

LUNDIN GOLD'S CORPORATE GOVERNANCE PRACTICES

Lundin Gold recognizes the importance of good corporate governance to the long term and successful management of the Corporation. The Corporation values accountability, and honest and ethical behaviour. The Corporation's Board and Management have embedded mandates and practices into Lundin Gold's corporate governance framework thereby maintaining the best corporate governance standards for Lundin Gold.

This section of the Circular describes Lundin Gold's corporate governance practices with reference to the framework provided in National Policy 58-201 - *Corporate Governance Guidelines* and National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (collectively, the "**Governance Guidelines**") of the Canadian Securities Administrators.

Lundin Gold is a reporting issuer across Canada (excluding Quebec). Lundin Gold's Shares trade on the TSX, and the Corporation has a secondary listing on the Nasdaq Stockholm Exchange. The Nasdaq Stockholm Exchange in Sweden has also established rules of corporate governance (the "**Swedish Code**"), but because the TSX is the Corporation's primary exchange, Lundin Gold's governance practices follow the Governance Guidelines. A summary of the differences between the governance regime in Sweden (including the Swedish Code requirements) and the Governance Guidelines is available on the Corporation's website at www.lundingold.com.

The Board of Directors

Corporate governance best practices focus on developing high performing boards that have integrity and are accountable, independent and experienced. Under the stewardship of the Corporate Governance and Nominating Committee, the Lundin Gold Board has focused on meeting or exceeding the Governance Guidelines.

Lundin Gold's Board is currently comprised of nine directors. The size and composition of the Board reflects a breadth of backgrounds and experience that is important for effective governance and oversight of an international corporation in the gold mining industry. It is proposed that eight directors be elected at the Meeting, a majority of whom are independent. After over ten years of service on the Board, Mr. Cambon has decided not to stand for re-election.

The Board has not adopted policies imposing a director term limit or retirement age as it does not believe that such policies would be in the best interests of the Corporation at this time. Over the last three years, the Corporation has undergone a significant transformation with its acquisition of the Fruta del Norte Project. Since 2014, the Board of Directors has welcomed five new members who have each enhanced the Board's skill, knowledge and depth of experience to support Lundin Gold as it advances the Fruta del Norte Project. In fact, more than half of the directors on the Board have held their seats for less than five years. The addition of Ms. Gosselin to the Board this year is an example of the Board's on-going commitment to continuously strengthen its knowledge and experience through Board renewal.

The following sets out the current tenure as of the date of this Circular for the Nominees:

Corporate Governance Highlights

- ✓ Majority of the Board is Independent
- ✓ Independent Lead Director since 2015
- ✓ Majority of Directors with Tenure under Five Years
- ✓ Women on the Board: 22%
- ✓ Diversity Policy Adopted
- ✓ Board Composition Guidelines include Gender Diversity
- ✓ 100% Independent Committees: Audit, Compensation and Corporate Governance and Nominating
- ✓ Regular Meetings of Independent Directors
- ✓ Board Performance Assessed Annually
- ✓ On-Going Director Education

Number of Directors	Tenure (Years)
1	More than ten
2	Between five and ten
4	Between one and five
1	One or less

After considering the matter carefully, the Corporate Governance and Nominating Committee determined that the Board is highly effective and well composed and that no appreciable benefit would be derived from the introduction of formal term or retirement age limits given the significant changes that have occurred on the Board since 2014 and the Board's commitment to renewal. In addition, the Board has implemented an assessment process, which includes regular evaluations of the Board, committees and directors, and it believes this provides a mechanism to promote Board renewal and to regularly assess directors' effectiveness and the needs of the Board.

Diversity within Lundin Gold

Lundin Gold's Board recognizes that diversity and increased visibility of women on the Board and at the senior level of the Corporation enriches the decision-making process and is important to the Corporation's good governance. The Board formally adopted a Diversity Policy in May 2015, which clarifies the Corporation's commitment to considering women for its Board and in senior officer positions. Along with the adoption of the Diversity Policy, the Board also amended the guidelines by which the Corporate Governance and Nominating Committee considers the composition of the Board and evaluates candidates to include gender representation as a factor to be considered. Similarly, as part of the hiring process of senior officers, management of the Corporation considers women having the necessary skills, knowledge and experience as potential candidates.

The Board believes that its current composition is highly effective and that the Board is well-composed. Given the recent changes to the Board and management over the last couple of years, the Corporate Governance and Nominating Committee determined it would not be in the best interest of the Corporation at this time to adopt firm targets with respect to gender representation on the Board or among executive officers at the Corporation or its major subsidiary in Ecuador, Aurelian Ecuador S.A. By amending its guidelines for Board composition, the Corporate Governance and Nominating Committee has indicated its intent to consider gender representation as a factor when considering the composition of the Board. Since 2014, the Board has added two (2) women to the Board, bringing representation of women on the Board from none to 22%.

Assuming all of the Nominees are elected by the Shareholders at the Meeting, the representation of women on the Board will reach 25% in 2017.

The Corporate Governance and Nominating Committee has recorded Lundin Gold's gender representation over the last three years as follows:

Board Members			
Year	Women Members	Total Members	%
April 2017	2	9	22.2%
May 2016	1	8	12.5%
May 2015	1	9	11.1%

Executive Officers¹

Date	Women EOs at Lundin Gold	Total EOs at Lundin Gold	%	Women EOs at Aurelian Ecuador S.A.	Total EOs at Aurelian Ecuador S.A.	%
April 2017	2	8	25%	3	9	30%
May 2016	1	6	17%	3	9	30%
May 2015	1	6	17%	3	9	30%

Note:

- Executive Officer (an “EO”) means an individual who is: a chair, vice-chair or president; a chief executive officer or chief financial officer; or a vice-president in charge of a principal business unit, division or function including sales, finance or production; or performing a policy-making function.

Composition: Skills and Experience on the Board

The Corporation’s Board recognizes that the quality of its directors is an important factor in the overall success of the Corporation. Lundin Gold is committed to ensuring that its Board is composed of members who have the competencies, capabilities and diversity required to understand the Corporation’s business, along with the integrity and motivation required to properly discharge their fiduciary duties in the long term best interests of the Corporation and all of its Shareholders.

When considering the Board as a whole and assessing directors’ candidacy for the Board, the Corporate Governance and Nominating Committee follows its established guidelines for the Board’s composition, including its Diversity Policy and its “*Guidelines for the Composition of Lundin Gold’s Board*”, and seeks directors that have some or all of the following attributes:

- Financial accreditation and/or financial literacy
- Sound business experience and expertise
- Corporate governance experience
- Industry specific experience and knowledge, such as mining, environment and safety and occupational health
- Experience in government relations, operations and regulatory issues
- Financing and merger/acquisition experience
- Strong reputation within the financial and business communities
- Candidacy is consistent with the Diversity Policy
- Strong board skills, such as integrity, networking abilities, interpersonal skills, ability to think strategically and act independently
- Independence, as such term is defined by the Canadian Securities Administrators

When determining Nominees for election, the Board also considers its relationship with one of its significant Shareholders. In connection with its investment in the Corporation in 2014, CD Capital was granted the right to appoint a nominee to the Board. Ms. Daniele has been chosen by CD Capital as its nominee.

Prior to making its recommendation to the Board this year with respect to nominations for the Meeting, the Corporate Governance and Nominating Committee reviewed the qualifications of the Nominees against the “*Guidelines for the Composition of Lundin Gold’s Board*” and reported that the Board as currently composed adequately satisfies the skills and experience identified, as follows:

	Daniele	Gibbs	Gosselin	Heppenstall	Hochstein	Lundin	McRae	Mir
Financial literacy	✓	✓	✓	✓	✓	✓	✓	✓
Sound business experience	✓	✓	✓	✓	✓	✓	✓	✓
Governance knowledge	✓	✓	✓	✓	✓			✓
Mining Industry knowledge	✓		✓		✓	✓	✓	✓
Government relations	✓	✓		✓	✓	✓		✓
Operations Experience and Technical Skills			✓		✓	✓	✓	
Strong ties to financial communities	✓	✓	✓	✓	✓	✓		✓
Financing and M&A	✓	✓	✓	✓	✓	✓		✓
Strong board skills and experience	✓	✓	✓	✓	✓	✓	✓	✓

Independence on the Board

Having independent directors on the Corporation’s Board allows for objective opinions, particularly in relation to the evaluation and performance of the Board and well-being of the Corporation. With the assistance of the Corporate Governance and Nominating Committee, the Board reviews each director’s independence annually and upon the appointment or election of a new director. This assessment is made in accordance with standards of the Canadian Securities Administrators in National Instrument 52-110 – *Audit Committees (“NI 52-110”)* and the Governance Guidelines. The Board last considered this matter at its meeting on April 20, 2017. The following table sets out the Board’s determination and reasoning with respect to each Nominee for election at the Meeting:

Name	Independent	Not Independent	Commentary on Independence
Carmel Daniele	✗		
Ian Gibbs	✗		
Chantal Gosselin	✗		
Ashley Heppenstall	✗		
Ron F. Hochstein		✗	As Chief Executive Officer, Mr. Hochstein cannot be regarded as independent under the Governance Guidelines.
Lukas Lundin		✗	As a former Chief Executive Officer within the last three years, Mr. Lundin cannot be regarded as independent under the Governance Guidelines.
Paul McRae	✗		
Pablo Mir		✗	Mr. Mir and the law firm of which he is a partner provide legal services to the Corporation in connection with the negotiation of Lundin Gold’s key mining conventions. As such, he cannot be regarded as independent.

The Board believes that adequate structures and processes are in place to facilitate the functioning of the Board independently of management for a number of reasons:

1. **Lead Director:** The Board appointed Mr. Heppenstall as the Lead in 2015 to preside at the independent director sessions and to perform such other duties as the Board may determine, like leading all Board meetings. The Lead Director facilitates the functioning of the Board independently of management, serves as an independent contact for directors and assists in maintaining and enhancing the quality of the Corporation's corporate governance.
2. **Independence on Committees:** Except for the Environment, Health and Safety Committee and the Project Advisory Committee, the Board's standing committees are composed entirely of independent directors. The Board has considered the membership of Mr. Hochstein on both the Environment, Health and Safety Committee and the Project Advisory Committee and determined that his operational experience and knowledge of the Corporation is a benefit to these committees and that his lack of independence does not interfere with the committees' responsibilities or interfere with his judgment.
3. **Meetings without Management:** Directors have an opportunity to meet *in camera* without management at every Board and committee meeting. In addition, the Audit Committee holds an *in camera* session with PwC without management at every meeting.
4. **Independent Directors' Meetings:** At every Board meeting, independent directors have an opportunity to meet without the non-independent directors. Many of the independent directors' meetings are held in person during the year.
5. **Ability to Engage Advisors:** Individual directors may, in appropriate circumstances and with the authorization of either the applicable committee, the Lead Director or the Chairman, engage independent advisors at the expense of the Corporation.

Other Board Memberships of Lundin Gold's Directors

Lundin Gold is a member of the Lundin Group of Companies. As such, Lundin Gold has access to an exceptionally talented and experienced group of directors that may not otherwise be available to a company of Lundin Gold's size and stage of development. Several of these directors hold other board positions, and some of them sit on other boards together.

At this time, the Board has not adopted a policy limiting the number of positions on other boards that its directors may hold. Rather, the Board has determined that directors are in the best position to assess the demands of each board seat that they hold. The Chairman has articulated clear expectations regarding attendance at meetings, including mandatory in-person meetings during the year, and as such the Board has an excellent attendance record. In addition, the Board has implemented an assessment process, which includes regular evaluations of directors and the Board and its committees, and it believes that this process provides a mechanism to regularly assess directors' and the Board's effectiveness.

The following sets out interlocking board memberships of Lundin Gold's directors:

Company	Director	Committee Membership
Africa Energy Corp. (TSX-V)	Ian Gibbs	Audit, Compensation and Governance
	Ashley Heppenstall	Audit, Compensation and Reserves
Denison Mines Corp. (TSX, NYSE MKT)	Ron Hochstein	Environmental, Health and Safety
	Lukas Lundin	-
Lundin Petroleum AB (Nasdaq Stockholm)	Ashley Heppenstall	-
	Lukas Lundin	-
Filo Mining Corp. (TSX-V, Nasdaq First North Exchange)	Ashley Heppenstall	Audit, Compensation and Governance
	Lukas Lundin	Compensation
	Paul McRae	Audit, Compensation and Governance
	Pablo Mir	-
International Petroleum Corporation ¹	Ashley Heppenstall	Audit, Reserves and Governance
	Lukas Lundin	Compensation

Notes to Interlocking Board Memberships:

1. International Petroleum Corporation became a reporting issuer in Alberta on April 17, 2017 and, as of the date of this Circular, is not yet listed on a stock exchange.

The Role of the Board

The Board is responsible for overseeing the management of the business and affairs of Lundin Gold, with a view to the long-term best interests of the Corporation. The Board has adopted a formal mandate setting out the role and responsibilities of the Board (see Schedule B). In order to delineate the roles and responsibilities of the Chairman of the Board, the Lead Director and the President and Chief Executive Officer, the Board has also adopted written position descriptions for each of these positions.

In discharging its stewardship over the Corporation, the Board has undertaken the following specific duties and responsibilities:

- satisfying itself as to the integrity of the Chief Executive Officer and other executive officers and as to a culture of integrity throughout the Corporation;
- approving, supervising and providing guidance to management on the Corporation's strategic planning process;
- identifying the principal risks of the Corporation's business and ensuring management's implementation and assessment of appropriate risk management systems;
- ensuring that the Corporation has highly qualified management and adequate and effective succession plans for senior management;
- overseeing the Corporation's communications policy with its Shareholders and with the public generally; and
- assessing directly and through its Audit Committee, the integrity of the Corporation's internal control and management information systems.

Generally, operations in the ordinary course or that are not in the ordinary course and do not exceed material levels of expenditures or commitment on the part of the Corporation have been delegated to management. Decisions relating to matters that are not in the ordinary course and that involve material expenditures or commitments on the part of the Corporation generally require prior approval of the Board. As the Board has plenary power, any responsibility which is not delegated to management or a committee remains with the Board.

The responsibilities of the Lead Director include presiding over Board meetings, assuming principal responsibility for the Board's operation and functioning independent of management and ensuring that Board functions are effectively carried out.

The responsibilities and authorities of the Chair of each committee of the Board are set out in the mandate for each

committee and in the Board’s mandate. Generally, the Chair of a committee leads and oversees the activities of the committee to ensure that it fulfills its mandate and operates independently of management.

The Role of the CEO

Lundin Gold’s Chief Executive Officer is appointed by the Board and, subject to the oversight of the Board, is responsible for the management of the Corporation’s business, providing leadership and vision, developing and recommending significant corporate strategies and objectives for approval by the Board, and developing and recommending to the Board annual operating budgets.

The Board requires the Chief Executive Officer to develop annual objectives which are reviewed by the Compensation Committee and then recommended to the Board for approval. The Chief Executive Officer is accountable to the Board and its committees, and the Compensation Committee conducts a formal review of his performance each year. The Board has adopted a position description for the Chief Executive Officer.

Board Committees

To assist the Board with its responsibilities, the Board has established five standing committees: the Audit Committee, the Compensation Committee, the Environment, Health and Safety Committee, the Corporate Governance and Nominating Committee and the Project Advisory Committee. Each of the standing committees has a written mandate and reviews its mandate annually.

The Audit Committee

The Board recomposed the Audit Committee in the second quarter of 2017 to better allocate work load among directors and to bring more diversity to the composition of its standing committees. As of the date of this Circular, the Audit Committee has the following three members:

- Ian Gibbs (Chair)
- Chantal Gosselin
- Ashley Heppenstall

Members of the Audit Committee must be independent and financially literate for the purposes of NI 52-110. The table below demonstrates the compliance of each of the Audit Committee members with this requirement.

Member Name	Independent¹	Financially Literate²	Education & Experience relevant to performance of Audit Committee duties
Ian Gibbs	Yes	Yes	Mr. Gibbs has a Bachelor of Commerce degree from the University of Calgary and is a member of the Canadian Institute of Chartered Accountants. Mr. Gibbs has spent over 15 years working with public and private energy companies with international operations and has served as the Chief Financial Officer for several Canadian public oil companies since September 2004.
Chantal Gosselin	Yes	Yes	Ms. Gosselin has a Masters of Business Administration from Concordia University and a Chartered Investment Manager (CIM) designation from the Canadian Securities Institute. She has worked in the capital markets for more than 10 years as an analyst and portfolio manager. She also completed the Institute of Corporate Directors – Directors Education Program in 2016.

Member Name	Independent ¹	Financially Literate ²	Education & Experience relevant to performance of Audit Committee duties
Ashley Heppenstall	Yes	Yes	Mr. Heppenstall has extensive experience in the finance world. From 1984 to 1990, Mr. Heppenstall worked as a commercial bank executive where he was involved in project financing of oil and mining businesses. He served as Chief Financial Officer of Lundin Oil AB from 1997 until his appointment as CEO of Lundin Petroleum AB in 2001. Mr. Heppenstall has attended numerous credit and accounting courses and has a degree in Mathematics from Durham University.

Notes:

1. To be considered independent, a member of the Committee must not have any direct or indirect "material relationship" with Lundin Gold. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.
2. To be considered financially literate, a member of the Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Lundin Gold's financial statements.

The Audit Committee oversees the accounting and financial reporting processes of the Corporation and its subsidiaries and all audits and external reviews of the financial statements of the Corporation, on behalf of the Board, and has general responsibility for oversight of internal controls, and accounting and auditing activities of the Corporation and its subsidiaries. The Audit Committee reviews, on a continuous basis, any reports prepared by the Corporation's auditor relating to the Corporation's accounting policies and procedures, as well as internal control procedures and systems. The Audit Committee is also responsible for examining all financial information, including annual and quarterly financial statements, prepared for securities commissions and similar regulatory bodies prior to filing or delivery of the same.

All auditing services and non-audit services to be provided to the Corporation by the Corporation's auditor are pre-approved by the Audit Committee, and the Audit Committee reviews the independence of the Corporation's external auditor. The Audit Committee also oversees the annual audit process, the quarterly review engagements, the Corporation's internal accounting controls, the Code of Business Conduct, the Anti-Bribery Policy and the Whistleblower Policy. The Audit Committee recommends to the Board the firm of independent auditors to be nominated for appointment by the Shareholders.

The Audit Committee is required to meet *in camera* without management present at every Audit Committee meeting with the external auditor.

For information required by NI 52-110, please refer to the Corporation's Annual Information Form under the heading "Standing Committees – Audit Committee".

The Compensation Committee

The Board recomposed the Compensation Committee in the second quarter of 2017. The Compensation Committee has three members:

- Ian Gibbs (Chair)
- Chantal Gosselin
- Ashley Heppenstall

Members of the Compensation Committee must be independent and have experience and skills relevant to executive compensation. The table below demonstrates the compliance of each of the Compensation Committee members with this requirement.

Member Name	Independent¹	Compensation Literacy²	Direct experience, skills and experience relevant to his responsibilities in executive compensation
Ian Gibbs	Yes	Yes	Mr. Gibbs has gained compensation experience as Chief Financial Officer to a number of public companies over the last ten years, including Africa Oil Corp., Tanganyika Oil Company Ltd. and Valkyries Petroleum Corp. He has served as a compensation committee member of other public companies as well, including, Africa Energy Corp. and Petro Vista Energy Corp.
Chantal Gosselin	Yes	Yes	Ms. Gosselin has experience in compensation matters from her service as a member on the Compensation Committees of Capstone Mining Corp. and Silver Wheaton Corp. She has also acquired compensation training through her completion of the Institute of Corporate Directors program and through on-going continuous education activities.
Ashley Heppenstall	Yes	Yes	Mr. Heppenstall has significant compensation experience from his position as President and Chief Executive Officer and a member of the Compensation Committee of the Board of Lundin Petroleum AB for over 13 years. He currently serves as a compensation committee member of other public companies as well, including, Africa Energy Corp., ShaMaran Petroleum Corp. and Etrion Corp.

Notes:

1. To be considered independent, a member of the Committee must not have any direct or indirect "material relationship" with Lundin Gold. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.
2. To be considered as having compensation literacy, a member of the Committee should have direct experience relevant to his or her responsibilities in executive compensation. He or she should also bring skills and experience to the Committee to enable the Committee to make decisions on the suitability of the Corporation's compensation policies and practices.

The Compensation Committee is responsible for the Corporation's executive compensation policy. The Compensation Committee evaluates the Chief Executive Officer's performance and establishes both the elements and amounts of the Chief Executive Officer's compensation. The Compensation Committee, in conjunction with the Board, also reviews management's recommendations for, and approves the compensation of, the other officers of the Corporation and determines the general compensation structure, policies and programs of the Corporation, including the extent and level of participation in incentive programs. The Compensation Committee reviews and approves the executive compensation disclosure included in the Corporation's Circular each year.

The Compensation Committee is also responsible for overseeing compensation risk and talent and succession risk. The Board has adopted an executive officer succession policy to help Lundin Gold prepare for a change in leadership, either planned or unplanned, to ensure the stability and accountability of the Corporation. This policy is administered and periodically reviewed by the Compensation Committee.

The Compensation Committee has also been mandated to review the adequacy and form of the compensation of directors and to ensure that such compensation realistically reflects the responsibilities and risks involved in being an effective director.

The Environment, Health and Safety Committee

The Environment, Health and Safety Committee has three members:

- Paul McRae (Chair)
- Ron Hochstein
- Pablo Mir

The mining industry, by its very nature, can have an impact on the natural environment and can involve certain risks to employees. As a result, environmental planning and compliance and safety programs must play a very important part in the operations of any company engaged in these activities. The Corporation takes these issues seriously and has established the Environment, Health and Safety Committee to oversee the Corporation's efforts to act in a responsible and concerned manner with respect to matters affecting the environment, health and safety and its stakeholders.

Due to the nature of the Corporation's business, the Board determined that it was appropriate that a member of management sit on the Environment, Health and Safety Committee to ensure that technical expertise is properly brought before the Committee. The fact that a majority of the members are not independent is balanced by the fact that the key recommendations of the Committee are considered by the full Board.

The Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee has the following three members:

- Ashley Heppenstall (Chair)
- Ian Gibbs
- Carmel Daniele

Members of the Corporate Governance and Nominating Committee must be independent.

This Committee is responsible for Lundin Gold's approach to corporate governance, monitoring the regulatory environment, and recommending changes to the Corporation's practices when appropriate. The Corporate Governance and Nominating Committee also annually reviews and makes recommendations to the Board with respect to: (i) the size and composition of the Board; (ii) the independence of Board members; (iii) the composition of the committees of the Board; (iv) the effectiveness and contribution of the Board, its committees and individual directors, having reference to their respective mandates, charters and position descriptions; (v) compliance with and amendments to the Board mandates, policies and guidelines; and (vi) the Board's compliance with the Canadian Corporate Governance Guidelines found in National Policy 58-201. The Corporate Governance and Nominating Committee also reviews the Corporation's disclosure of its corporate governance practices in the Corporation's Circular each year.

The Corporate Governance and Nominating Committee oversees the effective functioning of the Board and the relationship between the Board and management. The Corporate Governance and Nominating Committee ensures that the Board can function independently of management as required, makes recommendations with respect to the appointment of a Lead Director, identifies individuals qualified to become new Board members, maintains director candidacy questionnaires for the assessment of potential new Board members, and recommends to the Board the director nominees at each annual meeting of Shareholders and, with the assistance of the Board and where necessary, develops a comprehensive orientation and education program for new recruits to the Board.

In identifying possible nominees to the Board, the Corporate Governance and Nominating Committee considers the competencies and skills necessary for the Board as a whole, the skills of existing directors and the competencies and

skills each new nominee will bring to the Board, as well as whether or not each nominee will devote sufficient time and resources to the Board and whether he or she is independent within the meaning of the Governance Guidelines.

The Project Advisory Committee

The Project Advisory Committee was established in the second quarter of 2017 and has the following two members:

- Paul McRae (Chair)
- Ron Hochstein

The Project Advisory Committee is responsible for overseeing Lundin Gold's approach to develop the Project, monitoring the progress of the Project and recommending changes in the Project's management and plans. This Committee regularly reports to the Board on Project matters and acts as a liaison between the Board and the management team.

Due to the nature of the Project, the Board determined that it was appropriate that a member of management sit on the Project Advisory Committee to ensure that all critical Project information is properly brought before the Committee. The fact that a majority of the members are not independent is balanced by the fact that the key recommendations of the Committee are considered by the full Board.

Board Assessments

At the beginning of each year, the Corporate Governance and Nominating Committee reviews and when approved by the Corporate Governance and Nominating Committee, distributes a Board effectiveness assessment to the directors. This assessment questions members as to their level of satisfaction with the functioning of the Board, its interaction with management and the performance of the standing committees of the Board. Board members conduct peer reviews and a self-assessment regarding their effectiveness as a Board member as part of this assessment process. Through this assessment process, Board members are given the opportunity and time to reflect on the effectiveness and functioning of the Board, and evaluate the performance of their peer Board members, and the Board as a whole.

To ensure the assessment process is candid, the individual assessments are returned on a confidential basis to the Chair of the Corporate Governance and Nominating Committee with a copy to the Corporate Secretary. The Committee reviews and discusses the results of the Board effectiveness assessment and makes recommendations to the Board regarding any action that may be deemed necessary or advisable to ensure the Board continues to function effectively and adequately perform its mandate. The Board aims for a 100% compliance rate for completion of the assessment by directors, which was achieved this year. The peer reviews and self-assessments by Directors are considered as part of the director nomination process. Following the assessment process held in 2017, the directors concluded that the Board and the Board committees function very effectively.

Director Education and Orientation

The Board encourages directors and senior management to participate in appropriate professional and personal development activities, courses and programs, and supports management's commitment to the comprehensive training and development of all permanent employees.

With the assistance of the Corporate Governance and Nominating Committee, director education is tailored to the development of individual directors, committees, and the Board as a whole; and is implemented in the following ways at Lundin Gold:

<p>On-line Board Portal</p>	<ul style="list-style-type: none"> •In addition to housing meeting materials, Lundin Gold’s board portal includes a reference manual, which includes corporate information, industry information, regulatory and governance updates and corporate policies. As a hosted website dedicated to our Board, the portal is current and available to directors wherever they are. •In 2016, Directors were provided with articles on current governance developments, including gender diversity disclosure practices in Canada, trends in cybersecurity and directors' role in crisis management.
<p>Management Presentations</p>	<ul style="list-style-type: none"> •At each Board meeting, management prepares and presents relevant information to Board members. Similarly, the Corporation’s legal counsel also provides directors and senior officers of the Corporation with summary updates of any developments relating to the duties and responsibilities of directors and officers and to any other corporate governance matters. Lundin Gold’s Chief Financial Officer ensures that the Audit Committee is apprised of relevant developments and issues.
<p>Third Party Presentations</p>	<ul style="list-style-type: none"> •From time to time, a leading national law firm provides topical presentations via webinar to the Board. In addition, the Corporation’s external auditor and financial advisor provide education and materials when requested and warranted.
<p>External Conferences</p>	<ul style="list-style-type: none"> •Directors are encouraged to attend external conferences, seminars or courses at Lundin Gold’s expense. The Corporate Secretary notifies Board members of relevant educational opportunities from time to time.
<p>Periodic Site Visits</p>	<ul style="list-style-type: none"> •In the first quarters of both 2016 and 2017, the Board visited the Fruta del Norte Project and the Corporation’s office in Los Encuentros. Both trips provided the Board with a unique project update. The Board participated in a tour of the local office and meeting with staff, a tour of the camp and all of its facilities, a review of proposed infrastructure sites, a tour of Project’s greenhouses, meetings with the environmental team, meetings with the exploration team and aerial and walking tour of Lundin Gold’s concessions.
<p>Updates and Subscriptions</p>	<ul style="list-style-type: none"> •Management distributes updates, newsletters and articles on industry, the Ecuadorian economy and regulatory information to the Board on a regular basis via email.

All directors are provided with a comprehensive Board orientation manual, reviewed and approved by the Corporate Governance and Nominating Committee. The Board orientation manual includes board and committee mandates, corporate policies, corporate information, investor relations information, and information regarding director liability, and insider obligations.

Key Corporate Policies

As part of its commitment to best practices, the Board of Directors has implemented key policies as part of the Corporation's corporate governance framework. These key policies include: the Code of Business Conduct, the Anti-Bribery Policy, the Whistleblower Policy and the Disclosure Policy.

The Code of Business Conduct

The Corporation is committed to conducting its business in compliance with the law and the highest ethical standards. The Corporation has adopted a written Code of Business Conduct and Ethics (the "**Code**") which applies to all directors, officers and employees of the Corporation. The Code sets out principles and standards for honest and ethical behavior at Lundin Gold and covers the following key areas:

- compliance with applicable laws
- restrictions on engaging in hedging activities with respect to the Shares
- conflicts of interest
- insider trading
- quality of disclosure and accountability
- compliance with anti-bribery and corruption laws in Canada and other jurisdictions
- confidentiality and corporate opportunity
- the integrity financial reporting and records
- reporting illegal or unethical behavior

Directors, officers or employees who have concerns about violations of laws, rules or regulations or of the Code are to report them to the Chief Executive Officer, the Chair of the Audit Committee or the Corporate Secretary. Following receipt of any complaints, the Corporate Secretary of the Corporation or Chair of the Audit Committee, as the case may be, will investigate each matter so reported and report to the Audit Committee. The Audit Committee has primary authority and responsibility for monitoring compliance with and enforcement of the Code, subject to the supervision of the Board.

The Code is available on the Corporation's website at www.lundingold.com or on SEDAR under the Corporation's profile at www.sedar.com.

The Anti-Bribery Policy

The Corporation has also adopted an Anti-Bribery Policy, the purpose of which is to reiterate Lundin Gold's commitment to compliance with the Canada's Corruption of Foreign Public Officials Act ("**CFPOA**") and any local anti-bribery or anti-corruption laws that may be applicable. This policy applies to all directors, officers, employees and agents of the Corporation and supplements the Code and all applicable laws. The policy provides guidelines for compliance with the CFPOA and the Corporation's policies applicable to Lundin Gold's operations worldwide. Lundin Gold CEO's is responsible for administering and interpreting the policy under the oversight of the Audit Committee.

The Whistleblower Policy

The Audit Committee has established a policy and procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters (the "**Whistleblower Policy**"), to encourage employees, officers and directors to raise concerns regarding accounting, internal controls or auditing matters, on a confidential basis free from discrimination, retaliation or harassment.

The Disclosure Policy

Lundin Gold has developed a Disclosure Policy as part of its ongoing commitment to full and fair financial disclosure and best practices in corporate reporting and governance. This policy outlines the internal control structures that Lundin Gold has established to effectively manage the dissemination of material information to the public and

remain compliant with all applicable legal and business requirements.

The Disclosure Policy is available on the Corporation's website at www.lundingold.com or on SEDAR under the Corporation's profile at www.sedar.com.

Shareholder Communications

The Board has put structures in place to ensure effective communication between the Corporation, its Shareholders and the public. The Corporation has established an investor relations procedure whereby most Shareholder concerns are dealt with on an individual basis, usually by providing requested information. Significant Shareholder concerns are brought to the attention of management or the Board. Shareholders are informed of developments in the Corporation by the issuance of timely press releases which are concurrently posted to the Corporation's website and filed on SEDAR.

The Board monitors the policies and procedures that are in place to provide for effective communication by the Corporation with its Shareholders and with the public generally, including effective means to enable Shareholders to communicate with senior management and the Board. The Board also monitors the policies and procedures that are in place to ensure a strong, cohesive, sustained and positive image of the Corporation with Shareholders, governments and the public generally.

Shareholders, employees or other interested parties may communicate directly with the Chairman of the Board, the Lead Director and other independent directors by writing to them at Lundin Gold's Vancouver office, at the following address:

Lundin Gold Inc.
Suite 2000, 885 West Georgia Street
Vancouver, BC
V6C 3E8
info@lundingold.com

Correspondence should be marked "Confidential" and to the attention of the appropriate party.
