

NEWS RELEASE

LUNDIN GOLD UPDATED SHARE CAPITAL AND VOTING RIGHTS

December 31, 2014 (Vancouver, Canada)... Lundin Gold Inc. ("Lundin Gold" or the "Company") (TSX: "LUG", Nasdaq Stockholm: "LUG") announces in accordance with the Swedish Financial Instruments Trading Act, the following:

As a result of the completion of the acquisition of Fruta del Norte Gold project and related financings and conversions into common shares during December 2014, as at December 31, 2014, the number of issued and outstanding shares of the Company is 101,176,268 common shares with voting rights.

About the Company:

The Company is a Canadian mining company listed on the TSX and Nasdaq Stockholm 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).

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.