



Corporate Office
150 King Street West, Suite 1500
P.O. Box 38
Toronto, ON M5H 1J9
Phone: +1 416 342 5560
Fax: +1 416 348 0303

UK Office
Hayworthe House,
Market Place, Haywards Heath
West Sussex, RH16 1DB
United Kingdom
Phone: +44 (0) 1444 411 900

NEWS RELEASE

LUNDIN MINING ANNOUNCES CLOSING OF US\$1.0 BILLION OF SENIOR SECURED NOTES

Toronto, October 27, 2014 - Lundin Mining Corporation (TSX: LUN) (OMX: LUMI) (“Lundin Mining” or the “Company”) is pleased to announce the closing of its offering of US\$1.0 billion of senior secured notes in two tranches, US\$550 million of 7.5% Senior Secured Notes due 2020 (the “2020 Notes”) and US\$450 million of 7.875% Senior Secured Notes due 2022 (the “2022 Notes” and, together with the 2020 Notes, the “Notes”). The 2020 Notes will accrue interest at a rate of 7.5% per annum and will mature on November 1, 2020. The 2022 Notes will accrue interest at a rate of 7.875% per annum, and will mature on November 1, 2022.

The net proceeds from the offering of the Notes, together with proceeds from the previously announced subscription receipt financing and streaming purchase agreement, will be used to fund Lundin Mining’s pending acquisition of Freeport-McMoRan Inc.’s 80% ownership stake in the Candelaria/Ojos del Salado copper mining operations and supporting infrastructure (the “Acquisition”), to repay in full all amounts outstanding under the Company’s existing term loan, to pay related fees and expenses and for general corporate purposes.

The Notes are guaranteed on a senior secured basis by certain of the Company’s subsidiaries that are guarantors under its existing credit facility and certain of the Company’s subsidiaries that become guarantors under the streaming purchase agreement (“Streaming Subsidiaries”). The Notes and the guarantees will be secured on a first priority basis by a pledge of the shares of certain Streaming Subsidiaries and on a second priority basis by a pledge of the shares of certain of the Company’s subsidiaries that are also pledged to secure the Company’s existing credit facility.

The Company has deposited the gross proceeds of US\$1.0 billion from the sale of the Notes into a segregated escrow account until the satisfaction or waiver of certain conditions, including the consummation of the Acquisition (the “Escrow Conditions”). If the Escrow Conditions are not satisfied or waived on or prior to December 26, 2014, or such earlier date as Lundin Mining determines in its sole discretion that the Escrow Conditions cannot be satisfied, Lundin Mining will be required to redeem the Notes at a price equal to 100% of the gross proceeds of the Notes plus accrued interest from the issue date of the notes to, but not including, the redemption date. Escrowed funds would be released and applied to pay for any such redemption.

About Lundin Mining

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

On Behalf of the Board,

Paul Conibear
President and CEO

For further information, please contact:
Sophia Shane, Investor Relations North America: +1-604-689-7842
John Miniotis, Senior Manager Corporate Development and Investor Relations: +1-416-342-5565
Robert Eriksson, Investor Relations Sweden: +46 8 545 015 50

Forward Looking Statements

Certain of the statements made and information contained herein is “forward-looking information” within the meaning of the Ontario Securities Act. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to foreign currency fluctuations; risks inherent in mining including environmental hazards, industrial accidents, unusual or unexpected geological formations, ground control problems and flooding; risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company’s expectations; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; uncertain political and economic environments; changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental permits; and other risks and uncertainties, including those described under Risk Factors Relating to the Company’s Business in the Company’s Annual Information Form and in each management discussion and analysis. Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of copper, nickel, lead and zinc; that the Company can access financing, appropriate equipment and sufficient labour and that the political environment where the Company operates will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements.