

# Blackout Period Policy

## A. PURPOSE

In the course of conducting the business of Lundin Mining Corporation (the “Corporation” or “Lundin Mining”), directors, officers and senior management (an “Executive” or the “Executives”) of the Corporation may, at times, have information about the Corporation or another entity that generally is not available to the public. Because of their relationship with the Corporation, Executives have certain responsibilities under the provincial securities laws of Canada and applicable securities laws and regulatory policies in Sweden regarding inside information and the trading of the Corporation’s securities. Executives also have an obligation to the Corporation with respect to business conduct and conflicts of interest. This Blackout Period Policy (the “Policy”) is intended to explain the obligations that Executives have under the law and to the Corporation.

The securities laws of Canada and Sweden strictly prohibit any person who obtains material inside information and has a duty not to disclose it, from using such information in connection with the purchase and sale of securities. These laws also prohibit Executives from “tipping” Inside Information (as defined herein), which means disclosing the information to friends, family members, business contacts or others under circumstances that suggest that they were trying to help those persons make a profit or avoid a loss. It does not matter how that information has been obtained, whether in the course of employment, from friends, relatives, acquaintances or strangers, or from overhearing the conversations of others. The failure of an Executive to maintain the confidentiality of Inside Information about the Corporation could greatly harm the Corporation’s ability to conduct business. In addition, such Executive could be exposed to significant penalties and legal action.

The principles discussed in this Policy also apply to inside information about another public corporation obtained in the course of the Executive’s employment. If an Executive obtains material non-public information about another public company, that Executive should refrain from trading in the securities of that company until the material information has been publicly disseminated.

## B. DEFINITIONS USED IN THIS POLICY

“Inside Information” is Material Information about the Corporation that is not available to the public. Information generally becomes available to the public after it has been disclosed by the Corporation or third parties in a press release or other public statement, including any filing with the Canadian and Swedish securities regulatory authorities. Public dissemination usually contemplates some period of delay after release of the information in order for outside investors to evaluate the news.

Generally, information regarding simple matters, such as earnings results, will be deemed to have been adequately disseminated and absorbed by the marketplace under the timetable established by this Policy. When more complex matters such as prospective acquisitions, alliance transactions or dispositions are announced, it may be necessary to allow additional time for the information to be evaluated by investors. In all cases, if an Executive desires to trade the Corporation's securities and specific guidelines have not been posted, the Executive should consult with the Corporation's Corporate Secretary regarding a suitable waiting period before trading.

"Material Information" means information which, if disclosed to the public, would reasonably be expected to have a significant effect on: (i) an investor's decision to buy or sell the securities of the Corporation; or (ii) the market price or value of the securities.

Some examples of Material Information include the following:

1. important financial information such as monthly or quarterly sales, sales trends, profit margins or earnings information;
2. a merger or acquisition involving the Corporation;
3. pending regulatory action;
4. major litigation;
5. the public or private sale of additional securities of the Corporation;
6. a tender offer by the Corporation for another company's securities or for the Corporation's securities by a third party;
7. major management changes;
8. a major contract; and
9. significant information regarding new operations, discoveries or exploration programs.

Obviously what constitutes Material Information cannot be enumerated with precision, since there are many grey areas and varying circumstances. The determination of whether information was material is almost always made after the fact when the effect on the market can be quantified. Therefore, any trading is risky. When doubt exists, the information should be presumed to be material. If an Executive is unsure whether information of which they are aware is material or non-public, he or she should consult with the Corporation's Corporate Secretary prior to trading.

Material Information which is not yet available for public disclosure may often exist within the Corporation. For example, during the early stages of discussions regarding a significant acquisition or disposition, the information about the discussions may be too tentative or premature to require, or even permit, public announcement by the

Corporation. On the other hand, that same information may be highly material. If the Executives have access to such Material Information, they may be precluded from trading in the Corporation's securities.

### C. BLACKOUT POLICY AND OTHER RESTRICTIONS ON TRADING AND TIPPING

In light of the Corporation's responsibilities under the securities laws of Canada and Sweden, the Corporation has adopted the following policies regarding the trading in securities by Executives:

#### **1. No Trades While in Possession of Inside Information**

Executives may not buy or sell securities of the Corporation or any other publicly traded company, while in possession of Inside Information relating to the Corporation or such other publicly traded company, as the case may be, except under the limited circumstances discussed in Section D below. Neither Executives nor any person affiliated with them (which generally includes family members or persons sharing their residence at a time when they are in possession of Inside Information and business entities in which they are a director, officer or significant shareholder) may buy or sell securities or engage in any other action to take advantage of, or pass on to others, Inside Information, except under the limited circumstances discussed in Section D below. These rules apply both to securities purchases (to make a profit based on good news) and securities sales (to avoid a loss based on bad news) regardless of how or from whom the Inside Information has been obtained. This prohibition extends not only to transactions involving the Corporation's securities but also to transactions involving securities of other companies with which the Corporation has a relationship. This Policy applies to any of the Corporation's securities, including common shares and options for any of the Corporation's securities.

#### **2. No Trades During Restricted Periods**

Except in the limited circumstances discussed in Section D below, Executives are restricted from trading in the Corporation's securities during the following periods (the "Restricted Periods"): (a) in respect of the Corporation's quarterly interim reports, including the financial statements and the management's discussion and analysis, during the period commencing 30 days prior to the release and publication of the Corporation's quarterly interim reports and terminating at the end of the second business day following the said release and publication of the quarterly interim reports; and (b) in respect of the Corporation's annual reports, including the financial statements and the management's discussion and analysis, during the period commencing 30 days prior to the release and publication of the Corporation's annual reports and terminating at the end of the second business day following the said release and publication of the annual reports. Executives are entitled to trade during the periods outside of the Restricted Periods provided that they are not otherwise in possession of Inside Information regarding the Corporation.

#### **3. No Disclosure of Inside Information**

Executives may not communicate Inside Information to other persons prior to its public disclosure and dissemination. Any persons at the Corporation who come into possession of Inside Information must not

communicate that information to other persons prior to its public disclosure and dissemination. There is, therefore, a need to exercise care when speaking with other Lundin Mining personnel who do not have a need to know that information and when communicating with family, friends and other persons not associated with the Corporation.

#### **4.** Application to Former or Retired Insiders

The provisions of this Policy and the legal prohibition on insider trading continue to apply to former or retired Executives in respect of trading in any security while in possession of Inside Information obtained while a person was an Executive, or was in the employment of or conducting any business or activity on behalf of the Corporation.

#### D. CERTAIN EXCEPTIONS TO TRADING RESTRICTIONS

The trading restrictions, including the Restricted Periods and other restrictions discussed in Section C above (the "Trading Restrictions"), do not apply to the exercise of an employee stock option, even where the Executive is in possession of Inside Information. The Trading Restrictions do apply, however, to any sale of the Corporation's securities as part of a broker-assisted cashless exercise of an option or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

#### E. MARGIN ACCOUNTS AND PLEDGES

Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of Inside Information or is otherwise not permitted to trade in the Corporation's securities, such margin sales or foreclosure sales could result in liability for illegal insider trading. Accordingly, Executives are prohibited from pledging the Corporation's securities as collateral for a loan. An exception to this prohibition may be granted where a person wishes to pledge the Corporation's securities as collateral for a loan (not including margin debt) and clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities. Any person who wishes to pledge the Corporation's securities as collateral for a loan must submit a request for approval to the Corporation's Corporate Secretary at least two weeks prior to the proposed execution of documents evidencing the proposed pledge.

#### F. POLICY REVIEW

The Corporation will review this Policy regularly to ensure that it is achieving its purpose. Based on the results of the review, the Policy may be revised accordingly.

***Approved: November 30, 2016***