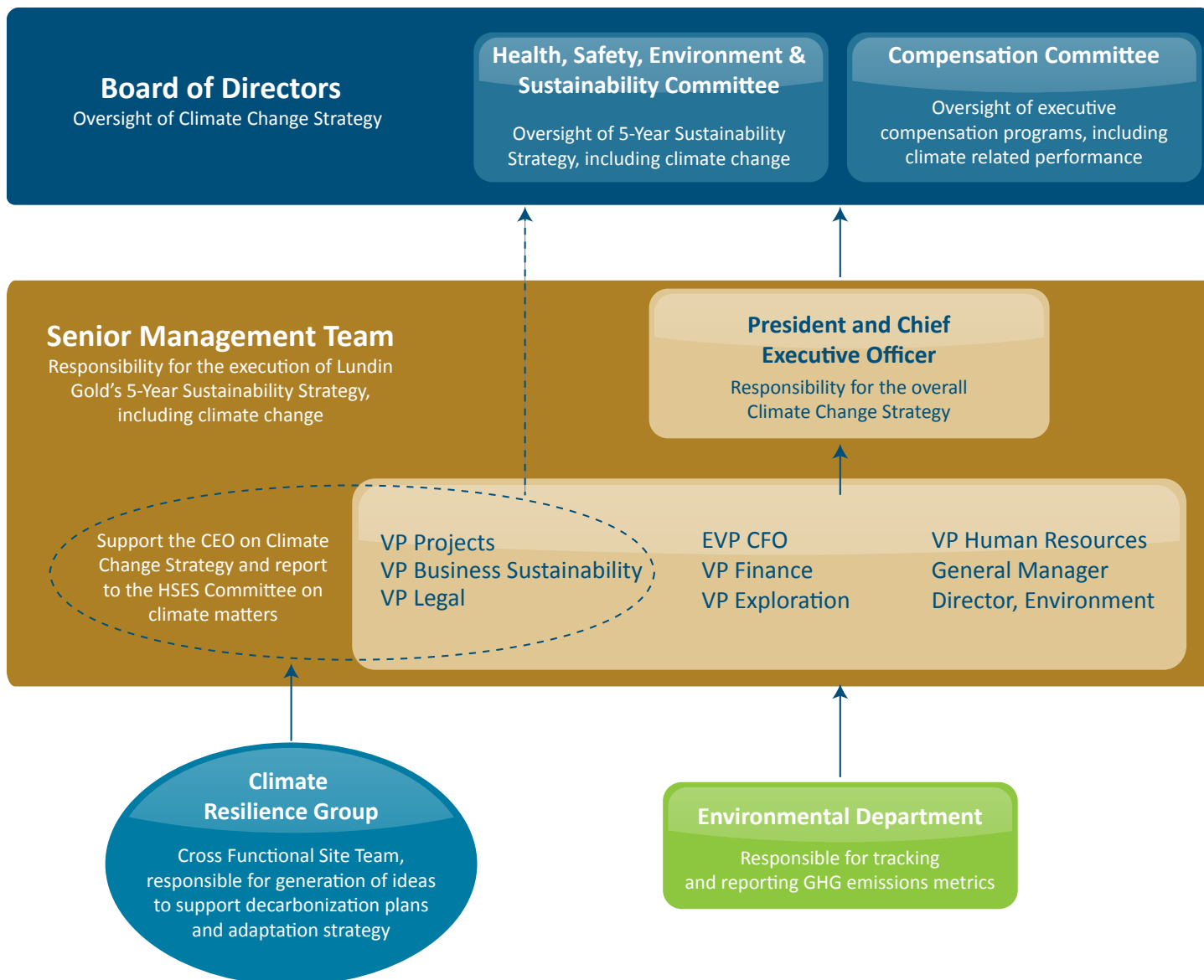


Dr. Gillian Davidson is Chair of the Health, Safety, Environment & Sustainability Committee

To improve overall climate literacy at Lundin Gold, the Company focussed on climate and TCFD education in 2021 with the assistance of two expert consultancy firms. In 2021, directors participated in an interactive workshop which provided them with an understanding of TCFD and the potential impacts of climate change in Ecuador and on the gold sector specifically. Through management reports, the HSES Committee continues to be informed of the Company’s TCFD journey and the management of climate related risks and opportunities at Lundin Gold. Directors are encouraged to attend, at Lundin Gold’s expense, industry conferences and director education seminars and courses.



Lundin Gold's Climate Governance



Roles and Responsibilities of Management

Lundin Gold's Senior Management Team (SMT) is responsible for managing the risks and opportunities that climate change presents to Lundin Gold.

Along with adjusting Board governance to align with TCFD, additional changes were made to ensure that specific members of Lundin Gold's SMT are accountable for climate change risk management. First, the Board amended the CEO's job description in 2021 to explicitly include the management of Lundin Gold's climate change related risks and opportunities. The CEO is responsible for the Company's overall climate strategy and for approving targets and reviewing and approving emissions-reduction initiatives. In implementing the Company's strategy, the CEO is assisted by three members of the SMT: the Vice President, Business Sustainability, the Vice President, Legal and the Vice President, Projects. These three executives also attend HSES Committee meetings and report to that committee regarding climate matters.



The Vice President, Business Sustainability and Vice President, Legal are together responsible for Lundin Gold’s overall approach and progress on climate action, including the implementation of TCFD. The Vice President, Business Sustainability is responsible for advancing and tracking the Company’s progress against its climate-related goals as set out in its Five-Year Sustainability Strategy and for facilitating the assessment and management of climate-related risks and opportunities and for integrating those risks and opportunities into Lundin Gold’s existing risk management framework, which is reviewed, updated and reported quarterly to the applicable committees of the Board. The Vice President, Legal is responsible for management of the corporate exposure and compliance aspects of climate change, including anticipated mandatory TCFD-aligned disclosure for Canadian public companies. The Vice President, Projects is responsible for the Climate Resilience Group (the CRG), which is a site-level cross-functional working group, which was established by the SMT and whose purpose is to develop both a decarbonization plan and a climate adaptation plan for Fruta del Norte. Given the multi-faceted ways in which climate change could impact our business—from commodity demand to operating costs to physical impacts on our operations and on host communities—the SMT determined that the CRG would be instrumental in helping Lundin Gold evaluate these varying impacts and prepare a plan for resilience.

Climate Change Progress and Executive Compensation

As part of its climate governance, Lundin Gold’s Board recognizes the importance of aligning executive compensation with the achievement of the Company’s strategic goals. To that end, the Board has taken steps to integrate climate performance metrics into its executive compensation. For more information on the role of the Compensation Committee and how the Board measures and rewards executives for advancing the Company’s climate strategy, see the “[Metrics and Targets](#)” section of this report.



Climate Change Risk Management

At Lundin Gold, we recognize that climate change is one of the greatest challenges facing the world today and that it has the potential to impact our company, stakeholders and the communities in which we operate. To maintain the resilience of our business against climate change, Lundin Gold is working to understand the risks, opportunities and impacts that may arise.

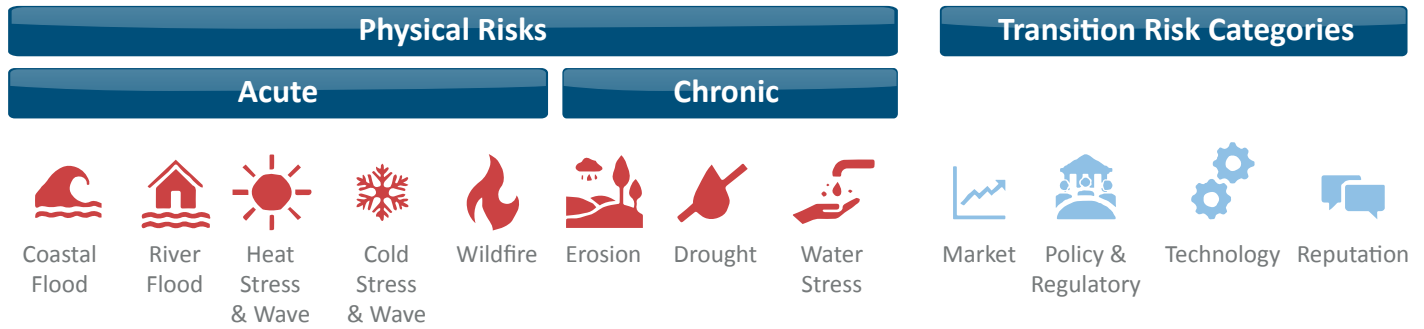
Early in 2021, Lundin Gold initiated climate risk and opportunity assessments to understand how climate change and the transition to a lower-carbon future could impact our business. In these initial discussions, we addressed:

1 Physical Risks

Resulting from climate change that are either event-driven (acute) or longer-term shifts (chronic) in climate patterns. Categories of physical risk that we considered include coastal flooding, river flooding, heat/cold stress, heat/cold waves, wildfires, droughts, water stress, and erosion (storms). The acute physical risks may have financial implications such as direct damage to assets and indirect impacts, for example through supply chain disruptions. We also considered how our financial performance may be affected by chronic changes in water availability, sourcing, and quality or temperature changes reducing productivity and impacting employee safety.

2 Transition Risks

That arise as global systems shift towards a green and low-carbon economy. These can be further categorized into market, policy & regulatory, technology, and reputational risks. Depending on the nature, speed, and focus of these changes, and the unique context of the Company within supply chains and markets, such transition risks pose varying levels of risk. Transition risks can also be event-driven (acute) such as policy shocks or carbon pricing shocks, or longer-term shifts (chronic) such as increasing regulatory requirements for climate-related disclosures.



As part of this effort, we integrated climate risk into the enterprise risk management system already in use within Lundin Gold and established a timeframe that corresponds to FDN’s remaining life of mine. We used the general set of physical and transition risks noted above to identify specific risks (or unwanted events). For each, we considered both the causes and potential impacts of the unwanted event. We then considered the following impact categories, specifically in the context of climate change:

- Suspension of operations
- Life of mine AISC
- Potential loss of gold production
- Environmental incidents
- Legal and regulatory impacts
- Investor confidence
- Potential recategorization of reserves / resources
- Social license

Having assessed potential impacts in each of these categories, we then assigned an impact level, and ranked the risks as low, medium or high. For those risks that were ranked high impact, mitigation plans were established.

With respect to climate-related opportunities, we used a simplified 5 x 5 matrix to assess the future value and ease of implementation. This resulted in a heat map highlighting opportunities that warrant further investigation.

Climate Change Strategy

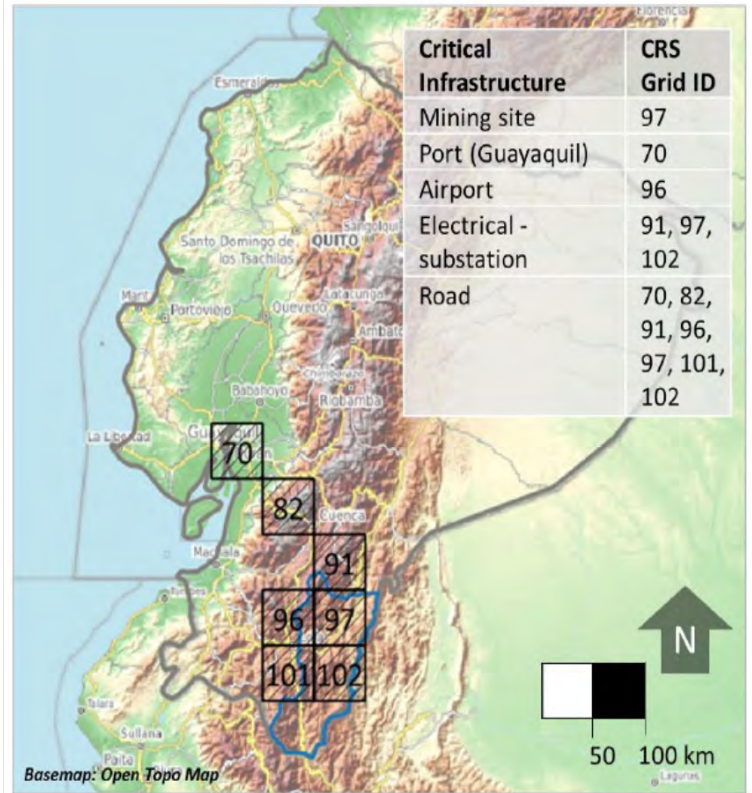
As a noted above, our starting point was a risk assessment to have a broad understanding of how different physical and transition risks could impact Lundin Gold. Having completed an initial assessment of potential risks and opportunities, we subsequently commissioned³ a study to better understand how climate risks and opportunities would present themselves in the context of Lundin Gold’s operations. In so doing, we further refined our understanding of the acute and chronic impacts resulting from extreme changes to the climate.

Physical hazards resulting from a changing climate were analyzed on an approximately 50 km x 50 km grid square resolution in 30-year periods. The current mine life of FDN runs until 2034 which corresponds to the short-term period (2011-2040) in the modelling noted below. Nevertheless, we present the results of modelling through the end of the century to illustrate continuing trends and for relevance to Lundin Gold’s other assets in the region.

The risks to Lundin Gold’s infrastructure were analyzed on impacts in relevant grid squares. These infrastructure locations were then mapped onto the climate hazards grid squares, which were used to extract the hazard exposure information, scored from one to five ranging from low to extremely high hazard exposure.



Grid locations of Lundin Gold’s critical infrastructures

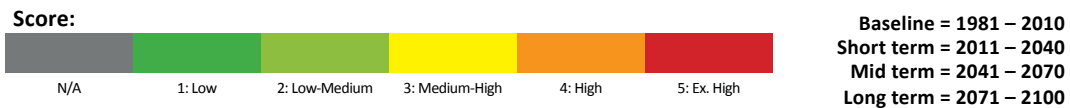
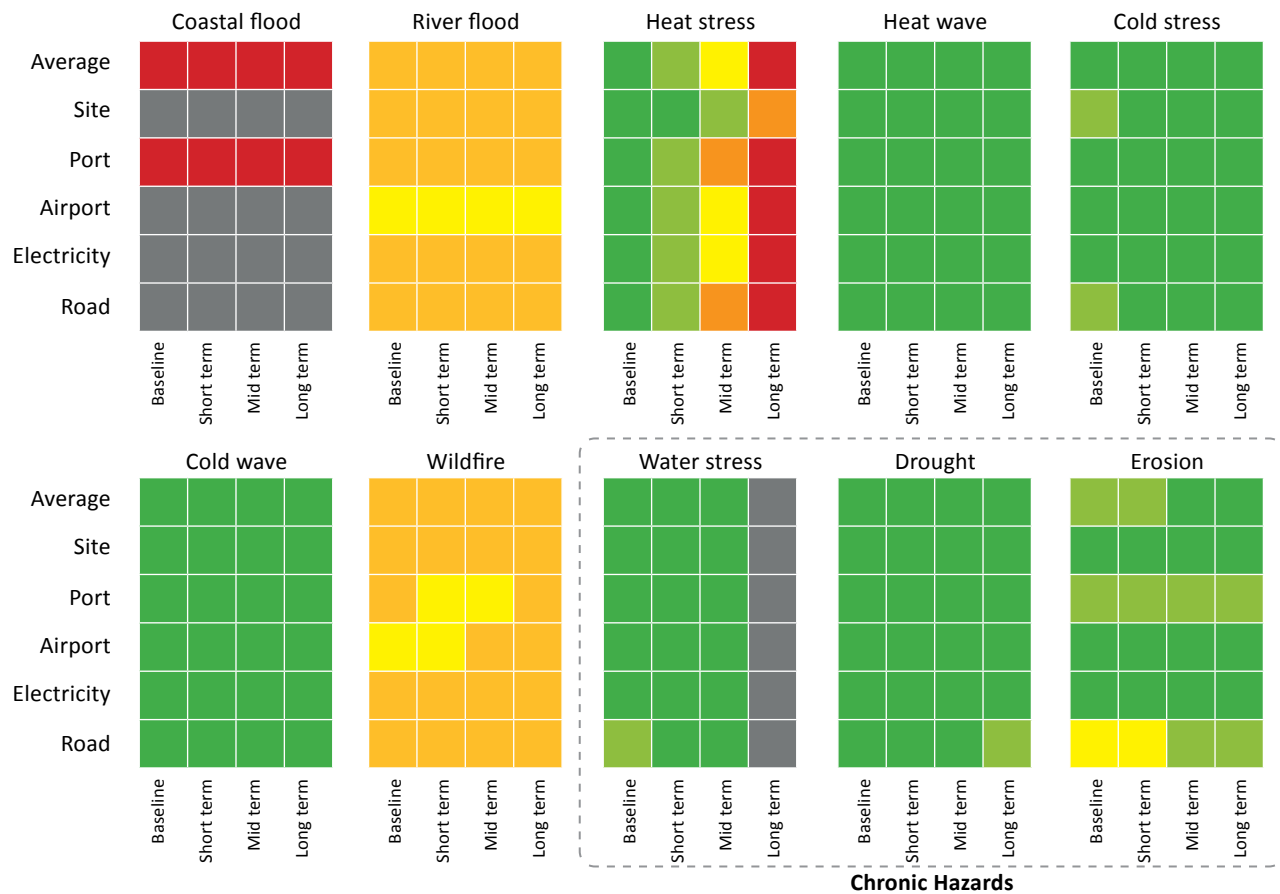


 Critical Infrastructure
  Zamora – Chinchipe Province

Ten climate hazards of both acute and chronic types have been assessed across the identified critical infrastructure locations including the mine site, port, airport, electricity sub-stations and roads. These locations are dominated by temperate climates with mild ranges of temperature; therefore, even with climate change, the impact of most temperature-driven hazards is not projected to be severe (including heat wave, cold stress, and cold wave). The only exception is heat stress which is projected to significantly increase from the mid-term onwards and worsen in the long-term. The temperatures across the infrastructure locations are within the widely acceptable range from 22 degrees Celsius to 32 degrees Celsius except at the Guayaquil port region. Therefore, the heat stress hazard is not expected to severely impact major infrastructure except the port and road in the port region.

³ TCFD Climate Scenarios & Impact Assessment Report dated December 7, 2021 prepared for Lundin Gold Inc. by Climate Risk Services.

Physical risk scores for all ten hazards over three time periods



Major concerns in regions relevant to Lundin Gold are floods and wildfire. Lundin Gold is already exposed to coastal flooding, for instance, given the current climate in these regions (e.g., for port infrastructure and coastal roads), and this is projected to increase in the future. River flooding was scored “high” across all infrastructure, except the regional airport, in all time frames. Wildfire had a “high” exposure from the mid-term onwards across most major infrastructure areas.

Water-related chronic risks, such as water stress and drought, are not of great concern given the simulated model output. This is due to the low exposure of the region to the extreme heat and dry conditions that would trigger a water deficit. Chronic erosion is also simulated to be of lower concern on both mid- and long-term across all infrastructure.

As a result of this study, we re-assessed the physical risks (acute and chronic) and considered possible actions. These included:

Risk	Actions
Extreme weather events and the risks posed to FDN’s TSF, the road network both within FDN and along the routes used by the Company for transport, flooding at site, erosion, etc.	Hydrological studies to address changing patterns, mapping of alternative routes and alternative infrastructure that could be utilized, identify any required changes to FDN layout given flooding risks, implement erosion control strategies.
Increased levels of groundwater and the associated risks for FDN’s underground mining operations.	Ongoing monitoring of water levels, updated hydrogeological model given climate considerations.
Potential damage to key offsite infrastructure (e.g., ports, airports, etc.).	Mapping of alternative routes and alternative infrastructure that could be utilized.

Transition Risks

As part of this same study, we sought to understand the transition risks associated with our business. Headquartered in Canada and operating in Ecuador, Lundin Gold is exposed to two policy jurisdictions, both of which have pledges and targets for emissions reductions, primarily through the 2015 Paris Agreement. This legally binding international treaty establishes the goal of limiting climate change to below 2 degrees Celsius, and preferably below 1.5 degrees Celsius, compared to pre-industrial levels. Each jurisdiction has set a Nationally Determined Contribution (NDC). Canada has set a long-term target, while Ecuador has retained a shorter-term focus, without having established a specific emission reduction target to date. These goals can impact Lundin Gold in varying ways. National targets may be broken down into sectoral or regional targets. Additionally, Ecuador and Canada are progressing with climate-related regulation.

Country	NDC Reduction Commitment	Long-Term Goal	Potential Implications for Lundin Gold
Canada ¹	2030: emissions reduction by 40-45% ² Contributory commitments made by each province and territory	Net Zero by 2050	Reductions to or Offset of Scope 1 + 2 emissions Increased disclosure requirements
Ecuador ³	Unconditional: emissions reduction by 9% ⁴ by 2025 Conditional: emissions reduction up to 20.9% ⁴ by 2025 if international support is given. No 2030 target specified	Under development. Expected to align with 1.5° goal of the Paris Agreement	Reductions to or Offset of Scope 1 + 2 emissions Increased disclosure requirements

¹ <https://www.canada.ca/en/environment-climate-change/news/2021/04/canadas-enhanced-nationally-determined-contribution.html>

² Compared to 2005 levels of approximately 731 MtCO₂e.

³ <https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Ecuador%20First/Primera%20NDC%20Ecuador.pdf>

⁴ Aggregate target for Agriculture, Energy, Industrial Processes and Waste Sectors, and compared to 2025 scenario with emissions of 76.9 MtCO₂e.

National or multinational targets for GHG emissions reductions create the possibility of policy shifts to incentivize reductions. At a high level, any company that is not under an identified emissions intensity target for its given sector or cannot demonstrate an emissions reduction pathway aligned with national targets may feel the impact of changing incentives. This could arise in the form of emissions restrictions and carbon pricing, increased disclosure requirements, or impacts on reputational risk. Where nations are not demonstrating progress towards reduction commitments, the risk of significant and rapid changes to climate policy increases.

One specific impact that we considered was that of a future carbon price, which is a financial cost calculated based on tonnes of CO₂ emitted. Carbon pricing is thus a policy mechanism that financially incentivizes emissions reduction activities. Carbon pricing can take several forms, all seeking to capture externalized costs of carbon emissions and/or to incentivize a transition to lower-carbon activities. Ecuador has not established carbon pricing in the form of an emissions trading scheme (e.g., a cap-and-trade system) or a carbon tax, and it is not clear if it will do so in the future.



FDN Process Plant

Canadian carbon pricing does not currently apply to Lundin Gold because the Greenhouse Gas Pollution Pricing Act (Canada) is applied to emissions within relevant Canadian jurisdictions. Nonetheless, Lundin Gold likely faces risks in line with the broader mining industry due to its international supply chain exposure and customer base, such as additional costs as a result of rising carbon prices across the globe, regardless of the scenario and regulatory changes within Ecuador.

As a result of the Climate Risk Services' study, we re-assessed transition risks and opportunities; we identified both acute and chronic risks and considered possible actions. These included:

Risk	Actions
Investor perspectives related to the Company's Climate Change Strategy implementation	Implementation of Lundin Gold's Climate Change Strategy, transparency of climate change data, stakeholder engagement.
Community impacts due to changing government policies (e.g., fuel subsidies)	Ongoing community investment with an increased focus upon community-level climate impacts and supporting adaptation.
Insurance market considerations	Ongoing engagement with insurance providers to ensure full understanding of FDN's risk profile and mitigation actions taken.
Carbon taxes	Ongoing monitoring of Ecuadorian and international policies. Integration of possible taxation into the corporate planning process.
New regulations in relevant jurisdictions	Tracking of new policies in Ecuador, Canada (such as the proposed National Instrument 51-107 - <i>Disclosure of Climate-related Matters</i>) and elsewhere, active engagement with relevant regulatory agencies, diplomatic representatives and industry bodies and commitment to implementing the recommendations of TCFD.

Opportunity	Actions
Assessment of new technologies for electrification	While such technologies are only now emerging, the CRG will track their development and the viability of implementing such technology.
Increased use of renewable energy	While FDN power supply is primarily hydro, the CRG will consider additional opportunities to establish renewable energy sources.
Offset opportunities that have additional local benefits (e.g., biodiversity preservation, community well-being)	Engagement with Ecuadorian authorities and international stakeholders to identify viable offset opportunities for FDN. Specific focus will be given to additional benefits that such offsets can bring at the local level.
Greater integration of circular economy innovations	Update FDN's waste management strategy, seek to leverage experience of other companies in Ecuador.
Greater use of virtual meetings and other travel reductions	Given the tools implemented due to the COVID-19 pandemic, Lundin Gold will seek to leverage such technology to reduce the need for air travel.
Market focus on emissions profile of gold production (e.g., "green gold")	FDN has a low carbon intensity versus the industry and thus is well placed to deliver low carbon gold.

Nevertheless, in order to assess these risks and opportunities in greater detail, it is necessary to determine the likely future that we will face. To support this process, TCFD recommends that companies test the resilience of their operations and strategy against different climate scenarios. Therefore, once we had completed the above risk assessment, we moved on to scenario analysis.

Scenarios⁴

While Lundin Gold recognizes that climate change will have impacts upon our activities in Ecuador and internationally, there is inherent uncertainty regarding how policy makers around the world will address this challenge, as well as how related physical impacts will manifest themselves in Ecuador and other areas relevant for Lundin Gold. Scenario planning is a well-established methodology that allows the Company to:

- Better understand the broader context in which it may be operating in the future.*
- Assess the impacts that this potential future will have upon the business.*
- Focus its efforts upon mitigation measure that will reduce the severity of such impacts.*
- Establish a framework to monitor both physical and transition risks.*
- Drive a new forward-looking approach to risk evaluation.*

TCFD recommends that companies consider at least two scenarios, including, at least, a scenario based upon 2 degrees Celsius warming or less and another based upon a high physical risk future. Lundin Gold also considered those chosen by our peers for their analysis. Lundin Gold's SMT decided to base its analysis upon the following three scenarios:

- International Energy Agency's (IEA) Net Zero 2050 scenario.*
- IEA's Sustainable Development scenario (i.e., net zero in 2070).*
- A high physical risk scenario based upon RCP⁵ 8.5 from the IPCC.*

To better understand these scenarios, we first considered what each would mean for a wide range of Lundin Gold stakeholders at the local, national and international levels. We then assessed the physical and transition risks within each scenario and their possible impacts upon FDN and Lundin Gold.

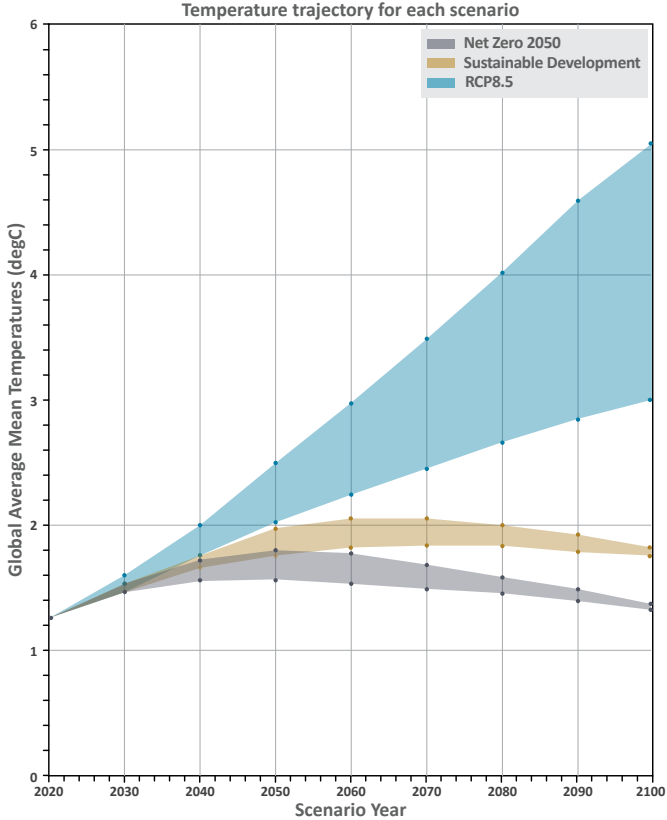
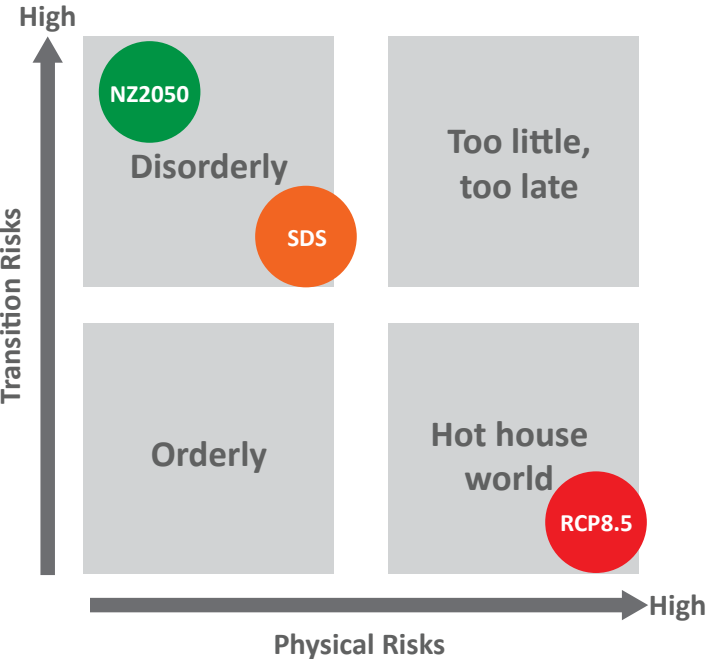


Underground at FDN

⁴ Scenario analyses help guide our company to develop appropriate strategies for possible futures. As such, scenario analyses depend on forward-looking information, models and assumptions, and should therefore be treated with caution. Please refer to the Caution at the end of this report for more information.

⁵ Representative Concentration Pathway: a series of atmospheric greenhouse gas concentration trajectories used by IPCC in climate modelling.

The assumptions inherent in these scenarios are summarized in the table and graphics below.



	NZ2050	SDS	RCP8.5
Long-Term Physical Risk	Low	Low to medium	High
Transition Risk	High	Medium to high	Low
Dominant energy source (later years)	Renewables, particularly solar and wind	Renewables, particularly solar and wind	Fossil fuels
Net Zero by	2050	2070	-
Carbon Prices in 2050	Very high: \$436 - 651 / tCO ₂	Moderately high: \$180 - 195 / tCO ₂	Low: \$0 - 37 / tCO ₂
Capital Allocation	Towards low carbon economy	Towards low carbon economy and adaptation against physical hazards	Towards adaptation against physical hazards
Investment Focus	Long-term focus on climate change resilience and returns	-	Short-term focus on returns and risk compensation

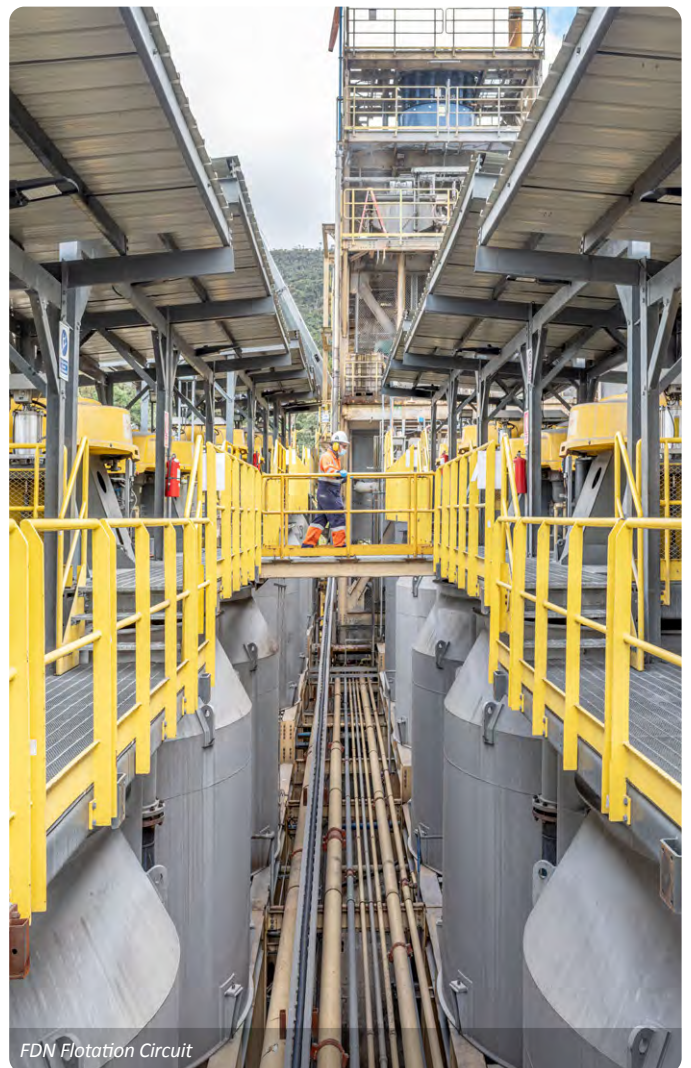
IEA Sustainable Development Scenario

General Description

- This scenario foresees net zero being reached in 2070, and thus transition risks will progressively become apparent over the coming years and decades.
- There is a reduced level of international cooperation and investment compared to the Net Zero 2050 scenario (see below), which results in a slower transition to a net zero economy.
- At the macro level, fossil fuels decline in importance; subsidies are phased out by 2025 in net importing countries and by 2035 in net-exporting countries.
- Solar and wind renewable energy become the dominant energy sources before 2050.
- Commodities essential to the green economy, such as copper, lithium, rare earth elements (REEs), etc. gradually attract greater levels of investment.
- Governments, recognizing their increasing reliance on these commodities, encourage the development of domestic supply chains.
- For developing countries, there is some funding and investment to ease the financial burden of the energy transition and to meet SDGs.
- The slower pace of transition results in greater physical risk than in the Net Zero 2050 scenario.
- In 2050, global mean temperatures are 1.8-2.0°C above pre-industrial levels and rises to a peak of 1.9-2.1°C in 2070.

Potential Impacts upon Lundin Gold

- Moderately strong climate-related legislation.
- Gradually increasing levels of carbon prices through 2050.
- Adoption of emissions trading schemes in relevant jurisdictions.
- While investment capital continues to be available to high emitters in the early years of this scenario, ever stricter covenants are put in place over time. By 2050, some industries and / or countries are deemed unviable for investment.
- Over time, new business models are developed, e.g., opportunities for “green gold”.
- Trends towards vertical supply chain integration to gain more direct control over Scope 3 emissions.
- Suppliers transition away from high emission practices, and attempt to pass these costs along to downstream users.
- Over time, more frequent climate extremes create stresses for the Lundin Gold workforce both at the mine site and in local communities.
- As fossil fuel subsidies are withdrawn, local communities face higher energy costs without the benefit of countervailing policies. This brings the risk of increased community strife.
- Moderate physical risks present themselves as some level of warming is inevitable in this scenario.
- This warming brings an increased likelihood of severe weather events and thus disruptions to the infrastructure used by Lundin Gold.



RCP 8.5

General Description

- In this scenario, there is a lack of climate action.
- At a macro level, the transition to a low-carbon economy falters.
- Developing countries with high population growth and low technological development continue to use coal and other fossil fuels as their primary energy sources.
- Developed countries with high economic growth continue their reliance on fossil fuels.
- As the global population increases, energy consumption also increases.
- Additionally, climatic tipping points may be reached, contributing further greenhouse gases to the atmosphere.
- In 2050, global mean temperatures are 2.0-2.5°C above baseline.
- The global mean temperature continues to rise unabated, reaching 3.0-5.0°C above baseline in 2100.



Machinaza River, near Las Peñas Camp

Potential Impacts upon Lundin Gold

- In this scenario, there is little policy action to address climate change. As such, carbon pricing remains quite low throughout the scenario, emissions trading schemes fail to take off, and little action is taken to provide carbon border adjustments.
- The primary concern of lenders and investors is increased physical risk, which leads to requirements for enhanced insurance coverage.
- Adaptation to climate change becomes the priority, with governments raising tax revenue to fund the required infrastructure modifications.
- Climate extremes create stresses for the Lundin Gold workforce both at the mine site and in local communities.
- Local communities suffer from climate-related damage with increasing frequency and seek assistance for adaptation from Lundin Gold.
- These increased physical risks create significant challenges for Lundin Gold over time, with more frequent flooding events and damage to port and road infrastructure, which could lead to impacts upon production at FDN.



Nursery at FDN

Net Zero 2050

General Description

- In a Net Zero 2050 future, there is a rapid and disorderly energy transition to net zero emissions, which would require significant international cooperation and investment.
- At the macro level, fossil fuels decline in importance; solar and wind renewable energy become the dominant energy generation sources before 2040.
- New technologies, such as carbon capture and storage, become increasingly important for emissions reductions.
- Commodities essential to the green economy, such as copper, lithium, REEs, attract greater levels of investment.
- As demand for key commodities squeezes supply, spot prices increase.
- Governments recognize their reliance on these commodities and encourage the development of domestic supply chains, hampering the transition pace of other countries.
- Developing countries seek funding from developed countries to reduce the financial burden of transitioning from fossil fuels to renewable energy.



Windmills in Loja, Ecuador



Potential Impacts upon Lundin Gold

- Strong and rapid implementation of carbon pricing schemes and caps on emissions that are ratcheted down frequently. Both could bring increased costs to Lundin Gold.
- Rapid migration of capital to low emission activities which may force high emission activities to cease operations.
- Increased focus upon ESG and climate policy offers opportunity to gain competitive advantage for “green gold” and to differentiate from less climate-friendly gold production.
- Increased regulatory obligations regarding climate related disclosure.
- Vertical supply chain integration becomes the norm as companies seek to control their Scope 3 emissions.
- Suppliers seek to push the costs of climate compliance to their clients. Some high-emission options cease production, forcing clients to modify their fleet, plant, etc.
- The rapid increase in mining of other “strategic” minerals for the energy transition creating challenges in areas such as staffing, transportation, and supplies for Lundin Gold.
- The transition to a low-carbon economy presents challenges to local communities as they lose fuel subsidies, are forced to implement higher-cost alternatives, and see increases in taxes. They may seek support from Lundin Gold to facilitate the transition.
- Even in this optimistic scenario, it is likely that physical risks will increase relative to baseline frequencies. Lundin Gold will still have to address increased flooding and impacts to infrastructure.



The next step in our analysis was to understand the early warning indicators for each scenario, based upon the above-noted impacts. That is, what are the “signposts” that we can observe today that indicate that we are more likely to face a given scenario in the future. Lundin Gold believes that the world is currently on the trajectory identified in the IEA Sustainable Development scenario. As noted above, this scenario foresees net zero being reached in 2070, and thus transition risks will progressively become apparent over the coming years and decades. Given this slower transition, physical risks will likely be more significant.

Given the selection of the IEA Sustainable Development scenario, we have revisited our analysis of climate change risks and opportunities in order to refine them in light of this scenario. It is also important to note that our assessment of our likely future scenario is not static. Lundin Gold will continue to assess the signposts associated with each scenario. If warranted, we will modify our projection of the future, re-assess our risks and adapt our strategy.

Development of our Strategy

Over the course of 2020, Lundin Gold developed an overarching Five-Year Sustainability Strategy covering the period 2021-2025. This strategy establishes eight pillars, of which climate change is one. By 2025, we have set the following objectives for this pillar:

Targets to be Achieved by 2025

Lundin Gold has established itself as a leader in efforts to reduce the GHG emission intensity of large-scale mining in Ecuador.

Lundin Gold has established its operational emissions baseline and set an intensity based target commensurate with its commitment to lead on this issue.

In order to further decrease its emissions footprint, the Company has sought out innovative offset opportunities that benefit local communities.

The Company has identified the key risks it faces from a changing climate and has taken appropriate action to mitigate such risks.

The Company works with its suppliers and other relevant stakeholders to identify opportunities to reduce GHG emissions in its value chain.

The Company seeks cross-sector partnerships that have climate-related benefits.

The Company has transparently communicated its Climate Change Strategy and key actions to external stakeholders.

All aspects of the TCFD have been incorporated into the Company's reporting on an ongoing basis and the Company has aligned reporting to SDG 13 (Climate Action).

An appropriate carbon price has been established internally and integrated into financial evaluations.

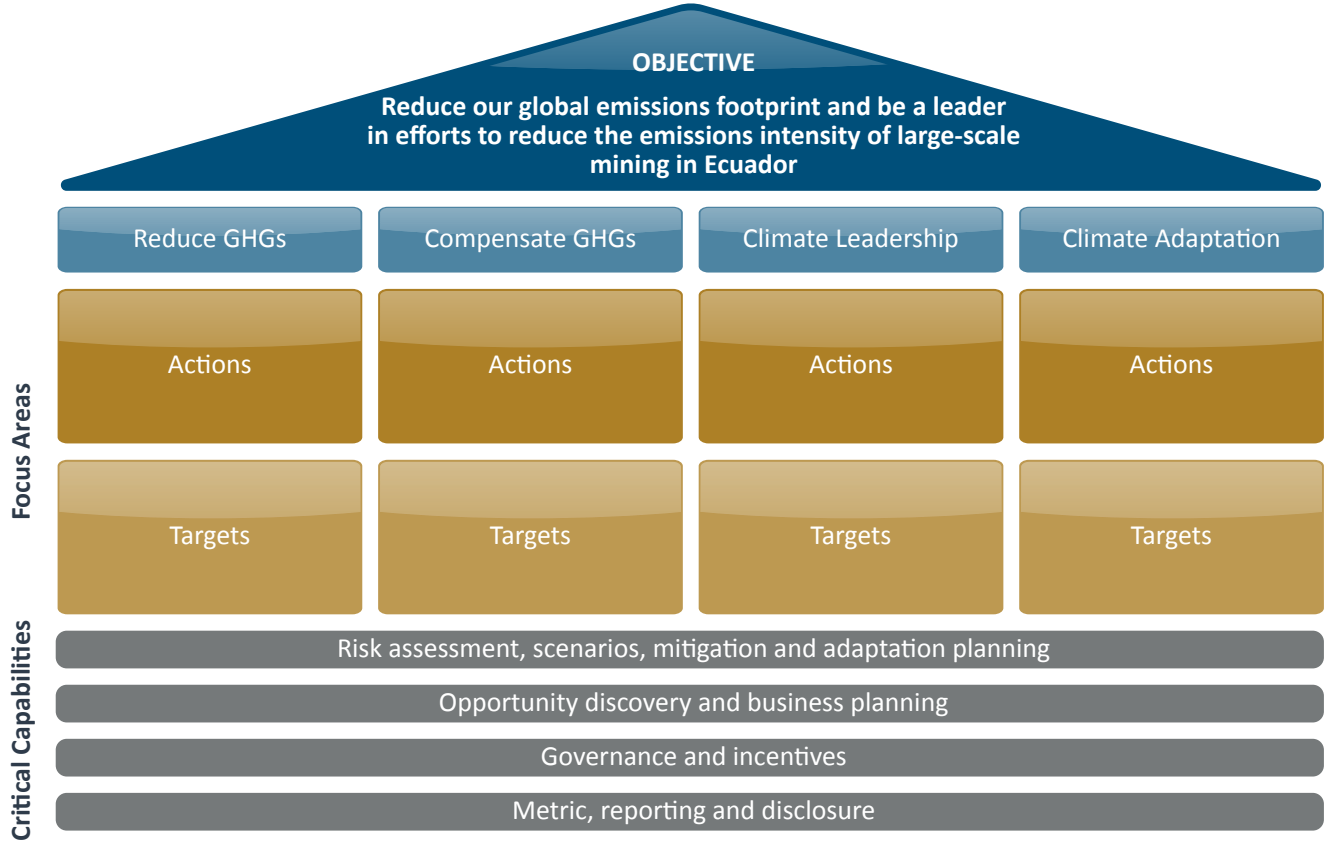
The Company's Board and SMT have developed the expertise to ensure that this issue is well managed.



To achieve these goals, we have developed a specific Climate Change Strategy that guides our actions in four focus areas: reduction of GHGs, compensation for GHGs, climate leadership and climate adaptation. Different areas of our Company will be involved in the implementation of specific actions in each of these areas. One of our first actions has been the creation of our CRG, a cross-functional working group composed of members of the leadership team at Fruta del Norte. The CRG has the responsibility of identifying emission reduction opportunities and key adaptation measures to be considered over the coming years.

Each year going forward, Lundin Gold will report progress to the HSES Committee, and such progress will be utilized to measure performance for the purposes of executive compensation.

A graphical representation of our Climate Change Strategy is provided below.



Activities under Lundin Gold’s Climate Pillars

In the short time since Lundin Gold has commenced operations and committed to the adoption of the TCFD recommendations, the Company has made good progress in advancing its climate strategy. Progress under each focus area is provided below.



Jumbo in the FDN mine

Focus Area 1: Reduce the Carbon Footprint of our Operations through Decarbonization

Lundin Gold is currently exploring a variety of decarbonization options through the CRG, including the potential emission reduction benefits from projects such as the electrification of equipment, efficient energy usage, reduction in use of explosives or change to the explosives used, expansion of renewable power sources at site, improving efficiencies in concentrate shipment and transportation of goods to site and integration of climate considerations into vendor selection procedures.

As the work of the CRG progresses this year and the Company better understands its reduction opportunities, Lundin Gold plans to set a GHG emission reduction target in 2022.

Focus Area 2: Reduce the Carbon Footprint of our Operations through Offsetting

We expect that carbon offsets will play an important role in the achievement of Lundin Gold’s GHG emission reduction target. While our initial focus will be upon direct reductions of our emissions, we will also seek to identify high-quality offsets that could be used to meet our climate objectives.

Lundin Gold is currently exploring the acquisition of offsets through a number of channels. First, the Company is looking at possibilities of developing carbon offset projects in Ecuador. Additionally, the Company is in discussions with the Lundin Foundation, its partner on multiple sustainability initiatives in Ecuador, regarding the potential for a collaborative offset project. Finally, Lundin Gold is assessing the acquisition of offsets from reputable international schemes. Regardless of approach, we fully support the principle that all offsets we ultimately use will need to meet quality criteria. They will be assessed on their potential to deliver complementary social and environmental benefits in local communities, as well as their return on investment.

Focus Area 3: Be a Climate Leader in Ecuador

Lundin Gold seeks to establish itself as a climate leader in multiple ways:

- **Setting a target in 2022:** Lundin Gold intends to set an informed climate target based on a decarbonization plan and implementation schedule. To support this goal, the CRG is currently evaluating viable decarbonization options for the Company’s operations in Ecuador.
- **Extending our ambition to our supply chain:** Lundin Gold seeks to be a climate leader in the area of supply chain and plans to incorporate climate considerations into its vendor screening. Additionally, we plan to engage with our vendors regarding our climate goals, as incorporating our supply chain will be an important element of our decarbonization plan.
- **Scope 3 emissions:** We have started the process of estimating our Scope 3 emissions on a broader basis, as we recognize that reporting only our Scope 1 and 2 emissions does not accurately reflect the totality of our carbon footprint.
- **Sharing our commitment with our employees and local communities:** Lundin Gold recognizes that



On Earth Day, Lundin Gold employees planted 200 trees in locations across Ecuador

our employees care passionately about protecting Ecuador’s unique ecosystem. Through a climate change education and engagement campaign which was launched in 2022, Lundin Gold is incorporating its workforce into its climate change commitment. We will also prioritize raising awareness among local communities and various levels of government in Ecuador about the threat of climate change. As noted above, we are developing mitigation plans for physical risks to infrastructure which we have identified as potentially impacting our area of influence.

- **Climate partnerships:** Lundin Gold has long recognized the benefits derived from collaborating with strategic partners on its sustainability initiatives, and we plan to do so across the full breadth of our climate change initiatives, as well. Lundin Gold believes that such strategic collaboration is core to demonstrating our leadership on climate.

Focus Area 4: Adaptation to Physical Impacts

Based upon our scenario analysis work and choice of the IEA Sustainable Development scenario, Lundin Gold believes that the physical impacts of climate change are highly relevant. Due to “committed warming” where future warming has already been determined by past emissions, Lundin Gold sees adaptation as a key aspect of its climate strategy. The CRG is studying physical risks most likely to be experienced by Lundin Gold and is developing action plans to mitigate the associated impacts.



Gold and Climate Change

It is challenging to predict the behavior of gold prices in the climate scenarios that Lundin Gold developed. We recognize, however, that the gold market will be impacted by climate change, given the historic role of gold as a safe haven investment during turbulent times. With the assistance of Climate Risk Services, Lundin Gold has identified five gold price drivers to analyze the possible impact on the gold market in each scenario and made assumptions about the relative impact of each driver. The drivers were:

- Inflation*
- Strength of the US dollar*
- Consumer confidence*
- Carbon pricing*
- Adaptation costs*



Further analysis has indicated that each of these factors will likely be impacted in potentially countervailing manners due to climate change. The extent of future price fluctuations due to climate change is therefore difficult to predict.

Metrics and Targets

GHG Emissions

Lundin Gold has been tracking and reporting its GHG emissions since 2017. Having achieved commercial production early in February 2020, the Company sought to establish a baseline for its Scope 1 and 2 GHG emissions at the end of that year. The impact of the COVID-19 pandemic on operations, including a three-month suspension of operations, thwarted the setting of a baseline within that timeframe. Hence, throughout 2021, we worked to develop strong baseline data for Scope 1 and Scope 2 GHG emissions and have established our GHG emission using 2021 as our baseline year. Lundin Gold intends to set an intensity-based emission reduction target later in 2022 for Scopes 1 and 2.

Lundin Gold recognizes the importance of tracking and reporting its Scope 3 GHG emissions, in addition to its Scope 1 and Scope 2 GHG emissions. As such, we have initiated reporting of those emissions in this report and intend to improve our understanding and expand reporting of Scope 3 emissions in the future.

Lundin Gold employs a range of metrics to understand and inform our energy and GHG emission reduction strategies. According to the Global Reporting Initiative (GRI) requirements for measuring carbon dioxide equivalents, we classify our GHG emissions as follows:



	Scope 1	Scope 2	Scope 3
Scope Definition	GHG emissions produced by the combustion of energy sources that are owned or controlled by Lundin Gold.	GHG emissions from the consumption of purchased electricity.	GHG emissions cover all other indirect emissions that occur in Lundin Gold’s value chain.
How we generate these emissions	The majority of our Scope 1 emissions are attributable to diesel, gasoline, liquid propane gas, helicopter fuel and explosives for blasting at the Fruta del Norte mine site.	The vast majority of our Scope 2 emissions are generated by the energy we buy from the national grid in Ecuador, which consists of 85% electricity from renewable sources such as hydro-electric power generation.	Scope 3 emissions are attributable to purchased goods and services for operations, land and air transportation of doré, land transportation and shipping of concentrate, production and transportation of cement used in the operations, land transportation related to the supply of goods and services to site, air travel associated with employee commuting to and from FDN, business air travel, waste disposal and treatment and processing of product sold.

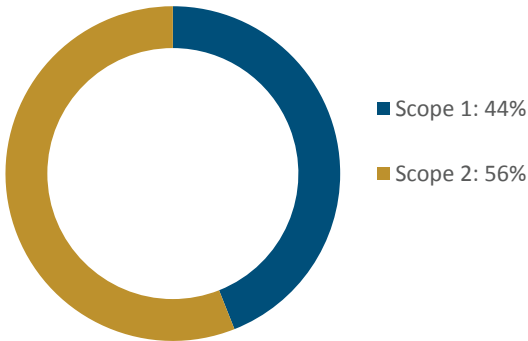
The tables below highlight our Scope 1 and Scope 2 energy consumption and GHG emissions. All values are reported in GJ or t CO₂eq emissions, which include CO₂, methane (CH₄) and nitrous oxide (N₂O) emissions, as appropriate. Lundin Gold measures emissions intensity on a per thousand tonne milled basis and a per ounce of gold produced.

Energy consumption (GJ) ^{1,2}	2020	2021
Scope 1 (GJ)	205,349	356,639
Scope 2 (GJ)	323,280	453,928
Kilotonnes of Ore Milled (kt)	905.78	1,415.63
GHG Intensity (GJ/kt ore milled)	583.62	572.58
Ounces of gold produced (oz)	242,412	428,514
GHG Intensity (GJ/oz Au produced)	2.18	1.89

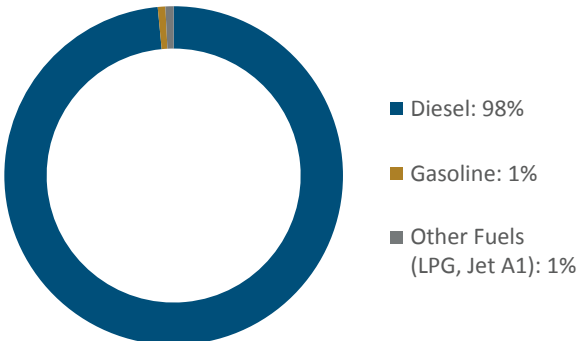
¹ Energy consumption figures include energy consumed at our FDN operation, Ecuador and Vancouver offices and exploration sites.
² Energy conversion factors from MAC Towards Sustainable Mining Energy and Greenhouse Gas Emissions Management Reference Guide, June 2014.

2021 Energy Consumption

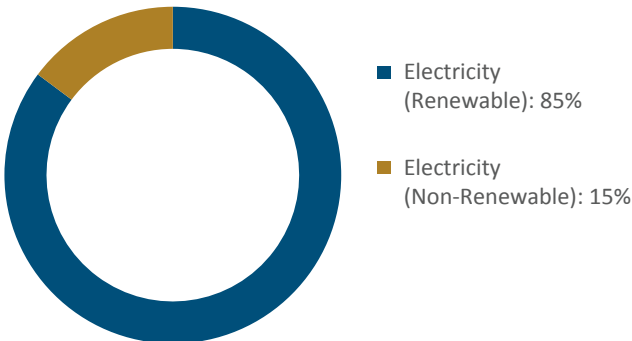
2021 Total energy consumption by Scopes 1 and 2 (GJ)



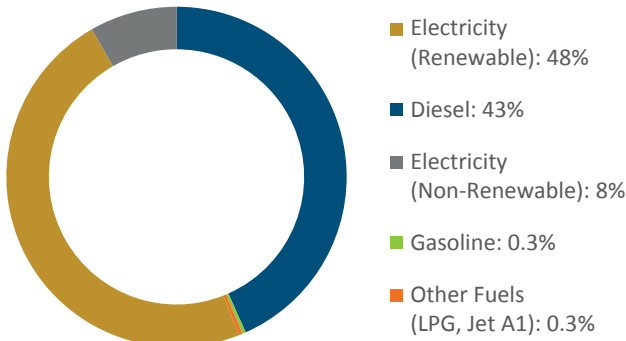
2021 Scope 1 energy consumption by fuel source (GJ)



2021 Scope 2 energy consumption by fuel source (GJ)



Breakdown of total energy 2021 Scopes 1&2 energy consumption by fuel source (GJ)



Scopes 1 and 2 Emissions – Comparative Data since the Commencement of Production

GHG Emissions	2020 ³	2021
Scope 1 (tCO ₂ e) ¹	14,618	25,399
Scope 2 (tCO ₂ e) ²	20,250	24,170
Kilotonnes of Ore Milled (kt)	905,78	1,415.63
GHG Intensity (tCO₂e/kt ore milled)	38.49	35.01
Ounces of gold produced (oz)	242,412	428,514
GHG Intensity (tCO₂e/oz Au produced)	0.14	0.12

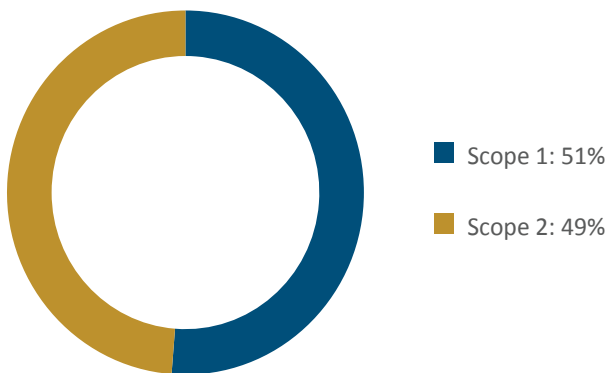
¹ Includes emissions from FDN and exploration activities.

² Includes energy consumption from the national grid for FDN, Quito and Los Encuentros offices, Las Peñas Camp and the Nursery Garden at FDN.

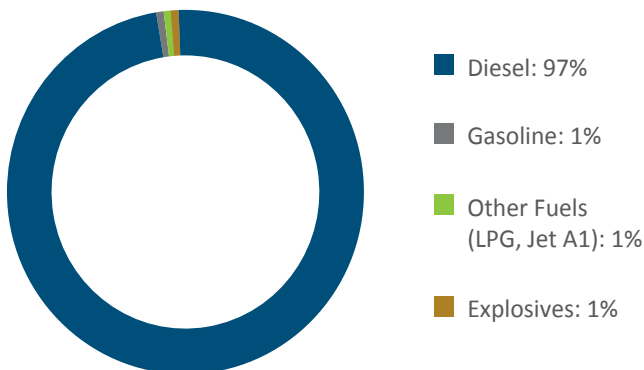
³ The Company reached commercial production in February 2020. Operations were suspended for three months in 2020 due to the impacts of the COVID-19 pandemic.

Scopes 1 and 2 Emissions in 2021

**2021 Total Emissions
by Scopes 1 and 2 (tCO₂e)**



**2021 Scope 1 Emissions
by Energy Source (tCO₂e)**

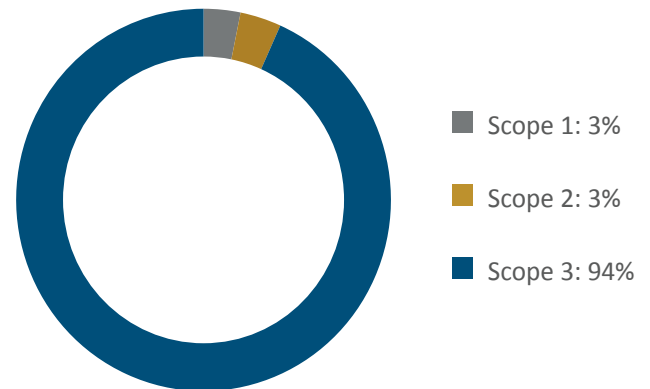


Additional information regarding Lundin Gold's emissions reporting is available in its most recent Sustainability Report available at www.lundin角度.com.

Estimates of Scope 3 Emissions

Lundin Gold recognizes the importance of understanding the emissions outside of Fruta del Norte which relate to business activities. To that end, Lundin Gold has assessed and reported its Scope 3 emissions in two ways. First, using vendor supplied data, Lundin Gold has measured the following third-party emissions associated with FDN'S upstream and downstream activities: cement consumption at FDN, land and air transportation of doré, land and water-based transportation of concentrate, the majority of land transportation related to the supply of materials to the site and air travel associated with employees commuting to and from FDN. For the balance of its Scope 3 assessment, Lundin Gold followed the guidance set out in the Greenhouse Gas Protocol – Scope 3 Standard, whereby it calculated emissions with reference to the categories set out therein. Nonetheless, the estimates below are limited since some categories are not included and others have only been partially assessed. We will continue to improve our measurement over the coming years.

2021 Estimates of GHG Emissions



2021 Scope 3 Emissions Estimates

Source ¹	tCO ₂ e	Notes on Calculation
1. Purchased goods and services	122,498	Quantis GHG Scope 3 Tool and Vendor supplied data.
2. Capital Goods	-	Included in Source 1. The Company intends to capture emissions separately as Source 2 in the future.
3. Fuel and energy-related activities	-	Not included in our 2021 estimate. The Company intends to extend reporting on this source in the future.
4. Upstream transportation and distribution	621,658	EPA Emissions Factors for GHG Inventories, 21 April 2021. MAC Towards Sustainable Mining Energy and Greenhouse Gas Emissions Management Reference Guide, June 2014.
5. Waste generated in operations	1,035	EPA Emissions Factors for GHG Inventories, 21 April 2021. Greenhouse gas reporting: conversion factors 2021 from UK Government.
6. Business travel	62	Vendor supplied data using Sabre Travel Network's carbon emissions tool.
7. Employee commuting	1,474	Employee air travel to and from FDN and local land travel. EPA Emissions Factors for GHG Inventories, 21 April 2021.
8. Upstream leased assets	-	The Company does not operate any upstream leased assets.
9. Downstream transportation and distribution	-	Included in Source 4 ² .
10. Processing of sold products	23	Includes refining of gold doré sold. Processing of concentrate has not been included. The Company intends to extend reporting on this source in the future. Annual global gold market GHG emissions from "Gold and climate change: Current and future impacts" from World Gold Council.
11. Use of sold product	-	Immaterial, not calculated.
12. End-of-life treatment of sold goods	N/A	Lundin Gold products include precious metals and minerals that do not release GHG emissions when consumed by end users and do not require end-of-life treatment.
13. Downstream leased assets	N/A	The Company does not operate any downstream leased assets.
14. Franchises	N/A	The Company does not have any franchises.
15. Investments	-	Immaterial, not calculated.
Total estimated	746,750	

¹ Source references are informed by the GHG Protocol Corporate Value Chain (Scope 3) Standard.

² In accordance with the GHG Protocol, emissions from Lundin Gold's doré and concentrate transportation have been included under Source 4. The total of 621,658 tCO₂e under Upstream Transportation and Distribution includes an estimate of emissions from doré and concentrate transportation and select land transportation related to the supply of materials to FDN.

Measuring Progress through Executive Compensation

With the adoption of its Five-Year Sustainability Strategy, Lundin Gold committed to taking climate action starting in 2021. To measure the progress of the SMT in advancing the Company's climate related goals, the Board resorted to one of the variable components of executive compensation, being the short-term incentive plan. Executive compensation is comprised of base salary, long term incentives (i.e.: equity compensation) and short-term incentives (i.e.: annual cash bonus). For a full description of Lundin Gold's executive compensation, see our most recent Information Circular at www.lundinalgold.com.

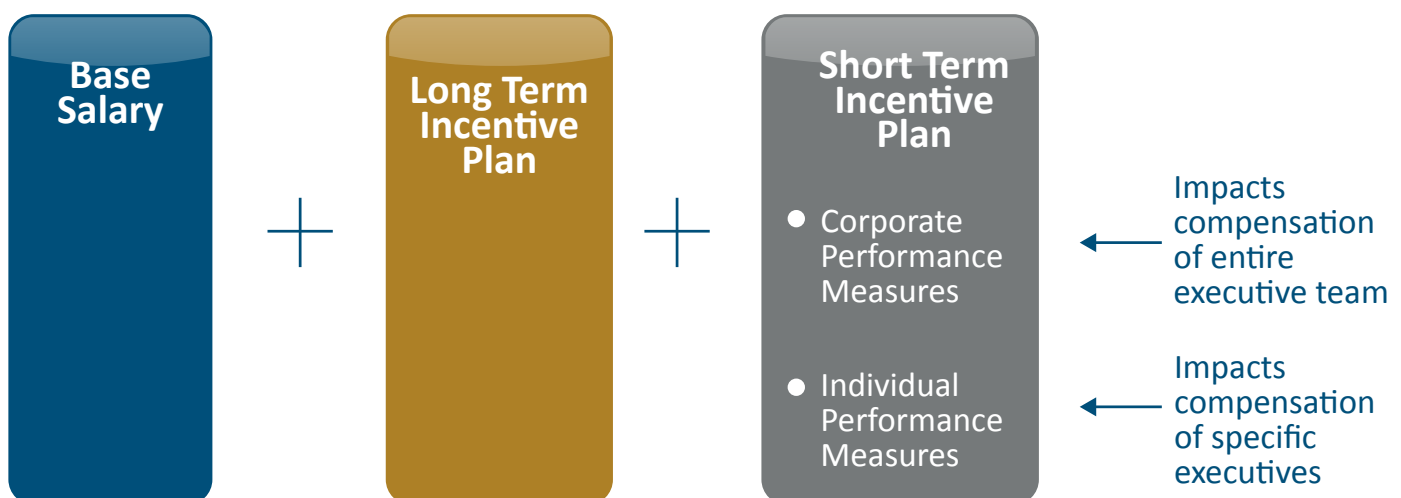
In the design of its short-term incentive plan, Lundin Gold has established two performance measures for the purposes of assessing performance: Corporate Performance Measures and Individual Performance Measures. Corporate Performance Measures are identical for all plan participants. Individual Performance Measure are specific to each participant based on their role. The Board has focussed the short-term incentive portion of executive compensation to reward executives for advancing the Company's climate goals.

As a first step towards aligning executive compensation with the strategic goal of advancing the Company's implementation of TCFD, at the start of 2021 two executives had their Individual Performance Measure tied to progress against the adoption of aspects of TCFD.

Specifically, the Vice President, Business Sustainability and Vice President, Legal each had 25% of their respective Individual Performance Measure assessed against the successful implementation of all four themes of TCFD during the year and the integration of climate change risks and opportunities into the Company's enterprise risk management framework. See the Company's most recent Information Circular dated March 16, 2022 on our website at www.lundinalgold.com for details on these goals and the Company's progress during 2021.

Having made significant progress in 2021 towards alignment with TCFD, the Board further enhanced the alignment of climate change related goals and executive compensation at the start of 2022. This year, the Board has approved Corporate Performance Measures for the entire executive team that includes specific targets relating to the Company's climate strategy and implementation plan by the end of the year. In addition, three executives, including the Vice President, Sustainability, the Vice President, Legal and the Vice President Projects, all have different aspects of TCFD alignment and advancement of the climate strategy and plan incorporated into their 2022 Individual Performance Measures. Lundin Gold expects to report progress against these goals in its executive compensation disclosure in its Information Circular next year.

Alignment of 2022 Executive Compensation Design with Climate Goals



Progress Towards TCFD Alignment

TCFD Recommendation	Measurement of our Progress
Governance: a) Describe the Board’s oversight of climate-related risks and opportunities.	
Governance: b) Describe management’s role in assessing and managing climate-related risks and opportunities.	
Strategy: a) Describe the climate-related risks and opportunities the organization has identified over the short-, medium- and long-term.	
Strategy: b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.	
Strategy: c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management: a) Describe the organization’s processes for identifying and assessing climate-related risks	
Risk Management: b) Describe the organization’s processes for managing climate-related risks.	
Risk Management: c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization’s overall risk management.	
Metrics and Targets: a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	
Metrics and Targets: b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	
Metrics and Targets: c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

 Complete  Developing

Caution Regarding Forward-Looking Information and Statements

Certain of the information and statements in this Climate Change Report 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 report, and the Company will not necessarily update this information, unless required to do so by securities laws.

This Climate Change Report contains forward-looking information in a number of places, such as in statements relating to the implementation and success of the Company’s climate strategy and expectations regarding the establishment of a climate related target. 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 21, 2022, which is available at www.lundin.gold 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 associated with the Company’s community relationships; risks related to political and economic instability in Ecuador; risks related to estimates of production, cash flows and costs; the impacts of a pandemic virus outbreak; risks inherent to mining operations; failure of the Company to maintain its obligations under its debt facilities; shortages of critical supplies; control of the Company’s largest shareholders; risks related to Lundin Gold’s compliance with environmental laws and liability for environmental contamination; the lack of availability of infrastructure; the Company’s reliance on one mine; exploration and development risks; risks related to the Company’s ability to obtain, maintain or renew regulatory approvals, permits and licenses; uncertainty with the tax regime in Ecuador; risks related to the Company’s workforce and its labour relations; volatility in the price of gold; the reliance of the Company on its information systems and the risk of cyber-attacks on those systems; deficient or vulnerable title to concessions, easements and surface rights; inherent safety hazards and risk to the health and safety of the Company’s employees and contractors; 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; measures to protect endangered species and critical habitats; social media and reputation; the cost of non-compliance and compliance costs; risks related to illegal mining; the adequacy of the Company’s insurance; risks relating to the declaration of dividends; 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; limits of disclosure and internal controls; security risks to the Company, its assets and its personnel; the potential for litigation; and risks due to conflicts of interest.

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