

LUNDINGOLD

TSX, NASDAQ STOCKHOLM: LUG

OTCQX: LUGDF



SUSTAINABILITY REPORT

2022



**BUILDING A LEADING GOLD COMPANY
THROUGH RESPONSIBLE MINING**

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Introduction

About This Report

We are proud to present Lundin Gold's seventh annual Sustainability Report, covering the period from January 1 to December 31, 2022. It has been prepared in accordance with selected disclosures and guidance from the Global Reporting Initiative (GRI) Standards Core Option, selected GRI G4 Mining and Metals Sector Disclosures, the Sustainability Standards Accounting Board (SASB) Metals and Mining Industry Standards, and in accordance with the Mining Local Procurement Reporting Mechanism (LPRM) Core Option. The GRI, SASB, and LPRM tables are available on our website: www.lundinalgold.com. The primary focus of this report is the Fruta del Norte ("FDN") mine, our principal asset. Data includes FDN and our exploration activities, unless otherwise noted. All dollar amounts are stated in U.S. dollars (USD) unless otherwise indicated.

This report has been reviewed and approved by Lundin Gold's Executive Management and the Health, Safety, Environment and Sustainability Committee of Lundin Gold's Board. No external third-party assurance was sought for the contents of this report.

We welcome your feedback and invite you to email us at: Info@lundinalgold.com.

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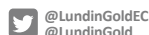
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Lundin Gold is a participant of the UN Global Compact and supports the UN Sustainable Development Goals.



Red Ecuador
WE SUPPORT



About Lundin Gold

Lundin Gold Inc. ("Lundin Gold" or the "Company") is a Canadian mining company headquartered in Vancouver, Canada with a regional office in Quito and a community office in Los Encuentros, Ecuador. The Company is a participant of the UN Global Compact (UNGC)¹ and supports the UN Sustainable Development Goals (SDGs).

The Company holds 28 metallic mineral concessions and three construction material concessions in the southeastern province of Zamora Chinchipe in Ecuador, covering an area of approximately 64,454 hectares, through its major operating subsidiary Aurelian Ecuador S.A. ("AES") and its wholly-owned exploration subsidiaries Aurelianmenor S.A. and Surnorte S.A.

FDN is in the La Zarza Concession, which is wholly owned by AESA, located in Los Encuentros Parish, Yantzaza Canton within the Zamora Chinchipe Province. FDN began operations in late 2019. It is among the highest-grade operating gold mines in the world and in 2022 was the second-largest gold producer in South America with total gold production of 476,329 ounces.

Lundin Gold is listed on the Toronto Stock Exchange and Nasdaq Stockholm under the symbol "LUG."

¹ The UNGC Principles are now reported via a stand-alone questionnaire system on the UNGC website and are no longer included in annual sustainability reporting. For more information, please see www.unglobalcompact.org.

Our Commitment to Responsible Mining

Our vision is to build a leading gold company through responsible mining in which our commitment to sustainability underpins everything we do. Our relationships with local communities and stakeholders are paramount in the way we do business and the resulting value we create. Please refer to Lundin Gold’s Responsible Mining Policy.


The Lundin Foundation

Lundin Gold works with the Lundin Foundation to develop and implement strategic community investment initiatives, with a focus on economic diversification and local supplier development to foster lasting community benefits (see page 55). The Lundin Foundation is a Canadian non-profit organization with a diverse pool of international expertise to address pressing environmental, social and governance (ESG) topics. Please see www.lundinfoundation.org for more information.



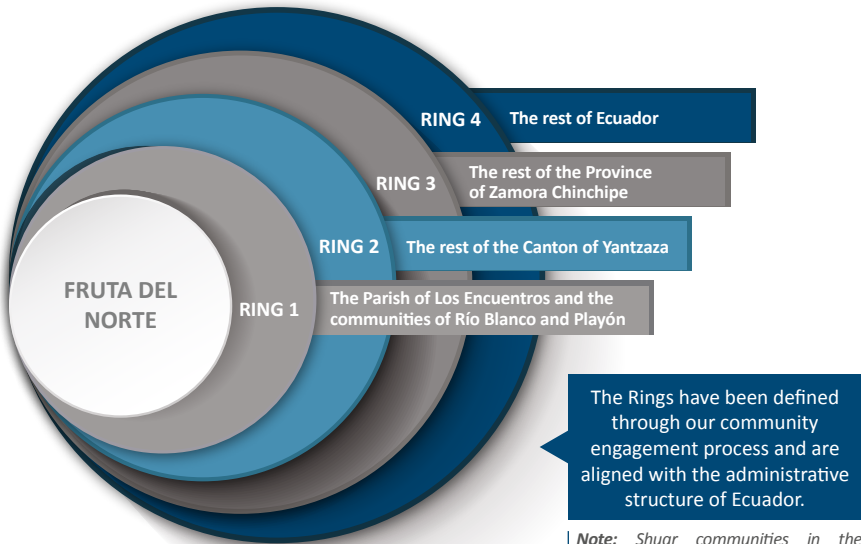
In Ecuador, the Lundin Foundation works to strengthen agriculture and livestock, economic diversification, local entrepreneurship, education, and training

Value Creation

|  | Direct Economic Value Generated and Distributed (000's) | |
|---|---|---|
| | GRI 201-1 | Fruta del Norte (including exploration) |
| Revenues | | \$809,566 |
| Operating Costs | | \$186,280 |
| Employee Wages and Benefits | | \$81,178 |
| Payments to Providers of Capital | | \$227,238 |
| Payments to Government | | \$101,362 |
| Community Investments | | \$2,724 |
| Total Economic Value Distributed | | \$598,782 |

How We Define “Local”

Our definition of “local” allows us to maximize the shared benefits of FDN, mitigate or minimize risks, and measure our impact accordingly, such as through local employment, procurement and community development. Through our community engagement process, four regions or “Rings” were jointly defined as shown in the figure below.



Note: Shuar communities in the Province of Zamora Chinchipe are considered Ring 1.

Letter to Stakeholders from the CEO



Dear Reader,

2022 has been a transformational year for Lundin Gold and Fruta del Norte (FDN). In our third year of production, we have continued to focus on operational excellence, surpassing production guidance and ending the year below our cost guidance. We have also pushed forward with our exploration activities. Reaching these milestones is a direct result of our commitment to sustainability - a commitment that is woven throughout our company culture and which allows us to both drive operational excellence and build deep relationships. In doing so, we create value both for our shareholders and host communities.

This was the vision of Lukas Lundin, our founder, former chairman and dear friend. Lukas died in July 2022 after a courageous fight against brain cancer, but not before seeing the realization of his dream to construct Fruta del Norte and demonstrate the value of mining to the Ecuadorian people. As Chairman of the Board, Lukas often said, “Nothing is impossible.” It was on this principle that we built Fruta del Norte in very challenging terrain and climate, and in a country that had no other large-scale mining operations. Lukas’s vision provided the inspiration to build FDN into what it is today.

I regularly visit FDN and am always struck by the true sense of camaraderie there and am uplifted to be a part of it. I see the immense pride the team takes in their work, and it is my honor to lead them as part of our Lundin Gold family. To ensure that our

working environment remains strong, we carry out an employee survey through a third-party firm and were able to gauge employee satisfaction and receive feedback. I am proud to highlight that we earned the “Great Place to Work” recognition ([see page 34](#)).

This past year was also the second year of implementing our 5-Year Sustainability Strategy. We have made considerable progress on our headline targets, as you will see in the summary tables at the beginning of each section of this report. I would like to specifically highlight our work in education and local business development ([see pages 18 and 39](#)). These projects, implemented with a range of partners, respond to the joint priorities that we have identified through ongoing community engagement. We have also deepened our understanding of the possible impacts from a changing climate, as well as developed a better sense of how we can reduce the emissions footprint of FDN. We continue to support responsible governance practices for the mining sector ([see page 46](#)). Ultimately, we recognize our duty to build an industry that is inclusive and sustainable for the future, and which integrates local communities into its decision-making process.












Looking ahead to 2023, we remain firm in our long-term goal: to see FDN grow along with the communities around it. We will continue to focus on local employment both for our activities and with other industries that can benefit from skilled, local workers ([see page 39](#)). We remain committed to creating lasting economic development that fosters growth and sustainability.

On a more personal note, I look forward to continuing to visit local communities in 2023 to see firsthand the progress we are making and the far-reaching impacts on local families. These visits are as rewarding for me as seeing our success at the mine site. I recall a meeting five years ago, amid FDN’s construction, with several young women who were interested in a possible career in mining. Today, they are geologists pursuing an opportunity that would not have otherwise existed and are part of the Lundin Gold family. I am humbled to see the lives we have impacted in a positive way, and I look forward to all we can accomplish together in the years ahead.

Sincerely,

Ron Hochstein
President and CEO

2022 Sustainability Performance Highlights

| | | 2022 | 2021 |
|---|---|--|--|
|  | Gold Production (oz Au) | 476,329 | 428,514 |
|  | All-in sustaining costs (\$ per oz of gold sold) | \$805 | \$762 |
|  | Revenues (\$ million) | \$816 | \$733 |
|  | Diversity - % women on the Board, % women in management, % women in workforce | 33% women on the Board 19% women in management 17% women in workforce | 30% women on the Board 19% women in management 16% women in workforce |
|  | Climate Change – emissions intensity (tCO ₂ e/oz gold produced, tCO ₂ e/ kilotonnes of Ore Milled) ¹ | 0.06 tCO ₂ e/oz gold produced; 18.98 tCO ₂ e/ kilotonnes of Ore Milled | 0.07 tCO ₂ e/oz gold produced; 21.73 tCO ₂ e/ kilotonnes of Ore Milled |
|  | Health & Safety – total recordable incident rate (TRIR) (per 200,000 hours worked) | 0.30 | 0.46 |
|  | % water re-used and/or recycled (Megalitres reused and recycled / megalitres water consumption) | 95% | 75% |
|  | % waste diverted from disposal (Metric tons waste diverted from disposal / metric tons waste generated) | 27% | 30% |
|  | % of procurement budget dedicated to local spending | Total Ecuador – 79% Rings 1-3 – 14% | Total Ecuador – 80% Rings 1-3 – 13% |
|  | Lundin Gold employee entry-level wage compared to the minimum wage in Ecuador | 116% | 118% |
|  | % of persons with disabilities in the workforce ² | 3% | 3% |

¹ Based on emissions in Scopes 1 and 2.

² This number does not include substitutes (i.e., families of people with disabilities).

Update on Our 5-Year Sustainability Strategy

In 2020, Lundin Gold established a long-term sustainability strategy that accounts for the needs of FDN and the evolving social context at the local, provincial, and national level. The resulting “Lundin Gold 5-Year Sustainability Strategy 2021-2025” (the “Strategy”) includes an Impact Management Framework to measure our progress in priority ESG areas. As a result, by 2025 Lundin Gold will have a body of evidence regarding the achievement of our sustainability goals and our contributions to the sustainable economic growth of the region and the country.

The Strategy was reviewed and approved by the Lundin Gold Board. For details on how we developed the Strategy and its structure, please refer to our [2021 Sustainability Report](#).

In this report, we provide updates on progress towards reaching the headline targets and a discussion of our performance in relation to the implementation of the Strategy (as well as historical data, if available).

We have aligned the Strategy with the SDGs in order to meaningfully contribute to Ecuador’s 2030 Agenda.

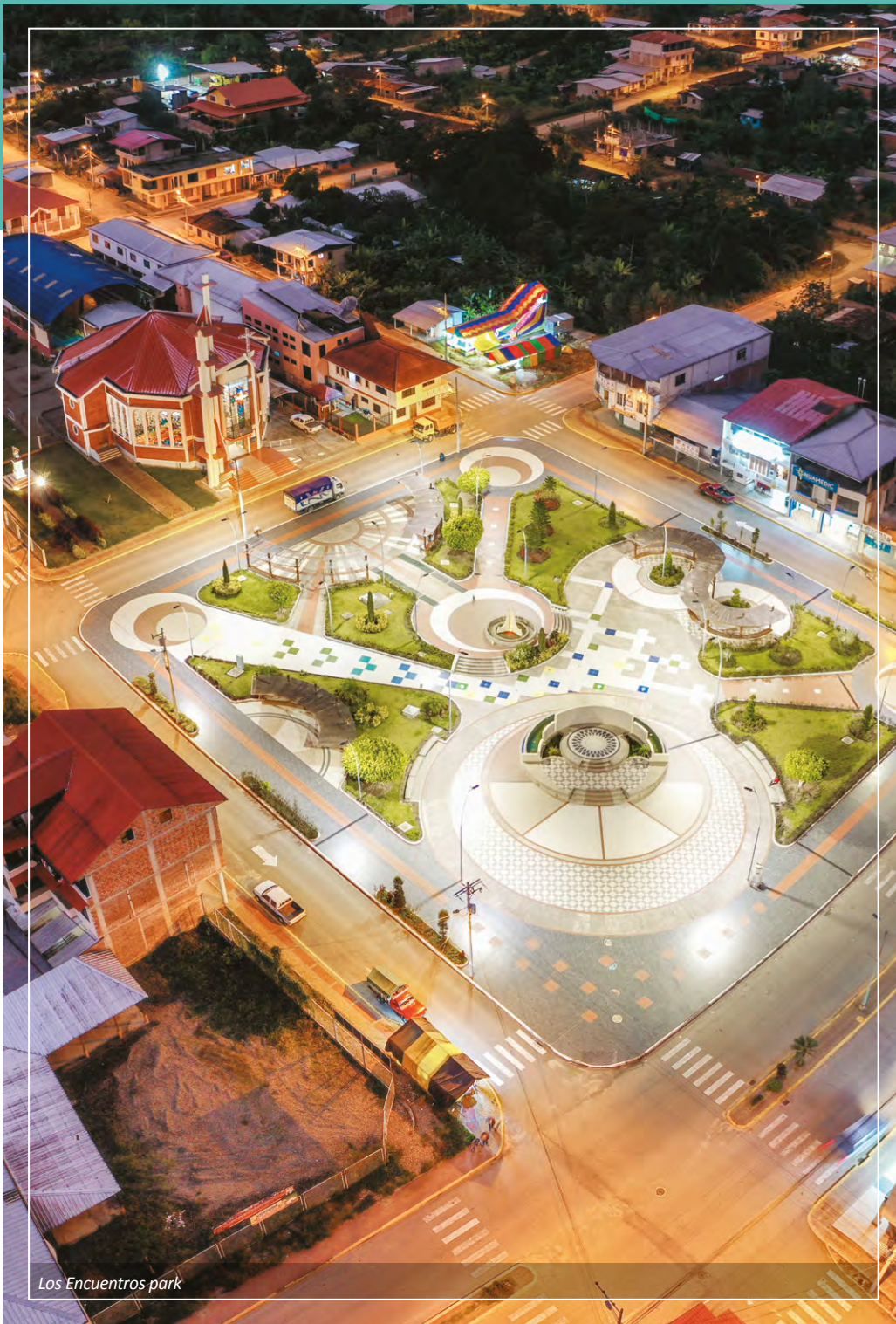
The Strategy is reviewed with relevant internal stakeholders and updated accordingly.



Stakeholder Perceptions of Lundin Gold’s 5-Year Sustainability Strategy

In late 2022, Lundin Gold surveyed local communities in Los Encuentros and Yantzaza (Rings 1 and 2; [see graphic on page 5](#)) to gauge public perceptions of our contribution to each of the Pillars. In general, more people viewed our work positively across all the Pillars. The perception survey is discussed further in the [Participatory Dialogue](#) section of this report.





2022 Materiality Assessment Process

Lundin Gold undergoes a thorough and customized materiality assessment process annually to understand, clarify and prioritize sustainability topics. This process incorporates the structure of the Strategy. Led by a third-party consulting firm, we use the guidance of GRI's Principles for Materiality, the concept of double materiality, plus customized exercises to focus on the Strategy's Pillars and Enablers ([see page 8](#)). The sustainability reporting process also serves as an additional opportunity to examine progress against the objectives of our Strategic Pillars and consider if any adjustments to the 5-Year Sustainability Strategy are needed.

The materiality assessment for the 2022 reporting year employed the following three phases:

| 2022 Materiality Process | | |
|---|--|---|
| I. Desktop Research | II. Stakeholder Engagement in Ecuador | III. Leadership ESG Workshop in Vancouver |
| <ul style="list-style-type: none"> ■ Detailed review of internal and public documents reflecting the Company's planning, activities and performance for 2022. ■ Context analysis to evaluate industry trends and the political, environmental, social, technological, legal, and economic contexts within which Lundin Gold operates. | <ul style="list-style-type: none"> ■ Executed in person, in English and Spanish. ■ 7 external interviews. ■ 9 internal interviews. ■ 2 external focus group sessions: local suppliers and national stakeholders. ■ 2 internal focus groups: local employees, FDN site management. | <ul style="list-style-type: none"> ■ Half-day workshop. ■ 7 in-person (Vancouver) and 3 virtual participants (Quito and FDN). ■ Participants included leaders of Legal, Investor Relations, Human Resources, Exploration, Environment, Sustainability, Finance, Operations, and the Lundin Foundation. ■ 2 individual exercises, 3 group exercises. |

Materiality

We determine a sustainability topic to be material if there exists a significant possibility that it will impact Lundin Gold in a financial, regulatory, or reputational sense. A sustainability topic is also considered to be material if it has the potential to significantly impact our stakeholders or substantively influence stakeholder decisions that could impact the Company.

Stakeholder Engagement

| Stakeholder Groups Engaged and Key Material Pillars and Enablers Identified for 2022 Materiality | |
|--|--|
| Internal: Employees, management, executive leadership. | <ul style="list-style-type: none">■ Lasting Economic Opportunities■ Environmental Stewardship■ Accountability and Management Systems■ External Communications, Sustainability and Financial Reporting■ Community Well-being■ Human Rights |
| External: Local suppliers/contractors, local and Indigenous communities, nongovernmental organizations (NGOs), civil society organizations (CSOs), academia, health services. | <ul style="list-style-type: none">■ Community Well-being■ Lasting Economic Opportunities■ Human Rights■ Strategic Partnerships■ Environmental Stewardship■ Community Infrastructure |

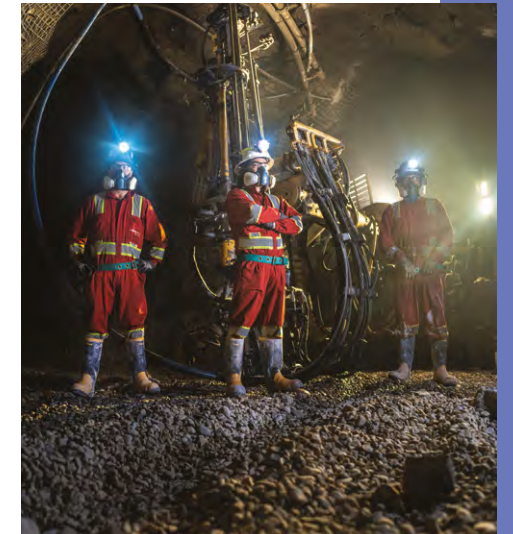




Pillar: Climate Change

Lundin Gold's Climate Progress

In 2022, Lundin Gold made excellent advancements against its climate strategy. Through a detailed analysis of its Scope 1 and 2 GHG emissions and the development of a marginal abatement cost curve, the Company assessed reduction opportunities for FDN over the current mine life. This work has positioned Lundin Gold to set an informed reduction target in 2023, supported by feasible carbon reduction pathways.



Last year proved to be an important year in the advancement of Lundin Gold's climate strategy and action. Under the leadership of the Company's Chief Executive Officer, the Climate Resilience Group (the CRG) conducted a detailed analysis of the Company's Scope 1 and 2 emissions with the assistance of a decarbonization consultant with expertise in the gold sector. With a better understanding of FDN's emissions, the CRG consulted with the leadership team at site to identify a range of decarbonization opportunities, which were then evaluated using a marginal abatement cost curve developed for FDN. At the same time, the Company

Our Approach

Our primary objective is to identify actions to reduce our global greenhouse gas (GHG) emissions footprint and to reduce the emissions intensity of our gold mining. To do so, it is important to understand the impact that our operations have on climate change. This section provides a summary of key aspects of our Climate Change pillar. For a full analysis and discussion, please see our Climate Change report, to be published in May 2023.

initiated the development of a life of mine emissions forecast for FDN, which will be important to Lundin Gold as it evaluates its emissions reduction potential and develops a supporting strategy and plan. Given the Company’s industry-low emissions intensity on a per ounce basis, Lundin Gold is also carefully examining the role carbon offsetting may play in its commitment to reduce its carbon footprint.

Progress on 2025 Key Headline Targets

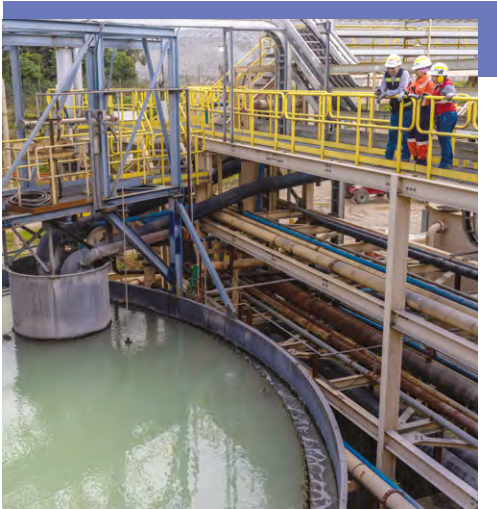
An overview of Lundin Gold’s progress regarding our climate change targets is provided below. For more details regarding our climate change performance, strategy, governance, and risk management and metrics, please refer to our annual climate change reports.

| Pillar: Climate Change | | |
|---|---|--|
| Strategy Progress Report | | |
| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
| By 2022, complete the measurement of GHG emissions for the year 2021. This will be our baseline year for target setting. | <ul style="list-style-type: none"> Used 2021 data to establish the baseline for Scope 1 and Scope 2 GHG emissions. Developed greater understanding of Scope 3 emissions. | Achieved |
| Establish an emissions intensity target and high-level plan to achieve this target in 2022. | <ul style="list-style-type: none"> The CRG identified and evaluated emissions reduction opportunities, with the use of a carbon abatement cost curve. Development of a life of mine emissions forecast for FDN initiated, pending finalization of updated mineral reserve and resource estimate and life of mine plan. Over the course of 2023, these options will be prioritized. | Deferred target due to updating of estimates of mineral reserves and resources and the mine plan |
| The Task Force on Climate-Related Financial Disclosures (TCFD) is noted in Lundin Gold’s 2020 Sustainability Report and integrated into the Company’s 2021 Sustainability Report. | <ul style="list-style-type: none"> An extensive climate report aligned with the recommendations of TCFD was published. | Achieved |
| Develop an offset strategy that will include an assessment of the viability of Ecuador-based offsets. | <ul style="list-style-type: none"> Work commenced to develop an offset plan with the Lundin Foundation. | On track |

2022 Performance

GHG Emissions and Energy Consumption

Lundin Gold’s total calculated Scope 1 and 2 emissions in 2022 were approximately 29,600 tonnes of CO₂-equivalent (tCO₂e) and include emissions from the FDN operation, the Quito, Los Encuentros and Vancouver offices, and our exploration program. This figure represents a reduction of approximately 1,167 tCO₂e from our recalculated 2021 total emissions of 30,767 tCO₂e, as explained below.



Lundin Gold’s Emissions Intensity

At 0.06 tCO₂e per ounce of gold produced in 2022, Lundin Gold is among the lowest carbon emitters in the gold sector.

In 2022, Lundin Gold made several adjustments to its previously reported 2021 GHG emissions resulting from an independent third-party review of the data as follows:

- Recalculation of Our Baseline:** Lundin Gold has recalculated its 2021 baseline emissions mainly due to a change in the electric power generation emission factor in Ecuador. The previous Scope 2 reporting was based on the marginal grid factor; it has now been corrected to an average emission factor. The factor to be applied was reduced from 0.1917 tCO₂e/MWh to 0.0429 tCO₂e/MWh, which resulted in a significant reduction in estimates of Scope 2 emissions for the baseline emissions data. In accordance with Chapter Five of the GHG Protocol, Lundin Gold has retroactively recalculated its 2021 data to allow for consistency in reporting going forward. The recalculated 2021 Scope 1 and 2 emissions in the table below represent the Company’s baseline emissions data.

- **Improved Reporting of Scope 3 Emissions:** Lundin Gold also conducted a detailed review of its 2021 reporting of Scope 3 emissions and made a number of significant changes due to changes in methodology, corrections to certain misclassifications and recalculations due to errors. To allow for consistency in reporting going forward, Lundin Gold has re-estimated its previously reported 2021 Scope 3 emissions as set out in the table below. Please see our response to disclosure GRI 2-4 in the data tables for additional information.

| | |
|----------------------------|---|
| Scope 1 | <ul style="list-style-type: none"> ■ Diesel ■ Gasoline ■ Liquid propane gas ■ Helicopter fuel ■ Explosives |
| Scope 2 | <ul style="list-style-type: none"> ■ Hydroelectric power (via grids) ■ 93.8% renewable in Ecuador ■ 98% renewable in Vancouver |
| Scope 3¹ | <ul style="list-style-type: none"> ■ Category 1: Purchased goods and services such as equipment, supplies, hotels and restaurants, and other services ■ Category 2: Capital goods such as machinery ■ Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2 ■ Category 4: Upstream supplies transportation and distribution such as cement ■ Category 5: Waste generated in operations ■ Category 6: Business travel ■ Category 7: Employee commuting – all locations ■ Category 9: Downstream transportation and distribution such as transport of doré (reported within category 4) ■ Category 10: Processing of sold products such as refining |

¹ Categories in line with the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions, available at <https://ghgprotocol.org/standards/scope-3-standards>.



Chemical laboratory at Fruta del Norte smelting area

A more detailed account of our emissions and energy usage trends can be found in our 2023 Climate Change Report.



| GHG Scope | GHG Emissions (tonnes CO ₂ equivalent) ¹ Includes CO ₂ , CH ₄ , and N ₂ O, as appropriate | | | | | | | |
|--|---|--------------|--------------------|----------------|----------------------|----------------------|---|----------------------|
| | 2022 | | | | 2021 | | | |
| | Scope 1 | Scope 2 | Total Scopes 1 & 2 | Scope 3 | Scope 1 ⁵ | Scope 2 ⁵ | Total Scopes 1 & 2 (Baseline Year) ⁴ | Scope 3 ⁶ |
| Fruta del Norte Site (tCO ₂ e) | 23,011 | 5,557 | 28,568 | - | 24,981 | 5,397 | 30,378 | - |
| Exploration (tCO ₂ e) | 1,013 | 0 | 1,013 | - | 373 | 0 | 373 | - |
| Ecuador Offices ² (Quito and Los Encuentros) (tCO ₂ e) | 0 | 19 | 19 | - | 0 | 16 | 16 | - |
| Vancouver Office ³ (tCO ₂ e) | 0 | 0 | 0 | - | 0 | 0 | 0 | - |
| Total (tCO₂e) | 24,024 | 5,576 | 29,600 | 166,742 | 25,354 | 5,413 | 30,767 | 193,764 |
| % of Total Annual CO ₂ e | 12.2% | 2.8% | 15% | 85% | 11.3% | 2.4% | 13.7% | 86.3% |
| Kilotonnes of Ore Milled (Kt) | | | 1,559.18 | | | | 1,415.63 | |
| GHG Emissions Intensity ⁴ (tCO ₂ e/Kt ore milled) | | | 18.98 | | | | 21.73 | |
| Ounces of Gold Produced (oz) | | | 476,329 | | | | 428,514 | |
| GHG Emissions Intensity ⁴ (tCO ₂ e/oz. Au produced) | | | 0.06 | | | | 0.07 | |

¹ For full list of emission factors sources and other relevant data, please refer to the Climate Change section of our Lundin Gold 2022 GRI, SASB and LPRM Index and Sustainability Performance Data spreadsheet.

² Ecuador offices emissions consist of emissions from the Quito and Los Encuentros offices, the Las Peñas Camp, and our FDN nursery.

³ Emissions from our Vancouver office were determined to be negligible.

⁴ Intensity is calculated based on FDN Scope 1 and Scope 2 emissions only.

⁵ Baseline Scope 1 and 2 recalculated in accordance with the GHG Protocol mainly due to an improvement in the accuracy of the emissions factor for national electric power generation in Ecuador. Previously baseline reported: 2021 Scope 1: 25,399 tCO₂e; 2021 Scope 2: 24,170 tCO₂e.

⁶ 2021 Scope 3 recalculated due to improved understanding and reporting. Previously reported: 2021 Scope 3: 746,750 tCO₂e.

Note: Figures are rounded



| | Total Energy Consumption by Type (GJ) | | | |
|--|---------------------------------------|-------------|----------------------|-------------|
| | 2022 | | 2021 (baseline year) | |
| Energy Source | GJ | % Of Total | GJ | % Of Total |
| Subtotal - Fuel Source | 332,705 | 100% | 356,639 | 100% |
| Diesel | 325,063 | 97.7% | 351,273 | 98.5% |
| Gasoline | 2,625 | 0.8% | 2,586 | 0.7% |
| Jet A1 | 4,846 | 1.4% | 2,526 | 0.7% |
| LPG (Propane/Butane) | 171 | 0.1% | 254 | 0.1% |
| Subtotal - Electricity | 467,589 | 100% | 453,928 | 100% |
| Renewable | 438,600 | 93.8% | 425,786 | 93.8% |
| Non-Renewable | 28,989 | 6.2% | 28,142 | 6.2% |
| Total Energy | 800,294 | | 810,567 | |
| Kilotonnes of Ore Milled (Kt) | 1,559.18 | | 1,415.63 | |
| Energy Intensity (GJ/Kt ore milled) | 513.28 | | 572.58 | |
| Ounces of Gold Produced (oz) | 476,329 | | 428,514 | |
| Energy Intensity (GJ/oz. Au produced) | 1.68 | | 1.89 | |

Note: Figures are rounded

Taskforce on Climate-Related Financial Disclosure Reporting

Our first Climate Change Report was published in May 2022 and follows the recommendations of the TCFD. The report includes Lundin Gold's first climate scenario analysis, examining risks and opportunities associated with three possible futures including high, moderate, and no climate action. We examined ten climate hazards of either acute or chronic nature as part of the risk assessment process, as well as transition risks associated with climate change in both Canada and Ecuador. Following this assessment, we explored relevant mitigation measures and responses. Out of the 11 disclosure recommendations proposed by the TCFD, we fully aligned our



On Earth Day, Lundin Gold employees planted 200 trees

reporting to six, and we showed good progress against the remaining recommendations. We are working towards full alignment in future reports. Lundin Gold's full TCFD Reporting can be found in our Climate Change Report.



CDP Reporting

CDP runs a global disclosure system for investors, companies, and governments to measure and manage their environmental impacts on climate change, water security and deforestation. In 2022, we completed our first disclosure cycle for the CDP Climate Change questionnaire. As a first-time responder to CDP in 2022, Lundin Gold had the option to keep its responses and scoring private from investors. Consistent with its commitment to transparency, Lundin Gold instead opted to make its responses and its score public and was awarded a score of "C", which is in line with the global, North American, and industry average. We intend to use the knowledge gained during our inaugural CDP disclosure process to improve our second disclosure response in 2023.



Pillar: Community Infrastructure

Progress on 2025 Key Headline Targets

In our 2021 Sustainability Report we outlined a series of headline targets related to the Community Infrastructure pillar. Progress made in 2022 is noted below.

| Pillar: Community Infrastructure | | |
|--|--|---|
| Strategy Progress Report | | |
| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
| 100% of the rural road network required by Lundin Gold is operational and accessible for the Company. | ■ Renewal of key road maintenance agreements with local governments, monitoring of repairs. | Achieved |
| National and local governments contribute at least \$6M (financial or in-kind) to maintain road infrastructure between 2021 and 2025. | ■ Various activities to help build capacity in local government, facilitate contacts with external financing entities, and engagement with provincial and national authorities. | On track \$2.5m of contributions from local government for rural road maintenance (\$1.2m in 2021; \$1.3m in 2022). |
| At least two infrastructure projects (road projects not included) implemented each year through co-financing, with at least 20% from partner organizations (financial or in-kind). | | Achieved Projects: 1) Urban regeneration in El Pindal. 2) Bridge repairs in Zumbi. |
| At least 80% of households in Ring 1 have internet access at or near their homes by 2022. | ■ Monitoring quality of connectivity and implementing repairs as required. ■ Ongoing engagement with communities to understand their perspective on the success of the project. | Achieved 99.7% of households in Ring 1 have internet access at or near their homes (see page 16). |

Our Approach

Our five-year objective is to invest in local community infrastructure to improve access to regional services and markets, build long-term capacity for the local management of the infrastructure, facilitate the ongoing management of FDN's critical road network, and promote a culture of safety. To achieve our goal, we work with the local government and a variety of stakeholders to build their capacity and help them access available funding to maintain community infrastructure in a sustainable manner.



El Zumbi bridge



The remodeling of the Shuar Federation building was completed in February 2023

2022 Performance

| Major Community Infrastructure Projects with Local Government in 2022 | |
|---|---|
| Level of Government | Projects Jointly Implemented in 2022 |
| Parish GADs (Autonomous Decentralized Governments) of Los Encuentros, Bellavista and Chicaña. | <ul style="list-style-type: none"> ■ Annual rural road maintenance in Los Encuentros parish. ■ Dust control of roads outside FDN. ■ Installation of road signs and traffic signals in Los Encuentros parish and Muchime, El Padmi and El Pincho neighbourhoods. ■ First phase of sidewalk and curb construction in Los Encuentros parish. |
| Municipal GADs of Yantzaza, Paquisha, Centinela del Cóndor, El Pangui and Zamora. | <ul style="list-style-type: none"> ■ Road maintenance between Paquisha, Bellavista, La Concordia and Río Blanco Paquisha Alto. ■ Renovation of the Playas de Zumbi Recreational Centre. ■ Maintenance of the bridge over the Zamora river in Zumbi. |
| Zamora Chinchipe Province GAD and Shuar Federation of Zamora Chinchipe. | <ul style="list-style-type: none"> ■ Lighting for the Los Encuentros bridge. ■ Expansion and remodeling of the Shuar Federation of Zamora Chinchipe building. |

Baseline Study Results

In 2021, Lundin Gold initiated a second comprehensive social baseline assessment for Los Encuentros (with the first assessment having taken place in 2015). Results of the baseline assessment were not available until after the publication of our 2021 Sustainability Report. We have, therefore, included a brief summary of the study in this year's report – please see the section, [Accountability and Management Systems](#).

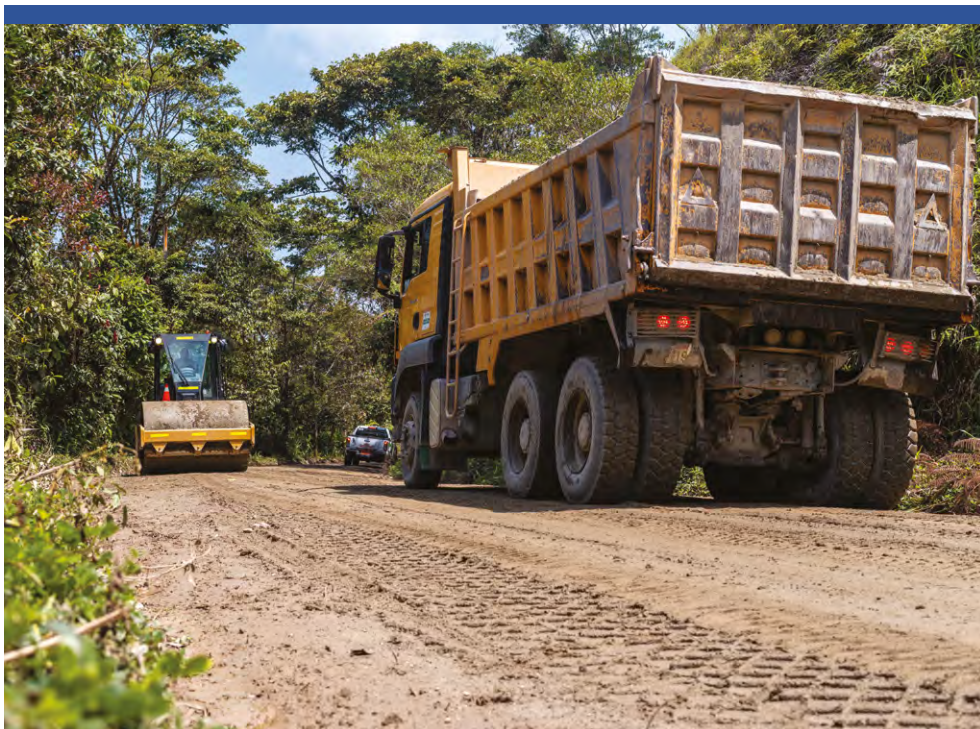


Estamos Conectados program

Update on Estamos Conectados

Early in the pandemic, Lundin Gold created Estamos Conectados, a program to provide reliable internet infrastructure to the local Parish of Los Encuentros and two communities within the Canton of Paquisha. In 2022, we maintained Wi-Fi internet access points in 21 communities in the Parish of Los Encuentros and two communities within the Canton of Paquisha. We also maintained a high-speed internet connection for the 1,213 students, teachers and staff at the local school in Los Encuentros and distributed an additional 150 tablets to incoming students. Through our collaborative efforts, Estamos Conectados has increased access to technological resources, bringing greater benefits to the local communities.

Additionally, the local government provided electrical power to the El Playón community in 2022, and Lundin Gold will be coordinating the installation of Wi-Fi service in 2023. When this is completed, all communities involved in this initiative will be fully connected.



Ongoing Road Maintenance

Lundin Gold supports projects that improve the quality of life for communities in FDN's area of influence. Road infrastructure and maintenance, carried out in coordination with local authorities and other government entities, are critical both for access to the mine site and to ensure road access to all communities. Examples of our commitment to continuous road maintenance include:

| | | |
|---|---|--|
| Ongoing maintenance of roads connecting communities in Los Encuentros and certain communities in the Paquisha canton. | Responding to road emergencies caused by high rainfall and landslides in the area. | Provide funds to hire heavy equipment for the construction of the Paquisha perimeter road. |
| Provide 78% of the total cost to build a vehicular bridge over the Zamora River. | Fund 100% of the cost to build the Los Encuentros bridge over the Zamora River, completed during the first quarter of 2022. | Provide road watering for dust control as part of the annual maintenance program. |

Urban Regeneration in El Pindal

Lundin Gold worked with the Yantzaza Municipal GAD on the urban regeneration project for the community of El Pindal. The project includes the construction of 1.2 kilometres of roads, curbs and sidewalks in the community, the construction of storm drains and a sewer system, a wastewater treatment plant, and water distribution network. Thus far, we have invested \$547,000 in the first phase of the project. The full project is expected to be completed in 2023.



Renovations at the Los Encuentros School

Lundin Gold, in coordination with Los Encuentros GAD, the Ministry of Education, and the leadership of the local school, has commenced an infrastructure renovation project at the school, which is in dire need of repair. In 2022, Lundin Gold and the local authorities signed an agreement to repair the building to meet safety code standards. We committed \$654,000 in funding while the Ministry of Education committed \$214,000 and will oversee its maintenance. A nearby unused school will house some of the students for the duration of this work. The project is expected to be completed in 2023.





Pillar: Community Well-being

Progress on 2025 Key Headline Targets

In our 2021 Sustainability Report we outlined a series of headline targets related to the Community Well-being pillar. The table below outlines progress made and status at the end of 2022.

| Pillar: Community Well-being | | |
|---|--|---|
| Strategy Progress Report | | |
| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
| At least 95% high school graduation rate in Ring 1 (based upon final year enrollment and three-year rolling average). | <ul style="list-style-type: none"> ■ Ongoing partnership with Junior Achievement Ecuador (see page 20). ■ Coordination with the Ministry of Education and local schools. ■ Focus on training opportunities through the roundtables. | On track 90% high school graduation rate at the local school (2020-2022). |
| Minimum 60% high school enrollment rate. | | Achieved 98% high school enrollment rate. |
| Decrease the post-secondary education drop-out rate to 20%. | | Achieved Post-secondary education drop-out rate was 18% in 2022. |
| At least 40% of university/trade school graduates are formally employed or self-employed after graduation. | | Achieved 71% of university graduates from Rings 1 and 2 were employed or self-employed in 2022 ¹ . |
| At least 75% of children/youth enrolled in Ring 1 schools engage in extra-curricular programs. | | On track 38% of children and youth were enrolled at the end of 2022. |

Our Approach

Our objective is to strengthen the foundations of community well-being with a focus on education, healthy lifestyles, health infrastructure, and youth development. We work closely with local governments, communities, and partner organizations to promote positive and long-lasting impacts for FDN's host communities.

| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
|---|--|--|
| At least two campaigns annually against drug and alcohol abuse. | <ul style="list-style-type: none"> ■ Leveraged existing internal material and developed relevant campaigns. ■ Coordinated implementation with local authorities. | Achieved Two campaigns were implemented in Los Encuentros parish: <ol style="list-style-type: none"> 1. Media campaign (social media and radio) and billboards with messages against drug and alcohol abuse. 2. Campaign linked to the Christmas program against drug and alcohol abuse, focused on children (8-18 years). |
| At least one campaign annually against domestic violence. | | Achieved One campaign implemented for both FDN employees and local communities. |

¹ In 2022, 15 of the university graduates from Rings 1 and 2 were employed or self-employed out of the 21 university graduates who have participated in the JAE program since 2015.

2022 Performance

Health Infrastructure

The 12-bed intensive care unit at the Yantzaza hospital built by Lundin Gold in partnership with Newcrest Mining Limited and SolGold Plc is the first such facility in the province. In 2022, the emergency room provided critical medical care to 126 patients from the provinces of Zamora Chinchipe, El Oro and Morona Santiago, of which 49% came from Rings 1 and 2.

In 2022, Lundin Gold continued to support the Neighbourhood Doctor Program, through which doctors treated an average of 1,000 patients per month from vulnerable populations of Los Encuentros and Yantzaza. As well, we procured and delivered medical equipment, including ventilators, to the Julius Doepfner General Hospital in Zamora.

Further details of these significant investments in community health infrastructure and services are captured in our [2021 Sustainability Report](#).



Community Awareness and Support

In 2022, several community well-being programs were implemented in Los Encuentros to improve community awareness around mental health, the harmful effects of alcohol and drug abuse, and preventing domestic violence.

One such effort was a substantial communications campaign on the negative effects of alcohol and drugs. The campaign included television and radio announcements, as well as billboards which were placed around Los Encuentros parish. In December, as part of the annual Christmas program, our social responsibility team visited the local school and shared messages with students aged 8 to 18 to raise awareness about this issue.

Also in 2022, Lundin Gold engaged with the Mexican NGO, *Educación para Compartir*, as a potential new partner. This group visited Los Encuentros parish and participated in the community roundtables, and Lundin Gold visited local schools in Mexico City where *Educación para Compartir* is operating. Following this, we jointly identified mental health as a priority area and commenced planning for a project to be implemented in 2023.



CASE STUDY Success of Junior Achievement Ecuador

The ongoing educational support program implemented by Lundin Gold and Junior Achievement Ecuador (JAE) continues to deliver excellent results in helping students from Los Encuentros and Chicaña (Rings 1 and 2) to succeed in their pursuit of higher education. The program seeks to increase access to post-secondary education, assist high school students in passing the standardized exit exams, reduce drop-out rates, and promote entrepreneurship skills in youth aged 15 to 18.

In 2022, 47 students (of which 70% were women) from the local school in Los Encuentros were accepted to higher education institutions, which represents a slight increase versus 2021. In addition, we have followed up with the graduates from previous years and identified 49 students who decided not to continue their education, representing 18% of the total number of students that have enrolled in the JAE program since 2015. Their main reasons for not pursuing their education were a lack of financial resources and migration. In 2023, Lundin Gold and JAE will identify specific students for whom targeted assistance could allow them to remain in university.



Graduation Rates, Number of Students Admitted to Higher Education, and Reduction in Dropout Rates

| Academic Year | Graduation Rate from Los Encuentros High School | Total Students Accepted to Higher Education in Los Encuentros, Chicaña and Yantzaza ¹ |
|------------------------|---|--|
| 2015-2016 | 96% | 31 |
| 2016-2017 | 98% | 31 |
| 2017-2018 | 93% | 42 |
| 2018-2019 | 100% | 27 |
| 2019-2020 | 99% | 36 |
| 2020-2021 | 99% | 46 |
| 2021-2022 | 97% | 47 |
| Total 2015-2022 | | 260 |

¹ Data as of December 31, 2022.

Measurable Benefits of the Junior Achievement Ecuador Program

In 2021, Lundin Gold executed a second social baseline assessment for Ring 1 (Los Encuentros, Playón and Río Blanco) to understand the major socio-economic changes in the area; results were delivered in 2022. We found that in 2015, only 4% of the adult population from Los Encuentros had accessed higher education (university). Six years later, this percentage had increased to 9%, illustrating the direct benefits of the Junior Achievement Ecuador program.



TESTIMONIALS:



I am a biology teacher at the Ecuador Amazónico school in El Pangui. The JAE program, in addition to providing me with the tools to take the university entrance exams, gave me the knowledge to continue growing professionally and the ability to take the exams requested by the government for public teaching positions. I want to remind young people that there is no better investment than in education.

Diana Carrión

Teacher, Graduated in Education with a focus upon Chemistry and Biology

I always had a dream of being my own boss, in charge of everything and doing what I like the most. In 2022, I graduated and formally started my business in Los Encuentros. Now, through my business, I provide various services such as clinical care, field technical assistance, and I sell veterinary and feed products. I encourage the young people who are taking the program to build their knowledge since, for me, it was the beginning of my professional development.

Jack Pardo

Entrepreneur, Graduated in Veterinary Medicine and Zoology



Cultural and Sports Training School

In 2022, after pandemic restrictions eased, we resumed our support for the Cultural and Sports Training School in Los Encuentros parish. Also known as FOPCUDE (a Spanish acronym for the Sports and Cultural Training School), this program is promoted jointly with the Los Encuentros GAD. Our goal is to support extracurricular activities for children and youth and therefore reduce the likelihood that they will fall into harmful social behaviors such as drug and alcohol abuse. By the end of 2022, soccer, boxing, wrestling, music, dance, and English programs had been implemented with a total of 277 participants. Lundin Gold financed the costs associated with the teachers, coaches, sports equipment and uniforms; the Los Encuentros GAD provided the infrastructure and its maintenance, as well as being in charge of the administration of the programs.





Pillar: Environmental Stewardship

Progress on 2025 Key Headline Targets

In our 2021 Sustainability Report we outlined a series of headline targets related to the Environmental Stewardship pillar. The table below outlines progress made and status at the end of 2022.

| Pillar: Environmental Stewardship | | |
|--|---|-------------|
| Strategy Progress Report | | |
| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
| By 2025, reach 200 litres per capita of water use reduction. | <ul style="list-style-type: none"> Water-use reduction plan completed. 12% per-capita water use reduction registered in 2022 (288 litres/per day/per capita achieved). | On track |
| Conservation plans for three species operational at FDN by 2025. | <ul style="list-style-type: none"> Three species were selected this year based on the data generated at FDN. Researchers from the Catholic University validated the selected species and proposed a portfolio of conservation initiatives for them. Implementation of the conservation plan strategy. | On track |
| An official declaration of a Private Protected Area (PPA) by 2024. | <ul style="list-style-type: none"> Land purchase was largely completed for the purpose of the PPA. | On track |
| Integrated conservation plan in progress for five local farms by 2025. | <ul style="list-style-type: none"> Conservation International advanced the implementation of the action plans in the previously selected 5 integrated farms. In addition, 6 potential new local farms were identified through meetings with the Ministry of Agriculture and local farmers. | On track |
| 14.5 hectares of active restoration by 2025. | <ul style="list-style-type: none"> Implementation of the restoration plan commenced: 3.6 hectares rehabilitated this year (more than the 3.4 hectares targeted for 2022). | On track |
| Waste Management Plan completed by end of 2021 with appropriate targets to be established later. | <ul style="list-style-type: none"> We finalized the Waste Management Plan and established a 61% annual target for recycling and reuse for non-hazardous waste. In 2022 we achieved and exceeded the target, as we recycled and reused 74% of non-hazardous waste. | On track |

Our Approach

Our objective is to demonstrate environmental leadership in water management, emissions reductions, waste and tailings management, and biodiversity protection. We recognize that FDN is located in a highly biodiverse and ecologically sensitive area of Ecuador. Our environmental management plans ensure that we minimize and mitigate the impact of our activities.

We conduct environmental monitoring, and apply continuous improvement to our activities. We comply with local environmental legislation and with international standards in cases where these exceed local regulations. Please see our [2021 Sustainability Report](#) and the Environmental section of our website for more information on our management approach to environmental stewardship.

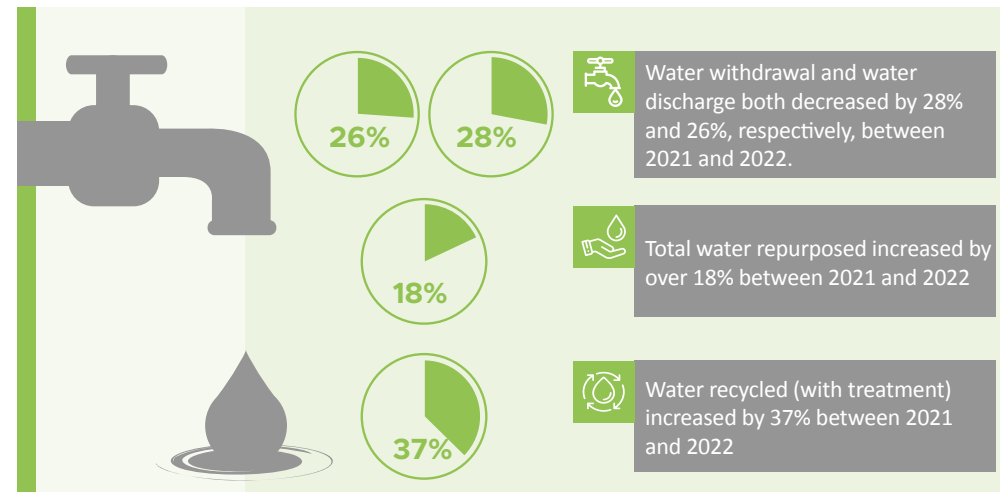
2022 Performance

Water Management

Our water management plan guides our activities. In line with our 5-Year Sustainability Strategy and with our Environmental Management Plan, we have developed a human water consumption reduction plan which aims to reduce the per capita water consumption in camps and offices and involves all FDN personnel. In 2022, we also implemented operational improvements, such as the construction of a new pond for contact water management and the optimization of the industrial and domestic treatment systems.

The table below provides a summary of key water management metrics for 2022 and 2021. These metrics indicate positive outcomes from a water sustainability perspective, especially given the three-fold increase in water consumption. Please note that 2021 values are provided for comparison; our future reports will comment on trends. Given the high precipitation in the geographic region of FDN, the changes in performance values observed since 2021 were not significant.

Metrics within FDN's operational controls reflected considerable improvements:



Water monitoring program



| | Summary of Key Water Management Metrics | | | | | |
|--|---|---|---|----------------------------|---|---|
| | 2022 | | | 2021 | | |
| | Annual Volume (megalitres) | Water Intensity (megalitres/ tonne of ore milled) | Water Intensity (megalitres/ oz of gold produced) | Annual Volume (megalitres) | Water Intensity (megalitres/ tonne of ore milled) | Water Intensity (megalitres/ oz of gold produced) |
| Water Withdrawal | 2,899 | 0.0019 | 0.0061 | 4,031 | 0.0028 | 0.0094 |
| Streams | 192 | 0.0001 | 0.0004 | 143 | 0.0001 | 0.0003 |
| Contact Water ¹ / Precipitation | 2,504 | 0.0016 | 0.0053 | 3,729 | 0.0026 | 0.0087 |
| Groundwater (freshwater) | 203 | 0.0001 | 0.0004 | 159 | 0.0001 | 0.0004 |
| Water Discharge | 1,992 | 0.0013 | 0.0042 | 2,710 | 0.0019 | 0.0063 |
| Water Consumption | 907 | 0.0006 | 0.0019 | 1,321 | 0.0009 | 0.0031 |
| Total Water Repurposed | 3,550 | 0.0023 | 0.0075 | 3,007 | 0.0021 | 0.0070 |
| Water Reused (without treatment) | 1,655 | 0.0011 | 0.0035 | 1,627 | 0.0011 | 0.0038 |
| Water Recycled (with treatment) | 1,895 | 0.0012 | 0.0040 | 1,380 | 0.0010 | 0.0032 |

¹ Contact water is excess water onsite that has been in contact with mineral-bearing and excavated rock or any operational facility, as well as water reclaimed from the Tailings Storage Facility (TSF). This water is collected, reused, and treated in the Main Water Treatment Plant (MWTP) before being discharged into the aquatic receiving environment.

Note: Figures are rounded.

Community Water Monitoring Program

In August 2022, the Lundin Foundation and the Private Technical University of Loja signed a collaboration agreement for a community water monitoring program at FDN. The purpose of the program is to ensure transparency, promote accountability, and engage local communities around water stewardship.



Information meetings were held in nine communities in the FDN area of influence to share the technical and social aspects of the program. During the meetings, local residents registered their interest in becoming community monitors.



The university prepared training material for the volunteer candidates during the program's start-up phase.



A training schedule was established for the months of January and February 2023 and first sampling is anticipated in April 2023.





Industrial water treatment plant in FDN

Tailings and Waste Rock Management

At FDN, tailings that are not converted to paste backfill are managed and stored in our onsite Tailings Storage Facility (TSF). Utilizing a downstream method of construction, the TSF is designed and managed for safe and stable operations, and in compliance with the Canadian Dam Association Standards. In 2022, the Independent Tailings Review Board (ITRB) assessed FDN operations and made several key recommendations, including consideration of applying the Global Industry Standard on Tailings Management (GISTM) and/or Mining Association of Canada's Towards Sustainable Mining (TSM) standard.

In 2022, the operations generated 1,479,699 tonnes of tailings, an 11% increase from 2021. The amount diverted to paste backfill was 537,241 tonnes, which represents a slight increase from 2021. The amount of waste rock generated from FDN was 531,950 tonnes, representing a 22% increase from 2021.



|   | Summary of Key Tailings and Waste Rock Management | | | | | | | | | |
|--|---|-----------|--|------|---|------|---------------------------------------|---------|-------------------------------------|-----------|
| | Waste Generated (tonnes) | | Intensity (tonnes generated/tonnes ore milled) | | Intensity (tonnes generated/ounces gold produced) | | Waste Diverted from Disposal (tonnes) | | Waste Directed to Disposal (tonnes) | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Tailings | 1,479,699 | 1,334,216 | 0.95 | 0.94 | 3.11 | 3.11 | 537,241 | 529,297 | 942,458 | 804,919 |
| Waste Rock | 531,950 | 434,787 | 0.34 | 0.31 | 1.12 | 1.01 | 0 | 0 | 531,950 | 434,787 |
| Total Mineral Waste | 2,011,649 | 1,769,003 | 1.29 | 1.25 | 4.23 | 4.12 | 537,241 | 529,297 | 1,474,408 | 1,239,706 |

Note: Figures are rounded.



FDN tailings storage facility

Non-Mineral Waste

Our objective is to minimize all forms of waste generated at FDN and to divert waste from local landfills. Some examples of waste reduction strategies we employ are the purchase of cement in bulk to reduce the number of cement bags used, sending high density polyethylene plastic to a company that processes it into a recyclable plastic “wood”, and sending scrap metal to an offsite smelter for the production of steel.



| | Non-Mineral Waste | | | | | |
|-----------------------------------|--------------------------|-------|---------------------------------------|-------|-------------------------------------|-------|
| | Waste Generated (tonnes) | | Waste Diverted from Disposal (tonnes) | | Waste Directed to Disposal (tonnes) | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Non-Hazardous Waste (non-mineral) | 4,217 | 3,842 | 3,126 | 2,342 | 1,092 | 1,500 |
| Hazardous Waste (non-mineral) | 886 | 929 | 236 | - | 650 | 929 |
| Total Non-Mineral Hazardous Waste | 5,103 | 4,771 | 3,362 | 2,342 | 1,742 | 2,429 |

Note: Figures are rounded.



Biodiversity

Ecuador is considered one of the world's most biodiverse countries, with FDN located in an ecologically sensitive area of the country. Biodiversity management at FDN is aligned with local regulations and the International Finance Corporation's (IFC) Performance Standard 6, which focuses on the impact mitigation hierarchy of avoid, minimize, and restore. After applying these stages, it was also necessary to offset some impacts by establishing compensation measures, such as creating a private protected area. The hierarchy also includes research and actions designed to protect endemic species, and partnerships with local and national stakeholders to understand and protect the local ecosystem and better manage the impacts from human activities.

Biodiversity offsetting is needed to meet Lundin Gold's stated goals of no net loss of natural habitat and net gain of critical habitat that is only after avoidance, minimization and restoration measures are applied.



During 2022, six complementary biotic rescue campaigns were carried out for the TSF dam raise and the expansion of the quarry area, as planned for in the designs. The following table shows the results of the complementary and permanent rescues:



| | Rescued Flora and Fauna 2022 | | | | | |
|--------------------|-------------------------------------|---------------------------|-------|------------------|---------------------------|-------|
| | Number of Items/Individuals Rescued | | | | | |
| | 2022 | | | 2021 | | |
| Biotic Group | Rescue Campaigns | Ongoing Biotic Monitoring | Total | Rescue Campaigns | Ongoing Biotic Monitoring | Total |
| Flora ¹ | 1,154 | 0 | 1,154 | 3,205 | 0 | 3,205 |
| Herpetofauna | 119 | 136 | 255 | 540 | 130 | 670 |
| Birds | 0 | 18 | 18 | 0 | 16 | 16 |
| Mammals | 0 | 6 | 6 | 0 | 10 | 10 |

¹ Includes seedlings and epiphytes.

In 2022, based on an integrated analysis of wildlife incidents, the presence of fauna, and previous reports of biodiversity connectivity, two dry culverts with perimeter fencing and signage were built to facilitate the movement of wildlife between forest areas. Subsequent biotic monitoring showed that mitigation measures to these structures were not needed.

From the review of the rescue and monitoring databases generated during 2022, the list of threatened species, according to the IUCN, was updated:

IUCN Red List Species and National Conservation List Species with Habitats in Areas Affected by Exploration and Operations, by Level of Extinction Risk, 2022

| Level of Extinction Risk | Fruta del Norte | Exploration |
|--------------------------|-----------------|-------------|
| Critically Endangered | 1 | 0 |
| Endangered | 11 | 12 |
| Vulnerable | 16 | 16 |
| Near Threatened | 22 | 2 |
| Least Concern | 23 | 44 |



Chironius sp.



Planting of seedlings as part of the restoration process at FDN

Progress on the 5-Year Restoration Plan

According to our 5-Year Restoration Plan 2021-2025, we achieved the following results in 2022:



Active restoration:

Soil conditioning and reforestation work on **3.75 hectares**, surpassing by **10%** the surface area goal established for the year.



Passive restoration:

Maintenance and monitoring works carried out on **0.9 hectares**, reaching **100%** of our annual target.

Strategic Environmental Partnerships

Since November 2018, Lundin Gold has maintained a collaboration agreement with Conservation International Ecuador (see our [2021 Sustainability Report](#) for more information) for the implementation of the Biodiversity Conservation Program in the FDN area. In April 2022, this agreement was renewed for a further three-year period.

We continued our collaboration with the Zoological Foundation of Ecuador for Andean bear monitoring on the Emperador concession. Following two unsuccessful attempts at tagging bears in 2022, new strategies for advancing with the study will be analyzed in 2023.



Collaboration agreement with Conservation International Ecuador

Partnering with Amazonian State University

In 2022, Lundin Gold signed a framework agreement with the Amazonian State University to organize projects, joint publications, seminars, workshops, events and other topics of mutual interest, particularly to address biodiversity protection.

Archaeology

In 2022, Lundin Gold sponsored the publication of *Machinaza Culture in the Cordillera del Condor - Between Mining and Archaeology*, which presents the results of an archaeological study undertaken over a 10-year period in the FDN project area. Due to its scientific value, this book constitutes a significant contribution to the field of archaeology. Finds included vessels, remains of plants and food, monoliths, instruments for crushing rock, and items made of gold, silver and copper. Importantly, this study demonstrates that there was human activity in the region more than 7,000 years ago.





CASE STUDY

Breeding Trials of *Magnolia Yantzazana*



During the construction phase (2017-2019) of Fruta del Norte, measures were taken to avoid or minimize potential impacts on the forest. Tree marking was one such measure and took place in all areas where activity was planned, with the objective of gathering information on the forest species. Through this exercise, seven *Magnolia yantzazana* (*M. yantzazana*) trees were identified in the area where the water management ponds were to be situated, and three trees in the area of the North Access Road (NAR).



This same species had been collected elsewhere in 2011 during biotic monitoring carried out in study plots within the mining concessions of AESA. In 2013, it was identified and categorized as a new species of the genus *Magnolia* (F. Arroyo)¹. The information available to date is derived exclusively from records in the FDN area, and it is catalogued as an "endangered" species in the list of threatened categories in the International Union for Conservation of Nature (IUCN). Since their identification, *M. yantzazana* has been studied by specialists as part of the biodiversity monitoring campaigns and by Lundin Gold biologists. Together, they have conducted several breeding trials.



Sixty-one individual trees were identified in an area of approximately four hectares, including specimens in a fertile state and with mature fruit. These were collected, from which approximately 1,200 seeds were included in a germination study using three different types of substrates with varied combinations of organic soil and sand. In the first months of 2022, the seeds germinated to yield approximately 500 plants, whose heights varied between 10 and 20 centimetres. In addition, tests were carried out with asexual reproduction techniques with layering and cuttings. Juvenile specimens found in 2022 have been rescued to analyze whether their growth is viable in the FDN nursery.

The next steps in this effort will be to monitor the growth of new plants in the nursery and conduct new trials using asexual reproduction techniques. These techniques will also be used in trials undertaken in the ecosystem, outside of the FDN nursery. If they are successful, this could enable the conservation of the species. We will continue to partner with academia to design robust conservation action plans.

Following the discovery of the *M. yantzazana* trees, Lundin Gold made modifications to the designs of the ponds and modified the NAR to bypass these areas, which are now marked as restricted and are regularly monitored as part of the protective measures in place.

¹ Source: <https://tropicos.org>.

Environmental Compliance

In 2022, Ecuadorian authorities conducted 12 inspections, during which they found no non-conformities. No internal or third-party compliance audits were conducted.

Mine Closure

Lundin Gold employs progressive rehabilitation practices throughout the life of the mine. As a result, physical impacts on the environment and local biodiversity are minimized. We revegetate areas to allow for the recovery and enrichment of the soil structure to better withstand erosion and begin rehabilitating areas as early as possible that will no longer be used for mine operations.



Hydroseeding activities



Land Management Data for FDN

| | Hectares | | | | |
|---|----------|-------|-------|-------|-------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Total amount of land licensed for FDN exploitation phase ¹ | 2,630 | 2,630 | 2,630 | 2,630 | 2,630 |
| Total amount of land newly disturbed within the reporting period | 7.1 | 6.5 | 11 | 72 | 100 |
| Total amount of land newly rehabilitated to the agreed end use within the reporting period | 0 | 0 | 0 | 0 | 0 |
| Cumulative total land disturbed and not yet rehabilitated to the agreed end use within the reporting period | 403 | 396 | 389 | 378 | 306 |
| Cumulative area revegetated for improved erosion control | 130 | 130 | 130 | 103 | 57 |

¹ Cumulative figure comprising the following licenses: FDN-La Zarza, Las Peñas Camp-FDN Road, the North Access Road, and the electric transmission line.

Cyanide Management

The International Cyanide Management Institute (ICMI) establishes best practices for managing cyanide. Lundin Gold follows this guidance in our Cyanide Management Plan for FDN. Internal and external sampling results showed safe management of cyanide during 2022. Both our cyanide supplier and transporter are certified under the ICMI. Our supplier uses safe and reusable isotanks, which reduce handling and minimize packaging, allowing for what is recognized internationally as the safest procedure for transporting cyanide.



Isotanks at the Process Plant



Pillar: Health and Safety

Progress on 2025 Key Headline Targets

In our 2021 Sustainability Report we outlined a series of headline targets related to the Health and Safety pillar. The table below outlines progress made and status at the end of 2022.

| Pillar: Health and Safety | | |
|---|---|--|
| Strategy Progress Report | | |
| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
| Annual reduction of the total recordable incident rate (TRIR) target. | <ul style="list-style-type: none">■ Implementation and development of the Field Safety Leadership Activities Program.■ Awareness campaign encouraging near-miss reporting.■ Follow-up on non-compliances with action plans. | Achieved TRIR reduction for operations: 0.46 in 2021, and 0.24 in 2022. The TRIR for operations over the last five years was: <ul style="list-style-type: none">■ 2018 = 0.43■ 2019 = 0.69■ 2020 = 0.41■ 2021 = 0.46■ 2022 = 0.24 |
| On an annual basis, refresh and maintain relevant programs for healthy lifestyles, and psychological and social well-being. | <ul style="list-style-type: none">■ Improvement of the Healthy Lifestyles program, well-being assessment programs, and planning of the programs for nutrition and chronic diseases.■ Development of annual action plans to reduce risks to workers related to poor eating habits and lifestyles, and to progressively reduce the number of cases with a high level of well-being risk. | Achieved |
| At least two training sessions or drills delivered per year in coordination with local authorities (including APELL implementation for cyanide management). | <ul style="list-style-type: none">■ Three coordination meetings with the Emergency Operations Committee.■ Two drills carried out with hazardous materials transportation contractors (for hydrochloric acid and cyanide transport companies). | Achieved |

Our Approach

Our objective is to promote a robust culture of health and safety at our operations and in local communities, and to achieve zero harm through effective prevention and response measures. We recognize that strong health and safety practices are the foundation of a successful mining operation, and this belief encompasses our operations at FDN, our exploration activities, and our engagement and relationships with local communities. Our programs include operational safety and risk management, occupational health and wellness (onsite and offsite), training programs, as well as community health initiatives and accident prevention, and emergency preparedness and response.

| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
|---|--|---|
| Operational Safety | | |
| Every year Lundin Gold will benchmark itself against industry leaders to identify opportunities for improvements. | <ul style="list-style-type: none"> ■ Evaluation by the Ministry of Labour and the Social Security Institute each year to assess good health and safety practices. | <ul style="list-style-type: none"> ■ Entry to the ranking of Companies and Leaders with the Best Reputation 2022. ■ Certification as a Great Place to Work. ■ First place on the National Award from the College of Occupational Safety and Health Professionals of Ecuador. |
| Maintain, on an annual basis, 100% of FDN and contractors' staff trained on critical risks and onsite emergency response. | <ul style="list-style-type: none"> ■ All Lundin Gold employees and contractors completed the scheduled annual training, including General Health and Safety Induction, Risk Control Surface, Emergency Response, among others. | On track |
| Increase the percentage of action plans closed from incident investigations within the deadlines by 5% year-on-year. | <ul style="list-style-type: none"> ■ Weekly meetings with Health and Safety management and management of the operating areas to follow up on the closure of action plans from incident investigations. ■ Action plans resulting from incident investigations were completed. | Achieved The percentage of closed action plans has increased by 5% compared to last year. |
| 100% follow-up and closing of high-risk observations (unsafe acts and conditions) reported through observation cards. | <ul style="list-style-type: none"> ■ Distribution of informational leaflets detailing how to perform the correct risk assessment using the observation cards (a 5x5 matrix). | On track 97% of high-risk observations closed on time in 2022. |
| Alignment of management system with ISO 45001 (Health and Safety International Certification). | <ul style="list-style-type: none"> ■ An internal review and an external audit were carried out with reference to ISO 45001. | On track We will begin alignment with ISO 45001 in 2023. |

| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
|---|--|---|
| Occupational Health | | |
| At least three health programs developed to support current disease treatments in Lundin Gold workforce by 2025. | <p>In 2022 two programs were developed and implemented:</p> <ul style="list-style-type: none"> ■ Hearing protection program for all exposed workers. ■ Respiratory protection program for all exposed workers. | All employees assigned to the homogeneous risk group (GHR) 2 and 3 participated in the Respiratory Protection Program "FIT TEST" and Hearing Protection "E-A-R Fit", which were performed on all workers entering the operation, as well as part of the annual periodic examinations. |
| A 5% year-on-year increase in Lundin Gold employees who participate in occupational health programs in order to reach 85% participation rate by 2025. | The hearing and respiratory conservation programs began in May 2022 and have seen a steady increase in coverage. In 2022, 39% of exposed personnel participated in the respiratory and hearing protection programs. The goal will be to reach 100% by the third quarter of 2023. | By March 2023, 42% of personnel had been reached, and the objective is to reach 100% by the third quarter of 2023. |
| 100% of positive COVID-19 cases managed with medical release to work. | <ul style="list-style-type: none"> ■ Approximately 30,000 COVID-19 tests were taken by Lundin Gold workers and contractors as part of biosecurity protocol. ■ 100% of positive cases recovered and returned to work. | Achieved |



| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
|---|--|-------------|
| Community Safety | | |
| By 2025, reduce number of major road safety incidents to fewer than two per year involving vehicles associated with Lundin Gold. | <ul style="list-style-type: none"> No major road safety incidents in the community involving Lundin Gold vehicles in 2022. | On track |
| Zero significant safety incidents in local communities associated with Lundin Gold activities by 2025. | <ul style="list-style-type: none"> No significant safety incidents in local communities associated with Lundin Gold activities in 2022. | On track |
| A Communication and Emergency Management Plan approved by the Ecuadorian Secretariat for Risk Management and fully implemented by 2025. | <ul style="list-style-type: none"> Lundin Gold's Community and Emergency Management Plan was submitted to and reviewed by the Yantzaza Emergency Operations Committee and the Ecuadorian Secretariat for Risk Management. No comments were received from these institutions. Implementation of APELL in 2023 will include the Emergency Response Plan as part of the General Community Emergency Plan (see page 33). | On track |

2022 Performance

Operational Health and Safety

Our health and safety management system is guided by the ISO 45001:2018 Standard for Health and Safety Management Systems. In 2022, we completed 152,737 hours of safety training for our workforce.

In 2022 the following results were obtained:

- Total hours worked 2022 (Operations + Exploration) were 5,416,996:
 - Operations = 4,989,641
 - Exploration = 427,355
- TRIR 2022 (Operations + Exploration) was 0.30:
 - Operations = 0.24
 - Exploration = 0.94
- By the end of 2022, in operations, the total hours worked since the last recordable incident (LTI + MI) on July 10th, 2022, were 2,539,367 or 174 days.
- By the end of 2022, in exploration, the total hours worked since the last recordable incident (LTI + MI) on April 5th, 2022, were 345,146 or 270 days.

These results correspond to employees and contractors.



Values by year for operations are shown below:

| | 2022 Key Health and Safety Statistics (Employees and Contractors) | | | | |
|---|---|------------|-----------|--------------|-----------|
| | Operations & Exploration | Operations | | Construction | |
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Hours Worked | 5,416,996 | 4,745,914 | 3,398,536 | 7,482,631 | 5,118,008 |
| Medical Incidents | 4 | 10 | 5 | 20 | 9 |
| Lost Time Incidents | 4 | 1 | 2 | 6 | 2 |
| Injury Rate/ 200,000 Hours (weighted average) | 0.30 | 0.46 | 0.41 | 0.69 | 0.43 |
| Hours of Training | 152,737 | 131,408 | 112,106 | 100,835 | 87,066 |
| Job Safety Analysis | 97.691 | 92,919 | 17,560 | 24,962 | 19,848 |

Occupational Health and Safety

Lundin Gold's occupational health management includes several programs that are accessible to all employees and are promoted through onsite campaigns and training, such as a well-being program, and a chronic diseases program, among others. These are detailed in our [2021 Sustainability Report](#).

"Let's Take Care To Be Well," was launched in 2020 to help our employees cope with the mental stress of the global pandemic. This year, it included topics such as the impact of domestic violence on emotional wellbeing, and continues to provide valuable emotional support to our workforce. In 2022, 332 hours of psychological support were provided.



Vaccination campaigns for COVID-19 at FDN

Further to managing the pandemic and general health of our employees and contractors, the vaccination campaigns for COVID-19 and other viral illnesses continued in 2022, as detailed in the table below.

| Milestone Date | Vaccination Milestone |
|-------------------|---|
| September 9, 2022 | 100% of FDN personnel were vaccinated with two doses of the COVID-19 vaccine. |
| October 5, 2022 | 100% of FDN personnel were vaccinated with the first booster (i.e., third dose), per the mandatory schedule in Ecuador. |

Note: At the time of writing, a campaign was underway to encourage personnel to receive the fourth dose of the vaccine, as well as the Influenza vaccine (although neither was mandatory).

Visible Leadership Program

The Visible Leadership Program (VLP) promotes training, coaching and empowerment in safety issues for our employees. At the end of July 2022, the VLP Leaders Training Campaign commenced, consisting of theoretical and practical training sessions.



Community Safety

APELL Program Update

The United Nations Environment Program's Awareness and Preparedness for Emergencies at Local Level (APELL) is a general framework for industrial incidents, including a process for cyanide management used at FDN. Lundin Gold initiated APELL locally in 2020 and expanded the program in 2021. It now includes the active participation of the Yantzaza Emergency Operations Committee and other authorities, with whom the APELL implementation committee was formed.

In 2022, we achieved the following:

- Updated the Emergency and Contingency Response Plan covering all scenarios within the mining operation.
- Implemented audits for two contractors in charge of transporting chemicals. These were carried out in coordination with FDN's environmental department and included a mock spill during transportation of hazardous materials (hydrochloric acid and cyanide). Action plans and opportunities for improvement were identified and reported.
- Developed a monthly schedule for the implementation of the APELL program.
- Met monthly to discuss emergency plans and incident command systems for communities under the APELL approach and the Incident Command System (ICS).
- Visited the Yantzaza Fire Department's facilities to identify strengths and weaknesses. Based on these learnings, we identified priority areas for investment.
- Strengthened our response capabilities for hazardous materials incidents during transport and developed a manual accordingly.



APELL coordination workshops



"Drive with Caution, Your Family is Waiting for You" Campaign

Road Safety

Lundin Gold worked with the National Police and the Los Encuentros GAD on a road safety campaign called "Drive with Caution, Your Family Is Waiting for You," which focused on preventing traffic accidents in local communities. The campaign was implemented in December 2022 and focused on reaching the general population, as well as commercial cargo carriers.

Health and Safety Awards

In 2022, FDN was awarded first place at the Occupational Health and Safety: Turning Effort into Recognition (SSOTER) 2022 Awards for Excellence in Health and Safety. This contest was organized by the Association of Occupational Health and Safety Professionals-Ecuador and endorsed by the Ecuadorian Ministry of Labour and Ecuadorian Institute of Social Security. Lundin Gold also received an award from the Peruvian Institute of Mining Safety as part of the Seventh International Contest for Good Mining Safety Practices for our system of installing medium-voltage cables in an underground mine.



Javier Goyes, FDN's Health and Safety Manager, was awarded the *Seguridad y Salud, Ocupacional - Transformando el Esfuerzo en Reconocimiento (SSOTER)* Gold Award in the Safety Professionals category for his valuable work of championing safe work practices for over a decade.



CASE STUDY Great Place to Work



During the first quarter of 2022, Lundin Gold conducted an employee survey led by global consulting firm, Great Place to Work. The objective was to evaluate our work environment and organizational culture at Lundin Gold based on our Fundamental Principle of Respect.

The survey, which consisted of 60 statements and two open-ended questions for comments, allowed us to evaluate whether employees perceive Lundin Gold to have a positive organizational environment and culture. Of 1,454 employees who participated in the survey, 89% considered

Lundin Gold to be a “great place to work.” These results led Lundin Gold to becoming the first mining company in Ecuador to receive this level of recognition.

With this feedback, we made a commitment to accelerate projects that were underway and to implement actions aimed at maintaining our strengths and identifying opportunities for improvement. These included:

- ✓ Returning to pre-pandemic regular working shifts.
- ✓ Implementing the 2022 Compensation Plan that included a general salary increase.

- ✓ Applying new workplace and salary categories for Mine and Process Plant Operators.
- ✓ Establishing a more direct communication channel between the Company and its employees by setting a fixed schedule for a few days a week at specific times and in certain locations at FDN.
- ✓ Advancing the implementation of diversity and inclusion initiatives.
- ✓ Launching a communication campaign highlighting the importance of diversity and inclusion to reinforce our Fundamental Principle of Respect.
- ✓ Maintaining our "Let's Take Care to be Well" program, which provides psychological support through a permanent helpline, individual sessions, and webinars on topics of interest.
- ✓ Reopening the recreation areas.
- ✓ Installing synthetic grass on the soccer field and building a running track.
- ✓ Relocating the helipad to minimize noise in the sleeping area.
- ✓ Reassigning blocks of rooms by areas, considering the schedule and the assigned work shift.





Pillar: Human Rights

Progress on 2025 Key Headline Targets

In our 2021 Sustainability Report we outlined a series of headline targets related to the Human Rights pillar. The table below outlines progress made and status at the end of 2022.

| Pillar: Human Rights | | |
|--|---|---|
| Strategy Progress Report | | |
| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
| Establish a mentorship program, with specific elements focused on career development, skills management, and leadership for women in 2022, and increase participation annually according to a target to be established in 2022 for the period 2022-2025. | <ul style="list-style-type: none"> ■ Participation in the International Women in Mining Mentorship Program with eight Lundin Gold employees (five mentees and three mentors). The program will be expanded in 2023 with an expected participation of 10 mentees. | On track |
| Develop five new economic opportunities/initiatives focused on the Shuar, Kichwa, or Saraguro communities. | <ul style="list-style-type: none"> ■ Ongoing promotion of ShuarNum as a tourism company and support for the diversification of the company to new business lines, and the integration of local Indigenous communities in existing programs. ■ Projects with the Shuar community were implemented this year, (please see page 37). | On track |
| Maintain an annual average of 95% of grievances closed, with sign-off by the complainant. | <ul style="list-style-type: none"> ■ Refresher sessions for internal and external stakeholders on the importance and functionality of the grievance mechanism. | Achieved 96% complaints closed (see page 38). |
| Maintain equal pay for men and women at each level (no wage gap). | <ul style="list-style-type: none"> ■ Develop annual third-party index of equal pay at AESA. | Achieved. We plan to dig deeper into specific levels within the Company over the coming year to ensure that there is no wage gap. Our 2022 acturia index of base salary for men and women is equivalent to 1. |

Our Approach

Lundin Gold's five-year objective is to uphold and respect the UN Declaration of Human Rights and UN Guiding Principles on Business and Human Rights, and reinforce our commitment as a UN Global Compact signatory. We promote the inclusion of vulnerable populations and ensure communities have a credible mechanism for redress. We leverage opportunities to strengthen the respect for human rights with government, local suppliers, and our partners.

Our vision is for FDN to be a diverse and inclusive operation where everyone feels valued and respected. We will achieve this through mentorship and career development programs, working closely with the Shuar Federation of Zamora Chinchipe, providing regular training in human rights, and maintaining a robust grievance mechanism, amongst other practices.

Organic cocoa growing project in the Shuar Community

| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
|--|--|-------------|
| Create opportunities for people with disabilities. | <ul style="list-style-type: none"> A risk assessment was conducted regarding workers with disabilities and identifying increased opportunities for them. An internal audit took place of workplace accommodations to ensure suitability for employees with disabilities. | On track |

2022 Performance

Diversity, Equity and Inclusion

Lundin Gold is committed to providing an inclusive, safe and welcoming workplace, free of harassment and discrimination, where our employees and host communities are free to express their opinions and perspectives which we deeply value. We are proud to integrate diversity, equity and inclusion (“DEI”) into our community initiatives.

In 2022, we continued with several campaigns that were launched in the previous year, focusing on Lundin Gold’s Fundamental Principle of Respect, including “Respect for Women,” “Respect for Coexistence Within the Workplace,” and “Respect for Lundin Gold’s Standards,” which emphasized the importance of conducting our business activities in accordance with our established policies and procedures. More information is available in our [2021 Sustainability Report](#).

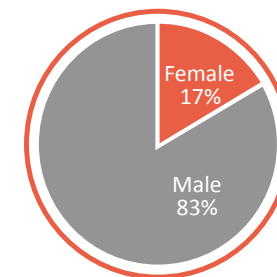
In coordination with the Lundin Foundation, five female employees participated in the International Women in Resources Mentoring Program, organized by International



Women in Mining. This program was created to help women advance their careers, overcome professional challenges, gain confidence and take on leadership roles in the sector.

For Lundin Gold, the value of gender inclusion is reflected in our workforce. As of December 31, 2022, 17% of our total direct workforce were women, which is above or similar to peer countries in the region. We recognize that the mining industry still has much to do to reach gender balance. We are committed to continuing our efforts to reach this ultimate goal.

Lundin Gold WorkForce



It is with great satisfaction that we see how several actions we undertook in the past are now bearing fruit today. There are more and more women in the mining industry in Ecuador and at Lundin Gold. We will continue to work to promote gender equity.

Ron Hochstein, President and CEO of Lundin Gold



| | Diversity at Lundin Gold in 2022 ¹ | | | |
|--|---|------------|-----------|------------|
| | Management ² | | Employees | |
| | Number | Percentage | Number | Percentage |
| Total | 31 | | 1,826 | |
| Female | 6 | 19% | 303 | 17% |
| Male | 25 | 81% | 1,523 | 83% |
| Persons with Disabilities ³ | 0 | 0 | 54 | 3% |
| Indigenous Persons ⁴ | 0 | 0 | 191 | 11% |

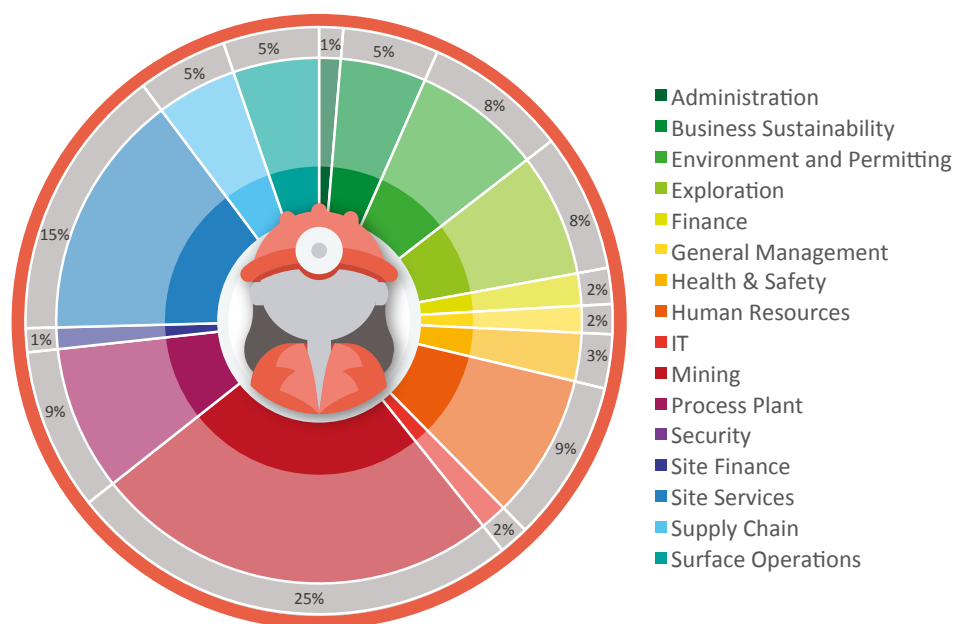
¹ For more information on diversity in Lundin Gold’s leadership, see the Company’s most recent management information circular available on its website at www.lundin.gold.com.

² Managers, Senior Managers, Directors, and the Executive Committee.

³ Does not include employees who are qualified substitutes of people with disabilities (by the Ministry of Labor) and who count for the percentage of people with disabilities according to Ecuadorian legislation. At the end of December 2022, there were 14 employees qualified as substitutes of people with disabilities.

⁴ Employees who self-identified as part of a town or Indigenous nation in the Amazon, Coastal and Andean Region.

Female Workforce Distribution at Lundin Gold



Indigenous Peoples – Zamora Chinchipe Shuar Federation and Shuar Indigenous Communities

Lundin Gold is committed to supporting the well-being and economic development of Indigenous peoples and protecting their cultural heritage through efforts to preserve knowledge and practices.

Projects with the Shuar Community

There are four Shuar communities that are within the communal territory of the Shuar Chumpias Centre, namely: Yutui, Napurak, Napints, and Chumpias. Since 2021, Lundin Gold has financed four projects within these communities as was agreed during the construction of FDN's powerline. Napurak and Yutui are working on a balsa wood cultivation project, Napints has created a community bank in which beneficiaries receive loans to finance their projects, and Chumpias is in the early stages of starting a cattle breeding project. Additionally, Lundin Gold is supporting Shuar communities in organic cocoa production, with technical assistance, agricultural supplies, tools, machinery, and grafts of cocoa and other fruits. Some 3,874 grafted plants of fine aroma cocoa have been planted on 45 farms.

Indigenous Cultural Heritage Preservation

Lundin Gold and the Lundin Foundation provide technical and financial support to the Shuar Federation of Zamora Chinchipe. Since 2019, we have been supporting the preservation of their ancestral culture and the sustainability of the ShuarNum tourism company, owned by the Shuar Federation. In 2022, the Shuar gastronomic laboratory was inaugurated as an incubator for culinary ventures in the community. Additionally, a traditional Shuar dwelling was completed and serves as a symbol of cultural wealth and ancestral wisdom, as well as a location to offer physical and spiritual healing rituals.

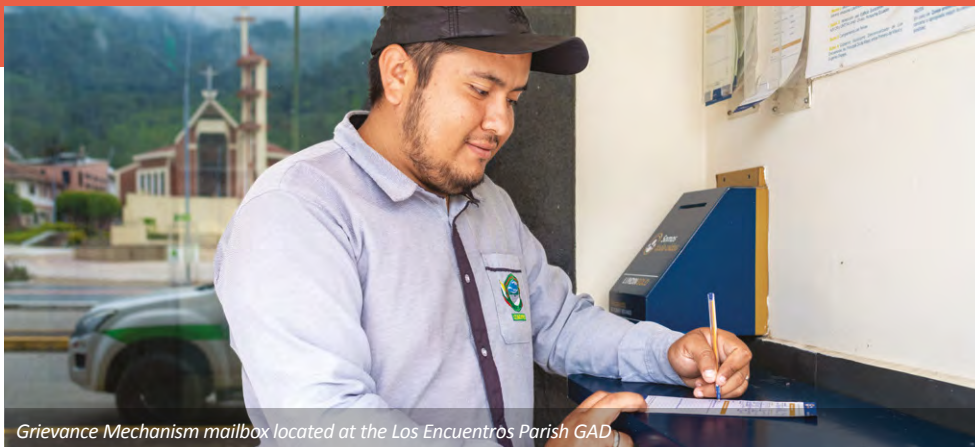


Opening of the Ayamtai gastronomic laboratory

Grievance Mechanism

Lundin Gold's grievance mechanism provides stakeholders with a clear process to express their concerns or complaints. It is a key component of our commitment to respect human rights, and to comply with the IFC's Performance Standards and industry best practices. It is available in Spanish, English and Shuar. If a grievance is received from Indigenous stakeholders who prefer to speak their language rather than Spanish, the Company ensures that a person fluent in the language is available for support and follow-up. In 2022, one grievance was registered from a person who self-identified as Indigenous or from their representatives.

Grievances can be submitted in person at one of our offices in Los Encuentros or Quito. Other channels available are email, a toll-free telephone number, or through specially marked mailboxes installed by Lundin Gold at FDN and in Los Encuentros. Grievances can be made on behalf of a person, a community, an institution, or anonymously.



Grievance Mechanism mailbox located at the Los Encuentros Parish GAD



Grievances Recorded in 2022

| Grievances Recorded | Operations and Exploration | | | | | | Construction | | | | | |
|---------------------|----------------------------|------|------|------|------|------|--------------|------|------|------|------|------|
| | 2022 | | 2021 | | 2020 | | 2019 | | 2018 | | 2017 | |
| Category | # | % | # | % | # | % | # | % | # | % | # | % |
| Level I | 29 | 60% | 32 | 41% | 72 | 99% | 103 | 97% | 125 | 100% | 70 | 93% |
| Level II | 19 | 40% | 46 | 59% | 1 | 1% | 3 | 3% | 0 | 0% | 5 | 7% |
| Level III | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 48 | 100% | 78 | 100% | 73 | 100% | 106 | 100% | 125 | 100% | 75 | 100% |

Note: The significant increase in Level II complaints for 2021 and 2022, correspond to a large number of repeated complaints, all related to the following issues: - 1. alleged long shifts poorly paid for employees, and 2. Alleged bad working environment caused by the supervisor of a contractor company of Lundin Gold.

The total number of grievances reported in 2022 was 38% lower than in 2021. Of the complaints received in the reporting period, 83% were assigned to the Procurement and Contracts Department due to their direct interaction with contractors.

2022 Grievances by Topic

| Department in Charge of Grievance Mechanism | Common Topics | Number |
|---|--|--------|
| Procurement and Contracts | Lack of payment by contractors to their employees | 33 |
| Human Resources and Administration | Alleged lack of respect from Lundin Gold employees | 11 |
| Geology | Property damage from Lundin Gold employees | 2 |
| Process Plant | Risk to children from an electricity tower | 1 |
| Non-Applicable Grievances | N/A | 1 |
| Total: | | 48 |

Security

Lundin Gold's security program is designed to protect people, assets, and operations while respecting human rights and local communities. We implement a continuous risk mitigation process based on careful and deliberate planning that incorporates international best practices to avoid conflict to the greatest extent possible.

Our onsite security team and the local public security forces are trained to utilize appropriate de-escalation strategies to avoid the use of force. Each member of FDN's security team receives an induction and annual refresher training on conflict de-escalation techniques, Ecuadorian laws governing the progressive use of force, and the Voluntary Principles on Security and Human Rights.

Our primary security activities are outsourced to a reputable international security provider that operates in accordance with the United Nations Global Compact and the International Code of Conduct for Private Security Providers. As such, the security provider is committed to good governance, respect for human rights and international humanitarian law.





Pillar: Lasting Economic Opportunities

Progress on 2025 Key Headline Targets

In our 2021 Sustainability Report we outlined a series of headline targets related to the Lasting Economic Opportunities pillar. The table below outlines progress made and status at the end of 2022.

| Pillar: Lasting Economic Opportunities | | |
|--|--|--|
| Strategy Progress Report | | |
| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
| Maintain sourcing of at least 50% of Lundin Gold's workforce and our contractors' workforce from local communities over the next five years. | <ul style="list-style-type: none"> Implementation of the NEXO program (see page 41) and ongoing participation in the roundtables, with a focus on training opportunities. | On track |
| Increase revenues of all local businesses by 75% (from 2020-2025) in the Canton of Yantzaza. | <ul style="list-style-type: none"> \$174M of sales from all local businesses in Yantzaza representing 74% growth from 2020: <ol style="list-style-type: none"> 2020: \$100M 2021: \$152M 2022: \$174M | On track |
| Define a forward-looking set of local procurement options and establish a percentage target for local purchases to be achieved by 2025. | <ul style="list-style-type: none"> The Lundin Foundation contracted an external consultant to identify new local procurement opportunities. Lundin Gold and the Lundin Foundation continue to work with local stakeholders to create new companies that can meet FDN's requirements. | Achieved Lundin Gold and the Lundin Foundation have focused on the development of three new local suppliers in 2022. A local procurement target will be set in 2023. |

Our Approach

Prosperity of the local communities is key to Lundin Gold's success. Our objective is to contribute to the creation of lasting economic opportunities for these communities, both directly and in the broader economy through a focus on direct employment and the promotion of small businesses. Through economic diversification, communities will be in a stronger position even after FDN's ultimate closure. Our programs emphasize training and skills development with a focus upon women entrepreneurs, farmers and artisanal miners. We also support local entrepreneurs in accessing capital to enable their businesses to grow.

| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
|--|--|--|
| 20% increase in revenues of agricultural and livestock initiatives by 2025 (supported by Lundin Gold and the Lundin Foundation). | <ul style="list-style-type: none"> ■ Ongoing engagement with agricultural ventures Ecolac and Takataii and a group of integrated farms to promote sustainable and profitable agricultural practices (see page 43). ■ An economic baseline for agricultural and livestock initiatives supported by Lundin Gold and the Lundin Foundation was finalized during the first semester of 2022. | On track The 2021 revenue baseline is \$745k (information for 2022 not available). By 2025, we expect to reach the revenue target. |

2022 Performance

Local Employment

Our goal is to maximize direct and indirect local employment and local procurement, with a specific focus on the communities in the area of influence of FDN. We have grown to become one of the largest employers in the region, with an important economic impact in the Zamora Chinchipe Province.


Lundin Gold has comprehensive training and certification programs for our employees. During 2022, 1,817 employees received approximately 38,000 hours of training in a variety of basic technical skills, as well as soft skills to improve communication and leadership qualities within their teams.



Local Employment by the Numbers

In 2022, 90% of our direct workforce was Ecuadorian, and 50% was from the Province of Zamora Chinchipe. 94% of our contractors' employees were Ecuadorian, and 41% of them from Zamora Chinchipe.





| | Direct Employment (AESAs) | | | | | | | | | | | |
|---------------|--|-------|-------|------|-------|-------|-------|------|-------|-------|-------|------|
| | Number / Percentage of Employees by Area of Origin | | | | | | | | | | | |
| | 2022 | | | | 2021 | | | | 2020 | | | |
| | Women | Men | Total | | Women | Men | Total | | Women | Men | Total | |
| | # | # | # | % | # | # | # | % | # | # | # | % |
| Ring 1 | 85 | 372 | 457 | 25% | 67 | 339 | 406 | 24% | 56 | 309 | 365 | 25% |
| Ring 2 | 38 | 192 | 230 | 13% | 34 | 177 | 211 | 12% | 22 | 133 | 155 | 11% |
| Ring 3 | 31 | 195 | 226 | 12% | 27 | 192 | 219 | 13% | 18 | 151 | 169 | 12% |
| Ring 4 | 146 | 585 | 731 | 40% | 132 | 547 | 679 | 40% | 118 | 482 | 600 | 41% |
| Total Ecuador | 300 | 1,344 | 1,644 | 90% | 260 | 1,255 | 1,515 | 90% | 214 | 1,075 | 1,289 | 89% |
| Foreign | 3 | 179 | 182 | 10% | 2 | 173 | 175 | 10% | 2 | 160 | 162 | 11% |
| Total | 303 | 1,523 | 1,826 | 100% | 262 | 1,428 | 1,690 | 100% | 216 | 1,235 | 1,451 | 100% |



|  | Contractor Employment ¹ | | | | | | | | | | | |
|---|--|-----|-------|------|-------|-----|-------|------|-------|-----|-------|------|
| | Number / Percentage of Contractors by Area of Origin | | | | | | | | | | | |
| | 2022 | | | | 2021 | | | | 2020 | | | |
| | Women | Men | Total | | Women | Men | Total | | Women | Men | Total | |
| | # | # | # | % | # | # | # | % | # | # | # | % |
| Ring 1 | 25 | 104 | 129 | 16% | 34 | 121 | 155 | 20% | 47 | 107 | 154 | 17% |
| Ring 2 | 23 | 99 | 122 | 15% | 25 | 81 | 106 | 14% | 29 | 71 | 100 | 11% |
| Ring 3 | 21 | 68 | 89 | 11% | 21 | 91 | 112 | 15% | 17 | 92 | 109 | 12% |
| Ring 4 | 44 | 398 | 442 | 53% | 47 | 290 | 337 | 45% | 40 | 367 | 407 | 45% |
| Total Ecuador | 113 | 669 | 782 | 94% | 127 | 583 | 710 | 94% | 133 | 636 | 770 | 84% |
| Foreign | 1 | 45 | 46 | 6% | 2 | 45 | 47 | 6% | 3 | 135 | 142 | 16% |
| Total | 114 | 714 | 828 | 100% | 129 | 628 | 757 | 100% | 140 | 772 | 912 | 100% |

¹ All data for Contractor Employment has been provided by contractors. Data relates solely to contractors who provide onsite services.



CASE STUDY Capacity Development of Local Suppliers

SMERA, a start-up supplying and maintaining fire extinguishers, was created through the NEXO program, which is run by the Lundin Foundation and promotes the development of small businesses. SMERA received technical assistance, training, and seed capital and is now a successful FDN supplier. In 2022, SMERA generated revenue of \$115,000, employed seven women and one man, and paid salaries of over \$32,000 per year. Building on this success, SMERA completed a feasibility study for the creation of a workshop for the sale, maintenance, inspection, and recharging of fire extinguishers in Zamora Chinchipe. The results were favorable, and this initiative will be implemented in 2023.



NEXO is dedicated to developing local suppliers for FDN. As such, in 2022 we supported two other companies:

1



ASERFRUN

for fumigation
and pest
control at FDN.

2



OSBRA

for supplying
uniforms and
other textiles.

ASERFRUN and SMERA have a three-year contract with FDN that began in 2022, while OSBRA delivers their products according to purchase orders. All intend to diversify their client base for the long-term sustainability of their businesses.

Local Procurement

Lundin Gold's procurement strategy, developed in collaboration with the community roundtables (please see our [2021 Sustainability Report](#) for details of the roundtables), prioritizes the engagement of local suppliers, and aims to increase the amount we spend, as well as the types of products we source from local businesses.




Local Procurement by the Numbers

In 2022, Lundin Gold's total procurement spend was approximately \$271.4 million. Approximately 79% was spent within Ecuador, and 14% within the Province of Zamora Chinchipe.



Lundin Gold's Procurement Spend by Region in 2022

|  | Operations | | | Construction | | |
|---|--------------------|-------|-------|--------------|-------|-------|
| | \$ Million | | | | | |
| | Spending by Region | 2022 | 2021 | 2020 | 2019 | 2018 |
| Ring 1 | 22.9 | 18.2 | 10.7 | 17.4 | 18.7 | 7.4 |
| Ring 2 | 12.1 | 10.0 | 9.3 | 9.7 | 7.4 | 4.3 |
| Ring 3 | 2.0 | 3.5 | 3.3 | 1.3 | 1.6 | 0.7 |
| Ring 4 | 176.7 | 159.7 | 102.2 | 218.9 | 153.4 | 57.6 |
| Total Ecuador | 213.9 | 191.3 | 125.5 | 247.3 | 180.3 | 70.3 |
| Total International | 57.5 | 47.8 | 64.9 | 146.0 | 124.7 | 31.9 |
| TOTAL | 271.4 | 239.1 | 190.4 | 393.3 | 305.0 | 102.2 |



CASE STUDY Implementing the Mining Local Procurement Reporting Mechanism (LPRM) – Lundin Gold’s Journey

Guest Contributor: Jeff Geipel, Founder and Managing Director of Mining Shared Value



One of the largest categories of in-country payments made by a mining company is the procurement of local goods and services. The Mining Local Procurement Reporting Mechanism (LPRM), developed by the NGO [Mining Shared Value](#), is a collection of disclosures that aims to standardize how the global mining industry and host countries measure and discuss local procurement.

In 2019, Lundin Gold was the first mining company in Latin America to report in accordance with the LPRM. Today, it is one of 12 global mining companies that have implemented the LPRM at the site level. Taken together, these companies reported on a combined 34 mine sites across 19 countries in 2022.

Lundin Gold has one of the most sophisticated categorizations of local suppliers in the industry, with four rings of businesses identified within Ecuador. This allows the company to determine precisely where economic benefits are flowing as a result of procurement and helps to better identify opportunities to move procurement spending closer to the area of mining activity.

The LPRM disclosures have helped Lundin Gold communicate their local procurement process and think strategically about strengthening it. For example, the company established local entrepreneurship training and support programs, and through the Lundin Foundation has provided access to financing to help local businesses qualify as suppliers. Lundin Gold’s supply chain contracts also highlight the expectation that goods and services (as well as staff) will be sourced locally.

Through the LPRM, Lundin Gold tracks and monitors performance and, over the past years, it has become clear that the most obvious local supply opportunities (i.e., the “low hanging fruit”) have already been identified. Together with the Lundin Foundation, Lundin Gold has commenced work to identify new and more complex goods and services and to work with specialized partners to realize these opportunities. As part of its commitment to transparency and building trust, Lundin Gold will continue to communicate with communities and other stakeholders on its local procurement efforts.

Agricultural Development

Key initiatives to support the agricultural sector in the Zamora Chinchipe Province are captured below. For a more complete description, please see our [2021 Sustainability Report](#).



Ecolac Project

We continue to provide technical assistance to improve the productivity and economic yield of milk and meat producers. In 2022, 960,000 litres of milk from 98 producers, and 239 cattle from 44 ranchers were sold above the average national price.

Takataii

Takataii was created in 2018 in coordination with the Lundin Foundation and Catering Las Peñas (CLP, a locally owned catering company serving the FDN mine and broader markets in Ecuador), to support local farmers with training and technical assistance and integrate them into the CLP supply chain. In 2022, the Lundin Foundation continued supporting these farmers with technical assistance, production improvements and identifying markets for surplus production.



Local Economic Development

Lundin Gold is building capacity and resilience in the region. Our economic contribution to the Zamora Chinchipe Province seeks to promote diversification and facilitate access to financial and commercial opportunities.

Lundin Gold supports entrepreneurship programs and the creation of small businesses not related to the mining sector so as to promote the diversification of the region's economy. Additionally, we have created programs specifically designed for women entrepreneurs.

Women's Entrepreneurship Program

In line with Lundin Gold's 5-Year Sustainability Strategy, we promote the economic empowerment of women in Los Encuentros and Zamora Chinchipe. In 2022, together with the Lundin Foundation, we launched the second edition of two programs to strengthen women entrepreneurs: the [Academy of Women Entrepreneurs \(AWE\)](#) and the "I am an Entrepreneur" initiative.

The AWE program trained 30 women in administration, finance, digital marketing, sales and services, coaching, leadership and gender equity; 27 of the participants graduated from the program. At the end of the first training process, this group entered the "I am an Entrepreneur" program, where they complemented their knowledge with additional training to improve the business plans developed through the AWE program. Ten projects were selected to compete for seed capital from the Lundin Foundation, of which three projects will be selected as the winners in 2023.



Artisanal and Small-Scale Mining

Most artisanal and small-scale mining (ASM) activity on Lundin Gold's concessions happens along riverbeds, river terraces and alluvial deposits, near the Río Blanco, El Zarza and Machinaza Rivers. Lundin Gold seeks co-existence with local artisanal miners. This is achieved by formalizing artisanal operations and providing training.

We audit formalized operations to ensure health and safety, and environmental compliance. Over the course of 2022, Lundin Gold carried out 38 site inspections and two formal environmental audits.

In 2022, Lundin Gold did not sign any new contracts with local artisanal miners, due to a ruling from the Ministry of Energy and Mines which states that before



CASE STUDY Economic Impact of FDN in Ecuador

In 2022, we updated the FDN economic impact study to compare 2021 to 2019, our baseline year that represents the pre-commercial production period.

Economic Impact of FDN During Operations (2021)



signing contracts, it is mandatory for the mining operator to qualify as an artisanal miner, which would not be economically feasible for them.



| | ASM Activities within Lundin Gold Concession Areas | | | | | |
|---|--|------|------|------|------|------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Formalized artisanal contracts with Lundin Gold | 9 | 15 | 16 | 17 | 19 | 21 |
| Voluntary departure of informal miners after government inspections | 66 | 17 | 43 | 18 | 38 | 25 |
| Legal complaints filed by Lundin Gold against informal miners | 39 | 21 | 13 | 21 | 19 | 17 |
| Number of impoundments, disablements, or destruction of ASM equipment or camps by authorities | 20 | 1 | 0 | 1 | 2 | 10 |
| Number of peaceful removals of informal miners by authorities | 48 | 17 | 4 | 2 | 6 | 25 |
| Grievances lodged with Lundin Gold related to ASMs | 0 | 0 | 0 | 0 | 0 | 1 |

Illegal mining escalated considerably through the year across the country, presenting the government with significant challenges. During 2022, Lundin Gold performed flyovers of all our concessions and identified 125 points of illegal mining activities. As a Company, we undertook proactive measures to address the issue including ground inspections, drone flights, and meetings with government authorities, the prosecutor's office, the police and the army. These activities did not impact our exploration activities nor FDN's operations.



1 Exports

In 2021, FDN accounted for approximately 63% of Ecuador's exported gold production and 35% of mining exports. Yantzaza increased its exports by a factor of 24 between 2019 and 2021, making it the sixth largest exporting canton in Ecuador.

2 Gross Domestic Product (GDP)

At the local level, Zamora Chinchipe's GDP per capita ranks 11th out of 24 provinces (compared to a ranking of 23rd in 2019). We estimate that Yantzaza's GDP increased by a factor of six in 2021 compared to 2019. FDN's total contribution to the GDP of Yantzaza and Zamora Chinchipe was 85% and 37% respectively.

3



Revenue and contributions

FDN generated approximately \$140 million in direct and indirect benefits in 2021 that were collected by the Ecuadorian government. The largest contributions came from income tax, mining royalties, social security, VAT on purchases of goods/services, profit sharing (the portion attributable to the state), and the Yantzaza municipal tax on assets.



4



Economic impacts in 2021

FDN made direct purchases of approximately \$191 million in Ecuador and \$29 million in Yantzaza. Considering the multiplier effect¹, the total economic impact² of this procurement reached \$544 million at the national level and \$76 million in Yantzaza (representing 50% of Yantzaza's total sales in 2021).



5



Employment

FDN directly and indirectly employed 2,600 people nationwide and 914 in Yantzaza during 2021. Yantzaza was one of the top three cantons based on highest remuneration in Ecuador in 2021.



¹ Multiplier effects reflect demand and supply pressures on intermediate consumption. This means that as the demand for raw materials increases, it will stimulate the supply sectors to increase their production.

² Multiplier effect from FDN purchases (goods and services) that boosts demand in other industries and economic activities.



Pillar: Responsible Resource Governance

Progress on 2025 Key Headline Targets

In our 2021 Sustainability Report we outlined a series of headline targets related to the Responsible Resource Governance pillar. The table below outlines progress made and status at the end of 2022.

| Pillar: Responsible Resource Governance | | |
|---|---|-----------------|
| Strategy Progress Report | | |
| 2025 Key Headline Targets | 2022 Actions | 2022 Status |
| By 2023, four local governments and the Shuar Federation of Zamora Chinchipe receive capacity-building training to obtain non-Lundin Gold financing for projects. | <ul style="list-style-type: none"> Local government officials travelled to Canada for training. Planning initiated with potential partner organizations to implement training in 2023. | On track |
| At least \$1M of national and international financial support leveraged by local institutions and partners by 2025. | <ul style="list-style-type: none"> ShuarNum granted \$100,000 in national funding from institutions/partners. Collaboration with Newcrest Mining, Ministry of Education, and Amazon Secretariat to co-finance projects in 2023. | Behind schedule |
| At least one comprehensive standard adopted and implemented by the Chamber of Mines of Ecuador (CME). | <ul style="list-style-type: none"> Creation of a standards sub-committee of the CME board. Engagement with the International Council on Mining and Metals (ICMM), the Mining Association of Canada's Towards Sustainable Mining, and Engineers Without Borders to understand the relevance of their respective standards. | On track |

Our Approach

Our objective is to strengthen the capabilities of the public sector to effectively oversee and regulate resource development projects and manage their associated benefits in a responsible manner, while broadly promoting the open and accountable management of mineral resources among stakeholders in Ecuador. We do this by working closely with a wide range of stakeholders to strengthen resource governance at both the national and local level, which is key to ensuring that the benefits of mining bring broad-based positive change.

2022 Performance

Extractive Industries Transparency Initiative

Lundin Gold's engagement with the Extractive Industries Transparency Initiative (EITI) continued in 2022. The Company was re-elected to lead the private sector within the multi-stakeholder group (MSG). We met with the external consultants advising EITI Ecuador on various topics such as contract transparency. As well, Lundin Gold, alongside other members of the MSG, requested an extension from EITI's International Secretariat Board in Oslo to prepare and present the EITI Progress Report for Ecuador.

Extractive Sector Transparency Measures Act

The Extractive Sector Transparency Measures Act (ESTMA) is a law enacted by the Government of Canada to increase transparency and deter corruption in the extractives sector. Lundin Gold publishes our payments to government entities on an annual basis. The details of our payments to federal, provincial, municipal and local governments, and Indigenous organizations, are shown in the table below.



| Government Entity | ESTMA Payment Reporting ¹ (\$ thousands) | | | | |
|--|---|--------|--------|--------|--------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Parish Government of Los Encuentros | 1,210 | 920 | 470 | 600 | 1,110 |
| Municipal Government of Yantzaza | 3,230 | 5,580 | 2,890 | 3,600 | 2,060 |
| Provincial Government of Zamora Chinchipe | 220 | 520 | 2,400 | - | - |
| Federal Government of Ecuador | 88,660 | 26,940 | 25,300 | 17,410 | 31,210 |
| Indigenous Organizations ² | - | 110 | - | 90 | - |
| Total Payment by FDN and Other Mining Activities | 93,320 | 34,070 | 31,060 | 21,700 | 34,380 |

¹ All government payments are in compliance with ESTMA guidance (available at <https://natural-resources.canada.ca/home>), calculated differently to "GRI 201-1 Payments to Governments."

² No payments registered since ESTMA report includes amounts over CAD\$100,000.

Building Capacity with Local Authorities

Building the knowledge of local officials around the different sources of funding that are available from the national government as well as from other domestic and international entities is key to decreasing dependence on Lundin Gold.

In 2022, five members of the Los Encuentros GAD travelled to British Columbia to learn more about the Canadian mining industry and how mining in remote areas of the province contributes to local economic development. The tour included a visit to a mine to learn how the operation has built strong relationships with the Tahltan First Nation. The GAD had the opportunity to engage with the Tahltan Nation Development Corporation (TNDC) to understand the path the TNDC has taken over the past 40 years.

Chamber of Mines of Ecuador

Nathan Monash, Lundin Gold's Vice President of Business Sustainability, has been serving as the President of the Board of Directors of the Chamber of Mines of Ecuador (CME) since mid-2021. In this role, Mr. Monash has been instrumental in providing the Chamber with a consistent voice throughout political changes in the country, as well as increasing the Chamber's membership base. Please see our [2021 Sustainability Report](#) for more details about our involvement and support of the CME.

Under Mr. Monash's leadership, the CME organized Ecuador-focused conferences at the Prospectors & Developers Association of Canada (PDAC) Convention, the International Mining and Resources Conference (IMARC) in Australia, the Latin American Mining Meeting in Washington, D.C., and participated in the ICMM Leadership Forum in London.

Ensuring that the Ecuadorian public has a strong understanding of large-scale responsible mining is a key objective of the CME.

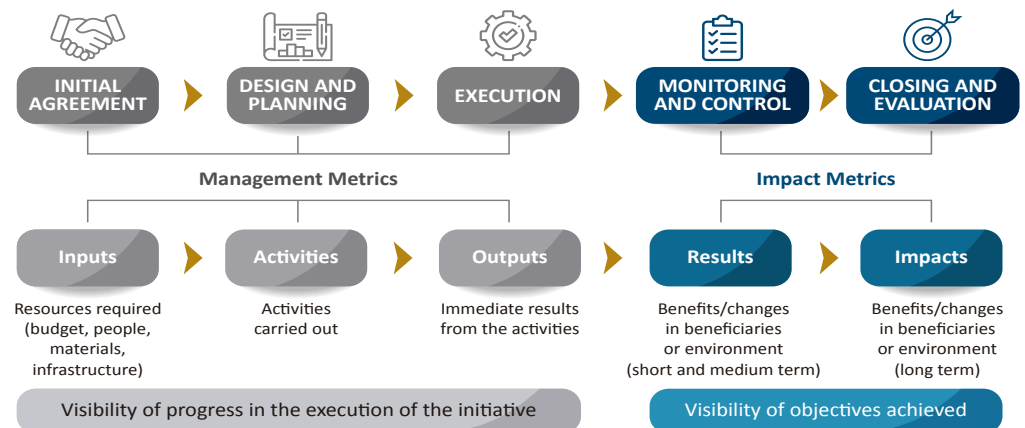




Enabler: Accountability and Management Systems

Impact Measurement Framework

Lundin Gold's Impact Measurement Framework measures, evaluates, and subsequently refines the strategic design of our community investment programs. It seeks to ensure that these investments provide benefits for local communities and stay on schedule. Additionally, the data gathered through the framework allows for more accurate communication of our progress and results.



Our Approach

Management systems and performance measures help us to achieve the targets for each pillar identified in the 5-Year Sustainability Strategy. These include risk management systems that ensure up-to-date analysis and mitigation plans.

2022 Key Activities

CASE STUDY
Applying the Impact Measurement Framework
to the Training for Operations Program

In 2021, we began applying the framework to a program for community members interested in working in the mine or process plant in the period leading up to the start of operations, known as Training for Operations (TFO). The first year of results are shown in the table below. In 2023, this data will be used to identify the impacts that TFO had on target groups for livelihood improvement.



| 2022 Training for Operations Results Zamora Chinchipe | |
|---|-------------|
| Number of trainees who started and completed the program (2019-2020) | 307 |
| Number of graduates who secured gainful employment with Lundin Gold after the program | 230 |
| Employed graduates (female) | 32 |
| Employed graduates (male) | 183 |
| Employed graduates (Shuar - female) | 7 |
| Employed graduates (Shuar - male) | 8 |
| Employment attrition number ¹ | 17 |
| Number of graduate employees still employed at the end of 2022 | 213 |
| Total wages paid to employed graduates during 2022 | \$3,419,460 |

¹ The number of workers who left Lundin Gold during the period of analysis (January 1 to December 31, 2022).

Social Baseline Update for the Los Encuentros Parish and the Communities of Playón and Río Blanco

When Lundin Gold arrived in Ecuador in 2015, we implemented a census-level social baseline assessment. In 2021, using the same third party, we completed an updated assessment for Ring 1 (Los Encuentros parish, El Playón and Río Blanco) using census-type household surveys, interviews and participatory observation to understand the major socio-economic changes that have occurred within the community over this six-year period.

Both studies included a comprehensive inventory of local community infrastructure and access to services, such as health centres and schools. We received the results in 2022, which are summarized in the table on [page 50](#). The findings of the updated social baseline will guide us as we evaluate the progress of our 5-Year Sustainability Strategy and consider modifications in 2023.



| Findings from the 2021 Social Baseline Assessment | |
|---|---|
| Category | Key Findings |
| Demographics | The local population increased from 3,511 people (806 households) to 3,556 people (916 households) over a period of six years. This increase in population represents a 3.6% annual growth rate. There was no exponential increase in the local population or immigration to Los Encuentros due to the presence of Lundin Gold. Fertility and birth rates in Los Encuentros showed a decline, leading to fewer children being registered under the age of 10. |
| Economics | The local economically active population (EAP ¹) rate increased from 39% in 2015 to 57% in 2021, indicating that more local people are willing and available to perform an economic activity. Also, a 91% employment rate was registered in 2021. Most of that number are employed in agricultural activities, followed by mining and the commercial sector. This is a result of the economic dynamism of Los Encuentros generated by large-scale mining and its local suppliers. |
| Education | The local illiteracy rate dropped from 5% in 2015 to 4% in 2021. This result is partly due to the substantial increase in the average years of schooling (observed among the local population aged 15 or older) that increased from 8.2 years in 2015 to 10.4 years in 2021. Educational opportunities have also increased over time, as evidenced by the fact that the percentage of the local population with higher education (technical institutes and university) has more than doubled in six years, from 4% to 9%. |
| Housing and basic services | Poverty measured by unmet basic needs was significantly reduced from 89% in 2010 to 34% in 2021 due to the improvement in the quality of life of the local population. The assessment showed a reduction in overcrowding ² from 21% in 2015 to 9% in 2021. This is attributed to an increase in the number of housing units and/or improvements in access to basic housing services. Also, the availability of internet service to households has greatly increased, from 16% in 2015 to 99.7% in 2021 due almost entirely to the connectivity project implemented in 2021. Currently, 21 local communities have free internet service at local hotspots. |

¹ All people aged 15 or over, within the population, who contribute to economic activity (currently employed) or are available to contribute to economic activity (unemployed).

² Overcrowding is defined as more than three people to one bedroom, or no available room designated as a bedroom.

Assessing Skills Needed by Local Businesses

The 2021 social baseline assessment included a qualitative survey across 33 private companies located in the cantons of Pangui and Yantzaza to identify the skills and specific certifications needed to operate their businesses, as well as training that would facilitate local employment. These training and certification needs have been addressed by Los Encuentros GAD, Lundin Gold and the Lundin Foundation in

the community roundtables, where 69 people have been identified for training in a) obtaining their professional driver's license; b) hairdressing; c) domestic electrical installation; and d) specialized welding. This is part of our overall objective of empowering local businesses and reducing their dependency on FDN.

Economic Impact Assessment

In 2022, we also conducted a comprehensive economic impact assessment to understand specific socio-economic impacts of community investment initiatives undertaken by the Lundin Foundation and Lundin Gold. Some 318 people from small and medium-sized enterprises (SMEs) participated in the study. We saw a positive trend in the revenue generated by the SMEs from 2018 to 2021, with a notable decrease in 2020 due primarily to COVID-19. We also observed a higher survival rate of SMEs that received support from Lundin Gold and the Lundin Foundation, especially those related to rural and agricultural activities. Please see the [Lasting Economic Opportunities](#) section for more details on the economic impacts of our community investment initiatives.



Enabler: External Communication, Sustainability and Financial Reporting

2022 Key Activities

Fruta del Norte Website

In 2022, Lundin Gold launched a Spanish-language website for Fruta del Norte (www.frutadelnorte.com), targeted to an Ecuadorian audience. The website provides information about FDN's operations, social and economic impacts, environmental programs, careers and jobs, and our commitment to responsible mining.

Welcoming External Stakeholders to FDN

Inviting external stakeholders, particularly government, media, academia and other mining companies to Fruta del Norte is a critical part of our commitment to transparency. With the severity of the pandemic easing in 2022, and travel restrictions relaxing, FDN was able to welcome visitors once again. Visitors received tours of our underground operations and processing facilities, had the opportunity to speak with members of our site teams, and to engage with local communities. All these activities serve to educate our site visitors about the gold mining industry and Lundin Gold's commitment to sustainability.

Our Approach

Our objective is to communicate Lundin Gold's sustainability strategy, goals, progress, and performance to all our stakeholders. Through transparent, timely, and material reporting, we aim to achieve broad awareness, internally and externally, of its key components.

We have accomplished this through:

- Seven years of annual sustainability reporting
- Our first annual Taskforce for Climate Financial Disclosure report, published in 2022
- Community newsletters and other external communications in English and Spanish
- Financial disclosures, annual information forms, proxy circulars, and other regulatory filings

In total, we welcomed 12 national and international stakeholder groups through nine site visits:

- Canadian and Swedish Embassies
- The Chamber of Mines of Ecuador and the Ecuadorian-Canadian Chamber of Commerce
- The Lundin Foundation
- Azuay Geologists School (a representative)
- Representatives of national media outlets
- Students and teachers of the geology, economics and civil engineering faculties from the National Polytechnic School, Private Technical University of Loja and University of Cuenca





Enabler: Participatory Dialogue



2022 Key Activities

Update on Community Roundtables

The community roundtables continue to be led by Los Encuentros GAD and supported by Insuco, acting as a third-party advisor. In 2022, the five community roundtables convened seven times throughout the year and involved 516 participants representing 104 public and private, national and local institutions, all of which have demonstrated a commitment to responsible development.

Each session provided local stakeholders with the opportunity to present ideas that address the region's development priorities. During 2022, the roundtables reviewed information related to over 300 project ideas, approving 40 for implementation. This form of participatory planning involves local stakeholders and promotes greater ownership of project implementation, thereby helping to gradually decrease dependency upon Lundin Gold.

Since inception, the structure of the roundtables has adapted to the evolving priorities of the region. As a result, two roundtables were refocused in 2022 to address the current challenges of local entrepreneurship, and training and certification. Please see the table below for the key focus areas of 2022.

Our Approach

Our objective is to continue building open and trusted relationships through transparent community engagement and communication. Lundin Gold achieves this through a variety of participatory processes, including community roundtables (see the next graphic), perception surveys, community assemblies and other modes of engagement. This ensures that stakeholders are well-informed and that their opinions are considered in our plans and decisions. Community engagement and communication are critical aspects of our Community Relations Plan, Environmental Management Plan, and 5-Year Sustainability Strategy.

The community roundtables, initiated in 2016, are one of the most important contributors to the development of our social and environmental plans and strategies. For more details about these and past activities of the community roundtables, please refer to our [2020](#) and [2021 Sustainability Reports](#).

| Roundtable | Main Areas of Focus in 2022 |
|---|--|
| Agricultural Diversification | <ul style="list-style-type: none"> Food quality requirements, and transport of products to warehouses. Encouraging efficient resource management as well as financial and environmental sustainability to promote the competitiveness of agricultural businesses. |
| Training and Certification | <ul style="list-style-type: none"> Strengthening local capacities to generate opportunities and reduce dependency on the mine. |
| Environmental Protection | <ul style="list-style-type: none"> Identifying possible projects that contribute to environmental conservation and adaptation to climate change. Implementing multiple strategies to improve attendance at this roundtable, such as involving young people and creating practical training sessions. |
| Local Entrepreneurship | <ul style="list-style-type: none"> Improving the competitiveness and quality of goods and services of local businesses. |
| Community Infrastructure and Connectivity | <ul style="list-style-type: none"> Infrastructure requirements for the local school. Ongoing maintenance of internet infrastructure. Road maintenance and installation of traffic lights and road signage. |



Notable Engagements During 2022

- On March 5, 2022, Los Encuentros GAD hosted a large community assembly to report upon the results of the first year of roundtables led by the local authorities. Also in attendance were the Governor of Zamora Chinchipe, representatives of the Yantzaza municipality, and the CEO of Lundin Gold, Ron Hochstein.
- Lundin Gold met with members of the nearby El Pindal community to address concerns that a landslide on the North Access Road could impact the creek running through the community. At this meeting, the community also expressed a desire to better understand FDN's tailings storage facility management strategy. As a result, a visit to FDN was arranged in early 2023.

Community Perception Survey

In 2022, Lundin Gold carried out its annual community perception survey in the Yantzaza canton and Los Encuentros parish. These surveys are a proactive means of uncovering issues of importance in the community and help to promote open dialogue.

We conducted in-person household interviews with 307 men and women, aged 16 years and above. The perception survey considered social, environmental and economic issues within Rings 1 and 2 of FDN's area of influence. Perceptions about the mining

industry in general, and Lundin Gold in particular, were also captured. These community insights (see table below) will provide valuable information to further strengthen our 5-Year Sustainability Strategy.

| | Type of Issue | Top Five Areas of Concern (unrelated to mining activities) |
|--|---------------|--|
| | Social | Key issues identified were insecurity, drug addiction/alcoholism, road infrastructure, and corruption. |
| | Environmental | Water contamination continued to be the main concern with air pollution a close second. Soil contamination and loss of flora and fauna were newly identified issues, with forest clearing being a continuing concern for both communities. |
| | Economic | There was concern about unemployment, especially in Yantzaza. In addition, there was concern about low salaries, poverty, and inflation (the latter especially in Los Encuentros). |

Perceptions about Lundin Gold

Lundin Gold's contribution to the community through various social initiatives received strong support. The survey provided evidence that we have successfully built a strong relationship with local communities by responding to their primary concerns. We were recognized as the organization that has generated the greatest benefits for the local population and were deemed to be most important for the economy of Zamora Chinchipe Province.

Perceptions about the Mining Industry

The perception survey also highlighted a growing positive perception of large-scale mining, especially in terms of benefits, economic opportunities, and the industry's ability to mitigate environmental damage and community conflicts. To continue building the industry's credibility with communities, we will remain proactive and transparent with information about FDN and leverage our involvement with the Chamber of Mines of Ecuador to share this information; please see the [Corporate Governance](#) section for more information.



Community Infrastructure and Connectivity Roundtable, August 2022

Enabler: Strategic Partnerships

National Industry Associations



1. **Alliance for Entrepreneurship and Innovation (AEI):** Development of a long-term vision for a mining ecosystem in Ecuador.



2. **Ecuador-Canadian Chamber of Commerce:** Participation in the Energy and Natural Resources Committee and Compliance Committee.



3. **Chamber of Industry and Production:** Participation in several events and roundtables.



4. **Ecuadorian Consortium for Social Responsibility:** Participation as members in events, meetings, webinars, and others.



5. **Chamber of Mines of Ecuador:** Strengthening the mining industry in Ecuador. Lundin Gold's Vice President of Business Sustainability is President of the Board.



6. **Extractive Industries Transparency Initiative:** Participation in the industry group and representing the private sector in the multi-stakeholder group to increase transparency in the extractives industry.



7. **Global Compact Ecuador:** Participating in the national network



8. **Women in Mining Ecuador:** Supporting and developing women within the mining industry.

Our Approach

Our objective is to leverage the expertise of strategic partners in carrying out sustainability initiatives, achieve far-reaching impacts, and minimize the dependence of local communities upon Lundin Gold. We form strategic partnerships with local and national government, and international organizations. Through such partnerships, we seek to build capacity at the local level.

Our strategic partners include the Lundin Foundation; national industry organizations such as the Chamber of Mines of Ecuador; local, regional, and national government agencies; universities; NGOs; CSOs; local community groups; local religious institutions; businesses and industry organizations; and Indigenous groups.

Universities, NGOs and CSOs

1. **Conservation International Ecuador:** Protecting local biodiversity through various initiatives. (see page 26).
2. **Coastal Polytechnic School (Escuela Superior Politécnica del Litoral):** Participation in events and as part of the consultative committee of the Earth Sciences School.
3. **Junior Achievement Ecuador:** Preparing high school students to succeed in their studies and access higher education.
4. **National University of Loja (Universidad Nacional de Loja):** Constructing an archaeological museum in Los Encuentros.
5. **Technical Private University of Loja (Universidad Técnica Particular de Loja):** Developing the community water monitoring program for FDN, and cooperation agreements to explore collaboration opportunities in 2022.
6. **Zoological Foundation of Ecuador:** Andean bear monitoring (see page 26).

Government (see [Community Infrastructure](#) and [Community Well-being](#) sections for more details)

1. **Local Government:** Initiatives related to infrastructure, education, and agricultural projects in the Zamora Chinchipe Province, including the Estamos Conectados Program.
2. **National Government:** Projects and activities ranging from pandemic relief and the Neighbourhood Doctor program, to the ICU at the Yantzaza General Hospital.

The Lundin Foundation

1. **I am an Entrepreneur (Soy Emprendedora) Program:** Enabling female entrepreneurship through training, support, seed capital, and connections to markets.
2. **Shuar Cultural and Interpretation Centre:** Promoting Shuar culture through partnerships with the Shuar Federation of Zamora Chinchipe.
3. **Takataii Program:** Developing the local supply chain for Catering Las Peñas, a locally owned catering company serving the FDN mine and broader markets in Ecuador.
4. **Local Supplier Development Program:** Helping develop local small businesses to become suppliers to FDN.



Highlights of Projects with the Lundin Foundation in 2022

The Lundin Foundation has been instrumental in providing support to the local communities surrounding FDN. In 2022, the Lundin Foundation supported several programs including the following:

- Supported local supplier development, through our NEXO program, enabling them to achieve financial sustainability by the end of 2021.
- Supported local small farmers by providing specialized technical assistance to improve the quality of production.
- Trained the community relations team in impact management.

2022 Progress

The list below highlights key achievements in 2022.

Partnerships for Community Infrastructure

- **Cantonal and Parish GADs:** We joined with local authorities in their development projects. See [page 15](#) for more details.

Partnerships for Environmental Stewardship

- **Conservation International:** Lundin Gold and Conservation International signed an agreement for the second phase of the biodiversity conservation program.

Partnerships for Community Well-being

- **Local Health authorities:** Lundin Gold worked with local authorities to improve community health in Los Encuentros. We financed transportation for the Neighbourhood Doctor medical program where doctors attend to the vulnerable population in rural areas. We also delivered ventilators to the Julius Doepfner General Hospital in Zamora.
- **Mexican NGO, Educación para Compartir:** Visited Los Encuentros to see FDN's community development work, and the Lundin Gold team undertook a site visit to Mexico to explore a possible partnership. See [page 18](#).

Partnerships for Human Rights

- **Corporation for Social and Business Strengthening (Corporación para el Fortalecimiento Social y Empresarial – CORFOSE):** Together, we developed an alliance to improve the quality of life for Shuar women.
- **Lundin Gold and the Lundin Foundation:** Promoted economic empowerment of women in the province through support of their businesses. See [highlight box on page 56](#).

Partnerships for Lasting Economic Opportunities

- **Ministry of Education:** A cooperation agreement was signed for the comprehensive maintenance of the local school in Los Encuentros. This project is expected to commence in January 2023 and run for nine months.
- **Junior Achievement Ecuador:** The students of the local schools in Los Encuentros and Chicaña participated in this project, which seeks to increase access to Ecuadorian universities. See the [Lasting Economic Opportunities](#) section for more information.

Partnerships for Responsible Resource Governance:

- **Chamber of Mines of Ecuador:** Lundin Gold worked to define strategies and strengthen relationships in order to position the mining industry in Ecuador.
- **US Embassy and the Quito Chamber of Commerce:** Prepared for the launch of the second phase of the Alliance for Women Entrepreneurs program in Zamora Chinchipe.
- **Global Compact:** Promoted greater understanding of Lundin Gold's activities.
- **EITI:** All discussions involved the three sectors of EITI (i.e., government, private sector, and civil society). In 2022, we met to discuss contract transparency and to ensure the financial viability of the initiative.



Junior Achievement Program

Corporate Governance

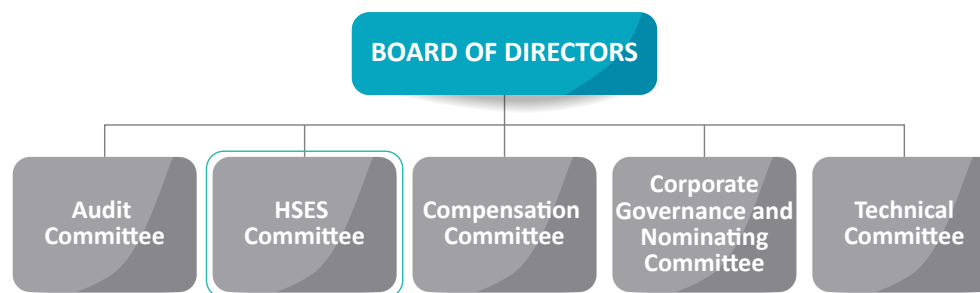
2022 Updates

- Upon the completion of their terms, Lukas Lundin and Paul McRae retired from the Board at the Company's 2022 Annual Meeting of Shareholders
- Jack Lundin was elected to the Board in 2022 and appointed Chairman
- We maintained 33% female membership on the Board
- 2022 "Say-on-Pay" vote had over 99% approval for second year in a row
- Amendment and Renewal of Equity Compensation Plan which aligns with best practice compensation governance standards

Governance Structure

Board of Directors

The Board of Directors has oversight responsibility for sustainable development, which is delegated to the Health, Safety, Environment and Sustainability Committee (HSES).



The mandate of the HSES Committee is to assist the Board in fulfilling its oversight responsibilities to ensure that appropriate policies, systems and personnel are in place to support Lundin Gold's commitment to responsible mining through safe, environmentally sound and sustainable business practices.

Our Approach

The foundation of our commitment to responsible mining and long-term performance is strong corporate governance. Lundin Gold's experienced and diverse Board of Directors provides oversight of risk mitigation, fosters a culture of transparency and accountability, and sets the expectation of ethical behavior. Our Board establishes standards for business conduct that govern the whole organization, including the Board itself. By doing so, the Board is executing its responsibility for overall stewardship of the business and is guided by the Company's Core Policies.

Lundin Gold fully complies with or exceeds Canadian governance requirements. By continually monitoring developments and trends, we can respond quickly to changes in regulations and best practices. In connection with the audit of the annual financial statements, we engage a third party to test our compliance with our internal controls and procedures. These are designed to deter unethical conduct and, if any discrepancies are identified, we swiftly implement measures to improve our performance.

About the Board of Directors

As of December 31, 2022, Lundin Gold's Board of Directors was comprised of nine members, the majority of whom are independent, as defined by the Canadian Securities Administrators. The Board's composition, independence, gender, tenure, memberships on other boards, competencies, shareholder representation, and attendance performance are provided in further detail in the Management Information Circular dated March 27, 2023, available at www.lundinalgold.com.

| Lundin Gold's Board of Directors as of December 31, 2022 | | | | | | |
|--|--------------------|--------------------|---------------------------|--|---|------------------------|
| Director Name (member since YYYY) | Independence | Audit Committee | Compensation Committee | Corporate Governance and Nominating Committee | Health, Safety, Environment and Sustainability Committee | Technical Committee |
| Carmel Daniele (2015) | Independent | - | X | - | - | - |
| Gillian Davidson (2021) | Independent | - | | X | X | - |
| Ian Gibbs (2005) | Independent | X | X | X | | - |
| Chantal Gosselin (2017) | Independent | X | | | X | X |
| C. Ashley Heppenstall (2015) | Independent | X | X | X | - | - |
| Ron Hochstein (2004) | Not independent | - | - | - | - | - |
| Craig Jones (2018) | Not independent | - | - | - | X | X |
| Jack Lundin (2022) | Not independent | - | - | - | - | X |
| Bob Thiele (2020) | Not independent | - | - | - | - | - |

Compensation Governance

In 2022, the Board further progressed the inclusion of climate action into Lundin Gold's executive compensation program. While TCFD alignment factored into the compensation of two of the Company's senior officers again in 2022, this past year progress on climate-related actions impacted the compensation of the whole executive team. Details regarding management's performance against climate measures are presented in the Management Information Circular dated March 27, 2023, available at www.lundinalgold.com. Information regarding our compensation governance practices is also found in our Management Information Circular.



| | 2022 Board Diversity | |
|---|----------------------|-----|
| | # | % |
| Total Number of Directors | 9 | 100 |
| # Independent | 5 | 56 |
| # Dependent | 4 | 44 |
| # Female | 3 | 33 |
| # Male | 6 | 67 |
| # Under 50 Years Old | 1 | 11 |
| # 50 to 60 Years Old | 6 | 78 |
| # 61 Years Old and Over | 1 | 11 |
| # Black, Indigenous, or People of Colour | 0 | 0 |



Board of Directors visit to the Shuar Federation's Cultural Interpretation Centre

Leadership and Culture

Corporate Culture

Our Code of Business Conduct and Ethics governs our behavior and the basic tenets of conduct that are intrinsic to the way we operate. The Code addresses respect for all our employees; honest and ethical conduct; avoiding conflicts of interest; disclosure in a full, fair, accurate, timely and understandable manner; compliance with all applicable government laws, rules, and regulations; and fostering a safe, secure and healthy workplace for all employees. During the leadership interviews for this report, one participant noted, *“This corporate culture is Lukas Lundin's legacy. The leadership team aims to continue it.”*

Additional policies following this Code provide further governance support, including:

- Anti-Bribery
- Board and Executive Diversity
- Corporate Disclosure
- Responsible Mining
- Sanctions and Anti-Money Laundering Compliance
- Workplace and Discrimination, Harassment and Violence

A Leader in Ecuador's Mining Sector

As the first major underground mining operation in Ecuador, we are committed to setting a precedent for responsible mining in areas of health and safety, and corporate citizenship via community development and stakeholder engagement. For a list of Health and Safety awards we received in 2022 that reflect the significant progress we have made, please refer to the [Health and Safety section](#).





Caution Regarding Forward-Looking Statements

Certain information and statements in this Sustainability Report are considered “forward-looking information” or “forward-looking statements” as those terms are defined under Canadian securities laws (collectively referred to as “forward-looking statements”). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions

or future events or performance (often, but not always, identified by words or phrases such as “believes”, “anticipates”, “expects”, “is expected”, “scheduled”, “estimates”, “pending”, “intends”, “plans”, “forecasts”, “targets”, or “hopes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “will”, “should”, “might”, “will be taken”, or “occur” and similar expressions) are not statements of historical fact and may be forward-looking statements. By their nature, forward-looking statements and information involve assumptions, inherent risks, and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements, and information. Lundin Gold believes that the expectations reflected in this forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. This information speaks only as of the date of this Sustainability Report, and the Company will not necessarily update this information, unless required to do so by securities laws.

This Sustainability Report contains forward-looking information in a number of places, such as in statements relating to our sustainability strategy; our short-term and long-term sustainability goals, including the timing and anticipated achievement of our goals and targets; the benefits to be derived from our plans and actions, including initiatives to protect the health and safety of our employees, to reduce water usage and waste generated by our operations, to protect the biodiversity of our local ecosystem and to improve local employment and procurement; the economic and social benefits to be derived from our operations and our community programs; and our goals related to climate change action and estimates of gold production and the future performance of our operations. There can be no assurance that such statements will prove to be accurate, as Lundin Gold's actual results and

future events could differ materially from those anticipated in this forward-looking information as a result of the factors discussed in the “Risk Factors” section in Lundin Gold's Annual Information Form dated March 31, 2023, which is available at www.lundinalgold.com or on SEDAR.

Lundin Gold's actual results could differ materially from those anticipated. Factors that could cause actual results to differ materially from any forward-looking statement or that could have a material impact on the Company or the trading price of its shares include: risks related to political and economic instability in Ecuador; risks associated with the Company's community relationships; risks related to estimates of production, cash flows and costs; risks inherent to mining operations; shortages of critical supplies; the cost of non-compliance and compliance costs; control of the Company's largest shareholders; volatility in the price of gold; failure of the Company to maintain its obligations under its debt facilities; risks related to Lundin Gold's compliance with environmental laws and liability for environmental contamination; the lack of availability of infrastructure; the Company's reliance on one mine; security risks to the Company, its assets and its personnel; risks related to illegal mining; exploration and development risks; the impacts of a pandemic virus outbreak; risks related to the Company's ability to obtain, maintain or renew regulatory approvals, permits and licenses; uncertainty with and changes to the tax regime in Ecuador; the reliance of the Company on its information systems and the risk of cyber-attacks on those systems; the imprecision of Mineral Reserve and Resource estimates; deficient or vulnerable title to concessions, easements and surface rights; inherent safety hazards and risk to the health and safety of the Company's employees and contractors; risks related to the Company's workforce and its labour relations; key talent recruitment and retention of key personnel; volatility in the market price of the Company's shares; measures to protect endangered species and critical habitats; social media and reputation; the adequacy of the Company's insurance; risks relating to the declaration of dividends; uncertainty as to reclamation and decommissioning; the ability of Lundin Gold to ensure compliance with anti-bribery and anti-corruption laws; the uncertainty regarding risks posed by climate change; limits of disclosure and internal controls; the potential for litigation; and risks due to conflicts of interest.

LUNDINGOLD

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