Lundin Gold Receives Exploration Permit for High Priority Barbasco Target

VANCOUVER, BC, Sept. 14, 2020 /CNW/ - **Lundin Gold Inc.** ("Lundin Gold" or the "Company") (TSX: LUG) (Nasdaq Stockholm: LUG) is pleased to announce that it has received the exploration permit for the Emperador concession, which includes the highly prospective, drill ready Barbasco target ("Barbasco" or the "Target"). With the receipt of the permit, the Company is now planning a 6,000 metre drill program at Barbasco for mid to late fourth quarter of this year. Prior to the start of drilling, community socialization and implementation of COVID-19 protocols is required. View PDF

Barbasco is located approximately seven kilometres ("km") south of the Company's Fruta del Norte gold mine ("Fruta del Norte") in Ecuador, within the 16 km long geological structure known as the Suarez Pull-Apart Basin ("Basin") (see Figure 1). The Target is 3.8 km in length and has a similar structural location and orientation within the Basin to Fruta del Norte. Similar to the surface expression of Fruta del Norte, it is defined by soil and rock samples anomalous in the epithermal pathfinder elements arsenic and antimony, illite and marcasite alteration and a ZTEM (resistivity) geophysical survey. Small scale epithermal gold-silver stockwork veins in the Target area have assayed up to 10.4 grams per tonne gold. Barbasco's surface consists of Basin conglomerates and late Fruta del Norte andesite. The drill program will test for mineralization buried below these surface indications in a geological setting very similar to that of Fruta del Norte.

"Our exploration strategy is focused on our highly prospective land package and receipt of this permit means we can finally drill known targets starting with Barbasco," said Ron Hochstein, Lundin Gold's President and CEO. "Our strategy is to systematically explore the Basin as we believe that the geological conditions that led to the formation of Fruta del Norte could also exist elsewhere within this structure."

The Emperador concession is 100% owned by Lundin Gold.

Qualified Person

The disclosure of exploration information contained in this News Release has been reviewed and approved by Stephen Leary, MAusIMM CP(Geo), a consultant to the Company, who is a Qualified Person in accordance with the requirements of National Instrument 43-101.

About Lundin Gold

Lundin Gold, headquartered in Vancouver, Canada, owns the Fruta del Norte gold mine in southeast Ecuador. Fruta del Norte is among the largest and highest-grade gold projects in the world currently in production.

The Company's board and management team have extensive expertise in mine operations and are dedicated to advancing Fruta del Norte responsibly. The Company operates with transparency and in accordance with international best practices. Lundin Gold is committed to delivering value to its shareholders, while simultaneously providing economic and social benefits to impacted communities, fostering a healthy and safe workplace and minimizing the environmental impact. The Company believes that the value created through the development of Fruta del Norte will benefit its shareholders, the Government and the citizens of Ecuador.

Additional Information

The information in this release is subject to the disclosure requirements ofLundin Gold under the EU Market Abuse Regulation. This information was publicly communicated on September 14, 2020 at 5:30 p.m. Pacific Time through the contact persons set out below.

Caution Regarding Forward-Looking Information and Statements

Certain of the information and statements in this press release 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 press release, and the Company will not necessarily update this information, unless required to do so by securities laws.

This press release contains forward-looking information in a number of places, such as in statements relating to the exploration potential of Barbasco and the Company's other exploration properties and the timing and scope of planned exploration activities. 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 24, 2020 and its short form prospectus dated June 8, 2020, which are available at www.lundingold.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 relating to the impacts of a pandemic virus outbreak; risks associated with the Company's community relationships; risks related to financing requirements; failure by the Company to maintain its obligations under its credit facilities; operating risks; risks associated with the ramp up of mining operations; risks related to political and economic instability in Ecuador; risks related to production estimates; risks related toLundin Gold's compliance with environmental laws and liability for environmental contamination; volatility in the price of gold; shortages of critical supplies; lack of availability of infrastructure; deficient or vulnerable title to mining concessions; easements and surface rights; risks related to the Company's workforce and its labour relations; inherent safety hazards and risk to the health and safety of the Company's employees and contractors; risks related to the Company's ability to obtain, maintain or renew regulatory approvals, permits and licenses; the imprecision of mineral reserve and resource estimates; key talent recruitment and retention of key personnel; volatility in the market price of the Company's shares; the potential influence of the Company's largest shareholders; uncertainty with the tax regime in Ecuador; measures to protect endangered species and critical habitats; the cost of non-compliance and compliance costs; exploration and development risks; the Company's reliance on one project; risks related to illegal mining; the reliance of the Company on its information systems and the risk of cyber-attacks on those systems; the adequacy of the Company's insurance; 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; the potential for litigation; limits of disclosure and internal controls; security risks to the Company; its assets and its personnel; conflicts of interest; the risk that the Company will not declare dividends; and social media and the Company's reputation.

Figure 1. Suarez Pull Apart Basin map

SOURCE Lundin Gold Inc.

For further information: Lundin Gold Inc., Ron F. Hochstein, President and CEO, +593 2-299-6400, +1-604-806-3589; Lundin Gold Inc., Sabina Srubiski, Manager, Investor Relations, +1-604-806-3089, info@lundingold.com, www.lundingold.com, Follow Lundin Gold on Twitter

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Additional assets available online: Photos (1) Documents (1)

https://lundingold.mediaroom.com/2020-09-14-Lundin-Gold-Receives-Exploration-Permit-for-High-Priority-Barbasco-Target