



**ANNUAL GENERAL MEETING
OF SHAREHOLDERS**

Tuesday, June 16, 2015

**NOTICE OF MEETING &
MANAGEMENT INFORMATION CIRCULAR**

Dated May 13, 2015



Dear Lundin Gold Shareholder,

On behalf of the Board of Directors, I would like to invite you to attend Lundin Gold's annual meeting of shareholders on Tuesday, June 16, 2015 at 10 a.m. at Suite 2600 – 595 Burrard Street, Vancouver, British Columbia.

It is important to vote your shares. The attached Management Information Circular contains important information about the meeting, how you can vote, who the nominated directors are, governance of the Corporation and the compensation of the Corporation's executives and directors.

This past year had been transformative for Lundin Gold, with the Corporation's acquisition of the Fruta del Norte Project in Ecuador, which is one of the most exciting gold development projects in the world. To close this acquisition, the Corporation undertook a significant reorganization. Fortress Minerals Corp., as the Corporation was formally named, raised approximately \$235 million to fund the acquisition and development of the Fruta del Norte Project and graduated from the NEX board of the TSX Venture Exchange to the Toronto Stock Exchange while also listing on NASDAQ Stockholm.

Management was also transformed to support the Corporation's new direction. New executives with depth in mine development were added to the Lundin Gold team, and the Board of Directors has grown from the five directors elected at last year's annual general meeting to nine. Two directors were elected to the Board late last year, being Pablo Mir, a prominent lawyer in South America with a large mining practice, and Paul McRae, an international mining executive who brings extensive experience in project and construction management in the mining industry. At the start of 2015, Carmel Daniele joined our Board as a representative of one of our significant shareholders. She has over 25 years of experience in natural resource investment and adds valuable industry insight to the Board. We are also delighted that Ashley Heppenstall has recently joined the Board and serves as its Lead Director. Ashley Heppenstall is a seasoned resource industry executive within the Lundin Group of Companies, with particular experience in project financing, and he is a critical resource for the Board as the Corporation heads to a production decision at the Fruta del Norte Project in 2016.

The Board of Directors and I thank you for your continued support and interest in the Corporation, and we look forward to seeing you at the meeting.

Sincerely,

(Signed) *"Ron F. Hochstein"*

Ron F. Hochstein
President and Chief Executive Officer

May 13, 2015
Vancouver, British Columbia



NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are invited to Lundin Gold's Annual General Meeting of Shareholders.

When

Tuesday, June 16, 2015
9:30 a.m. Reception
10:00 a.m. Meeting

Where

Suite 2600 – 595 Burrard Street,
Vancouver, British Columbia
V7X 1L3

The purpose of the Meeting is:

1. to receive the audited consolidated financial statements and accompanying management discussion and analysis of Lundin Gold Inc. for the year ended December 31, 2014, along with the report of the auditors;
2. to elect nine directors to the Board for the ensuing year;
3. to reappoint the auditor for the upcoming year and to authorize the directors to fix the remuneration of the auditor; and
4. to transact such other business as may properly come before the Meeting.

Your vote is important. If you held shares in Lundin Gold Inc. on April 30, 2015, you are entitled to receive notice of and vote at this Meeting or any postponement or adjournment of it.

This Notice is accompanied by a Management Information Circular, a proxy form or voting instruction form and a financial statement request form. The Corporation's financial statements are available under the Corporation's profile on SEDAR at www.sedar.com or on the Corporation's website at www.lundingold.com.

If you are not able to attend the Meeting, please vote by using the proxy form or voting instruction form included with this Circular and return it according to the instructions provided before **10:00 a.m. (Pacific Time) on June 12, 2015**.

DATED at Vancouver, British Columbia 13th day of May, 2015.

Yours truly,

(Signed) "Ron F. Hochstein"

Ron F. Hochstein
President and Chief Executive Officer

These securityholder materials are being sent to both registered and non-registered owners of the common shares. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of common shares, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.



MANAGEMENT INFORMATION CIRCULAR

About this Circular

You have received this Management Information Circular (the “**Circular**”) because you owned common shares (the “**Common Shares**”) of Lundin Gold Inc. (“**Lundin Gold**” or the “**Corporation**”) on April 30, 2015 (the “**Record Date**”). As a holder of Common Shares (a “**Shareholder**”), you have the right to attend the Annual General Meeting of Shareholders to be held on June 16, 2015 at 10 a.m. (Pacific Time) at Suite 2600 – 595 Burrard Street, Vancouver, B.C., V7X 1L3 (the “**Meeting**”) and to vote your Common Shares in person or by proxy.

The board of directors of the Corporation (the “**Board**”) has approved the contents of this Circular and has directed management to make it available to you. The information in this Circular is given as of May 13, 2015 unless otherwise noted. **Unless otherwise specified, all dollar amounts referred to in this Circular are stated in United States dollars. References to “CAD\$” mean Canadian dollars.**

This Circular provides the information that you need to vote at the Meeting.

- If you are a registered holder of Common Shares, you have been sent a proxy form that you can use if you choose not to vote at the Meeting.
- If your Common Shares are held by a nominee, you may receive either a proxy form or voting instruction form and should follow the instructions included therein.

Management is soliciting your proxy for the 2015 Annual General Meeting of Shareholders. Management’s solicitation is being made by mail and electronic means, at Lundin Gold’s expense. Proxies may also be solicited personally or by telephone by directors, officers and employees of the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation. The Corporation has arranged for intermediaries to forward meeting materials to beneficial holders held of record by those intermediaries and the Corporation may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholder and Voting by Proxy

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors or officers of the Corporation. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR THE SHAREHOLDER AND ON THE SHAREHOLDER’S BEHALF AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON’S OR COMPANY’S NAME IN THE BLANK SPACE PROVIDED IN THE PROXY AND STRIKING OUT THE PRINTED NAMES, OR BY COMPLETING ANOTHER PROXY. A Proxy will not be valid unless it is completed, dated, signed and delivered to Computershare Investor Services Inc. at 100 University Ave. 8th Floor, Toronto, Ontario M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment of the Meeting.**

Non-Registered Shareholders

Only holders of record of Shares (the “**Registered Shareholders**”) or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Corporation are “non-registered” shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a Registered Shareholder in respect of Common Shares which are held on behalf of the person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIAs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities

Limited (“CDS”) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Circular and the Proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the Proxy, the Proxy is not required to be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a Proxy should otherwise properly complete the Proxy and deliver it to Computershare as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed Proxy accompanied by a page of instructions, which contains a removable label containing a bar code and other information. In order for the Proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the Proxy, properly complete and sign the Proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Common Shares that they beneficially own. **Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders and insert the Non-Registered Holder’s name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the Proxy or proxy authorization form is to be delivered.**

The Corporation has chosen to send these Meeting Materials directly to both Registered Shareholders and Beneficial Shareholders who have not objected to the Intermediary through which their Common Shares are held disclosing ownership information about themselves to the Corporation (“**NOBOs**”). Your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

If you are a Beneficial Shareholder who has objected to the Intermediary through which your Common Shares are held disclosing ownership information about you to the Corporation (an “**OBO**”), the Corporation intends to pay for an Intermediary to deliver the proxy-related materials with respect to the Meeting and related forms to OBOs.

Electronic Delivery of Documents

Every year, as required by laws governing public companies, the Corporation delivers documentation to Shareholders. In order to make this process more convenient, Shareholders may choose to be notified by email when the Corporation's documentation, including the Meeting Materials, is posted on the Corporation's website (www.lundingold.com) and, accordingly, such documentation will not be sent in paper form by mail other than as required by applicable laws.

Delivery in an electronic format, rather than paper, reduces costs to the Corporation and benefits the environment. Shareholders who do not consent to receive documentation through email notification will continue to receive such documentation by mail or otherwise, in accordance with securities laws. By consenting to electronic delivery, Shareholders: (i) agree to receive all documents to which they are entitled electronically, rather than by mail; and (ii) understand that access to the Internet is required to receive a document electronically and certain system requirements must be installed (currently Adobe Acrobat Reader to view Adobe's portable document format ("PDF")). Such documents may include the interim consolidated financial reports, the annual report (including audited annual consolidated financial statements and management's discussion and analysis, the notice of annual and/or special meeting and the related management information circular and materials, and other corporate information about the Corporation.

At any time, the Corporation may elect to not send a document electronically, or a document may not be available electronically. In either case, a paper copy will be mailed to Shareholders.

Registered Shareholders can consent to electronic delivery by completing and returning the consent included with the form of proxy. Non-registered Shareholders can consent to electronic delivery by completing and returning the appropriate form received from the applicable Intermediary. The Corporation will notify Shareholders using the email address provided by the Shareholder on the form of proxy when the documents that the Shareholder is entitled to receive are posted on the Corporation's website, with a link to the specific pages of the website containing the PDF document. Shareholders are not required to consent to electronic delivery.

Revocation of Proxies

A Registered Shareholder who has given a Proxy may revoke it by an instrument in writing executed by the Registered Shareholder or by the Registered Shareholder's attorney authorized in writing or, if the Registered Shareholder is a company, by a duly authorized officer or attorney of the company, and delivered either to Computershare not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment of it or to the chair of the Meeting on the day of the Meeting or any adjournment of it. **Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Holders may revoke their voting instructions by directing their respective Intermediaries to revoke the Proxy on their behalf. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.**

Exercise of Discretion

The persons named in the form of proxy accompanying this Circular will vote or withhold from voting the Common Shares of the Corporation in accordance with the instructions from the Shareholder, on any ballot that may be called for. If a choice is specified with respect to any matter to be acted upon, the Common Shares of the Corporation will be voted accordingly.

Where no choice has been specified by the Shareholder, or if both choices have been specified, such Common Shares will be voted in favour of the matters identified in the Notice of Meeting.

The enclosed Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed proxyholders thereunder to vote with respect to any amendments or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of the printing of this Circular, management of the Corporation knows of no such amendment, variation or other matter which may be presented to the Meeting.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Except as disclosed herein under the heading “*Interest of Informed Persons in Material Transactions*”, no Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. For the purpose of this paragraph, “Person” shall include each person: (a) who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation’s last financial year, or (b) who is an associate or affiliate of a person included in subparagraph (a).

Voting Securities and Principal Holders

The Common Shares are the only shares issued by the Corporation. On the Record Date, the Corporation had 101,186,268 Common Shares issued and outstanding and all of these Common Shares are entitled to vote at the Meeting.

Shareholders registered on the Record Date are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the form of proxy to attend and vote, deliver their form of proxies at the place and within the time set forth in the notes to the form of proxy.

To the knowledge of the Corporation’s directors and executive officers, the only persons or companies who beneficially owns or exercises control or direction over, directly or indirectly, more than 10% of the Common Shares on April 30, 2015 were:

Name	Number of Shares	Percentage
Kinross Gold Corporation	26,156,250	25.8%
Lorito Holdings S.à.r.l. (“Lorito”) ⁽¹⁾	3,009,167	2.97%
Zebra Holdings and Investments S.à.r.l.(“Zebra”) ⁽¹⁾	28,624,307	28.29%

Note:

- (1) Lorito and Zebra, who report their security holdings as joint actors, are private corporations owned by a trust whose settlor was the late Adolf H. Lundin. Together, Lorito and Zebra hold a total of 31,633,474 Common Shares, which represents approximately 31.3% of the current outstanding Common Shares.

This information was obtained from publicly disclosed information and has not been independently verified by the Corporation.

BUSINESS OF THE MEETING

The purpose of the Meeting is:

- (a) to receive the Corporation's consolidated financial statements for the year ended December 31, 2014, along with the auditor's report on the statements (the "**Annual Financial Statements**");
- (b) to elect nine directors to the Board for the upcoming year;
- (c) to reappoint the auditor for the upcoming year and to authorize the directors to fix the remuneration of the auditor; and
- (d) to transact such other business as may properly come before the Meeting.

Financial Statements and Auditors' Report

The Corporation's Annual Financial Statements will be placed before the Meeting. These documents can also be found on the Corporation's website at www.lundingold.com and are also available on SEDAR at www.sedar.com. No vote by the Shareholders is required to be taken with respect to the Annual Financial Statements.

Election of Directors

At its meeting on May 13, 2015, the Board decided that nine directors are to be elected at the Meeting. The Corporation's by-laws provide that the Board consist of not less than three and not more than fifteen directors.

At the Meeting, the nine persons discussed below will be proposed for election as directors of the Corporation (the "**Nominees**"). **Unless otherwise instructed, proxies and voting instructions given pursuant to this solicitation by the Corporation's management will be voted FOR the election of the Nominees.**

Management does not contemplate that any of the Nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority will be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any Nominee or Nominees unable to serve. Each director elected will hold office until the close of the next annual meeting of shareholders of the Corporation following his or her election or until his or her successor is duly elected or appointed unless his or her office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the *Canada Business Corporations Act*.

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, CD Capital Natural Resources Fund II (Master) L.P. (“**CD Capital**”). In connection with its investment in the Corporation in 2014, CD Capital was granted the right to appoint a nominee to the Board.

According to the Corporation’s by-laws, the Corporation must receive advance notice of nominations of directors by Shareholders. The Corporation did not receive notice of any director nominations in connection with this year’s Meeting within the time periods prescribed by the by-laws. Accordingly, at the Meeting the only persons eligible to be nominated for election to the Board are the below Nominees.

The following sets out information about each nominated director as of May 13, 2015, including his or her background and experience, main areas of expertise, other boards of which he or she is a member and his or her equity holdings in the Corporation. Each director has provided the information about the Common Shares that he or she owns or over which he or she exercises control or direction.

James K. Cambon, British Columbia, Canada

	<p>Jim Cambon currently serves as Vice President, Project Development at Hudson Resources Inc., a position he has held since 2006. Hudson Resources Inc. is a Canadian based mining company focused on the Naajat (White Mountain) anorthosite (calcium feldspar) project in Greenland and is listed on the TSX-Venture Exchange (the “TSX-V”). Mr. Cambon has 25 years of international business development and project management experience in the mineral exploration, consulting and engineering industries. He has worked extensively in both Russia and Mongolia. From 1998 to 2006 he held the position of Honorary Consul for Mongolia in British Columbia and has been involved in the Mongolian minerals sector since 1989. He obtained a Bachelor of Science (Geology) from the University of Western Ontario.</p>
<p>Independent Director since March 2006 Common Shares: 10,000</p>	<p>Areas of Expertise: Corporate Development, Finance, Management, Operations, Mining and Exploration, International Business and Compensation</p> <p>Member, Audit Committee Member, Compensation Committee</p>

Carmel Daniele, London, UK



Independent
Director since January 2015
Common Shares: Nil

Carmel Daniele is Founder and Chief Investment Officer of CD Capital Natural Resources Funds and has over 25 years of natural resources investment experience, ten of which were spent with Newmont Mining/Normandy Mining. As Senior Executive in Corporate at Newmont she structured cross-border mergers and acquisitions including the \$24 billion three-way merger between Franco-Nevada, Newmont and Normandy Mining to create the largest gold company in the world. Post-merger, Ms. Daniele structured the divestment of various non-core mining assets around the world for the merchant banking arm of Newmont. Ms. Daniele started her career at Deloitte Touche Tohmatsu where she spent eight years in various corporate finance roles including international taxation, audit, accounting & reconstructions. Prior to setting up CD Capital in September 2006, Ms. Daniele spent a year and half as investment advisor to a London based Special Situations Fund which financed the explorers that discovered the Fruta del Norte Project and then was responsible for sourcing and negotiating natural resource private equity investments. Ms. Daniele holds a Master of Laws (Corporate & Commercial) and Bachelor of Economics from the University of Adelaide and is a Fellow of the Institute of Chartered Accountants.

Areas of Expertise: Corporate Development, Finance and Accounting, Management, Mergers & Acquisitions, Mining and Exploration, International Business and Compensation

Member, Corporate Governance and Nominating Committee

Ian W. Gibbs, British Columbia, Canada



Independent
Director since June 2005
Common Shares: 12,500

Ian Gibbs currently serves as Chief Financial Officer of Africa Oil Corp, a Canadian oil and gas company with assets in Kenya, Ethiopia and Somalia which is listed on the TSX and NASDAQ Stockholm. Mr. Gibbs has extensive experience in the oil and gas industry, having served as Chief Financial Officer of a number of TSX and TSX-V listed companies, including Valkyries Petroleum Corp. and Tanganyika Oil Company Ltd. Mr. Gibbs has extensive transaction experience, including the CAD\$2 billion acquisition of Tanganyika Oil by Sinopec International Petroleum and the CAD\$750 million takeover of Valkyries Petroleum. Mr. Gibbs is a Canadian Chartered Accountant and obtained a Bachelor of Commerce from the University of Calgary.

Areas of Expertise: Corporate Development, Finance and Accounting, Management, Mergers & Acquisitions, International Business, Corporate Governance and Compensation.


Chair, Audit Committee
Chair, Compensation Committee

Mr. Gibbs is also a director of Africa Energy Corp. (TSX-V) and Petro Vista Energy Corp. (TSX-V).

Ashley Heppenstall, Cologny, Switzerland

	<p>Ashley Heppenstall is the Lead Director of the Board of Directors of Lundin Gold. He currently serves as the President and Chief Executive Officer of Lundin Petroleum AB, having previously served as the Finance Director. Early in his career, Mr. Heppenstall worked in the banking sector where he was involved in project financing of oil and resource sector businesses. In 1990, Mr. Heppenstall was a founding director and shareholder of Sceptre Management Limited. Since 1993 Mr. Heppenstall has worked with public companies associated with the Lundin family. In 1998 he was appointed Finance Director of Lundin Oil AB. Following the acquisition of Lundin Oil by Talisman Energy in 2001, Lundin Petroleum was formed and Mr. Heppenstall was appointed President and Chief Executive Officer in 2002. Mr. Heppenstall obtained a degree in Mathematics from Durham University.</p> <p>Areas of Expertise: Corporate Development, Finance and Accounting, Management, Mergers & Acquisitions, Mining and Exploration, International Business, Project Development, Corporate Governance and Compensation</p> <p>Chair, Corporate Governance and Nominating Committee</p> <p>Mr. Heppenstall is also a director of Africa Energy Corp. (TSX-V), Etrion Corp. (TSX, NASDAQ Stockholm) and ShaMaran Petroleum Corp. (TSX-V, NASDAQ OMX First North Exchange).</p>
<p>Lead Director</p> <p>Independent Director since May 2015 Common Shares: 150,000</p>	

Ron F. Hochstein, British Columbia, Canada

	<p>Ron Hochstein,⁽¹⁾ P.Eng., is the President and Chief Executive Officer of the Corporation, having been appointed in December 2014 following the Corporation's acquisition of the Fruta del Norte Project. Mr. Hochstein has a wealth of experience in the mining industry. Before this appointment at President and Chief Executive Office of Lundin Gold, Mr. Hochstein served as President and Chief Executive Officer of Denison Mines Corp. ("Denison"), a Canadian uranium exploration and development company listed on the TSX and NYSE MKT, and prior to that as President and Chief Executive Officer of International Uranium Corporation, a predecessor company of Denison. Prior to joining Denison in 1999, Mr. Hochstein was a Project Manager with Simons Mining Group and a metallurgical engineer at Noranda Minerals. Mr. Hochstein currently serves as Executive Chairman of Denison and President and Chief Executive Officer of Uranium Participation Corporation. Mr. Hochstein is a Professional Engineer and holds an M.B.A. from the University of British Columbia and a B.Sc. from the University of Alberta.</p> <p>Areas of Expertise: Finance, Management, International Business, Mining and Exploration, Operations, Compensation and Corporate Governance</p> <p>Mr. Hochstein is also a director of Denison (TSX, NYSE MKT), Energy Fuels Inc. (TSX, NYSE MKT) and Sprott Resource Corp. (TSX).</p>
<p>President and Chief Executive Officer</p> <p>Not Independent Director since June 2005 Common Shares: 19,250</p>	

Adam I. Lundin, Alberta, Canada



Not Independent
Director since June 2011
Common Shares: 7,000

Adam Lundin works for Pareto Securities in Institutional Equity Sales, an independent investment bank focused on the Nordic capital markets. Mr. Lundin previously spent several years working in various capacities within the mining industry. He has worked for such companies as Red Back Mining Inc., Atacama Minerals Corp. and Canadian Gold Hunter Corp. in locations such as Ghana, Chile and Canada's far north. He has taken the Mining Technology and Marketing Management programs at the B.C. Institute of Technology.

Areas of Expertise: Finance and Capital Markets, Mining and Exploration, International Business.

Lukas H. Lundin, Geneva, Switzerland



Chairman of the Board

Not Independent
Director since May 2008
Common Shares: 277,084

Lukas Lundin⁽¹⁾ is the Chairman of the Board, having been appointed in December 2014 following the Corporation's acquisition of the Fruta del Norte Project. Prior to that, Mr. Lundin served as President and Chief Executive Officer of the Corporation. Mr. Lundin is known for recognizing value and superior global investment opportunities in the natural resource sector. His uninhibited pursuit of highly prospective properties around the world has resulted in numerous large-scale developments and resource discoveries, including Bajo de l'Alumbrera, one of the world's largest copper/gold projects and the multi-million ounce Veladero gold discovery. Mr. Lundin has also led several companies through highly profitable business acquisitions and mergers such as Lundin Mining Corporation's \$3.3 billion merger with EuroZinc Mining, the \$2 billion sale of Tanganyika Oil Company Ltd. and most recently the \$9.2 billion sale of Red Back Mining Inc. Mr. Lundin is a graduate of the New Mexico Institute of Mining and Technology (Engineering).

Areas of Expertise: Finance, Management, Operations, Mining and Exploration, International Business and Compensation

Mr. Lundin is also a director of Denison (TSX, NYSE MKT), Lucara Diamond Corp. (Chairman) (TSX, NASDAQ Stockholm), Lundin Mining Corporation (Chairman) (TSX, NASDAQ Stockholm), Lundin Petroleum AB (NASDAQ Stockholm) and NGEx Resources Inc. (Chairman) (TSX, NASDAQ Stockholm).

Paul McRae, Algarve, Portugal



Independent
Director since December 2014
Common Shares: 1,375

Paul McRae has a distinguished global reputation in project and construction management in the mining industry for both surface and underground projects of all scales and complexities. He currently serves as Senior Vice-President of Lundin Mining Corporation and was most recently responsible for the successful development of Lundin Mining's Eagle Mine in Northern Michigan. His track record includes on time/on budget project management of major underground investments for INCO including McCreedy East, Garson and Birch Tree projects, serving as Project Manager on the highly successful De Beers Victor Project in Northern Canada, and leadership of numerous other projects from conceptual through construction phases in Australia, Canada, Spain, Portugal and South America, over a career spanning more than 40 years.

Areas of Expertise: Mining, Finance, Operations, Project Development, International Business and Regulation.

Member, Audit Committee
Member, Compensation Committee

Pablo J. Mir, Santiago, Chile



Independent
Director since December 2014
Common Shares: 46,660

Pablo Mir⁽¹⁾ is a senior partner of the Chilean law firm Bofill Mir & Alvarez Jana, one of the largest in Chile, where he leads the natural resources practice. Mr. Mir has advised international mining companies on the exploration, development, construction, and acquisitions of mining projects in Latin America. He has been recognized by specialized legal publications as one of the top mining lawyers in Latin America. Mr. Mir has served as counsel to several equity financings for mining projects located in Chile and Argentina, including the listing process in the TSX, ASX and AIM markets. Mr. Mir received his Law Degree from Universidad de Chile and was admitted to practice in 1989.

Areas of Expertise: Corporate Development, Finance, Mergers and Acquisitions, Corporate Governance, Government Regulation, Project Development, International Business and Mining and Exploration.

Notes to Election of Directors:

⁽¹⁾ Ron Hochstein, Lukas Lundin and Pablo Mir were all directors of Sirocco Mining Inc. ("**Sirocco**"). Lukas Lundin resigned on January 31, 2014, at which time Sirocco was financially solvent. Pursuant to a plan of arrangement completed on January 31, 2014, Canadian Lithium Corp. acquired Sirocco. The final step in the plan of arrangement transaction was the amalgamation of Canadian Lithium Corp. and Sirocco to form RB Energy Inc. ("**RBI**"). On October 13, 2014, RBI announced that, among other things, the Board of RBI had approved a filing on October 14, 2014, for an Initial Order to commence proceedings under the Companies' Creditors Arrangement Act (the "**CCAA**"). On October 15, 2014, RBI further announced that the Quebec Superior Court had issued an Amended and Restated Initial Order in respect of RBI and certain of its subsidiaries under the CCAA. RBI is now under the protection of the Court. KPMG LLP has been appointed monitor under the Court Order. The TSX de-listed RBI's common shares effective at the close of business on November 24, 2014 for failure to meet the continued listing requirements of the TSX. Since that time, RBI's common shares have been suspended from trading. Although Lukas Lundin was never a director, officer or insider of RBI, he was a director of Sirocco within the 12 month period prior to RBI filing under the CCAA. Both Pablo Mir and Ron Hochstein were directors of RBI from the time of the plan of arrangement with Canadian Lithium Corp. to October 3, 2014.

⁽²⁾ The Board has adopted neither a term limit nor a retirement policy for directors.

The Board adopted a Majority Voting Policy in February 2015 which provides that shareholders are entitled to vote *for*, or *withhold from* voting for, each individual director nominee at a Shareholders' meeting. If the number of Common Shares *withheld from* any nominee exceeds the number of Common Shares voted *for* the nominee, then he or she must offer to resign. The Corporation's Corporate Governance and Nominating Committee will review the matter and recommend to the Board whether to accept the resignation or not. The director involved does not participate in any Board or committee deliberations on the matter. The Board must announce its decision within 90 days of the meeting.

The Majority Voting Policy applies only in circumstances involving an uncontested election of directors, meaning an election in which the number of nominees is equal to the number of directors to be elected.

2014 Attendance

At Lundin Gold, the Board believes that attendance at meetings is a critical ingredient to an engaged and effective Board. Personal attendance at Board and committee meetings is expected of all directors. Directors can participate by teleconference if they cannot attend in person. The table below shows the number of Board and committee meetings⁽¹⁾ each director attended in 2014.

At every Board and committee meeting including those held by teleconference, directors have an opportunity to meet in camera without management present and the independent directors also have an opportunity to meet without the non-independent directors.

Name	Board		Audit Committee		Compensation Committee		Corporate Governance & Nominating Committee	
	Attended	Percentage	Attended	Percentage	Attended	Percentage	Attended	Percentage
James Cambon	5 of 6	83%	3 of 4	66%	1 of 1	100%	-	-
Carmel Daniele ⁽²⁾	-	-	-	-	-	-	-	-
Ian Gibbs	6 of 6	100%	4 of 4	100%	1 of 1	100%	1 of 1	100%
Ashley, Heppenstall ⁽²⁾	-	-	-	-	-	-	-	-
Ron Hochstein	6 of 6	100%	4 of 4	-	1 of 1	100%	1 of 1	100%
Adam Lundin	6 of 6	100%	-	-	-	-	1 of 1	100%
Lukas H. Lundin	5 of 6	83%	-	-	-	-	-	-
Paul McRae ⁽²⁾	-	-	-	-	-	-	-	-
Pablo Mir ⁽²⁾	-	-	-	-	-	-	-	-

Notes to 2014 Attendance Record:

- (1) Upon the Corporation becoming a TSX listed company at the end of 2014, the Board of Directors reconstituted its standing committees to better meet the governance requirements expected of TSX issuers. Current information regarding directors' committee membership is disclosed in the Nominee profiles earlier in this Circular.
- (2) Ms. Daniele and Mr. Heppenstall were appointed to the Board in 2015. Messrs. McRae and Mir were elected to the Board by the Corporation's Shareholders at the end of 2014, and no Board or committee meetings were held in the year following their election.

Appointment of Auditors

Management of the Corporation intends to nominate PricewaterhouseCoopers LLP ("**PwC**") for reappointment as auditors of the Corporation. **Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the reappointment of PricewaterhouseCoopers LLP as auditors of the Corporation to hold office until the close of the next annual meeting of the Corporation, at a remuneration to be fixed by the Directors of the Corporation.**

PwC has served as auditors of the Corporation since January 5, 2015. At the start of January 2015, the Corporation's auditor, Davidson & Company LLP (the "**Former Auditor**"), resigned as auditor at the Corporation's request. PwC was appointed as the successor auditor effective the same day. There were no reportable events (as defined in National Instrument 51-102) between the Former Auditor and the Corporation. A copy of the reporting package relating to the Corporation's change of auditor was filed under the Corporation's profile on SEDAR at www.sedar.com on January 13, 2015 and is attached to this Circular as Schedule A.

Lundin Gold's Corporate Governance Practices

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 in the provinces of British Columbia, Alberta and Ontario. After the Corporation's acquisition of the Fruta del Norte Project, Lundin Gold's Common Shares were listed and now trade on the TSX and on NASDAQ Stockholm. As a newly listed company on the TSX, Lundin Gold has been developing and implementing corporate governance procedures and practices that follow the Governance Guidelines. The Corporate Governance and Nominating Committee is responsible for monitoring this regulatory environment and, where applicable, making recommendations to the Board with respect to its governance practices.

Lundin Gold's Code of Business Conduct and Ethics & Whistleblower Policy

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 directors, officers and all 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 Common 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 enforcing 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 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.

The Board of Directors

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 nine directors be elected at the Meeting, a majority of whom are independent.

The Board has not adopted policies imposing a director term limit or retirement age in connection with individuals nominated for election as it does not believe that such policies would be in the best interests of the Corporation at this time. The Corporation has recently undergone a significant transformation with its acquisition of the Fruta del Norte Project and has been building a new management team to support this opportunity. Starting with the Corporation's Special Meeting of Shareholders on December 12, 2014, the Board of Directors has expanded with four new members to ensure that the Board has the skill, knowledge and depth of experience that will be required in the near future as the Corporation moves towards a production decision at the Fruta del Norte Project. After considering the matter carefully, the Corporation 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 term or retirement age limits at this time, given the changes that have occurred on the Board over the last six months.

Diversity within Lundin Gold

Lundin Gold's Board recognizes that diversity 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 a 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 six months, however, 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 senior officers. By amending its guidelines for Board composition, the Corporate Governance and Nominating Committee has indicated its willingness to consider gender representation as a factor when considering the composition of the Board.

The Committee recorded Lundin Gold’s gender representation as of the date of this Circular as: (i) one female director on the Board out of nine directors; and (ii) one female senior officer out of six senior officers at Lundin Gold.

Independence on the Board

The Board is responsible for determining whether or not each director is independent. 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. 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. The Board last considered this matter at its meeting on May 13, 2015. 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
James Cambon	X		
Carmel Daniele	X		
Ian Gibbs	X		
Ashley Heppenstall	X		
Ron F. Hochstein		X	As Chief Executive Officer, Mr. Hochstein cannot be regarded as independent under the Governance Guidelines
Ashley Heppenstall	X		
Adam Lundin		X	As an immediate family member of an individual who has served as Chief Executive Officer in the last three years, Mr. Lundin cannot be regarded as independent under the Governance Guidelines
Lukas Lundin		X	As a former Chief Executive Officer within the last three years, Mr. Lundin cannot be regarded as independent under the Governance Guidelines
Paul McRae	X		
Pablo Mir ⁽¹⁾	X		

Note on Independence:

- (1) Mr. Mir is currently regarded by the Board as an independent director and was initially appointed as Lead Director when he was elected to the Board in December 2014. Due to the Corporation’s legal requirements in Ecuador and the expertise of Mr. Mir and the law firm of which he is a partner, the Corporation has advised the Board that it intends to engage the services of Bofill Mir & Alvarez Jana. Recognizing that this engagement may impact the determination that Mr. Mir is independent in the future, the Corporate Governance and Nominating Committee recommended that a new independent director be added to the Board. In May 2015, Mr. Heppenstall joined the Board and was appointed Lead Director and Chair, Corporate Governance and Nominating Committee to ensure that the Board remained majority independent and that the positions of Lead Director and Chair of the Corporate Governance and Nominating Committee were also occupied by an experienced, independent director.

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 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 leadership contact for directors and assists in maintaining and enhancing the quality of the Corporation’s corporate governance.

2. Independent Committees: All of the Board's standing committees are composed entirely of independent directors.
3. Meetings without Management: The Board has an opportunity to meet *in camera* without management at every Board and committee meeting. In addition, the Audit Committee holds an *in camera* without management present at every meeting.
4. Ability to Engage Advisors: Individual directors may, in appropriate circumstances and with the authorization of the applicable committee, the Lead Director or the Chairman, engage independent advisors at the expense of the Corporation.

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 Board 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 three standing committees: the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. Each of the standing committees has responsibility in its area of expertise for identifying the principal risks in Lundin Gold's business and monitoring management's implementation and assessment of appropriate.

The Audit Committee

The Audit Committee has three members:

- Ian Gibbs (Chair)
- James Cambon
- Paul McRae

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	Independent ⁽¹⁾	Financially Literate ⁽²⁾	Education & Experience relevant to performance of audit committee duties
Ian Gibbs	Yes	Yes	Mr. Gibbs holds 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.
James Cambon	Yes	Yes	Mr. Cambon has attained financial experience and exposure to accounting and financial issues as an independent consultant, as well as his roles with other publicly-traded companies. He has over ten years of experience working with junior resource companies at a senior management level and over 25 years experience in the mining consulting and engineering field with experience with financial modelling. He has served on the Corporation's Audit Committee for eight years.
Paul McRae	Yes	Yes	Mr. McRae is the Senior Vice President, Projects for Lundin Mining. Mr. McRae has extensive experience in project and construction management in the mining industry for both surface and underground projects of all scales and complexities, including with AMEC in Chile as their Project Manager on the world scale Cerro Casale copper/gold project. His track record includes on time/on budget project management of major underground investments for Inco including McCreedy East, Garson and Birch Tree projects, serving as Project Manager on the highly successful De Beers Victor Project in the north of Canada, and leadership of numerous other projects from conceptual through to construction phases in Australia, Canada, Spain, Portugal, and South America, over a career spanning more than 40 years.

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 PwC, 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 and 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 also oversees the Corporation's internal audit function.

The Audit Committee has recently adopted a new committee mandate which complies with the Governance Guidelines. The Audit Committee is now required to meet a minimum of four times each year, and to meet *in camera* without management present at every 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 Compensation Committee has three members:

- Ian Gibbs (Chair)
- James Cambon
- Paul McRae

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	Independent ⁽¹⁾	Compensation Literacy ⁽²⁾	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, Horn Petroleum Corp. and Petro Vista Energy Energy Corp. Mr. Gibbs has served on the Corporation's Compensation Committee for eight years.
James Cambon	Yes	Yes	Mr. Cambon has over ten years of experience working with junior resource companies at a senior management level, which has included the review of compensation of employees at all levels. He has over 25 years experience in the mining consulting and engineering field. He has served on the Corporation's Compensation Committee for eight years.
Paul McRae	Yes	Yes	Mr. McRae is the Senior Vice President, Projects for Lundin Mining and as such has extensive experience in project and construction management in the mining industry for both surface and underground projects of all scales and complexities, including with AMEC in Chile as their Project Manager on the world scale Cerro Casale copper/gold project. In this capacity, he has been responsible for the compensation of senior management at various projects.

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 responsibilities in executive compensation. He 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 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 Compensation Committee has recently adopted a new committee mandate which complies with the Governance Guidelines. The Compensation Committee is now required to meet a minimum of two times per year.

The Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee has 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, monitors the regulatory environment and recommends changes to the Corporation's practices when appropriate. 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 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 an 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 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; and (v) compliance with and amendments to the Board mandates, policies and guidelines.

The Board changed significantly at the end of 2014 and into the beginning of 2015, with the addition of four new board members. Because of this, the Corporate Governance and Nominating Committee did not conduct written board effectiveness assessments this year. The Committee recognizes, however, that assessment of board performance falls under its mandate and has directed the Corporate Secretary to arrange for the completion of assessments by all Board members during first quarter 2016. After these assessments are reviewed, the Corporate Governance and Nominating Committee will report to the Board as to the results and make recommendations to the Board to improve the Corporation's corporate governance practices. This process is expected to occur prior to the consideration by the Corporate Governance and Nominating Committee of nominations for Board member elections at the next Annual Meeting of Shareholders.

The Corporate Governance and Nominating Committee also reviews the Corporation's disclosure of its corporate governance practices in the Corporation's Circular each year.

Director Education

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 training and development of all permanent employees.

Director education is implemented in the following ways at Lundin Gold:

1. An on-line board portal dedicated exclusively to the Board: 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.

2. Management Presentations to the Board and to Committees: 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.
3. External Conferences: 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.
4. Updates and Subscriptions: Management distributes updates, newsletters and articles on industry and regulatory information to the Board on a regular basis via email.

DIRECTORS' COMPENSATION

During the last financial year, the Corporation relied upon equity compensation to reward directors for their time commitment and to compensate them for the risks and responsibilities which they assumed in their roles for the Corporation. Equity compensation, which only included stock option grants, was also used during the year to attract and retain qualified and desirable directors.

The Corporation's director compensation was not formally assessed by a compensation consultant in 2014.

Since the completion of the acquisition of the Fruta del Norte Project and the significant changes to the Corporation and to the Board's composition at the start of 2015, the Compensation Committee has been working to implement a new compensation program for the Corporation's directors, which compensates directors with a cash fee and with equity.

Director Compensation Table

There were no fees paid to directors in their capacity as directors of the Corporation or of a committee of the Board, or as consultants or experts, during the Corporation's most recently completed financial year.

The following table sets forth the details of compensation provided to directors, other than the Named Executive Officers, during the Corporation's most recently completed financial year:

Name	Fees Earned (\$)	Share-based awards (\$)	Option-based Awards ^(1,2) (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All Other Compensation (\$)	Total (\$)
Ian W. Gibbs	Nil	Nil	146,311	Nil	Nil	Nil	146,311
James K. Cambon	Nil	Nil	146,311	Nil	Nil	Nil	146,311
Adam I. Lundin	Nil	Nil	146,311	Nil	Nil	Nil	146,311
Paul McRae	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Pablo J. Mir	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Compensation was paid in CAD\$ and translated into US\$ using an average annual exchange rate of 1.1045 for 2014 as provided by the Bank of Canada.
- (2) The Corporation used the Black-Scholes option pricing model for determining the fair value of stock options issued at grant date. These amounts do not represent actual amounts received by the directors as any gain, if any, will depend on the market value of the shares on the date that the option is exercised.

Outstanding Option-Based Awards

The following table sets forth the outstanding option-based awards held by the directors of the Corporation, other than Named Executive Officers, at the end of the most recently completed financial year. As at December 31, 2014, a portion of these option-based awards have vested.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (CAD\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (CAD\$)
Ian W. Gibbs	80,000	3.75	May 26, 2019	33,600
	20,000	4.01	June 1, 2015	3,200
James K. Cambon	80,000	3.75	May 26, 2019	33,600
	20,000	4.01	June 1, 2015	3,200
Adam I. Lundin	80,000	3.75	May 26, 2019	33,600
	20,000	4.01	June 1, 2015	3,200
Paul McRae	Nil	Nil	-	Nil
Pablo J. Mir	Nil	Nil	-	Nil

Note:

- (1) Calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of CAD\$4.17 and subtracting the exercise price of in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed fiscal year by each director, other than the NEOs:

Name	Option-based awards – Value vested during the year (CAD\$) ⁽¹⁾	Share -based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Ian W. Gibbs	16,800	Nil	N/A
Adam I. Lundin	16,800	Nil	N/A
James K. Cambon	16,800	Nil	N/A
Paul McRae	Nil	Nil	N/A
Pablo J. Mir	Nil	Nil	N/A

Note:

- (1) Calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of CAD\$4.17 and subtracting the exercise price of in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

EXECUTIVE COMPENSATION

This section of the Circular discusses Lundin Gold's executive compensation program and the pay decisions affecting its Named Executive Officers ("NEOs"). The Corporation had three NEOs in 2014, as set out on the table below.

NEO	Position during 2014	Basis
Ron F. Hochstein	Former Chairman of the Board, current President and Chief Executive Officer	The Chief Executive Officer qualifies as an NEO under Canadian securities laws.
Lukas Lundin	Former President and Chief Executive Officer, current Chairman of the Board	The former Chief Executive Officer qualifies as an NEO under Canadian securities laws.
Chester See	Chief Financial Officer	The Chief Financial Officer qualifies as an NEO under Canadian securities laws

The following compensation discussion and analysis describes the Corporation's policies and practices with respect to the compensation of its NEOs.

Overview of Compensation Philosophy

During the financial year ended December 31, 2014, the Corporation did not have a formal compensation program for its executives. Prior to the acquisition of the Fruta del Norte Project at the end of 2014, the Corporation was relatively inactive and did not require the time and attention of a full-time executive team. The Compensation Committee determined that it would be in the best interests of the Corporation to rely on equity compensation, namely stock option grants, to compensate the NEOs.

Given that the Corporation did not regularly require the services of the NEOs on a full-time basis until the acquisition of the Fruta del Norte Project, the Compensation Committee was satisfied that the Corporation's simple compensation package was sufficiently attractive to recruit, retain and motivate the kind of executives who would be instrumental in helping the Corporation achieve its short and long-term objectives and to align the interests of executive officers with those of the Shareholders and to link individual executive compensation to the performance of both the Corporation and the individual executive.

Since the completion of the acquisition of the Fruta del Norte Project and the significant expansion of both the management team and the Board of Directors at the start of 2015, the Compensation Committee has been working to implement a new compensation program for the Corporation's senior officers, which is planned to include three elements of compensation to motivate Lundin Gold's management team, including a base salary, a short-term incentive plan and a long-term incentive plan.

Performance Factors

Although no formal performance goals or benchmarks were in place for the NEOs in 2014, there were general factors that came into play when the members of the Compensation Committee considered NEO compensation during the year. These factors include, but are not limited to:

- the progression of the Corporation's plans and strategy;
- the Corporation's cash position;
- the NEO's individual contribution to the benefit of the Corporation;
- the long-term interests of the Corporation and its shareholders;
- the Board's assessment of each NEO's individual performance;
- the Corporation's share price, earnings per share and market capitalization; and
- the NEO's responsibilities, length of service and levels of compensation provided by industry competitors.

The Compensation Committee did not have a pre-determined, performance-based compensation plan in 2014, but rather generally reviewed the performance of the NEOs in accordance with its annual practice.

Recruiting and Retention

The Corporation recognizes that its compensation package has to be sufficient to attract and retain the right level of skill, expertise and talent in an increasingly competitive global market.

The structure of the remuneration package must be well-balanced across the short, medium and longer term elements, so that it is both attractive to the individual and cost effective for the Corporation. This balance is achieved by providing base salary at a reasonable median level as an anchor which makes the Corporation a realistic prospect for talented candidates. However, the short term incentive (discretionary bonuses) provides recruits with the opportunity to achieve superior total annual reward through their own delivery of excellence at individual and business levels. Finally, the longer term reward element (stock option grants), which is described in greater detail below, provides the opportunity to build ownership and growth in the medium and longer term future in line with the opportunities for success afforded to the shareholders.

Role of Management in Determining Compensation

The accountability for decisions on executive remuneration is clearly within the mandate of the Compensation Committee, but management has a key role in helping support the Compensation Committee in fulfilling its obligations. For example, the Chief Executive Officer and other senior executives make recommendations to the Compensation Committee regarding executive officer base salary adjustments, stock-based grants and discretionary bonuses. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The Chief Executive Officer does not make a recommendation to the Compensation Committee with respect to his own remuneration package.

Elements of Executive Compensation

Executive compensation is comprised of three elements:

- base salaries, which are set at levels which are competitive with the base salaries paid by corporations of a comparable size within the mineral exploration industry and with operations at approximately the same stage of development, thereby enabling the Corporation to compete for and retain executives critical to the Corporation's long-term success;
- discretionary cash bonuses, which are considered from time to time, based on individual and corporate performance criteria; and
- share ownership opportunities through a stock option plan, which provides additional incentive and aligns the interests of executive officers with the longer term interests of shareholders.

Base Salary

The Corporation did not regularly require the services of the NEOs on a full-time basis for most of 2014, so no NEOs were paid a base salary last year except for Mr. Hochstein.

Mr. Hochstein was appointed as President and Chief Executive Officer on December 17, 2014 in connection with the closing of the acquisition of the Fruta del Norte Project and the Corporation's listing on the TSX and NASDAQ Stockholm. At this time, the Compensation Committee acknowledged that it would be appropriate for Mr. Hochstein to receive a base salary, but recognized that setting his compensation would require the assistance of a compensation advisor to determine the appropriate level of compensation for this position and to advise on complex tax and expatriate benefits matters. In addition, the Compensation Committee determined that the Chief Executive Officer's salary must be assessed in the context of other officer salaries and opted to review all salaries together to ensure that consistent compensation practices are adopted for the management team.

Accordingly, upon the recommendation of the Compensation Committee, the Board determined that Mr. Hochstein be paid a provisional base salary of CAD\$100,000 per annum on the understanding that his compensation package, along with those of the senior officers, would be reviewed in 2015. As a result, Mr. Hochstein received a payment on account of salary for part of December 2014. No amounts were paid to Lundin Gold's other officers on account of base salary in 2014.

Short Term Incentive Compensation – Discretionary Cash Bonuses

From time to time, the Corporation awards discretionary cash bonuses to executive officers and employees. The amount of any such bonus is not set in relation to any formula or specific criteria, but was the result of a subjective determination of the Corporation's performance, overall industry conditions, as well as the individual's performance and his or her contribution to overall corporate goals. The payment of bonuses is subject to the final approval of the Board and the Board has the discretion to amend or veto bonuses in its sole discretion, this form of compensation is "at risk".

Upon the recommendation of the Compensation Committee, the Board approved cash bonus payments in 2014 to Messrs. Hochstein and See of \$452,694 and \$158,443 respectively, in recognition of the significant work involved in closing the acquisition of the Fruta del Norte Project. Neither NEO received a regular salary during the year from Lundin Gold, except as noted above. In addition, they were both employed as officers of other companies within the Lundin Group of Companies. In making its recommendation to the Board, the Compensation Committee emphasized that each NEO was instrumental in closing the acquisition and bringing about the transformation in the Corporation and that they should be correspondingly awarded.

Option-Based Awards

The stock option component of an NEO's compensation, which includes a vesting element to ensure retention, serves to both motivate the executive toward increasing share value and to enable the executive to share in the future success of the Corporation and is reviewed as "at risk".

Individual stock options are granted by the Board on the recommendation of the Compensation Committee. In 2014, options were awarded by the Board upon the commencement of an individual's employment with the Corporation based on the level of responsibility within the Corporation. Additional option grants could be made periodically to ensure that the number of stock options granted to any particular individual was commensurate with the individual's level of ongoing responsibility within the Corporation. During financial year ended December 31, 2014, Messrs. Hochstein, Lundin and See received a grant of stock options as disclosed in the Summary Compensation Table in this Circular.

Since the start of this year, the Compensation Committee has approved a Stock Option Granting Policy, which provides for a uniform granting practice for eligible employees. Under the Corporation's new policy, stock option grants are made annually following the release of year end results. Grants for new employees are made at the next regularly scheduled quarterly Board meeting. Stock options continue to be priced in accordance with the Stock Option Plan and the Corporation's Disclosure Policy. All options granted under the policy have a five year term.

Lundin Gold's Stock Option Plan is described in detail on page 28 of this Circular.

Risks Associated with Corporation's Compensation Policies and Practices

During 2014, neither the Board nor the Compensation Committee formally evaluated the implications of the risks associated with the Corporation's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation program and the Board and the Compensation Committee does not believe that the Corporation's compensation program results in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Corporation.

Director and Officer Hedging Prohibition

The Corporation's NEOs or directors are not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

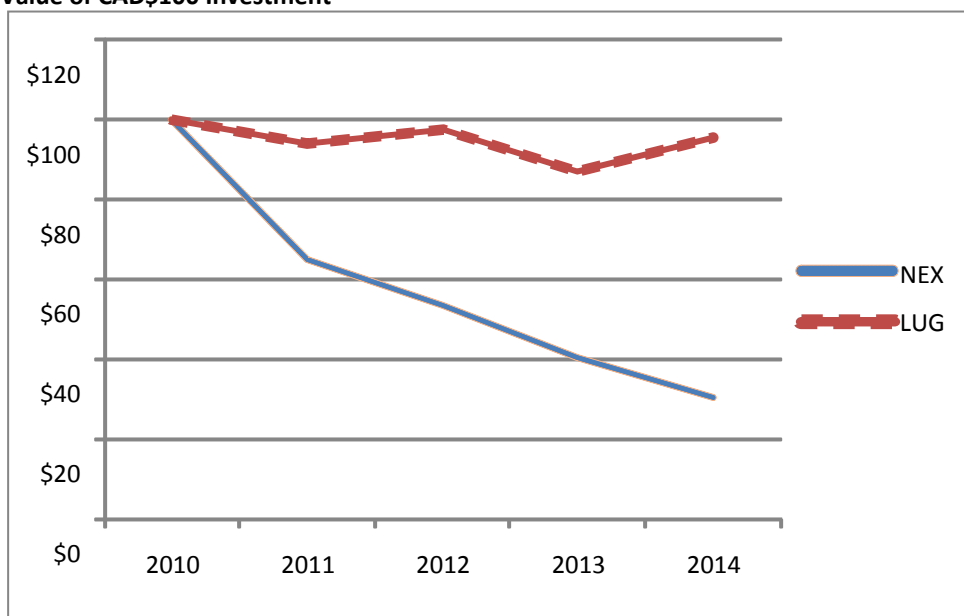
Performance Graph

On December 19, 2014 the Common Shares commenced trading on the TSX under the trading symbol "LUG" and commenced trading on the Main Market of NASDAQ Stockholm under the trading symbol "LUG" on December 22, 2014. Prior to that time, the Common Shares traded on the NEX board of the TSX Venture Exchange ("NEX") under the trading symbol "FST.H".

The following graph compares the cumulative total shareholder return for CAD\$100 invested in the Common Shares on the NEX for the Corporation's five most recently completed financial years with the cumulative total shareholder return of the TSX-V Index for the same period. Trading of the Common Shares on the TSX from December 19, 2014 to December 31, 2014 has not been incorporated into this comparison.

The Common Share performance as set out in the graph does not necessarily indicate future price performance. **Amounts below are stated in Canadian dollars.** For illustrative purposes only, the reference to "LUG" below means the Common Shares traded on the NEX.

Cumulative Value of CAD\$100 Investment



	2010	2011	2012	2013	2014
NEX	\$100	\$64.88	\$53.37	\$40.73	\$30.39
LUG	\$100	\$94.25	\$97.70	\$86.90	\$95.86

SUMMARY COMPENSATION TABLE

The following table sets forth a summary of the total compensation paid to, or earned by the Corporation's NEO's during the three most recently completed financial years. None of the NEOs received any share-based awards or any non-equity awards under a long-term incentive plan. The Corporation does not have any defined benefit or actuarial plans for active employees.

Name and Principal Position	Year ⁽¹⁾	Salary (\$)	Share - based Awards (\$)	Option-based Awards ⁽²⁾ (\$)	Non-equity Incentive Plan Compensation (\$)		Pension value (\$) ⁽⁴⁾	All Other Compensation (\$)	Total Compensation ⁽⁵⁾ (\$)
					Annual Incentive Plans ⁽³⁾ (\$)	Long term Incentive Plans ⁽³⁾ (\$)			
Ron F. Hochstein ⁽⁶⁾ President and Chief Executive Officer	2014	3,086	Nil	146,311	452,694	Nil	Nil	Nil	602,091
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	26,210	Nil	Nil	Nil	Nil	26,210
Lukas H. Lundin Former President and Chief Executive Officer	2014	Nil	Nil	219,466	Nil	Nil	Nil	Nil	219,466
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	39,316	Nil	Nil	Nil	Nil	39,316
Chester See ⁽⁷⁾ Chief Financial Officer	2014	Nil	Nil	109,733	158,443	Nil	Nil	Nil	268,176
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

⁽¹⁾ Financial years ended December 31.

⁽²⁾ The value of the stock option grants has been determined using the Black-Scholes models on the date of grant and is consistent with the determinations used for financial statement purposes. The Corporation selected the Black-Scholes model given its prevalence of use within North America. It should be recognized that the actual future value will be based on the difference between the market value at time of exercise and the exercise price. Therefore, the value attributed to the stock options under the Black-Scholes model does not necessarily correspond to the actual future value that will be realized. The Black-Scholes option pricing model incorporates the following assumptions:

	2012	2013	2014
Risk-free interest rate	1.37%	-	1.58%
Expected stock price volatility	57.60%	-	63.17%
Expected life	2 years	-	5 years
Expected dividend yield	-	-	-
Weighted-average fair value per option granted (CAD)	\$1.31	-	\$2.02

⁽³⁾ In 2014, the Corporation did not have a formal annual incentive plan or long term incentive plan for any of its executive officers, including its NEOs.

⁽⁴⁾ The Corporation does not have any pension, retirement or deferred compensation plans, including defined contribution plans. Other than as set out above, perquisites have not been included as they do not reach the prescribed threshold of the lesser of CAD\$50,000 and 10% of total salary for the financial year.

⁽⁵⁾ Compensation was paid in CAD\$ and translated into US\$ using average annual exchange rates of (i) 1.1045 for 2014 and (ii) 0.9996 for 2012 as provided by the Bank of Canada.

⁽⁶⁾ Mr. Hochstein was appointed President and Chief Executive Officer on December 17, 2014. Prior to being appointed President and Chief Executive Officer of the Corporation, Mr. Hochstein served as Chairman.

⁽⁷⁾ Mr. See was appointed Chief Financial Officer on September 1, 2013.

INCENTIVE PLAN AWARDS

Outstanding Option-Based Awards

The following table sets forth the outstanding option-based awards held by the NEOs of the Corporation at the end of the most recently completed financial year.

Option-based Awards				
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (CAD\$)	Option Expiration Date	Value of Unexercised In-the-money Options (CAD\$) ⁽¹⁾
Ron F. Hochstein	80,000	3.75	May 26, 2019	33,600
President and CEO	20,000	4.01	June 1, 2015	3,200
Lukas H. Lundin	120,000	3.75	May 26, 2019	50,400
Chairman	30,000	4.01	June 1, 2015	4,800
Chester See	60,000	3.75	May 26, 2019	25,200
CFO	10,000	4.01	June 1, 2015	1,600

Note:

- (1) Calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of CAD\$4.17 and subtracting the exercise price of in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each Named Executive Officer.

Name	Option-based awards – Value vested during the year ⁽¹⁾ (CAD\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year ⁽¹⁾ (\$)
Ron F. Hochstein President and CEO	16,800	Nil	452,694
Lukas H. Lundin Chairman	25,200	Nil	N/A
Chester See CFO	12,600	Nil	158,443

Note:

- (1) Calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of CAD\$4.17 and subtracting the exercise price of in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Termination and Change of Control Benefits

The Corporation did not have any contract, agreement, plan or arrangement that provided for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in the NEO's responsibilities as at December 31, 2014.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

Equity Compensation Plan Information

The following table provides information regarding compensation plans under which securities of the Corporation are authorized for issuance to directors, officers, employees and consultants in effect as of December 31, 2014, being the Corporation's most recently completed fiscal year end:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	757,000	CAD\$3.81	9,360,626
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	757,000	CAD\$3.81	9,360,626

Stock Option Plan

On November 12, 2014, the Board approved a new stock option plan (the "Stock Option Plan"), which was subsequently approved by the Shareholders on December 12, 2014.

The Stock Option Plan is a rolling stock option plan reserving an aggregate of 10% of the issued and outstanding shares of the Corporation for issuance upon the exercise of options. The Stock Option Plan provides, among other things, that: (i) the aggregate number of Common Shares reserved for issuance to insiders pursuant to the Stock Option Plan and all other security-based compensation arrangements of the Corporation shall not exceed 10% of the total number of the Common Shares then outstanding; (ii) the aggregate number of Common Shares issued to insiders pursuant to the exercise of options, within a one-year period, shall not exceed 10% of the total number of Common Shares then outstanding; (iii) the aggregate number of Common Shares issued to any one insider and such insider's associates pursuant to the exercise of options, within a one-year period, shall not exceed 5% of the total number of Common Shares then outstanding; and (iv) the aggregate number of Common Shares reserved for issuance to any one person pursuant to the grant of options shall not exceed 5% of the total number of Common Shares then outstanding.

The Stock Option Plan authorizes the Board, or a committee appointed for such purposes, to grant options to purchase shares to eligible persons, to determine the terms, including the limitations, restrictions and conditions, if any, upon such grants, to interpret the Stock Option Plan and to adopt, amend and rescind such administrative guidelines and other rules relating to the Stock Option Plan as it may from time to time deem advisable, subject to required prior approval by any applicable regulatory authority. The Board will establish the exercise price of an option at the time each option is granted provided that such price shall not be less than the closing price of the Common Shares on the TSX (or, if the Common Shares are not then listed and posted for trading on the TSX, on such other stock exchange on which the Common Shares are listed and posted for trading as may be selected by the Board) on the last business day immediately preceding the date of grant of such option. If there is no trading on that date, the exercise price shall not be less than the weighted average of the bid and ask prices on the five consecutive trading days preceding the date of the grant. Eligible persons under the Stock Option Plan are any

employee, officer, director or Consultant (as defined in the Stock Option Plan) of the Corporation or any affiliated entity of the Corporation.

Relying on its authority to make housekeeping changes to the plan without shareholder approval, the Board made a minor amendment to the Stock Option Plan in February 2015 to give the Corporation some flexibility in the form of documentation it uses to evidence stock option grants. In particular, Section 2.6 of the Option Plan was amended to read as follows: "...each Option must be confirmed and will be governed by an agreement or certificate (an "Option Agreement") in the form of Schedule A, or such other form as may be determined by the Board from time to time."

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than transactions carried out in the ordinary course of business of the Corporation, none of the directors or executive officers of the Corporation, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation, nor any shareholder beneficially owning, directly or indirectly, Common Shares of the Corporation, or exercising control or direction over Common Shares of the Corporation, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding shares of the Corporation nor an associate or affiliate of any of the foregoing persons has since January 1, 2014 (being the commencement of the Corporation's last completed financial year) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Corporation or any of its subsidiaries.

MANAGEMENT CONTRACTS

Management functions of the Corporation and its subsidiaries are performed by directors, executive officers or senior officers of the Corporation and not, to any substantial degree, by any other person with whom the Corporation has contracted, except as noted below:

- During the 2014 financial year, the Corporation paid \$282,481 (2013 - \$302,942) to Namdo Management Services Ltd. ("Namdo"), a private corporation associated with Mr. Hochstein. The Corporation occupies office space in the Namdo offices for the Corporation's management, investor relations personnel and support staff. Namdo charges a service fee and recovers out of pocket expenses related to the Corporation. During 2014, Mr. Lundin was the President of Namdo. Upon his resignation, Mr. Hochstein became the President of Namdo on January 1, 2015. Pursuant to the agreement made effective January 1, 2012, between the Corporation and Namdo, the Corporation has agreed to pay Namdo a monthly fee of CAD\$26,000 for the services and reimbursement of any expenditures made by Namdo which are directly attributable to the Corporation, including travel, telephone, courier, telefax, and printing expenses incurred by Namdo in connection with the services. Pursuant to the agreement, the agreement may be terminated by either party upon 90 days written notice to the other party.
- During the 2014 financial year, Lundin Gold paid \$60,142 (2013 - \$5,826) to NGEx Resources Inc. ("NGEx") of Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, a company of which Lundin Gold's Chairman is a director and CFO is an officer. The agreement may be terminated by either party upon 30 days written notice. The Corporation also paid \$106,075 (2013 - \$nil) to Denison of 595 Bay Street, Suite 402, Toronto, Ontario, M5G 2C2, a company in which Lundin Gold's President & CEO is a director and officer. This agreement was terminated at the end of 2014. These charges related to support services provided to the Corporation by the employees of NGEx and Denison.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on Lundin Gold's website at www.lundingold.com and on SEDAR under the Corporation's profile at www.sedar.com. Financial information related to Lundin Gold is contained in the Annual Financial Statements.

You may request a printed copy of the following documents free of charge by writing to the Corporate Secretary of

the Corporation at Suite 2000, 885 West Georgia Street, Vancouver, BC, V6C 3E8, info@lundingold.com:

- The Corporation's 2014 Annual Report, containing the Annual Financial Statements;
- Any subsequently quarterly report;
- This Circular; or
- The Corporation's most recent Annual Information Form.

Approval

The contents and the sending of this Circular to Shareholders, the directors and the auditor of the Corporation have been approved by the Board.

By Order of the Board of Directors,

(Signed) *"Ron F. Hochstein"*

Ron F. Hochstein
President, Chief Executive Officer and Director

SCHEDULE "A"



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Suite 2000
Vancouver, BC
Canada V6C 3E8

T +1 604 689 7842
F +1 604 689 4250
info@lundingold.com
lundingold.com

TO: Davidson & Company LLP, Chartered Accountants
PricewaterhouseCoopers LLP
British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission
Toronto Stock Exchange

RE: NOTICE OF CHANGE OF AUDITOR
PURSUANT TO PART 4.11 OF NATIONAL INSTRUMENT 51-102

TAKE NOTICE THAT:

Pursuant to Part 4.11 of National Instrument 51-102 ("NI 51-102"), Lundin Gold Inc. (formerly Fortress Minerals Corp.) (the "Corporation") hereby give notice and confirm that:

1. Davidson & Company LLP, Chartered Accountants (the "Former Auditor") of 1200-609 Granville Street, Vancouver, British Columbia, V7Y 1G6, have resigned as auditor for the Corporation, effective as of January 5, 2015.
2. The Former Auditor resigned at the request of the Corporation.
3. The resignation of Davidson & Company LLP and the appointment of PricewaterhouseCoopers LLP, Chartered Accountants (the "Successor Auditor") were considered and approved by the Audit Committee of the Corporation and the board of directors of the Corporation.
4. The audit report of Davidson & Company LLP on the financial statements of the Corporation for the fiscal years ended December 31, 2013 and December 31, 2012 did not contain any reservation. Davidson & Company LLP has not reported on any financial statements of the Corporation subsequent to December 31, 2013, the most recently completed period for which its audit report was issued.
5. There are no reportable events as defined in Part 4.11 of NI 51-102 between the Corporation and the Former Auditor.

DATED this 9th day of January, 2015.

LUNDIN GOLD INC.

Signed by "Chester See"

Chester See, Chief Financial Officer

January 9, 2015

British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission
Toronto Stock Exchange

Lundin Gold Inc. (formerly Fortress Minerals Corp.)
#2000-885 West Georgia Street
Vancouver, BC V6C 3E8

Re: Lundin Gold Inc. (formerly Fortress Minerals Corp.) (the "Corporation")
Change of Auditor

As the proposed successor auditor of the Corporation's and as required by National Instrument 51-102, we have reviewed the information contained in the Notice of Change of Auditor ("Notice") for the Corporation, a copy of which is attached to this letter, and, based on our knowledge of such information at this time, we do not disagree with the information contained in such Notice.

We understand that the Notice, this letter and a similar letter from the former auditor will be filed with the securities regulatory authorities prior to January 25, 2015 and will be included in the information circular to be mailed to the shareholders for the next meeting of the shareholders of the Corporation at which action is to be taken concerning the change of auditor.

Yours truly,

Signed by "PricewaterhouseCoopers, LLP"

PricewaterhouseCoopers LLP, Chartered Accountants

January 9, 2015

British Columbia Securities Commission

PO Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC
V7Y 1L2

Ontario Securities Commission

20 Queen Street West, 19th Floor, Box 55
Toronto Ontario
M5H 3S8

Toronto Stock Exchange

The Exchange Tower
130 King Street West, 3rd Floor
Toronto, Ontario
M5X 1J2

Alberta Securities Commission

600, 250 – 5th Street S.W.
Calgary, AB
T2P 0R4

Dear Sirs/Mesdames

Re: Lundin Gold Inc. (the "Company")
Notice Pursuant to NI 51 – 102 of Change of Auditor

In accordance with National Instrument 51-102, we have read the Company's Change of Auditor Notice dated January 9, 2015 and agree with the information contained therein, based upon our knowledge of the information at this date.

Should you require clarification or further information, please do not hesitate to contact the writer.

Yours very truly,

"DAVIDSON & COMPANY LLP"

DAVIDSON & COMPANY LLP
Chartered Accountants

cc: Toronto Stock Exchange

SCHEDULE "B"



MANDATE OF THE BOARD

The Board of Directors of Lundin Gold Inc. (the "Corporation") recognizes the importance of adopting a written mandate, which includes position descriptions for the Board, the Chair of the Board, the Lead Director (if applicable), the Chair of each Committee of the Board and the Chief Executive Officer ("CEO") and which sets out the Board's role and responsibilities and places limits on management's authority.

1. MANDATE AND POSITION DESCRIPTION FOR THE BOARD

- (a) The Board has adopted the following mandate in which it explicitly acknowledges responsibility for the stewardship of the Corporation and, as part of the overall stewardship responsibility, responsibility for the following matters:
 - (i) to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the organization;
 - (ii) adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business;
 - (iii) identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks;
 - (iv) overseeing succession planning, including appointing, training and monitoring senior management;
 - (v) adopting a communications policy for the Corporation; and
 - (vi) overseeing the Corporation's internal controls and management information systems.
- (b) The Board takes its responsibilities very seriously and expects that all directors will participate in Board and Committee meetings on a regular basis, to the extent reasonably practicable, and will review all meeting materials in advance of each meeting. Attendance of directors shall be taken at each Board meeting by the Corporate Secretary or Assistant Corporate Secretary.
- (c) At all times, a majority of the Board will satisfy the independence requirements set out by the Canadian Securities Administrators in Multilateral Instrument 52-110 and any other applicable laws and regulations as the same may be amended from time to time. The independent directors shall meet at least once per year to discuss the Corporation's matters.
- (d) The Corporation, together with its subsidiaries, is committed to conducting its business in compliance with the law and the highest ethical standards, and to the highest standards of openness, honesty and accountability that its various stakeholders are entitled to expect. The Audit Committee of the Board has established a *Policy and Procedures for the Receipt, Retention and Treatment of Complaints Regarding Accounting or Auditing Matters*, and the Corporation has established a *Code of Business Conduct and Ethics for Directors, Officers and Employees* and an *Anti-Bribery Policy*, all of which include procedures for directors, officers and employees to report any concerns or questions they may have about violations of the Code or any laws, rules or regulations. In addition, the Board will consider adopting other measures for receiving feedback from stakeholders if at any time the Board or its independent directors consider the foregoing to be inadequate.
- (e) All new directors will receive a comprehensive orientation. This orientation may vary from director to director, depending on his or her expertise and past experience, but in each case will

be sufficient to ensure that each director fully understands the role of the Board and its committees, the contribution individual directors are expected to make (including the commitment of time and resources that is expected) and an understanding of the nature and operation of the Corporation's business.

- (f) The Board will provide continuing education opportunities for all directors, where required, so that individual directors may maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Corporation's business remains current.
- (g) Prior to nominating or appointing individuals as directors, the Board will consider the advice and input of the Corporate Governance and Nominating Committee on all relevant matters, including:
 - (i) the appropriate size of the Board, with a view to facilitating effective decision making;
 - (ii) what competencies and skills the Board, as a whole, should possess; and
 - (iii) what competencies and skills each existing director possesses.

2. POSITION DESCRIPTIONS FOR THE CHAIR OF THE BOARD, THE LEAD DIRECTOR, THE CHAIRS OF COMMITTEES AND THE CEO

- (a) Where the Chair of the Board is not an independent director, in accordance with paragraph 1(c) of this Mandate and upon recommendation of the Corporate Governance and Nominating Committee, the Board will appoint from among the independent directors, a Lead Director to serve as such until the next meeting of shareholders where directors are elected, unless otherwise removed by resolution of the Board of Directors.
- (b) The Chair of the Board, if independent, or the Lead Director will:
 - (i) act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties what competencies and skills each existing director possesses;
 - (ii) provide leadership for the Board's independent directors;
 - (iii) organize the Board to function independently of management, and ensure that the responsibilities of the Board are well understood by both the Board and management and that the boundaries between the Board and management responsibilities are clearly understood and respected;
 - (iv) ensure that the Board has an opportunity to meet without members of management, regularly, and without non-independent directors at least once per year;
 - (v) determine, in consultation with the Board and management, the time and places of the meetings of the Board;
 - (vi) manage the affairs of the Board, including ensuring that the Board is organized properly, functions effectively and meets its obligations and responsibilities and mandates, where appropriate, through its duly appointed committees, including:
 - ensuring that the Board works as a cohesive team and providing the leadership essential for this purpose;
 - ensuring that the resources available to the Board (in particular timely and relevant information) are adequate to support its work;
 - ensuring that a process is in place by which the effectiveness of the Board and its committees is assessed on a regular basis;
 - ensuring that a process is in place by which the contribution of individual directors to the effectiveness of the board and committees is assessed on a regular basis: and
 - ensuring that, where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board.
 - (vii) ensure that the Board has a succession planning process is in place to appoint the Chief Executive Officer and other members of management when necessary;
 - (viii) co-ordinate with management and the Corporate Secretary or Assistant Corporate Secretary

- to ensure that matters to be considered by the Board are properly presented and given the appropriate opportunity for discussion;
- (ix) preside as chair of each meeting of the Board;
 - (x) communicate with all members of the Board to co-ordinate their input, ensure their accountability and provide for the effectiveness of the Board; and
 - (xi) act as liaison between the Board and management to ensure that relationships between the Board and management are conducted in a professional and constructive manner, which will involve working with the Chief Executive Officer to ensure that the conduct of Board meetings provides adequate time for serious discussion of relevant issues and that the Corporation is building a healthy governance culture.

The Chair of the Board or the Lead Director may, as the case may be, delegate or share, where appropriate, certain of these responsibilities with any committee of the Board.

- (c) Any special responsibilities and authorities of the Chair of any committee of the Board will be set out in the Charter or Mandate (a "Mandate") for the Committee. In general, the Chair of a Committee shall lead and oversee the Committee to ensure that it fulfills its mandate as set out in the Mandate. In particular, the Chair shall:
 - (i) organize the Committee to function independently of management, unless specifically provided otherwise in the Committee's Mandate;
 - (ii) ensure that the Committee has an opportunity to meet without members of management as necessary;
 - (iii) determine, in consultation with the Committee and management, the time and places of the meetings of the Committee;
 - (iv) manage the affairs of the Committee, including ensuring that the Committee is organized properly, functions effectively and meets its obligations and responsibilities;
 - (v) co-ordinate with management and the Secretary to the Committee to ensure that matters to be considered by the Committee are properly presented and given the appropriate opportunity for discussion;
 - (vi) provide advice and counsel to the CEO and other senior members of management in the areas covered by the Committee's mandate;
 - (vii) preside as chair of each meeting of the Committee; and
 - (viii) communicate with all members of the Committee to co-ordinate their input, ensure their accountability and provide for the effectiveness of the Committee.
- (d) The CEO, subject to the authority of the Board, shall have general supervision of the business and affairs of the Corporation and such other powers and duties as the Board may specify, from time to time. These responsibilities shall include making recommendations to the Board regarding the implementation, performance and monitoring, as the case may be, of each of the items referred to in paragraphs 2(b)(iii) to (b)(viii) of this mandate and ensuring that procedures are in place and followed by the Corporation so that each of those items and any other requirement of the Board is implemented, performed and monitored in a prudent and responsible manner in accordance with the determinations of the Board. The Board will develop and approve periodically, as the Board considers necessary, the corporate goals and objectives that the CEO is responsible for meeting.

3. LIMITS ON THE CEO'S AUTHORITY

- (a) Unless specifically instructed otherwise by the Board, and except as set out in Section 115(3) of the *Business Corporations Act* (Canada) (the "CBCA"), the CEO of the Corporation has the responsibility and authority to transact any business or approve any matter:
 - (i) in the ordinary course of business of the Corporation; and
 - (ii) that is not in the ordinary course of business of the Corporation, but that is not likely to result in a material change, within the meaning of the *Securities Act*, with respect to the

Corporation; and

- (b) In addition to those matters referred to in Section 115(3) of the CBCA, Board approval is required with respect to any business or matter that is not in the ordinary course of business of the Corporation and that is likely to result in a material change, within the meaning of the *Securities Act*, with respect to the Corporation.

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