

NEWS RELEASE**LUNDIN GOLD SHARE CAPITAL AND VOTING RIGHTS UPDATE**

July 29, 2016 (Vancouver, Canada)... Lundin Gold Inc. ("Lundin Gold" or the "Company") (TSX: LUG, Nasdaq Stockholm: LUG) reports the following share capital and voting rights update in accordance with the Swedish Financial Instruments Trading Act.

As a result of the issuance of 10,000,000 common shares in connection with its previously disclosed public offering and the issuance of 9,293 common shares in connection with the previously disclosed loan facility, as at July 29, 2016 the number of issued and outstanding shares of the Company is 111,289,561 common shares with voting rights.

About the Company

Lundin Gold Inc. owns the Fruta del Norte ("FDN") gold project located in southeast Ecuador. FDN is one of the largest and highest grade undeveloped gold projects in the world. The Company is advancing FDN in order to realize the significant potential of this asset.

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 stakeholders in this project. Lundin Gold 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. Lundin Gold 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.

Additional Information

The information in this release is subject to the disclosure requirements of Lundin Gold under the EU Market Abuse Regulation and/or the Swedish Financial Instruments Trading Act. This information was publicly communicated on July 29, 2016 at 4:00 p.m. PT.

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