

NEWS RELEASE

LUNDIN GOLD TO COMMENCE TRADING ON NASDAQ STOCKHOLM AND PUBLISHES LISTING PROSPECTUS

December 19, 2014 (Vancouver, Canada)... **Lundin Gold Inc.** ("Lundin Gold" or the "Company") (TSX: "LUG") announced on December 12, 2014 that the Company received conditional approval for listing on Nasdaq Stockholm (the "Main Market"). All the conditions have now been met, and the shares are expected to commence trading on the Main Market on December 22, 2014. The shares will trade under the trading symbol "LUG" and the ISIN-code CA5503711080.

A prospectus has been prepared in connection with the application for admission of the Company's shares to trade on the Main Market. The Company's listing prospectus has been approved by and registered with the Swedish Financial Supervisory Authority and is available on the Company's website at www.lundinggold.com and Pareto Securities AB's website at www.paretosec.com.

Pareto Securities AB is the financial advisor to the Company in connection with the listing. The information set out in this press release is announced in accordance with the Swedish Securities Market Act.

About the Company

The Company is a Canadian mining company listed on the TSX under the symbol "LUG". In December, 2014 the Company acquired the Fruta del Norte gold project located in southeast Ecuador for US\$240 million. Fruta del Norte ("FDN") is one of the largest and highest grade undeveloped gold projects in the world and the Company plans to advance FDN in order to realize the significant potential of this asset, which is the Company's flagship project. The Company believes that the value created will not only greatly benefit shareholders, but also the Government and people of Ecuador who are the Company's most important partners in this project.

FDN has the potential to be a large scale, low cost, underground gold mining operation and has had over US\$275 million invested in it from its discovery in 2006 to 2014. The Company believes that FDN can move quickly through feasibility to a construction decision, leveraging the considerable amount of historical exploration, development, mine planning and permitting work that has already been completed to date. In addition, there is significant exploration potential both at FDN and in the more than 80,000 ha of surrounding concessions where multiple early and advanced exploration targets have already been identified.

The Company is a member of the Lundin Group of Companies (see www.thelundinggroup.com). The Lundin family, who have invested significantly in the Company, have an impressive track-record of acquiring world-class projects and generating industry leading returns. The Lundin Group views its commitment to corporate social responsibility as a strategic advantage that enables it both to access and effectively manage business opportunities in increasingly complex environments. The Lundin Group is committed to addressing the challenge of sustainability - delivering value to its shareholders, while simultaneously providing economic and social benefits to impacted communities and minimizing its environmental footprint (see www.lundinfoundation.org).

Forward Looking Information

This news release includes "forward-looking information," within the meaning of applicable Canadian securities laws (collectively referred to herein as "forward-looking statements" or "forward-looking information"). All statements other than statements of historical facts included in this news release, including, without limitation, statements with respect to the listing of the Company's shares on the TSX and Nasdaq Stockholm, the merits of FDN, the Company's plans and expectations regarding FDN, the Company's business strategy and the name change of the Company may constitute forward-looking statements. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industries in which the Company operates as well as beliefs and assumptions made by the Company's management. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, these statements, by their nature, involve risks and uncertainties and are not guarantees of future performance. Such statements are also subject to assumptions concerning, among other things, the Company's anticipated business strategies and anticipated trends in the Company's business. The Company can give no assurance that these estimates and expectations will prove to have been correct.

Actual outcomes and results may, and often do, differ from what is expressed, implied or projected in such forward-looking statements, and such differences may be material. Some important factors that could cause actual results to differ materially from those expressed in these forward-looking statements include, but are not limited to: risks and uncertainties relating to the convertible note financing; the receipt of stock exchange or other approvals, risks and uncertainties relating to capital cost estimates, timing, foreign currency fluctuations, estimated future cash costs and amount of production; risks inherent in mining including environmental hazards, industrial accidents, unusual or unexpected geological formations, ground control problems and flooding; risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; uncertain political and economic environments; changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental permits; and litigation risks. Forward-looking information may also be based on other various assumptions including, without limitation: the expectations and beliefs of management, the assumed long term price of gold or silver; and that the Company can access financing, appropriate equipment and sufficient labour and that the political environment where the Company operates will continue to support the development and operation of mining projects. Accordingly readers are cautioned that the above list of cautionary statements is not exhaustive. These and other factors could cause actual results to differ materially from the Company's expectations expressed in the forward-looking statements included in this news release, and further details and descriptions of these and other factors are disclosed in the Company's annual information form and other public filings which are available on SEDAR at www.sedar.com. The Company will not update these statements unless applicable securities laws require the Company to do so.

On behalf of the Board,

Ron F. Hochstein
President and CEO

For further information please contact Sophia Shane, Corporate Development, at +1 604 689 7842 or info@lundingold.com.