

***This management information circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult a professional advisor. If you have any questions or require more information with respect to the procedures for voting, please contact Computershare Investor Services Inc. by phone at: at 1-800-564-6253 (within North America) or 1-514-982-7555 (international) or by e-mail at [service@computershare.com](mailto:service@computershare.com).***



**ARRANGEMENT INVOLVING**

**FILO CORP.**

**and**

**BHP INVESTMENTS CANADA INC., a wholly-owned subsidiary of**

**BHP GROUP LIMITED**

**and**

**LUNDIN MINING CORPORATION**

**NOTICE AND MANAGEMENT INFORMATION CIRCULAR FOR  
THE SPECIAL MEETING OF SHAREHOLDERS  
OF FILO CORP.**

**TO BE HELD 10:00 A.M. (VANCOUVER TIME) ON SEPTEMBER 26, 2024**

**ONLINE AT:**

**[meetnow.global/MGK95K9](https://meetnow.global/MGK95K9)**

**The Board of Directors, after receiving the unanimous recommendation of the Company Special Committee of Independent Directors, unanimously recommends that Shareholders vote FOR the Arrangement Resolution**

**TAKE ACTION AND VOTE TODAY**

**August 26, 2024**



## Letter to Shareholders

August 26, 2024

Dear Shareholders:

The board of directors (the "**Board**") of Filo Corp. (the "**Company**" or "**Filo**") invites you to attend the special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares of the Company (the "**Filo Shares**") to be held in a virtual-only format via live audio webcast on September 26, 2024 at 10:00 a.m. (Vancouver time) (the "**Meeting Date**") at [meetnow.global/MGK95K9](https://meetnow.global/MGK95K9).

At the Meeting, Shareholders will be asked to consider, pursuant to the interim order of the Ontario Superior Court of Justice (Commercial List) dated August 26, 2024 (the "**Interim Order**"), and, if thought fit, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") approving an arrangement (the "**Arrangement**") involving, among others, the Company, BHP Investments Canada Inc. ("**BHP**"), a wholly-owned subsidiary of BHP Group Limited, and Lundin Mining Corporation ("**Lundin Mining**", and together with BHP, the "**Purchaser Parties**") pursuant to a court-approved plan of arrangement (the "**Plan of Arrangement**") under section 192 of the *Canada Business Corporations Act* whereby the Purchaser Parties will, among other things, acquire all of the issued and outstanding Filo Shares not already owned by the Purchaser Parties and their respective affiliates, all in accordance with the terms of the arrangement agreement dated July 29, 2024 among the Company, Lundin Mining and BHP (as amended, supplemented or otherwise modified from time to time, the "**Arrangement Agreement**").

Under the terms of the Arrangement Agreement, which was negotiated at arm's length, each Shareholder (other than those Shareholders validly exercising their dissent rights, the Purchaser Parties or any affiliate of the Purchaser Parties) will receive as consideration for such Shareholder's Filo Shares, at such Shareholder's election, on the closing of the Arrangement:

- (a) C\$33.00 in cash for each Filo Share held (the "**Cash Consideration**"); or
- (b) 2.3578 common shares in the capital of Lundin Mining (each whole common share, a "**Lundin Mining Share**") for each Filo Share held (the "**Share Consideration**"), plus for each whole Lundin Mining Share issued to such Shareholder, C\$0.0001 in cash will also be paid to such Shareholder (the "**Share Consideration Cash**"); or
- (c) a combination of the Cash Consideration and the Share Consideration and Share Consideration Cash in exchange for the aggregate number of Filo Shares in respect of which such election is made.

The Cash Consideration and Share Consideration (together, the "**Consideration**") are subject, in each case, to pro-ration based on maximum cash consideration of approximately C\$2,767 million (the "**Maximum Cash Consideration**") and a maximum of approximately 92.1 million Lundin Mining Shares to be issued pursuant to the Plan of Arrangement, subject to adjustment in accordance with the Plan of Arrangement, including to reflect that no Former Company Shareholder (as defined in the accompanying management information circular (the "**Circular**")) shall be permitted to receive Lundin Mining Shares insofar as such Former Company Shareholder, either alone or together with its affiliates and other persons acting jointly or in concert with such Former Company Shareholder, would, after the receipt of Lundin Mining Shares beneficially own or control greater than 19.99% of the outstanding Lundin Mining Shares, immediately following completion of the Arrangement. Former Company Shareholders who fail to make a valid election, or choose not to make an election, will be deemed to have elected the Cash Consideration in respect of each Filo Share held, subject to pro-ration and adjustment in accordance with the Arrangement Agreement. The Share Consideration Cash is not included in the determination of the Maximum Cash Consideration.

Shareholders who hold Filo Shares directly or indirectly through Euroclear Sweden ("**Euroclear Holders**") will receive any Cash Consideration and Share Consideration Cash, as applicable, in Swedish krona (SEK). The conversion from C\$ to SEK will be made at the public market rate at the time of the settlement.

Pursuant to the Arrangement Agreement, the Company has agreed to accelerate the time at which the outstanding unvested stock options of Filo (the “**Filo Options**”) may first be exercised to ensure that all Filo Options may be exercised immediately prior to the Effective Time (as defined in the Circular). Holders of Filo Options (“**Optionholders**”) who intend to exercise vested Filo Options in advance of the Effective Date (as defined in the Circular) are encouraged to do so as soon as possible and, in any event, at least ten Business Days (as defined in the Circular) prior to the Effective Date. Optionholders who validly exercise their vested Filo Options for Filo Shares but do not make a valid election prior to the Election Deadline will be deemed to have elected the Cash Consideration in respect of each such Filo Share held, subject to pro-ration and adjustment in accordance with the Arrangement Agreement.

Optionholders who hold In-the-Money Filo Options (as defined in the Circular), who do not exercise such Filo Options in advance of the Effective Date, whether such Filo Options are vested or unvested, will, pursuant to the Plan of Arrangement, be deemed to have surrendered and disposed of such Filo Options to the Company, and the Optionholder will receive a payment from the Company, in the form of Filo Shares, having an aggregate value equal to the amount by which the Cash Consideration exceeds the applicable exercise price, less applicable withholdings, with the number of Filo Shares received being equal to the In-the-Money Amount (as defined in the Circular) divided by C\$33.00, and will participate in the Arrangement as a holder of such Filo Shares on the same terms as other Shareholders, including with respect to the election to receive the Cash Consideration or the Share Consideration (together with the applicable Share Consideration Cash) subject to pro-ration and adjustment in accordance with the Arrangement Agreement. Each Out-of-the-Money Filo Option (as defined in the Circular) outstanding immediately prior to the Effective Time shall be deemed to be cancelled without any compensation.

The Consideration represents a premium of 32.2% and 25.8% to the unaffected 30-day volume weighted average price and the unaffected closing price, respectively, of the Filo Shares on the Toronto Stock Exchange for the period ending July 11, 2024, being the day before press speculation of a transaction.

Full details of the Arrangement are set out in the Circular. The Circular describes the Arrangement and includes certain additional information to assist you in considering how to vote on the Arrangement Resolution, including certain risk factors relating to the completion of the Arrangement. You should carefully review and consider all of the information in the Circular. If you require assistance, consult your financial, legal, tax or other professional advisor.

The Arrangement is subject to customary closing conditions for a transaction of this nature, including, among other things, approval by the Shareholders, court approval, regulatory approvals and relevant stock exchange approvals. The Arrangement is also subject to the prior filing and publication of the Swedish Documentation (as defined in the Circular) in accordance with the EU Prospectus Regulation (as defined in the Circular) (including if applicable the approval and registration of the SFSA (as defined in this Circular) of such documentation). The Arrangement will not proceed if such approvals are not obtained. The Arrangement is also subject to the consummation of the transactions contemplated by the Contribution Agreement (as defined in the Circular).

In order to become effective, the Arrangement Resolution must be approved by at least (i) 66⅔% of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting, excluding for the purposes of (ii) the votes cast in respect of Filo Shares held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

A special committee comprised of only independent directors of Filo (the “**Company Special Committee**”) unanimously recommended the Arrangement to the Board.

The Board, based on its considerations and investigations, including its review of the terms and conditions of the Arrangement Agreement, the fairness opinions of each of BMO Nesbitt Burns Inc. and National Bank Financial Inc. (which opinions are to the effect that, as of July 29, 2024, based upon and subject to the assumptions, limitations and qualifications therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates)) and other relevant matters, and taking into account the best interests of the Company, and after consultation with management and the Company’s financial and legal advisors and having received and reviewed the unanimous recommendation

from the Company Special Committee and its own deliberations has (subject to a director declaring an interest and abstaining from voting on the matter) unanimously determined that the Arrangement is fair to the Shareholders and that the Arrangement, and the entering into of the Arrangement Agreement, are in the best interests of the Company. **Accordingly, the Board unanimously approved the Arrangement and the Arrangement Agreement and unanimously recommends that the Shareholders vote FOR the Arrangement Resolution.** Each director and senior officer of the Company intends to vote all of such director's and senior officer's Filo Shares (including Filo Shares issued upon exercise of Filo Options) **FOR** the Arrangement Resolution. For further information on the reasons for the recommendations of the Company Special Committee and the Board, see "*The Arrangement – Reasons for the Arrangement*" and "*The Arrangement – Fairness Opinions*" in the Circular.

**The directors and senior officers of the Company, in addition to Nemesia S.à.r.l, a shareholder of the Company, who own in the aggregate approximately 34% of the Filo Shares as of the Record Date (as defined below), have entered into Voting and Support Agreements (as defined in the Circular) with the Purchaser Parties, pursuant to which they have agreed to, among other things, vote all Filo Shares of which they are the registered or beneficial holder or over which they have control or direction (including Filo Shares issued upon exercise of Filo Options) in favour of the Arrangement Resolution, and not dispose of their Filo Shares.**

If the Shareholders approve the Arrangement, it is currently anticipated that the Arrangement will be completed in the first quarter of 2025, subject to the satisfaction or waiver of the closing conditions contained in the Arrangement Agreement.

#### **YOUR VOTE IS IMPORTANT REGARDLESS OF THE NUMBER OF FILO SHARES YOU OWN.**

The close of business (Vancouver time) on August 20, 2024 is the record date ("**Record Date**") for the determination of Shareholders that will be entitled to receive notice of and vote at the Meeting, and any adjournment or postponement of the Meeting.

Beneficial (non-registered) Shareholders (as defined in the Circular) who have not duly appointed themselves as proxyholder may be able to attend the Meeting as guests but will not be able to submit questions or vote at the Meeting.

Shareholders are requested to read the enclosed Circular and are requested to date and sign the enclosed proxy form promptly, as applicable, and return it in the self-addressed envelope enclosed for that purpose or by any of the other methods indicated in the proxy form or voting instruction form ("**VIF**"), as applicable. Registered Shareholders ("**Registered Shareholders**") may also vote in advance of the Meeting by mail, by phone or on the internet. Pursuant to the Interim Order, proxies to be used at the Meeting must be received by Computershare Investor Services Inc. (in its capacity as the Company's transfer agent) by no later than 10:00 a.m. (Vancouver time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays). To vote online at [www.investorvote.com](http://www.investorvote.com), you will need to enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Registered Shareholder on the voting website. Alternatively, a proxy can be submitted to Computershare Investor Services Inc. either by mail or courier, to 100 University Ave, 8th Floor Toronto, Ontario M5J 2Y1 or by telephone as instructed in the form of proxy. If a Registered Shareholder receives more than one proxy form because such Shareholder owns securities of the Company registered in different names or addresses, each proxy form needs to be completed and returned or voted online or by phone.

A proxy must be received by Computershare Investor Services Inc. by no later than 10:00 a.m. (Vancouver time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays). The time limit for deposit of proxies may, with the prior written consent of the Purchaser Parties, be waived or extended by the Chair (as defined in the Circular) at his or her discretion, without notice.

If your Filo Shares are not registered in your name but are held through a broker, investment dealer, bank, trust company, custodian, nominee or other Intermediary (as defined in the Circular), please complete and return the request for form of proxy or VIF in accordance with the instructions provided to you by your broker or such other

Intermediary. In such instance, the Shareholder will receive the Cash Consideration and/or Share Consideration (together with the applicable Share Consideration Cash) through the Intermediary.

Shareholders whose Filo Shares are directly registered with Euroclear Sweden will receive voting instructions by mail from Computershare Sweden. In order for such holder's vote to be counted, the duly completed voting form must be received by Computershare Sweden by no later than 11:00 a.m. (Swedish time) on September 19, 2024.

We will hold our Meeting in a virtual-only format, which will be conducted via live audio webcast at [meetnow.global/MGK95K9](https://meetnow.global/MGK95K9). Shareholders will have an equal opportunity to attend, participate and vote at the Meeting virtually regardless of their geographic location or the particular constraints or circumstances that they may face. We strongly urge you to vote by proxy in advance of the Meeting and to listen to the Meeting online. Registered Shareholders or proxyholders representing Registered Shareholders participating in the Meeting virtually will be considered to be present at the Meeting for the purposes of determining quorum.

A Shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or VIF, as applicable, to represent him, her or it at the Meeting may do so by inserting such person's name in the blank space provided in the form of proxy or VIF, as applicable, and following the instructions for submitting such form of proxy or VIF, as applicable. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy (or proxies) or VIF. **If you wish that a person other than the management nominees identified on the form of proxy or VIF attend and participate at the Meeting as your proxy and vote your Filo Shares, including if you are not a Registered Shareholder and wish to appoint yourself as proxyholder to attend, participate and vote at the Meeting, you MUST (1) submit your form of proxy (or proxies) or VIF, as applicable, AND (2) thereafter, register such proxyholder, all in accordance with the instructions set out in the Circular.** If submitting a proxy, or appointing a person other than the management nominees identified, you must return your proxy in accordance with the instructions set out in the Circular and also go to <http://www.computershare.com/filcorp> and provide Computershare Investor Services Inc. with the name and email address of the person you are appointing by 10:00 a.m. (Vancouver Time) on September 24, 2024. Computershare Investor Services Inc. will use this information only to provide the appointee with an invite code to gain entry to the virtual meeting platform.

Registered Shareholders of record and proxyholders representing Registered Shareholders participating in the Meeting will be able to access the Meeting through a live audio webcast.

If you are a Registered Shareholder (other than Dissenting Shareholders (as defined in the Circular), or an Optionholder who holds In-the-Money Filo Options and does not intend to exercise such Filo Options in advance of the Effective Date, in order to make your election to receive the Cash Consideration or the Share Consideration (together with the applicable Share Consideration Cash) subject to pro-ration and adjustment in accordance with the Arrangement Agreement, you must complete and send a letter of transmittal and election form (the "**Letter of Transmittal**") that will be mailed to you prior to completion of the Arrangement, including the certificates or direct registration system advices ("**DRS Advices**") representing your Filo Shares, if applicable, and all other required documents to Computershare Investor Services Inc. (in its capacity as depositary, the "**Depositary**"). A Letter of Transmittal will be mailed by the Depositary following the Meeting Date to each Registered Shareholder and Optionholder. Filo will issue a news release announcing the mailing of the Letter of Transmittal and confirming the relevant procedures and deadlines in connection therewith. The Letter of Transmittal will also be posted on Filo's website and under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Only Registered Shareholders will be required to submit a Letter of Transmittal. Beneficial Shareholders holding Filo Shares through an Intermediary should contact that Intermediary for instructions and assistance in depositing their Filo Shares and carefully follow any instructions provided by such Intermediary.

Once the Letter of Transmittal has been mailed by the Depositary to the Registered Shareholders and Optionholders, such Registered Shareholders and Optionholders who hold In-the-Money Filo Options and do not intend to exercise such Filo Options in advance of the Effective Date must complete, sign and return their Letter of Transmittal, including the certificates or DRS Advices representing their Filo Shares, if applicable, and all other required documents, to the Depositary by 5:00 p.m. (Toronto time) at the place of deposit (the "**Election Deadline**") on the date indicated as the election deadline in the Letter of Transmittal, which date will be (a) agreed by the parties, each acting reasonably; (b) announced by the Company by means of a news release at least three Business Days before such date; and (c) not

more than five Business Days before the Effective Date or if you are a Euroclear Holder, by the end of the Euroclear Election Period (as defined in the Circular). See “*Shareholders Through Euroclear Sweden*” for information regarding voting, and “*The Arrangement — Exchange of Filo Securities – Elections and Procedure*” in the accompanying Circular for more information relating to Euroclear Holders.

**To make a valid election as to the Consideration that you wish to receive under the Arrangement (subject to pro-ration and adjustment in accordance with the Arrangement Agreement), once you have received your Letter of Transmittal, you must complete, sign and return such Letter of Transmittal and return it, the accompanying Filo Share certificate(s) or DRS Advice(s), if applicable, and all other required documents to the Depositary prior to the Election Deadline.** If you are a Euroclear Holder, see “*Shareholders Through Euroclear Sweden*” and “*The Arrangement – Exchange of Filo Securities – Elections and Procedure*” in the accompanying Circular for procedures applicable to you.

Please refer to the enclosed Circular for additional information. The determination of the Depositary as to whether elections have been properly made or revoked and when elections and revocations were received by it will be binding. **FORMER COMPANY SHAREHOLDERS WHO DO NOT MAKE A SPECIFIC ELECTION PRIOR TO THE ELECTION DEADLINE, OR FOR WHOM THE DEPOSITARY DETERMINES THAT THEIR ELECTION WAS NOT PROPERLY MADE WITH RESPECT TO ANY FILO SHARES, WILL BE DEEMED TO HAVE ELECTED TO RECEIVE THE CASH CONSIDERATION IN RESPECT OF EACH FILO SHARE, SUBJECT TO PRO-RATION AND ADJUSTMENT IN ACCORDANCE WITH THE ARRANGEMENT AGREEMENT.**

Shareholders whose Filo Shares are registered in the name of a broker, investment dealer or other Intermediary should contact that broker, investment dealer or other Intermediary for instructions and assistance in delivery of the share certificate(s) or DRS Advice(s), representing those Filo Shares and making an election with respect to the form of Consideration they wish to receive. Once it is mailed, Registered Shareholders and Optionholders who hold In-the-Money Filo Options and do not intend to exercise such Filo Options in advance of the Effective Date are encouraged to complete, sign, date and return the Letter of Transmittal in accordance with the instructions set out therein and in the Circular, together with their share certificate(s) or DRS Advice(s) representing their Filo Shares, if applicable, to the Depositary, and all other required documents, at the address specified in the Letter of Transmittal.

**If you have any questions or need additional information, you should consult your financial, legal, tax or other professional advisor.**

On behalf of the Company, I thank all Shareholders for their continued support and we look forward to receiving your endorsement for this transaction at the Meeting.

Sincerely,

/s/ “*James A. Beck*”

James A. Beck  
President, Chief Executive Officer and Director



## NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that, pursuant to an order of the Ontario Superior Court of Justice (Commercial List) dated August 26, 2024 (the “**Interim Order**”), a special meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares (“**Filo Shares**”) of Filo Corp. (the “**Company**” or “**Filo**”) will be held in a virtual-only format via live audio webcast at [meetnow.global/MGK95K9](https://meetnow.global/MGK95K9) on September 26, 2024 at 10:00 a.m. (Vancouver time) (the “**Meeting Date**”), subject to any adjournment or postponement thereof, for the following purposes:

1. to consider, pursuant to the Interim Order, and, if thought fit, to pass, with or without variation, a special resolution (the “**Arrangement Resolution**”), the full text of which is set forth in Appendix A to the accompanying management information circular of Filo dated August 26, 2024 (the “**Circular**”), approving an arrangement (the “**Arrangement**”) involving, among others, the Company, BHP Investments Canada Inc. (“**BHP**”), a wholly-owned subsidiary of BHP Group Limited and Lundin Mining Corporation (“**Lundin Mining**”, and together with BHP, the “**Purchaser Parties**”) pursuant to a court-approved plan of arrangement (the “**Plan of Arrangement**”) under section 192 of the *Canada Business Corporations Act* (“**CBCA**”) whereby the Purchaser Parties will, among other things, acquire all of the issued and outstanding Filo Shares not already owned by the Purchaser Parties and their respective affiliates, all in accordance with the terms of the arrangement agreement dated July 29, 2024 among the Company, Lundin Mining and BHP (as amended, supplemented or otherwise modified from time to time, the “**Arrangement Agreement**”); and
2. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

Specific details of the matters proposed to be put before the Meeting are set forth in the Circular which accompanies this Notice of Meeting. The Arrangement Agreement has been filed under Filo’s issuer profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

**The board of directors of the Company, after receiving the unanimous recommendation of the Company Special Committee of independent directors, unanimously recommends that the Shareholders vote FOR the Arrangement Resolution.**

Pursuant to the Interim Order, the record date is August 20, 2024 (the “**Record Date**”) for determining Shareholders who are entitled to receive notice of and to vote at the Meeting. Only registered Shareholders shown on the shareholder register of the Company (“**Registered Shareholders**”), or their duly appointed proxyholders, at the close of business on August 20, 2024, are entitled to receive notice of the Meeting (“**Notice of Meeting**”) and to vote on the Arrangement Resolution at the Meeting. This Notice of Meeting is accompanied by the Circular and an applicable form of proxy.

A letter of transmittal and election form (the “**Letter of Transmittal**”) explaining how to exchange Filo Shares (including Filo Shares to be received in exchange for In-the-Money Filo Options (as defined in the Circular) pursuant to the Plan of Arrangement), for the consideration payable under the Arrangement (the “**Consideration**”) will be mailed by the Depositary (as defined in the Circular) following the Meeting Date to each Registered Shareholder and Optionholder (as defined in the Circular). Filo will issue a news release announcing the mailing of the Letter of Transmittal and confirming the relevant procedures and deadlines in connection therewith. The Letter of Transmittal will also be posted on Filo’s website and under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Only Registered Shareholders will be required to submit a Letter of Transmittal. Beneficial Shareholders (as defined below) holding Filo Shares through an Intermediary (as defined in the Circular) should contact that Intermediary for instructions and assistance in depositing their Filo Shares and carefully follow any instructions provided by such Intermediary.

Each Filo Share entitled to be voted at the Meeting will entitle the holder to one vote at the Meeting. In order to become effective, the Arrangement Resolution must be approved by at least (i) 66⅔% of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast on the Arrangement Resolution by the Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting, excluding for the purposes of (ii) the votes cast in respect of Filo Shares held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*. If the Arrangement Resolution is not approved by Shareholders at the Meeting, the Arrangement cannot be completed.

We will hold our Meeting in a virtual-only format, which will be conducted via live audio webcast. Shareholders will have an equal opportunity to attend, participate and vote at the Meeting virtually regardless of their geographic location or the particular constraints or circumstances that they may face. Registered Shareholders and duly appointed proxyholders, including Shareholders who hold their Filo Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other Intermediary (“**Beneficial Shareholders**”) who have duly appointed themselves or a third-party as proxyholder and registered their appointment with Computershare Investor Services Inc. (“**Computershare**”) as described in the Circular, may attend, participate and vote at the Meeting virtually at [meetnow.global/MGK95K9](https://meetnow.global/MGK95K9). Shareholders will not be able to attend the Meeting in person.

Beneficial Shareholders who have not duly appointed themselves as proxyholder may be able to attend the Meeting as guests but will not be able to submit questions or vote at the Meeting.

Registered Shareholders are requested to read the enclosed Circular and are requested to date and sign the enclosed proxy form promptly, as applicable, and return it in the self-addressed envelope enclosed for that purpose or by any of the other methods indicated in the proxy form. Registered Shareholders may also vote in advance of the Meeting by mail, by phone or on the internet. Pursuant to the Interim Order, proxies to be used at the Meeting, must be received by Computershare (in its capacity as the Company’s transfer agent) by no later than 10:00 a.m. (Vancouver time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays). To vote online at [www.investorvote.com](http://www.investorvote.com), you will need to enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Registered Shareholder on the voting website. Alternatively, a proxy can be submitted to Computershare either by mail or courier, to 100 University Ave, 8th Floor Toronto, Ontario M5J 2Y1 or by telephone as instructed in the enclosed form of proxy. If a Registered Shareholder receives more than one proxy form because such Registered Shareholder owns securities of the Company registered in different names or addresses, each proxy form needs to be completed and returned or voted online or by phone.

A proxy must be received by Computershare by no later than 10:00 a.m. (Vancouver time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays). The time limit for deposit of proxies may, with the prior written consent of the Purchaser Parties, be waived or extended by the Chair (as defined in the Circular) at his or her discretion, without notice.

Beneficial Shareholders are requested to complete and return the request for voting instructions in accordance with the instructions provided to you by your broker or such other Intermediary. Failure to do so may result in such securities not being voted at the Meeting. In such instance, the Shareholder will receive the Consideration through the Intermediary.



A Shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form (“**VIF**”), as applicable, to represent him, her or it at the Meeting may do so by inserting such person’s name in the blank space provided in the form of proxy or VIF, as applicable, and following the instructions for submitting such form of proxy or VIF, as applicable. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy (or proxies) or VIF. **If you wish that a person other than the management nominees identified on the form of proxy or VIF attend and participate at the Meeting as your proxy and vote your Filo Shares, including if you are not a registered Shareholder and wish to appoint yourself as proxyholder to attend, participate and vote at the Meeting, you MUST (1) submit your form of proxy (or proxies) or VIF, as applicable, AND (2) thereafter, register such proxyholder, all in accordance with the instructions set out in the Circular.** If submitting a proxy, appointing a person other than the management nominees identified, you must return your proxy in accordance with the instructions set out in the Circular and also go to <http://www.computershare.com/filocorp> and provide Computershare with the name and email address of the person you are appointing by 10:00 a.m. (Vancouver Time) on September 24, 2024. Computershare will use this information only to provide the appointee with an invite code to gain entry to the virtual meeting platform.

If you are a Registered Shareholder (other than a Dissenting Shareholder (as defined in the Circular)), in order to receive the Consideration that you are entitled to under the Arrangement, you must complete and send the Letter of Transmittal, including the certificates or the direct registration system advices (“**DRS Advices**”) representing your Filo Shares, if applicable, and all other required documents to the depository, Computershare (in its capacity as depository, the “**Depository**”). A Letter of Transmittal will be mailed by the Depository following the Meeting Date to each Registered Shareholder and Optionholder. Filo will issue a news release announcing the mailing of the Letter of Transmittal and confirming the relevant procedures and deadlines in connection therewith. The Letter of Transmittal will also be posted on Filo’s website and under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Only Registered Shareholders will be required to submit a Letter of Transmittal. Beneficial Shareholders holding Filo Shares through an Intermediary should contact that Intermediary for instructions and assistance in depositing their Filo Shares and carefully follow any instructions provided by such Intermediary.

Shareholders whose holdings through Euroclear Sweden are registered in the name of an Intermediary will receive instructions from their Intermediary on how to elect the Consideration to be received. Euroclear Holders (as defined in the Circular) whose holdings are directly registered in the name of the holder must, to make an election, before the end of the Euroclear Election Period (as defined in the Circular), sign and submit a duly completed Euroclear Election Form (as defined in the Circular) to Aktieinvest FK AB, either by mail to the address stated on the Euroclear Election Form or to the e-mail address stated on the Euroclear Election Form. Euroclear Holders do not need to submit the Letter of Transmittal.

Pursuant to the Interim Order, Registered Shareholders have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of their Filo Shares (which fair value shall be the fair value of the Dissenting Shareholder’s Filo Shares as of the close of business on the Business Day (as defined in the Circular) before the passing by the Shareholders of the Arrangement Resolution) in accordance with the provisions of Section 190 of the CBCA, as modified by the Interim Order, the Final Order (as defined in the Circular) and the Plan of Arrangement. A Registered Shareholder wishing to exercise rights of dissent with respect to the Arrangement must send to the Company a written objection to the Arrangement Resolution, which written objection must be sent to Blake, Cassels & Graydon LLP, 199 Bay St. #4000, Toronto, ON M5L 1A9, Attention: Ryan Morris, by no later than 5:00 p.m. (Toronto time) on September 24, 2024 (or by 5:00 p.m. (Toronto time) on the date that is two Business Days before any date to which the Meeting may be adjourned or postponed), and must otherwise strictly comply with the dissent procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement (the “**Dissent Procedures**”). The Registered Shareholders’ right to dissent is more particularly described in the Circular, and copies of the Plan of Arrangement, the Interim Order and the text of Section 190 of the CBCA are set forth in Appendix B, Appendix C and Appendix I, respectively, of the Circular. Anyone who is a beneficial owner of Filo Shares and who wishes to exercise a right of dissent should be aware that only Registered Shareholders are entitled to exercise a right of dissent. Accordingly, a Beneficial Shareholder who desires to exercise a right of dissent must make arrangements for the Filo Shares beneficially owned by such holder to be registered in the name of such holder prior to the time the written objection to the Arrangement Resolution is required to be received by the Company or, alternatively, make arrangements for the Registered Shareholder of such Filo Shares to exercise the right of dissent on behalf of such beneficial Shareholder.

A Registered Shareholder wishing to exercise a right of dissent may only exercise such rights with respect to all Filo Shares registered in the name of such Shareholder. It is recommended you seek legal advice if you wish to exercise a right to dissent. **Failure to strictly comply with the requirements set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement, may result in the loss of any right to dissent.**

If Shareholders that hold their Filo Shares through Euroclear Sweden wish to exercise any rights of dissent, they will need to contact their Intermediary and move their Filo Shares to Canada and become a Registered Shareholder prior to the Record Date and thereafter strictly comply with the Dissent Procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement.

The Circular provides additional information relating to the matters to be addressed at the Meeting and is deemed to form part of this Notice of Meeting. Any adjourned or postponed meeting resulting from an adjournment or postponement of the Meeting will be held at a time and place to be specified either by the Company before the Meeting or by the Chair at the Meeting.

Dated at Vancouver, British Columbia as of August 26, 2024.

BY ORDER OF THE BOARD

*/s/ "James A. Beck"*

James A. Beck  
President, Chief Executive Officer and Director

## FREQUENTLY ASKED QUESTIONS ABOUT THE ARRANGEMENT AND THE MEETING

*The following are some questions that you, as a Shareholder, may have relating to the Meeting and answers to those questions. These questions and answers do not provide all of the information relating to the Meeting or the matters to be considered at the Meeting and are qualified in their entirety by the more detailed information contained elsewhere in, or incorporated by reference into, this Circular. You are urged to read this Circular in its entirety before making a decision related to your Filo Shares. All capitalized terms used herein have the meanings ascribed to them in the “Glossary of Terms” of the Circular.*

### **Q: What am I voting on?**

A: You are being asked to consider, pursuant to the Interim Order, and, if thought fit, to vote **FOR** the Arrangement Resolution to approve the Arrangement, which provides for, among other things, the Purchaser Parties acquiring all of the issued and outstanding Filo Shares not already owned by the Purchaser Parties and their respective affiliates. Pursuant to the Arrangement, each Shareholder (other than those Shareholders validly exercising their Dissent Rights, the Purchaser Parties or any affiliate of the Purchaser Parties) will receive as consideration for such Shareholder’s Filo Shares, at such Shareholder’s election, on the closing of the Arrangement: (i) \$33.00 in cash for each Filo Share held; or (ii) 2.3578 Lundin Mining Shares for each Filo Share held, plus for each whole Lundin Mining Share issued to such Shareholder, \$0.0001 in cash will also be paid to such Shareholder; or (iii) a combination of (i) and (ii) in exchange for the aggregate number of Filo Shares in respect of which such election is made.

### **Q: When and where is the Meeting?**

A: The Meeting will take place in a virtual-only format via live audio webcast at [meetnow.global/MGK95K9](https://meetnow.global/MGK95K9) on September 26, 2024 at 10:00 a.m. (Vancouver time).

### **Q: How do I attend and participate in the Meeting?**

A: The Company is holding the Meeting in a virtual-only format, which will be conducted via live audio webcast. Shareholders will not be able to attend the Meeting in person. The Company is holding the Meeting in a virtual-only format in order to provide Shareholders with an equal opportunity to attend, participate and vote at the Meeting regardless of their geographic location or the particular constraints or circumstances that they may face.

It is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedures.

In order to vote at the virtual Meeting as a Registered Shareholder:

1. Log in at [meetnow.global/MGK95K9](https://meetnow.global/MGK95K9)
2. click “**Join Meeting Now**”
3. select “**Policyholder**” on the login screen
4. enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy)

Resolutions will be put forward for voting in the “**Vote**” tab. To vote, simply select your voting direction from the options shown. Be sure to vote on all resolutions using the numbered link, if one appears, within the “**Vote**” tab. Your vote has been cast when the check mark appears.

Any authenticated holder or appointed proxy attending the meeting online is eligible to partake in the discussion. Access the “**Q&A**” tab, type your question into the box at the bottom of the screen and then press the “**Send**” button.

In order to vote at the virtual Meeting as a duly appointed proxyholder:

1. Log in at [meetnow.global/MGK95K9](http://meetnow.global/MGK95K9)
2. click "Join Meeting Now"
3. select "**Policyholder**" on the login screen
4. select "**Invitation**" and enter your invite code, provided by Computershare.

Resolutions will be put forward for voting in the "**Vote**" tab. To vote, simply select your voting direction from the options shown. Be sure to vote on all resolutions using the numbered link, if one appears, within the "**Vote**" tab. Your vote has been cast when the check mark appears.

Any authenticated holder or appointed proxy attending the meeting online is eligible to partake in the discussion. Access the "**Q&A**" tab, type your question into the box at the bottom of the screen and then press the "**Send**" button.

In order to vote at the virtual Meeting as a Beneficial Shareholder:

1. Appoint yourself or your desired representative as proxyholder by writing your or such desired representative's name in the space provided on the VIF and following the instructions provided. Do not fill out your voting instructions.
2. Sign and follow the voting deadline and submission instructions on the VIF.
3. To register a proxyholder, Shareholders **MUST** visit <http://www.computershare.com/filocorp> and provide Computershare with their proxyholder's contact information, the number of Filo Shares appointed and the name of Intermediary where the Filo Shares are held, so that Computershare may provide the proxyholder with a username via email with which to vote.
4. Log in at [meetnow.global/MGK95K9](http://meetnow.global/MGK95K9).

Beneficial Shareholders who have not duly appointed themselves as proxyholder may be able to attend the Meeting as guests but will not be able to submit questions or vote at the Meeting.

**Q: Who is soliciting my proxy?**

A: Your proxy is being solicited by management of Filo. This Circular is furnished in connection with that solicitation. The solicitation of proxies for the Meeting will be made primarily by mail, and may be supplemented by telephone and other means of contact.

If you have questions or need assistance completing your form of proxy or VIF, please contact Computershare by phone at: 1-800-564-6253 (within North America) or 1-514-982-7555 (international) or by e-mail at [service@computershare.com](mailto:service@computershare.com).

**Q: Who can attend and vote at the Meeting and what is the quorum for the Meeting?**

A: Only holders of Filo Shares of record, or their duly appointed proxyholders, as of the close of business (Vancouver time) on August 20, 2024, the Record Date for the Meeting, are entitled to receive notice of and to attend virtually, and vote at, the Meeting or any adjournment or postponement of the Meeting.

Beneficial Shareholders who have not duly appointed themselves as proxyholder may be able to attend the Meeting as guests but will not be able to submit questions or vote at the Meeting.

For all purposes contemplated by this Circular, the quorum for the transaction of business at the Meeting will be two persons present, each being a Shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a Shareholder so entitled.

**Q: How do I vote?**

A: There are different ways to submit your voting instructions depending on whether you are a Registered Shareholder or a Beneficial Shareholder.

- *Registered Shareholders:* You must be a Registered Shareholder at the close of business (Vancouver time) on the Record Date to vote. You may vote virtually or in advance of the Meeting by proxy, mail, phone or on the Internet.
- *Beneficial Shareholders:* You may vote or appoint a proxy using the VIF provided to you. Your vote or proxy appointment will be submitted by your bank, trust company, securities broker, trustee, custodian or other nominee who holds Filo Shares on your behalf to the Company.

See “*How do I appoint a third party as my proxyholder?*”, “*Information Concerning the Meeting – Attending and Participating in the Meeting*”, “*Information Concerning the Meeting – Appointment of Proxyholders*”, and “*Information Concerning the Meeting – Advice to Beneficial (Non-Registered) Shareholders*”.

If you are a Euroclear Holder, see “*How do I, as a Shareholder through Euroclear Sweden, vote on the Arrangement Resolution?*”.

**Q: How do I know if I am a Registered Shareholder or a Beneficial Shareholder?**

A: You may own Filo Shares in Canada in one or both of the following ways:

- If you are in possession of a physical share certificate or DRS Advice, you are a Registered Shareholder and your name and address are known to us through Computershare, our transfer agent.
- If you own Filo Shares through an Intermediary, you are a Beneficial Shareholder and you will not have a physical share certificate or any DRS Advice. In this case, you will have an account statement from your bank or broker as evidence of your share ownership.

Most Shareholders are Beneficial Shareholders. Their Filo Shares are registered in the name of an Intermediary, such as a bank, trust company, securities broker, trustee, custodian or other nominee who holds Filo Shares on their behalf, or in the name of a clearing agency in which the Intermediary is a participant (such as CDS & Co.). Intermediaries have obligations to forward the Meeting materials to such Beneficial Shareholders unless otherwise instructed by the holder (and as required by regulation in some cases, despite such instructions).

**Q: If my Filo Shares are held in the name of an Intermediary, will they automatically vote my Filo Shares for me?**

A: No. Specific voting instructions must be provided. See “*How do I vote if my Filo Shares are held in the name of an Intermediary?*” below.

**Q: How do I vote if my Filo Shares are held in the name of an Intermediary?**

A: Fill in the VIF you received with this package and carefully follow the instructions provided. You can send your voting instructions by phone or by mail or through the internet.

Only Registered Shareholders, and duly appointed proxyholders, including Beneficial Shareholders who have duly appointed themselves as proxyholder and registered their appointment with Computershare, our transfer agent, are permitted to attend and vote at the Meeting virtually.

Beneficial Shareholders who have not duly appointed themselves as proxyholder may be able to attend the Meeting as guests but will not be able to submit questions or vote at the Meeting.

See “How do I appoint a third party as my proxyholder?” and “Information Concerning the Meeting – Attending and Participating in the Meeting” below for more information on how Beneficial Shareholders can appoint and register third parties as proxyholders and vote their Filo Shares.

**Q: How do I appoint a third party as my proxyholder?**

A: The following applies to Registered Shareholders who wish to appoint a person other than the management nominees set forth in the form of proxy as proxyholder, **AND** Beneficial Shareholders who wish to appoint themselves (or a person other than the management nominees) as proxyholder to attend, participate and vote at the Meeting virtually.

**You have the right to appoint any person or company you want to be your proxyholder. It does not have to be a Shareholder, Optionholder or the person designated in the enclosed form(s). Simply indicate the person’s name as directed on the enclosed proxy form(s) or complete any other legal proxy form and deliver it to Computershare within the time hereinafter specified for receipt of proxies.**

Shareholders who wish to appoint a third-party proxyholder to virtually attend, participate and vote at the Meeting as their proxy and vote their Filo Shares **MUST** submit their proxy (or proxies) or VIF, as applicable, appointing such third-party proxyholder **AND** register the third-party proxyholder, as described below. Registering your proxyholder is an additional step to be completed **AFTER** you have submitted your proxy or VIF. Failure to register the proxyholder will result in the proxyholder not receiving an invite code to attend, participate and vote at the Meeting. If you are a Beneficial Shareholder and wish to virtually attend, participate and vote at the Meeting, you need to follow the below process to validly appoint yourself as proxyholder and be provided with an invite code to access the Meeting.

**Step 1: Submit your proxy or VIF:** To appoint a third-party proxyholder, including to appoint yourself as proxyholder (if you are a Beneficial Shareholder), indicate your name or the name of your proxyholder, as applicable, in the form of proxy or VIF, and follow the instructions for submitting such form of proxy or VIF. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or VIF.

**Step 2: Register your proxyholder:** To register a proxyholder, Shareholders **MUST** visit <http://www.computershare.com/filocorp> by 10:00 a.m. (Vancouver Time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays) and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with an invite code via email. **Without an invite code, proxyholders will not be able to virtually attend, participate and vote at the Meeting.**

**If you are a Beneficial Shareholder and wish to virtually attend, participate and vote at the Meeting, you have to insert your own name in the space provided on the VIF sent to you by your Intermediary, follow all of the applicable instructions provided by your Intermediary AND register yourself as your proxyholder, as described above.** By doing so, you are instructing your Intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your Intermediary.

**If you are a Beneficial Shareholder located in the United States and wish to virtually attend, participate and vote at the Meeting or, if permitted, appoint a third party as your proxyholder, you MUST complete a THIRD step and obtain a valid legal proxy from your Intermediary.** Follow the instructions from your Intermediary included with the legal proxy form and the VIF sent to you, or contact your Intermediary to request a legal proxy form or a legal proxy if you have not received one. **After obtaining a valid legal proxy from your Intermediary, you MUST then submit such legal proxy to Computershare at [uslegalproxy@computershare.com](mailto:uslegalproxy@computershare.com).**

**Q: How many Filo Shares are entitled to vote?**

A: As of August 20, 2024, there were 134,685,648 Filo Shares outstanding and entitled to vote at the Meeting. You are entitled to one vote for each Filo Share that you own.

**Q: What will I receive in the Arrangement?**

A: *Shareholders*

Shareholders (other than Dissenting Shareholders, the Purchaser Parties or any affiliate of the Purchaser Parties) will receive, as consideration for such Shareholders' Filo Shares, at such Shareholder's election, on the closing of the Arrangement:

- (i) \$33.00 in cash for each Filo Share held (the Cash Consideration), or
- (ii) 2.3578 Lundin Mining Shares for each Filo Share held (the Share Consideration), plus for each whole Lundin Mining Share issued to such Shareholder, \$0.0001 in cash will also be paid to such Shareholder (the Share Consideration Cash), or
- (iii) a combination of (i) and (ii) in exchange for the aggregate number of Filo Shares in respect of which such election is made.

The Cash Consideration and Share Consideration are subject, in each case, to pro-ration based on a maximum cash consideration of approximately \$2,767 million and a maximum of approximately 92.1 million Lundin Mining Shares. The Maximum BHP Cash, Maximum Lundin Mining Cash and the Maximum Share Consideration will be adjusted by \$16.50 and \$6.60 in cash and 0.7073 of a Lundin Mining Share, respectively, for each Filo Share issued pursuant to the exercise of Filo Options that are outstanding as of the date of the Arrangement Agreement or pursuant to the exercise of Filo Options issued following the date of the Arrangement Agreement as permitted by the Arrangement Agreement (provided that such Filo Options are exercised on or after the date of the Arrangement Agreement). Former Company Shareholders who fail to make a valid election prior to the Election Deadline will be deemed to have elected for the Cash Consideration in respect of each Filo Share held, subject to pro-ration and adjustment in accordance with the Arrangement Agreement.

In the event that the aggregate amount of the Cash Consideration or Share Consideration elected by all Former Company Shareholders exceeds the Maximum Cash Consideration or the Maximum Share Consideration, the Consideration will be pro-rated and Former Company Shareholders will receive the other form of Consideration for the balance of their Filo Shares. The Share Consideration Cash is not included in the determination of the Maximum Cash Consideration. In addition, no Former Company Shareholder shall be permitted to receive Lundin Mining Shares insofar as such Former Company Shareholder, either alone or together with its affiliates and other persons acting jointly or in concert with such Shareholder, would, after the receipt of Lundin Mining Shares beneficially own or control greater than 19.99% of the outstanding Lundin Mining Shares, immediately following completion of the Arrangement. See "*The Arrangement — Exchange of Filo Securities — Pro-ration*".

Euroclear Holders will receive any Cash Consideration and/or Share Consideration Cash, as applicable, in Swedish krona (SEK). The conversion from C\$ to SEK will be made at the public market rate at the time of settlement.

A: *Optionholders*

Pursuant to the Arrangement Agreement, the Company has agreed to accelerate the time at which the outstanding unvested Filo Options may first be exercised to ensure that all Filo Options may be exercised immediately prior to the Effective Time. Optionholders who intend to exercise their vested Filo Options in advance of the Effective Date are encouraged to do so as soon as possible and, in any event, at least ten

Business Days prior to the Effective Date. Optionholders who validly exercise their vested Filo Options for Filo Shares but do not make a valid election prior to the Election Deadline will be deemed to have elected the Cash Consideration in respect of each such Filo Share held, subject to pro-ration and adjustment in accordance with the Arrangement Agreement.

Optionholders who hold In-the-Money Filo Options, who do not exercise such Filo Options in advance of the Effective Date, whether such Filo Options are vested or unvested, will, pursuant to the Plan of Arrangement, be deemed to have surrendered and disposed of such Filo Options to the Company, and the Optionholder will receive a payment from the Company, in the form of Filo Shares, having an aggregate value equal to the amount by which the Cash Consideration exceeds the applicable exercise price, less applicable withholdings, with the number of Filo Shares received being equal to the In-the-Money Amount divided by \$33.00, and will participate in the Arrangement as a holder of such Filo Shares on the same terms as other Shareholders, including with respect to the election to receive the Cash Consideration or the Share Consideration (together with the applicable Share Consideration Cash) subject to pro-ration and adjustment in accordance with the Arrangement Agreement, except that Optionholders shall not be required to surrender to the Depositary a certificate or DRS Advice representing such Filo Shares in order to receive the Consideration that they elect to receive for such Filo Shares pursuant to the Arrangement.

Each Out-of-the-Money Filo Option outstanding immediately prior to the Effective Time will be deemed to be cancelled without any compensation.

See “*The Arrangement — Exchange of Filo Securities – Exchange Procedure*” and “*The Arrangement – Exchange of Filo Securities – Treatment of Filo Options*” in this Circular.

**Q: How do I elect to receive my Consideration under the Arrangement?**

A: If you are a Registered Shareholder (other than Dissenting Shareholders, or the Purchaser Parties and their respective affiliates) or Optionholder who holds In-the-Money Filo Options and does not intend to exercise such Filo Options in advance of the Effective Date, in order to make your election to receive the Cash Consideration or the Share Consideration (together with the applicable Share Consideration Cash) subject to pro-ration and adjustment in accordance with the Arrangement Agreement, you must complete and send the Letter of Transmittal, including the certificates or DRS Advices representing your Filo Shares, if applicable, and all other required documents to the Depositary. A Letter of Transmittal will be mailed by the Depositary following the Meeting Date to each Registered Shareholder and Optionholder. Filo will issue a news release announcing the mailing of the Letter of Transmittal and confirming the relevant procedures and deadlines in connection therewith. The Letter of Transmittal will also be posted on Filo’s website and under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Only Registered Shareholders will be required to submit a Letter of Transmittal. Beneficial Shareholders holding Filo Shares through an Intermediary should contact that Intermediary for instructions and assistance in depositing their Filo Shares and carefully follow any instructions provided by such Intermediary.

To make a valid election as to the Consideration that you wish to receive under the Arrangement (subject to pro-ration and adjustment in accordance with the Arrangement Agreement), once you have received your Letter of Transmittal, you must complete, sign and return such Letter of Transmittal and return it, the accompanying Filo Share certificate(s) or DRS Advice(s), if applicable, and all other required documents to the Depositary prior to the Election Deadline.

If you fail to make a valid election prior to the Election Deadline, or choose not to make an election, you will be deemed to have elected the Cash Consideration in respect of each of your Filo Shares (including Filo Shares to be received in exchange for In-the-Money Filo Options pursuant to the Plan of Arrangement), subject to pro-ration and adjustment in accordance with the Arrangement Agreement.

For additional information, including information regarding how the Depositary will send you the Consideration, see “*The Arrangement — Exchange of Filo Securities*” and “*Shareholders Through Euroclear Sweden*”.



**Q: If I make an election to receive Cash Consideration or Share Consideration (together with the applicable Share Consideration Cash) will I receive all cash or all Lundin Mining Shares, respectively?**

A: If you elect (or are deemed to elect) to receive the Cash Consideration, it is likely that your election (or deemed election) will be pro-rated and you will receive some amount of Lundin Mining Shares. Likewise, if you elect to receive the Share Consideration (together with the applicable Share Consideration Cash), such election is likely to be pro-rated and you will likely receive some amount of cash. This is because the aggregate Consideration under the Arrangement is subject to the Maximum Cash Consideration and the Maximum Share Consideration. The extent of the pro-ration of your election will depend on the degree to which other Shareholders elect to receive cash or Lundin Mining Shares. The Share Consideration Cash is not included in the determination of the Maximum Cash Consideration. See “*The Arrangement — Exchange of Filo Securities — Pro-ration and Adjustment*”.

**Q: When can I expect to receive the Consideration?**

A: Assuming completion of the Arrangement, if you hold your Filo Shares through an Intermediary, then you are not required to take any action and the Cash Consideration and/or Share Consideration (together with the applicable Share Consideration Cash) you are entitled to receive will be delivered to your Intermediary through procedures in place for such purposes between CDS & Co. or similar entities and such Intermediaries. You should contact your Intermediary if you have any questions regarding this process.

In the case of Registered Shareholders and Optionholders who hold In-the-Money Filo Options and do not intend to exercise such Filo Options in advance of the Effective Date, as soon as practical after the Effective Date, assuming due delivery of the required documentation, including the certificate(s) or DRS Advice(s) representing Filo Shares, if applicable, and a duly and properly completed Letter of Transmittal, the Purchaser Parties will cause the Depository to forward a cheque or make a wire transfer, as such Registered Shareholders and Optionholders may elect on the Letter of Transmittal, representing the Cash Consideration and/or the DRS Advice(s) representing Lundin Mining Shares (together with the cheque or wire transfer representing the applicable Share Consideration Cash), as applicable, to which such Registered Shareholders and Optionholders are entitled by first class mail, to be picked up at the offices of the Depository or by wire transfer as such Registered Shareholders and Optionholders may elect on the Letter of Transmittal.

The method used to deliver the Letter of Transmittal and any accompanying certificates or DRS Advices representing Filo Shares, as applicable, is at the option and risk of the Registered Shareholder or Optionholder and delivery will be deemed effective only when such documents are actually received. Filo recommends that the necessary documentation be hand delivered to the Depository and a receipt obtained therefor; otherwise, the use of registered mail or courier with return receipt requested, properly insured, is recommended. A Beneficial Shareholder whose Filo Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in depositing those Filo Shares.

**Shareholders who do not deliver their certificate(s) or DRS Advices representing Filo Shares and all other required documents to the Depository on or before the date which is six years after the Effective Date will lose their right to receive the Cash Consideration or Share Consideration (and the applicable Share Consideration Cash) for their Filo Shares.**

Settlement for Euroclear Holders will be initiated as soon as possible following the Effective Date, which is expected to occur in the first quarter of 2025. Shareholders will cease to be a shareholder of Filo as of the Effective Date and will only be entitled to receive the Consideration to which such Shareholder is entitled under the Arrangement. Euroclear Holders will be notified of such settlement by distribution of a transaction note.

For additional information, including information regarding how the Depository will send you the Cash Consideration and/or Share Consideration (together with the applicable Share Consideration Cash), see “*The Arrangement — Exchange of Filo Securities*” and “*Shareholders Through Euroclear Sweden*”.

**Q: Can I exercise my vested Filo Options prior to the Effective Date?**

A: Optionholders who intend to exercise vested Filo Options in advance of the Effective Date are encouraged to do so as soon as possible and, in any event, at least ten Business Days prior to the Effective Date. Optionholders who validly exercise their vested Filo Options for Filo Shares but do not make a valid election prior to the Election Deadline, will be deemed to have elected the Cash Consideration in respect of each such Filo Share held, subject to pro-ratio and adjustment in accordance with the Arrangement Agreement. See “*The Arrangement – Exchange of Filo Securities – Exchange Procedure*” and “*The Arrangement – Exchange of Filo Securities – Treatment of Filo Options*”.

**Q: What vote is required at the Meeting to approve the Arrangement Resolution?**

A: In order to become effective, the Arrangement Resolution must be approved by at least: (i) 66⅔% of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting, excluding for the purposes of (ii) the votes cast in respect of Filo Shares held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101.

**Q: What if I return my proxy but do not mark it to show how I wish to vote?**

A: If your proxy is signed and dated and returned without specifying your choice or is returned specifying both choices, your Filo Shares will be voted **FOR** the Arrangement Resolution in accordance with the recommendation of the Board.

**Q: When is the cut-off time for delivery of proxies?**

A: Proxies sent by mail or courier must be delivered to Computershare, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. In this case, assuming no adjournment or postponement of the Meeting, the proxy cut-off time is 10:00 a.m. (Vancouver time) on September 24, 2024. Assuming no adjournment or postponement of the Meeting, online votes submitted via the internet at [www.investorvote.com](http://www.investorvote.com), or by telephone as instructed in the form of proxy must also be submitted by 10:00 a.m. (Vancouver time) on September 24, 2024. The time limit for deposit of proxies may, with the prior written consent of the Purchaser Parties, be waived or extended by the Chair at his or her discretion, without notice.

A Beneficial Shareholder exercising voting rights through an Intermediary should consult the VIF from such Beneficial Shareholder’s Intermediary as the Intermediary may have earlier deadlines.

**Q: Can I change my vote after I submitted a signed proxy?**

A: Yes. If you want to change your vote after you have delivered a proxy, you can do so by submitting a new, later dated, proxy before the proxy-cut off time. See “*Information Concerning the Meeting – Revocability of Proxies*”.

**Q: How can I revoke my proxy?**

A: If a Registered Shareholder revokes their proxy and does not replace it with another that is deposited before the deadline, they can still vote their Filo Shares, but to do so they must attend the Meeting virtually and follow the procedures for voting virtually at the Meeting.

If a Registered Shareholder changes their vote by submitting a new proxy before the proxy deadline, such change will revoke any previous proxy filed by such Registered Shareholder.

A Registered Shareholder can also revoke a proxy by: (a) executing a valid notice of revocation or other instrument in writing, by the Registered Shareholder or such holder's authorized attorney in writing, or, if such a holder is a corporation, under its corporate seal by an officer or duly authorized attorney, and by delivering the notice of revocation or other instrument in writing to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or to the address of the registered office of the Company at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8 no later than 10:00 a.m. (Vancouver time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays) or to the Chair on the day of the Meeting or any reconvening thereof; or (b) personally attending the Meeting via the live audio webcast, accepting the terms and conditions when entering the Meeting online and voting the Filo Shares; or (c) in any other manner permitted by law. If a Registered Shareholder casts a vote at the Meeting, such Registered Shareholder will revoke a previously submitted proxy. Registered Shareholders who do not wish to revoke a previously submitted proxy, should not vote during the Meeting.

Only Registered Shareholders have the right to directly revoke a proxy. Beneficial Shareholders should follow instructions provided to them by their Intermediary on how to revoke their VIF and what procedures they need to follow. See "*Information Concerning the Meeting – Revocability of Proxies*".

**Q: What is the recommendation of the Board?**

A: The Board has (subject to a director declaring an interest and abstaining from voting on the matter) unanimously determined that the Arrangement is fair to the Shareholders and that the Arrangement, and the entering into of the Arrangement Agreement, are in the best interests of the Company. Accordingly, the Board unanimously recommends that the Shareholders vote **FOR** the Arrangement Resolution to approve the Arrangement.

**Q: Why is the Board making this recommendation?**

A: Based on its considerations and investigations, including its review of the terms and conditions of the Arrangement Agreement, the Fairness Opinions, and other relevant matters, and taking into account the best interests of the Company, and after consultation with management and the Company's financial and legal advisors and having received and reviewed the unanimous recommendation from the Company Special Committee and its own deliberations, the Board has (subject to a director declaring an interest and abstaining from voting on the matter) unanimously determined that the Arrangement is fair to the Shareholders and that the Arrangement, and the entering into of the Arrangement Agreement, are in the best interests of the Company. **Accordingly, the Board unanimously approved the Arrangement and the Arrangement Agreement and unanimously recommends that the Shareholders vote FOR the Arrangement Resolution.** Each director and senior officer of the Company intends to vote all of such director's and senior officer's Filo Shares (including Filo Shares issued upon exercise of Filo Options) **FOR** the Arrangement Resolution. For further information on the reasons for the recommendation of the Board, see "*The Arrangement – Reasons for the Arrangement*" and "*The Arrangement – Fairness Opinions*" in the Circular.

**Q: Has the Company received a fairness opinion in connection with the Arrangement?**

A: Yes. BMO Capital Markets and NBF have provided the Fairness Opinions, each to the effect that, as of July 29, 2024, based upon and subject to the assumptions, limitations and qualifications therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates). See "*The Arrangement – Fairness Opinions*" in the Circular.

**Q: Who intends to support the Arrangement Resolution?**

A: The Company Supporting Shareholders, who own in the aggregate approximately 34% of the Filo Shares as of the Record Date, have entered into Voting and Support Agreements with the Purchaser Parties, pursuant to which they have agreed to, among other things, vote all Filo Shares of which they are the registered or

beneficial holder or over which they have control or direction (including Filo Shares issued upon exercise of Filo Options), in favour of the Arrangement Resolution, and not dispose of their Filo Shares. See “*The Arrangement – Voting and Support Agreements*” in the Circular.

**Q: What if Shareholders do not approve the Arrangement Resolution?**

A: If the Arrangement Resolution is not approved by the Required Shareholder Approval, the Arrangement will not be completed.

Pursuant to the terms of the Arrangement Agreement, if the Required Shareholder Approval is not obtained by the Outside Date, either the Company or each of the Purchaser Parties may terminate the Arrangement Agreement.

**Q: What if the Court does not approve the Arrangement?**

A: If the approval of the Court is not obtained prior to the Outside Date, the Arrangement will not be completed, even if the Required Shareholder Approval is obtained.

**Q: In addition to the approval of Shareholders, what conditions must be satisfied to complete the Arrangement?**

A: The Arrangement is subject to several conditions, including: (i) the Required Shareholder Approval of the Arrangement Resolution; (ii) the Court’s approval; (iii) the necessary conditional approvals or equivalent approvals, as the case may be, of the TSX, Nasdaq Stockholm and First North; (iv) prior filing and publication of the Swedish Documentation in accordance with the EU Prospectus Regulation (including if applicable the approval and registration of the SFSA of such documentation); (v) Shareholders (other than the Purchaser Parties) not exercising Dissent Rights in respect of more than 5% of Filo Shares; (vi) consummation of the transactions contemplated under the Contribution Agreement; (vii) the receipt of the Key Regulatory Approvals; and (viii) the satisfaction or waiver of certain other closing conditions customary for transactions of this nature (such as no Material Adverse Effect having occurred with respect to Filo and the bring-down of representations, warranties and covenants). For more information, see “*The Arrangement Agreement – Conditions to Closing*”, “*The Arrangement – Court Approval of the Arrangement*” and “*The Arrangement – Regulatory Approvals*” in this Circular.

**Q: Do any directors or executive officers of Filo have any interests in the Arrangement that are different from, or in addition to, those of the Shareholders?**

A: In considering the Arrangement and the recommendation of the Board with respect to the matters discussed in this Circular, Shareholders should be aware that some of the directors and Senior Officers of Filo have certain interests in the Arrangement that are different from, or in addition to, the interests of Shareholders generally, which may present them with actual or potential conflicts of interest in connection with the Arrangement. The Company Special Committee and the Board were aware of these interests and considered them along with the other matters, when evaluating and negotiating the Arrangement Agreement and recommending approval of the Arrangement by the Shareholders. See “*The Arrangement – Interests of Certain Persons in the Arrangement*” in this Circular.

**Q: Will the Filo Shares continue to be listed on the TSX and First North after the Arrangement?**

A: No. On completion of the Arrangement, Filo will be held by JVCo, which will serve as the joint venture entity for the joint venture between BHP and Lundin Mining with respect to the Company Material Property and the Josemaria Project, with BHP and Lundin Mining each directly or indirectly owning a 50% interest in JVCo. It is expected that the Filo Shares will be delisted from the TSX and First North as soon as practicable following the completion of the Arrangement. After the Arrangement has been completed, former Shareholders will, subject to their election as to the form of Consideration they are to receive under the Arrangement, and any pro-rata and adjustment, hold Lundin Mining Shares, which are listed and posted for trading on the TSX

and Nasdaq Stockholm. Following the Effective Date, the Lundin Mining Shares will remain listed on the TSX and on Nasdaq Stockholm.

**Q: Should I send my Filo Share certificates or DRS Advices now?**

A: You are not required to send your certificates or DRS Advices representing Filo Shares to validly cast your vote in respect of the Arrangement Resolution. Once the Letter of Transmittal has been mailed by the Depositary to the Registered Shareholders and Optionholders, we encourage such Registered Shareholders and Optionholders who hold In-the-Money Filo Options and do not intend to exercise such Filo Options in advance of the Effective Date to, in accordance with the instructions to be set out in the Letter of Transmittal, complete, sign, date and return the Letter of Transmittal, together with their Filo Share certificate(s) or DRS Advice(s) (if applicable) and all other required documents, by courier or registered mail to the Depositary, prior to the Election Deadline in order to elect the form of Consideration to be received under the Arrangement. See *“The Arrangement – Exchange of Filo Securities”* in this Circular.

Where Filo Shares are evidenced only by a DRS Advice(s), there is no requirement to first obtain a share certificate for those Filo Shares. Only a properly completed and duly executed Letter of Transmittal, accompanied by the applicable DRS Advice(s) will be required to be delivered to the Depositary in order to surrender those Filo Shares under the Arrangement.

If you are a Euroclear Holder see *“Shareholders Through Euroclear Sweden”* and *“The Arrangement – Exchange of Filo Securities – Elections and Procedure”*.

**Q: How will I know when the Arrangement will be implemented?**

A: The Effective Date will occur upon satisfaction or waiver of all of the conditions to the completion of the Arrangement. If the Required Shareholder Approval is obtained at the Meeting, it is currently anticipated that the Arrangement will be completed in the first quarter of 2025, subject to obtaining Court approval and certain regulatory approvals, as well as the satisfaction or waiver of other conditions contained in the Arrangement Agreement. On the Effective Date, Filo will publicly announce that the Arrangement has been completed.

**Q: Are there risks I should consider in deciding whether to vote for the Arrangement Resolution?**

A: Yes. Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (i) the completion of the Arrangement is subject to conditions precedent; (ii) Former Company Shareholders that elect the Cash Consideration or the Share Consideration (together with the applicable Share Consideration Cash) may be subject to pro-rata and adjustment in accordance with the Arrangement Agreement; (iii) the number of Lundin Mining Shares to be received under an election to receive Lundin Mining Shares as Consideration is fixed and their market value will likely vary from the value of the Cash Consideration; (iv) the market price of the Filo Shares and Lundin Mining Shares may be materially adversely affected in certain circumstances; (v) rights of Shareholders after the Arrangement; (vi) the disposition of Filo Shares under the Arrangement may be subject to Canadian or Swedish income tax and may be a taxable transaction under the laws of Canada and other jurisdictions; (vii) it may not be possible for Shareholders to effect service of process within Canada; (viii) the Arrangement Agreement may be terminated in certain circumstances; (ix) the conditions set forth in the Contribution Agreement may not be satisfied or events may occur preventing the transactions contemplated by the Contribution Agreement from being consummated; (x) the completion of the Arrangement is uncertain and Filo will incur costs and may have to pay the Termination Fee even if the Arrangement is not completed; (xi) the Arrangement may divert the attention of Filo’s Management; (xii) the Termination Fee provided under the Arrangement Agreement may discourage other parties from attempting to acquire Filo; (xiii) Filo is restricted from taking certain actions while the Arrangement is pending; (xiv) the Lundin Mining Shares issued in connection with the Arrangement may have a market value different than expected; (xv) Euroclear Holders will receive Cash Consideration and/or Share Consideration Cash in Swedish krona (SEK) and are therefore subject to exchange rate risks; (xvi) directors and officers of Filo have interests in the Arrangement that may be different from those of Shareholders generally; (xvii) the Purchaser Parties and Filo may be the targets of legal claims, securities class actions, derivative lawsuits and other claims; (xviii) forward-looking statements may prove to be

inaccurate; and (xix) as a holder of Lundin Mining Shares (to the extent you elect and/or receive the Share Consideration), you will be subject to the risks associated with an investment in Lundin Mining, as set forth in Appendix G. See “*Risk Factors*” in this Circular.

**Q: What are the Canadian income tax consequences of the Arrangement?**

A: For a summary of certain material Canadian income tax consequences of the Arrangement, see “*Certain Canadian Federal Income Tax Considerations*” in this Circular. Such summary is not intended to be legal or tax advice to any particular Shareholder. Shareholders should consult their own tax and investment advisors with respect to their particular circumstances.

**Q: What are the Swedish income tax consequences of the Arrangement?**

A: It should be noted that the Swedish rules on tax-free rollovers for a share for share exchange cannot be applied for the Arrangement, and as such, any profit from the disposal of Filo Shares will be taxed for Swedish Shareholders fully regardless of the consideration received. **Swedish Shareholders must therefore take this into consideration when choosing which Consideration they wish to receive under the Arrangement.**

For a summary of certain material Swedish income tax consequences of the Arrangement, see “*Certain Swedish Income Tax Considerations*” in this Circular. Such summary is not intended to be legal or tax advice to any particular Shareholders. Shareholders should consult their own tax and investment advisors with respect to their particular circumstances.

**Q: What are the U.S. federal income tax consequences of the Arrangement?**

A: The U.S. federal income tax consequences of the Arrangement are not described herein. U.S. Shareholders are urged to consult their own tax advisors with respect to their particular circumstances.

**Q: Am I entitled to Dissent Rights?**

A: If you are a Registered Shareholder who properly exercises Dissent Rights and the Arrangement Resolution is approved, you will be entitled to be paid the fair value of all, but not less than all, of your Filo Shares calculated as of the close of business on the Business Day before the Arrangement Resolution was adopted. This amount may be the same as, more than or less than the Consideration per Filo Share that will be paid under the Arrangement.

If you wish to dissent, you must ensure that a written objection to the Arrangement Resolution is received by Filo no later than 5:00 p.m. (Toronto time) on September 24, 2024 (or by 5:00 p.m. (Toronto time) on the date that is two Business Days before any date to which the Meeting may be adjourned or postponed) and must otherwise strictly comply with the Dissent Procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement, all as described under “*Dissenting Shareholders’ Rights*”.

It is important that you strictly comply with the Dissent Procedures, otherwise your Dissent Rights may not be recognized. Be sure to read the section entitled “*Dissenting Shareholders’ Rights*” and consult your own legal advisor if you wish to exercise Dissent Rights.

If Shareholders that hold their Filo Shares through Euroclear Sweden wish to exercise any Dissent Rights, they will need to contact their Intermediary and move their Filo Shares to Canada and become a Registered Shareholder prior to the Record Date and thereafter strictly comply with the Dissent Procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, Final Order and the Plan of Arrangement.

**Q: What will happen to the Filo Shares that I currently own after completion of the Arrangement?**

A: Upon completion of the Arrangement, certificates or DRS Advice(s) representing Filo Shares will represent only the right of the Registered Shareholder to receive either the Cash Consideration or the Share Consideration (together with the applicable Share Consideration Cash) for each Filo Share held, subject to pro-rata and adjustment in accordance with the Arrangement Agreement, in accordance with the procedures set out in the Circular and the Plan of Arrangement. It is expected that the Filo Shares will be delisted from the TSX and First North as soon as practicable following the completion of the Arrangement (delisting from the TSX is anticipated to be effective one or two Business Days following the Effective Date). Following the Effective Date, it is expected that the Purchaser Parties will cause Filo to apply to cease to be a reporting issuer under Canadian Securities Laws and take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents. Following the Effective Date, the Lundin Mining Shares will remain listed on the TSX and on Nasdaq Stockholm.

**Q: Who to Call with Questions**

A: If you have any questions about the information contained in this Circular or require assistance in completing your form of proxy, please contact Computershare by phone at: at 1-800-564-6253 (within North America) or 1-514-982-7555 (international) or by e-mail at [service@computershare.com](mailto:service@computershare.com). For questions about completing your Letter of Transmittal please contact Computershare at 1-800-564-6253 (within North America) or 1-514-982-7555 (international) or by e-mail at [service@computershare.com](mailto:service@computershare.com). See “*Additional Information*” in this Circular.

If you hold Filo Shares through Euroclear Sweden: If you hold your Filo Shares in custody and have questions regarding administration of your shares in the Arrangement, please contact your custodian. For other questions regarding the administration of the Arrangement in Sweden, please contact Aktieinvest via telephone +46 8 5065 1795 or by e-mail, [emittentservice@aktieinvest.se](mailto:emittentservice@aktieinvest.se).

If you have questions about deciding how to vote on the Arrangement Resolution, you should contact your own legal, tax, financial or other professional advisor.

**Q: How do I, as a Shareholder through Euroclear Sweden, vote on the Arrangement Resolution?**

A: If you hold Filo Shares through an Intermediary: Shareholders whose holdings through Euroclear Sweden are registered in the name of an Intermediary will receive instructions from their Intermediary on how to vote.

If you directly hold Filo Shares: Shareholders whose Filo Shares are directly registered with Euroclear Sweden will receive voting instructions by mail from Computershare Sweden. In order for such holder's vote to be counted, the duly completed voting form must be received by Computershare Sweden by no later than 11:00 a.m. (Swedish time) on September 19, 2024.

**Q: How do I, as a Shareholder through Euroclear Sweden, elect to receive my Consideration under the Arrangement?**

A: If you hold Filo Shares through an Intermediary: Shareholders whose holdings through Euroclear Sweden are registered in the name of an Intermediary will receive instructions from their Intermediary on how to elect the Consideration to be received. Please note that you do not need to complete the Letter of Transmittal.

If you directly hold Filo Shares: To make an election you must, during the Euroclear Election Period, sign and submit a duly completed Euroclear Election Form to Aktieinvest, either by mail to the address stated on the Euroclear Election Form or to the e-mail address stated on the Euroclear Election Form. Please note that you, as a Shareholder through Euroclear Sweden, do not need to submit the Letter of Transmittal.

A Euroclear Election Form sent by mail must be sent in ample time before the last day of the Euroclear Election Period so that it may be received by Aktieinvest before the end of such period.

The securities account (Sw. *VP-konto*) and the current number of Filo Shares as of the Euroclear Election record date will be pre-printed on the Euroclear Election Form which will be sent out with a pre-paid envelope to Shareholders who are directly registered with Euroclear Sweden. Shareholders should verify that the pre-printed information on the Euroclear Election Form is correct.

The Euroclear Election Period will be no less than ten Business Days and is expected to occur during either the fourth quarter of 2024 or the first quarter of 2025. When determined, the Euroclear record date and the dates of the Euroclear Election Period will be published by way of press release.

***Note that Euroclear Election Forms which are incomplete or incorrectly completed may be disregarded. No amendments to the pre-printed text may be conducted on the Euroclear Election Form. Shareholders who do not make a valid election pursuant to the Euroclear Election Form, by properly completing and duly executing the Euroclear Election Form and submitting it to Aktieinvest before the end of the Euroclear Election Period, will be deemed to have elected the Cash Consideration subject to pro-ration and adjustment in accordance with the Arrangement Agreement.***

If Filo Shares are pledged in the Euroclear system, both the Shareholder and the pledgee must sign the Euroclear Election Form and confirm that the pledge will be terminated should the Arrangement be completed.

Those who are registered in the list of pledgees and guardians will not receive a Euroclear Election Form but will instead be notified separately.

Please note that Shareholders whose Filo Shares are directly registered with Euroclear Sweden do not need to complete the Letter of Transmittal.

The aforementioned is subject to pro-ration and adjustment in accordance with the Arrangement Agreement of the Share Consideration (and Share Consideration Cash) and the Cash Consideration as described above.

Any Cash Consideration and/or Share Consideration Cash, as applicable, will be received by Shareholders whose Filo Shares are directly registered with Euroclear in Swedish krona (SEK). The conversion from \$ to SEK will be made at the public market rate at the time of the settlement. The settlement amount will be paid to the yield account which is connected to the Shareholder's securities account. The payment to Shareholders who do not have a yield account connected to their securities account may be delayed.

**Q: Will I, as a Shareholder through Euroclear Sweden, be able to trade in my Filo Shares until the Effective Date?**

A: After the Swedish issuing agent, Aktieinvest, has received and registered duly completed Euroclear Election Forms for Shareholders holding their Filo Shares through Euroclear Sweden, the Shareholders' Filo Shares will be transferred to a new "blocked" securities account (Sw. *apportkonto*) which has been opened for each Shareholder whose Filo Shares are registered in the Euroclear Sweden system. In connection therewith, Euroclear Sweden will send a VP-notice showing the number of Filo Shares that has been removed from the original securities account and a VP-notice showing the number of Filo Shares that have been entered in the newly opened blocked securities account. Shareholders who do not make a valid election pursuant to the Euroclear Election Form, will have their Filo Shares transferred to a new blocked securities account (Sw. *apportkonto*) on the Business Day in Sweden immediately following the end of the Euroclear Election Period. Securities in a blocked securities account cannot be traded by a Shareholder.

As of the Effective Date, Euroclear Holders will cease to be Shareholders and will only be entitled to receive the Consideration to which such Shareholders are entitled under the Arrangement.



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## FILO CORP.

### MANAGEMENT INFORMATION CIRCULAR

#### Introduction

This Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of Filo for use at the Meeting and any adjournment or postponement thereof. No Person has been authorized to give any information or make any representation in connection with the Arrangement or any other matters to be considered at the Meeting other than those contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by the Company or either of the Purchaser Parties, as applicable, and should not be relied upon in making a decision as to how to vote on the Arrangement.

These Meeting materials are being sent to registered holders of Filo Shares and beneficial owners of Filo Shares through Intermediaries.

If you hold Filo Shares through an Intermediary, you should contact your Intermediary for instructions and assistance in voting and surrendering the Filo Shares that you beneficially own.

#### Information Contained in this Circular

The information contained in this Circular is given as at August 20, 2024 except where otherwise noted. Information contained in documents incorporated herein by reference is as of the respective dates stated therein. All capitalized terms used in this Circular but not otherwise defined herein have the meanings set forth under "*Glossary of Terms*". This Circular does not constitute the solicitation of an offer to sell, or purchase, any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection therewith.

Except where otherwise expressly provided, all amounts in this Circular are stated and will be paid in Canadian currency.

**THIS CIRCULAR AND THE TRANSACTIONS CONTEMPLATED BY THE ARRANGEMENT AGREEMENT AND THE PLAN OF ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF SUCH TRANSACTIONS OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.**

Descriptions in this Circular of the terms of the Arrangement Agreement, the Plan of Arrangement, the Contribution Agreement, the Voting and Support Agreements, the Fairness Opinions and the Interim Order are summaries of the terms of those documents and are qualified in their entirety by such terms. Shareholders should refer to the full text of the Arrangement Agreement, the Plan of Arrangement, the Amending Agreement, the Contribution Agreement, the Voting and Support Agreements, the Fairness Opinions and the Interim Order for complete details of those documents. The Arrangement Agreement and Voting and Support Agreements have been filed by Filo under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The Arrangement Agreement and the Contribution Agreement have been filed by Lundin Mining under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). In addition, the Plan of Arrangement, the Interim Order and the Fairness Opinions are attached as Appendix B, Appendix C, Appendix E and Appendix F to this Circular.

## **Information Concerning Lundin Mining**

Except as otherwise indicated, the information concerning Lundin Mining and its affiliates contained in this Circular has been provided by Lundin Mining for inclusion in this Circular and should be read together with, and is qualified by, the documents filed by Lundin Mining with a securities commission or similar authority in Canada that are incorporated by reference herein. Although the Company has no knowledge that any statements contained herein taken from or based on such information provided by Lundin Mining are untrue or incomplete, the Company assumes no responsibility for the accuracy of such information, or for any failure by Lundin Mining or any of its affiliates or any of their respective representatives to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to the Company. In accordance with the Arrangement Agreement, Lundin Mining provided the Company with all necessary information concerning Lundin Mining that is required by applicable Laws to be included in this Circular and ensured that such information does not contain any misrepresentations.

## **Information Concerning BHP**

Except as otherwise indicated, the information concerning BHP and its affiliates contained in this Circular has been provided by BHP for inclusion in this Circular. Although the Company has no knowledge that any statements contained herein taken from or based on such information provided by BHP are untrue or incomplete, the Company assumes no responsibility for the accuracy of such information, or for any failure by BHP or any of its affiliates or any of their respective representatives to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to the Company. In accordance with the Arrangement Agreement, BHP provided the Company with all necessary information concerning BHP that is required by applicable Laws to be included in this Circular and ensured that such information does not contain any misrepresentations.

## **Information for U.S. Shareholders**

The Company is a corporation existing under the federal laws of Canada and is a “foreign private issuer” as defined in Rule 405 under the *United States Securities Act of 1933* and Rule 3b-4 under the *United States Securities Exchange Act of 1934*. The solicitation of proxies and the transactions contemplated in this Circular are not subject to the proxy rules under Section 14(a) of the U.S. Exchange Act by virtue of an exemption for foreign private issuers. Accordingly, the solicitation and transactions contemplated in this Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate laws and Securities Laws, and this Circular has been prepared in accordance with disclosure requirements applicable in Canada. Shareholders in the United States should be aware that disclosure requirements under Canadian laws are different from those of the United States applicable to registration statements under the U.S. Securities Act and proxy statements under the U.S. Exchange Act. Shareholders in the United States should also be aware that other requirements under Canadian laws may differ from those required under United States corporate laws and United States federal and state securities legislation.

The enforcement by Shareholders of rights, claims and civil liabilities under U.S. Securities Laws may be affected adversely by the fact that the Company is organized under the laws of a jurisdiction other than the United States, that a majority of its officers and directors are residents of countries other than the United States and that all or substantial portions of the assets of the Company and such other Persons are, or will be, located outside the United States. You may not be able to sue a Canadian company or its officers or directors in a Canadian court for violations of U.S. Securities Laws. In addition, the courts of Canada may not enforce judgments of United States courts obtained in actions against such Persons predicated upon civil liabilities under the U.S. Securities Laws and all rules, regulations and orders promulgated thereunder.

**THE LUNDIN MINING SHARES ISSUABLE IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE PASSED UPON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

The Lundin Mining Shares are being issued in reliance on the exemption from the registration requirements of the U.S. Securities Act set forth in Section 3(a)(10) thereof on the basis of the approval of the Court, and similar

exemptions from registration under applicable state securities laws. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more *bona fide* outstanding securities from the registration requirements under the U.S. Securities Act where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the substantive and procedural fairness of the terms and conditions of the Arrangement will be considered. The Court issued the Interim Order on August 26, 2024 and, subject to the approval of the Arrangement by the Shareholders, a hearing of the application for the Final Order is currently scheduled to take place on October 2, 2024, at 11:00 a.m. (Toronto time), or as soon thereafter as counsel may be heard. All Shareholders are entitled to appear and be heard at this hearing. The Final Order will be relied upon as a basis for the exemption from the registration requirements of the U.S. Securities Act set forth in Section 3(a)(10) thereof with respect to the Lundin Mining Shares to be received by Shareholders pursuant to the Arrangement in exchange for their Filo Shares and Filo Options, respectively. Prior to the hearing on the Final Order, the Court will be informed that the parties will so rely upon the Final Order as the basis for the exemption from the registration requirements of the U.S. Securities Act set forth in 3(a)(10) thereof.

**This Arrangement has not been approved or disapproved by the SEC or any other securities regulatory authority, nor has any securities regulatory authority passed upon the fairness or the merits of this transaction or upon the accuracy or adequacy of the information contained in this Circular.**

Shareholders in the United States should be aware that the financial statements and financial information of the Company are prepared in accordance with IFRS Accounting Standards and are subject to Canadian auditing and auditor independence standards, each of which differ in certain material respects from United States generally accepted accounting principles and auditing and auditor independence standards and thus may not be comparable in all respects to financial statements and information of United States companies. Shareholders should be aware that the acquisition of the securities described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are resident in, or citizens of, the United States are not described herein. U.S. Shareholders should consult their own tax advisors with respect to their own particular circumstances.

Similarly, information concerning the properties and operations of the Company and Lundin Mining contained in or incorporated by reference in this Circular have been prepared in accordance with Canadian disclosure standards, which are not comparable to disclosure standards promulgated by the SEC under the U.S. Securities Act and the U.S. Exchange Act. In particular, disclosure of scientific or technical information regarding mineral reserves and mineral resources contained in or incorporated by reference in this Circular has been made in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. NI 43-101 is a rule developed by the Canadian Institute of Mining, Metallurgy and Petroleum and incorporated into a national instrument issued by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ from the requirements of the SEC that are applicable to domestic United States reporting companies. Accordingly, information contained in this Circular or in documents incorporated by reference containing descriptions of the Company's and Lundin Mining's mineral properties, including mineral reserves and mineral resources, may not be comparable to similar information that would be disclosed by a United States company in its filings with the SEC.

The enforcement by investors of civil liabilities under the U.S. Securities Laws may be affected adversely by the fact that each of Filo and the Purchaser Parties is incorporated or organized outside the United States, that some or all of their respective officers and directors and the experts named herein are residents of a foreign country, and that all or a substantial portion of the assets of Filo and the Purchaser Parties and said persons are located outside the United States. As a result, it may be difficult or impossible for U.S. Shareholders to effect service of process within the United States upon Filo or the Purchaser Parties, their respective officers or directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, U.S. Shareholders should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States; or (b) would enforce, in original actions, liabilities

against such persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States.

### **Cautionary Note Regarding Forward-Looking Statements**

This Circular contains forward-looking statements and forward-looking information within the meaning of applicable Securities Laws and which are based on the currently available competitive, financial and economic data and operating plans of management of the Company as of the date hereof unless otherwise stated. Forward-looking statements are provided for the purpose of presenting information about management’s current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. The use of any of the words “may”, “will”, “plan”, “expect”, “anticipate”, “estimate”, “intend”, “indicate”, “scheduled”, “target”, “goal”, “potential”, “subject”, “efforts”, “option” or the negative of such terms and similar expressions are intended to identify forward-looking statements or information. More particularly and without limitation, this Circular contains forward-looking statements and information concerning: the Meeting; the solicitation of proxies by Filo; the Arrangement and the completion thereof; covenants of Filo and each of the Purchaser Parties in relation to the Arrangement; the timing for the implementation of the Arrangement, including the expected Effective Date of the Arrangement and the expectation that the conditions to completion of the Arrangement will be satisfied; the reasons for, and anticipated benefits of, the Arrangement to Filo and Shareholders; statements made in, and based upon the Fairness Opinions; the principal steps of the Arrangement; the expected timing for the acceleration of vesting of all unvested Filo Options; expectations regarding the value and nature of the Consideration payable to Shareholders and Optionholders pursuant to the Arrangement; the election of the Consideration to be received by Former Company Shareholders pursuant to the Arrangement and the process and timing of delivery of the Consideration to Former Company Shareholders following the Effective Time, including with respect to Euroclear Holders; expected timing for the delivery of the Letter of Transmittal to Registered Shareholders and Optionholders and the associated press release with respect to the announcement thereof; expected timing of the Election Deadline and the Euroclear Election Deadline and the associated press release with respect to the announcement thereof; expectations as to the delivery of the Consideration to the Depositary by Lundin Mining and BHP; the receipt of the Shareholder, court, regulatory, stock exchange and other approvals necessary for the completion of the Arrangement and the expected timing thereof; the prior filing and publication of the Swedish Documentation in accordance with the EU Prospectus Regulation (including if applicable the approval and registration of the SFSA of such documentation) and the expected timing thereof; the consummation of the transactions contemplated by the Contribution Agreement and the expected timing thereof; Lundin Mining and BHP entering into a definitive joint venture agreement with respect to JVCo and the expected timing thereof; the ability of the Parties to satisfy the other conditions of the Arrangement; de-listing of the Filo Shares from the TSX and First North; ceasing of reporting issuer status of Filo; the listing of the Lundin Mining Shares issuable pursuant to the Arrangement on the TSX and Nasdaq Stockholm and the satisfaction of conditions for listing such Lundin Mining Shares and the expected timing thereof; the availability of the exemption under Section 3(a)(10) of the U.S. Securities Act for the securities issuable pursuant to the Arrangement; the transfer restrictions (or lack thereof) with respect to the Lundin Mining Shares issued to Shareholders upon the completion of the Arrangement; the exercise of Dissent Rights by Registered Shareholders with regards to the Arrangement; the treatment of Filo Shares and Filo Options held by directors and Senior Officers of Filo; the consideration and compensation to be paid to the directors and Senior Officers of Filo following completion of the Arrangement; the number of Lundin Mining Shares expected to be issued pursuant to the Arrangement; the expected ownership of Lundin Mining Shares by Former Company Shareholders and existing Lundin Mining shareholders upon completion of the Arrangement; the liquidity of Lundin Mining Shares following the Effective Time; the market price of Lundin Mining Shares; the anticipated tax treatment of the Arrangement for Shareholders; the expected expenses associated with the Arrangement; the consequences to Filo and Shareholders, Lundin Mining and BHP if the Arrangement is not completed; statements relating to the business of Lundin Mining, Filo and JVCo after the date of this Circular and prior to, and after, the Effective Time; the advancement of exploration to development of the Company Material Property; the benefits of the Company Material Property on local communities; the impact of the Arrangement on employees and local stakeholders; estimates of mineral resources and mineral reserves; the future demand for and prices of commodities; the future size and growth of metals markets; the timing and amount of estimated future production of Lundin Mining and JVCo; estimates regarding future cost reductions, synergies and expectations of improved efficiencies, financial flexibility, future innovation and integration opportunities; expectations regarding future balance sheet strength; expectations regarding costs of production and capital and operating expenditures; estimates of the mine life of mineral projects; expectations regarding the costs and timing of exploration and development, and the success of such activities; sales expectations; the timing and possible outcome of pending

litigation in future periods; the timing and possible outcome of regulatory and permitted matters; goals; strategies; future growth; planned future acquisitions (other than the Arrangement); the adequacy of financial resources; and other events or conditions that may occur in the future or future plans, projects, objectives, estimates and forecasts, and the timing related thereto.

In respect of the forward-looking statements and information in this Circular, the Company has provided such forward-looking statements and information in reliance on certain assumptions that it believes are reasonable at this time, including assumptions as to the ability of the Parties (as defined in the Circular) to receive, in a timely manner and on satisfactory terms, the necessary Court, Shareholder, regulatory, stock exchange and other third party approvals; the listing of the Lundin Mining Shares to be issued in connection with the Arrangement on the TSX and on the Nasdaq Stockholm; no material adverse change in the market price of copper and other metal prices; the ability of the Parties to satisfy, in a timely manner, the other conditions to the closing of the Arrangement; the Company's and the Purchaser Parties' and JVCo's ability to obtain all necessary permits, licenses and regulatory approvals for operations in a timely manner; the adequacy of the financial resources of the Company and the Purchaser Parties; sustained labor stability and availability of equipment; the maintaining of positive relations with local groups; favorable equity and debt capital markets; stability in financial capital markets and other expectations and assumptions which management believes are appropriate and reasonable. The anticipated dates provided in this Circular regarding the Arrangement may change for a number of reasons, including the inability to secure the necessary regulatory, Court, Shareholder, stock exchange or other third-party approvals in the time assumed or the need for additional time to satisfy the other conditions to the completion of the Arrangement. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this Circular.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of risks, uncertainties and factors. Such risks, uncertainties and factors include, among others: the risk that the Arrangement may not close when planned or at all or on the terms and conditions set forth in the Arrangement Agreement; the failure of the Company and the Purchaser Parties to obtain the necessary regulatory, Court, Shareholder, stock exchange and other third-party approvals, or to otherwise satisfy the conditions to the completion of the Arrangement, in a timely manner, or at all; Shareholders that elect the Cash Consideration or the Share Consideration (together with the applicable Share Consideration Cash) may be subject to pro-ration and adjustment in accordance with the Arrangement Agreement; if a third party makes a Superior Proposal (as defined in the Circular), the Arrangement may not be completed and the Company may be required to pay the Termination Fee (as defined in the Circular); if the Arrangement is not completed, and the Company continues as an independent entity, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the Company to the completion of Arrangement could have an impact on the Company's current business relationships and could have a material adverse effect on the current and future operations, financial condition and prospects of the Company; the failure of the Company to comply with the terms of the Arrangement Agreement may, in certain circumstances, result in the Company being required to pay the Termination Fee to the Purchaser Parties, the result of which could have a material adverse effect on the Company's financial position and results of operations and its ability to fund growth prospects and current operations; following completion of the Arrangement, Shareholders will no longer hold Filo Shares and Shareholders who do not receive Lundin Mining Shares as Consideration will no longer have any interest in Filo, its assets, revenue or profits; the Arrangement may result in tax being payable by certain Shareholders following completion of the Arrangement; it may not be possible for Shareholders to effect service of process within Canada on certain director and officers of Filo and Lundin Mining, as well as certain experts referenced in this Circular as a result of such persons residing outside of Canada; the Arrangement Agreement may be terminated by any Party in certain circumstances; the number of Lundin Mining Shares to be received under an election to receive Lundin Mining Shares as Consideration is fixed and their market value will likely vary from the value of the Cash Consideration; the Lundin Mining Shares to be issued in connection with the Arrangement has and may continue to fluctuate between the date of the Arrangement Agreement and the completion of the Arrangement; the market price of the Filo Shares and the Lundin Mining Shares may be materially adversely affected in certain circumstances; Euroclear Holders that receive Cash Consideration and/or Share Consideration Cash in Swedish krona (SEK) may be subject to currency exchange risks; the Termination Fee may discourage third parties from attempting to acquire the Company; the Arrangement Agreement contains provisions that restrict the ability of the Company to pursue alternatives to the Arrangement and to conduct its business; the focus of management's time and attention on the Arrangement may detract from other aspects of the respective businesses of the Company, Lundin Mining and BHP; the benefits expected from the Arrangement may not be realized; the exercise of Dissent



Rights may impact the Company's cash resources or result in the Arrangement not being completed; litigation relating to the Arrangement may be commenced which may prevent, delay or give rise to significant costs or liabilities on the part of the Company, Lundin Mining or BHP; the tax consequences of the Arrangement may differ from anticipated treatment; the directors and Senior Officers of Filo have interests in the Arrangement that differ from those of Shareholders; the Fairness Opinions do not reflect changes in circumstances that have or may occur since the date of the Arrangement Agreement; risks associated with business integration and operation of JVCo; the risk of dilution and share price volatility of the Lundin Mining Shares following completion of the Arrangement; the issuance of Lundin Mining Shares in connection with the Arrangement may result in a "market overhang" and could adversely affect the market price of the Lundin Mining Shares following completion of the Arrangement; the dividend policy or practices of Lundin Mining following the Arrangement are not guaranteed and could change; risks related to the Parties' respective properties; risks related to competitive conditions; risks associated with the Parties' lack of control over mining conditions; risks related to the operations of the Parties; the risk that actual results of current exploration activities may be different than forecasts; risks related to reclamation activities; the risk that project parameters may change as plans continue to be refined; risks related to changes in laws, regulations and government practices; risks associated with the uncertainty of future prices of copper and other metals and currency exchange rates; the risk that the transactions contemplated under the Contribution Agreement will not be consummated; the risk that plant, equipment or processes may fail to operate as anticipated; risks related to accidents and labour disputes and other risks inherent to the mining and mineral exploration industry; risks associated with delays in obtaining governmental approvals or financing or in the completion of exploration or development activities; risks related to the inherent uncertainty of mineral resource and mineral reserve estimates; risks associated with uncertainties inherent to feasibility and other economic studies; health, safety and environmental risks; and the risks discussed under the heading "*Risk Factors*" and elsewhere in the Circular, including in the documents incorporated by reference in the Circular.

Shareholders are cautioned that the foregoing list of factors is not exhaustive. Additional information on other factors that could affect the operations or financial results of the Parties is included in reports filed by the Company and Lundin Mining with the securities commissions or similar authorities in Canada (which are available under the Company's and Lundin Mining's respective SEDAR+ profiles at [www.sedarplus.ca](http://www.sedarplus.ca)).

The forward-looking statements and information contained in this Circular are made as of the date hereof and the Company and the Purchaser Parties undertake no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless required by applicable Securities Laws and readers should also carefully consider the matters discussed under the heading "*Risk Factors*", "*Information Concerning Lundin Mining*" "*Information Concerning Lundin Mining Following Completion of the Arrangement*", Appendix G and the risks described in the annual information form for Lundin Mining dated February 21, 2024 and the management discussion and analysis for Lundin Mining for the year ended December 31, 2023 and other documents incorporated by reference herein. All forward-looking statements contained in Appendix G and elsewhere in this Circular are expressly qualified in their entirety by the cautionary statements set forth above and in any document incorporated by reference herein.

### **Enforcement in Canada**

Certain of the directors and officers of Filo and the Purchaser Parties as well as certain experts referenced in this Circular and the documents incorporated by reference herein reside outside of Canada. Therefore, it may not be possible for Shareholders to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such persons. Moreover, it may not be possible for the Shareholders to effect service of process within Canada upon such persons.

### **Scientific and Technical Information**

All mineral reserves and mineral resources for Filo and Lundin Mining contained or incorporated by reference in this Circular have been estimated in accordance with the standards of the CIM and NI 43-101. All mineral resources are reported exclusive of mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimation of "measured", "indicated" or "inferred" mineral resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable mineral reserves. The estimation of "inferred" mineral resources involves far greater uncertainty as to their existence and economic

viability than the estimation of other categories of mineral resources. It cannot be assumed that all or any part of a “measured”, “indicated” or “inferred” mineral resource will ever be upgraded to a higher category or converted into a mineral reserve. Under Canadian rules, estimates of “inferred mineral resources” may not form the basis of feasibility studies, pre-feasibility studies or other economic studies, except in prescribed cases, such as in a preliminary economic assessment under certain circumstances. Investors are cautioned not to assume that any part or all of a “measured”, “indicated” or “inferred” mineral resource exists or is economically or legally mineable. Mineral resources that are not mineral reserves do not have demonstrated economic viability. An estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. The quantity and grade of reported inferred mineral resources in an estimation are uncertain in nature and there has been insufficient exploration to define such inferred mineral resources as an indicated mineral resource or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated mineral resource or measured mineral resource category. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to enable them to be categorized as mineral reserves. The mineral reserves and mineral resources for Filo and Lundin Mining contained or incorporated by reference in this Circular were reported using the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards.

### **Reference to Financial Information and Additional Information**

Financial information provided in the Company’s comparative annual financial statements and Filo’s management discussion and analysis for the year ended December 31, 2023 is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). You can obtain additional documents related to the Company without charge on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). You can also obtain documents related to the Company without charge by visiting the Company’s website at [www.filocorp.com](http://www.filocorp.com).

### **GLOSSARY OF TERMS**

In this Circular, the following words and terms shall have the following meanings:

**“Acceptable Confidentiality Agreement”** means a confidentiality and standstill agreement substantially in the form of the agreement set forth in the Company Disclosure Letter.

**“Acquisition Agreement”** means any letter of intent, memorandum of understanding or other Contract, agreement in principle, acquisition agreement, merger agreement or similar agreement or understanding with respect to any Acquisition Proposal.

**“Acquisition Proposal”** means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only the Company and/or one or more of its wholly-owned subsidiaries, whether or not in writing, any (a) inquiry, proposal or offer with respect to: (i) any direct or indirect acquisition by take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in any person or group of persons acting jointly or in concert (as such term is defined in NI 62-104, or in the case of a parent to parent transaction, their shareholders) beneficially owning Filo Shares (or securities convertible into or exchangeable or exercisable for Filo Shares) representing 20% or more of the Filo Shares then outstanding; (ii) any plan of arrangement, amalgamation, merger, share exchange, consolidation, recapitalization, reorganization, liquidation, dissolution, business combination or other similar transaction in respect of the Company or its subsidiaries that, individually or in the aggregate, constitutes 20% or more of the consolidated assets of the Company and its subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of the Company and its subsidiaries, taken as a whole, in each case, determined based on the consolidated financial statements of the Company for most recently filed period prior to such time as part of the Company Public Disclosure Record; or (iii) any direct or indirect acquisition by any person or group of persons of any assets of the Company and/or any interest in its subsidiaries (including shares or other equity interest of its subsidiaries) that are or that hold the Company Material Property or individually or in the aggregate contribute 20% or more of the consolidated revenue of the Company and its subsidiaries or constitute or hold 20% or more of the fair market value of the assets of the Company and its subsidiaries, taken as a whole, in each case based on the consolidated financial statements of the Company most recently filed prior to such time as part of the Company Public Disclosure Record (or any sale, disposition, lease, license, royalty, alliance or joint venture, off-take or stream, long-term supply agreement or other arrangement having a similar economic effect), whether in a single transaction or a series of related transactions; (b) transaction or series

of transactions that would have the same effect to those referred to in (a); or (c) any public announcement of an intention to do any of the foregoing.

**“Advance Ruling Certificate”** means an advance ruling certificate issued by the Commissioner pursuant to section 102 of the Competition Act with respect to the transactions contemplated by the Arrangement Agreement, such Advance Ruling Certificate having not been modified or withdrawn prior to the Effective Time.

**“affiliate”** and **“associate”** have the meanings respectively ascribed thereto in the Securities Act.

**“Aktieinvest”** means Aktieinvest FK AB.

**“allowable capital loss”** has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Capital Gains and Capital Losses”*.

**“Alternative Transaction”** has the meaning ascribed thereto in *“The Arrangement Agreement – Covenants of the Company”*.

**“Amending Agreement”** means the amending agreement to the Arrangement Agreement dated August 22, 2024, among the Purchaser Parties and the Company, including the schedules annexed thereto, as amended or varied pursuant to the terms thereof.

**“Arrangement”** means the arrangement of the Company under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of each of the Purchaser Parties and the Company, each acting reasonably.

**“Arrangement Agreement”** means the arrangement agreement dated July 29, 2024, among the Purchaser Parties and the Company, as amended by the Amending Agreement, including the schedules attached thereto and the Company Disclosure Letter, as amended or varied pursuant to the terms thereof.

**“Arrangement Resolution”** means the special resolution to be considered and, if thought fit, passed by the Shareholders at the Meeting to approve the Arrangement, to be substantially in the form and content of Schedule B of the Arrangement Agreement.

**“Beneficial Shareholders”** means Persons who hold Filo Shares through an Intermediary or who otherwise do not hold Filo Shares in the Person’s name.

**“BHP”** means BHP Investments Canada Inc., a corporation organized under the Laws of the Province of Ontario.

**“BHP Confidentiality Agreement”** means the confidentiality agreement between an affiliate of BHP and the Company.

**“BHP Filo Note”** means Canadian dollar-denominated demand, non-interest bearing promissory note issued by Lundin Mining in favour of BHP, representing the Maximum BHP Cash payable to Former Company Shareholders under the Arrangement Agreement.

**“BHP Josemaria Note”** means the U.S. dollar-denominated demand, non-interest bearing promissory note issued by Lundin Mining in favour of BHP, representing BHP’s investment in JVCo pursuant to the Contribution Agreement.

**“BHP Notes”** means BHP Josemaria Note and the BHP Filo Note.

**“BHP Shareholder Investor Rights”** means the rights and obligations of BHP (or an affiliate) under the subscription agreement dated as of February 28, 2022 between BHP (or an affiliate) and the Company.

“**Blakes**” means Blake, Cassels & Graydon LLP.

“**BMO Capital Markets**” means BMO Nesbitt Burns Inc.

“**BMO Fairness Opinion**” means an opinion of BMO Capital Markets to the effect that, as of July 29, 2024, based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates).

“**Board**” means the board of directors of the Company, as constituted from time to time.

“**Board Recommendation**” means the unanimous determination of the Board, after consultation with legal and financial advisors and following the receipt of the unanimous recommendation from the Company Special Committee, that the Arrangement is in the best interests of the Company and the unanimous recommendation of the Board to Shareholders that they vote in favour of the Arrangement Resolution.

“**Broadridge**” means Broadridge Financial Solutions, Inc.

“**Business Day**” means any day, other than a Saturday, Sunday or statutory or holiday in Toronto, Ontario, Vancouver, British Columbia, London, United Kingdom, New York, United States, Stockholm, Sweden, and Melbourne, Australia on which commercial banks in Toronto, Vancouver, London, New York and Melbourne are open for business.

“**Canada-US Tax Treaty**” has the meaning ascribed thereto in “*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dividends on Lundin Mining Shares*”.

“**Canadian Competition Approval**” means that, in connection with the transactions contemplated by the Arrangement Agreement, either (a) the applicable waiting period under section 123(1) of the Competition Act shall have expired or been terminated in accordance with subsection 123(2) of the Competition Act or the obligation to provide a pre-merger notification in accordance with Part IX of the Competition Act shall have been waived in accordance with subsection 113(c) of the Competition Act, and the Commissioner shall have issued a No Action Letter, or (b) the Commissioner shall have issued an Advance Ruling Certificate.

“**Candelaria Mine**” means the open pit and underground mines, including the Candelaria mine, Santos mine and Alcaparrosa mine, and related infrastructure located near Copiapó in the Atacama Province, Region III of Chile.

“**Candelaria Report**” means the NI 43-101 technical report entitled “Technical Report for the Candelaria Copper Mining Complex, Atacama Region, Region III, Chile” dated as of February 22, 2023 with an effective date of December 31, 2022, prepared for Lundin Mining by Glen Cole, P.Geo., Benny Zhang, P.Eng., Souvik Banerjee, P.Geo., Adrian Dance, P.Eng., Colleen MacDougall, P.Eng., and Cameron C. Scott, P.Eng., each of whom is a Qualified Person.

“**Capital Gains Proposals**” has the meaning ascribed thereto in “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Capital Gains and Capital Losses*”.

“**Caserones Mine**” means the Caserones copper-molybdenum mine located approximately 125 km southeast of Copiapó in the Atacama Province, Region III of Chile.

“**Caserones Option Exercise**” has the meaning ascribed thereto in “*Appendix G – Information Concerning Lundin Mining Corporation*”.

“**Caserones Report**” means the NI 43-101 technical report entitled “NI 43-101 Technical Report on the Caserones Mining Operation, Caserones Project, Atacama Region, Chile” dated as of July 13, 2023 with an effective date of December 31, 2022, prepared for Lundin Mining by Paul Daigle, P. Geo., Oscar Retto Magallanes, MAIG, Pierre Lacombe, P.Eng., Kirk Hanson, P.E., and Andre Gagnon, P.Eng., each of whom is a Qualified Person.

“**Cash Consideration**” means \$33.00 per Filo Share, without interest.

“**Cassels**” means Cassels Brock & Blackwell LLP.

“**CBCA**” means the *Canada Business Corporations Act*.

“**Chair**” means the chair of the Meeting.

“**Change of Recommendation**” means either (A) the Board or any committee thereof fails to publicly make a recommendation that the Shareholders vote in favour of the Arrangement Resolution as contemplated in the Arrangement Agreement or the Company or the Board, or any committee thereof, withdraws, modifies, qualifies or changes in a manner adverse to the Purchaser Parties, the Board Recommendation (it being understood that publicly taking no position or a neutral position by the Company and/or the Board with respect to an Acquisition Proposal for a period exceeding five Business Days after an Acquisition Proposal has been publicly announced (or beyond the date which is one day prior to the Meeting, if sooner) shall be deemed to constitute such a withdrawal, modification, qualification or change), (B) the Purchaser Parties request that the Board reaffirm its recommendation that the Shareholders vote in favour of the Arrangement Resolution and the Board shall not have done so by the earlier of (x) the third Business Day following receipt of such request and (y) the Meeting, or (C) the Company and/or the Board, or any committee thereof, accepts, approves, endorses or recommends any Acquisition Proposal or proposes publicly to accept, approve, endorse or recommend any Acquisition Proposal.

“**Chapada Mine**” means the copper-gold mine located in northern Goiás State, Brazil, approximately 320 km north of the state capital of Goiânia.

“**Chapada Report**” means the NI 43-101 technical report entitled “Technical Report on the Chapada Mine, Goiás State, Brazil” dated as of October 10, 2019 with an effective date of June 30, 2019, prepared for Lundin Mining by Chester M. Moore, P.Eng., Hugo M. Miranda, ChMC (RM), Andrew P. Hampton, M.Sc., P.Eng., and David G. Ritchie, M.Eng., P.Eng., each of whom is a Qualified Person.

“**Circular**” means the notice of meeting and accompanying management information circular (including all schedules, appendices and exhibits thereto and information incorporated by reference therein) to be sent to the Shareholders in connection with the Meeting, including any amendments or supplements thereto.

“**Closing**” means the closing of the transactions contemplated by the Contribution Agreement and other transactions contemplated thereby.

“**commercially reasonable efforts**” with respect to any Party means the cooperation of such Party and the use by such Party of its reasonable efforts consistent with reasonable commercial practice without payment or incurrence of any material liability or obligation.

“**Commissioner**” means the Commissioner of Competition appointed under subsection 7(1) of the Competition Act and includes any person designated by the Commissioner to act on his behalf.

“**Company**” or “**Filo**” means Filo Corp., a corporation organized under the federal laws of Canada.

“**Company Budget**” means the budget for the period ended December 31, 2024 attached to the Company Disclosure Letter.

“**Company Disclosure Letter**” means the disclosure letter issued on the date of the Arrangement Agreement regarding the Arrangement Agreement that has been executed by the Company and delivered to the Purchaser Parties.

“**Company Financial Statements**” means, collectively, (i) the audited consolidated financial statements of the Company as at, and for the years ended, December 31, 2023 and December 31, 2022 including the notes thereto

and the auditor's report thereon, and (ii) the unaudited condensed interim consolidated financial statements of the Company as at, and for the three months ended March 31, 2024 including the related notes thereto.

**"Company Material Property"** means the Company's 100% controlled Filo del Sol pre-feasibility study stage copper-gold-silver mining project located in the San Juan Province of Argentina and in the Atacama Region of Northern Chile, as described in the Filo Technical Report, including all the mining rights, mining concessions, easements, and exploration permits listed in the Company Disclosure Letter or any other mining right, mining concession, easements or exploration permit in such area or included in such mining project.

**"Company Properties"** means, collectively, the Company's (a) Permits, concessions, claims, leases, licences of any nature whatsoever, mining concessions, easements, mining rights, exploration permits, and all other rights relating in any manner whatsoever to the interest in, or exploration for minerals on the Company Properties (including without limitation the Company Material Property), all of which have been accurately and completely set out the Company Disclosure Letter and, in each case, as are necessary to perform the operations of the Company and each of its subsidiaries businesses as presently owned and conducted and as contemplated to be conducted; (b) real property interests of any nature whatsoever including fee simple estate of and in real property, licences (from landowners and authorities permitting the use of land by the Company or any of its subsidiaries), leases, rights of way, occupancy rights, surface rights, mineral rights, easements, water rights and permits, ditch rights, pipelines and all other real property interests (including without limitation the Company Material Property), all of which have been identified completely and accurately in the Company Disclosure Letter, and, in each case, as are necessary to perform the operations of its business as presently owned and conducted and contemplated to be conducted; and (c) properties and assets of any nature whatsoever and to all benefits derived therefrom and mineral rights including all the properties (including, without limitation, the Company Material Property) and assets reflected in the balance sheet forming part of the Company Public Disclosure Record.

**"Company Public Disclosure Record"** means all documents publicly filed under the profile of the Company on SEDAR+ since January 1, 2022 and prior to July 29, 2024.

**"Company Special Committee"** means the special committee of independent directors established by the Board.

**"Company Supporting Shareholders"** means, collectively, (a) the directors and senior officers of the Company; and (b) Nemesia S.à r.l., each of whom have entered into Voting and Support Agreements.

**"Competition Act"** means the *Competition Act* (Canada).

**"Computershare"** means Computershare Investor Services Inc.

**"Computershare Sweden"** means Computershare AB.

**"Concurrent Private Placement"** means the issuance on August 7, 2024 by the Company of an aggregate of 3,484,848 Filo Shares pursuant to the Concurrent Private Placement Subscription Agreements for gross proceeds of \$114,999,984.00.

**"Concurrent Private Placement Subscription Agreements"** means the subscription agreements entered into by the Company and each of the Purchaser Parties (or an affiliate) as of the date of the Arrangement Agreement and that provide for the issuance by the Company of 1,742,424 Filo Shares to each of the Purchaser Parties (or an affiliate) in each case at a price of \$33.00 per Filo Share.

**"Consideration"** means the consideration to be received by Shareholders pursuant to the Plan of Arrangement in consideration for their Filo Shares consisting of (i) the Cash Consideration, subject to the Maximum Cash Consideration; or (ii) the Share Consideration, subject to the Maximum Share Consideration, and the Share Consideration Cash, at the election or deemed election of the Shareholder and subject to pro-ration in accordance with the Plan of Arrangement.

**“Consideration Shares”** means the Lundin Mining Shares to be issued as Share Consideration pursuant to the Arrangement.

**“Contract”** means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding, joint venture, partnership, note, instrument, or other right or obligation (whether written or oral) to which a Party, or any of its subsidiaries, is a party or by which a Party, or any of its subsidiaries, is bound or affected or to which any of their respective properties or assets is subject.

**“Contribution Agreement”** means the contribution agreement dated July 29, 2024 between Lundin Mining and BHP, as the same may be amended, modified or replaced from time to time in accordance with the terms thereof and of the Arrangement Agreement.

**“Controlling Individual”** has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations – Eligibility for Investment”*.

**“Court”** means the Ontario Superior Court of Justice (Commercial List), or other court as applicable.

**“CRA”** means the Canada Revenue Agency.

**“Data Room”** has the meaning ascribed thereto in *“The Arrangement – Background to the Arrangement”*.

**“De Minimis Exclusion”** has the meaning ascribed thereto in *“The Arrangement – MI 61-101”*.

**“Demand for Payment”** has the meaning ascribed thereto in *“The Arrangement – Dissenting Shareholders’ Rights”*.

**“Depositary”** means Computershare or any other trust company, bank or other financial institution agreed to in writing by each of the Parties for the purpose of, among other things, exchanging certificates representing Filo Shares for the Share Consideration in connection with the Arrangement and paying the Cash Consideration to Shareholders.

**“Director”** means the director appointed pursuant to Section 260 of the CBCA.

**“Dissent Procedures”** means the dissent procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order, and the Plan of Arrangement.

**“Dissent Rights”** means the right of dissent exercisable by Registered Shareholders in respect of the Arrangement described in Section 1.1 of the Plan of Arrangement.

**“Dissenting Shareholder”** means a Registered Shareholder as of the Record Date of the Meeting that duly and validly exercises Dissent Rights in respect of all Filo Shares held and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.

**“DRS Advices”** means direct registration system advices.

**“Effective Date”** means the date shown on the certificate of arrangement issued by the Director pursuant to Section 192(7) of the CBCA in respect of the articles of arrangement giving effect to the Arrangement.

**“Effective Time”** means 12:01 a.m. (Vancouver, British Columbia time) on the Effective Date, or such other time as the Parties may agree in writing before the Effective Date.

**“Elected Amount”** has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Exchange of Filo Shares for Cash and Share Consideration – With Section 85 Election”*.

**“Election Deadline”** means 5:00 p.m. (Toronto, Ontario time) at the place of deposit on the date indicated as the election deadline in the Letter of Transmittal, which date shall be (a) agreed by the Parties, each acting reasonably,

(b) announced by the Company by means of a news release at least three Business Days before such date; and (c) not more than five Business Days before the Effective Date.

**“Eligible Holder”** means a Shareholder immediately prior to the Effective Time (other than a Dissenting Shareholder) who is: (a) a resident of Canada for the purposes of the Tax Act and any applicable income tax treaty (other than a Tax Exempt Person), (b) an Eligible Non-Resident, or (c) a partnership any member of which is described in (a) or (b).

**“Eligible Non-Resident”** means a Shareholder immediately prior to the Effective Time (other than a Dissenting Shareholder) who is not, and is not deemed to be, a resident of Canada for the purposes of the Tax Act and any applicable income tax treaty and whose Filo Shares constitute “taxable Canadian property” (as defined in the Tax Act) and are not “treaty-protected property”.

**“Employee Plans”** means all benefit, bonus, incentive, pension, retirement, savings, stock purchase, profit sharing, stock option, stock appreciation, phantom stock, termination, change of control, life insurance, medical, health, welfare, hospital, dental, vision care, drug, sick leave, disability, and similar plans, programmes, arrangements or practices relating to any current or former director, officer or employee of the Company or its subsidiaries other than benefit plans established pursuant to statute.

**“Employment Agreements”** has the meaning ascribed thereto in *“The Arrangement – Interest of Certain Persons in the Arrangement – Employment Agreements and Compensation Bonus”*.

**“Environment”** means the natural environment (including soil, land surface or subsurface strata, surface water, groundwater, sediment, ambient air (including all layers of the atmosphere), glaciers, the glacial and periglacial environments, organic and inorganic matter and living organisms, including human health, and any other environmental medium or natural resource).

**“Environmental Approvals”** means all permits, certificates, licences, authorizations, consents, orders, grants, instructions, registrations, directions, approvals, rulings, decisions, decrees, conditions, notifications, orders, demands or other authorizations, whether or not having the force of law, issued or required by any Governmental Authority pursuant to any Environmental Law, including any Environmental Impact Declaration or Environmental Impact Study.

**“Environmental Laws”** means Laws aimed at or relating to, or imposing liability or standards of conduct for or relating to, development, operation, reclamation or restoration of properties; abatement of pollution; protection of the Environment; protection of human health, of the environment (including air, water, soil) or natural resources (including mineral resources), of wildlife, including endangered species; management, treatment, storage, disposal, transportation, use or control of, or exposure to, Hazardous Substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or Hazardous Substances; and all other Laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes; the safeguarding of protected areas and populations; and any other regulation relating to the conservation, protection, contamination or remediation of the Environment, including but not limited to, Federal Law No. 24,051 on Hazardous Waste, Federal Law No 25,675 on General Environmental Policy, Federal Law No 26,045, Federal Law No 26,639 on the minimum standard regime for preservation of glaciers and periglacial areas, Argentine Civil and Commercial Code, Resolutions No 1102/04 and 785/05 issued by the former Argentinean Federal Energy Secretariat, Law 190-L of the Province of San Juan, Law 522-L of the Province of San Juan on Hazardous Waste, and Law of the Province of San Juan No. 1076-L for the protection of glaciers, among others and Chilean Environmental Law No. 19,300 and the Regulation of the Environmental Impact Assessment System, the Chilean Superintendency of the Environment Law No. 20,417, the Chilean Mining and Water Code, Chilean Mining Sites Closure Law No. 20,551 and its Regulation, the Mining Safety Regulation, the Chilean Administrative Law No. 19,880, among others, and the Treaty on Mining Integration between Chile and Argentina.

**“Euroclear Election Form”** has the meaning ascribed thereto in *“Important information for Holders of Euroclear Sweden Registered Filo Shares – Election”*.



**“Euroclear Election Period”** means the period when Euroclear Holders may submit duly completed Euroclear Election Forms to Aktieinvest.

**“Euroclear Holders”** means Shareholders who hold Filo Shares directly or indirectly through Euroclear Sweden.

**“Euroclear Sweden”** means the central securities depository in Sweden run by Euroclear Sweden AB.

**“Fairness Opinions”** means BMO Fairness Opinion and NBF Fairness Opinion.

**“Filo AIF”** has the meaning ascribed thereto in *“Information Concerning Filo – Documents Incorporated by Reference”*.

**“Filo Option Plan”** means the amended share option plan of the Company, which was last approved by the Board on May 6, 2022 and by the Shareholders on June 23, 2022.

**“Filo Options”** means the options to acquire Filo Shares granted pursuant to or otherwise subject to the Filo Option Plan.

**“Filo Shares”** means the common shares without par value in the capital of the Company.

**“Filo Technical Report”** means the technical report prepared for the Company entitled “Filo del Sol Project, NI 43-101 Technical Report, Updated Pre-feasibility Study, Argentina and Chile” dated March 17, 2023 with an effective date of February 28, 2023, prepared by Scott C. Elfen, P.Eng., Kevin Murray, P. Eng., Bruno Borntraeger, P.Eng., Fionnuala A.M. Devine, P.Geo., Neil M. Winkelmann, FAusIMM, James N. Gray, P.Geo., Ryan P. Brown, P.Eng. and Gordon Zurowski, P.Eng.

**“Final Hearing”** means the hearing at which the Final Order will be sought from the Court.

**“Final Order”** means the order of the Court approving the Arrangement under Section 192 of the CBCA, in form and substance acceptable to each of the Parties, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of each of the Parties, each acting reasonably) at any time prior to the Effective Date.

**“Final Proscription Date”** has the meaning ascribed thereto in *“The Arrangement – Exchange of Filo Securities – Extinction of Rights”*.

**“Final Subscription Amount”** has the meaning ascribed thereto in *“Appendix G – Information Concerning Lundin Mining Corporation”*.

**“First North”** means the multilateral trading facility Nasdaq First North Growth Market.

**“Former Company Shareholders”** means the Shareholders immediately prior to the Effective Time and, to the extent they receive Filo Shares pursuant the Plan of Arrangement, Former Optionholders.

**“Former Optionholders”** means the holders of Filo Options immediately prior to the Effective Time.

**“G&D”** means Gernandt & Danielsson Advokatbyrå KB.

**“Governmental Authority”** means (a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government or governmental body and any division, agent, official, agency, commission, board or authority of any government, governmental body, quasi-governmental or private body exercising any statutory, regulatory, expropriation or taxing authority under the authority of any of the foregoing, (b) any domestic, foreign or international judicial, quasi-judicial or administrative court, tribunal, commission, board, panel or arbitrator acting under the

authority of any of the foregoing, and (c) any stock exchange on which the securities of a Party (or any affiliate of a Party) may be listed or quoted for trading, including, without limitation, the TSX, Nasdaq Stockholm and First North.

**“Hazardous Substances”** means any waste, material or chemical or other substance that is prohibited, controlled, listed, defined, designated, regulated or classified by any Governmental Authority pursuant to Environmental Laws as dangerous, hazardous, radioactive, corrosive, explosive, infectious, carcinogenic, mutagenic or toxic or a pollutant or a contaminant under or pursuant to, or that could result in liability under, any applicable Environmental Laws including petroleum and all derivatives thereof or synthetic substitutes therefor, hydrogen sulphide, arsenic, cyanide, cadmium, lead, mercury, polychlorinated biphenyls (**“PCBs”**), PCB-containing equipment and material, mould, asbestos, asbestos-containing material, urea-formaldehyde, ureaformaldehyde-containing material, medical waste, biologically-infectious waste, or in general any material, substance or waste, whether in solid, liquid or gaseous forms, of a corrosive, reactive, explosive, toxic, flammable or infectious nature, and any other material or substance referred to by such terms as defined in any Environmental Law or that may impair the natural Environment, the health of any individual, property or plant or animal life.

**“Holder”** has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations”*.

**“IFRS”** or **“IFRS Accounting Standards”** means International Financial Reporting Standards as issued by the International Accounting Standards Board.

**“In-the-Money Amount”** means in respect of an In-the-Money Filo Option, the amount by which the Specified Value of the Filo Shares that a holder is entitled to acquire on exercise of the In-the-Money Filo Option immediately before the Effective Time exceeds the aggregate exercise price to acquire such Filo Shares pursuant to the In-the-Money Filo Option.

**“In-the-Money Filo Options”** means a Filo Option where the aggregate Specified Value of the Filo Shares subject to such Filo Option exceeds the aggregate exercise price of such Filo Option.

**“Independent Committee Exclusion”** has the meaning ascribed thereto in *“The Arrangement – MI 61-101”*.

**“Initial Proposal”** has the meaning ascribed thereto in *“The Arrangement – Background to the Arrangement”*.

**“Interim Order”** means the interim order of the Court dated August 26, 2024 pursuant to Section 192 of the CBCA following the application as contemplated by the Arrangement Agreement, in form and substance acceptable to each of the Parties, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, modified, supplemented or varied by the Court (provided that any such amendment, modification, supplement or variation is acceptable to each of the Parties, each acting reasonably).

**“Intermediary”** means, collectively, a broker, investment dealer, bank, trust company, nominee or other intermediary.

**“Investment Canada Act”** means the *Investment Canada Act* (Canada).

**“Investment Canada Act Approval”** means in respect of the transactions contemplated by the Arrangement Agreement: (a) if a Governmental Authority asserts that Part IV of the Investment Canada Act applies or likely applies to the transactions contemplated by the Arrangement Agreement and BHP submits an application for review under Part IV of the Investment Canada Act, (i) receipt by BHP of a notice from the responsible Minister under the Investment Canada Act that the Minister is satisfied that the transactions contemplated by the Arrangement Agreement are likely to be of net benefit to Canada pursuant to the Investment Canada Act or (ii) receipt by BHP of a notice that the Minister is deemed to be satisfied that the investment is likely to be of net benefit to Canada; and (b) there shall be no outstanding order or notice prohibiting closing under the Investment Canada Act.

**“joint venture”** means a joint venture, partnership or other similar arrangement, whether in corporate, partnership, contractual or other legal form, in which the Company directly or indirectly holds voting shares, equity interests or other rights of participation but which is not a subsidiary of the Company, and any subsidiary of any such entity.

“**Josemaria**” means Josemaria Resources Inc., a corporation organized under the federal laws of Canada.

“**Josemaria Entities**” means Josemaria, NGEx Deprominsa Holdings Inc., a corporation existing under the Laws of Canada, Deprominsa Uruguay B.V., a corporation existing under the Laws of the Kingdom of the Netherlands, Desarrollo de Prospectos Mineros S.A., a corporation existing under the Laws of Argentina and JVCo.

“**Josemaria Project**” means the Josemaria project located in the San Juan Province of Argentina.

“**Josemaria Report**” means the NI 43-101 technical report entitled “NI 43-101 Technical Report, Feasibility Study for the Josemaria Copper-Gold Project, San Juan Province, Argentina” dated as of November 5, 2018 with an effective date of September 28, 2020, prepared for Josemaria Resources by Bob McCarthy, P.Eng., Neil Winkelmann, FAusIMM, Andy Thomas, P.Eng., Cameron C. Scott, P.Eng., Marcel Bittel, P.Eng., Brian Johnston, P.Eng., Daniel Ruane, P.Eng., James Gray, P.Geo., Fionnuala Devine, P.Geo., and Jeffrey Austin, P.Eng., each of whom is a Qualified Person.

“**Josemaria Transaction**” means the transactions contemplated by the Contribution Agreement.

“**JVCo**” means 6565522 Canada Inc., a corporation organized under the federal laws of Canada that will, among other things, own Josemaria and the Josemaria Project as a result of the Josemaria Transaction and Filo and the Company Material Property as a result of the Arrangement.

“**JVCo Holdco**” means 8693757 Canada Inc., a corporation existing under the federal Laws of Canada.

“**JVCo Holdco Note**” means the demand, non-interest bearing promissory note issued by JVCo Holdco in favour of Lundin Mining Holdco, in an aggregate amount to be agreed by Lundin Mining and BHP, each acting reasonably.

“**JVCo Holdco Shares**” means common shares in the capital of JVCo Holdco.

“**JVCo Shares**” means common shares in the capital of JVCo.

“**Key Regulatory Approvals**” means the Canadian Competition Approval, the Investment Canada Act Approval and the other Regulatory Approvals described in Schedule C of the Arrangement Agreement.

“**Law**” or “**Laws**” means all laws, statutes, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or other requirements (in each case, whether temporary, preliminary or permanent) of any Governmental Authority having the force of law and any legal requirements arising under the common law or principles of law or equity and the term “applicable” with respect to such Laws and, in the context that refers to any person, means such Laws as are applicable at the relevant time or times to such person or its business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over such person or its business, undertaking, property or securities.

“**Letter of Transmittal**” means the letter of transmittal and election form to be delivered by the Company to the Shareholders.

“**Liens**” means any pledge, claim, lien, charge, option, hypothec, mortgage, security interest, restriction, adverse right, prior assignment, lease, sublease, royalty, levy, right to possession or any other encumbrance, easement, license, right of first refusal, covenant, voting trust or agreement, transfer restriction under any shareholder or similar agreement, right or restriction of any kind or nature whatsoever, whether contingent or absolute, direct or indirect, or any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

“**Lundin Mining**” means Lundin Mining Corporation, a corporation organized under the federal laws of Canada.

“**Lundin Mining AIF**” has the meaning ascribed thereto in “*Appendix G – Information Concerning Lundin Mining Corporation*”.

“**Lundin Mining Board**” means the board of directors of Lundin Mining.

“**Lundin Mining Confidentiality Agreement**” means the confidentiality agreement between Lundin Mining and the Company.

“**Lundin Mining Credit Facility**” has the meaning ascribed thereto in “*Appendix G – Information Concerning Lundin Mining Corporation*”.

“**Lundin Mining Holdco**” means 4258703 Canada Inc., a corporation organized under the federal Laws of Canada.

“**Lundin Mining Holdco Shares**” means common shares in the capital of Lundin Mining Holdco.

“**Lundin Mining Interim Financial Statements**” has the meaning ascribed thereto in “*Appendix G – Information Concerning Lundin Mining Corporation*”.

“**Lundin Mining Material Adverse Effect**” means any result, fact, change, effect (or a series of effects which cumulatively result in an effect), event, circumstance, occurrence, development, or change of status that, taken together with all other results, facts, changes, effects, events, circumstances, occurrences, developments or changes of status, has or would reasonably be expected to have a material and adverse effect on the business, results of operations, capitalization, assets, liabilities (including any contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise), or financial condition of Lundin Mining and the Lundin Mining Material Subsidiaries, taken as a whole, provided, however, that any result, fact, change, effect, event, circumstance, occurrence or development that arises out of, relates directly or indirectly to, results directly or indirectly from or is attributable to any of the following shall not be deemed to constitute, and shall not be taken into account in determining whether there has been, a Lundin Mining Material Adverse Effect:

- (a) changes, developments or conditions in or relating to general political, economic or financial, credit, currency or capital market conditions in Canada, the United States or globally, including, without limitation, changes in interest or exchange rates;
- (b) any change or proposed change in any Laws or the interpretation, application or non-application of any Laws by any Governmental Authority;
- (c) changes or developments affecting the global mining industry in general;
- (d) any outbreak or escalation of hostilities or war or acts of terrorism or any natural disaster, epidemic, pandemic or general outbreaks of illness or public health event (including any measures introduced by any Governmental Authority to address such epidemic, pandemic or other outbreak or public health event);
- (e) any changes in the price of copper, nickel or zinc;
- (f) any generally applicable changes in IFRS;
- (g) the announcement or pendency of the Arrangement Agreement, including any lawsuit in respect of the Arrangement Agreement or the transactions contemplated hereby;
- (h) any actions taken (or omitted to be taken) at the written request, or with the prior written consent, of the Company;

- (i) any action taken by Lundin Mining or the Lundin Mining Material Subsidiaries that is required pursuant to the Arrangement Agreement (excluding any obligation to act in the ordinary course of business); or
- (j) a change in the market price or trading volume of the Lundin Mining Shares as a result of the announcement of the execution of the Arrangement Agreement or of the transactions contemplated hereby (provided that the causes underlying such change may be considered to determine whether such change constitutes a Lundin Mining Material Adverse Effect);

provided, however, that each of clauses (a) through (f) above shall not apply to the extent that any of the changes, developments, conditions, occurrences or changes of status referred to therein relate primarily to (or have the effect of relating primarily to) Lundin Mining and the Lundin Mining Material Subsidiaries, taken as a whole or disproportionately adversely affect Lundin Mining and the Lundin Mining Material Subsidiaries, taken as a whole in comparison to other persons who operate in the mining industry and provided further, however, that references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a Lundin Mining Material Adverse Effect has occurred.

**“Lundin Mining Material Subsidiaries”** means the material subsidiaries listed on page 12 of Lundin Mining’s annual information form for the year ended December 31, 2023 filed on SEDAR+ on February 21, 2024.

**“Lundin Mining Shares”** means common shares in the capital of the Lundin Mining.

**“Lundin Mining Term Loan”** has the meaning ascribed thereto in *“Appendix G – Information Concerning Lundin Mining Corporation”*.

**“Material Adverse Effect”** means any result, fact, change, effect (or a series of effects which cumulatively result in an effect), event, circumstance, occurrence, development, or change of status that, taken together with all other results, facts, changes, effects, events, circumstances, occurrences, developments or changes of status, has or would reasonably be expected to have a material and adverse effect on the business, results of operations, capitalization, assets, liabilities (including any contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise), or financial condition of the Company and its subsidiaries, taken as a whole, or on the status, ownership, or good standing of the Company Material Property, provided, however, that any result, fact, change, effect, event, circumstance, occurrence or development that arises out of, relates directly or indirectly to, results directly or indirectly from or is attributable to any of the following shall not be deemed to constitute, and shall not be taken into account in determining whether there has been, a Material Adverse Effect:

- (a) changes, developments or conditions in or relating to general political, economic or financial, credit, currency or capital market conditions in Canada, the United States or globally including, without limitation, changes in interest or exchange rates;
- (b) any change or proposed change in any Laws or the interpretation, application or non-application of any Laws by any Governmental Authority;
- (c) changes or developments affecting the global mining industry in general;
- (d) any outbreak or escalation of hostilities or war or acts of terrorism or any natural disaster, epidemic, pandemic or general outbreaks of illness or public health event (including any measures introduced by any Governmental Authority to address such epidemic, pandemic or other outbreak or public health event);
- (e) any changes in the price of copper;
- (f) any generally applicable changes in IFRS;

- (g) the announcement or pendency of the Arrangement Agreement, including any lawsuit in respect of the Arrangement Agreement or the transactions contemplated hereby;
- (h) any actions taken (or omitted to be taken) at the written request, or with the prior written consent, of the Purchaser Parties;
- (i) any action taken by the Company or its subsidiaries that is required pursuant to the Arrangement Agreement (excluding any obligation to act in the ordinary course of business); or
- (j) a change in the market price or trading volume of the Filo Shares as a result of the announcement of the execution of the Arrangement Agreement or of the transactions contemplated hereby (provided that the causes underlying such change may be considered to determine whether such change constitutes a Material Adverse Effect);

provided, however, that each of clauses (a) through (f) above shall not apply to the extent that any of the changes, developments, conditions, occurrences, or changes of status referred to therein relate primarily to (or have the effect of relating primarily to) the Company and its subsidiaries, taken as a whole, or disproportionately adversely affect the Company and its subsidiaries taken as a whole in comparison to other persons who operate in the mining industry and provided further, however, that references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a Material Adverse Effect has occurred.

**“Material Contract”** means any of the following Contracts to which the Company or any of its subsidiaries is party or by which it or any of its assets, rights or properties (including the Company Material Property) are bound or affected: (a) any lease, license of occupation or mining claim relating to real property or the exploration or extraction of minerals from such subject real property by the Company or its subsidiaries, as tenant, with third parties; (b) any Contract under which the Company or any of its subsidiaries is obliged to make payments, or receives payments in excess of US\$5,000,000 in the aggregate in respect of expenditures; (c) any Contract under which the Company or any of its subsidiaries is obliged to make payments in excess of US\$5,000,000 in the aggregate for a period of more than twelve months without an ability to cancel such Contract after an initial twelve month period has passed; (d) any partnership, limited liability company agreement, joint venture, alliance agreement or other similar agreement or arrangement relating to the formation, creation, operation, management, business or control of any partnership or joint venture; (e) any shareholders or stockholders agreements, registration rights agreements, voting trusts, proxies or similar agreements, arrangements or commitments with respect to any shares or other equity interests of the Company or its subsidiaries or any other Contract relating to disposition, voting or dividends with respect to any shares or other equity securities of the Company or its subsidiaries; (f) any Contract under which indebtedness of the Company or its subsidiaries for borrowed money is outstanding or may be incurred or pursuant to which any property or asset of the Company or its subsidiaries is mortgaged, pledged or otherwise subject to a Lien securing indebtedness in excess of US\$1,000,000, any Contract under which the Company or any of its subsidiaries has directly or indirectly guaranteed any liabilities or obligations of any person or any Contract restricting the incurrence of indebtedness by the Company or its subsidiaries or the incurrence of Liens on any properties or securities of the Company or its subsidiaries or restricting the payment of dividends or other distributions; (g) any Contract that purports to limit in any material respect the right of the Company or its subsidiaries to (i) engage in any line of business or (ii) compete with any person or operate or acquire assets in any location; (h) any agreement or Contract by virtue of which any of the Company Properties were acquired or constructed or are held by the Company or its subsidiaries or pursuant to which the construction, ownership, operation, exploration, exploitation, extraction, development, production, transportation, refining or marketing of such Company Properties are subject or which grant rights which are or may be used in connection therewith; (i) any Contract providing for the sale or exchange of, or option to sell or exchange, the Company Material Property or any property or asset with a fair market value in excess of US\$1,000,000, or for the purchase or exchange of, or option to purchase or exchange, the Company Material Property or any property or asset with a fair market value in excess of US\$1,000,000, in each case entered into in the past 12 months or in respect of which the applicable transaction has not been consummated; (j) any Contract entered into in the past 12 months or in respect of which the applicable transaction has not yet been consummated for the acquisition or disposition, directly or indirectly (by merger or otherwise), of material assets or shares (or other equity interests) of another person for aggregate consideration in excess of US\$1,000,000, in each case other than in the ordinary course of business (which ordinary course of business includes, for greater certainty, blue chip swap

transactions for the purpose of funding the Company's subsidiaries); (k) any Contract providing for indemnification by the Company or its subsidiaries, other than Contracts which provide for indemnification obligations of less than US\$1,000,000; (l) any Contract providing for a royalty, streaming or similar arrangement or economically equivalent arrangement in respect of any of the Company Properties; (m) any standstill or similar Contract currently restricting the ability of the Company to offer to purchase or purchase the assets or equity securities of another person; (n) any Contract that is a material agreement with a Governmental Authority or with any first nations or indigenous group; (o) any Contract that, if terminated, modified, or subject to litigation, would have a Material Adverse Effect; or (p) any other Contract that is or would reasonably be expected to be material to the Company or its subsidiaries taken as a whole.

**"Maximum BHP Cash"** means \$1,908,087,786.00, provided that the Maximum BHP Cash shall:

- (a) be increased by \$16.50 for each Filo Share issued pursuant to the exercise of a Filo Option that is outstanding as of the date of the Arrangement Agreement or Filo Option issued following the date of the Arrangement Agreement as permitted by the Company Disclosure Letter, and, in either case, exercised on or after the date of the Arrangement Agreement, including pursuant to Section 3.02(e) of the Plan of Arrangement;
- (b) be increased by \$16.50 for each Filo Share issued following the date of the Arrangement Agreement as permitted by the Company Disclosure Letter;
- (c) for the avoidance of doubt, not be adjusted as a result of the issuance of Filo Shares pursuant to the Concurrent Private Placement; and
- (d) if, disregarding for such purpose paragraphs (a), (b) and (c) above, the number of issued and outstanding Filo Shares is less than the number of Filo Shares issued and outstanding as of the date of the Arrangement Agreement as listed in the Arrangement Agreement, decreased by \$16.50 multiplied by the difference between such amounts.

**"Maximum Cash Consideration"** means the sum of the Maximum BHP Cash and the Maximum Lundin Mining Cash.

**"Maximum Lundin Mining Cash"** means \$859,028,280.00, provided that the Maximum Lundin Mining Cash shall:

- (a) be increased by \$6.60 for each Filo Share issued pursuant to the exercise of a Filo Option that is outstanding as of the date of the Arrangement Agreement or Filo Option issued following the date of the Arrangement Agreement as permitted by the Company Disclosure Letter, and, in either case, exercised on or after the date of the Arrangement Agreement, including pursuant to Section 3.02(e) of the Plan of Arrangement;
- (b) be increased by \$6.60 for each Filo Share issued following the date of the Arrangement Agreement as permitted by the Company Disclosure Letter;
- (c) for the avoidance of doubt, not be adjusted as a result of the issuance of Filo Shares pursuant to the Concurrent Private Placement; and
- (d) if, disregarding for such purpose paragraphs (a), (b) and (c) above, the number of issued and outstanding Filo Shares is less than the number of Filo Shares issued and outstanding as of the date of the Arrangement Agreement as listed in the Arrangement Agreement, decreased by \$6.60 multiplied by the difference between such amounts.

**"Maximum Share Consideration"** means the maximum aggregate amount of Share Consideration to be paid to all Shareholders, being 92,064,404 Lundin Mining Shares, provided that the Maximum Share Consideration shall:

- (a) be increased by 0.7073 Lundin Mining Shares for each Filo Share issued pursuant to the exercise of a Filo Option that is outstanding as of the date of the Arrangement Agreement or Filo Option issued

following the date of the Arrangement Agreement as permitted by the Company Disclosure Letter, and, in either case, exercised on or after the date of the Arrangement Agreement, including pursuant to the Plan of Arrangement;

- (b) be increased by 0.7073 Lundin Mining Shares for each Filo Share issued following the date of the Arrangement Agreement as permitted by the Company Disclosure Letter;
- (c) for the avoidance of doubt, not be adjusted as a result of the issuance of Filo Shares pursuant to the Concurrent Private Placement; and
- (d) if, disregarding for such purpose paragraphs (a), (b) and (c) above, the number of issued and outstanding Filo Shares is less than the number of Filo Shares issued and outstanding as of the date of the Arrangement Agreement as listed in the Arrangement Agreement, decreased by 0.7073 Lundin Mining Shares multiplied by the difference between such amounts.

**“Meeting”** means the special meeting of the Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order for the purpose of considering and, if thought fit, approving the Arrangement Resolution.

**“Meeting Date”** means September 26, 2024.

**“MI 61-101”** means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

**“Minimum Tax”** has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Minimum Tax”*.

**“Nasdaq Stockholm”** means the regulated market operated by Nasdaq in Stockholm, Sweden.

**“NBF”** means National Bank Financial Inc.

**“NBF Fairness Opinion”** means an opinion of NBF to the effect that, as of July 29, 2024, based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates).

**“Neves-Corvo Mine”** means the copper and zinc mine situated approximately 220 km southeast of Lisbon in the Alentejo district of southern Portugal.

**“Neves-Corvo Report”** means the NI 43-101 technical report entitled “NI 43-101 Technical Report for the Neves-Corvo Mine, Portugal” dated as of February 22, 2023 with an effective date of December 31, 2022, prepared for Lundin Mining by Richard Ellis, C.Geol., EurGeol, FGS, Philip King, ARSM, C.Eng., FIMMM, Stuart Richardson, C.Eng., MIMMM, and Alison Allen, C.Env., FIMMM, MIEMA, MIEEM, each of whom is a Qualified Person.

**“NGEX”** means NGEx Minerals Ltd.

**“NI 43-101”** means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

**“NI 45-102”** means National Instrument 45-102 – *Resale of Securities*.

**“NI 62-104”** means National Instrument 62-104 – *Take-Over Bids and Issuer Bids*.

**“No Action Letter”** means written confirmation from the Commissioner that he does not, at that time, intend to make an application under Section 92 of the Competition Act in respect of any of the transactions contemplated by the Arrangement Agreement, such written confirmation having not been modified or withdrawn prior to the Effective Time.



“**NOBO**” means “non-objecting beneficial owners” and refers to Beneficial Shareholders who have not objected to their nominee disclosing certain ownership information about themselves to the Company.

“**Non-Resident Holder**” has the meaning ascribed thereto in “*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*”.

“**Notice of Appearance**” means the notice of appearance as set out in the Interim Order and the Notice of Application.

“**Notice of Application**” means the notice of application attached as Appendix D to the Circular.

“**Notice of Dissent**” has the meaning ascribed thereto in “*The Arrangement – Dissenting Shareholders’ Rights*”.

“**Notice of Meeting**” means the notice of the Meeting that Registered Shareholders or their duly appointed proxyholders at the close of business on August 20, 2024, are entitled to receive.

“**NSR**” has the meaning ascribed thereto in “*Information Concerning Filo – Recent Developments*”.

“**OBO**” means “objecting beneficial owners” and refers to those Beneficial Shareholders who have objected to their nominee disclosing ownership information about themselves to the Company.

“**Offer to Pay**” has the meaning ascribed thereto in “*The Arrangement – Dissenting Shareholders’ Rights*”.

“**Optionholder**” means a holder of one or more Filo Options.

“**ordinary course of business**”, or any similar reference, means, with respect to an action taken or to be taken by any person, that such action is consistent with the past practices of such person and is taken in the ordinary course of the normal day-to-day business and operations of such person and, in any case, is not unreasonable or unusual in the circumstances when considered in the context of the provisions of the Arrangement Agreement.

“**Out-of-the-Money Filo Option**” means a Filo Option that is not an In-the-Money Filo Option.

“**Outside Date**” means the date that is nine (9) months from the date of the Arrangement Agreement, or such later date as may be agreed to in writing by the Parties, provided that if the Effective Date has not occurred by the date that is nine (9) months from the date of the Arrangement Agreement as a result of the failure to satisfy the condition set forth in the Arrangement Agreement that all of the Key Regulatory Approvals be obtained and not have been modified or withdrawn prior to the Effective Time and no Key Regulatory Approval has been denied by a non-appealable decision of a Governmental Authority, then any Party may elect by notice in writing delivered to the other Parties by no later than 5:00 p.m. (Toronto time) on a date that is on or prior to such date or, in the case of subsequent extensions, the date that is on or prior to the Outside Date, as previously extended, to extend the Outside Date from time to time by a specified period of not less than 30 days from the then-current Outside Date (including as previously extended), provided further that, notwithstanding the foregoing, (A) a Party shall not be permitted to extend the Outside Date if the failure to satisfy such condition is primarily the result of a material breach of such Party’s covenants in the Arrangement Agreement, and (B) the aggregate extension period for the Outside Date for Filo, Lundin Mining and BHP, when combined, shall not exceed 90 days from the date that is nine (9) months from the date of the Arrangement Agreement.

“**Parties**” means Filo, Lundin Mining and BHP and “**Party**” means any one of them.

“**Permit**” means any lease, license, permit, certificate, consent, order, grant, approval, classification, waivers, qualifications, decrees, orders-in-council, exemptions, filings, grants, notifications, privileges, rights, rulings, directives, clearances, registration or other authorization of or from any Governmental Authority, including but not limited to all environmental and water permits required to operate a mining project in Argentina and Chile, such as the Company Material Property.

“**Permitted Third Party**” has the meaning ascribed thereto in “*The Arrangement – Background to the Arrangement*”.

**“Person”** includes an individual, sole proprietorship, corporation, body corporate, incorporated or unincorporated association, syndicate or organization, partnership, limited partnership, limited liability company, unlimited liability company, joint venture, joint stock company, trust, natural person in his or her capacity as trustee, executor, administrator or other legal representative, a government or Governmental Authority or other entity, whether or not having legal status.

**“Plan of Arrangement”** means the plan of arrangement substantially in the form and content set out in Appendix B, as amended, modified or supplemented from time to time in accordance with the Arrangement Agreement and the Plan of Arrangement or at the direction of the Court in the Final Order, with the consent of each of the Parties, each acting reasonably.

**“Proceedings”** means any court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal), arbitration or other dispute settlement procedure, investigation or inquiry before or by any Governmental Authority, or any claim, action, suit, demand, arbitration, charge, indictment, hearing, demand letter or other similar civil, quasi-criminal or criminal, administrative or investigative matter or proceeding, including by any third party.

**“Proposed Amendments”** has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations”*.

**“Purchaser Parties”** means Lundin Mining and BHP, and **“Purchaser Party”** means any one of them.

**“Qualified Person”** has the meaning ascribed thereto in NI 43-101.

**“Record Date”** means the record date for determining the Shareholders entitled to receive notice of and to vote at the Meeting, being the close of business on August 20, 2024 (Vancouver time) pursuant to the Interim Order.

**“Registered Plans”** has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations – Eligibility for Investment”*.

**“Registered Shareholders”** means registered holders of Filo Shares as recorded in the shareholder register of the Company.

**“Regulation S”** means Regulation S under the *U.S. Securities Act*.

**“Regulations”** has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations”*.

**“Regulatory Approvals”** means sanctions, rulings, consents, orders, exemptions, permits, waivers, early termination authorizations, clearances, written confirmations of no intention to initiate legal proceedings and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Authorities required in relation to the consummation of the transactions contemplated hereby, including the Key Regulatory Approvals but excluding the Interim Order and Final Order.

**“Representatives”** means, collectively, with respect to a Party, that Party's officers, directors, employees, consultants, advisors, agents or other representatives (including lawyers, accountants, investment bankers and financial advisors).

**“Required Shareholder Approval”** means the approval of the Arrangement Resolution by at least (i) 66⅔% of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting, excluding for the purposes of (ii) the votes cast in respect of Filo Shares held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101.

“**Resident Holder**” has the meaning ascribed thereto in “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*”.

“**Returns**” means all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Law in respect of Taxes.

“**Reverse Termination Fee**” means \$135,000,000 payable by the Purchaser Parties to Filo, on and subject to the terms of the Arrangement Agreement.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**Section 85 Election**” has the meaning ascribed thereto in “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Exchange of Filo Shares for Cash and Share Consideration – With Section 85 Election*”.

“**Securities Act**” means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder.

“**Securities Authorities**” means the British Columbia Securities Commission and any other applicable securities commissions or securities regulatory authority of a province or territory of Canada.

“**Securities Laws**” means the Securities Act, all other applicable Canadian provincial and territorial securities Laws, and all other securities Laws that a Party may be subject to, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**EU Prospectus Regulation**”), Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, the Securities Market Act (SFS 2007:528), the rules issued by the SFSA, “good stock market practise in Sweden” as determined by the Swedish Securities Council including the exemption from the Swedish takeover rules for certain trading platforms issued by the Stock Market Self-Regulation Committee granted on July 26, 2024, Euroclear Sweden AB’s Rules for Issuers and Issuer Agents and other Euroclear Sweden principles, the Nasdaq Rulebook for issuers of shares, the First North rulebook for issuers of shares and all other applicable Swedish securities rules and Laws.

“**SEDAR+**” means the System for Electronic Data Analysis and Retrieval+ maintained on behalf of the Canadian Securities Administrators.

“**Senior Officer**” means a “senior officer” as defined under MI 61-101.

“**SFSA**” means the Swedish Financial Supervisory Authority.

“**Share Consideration**” means 2.3578 Lundin Mining Shares for each Filo Share.

“**Share Consideration Cash**” means \$0.0001 per Filo Share, without interest.

“**Shareholder**” means a holder of one or more Filo Shares.

“**Specified BHP Percentage**” the quotient of (i) the Maximum BHP Cash divided by (ii) the Maximum Cash Consideration, expressed as a percentage.

“**Specified Lundin Mining Percentage**” means the quotient of (i) the Maximum Lundin Mining Cash divided by (ii) the Maximum Cash Consideration, expressed as a percentage.

**“Specified Number”** means, in each case, a number of JVCo Shares agreed by BHP and Lundin Mining, each acting reasonably, such that upon completion of the Arrangement and the transaction contemplated by the Contribution Agreement, BHP and Lundin Mining will each hold a 50% voting and equity interest in JVCo.

**“Specified Value”** means the amount equal to the Cash Consideration.

**“spinco”** has the meaning ascribed thereto in *“The Arrangement – Background to the Arrangement”*.

**“Stikeman”** means Stikeman Elliott LLP.

**“Subsequent Proposal”** has the meaning ascribed thereto in *“The Arrangement – Background to the Arrangement”*.

**“subsidiary”** means, with respect to a specified entity, any:

- (a) corporation of which issued and outstanding voting securities of such corporation to which are attached more than 50% of the votes that may be cast to elect directors of the corporation (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are owned by such specified entity and the votes attached to those voting securities are sufficient, if exercised, to elect a majority of the directors of such corporation;
- (b) partnership, unlimited liability company, joint venture or other similar entity in which such specified entity has more than 50% of the equity interests and the power to direct the policies, management and affairs thereof; and
- (c) a subsidiary (as defined in clauses (a) and (b) above) of any subsidiary (as so defined) of such specified entity.

**“Superior Proposal”** means a bona fide Acquisition Proposal made in writing on or after the date of the Arrangement Agreement by a person or persons “acting jointly or in concert” (as such term is defined in NI 62-104) (other than the Purchaser Parties and their respective affiliates) that is or are arm’s length from the Company (within the meaning of the Tax Act), that did not result from or involve a breach of the non-solicitation and right to match provisions of the Arrangement Agreement and that (or in respect of which):

- (a) is to acquire not less than all of the outstanding Filo Shares not owned by the person or persons or all or substantially all of the assets of the Company on a consolidated basis;
- (b) the Board has determined in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal would, taking into account all of the terms and conditions of such Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction which is more favourable to the Shareholders from a financial point of view than the Arrangement (taking into account any amendments to the Arrangement Agreement and the Arrangement proposed by the Purchaser Parties pursuant to the right to match provisions of the Arrangement Agreement);
- (c) in the case of an Acquisition Proposal that relates to the acquisition of all of the outstanding Filo Shares, is made available to all of the Shareholders on the same terms and conditions;
- (d) is not subject to any financing condition and in respect of which adequate arrangements have been made to ensure that the required funds will be available to effect payment in full;
- (e) is not subject to any due diligence and/or access condition; and
- (f) the Board has determined in good faith, after consultation with financial advisors and outside legal counsel, is capable of being completed in accordance with its terms, without undue delay, taking into

account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the person making such Acquisition Proposal.

“**Superior Proposal Notice Period**” has the meaning ascribed thereto in “*The Arrangement Agreement – Non-Solicitation and Right to Match*”.

“**Swedish Documentation**” means the Swedish Prospectus or Swedish Short Form Document.

“**Swedish Prospectus**” means a prospectus, and if applicable one or more prospectus supplement(s), prepared by Lundin Mining and subsequently approved by the SFSA and published by Lundin Mining in accordance the EU Prospectus Regulation (including an exemption granted by SFSA to allow the Swedish Prospectus to be prepared in English with a summary in Swedish) and, if applicable, a certificate of approval by the SFSA in accordance with Article 25 of the EU Prospectus Regulation (a so called EU passport for prospectuses).

“**Swedish Short Form Document**” means a document prepared by Lundin Mining and subsequently filed with the SFSA and published by Lundin Mining in accordance with Annex IX of the EU Prospectus Regulation if and as amended by the Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2017/1129, (EU) No 596/2014 and (EU) No 600/2014 to make public capital markets in the Union more attractive for companies and to facilitate access to capital for small and medium-sized enterprises (including an exemption, if required, granted by Swedish Financial Supervisory Authority to allow the Swedish Short Form Document to be prepared in English).

“**Tax**” or “**Taxes**” means any and all taxes, dues, duties, rates, imposts, fees, levies, other assessments, tariffs, charges or obligations of the same or similar nature, however denominated, imposed, assessed or collected by any Governmental Authority, including all income taxes, including any tax on or based on net income, gross income, income as specifically defined, earnings, gross receipts, capital gains, profits, business royalty or selected items of income, earnings or profits, and specifically including any federal, provincial, state, territorial, county, municipal, local or foreign taxes, state profit share taxes, windfall or excess profit taxes, capital taxes, royalty taxes, production taxes, payroll taxes, health taxes, employment taxes, withholding taxes, sales taxes, use taxes, goods and services taxes, harmonized sales taxes, custom duties, value added taxes, ad valorem taxes, excise taxes, alternative or add-on minimum taxes, franchise taxes, gross receipts taxes, licence taxes, occupation taxes, real and personal property taxes, stamp taxes, anti-dumping taxes, countervailing taxes, occupation taxes, environment taxes, transfer taxes, and employment or unemployment insurance premiums, social insurance premiums and worker’s compensation premiums, Canada Pension Plan and provincial pension plan premiums, and other taxes, fees, imposts, assessments or charges of any kind whatsoever together with any interest, penalties, additional taxes, fines and other charges and additions that may become payable in respect thereof including any interest in respect of such interest, penalties and additional taxes, fines and other charges and additions, whether disputed or not.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Tax Exempt Person**” means a person who is exempt from tax under Part I of the Tax Act.

“**Tax Instruction Letter**” has the meaning ascribed thereto in “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Exchange of Filo Shares for Cash and Share Consideration – With Section 85 Election*”.

“**taxable capital gain**” has the meaning ascribed thereto in “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Capital Gains and Capital Losses*”.

“**Termination Fee**” means \$135,000,000 payable by Filo to the Purchaser Parties, on and subject to the terms of the Arrangement Agreement.

“**TSX**” means the Toronto Stock Exchange.

**“U.S. Exchange Act”** means the *United States Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated thereunder.

**“U.S. Holder”** has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dividends on Lundin Mining Shares”*.

**“U.S. Securities Act”** means the *United States Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder.

**“U.S. Securities Laws”** means federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder, including, without limitation, the U.S. Exchange Act and the U.S. Securities Act.

**“U.S. Shareholders”** means Shareholders who hold Filo Shares who is a resident in the U.S.

**“United States”** means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

**“VIF”** means voting instruction form.

**“Voting and Support Agreements”** means the voting and support agreements dated as of the date of the Arrangement Agreement between the Purchaser Parties and the Company Supporting Shareholders, and other voting and support agreements that may be entered into after the date of the Arrangement Agreement by the Purchaser Parties and other Shareholders, which agreements provide that such Shareholders shall, among other things, vote all Filo Shares of which they are the registered or beneficial holder or over which they have control or direction, in favour of the Arrangement and not dispose of their Filo Shares.

**“VP-notice”** has the meaning ascribed thereto in *“The Arrangement – Blocked Trading in Filo Shares Held Through Euroclear Sweden”*.

## SUMMARY

The following information is a summary of the contents of this Circular. This summary is provided for convenience only and the information contained in this summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information and financial data and statements contained, or incorporated by reference, elsewhere in this Circular. Capitalized terms in this summary have the meaning set out in the “*Glossary of Terms*” or as set out herein. The full text of the Arrangement Agreement is available under the Company’s profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).

<b>Date, Time and Place of Meeting</b>	The Meeting will be held in a virtual-only format via live audio webcast on September 26, 2024 at 10:00 a.m. (Vancouver time) via live audio webcast at <a href="https://meetnow.global/MGK95K9">meetnow.global/MGK95K9</a> .
<b>The Record Date</b>	The Record Date for determining the Shareholders entitled to receive notice of and to vote at the Meeting is as of the close of business (Vancouver time) on August 20, 2024.
<b>Purpose of the Meeting</b>	At the Meeting, Shareholders will be asked to consider, pursuant to the Interim Order, and, if thought fit, to pass, with or without variation, the Arrangement Resolution. The approval of the Arrangement Resolution will require the Required Shareholder Approval.
<b>The Arrangement</b>	<p>The purpose of the Arrangement is to effect the acquisition by the Purchaser Parties of all of the issued and outstanding Filo Share not already owned by the Purchaser Parties and their respective affiliates. If the Arrangement Resolution is approved with the Required Shareholder Approval, the Final Order is obtained, and all other conditions to the closing of the Arrangement are satisfied or waived, the Arrangement will be implemented by way of a court-approved plan of arrangement under the CBCA and become effective on the Effective Date.</p>

At the Effective Time, the following shall occur and shall be deemed to occur sequentially in the following order, unless otherwise stated in the Plan of Arrangement each at one-minute intervals, without any further act or formality:

- (a) the BHP Shareholder Investor Rights shall be deemed terminated;
- (b) BHP shall advance to Lundin Mining an amount in cash equal to the amount of the BHP Josemaria Note and an amount in cash equal to the BHP Filo Note, and Lundin Mining shall issue the BHP Josemaria Note and the BHP Filo Note in favour of BHP. The amount in cash equal to the BHP Filo Note shall be deposited by BHP directly with the Depositary on behalf of Lundin Mining;
- (c) each Filo Share held by a Dissenting Shareholder shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens to Filo and Filo shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Article 4 of the Plan of Arrangement, less applicable withholdings pursuant to Section 5.04 of the Plan of Arrangement, and each such Filo Share so surrendered shall be cancelled and thereupon each Dissenting Shareholder shall cease to have any rights as holders of such Filo Shares other than the rights set out in Article 4 of the Plan of Arrangement and the name

of such Dissenting Shareholder shall be removed from the register of holders of Filo Shares;

- (d) each Out-of-the-Money Filo Option shall (whether vested or unvested and notwithstanding the terms of the Filo Option Plan) be, and shall be deemed to be, terminated without payment or compensation therefor, and the holder thereof will cease to be the holder of such Out-of-the-Money Filo Option, will cease to have any rights as a holder in respect of such Out-of-the-Money Filo Option, such holder will be removed from the register of Filo Options, and all option agreements, grants and similar instruments relating thereto will be cancelled and neither Filo, BHP, Lundin Mining nor JVCo shall have any further liabilities or obligations to the Former Optionholders thereof with respect thereto;
- (e) each In-the-Money Filo Option shall (whether vested or unvested and notwithstanding the terms of the Filo Option Plan) be, and shall be deemed to be, surrendered and disposed of to Filo and the relevant holder of the In-the-Money Filo Options will receive a payment from Filo, in the form of Filo Shares, having an aggregate Specified Value equal to the relevant In-the-Money Amount, less applicable withholdings pursuant to Section 5.04 of the Plan of Arrangement, and the name of each such holder shall be added to the securities register maintained by or on behalf of Filo in respect of Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares acquired pursuant to the terms of such In-the-Money Filo Options and the Filo Shares issuable in connection therewith will be deemed to be issued as fully paid and non-assessable common shares in the authorized share structure of the Filo provided that no share certificates shall be issued with respect to such Filo Shares and the Filo Option Plan shall be terminated;
- (f) each Filo Share held by a Former Company Shareholder (other than any Filo Shares held by a Purchaser Party or a Dissenting Shareholder) shall be transferred to Lundin Mining, free and clear of all Liens, in accordance with the election or deemed election of such Former Company Shareholder pursuant to Section 3.03 of the Plan of Arrangement and, subject to pro-ration under Section 3.04 of the Plan of Arrangement, and each such Former Company Shareholder shall be entitled to receive, in exchange therefor, consideration comprised of:

- (i) the Cash Consideration, or
- (ii) the Share Consideration and Share Consideration Cash,

and the name of such Former Company Shareholder shall be removed from the register of holders of Filo Shares and, to the extent such holder has elected to or is deemed to have elected to receive the Share Consideration, added to the register of holders of Lundin Mining Shares, and Lundin Mining shall be recorded as the registered holder of the Filo Shares so exchanged and shall be deemed to be the legal and beneficial owner thereof and, for greater certainty, with respect to any election pursuant to the foregoing, a Former Company Shareholder may elect to receive a



combination of the Cash Consideration and the Share Consideration and Share Consideration Cash in exchange for the aggregate number of Filo Shares in respect of which such election is made;

- (g) all Filo Shares held by Lundin Mining shall be, and shall be deemed to be, transferred to Lundin Mining Holdco (free and clear of any Liens) by Lundin Mining in exchange for (i) the assumption by Lundin Mining Holdco, as obligor, of the BHP Notes; and (ii) Lundin Mining Holdco Shares having a value and stated capital equal to the value of the Filo Shares transferred less the aggregate principal amount of the BHP Notes, and Lundin Mining Holdco shall be added to the securities register maintained by or on behalf of the Company in respect of the Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares transferred and Lundin Mining shall be added to the securities register maintained by or on behalf of Lundin Mining Holdco in respect of the Lundin Mining Holdco Shares showing such holder as the legal and beneficial owner of the Lundin Mining Holdco Shares issued. Lundin Mining and Lundin Mining Holdco will jointly file an election under section 85 of the Tax Act; with an agreed amount not exceeding the greater of: (i) the adjusted cost base (as defined in the Tax Act) of the Filo Shares transferred to Lundin Mining Holdco; and (ii) the aggregate principal amount of the BHP Notes;
- (h) all Filo Shares held by Lundin Mining Holdco shall be, and shall be deemed to be, transferred to JVCo Holdco in exchange for (i) the assumption by JVCo Holdco, as obligor, of the BHP Notes, (ii) the JVCo Holdco Note, and (iii) JVCo Holdco Shares having a value and stated capital equal to the value of the Filo Shares transferred less the aggregate principal amount of the BHP Notes and JVCo Holdco Note, and JVCo Holdco shall be added to the securities register maintained by or on behalf of the Company in respect of the Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares transferred and Lundin Mining Holdco shall be added to the securities register maintained by or on behalf of JVCo Holdco in respect of the JVCo Holdco Shares showing such holder as the legal and beneficial owner of the JVCo Holdco Shares issued. Lundin Mining Holdco and JVCo Holdco will jointly file an election under section 85 of the Tax Act with an agreed amount not exceeding the greater of: (i) the adjusted cost base (as defined in the Tax Act) of the Filo Shares transferred to JVCo Holdco; and (ii) the aggregate principal amount of the BHP Notes and the JVCo Holdco Note;
- (i) all Filo Shares held by JVCo Holdco shall be, and shall be deemed to be, transferred to JVCo in exchange for (i) the assumption by JVCo, as obligor, of the BHP Notes, and (ii) a Specified Number of JVCo Shares having a value and stated capital equal to the value of the Filo Shares transferred less the aggregate principal amount of the BHP Notes, and JVCo shall be added to the securities register maintained by or on behalf of the Company in respect of the Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares transferred and JVCo Holdco shall be added to the securities register maintained by or on behalf of JVCo in respect of the JVCo Shares showing such holder as the legal

and beneficial owner of the JVCo Shares issued. JVCo Holdco and JVCo will jointly file an election under section 85 of the Tax Act with an agreed amount not exceeding the greater of: (i) the adjusted cost base (as defined in the Tax Act) of the Filo Shares transferred to JVCo; and (ii) the aggregate principal amount of the BHP Notes;

- (j) all Filo Shares held by BHP shall be, and shall be deemed to be, transferred to JVCo in exchange for a Specified Number of JVCo Shares having a value and stated capital expressed in Canadian dollars equal to the value of the Filo Shares transferred and JVCo shall be added to the securities register maintained by or on behalf of the Company in respect of the Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares transferred and BHP shall be added to the securities register maintained by or on behalf of JVCo in respect of the JVCo Shares showing such holder as the legal and beneficial owner of the JVCo Shares issued; and
- (k) concurrently with the transfer of Filo Shares contemplated in paragraph (j) above, a Specified Number of JVCo Shares having a value and stated capital expressed in Canadian dollars equal to the Canadian dollar equivalent of the aggregate principal amount of the BHP Notes shall be, and shall be deemed to be issued to BHP in full and final satisfaction of the indebtedness evidenced by the BHP Notes, and BHP shall be added to the securities register maintained by or on behalf of JVCo in respect of the JVCo Shares showing such holder as the legal and beneficial owner of the JVCo Shares issued.

On completion of the Arrangement, the Company will be held by JVCo, which will serve as the joint venture entity for the joint venture between BHP and Lundin Mining with respect to the Company Material Property and the Josemaria Project, with BHP and Lundin Mining each directly or indirectly owning a 50% interest in JVCo.

See *"The Arrangement"* in this Circular.

#### **Concurrent Private Placement**

As contemplated by the Arrangement Agreement, on August 7, 2024 the Purchaser Parties (or their affiliates) entered into the Concurrent Private Placement Subscription Agreements pursuant to which each of the Purchaser Parties (or their affiliates) subscribed for 1,742,424 Filo Shares (in the aggregate, 3,484,848 Filo Shares) at an issue price of \$33.00 per Filo Share, for gross proceeds of approximately \$115 million. The net proceeds of the Concurrent Private Placement will be used for exploration of the Company Material Property, general working capital expenses and general and administrative expenses for the period between the date of the Arrangement Agreement and the Effective Date, in accordance with the Company Budget. For further details see *"The Arrangement – Concurrent Private Placement"* in this Circular.

#### **Filo Options**

Each In-the-Money Filo Option outstanding immediately prior to the Effective Time shall be deemed to be surrendered and disposed of to the Company and the relevant holder will receive a payment from the Company, in the form of Filo Shares, having an aggregate value equal to the amount by which the Cash Consideration of exceeds the applicable exercise price, less applicable withholdings, and will participate in the Arrangement as a holder of such Filo Shares on the same terms as other Shareholders, including with respect to the election to receive the Cash Consideration or the Share Consideration (together with the applicable Share

Consideration Cash) subject to pro-ration and adjustment in accordance with the Arrangement Agreement.

Optionholders who intend to exercise vested Filo Options in advance of the Effective Date are encouraged to do so as soon as possible and, in any event, at least ten Business Days prior to the Effective Date. Optionholders who validly exercise their vested Filo Options for Filo Shares but do not make a valid election prior to the Election Deadline will be deemed to have elected the Cash Consideration in respect of each such Filo Share held, subject to pro-ration and adjustment in accordance with the Arrangement Agreement.

Each Out-of-the-Money Filo Option outstanding immediately prior to the Effective Time shall be deemed to be cancelled without any compensation.

See “*The Arrangement — Exchange of Filo Securities – Exchange Procedure*” and “*The Arrangement – Exchange of Filo Securities – Treatment of Filo Options*” in this Circular.

#### **Recommendation of the Board**

Based on its considerations and investigations, including its review of the terms and conditions of the Arrangement Agreement, the Fairness Opinions, and other relevant matters, and taking into account the best interests of the Company, and after consultation with management and the Company’s financial and legal advisors and having received and reviewed the unanimous recommendation from the Company Special Committee and its own deliberations, the Board has (subject to a director declaring an interest and abstaining from voting on the matter) unanimously determined that the Arrangement is fair to the Shareholders, and that the Arrangement, and the entering into of the Arrangement Agreement, are in the best interests of the Company. **Accordingly, the Board unanimously approved the Arrangement and the Arrangement Agreement and unanimously recommends that the Shareholders vote FOR the Arrangement Resolution.** Each director and senior officer of the Company intends to vote all of such director’s and senior officer’s Filo Shares (including Filo Shares issued upon exercise of Filo Options) **FOR** the Arrangement Resolution. For further information on the reasons for the recommendation of the Board, see “*The Arrangement — Reasons for the Arrangement*” and “*The Arrangement – Fairness Opinions*” in the Circular.

The provisions of the Arrangement Agreement are the result of arm’s length negotiations between the Company and the Purchaser Parties and their respective legal advisors. See “*The Arrangement – Background to the Arrangement*” in this Circular.

#### **Reasons for the Arrangement**

In evaluating the Arrangement and in making their recommendations, the Board and Company Special Committee gave careful consideration to the current and expected future position of the business of Filo and all terms of the draft Arrangement Agreement, including the conditions precedent, representations, warranties, covenants and deal protections. The Board and Company Special Committee considered a number of factors including, among others, the following:

- **Premium.** The Consideration to be received by Shareholders pursuant to the Arrangement represents a premium of 32.2% and 25.8% to the unaffected 30-day volume weighted average trading price and unaffected closing price, respectively, of the Filo Shares on the TSX for the period ending July 11, 2024, being the day before press speculation of a transaction.

- **Consideration.** Shareholders may choose: the (i) Cash Consideration; or (ii) Share Consideration (together with the applicable Share Consideration Cash); or (iii) a combination of the Cash Consideration and the Share Consideration and Share Consideration Cash in exchange for the aggregate number of Filo Shares in respect of which such election is made, subject to pro-rata and adjustment in accordance with the Arrangement Agreement. The Cash Consideration offers Shareholders immediate liquidity and value, while the Lundin Mining Shares comprising the Share Consideration have a liquid trading market.
- **Strengths and Strategic Fit.** As approximately 30% of the total Consideration is being offered in the form of Lundin Mining Shares, Shareholders are being offered the opportunity to benefit from, to the extent they receive Share Consideration:
  - (a) an interest in significant and strategic mining assets globally, including a market-leading operational footprint in the potentially world-class Vicuña district, with substantial further growth potential that could continue for decades;
  - (b) the development of the Vicuña district by JVCo, which will serve as the joint venture entity for the joint venture between BHP and Lundin Mining with respect to the Company Material Property and the Josemaria Project, which will allow for synergies and operational efficiencies;
  - (c) the collective experience of BHP and Lundin Mining in successfully developing copper projects globally and world class operating capabilities;
  - (d) the balance sheet capacity required to fund the advancement and development of the Company Material Property to realize its full potential;
  - (e) both jurisdictional and project risk diversification in a company that has multiple mines operating globally; and
  - (f) exposure to a diversified asset portfolio with long-life assets, a strong balance sheet, strong and increasing cash flow generation and dividends, and an enhanced market profile with greater share liquidity.

Shareholders will also be able to continue to participate in the potential upside from any operational success related to the Company Material Property, as well as the properties of Lundin Mining. It is expected that Shareholders will be issued a maximum of approximately 92.1 million Lundin Mining Shares, as may be adjusted in accordance with the Plan of Arrangement, on an outstanding undiluted basis. On closing of the Arrangement, existing shareholders of Lundin Mining and Filo are expected to own approximately 89% and 11% of the total Lundin Mining Shares outstanding, respectively.

- **Review of Strategic Alternatives and Business and Industry Risks.** The Company has held several informal discussions with other parties, including strategic parties as well as financial investors, regarding a wide

array of potential transactions over several years, however none ultimately resulted in any formal discussions or acquisition proposals. During such time multiple parties, including Lundin Mining and BHP, were given access to due diligence materials, including the Data Room, and were afforded the opportunity to conduct extensive due diligence. The Company Special Committee and the Board also considered, with the assistance of their financial and legal advisors, in the context of (i) current economic and market conditions and (ii) significant uncertainty related to the business operations, assets, financial condition, operating results and prospects of the Company, including risks associated with title to its properties and risks associated with obtaining required financing on acceptable terms or at all, the relative benefits and risks of various strategic alternatives reasonably available to the Company, including remaining as an independent public company, and concluded that the Arrangement would provide greater and more certain value to Shareholders than would reasonably be expected from any other strategic alternatives reasonably available to the Company, including maintaining the status quo and remaining as an independent public company.

- **Fairness Opinions.** Each of BMO Capital Markets, as financial advisor to the Board, and NBF, as financial advisor to the Company Special Committee, delivered the Fairness Opinions to the Company Special Committee and the Board to the effect that, as of July 29, 2024, based upon and subject to the assumptions, limitations and qualifications therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates). The Company Special Committee considered the compensation arrangements with BMO Capital Markets and NBF (for which NBF is entitled to a fixed fee for the NBF Fairness Opinion and not to any fee that is contingent on successful completion of the Arrangement) and the disclosure in their respective Fairness Opinions with respect to their independence from the Company, BHP and Lundin Mining when considering the Fairness Opinions.
- **Support by Directors, Officers and Significant Shareholders.** The Company Supporting Shareholders, who own in the aggregate approximately 34% of the Filo Shares as of the Record Date, have entered into Voting and Support Agreements with the Purchaser Parties pursuant to which they have agreed to, among other things, vote all Filo Shares of which they are the registered or beneficial holder or over which they have control or direction (including Filo Shares issued upon exercise of Filo Options) in favour of the Arrangement Resolution, and not dispose of their Filo Shares.
- **Concurrent Private Placement.** The Concurrent Private Placement resolves the Company's funding needs at a subscription price that represents a premium to the market price of the Filo Shares prior to the announcement of the Arrangement. The proceeds would be used to fund the exploration of the Company Material Property, general working capital expenses and general and administration expenses for the period between the date of the Arrangement Agreement and the Effective Date, in accordance with the Company Budget.
- **Other Stakeholders.** In the Company Special Committee's and the Board's view, the terms of the Arrangement Agreement treat other

stakeholders of the Company equitably and fairly, including the applicable covenants in the Arrangement Agreement related to compensation, severance and benefits for employees of the Company and the treatment of Filo Options under the Arrangement.

See *“The Arrangement – Reasons for the Arrangement”* in this Circular.

**Voting and Support Agreements**

The Company Supporting Shareholders, who own in the aggregate approximately 34% of the Filo Shares as at the Record Date, have entered into Voting and Support Agreements with the Purchaser Parties pursuant to which they have agreed to, among other things, vote all Filo Shares of which they are the registered or beneficial holder or over which they have control or direction (including Filo Shares issued upon exercise of Filo Options), in favour of the Arrangement Resolution, and not dispose of their Filo Shares.

See *“The Arrangement – Voting and Support Agreements”* in this Circular.

**Conditions to Completion of the Arrangement**

The completion of the Arrangement is subject to the satisfaction, or mutual waiver by the Parties on or before the Effective Date, of a number of conditions precedent, each of which are for the mutual benefit of the Parties and which may be waived, in whole or in part, by the mutual consent of the Company and the Purchaser Parties. The conditions include, among other things:

- (a) the Arrangement Resolution will have been approved by the Shareholders at the Meeting in accordance with the Interim Order and applicable Laws;
- (b) the Interim Order and Final Order will have been obtained in form and substance satisfactory to each of the Parties, each acting reasonably;
- (c) the necessary conditional approvals or equivalent approvals, as the case may be, of the TSX, Nasdaq Stockholm and First North will have been obtained, including in respect of the listing and posting for trading of the Consideration Shares on the TSX and Nasdaq Stockholm and the delisting of the Filo Shares from the TSX and First North, and the Swedish Documentation will have been filed and published in accordance with the EU Prospectus Regulation (including if applicable the approval and registration of the SFSA of such documentation);
- (d) no Law will have been enacted, issued, promulgated, enforced, made, entered, issued or applied and no Proceedings will have been taken under any Laws or by any Governmental Authority (whether temporary, preliminary or permanent) that makes the Arrangement illegal or otherwise directly or indirectly cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement;
- (e) the Consideration Shares to be issued pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof;

- (f) all of the Key Regulatory Approvals shall have been obtained and shall not have been modified or withdrawn prior to the Effective Time; and
- (g) the transactions contemplated by the Contribution Agreement shall have been consummated, or the parties to the Contribution Agreement shall have confirmed in writing that all conditions to closing the transactions contemplated by the Contribution Agreement shall have been satisfied or waived and that the transactions contemplated thereby will be consummated substantially simultaneously with the Effective Time, without any further action by any party to the Contribution Agreement.

Completion of the Arrangement is subject to a number of additional conditions precedent, of which the following are for the exclusive benefit of Lundin Mining and may be waived by Lundin Mining, in whole or in part, in its sole discretion. The conditions include, among other things:

- (a) the Company shall have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) BHP shall have complied all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (c) the representations and warranties of the Company set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (d) the representations and warranties of BHP to Lundin Mining set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (e) the Shareholders (other than the Purchaser Parties) not having exercised Dissent Rights, or instituted proceedings to exercise Dissent Rights, in connection with the Arrangement with respect to Filo Shares representing more than 5% of the Filo Shares then outstanding;
- (f) a Material Adverse Effect not having occurred or been disclosed to the public (if previously undisclosed to the public) since the date of the Arrangement Agreement;
- (g) Lundin Mining having received a certificate of the Company certifying that the applicable conditions precedent have been satisfied;
- (h) Lundin Mining having received a certificate of BHP certifying that the applicable conditions precedent have been satisfied; and

- (i) BHP having complied with its payment obligations under the Arrangement Agreement and the Depositary having confirmed receipt the applicable cash amounts payable by BHP.

Completion of the Arrangement is subject to a number of additional conditions precedent, of which the following are for the exclusive benefit of BHP and may be waived by BHP, in whole or in part, in its sole discretion. The conditions include, among other things:

- (a) the Company shall have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) Lundin Mining shall have complied all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (c) the representations and warranties of the Company set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (d) the representations and warranties of Lundin Mining to BHP set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (e) the Shareholders (other than the Purchaser Parties) not having exercised Dissent Rights, or instituted proceedings to exercise Dissent Rights, in connection with the Arrangement with respect to Filo Shares representing more than 5% of the Filo Shares then outstanding;
- (f) a Material Adverse Effect not having occurred or been disclosed to the public (if previously undisclosed to the public) since the date of the Arrangement Agreement;
- (g) a Lundin Mining Material Adverse Effect which has or would reasonably be expected to have a material and adverse effect on the business or financial condition of JVCo or BHP Group Limited not having occurred or been disclosed to the public (if previously undisclosed to the public) since the date of the Arrangement Agreement;
- (h) BHP having received a certificate of the Company certifying that the applicable conditions precedent have been satisfied;
- (i) BHP having received a certificate of Lundin Mining certifying that the applicable conditions precedent have been satisfied; and



- (j) Lundin Mining having complied with its payment obligations under the Arrangement Agreement and the Depositary having confirmed receipt of applicable cash and Lundin Mining Share amounts.

Completion of the Arrangement is also subject to number of additional conditions precedent, of which the following are for the exclusive benefit of the Company and may be waived by the Company, in whole or in part, in its sole discretion. The conditions include, among other things:

- (a) each of the Purchaser Parties shall have complied in all material respects with their respective obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) the representations and warranties of Lundin Mining set forth in the Arrangement Agreement being true and correct as of the Effective Date as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (c) the representations and warranties of BHP set forth in the Arrangement Agreement being true and correct as of the Effective Date as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (d) a Lundin Mining Material Adverse Effect not having occurred or been disclosed to the public (if previously undisclosed to the public) since the date of the Arrangement Agreement;
- (e) the Company having received a certificate of Lundin Mining certifying that the applicable conditions precedent have been satisfied;
- (f) the Company having received a certificate of BHP certifying that the applicable conditions precedent have been satisfied; and
- (g) the Purchaser Parties having complied with their respective payment obligations under the Arrangement Agreement and the Depositary having confirmed receipt of the Consideration.

See “*The Arrangement Agreement – Conditions to Closing*” in this Circular.

#### **Non-Solicitation**

In the Arrangement Agreement, the Company has agreed, subject to certain exceptions, that it will not, directly or indirectly, solicit or participate in any discussions or negotiations regarding a proposal by a third party to acquire the Company or its assets and will give prompt notice to the Purchaser Parties should the Company receive such a proposal or a request for non-public information that it reasonably believes would lead to such a proposal.

See “*The Arrangement Agreement – Non-Solicitation and Right to Match*” in this Circular.

#### **Termination of Arrangement Agreement**

The Company and the Purchaser Parties may agree in writing to terminate the Arrangement Agreement and abandon the Arrangement at any time prior to the Arrangement becoming effective. In addition, the Company or either of the Purchaser Parties may terminate the Arrangement Agreement and abandon the

Arrangement at any time prior to the Effective Date if certain specific events occur. Depending on the termination event, the Termination Fee may be payable by the Company and the Reverse Termination Fee may be payable by the Purchaser Parties.

See *“The Arrangement Agreement – Termination of the Arrangement Agreement”* in this Circular.

#### **Fairness Opinions**

The Fairness Opinions conclude that, as of July 29, 2024, based upon and subject to the assumptions, limitations and qualifications therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates). Among other things, the Board and the Company Special Committee considered the compensation arrangements with BMO Capital Markets and NBF when considering the Fairness Opinions.

See *“The Arrangement – Fairness Opinions”* in this Circular and Appendix E and Appendix F.

#### **Letter of Transmittal**

A Letter of Transmittal will be mailed by the Depositary following the Meeting Date to each Registered Shareholder and Optionholder. Filo will issue a news release announcing the mailing of the Letter of Transmittal and confirming the relevant procedures and deadlines in connection therewith. The Letter of Transmittal will also be posted on Filo’s website and under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Only Registered Shareholders will be required to submit a Letter of Transmittal. Beneficial Shareholders holding Filo Shares through an Intermediary should contact that Intermediary for instructions and assistance in depositing their Filo Shares and carefully follow any instructions provided by such Intermediary.

In order to receive the Consideration that a Registered Shareholder is entitled to receive under the Arrangement, each Registered Shareholder (other than the Dissenting Shareholders) must complete, sign and return the Letter of Transmittal, including the certificates or DRS Advices representing their Filo Shares, and all other required documents, to the Depositary. The instructions for exchanging Filo Shares and presenting such Filo Shares with the Depositary will be set out in the Letter of Transmittal.

The method used to deliver the Letter of Transmittal and any accompanying certificates or DRS Advices representing the Filo Shares is at the option and risk of the Registered Shareholder or Optionholder, and delivery will be deemed effective only when such documents are actually received by the Depositary. The Company and the Purchaser Parties recommend that the necessary documentation be hand delivered to the Depositary, and a receipt obtained therefor; otherwise the use of registered mail with an acknowledgment of receipt requested, and with proper insurance obtained, is recommended.

To the extent that a Shareholder following the Effective Date shall not have surrendered Filo Shares to the Depositary in the manner described in the Plan of Arrangement on or before the date that is six years after the Effective Date, then the interest of the Former Company Shareholder in (a) the Cash Consideration to which it was entitled, and (b) Lundin Mining Shares and Share Consideration Cash to which it was entitled, shall be terminated as of the Final Proscription Date.

See “*The Arrangement – Exchange of Filo Securities*” in this Circular.

For Euroclear Holders, see “*Shareholders Through Euroclear Sweden*” and “*The Arrangement – Exchange of Filo Securities – Elections and Procedure*”.

#### **Election, Pro-ration and Adjustment**

Each Former Company Shareholder may elect, in accordance with the holder’s Letter of Transmittal, to receive at the Effective Time: (i) Cash Consideration; or (ii) Share Consideration (together with the applicable Share Consideration Cash); or (iii) a combination of the Cash Consideration and the Share Consideration and Share Consideration Cash in exchange for the aggregate number of Filo Shares in respect of which such election is made, up to the aggregate Maximum Cash Consideration and/or Maximum Share Consideration. **Former Company Shareholders who do not make a specific election prior to the Election Deadline, or for whom the Depositary determines that their election was not properly made with respect to any Filo Shares, will be deemed to have elected to receive the Cash Consideration in respect of each Filo Share held, subject to pro-ration and adjustment in accordance with the Arrangement Agreement.**

Pursuant to the Plan of Arrangement, the maximum aggregate amount of Cash Consideration to be paid to Former Company Shareholders is \$2,767,116,066, with \$1,908,087,786 being the Maximum BHP Cash and \$859,028,280 being the Maximum Lundin Mining Cash and the maximum number of Lundin Mining Shares to be issued to Former Company Shareholders is 92,064,404 Lundin Mining Shares. The Maximum BHP Cash and the Maximum Lundin Mining Cash shall be increased by \$16.50 and \$6.60, respectively, and the Maximum Share Consideration shall be increased by 0.7073 Lundin Mining Shares, for each Filo Share issued pursuant to the exercise of Filo Options that are outstanding as of the date of the Arrangement Agreement or pursuant to the exercise of Filo Options issued following the date of the Arrangement Agreement as permitted by the Arrangement Agreement (provided that such Filo Options are exercised on or after the date of the Arrangement Agreement).

If the Former Company Shareholders collectively elect (or are deemed to elect) to receive the Cash Consideration in excess of the Maximum Cash Consideration or elect to receive the Share Consideration in excess of the Maximum Share Consideration, respectively, the Cash Consideration and the Share Consideration will be subject to pro-ration and adjustment in accordance with the Arrangement Agreement. The Share Consideration Cash is not included in the determination of the Maximum Cash Consideration. In addition, no Former Company Shareholder shall be permitted to receive Lundin Mining Shares insofar as such Former Company Shareholder, either alone or together with its affiliates and other persons acting jointly or in concert with such Former Company Shareholder, would, after the receipt of Lundin Mining Shares beneficially own or control greater than 19.99% of the outstanding Lundin Mining Shares, immediately following completion of the Arrangement.

The determination of the Depositary as to whether elections have been properly made or revoked and when elections and revocations were received by it will be binding. The Depositary may, with the mutual agreement of the Company and each of the Purchaser Parties, make such rules as are consistent with the Plan of Arrangement for the implementation of the elections contemplated by the Arrangement and as are necessary or desirable to fully effect such elections.

For additional information, see “*The Arrangement — Exchange of Filo Securities – Elections and Procedure*”, “*The Arrangement — Exchange of Filo Securities – Pro-*

*Ration and Adjustment*", *"The Arrangement — Exchange of Filo Securities — Exchange Procedure"*, and *"Shareholders Through Euroclear Sweden"*.

**Fractional Shares and Calculations**

No fractional Lundin Mining Shares shall be issued to Former Company Shareholders. The number of Lundin Mining Shares to be issued to Former Company Shareholders shall be rounded up to the nearest whole Lundin Mining Share, as applicable, in the event that a Former Company Shareholder is entitled to a fractional share of 0.5 or more of a Lundin Mining Share and shall be rounded down to the nearest whole Lundin Mining Share, as applicable, in the event that a Former Company Shareholder is entitled to a fractional share representing less than 0.5 of a Lundin Mining Share.

All amounts of Cash Consideration to be received under the Plan of Arrangement will be calculated to the nearest cent (\$0.01).

**Withholding Rights**

The Company, each of the Purchaser Parties and the Depositary will be entitled to deduct or withhold from any consideration otherwise payable to any Shareholder and any other securityholder of the Company under the Plan of Arrangement (including any payment to Dissenting Shareholders) such amounts as the Company, any of the Purchaser Parties or the Depositary is required to deduct or withhold with respect to such payment under the Tax Act, and the rules and regulations promulgated thereunder, or any provision of any federal, provincial, territorial, state, local or foreign tax law as counsel may advise is required to be so deducted or withheld by the Company, each of the Purchaser Parties or the Depositary, as the case may be.

See *"The Arrangement – Exchange of Filo Securities – Withholding Rights"*.

**Court Approval of the Arrangement**

Subject to the terms of the Arrangement Agreement, following the approval of the Arrangement Resolution by Shareholders, the Company intends to make an application to the Court for the Final Order approving the Arrangement. The Final Hearing is expected to be heard on or about October 2, 2024 at 11:00 a.m. (Toronto time) or as soon thereafter as counsel may be heard, or at any other date, time or method as the Court may direct. See the Notice of Application, attached as Appendix D to this Circular, and the Interim Order, attached as Appendix C to this Circular, for further information on participating or presenting evidence at the hearing for the Final Order. At the hearing, the Court will consider, among other things, if the Arrangement is fair and reasonable. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

See *"The Arrangement – Court Approval of the Arrangement"* in this Circular.

**Key Regulatory Approvals**

Filo and each of the Purchaser Parties, as applicable, have covenanted, using commercially reasonable efforts, to obtain the Key Regulatory Approvals, at the earliest reasonably practicable date. In particular:

- (a) in respect of the Canadian Competition Approval,
  - (i) within ten (10) Business Days after the date of the Arrangement Agreement, the Parties shall collectively file with the Commissioner a submission requesting an Advance Ruling Certificate or, in the alternative, a No Action Letter; and

- (ii) if an Advance Ruling Certificate or No Action Letter shall not have been obtained within 16 days following filing of that submission, any Party may at any time thereafter, acting reasonably, notify the other Parties that it intends to file a notification pursuant to subsection 114(1) of the Competition Act, in which case the Parties shall each file their respective notifications pursuant to subsection 114(1) of the Competition Act, as promptly as practicable but in any event within ten (10) Business Days following the date a Party notified the other Parties of its intention to file a notification.
- (b) Filo and each of the Purchaser Parties, as applicable, shall and shall cause their respective subsidiaries, as applicable, to file, as promptly as practicable but in any event within forty (40) Business Days after the date of the Arrangement Agreement any other filings or notifications under any other applicable federal, provincial, state or foreign law required to obtain any other Key Regulatory Approvals;
- (c) the Purchaser Parties shall pay (shared equally) all filing fees (including any Taxes thereon) in respect of any filing made to any Governmental Authority in respect of any Key Regulatory Approvals;
- (d) Filo and each of the Purchaser Parties shall cooperate and provide such assistance as each other Party may reasonably request in connection with obtaining the Key Regulatory Approvals. Filo and each of the Purchaser Parties shall keep the other Parties reasonably informed as to the progress of obtaining the Key Regulatory Approvals. In particular:
  - (i) no Party shall extend or consent to any extension of any applicable waiting or review period or enter into any agreement with a Governmental Authority to not consummate the transactions contemplated by the Arrangement Agreement, except upon the prior written consent of the other Parties;
  - (ii) the Parties shall exchange drafts of all submissions, correspondence, filings, presentations, applications, plans, consent agreements and other documents to be made or submitted to or filed with any Governmental Authority in respect of the transactions contemplated by the Arrangement Agreement, provide the other Parties with the opportunity for review in advance of any submission or filing, consider in good faith any suggestions made by a Party and its counsel and provide each of the other Parties and their respective counsel with final copies of all such submissions, correspondence, filings, presentations, applications, plans, consent agreements and other documents;
  - (iii) each Party shall keep the other Parties and their respective counsel fully apprised of all material written (including email) and oral communications and all

meetings with any Governmental Authority and their staff in respect of the Key Regulatory Approvals, and unless participation by a Party is prohibited by applicable Law or by such Governmental Authority, will not participate in such communications or meetings without giving each other Party, and their respective counsel, the opportunity to participate therein;

- (iv) the Company shall make available its Representatives, on the reasonable request of the Purchaser Parties and their counsel, to assist in obtaining the Key Regulatory Approvals; and
  - (v) each Party shall keep the other Parties reasonably informed on a timely basis of developments which are material or reasonably likely to be material to obtaining the Key Regulatory Approvals required for the completion of the Arrangement in sufficient time to enable the Effective Date to occur on or before the Outside Date; and
- (e) with the exception of the transactions contemplated by the Arrangement Agreement, neither Filo nor either of the Purchaser Parties shall enter into any transaction, investment, agreement, arrangement or joint venture or take any other action, the effect of which would reasonably be expected to make obtaining the Key Regulatory Approvals materially more difficult or challenging, or reasonably be expected to materially delay the obtaining of the Key Regulatory Approvals.

See *"The Arrangement – Key Regulatory Approvals"* in this Circular.

**Stock Exchange and SFSA Approval**

The Lundin Mining Shares are listed and posted for trading on the TSX and Nasdaq Stockholm. It is a mutual condition to the completion of the Arrangement that the TSX shall have conditionally approved for listing, and Nasdaq Stockholm has approved for listing, the Lundin Mining Shares to be issued in connection with the Arrangement.

The completion of the Arrangement is subject to the prior filing and publication of the Swedish Documentation in accordance with the EU Prospectus Regulation (including if applicable the approval and registration of the SFSA of such documentation). Lundin Mining will file the Swedish Documentation with the SFSA and publish such documentation in due time prior to the start of the Euroclear Election Period.

Filo Shares are listed on the TSX and First North. It is also a mutual condition to the completion of the Arrangement that the TSX and First North approve the transactions contemplated by the Arrangement and the delisting of the Filo Shares from the TSX and First North.

**Blocked Trading in Filo Shares**

After the Swedish issuing agent, Aktieinvest, has received and registered duly completed Euroclear Election Forms for Shareholders holding their Filo Shares through Euroclear Sweden, the Shareholders' Filo Shares will be transferred to a new so called blocked securities account (Sw. *apportkonto*) which has been opened for each Shareholder whose Filo Shares are registered in the Euroclear Sweden system. In connection therewith, Euroclear Sweden will send a VP-notice showing the number of Filo Shares that have been removed from the original

securities account and the VP-notice showing the number of Filo Shares that have been entered in the newly opened blocked securities account. Shareholders who do not make a valid election pursuant to the election form, will have their Filo Shares transferred to a new blocked securities account (Sw. *apporkonto*) on the Business Day in Sweden immediately following the end of the Euroclear Election Period. Securities in a blocked securities account cannot be traded by a Shareholder.

The Euroclear Election Period will be no less than ten Business Days and is expected to occur during either the fourth quarter of 2024 or the first quarter of 2025. When determined, the Euroclear record date and the dates of the Euroclear Election Period will be published by way of press release.

As of the Effective Date, Shareholders through Euroclear Sweden will cease to be Shareholders and will only be entitled to receive the Consideration to which such Shareholders are entitled under the Arrangement.

### **Canadian Securities Law Matters**

Filo is a reporting issuer under Canadian Securities Laws in each of the provinces of Canada. The Filo Shares currently are listed and posted for trading on the TSX, are listed on First North and are quoted on the OTCQX. On completion of the Arrangement, Filo will be held by JVCo, with Lundin Mining and BHP each directly or indirectly owning a 50% interest in JVCo. It is expected that the Filo Shares will be delisted from the TSX and First North as soon as practicable following completion of the Arrangement. Following the Effective Date, it is expected that the Purchaser Parties will cause Filo to apply to cease to be a reporting issuer under the securities legislation of each of the provinces in Canada under which it is currently a reporting issuer (or equivalent) and take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents.

The distribution of the Lundin Mining Shares pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian Securities Laws. The Lundin Mining Shares received pursuant to the Arrangement will not be legended and may be resold through registered dealers in each of the provinces of Canada provided that (i) the trade is not a “control distribution” as defined in NI 45-102, (ii) no unusual effort is made to prepare the market or to create a demand for the Lundin Mining Shares, as the case may be, (iii) no extraordinary commission or consideration is paid to a person or company in respect of such sale, and (iv) if the selling security holder is an insider or officer of Lundin Mining, the selling security holder has no reasonable grounds to believe that Lundin Mining is in default of Canadian Securities Laws.

Each Shareholder is urged to consult his or her professional advisors to determine the Canadian conditions and restrictions applicable to trades in Lundin Mining Shares issuable pursuant to the Arrangement.

See “*The Arrangement – Regulatory Matters and Securities Law Matters – Canadian Securities Law Matters*”.

### **Interests of Certain Persons in the Arrangement**

In considering the Arrangement and the recommendations of the Board with respect to the Arrangement, Shareholders should be aware that certain directors and Senior Officers of Filo have certain interests that are, or may be, different from, or in addition to, the interests of other Shareholders generally, which may present them with actual or potential conflicts of interest in connection with the Arrangement.

See “*The Arrangement – Interests of Certain Persons in the Arrangement*” in this Circular.

## **Rights of Dissent**

Registered Shareholders are entitled to dissent from the Arrangement Resolution in the manner provided in the CBCA, as modified by the Interim Order, the Final Order, and the Plan of Arrangement. A Registered Shareholder who intends to exercise the Dissent Rights must deliver a Notice of Dissent to Blake, Cassels & Graydon LLP, 199 Bay St. #4000, Toronto, ON M5L 1A9, Attention: Ryan Morris, by no later than 5:00 p.m. (Toronto time) on September 24, 2024 (or by 5:00 p.m. (Toronto time) on the date that is two Business Days before any date to which the Meeting may be adjourned or postponed), and must otherwise strictly comply with the Dissent Procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order, and the Plan of Arrangement, as described in the Circular.

See “*The Arrangement – Dissenting Shareholders’ Rights*” in this Circular. The text of Section 190 of the CBCA, which will be relevant in any dissent proceeding, is set forth in Appendix H to this Circular.

## **Risk Factors**

There is a risk that the Arrangement may not be completed. If the Arrangement is not completed, Filo will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Additionally, failure to complete the Arrangement could materially and negatively impact the trading price of the Filo Shares.

The risk factors described under the heading “*Risk Factors*” and under the heading “*Risk Factors*” in Appendix G attached to this Circular should be carefully considered by Shareholders.

## **Canadian and Swedish Income Tax Considerations**

Shareholders should carefully review the tax considerations described in this Circular and are urged to consult their own tax advisors in regard to their particular circumstances.

It should be noted that the Swedish rules on tax-free rollovers for a share for share exchange cannot be applied for the Arrangement, and as such, any profit from the disposal of Filo Shares will be taxed for Swedish Shareholders fully regardless of the consideration received. **Swedish Shareholders must therefore take this into consideration when choosing which Consideration they wish to receive under the Arrangement.**

See “*Certain Canadian Federal Income Tax Considerations*” and “*Certain Swedish Income Tax Considerations*” for a discussion of certain Canadian federal income tax considerations and Swedish income tax considerations, respectively.



## INFORMATION CONCERNING THE MEETING

### Purpose of the Meeting

At the Meeting, Shareholders will be asked to consider, pursuant to the Interim Order and, if thought fit, to pass, with or without variation, the Arrangement Resolution. The approval of the Arrangement Resolution will require the Required Shareholder Approval.

### Date, Time and Place of the Meeting

The Meeting will be held in a virtual-only format on September 26, 2024 at 10:00 a.m. (Vancouver time) via live audio webcast at [meetnow.global/MGK95K9](https://meetnow.global/MGK95K9). Holding a virtual meeting enables all Shareholders, regardless of geographic location or the particular constraints or circumstances that they may face, to have an equal opportunity to attend, participate and vote at the Meeting. Shareholders will not be able to attend the Meeting in person. Instead, Registered Shareholders and duly appointed proxyholders will be able to virtually attend, participate and vote at the Meeting online to be held on:

Thursday, September 26, 2024 at 10:00 a.m. (Vancouver time)  
in a virtual-only format, to be conducted via live audio webcast at  
[meetnow.global/MGK95K9](https://meetnow.global/MGK95K9)

You will require the latest version of Chrome, Safari, Edge or Firefox to access the Meeting. Please ensure your browser is compatible by logging in early. We urge you to login at least 15 minutes before the start of the Meeting to allow ample time to check into the Meeting online and complete the related procedures and to ensure your web browser and internet connection are working properly. Shareholders must be connected to the internet at all times during the Meeting in order to vote when balloting commences – it is the Shareholder's responsibility to stay connected for the entire Meeting.

Should any changes to the Meeting format occur, the Company will announce any and all of these changes by way of news release, which will be filed under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### Record Date

Pursuant to the Interim Order, the Record Date for determining persons entitled to receive notice of and vote at the Meeting is August 20, 2024. Shareholders of record, or their duly appointed proxyholders, as at the close of business (Vancouver time) on August 20, 2024 will be entitled to receive notice of the Meeting and attend virtually and vote at the Meeting, or any adjournment or postponement thereof, in the manner and subject to the procedures described in this Circular.

### Attending and Participating in the Meeting

In order to vote at the virtual Meeting as a Registered Shareholder:

1. Log in at [meetnow.global/MGK95K9](https://meetnow.global/MGK95K9)
2. click "**Join Meeting Now**"
3. select "**Policyholder**" on the login screen
4. enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy)

Resolutions will be put forward for voting in the "**Vote**" tab. To vote, simply select your voting direction from the options shown. Be sure to vote on all resolutions using the numbered link, if one appears, within the "**Vote**" tab. Your vote has been cast when the check mark appears.

Any authenticated holder or appointed proxy attending the meeting online is eligible to partake in the discussion. Access the "**Q&A**" tab, type your question into the box at the bottom of the screen and then press the "**Send**" button.

In order to vote at the virtual Meeting as a duly appointed proxyholder:

1. Log in at [meetnow.global/MGK95K9](http://meetnow.global/MGK95K9)
2. click **“Join Meeting Now”**
3. select **“Policyholder”** on the login screen
4. select **“Invitation”** and enter your invite code, provided by Computershare.

Resolutions will be put forward for voting in the **“Vote”** tab. To vote, simply select your voting direction from the options shown. Be sure to vote on all resolutions using the numbered link, if one appears, within the **“Vote”** tab. Your vote has been cast when the check mark appears.

Any authenticated holder or appointed proxy attending the meeting online is eligible to partake in the discussion. Access the **“Q&A”** tab, type your question into the box at the bottom of the screen and then press the **“Send”** button.

In order to vote at the virtual Meeting as a Beneficial Shareholder:

1. Appoint yourself or your desired representative as proxyholder by writing your or such desired representative’s name in the space provided on the VIF and following the instructions provided. Do not fill out your voting instructions.
2. Sign and follow the voting deadline and submission instructions on the VIF.
3. To register a proxyholder, Shareholders **MUST** visit <http://www.computershare.com/filocorp> and provide Computershare with their proxyholder’s contact information, the number of Filo Shares appointed and the name of Intermediary where the Filo Shares are held, so that Computershare may provide the proxyholder with a username via email with which to vote.
4. Log in at [meetnow.global/MGK95K9](http://meetnow.global/MGK95K9).

Beneficial Shareholders who have not duly appointed themselves as proxyholder may be able to attend the Meeting as guests but will not be able to submit questions or vote at the Meeting.

### **Solicitation of Proxies**

The Company is providing this Circular and a form of proxy in connection with management’s solicitation of proxies for use at the Meeting of the Company to be held on September 26, 2024 and at any adjournment or postponement thereof. Unless the context otherwise requires, when we refer in this Circular to the Company, any subsidiaries of the Company are also included.

**The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company.** All costs of this solicitation will be borne by the Company.

In this Circular, references to “C\$ or \$” are to amounts in Canadian dollars, references to “US\$” are to amounts in United States dollars and references to “SEK” are to amounts in Swedish krona, unless otherwise indicated.

### **Appointment of Proxyholders**

If you do not virtually attend, participate and vote at the Meeting, you can still make your votes count by appointing a person or company who will login to the Meeting to act as your proxyholder at the Meeting.

Your proxyholder is the person you appoint and name on the proxy form to cast your votes for you. You can appoint the persons named in the applicable enclosed form or forms of proxy, **who are each a director or an officer of Filo. You have the right to appoint any person or company you want to be your proxyholder. It does not have to be a Shareholder or the person designated in the enclosed form(s). Simply indicate the person’s name as directed on the enclosed proxy form(s) or complete any other legal proxy form and deliver it to Computershare within the time hereinafter specified for receipt of proxies.**

Shareholders who wish to appoint a third-party proxyholder to virtually attend, participate and vote at the Meeting as their proxy and vote their Filo Shares **MUST** submit their proxy (or proxies) or VIF, as applicable, appointing such third-party proxyholder **AND** register the third-party proxyholder, as described below. Registering your proxyholder is an additional step to be completed **AFTER** you have submitted your proxy or VIF. Failure to register the proxyholder will result in the proxyholder not receiving an invite code to virtually attend, participate and vote at the Meeting. If you are a Beneficial Shareholder and wish to virtually attend, participate and vote at the Meeting, you need to follow the below process to validly appoint yourself as proxyholder and be provided with an invite code to access the Meeting.

**Step 1: Submit your proxy or VIF:** To appoint a third-party proxyholder, including to appoint yourself as proxyholder (if you are a Beneficial Shareholder), indicate your name or the name of your proxyholder, as applicable, in the form of proxy or VIF, and follow the instructions for submitting such form of proxy or VIF. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or VIF.

**Step 2: Register your proxyholder:** To register a proxyholder, Shareholders **MUST** visit <http://www.computershare.com/filocorp> by 10:00 a.m. (Vancouver Time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays) and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with an invite code via email. **Without an invite code, proxyholders will not be able to virtually attend, participate and vote at the Meeting.**

If you are a Beneficial Shareholder and wish to virtually attend, participate and vote at the Meeting, you have to insert your own name in the space provided on the VIF sent to you by your Intermediary, follow all of the applicable instructions provided by your Intermediary **AND** register yourself as your proxyholder, as described above. By doing so, you are instructing your Intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your Intermediary.

If you are a Beneficial Shareholder located in the United States and wish to virtually attend, participate and vote at the Meeting or, if permitted, appoint a third party as your proxyholder, you **MUST** complete a **THIRD** step and obtain a valid legal proxy from your Intermediary. Follow the instructions from your Intermediary included with the legal proxy form and the VIF sent to you, or contact your Intermediary to request a legal proxy form or a legal proxy if you have not received one. **After obtaining a valid legal proxy from your Intermediary, you MUST then submit such legal proxy to Computershare at [uslegalproxy@computershare.com](mailto:uslegalproxy@computershare.com).**

To vote your Filo Shares, your proxyholder must virtually attend and vote at the Meeting. Regardless of who you appoint as your proxyholder, you can either instruct that appointee how you want to vote or you can let your appointee decide for you. You can do this by completing the applicable form or forms of proxy. In order to be valid, you must return the completed form of proxy 48 hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any adjournment or postponement thereof to our transfer agent, Computershare, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department or by fax to 1-866-249-7775 (toll-free).

## **Proxy Instructions**

Only Shareholders whose names appear on the records of the Company as at the Record Date as the registered holders of the Filo Shares or duly appointed proxyholders are permitted to vote at the Meeting. Registered Shareholders ("**Registered Shareholders**") may also vote in advance of the Meeting by mail, by phone or on the internet. Pursuant to the Interim Order, proxies to be used at the Meeting must be received by Computershare Investor Services Inc. (in its capacity as the Company's transfer agent) by no later than 10:00 a.m. (Vancouver time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays). To vote online at [www.investorvote.com](http://www.investorvote.com), you will need to enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Registered Shareholder on the voting website. Alternatively, a proxy can be submitted to Computershare Investor Services Inc. either by mail or courier, to 100 University Ave, 8th Floor Toronto, Ontario M5J 2Y1 or by telephone as instructed in the form of proxy. If a Registered Shareholder receives more than one proxy form because such

Shareholder owns securities of the Company registered in different names or addresses, each proxy form needs to be completed and returned or voted online or by phone.

A proxy must be received by Computershare by no later than 10:00 a.m. (Vancouver time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays). The time limit for deposit of proxies may, with the prior written consent of the Purchaser Parties, be waived or extended by the Chair at his or her discretion, without notice.

### **Revocability of Proxies**

A Registered Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof at the Meeting or any adjournment or postponement thereof. If a Registered Shareholder changes their vote by submitting a new proxy before the proxy deadline, such change will revoke any previous proxy filed by such Registered Shareholder. In addition to the foregoing and to revocation in any other manner permitted by law, a proxy may be revoked by:

- (a) executing a valid notice of revocation or other instrument in writing, by the Registered Shareholder or such holder's authorized attorney in writing, or, if such a holder is a corporation, under its corporate seal by an officer or duly authorized attorney, and by delivering the notice of revocation or other instrument in writing to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or to the address of the registered office of the Company at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8. Such proxy will only be revoked if the revocation is received by no later than 10:00 a.m. (Vancouver time) on September 24, 2024 (or, if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays) or to the Chair on the day of the Meeting or any reconvening thereof; or
- (b) personally attending the Meeting via the live audio webcast, accepting the terms and conditions when entering the Meeting online and voting their Filo Shares thereat. **If a Registered Shareholder casts a vote at the Meeting, such Registered Shareholder will revoke a previously submitted proxy. Registered Shareholders who do not wish to revoke a previously submitted proxy, should not vote during the Meeting.**

Upon such deposit, the proxy is revoked. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation. If a Registered Shareholder revokes their proxy and does not replace it with another that is deposited before the deadline, they can still vote their Filo Shares, but to do so they must attend the Meeting virtually and follow the procedures for voting virtually at the Meeting.

Only Registered Shareholders have the right to directly revoke a proxy. If you are a Beneficial Shareholder, please contact your Intermediary for instructions on how to revoke your VIF and what procedures you need to follow. The change or revocation of a VIF by a Beneficial Shareholder can take several days or longer to complete and, accordingly, any such action should be completed well in advance of the deadline given in the VIF by the Intermediary or its service company to ensure it is effective.

### **Exercise of Discretion**

On a poll, the nominees named in the accompanying form of proxy will vote or withhold from voting the Filo Shares represented thereby in accordance with the instructions of the Shareholder on any ballot that may be called for. If a Shareholder specifies a choice with respect to any matter to be acted upon, such Shareholder's Filo Shares will be voted accordingly. **The proxy will confer discretionary authority on the nominees named therein with respect to each matter or group of matters identified therein for which a choice is not specified and any amendment to or variation of any matter identified therein and any other matter that properly comes before the Meeting.**

**If a Shareholder does not specify a choice in the proxy and the Shareholder has appointed one of the management nominees named in the accompanying form of proxy, the management nominee will vote the**

**Filo Shares represented by the proxy in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.**

As of the date of this Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting but, if any amendment, variation or other matter properly comes before the Meeting, each nominee in the accompanying form of proxy intends to vote thereon in accordance with the nominee's best judgment.

**Advice to Beneficial (Non-Registered) Shareholders**

If you are a Beneficial Shareholder, meaning your Filo Shares are not registered in your own name, they will be held in the name of a "nominee", usually a bank, trust company, securities dealer, other financial institution or Intermediary, or depository, such as CDS & Co., of which an Intermediary was a participant and, as such, your nominee will be the entity legally entitled to vote your Filo Shares and must seek your instructions as to how to vote your Filo Shares.

If you are a Beneficial Shareholder, your Intermediary will send you a VIF or, less frequently, a proxy form with this Circular. This form will instruct the Intermediary as to how to vote your Filo Shares at the Meeting on your behalf. **You must follow the instructions from your Intermediary to vote.**

There are two kinds of Beneficial Shareholders: (i) those who object to their name being made known to the issuers of securities which they own, known as OBOs; and (ii) those who do not object to their name being made known to the issuers of securities which they own, known as NOBOs.

Intermediaries are required to forward the Meeting materials to Beneficial Shareholders unless in the case of certain proxy-related materials the Beneficial Shareholder has waived the right to receive them. The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge. Broadridge typically mails a VIF to Beneficial Shareholders and asks Beneficial Shareholders to return the VIF to Broadridge.

For greater certainty, Beneficial Shareholders should note that they are not entitled to use a VIF or proxy form received from Broadridge or their Intermediary to vote Filo Shares directly at the Meeting. Instead, the Beneficial Shareholder must complete the VIF or proxy form and return it as instructed on the form. The Beneficial Shareholder must complete these steps well in advance of the Meeting in order to ensure such Filo Shares are voted.

If you are a NOBO, your Intermediary will have provided to you a VIF. Filo intends to reimburse Intermediaries for the delivery of the meeting materials to OBOs.

In the alternative, if you wish to vote online at the Meeting or have another person attend and vote online on your behalf, indicate your name or the name of your proxyholder, as applicable, in the VIF or proxy form, and return it as instructed by your Intermediary. You will also have to register yourself as your proxyholder, as described above in "*Appointment of Proxyholders*". Please note that the Company has limited access to the names of its Beneficial Shareholders. If you or your desired representative attend the Meeting, the Company may have no record of your shareholdings or of your entitlement to vote unless your Intermediary has appointed you or your desired representative as proxyholder. See "*Attending and Participating in the Meeting*" above.

Beneficial Shareholders who have not duly appointed themselves as proxyholder may be able to attend the Meeting as guests but will not be able to submit questions or vote at the Meeting.

Beneficial Shareholders who have questions or concerns regarding any of these procedures may also contact their Intermediary. It is recommended that inquiries of this kind be made well in advance of the Meeting.

**Shareholders Through Euroclear Sweden**

Shareholders whose holdings through Euroclear Sweden are registered in the name of an Intermediary will receive instructions from their Intermediary on how to vote.

Shareholders whose Filo Shares are directly registered with Euroclear Sweden will receive voting instructions by mail from Computershare Sweden. The duly completed voting form must have been received by Computershare Sweden by no later than 11:00 a.m. (Swedish time) on September 19, 2024.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company has an authorized capital consisting of an unlimited number of Filo Shares without par value. As at the Record Date, a total of 134,685,648 Filo Shares were issued and outstanding. The Filo Shares carry the right to vote at the Meeting, with each Filo Share entitling the holder thereof to one vote on the Arrangement Resolution.

To the knowledge of the directors or executive officers of the Company as of August 20, 2024, the following are the only persons who beneficially own, directly or indirectly, or exercise control or direction over, Filo Shares carrying 10% or more of the voting rights of Shareholders at the Meeting:

Name of Shareholder <sup>(1)</sup>	Securities so Owned, Controlled or Directed	% of the Class of Outstanding Voting Securities of the Company
Nemesia S.à.r.l.	42,368,603	31.46%

Note:

(1) The information as to the number and percentage of Filo Shares beneficially owned, controlled or directed, directly or indirectly, has been obtained from the persons listed individually and/or publicly available filings.

Under the Company’s bylaws, the quorum for the transaction of business at the Meeting will be two persons present, each being a Shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a Shareholder so entitled.

## THE ARRANGEMENT

### Background to the Arrangement

*References to BHP in this “Background to the Arrangement” section refer to BHP and/or one or more affiliates of BHP.*

The Arrangement Agreement is a result of arm’s length negotiations among representatives of Filo, BHP and Lundin Mining and their respective financial and legal advisors. The following is a summary of the material events which led to the negotiation of the Arrangement Agreement and the material meetings, negotiations, discussions and actions between the parties that preceded the execution and public announcement of the Arrangement Agreement.

The Board regularly reviews Filo’s long-term strategic plan as part of its ongoing review and oversight of Filo’s business, with a view to the best interests of Filo. The Company has been primarily focused on exploration; however, Filo’s Board and senior management regularly reviews its overall corporate strategy, including the significant capital requirements necessary to advance a project of the size and scale of the Company Material Property. Accordingly, since at least 2016 the Company maintained an active corporate development function to engage with various base metals producers, precious metals producers, diversified metals producers, and financial investors wishing to learn more about the Company Material Property. To that end, and in connection with such discussions, Filo entered into multiple confidentiality agreements with counterparties and maintained a virtual data room (the “**Data Room**”) to provide access to due diligence information to such parties on a confidential basis. The information contained in the Data Room included all key exploration data and interpretations, along with the information required for and used during the development of the oxide pre-feasibility study. Several informal discussions were held since 2016, however none ultimately resulted in any formal discussions.

During the third quarter of 2021, informal discussions were held between the senior management of Filo and Lundin Mining, whereby Filo described the Company Material Property to Lundin Mining. Following these interactions, in October 2021, the companies executed the Lundin Mining Confidentiality Agreement to facilitate a more detailed review by Lundin Mining of Filo’s assets and operations. Following the execution of the Lundin Mining Confidentiality

Agreement, senior management of Lundin Mining were given access to the Data Room. The nature of these discussions focused on a potential equity investment in Filo to assist in funding future exploration activities.

During the fourth quarter of 2021, informal discussions were held between the senior management of Filo and BHP, whereby Filo described the Company Material Property to BHP. Following these preliminary interactions, in October, the companies executed the BHP Confidentiality Agreement to facilitate a more detailed review by BHP of Filo's assets and operations. Following the execution of the BHP Confidentiality Agreement, representatives of BHP were given access to the Data Room. The nature of these discussions focused on a potential equity investment in Filo to assist in funding future exploration activities.

On December 20, 2021, Lundin Mining announced the acquisition of Josemaria Resources and in doing so, acquired 100% of the Josemaria Project, located approximately 11km to the east of the Company Material Property in an area called the Vicuña district. The acquisition of this development project complemented Lundin Mining's existing portfolio of base metals assets by adding a high-quality, long-life development project to their existing South American copper business.

Representatives of Lundin Mining previously completed a review of the drill core from the Company Material Property during 2019, and during the 2021 field season, representatives of Lundin Mining, with the permission of Filo, completed a site visit to the Company Material Property.

In late January 2022, representatives from Filo and BHP initiated more detailed discussions around a potential equity investment by BHP into Filo, at a premium to the share price at the time, to fund future exploration and project activities. Both parties expressed a mutual interest in working towards an eventual investment, subject to ongoing due diligence by BHP.

On February 2, 2022, Filo received a non-binding term sheet, outlining BHP's potential investment in Filo. Filo's senior management and Board met to discuss and review the investment proposal, and continued negotiations with BHP over the next few weeks, while also responding to due diligence queries.

On February 28, 2022, Filo announced a \$100 million strategic investment by BHP at a price of \$15.95 per share, by way of a non-brokered private placement in the Company, resulting in BHP owning approximately 5% of the Company. In connection with the private placement, BHP was granted certain participation and top-up rights, allowing BHP to maintain its ownership interest from time to time, provided that such participation rights would not apply to any portion of BHP's ownership interest in excess of a 9.9% undiluted ownership level in the Company. In addition, the Company and BHP formed a joint advisory committee which met on a quarterly basis to share expertise, exploration concepts, and discuss future project development concepts, subject to confidentiality and securities law obligations.

From March 27, 2022 to April 1, 2022, BHP conducted its first site visit to Filo's core storage facility and the Company Material Property. Material reviewed at this time consisted of drill core, geophysical interpretations, and preliminary geological modeling. With permission from Lundin Mining, the group visited the Josemaria Project during this initial site visit. This period also served as the inaugural quarterly joint advisory meeting between Filo and BHP.

On June 14, 2022, a quarterly joint advisory meeting between Filo and BHP was held in Toronto, Ontario.

On September 7, 2022, a quarterly joint advisory meeting between Filo and BHP was held in Vancouver, British Columbia.

From January 13, 2023, to January 15, 2023, BHP conducted another site visit to the Company Material Property, and a quarterly joint advisory meeting between Filo and BHP was held in Copiapo, Chile.

From January 16, 2023, to January 20, 2023, Filo and Lundin Mining jointly hosted an analyst and investor tour and site visit of both the Company Material Property and the Josemaria Project. Senior management and certain directors from each of Filo and Lundin Mining participated.

From March 31, 2023 to April 2, 2023, a quarterly joint advisory meeting between Filo and BHP was held in Whistler, British Columbia and the meeting was joined by Filo's Chair, Adam Lundin, and BHP's Vice President, Business Development, Carlos Ramirez.

On July 12, 2023, a quarterly joint advisory meeting between Filo and BHP was held in Vancouver, British Columbia.

On September 8, 2023, a quarterly joint advisory meeting between Filo and BHP was held in Vancouver, British Columbia.

In October 2023, Filo and BHP entered into a new BHP Confidentiality Agreement which renewed the term and allowed the continued sharing of confidential information. This Confidentiality Agreement contained customary confidentiality and standstill arrangements, but allowed BHP to have discussions with Lundin Mining regarding a proposed transaction involving Filo.

In October 2023, Filo was approached by Lundin Mining to discuss an amendment to the terms of the confidentiality agreement to allow for the sharing of information with third parties (each a "**Permitted Third Party**") which might be interested in learning more about the work that Lundin Mining had performed on regional development concepts which included both the Josemaria Project and the Company Material Property, based in part on the Company's confidential information derived from the Data Room. Subsequently, in October 2023, Filo and Lundin Mining entered into an amended and restated confidentiality agreement allowing for this concept of a Permitted Third Party where Filo's confidential information used by Lundin Mining could be shared with Filo's consent.

Following the entering into of the new or amended confidentiality agreements with BHP and Lundin Mining, Filo understands that BHP and Lundin Mining began more detailed discussions surrounding a potential joint acquisition of Filo.

Beginning in late October 2023, the Company received and responded to more formal and detailed due diligence requests from BHP and Lundin Mining and uploaded additional document disclosure to the Data Room in response to these requests. Senior management of Filo, along with the Company's legal representatives, held regular update meetings over the subsequent months to respond and provide disclosure to BHP and Lundin Mining during this period of ongoing due diligence process.

In December 2023, Filo's senior management held a due diligence call with BHP. The diligence call included legal, mining and environmental due diligence inquiries.

During the 2023-2024 field season, with the permission of Filo, representatives of Lundin Mining completed a site visit to the Company Material Property, which included a review of the drill core from the property.

In January 2024, the Lundin Mining Confidentiality Agreement was amended and restated to broaden the definition of a "Permitted Third Party".

On January 30, 2024, a quarterly joint advisory meeting between Filo and BHP was held in Vancouver, British Columbia.

On April 4, 2024, a quarterly joint advisory meeting between Filo and BHP was held in Vancouver, British Columbia.

In April 2024, Filo received a formal request for information from BHP for the purpose of assessing competition law considerations and potential merger filing requirements. Senior management of Filo met with the Company's legal advisors to discuss regulatory approvals and Filo's approach to providing disclosure to such requests. During the second quarter of 2024, Filo continued to respond to requests for information for the purpose of the regulatory filing analysis and Filo's legal advisors discussed such matters with BHP's legal advisors.

On May 2, 2024, Filo received supplemental legal due diligence requests from Lundin Mining and uploaded additional document disclosure to the Data Room in response to such requests.



On June 5, 2024, Filo received additional supplemental legal due diligence requests from Lundin Mining and uploaded additional document disclosure to the Data Room in response to such requests.

On July 11, 2024, representatives of BHP, Lundin Mining and Filo had a call during which BHP and Lundin Mining discussed the high-level terms of a proposed joint acquisition by BHP and Lundin Mining of all of the issued and outstanding Filo Shares (that they did not already own) at a reasonable premium to the current Filo Share price in a mix of cash and Lundin Mining Shares. Additionally, and concurrently with the proposed transaction, BHP and Lundin Mining indicated to Filo that they would form a Canadian joint venture into which the Company Material Property and the Josemaria Project would be contributed, allowing for the development of the Vicuña district. BHP and Lundin Mining would each own, directly or indirectly, a 50% interest in such joint venture post-transaction. BHP and Lundin Mining indicated on the call that a formal confidential written proposal would be sent to Filo over email.

Following this call, on July 11, 2024, Filo received a written Non-Binding Indicative Proposal for the Purchaser Parties to acquire Filo (the “**Initial Proposal**”) for consideration equal to \$31.50 per Filo Share. The Initial Proposal represented a 26.2% premium to the 30-day volume weighted average price and a 20.1% premium to the closing price of the Filo Shares on the TSX, in each case on July 11, 2024. The Initial Proposal provided that the Purchaser Parties would acquire the outstanding Filo Shares (that they did not already own) for a combination of cash and Lundin Mining Shares. BHP’s half of the consideration would be funded in cash (in addition to BHP’s existing 6% equity position) and Lundin Mining’s half of the consideration would be funded in Lundin Mining Shares (in addition to Lundin Mining’s existing 0.4% equity position). The Initial Proposal also provided for a \$115 million private placement at a market standard discount to fund Filo during the period between announcement of the proposed Arrangement and closing and a request for the parties to negotiate exclusively for a period of time subject to obtaining an exemption from applicable Swedish takeover rules. The Initial Proposal was circulated by Filo’s senior management to the Board on July 11, 2024.

On July 12, 2024, certain media outlets reported that “Lundin Has Pitched BHP on Joint Bid for Copper Miner Filo”, but these media outlets did not indicate that the Initial Proposal had been made or disclose the terms of the Initial Proposal.

On July 12, 2024, the Board met with Filo senior management and representatives of Blakes, legal counsel to the Company, to assess, examine, evaluate and consider the Initial Proposal, and assess options and alternatives currently available to the Company that could unlock value for Shareholders and generally be in the best interests of the Company. Adam Lundin declared his interest in the Arrangement as the Chair of Lundin Mining and the Board noted that Adam Lundin would recuse himself from any discussions relating to the Initial Proposal and abstain from voting on any matters relating to the Initial Proposal or Arrangement. Blakes presented on the obligations of the Board in the context of change of control transactions, including their legal and fiduciary duties. In advance of the meeting, Blakes delivered a memorandum to the Board setting out such duties in more detail. Blakes also presented on the Company’s disclosure obligations in response to leaks and rumors and the process for dealing with leaks and rumors and implementing strategies and precautions for controlling information pertaining to the Arrangement and minimizing the risk of inadvertent disclosure. In advance of the meeting, Blakes delivered a memorandum setting out these obligations, processes, strategies and precautions in more detail. The directors were provided with an opportunity to ask questions and received responses from Blakes. After consultation with its legal advisors, the Board determined it was not necessary or appropriate at this time to issue any statement in response to media rumors from earlier that day, but instructed senior management to discuss disclosure protocols with the Purchaser Parties in case there were substantiated leaks in the future. The Board determined to form the Company Special Committee to, among other things, review, and advise the Board on, the Initial Proposal and consider, assess and examine any strategic alternatives that may be in the best interests of the Company, with the Company’s advisors, on the terms of the mandate of the Company Special Committee approved by the Board. The Company Special Committee consists of Peter J. O’Callaghan, Erin Johnston and Joyce Ngo, each of whom were determined by the Board to be independent and disinterested with respect to the Initial Proposal and the Arrangement. Peter J. O’Callaghan was appointed as Chair of the Company Special Committee. The Company Special Committee was also given the power to retain financial and other professional advisors. The Board authorized senior management to engage BMO Capital Markets in respect of providing financial advisory services to Filo with respect to the Arrangement.

On July 12, 2024, BMO Capital Markets was engaged as financial advisor to Filo to provide financial advisory and investment banking services in connection with the Arrangement with the Purchaser Parties and any alternative transaction, including, if requested, to provide a fairness opinion.

On July 12, 2024, the Company Special Committee met with Filo senior management and representatives of Blakes to review the role, duties and responsibilities of the Company Special Committee in respect of the proposed Arrangement and to discuss the mandate of the Company Special Committee. The members of the Company Special Committee were provided with an opportunity to ask questions and received responses from Blakes. The Company Special Committee also confirmed that Blakes would act as legal counsel to the Company Special Committee as they were not in a position of conflict with respect to the proposed Arrangement. The Company Special Committee then discussed potential candidates for financial advisors to the Company Special Committee to provide an independent opinion as to the fairness from a financial point of view of the consideration being offered to the Shareholders under the proposed Arrangement. The Company Special Committee discussed the Initial Proposal, including the proposed \$31.50 of consideration; the requested exclusivity period; and the proposed private placement financing. The Company Special Committee also discussed the consideration mix being proposed by the Purchaser Parties and the possibility of including a royalty spin out ("**spinco**") as part of the consideration mix. The Company Special Committee discussed next steps and determined to hold a meeting on July 15, 2024, with representatives of BMO Capital Markets in attendance to provide their preliminary analysis of the Initial Proposal and the current market environment.

At the end of the Company Special Committee meeting, and at each subsequent meeting of the Company Special Committee or the Board to consider the Arrangement, an *in camera* session of the Company Special Committee or the independent members of the Board, as applicable, was held with legal advisors.

On July 13, 2024, the Company contacted G&D, counsel to the Company in Sweden, and formally appointed G&D as the Company's Swedish legal advisor.

On July 15, 2024, the Company Special Committee met with Filo senior management, representatives of Blakes and representatives of BMO Capital Markets, to receive an overview and preliminary analysis of the Initial Proposal and the current market environment. At this meeting, BMO Capital Markets advised the Company Special Committee that the premium offered in the Initial Proposal was in the lower end of the range relative to comparable precedent change of control transactions and warranted further engagement by the Company. BMO Capital Markets presented and the Company Special Committee discussed potential counter-offers, with a focus on the price of the offer and the consideration mix to be provided by the Purchaser Parties, including the inclusion of a spinco. The Company Special Committee also discussed the possibility of the Initial Proposal being cross-conditional with the transactions contemplated by the Contribution Agreement and the transaction risk such conditionality posed to Filo. There was also a discussion of the proposed private placement financing, and the Company Special Committee determined that the discounted subscription price for the Filo Shares offered in the Initial Proposal could be improved. The members of the Company Special Committee were provided with an opportunity to ask questions and received responses from BMO Capital Markets. The Company Special Committee outlined the process and timing related to negotiation of the Arrangement and following discussions, the Company Special Committee directed senior management to respond to the Purchaser Parties with an increased price and revised consideration mix, which price was within the range discussed by BMO Capital Markets, and with the revised terms related to cross-conditionality, the proposed exclusivity period and the subscription price for the concurrent private placement to equal the transaction price. During the *in camera* session on July 15, 2024, the Company Special Committee instructed Blakes to request that Filo senior management provide a summary to the Company Special Committee of Filo's engagement with third parties in respect of potential alternative transactions over the past two years.

Following the meeting, on July 15, 2024, Filo senior management provided a summary of corporate development activity: (i) outlining the previous outreach to third party candidates conducted to understand and discuss their interest in potentially pursuing a transaction with the Company and (ii) identifying the third parties under an existing confidentiality agreement with Filo for such purposes.

On July 15, 2024, James Beck, the President, Chief Executive Officer and a director of the Company, had a call with representatives from BHP and Lundin Mining and verbally conveyed the response that had been directed by the Company Special Committee, in particular noting that while the merits of the Arrangement were compelling, Filo

needed to receive an updated proposal containing more compelling financial terms before Filo would be prepared to proceed with entering into exclusivity and negotiating a form of definitive agreement.

A representative of BHP and James Beck had two subsequent calls on July 15, 2024 to further discuss Filo's response, including discussions surrounding acceptable purchase price and consideration mix.

Throughout the following days, representatives and legal advisors of BHP and Lundin Mining continued their due diligence investigations.

On July 17, 2024, senior management of Filo met with representatives of Blakes and BMO Capital Markets to summarize discussions between the parties since July 15, 2024. James Beck provided an overview of his conversations with the Purchaser Parties, in particular regarding the price and consideration mix. James Beck informed the advisors that the Purchaser Parties had requested Filo provide a mark-up of the Initial Proposal reflecting Filo's position regarding the terms of a proposed Arrangement. After discussion, the terms of such mark-up were determined, which terms were within the range of counter-offers approved by the Company Special Committee.

Following this meeting, on July 17, 2024, James Beck had a call with representatives of BHP and Lundin Mining to convey the terms that were to be reflected in the mark-up of the Initial Proposal. The parties discussed the possibility of the mark-up contemplating multiple alternatives in terms of purchase price and consideration mix.

After consultation with its legal and financial advisors, on July 17, 2024, Filo submitted a written mark-up that was consistent with discussions.

On July 17, 2024, the Company Special Committee met to receive an update from Filo senior management, with input from the representatives of Blakes and representatives of BMO Capital Markets. James Beck provided an update on the negotiations between Filo and the Purchaser Parties, advising the Company Special Committee of the written mark-up delivered by Filo to the Purchaser Parties. The Company Special Committee asked James Beck for a summary of recent activity in the Data Room by third parties and James Beck confirmed there was no unusual or notable activity despite the Data Room remaining open since the media rumours on July 12, 2024. The Company Special Committee asked Ian Gibbs, the Chief Financial Officer of the Company, to summarize the Company's working capital and cash position to confirm the size of the concurrent private placement was appropriate to bridge the Company's funding needs during the period between signing of a potential definitive agreement and closing, to which Ian Gibbs responded and satisfied the Company Special Committee that the size of the financing was appropriate.

From July 17, 2024 to July 18, 2024, James Beck and representatives from BHP and Lundin Mining continued to discuss the proposed Arrangement. During these discussions, the Purchaser Parties indicated that they were determining whether to provide a revised proposal and reiterated their desire to move expeditiously towards the announcement of a transaction. In particular, the Purchaser Parties asked James Beck to confirm if a price of \$33.00 per Filo Share would be acceptable and also noted to James Beck that the Purchaser Parties' governing bodies would meet on July 22, 2024 to consider a revised offer, but the Purchaser Parties would instruct their legal counsel to circulate the draft Arrangement Agreement if the \$33.00 price was acceptable with a view to expediting the transaction.

On July 18, 2024, senior management of Filo met with representatives of Blakes and BMO Capital Markets to summarize discussions with the Purchaser Parties and to discuss the risks associated with cross conditionality and regulatory approvals.

On July 18, 2024, the Company Special Committee met to receive an update from Filo senior management, with input from the representatives of Blakes and representatives of BMO Capital Markets. James Beck provided an update on the negotiations between Filo and the Purchaser Parties, advising the Company Special Committee that the Purchaser Parties had requested an indication from Filo if a price of \$33.00 would be acceptable. Following discussions with its legal and financial advisors, the Company Special Committee directed senior management to respond to the Purchaser Parties requesting they deliver their best offer as an updated non-binding indicative offer. The Company Special Committee authorized senior management to engage NBF as financial advisor to the Company

Special Committee, including providing an independent fairness opinion to the Company Special Committee and the Board.

On July 20, 2024, James Beck had a call with representatives from BHP and Lundin Mining where the Purchaser Parties communicated a verbal response to Filo's counter offer, which included their restatement of the \$33.00 per share offer price as their final and best offer, their non-negotiable requirement for cross conditionality of the Arrangement and the Contribution Agreement, their position that a spinco would not be part of the consideration mix and their confirmation that the private placement would be priced at the deal price of \$33.00 per share (the "**Subsequent Proposal**").

On July 20, 2024, the Company Special Committee corresponded with Filo senior management and representatives of Blakes regarding the terms of the Subsequent Proposal.

On July 21, 2024, the Company Special Committee met to receive an update from Filo senior management, with input from the representatives of Blakes and representatives of BMO Capital Markets and NBF. James Beck outlined the Subsequent Proposal and informed the Company Special Committee that he expected to receive an updated non-binding indicative offer in writing with these terms. The Company Special Committee asked BMO Capital Markets to confirm to the Company Special Committee that the dilution represented by the private placement would only represent approximately 2% and that neither of the Purchaser Parties would hold more than 10% of the issued and outstanding shares following the private placement. The Company Special Committee asked Ian Gibbs to confirm that the size of the private placement was based on the Company's financial needs during the next 12 months. Having received both confirmations, the Company Special Committee sought legal advice from Blakes as to whether the private placement could be viewed as an inappropriate defensive tactic and would otherwise be appropriate in the circumstances, and based on the discussion it was determined that the private placement was in the best interest of the Company. NBF provided their initial feedback on the offer price to the Company Special Committee. BMO Capital Markets advised the Company Special Committee in respect of commodity price and capital markets risk if the transaction terms were not agreed in an expeditious manner, especially given the prior media reports.

On July 21, 2024, the Board met to receive an update from the Company Special Committee, with input from Filo senior management, the representatives of Blakes and representatives of BMO Capital Markets and NBF. Adam Lundin declared his interest in the Arrangement as the Chair of Lundin Mining and recused himself from the meeting. James Beck outlined the Subsequent Proposal and informed the Company Special Committee that he expected to receive an updated non-binding indicative offer in writing with these terms. Peter J. O'Callaghan explained that the purpose of the Board meeting was to inform the Board of the status of negotiations, allow the directors to ask questions and to discuss next steps. Mr. O'Callaghan confirmed that the Board was not being asked to approve the Arrangement or any terms of the transaction. BMO Capital Markets provided an update on their financial analysis and members of the Board asked questions to which BMO Capital Markets responded. The Board asked senior management to discuss strategic needs for the Company Material Property and to summarize efforts to locate other strategic partners.

On July 21, 2024, Filo received a written Non-Binding Indicative Proposal that was consistent with the Subsequent Proposal, including a consideration mix including additional cash in lieu of Lundin Mining Shares.

On July 21, 2024, Filo sent a legal due diligence request to Lundin Mining and Lundin Mining opened a data room to respond to such request. Swedish counsel for Filo and each of the Purchaser Parties were connected with respect to the possibility of obtaining an exemption from the application of Swedish take-over rules to a transaction involving Filo and the Purchaser Parties.

From July 22, 2024 to July 25, 2024, Filo hosted members of BHP's technical team for a site visit at the Company Material Property.

On July 23, 2024, the Company received an initial draft of the Arrangement Agreement, Concurrent Private Placement Subscription Agreements and Voting and Support Agreement from Cassels and Stikeman, Canadian legal counsel to Lundin Mining and BHP, respectively. Filo's senior management and its legal and financial advisors identified and discussed key legal and financial issues, respectively, arising out of the initial draft of these agreements.

On July 25, 2024, the Company Special Committee met to receive an update from Filo senior management, with input from the representatives of Blakes and representatives of BMO Capital Markets and NBF to receive advice of financial and legal advisors with respect to the initial draft of the Arrangement Agreement. Blakes provided a presentation with respect to the initial draft of the Arrangement Agreement.

From July 25, 2024 to July 27, 2024, representatives of the Company and the Purchaser Parties, along with their respective legal counsel and financial advisors, engaged in continued discussions and negotiations regarding the terms of the Arrangement Agreement, the Concurrent Private Placement Subscription Agreements and the negotiation of the Voting and Support Agreements with the directors and officers of the Company. During the same period, each party continued its due diligence investigations, including legal, tax, accounting, financial and other matters and held discussions with the parties and their legal representatives relating to due diligence items, and representatives of BMO Capital Markets and NBF worked with the Company Special Committee and Filo senior management to complete their work with respect to the Fairness Opinions.

On July 26, 2024, the Company received an initial draft of the Plan of Arrangement from Cassels and Stikeman. Filo's senior management and its legal and financial advisors identified and discussed key legal and financial issues, respectively, arising out of the initial draft of the Plan of Arrangement.

On July 27, 2024, the Company Special Committee met to receive an update from Filo senior management, with input from the representatives of Blakes and representatives of BMO Capital Markets and NBF. James Beck confirmed that the exemption from Swedish take-over rules had been received and as a result the parties proposed to enter into the exclusivity agreement for an initial 14-day period. The Company Special Committee directed senior management to execute the exclusivity agreement.

From July 27, 2024 to July 29, 2024, representatives of the Company and the Purchaser Parties, along with their respective legal counsel and financial advisors, engaged in continued discussions and negotiations regarding the terms of the Arrangement Agreement, the Concurrent Private Placement Subscription Agreements and the negotiation of the Voting and Support Agreements with the directors and officers of the Company. The Company's 32% shareholder, Nemesia S.à.r.l, was approached on a confidential basis to discuss the terms of the proposed Arrangement and the proposed Voting and Support Agreement. Nemesia S.à.r.l indicated its support for such a transaction. During the same period, each party continued its due diligence investigations, including legal, tax, accounting, financial and other matters and held discussions with the parties and their legal representatives relating to due diligence items, and representatives of BMO Capital Markets and NBF worked with the Company Special Committee and Filo senior management to complete their work with respect to the Fairness Opinions.

On July 29, 2024, the Company Special Committee met to receive an update from Filo senior management, with input from the representatives of Blakes and representatives of BMO Capital Markets and NBF. At the same meeting, Blakes delivered a due diligence report in respect of certain matters relating to Lundin Mining to the Company Special Committee and referred to the summary of the Arrangement Agreement that was previously circulated to the Company Special Committee.

Later on July 29, 2024, the Company Special Committee met again to receive an update from senior management, with input from the representatives of Blakes and representatives of BMO Capital Markets and NBF, including an update on the status of the proposed Arrangement, the draft Arrangement Agreement and Plan of Arrangement, the Concurrent Private Placement Subscription Agreements and the Voting and Support Agreements. The Company Special Committee also reviewed the final terms of the Arrangement Agreement with Blakes and discussed the Arrangement with senior management of Filo. During the meeting, BMO Capital Markets and NBF each provided its financial analysis regarding the Arrangement and delivered an oral opinion, later confirmed in writing, that the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders, other than the Purchaser Parties and their affiliates. Blakes also presented to the Company Special Committee on the Company's obligations under MI 61-101, in respect of interested parties that may receive a collateral benefit from severance, change of control payments, accelerated vesting of options, or similar events triggered by the proposed Arrangement. The Company Special Committee made certain determinations in that regard, as discussed under "*The Arrangement – MI 61-101*". After careful consideration, including a thorough review of the Arrangement, the Arrangement Agreement, the financial presentation and oral opinions delivered by each of NBF and BMO Capital Markets and other relevant matters, and taking into account the best interests of Filo, and

after consultation with management of Filo and its financial and legal advisors, the Company Special Committee unanimously determined: (i) that the Arrangement is fair to the Shareholders and the Arrangement and the entering into of the Arrangement Agreement are in the best interests of Filo; (ii) to recommend to the Board that it recommend that the Shareholders vote in favour of the Arrangement; and (iii) to recommend to the Board that it approve the Arrangement Agreement and the Arrangement.

Following the meeting of the Company Special Committee, the Board met to receive the recommendations of the Company Special Committee and to receive advice from its financial and legal advisors. Adam Lundin declared his interest in the Arrangement as the Chair of Lundin Mining and recused himself from the meeting. The Board received a presentation from BMO Capital Markets, NBF and from Blakes. After careful consideration, including consultation with management of Filo and its financial and legal advisors, reviewing the report of the Company Special Committee and its own deliberations, the Board unanimously (subject to Adam Lundin having previously declared his interest in the Arrangement and recused himself from the meeting, thereby abstaining from voting on the matter) approved the Arrangement Agreement, and unanimously determined that the Arrangement is in the best interests of Filo and is fair to Shareholders and to recommend to the Shareholders that they vote in favour of the Arrangement.

The parties continued settling the final minor terms of the Arrangement Agreement and associated documentation.

On July 29, 2024, Filo, BHP and Lundin Mining executed the Arrangement Agreement and each disseminated their respective press release announcing the Arrangement.

### **Recommendation of the Company Special Committee**

Having taken a thorough review of, and carefully considered, the proposed Arrangement and alternatives to the Arrangement, including the potential for a more favourable transaction with a third party and the prospect of proceeding independently to pursue Filo's current business plan, and having consulted with management of Filo and its financial and legal advisors, and having considered the Fairness Opinions, the Company Special Committee unanimously determined that the Arrangement is fair to the Shareholders and that the Arrangement, and the entering into of the Arrangement Agreement, are in the best interests of Filo. **The Company Special Committee unanimously recommended that the Board approve the Arrangement and the Arrangement Agreement and that Shareholders vote FOR the Arrangement Resolution.**

### **Recommendation of the Board**

Based on its considerations and investigations, including its review of the terms and conditions of the Arrangement Agreement, the Fairness Opinions, and other relevant matters, and taking into account the best interests of the Company, and after consultation with management and the Company's financial and legal advisors and having received and reviewed the unanimous recommendation from the Company Special Committee and its own deliberations, the Board has (subject to a director declaring an interest and abstaining from voting on the matter) unanimously determined that the Arrangement is fair to the Shareholders and that the Arrangement and the entering into of the Arrangement Agreement, are in the best interests of the Company. **Accordingly, the Board unanimously approved the Arrangement and the Arrangement Agreement and unanimously recommends that the Shareholders vote FOR the Arrangement Resolution.** Each director and senior officer of the Company intends to vote all of such director's and senior officer's Filo Shares (including Filo Shares issued upon exercise of Filo Options) **FOR** the Arrangement Resolution.

In forming their recommendations, the Company Special Committee and the Board considered a number of factors, including, without limitation, the factors listed below under "*Reasons for the Arrangement*". The Board based its recommendation upon the totality of the information presented to and considered by it in light of the knowledge of the Board members of the business, financial condition and prospects of the Company and after taking into account the Fairness Opinions and the advice of the Company's legal and other advisors and the advice and input of management of the Company.

Adam Lundin declared his interest in the Arrangement and transactions contemplated thereby and abstained from voting on all matters before the Board relating thereto.

## Reasons for the Arrangement

At a meeting of the Board held on July 29, 2024 the Board evaluated the Arrangement in the context of the Company's available strategic alternatives and, based on a thorough review of these alternatives, the Board unanimously:

- determined that the Arrangement is in the best interests of Filo and is fair to the Shareholders;
- resolved to recommend that Shareholders vote "FOR" the Arrangement Resolution; and
- approved the Arrangement Agreement and the Arrangement.

In evaluating the Arrangement and in making their recommendations, the Board and Special Committee gave careful consideration to the current and expected future position of the business of Filo and all terms of the draft Arrangement Agreement, including the conditions precedent, representations, warranties, covenants and deal protections. The Board and Special Committee considered a number of factors including, among others, the following:

- **Premium.** The Consideration to be received by Shareholders pursuant to the Arrangement represents a premium of 32.2% and 25.8% to the unaffected 30-day volume weighted average trading price and unaffected closing price, respectively, of the Filo Shares on the TSX for the period ending July 11, 2024, being the day before press speculation of a transaction.
- **Consideration.** Shareholders may choose: the (i) Cash Consideration; or (ii) Share Consideration (together with the applicable Share Consideration Cash); or (iii) a combination of the Cash Consideration and the Share Consideration and Share Consideration Cash in exchange for the aggregate number of Filo Shares in respect of which such election is made, subject to pro-rata and adjustment in accordance with the Arrangement Agreement. The Cash Consideration offers Shareholders immediate liquidity and value, while the Lundin Mining Shares comprising the Share Consideration have a liquid trading market.
- **Strengths and Strategic Fit.** As approximately 30% of the total Consideration is being offered in the form of Lundin Mining Shares, Shareholders are being offered the opportunity to benefit from, to the extent they receive Share Consideration:
  - (a) an interest in significant and strategic mining assets globally, including a market-leading operational footprint in the potentially world-class Vicuña district, with substantial further growth potential that could continue for decades;
  - (b) the development of the Vicuña district by JVCo, which will serve as the joint venture entity for the joint venture between BHP and Lundin Mining with respect to the Company Material Property and the Josemaria Project, which will allow for synergies and operational efficiencies;
  - (c) the collective experience of BHP and Lundin Mining in successfully developing copper projects globally and world class operating capabilities;
  - (d) the balance sheet capacity required to fund the advancement and development of the Company Material Property to realize its full potential;
  - (e) both jurisdictional and project risk diversification in a company that has multiple mines operating globally; and
  - (f) exposure to a diversified asset portfolio with long-life assets, a strong balance sheet, strong and increasing cash flow generation and dividends, and an enhanced market profile with greater share liquidity.

Shareholders will also be able to continue to participate in the potential upside from any operational success related to the Company Material Property, as well as the properties of Lundin Mining. It is expected that

Shareholders will be issued a maximum of approximately 92.1 million Lundin Mining Shares, as may be adjusted in accordance with the Plan of Arrangement, on an outstanding undiluted basis. On closing of the Arrangement, existing shareholders of Lundin Mining and Filo are expected to own approximately 89% and 11% of the total Lundin Mining Shares outstanding, respectively.

- **Review of Strategic Alternatives and Business and Industry Risks.** The Company has held several informal discussions with other parties, including strategic parties as well as financial investors, regarding a wide array of potential transactions over several years, however none ultimately resulted in any formal discussions or acquisition proposals. During such time multiple parties, including Lundin Mining and BHP, were given access to due diligence materials, including the Data Room, and were afforded the opportunity to conduct extensive due diligence. The Company Special Committee and the Board also considered, with the assistance of their financial and legal advisors, in the context of (i) current economic and market conditions and (ii) significant uncertainty related to the business operations, assets, financial condition, operating results and prospects of the Company, including risks associated with title to its properties and risks associated with obtaining required financing on acceptable terms or at all, the relative benefits and risks of various strategic alternatives reasonably available to the Company, including remaining as an independent public company, and concluded that the Arrangement would provide greater and more certain value to Shareholders than would reasonably be expected from any other strategic alternatives reasonably available to the Company, including maintaining the status quo and remaining as an independent public company.
- **Fairness Opinions.** Each of BMO Capital Markets, as financial advisor to the Board, and NBF, as financial advisor to the Company Special Committee, delivered the Fairness Opinions to the Company Special Committee and the Board to the effect that, as of July 29, 2024, based upon and subject to the assumptions, limitations and qualifications therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates). The Company Special Committee considered the compensation arrangements with BMO Capital Markets and NBF (for which NBF is entitled to a fixed fee for the NBF Fairness Opinion and not to any fee that is contingent on successful completion of the Arrangement) and the disclosure in their respective Fairness Opinions with respect to their independence from the Company, BHP and Lundin Mining when considering the Fairness Opinions.
- **Support by Directors, Officers and Significant Shareholders.** The Company Supporting Shareholders, who own in the aggregate approximately 34% of the Filo Shares as of the Record Date, have entered into Voting and Support Agreements with the Purchaser Parties pursuant to which they have agreed to, among other things, vote all Filo Shares of which they are the registered or beneficial holder or over which they have control or direction (including Filo Shares issued upon exercise of Filo Options) in favour of the Arrangement Resolution, and not dispose of their Filo Shares.
- **Concurrent Private Placement.** The Concurrent Private Placement resolves the Company's funding needs at a subscription price that represents a premium to the market price of the Filo Shares prior to the announcement of the Arrangement. The proceeds would be used to fund the exploration of the Company Material Property, general working capital expenses and general and administration expenses for the period between the date of the Arrangement Agreement and the Effective Date, in accordance with the Company Budget.
- **Other Stakeholders.** In the Company Special Committee's and the Board's view, the terms of the Arrangement Agreement treat other stakeholders of the Company equitably and fairly, including the applicable covenants in the Arrangement Agreement related to compensation, severance and benefits for employees of the Company and the treatment of Filo Options under the Arrangement.

In evaluating the Arrangement and in making their recommendations, the Board and Company Special Committee also observed that a number of procedural safeguards were and are present to permit the Company Special Committee and the Board to effectively represent the interests of the Company, the Shareholders and the Company's other stakeholders, including, among others, the following:



- **Robust Arm's Length Negotiation Process.** The Arrangement Agreement is the result of a comprehensive negotiation process with respect to the key elements of the Arrangement Agreement and Plan of Arrangement, and includes terms and conditions that are reasonable in the judgment of the Company Special Committee. The negotiation process was undertaken at arm's length with the oversight and participation of the Company Special Committee, comprised entirely of independent directors, and with the advice of its financial and legal advisors.
- **Ability to Respond to Unsolicited Acquisition Proposals.** Subject to the terms of the Arrangement Agreement, in certain circumstances prior to Shareholder approval of the Arrangement Resolution, the Board will remain able to respond to any unsolicited *bona fide* written Acquisition Proposal if it determines in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal would, if consummated in accordance with its terms, reasonably be expected to constitute a Superior Proposal and failure to take such action would be inconsistent with the fiduciary duties of the directors under applicable law. The amount of the Termination Fee payable in certain circumstances including if the Arrangement Agreement is terminated as a result of the Company entering into a definitive agreement in respect of a Superior Proposal is reasonable in the circumstances and would not, in the view of the Company Special Committee, preclude a third party from potentially making a Superior Proposal. Further, the Voting and Support Agreements automatically terminate in the event that the Arrangement Agreement is terminated in accordance with its terms, permitting the Company Supporting Shareholders to support a transaction involving a Superior Proposal.
- **Reverse Termination Fee.** If the Arrangement Agreement is terminated as a result of the occurrence of the Outside Date, provided that at the time of such termination (i) all mutual conditions precedent, other than the consummation of the transactions contemplated by the Contribution Agreement, have been satisfied or waived by the Company, Lundin Mining and/or BHP, as applicable, (ii) all additional conditions precedent to the obligations of the Company have been satisfied or waived by the Company; (iii) all of the additional conditions precedent to the obligations of Lundin Mining and BHP to be performed or complied with by the Company have been satisfied or waived by Lundin Mining or BHP, as applicable; and (iv) there has not been any Lundin Mining Material Adverse Effect which has or would reasonably be expected to have a material and adverse effect on the business or financial condition of JVCo or BHP Group Limited, then the Reverse Termination Fee of \$135 million is payable by Lundin Mining and BHP, as to 50% each, to the Company.
- **Shareholder and Court Approvals.** The Arrangement is subject to the following approvals, which protect the Shareholders:
  - (a) the Arrangement Resolution must be approved by at least (i) 66 2/3% of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting and (ii) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting, excluding for the purposes of (ii) the votes cast in respect of Filo Shares held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101; and
  - (b) the Arrangement must be approved by the Court, which will consider, among other things, if the Arrangement is fair and reasonable to Shareholders.
- **Dissent Rights.** Registered Shareholders who oppose the Arrangement may, subject to strict compliance with all applicable requirements, exercise Dissent Rights and, if ultimately successful, receive fair value for their Filo Shares (as set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement). See "*The Arrangement — Dissenting Shareholders' Rights*" in this Circular for detailed information regarding the Dissent Rights of Shareholders in connection with the Arrangement.

In evaluating the Arrangement and in making their recommendations, the Company Special Committee also considered a number of potential issues and risks related to the Arrangement and the Arrangement Agreement, including, among others:

- the risks to the Company and the Shareholders if the Arrangement is not completed, including the costs incurred by the Company in pursuing the Arrangement and the diversion of management from the conduct of the Company's business in the ordinary course;
- the conditionality of the Arrangement upon the consummation of the transactions contemplated by the Contribution Agreement;
- the terms of the Arrangement Agreement in respect of restricting the Company from soliciting third parties to make an Acquisition Proposal and the specific requirements regarding what constitutes a Superior Proposal;
- the terms of the Arrangement Agreement that require the Company to conduct its business in the ordinary course and prevent the Company from taking certain specified actions, which may delay or prevent the Company from taking certain actions to advance its business pending consummation of the Arrangement;
- the fact that, following the Arrangement, the Company will no longer exist as an independent public company and the Filo Shares will be delisted from the TSX and First North;
- the Termination Fee payable to Lundin Mining and BHP in certain circumstances, including if the Company enters into an agreement in respect of a Superior Proposal to acquire the Company;
- the conditions to each of Lundin Mining's and BHP's respective obligations to complete the Arrangement;
- the right of each of Lundin Mining and BHP to terminate the Arrangement Agreement under certain circumstances; and
- judgments against either Lundin Mining or BHP in Canada for a breach of the Arrangement Agreement may be difficult to enforce against each of Lundin Mining's and BHP's respective assets located outside of Canada.

The above discussion of the information and factors considered by the Board and Company Special Committee is not intended to be exhaustive, but is believed by the Board and Company Special Committee to include the material factors considered by the Board and Company Special Committee in their respective assessments of the Arrangement. In view of the wide variety of factors considered by the Board and Company Special Committee in connection with their assessment of the Arrangement and the complexity of such matters, the Board and Company Special Committee did not consider it practical, nor did they attempt, to quantify, rank or otherwise assign relative weights to the foregoing factors that they considered in reaching their respective decisions. In addition, in considering the factors described above, individual members of the Board and Company Special Committee may have given different weights to various factors and may have applied different analyses to each of the material factors considered by the Board and Company Special Committee.

The Board's and the Company Special Committee's reasons for recommending the Arrangement include certain assumptions relating to forward-looking information and such information and assumptions are subject to various risks described herein.

### **Fairness Opinions**

In connection with the evaluation of the Arrangement, the Board and the Company Special Committee received and considered the Fairness Opinions.

The full text of the Fairness Opinions, which set forth assumptions made, procedures followed, information reviewed, matters considered, and limitations on the scope of the review undertaken by BMO Capital Markets and NBF in connection with their respective Fairness Opinions, are attached in Appendix E and Appendix F.

As described under “*The Arrangement – Reasons for the Arrangement*”, the Fairness Opinions were only one of many factors considered by the Company Special Committee and the Board in evaluating the Arrangement and should not be viewed as determinative of the views of the Company Special Committee or the Board with respect to the Arrangement or the Consideration to be received by Shareholders (other than the Purchaser Parties and their affiliates) pursuant to the Arrangement.

### ***BMO Fairness Opinion***

BMO Capital Markets was retained by the Company on July 12, 2024. Under the terms of its engagement, BMO Capital Markets agreed to provide the Company, the Company Special Committee and the Board with various advisory services in connection with the Arrangement including, among other things, the provision of the BMO Fairness Opinion. At the meetings of the Company Special Committee and the Board held on July 29, 2024, BMO Capital Markets delivered its oral opinion to the Company Special Committee and the Board, respectively, which was subsequently confirmed in writing, to the effect that, as of July 29, 2024, based upon and subject to the assumptions, limitations and qualifications stated in the BMO Fairness Opinion, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates). A copy of the BMO Fairness Opinion is attached as Appendix E.

The BMO Fairness Opinion is provided to the Company Special Committee and the Board for its exclusive use only in considering the Arrangement and may not be used or relied upon by any other person or for any other purpose without BMO Capital Market’s prior written consent. The BMO Fairness Opinion does not constitute a recommendation as to how any Shareholder should vote or act on any matter relating to the Arrangement. Except for the inclusion of the BMO Fairness Opinion herein, the BMO Fairness Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without BMO Capital Market’s prior written consent.

Pursuant to the terms of the engagement letter, BMO Capital Markets is entitled to payment of a fixed fee for the BMO Fairness Opinion and a success fee contingent on the completion of the Arrangement. The fixed fee is creditable against the success fee in the event the success fee is payable. The Company has also agreed to reimburse BMO Capital Markets for its reasonable out-of-pocket expenses incurred in connection with its services and to indemnify BMO Capital Markets against certain liabilities that may arise out of its engagement. The payment of expenses is not dependent on the completion of the Arrangement.

This description is qualified in its entirety by reference to the full text of the BMO Fairness Opinion.

### ***NBF Fairness Opinion***

NBF was retained by the Company on July 19, 2024 to act as financial advisor to the Company Special Committee in connection with the Arrangement, including by providing advice and assistance to the Company Special Committee with respect to considering the Arrangement and by preparing and delivering the to the Company Special Committee and the Board the NBF Fairness Opinion. At the meetings of the Company Special Committee and the Board held on July 29, 2024, NBF delivered its oral opinion to the Company Special Committee and the Board, respectively, which was subsequent confirmed in writing, to the effect that, as of July 29, 2024, based upon and subject to the assumptions, limitations and qualifications stated in the NBF Fairness Opinion, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates). A copy of the NBF Fairness Opinion is attached as Appendix F.

The NBF Fairness Opinion is addressed to and is for the sole use and benefit of the Company Special Committee and the Board in connection with its consideration of the Arrangement and may not be referred to, summarized, circulated, publicized or reproduced or disclosed to or used or relied upon by any party without the express written consent of NBF. The NBF Fairness Opinion is not to be construed or used as a recommendation to any Shareholder to vote at the Meeting.

Pursuant to the terms of the engagement letter, NBF is entitled to a fixed fee for the NBF Fairness Opinion, which is not contingent on the conclusions reached in the NBF Fairness Opinion or the completion of the Arrangement. NBF is not entitled to any fee that is contingent on successful completion of the Arrangement. The Company has also agreed to reimburse NBF for its reasonable out-of-pocket expenses incurred in connection with its services and to indemnify NBF against certain liabilities that may arise out of its engagement. The payment of expenses is not dependent on the completion of the Arrangement.

This description is qualified in its entirety by reference to the full text of the NBF Fairness Opinion.

### **Voting and Support Agreements**

Each of the Company Supporting Shareholders has entered into a Voting and Support Agreement with the Purchaser Parties pursuant to which each such Company Supporting Shareholders has agreed to, among other things, vote all Filo Shares of which they are the registered or beneficial holder or over which they have control or direction (including Filo Shares issued upon exercise of Filo Options), in favour of the Arrangement Resolution, and not dispose of their Filo Shares. As of August 20, 2024, the Company Supporting Shareholders hold a total of 45,309,963 Filo Shares, representing approximately 34% of the outstanding Filo Shares.

Each of the Company Supporting Shareholders has agreed, subject to the terms of its Voting and Support Agreement, among other things: (i) at any meeting of Shareholders called to vote upon the Arrangement, the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement, to vote their Filo Shares in favour of the Arrangement Resolution and any other matter necessary for the consummation of the Arrangement, and against any Acquisition Proposal and/or any matter that could reasonably be expected to delay, prevent, impede or frustrate the successful completion of the Arrangement and each of the transactions contemplated by the Arrangement Agreement; (ii) to revoke any and all previous proxies granted or VIFs or other documents that may conflict or be inconsistent with such Company Supporting Shareholder's Voting and Support Agreement; (iii) not to sell, transfer, assign, grant a participation interest in, option, pledge, hypothecate, grant a security interest in or otherwise convey or encumber, or enter into any agreement, option or other arrangement with respect to the transfer of any of their Filo Shares and/or Filo Options, directly or indirectly, or any interest therein while the Voting and Support Agreements are in effect, other than pursuant to the Arrangement Agreement; (iv) not to grant any proxies or power of attorney, deposit any of their Filo Shares into any voting trust or enter into any voting arrangement, whether by proxy, voting agreement or otherwise, with respect to their Filo Shares, other than pursuant to the terms of the Voting and Support Agreements; (v) not exercise any rights of appraisal or rights of dissent with respect to the Arrangement or the transactions contemplated by the Arrangement Agreement; and (vi) no later than ten Business Days prior to the date of the Meeting, with respect to all of their Filo Shares, to deliver or cause to be delivered, a duly executed proxy (or proxies) or VIF causing their Filo Shares to be voted in favour of the Arrangement Resolution, and such proxy (or proxies) or voting instructions, as applicable, shall not be revoked, withdrawn or modified without the prior written consent of both of the Purchaser Parties.

Certain Company Supporting Shareholders have received a waiver from the Purchaser Parties to permit them to sell Filo Shares, following the Meeting, to cover the exercise price and tax withholdings for the Filo Options expiring in the fourth quarter of 2024, provided that such sale is effected via a third party broker on a market and not made to a specifically identified purchaser.

In addition, each of the Company Supporting Shareholders has agreed, subject to the terms of its Voting and Support Agreements, to certain customary non-solicitation covenants, including that they will not: (a) (i) make, initiate, solicit, promote, entertain, facilitate or encourage (including by way of furnishing information or enter into any form of agreement, arrangement or understanding), or take any other action that facilitates, directly or indirectly, any inquiry or the making of any inquiry, proposal or offer with respect to an Acquisition Proposal or that reasonably could be expected to constitute or lead to an Acquisition Proposal, or (ii) enter into, engage in, continue or otherwise participate, directly or indirectly, in any discussions or negotiations with, furnish confidential information to, or otherwise cooperate with, any person (other than the Purchaser Parties and their respective subsidiaries) regarding an Acquisition Proposal or any inquiry, proposal or offer that could reasonably be expected to constitute or lead to an Acquisition Proposal; and (b) promptly notify the Purchaser Parties of any inquiries, offers, proposals or requests with respect to an Acquisition Proposal or any inquiries, offers, proposals or requests that could reasonably be expected to constitute

or lead to an Acquisition Proposal, and provide the Purchaser Parties with prescribed information concerning such any such inquiry, offer, proposal or request.

The Voting and Support Agreements may be terminated by: (a) the mutual written agreement of the Company Supporting Shareholder and the Purchaser Parties; (b) the mutual written agreement of the Purchaser Parties if (i) any of the representations and warranties of the Company Supporting Shareholder in the Voting and Support Agreements are not true and correct in all material respects; or (ii) the Company Supporting Shareholder has not complied with its covenants to the Purchaser Parties contained in the Voting and Support Agreement in all material respects; (c) the Company Supporting Shareholder if: (i) any of the representations and warranties of the Purchaser Parties in the Voting and Support Agreement are not be true and correct in all material respects; or (ii) the Purchaser Parties have not complied with their covenants to the Company Supporting Shareholder contained in the Voting and Support Agreement in all material respects; or (d) by either Purchaser Party or the Company Supporting Shareholder if the Arrangement Agreement is terminated in accordance with its terms.

### **Joint Venture and Josemaria Contribution Agreement**

Also on July 29, 2024, Lundin Mining and BHP entered into the Contribution Agreement, which will result in Lundin Mining contributing its 100%-owned Josemaria Project into JVCo. As part of this agreement BHP will provide cash to Lundin Mining in the amount of US\$690 million (subject to certain adjustments) in exchange for the BHP Josemaria Note. This transaction is subject to the receipt of regulatory approvals and other customary closing conditions for a transaction of this nature.

Concurrently with the completion of the Arrangement and as a result of the Contribution Agreement, JVCo will hold the Company Material Property and the Josemaria Project. JVCo will create a long-term partnership between Lundin Mining and BHP to jointly develop an emerging copper district with potential to support a globally ranked mining complex.

The Arrangement, the transactions contemplated by the Contribution Agreement and the entering into of a definitive joint venture agreement with respect to JVCo are inter-conditional, whereby completion of each transaction is dependent on completion of each of the other transactions.

### **Plan of Arrangement**

The following description is a summary of the Plan of Arrangement and is qualified in its entirety by reference to the full text of the Plan of Arrangement, which is attached as Appendix B to this Circular.

At the Effective Time, the following shall occur and shall be deemed to occur sequentially in the following order, each at one-minute intervals (unless otherwise stated in the Plan of Arrangement), without any further act or formality:

- (a) the BHP Shareholder Investor Rights shall be deemed terminated;
- (b) BHP shall advance to Lundin Mining an amount in cash equal to the amount of the BHP Josemaria Note and an amount in cash equal to the BHP Filo Note, and Lundin Mining shall issue the BHP Josemaria Note and the BHP Filo Note in favour of BHP. The amount in cash equal to the BHP Filo Note shall be deposited by BHP directly with the Depository on behalf of Lundin Mining;
- (c) each Filo Share held by a Dissenting Shareholder shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens to Filo and Filo shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Article 4 of the Plan of Arrangement, less applicable withholdings pursuant to Section 5.04 of the Plan of Arrangement, and each such Filo Share so surrendered shall be cancelled and thereupon each Dissenting Shareholder shall cease to have any rights as holders of such Filo Shares other than the rights set out in Article 4 of the Plan of Arrangement and the name of such Dissenting Shareholder shall be removed from the register of holders of Filo Shares;

- (d) each Out-of-the-Money Filo Option shall (whether vested or unvested and notwithstanding the terms of the Filo Option Plan) be, and shall be deemed to be, terminated without payment or compensation therefor, and the holder thereof will cease to be the holder of such Out-of-the-Money Filo Option, will cease to have any rights as a holder in respect of such Out-of-the-Money Filo Option, such holder will be removed from the register of Filo Options, and all option agreements, grants and similar instruments relating thereto will be cancelled and neither Filo, BHP, Lundin Mining nor JVCo shall have any further liabilities or obligations to the Former Optionholders thereof with respect thereto;
- (e) each In-the-Money Filo Option shall (whether vested or unvested and notwithstanding the terms of the Filo Option Plan) be, and shall be deemed to be, surrendered and disposed of to Filo and the relevant holder of the In-the-Money Filo Options will receive a payment from Filo, in the form of Filo Shares, having an aggregate Specified Value equal to the relevant In-the-Money Amount, less applicable withholdings pursuant to Section 5.04 of the Plan of Arrangement, and the name of each such holder shall be added to the securities register maintained by or on behalf of Filo in respect of Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares acquired pursuant to the terms of such In-the-Money Filo Options and the Filo Shares issuable in connection therewith will be deemed to be issued as fully paid and non-assessable common shares in the authorized share structure of the Filo provided that no share certificates shall be issued with respect to such Filo Shares and the Filo Option Plan shall be terminated;
- (f) each Filo Share held by a Former Company Shareholder (other than any Filo Shares held by a Purchaser Party or a Dissenting Shareholder) shall be transferred to Lundin Mining, free and clear of all Liens, in accordance with the election or deemed election of such Former Company Shareholder pursuant to Section 3.03 of the Plan of Arrangement and, subject to pro-ration under Section 3.04 of the Plan of Arrangement, and each such Former Company Shareholder shall be entitled to receive, in exchange therefor, consideration comprised of:
- (i) the Cash Consideration, or
  - (ii) the Share Consideration and Share Consideration Cash,
- and the name of such Former Company Shareholder shall be removed from the register of holders of Filo Shares and, to the extent such holder has elected to or is deemed to have elected to receive the Share Consideration, added to the register of holders of Lundin Mining Shares, and Lundin Mining shall be recorded as the registered holder of the Filo Shares so exchanged and shall be deemed to be the legal and beneficial owner thereof and, for greater certainty, with respect to any election pursuant to the foregoing, a Former Company Shareholder may elect to receive a combination of the Cash Consideration and the Share Consideration and Share Consideration Cash in exchange for the aggregate number of Filo Shares in respect of which such election is made;
- (g) all Filo Shares held by Lundin Mining shall be, and shall be deemed to be, transferred to Lundin Mining Holdco (free and clear of any Liens) by Lundin Mining in exchange for (i) the assumption by Lundin Mining Holdco, as obligor, of the BHP Notes; and (ii) Lundin Mining Holdco Shares having a value and stated capital equal to the value of the Filo Shares transferred less the aggregate principal amount of the BHP Notes, and Lundin Mining Holdco shall be added to the securities register maintained by or on behalf of the Company in respect of the Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares transferred and Lundin Mining shall be added to the securities register maintained by or on behalf of Lundin Mining Holdco in respect of the Lundin Mining Holdco Shares showing such holder as the legal and beneficial owner of the Lundin Mining Holdco Shares issued. Lundin Mining and Lundin Mining Holdco will jointly file an election under section 85 of the Tax Act; with an agreed amount not exceeding the greater of: (i) the adjusted cost base (as defined in the Tax Act) of the Filo Shares transferred to Lundin Mining Holdco; and (ii) the aggregate principal amount of the BHP Notes;
- (h) all Filo Shares held by Lundin Mining Holdco shall be, and shall be deemed to be, transferred to JVCo Holdco in exchange for (i) the assumption by JVCo Holdco, as obligor, of the BHP Notes, (ii)

the JVCo Holdco Note, and (iii) JVCo Holdco Shares having a value and stated capital equal to the value of the Filo Shares transferred less the aggregate principal amount of the BHP Notes and JVCo Holdco Note, and JVCo Holdco shall be added to the securities register maintained by or on behalf of the Company in respect of the Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares transferred and Lundin Mining Holdco shall be added to the securities register maintained by or on behalf of JVCo Holdco in respect of the JVCo Holdco Shares showing such holder as the legal and beneficial owner of the JVCo Holdco Shares issued. Lundin Mining Holdco and JVCo Holdco will jointly file an election under section 85 of the Tax Act with an agreed amount not exceeding the greater of: (i) the adjusted cost base (as defined in the Tax Act) of the Filo Shares transferred to JVCo Holdco; and (ii) the aggregate principal amount of the BHP Notes and the JVCo Holdco Note;

- (i) all Filo Shares held by JVCo Holdco shall be, and shall be deemed to be, transferred to JVCo in exchange for (i) the assumption by JVCo, as obligor, of the BHP Notes, and (ii) a Specified Number of JVCo Shares having a value and stated capital equal to the value of the Filo Shares transferred less the aggregate principal amount of the BHP Notes, and JVCo shall be added to the securities register maintained by or on behalf of the Company in respect of the Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares transferred and JVCo Holdco shall be added to the securities register maintained by or on behalf of JVCo in respect of the JVCo Shares showing such holder as the legal and beneficial owner of the JVCo Shares issued. JVCo Holdco and JVCo will jointly file an election under section 85 of the Tax Act with an agreed amount not exceeding the greater of: (i) the adjusted cost base (as defined in the Tax Act) of the Filo Shares transferred to JVCo; and (ii) the aggregate principal amount of the BHP Notes;
- (j) all Filo Shares held by BHP shall be, and shall be deemed to be, transferred to JVCo in exchange for a Specified Number of JVCo Shares having a value and stated capital expressed in Canadian dollars equal to the value of the Filo Shares transferred and JVCo shall be added to the securities register maintained by or on behalf of the Company in respect of the Filo Shares showing such holder as the legal and beneficial owner of the Filo Shares transferred and BHP shall be added to the securities register maintained by or on behalf of JVCo in respect of the JVCo Shares showing such holder as the legal and beneficial owner of the JVCo Shares issued; and
- (k) concurrently with the transfer of Filo Shares contemplated in paragraph (j) above, a Specified Number of JVCo Shares having a value and stated capital expressed in Canadian dollars equal to the Canadian dollar equivalent of the aggregate principal amount of the BHP Notes shall be, and shall be deemed to be, issued to BHP in full and final satisfaction of the indebtedness evidenced by the BHP Notes, and BHP shall be added to the securities register maintained by or on behalf of JVCo in respect of the JVCo Shares showing such holder as the legal and beneficial owner of the JVCo Shares issued.

Euroclear Holders will receive any Cash Consideration and/or Share Consideration Cash, as applicable, in Swedish krona (SEK). The conversion from C\$ to SEK will be made at the public market rate at the time of the settlement.

### **Effect of the Arrangement**

On completion of the Arrangement, the Company will be held by JVCo, which will serve as the joint venture entity for the joint venture between BHP and Lundin with respect to the Company Material Property and the Josemaria Project, with BHP and Lundin Mining each directly or indirectly owning a 50% interest in JVCo

### **Effective Date of the Arrangement**

If the Arrangement Resolution is passed with the Required Shareholder Approval, the Final Order is obtained and all other conditions disclosed below under "*The Arrangement Agreement — Conditions to Closing*" are satisfied or waived, the Arrangement will become effective on the Effective Date.

## **Concurrent Private Placement**

As contemplated by the Arrangement Agreement, on August 7, 2024, each of the Purchaser Parties (or their affiliates) and Filo entered into the Concurrent Private Placement Subscription Agreements pursuant to which each of the Purchaser Parties (or their affiliates) subscribed for 1,742,424 Filo Shares (in the aggregate, 3,484,848 Filo Shares) for gross proceeds of approximately \$115 million. Upon completion of the Concurrent Private Placement, each of Lundin Mining's and BHP's (or their affiliates') equity interests in Filo increased by approximately 1.3% and 1.1% respectively, resulting in each of them (or an affiliate) owning, directly or indirectly, approximately 1.7% and 7.1% of the outstanding Filo Shares, respectively. The net proceeds of the Concurrent Private Placement will be used for exploration of the Company Material Property, general working capital expenses and general and administrative expenses for the period between the date of the Arrangement Agreement and the Effective Date, in accordance with the Company Budget. The Filo Shares issued under the Concurrent Private Placement to the Purchaser Parties are subject to a hold period expiring on December 8, 2024.

## **Exchange of Filo Securities**

### ***Letter of Transmittal***

A Letter of Transmittal will be mailed by the Depositary following the Meeting Date to each Registered Shareholder and Optionholder. Filo will issue a news release announcing the mailing of the Letter of Transmittal and confirming the relevant procedures and deadlines in connection therewith. The Letter of Transmittal will also be posted on Filo's website and under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Only Registered Shareholders will be required to submit a Letter of Transmittal. Beneficial Shareholders holding Filo Shares through an Intermediary should contact that Intermediary for instructions and assistance in depositing their Filo Shares and carefully follow any instructions provided by such Intermediary.

In order to receive the Consideration that a Registered Shareholder is entitled to receive under the Arrangement, each Registered Shareholder (other than the Dissenting Shareholders) must complete, sign and return the Letter of Transmittal, including the certificates or DRS Advices representing their Filo Shares, and all other required documents, to the Depositary.

The instructions for exchanging Filo Shares and presenting such Filo Shares with the Depositary will be set out in the Letter of Transmittal. Once the Letter of Transmittal has been mailed by the Depositary to Registered Shareholders and the Optionholders, the Letter of Transmittal will be available under Filo's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

The Purchaser Parties, in their absolute discretion, reserve the right to instruct the Depositary to waive or not to waive any and all defects or irregularities contained in any Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the affected Shareholders. The granting of a waiver to one or more Shareholders or Optionholders does not constitute a waiver for any other Shareholders or Optionholders. The Purchaser Parties reserve the right to demand strict compliance with the terms of the Letter of Transmittal and the Arrangement.

The method used to deliver the Letter of Transmittal and any accompanying certificates or DRS Advices representing the Filo Shares is at the option and risk of the Registered Shareholder and Optionholder and delivery will be deemed effective only when such documents are actually received by the Depositary. The Company and the Purchaser Parties recommend that the necessary documentation be hand delivered to the Depositary, and a receipt obtained therefor; otherwise the use of registered mail with an acknowledgment of receipt requested, and with proper insurance obtained, is recommended.

### ***Elections and Procedure***

Each Registered Shareholder, other than a Dissenting Shareholder, and each Optionholder who holds In-the-Money Filo Options and does not intend to exercise such Filo Options in advance of the Effective Date, will have the right, prior to the Election Deadline, to elect in the Letter of Transmittal delivered to the Depositary to receive the Consideration set out below. **To make a valid election as to the Consideration that you wish to receive under the Arrangement (subject to pro-ration and adjustment in accordance with the Arrangement Agreement), you**



**must complete, sign and return a Letter of Transmittal and return it with accompanying Filo Share certificate(s) or DRS Advice(s), if applicable, and all other required documents to the Depository prior to the Election Deadline.**

The determination of the Depository as to whether elections have been properly made or revoked and when elections and revocations were received by it will be binding. **FORMER COMPANY SHAREHOLDERS WHO DO NOT MAKE A SPECIFIC ELECTION PRIOR TO THE ELECTION DEADLINE, OR FOR WHOM THE DEPOSITARY DETERMINES THAT THEIR ELECTION WAS NOT PROPERLY MADE WITH RESPECT TO ANY FILO SHARES, WILL BE DEEMED TO HAVE ELECTED TO RECEIVE THE CASH CONSIDERATION IN RESPECT OF EACH FILO SHARE, SUBJECT TO PRO-RATION AND ADJUSTMENT IN ACCORDANCE WITH THE ARRANGEMENT AGREEMENT AS DESCRIBED BELOW.** The Depository may, with the mutual agreement of the Company and each of the Purchaser Parties, make such rules as are consistent with the Arrangement for the implementation of the elections contemplated by the Arrangement and as are necessary or desirable to fully effect such elections.

All elections and deposits made under the Letter of Transmittal are irrevocable. However, an election made under a Letter of Transmittal deposited on or prior to the Election Deadline may be changed by depositing a new Letter of Transmittal with the Depository on or prior to the Election Deadline.

Please note that Shareholders whose Filo Shares are directly registered with Euroclear Sweden do not need to complete the Letter of Transmittal. Instead, Shareholders whose Filo Shares are directly registered with Euroclear Sweden who wish to make an election must, before the end of Euroclear Election Period, sign and submit a duly completed election form to Aktieinvest, either by mail to the address stated on the election form or to the e-mail address stated on the election form.

A Euroclear Election Form sent by mail must be sent in ample time before the last day of the election period so that it may be received by Aktieinvest before the end of the Euroclear Election Period.

If Filo Shares are pledged in the Euroclear system, both the Shareholder and the pledgee must sign the Euroclear Election Form and confirm that the pledge will be terminated should the Arrangement be completed.

Shareholders whose holdings are registered with Euroclear Sweden in the name of a nominee, i.e. a bank or other nominee, will not receive a pre-printed election form. Election must be made in accordance with instructions received by the nominee.

Only Registered Shareholders will be required to submit a Letter of Transmittal. Beneficial Shareholders holding Filo Shares through an Intermediary should contact that Intermediary for instructions and assistance in depositing their Filo Shares and carefully follow any instructions provided by such Intermediary.

Former Company Shareholders who do not make a specific election prior to the Election Deadline, or for whom the Depository determines that their election was not properly made with respect to any Filo Shares, will be deemed to have elected to receive the Cash Consideration in respect of each Filo Share held, subject to pro-ration and adjustment in accordance with the Arrangement Agreement.

### ***Pro-ration and Adjustment***

Each Former Company Shareholder may elect, in accordance with the holder's Letter of Transmittal, to receive at the Effective Time: (a) Cash Consideration; or (b) Share Consideration (together with the applicable Share Consideration Cash); or (c) a combination of the Cash Consideration and the Share Consideration and Share Consideration Cash in exchange for the aggregate number of Filo Shares in respect of which such election is made, up to the aggregate Maximum Cash Consideration and/or Maximum Share Consideration.

In the event that, based on the elections or deemed elections of Former Company Shareholders, the aggregate amount of the Cash Consideration that would be paid to Former Company Shareholders exceeds the Maximum Cash Consideration, then the aggregate amount of cash (other than the Share Consideration Cash) to be paid to any Former Company Shareholder who has elected or is deemed to have elected to receive the Cash Consideration shall

be determined by multiplying the total amount of Cash Consideration that would otherwise be payable to such holder by a fraction, rounded to six decimal places, the numerator of which is the Maximum Cash Consideration and the denominator of which is the aggregate amount of Cash Consideration otherwise payable to all Former Company Shareholders who have so elected (or are deemed to have elected), and such Former Company Shareholder will be deemed to have elected to receive a combination of the Cash Consideration and the Share Consideration (together with the applicable Share Consideration Cash) such that the Cash Consideration will be reduced to reflect the Maximum Cash Consideration limit and the Share Consideration (together with the applicable Share Consideration Cash) will be increased such that the Former Company Shareholder will receive the Share Consideration (together with the applicable Share Consideration Cash) for the remainder of their Filo Shares for which they would otherwise have received Cash Consideration. The Share Consideration Cash is not included in the determination of the Maximum Cash Consideration.

In the event that, based on the elections of Former Company Shareholders, the aggregate number of Lundin Mining Shares that would be issuable to Former Company Shareholders exceeds the Maximum Share Consideration, then the number of Lundin Mining Shares issuable to any Former Company Shareholder who has elected or is deemed to have elected to receive the Share Consideration (together with the applicable Share Consideration Cash) shall, subject to rounding in accordance with the Plan of Arrangement, be determined by multiplying the total number of Lundin Mining Shares otherwise issuable to such Former Company Shareholder by a fraction, rounded to six decimal places, the numerator of which is the Maximum Share Consideration and the denominator of which is the aggregate number of Lundin Mining Shares otherwise issuable to all Former Company Shareholders who have so elected (or are deemed to have so elected), and such Former Company Shareholder shall be deemed to have elected to receive a combination of the Cash Consideration and the Share Consideration (together with the applicable Share Consideration Cash) such that the Share Consideration and Share Consideration Cash will be reduced to reflect the Maximum Share Consideration limit and the Cash Consideration will be increased such that the Former Company Shareholder will receive the Cash Consideration for the remainder of their Filo Shares for which such Former Company Shareholder would otherwise have received Share Consideration (together with the applicable Share Consideration Cash).

Notwithstanding the foregoing, if any Former Company Shareholder would as a result of the foregoing elections or deemed elections and after pro-ratoning, either alone or together with its affiliates and other persons acting jointly or in concert with such Former Company Shareholder, after receipt of Lundin Mining Shares under the Plan of Arrangement beneficially own or control greater than 19.99% of the outstanding Lundin Mining Shares, immediately following completion of the Arrangement, such Former Company Shareholder will be deemed to have elected to receive the Cash Consideration for the remainder of their Filo Shares for which such Former Company Shareholder would otherwise have received the Share Consideration and Share Consideration Cash, and the pro-ratoning set forth in the foregoing paragraphs will be adjusted accordingly.

### ***Adjustment***

Pursuant to the Plan of Arrangement, the maximum aggregate amount of Cash Consideration to be paid to Former Company Shareholders is \$2,767,116,066, with \$1,908,087,786 being the Maximum BHP Cash and \$859,028,280 being the Maximum Lundin Mining Cash and the maximum number of Lundin Mining Shares to be issued to Former Company Shareholders is 92,064,404 Lundin Mining Shares. The Maximum BHP Cash and the Maximum Lundin Mining Cash shall be increased by \$16.50 and \$6.60, respectively, and the Maximum Share Consideration shall be increased by 0.7073 Lundin Mining Shares, for each Filo Share issued pursuant to the exercise of Filo Options that are outstanding as of the date of the Arrangement Agreement or pursuant to the exercise of Filo Options issued following the date of the Arrangement Agreement as permitted by the Arrangement Agreement (provided that such Filo Options are exercised on or after the date of the Arrangement Agreement).

### ***Exchange Procedure***

On the Effective Date, each Former Company Shareholder (other than a Dissenting Shareholder) who has surrendered to the Depositary certificates or DRS Advices representing one or more outstanding Filo Shares, if applicable, and validly elected in accordance with the provisions of the Plan of Arrangement shall, following completion of the transactions described above under the heading "*The Arrangement – Plan of Arrangement*", be entitled to receive, and the Depositary shall deliver to such Former Company Shareholder following the Effective

Time, cash representing the Cash Consideration and DRS Advices representing the Share Consideration (and cash representing the applicable Share Consideration Cash) that such Former Company Shareholder is entitled to receive in accordance with the terms of the Arrangement.

Upon surrender to the Depository of a certificate or DRS Advice, if any, that immediately before the Effective Time represented one or more outstanding Filo Shares that were exchanged for Cash Consideration and/or Share Consideration and Share Consideration Cash in accordance with the terms of the Arrangement, together with such other documents and instruments as would have been required to effect the transfer of the Filo Shares formerly represented by such certificate or DRS Advice under the terms of such certificate or DRS Advice, the CBCA or the bylaws of the Company and such additional documents and instruments as the Depository may reasonably require, the holder of such surrendered certificate or DRS Advice will be entitled to receive in exchange therefor, and the Depository will deliver to such holder following the Effective Time, cash representing the Cash Consideration and DRS Advices representing the Share Consideration (and cash representing the applicable Share Consideration Cash) that such holder is entitled to receive in accordance with the terms of the Arrangement.

Optionholders who validly exercise their vested Filo Options for Filo Shares but do not make a valid election prior to the Election Deadline will be deemed to have elected the Cash Consideration in respect of each such Filo Share held, subject to pro-ration and adjustment in accordance with the Arrangement Agreement. The Cash Consideration is subject to pro-ration and adjustment in accordance with the Arrangement Agreement. As such, in the event of such pro-ration or adjustment, Shareholders who are deemed to have elected the Cash Consideration in respect of their Filo Shares may receive, in exchange for their Filo Shares, DRS Advices representing the Share Consideration (and cash for the applicable Share Consideration Cash).

Optionholders who hold In-the-Money Filo Options, who do not exercise or convert such Filo Options in advance of the Effective Date, whether such Filo Options are vested or unvested, will, pursuant to the Plan of Arrangement, be deemed to have surrendered and disposed of such Filo Options to the Company, and the Optionholder will receive a payment from the Company, in the form of Filo Shares, having an aggregate value equal to the amount by which the Cash Consideration exceeds the applicable exercise price, less applicable withholdings, with the number of Filo Shares received being equal to such In-the-Money Amount divided by \$33.00, and will participate in the Arrangement as a holder of such Filo Shares on the same terms as other Shareholders, including with respect to the election to receive the Cash Consideration or the Share Consideration (together with the applicable Share Consideration Cash) subject to pro-ration and adjustment in accordance with the Arrangement Agreement, except that such Optionholders shall not be required to surrender to the Depository a certificate or DRS Advice representing such Filo Shares in order to receive the Consideration that they are entitled to receive for such Filo Shares pursuant to the Arrangement.

On or as soon as practicable after the Effective Time, the Company will deliver to each such Optionholder, as reflected on the register maintained by or on behalf of the Company in respect of Filo Options, (i) in respect of the Cash Consideration or Share Consideration Cash, as applicable, an electronic transfer or cash payment (or process the payment through the Company's payroll systems or such other means as the Company may elect or as otherwise directed by the Purchaser Parties including with respect to the timing and manner or such delivery) and (ii) in respect of the Share Consideration, DRS Advices representing the Lundin Mining Shares, if any, which such Optionholder has the right to receive under the Plan of Arrangement for the Filo Shares received in exchange for such Optionholder's In-the-Money Filo Options pursuant to the Plan of Arrangement, less any amount withheld pursuant to the Plan of Arrangement, and subject to pro-ration and adjustment in accordance with the Arrangement Agreement.

After the Effective Time and until surrendered, each certificate or DRS Advice that immediately prior to the Effective Time represented one or more Filo Shares following completion of the transactions described above under the heading "*The Arrangement – Plan of Arrangement*", shall be deemed at all times to represent only the right to receive in exchange therefor Cash Considerations and/or DRS Advices representing the Share Consideration (and cash for the applicable Share Consideration Cash) that a holder of such certificate or DRS Advice is entitled to receive in accordance with their election (or deemed election) and the terms of the Arrangement.

Shareholders who hold Filo Shares registered in the name of an Intermediary should contact the Intermediary for instructions and assistance in providing details for registration and delivery of the Cash Consideration and/or Share Consideration (and cash representing the applicable Share Consideration Cash) to which the Registered Shareholder is entitled to receive on the Beneficial Shareholders' behalf.

No dividend or other distribution declared or made after the Effective Time with respect to Lundin Mining Shares with a record date after the Effective Time will be delivered to the holder of any unsurrendered certificate or DRS Advice that, immediately prior to the Effective Time, represented outstanding Filo Shares unless and until the holder of such certificate or DRS Advice has complied with the provisions of the Arrangement as described in the foregoing paragraphs under the heading “*Exchange Procedure*” or under the heading “*Lost Certificates or DRS Advices*”. Subject to applicable law and to applicable withholding rights, at the time of such compliance, there will, in addition to the delivery of a DRS Advice representing Lundin Mining Shares to which such holder is entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time that such holder is entitled with respect to such Lundin Mining Shares.

### ***DRS Advice***

Where Filo Shares are evidenced only by a DRS Advice, there is no requirement to first obtain a certificate for those Filo Shares or deposit with the Depositary any Filo Share certificate evidencing Filo Shares. Only a properly completed and duly executed Letter of Transmittal accompanied by the applicable DRS Advices is required to be delivered to the Depositary in order to surrender those Filo Shares under the Arrangement. The Purchaser Parties reserve the right if they so elect in their absolute discretion to instruct the Depositary to waive any defect or irregularity contained in any Letter of Transmittal received by it.

### ***Lost Certificates or DRS Advices***

In the event any certificate, that immediately prior to the Effective Time represented one or more outstanding Filo Shares that were exchanged for Consideration shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, cash and/or cash and DRS Advices representing Lundin Mining Shares that such holder is entitled to receive under the Plan of Arrangement. When authorizing such delivery of cash and/or DRS Advices representing Lundin Mining Shares and cash representing the applicable Share Consideration Cash that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom cash and/or cash and DRS Advices representing Lundin Mining Shares is to be delivered shall, as a condition precedent to the delivery of such cash and/or cash and DRS Advices representing Lundin Mining Shares, give a bond satisfactory to the Purchaser Parties and the Depositary in such amount as the Purchaser Parties and the Depositary may direct, or otherwise indemnify the Purchaser Parties and the Depositary in a manner satisfactory to the Purchaser Parties and the Depositary, against any claim that may be made against the Purchaser Parties or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles and bylaws of the Company.

If a DRS Advice representing Filo Shares has been lost, stolen or destroyed, the holder can request a copy of the DRS Advice by contacting Computershare by phone: toll-free in North America at 1-800-564-6253 or international at 1-514-982-7555, with no bond indemnity required and such copy of the DRS Advice should be deposited with the Letter of Transmittal.

### ***Extinction of Rights***

To the extent that a Shareholder following the Effective Date shall not have surrendered Filo Shares to the Depositary in the manner described in the Plan of Arrangement on or before the date that is six years after the Effective Date (the “**Final Proscription Date**”), then:

- (a) the Specified BHP Percentage of the Cash Consideration which such Shareholder was entitled to receive shall be automatically returned to BHP by the Depositary and the Specified Lundin Mining Percentage of the Cash Consideration which such Former Company Shareholder was entitled to receive shall be automatically returned to Lundin Mining by the Depositary, and the interest of the Former Company Shareholder in such Cash Consideration to which it was entitled shall be terminated as of such Final Proscription Date; and

- (b) the Share Consideration Cash which such Former Company Shareholder was entitled to receive shall be automatically returned to Lundin Mining by the Depositary and the Share Consideration that such Former Company Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the Lundin Mining Shares representing such Share Consideration shall be delivered to Lundin Mining by the Depositary and the interest of the Former Company Shareholder in such Lundin Mining Shares and Share Consideration Cash to which it was entitled shall be terminated as of such Final Proscription Date.

### ***Fractional Shares and Calculations***

No fractional Lundin Mining Shares shall be issued to Former Company Shareholders. The number of Lundin Mining Shares to be issued to Former Company Shareholders shall be rounded up to the nearest whole Lundin Mining Share in the event that a Former Company Shareholder is entitled to a fractional share of 0.5 or more of a Lundin Mining Share and shall be rounded down to the nearest whole Lundin Mining Share, as applicable, in the event that a Former Company Shareholder is entitled to a fractional share representing less than 0.5 of a Lundin Mining Share.

All amounts of Cash Consideration to be received under the Plan of Arrangement will be calculated to the nearest cent (\$0.01). All calculations and determinations made by the Company and the Purchaser Parties for the purposes of the Plan of Arrangement shall be conclusive, final and binding upon the Former Company Shareholders.

### ***Withholding Rights***

The Company, each of the Purchaser Parties and the Depositary will be entitled to deduct or withhold from any consideration otherwise payable to any Shareholder and any other securityholder of the Company under the Plan of Arrangement (including any payment to Dissenting Shareholders) such amounts as the Company, any of the Purchaser Parties or the Depositary, as the case may be, is required to deduct or withhold with respect to such payment under the Tax Act, and the rules and regulations promulgated thereunder, or any provision of any federal, provincial, territorial, state, local or foreign tax law as counsel may advise is required to be so deducted or withheld by the Company, each of the Purchaser Parties or the Depositary, as the case may be. For the purposes of the Arrangement, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person under the Plan or Arrangement, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Authority by or on behalf of the Company, the Purchaser Parties or the Depositary, as the case may be.

The Company, each of the Purchaser Parties and the Depositary, as applicable, is authorized by the Arrangement Agreement to sell or otherwise dispose of, on behalf of such person in respect of which a deduction or withholding was made, such portion of any Lundin Mining Shares or other security deliverable to such person as is necessary to provide sufficient funds to the Company, each of the Purchaser Parties and the Depositary, as the case may be, to enable it to comply with such deduction or withholding requirement and the Company, each of the Purchaser Parties and the Depositary, as the case may be, shall notify such person and remit the applicable portion of the net proceeds of such sale (after deduction of all fees, commissions or costs in respect of such sale) to the appropriate Governmental Authority and, if applicable, any portion of such net proceeds that is not required to be so remitted shall be paid to such person. None of the Company, each of the Purchaser Parties and the Depositary will be liable for any loss arising out of any such sale.

### ***Treatment of Filo Options***

Pursuant to the Arrangement Agreement, the Company has agreed to accelerate the time at which the outstanding unvested Filo Options may first be exercised to ensure that all Filo Options may be exercised immediately prior to the Effective Time. Optionholders who intend to exercise their vested Filo Options in advance of the Effective Date are encouraged to do so as soon as possible and, in any event, at least ten Business Days prior to the Effective Date. Optionholders who validly exercise their vested Filo Options for Filo Shares but do not make a valid election prior to the Election Deadline will be deemed to have elected the Cash Consideration in respect of each such Filo Share held, subject to pro-rata and adjustment in accordance with the Arrangement Agreement. See "*The Arrangement — Exchange of Filo Securities — Exchange Procedure*".

Optionholders who hold In-the-Money Filo Options, who do not exercise or convert such Filo Options in advance of the Effective Date, whether such Filo Options are vested or unvested, will, pursuant to the Plan of Arrangement, be deemed to have surrendered and disposed of such Filo Options to the Company, and the Optionholder will receive a payment from the Company, in the form of Filo Shares, having an aggregate value equal to the amount by which the Cash Consideration exceeds the applicable exercise price, less applicable withholdings, with the number of Filo Shares received being equal to such In-the-Money Amount divided by \$33.00, and will participate in the Arrangement as a holder of such Filo Shares on the same terms as other Shareholders, except that such Optionholders shall not be required to surrender to the Depositary a certificate or DRS Advice representing such Filo Shares in order to receive the Consideration that they are entitled to receive for such Filo Shares pursuant to the Arrangement. See “*The Arrangement — Exchange of Filo Securities – Exchange Procedure*”.

Optionholders who hold Out-of-the-Money Filo Options who do not exercise such Filo Options in advance of the Effective Date will have such Filo Options terminated without payment or compensation therefor.

### **Effects of the Arrangement on Shareholders’ Rights**

Shareholders receiving Lundin Mining Shares under the Arrangement will become shareholders of Lundin Mining. Lundin Mining is a corporation incorporated under the CBCA, and the Lundin Mining Shares are listed on the TSX under the symbol “LUN” and Nasdaq Stockholm under the symbol “LUMI”.

### **Interests of Certain Persons in the Arrangement**

In considering the Arrangement and the recommendations of the Board with respect to the Arrangement, Shareholders should be aware that certain directors and Senior Officers of the Company have certain interests that are, or may be, different from, or in addition to, the interests of other Shareholders generally, which may present them with actual or potential conflicts of interest in connection with the Arrangement. Other than the interests and benefits described below, none of the directors or executive officers of the Company, or any of their respective associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon in connection with the Arrangement or that would materially affect the Arrangement. The Company Special Committee and the Board were aware of these interests and considered them along with the other matters described above in “*The Arrangement – Reasons for the Arrangement*”, when evaluating and negotiating the Arrangement Agreement and recommending approval of the Arrangement by the Shareholders, as applicable. These interests include those described below.

All benefits received, or to be received, by the directors and Senior Officers of Filo as a result of the Arrangement are, and will be, solely in connection with their services as directors and Senior Officers of Filo. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such person for the Filo Shares held by such person and no benefit is, or will be, conditional on any person supporting the Arrangement.

### **Securities Held by Directors and Senior Officers of the Company**

The table below sets out for each director and Senior Officer of the Company the number of Filo Shares, Filo Options, Lundin Mining Shares, stock options of Lundin Mining and share units of Lundin Mining beneficially owned, directly or indirectly, or controlled or directed by each of them and their associates and affiliates as of August 20, 2024. As further described under the heading “*The Arrangement – MI 61-101*”, other than with respect to James Beck, each director and Senior Officer of the Company will be entitled to vote the Filo Shares beneficially owned, directly or indirectly, or controlled or directed by each of them at the Meeting. All Filo Shares and Filo Options held by the directors and Senior Officers of the Company and their associates and affiliates will be treated in the same fashion under the Arrangement as Filo Shares and Filo Options held by other Shareholders and Optionholders. See “*The Arrangement – Plan of Arrangement*” and “*The Arrangement – Treatment of Filo Options*” for how the Filo Shares and Filo Options will be affected by the Arrangement.

<b>Name, Province and Country of Residence, and Position with the Company</b>	<b>Number of Filo Options and % of Class<sup>(1)</sup></b>	<b>Number of Filo Shares and % of Class<sup>(2)</sup></b>	<b>Number of stock options of Lundin Mining and % of Class</b>	<b>Number of Lundin Mining Shares and % of Class<sup>(3)</sup></b>	<b>Number of share units of Lundin Mining and % of Class<sup>(4)</sup></b>
<b>Adam Lundin</b> Chair <i>British Columbia, Canada</i>	365,000 (6.93%)	1,155,400 (0.86%)	Nil	752,934 <sup>(7)</sup> ( $<0.1\%$ )	3,021 (0.12%)
<b>Erin Johnston</b> Director <i>British Columbia, Canada</i>	175,000 (3.32%)	11,350 ( $<0.1\%$ )	Nil	388 ( $<0.1\%$ )	Nil
<b>Joyce Ngo</b> Director <i>British Columbia, Canada</i>	97,500 (1.85%)	2,100 <sup>(5)</sup> ( $<0.1\%$ )	Nil	Nil	Nil
<b>Peter O'Callaghan</b> Director <i>British Columbia, Canada</i>	97,500 (1.85%)	2,000 ( $<0.1\%$ )	Nil	Nil	Nil
<b>Carmel Daniele</b> Director <i>United Kingdom</i>	165,000 (3.13%)	Nil	Nil	Nil	Nil
<b>Ronald Hochstein</b> Director <i>British Columbia, Canada</i>	117,000 (2.22%)	9,800 ( $<0.1\%$ )	Nil	56,647( $<0.1\%$ )	Nil
<b>Wojtek Wodzicki</b> Director <i>British Columbia, Canada</i>	165,000 (3.13%)	1,000,150 (0.74%)	Nil	Nil	Nil
<b>James Beck</b> President, Chief Executive Officer and Director <i>British Columbia, Canada</i>	1,234,800 (23.44%)	320,000 (0.24%)	Nil	Nil	Nil
<b>Ian Gibbs</b> Chief Financial Officer <i>British Columbia, Canada</i>	215,400 (4.09%)	Nil	Nil	Nil	Nil

Name, Province and Country of Residence, and Position with the Company	Number of Filo Options and % of Class <sup>(1)</sup>	Number of Filo Shares and % of Class <sup>(2)</sup>	Number of stock options of Lundin Mining and % of Class	Number of Lundin Mining Shares and % of Class <sup>(3)</sup>	Number of share units of Lundin Mining and % of Class <sup>(4)</sup>
<b>Trevor D'Sa</b> Vice President, Corporate Development and Investor Relations <i>British Columbia, Canada</i>	486,400 (9.23%)	38,260 <sup>(5)</sup> (<0.1%)	Nil	Nil	Nil
<b>Arndt Brettschneider</b> Vice President, Operations and Projects <i>British Columbia, Canada</i>	166,400 (3.16%)	Nil	Nil	Nil	Nil
<b>Robert Carmichael</b> Vice President, Exploration <i>British Columbia, Canada</i>	535,100 (10.16%)	402,300 (0.3%)	Nil	Nil	Nil
<b>Diego Charchafie</b> South American General Manager <i>Buenos Aires, Argentina</i>	372,067 (7.06%)	Nil	Nil	Nil	Nil
<b>Judy A. McCall</b> Corporate Secretary <i>British Columbia, Canada</i>	36,800 (0.70%)	Nil	Nil	Nil	Nil
<b>Total</b>	4,228,967 (80.29%)	2,941,360 (2.18%)	Nil	809,969 (0.1%)	3,021 (0.12%)

**Notes:**

- (1) Based on 5,267,334 Filo Options issued and outstanding as at the Record Date. As a group, all current directors and Senior Officers of Filo beneficially own, directly or indirectly, or exercise control or discretion over, as of August 20, 2024, a total of 4,228,967 Filo Options, representing approximately 80.29% of the issued and outstanding Filo Options. Unless otherwise indicated, all securities are held directly.
- (2) Based on 134,685,648 Filo Shares issued and outstanding as at the Record Date. As a group, all current directors and Senior Officers of Filo beneficially own, directly or indirectly, or exercise control or discretion over, as of August 20, 2024, a total of 2,941,360 Filo Shares, representing approximately 2.18% of the issued and outstanding Filo Shares. Unless otherwise indicated, all securities are held directly.
- (3) Based on 776,791,058 Lundin Mining Shares issued and outstanding as at the Record Date. As a group, all current directors and Senior Officers of Filo beneficially own, directly or indirectly, or exercise control or discretion over, as of August 20, 2024, a total of 771,285 Lundin Mining Shares, representing approximately 0.1% of the issued and outstanding Lundin Mining Shares. Unless otherwise indicated, all securities are held directly.
- (4) Based on 2,514,420 share units of Lundin Mining issued and outstanding as at the Record Date. As a group, all current directors and Senior Officers of Filo beneficially own, directly or indirectly, or exercise control or discretion over, as of August 20, 2024, a total of 3,021 share units of Lundin Mining, representing approximately 0.12% of the issued and outstanding share units of Lundin Mining. Unless units indicated, all securities are held directly.
- (5) Includes 2,100 Filo Shares held indirectly by Joyce Ngo.



(6) Includes 12,260 Filo Shares held indirectly by Trevor D'Sa.

(7) Includes 38,684 Filo Shares held indirectly by Adam Lundin.

### **Employment Agreements and Compensation Bonus**

The Company has entered into employment agreements (“**Employment Agreements**”) with the following Senior Officers of the Company which provide that, if there is a “Change of Control” (as defined in the Employment Agreements) of the Company and certain conditions are met, the Senior Officer would be entitled to receive the following respective amounts:

- **James Beck, President and Chief Executive Officer** – if the Senior Officer’s employment is terminated without “Just Cause” (as defined in the Senior Officer’s Employment Agreement) or the Senior Officer resigns for “Good Reason” (as defined in the Senior Officer’s Employment Agreement) within six (6) months of a Change of Control, i) an amount equal to the accrued and unpaid base salary and accrued vacation pay earned up to the termination date and all expenses incurred by the Senior Officer; ii) an amount equal to twenty-four (24) months base salary; iii) an amount equivalent to the one times (1x) the average performance bonus earned for the three (3) most recent years of employment prior to the date of termination, iv) benefits continuation for a period of 24 months following termination or, if continuation is not possible, an amount equal to the premium costs of such benefits; and v) any Filo Options held by the Senior Officer will vest immediately.
- **Ian Gibbs, Chief Financial Officer** – if the Senior Officer’s employment is terminated without “Just Cause” (as defined in the Senior Officer’s Employment Agreement) or the Senior Officer resigns for “Good Reason” (as defined in the Senior Officer’s Employment Agreement) within six (6) months of a Change of Control, i) an amount equal to the accrued and unpaid base salary and accrued vacation pay earned up to the termination date and all expenses incurred by the Senior Officer; ii) an amount equal to eighteen (18) months base salary; iii) an amount equivalent to the one times (1x) the average performance bonus earned for the three (3) most recent years of employment prior to the date of termination (or if the Senior Officer has not completed three (3) years’ employment with the Company since the commencement of the Senior Officer’s employment with the Company, an amount equal to one times (1x) the average performance bonus, if any, paid to the Senior Officer by the Company since the commencement of employment), iv) benefits continuation for a period of 12 months following termination or, if continuation is not possible, an amount equal to the premium costs of such benefits; and v) any Filo Options held by the Senior Officer will vest immediately.
- **Robert Carmichael, Vice President, Exploration** – if the Senior Officer’s employment is terminated without “Just Cause” (as defined in the Senior Officer’s Employment Agreement) or the Senior Officer resigns for “Good Reason” (as defined in the Senior Officer’s Employment Agreement) within six (6) months of a Change of Control, i) an amount equal to the accrued and unpaid base salary and accrued vacation pay earned up to the termination date and all expenses incurred by the Senior Officer; ii) an amount equal to twelve (12) months base salary; iii) an amount equivalent to the one times (1x) the average performance bonus earned for the three (3) most recent years of employment prior to the date of termination, iv) benefits continuation for a period of 12 months following termination or, if continuation is not possible, an amount equal to the premium costs of such benefits; and v) any Filo Options held by the Senior Officer will vest immediately.
- **Arndt Brettschneider, Vice President, Technical Services** – if the Senior Officer’s employment is terminated without “Just Cause” (as defined in the Senior Officer’s Employment Agreement) or the Senior Officer resigns for “Good Reason” (as defined in the Senior Officer’s Employment Agreement) within six (6) months of a Change of Control, i) an amount equal to the accrued and unpaid base salary and accrued vacation pay earned up to the termination date and all expenses incurred by the Senior Officer; ii) an amount equal to twelve (12) months base salary; iii) an amount equivalent to the one times (1x) the average performance bonus earned for the three (3) most recent years of employment prior to the date of termination (or if the Senior Officer has not completed three (3) years’ employment with the Company since the commencement of the Senior Officer’s employment with the Company, an amount equal to one times (1x) the average performance bonus, if any, paid to the Senior Officer by the Company since the

commencement of employment), iv) benefits continuation for a period of 12 months following termination or, if continuation is not possible, an amount equal to the premium costs of such benefits; and v) any Filo Options held by the Senior Officer will vest immediately.

- **Trevor D'Sa, Vice President, Corporate Development and Investor Relations** – if the Senior Officer's employment is terminated without "Just Cause" (as defined in the Senior Officer's Employment Agreement) or the Senior Officer resigns for "Good Reason" (as defined in the Senior Officer's Employment Agreement) within six (6) months of a Change of Control, i) an amount equal to the accrued and unpaid base salary and accrued vacation pay earned up to the termination date and all expenses incurred by the Senior Officer; ii) an amount equal to twelve (12) months base salary; iii) an amount equivalent to the one times (1x) the average performance bonus earned for the three (3) most recent years of employment prior to the date of termination (or if the Senior Officer has not completed three (3) years' employment with the Company since the commencement of the Senior Officer's employment with the Company, an amount equal to one times (1x) the average performance bonus, if any, paid to the Senior Officer by the Company since the commencement of employment), iv) benefits continuation for a period of 12 months following termination or, if continuation is not possible, an amount equal to the premium costs of such benefits and v) any Filo Options held by the Senior Officer will vest immediately.

Pursuant to the Employment Agreements, if the Arrangement is completed and the entitlements are triggered as described above following the completion of the Arrangement, the above-mentioned Senior Officers would be entitled to receive aggregate cash compensation as set out below, plus continuation of benefits for (a) a period of twenty-four (24) months for Mr. Beck, and (b) twelve (12) months for all other Senior Officers:

Name	Change of Control Payment <sup>(1)</sup>
<b>James Beck</b> <i>President, Chief Executive Officer and Director</i>	\$1,717,667
<b>Ian Gibbs</b> <i>Chief Financial Officer</i>	\$992,000
<b>Robert Carmichael</b> <i>Vice President, Exploration</i>	\$571,333
<b>Arndt Brettschneider</b> <i>Vice President, Technical Services</i>	\$542,750
<b>Trevor D'Sa</b> <i>Vice President, Corporate Development and Investor Relations</i>	\$550,500

Note:

(1) The amounts shown assume the consummation of the Arrangement and all related transactions in 2024.

### ***Insurance and Indemnification of Directors and Officers of the Company***

The Arrangement Agreement provides that all rights to indemnification existing in favour of the present and former directors and officers of the Company as provided by contracts or agreements to which the Company is a party and in effect as of the date of the Arrangement Agreement, that are fully and completely disclosed in the Company Disclosure Letter and copies of which are provided to each of the Purchaser Parties prior to the date of the Arrangement Agreement, and, as of the Effective Time, will survive the completion of the Arrangement and will continue in full force and effect and without modification, and the Company and any successor to the Company shall continue to honour such rights of indemnification and indemnify the indemnified parties pursuant thereto, with respect to actions or omissions of such parties occurring prior to the Effective Time, for six years following the Effective Date.

In addition, the Company will purchase customary "tail" or "run-off" policies of directors' and officers' liability insurance providing protection no less favourable in the aggregate than the protection provided by the policies maintained by the Company and its subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser

Parties will cause the Company and its subsidiaries to maintain such tail policies in effect without any reduction in scope or coverage for six years following the Effective Date; provided that the cost of such policies shall not exceed 350% of the current annual premium for policies currently maintained by the Company or its subsidiaries.

### **Required Shareholder Approval of the Arrangement**

At the Meeting, pursuant to the Interim Order, Shareholders will be asked to approve the Arrangement Resolution. The complete text of the Arrangement Resolution to be presented to the Meeting is set forth in Appendix A to this Circular. Each Shareholder as at the Record Date will be entitled to vote on the Arrangement Resolution. The Arrangement Resolution must be approved with the Required Shareholder Approval, which is by at least (i) 66⅔% of the votes cast on such resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting; and (ii) a simple majority of the votes on the Arrangement Resolution cast on such resolution by Shareholders present virtually or represented by proxy at the Meeting and entitled to vote at the Meeting, excluding any person required to be excluded for the purpose of such vote under MI 61-101.

The Arrangement Resolution must receive the Required Shareholder Approval in order for the Company to seek the Final Order and implement the Arrangement on the Effective Date in accordance with the terms of the Final Order. If the Arrangement Resolution does not receive the Required Shareholder Approval, the Arrangement cannot be completed.

### **Court Approval of the Arrangement**

#### ***Interim Order***

The Arrangement requires approval by the Court under Section 192 of the CBCA. Prior to the mailing of this Circular, the Company obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached as Appendix C to this Circular.

#### ***Final Order***

Subject to the terms of the Arrangement Agreement, following the approval of the Arrangement Resolution by Shareholders, the Company intends to make an application to the Court for the Final Order approving the Arrangement. The Final Hearing is expected to be heard on October 2, 2024 at 11:00 a.m. (Toronto time) or as soon thereafter as counsel may be heard, or at any other date, time or method as the Court may direct. A copy of the Notice of Application is attached as Appendix D to this Circular.

At the hearing, the Court will consider, among other things, the fairness of the Arrangement. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. Prior to the hearing on the Final Order, the Court will be informed that the Final Order will also constitute the basis for an exemption from registration under the U.S. Securities Act for the Lundin Mining Shares to be issued in the Arrangement to holders of Filo Shares pursuant to Section 3(a)(10) of the U.S. Securities Act.

The Court has broad discretion under the CBCA when making orders with respect to the Arrangement. The Court will consider, among other things, if the Arrangement is fair and reasonable, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or substantially on those terms. Depending upon the nature of any required amendments, Filo may determine not to proceed with the Arrangement.

Any Shareholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must file and serve a Notice of Appearance by no later than September 26, 2024, as set out in the Interim Order and the Notice of Application. Such persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned, then, subject to further order of the Court, only those persons having previously filed and served a Notice of Appearance will be given notice of the adjournment.

For further information regarding the Court hearing and your rights in connection with the Court hearing, see the Notice of Application attached at Appendix D to this Circular. The Notice of Application constitutes notice of the Court hearing of the application for the Final Order and is your only notice of the Court hearing.

The Lundin Mining Shares to be issued pursuant to the Arrangement to Shareholders in exchange for their Filo Shares have not been and will not be registered under the U.S. Securities Act or any U.S. Securities Laws, and are being issued in reliance on the exemption from registration under the U.S. Securities Act provided by Section 3(a)(10) thereof. The issuance of the foregoing securities shall be exempt from, or not subject to, U.S. state securities, or “blue sky” laws. The Court has been advised that if the terms and conditions of the Arrangement and such issuance of Lundin Mining Shares are approved by the Court, the Company and the Purchaser Parties intend to rely upon the Final Order of the Court approving the Arrangement and such issuance of Lundin Mining Shares as a basis for the exemption from registration under the U.S. Securities Act of the issuance pursuant to the Arrangement of the Lundin Mining Shares. Therefore, subject to the additional requirements of Section 3(a)(10) of the U.S. Securities Act, should the Court make a Final Order approving the Arrangement and such issuance of the Lundin Mining Shares, such Lundin Mining Shares issued pursuant to the Arrangement will be exempt from registration under the U.S. Securities Act pursuant to Section 3(a)(10) of the U.S. Securities Act.

### **Dissenting Shareholders’ Rights**

The following is a summary of the provisions of the CBCA relating to a Shareholder’s dissent and appraisal rights in respect of the Arrangement Resolution (as modified by the Plan of Arrangement and the Interim Order). Such summary is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of its Filo Shares. This summary is qualified in its entirety by reference to the full text of section 190 of the CBCA, which is attached as Appendix H to this Circular, as modified by the Plan of Arrangement and the Interim Order (which is attached at Appendix C to this Circular).

**The statutory provisions dealing with the right of dissent (as modified by the Plan of Arrangement and the Interim Order) are technical and complex. Any Shareholder seeking to exercise his, her or its Dissent Rights should seek independent legal advice, as failure to comply strictly with the provisions of section 190 of the CBCA, as modified by the Plan of Arrangement, the Interim Order and the Final Order, may result in the loss of all Dissent Rights. Accordingly, each Shareholder who wishes to exercise Dissent Rights should carefully consider and comply with the provisions of section 190 of the CBCA (as modified by the Plan of Arrangement and the Interim Order) and consult a legal advisor.**

The Interim Order expressly provides Registered Shareholders with the right to dissent with respect to the Arrangement Resolution. Each Dissenting Shareholder is entitled to be paid the fair value (which fair value shall be the fair value of the Dissenting Shareholder’s Filo Shares as of the close of business on the Business Day before the passing by the Shareholders of the Arrangement Resolution) of all, but not less than all, of the holder’s Filo Shares, provided that the holder duly dissents from the Arrangement Resolution and the Arrangement becomes effective.

A Registered Shareholder who intends to exercise the Dissent Rights must deliver a written objection to the Arrangement Resolution (the “**Notice of Dissent**”) to Blake, Cassels & Graydon LLP, 199 Bay St. #4000, Toronto, ON M5L 1A9, Attention: Ryan Morris, to be received by no later than 5:00 p.m. (Toronto time) on September 24, 2024 (or by 5:00 p.m. (Toronto time) on the date that is two Business Days before any date to which the Meeting may be adjourned or postponed), and must otherwise strictly comply with the Dissent Procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement. A vote in favour of the Arrangement Resolution will deprive the Registered Shareholder of any rights under section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement.

Section 190 of the CBCA, as modified by the Interim Order, and the Plan of Arrangement, provides that a Shareholder may make a claim under that section only with respect to all the shares of a class held by the Shareholder or on behalf of any one beneficial owner and registered in the name of the Shareholder. Accordingly, a Shareholder may only exercise the right to dissent under Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement, in respect of Filo Shares which are registered in that Shareholder’s name. In many cases, Filo Shares beneficially owned by a Beneficial Shareholder are registered either: (a) in the name of an Intermediary that the Beneficial Shareholder deals with in respect of Filo Shares (such as banks, trust companies,

securities dealers and brokers, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, and their nominees); or (b) in the name of a clearing agency (such as CDS) of which the Intermediary is a participant. Accordingly, a Beneficial Shareholder will not be entitled to exercise the right to dissent under Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement, directly (unless the shares are re-registered in the Beneficial Shareholder's name). A Beneficial Shareholder who wishes to exercise the right to dissent should immediately contact the Intermediary who the Beneficial Shareholder deals with in respect of the Filo Shares and either: (i) instruct the Intermediary to exercise the right to dissent on the Beneficial Shareholder's behalf (which, if the Filo Shares are registered in the name of CDS or another clearing agency, would require that the Filo Shares first be re-registered in the name of the Intermediary); or (ii) instruct the Intermediary to re-register the Filo Shares in the name of the Beneficial Shareholder, in which case the Beneficial Shareholder would have to exercise the right to dissent directly.

Within 10 days after the adoption of the Arrangement Resolution by the Shareholders, the Company is required to notify in writing each Dissenting Shareholder that the Arrangement Resolution has been adopted. A Dissenting Shareholder must, within 20 days after receipt of such notice, or, if the Dissenting Shareholder does not receive such notice, within 20 days after learning of the adoption of the Arrangement Resolution, send to the Company a written notice (the "**Demand for Payment**") containing the Dissenting Shareholder's name and address, the number of Filo Shares in respect of which the Dissenting Shareholder dissents, and a demand for payment of the fair value of such shares. Within 30 days after sending the Demand for Payment, the Dissenting Shareholder must send the certificates representing the Filo Shares in respect of which the Dissenting Shareholder dissents to the Company or its transfer agent. The Company or the transfer agent will endorse on the share certificates a notice that the holder thereof is a Dissenting Shareholder under Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement, and will forthwith return the share certificates to the Dissenting Shareholder. If a Dissenting Shareholder fails to send such Dissenting Shareholder's share certificates, he, she or it has no right to make a claim under Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement.

Not later than seven days after the later of the Effective Date and the day the Company receives the Demand for Payment, the Company will send, to each Dissenting Shareholder who has sent a Demand for Payment, a written offer to pay for the Filo Shares ("**Offer to Pay**") of the Dissenting Shareholder in respect of which he, she or it has dissented in an amount considered by the directors of the Company to be the fair value thereof, accompanied by a statement showing how the fair value was determined (provided however that such payment shall not be made and the Shareholder shall be so informed if the Company has reasonable grounds for believing it is or would after the payment be unable to pay its liabilities as they become due or the realizable value of its assets would thereby be less than the aggregate of its liabilities).

Every Offer to Pay made to Dissenting Shareholders for shares of the same class shall be on the same terms. The amount specified in an Offer to Pay that has been accepted by a Dissenting Shareholder shall be paid within 10 days of the acceptance, but an Offer to Pay lapses if the Company has not received an acceptance thereof within 30 days after the Offer to Pay has been made.

If an Offer to Pay is not made by the Company or if a Dissenting Shareholder fails to accept an Offer to Pay, the Company may, within 50 days after the Effective Date or within such further period as a court may allow, apply to the court to fix a fair value for the Filo Shares of any Dissenting Shareholder. If the Company fails to so apply to the court, a Dissenting Shareholder may apply to a court for the same purpose within a further period of 20 days or within such further period as the court may allow. A Dissenting Shareholder is not required to give security for costs in any application to the court.

On making an application to the court, the Company will give to each Dissenting Shareholder who has sent to the Company a Demand for Payment and who has not accepted an Offer to Pay, notice of the date, place and consequences of the application and of his right to appear and be heard in person or by counsel. All Dissenting Shareholders whose Filo Shares have not been purchased by the Company will be joined as parties to any such application to the court to fix a fair value and will be bound by the decision rendered by the court in the proceedings commenced by such application. The court is authorized to determine whether any other person is a Dissenting Shareholder who should be joined as a party to such application.

The court will fix a fair value for the Filo Shares of all Dissenting Shareholders and may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the Effective Date until the date of payment of the amount ordered by the court. The Final Order of the court in the proceedings commenced by an application by the Company or a Dissenting Shareholder will be rendered against the Company and in favour of each Dissenting Shareholder and for the amount of the shares as fixed by the court.

If Shareholders that hold their Filo Shares through Euroclear Sweden wish to exercise any Dissent Rights, they will need to contact their Intermediary and move their Filo Shares to Canada and become a Registered Shareholder prior to the Record Date and thereafter strictly comply with the Dissent Procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement.

## **MI 61-101**

The Company is a reporting issuer in all of the provinces of Canada and, accordingly, is subject to MI 61-101. MI 61-101 is intended to regulate certain transactions to ensure equality of treatment among security holders, generally requiring enhanced disclosure, approval by a majority of security holders excluding “interested parties” or “related parties” (as such terms are defined in MI 61-101) and/or, in certain instances, independent valuations and approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 generally apply to “business combinations” (as defined in MI 61-101) that terminate the interests of security holders without their consent.

MI 61-101 provides that, in certain circumstances, where a “related party” (as defined in MI 61-101) of an issuer is entitled to receive a “collateral benefit” (as defined in MI 61-101) in connection with an arrangement transaction (such as the Arrangement), such transaction may be considered a “business combination” for the purposes of MI 61-101 and subject to minority approval requirements.

A “collateral benefit”, as defined in MI 61-101, includes any benefit that a “related party” of the Company (which includes the directors and Senior Officers of the Company) is entitled to receive, directly or indirectly, as a consequence of the Arrangement, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits related to past or future services as an employee, director or consultant of the Company. However, such a benefit will not constitute a “collateral benefit” provided that certain conditions are satisfied. In addition, a related party of an issuer is not considered to be treated differently from other security holders of the issuer in a transaction, or to receive a “collateral benefit”, solely by reason of being a security holder of another party to the transaction.

Under MI 61-101, a benefit received by a “related party” of the Company is not considered to be a “collateral benefit” if the benefit is received solely in connection with the related party’s services as an employee, director or consultant of the Company or an affiliated entity and (i) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the “related party” for securities relinquished under the Arrangement, (ii) the conferring of the benefit is not, by its terms, conditional on the “related party” supporting the Arrangement in any manner, (iii) full particulars of the benefit are disclosed in disclosure document for the transaction, and (iv) either (A) at the time the Arrangement was agreed to, the “related party” and its associated entities beneficially owned or exercised control or direction over less than 1% of the outstanding Filo Shares (the “**De Minimis Exclusion**”), or (B) (x) the “related party” discloses to an independent committee of the Company the amount of consideration that the “related party” expects it will be beneficially entitled to receive, under the terms of the Arrangement, in exchange for the Filo Shares beneficially owned by the “related party”, (y) the independent committee, acting in good faith, determines that the value of the benefit, net of any offsetting costs to the “related party”, is less than 5% of the value referred to in (B) (x), and (z) the independent committee’s determination is disclosed in this Circular (the “**Independent Committee Exclusion**”).

If a “related party” receives a “collateral benefit” in connection with the Arrangement, in addition to requiring the approval of at least two-thirds of the votes cast by the Shareholders present virtually or represented by proxy and entitled to vote at the Meeting, the Arrangement Resolution will also require “minority approval” in accordance with MI 61-101. If “minority approval” is required, the Arrangement Resolution must also be approved by a majority of the votes cast, excluding those votes beneficially owned, or over which control or direction is exercised, by the “related parties” of the Company who receive a “collateral benefit” in connection with the Arrangement.

Refer to the table above under the heading “*The Arrangement – Interests of Certain Persons in the Arrangement*” in this Circular for a description of the “benefits” that certain directors and Senior Officers may be entitled to receive in connection with the Arrangement. These “benefits” include the benefit received as a result of the accelerated vesting of the Filo Options, as further detailed under the heading “*The Arrangement – Treatment of Filo Options*”, and cash severance payments (which include payments for base salary, short-term incentives and health benefits), as further detailed under the heading “*The Arrangement – Interests of Certain Persons in the Arrangement – Employment Agreements and Compensation Bonus*”. Such benefits would constitute “collateral benefits” if not otherwise excluded from the definition of “collateral benefit” as a result of the De Minimis Exclusion or the Independent Committee Exclusion.

Each of Adam Lundin, James Beck, Erin Johnston, Wojtek Wodzicki, Carmel Daniele, Ronald Hochstein, Joyce Ngo, Peter O’Callaghan, Ian Gibbs, Robert Carmichael, Arndt Brettschneider, Trevor D’Sa, Diego Charchafie and Judy McCall is a “related party” of the Company by virtue of his or her role as a director and/or Senior Officer of the Company. Each of the directors and Senior Officers holds Filo Options.

Based on the information set out in the table below and following disclosure by management of the Company to the Company Special Committee of the number of Filo Shares and Filo Options held by the Senior Officers and directors and the total Consideration that they are expected to receive pursuant to the Arrangement, the Company Special Committee has determined that, other than Adam Lundin, the Chair of the Company and James Beck, President, Chief Executive Officer and director of the Company and their associated entities, each of the other Senior Officers and directors beneficially own, or exercise control or direction over, less than 1% of the outstanding Filo Shares for purposes of MI 61-101. Accordingly, any benefit received by any such directors and Senior Officers, other than Adam Lundin and James Beck, will not be considered a “collateral benefit” under MI 61-101 as a result of the De Minimis Exclusion.

<b>Related party</b>	<b>Filo Shares</b>	<b>Vested Filo Options</b>	<b>Total securities</b>	<b>Non-diluted %<sup>(1)</sup></b>	<b>Partially diluted %<sup>(1)</sup></b>
<b>Adam Lundin</b> <i>Chair</i>	1,155,400	342,666	1,498,066	0.88%	1.14%
<b>Erin Johnston</b> <i>Director</i>	11,350	152,666	164,016	0.01%	0.12%
<b>Joyce Ngo</b> <i>Director</i>	2,100	55,000	57,100	0.00%	0.04%
<b>Peter O’Callaghan</b> <i>Director</i>	2,000	55,000	57,000	0.00%	0.04%
<b>Carmel Daniele</b> <i>Director</i>	-	142,666	142,666	0.00%	0.11%
<b>Ronald Hochstein</b> <i>Director</i>	9,800	94,666	104,466	0.01%	0.08%
<b>Wojtek Wodzicki</b> <i>Director</i>	1,000,150	142,666	1,142,816	0.76%	0.87%
<b>James Beck</b> <i>President, Chief Executive Officer and Director</i>	320,000	1,105,867	1,425,867	0.24%	1.08%
<b>Ian Gibbs</b> <i>Chief Financial Officer</i>	-	146,267	146,267	0.00%	0.11%
<b>Trevor D’Sa</b> <i>Vice President, Corporate</i>	38,260	445,267	483,527	0.03%	0.37%

<b>Related party</b>	<b>Filo Shares</b>	<b>Vested Filo Options</b>	<b>Total securities</b>	<b>Non-diluted %<sup>(1)</sup></b>	<b>Partially diluted %<sup>(1)</sup></b>
<i>Development and Investor Relations</i>					
<b>Arndt Brettschneider</b> <i>Vice President, Operations and Projects</i>	-	127,601	127,601	0.00%	0.10%
<b>Robert Carmichael</b> <i>Vice President, Exploration</i>	402,300	503,734	906,034	0.31%	0.69%
<b>Diego Charchafle</b> <i>South American General Manager</i>	-	372,067	372,067	0.00%	0.28%
<b>Judy McCall</b> <i>Corporate Secretary</i>	-	29,200	29,200	0.00%	0.02%

Note:

(1) Calculated based on the number of issued and outstanding Filo Shares as of July 29, 2024, being the date of the Arrangement Agreement.

In the case of Adam Lundin, the Company Special Committee determined that he beneficially owns or exercises control or direction over more than 1% of the Filo Shares (calculated in accordance with the provisions of MI 61-101). However, the Company Special Committee has determined that the value of any benefits to be received by Adam Lundin as a result of the completion of the Arrangement, being the accelerated vesting of 22,333 Filo Options held by Adam Lundin net of any offsetting costs, is less than 5% of the value of consideration that Adam Lundin expects he will be beneficially entitled to receive under the terms of the Arrangement, in exchange for the Filo Shares and Filo Options beneficially owned by him. Accordingly, the Company Special Committee, acting in good faith, determined that the benefit that Adam Lundin will receive as a result of the completion of the Arrangement does not constitute a “collateral benefit” as a result of the Independent Committee Exclusion. As a result of the foregoing, the Filo Shares that Adam Lundin beneficially owns, directly or indirectly, or over which he has control or direction (being 1,155,400 Filo Shares as of the Record Date) will not be excluded for the purpose of determining if minority approval of the Arrangement is obtained.

In the case of James Beck, the Company Special Committee determined that he beneficially owns or exercises control or direction over more than 1% of the Filo Shares (calculated in accordance with the provisions of MI 61-101). The Company Special Committee has determined that the value of the benefits to be received by James Beck as a result of the completion of the Arrangement, being the accelerated vesting of 128,933 Filo Options held by James Beck, as well as a change of control payment totalling \$1,717,667, net of any offsetting costs, represent a value that is greater than 5% of the value of the consideration that James Beck expects he will be beneficially entitled to receive under the terms of the Arrangement, in exchange for the Filo Shares and Filo Options beneficially owned by him. Accordingly, based on the information set out in the table below, the Company Special Committee, acting in good faith, determined that the benefit that Mr. Beck will receive as a result of the completion of the Arrangement constitutes a “collateral benefit” under MI 61-101, and any Filo Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, by James Beck must be excluded for purposes of determining whether minority approval of the Arrangement Resolution has been obtained. As of the Record Date, James Beck held, or exercised control over, directly or indirectly, 320,000 Filo Shares. As a result, a total of 320,000 Filo Shares held by Mr. Beck will be excluded from the “minority approval” vote conducted pursuant to MI 61-101.

<b>Related party</b>	<b>Filo Shares</b>	<b>Collateral Benefit</b>	<b>Change of Control Payment</b>	<b>Value of Share Consideration</b>	<b>Value of Convertible Consideration</b>	<b>5% Test</b>
<b>Adam Lundin</b> <i>Director</i>	1,155,400	\$269,085.53	-	\$38,128,200.00	\$9,598,471.06	0.56%



Related party	Filo Shares	Collateral Benefit	Change of Control Payment	Value of Share Consideration	Value of Convertible Consideration	5% Test
<b>James Beck</b> <i>President, Chief Executive Officer and Director</i>	320,000	\$1,556,725.37	\$1,717,667.00	\$10,560,000.00	\$28,303,062.63	8.43%

### **Stock Exchange Delisting and Reporting Issuer Status**

It is expected that the Filo Shares will be delisted from the TSX and First North as soon as practicable following the completion of the Arrangement. Following the Effective Date, it is expected that the Purchaser Parties will cause the Company to apply to cease to be a reporting issuer under the securities legislation of each of the provinces in Canada under which it is currently a reporting issuer (or equivalent) and take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents.

### **Regulatory Approvals**

#### ***Stock Exchange and SFSA Approvals***

Lundin Mining is a reporting issuer under Canadian Securities Laws in each of the provinces and territories of Canada. The Lundin Mining Shares are listed and posted for trading on the TSX under the symbol "LUN" and on Nasdaq Stockholm in Sweden under the symbol "LUMI".

Filo is a reporting issuer under Canadian Securities Laws in each of the provinces of Canada. The Filo Shares are listed and posted for trading on the TSX under the symbol "FIL", are listed and posted for trading on First North under the symbol "FIL.ST" and are quoted on the OTCQX under the symbol "FLMMF".

It is a mutual condition to the completion of the Arrangement that the TSX shall have conditionally approved for listing, and Nasdaq Stockholm has approved for listing, the Lundin Mining Shares to be issued in connection with the Arrangement.

Lundin Mining has applied to list the Lundin Mining Shares to be issued in connection with the Arrangement on the TSX. Listing will be subject to Lundin Mining fulfilling all of the listing requirements of the TSX. Lundin Mining anticipates receiving all required approvals from the TSX and Nasdaq Stockholm prior to the closing of the Arrangement.

The completion of the Arrangement is subject to the prior filing and publication of the Swedish Documentation in accordance with the EU Prospectus Regulation (including if applicable the approval and registration of the SFSA of such documentation). Lundin Mining will file the Swedish Documentation with the SFSA and publish such documentation in due time prior to the start of the Euroclear Election Period.

It is also a mutual condition to the completion of the Arrangement that the TSX and First North approve the transactions contemplated by the Arrangement and the delisting of the Filo Shares from the TSX and First North. In a letter dated August 22, 2024, the TSX conditionally approved the Arrangement and the delisting of the Filo Shares from the TSX following the closing of the Arrangement, subject to the delivery of certain closing documentation. Filo anticipates receiving the required approvals of First North, including in respect of the delisting of the Filo Shares from First North, prior to the closing of the Arrangement.

### **Key Regulatory Approvals**

Filo and each of the Purchaser Parties, as applicable, have agreed to use commercially reasonable efforts to obtain the Key Regulatory Approvals at the earliest reasonably practicable date, respond promptly to any requests for additional information or documentary materials made by any Governmental Authority in connection with the Key

Regulatory Approvals, and make sure further filings as may be necessary, proper or advisable in connection therewith. In particular:

- (a) in respect of the Canadian Competition Approval,
  - (i) within ten (10) Business Days after the date of the Arrangement Agreement, the Parties shall collectively file with the Commissioner a submission requesting an Advance Ruling Certificate or, in the alternative, a No Action Letter; and
  - (ii) if an Advance Ruling Certificate or No Action Letter shall not have been obtained within 16 days following filing of that submission, any Party may at any time thereafter, acting reasonably, notify the other Parties that it intends to file a notification pursuant to subsection 114(1) of the Competition Act, in which case the Parties shall each file their respective notifications pursuant to subsection 114(1) of the Competition Act, as promptly as practicable but in any event within ten (10) Business Days following the date a Party notified the other Parties of its intention to file a notification;
- (b) Filo and each of the Purchaser Parties, as applicable, shall and shall cause their respective subsidiaries, as applicable, to, file, as promptly as practicable but in any event within forty (40) Business Days after the date of the Arrangement Agreement, any other filings or notifications under any other applicable federal, provincial, state or foreign law required to obtain any other Key Regulatory Approvals;
- (c) the Purchaser Parties shall pay (shared equally) all filing fees (including any Taxes thereon) in respect of any filing made to any Governmental Authority in respect of any Key Regulatory Approval;
- (d) Filo and each of the Purchaser Parties shall cooperate and provide such assistance as each other Party may reasonably request in connection with obtaining the Key Regulatory Approvals. Filo and each of the Purchaser Parties shall keep the other Parties reasonably informed as to the progress of obtaining the Key Regulatory Approvals. In particular:
  - (i) no Party shall extend or consent to any extension of any applicable waiting or review period or enter into any agreement with a Governmental Authority to not consummate the transactions contemplated by the Arrangement Agreement, except upon the prior written consent of the other Parties;
  - (ii) the Parties shall exchange drafts of all submissions, correspondence, filings, presentations, applications, plans, consent agreements and other documents to be made or submitted to or filed with any Governmental Authority in respect of the transactions contemplated by the Arrangement Agreement, provide the other Parties with the opportunity for review in advance of any submission or filing, consider in good faith any suggestions made by a Party and its counsel and provide each of the other Parties and their respective counsel with final copies of all such submissions, correspondence, filings, presentations, applications, plans, consent agreements and other documents;
  - (iii) each Party shall keep the other Parties and their respective counsel fully apprised of all material written (including email) and oral communications and all meetings with any Governmental Authority and their staff in respect of the Key Regulatory Approvals, and unless participation by a Party is prohibited by applicable Law or by such Governmental Authority, will not participate in such communications or meetings without giving each other Party, and their respective counsel, the opportunity to participate therein;
  - (iv) the Company shall make available its Representatives, on the reasonable request of the Purchaser Parties and their counsel, to assist in obtaining the Key Regulatory Approvals; and

- (v) each Party shall keep the other Parties reasonably informed on a timely basis of developments which are material or reasonably likely to be material to obtaining the Key Regulatory Approvals required for the completion of the Arrangement in sufficient time to enable the Effective Date to occur on or before the Outside Date; and
- (e) with the exception of the transactions contemplated by the Arrangement Agreement, neither Filo nor either of the Purchaser Parties shall enter into any transaction, investment, agreement, arrangement or joint venture or take any other action, the effect of which would reasonably be expected to make obtaining the Key Regulatory Approvals materially more difficult or challenging, or reasonably be expected to materially delay the obtaining of the Key Regulatory Approvals.

The Key Regulatory Approvals that are required include the Competition Act Approval and the Regulatory Approvals described in Schedule C of the Arrangement Agreement. No net benefit review is expected to be required under the Investment Canada Act and the Parties are not aware of any further required Key Regulatory Approvals.

### **Blocked Trading in Filo Shares Held Through Euroclear Sweden**

After the Swedish issuer agent, Aktieinvest, has received and registered duly completed Euroclear Election Forms for Shareholders holding their Filo Shares through Euroclear Sweden, the Shareholders' Filo Shares will be transferred to a new so-called blocked securities account (Sw. *apportkonto*) which has been opened for each Shareholder whose Filo Shares are registered in the Euroclear Sweden system. In connection therewith, Euroclear Sweden will send a notification ("**VP-notice**") showing the number of Filo Shares that have been removed from the original securities account and a VP-notice showing the number of Filo Shares that have been entered in the newly opened blocked securities account. Shareholders who do not make a valid election pursuant to the election form, will have their Filo Shares transferred to a new blocked securities account (Sw. *apportkonto*) on the Business Day in Sweden immediately following the end of the Euroclear Election Period. Securities in a blocked securities account cannot be traded by a Shareholder.

As of the Effective Date, Shareholders through Euroclear Sweden will cease to be Shareholders and will only be entitled to receive the Consideration to which such Shareholders are entitled under the Arrangement. Euroclear Holders will receive any Cash Consideration and/or Share Consideration Cash, as applicable, in SEK. The conversion from C\$ to SEK will be made at the public market rate at the time of the settlement.

### **Regulatory Matters and Securities Law Matters**

Regulatory Approvals in respect of the Arrangement include (i) in relation to Filo, the approval of the TSX in respect of the Arrangement and the approval of the TSX and First North in respect of the delisting of the Filo Shares from the TSX and First North, respectively (ii) the Required Shareholder Approval, (iii) the approval by the Court under section 192 of the CBCA, (iv) in relation to Lundin Mining, the approval of the TSX and Nasdaq Stockholm for the issuance and listing of the Lundin Mining Shares to be issued pursuant to the Arrangement, (v) the approval and registration of the SFSA of the Swedish Documentation, if required by the EU Prospectus Regulation, and (vi) the Key Regulatory Approvals. Other than the aforementioned Regulatory Approvals (and any related Lundin Mining shareholder approval required by the TSX), Filo is not aware of any other approvals, consents or other action by any federal, provincial, state or foreign government or any administrative or regulatory agency that would be required to be obtained in order to complete the Arrangement. In the event that any such approvals or consents are determined to be required, such approvals or consents will be sought. Any such additional requirements could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that any regulatory consents or approvals that are determined to be required will be obtained, Filo currently anticipates that any such consents and approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date. Subject to receipt of the Required Shareholder Approval at the Meeting, receipt of the Final Order and the satisfaction or waiver of all other conditions specified in the Arrangement Agreement, the Effective Date is expected to occur in the first quarter of 2025.

### ***Canadian Securities Law Matters***

Each Shareholder is urged to consult with their professional advisors to determine the Canadian conditions and restrictions applicable to trades in the Lundin Mining Shares issued pursuant to the Arrangement.

#### ***Status under Canadian Securities Laws***

Filo is a reporting issuer under Canadian Securities Laws in each of the provinces of Canada. The Filo Shares currently are listed and posted for trading on the TSX under the symbol "FIL", are listed and posted for trading on First North under the symbol "FIL.ST" and are quoted on the OTCQX under the symbol "FLMMF".

On completion of the Arrangement, the Company will be held by JVCo, which will serve as the joint venture entity for the joint venture between BHP and Lundin with respect to the Company Material Property and the Josemaria Project, with BHP and Lundin Mining each directly or indirectly owning a 50% interest in JVCo. It is expected that the Filo Shares will be delisted from the TSX and the First North as soon as practicable following the completion of the Arrangement (delisting from the TSX is anticipated to be effective one or two Business Days following the Effective Date). Following the Effective Date, it is expected that the Purchaser Parties will cause Filo to apply to cease to be a reporting issuer under the securities legislation of each of the provinces in Canada under which it is currently a reporting issuer (or equivalent) and take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents.

Lundin Mining is a reporting issuer under Canadian Securities Laws in each of the provinces and territories of Canada. The Lundin Mining Shares are listed and posted for trading on the TSX under the symbol "LUN" and on Nasdaq Stockholm in Sweden under the symbol "LUMI". Following the Effective Date, the Lundin Mining Shares will remain listed on the TSX and on Nasdaq Stockholm.

#### ***Distribution and Resale of Lundin Mining Shares under Canadian Securities Laws***

The distribution of the Lundin Mining Shares pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian Securities Laws. The Lundin Mining Shares received pursuant to the Arrangement will not be legended and may be resold through registered dealers in each of the provinces of Canada provided that (i) the trade is not a "control distribution" as defined in NI 45-102, (ii) no unusual effort is made to prepare the market or to create a demand for the Lundin Mining Shares, as the case may be, (iii) no extraordinary commission or consideration is paid to a person or company in respect of such sale, and (iv) if the selling security holder is an insider or officer of Lundin Mining, the selling security holder has no reasonable grounds to believe that Lundin Mining is in default of Canadian Securities Laws.

### ***United States Securities Law Matters***

**The following discussion is a general overview of certain requirements of U.S. Securities Laws that may be applicable to U.S. Shareholders. All U.S. Shareholders are urged to consult with their own legal counsel to ensure that any subsequent resale of Lundin Mining Shares to be received in exchange for their Filo Shares pursuant to the Arrangement complies with applicable U.S. Securities Laws.**

The following discussion does not address the Canadian Securities Laws that will apply to the issue and resale of Lundin Mining Shares within Canada by Shareholders in the United States. Shareholders in the United States reselling their Lundin Mining Shares in Canada must comply with Canadian Securities Laws, as outlined elsewhere in this Circular.

Each of Filo and Lundin Mining is a "foreign private issuer" as defined in Rule 3b-4 under the U.S. Exchange Act. It is our intention that the Lundin Mining Shares will be listed for trading on the TSX following completion of the Arrangement. However, there can be no assurance that we will be successful in obtaining such listing. We do not intend to seek a listing for the Lundin Mining Shares on a stock exchange in the United States.

### *Exemption from the Registration Requirements of the U.S. Securities Act*

The Lundin Mining Shares to be issued to Shareholders pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and will be issued in reliance upon the exemption from registration set forth in Section 3(a)(10) of the U.S. Securities Act and exemptions provided under the Securities Laws of each state of the United States in which Shareholders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more *bona fide* outstanding securities from the registration requirements under the U.S. Securities Act where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the substantive and procedural fairness of the terms and conditions of the Arrangement will be considered. Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act set forth in Section 3(a)(10) therefore with respect to the Lundin Mining Shares to be issued to Shareholders pursuant to the Arrangement.

### *Resales of Lundin Mining Shares After the Effective Date*

The Lundin Mining Shares to be received by Shareholders in exchange for their Filo Shares pursuant to the Arrangement, will be freely tradeable under the U.S. Securities Act, except by persons who are “affiliates” (as defined in Rule 144 under the U.S. Securities Act) of Lundin Mining after the Effective Date, or were “affiliates” of Lundin Mining within 90 days prior to the Effective Date. Persons who may be deemed to be “affiliates” of an issuer include individuals or entities that directly or indirectly through one or more Intermediaries control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer.

Any resale of Lundin Mining Shares by such an “affiliate” or former “affiliate” will be subject to certain restrictions on resale imposed by the U.S. Securities Act, and may not be resold in the absence of registration under the U.S. Securities Act or an exemption from such registration, if available, such as the exemption provided under Rule 144 or the safe harbor provided by Rule 904 of Regulation S under the U.S. Securities Act.

### *Resales by Affiliates Pursuant to Rule 144*

In general, pursuant to Rule 144, persons who are “affiliates” (as defined in Rule 144) of Lundin Mining after the Effective Date, or were “affiliates” of Lundin Mining within 90 days prior to the Effective Date, will be entitled to sell, during any three-month period, those Lundin Mining Shares that they receive pursuant to the Arrangement, provided that the number of such securities sold does not exceed the greater of one percent of the then outstanding securities of such class or, if such securities are listed on a United States securities exchange and/or reported through the automated quotation system of a U.S. registered securities association, the average weekly trading volume of such securities during the four calendar week period preceding the date of sale, subject to specified restrictions on manner of sale requirements, aggregation rules, notice filing requirements and the availability of current public information about the issuer required under Rule 144. Persons who are “affiliates” after the Arrangement will continue to be subject to the resale restrictions described in this paragraph for so long as they continue to be “affiliates” of Lundin Mining.

### *Resales by Affiliates Pursuant to Regulation S*

In general, pursuant to Rule 904 of Regulation S under the U.S. Securities Act, persons who are “affiliates” (as defined in Rule 144) of Lundin Mining after the Effective Date, or were “affiliates” of Lundin Mining within 90 days prior to the Effective Date, solely by virtue of their status as an executive officer or director of Lundin Mining, may sell their Lundin Mining Shares outside the United States in an “offshore transaction” if none of the seller, an “affiliate” (as defined in Rule 144) of the seller or any person acting on their behalf engages in “directed selling efforts” in the United States with respect to such securities and provided that no selling concession, fee or other remuneration is paid in connection with such sale other than the usual and customary broker’s commission that would be received by a person executing such transaction as agent. For purposes of Regulation S, “directed selling efforts” means any activity undertaken for

the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered. Also, for purposes of Regulation S, an offer or sale of securities is made in an “offshore transaction” if the offer is not made to a person in the United States and either (a) at the time the buy order is originated, the buyer is outside the United States, or the seller reasonably believes that the buyer is outside of the United States, or (b) the transaction is executed in, on or through the facilities of a “designated offshore securities market” (which would include a sale through the TSX), and neither the seller nor any person acting on its behalf knows that the transaction has been pre-arranged with a buyer in the United States. Certain additional restrictions set forth in Rule 903 of Regulation S are applicable to sales outside the United States by holders of Lundin Mining Shares who are “affiliates” of Lundin Mining after the Effective Date, or were “affiliates” of Lundin Mining within 90 days prior to the Effective Date, other than by virtue of their status as an officer or director of Lundin Mining.

### **Swedish Securities Law Matters**

Pursuant to the EU Prospectus Regulation, Lundin Mining will prior to the start of the Euroclear Election Period either prepare the Swedish Prospectus which must be approved and registered by the SFSA or, as the case may be, prepare and submit to the SFSA the Swedish Short Form Document in accordance with Annex IX of the EU Prospectus Regulation. It is a condition to the completion of the Arrangement that the Swedish Documentation has been prepared, filed and published by Lundin Mining in accordance with the EU Prospectus Regulation prior to the start of the Euroclear Election Period. See “*The Arrangement Agreement – Conditions to Closing*”.

Only Lundin Mining Shares registered in Euroclear Sweden will be subject to trading on Nasdaq Stockholm following the closing of the Arrangement. In order to trade Lundin Mining Shares on TSX, holders of Lundin Mining Shares registered with Euroclear Sweden are advised to contact their Intermediary. No physical share certificates representing Lundin Mining Shares will be issued to holders of Lundin Mining Shares through Euroclear.

## **IMPORTANT INFORMATION FOR HOLDERS OF EUROCLEAR SWEDEN REGISTERED FILO SHARES**

### **Election**

Shareholders whose Filo Shares are directly registered with Euroclear Sweden who wish to make an election must, prior to the end of the Euroclear Election Period, sign and submit a duly completed election form (the “**Euroclear Election Form**”) to Aktieinvest either by mail to the address stated on the Euroclear Election Form or to the e-mail address stated on the Euroclear Election Form.

A Euroclear Election Form sent by mail must be sent in ample time before the last day of the election period so that it may be received by Aktieinvest before the end of the Euroclear Election Period.

The securities account (Sw. *VP-konto*) and the current number of Filo Shares as of the record date for the Euroclear Election Period will be pre-printed on the Euroclear Election Form which is sent out with a pre-paid envelope to Shareholders who are directly registered with Euroclear Sweden. Shareholders should verify that the pre-printed information on the Euroclear Election Form is correct.

The Euroclear Election Period will be no less than ten Business Days and is expected to occur during either the fourth quarter of 2024 or the first quarter of 2025. When determined, the Euroclear record date and the dates of the Euroclear Election Period will be published by way of press release.

Note that Euroclear Election Forms which are incomplete or incorrectly completed may be disregarded. No amendments to the pre-printed text may be conducted on the Euroclear Election Form. Shareholders who do not make a valid election pursuant to the Euroclear Election Form, by properly completing and duly executing the Euroclear Election Form and submitting it to Aktieinvest no later than the end of the Euroclear Election Period, will be deemed to have elected the Cash Consideration subject to pro-rata and adjustment in accordance with the Arrangement Agreement.

If Filo Shares are pledged in the Euroclear system, both the Shareholder and the pledgee must sign the Euroclear Election Form and confirm that the pledge will be terminated should the Arrangement be completed.

Those who are registered in the list of pledgees and guardians will not receive a Euroclear Election Form but will instead be notified separately.

Shareholders whose holdings are registered in the name of an Intermediary will not receive a pre-printed Euroclear Election Form. Election must be made in accordance with instructions received by the Intermediary.

The Euroclear Election Form for directly Registered Shareholders with Euroclear can be ordered from Aktieinvest via e-mail [emittentservice@aktieinvest.se](mailto:emittentservice@aktieinvest.se).

### **Confirmation and transfer of Filo Shares to blocked securities accounts**

After Aktieinvest has received and registered duly completed Euroclear Election Forms, the Shareholder's Filo Shares will be transferred to a new so-called blocked securities account (Sw. *apportkonto*) which has been opened for each Shareholder whose Filo Shares are registered in the Euroclear system. In connection therewith, Euroclear will send a VP-notice showing the number of Filo Shares that have been removed from the original securities account and a VP-notice showing the number of Filo Shares that have been entered in the newly opened blocked securities account. Shareholders whose Filo Shares are directly registered with Euroclear who do not make a valid election pursuant to the Euroclear Election Form will have their Filo Shares transferred to a new blocked securities account (Sw. *apportkonto*) on the Business Day in Sweden immediately following the end of the Euroclear Election Period. When the Filo Shares have been transferred to the blocked securities account as per the above, it will not be possible to trade the Filo Shares on First North.

As of the Effective Date, Shareholders will cease to be Shareholders and will only be entitled to receive the Consideration to which such Shareholder is entitled under the Arrangement.

### **Settlement**

Settlement will be initiated as soon as possible following the Arrangement becoming effective on the Effective Date, which is expected to occur in the first quarter of 2025. Shareholders will cease to be Shareholders as of the Effective Date and will only be entitled to receive the Consideration to which such Shareholder is entitled under the Arrangement. Euroclear Holders will be notified of such settlement by distribution of a transaction note.

Any Cash Consideration and/or Share Consideration Cash, as applicable, will be received by Shareholders whose Filo Shares are registered with Euroclear in Swedish krona (SEK). The conversion from C\$ to SEK will be made at the public market rate at the time of the settlement. The settlement amount will be paid to the yield account which is connected to the Shareholder's securities account. The payment to Shareholders who do not have a yield account connected to their securities account, may be delayed.

Note that, even if the Filo Shares are pledged, payment will be made to the yield account or in accordance with what is stated above.

No fractional Lundin Mining Shares will be issued.

In connection with settlement, the Filo Shares will be removed from the blocked securities account which will then be terminated. No notice evidencing the removal from the blocked securities account will be sent.

If the holding is registered in the name of an Intermediary, settlement will be provided for by the Intermediary.

## **THE ARRANGEMENT AGREEMENT**

The Arrangement will be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. The following is a summary of the principal terms of the Arrangement Agreement and does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, as amended by the Amending Agreement, which is incorporated by reference herein and has been filed by the Company under its SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) and to the Plan of Arrangement, which is attached hereto as Appendix B. Capitalized terms used

but not otherwise defined herein have the meanings set out in the Arrangement Agreement and the Plan of Arrangement.

### **Conditions to Closing**

Completion of the Arrangement is subject to the satisfaction, or mutual waiver by the Parties on or before the Effective Date, of a number of conditions precedent, each of which are for the mutual benefit of the Parties and which may be waived, in whole or in part, by the mutual consent of the Company and the Purchaser Parties. The conditions include, among other things:

- (a) the Arrangement Resolution will have been approved by the Shareholders at the Meeting in accordance with the Interim Order and applicable Laws;
- (b) each of the Interim Order and Final Order will have been obtained in form and substance satisfactory to each of the Parties, each acting reasonably, and will not have been set aside or modified in any manner unacceptable to any of the Parties, each acting reasonably, on appeal or otherwise;
- (c) the necessary conditional approvals or equivalent approvals, as the case may be, of the TSX, Nasdaq Stockholm and First North will have been obtained, including in respect of the listing and posting for trading of the Consideration Shares on the TSX and Nasdaq Stockholm and the delisting of the Filo Shares from the TSX and First North, and the Swedish Documentation will have been filed and published in accordance with the EU Prospectus Regulation (including if applicable the approval and registration of the SFSA of such documentation);
- (d) no Law will have been enacted, issued, promulgated, enforced, made, entered, issued or applied and no Proceedings will have been taken under any Laws or by any Governmental Authority (whether temporary, preliminary or permanent) that makes the Arrangement illegal or otherwise directly or indirectly cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement;
- (e) the Consideration Shares to be issued pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof (provided however that the Company shall not be entitled to the benefit of such condition and shall be deemed to have waived it in the event the Company fails to advise the Court prior to the hearing in respect of the Interim Order that the Parties intend to rely on such exemption in accordance with the Arrangement Agreement);
- (f) all of the Key Regulatory Approvals shall have been obtained and shall not have been modified or withdrawn prior to the Effective Time; and
- (g) the transactions contemplated by the Contribution Agreement shall have been consummated, or the parties to the Contribution Agreement shall have confirmed in writing that all conditions to closing the transactions contemplated by the Contribution Agreement shall have been satisfied or waived and that the transactions contemplated thereby will be consummated substantially simultaneously with the Effective Time, without any further action by any party to the Contribution Agreement.

Completion of the Arrangement is subject to a number of additional conditions precedent, of which the following are for the exclusive benefit of Lundin Mining and may be waived by Lundin Mining, in whole or in part, in its sole discretion. The conditions include, among other things:

- (a) the Company shall have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) BHP shall have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;



- (c) the representations and warranties of the Company set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (d) the representations and warranties of BHP to Lundin Mining set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (e) the Shareholders (other than Purchaser Parties) not having exercised Dissent Rights, or instituting proceedings to exercise Dissent Rights, in connection with the Arrangement with respect to Filo Shares representing more than 5% of the Filo Shares then outstanding;
- (f) a Material Adverse Effect not having occurred or been disclosed to the public (if previously undisclosed to the public) since the date of the Arrangement Agreement;
- (g) Lundin Mining having received a certificate of the Company certifying that the applicable conditions precedent have been satisfied;
- (h) Lundin Mining having received a certificate of BHP certifying that the applicable conditions precedent have been satisfied; and
- (i) BHP shall have complied with its payment obligations under the Arrangement Agreement and the Depository shall have confirmed receipt of the applicable cash amounts payable by BHP thereunder.

Completion of the Arrangement is subject to a number of additional conditions precedent, of which the following are for the exclusive benefit of BHP and may be waived by BHP, in whole or in part, in its sole discretion. The conditions include, among other things:

- (a) the Company shall have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) Lundin Mining shall have complied in all material respects with its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (c) the representations and warranties of the Company set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (d) the representations and warranties of Lundin Mining to BHP set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (e) the Shareholders (other than the Purchaser Parties) not having exercised Dissent Rights, or instituting proceedings to exercise Dissent Rights, in connection with the Arrangement with respect to Filo Shares representing more than 5% of the Filo Shares then outstanding;
- (f) a Material Adverse Effect not having occurred or been disclosed to the public (if previously undisclosed to the public) since the date of the Arrangement Agreement;
- (g) a Lundin Mining Material Adverse Effect which has or would reasonably be expected to have a material and adverse effect on the business or financial condition of JVCo or BHP Group Limited not having occurred or been disclosed to the public (if previously undisclosed to the public) since the date of the Arrangement Agreement;

- (h) BHP having received a certificate of the Company certifying that the applicable conditions precedent have been satisfied;
- (i) BHP having received a certificate of Lundin Mining certifying that the applicable conditions precedent have been satisfied; and
- (j) Lundin Mining shall have complied with its payment obligations under the Arrangement Agreement and the Depositary shall have confirmed receipt of the applicable cash and Lundin Mining Share amounts contemplated thereunder.

Completion of the Arrangement is also subject to number of additional conditions precedent, of which the following are for the exclusive benefit of the Company and may be waived by the Company, in whole or in part, in its sole discretion. The conditions include, among other things:

- (a) each of the Purchaser Parties shall have complied in all material respects with their respective obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) the representations and warranties of Lundin Mining set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (c) the representations and warranties of BHP set forth in the Arrangement Agreement being true and correct as of the Effective Date, as provided for (including the bring-down standards provided for) in the Arrangement Agreement;
- (d) a Lundin Mining Material Adverse Effect not having occurred or been disclosed to the public (if previously undisclosed to the public) since the date of the Arrangement Agreement;
- (e) the Company having received a certificate of Lundin Mining certifying that the applicable conditions precedent have been satisfied;
- (f) the Company having received a certificate of BHP certifying that the applicable conditions precedent have been satisfied; and
- (g) each of the Purchaser Parties having complied with their respective payment obligations under the Arrangement Agreement and the Depositary having confirmed receipt of the Consideration.

### **Mutual Covenants**

Each of the Parties has given usual and customary mutual covenants for an agreement of the nature of the Arrangement Agreement, including, among other things, covenants to:

- (a) use commercially reasonable efforts to satisfy the conditions precedent to their respective obligations under the Arrangement Agreement, including using its commercially reasonable efforts to effect or cause to be effected all necessary registrations, filings and submissions of information requested by Governmental Authorities required to be effected by it in connection with the Arrangement;
- (b) use commercially reasonable efforts not to take or cause to be taken any action, or refrain from taking any commercially reasonable action, which is inconsistent with the Arrangement Agreement (with the exception of the transactions contemplated by the Arrangement Agreement) or which would reasonably be expected to, individually or in the aggregate, prevent, materially impede or materially delay the consummation of the Arrangement or the other transactions contemplated therein;

- (c) use commercially reasonable efforts to: (a) defend all lawsuits or other legal, regulatory or other Proceedings against itself or any of its subsidiaries challenging or affecting the Arrangement Agreement or the consummation of the transactions contemplated thereby; (b) appeal, overturn or have lifted or rescinded any injunction or restraining order or other order relating to itself or any of its subsidiaries which may materially adversely affect the ability of the Parties to consummate the Arrangement; and (c) appeal or overturn or otherwise have lifted or rendered non-applicable in respect of the Arrangement, any Law that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins any of the Parties from consummating the Arrangement;
- (d) notify the other Party of: (a) any communication relating to a person alleging consent is or may be required in connection with the Arrangement; (b) any communication from or with any Governmental Authority in connection with the Arrangement, other than from any Securities Authority or in connection with Key Regulatory Approvals (which shall be governed by the relevant sections of the Arrangement Agreement); (c) any litigation threatened or commenced against or otherwise affecting such Party or any of its subsidiaries that is related to the Arrangement; and
- (e) use commercially reasonable efforts to execute and do all acts, further deeds, things and assurances as may be required in the reasonable opinion of the other Parties' legal counsel to permit the completion of the Arrangement.

### **Covenants of the Company**

The Company has given, in favour of the Purchaser Parties, usual and customary covenants for an agreement of the nature of the Arrangement Agreement, including, among other things, covenants to, and except (i) with the written consent of each of the Purchaser Parties, (ii) as expressly permitted or specifically contemplated by the Arrangement Agreement, (iii) as set out in the Company Disclosure Letter, or (iv) as is otherwise required by applicable Law or any Governmental Authority:

- (a) use commercially reasonable efforts to conduct the businesses of the Company and its subsidiaries in accordance with the Company Budget and the ordinary course of business consistent in all respects with past practice, in accordance with applicable Laws, the Company and its subsidiaries will comply with the terms of all Material Contracts and will use commercially reasonable efforts to maintain and preserve intact its and their business organizations, assets, properties, rights, Permits, goodwill and business relationships and keep available the services of the officers, employees and consultants of the Company and its subsidiaries as a group;
- (b) not, directly or indirectly:
  - (i) alter or amend the articles, bylaws or other constating documents of the Company or its subsidiaries;
  - (ii) declare, set aside or pay any dividend on or make any distribution or payment or return of capital in respect of any equity securities of the Company or its subsidiaries (other than dividends, distributions, payments or return of capital made to the Company by its subsidiaries);
  - (iii) split, divide, consolidate, combine or reclassify the Filo Shares or any other securities of the Company or its subsidiaries;
  - (iv) except as set out in the Company Disclosure Letter, issue, sell, grant, award, pledge, dispose of or otherwise encumber or agree to issue, sell, grant, award, pledge, dispose of or otherwise encumber any Filo Shares or other equity or voting interests or any options, stock appreciation rights, warrants, calls, conversion or exchange privileges or rights of any kind to acquire (whether on exchange, exercise, conversion or otherwise) any Filo Shares or other equity or voting interests or other securities or any shares of its subsidiaries (including,

- for greater certainty, Filo Options or any other equity based awards), other than (x) the issuance of Filo Shares issuable pursuant to the exercise of Filo Options that are outstanding as of the date of the Arrangement Agreement in accordance with their terms and (y) Filo Shares issuable in connection with the Concurrent Private Placement;
- (v) redeem, purchase or otherwise acquire or subject to any Lien, any of its outstanding Filo Shares or other securities or securities convertible into or exchangeable or exercisable for Filo Shares or any such other securities or any shares or other securities of its subsidiaries;
  - (vi) amend the terms of any securities of the Company or its subsidiaries;
  - (vii) adopt a plan of liquidation or pass any resolution providing for the liquidation or dissolution of the Company or its subsidiaries;
  - (viii) reorganize, amalgamate or merge the Company with any other person and will not cause or permit its subsidiaries to reorganize, amalgamate or merge with any other person;
  - (ix) reduce the stated capital of the shares of the Company or its subsidiaries;
  - (x) create any subsidiary or enter into any Contracts or other arrangements regarding the control or management of the operations, or the appointment of governing bodies or enter into any joint ventures;
  - (xi) make any material changes to any of its accounting policies, principles, methods, practices or procedures (including by adopting any material new accounting policies, principles, methods, practices or procedures), except as disclosed in the Company Public Disclosure Record, as required by applicable Laws or under IFRS;
  - (xii) make any material change in any working capital or cash management practice or policy;
  - (xiii) other than indebtedness incurred between the Company and any of its wholly owned subsidiaries or between any of such wholly owned subsidiaries, (A) incur any indebtedness for borrowed money (or guarantees thereof) or (B) assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for any material obligations of any other person, except with respect to obligations of direct or indirect wholly owned subsidiaries of the Company; or
  - (xiv) enter into, modify or terminate any Contract with respect to any of the foregoing;
- (c) immediately notify each of the Purchaser Parties of any (i) material change, (ii) any event, circumstance or development that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (iii) any breach of the Arrangement Agreement by the Company, (iv) any event occurring after the date of the Arrangement Agreement that would render a representation or warranty inaccurate such that the requisite closing conditions relating to the truth and correctness of the Company's representations and warranties would not be satisfied, (v) any material notice or communication from any applicable Governmental Authority in connection with the Company Properties, (vi) any occurrence, event, action, or any other situation that may affect, direct or indirectly, any of the Company Properties, its title, validity and/or good standing, and/or any of the Permits granted in relation with the Company Properties in any material respect, or (vii) the Company having failed to perform or fulfill any of its covenants or obligations under the Arrangement Agreement such that the requisite closing conditions relating to the performance of or compliance with by the Company of its obligations, covenants and agreements in the Arrangement Agreement would not be satisfied;

- (d) not, and not cause or permit its subsidiaries to, directly or indirectly (except in connection with the Arrangement Agreement):
- (i) sell, pledge, lease, licence, dispose of, mortgage or encumber or otherwise transfer any assets or properties of the Company or its subsidiaries, including without limitation with respect to the Company Properties;
  - (ii) take any action that may affect, directly or indirectly, any of the Company Properties, its validity, status, title and/or good standing, and/or any of the Permits granted concerning the Company Properties or fail to take any action that may affect, directly or indirectly, any of the Company Properties, its validity, status, title and/or good standing, and/or any of the Permits granted concerning the Company Properties;
  - (iii) acquire (by merger, amalgamation, consolidation, arrangement or acquisition of shares or other equity securities or interests or assets or otherwise) or agree to acquire, directly or indirectly, in one transaction or a series of related transactions, any corporation, partnership, association or other business organization or division thereof or any property or asset, or make any investment, directly or indirectly, in one transaction or in a series of related transactions, by the purchase of securities, contribution of capital, property transfer, or, other than in the ordinary course of business, purchase of any property or assets of any other person;
  - (iv) subject to the other covenants of the Company in the Arrangement Agreement, incur any capital expenditures, enter into any agreement obligating the Company or its subsidiaries to provide for future capital expenditures, or incur any indebtedness (including the making of any payments in respect thereof, including any premiums or penalties thereon or fees in respect thereof) or issue any debt securities, or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other person, or make any loans or advances;
  - (v) pay, discharge or satisfy any claim, liability or obligation prior to the same being due (other than in the ordinary course and as reflected or reserved against in the Company Financial Statements), or voluntarily waive, release, assign, settle or compromise any Proceedings;
  - (vi) engage in a new business, enterprise or other activity inconsistent with the existing business of the Company in the manner such existing business generally has been carried on or (as disclosed in the Company Public Disclosure Record) planned or proposed to be carried on prior to the date of the Arrangement Agreement;
  - (vii) enter into or terminate any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or other financial instruments or like transaction, other than in the ordinary course of business consistent with the Company's financial risk management policy; or
  - (viii) authorize any of the foregoing, or enter into or modify any Contract to do any of the foregoing;
- (e) not, and not cause or permit its subsidiaries to, directly or indirectly (except in the ordinary course of business):
- (i) terminate, fail to renew, cancel, waive, release, withdraw, grant or transfer any rights that are material to the Company, including the mining rights that are part of the Company Material Property;
  - (ii) except in connection with matters otherwise permitted under the Arrangement Agreement, enter into any Contract that, if entered into prior to the date of the Arrangement Agreement,

- would be a Material Contract, or terminate, cancel, extend, renew or amend, modify or change any Material Contract or waive, release, or assign any material rights or claims thereto or thereunder;
- (iii) enter into any lease or sublease of real property (whether as a lessor, sublessor, lessee or sublessee), including but not limited to the Company Properties, or modify, amend or exercise any right to renew any lease or sublease of real property or acquire any interest in real property, including but not limited to the Company Properties, or acquire any interest in real property or mining rights; or
  - (iv) enter into any Contract containing any provisions restricting or triggered by the transactions contemplated in the Arrangement Agreement.
- (f) not, except in the ordinary course of business or pursuant to any existing Contracts or employment, pension, supplemental pension, termination or compensation arrangements or policies or plans in effect on the date of the Arrangement Agreement, and except as is necessary to comply with applicable Laws:
- (i) grant to any officer, director, employee or consultant of the Company or its subsidiaries an increase in compensation in any form, other than customary adjustments in the ordinary course of business;
  - (ii) grant any general salary or fee increase, pay any fee, bonus, award (equity or otherwise) or other material compensation to the directors, officers, employees or consultants of the Company or its subsidiaries other than the payment of salaries, fees and bonuses in the ordinary course of business as disclosed in the Company Disclosure Letter;
  - (iii) take any action with respect to the grant, acceleration or increase of any severance, change of control, retirement, retention or termination pay or amend any existing arrangement relating to the foregoing;
  - (iv) enter into or modify any employment or consulting agreement with any officer or director of the Company or its subsidiaries who the Purchaser Parties reasonably determine are integral to the value of the Company and its subsidiaries, taken as a whole;
  - (v) enter into or modify any employment or consulting agreement with any employee or consultant that provides for base salary, fees, bonus or any other incentive in excess of US\$175,000, in the aggregate;
  - (vi) terminate the employment or consulting arrangement of any senior management employees, except for cause;
  - (vii) increase any benefits payable under its current severance or termination pay policies;
  - (viii) except as disclosed in the Company Disclosure Letter, increase the coverage, contributions, funding requirements or benefits available under any plan relating to any Employee Plan or create any new plan which would be considered to be an Employee Plan once created;
  - (ix) make any material determination under any Employee Plan that is not in the ordinary course of business;
  - (x) amend the Filo Option Plan, or adopt or make any contribution to or any award under any new performance share unit plan or other bonus, profit sharing, option, pension, retirement, deferred compensation, insurance, incentive compensation, compensation or other similar

- plan, agreement, trust, fund or arrangement for the benefit of directors or senior officers or former directors or senior officers of the Company or its subsidiaries;
- (xi) take any action to accelerate the time of payment of any compensation or benefits, amend or waive any performance or vesting criteria or accelerate vesting under the Filo Option Plan; or
  - (xii) establish, adopt, enter into, amend or terminate any collective bargaining agreement;
- (g) not make any loan to any officer, director, employee or consultant of the Company or its subsidiaries;
  - (h) use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by the Company and its subsidiaries, including directors' and officers' insurance, not to be cancelled, terminated, amended or modified unless replaced by comparable policies, and to prevent any of the coverage thereunder from lapsing, provided that the Company will not obtain or renew any insurance (or re-insurance) policy for a term exceeding 12 months;
  - (i) use commercially reasonable efforts to retain the services of its and its subsidiaries' existing employees and consultants until the Effective Time, and will promptly provide written notice to each of the Purchaser Parties of the resignation or termination of any of its key employees or consultants;
  - (j) not make an application to amend, terminate, allow to expire or lapse or otherwise modify any of its Permits or take any action or fail to take any action which action or failure to act would result in the material loss, expiration or surrender of, or the loss of any material benefit under, or reasonably be expected to cause any Governmental Authority to institute proceedings for the suspension, revocation or limitation of rights under, any Permit necessary to conduct its businesses as now being conducted;
  - (k) duly and timely file all Returns required to be filed by it on or after the date of the Arrangement Agreement and all such Returns will be true, complete and correct in all material respects, (ii) timely withhold, collect, remit and pay all Taxes which are to be withheld, collected, remitted or paid by it to the extent due and payable except for any Taxes contested in good faith pursuant to applicable Laws, and (iii) keep each of the Purchaser Parties reasonably informed, on a prompt basis, of any events, discussions, notices or changes with respect to any Tax investigation (other than ordinary course communications which could not reasonably be expected to be material to the Company and its subsidiaries);
  - (l) will not (i) change its tax accounting methods, principles or practices, except as required by a change in IFRS or applicable Law, (ii) amend any Return or change any of its reporting methods income, deduction for Tax purposes from those employed in the preparation of its Returns for the taxation year ended December 31, 2023, except as may be required by applicable Law, (iii) make, change or revoke any material election relating to Taxes, (iv) settle, compromise or agree to the entry of judgement with respect to any action, claim or other Proceedings relating to Taxes, (other than the payment, discharge or satisfaction of liabilities reflected or reserved against in the Company Financial Statements), (v) enter into any tax sharing, tax allocation or tax indemnification agreement, (vi) make a request for a tax ruling to any Governmental Authority, or (vii) agree to any extension or waiver of the limitation period relating to any material Tax claim or assessment or reassessment;
  - (m) not, and not cause or permit its subsidiaries to, settle or compromise any action, claim or other Proceeding (i) brought against it for damages or providing for the grant of injunctive relief or other non-monetary remedy or (ii) brought by any present, former or purported holder of its securities in connection with the transactions contemplated by the Arrangement Agreement or the Arrangement;
  - (n) not, and not cause or permit its subsidiaries to, commence any litigation (other than as permitted by the Arrangement Agreement);

- (o) not, and not cause or permit its subsidiaries to, enter into or renew any Contract (i) containing (A) any limitation or restriction on the ability of the Company or its subsidiaries or, following completion of the transactions contemplated by the Arrangement Agreement, the ability of the Purchaser Parties or any of their affiliates, to engage in any type of activity or business, (B) any limitation or restriction on the manner in which, or the localities in which, all or any portion of the business of the Company or its subsidiaries or, following consummation of the transactions contemplated by the Arrangement Agreement, all or any portion of the business of the Purchaser Parties or any of their affiliates, is or would be conducted, (C) any limit or restriction on the ability of the Company or its subsidiaries or, following completion of the transactions contemplated by the Arrangement Agreement, the ability of the Purchaser Parties or any of their affiliates, to solicit customers or employees, or (D) containing any provision restricting or triggered by the transactions contemplated in the Arrangement Agreement; or (ii) that would reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement;
- (p) not, and not cause or permit any of its subsidiaries to, take any action which would render any representation or warranty made by the Company in the Arrangement Agreement untrue or inaccurate in any material respect (disregarding for this purpose all materiality or Material Adverse Effect qualifications contained therein) at any time prior to the Effective Date if then made; and
- (q) not, and not cause or permit its subsidiaries to, agree, announce, resolve, authorize or commit to do any of the foregoing, except as otherwise permitted under the Arrangement Agreement; and
- (r) the Company will comply, or cause its subsidiaries to comply, with the obligations set forth in the Argentine Mining Code, the Chilean Mining Code and any other applicable Law (including Environmental Law) to maintain the Company Material Property, and the Permits related to it, valid and in good standing, and in particular, fulfill the requirements included in the Permits and the Environmental Approvals.

In addition, the Arrangement Agreement provides that the Company will, in relation to the Arrangement, among other things:

- (a) promptly, and in any event within ten (10) Business Days following the date of the Arrangement Agreement, provide to each of the Purchaser Parties a copy of each confidentiality and/or standstill agreement (if such agreement remains in effect and providing a copy of such agreement is not expressly prohibited by the terms of such agreement), other than commercial confidentiality arrangements or agreements entered into in the ordinary course of business, which has been entered into by the Company and any third party prior to the date of the Arrangement Agreement pursuant to which confidential information of the Company has been provided;
- (b) subject to the prior review and approval of each of the Purchaser Parties, publicly announce the execution of the Arrangement Agreement, the support of the Board of the Arrangement (including the voting intentions of each Company Supporting Shareholder) and the Board Recommendation;
- (c) use commercially reasonable efforts to obtain all waivers, consents and approvals required to be obtained by the Company and its subsidiaries from other parties to any Material Contracts in connection with the Arrangement;
- (d) carry out all actions necessary to ensure the availability of the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act;
- (e) upon reasonable consultation with each of the Purchaser Parties, oppose, or seek to lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend all lawsuits or other legal, regulatory or other Proceedings against the Company challenging or affecting the Arrangement Agreement or the completion of the Arrangement; and



- (f) use commercially reasonable efforts to procure the delisting of the Filo Shares from First North on, or as soon as possible following, the Effective Date.

In the event the Purchaser Parties conclude it is necessary or desirable to proceed with another form of transaction (such as a formal take-over bid or amalgamation) whereby the Purchaser Parties and/or their respective affiliates would effectively acquire all of the Filo Shares within approximately the same time periods and on economic terms and other terms and conditions (including tax treatment) and having economic consequences to the Company and the Shareholders which are substantially equivalent to or better than those contemplated by the Arrangement Agreement (an “**Alternative Transaction**”), the Company agrees to support the completion of the Alternative Transaction in the same manner as the Arrangement and will otherwise fulfill its covenants contained in the Arrangement Agreement in respect of such Alternative Transaction. In particular but without limitation, the Company agrees that the “initial deposit period” in respect of any such Alternative Transaction that is structured as a formal take-over bid shall be the period determined by the Purchaser Parties so long as it is not less than 35 days.

### **Covenants of the Purchaser Parties**

Each of the Purchaser Parties has given, in favour of the Company, usual and customary covenants for an agreement of the nature of the Arrangement Agreement, including, among other things, covenants to:

- (a) cooperate with the Company to obtain all necessary waivers, consents and approvals required to be obtained by the Company, subject to the provisions of the Arrangement Agreement;
- (b) use commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Authorities from the Purchaser Parties relating to the Arrangement required to be completed prior to the Effective Time;
- (c) upon reasonable consultation with the Company, use commercially reasonable efforts to oppose or seek to lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend all lawsuits or other legal, regulatory or other Proceedings against or relating to the Purchaser Parties challenging or affecting the Arrangement Agreement or the completion of the Arrangement;
- (d) carry out the terms of the Interim Order and Final Order to the extent applicable to the Purchaser Parties and taking all necessary actions to give effect to the transactions contemplated in the Arrangement Agreement and the Plan of Arrangement;
- (e) with respect to Lundin Mining only, apply for and use commercially reasonable efforts to obtain conditional approval of the listing and posting for trading on the TSX, and approval for listing on Nasdaq Stockholm, in each case of the Consideration Shares, subject only to the satisfaction by Lundin Mining of customary listing conditions of the TSX and Nasdaq Stockholm and the prior approval and registration of the SFSA and publication of the Swedish Prospectus, if required under the EU Prospectus Regulation or, if such filing is not required under the EU Prospectus Regulation, the filing of the Swedish Short Form Document with the SFSA;
- (f) with respect to Lundin Mining only, at or prior to the Effective Time, allot and reserve for issuance a sufficient number of Lundin Mining Shares to meet the obligations of Lundin Mining under the Plan of Arrangement;
- (g) with respect to Lundin Mining only, immediately notify the Company of any (i) any “material change” in relation to the Lundin Mining or the Lundin Mining Material Subsidiaries, (ii) any event that has had or would reasonably be expected to have, individually or in the aggregate, a Lundin Mining Material Adverse Effect, (iii) any breach of the Arrangement Agreement by Lundin Mining, (iv) any event that would render Lundin Mining’s representation or warranty inaccurate such that the requisite closing condition relating to the truth and correctness of Lundin Mining’s representations and warranties would not be satisfied; or (v) Lundin Mining having failed to perform or fulfill any of its covenants or

obligations under the Arrangement Agreement such that the requisite closing condition relating to the performance or compliance by Lundin Mining of its obligations, covenants and agreements in the Arrangement Agreement would not be satisfied; and

- (h) with respect to BHP only, immediately notify the Company of any (i) any breach of the Arrangement Agreement by BHP, (ii) any event that would render BHP's representation or warranty inaccurate such that the requisite closing condition relating to the truth and correctness of BHP's representations and warranties would not be satisfied; or (iii) BHP having failed to perform or fulfill any of its covenants or obligations such that the requisite closing condition relating to the performance or compliance by BHP of its obligations, covenants and agreements in the Arrangement Agreement would not be satisfied.

### **Non-Solicitation and Right to Match**

Filo has agreed not to, and to cause its subsidiaries and their Representatives to not, directly or indirectly:

- (a) make, initiate, solicit, promote, entertain or encourage (including by way of furnishing or affording access to information) or any site visit or entering into any form of agreement, arrangement or understanding (other than an Acceptable Confidentiality Agreement) or take any other action that facilitates, directly or indirectly, any inquiry or the making of any inquiry, proposal or offer with respect to an Acquisition Proposal or that reasonably could be expected to constitute or lead to an Acquisition Proposal; or
- (b) enter into, engage in, continue or otherwise participate directly or indirectly in any discussions or negotiations with, furnish confidential information to, or otherwise cooperate with, any person (other than the Purchaser Parties and their respective subsidiaries) regarding an Acquisition Proposal or any inquiry, proposal or offer that could reasonably be expected to constitute or lead to an Acquisition Proposal; or
- (c) make or propose publicly to make a Change of Recommendation; or
- (d) agree to, approve, accept, recommend, enter into, or propose publicly to agree to, approve, to accept, recommend or enter into, any agreement, understanding or arrangement in respect of an Acquisition Proposal (other than an Acceptable Confidentiality Agreement in accordance with the terms of the Arrangement Agreement); or
- (e) make any public announcement or take any other action inconsistent with, or that could reasonably be likely to be regarded as detracting from, the approval, recommendation, or declaration of advisability of the Board of the transactions contemplated by the Arrangement Agreement.

Filo has agreed to, and to cause its subsidiaries and their respective Representatives to, immediately cease and terminate any existing solicitation, encouragement, discussion, negotiation or other activities with any person (other than the Purchaser Parties, their subsidiaries and their respective Representatives) conducted prior to the date of the Arrangement Agreement by Filo or any of its Representatives or its subsidiaries and their Representatives with respect to any Acquisition Proposal or any inquiry, proposal or offer that could reasonably be expected to constitute or lead to an Acquisition Proposal.

Filo has agreed to immediately discontinue access to and disclosure of any and all information, including its confidential information, and access to any data room, virtual or otherwise, to any person (other than access by the Purchaser Parties and their representatives), and within two Business Days after the date of the Arrangement Agreement, request and use its commercially reasonable efforts to exercise all rights it has, or its subsidiaries have, to required the return or destruction of all confidential information regarding Filo or its subsidiaries previously provided in connection therewith to any person (other than the Purchaser Parties and their representatives). In addition, Filo must promptly and diligently enforce all confidentiality, standstill, non-disclosure, non-disturbance, non-solicitation or similar agreements, restrictions or covenants to which it or its subsidiaries are party.

If Filo receives a *bona fide* written Acquisition Proposal from any person after the date of the Arrangement Agreement and prior to the approval of the Arrangement Resolution by Shareholders that did not result from a breach of the non-solicitation provisions of the Arrangement Agreement, and the Board determines in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal would, if consummated in accordance with its terms, reasonably be expected to constitute a Superior Proposal and failure to take such action would be inconsistent with the fiduciary duties of such directors under applicable Law, then Filo and its Representatives may (i) furnish or provide access to or disclosure of information to such person pursuant to an Acceptable Confidentiality Agreement, if and only if (y) Filo provides a copy of such agreement to each of the Purchaser Parties promptly upon its execution, and (z) Filo contemporaneously provides to each of the Purchaser Parties any non-public information concerning Filo that is provided to such person which was not previously provided to the Purchaser Parties or their Representatives, and (ii) engage in or participate in any discussions or negotiations regarding such Acquisition Proposal.

Filo must promptly (and, in any event, within 24 hours of receipt by Filo) notify each of the Purchaser Parties, at first orally and thereafter in writing, of any Acquisition Proposal received by Filo, any inquiry received by Filo that could reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for non-public information relating to Filo in connection with an Acquisition Proposal, or access to the properties, books or records of Filo by any person that informs Filo that it is considering making an Acquisition Proposal, including a copy of any written Acquisition Proposal, a description of the material terms and conditions of such inquiry or request and the identity of the person making such Acquisition Proposal, inquiry or request, and promptly provide to each of the Purchaser Parties such other information concerning such Acquisition Proposal, inquiry or request as any of the Purchaser Parties may reasonably request. Filo has covenanted to keep each of the Purchaser Parties promptly and fully informed of the status, developments and details of any such Acquisition Proposal, inquiry or request, including any material changes, modifications or other amendments thereto.

Except as expressly permitted by the non-solicitation and right to match provisions of the Arrangement Agreement, neither the Board, nor any committee thereof shall: (i) make a Change of Recommendation; (ii) accept, approve, endorse or recommend or publicly propose to accept, approve, endorse or recommend any Acquisition Proposal; (iii) permit the Company to accept or enter into, or publicly propose to enter into (or permit any such actions in the case of the Board or any committee thereof), any Acquisition Agreement with respect to any Acquisition Proposal; or (iv) permit the Company to accept or enter into any Contract requiring the Company to abandon, terminate or fail to consummate the Arrangement or providing for the payment of any break, termination or other fees or expenses to any person proposing an Acquisition Proposal in the event that the Company completes the transactions contemplated by the Arrangement Agreement or any other transaction with the Purchaser Party or any of their affiliates.

If at any time after the date of the Arrangement Agreement and prior to the Meeting, Filo receives a *bona fide* Acquisition Proposal from any person that the Board has determined is a Superior Proposal, then the Board may (a) make a Change of Recommendation, or (b) enter into any Acquisition Agreement with respect to such Superior Proposal, but only if

- (a) Filo has complied with and continues to be in compliance in all material respects with the non-solicitation and right to match provisions of the Arrangement Agreement in connection with the preparation or making of such Acquisition Proposal and Filo has complied in all respects with the right to match provisions of the Arrangement Agreement;
- (b) the person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill provision;
- (c) Filo has given written notice to each of the Purchaser Parties that it has received such Superior Proposal and that the Board has determined that (x) such Acquisition Proposal constitutes a Superior Proposal and (y) the Board intends to make a Change of Recommendation and/or enter into an Acquisition Agreement with respect to such Superior Proposal, in each case promptly following the making of such determination, together with a summary of the material terms of any proposed Acquisition Agreement or other agreement relating to such Superior Proposal (together with a copy of such proposed agreement and any ancillary agreements and supporting materials, including

financing arrangements) to be executed with the person making such Superior Proposal, and, if applicable, a written notice from the Board regarding the value or range of values in financial terms that the Board has, in consultation with financial advisors, determined should be ascribed to any non-cash consideration offered in the Superior Proposal;

- (d) a period of five Business Days (such period being the “**Superior Proposal Notice Period**”) will have elapsed from the later of (i) the date the Purchaser Parties received written notice from Filo of the Superior Proposal and, if applicable, the notice from the Board with respect to any non-cash consideration as contemplated in (c) above; and (ii) the date on which the Purchaser Parties received the summary of material terms and copies of agreements and supporting materials relating to the Superior Proposal set out in (c) above;
- (e) if the Purchaser Parties have proposed to amend the terms of the Arrangement Agreement in accordance with the provisions of the Arrangement Agreement, the Board shall have determined in good faith, after consultation with its financial advisors and outside legal counsel, that (x) the Acquisition Proposal remains a Superior Proposal compared to the Arrangement as proposed to be amended by the Purchaser Parties and has provided the Purchaser Parties with full details of the basis on which such determination was made and (y) failure to take such action would be inconsistent with the fiduciary duties of such directors under applicable Law;
- (f) prior to or concurrently with entering into an Acquisition Agreement with respect to such Superior Proposal, the Company terminates the Arrangement Agreement in accordance with the provision allowing for termination by the Company in the event the Board authorizes the Company to enter into an Acquisition Agreement with respect to a Superior Proposal; and
- (g) Filo has previously, or concurrently will have, paid to the Purchaser Parties the Termination Fee.

During the Superior Proposal Notice Period or such longer period as the Company may approve for such purpose, in its sole discretion, the Purchaser Parties have the right, but not the obligation, to propose to amend the terms of the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal. The Board will review in good faith any offer made by the Purchaser Parties to amend the terms of the Arrangement Agreement and the Arrangement in order to determine, in consultation with its financial advisors and outside legal counsel, whether the proposed amendments would, upon acceptance, result in the Acquisition Proposal that previously constituted a Superior Proposal ceasing to be a Superior Proposal. Filo has agreed that, subject to its disclosure obligations under applicable Securities Laws, the fact of the making of, and each of the terms of, any such proposed amendments shall be kept strictly confidential and shall not be disclosed to any person (including without limitation, the person having made the Superior Proposal), other than the Company's Representatives, without the prior written consent of the Purchaser Parties. If the Board determines that such Acquisition Proposal would cease to be a Superior Proposal as a result of the amendments proposed by the Purchaser Parties, the Parties will amend the terms of the Arrangement Agreement and the Arrangement to reflect such offer made the Purchaser Parties. If the Board continues to believe in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal remains a Superior Proposal and therefore rejects the Purchaser Parties' offer to amend the Arrangement Agreement and the Arrangement, Filo may (i) make a Change of Recommendation and/or (ii) enter into an Acquisition Agreement with respect to such Superior Proposal.

The Board must reaffirm the Board Recommendation by news release promptly after (i) the Board has determined that any Acquisition Proposal is not a Superior Proposal if the Acquisition Proposal has been publicly announced or made; or (ii) the Board makes the determination that an Acquisition Proposal that has been publicly announced or made and which previously constituted a Superior Proposal has ceased to be a Superior Proposal, and the Parties have so amended the terms of the Arrangement Agreement and the Arrangement. Such news release shall state that the Board has determined that such Acquisition Proposal is not a Superior Proposal.

### **Concurrent Private Placement**

Each of the Purchaser Parties (or their affiliates) entered into the Concurrent Private Placement Subscription Agreements pursuant to which each of the Purchaser Parties (or their affiliates) subscribed for 1,742,424 Filo Shares

(in the aggregate, 3,484,848 Filo Shares) for aggregate gross proceeds of approximately \$115 million to finance certain anticipated activities of Filo between the date of the Arrangement Agreement and the Effective Date. The Concurrent Private Placement closed on August 7, 2024. See *“The Arrangement — Concurrent Private Placement”* for additional information relating to the Concurrent Private Placement.

### **Termination of Arrangement Agreement**

The Arrangement Agreement may be terminated prior to the Effective Time by the mutual written consent of the Parties. The Arrangement Agreement can also be terminated by either the Company, Lundin Mining or BHP (i) if the Effective Date does not occur on or before the Outside Date (except that this termination right will not be available to any Party whose failure to fulfil any of its obligations or breach of any of its representations and warranties under the Arrangement Agreement has been a principal cause of, or resulted in, the failure of the Effective Time to occur by the Outside Date), (ii) if the Meeting is held and the Required Shareholder Approval is not obtained thereat (except that this termination right will not be available to any Party whose failure to fulfil any of its obligations or breach of any of its representations and warranties under the Arrangement Agreement has been a principal cause of, or resulted in, the failure to receive approval of the Arrangement Resolution at the Meeting); or (iii) any Law in enacted or made that remains in effect that makes the completion of the Arrangement or the transactions contemplated by the Arrangement Agreement illegal or otherwise prohibited, and such Law has become final and non-appealable (except that this termination right shall not be available to any Party unless such Party has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered nonapplicable in respect of the Arrangement).

The Company can terminate the Arrangement Agreement in a number of situations, including if (i) at any time prior to the approval of the Arrangement Resolution, the Board authorizes the Company to enter into an Acquisition Agreement (other than an Acceptable Confidentiality Agreement) with respect to a Superior Proposal in accordance with the right to match provisions of the Arrangement Agreement (provided that concurrently with such termination, the Termination Fee is paid to the Purchaser Parties); (ii) either of the Purchaser Parties are in breach of any of their respective representations, warranties, covenants or agreements in the Arrangement Agreement, which would cause any of the conditions precedent in favour of the Company not to be satisfied and such breach is incapable of being cured or is not cured in accordance with the terms of the Arrangement Agreement (and a wilful breach shall be deemed incapable of being cured), provided that the Company is not then in breach of the Arrangement Agreement so as to cause any of the conditions precedent in favour of Lundin Mining or BHP not to be satisfied; or (iii) a Lundin Mining Material Adverse Effect has occurred after the date of the Arrangement Agreement.

Either of the Purchaser Parties can terminate the Arrangement Agreement in a number of situations, including if (i) there is a Change of Recommendation; (ii) the Company is in breach of any of its representations, warranties, covenants or agreements in the Arrangement Agreement which would cause any of the conditions precedent in favour of Lundin Mining or BHP not to be satisfied and such breach is incapable of being cured or is not cured in accordance with the terms of the Arrangement Agreement (and a wilful breach shall be deemed incapable of being cured), provided that the Purchaser Parties are not then in breach of the Arrangement Agreement so as to cause any of the conditions precedent in favour of the Company not to be satisfied; (iii) the Company is in breach of the Company’s non-solicitation covenants contained in the Arrangement Agreement in any material respect; or (iv) a Material Adverse Effect has occurred after the date of the Arrangement Agreement.

The Arrangement Agreement contains a Termination Fee equal to \$135,000,000 payable by the Company to the Purchaser Parties, payable 50% to Lundin Mining and 50% to BHP. The Termination Fee is payable if (i) the Company or either of the Purchaser Parties terminates the Arrangement Agreement due to the failure at the Meeting to obtain the Required Shareholder Approval or either of the Purchaser Parties terminates the Arrangement Agreement due to the Company’s breach of representations, warranties and covenants in the Arrangement Agreement described in (ii) in the paragraph above, but only in the event of a termination due to wilful or intentional breach or fraud by the Company, and both: (x) prior to such termination, an Acquisition Proposal shall have been made public or proposed publicly to the Company or the Shareholders after the date of the Arrangement Agreement and prior to the Meeting; and (y) the Company shall have either (1) completed any Acquisition Proposal within 12 months after the Arrangement Agreement is terminated or (2) entered into an Acquisition Agreement in respect of any Acquisition Proposal or the Board shall have recommended any Acquisition Proposal, in each case, within 12 months after the Arrangement Agreement is terminated, and such Acquisition Proposal in either case, as it may be modified or

amended, is subsequently completed (whether before or after the expiry of such 12-month period), provided, however, that for the purposes of the foregoing, all references to “20%” in the definition of Acquisition Proposal shall be changed to “50%”; (ii) either of the Purchaser Parties terminates the Arrangement Agreement due to a Change of Recommendation; (iii) either of the Purchaser Parties terminates the Arrangement Agreement pursuant to a breach of the Company’s non-solicitation covenants contained in the Arrangement Agreement in any material respect; (iv) the Company or either of the Purchaser Parties terminates the Arrangement Agreement due to the Effective Date not occurring on or before the Outside Date or the failure to obtain the Required Shareholder Approval, if at the time of such termination, a Purchaser Party was entitled to terminate the Arrangement Agreement due to a Change of Recommendation; or (v) the Company terminates the Arrangement Agreement as a result of the Board authorizing the Company to enter into an Acquisition Agreement (other than an Acceptable Confidentiality Agreement) with respect to a Superior Proposal in accordance with the right to match provisions of the Arrangement Agreement.

The Arrangement also contains a Reverse Termination Fee equal to \$135,000,000 payable by the Purchaser Parties, 50% by Lundin Mining and 50% by BHP, to the Company. The Reverse Termination Fee is payable if the Company or either of the Purchaser Parties terminates the Arrangement Agreement if the Effective Date does not occur on or before the Outside Date, provided that at the time of such termination (i) the mutual conditions precedent, other than the mutual condition precedent related to the Contribution Agreement described above, have been satisfied or waived by the Company, Lundin Mining and/or BHP (as applicable); (ii) all additional conditions precedent to the obligations of the Company have been satisfied or waived by the Company; (iii) all of additional conditions precedent to the obligations of Lundin Mining and BHP to be performed or complied with by the Company have been satisfied or waived by Lundin Mining or BHP, as applicable; and (iv) there has not been or occurred any Lundin Mining Material Adverse Effect which has or would reasonably be expected to have a material and adverse effect on the business or financial condition of JVCo or BHP Group Limited.

### **Amendments**

Subject to the terms of the Interim Order, the Plan of Arrangement and applicable Laws, the Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting, but not later than the Effective Time, be amended by mutual written agreement of the Parties without, subject to applicable Laws, further notice to or authorization on the part of the Shareholders, and any such amendment may, without limitation (i) change the time for performance of any of the obligations or acts of the Parties; (ii) waive any inaccuracies or modify any representation, term or provision contained in the Arrangement Agreement or in any document delivered pursuant thereto; and (iii) waive compliance with or modify any of any of the conditions precedent in the Arrangement Agreement or any of the covenants contained in the Arrangement Agreement or waive or modify performance of any of the obligations of the Parties. However, no such amendment may reduce or materially affect the Consideration to be received by the Shareholders under the Arrangement without their approval at the Meeting or, following the Meeting, without their approval given in the same manner as required by applicable Laws for the approval of the Arrangement as may be required by the Court.

### **Indemnification and Insurance**

Filo has agreed to purchase customary “tail” or “run off” policies of directors’ and officers’ liability insurance, and the Purchaser Parties have agreed to, or to cause Filo and its subsidiaries to, maintain such tail policies in effect without any reduction in scope or coverage for six years following the Effective Date; provided that the costs of such policies will not exceed 350% of the current annual premium for policies currently maintained by Filo or its subsidiaries.

### **Representations and Warranties**

The representations and warranties of the Company set forth in the Arrangement Agreement relate to, among other things, organization and qualification; subsidiaries of the Company; authority relative to the Arrangement Agreement; required approvals; no violation of applicable Law, or the constating documents or certain agreements of the Company or its subsidiaries; capitalization; absence of shareholder and similar agreements; reporting issuer status and Securities Laws matters; U.S. Securities Laws and other matters; financial statements; undisclosed liabilities; no hedging; auditors; absence of certain changes; compliance with Laws; sanctions; permits; litigation; insolvency; operational matters; Company obligations; interest in properties; expropriation; cultural heritage; technical matters; work programs; Indigenous claims; non-governmental organizations and community groups; Taxes; contracts;

employment matters; health and safety matters; acceleration of benefits; pension and employee benefits; employment withholdings; intellectual property; environmental matters; foreign exchange matters; insurance; books and records; non-arm's length transactions; financial advisors or brokers; the Fairness Opinions; approval of the Company Special Committee and the Board; ownership of Lundin Mining Shares or other securities; collateral benefits; restrictions on business activities; indemnification agreements; employment, severance and change of control agreements; and full disclosure.

The Arrangement Agreement also contains certain representations and warranties made solely by Lundin Mining in favour of the Company and BHP with respect to organization and qualification; certain material subsidiaries of Lundin Mining; authority relative to the Arrangement Agreement; required approvals; no violation of applicable Law or constating documents of Lundin Mining; consents and waivers; capitalization; the Consideration Shares; absence of Lundin Mining Material Adverse Effect; availability of the Maximum Lundin Mining Cash; ownership of Filo Shares or other securities of Filo; and Lundin Mining not being a "non-Canadian" within the meaning of the Investment Canada Act; and full disclosure.

The Arrangement Agreement also contains certain representations and warranties made solely by Lundin Mining in favour of the Company with respect to absence of shareholder and similar agreements; reporting issuer status and Securities Laws matters; U.S. Securities Laws matters; financial statements; undisclosed liabilities; auditors; absence of certain changes; compliance with Laws; Taxes; sanctions; litigation; insolvency; approval of the Lundin Mining Board and the special committee of the Lundin Mining Board; certain Securities Laws matters relating to the Consideration Shares; the Contribution Agreement; and full disclosure.

The Arrangement Agreement also contains certain representations and warranties made solely by BHP and in favour of the Company and Lundin Mining with respect to organization and qualification; authority relative to the Arrangement Agreement; required approvals; no violation of applicable Law or the constating documents or certain agreements of BHP; availability of the Maximum BHP Cash; ownership of Filo Shares or other securities; and BHP being a "trade agreement investor" and not a "state-owned enterprise", in each case within the meaning of the Investment Canada Act; and full disclosure.

The Arrangement Agreement also contains certain representations and warranties made solely by BHP and in favour of the Company with respect to the Contribution Agreement.

## **Employment Matters**

Filo has agreed that, prior to the Effective Time, it will use commercially reasonable efforts to and to cause its subsidiaries to: (a) cause all directors and officers of Filo and its subsidiaries that are not being retained following completion of the Arrangement to provide resignations and releases of all claims against Filo; or (b) at the written request the Purchaser Parties shall terminate such officers effective as at the Effective Time and obtain releases of all claims against the Company with respect to such termination prior to the Effective Time.

The Purchaser Parties have agreed that they will cause Filo, its subsidiaries and any successor to Filo (including any surviving corporation) to honour and comply with the terms of all of the severance payment obligations of Filo or its subsidiaries under their existing employment, consulting, change of control and severance agreements that are fully and completely disclosed in the Company Disclosure Letter, in exchange for the execution of full and final releases of the Company and its subsidiaries from all liability and obligations including in respect of the change of control entitlements in favour of the Company and in form and substance satisfactory to each of the Purchaser Parties, each acting reasonably.

Filo has agreed that it will be exclusively responsible and shall pay for any withholding obligations of Taxes pursuant to the Tax Act for any amounts paid for the payments contemplated under the section of the Arrangement Agreement pertaining to the foregoing employment matters.

## RISK FACTORS

In evaluating the Arrangement, Shareholders should carefully consider the following risk factors relating to the Arrangement. The following risk factors are not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently unknown or considered immaterial by Filo, may also adversely affect the trading price of the Filo Shares, the Lundin Mining Shares and/or the businesses of Filo and Lundin Mining following the Arrangement. In addition to the risk factors relating to the Arrangement set out below, Shareholders should also carefully consider the risk factors associated with the businesses of Filo and Lundin Mining under the headings “*Information Concerning Filo*” and “*Information Concerning Lundin Mining Following Completion of the Arrangement*” and in this Circular and in the documents incorporated by reference herein. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated.

### **Risks Associated with the Arrangement**

#### ***The completion of the Arrangement is subject to conditions precedent***

The completion of the Arrangement is subject to a number of conditions precedent (including, if required by the TSX, any Lundin Mining shareholder approval), some of which are outside of Filo’s or the Purchaser Parties’ control, including receipt of the Final Order, receipt of the Required Shareholder Approval, receipt of the Regulatory Approvals, including, without limitation, the Key Regulatory Approvals, approval by the TSX, Nasdaq Stockholm and First North, and the prior filing and publication of the Swedish Documentation in accordance with the EU Prospectus Regulation (including if applicable the approval and registration of the SFSA of such documentation).

In addition, the completion of the Arrangement is conditional on, among other things, no Material Adverse Effect or Lundin Mining Material Adverse Effect having occurred, or having been disclosed to the public (if previously undisclosed to the public) in respect of the other Party.

There can be no certainty, nor can Filo or the Purchaser Parties provide any assurance, that all conditions precedent (including, if required by the TSX, any Lundin Mining shareholder approval) to the Arrangement will be satisfied or waived, or as to the timing of the satisfaction and waiver of such conditions precedent and, accordingly, the Arrangement may not be completed. If the Arrangement is not completed, the market price of Filo Shares may be adversely affected.

#### ***Former Company Shareholders that elect the Cash Consideration or the Share Consideration (together with the applicable Share Consideration Cash) may be subject to pro-ration and adjustment in accordance with the Arrangement Agreement***

If the total elections for Cash Consideration and/or for Share Consideration exceed the Maximum Cash Consideration or the Maximum Share Consideration, respectively, it is likely that Former Company Shareholders will not receive 100% of the Cash Consideration or the Share Consideration that they have elected or are deemed to have elected to receive. See “*The Arrangement – Exchange of Filo Securities – Pro-ration and Adjustment*”.

#### ***The number of Lundin Mining Shares to be received under an election to receive Lundin Mining Shares as Consideration is fixed and their market value will likely vary from the value of the Cash Consideration***

Former Company Shareholders will have the right to elect to receive, or may as a result of pro-ration or the deeming provisions under the Arrangement, receive a fixed number of Lundin Mining Shares. Because the Lundin Mining Shares to be received in respect of each Filo Share under the Arrangement will not be adjusted to reflect changes in the market price of the Lundin Mining Shares, the market value of the Lundin Mining Shares received under the Arrangement will likely vary from the value of the Cash Consideration that may be received under the Arrangement.



***The market price of the Filo Shares and Lundin Mining Shares may be materially adversely affected in certain circumstances***

If, for any reason, the Arrangement is not completed or its completion is materially delayed and/or the Arrangement Agreement is terminated, the market price of Filo Shares may be materially adversely affected and decline to the extent that the current market price of the Filo Shares reflects a market assumption that the Arrangement will be completed. Depending on the reasons for terminating the Arrangement Agreement, Filo's business, financial condition or results of operations could also be subject to various material adverse consequences, including as a result of paying the Termination Fee, as applicable in connection to the Arrangement.

***Rights of Shareholders after the Arrangement***

Following the completion of the Arrangement, Shareholders will no longer hold Filo Shares and will no longer have a direct interest in the Company, its assets, revenues or profits. Shareholders who do not receive Lundin Mining Shares as Consideration will no longer have any interest in the Company, its assets, revenues or profits. Shareholders will likewise forego any future increase in value that might result from future growth and the potential achievement of the Company's long-term plans. In the event that the value of the Company's assets or business, prior, at or after the Effective Date, exceeds the implied value of the Company under the Arrangement, the Shareholders will not be entitled to additional consideration for their Filo Shares.

***The disposition of Filo Shares under the Arrangement may be subject to Canadian or Swedish income tax and may be a taxable transaction under the laws of Canada and other jurisdictions***

The exchange of Filo Shares for the Consideration from the Purchaser Parties may be subject to Canadian income taxes and may be a taxable transaction under the laws of other jurisdictions. Shareholders are advised to consult their own tax advisors to determine the tax consequences of the Arrangement. See "*Certain Canadian Federal Income Tax Considerations*" and "*Certain Swedish Income Tax Considerations*".

***It may not be possible for Shareholders to effect service of process within Canada***

Certain of the directors and officers of Filo and Lundin Mining as well as certain experts referenced in this Circular and the documents incorporated by reference herein reside outside of Canada. Most or all of the assets of such persons may be located outside of Canada. Therefore, it may not be possible for Shareholders to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such persons. Moreover, it may not be possible for the Shareholders to effect service of process within Canada upon such persons.

***The Arrangement Agreement may be terminated in certain circumstances***

Each of the Purchaser Parties and Filo has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of closing, to terminate the Arrangement Agreement. Accordingly, there can be no certainty, nor can Filo provide any assurance, that the Arrangement will not be terminated by either of the Purchaser Parties or Filo prior to the completion of the Arrangement. In addition, if the Arrangement is not completed by the Outside Date, Filo or either of the Purchaser Parties may terminate the Arrangement Agreement. The Arrangement Agreement also contemplates the Termination Fee payable by Filo if the Arrangement Agreement is terminated in certain prescribed circumstances and a Reverse Termination Fee payable by the Purchaser Parties in a prescribed circumstance. Additionally, any termination will result in the failure to realize the expected benefits of the Arrangement in respect of the operations and business of Filo.

If the Arrangement Agreement is terminated, there is no assurance that the Board will be able to find a party willing to pay an equivalent or greater price than the Consideration to be paid pursuant to the terms of the Arrangement Agreement.

***The conditions set forth in the Contribution Agreement may not be satisfied or events may occur preventing the transactions contemplated by the Contribution Agreement from being consummated***

The Arrangement is subject to the consummation of the transactions contemplated by the Contribution Agreement by the Outside Date. There is a risk the conditions set forth in the Contribution Agreement may not be satisfied or that other events may arise which could prevent the Purchaser Parties from consummating the transactions contemplated by the Contribution Agreement. In the prescribed circumstances that the Arrangement cannot be completed due to the failure of the Purchaser Parties to consummate the transactions contemplated by the Contribution Agreement, the Purchaser Parties will, subject to limited exceptions, be obligated to pay the Reverse Termination Fee to the Company and the Shareholders will not receive the Consideration. See “*The Arrangement – Joint Venture and Josemaria Contribution Agreement*” and “*Appendix G - Information Concerning Lundin Mining – The Contribution Agreement*”.

***The completion of the Arrangement is uncertain and Filo will incur costs and may have to pay the Termination Fee even if the Arrangement is not completed***

If the Arrangement is not completed for any reason, there are risks that the announcement of the Arrangement and the dedication of Filo’s resources to the completion thereof could have a negative impact on Filo’s relationships with its stakeholders and could have a material adverse effect on the current and future operations, financial condition and prospects of Filo.

In addition, certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by Filo and the Purchaser Parties even if the Arrangement is not completed. Filo and the Purchaser Parties are each liable for their own costs incurred in connection with the Arrangement. If the Arrangement is not completed, Filo may be required to pay the Purchaser Parties the Termination Fee in certain circumstances. See “*The Arrangement Agreement – Termination of Arrangement Agreement*” in this Circular.

***The Arrangement may divert the attention of Filo’s Management***

The Arrangement could cause the attention of the Filo’s management to be diverted from the day-to-day operations of Filo. These disruptions could be exacerbated by a delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of Filo.

***The Termination Fee provided under the Arrangement Agreement may discourage other parties from attempting to acquire Filo***

Under the Arrangement Agreement, Filo would be required to pay a Termination Fee of \$135,000,000 payable as to 50% to BHP and 50% to Lundin Mining if the Arrangement Agreement is terminated in certain circumstances. This Termination Fee, although considered reasonable by the Company Special Committee and the Board, may discourage other parties from attempting to acquire Filo Shares or otherwise making an Acquisition Proposal to Filo, even if those parties would otherwise be willing to offer greater value to Shareholders than that offered by the Purchaser Parties under the Arrangement.

***Filo is restricted from taking certain actions while the Arrangement is pending***

Filo is also subject to customary non-solicitation provisions under the Arrangement Agreement, pursuant to which, Filo is restricted from soliciting, initiating or knowingly encouraging any Acquisition Proposal, among other things. The Arrangement Agreement also restricts Filo from taking specified actions until the Arrangement is completed without the consent of the Purchaser Parties. These restrictions may prevent Filo from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

***The Lundin Mining Shares issued in connection with the Arrangement may have a market value different than expected***

Each Former Company Shareholder will have the option to elect to receive the Share Consideration (together with the applicable Share Consideration Cash). Because the Share Consideration will not be adjusted to reflect any changes in the market value of Lundin Mining Shares, the market values of the Lundin Mining Shares and the Filo Shares at the Effective Time may vary significantly from the values at the date of this Circular, in response to various factors and events, including, without limitation, any differences between Lundin Mining's and Filo's actual financial or operating results and those expected by investors and analysts, changes in analysts' projections or recommendations, changes in general economic or market conditions and broad market fluctuations. As a result of such fluctuations, historical market prices are not indicative of future market prices or the market value of the Lundin Mining Shares that Shareholders are expected to receive on the Effective Date. If the market price of Lundin Mining Shares declines, the value of the Consideration received by Former Company Shareholders electing or deemed to elect to receive Lundin Mining Shares for Filo Shares will decline as well. Variations may occur as a result of changes in, or market perceptions of changes in, the business, operations or prospects of Lundin Mining, market assessments of the likelihood that the Arrangement will be consummated, regulatory considerations, general market and economic conditions, changes in the prices of metals and other factors, including those factors over which neither Filo nor Lundin Mining has control.

***Euroclear Holders will receive Cash Consideration and/or Share Consideration Cash in Swedish Krona (SEK) and are therefore subject to exchange rates risks***

Euroclear Holders will receive the Cash Consideration and/or Share Consideration Cash in Swedish Krona (SEK). The conversion from Canadian dollars to SEK will be made at the public market rate at the time of the settlement. The risk of any fluctuations in such rates, including risks relating to the particular date and time at which funds are converted, will be solely borne by the Euroclear Holders.

***Directors and officers of Filo have interests in the Arrangement that may be different from those of Shareholders generally***

In considering the recommendation of the Board with respect to the Arrangement, Shareholders should be aware that certain members of Filo's senior management and the Board have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement. See "*The Arrangement – Interests of Certain Persons in the Arrangement*" in this Circular. The Board retained its own independent financial advisor in respect of the Arrangement. In addition, the Board established the Company Special Committee to evaluate the Arrangement and advise the full Board on whether the Arrangement is in the best interests of Filo. The Company Special Committee and the Board each recommended in favour of the Arrangement. Nevertheless, Shareholders should consider these interests in connection with their vote on the Arrangement Resolution, including whether these interests may have influenced Filo's executive officers and directors to recommend or support the Arrangement.

The foregoing risks or other risks arising in connection with the failure of the Arrangement, including the diversion of management attention from conducting the business of Filo, may have a material adverse effect on Filo's business operations, financial condition, financial results and share price.

***The Purchaser Parties and Filo may be the targets of legal claims, securities class actions, derivative lawsuits and other claims***

The Purchaser Parties and Filo may be the target of securities class actions and derivative lawsuits which could result in substantial costs and may delay or prevent the Arrangement from being completed. Securities class action lawsuits and derivative lawsuits are often brought against companies that have entered into an agreement to acquire a public company or to be acquired. Third parties may also attempt to bring claims against the Purchaser Parties or Filo seeking to restrain the Arrangement or seeking monetary compensation or other redress. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management time and resources. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting consummation of the Arrangement, then that injunction may delay or prevent the Arrangement from being completed.

### **Forward-Looking Statements may prove to be inaccurate**

Shareholders are cautioned not to place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statement or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See “*Cautionary Note Regarding Forward-Looking Statements*”.

### **Risks relating to Filo**

If the Arrangement is not completed, Filo will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Such risk factors are set forth and described in the Filo AIF and other documents incorporated by reference herein.

## **INFORMATION CONCERNING FILO**

### **General**

Filo Corp. is a Canadian exploration company focused on advancing its key project, Filo del Sol located in the San Juan province of Argentina and Region III, Chile.

Filo’s head office is at 2800 - 1055 Dunsmuir Street Vancouver, BC V7X 1L2.

The Filo Shares trade under the symbol “FIL” on the TSX in Canada and under the symbol “FIL.ST” on First North in Sweden and quoted on the OTCQX in the United States under the symbol “FLMMF”.

### **Currency and Exchange Rate Information**

The following table sets forth (a) the indicative rate of exchange for the Canadian dollar and Swedish krona and for the Canadian dollar and United States dollar, respectively, in effect at the end of the periods indicated; and (b) the high and low exchange rates for the Canadian dollar and Swedish krona and the Canadian dollar and United States dollar during such periods, each based on the indicative rate of exchange as reported by the Bank of Canada for conversion of Canadian dollars into Swedish krona and of Canadian dollars into United States dollars, respectively.

	Six Months Ended June 30 C\$ to US\$		Year Ended December 31 C\$ to US\$		Six Months Ended June 30 C\$ to SEK		Year Ended December 31 C\$ to SEK	
	2024	2023	2023	2022	2024	2023	2023	2022
High	0.75	0.76	0.76	0.80	8.00	8.20	8.30	8.30
Low	0.72	0.72	0.72	0.72	7.54	7.53	7.53	7.13
Closing	0.73	0.76	0.76	0.74	7.75	8.15	7.59	7.69

The indicative exchange rates on August 23, 2024 as reported by the Bank of Canada for the conversion of Canadian dollar into Swedish krona was \$1.00 equals SEK 7.55. The indicative exchange rates on August 23, 2024 as reported by the Bank of Canada for the conversion of Canadian dollar into United States dollar was \$1.00 equals US\$0.7392.

Effective January 1, 2024, the functional currency of the Company was changed to United States dollars to better reflect changes in the composition of the Company’s contracts and monetary outlays being predominantly denominated in United States dollars. A corresponding change to the presentation currency used in preparing the financial statements of the Company was also made. In order to present the results of the Company in a currency consistent with that used in the Company’s condensed interim consolidated financial statements, this Circular includes unaudited consolidated statements of comprehensive loss and cash flows for the years ended December 31, 2023 and December 31, 2022 presented in United States dollars, as set forth in Appendix H.

The individual items in the unaudited consolidated statements of comprehensive loss and cash flows for the years ended December 31, 2023 and December 31, 2022 are translated into United States dollars using the average exchange rate for the period of US\$1.00 = C\$1.3494 and US\$1.00 = C\$1.3018, respectively.

The consolidated statements of financial position as at December 31, 2023 and January 1, 2023 presented in United States dollars to reflect the change in presentation currency are included in the Company's unaudited condensed interim consolidated financial statements for the interim period ended June 30, 2024 incorporated by reference in this Circular. There are no differences between the amounts presented in the January 1, 2023 consolidated statement of financial position and those applicable to the December 31, 2022 consolidated statement of financial position.

There were no changes to the measurement bases of the financial statement line items as a result of the change in presentation currency.

## **Recent Developments**

On May 13, 2024, the Company announced that notice was provided by NGEx and Lundin Mining to jointly buy-back two thirds of the existing 3% Net Smelter Royalty (“NSR”) attached to three mineral claims in San Juan Province, Argentina which cover NGEx's Lunahuasi and Lundin Mining's Cumbre Verde copper-gold-silver projects. In consideration for the joint repurchase, Filo received \$2 million cash consideration, and following the closing of the transaction, Filo retained a 1% NSR over the claims.

On July 29, 2024, Filo announced that it had entered into the Arrangement Agreement with Lundin Mining and BHP whereby the Purchaser Parties will acquire all of the outstanding Filo Shares not already owned by the Purchaser Parties and their respective affiliates pursuant to the Arrangement. Closing of the Arrangement is expected to occur in the first quarter of 2025 subject to the satisfaction of closing conditions. Concurrently with the completion of the Arrangement, JVCo will hold the Company Material Property and the Josemaria Project. Each of Lundin Mining and BHP will hold, directly or indirectly, a 50% interest in JVCo. The Arrangement, the Josemaria Transaction and the entering into of a definitive joint venture agreement with respect to JVCo are inter-conditional, whereby completion of each transaction is dependent on completion of each of the other transactions. See “*Information Concerning Lundin Mining Following Completion of the Arrangement*” for additional information concerning JVCo.

On August 7, 2024, the Company completed the Concurrent Private Placement. For further details see “*The Arrangement – Private Placement*” in this Circular. Pursuant to the Concurrent Private Placement, Filo issued 1,742,424 Filo Shares at a price of \$33.00 per share to each of Lundin Mining and BHP (or their affiliates).

On August 22, 2024, Filo entered into the Amending Agreement with BHP and Lundin Mining, to allow Former Company Shareholders receiving Share Consideration pursuant to the Arrangement to make a Section 85 Election. See “*Certain Canadian Federal Income Tax Consequences –Exchange of Filo Shares for Cash and Share Consideration –With Section 85 Election*”

## **Company Material Property**

The Company Material Property is Filo's sole material property. See the Filo AIF, which is incorporated into this Circular by reference, for a description of the Company Material Property, including a summary of the technical report prepared for the Company entitled “*Filo del Sol Project, NI 43-101 Technical Report, Updated Pre-feasibility Study, Argentina and Chile*” dated March 17, 2023 with an effective date of February 28, 2023.

## **Documents Incorporated by Reference**

Information regarding Filo has been incorporated by reference in this Circular from documents filed by Filo with securities commissions or similar authorities in Canada. Copies of the documents incorporated in this Circular by reference regarding Filo may be obtained on request without charge from Judy McCall, Filo's Corporate Secretary, by email: [j.mccall@filocorp.com](mailto:j.mccall@filocorp.com) or may be obtained under Filo's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

The following documents, filed with the securities regulatory authorities in Canada, are specifically incorporated by reference into, and form a part, of the Circular:

- (a) the unaudited condensed interim consolidated financial statements of Filo as at and for the three and six months ended June 30, 2024 and 2023, together with the notes thereto;
- (b) the management's discussion and analysis of financial condition and results of operations of Filo for the three and six months ended June 30, 2024;
- (c) the material change report of Filo dated August 8, 2024 with respect to, among other things, the Arrangement and the Concurrent Private Placement;
- (d) the management information circular of Filo dated May 8, 2024 in connection with the annual general meeting of Shareholders held on June 21, 2024.
- (e) the annual information form of Filo dated March 20, 2024 for the year ended December 31, 2023 (the "**Filo AIF**");
- (f) the audited consolidated financial statements of Filo as at and for the years ended December 31, 2023 and 2022, together with the notes thereto and the independent auditor's report thereon; and
- (g) the management's discussion and analysis of financial condition and results of operations of Filo for the years ended December 31, 2023 and 2022.

Any documents of the type described in Section 11.1 of Form 44-101F1 — *Short Form Prospectus* filed by Filo with any securities regulatory authorities in Canada subsequent to the date of this Circular and prior to the Effective Date will be deemed to be incorporated by reference in this Circular.

Any statement contained in a document incorporated or deemed to be incorporated by reference in this Circular will be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained in this Circular or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference in this Circular modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Circular.

Information contained in or otherwise accessed through Filo's website ([www.filocorp.com](http://www.filocorp.com)), or any other website, does not form part of this Circular. All such references to Filo's website are inactive textual references only.

### **Price Range and Trading Volume**

The Filo Shares are listed and posted for trading on the TSX in Canada under the symbol "FIL", are listed and posted for trading on First North in Sweden under the symbol "FIL.ST" and are quoted on the OTCQX in the United States under the symbol "FLMMF".

The following table shows the high and low trading prices and monthly trading volume of the Filo Shares on the TSX for the twelve-month period preceding the date of this Circular:

<b>Date</b>	<b>High</b>	<b>Low</b>	<b>Volume</b>
August 2023	\$24.93	\$20.33	3,584,716
September 2023	\$22.59	\$18.92	4,069,560

<b>Date</b>	<b>High</b>	<b>Low</b>	<b>Volume</b>
October 2023	\$21.07	\$17.66	3,828,452
November 2023	\$20.37	\$16.43	3,631,687
December 2023	\$23.04	\$19.87	3,278,548
January 2024	\$23.90	\$19.52	5,929,553
February 2024	\$22.41	\$19.40	2,871,602
March 2024	\$24.41	\$21.82	5,197,762
April 2024	\$25.55	\$23.22	5,657,239
May 2024	\$26.92	\$23.88	4,765,685
June 2024	\$25.85	\$22.70	4,359,183
July 2024	\$32.40	\$25.09	16,356,085
August 1 – 23, 2024	\$32.05	\$29.88	16,686,126

The closing price of the Filo Shares on the TSX on August 23, 2024 was \$31.93. The closing price of the Filo Shares on the TSX on July 29, 2024, the last trading day prior to the announcement of the Arrangement, was \$29.42.

The following table shows the high and low trading prices and monthly trading volume of the Filo Shares on First North for the twelve-month period preceding the date of this Circular:

<b>Date</b>	<b>High</b>	<b>Low</b>	<b>Volume</b>
August 2023	SEK199	SEK166	232,253
September 2023	SEK185	SEK154	246,351
October 2023	SEK168	SEK139	265,454
November 2023	SEK156	SEK130	366,851
December 2023	SEK174	SEK152	226,332
January 2024	SEK181	SEK152	224,836
February 2024	SEK172	SEK152	274,656
March 2024	SEK187	SEK166	259,230
April 2024	SEK207.5	SEK182	394,601
May 2024	SEK212.5	SEK190	326,529
June 2024	SEK199	SEK174.4	229,556
July 2024	SEK253.5	SEK191.6	619,892
August 1 – 23, 2024	SEK248.0	SEK208.5	838,067

The closing price of the Filo Shares on First North on August 23, 2024, was SEK240. The closing price of the Filo Shares on First North on July 29, 2024, the last trading day prior to the announcement of the Arrangement, was SEK226.50.

If the Arrangement is completed, all of the Filo Shares will be owned by JVCo, with Lundin Mining and BHP each directly or indirectly owning a 50% interest, directly or indirectly, in JVCo. It is expected that the Filo Shares will be

delisted from the TSX and First North as soon as practicable following the completion of the Arrangement (delisting from the TSX is anticipated to be effective one or two Business Days following the Effective Date).

### Material Changes in the Affairs of the Company

To the knowledge of the directors and Senior Officers of the Company and except as publicly disclosed or otherwise described in this Circular, there are no plans or proposals for material changes in the affairs of the Company.

### Previous Purchases and Sales

The following Filo Shares or other securities of the Company convertible into Filo Shares have been issued by the Company during the 12-month period preceding the date of this Circular:

Date of Issuance	Purpose of Issuance	Description of Securities Issued	Price per Security <sup>(1)</sup>	Number of Securities Issued
August 7, 2024	Concurrent Private Placement	Filo Shares	\$33.00	3,484,848
June 20, 2024	Stock Option Exercise	Filo Shares	\$2.75	110,000
June 20, 2024	Stock Option Exercise	Filo Shares	\$2.75	80,000
June 3, 2024	Stock Option Exercise	Filo Shares	\$21.11	2,000
June 3, 2024	Stock Option Exercise	Filo Shares	\$19.59	4,800
June 3, 2024	Stock Option Exercise	Filo Shares	\$1.91	12,666
May 23, 2024	Stock Option Exercise	Filo Shares	\$2.75	95,000
May 17, 2024	Stock Option Exercise	Filo Shares	\$8.95	4,666
May 17, 2024	Stock Option Exercise	Filo Shares	\$8.95	1,834
May 17, 2024	Stock Option Exercise	Filo Shares	\$8.95	8,000
May 17, 2024	Stock Option Exercise	Filo Shares	\$16.93	14,000
April 19, 2024	Stock Option Exercise	Filo Shares	\$2.75	110,000
April 3, 2024	Stock Option Exercise	Filo Shares	\$16.93	2,000
April 3, 2024	Stock Option Exercise	Filo Shares	\$8.95	6,000
April 3, 2024	Stock Option Exercise	Filo Shares	\$1.91	6,667
April 3, 2024	Stock Option Exercise	Filo Shares	\$2.75	10,000
January 2, 2024	Stock Option Grant	Filo Options	\$21.11	838,500
November 27, 2023	Stock Option Exercise	Filo Shares	\$8.95	23,000
November 23, 2023	Stock Option Exercise	Filo Shares	\$8.95	1,500
October 5, 2023	Stock Option Exercise	Filo Shares	\$8.95	4,666
September 21, 2023	Stock Option Exercise	Filo Shares	\$16.93	10,000
September 21, 2023	Stock Option Exercise	Filo Shares	\$12.90	5,200

Note:

(1) Denotes the exercise price per Filo Options granted.



## Previous Distributions

For the five years preceding the date of this Circular, Filo has completed the following distributions of Filo Shares and Filo Options:

<b>Date of Distribution</b>	<b>Purpose of Distribution</b>	<b>Description of Securities Distributed</b>	<b>Price per Security<sup>(1)</sup></b>	<b>Number of Securities Distributed</b>
August 7, 2024	Concurrent Private Placement	Filo Shares	\$33.00	3,484,848
June 20, 2024	Stock Option Exercise	Filo Shares	\$2.75	110,000
June 20, 2024	Stock Option Exercise	Filo Shares	\$2.75	80,000
June 3, 2024	Stock Option Exercise	Filo Shares	\$21.11	2,000
June 3, 2024	Stock Option Exercise	Filo Shares	\$19.59	4,800
June 3, 2024	Stock Option Exercise	Filo Shares	\$1.91	12,666
May 23, 2024	Stock Option Exercise	Filo Shares	\$2.75	95,000
May 17, 2024	Stock Option Exercise	Filo Shares	\$8.95	4,666
May 17, 2024	Stock Option Exercise	Filo Shares	\$8.95	1,834
May 17, 2024	Stock Option Exercise	Filo Shares	\$8.95	8,000
May 17, 2024	Stock Option Exercise	Filo Shares	\$16.93	14,000
April 19, 2024	Stock Option Exercise	Filo Shares	\$2.75	110,000
April 3, 2024	Stock Option Exercise	Filo Shares	\$16.93	2,000
April 3, 2024	Stock Option Exercise	Filo Shares	\$8.95	6,000
April 3, 2024	Stock Option Exercise	Filo Shares	\$1.91	6,667
April 3, 2024	Stock Option Exercise	Filo Shares	\$2.75	10,000
January 2, 2024	Stock Option Grant	Filo Options	\$21.11	838,500
November 27, 2023	Stock Option Exercise	Filo Shares	\$8.95	23,000
November 23, 2023	Stock Option Exercise	Filo Shares	\$8.95	1,500
October 5, 2023	Stock Option Exercise	Filo Shares	\$8.95	4,666
September 21, 2023	Stock Option Exercise	Filo Shares	\$16.93	10,000
August 23, 2023	Stock Option Exercise	Filo Shares	\$8.95	23,000
June 23, 2023	Stock Option Exercise	Filo Shares	\$2.20	10,000
June 23, 2023	Stock Option Exercise	Filo Shares	\$2.20	42,500
June 23, 2023	Stock Option Exercise	Filo Shares	\$2.20	10,000
June 22, 2023	Stock Option Exercise	Filo Shares	\$19.59	1,400
June 20, 2023	Stock Option Exercise	Filo Shares	\$8.95	4,667
June 20, 2023	Stock Option Exercise	Filo Shares	\$16.93	6,000
June 20, 2023	Stock Option Exercise	Filo Shares	\$19.59	1,400
June 20, 2023	Stock Option Exercise	Filo Shares	\$16.93	6,000

<b>Date of Distribution</b>	<b>Purpose of Distribution</b>	<b>Description of Securities Distributed</b>	<b>Price per Security<sup>(1)</sup></b>	<b>Number of Securities Distributed</b>
June 20, 2023	Stock Option Exercise	Filo Shares	\$2.20	225,000
June 20, 2023	Stock Option Exercise	Filo Shares	\$2.20	150,000
June 19, 2023	Stock Option Exercise	Filo Shares	\$2.20	15,000
June 19, 2023	Stock Option Exercise	Filo Shares	\$2.75	25,000
June 19, 2023	Stock Option Exercise	Filo Shares	\$1.91	12,000
June 15, 2023	Stock Option Exercise	Filo Shares	\$2.20	40,000
June 13, 2023	Stock Option Exercise	Filo Shares	\$21.10	6,161,138
June 7, 2023	Stock Option Exercise	Filo Shares	\$2.20	75,000
May 30, 2023	Stock Option Exercise	Filo Shares	\$2.20	10,000
May 25, 2023	Stock Option Exercise	Filo Shares	\$2.20	75,000
May 23, 2023	Stock Option Exercise	Filo Shares	\$8.95	17,500
May 12, 2023	Stock Option Exercise	Filo Shares	\$20.10	16,667
May 12, 2023	Stock Option Exercise	Filo Shares	\$16.93	10,000
May 12, 2023	Stock Option Exercise	Filo Shares	\$19.50	2,334
April 6, 2023	Stock Option Exercise	Filo Shares	\$2.20	27,500
April 6, 2023	Stock Option Exercise	Filo Shares	\$16.93	14,000
March 28, 2023	Stock Option Exercise	Filo Shares	\$2.20	150,000
March 22, 2023	Stock Option Grant	Filo Options	\$19.59	381,600
February 14, 2023	Stock Option Exercise	Filo Shares	\$2.20	425,000
February 7, 2023	Private Placement	Filo Shares	\$24.82	43,711
January 11, 2023	Stock Option Exercise	Filo Shares	\$8.95	2,166
January 5, 2023	Stock Option Exercise	Filo Shares	\$8.95	8,000
January 5, 2023	Stock Option Exercise	Filo Shares	\$1.91	4,000
December 15, 2022	Stock Option Exercise	Filo Shares	\$8.95	4,000
December 12, 2022	Stock Option Exercise	Filo Shares	\$16.93	1,000
November 28, 2022	Stock Option Exercise	Filo Shares	\$8.95	4,500
November 17, 2022	Stock Option Exercise	Filo Shares	\$1.91	25,000
November 16, 2022	Stock Option Exercise	Filo Shares	\$8.95	9,333
October 20, 2022	Stock Option Exercise	Filo Shares	\$1.91	75,000
October 13, 2022	Stock Option Exercise	Filo Shares	\$8.95	4,000
October 11, 2022	Stock Option Exercise	Filo Shares	\$8.95	4,667
October 7, 2022	Stock Option Exercise	Filo Shares	\$8.95	9,333
September 21, 2022	Stock Option Grant	Filo Options	\$15.42	80,000

<b>Date of Distribution</b>	<b>Purpose of Distribution</b>	<b>Description of Securities Distributed</b>	<b>Price per Security<sup>(1)</sup></b>	<b>Number of Securities Distributed</b>
September 12, 2022	Stock Option Exercise	Filo Shares	\$2.50	50,000
September 12, 2022	Stock Option Exercise	Filo Shares	\$2.75	16,666
September 12, 2022	Stock Option Exercise	Filo Shares	\$2.50	30,000
September 12, 2022	Stock Option Exercise	Filo Shares	\$2.50	50,000
September 12, 2022	Stock Option Exercise	Filo Shares	\$2.50	15,000
September 12, 2022	Stock Option Exercise	Filo Shares	\$2.50	5,000
September 12, 2022	Stock Option Exercise	Filo Shares	\$2.20	10,000
September 9, 2022	Stock Option Exercise	Filo Shares	\$2.50	25,000
September 9, 2022	Stock Option Exercise	Filo Shares	\$2.50	50,000
September 8, 2022	Stock Option Exercise	Filo Shares	\$2.50	25,000
September 8, 2022	Stock Option Exercise	Filo Shares	\$2.50	50,000
September 8, 2022	Stock Option Exercise	Filo Shares	\$2.50	100,000
September 1, 2022	Stock Option Grant	Filo Options	\$16.03	226,000
August 31, 2022	Stock Option Exercise	Filo Shares	\$2.50	50,000
August 30, 2022	Stock Option Exercise	Filo Shares	\$2.50	20,000
August 30, 2022	Stock Option Exercise	Filo Shares	\$2.50	50,000
August 29, 2022	Stock Option Exercise	Filo Shares	\$2.50	50,000
August 24, 2022	Stock Option Exercise	Filo Shares	\$2.75	25,000
August 24, 2022	Stock Option Exercise	Filo Shares	\$1.91	23,333
August 24, 2022	Stock Option Exercise	Filo Shares	\$8.95	16,000
August 18, 2022	Stock Option Exercise	Filo Shares	\$1.91	5,000
August 16, 2022	Stock Option Grant	Filo Options	\$16.63	974,000
July 29, 2022	Private Placement	Filo Shares	\$15.34	44,047
June 27, 2022	Stock Option Exercise	Filo Shares	\$2.75	16,666
June 22, 2022	Stock Option Exercise	Filo Shares	\$2.75	110,000
June 22, 2022	Stock Option Exercise	Filo Shares	\$2.20	110,000
June 22, 2022	Stock Option Exercise	Filo Shares	\$2.50	50,000
June 21, 2022	Stock Option Exercise	Filo Shares	\$2.50	425,000
June 27, 2022	Stock Option Grant	Filo Options	\$20.10	50,000
May 30, 2022	Stock Option Exercise	Filo Shares	\$1.91	12,667
May 30, 2022	Stock Option Exercise	Filo Shares	\$2.75	33,334
May 27, 2022	Stock Option Exercise	Filo Shares	\$8.95	8,000
May 27, 2022	Stock Option Exercise	Filo Shares	\$1.91	4,000

<b>Date of Distribution</b>	<b>Purpose of Distribution</b>	<b>Description of Securities Distributed</b>	<b>Price per Security<sup>(1)</sup></b>	<b>Number of Securities Distributed</b>
May 27, 2022	Stock Option Exercise	Filo Shares	\$2.75	16,666
March 30, 2022	Stock Option Exercise	Filo Shares	\$8.95	4,667
March 29, 2022	Stock Option Exercise	Filo Shares	\$2.75	3,334
March 29, 2022	Stock Option Exercise	Filo Shares	\$2.50	10,000
March 29, 2022	Stock Option Exercise	Filo Shares	\$8.95	4,667
March 27, 2021	Stock Option Grant	Filo Options	\$19.45	210,000
March 11, 2022	Private Placement	Filo Shares	\$15.95	6,270,000
January 19, 2022	Stock Option Exercise	Filo Shares	\$1.91	10,000
January 19, 2022	Stock Option Exercise	Filo Shares	\$8.95	9,333
January 19, 2022	Stock Option Exercise	Filo Shares	\$2.75	45,000
January 14, 2022	Stock Option Exercise	Filo Shares	\$2.50	15,000
January 6, 2022	Stock Option Exercise	Filo Shares	\$2.75	36,666
December 29, 2021	Stock Option Exercise	Filo Shares	\$2.50	10,000
December 14, 2021	Stock Option Exercise	Filo Shares	\$2.50	25,000
December 8, 2021	Stock Option Exercise	Filo Shares	\$2.20	10,000
December 8, 2021	Stock Option Exercise	Filo Shares	\$2.50	15,000
December 8, 2021	Stock Option Exercise	Filo Shares	\$2.75	10,000
December 3, 2021	Stock Option Exercise	Filo Shares	\$2.00	100,000
December 3, 2021	Stock Option Exercise	Filo Shares	\$2.00	35,000
December 3, 2021	Stock Option Exercise	Filo Shares	\$2.00	10,000
December 2, 2021	Stock Option Exercise	Filo Shares	\$2.00	20,000
December 2, 2021	Stock Option Exercise	Filo Shares	\$2.00	30,000
November 26, 2021	Stock Option Exercise	Filo Shares	\$2.50	5,000
November 22, 2021	Stock Option Exercise	Filo Shares	\$2.20	20,000
November 22, 2021	Stock Option Exercise	Filo Shares	\$2.00	100,000
November 17, 2021	Stock Option Grant	Filo Options	\$12.90	15,600
October 21, 2021	Stock Option Exercise	Filo Shares	\$2.75	25,000
October 14, 2021	Stock Option Exercise	Filo Shares	\$2.00	335,200
October 14, 2021	Stock Option Exercise	Filo Shares	\$2.00	200,000
October 14, 2021	Stock Option Exercise	Filo Shares	\$2.00	200,000
October 13, 2021	Stock Option Exercise	Filo Shares	\$2.75	36,666
October 13, 2021	Stock Option Exercise	Filo Shares	\$1.91	25,000
October 13, 2021	Stock Option Exercise	Filo Shares	\$8.95	15,333

<b>Date of Distribution</b>	<b>Purpose of Distribution</b>	<b>Description of Securities Distributed</b>	<b>Price per Security<sup>(1)</sup></b>	<b>Number of Securities Distributed</b>
October 12, 2021	Stock Option Exercise	Filo Shares	\$2.50	3,333
October 1, 2021	Stock Option Exercise	Filo Shares	\$2.20	11,100
September 27, 2021	Stock Option Exercise	Filo Shares	\$2.00	100,000
September 27, 2021	Stock Option Exercise	Filo Shares	\$2.50	50,000
September 27, 2021	Stock Option Exercise	Filo Shares	\$2.20	110,000
September 27, 2021	Stock Option Exercise	Filo Shares	\$2.75	73,334
September 27, 2021	Stock Option Exercise	Filo Shares	\$1.91	50,000
September 27, 2021	Stock Option Exercise	Filo Shares	\$8.95	7,667
September 16, 2021	Stock Option Exercise	Filo Shares	\$2.20	8,900
September 9, 2021	Stock Option Exercise	Filo Shares	\$1.91	5,000
September 3, 2021	Stock Option Exercise	Filo Shares	\$2.20	29,300
September 1, 2021	Stock Option Exercise	Filo Shares	\$1.91	16,934
August 27, 2021	Stock Option Exercise	Filo Shares	\$2.75	7,334
August 27, 2021	Stock Option Exercise	Filo Shares	\$1.91	33,066
August 24, 2021	Stock Option Exercise	Filo Shares	\$2.75	10,800
August 23, 2021	Stock Option Exercise	Filo Shares	\$2.75	55,200
August 18, 2021	Stock Option Grant	Filo Options	\$8.95	1,052,000
July 8, 2021	Stock Option Exercise	Filo Shares	\$2.20	5,700
July 6, 2021	Stock Option Exercise	Filo Shares	\$2.00	30,700
July 5, 2021	Stock Option Exercise	Filo Shares	\$2.00	8,600
July 2, 2021	Stock Option Exercise	Filo Shares	\$2.20	10,000
July 2, 2021	Stock Option Exercise	Filo Shares	\$2.75	6,666
July 2, 2021	Stock Option Exercise	Filo Shares	\$2.50	5,000
June 25, 2021	Stock Option Exercise	Filo Shares	\$2.00	10,700
June 25, 2021	Stock Option Exercise	Filo Shares	\$2.00	14,800
June 15, 2021	Stock Option Exercise	Filo Shares	\$1.91	3,333
June 15, 2021	Stock Option Exercise	Filo Shares	\$2.50	5,000
June 15, 2021	Stock Option Exercise	Filo Shares	\$2.20	10,000
June 9, 2021	Stock Option Exercise	Filo Shares	\$1.91	11,667
June 7, 2021	Stock Option Grant	Filo Options	\$11.00	15,000
June 3, 2021	Stock Option Exercise	Filo Shares	\$2.50	17,500
June 3, 2021	Stock Option Exercise	Filo Shares	\$2.00	35,000
June 2, 2021	Stock Option Exercise	Filo Shares	\$2.20	50,000

<b>Date of Distribution</b>	<b>Purpose of Distribution</b>	<b>Description of Securities Distributed</b>	<b>Price per Security<sup>(1)</sup></b>	<b>Number of Securities Distributed</b>
June 2, 2021	Stock Option Exercise	Filo Shares	\$1.91	11,667
June 2, 2021	Stock Option Exercise	Filo Shares	\$2.75	50,000
June 2, 2021	Stock Option Exercise	Filo Shares	\$2.50	50,000
May 20, 2021	Stock Option Exercise	Filo Shares	\$1.91	4,000
May 20, 2021	Stock Option Exercise	Filo Shares	\$2.75	33,334
May 19, 2021	Stock Option Exercise	Filo Shares	\$2.20	50,000
May 19, 2021	Stock Option Exercise	Filo Shares	\$2.00	20,000
May 17, 2021	Stock Option Exercise	Filo Shares	\$2.20	60,000
May 17, 2021	Stock Option Exercise	Filo Shares	\$2.20	55,000
May 17, 2021	Stock Option Exercise	Filo Shares	\$2.75	100,000
May 17, 2021	Stock Option Exercise	Filo Shares	\$1.91	28,333
May 17, 2021	Stock Option Exercise	Filo Shares	\$2.00	50,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.00	50,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.75	33,334
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.50	4,167
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.75	50,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$1.91	5,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.00	100,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$1.91	10,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.75	80,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.00	124,700
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.00	200,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.50	100,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.20	150,000
May 14, 2021	Stock Option Exercise	Filo Shares	\$2.75	33,334
April 7, 2021	Stock Option Exercise	Filo Shares	\$2.00	75,300
April 6, 2021	Stock Option Exercise	Filo Shares	\$2.50	25,000
April 6, 2021	Stock Option Exercise	Filo Shares	\$2.50	25,000
April 6, 2021	Stock Option Exercise	Filo Shares	\$1.91	12,667
April 6, 2021	Stock Option Exercise	Filo Shares	\$2.75	66,666
April 6, 2021	Stock Option Exercise	Filo Shares	\$2.20	85,000
April 6, 2021	Stock Option Exercise	Filo Shares	\$2.50	37,500
April 5, 2021	Stock Option Exercise	Filo Shares	\$2.50	6,800

<b>Date of Distribution</b>	<b>Purpose of Distribution</b>	<b>Description of Securities Distributed</b>	<b>Price per Security<sup>(1)</sup></b>	<b>Number of Securities Distributed</b>
April 5, 2021	Stock Option Exercise	Filo Shares	\$2.00	100,000
April 5, 2021	Stock Option Exercise	Filo Shares	\$2.20	110,000
April 5, 2021	Stock Option Exercise	Filo Shares	\$2.50	50,000
April 5, 2021	Stock Option Exercise	Filo Shares	\$2.75	36,667
April 1, 2021	Stock Option Exercise	Filo Shares	\$2.50	18,200
March 26, 2021	Stock Option Exercise	Filo Shares	\$2.20	24,500
March 25, 2021	Stock Option Exercise	Filo Shares	\$2.20	22,367
March 25, 2021	Stock Option Exercise	Filo Shares	\$2.20	65,500
March 24, 2021	Stock Option Exercise	Filo Shares	\$2.20	34,300
September 9, 2020	Stock Option Exercise	Filo Shares	\$1.82	3,097
August 17, 2020	Stock Option Grant	Filo Options	\$1.91	1,450,00
August 4, 2020	Stock Option Exercise	Filo Shares	\$2.20	2,323
August 4, 2020	Stock Option Exercise	Filo Shares	\$1.82	5,884
July 30, 2020	Public Offering	Filo Shares	\$1.85	6,325,000
July 30, 2020	Private Placement	Filo Shares	\$1.85	16,213,235
July 2, 2020	Debenture Shares	Filo Shares	\$2.20	2,780
October 11, 2019	Stock Option Grant	Filo Options	\$2.75	2,395,000
October 1, 2019	Debenture Shares	Filo Shares	\$2.20	9,000
October 1, 2019	Debenture Shares	Filo Shares	\$2.20	9,000
October 1, 2019	Debenture Shares	Filo Shares	\$2.85	7,200
September 26, 2019	Stock Option Exercise	Filo Shares	\$2.20	40,000
September 6, 2019	Debenture Shares	Filo Shares	\$2.20	30,000
September 6, 2019	Debenture Shares	Filo Shares	\$2.20	30,000
September 6, 2019	Debenture Shares	Filo Shares	\$2.85	23,681
August 30, 2019	Public Offering	Filo Shares	\$2.75	7,275,000
August 30, 2019	Private Placement	Filo Shares	\$2.75	7,272,727

Note:

(1) Indicates the exercise price per Filo Options granted.

### **Dividends or Capital Distributions**

Filo has not declared or paid any cash dividends or capital distributions on the Filo Shares in the past two years from the date of this Circular. For the immediate future, Filo does not envisage any earnings arising from which dividends could be paid. Any decision to pay dividends on Filo Shares in the future will be made by the Board on the basis of the earning, financial requirements and other conditions existing at such time.

Pursuant to the Arrangement Agreement, Filo has agreed that between the date of the Arrangement Agreement until the earlier of the Effective Date and the termination of the Arrangement Agreement in accordance with its terms, it

will not declare, set aside or pay any dividend or make any distribution or payment or return of capital in respect of any equity securities of Filo or its subsidiaries, except as permitted by the Arrangement Agreement. See “*The Arrangement Agreement*”.

## Expenses

The estimated fees, costs and expenses of the Company in connection with the Arrangement, including, without limitation, fees of the financial advisor, filing fees, legal and accounting fees and printing and mailing costs are not expected to exceed approximately \$10.8 million.

## Interests of Experts

The following persons and companies have prepared certain sections of this Circular and/or Appendices attached hereto as described below, or are named as having prepared or certified a report, statement or opinion in or incorporated by reference in this Circular.

Name of Expert	Nature of Relationship
BMO Nesbitt Burns Inc.	Financial advisor to Filo and provider of BMO Fairness Opinion
National Bank Financial Inc.	Financial advisor to Company Special Committee and provider of NBF Fairness Opinion
PricewaterhouseCoopers, LLP	Auditors of Filo
Blake, Cassels and Graydon LLP	Legal counsel to Filo

To the knowledge of Filo, neither BMO Capital Markets nor any of the designated professionals thereof held securities or other property of Filo (or any of its associates or affiliates) representing more than 1% of all issued and outstanding Filo Shares as at the date of the BMO Fairness Opinion, and none of the persons above is or is expected to be elected, appointed or employed as a director, officer or employee of Filo or of any associate or affiliate of Filo.

To the knowledge of Filo, neither NBF nor any of the designated professionals thereof held securities or other property of Filo (or any of its associates or affiliates) representing more than 1% of all issued and outstanding Filo Shares as at the date of the NBF Fairness Opinion, and none of the persons above is or is expected to be elected, appointed or employed as a director, officer or employee of Filo or of any associate or affiliate of Filo.

The Company’s independent auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have prepared an independent auditor’s report dated March 20, 2024 in respect of the Company’s consolidated financial statements as at December 31, 2023 and December 31, 2022 and for years then ended. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Corporation within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia. To the knowledge of Filo, the partners and associates of Blake, Cassels and Graydon LLP, as a group, own, directly or indirectly, in the aggregate less than 1% of all of the issued and outstanding Filo Shares as of the date of this Circular.

With respect to technical information relating to Filo contained in this Circular or in a document incorporated by reference herein, the following is a list of persons or companies named as having prepared or certified a statement, report or valuation and whose profession or business gives authority to the statement, report or valuation made by the person or company:

- Scott C. Elfen, Kevin Murray, Bruno Borotraeger, Fionnuala A.M. Devine, Neil M. Winkelmann, James N. Gray, Ryan P. Brown, Gordon R. Zurowski prepared the Filo Technical Report; and
- Robert Carmichael and James Beck of Filo are the Qualified Persons who reviewed, verified and approved all of Filo’s scientific and technical information in this Circular.



To Filo's knowledge, each of the foregoing firms or persons beneficially owns, directly or indirectly, less than 1% of the issued and outstanding Filo Shares or Lundin Mining Shares.

### **INFORMATION CONCERNING BHP**

BHP is a wholly-owned subsidiary of BHP Group Limited. BHP is incorporated under the *Business Corporations Act* (Ontario). Its registered office is located at 333 Bay Street, Suite 2400, Bay Adelaide Centre, Box 20, Toronto, Ontario, M5H 2T6.

BHP Group Limited is the ultimate parent company of the BHP Group. BHP Group Limited is incorporated under the *Corporations Act* (Australia) and has a primary listing on the Australian Securities Exchange (ASX). Its registered office is located at 171 Collins Street, Melbourne, Victoria 3000, Australia. The BHP Group is a global diversified mining company that is one of the world's leading producers of major commodities including iron ore, metallurgical coal and copper. The BHP Group is also developing one of the world's largest potash mines in Canada.

### **INFORMATION CONCERNING LUNDIN MINING**

Information regarding Lundin Mining including risk factors before and after the Arrangement is contained in Appendix G to this Circular. The information concerning Lundin Mining contained in this Circular has been provided by Lundin Mining for inclusion in this Circular. Although the Company has no knowledge that any statement contained herein taken from, or based on, such information and records or information provided by Lundin Mining is untrue or incomplete, the Company assumes no responsibility for the accuracy of the information contained in such documents, records or information or for any failure by Lundin Mining to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to the Company.

Lundin Mining is a diversified Canadian base metals mining company with operations and projects in Argentina, Brazil, Chile, Portugal, Sweden and the United States, primarily producing copper, zinc, gold and nickel. Lundin Mining's material mineral properties for the purposes of NI 43-101 as reported in the Lundin Mining AIF consist of:

- Candelaria Mine, the open pit and underground copper-gold mines and related infrastructure located in the Copiapó Province in the Atacama Region of Chile;
- Caserones Mine, the copper-molybdenum mine located in the Atacama Region of Chile;
- Chapada Mine, the copper-gold mine located in northern Goiás State, Brazil;
- Josemaria Project, the copper-gold project located in the San Juan Province of Argentina; and
- Neves-Corvo Mine, the copper and zinc mine located in the Alentejo district of southern Portugal.

In addition, Lundin Mining also owns 100% of:

- the Eagle nickel and copper mine located in the Upper Peninsula of Michigan, USA;
- the Zinkgruvan zinc and lead mine located approximately 250 km southwest of Stockholm in south-central Sweden; and
- the Saúva copper-gold mineralized system located within an exploration concession owned by Lundin Mining approximately 15 km north of the Chapada Mine, in the State of Goiás, Brazil.

In addition to ongoing exploration in and around its existing mines, Lundin Mining regularly considers additional mining, exploration or project opportunities through acquisition, earn-in and other partnership models.

Additional information with respect to the business and affairs of Lundin Mining required in connection with the issuance of the Share Consideration is set forth in Appendix G to this Circular.

### **INFORMATION CONCERNING LUNDIN MINING FOLLOWING COMPLETION OF THE ARRANGEMENT**

Except as otherwise set out below, the business of Lundin Mining following the Arrangement shall be that of Lundin Mining generally and as disclosed elsewhere in this Circular. On completion of the Arrangement, Lundin Mining will continue to be a corporation incorporated under and governed by the CBCA.

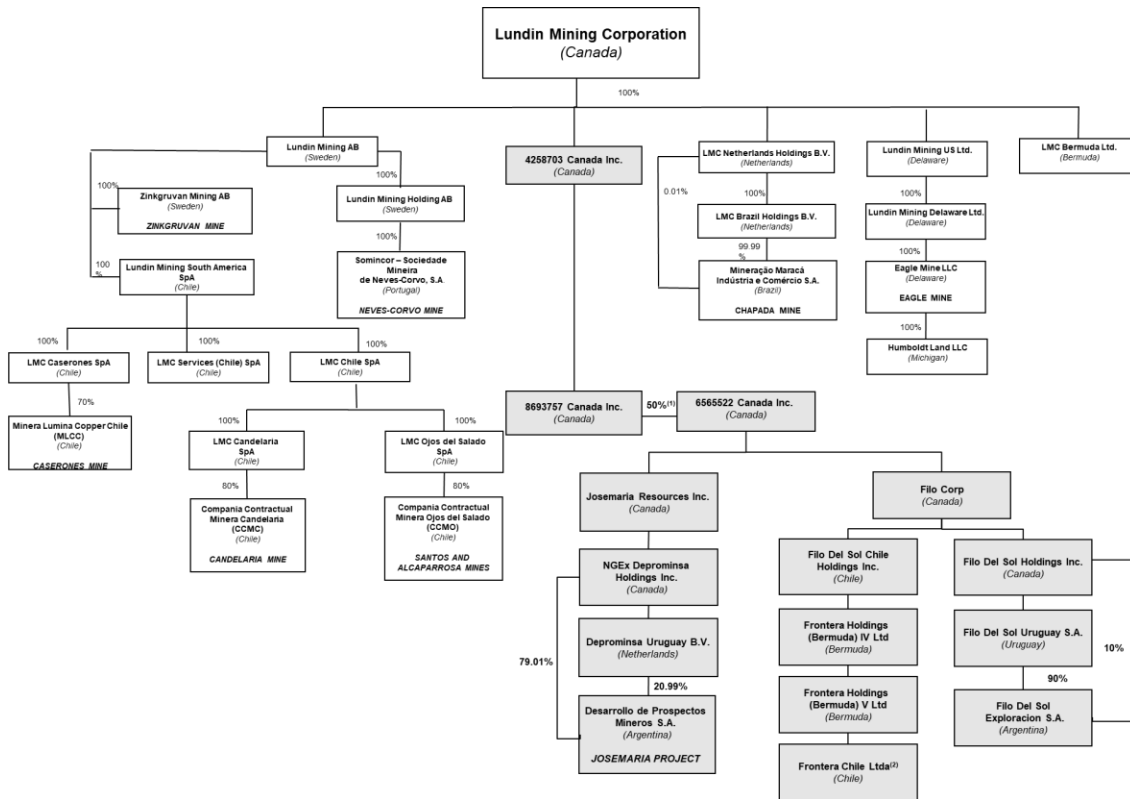
Following the Effective Date, Lundin Mining's material mineral properties for the purposes of NI 43-101 will be the Candelaria Mine, Caserones Mine, Chapada Mine and Neves-Corvo Mine. Further information regarding the Candelaria Mine, Caserones Mine, Chapada Mine and Neves-Corvo Mine can be found in the Lundin Mining AIF, which is incorporated by reference herein, and in Appendix G to this Circular.

Following the Effective Date, Lundin Mining will continue to own 100% of (a) the Eagle nickel and copper mine located in the Upper Peninsula of Michigan, USA; (b) the Zinkgruvan zinc and lead mine located approximately 250 km southwest of Stockholm in south-central Sweden and (c) the Saúva copper-gold mineralized system located within an exploration concession owned by Lundin Mining approximately 15 km north of the Chapada Mine, in the State of Goiás, Brazil.

In connection with the Arrangement, Lundin Mining, BHP and Filo entered into the Arrangement Agreement with respect to the acquisition of the Filo Shares. See "*The Arrangement Agreement*" for additional information concerning the Arrangement Agreement. In connection with the Josemaria Transaction, Lundin Mining and BHP have entered into the Contribution Agreement with respect to the Josemaria Project. See Appendix G to this Circular for additional information concerning the Contribution Agreement. Accordingly, following the Effective Date, Lundin Mining will indirectly hold a 50% interest in the Josemaria Project and a 50% interest in the Company Material Property (in each case, by virtue of Lundin Mining indirectly owning a 50% interest in JVCo).

Concurrently with completion of the Arrangement and the Josemaria Transaction, JVCo will hold the Company Material Property and the Josemaria Project. Each of Lundin Mining and BHP will hold, directly or indirectly, a 50% interest in JVCo. The Company Material Property and the Josemaria Project will each be developed by JVCo in accordance with sound mining principles consistent with international industry standards to deliver economic and social value. JVCo will be managed by an independent management team, with joint oversight by Lundin Mining and BHP, and the board of directors of JVCo (and its subcommittees) will be formed and comprised of representatives of Lundin Mining and BHP to leverage complementary skills. Lundin Mining and BHP have executed a term sheet which will form the basis for negotiation of the definitive joint venture agreement and each of Lundin Mining and BHP expect to enter into a definitive joint venture agreement with respect to JVCo by completion of the Arrangement and the Josemaria Transaction.

The following chart illustrates Lundin Mining's material subsidiaries, including their respective jurisdiction of incorporation and the percentage of votes attaching to all voting securities of each subsidiary that will be beneficially owned, controlled or directed, directly or indirectly, by Lundin Mining following completion of the Arrangement and the Josemaria Transaction:



**Notes:**

- (1) 50% interest in 6565522 Canada Inc. will be held directly or indirectly by BHP.
- (2) In connection with ownership, 0.01% is held by Pablo Mir, in trust. Mr. Mir is a current director of Frontera Chile Limitada
- (3) Unless otherwise indicated, ownership of 100%.

The authorized share capital of Lundin Mining following completion of the Arrangement and the Josemaria Transaction will continue to be the authorized capital of Lundin Mining as described in Appendix G and the rights and restrictions of the Lundin Mining Shares will remain unchanged. Immediately following completion of the Arrangement and the Josemaria Transaction, assuming approximately 95,789,989 Lundin Mining Shares<sup>1</sup> are issued as a result of the Arrangement, existing shareholders of Lundin Mining and Filo will own approximately 89% and 11% of Lundin Mining, respectively.

Following the Effective Date, the Lundin Mining Board will consist of current Lundin Mining directors and the senior officers of Lundin Mining will consist of current senior officers of Lundin Mining.

The auditors of Lundin Mining following the Effective Date will continue to be PricewaterhouseCoopers LLP, the current auditors of Lundin Mining. The transfer agent and registrar for the Lundin Mining Shares will continue to be Computershare at its principal offices in Toronto, Ontario.

**CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act of the Arrangement generally applicable to a Shareholder who, for purposes of the Tax Act and at all relevant times (i) holds Filo Shares and will hold any Lundin Mining Shares acquired pursuant to the Arrangement as capital property, and (ii) deals at arm’s length with, and is not affiliated with, the Company or Lundin Mining (a “Holder”). Filo Shares and Lundin Mining Shares generally will be considered capital property to a Holder for purposes of the Tax Act provided that the Holder does not use or hold (and will not use or hold) such shares in the course of carrying on a business of

<sup>1</sup> Assuming all Filo Option are exercised between the date of this Circular and the Effective Date, and no additional Filo Options are granted between the date of this Circular and the Effective Date.

trading or dealing in securities and the Holder has not acquired such shares in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the “**Regulations**”) in force as of the date of this Circular and our understanding of the administrative policies and assessing practices of the CRA published in writing and publicly available prior to the date of this Circular. This summary takes into account all specific proposals to amend the Tax Act and the Regulations that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Circular (the “**Proposed Amendments**”). It is assumed that the Proposed Amendments will be enacted as currently proposed and does not take into account or anticipate any other changes in law, whether by legislative, governmental, or judicial action or decision or change in the administrative policies or assessing practices of CRA, nor does it take into account other federal or any provincial, territorial or foreign income tax legislation or considerations, which may differ materially from the Canadian federal income tax considerations discussed below. No assurances can be given that the Proposed Amendments will be enacted as proposed or at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

In addition, this summary is not applicable to a Holder (i) that is a “financial institution” for the purposes of the market-to-market rules in the Tax Act, (ii) that is a “specified financial institution” (as defined in the Tax Act), (iii) that is a person or partnership an interest in which is, or whose Filo Shares or Lundin Mining Shares, if any, are, a “tax shelter investment” (as defined in the Tax Act), (iv) who has made an election pursuant to the functional currency reporting election rules in the Tax Act, (v) that is a “foreign affiliate” (as defined in the Tax Act) of a taxpayer resident in Canada, (vi) that has entered into a “synthetic disposition agreement”, a “synthetic equity arrangement”, or a “derivative forward agreement” (as those terms are defined in the Tax Act) with respect to Filo Shares or Lundin Mining Shares, (vii) that will receive dividends on any Lundin Mining Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act), (viii) that has acquired Filo Shares on the exercise of an employee stock option or the exercise of warrants, or (ix) that is otherwise a Holder of special status or in special circumstances. This summary is not applicable to persons holding Filo Options. All such Holders should consult their own tax advisors with respect to the consequences of the Arrangement.

Additional considerations, not discussed in this summary, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes, or does not deal at arm’s length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of Lundin Mining Shares, controlled by a non-resident person, or group of non-resident persons not dealing with each other at arm’s length, for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Any such Holder should consult its own tax advisor.

**THIS SUMMARY IS NOT EXHAUSTIVE OF ALL POSSIBLE CANADIAN FEDERAL INCOME TAX CONSIDERATIONS APPLICABLE TO THE ARRANGEMENT. THIS SUMMARY IS OF A GENERAL NATURE ONLY AND IS NOT, AND SHOULD NOT BE CONSTRUED AS, LEGAL OR TAX ADVICE TO ANY PARTICULAR PERSON (INCLUDING A HOLDER AS DEFINED ABOVE) AND NO REPRESENTATIONS CONCERNING THE TAX CONSEQUENCES TO ANY PARTICULAR HOLDER ARE MADE. THE TAX CONSEQUENCES OF THE ARRANGEMENT WILL VARY ACCORDING TO THE HOLDER’S PARTICULAR CIRCUMSTANCES. HOLDERS SHOULD CONSULT THEIR OWN INCOME TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES OF THE ARRANGEMENT APPLICABLE TO THEM BASED ON THEIR OWN PARTICULAR CIRCUMSTANCES, INCLUDING THE APPLICATION AND EFFECT OF THE INCOME AND OTHER TAX LAWS OF ANY COUNTRY, PROVINCE OR OTHER JURISDICTION THAT MAY BE APPLICABLE TO THE HOLDER. THIS SUMMARY DOES NOT ADDRESS ANY TAX CONSIDERATIONS APPLICABLE TO PERSONS OTHER THAN HOLDERS AND SUCH PERSONS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE CONSEQUENCES OF THE ARRANGEMENT UNDER THE TAX ACT AND ANY JURISDICTION IN WHICH THEY MAY BE SUBJECT TO TAX.**

### ***Currency***

Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Filo Shares or Lundin Mining Shares (including dividends, adjusted cost base and proceeds of disposition) must be expressed in Canadian dollars based on the exchange rates as determined in accordance with the Tax Act.

### ***Holders Resident in Canada***

The following portion of this summary is generally applicable to a Holder who, at all relevant times, is a resident of Canada or who is deemed to be a resident of Canada for purposes of the Tax Act (a “**Resident Holder**”). Certain Resident Holders who might not otherwise be considered to own Filo Shares or any Lundin Mining Shares as capital property may be entitled to have them and all other “Canadian securities”, as defined in the Tax Act, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Resident Holders contemplating making a subsection 39(4) election should consult their own tax advisors for advice as to whether the election is available or advisable in their particular circumstances.

### ***Exchange of Filo Shares for Cash Consideration Only***

Resident Holders who dispose of their Filo Shares solely in exchange for cash pursuant to the Arrangement will be considered to have disposed of the Filo Shares for proceeds of disposition equal to the amount of cash received. As a result, the Resident Holder will generally realize a capital gain (or capital loss) to the extent that such cash received, net of any reasonable costs of disposition, exceeds (or is less than) the adjusted cost base of the Filo Shares immediately before the exchange. See “*Holders Resident in Canada – Capital Gains and Capital Losses*” below for a general discussion of the treatment of capital gains and capital losses under the Tax Act.

### ***Exchange of Filo Shares for Cash and Share Consideration – No Section 85 Election***

A Resident Holder may elect to receive cash and Lundin Mining Shares in consideration for their Filo Shares or receive cash and Lundin Mining Shares as a result of pro-ration. Further, a Resident Holder who elects only Share Consideration will also receive the Share Consideration Cash. A Resident Holder who disposes of their Filo Shares in exchange for cash and Lundin Mining Shares pursuant to the Arrangement (other than an Eligible Holder who makes a Section 85 Election with Lundin Mining as discussed below under “*Holders Resident in Canada – Exchange of Filo Shares for Cash and Share Consideration – With Section 85 Election*”) will be considered to have disposed of the Filo Shares for proceeds of disposition equal to the amount of cash received and the aggregate fair market value of the Lundin Mining Shares received. As a result, the Resident Holder will generally realize a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Filo Shares immediately before the exchange. See “*Holders Resident in Canada – Capital Gains and Capital Losses*” below for a general discussion of the treatment of capital gains and capital losses under the Tax Act.

The cost to the Resident Holder of any Lundin Mining Shares acquired on such exchange will be equal to the fair market value of the Lundin Mining Shares at the time of the exchange. The Resident Holder’s adjusted cost base of the Lundin Mining Shares so acquired will be determined by averaging such cost with the adjusted cost base to the Resident Holder of all Lundin Mining Shares (if any) owned by the Resident Holder as capital property immediately prior to such exchange.

### ***Exchange of Filo Shares for Cash and Share Consideration – With Section 85 Election***

A Resident Holder who is an Eligible Holder and who receives cash and Share Consideration pursuant to the Arrangement may obtain a full or partial deferral in respect of the exchange of the Filo Shares by filing with the CRA (and, where applicable, with a provincial tax authority) a joint election made by the Eligible Holder and Lundin Mining under subsection 85(1) of the Tax Act (or, in the case of a partnership, under subsection 85(2) of the Tax Act, provided all members of the partnership jointly elect) and the corresponding provisions of any applicable provincial tax legislation (collectively, the “**Section 85 Election**”).

The availability and extent of the deferral will depend on the Elected Amount (as defined below) designated and the Resident Holder’s adjusted cost base of Filo Shares at the time of the exchange, and is subject to the Section 85 Election requirements being met under the Tax Act.

An Eligible Holder making a Section 85 Election will be required to designate an amount (the “**Elected Amount**”) in the Section 85 Election form that will be deemed to be the proceeds of disposition of the Eligible Holder’s Filo Shares at the time of exchange. In general, the Elected Amount may not be:

- less than the aggregate amount of the cash received by the Eligible Holder on the exchange;
- less than the lesser of (i) the Eligible Holder’s adjusted cost base of the Filo Shares immediately before the time of the exchange, and (ii) the fair market value of the Filo Shares, at the time of the exchange; or
- greater than the fair market value of the Filo Shares at the time of the exchange.

The Canadian federal income tax treatment to an Eligible Holder who properly makes a valid Section 85 Election generally will be as follows:

- the Eligible Holder will be deemed to have disposed of the Eligible Holder’s Filo Shares for proceeds of disposition equal to the Elected Amount;
- the Eligible Holder will not realize any capital gain or capital loss if the Elected Amount (subject to the limitations described above and set out in the Tax Act) equals the aggregate of the Eligible Holder’s adjusted cost base of Filo Shares at the time of the exchange and any reasonable costs of disposition;
- to the extent that the Elected Amount exceeds the aggregate of the adjusted cost base of the Filo Shares to the Eligible Holder and any reasonable costs of disposition, the Eligible Holder will in general realize a capital gain; and
- the aggregate cost to the Eligible Holder of Consideration Shares acquired as a result of the exchange will be equal to the amount, by which the Elected Amount exceeds the cash received, and such cost will be averaged with the adjusted cost base of all other Lundin Mining Shares, if any, held by the Eligible Holder immediately prior to the exchange as capital property for the purpose of determining thereafter the adjusted cost base of each Lundin Mining Share held by such Eligible Holder.

The tax consequences of a Section 85 Election may differ for Eligible Holders who elect to receive Cash Consideration for some of the Eligible Holder’s Filo Shares and Share Consideration for some of the Eligible Holder’s Filo Shares.

Lundin Mining has agreed to make a Section 85 Election with an Eligible Holder at the amount determined by such Eligible Holder, subject to the limitations set out in subsection 85(1) or subsection 85(2), as applicable, of the Tax Act (or any applicable provincial tax legislation).

Upon receipt of the Letter of Transmittal in which an Eligible Holder has indicated that such holder wishes to receive a tax instruction letter (“**Tax Instruction Letter**”), Lundin Mining will deliver a Tax Instruction Letter to such holder. The Tax Instruction Letter will provide general instructions on how to make the Section 85 Election with Lundin Mining in order to obtain a full or partial tax deferred rollover for Canadian income tax purposes in respect of the sale of the Eligible Holder’s Filo Shares to Lundin Mining.

An Eligible Holder may make a Section 85 Election by providing two signed copies of the necessary joint election forms to an appointed representative, as directed by Lundin Mining in the Tax Instruction Letter, within 60 days after the Effective Date, duly completed with the details of the number of Filo Shares transferred and the applicable agreed amounts for the purposes of such joint elections. Lundin Mining shall, within 60 days after receiving the completed joint election forms from an Eligible Holder, and subject to such joint election forms being correct and complete and in compliance with requirements imposed under the Tax Act (or applicable provincial income tax law), sign and return them to the Eligible Holder. Each Eligible Holder will be solely responsible for executing the Section 85 Election form and submitting it to the CRA (and, where applicable, to any provincial tax authority) within the required time.

Neither the Company, Lundin Mining nor any successor corporation shall be responsible for the proper completion of any joint election form nor, except for the obligation to sign and return duly completed joint election forms which

are received within 60 days of the Effective Date, for any taxes, interest or penalties resulting from the failure of an Eligible Holder to properly complete or file such joint election forms in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial legislation). In its sole discretion, Lundin Mining or any successor corporation may choose to sign and return a joint election form received by it more than 60 days following the Effective Date but will have no obligation to do so.

Eligible Holders wishing to make a Section 85 Election should consult their own tax advisors without delay and should provide the relevant information to Lundin Mining, as set out in the Tax Instruction Letter, as soon as possible. A Section 85 Election will be valid only if it meets all the applicable requirements under the Tax Act (and any applicable provincial tax legislation) and is filed on a timely basis. These requirements are complex, are not discussed in any detail in this summary, and meeting these requirements with respect to preparing and filing the Section 85 Election will be the sole responsibility of the Eligible Holder.

**Any Eligible Holder who does not ensure that information necessary to make a Section 85 Election has been received by Lundin Mining in accordance with the procedures set out in the Tax Instruction Letter within the time period noted above may not be able to benefit from the tax deferral provisions in subsections 85(1) or 85(2) of the Tax Act (or the corresponding provisions of any applicable provincial tax legislation). Accordingly, all Eligible Holders who wish to make a Section 85 Election with Lundin Mining should give their immediate attention to this matter.**

### ***Dividends on Lundin Mining Shares***

Dividends received or deemed to be received on Lundin Mining Shares by a Resident Holder who is an individual (including certain trusts) will be included in computing the individual's income for tax purposes and will be subject to the gross-up and dividend tax credit rules applicable to "taxable dividends" received from "taxable Canadian corporations" (each as defined in the Tax Act), including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by Lundin Mining as "eligible dividends" (as defined in the Tax Act) in accordance with the Tax Act. There may be limitations on the ability of Lundin Mining to designate dividends as "eligible dividends".

Dividends (including deemed dividends) received on Lundin Mining Shares by a Resident Holder that is a corporation will be included in computing the corporation's income for tax purposes and generally will be deductible in computing the corporation's taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to have been received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations are urged to consult their own tax advisors having regard to their particular circumstances.

A Resident Holder that is a "private corporation" or a "subject corporation", each as defined in the Tax Act, may be liable to pay tax under Part IV of the Tax Act (refundable in certain circumstances) on dividends received (or deemed to be received) on Lundin Mining Shares to the extent that such dividends are deductible in computing the Resident Holder's taxable income for the taxation year. A "subject corporation" is generally a corporation (other than a private corporation) resident in Canada and controlled directly or indirectly by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts).

### ***Dispositions of Lundin Mining Shares***

A Resident holder who disposes or is deemed to dispose of a Lundin Mining Share (other than to Lundin Mining unless purchased by Lundin Mining in the open market in the manner in which shares are normally purchased by a member of the public in the open market) generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Holder of the Lundin Mining Shares immediately before the disposition. See "*Holders Resident in Canada – Capital Gains and Capital Losses*" below for a general description of the treatment of capital gains and capital losses under the Tax Act.

## ***Capital Gains and Capital Losses***

Subject to the Tax Proposals originally released on June 10, 2024 and revised on August 12, 2024 (the “**Capital Gains Proposals**”), generally, one-half of any capital gain (a “**taxable capital gain**”), realized by a Resident Holder in a taxation year must be included in the Resident Holder’s income for that year and one-half of any capital loss (an “**allowable capital loss**”) realized by a Resident Holder in a taxation year must be deducted against taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains realized in a particular taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the Resident Holder in such years, to the extent and in the circumstances specified in the Tax Act.

The Capital Gains Proposals would increase a Resident Holder’s capital gains inclusion rate for a taxation year ending after June 24, 2024 from one-half to two-thirds, subject to a transitional rule applicable for a Resident Holder’s taxation year that includes June 24, 2024 that would reduce the capital gains inclusion rate for that taxation year to, in effect, be one-half for net capital gains realized before June 25, 2024. The Capital Gains Proposals also include provisions that would, generally, offset the increase in the capital gains inclusion rate for up to C\$250,000 of capital gains (less certain employment-related stock options and share benefits) realized by a Resident Holder who is an individual (other than a trust) in a year, calculated net of any capital losses incurred in the year (or the portion of the year ending after June 24, 2024 in the case of the 2024 taxation year), and which are not offset by net capital losses from other years which are deducted against taxable capital gains in the year. If the Capital Gains Proposals are enacted as proposed, capital losses realized prior to June 25, 2024 which are deductible against capital gains included in income for the taxation years ending on or after June 25, 2024 will offset an equivalent capital gain regardless of the inclusion rate which applied at the time such capital losses were realized.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition (or deemed disposition) of a Lundin Mining Share may be reduced by the amount of any dividends received (or deemed to be received) by the Resident Holder on such Lundin Mining Share (or a share substituted for such Lundin Mining Share) to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a Lundin Mining Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Holders to which these rules may be relevant should consult their own advisors.

## ***Minimum Tax***

Capital gains realized and dividends received or deemed to be received by individuals and certain trusts may give rise to minimum tax under section 127.5 of the Tax Act (“**Minimum Tax**”). Recent amendments to the Tax Act applicable to taxation years beginning after December 31, 2023 may affect the liability of a Resident Holder for Minimum Tax.

## ***Additional Refundable Tax***

A Resident Holder that is, throughout the relevant taxation year, a “Canadian controlled private corporation” (as defined in the Tax Act) or, at any time in a relevant taxation year, a “substantive CCPC” (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) on its “aggregate investment income”, which is defined in the Tax Act to include interest income, net taxable capital gains, and dividends (including deemed dividends) that are not deductible in computing the Resident Holder’s taxable income for the taxation year.

## ***Dissenting Resident Holders***

A Resident Holder who validly exercises Dissent Rights under the Arrangement is entitled to be paid the fair value of its Filo Shares by the Company will be deemed to have received a dividend equal to the amount, if any, by which the payment received for such Filo Shares (less the amount in respect of interest, if any, awarded by a court) exceeds the paid-up capital of such Filo Shares (as determined under the Tax Act). Dissenting Resident Holders should consult their own tax advisors with respect to the tax consequences of such deemed dividend.



A dissenting Resident Holder will also be considered to have disposed of such Resident Holder's Filo Shares for proceeds of disposition equal to the amount received by the Resident Holder (excluding the amount of any interest awarded by a court) less the amount of any deemed dividend as described above. The dissenting Resident Holder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Resident Holder's Filo Shares.

A capital gain or capital loss realized by a dissenting Resident Holder will be treated in the same manner as described above under the subheading "*Holders Resident in Canada – Capital Gains and Capital Losses*".

Interest awarded by a court to a dissenting Resident Holder will be included in the holder's income for purposes of the Tax Act. A dissenting Resident Holder that throughout the relevant taxation year is a CCPC or that at any time in the taxation year is a "substantive CCPC" may be liable to pay an additional tax on "aggregate investment income" as described above under "*Holders Resident in Canada – Additional Refundable Tax*".

Resident Holders should consult their own tax advisors with respect to the income tax consequences of exercising their Dissent Rights.

### ***Eligibility for Investment***

Subject to the provisions of any particular plan, based on the provisions of the Tax Act and Regulations in force as of the date hereof, the Lundin Mining Shares, if issued on the date hereof, would be at the time of acquisition "qualified investments" under the Tax Act for a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, first home savings account and tax-free savings account, as those terms are defined in the Tax Act (each a "**Registered Plan**") or a deferred profit sharing plan (as defined in the Tax Act), provided that at the time of acquisition the Lundin Mining Shares are listed on a "designated stock exchange" for the purposes of the Tax Act (which currently includes the TSX and Nasdaq Stockholm).

Notwithstanding that the Lundin Mining Shares may be qualified investments at a particular time, the holder, annuitant or subscriber, as applicable (the "**Controlling Individual**"), of a Registered Plan will be subject to a penalty tax in respect of a Lundin Mining Share held in the Registered Plan if the share is a "prohibited investment" under the Tax Act. A Lundin Mining Share generally will not be a prohibited investment for the Registered Plan provided that the Controlling Individual of the Registered Plan: (i) deals at arm's length with Lundin Mining for the purposes of the Tax Act and (ii) does not have a "significant interest", within the meaning of the Tax Act, in Lundin Mining. In addition, Lundin Mining Shares will not be a prohibited investment if such securities are "excluded property" as defined in the Tax Act, for the purposes of the prohibited investment rules, for a Registered Plan. **Shareholders should consult their own tax advisors to ensure that Lundin Mining Shares would not be a prohibited investment for a trust governed by a Registered Plan in their particular circumstances.**

**Persons who intend to hold Lundin Mining Shares in a Registered Plan or deferred profit sharing plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.**

### ***Holders Not Resident in Canada***

The following portion of this summary is applicable to a Holder who: (i) has not been, is not, and will not be resident or deemed to be resident in Canada for purposes of the Tax Act at any time while they have held or will hold Filo Shares or Lundin Mining Shares; and (ii) does not use or hold, will not use or hold and is not deemed to use or hold, Filo Shares or any Lundin Mining Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or an "authorized foreign bank" as defined in the Tax Act. All Non-Resident Holders should consult their own tax advisors.

### ***Disposition of Filo Shares and Subsequent Disposition of Lundin Mining Shares***

Non-Resident Holders who exchange their Filo Shares under the Arrangement will not be subject to tax under the Tax Act on any capital gain realized on the exchange unless such Filo Shares are, or are deemed to be, “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of exchange and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Similarly, any capital gain realized by a Non-Resident Holder on the disposition or deemed disposition of Lundin Mining Shares will not be subject to tax under the Tax Act unless such Lundin Mining Shares are, or are deemed to be, taxable Canadian property of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Generally, as long as a Filo Share or a Lundin Mining Share, as applicable, of the Non-Resident Holder is listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSX and Nasdaq Stockholm), such share will not constitute taxable Canadian property of the Non-Resident Holder at that time unless, at any time during the 60 month period immediately preceding the disposition or deemed disposition of the share the following two conditions are met concurrently:

- (a) the Non-Resident Holder, persons with whom the Non-Resident Holder does not deal at arm’s length, partnerships whose members include, either directly or indirectly through one or more partnerships, the Non-Resident Holder and/or persons with whom the Non-Resident Holder does not deal at arm’s length, or any combination of the foregoing, owned 25% or more of the issued shares of any class or series of shares of the capital stock of Filo or Lundin Mining, as applicable; and
- (b) the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real or immovable property situated in Canada, “Canadian resource property”, “timber resource property” (as those terms are defined in the Tax Act), or options in respect of, interests in, or, for civil law, rights in, any such property (whether or not such property exists).

Notwithstanding the foregoing, a Filo Share or Lundin Mining Share may also be deemed to be taxable Canadian property to a Non-Resident Holder in certain other circumstances under the Tax Act.

A Non-Resident Holder’s capital gain (or capital loss) in respect of a Filo Share or a Lundin Mining Share that constitutes or is deemed to constitute taxable Canadian property of a Non-Resident Holder (and is not “treaty-protected property” as defined in the Tax Act) generally will be computed in the manner described under the subheadings “*Holders Resident in Canada - Exchange of Filo Shares for Cash Consideration Only*”, “*Exchange of Filo Shares for Cash and Share Consideration – No Section 85 Election*”, “*Exchange of Filo Shares for Cash and Share Consideration – With Section 85 Election*”, “*Holders Resident in Canada - Dispositions of Lundin Mining Shares*” and “*Holders Resident in Canada - Capital Gains and Capital Losses*”.

**Non-Resident Holders who may hold shares as “taxable Canadian property” should consult their own tax advisors in this regard, including with respect to the potential Canadian income tax filing requirements of owning and disposing of such shares.**

A Non-Resident Holder that is an Eligible Holder and who receives Lundin Mining Shares pursuant to the Arrangement may make a Section 85 Election jointly with Lundin Mining to obtain a full or partial deferral for purposes of the Tax Act of the capital gain that would otherwise be realized on the exchange depending on the Elected Amount and the Eligible Holder’s adjusted cost base of the Filo Shares at the time of the exchange. The procedures for making a Section 85 Election and the effects of filing such an election under the Tax Act are as described above for a Resident Holder under the heading “*Holders Resident in Canada – Exchange of Filo Shares for Cash and Share Consideration – With Section 85 Election*”.

**Non-Resident Holders should consult their own advisors with respect to the availability and advisability of making a Section 85 Election.**

### **Dividends on Lundin Mining Shares**

Dividends paid or credited or deemed under the Tax Act to be paid or credited by Lundin Mining to a Non-Resident Holder on Lundin Mining Shares generally will be subject to Canadian withholding tax at the rate of 25% on the gross amount of such dividend, unless such rate is reduced by the terms of an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident and to which the Non-Resident Holder is entitled to the full benefits thereof. Under the *Canada-United States Tax Convention (1980)*, as amended (the “**Canada-US Tax Treaty**”), the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.S. for purposes of the Canada-US Tax Treaty, is fully entitled to benefits under the Canada-US Tax Treaty and is a beneficial owner of the dividend (a “**U.S. Holder**”) is generally limited to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a corporation that owns, directly or indirectly, at least 10% of the voting stock of Lundin Mining). The *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting* of which Canada is a signatory, affects many of Canada’s income tax treaties (but not the Canada-US Tax Treaty), including the ability to claim benefits thereunder. Non-Resident Holders should consult their own tax advisors to determine their entitlement to benefits under any applicable income tax treaty or convention based on their particular circumstances.

### **Dissenting Non-Resident Holders**

A Non-Resident Holder who validly exercises Dissent Rights under the Arrangement is entitled to be paid the fair value of its Filo Shares by the Company will be deemed to have received a dividend equal to the amount, if any, by which the payment received for such Filo Shares (less the amount in respect of interest, if any, awarded by a court) exceeds the paid-up capital of such shares (as determined under the Tax Act).

Dividends deemed to be paid or credited to a dissenting Non-Resident Holder by the Company will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless such rate is reduced by the terms of an applicable income tax treaty or convention. Under the Canada-US Tax Treaty, the rate of withholding tax on dividends paid or credited or deemed to be paid or credited to a U.S. Holder is generally reduced to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Company’s voting shares).

A dissenting Non-Resident Holder will also be considered to have disposed of such Non-Resident Holder’s Filo Shares for proceeds of disposition equal to the amount received by such Non-Resident Holder (excluding the amount of any interest awarded by a court) less the amount of any deemed dividend as described above. A Non-Resident Holder that is a dissenting Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on the disposition unless such Filo Shares are, or are deemed to be, “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention. The same general considerations apply as discussed above under the heading “*Holdings Not Resident in Canada – Disposition of Filo Shares and Subsequent Disposition of Lundin Mining Shares*” in determining whether a capital gain will be subject to tax under the Tax Act.

Any interest paid or credited to a dissenting Non-Resident Holder who deals at arm’s length with Filo, Lundin Mining and BHP for purposes of the Tax Act should not be subject to withholding tax under the Tax Act.

**Non-Resident Holders should consult their own tax advisors with respect to the tax implications of exercising their Dissent Rights.**

### **CERTAIN SWEDISH INCOME TAX CONSIDERATIONS**

*Below is a summary of certain Swedish tax consequences that may arise for individual Shareholders and limited liability company (Sw. aktiebolag) Shareholders in relation to the proposed Arrangement. The summary is based on current legislation and is intended only as general information for individuals and limited liability companies subject to unlimited tax liability in Sweden, unless otherwise stated. The analysis is not exhaustive and does not, for example, cover shares held as trading assets for tax purposes or held by a partnership. Moreover, it does not cover situations where shares are classified as business-related under the Swedish participation exemption regime or relates to a*

shell company (Sw. *skalbolag*) as defined in tax legislation. Nor does it cover the special rules that may apply to holding companies that are or have been closely-held companies (Sw. *fåmansföretag*) or securities acquired on the basis of qualified shares in closely-held companies. Moreover, the summary does not cover shares held in an investment savings account (Sw. *investeringssparkonto*) or endowment insurance (Sw. *kapitalförsäkring*), nor does it cover situations where shares are held by investment companies as defined in the tax legislation, insurance companies or investment funds (Sw. *värdepappersfonder och specialfonder*). The summary does not cover matters related to the credit or deduction of foreign taxes. The summary is not applicable to persons holding Filo Options.

Overall, the summary is not intended to be, and should not be construed to be legal or tax advice to any particular Shareholder. Accordingly, it is recommended that holders of Filo Shares consult their own tax advisor for more detailed advice on the tax implications to them of the Arrangement based on their specific facts and circumstances, including the applicability and effect of foreign rules and tax treaties.

**Filo Shareholders should note that the tax legislation of the holder's residence state and of the Filo's country of incorporation may have an impact on the income received from the Filo Shares.**

### **Individuals**

For individuals tax resident in Sweden, any profit from the disposal of Filo Shares will be taxed as capital income at a tax rate of 30%.<sup>2</sup> The capital gain or loss should be reported in the tax return for the income year the shares are regarded as disposed of for Swedish tax purposes, which generally is the date when the parties are bound by an "agreement" to transfer the shares.

**Shareholders should consult their own tax advisors in respect to the income tax consequences to them of the Arrangement including the time of disposal.**

The Swedish rules on tax-free rollovers for a share for share exchange will not apply, and the above will therefore also apply with respect to the disposal of Filo Shares in exchange for Lundin Mining Shares and Share Consideration Cash.<sup>3</sup> **Swedish Shareholders must therefore take this into consideration when determining which Consideration to choose in the Arrangement.**

The capital gain or capital loss is calculated based on the difference between the Consideration received and the Shareholder's acquisition cost of the sold Filo Share. For Shareholders only receiving Cash Consideration, the capital gain is calculated as the difference of the cash received less the Shareholder's acquisition cost of the sold Filo Share. With respect to Share Consideration, the consideration for these purposes should be calculated based on the market value of the Lundin Mining Shares received at the time of the "agreement" of disposal of the Filo Shares. The acquisition costs consist of the cost of acquiring the Filo Shares including transaction costs relating to the acquisition.

The average method is used when calculating the capital gains. Under this method, the acquisition cost per Filo Share comprises the average acquisition cost of all shares of the same class and type. The acquisition cost of shares may also be calculated under the so-called standard method, provided that the shares are admitted to trading at a regulated market (such as Nasdaq Stockholm or First North) at the time of the disposal. The acquisition cost under the standard method would be 20% of the received Consideration from the sale of the share less transaction costs relating to the disposal.

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<sup>2</sup> An individual is tax resident in Sweden if he is domiciled or has his habitual abode in Sweden. An individual that has been a resident in Sweden and has essential connection with Sweden may also be considered tax resident in Sweden.

<sup>3</sup> The share for share exchange will only be considered a tax-free rollover if, among other conditions, the acquiring company holds 50 % of the voting rights in the acquired company by the end of the calendar year in which the share for share exchange is carried out. If there are *specific reasons*, it is sufficient that the voting condition is fulfilled at any time between the share for share exchange and the end of the calendar year. The Swedish rules are mandatory if all requirements are fulfilled. The requirement will not be fulfilled in this case as Lundin Mining will not hold 50% of the Voting Rights in Filo by the end of the calendar year in which the share for share exchange is carried out. It has been deemed unlikely that *specific reasons* exist in this case. Thus, the Swedish rules on tax-free rollover are unlikely to be applicable regarding the disposal of Filo Shares against Share Consideration.

A capital loss on listed shares or other listed securities can be fully deducted against capital gains the same year on listed shares or other securities, except for shares in investment funds that only contain Swedish receivables (fixed income investment funds). Capital losses not absorbed by these set-off rules are deductible at 70% against other forms of capital income. To the extent a capital loss cannot be offset against capital gains, a tax reduction is allowed against municipal and state income tax. A tax reduction is allowed at a rate of 30% of the portion of the capital loss that does not exceed SEK 100,000 and 21% of the remaining portion. Any excess net loss cannot be carried forward to future tax years.

### ***Individuals not tax resident in Sweden***

Individuals who have who are not tax resident in Sweden are generally not taxed in Sweden for capital gains on disposal of shares; they may however be subject to taxation in their country of residence. Under a special rule, an individual not tax resident in Sweden may however be subject to Swedish taxation upon the sale of certain securities (such as the Filo Shares) if the individual at any time during the year of the sale or any of the previous ten years has been domiciled or has had his habitual abode in Sweden. The Filo Share must have been acquired while the Shareholder was domiciled or had his habitual abode in Sweden for this rule to be applicable. The applicability of this rule may be limited under a double tax treaty.

### ***Limited Liability Companies***

Limited liability companies tax resident in Sweden<sup>4</sup> are subject to 20.6% corporate tax on any profit from the disposal of shares in Filo, provided that the shareholding does not qualify as business-related under the Swedish participation exemption regime.

A capital gain is taxable the income year that the Filo Shares are regarded as disposed of for Swedish tax purposes and calculated in accordance with the rules for natural persons described above. However, please note that the standard method is not available for limited liability companies.

### **Shareholders should consult their own tax advisors in respect to the income tax consequences to them of the Arrangement including the time of disposal.**

The Swedish rules on tax-free rollovers for a share for share exchange will not apply, and the above will therefore apply also with respect to the disposal of Filo Shares in exchange for Lundin Mining Shares and Share Consideration Cash.<sup>5</sup> **Swedish Shareholders must therefore take this into consideration when determining which Consideration to choose in the Arrangement.**

Any capital losses may only be deducted against taxable capital gains on such shares and other securities that are taxed as shares. Any capital losses that cannot be utilised during the income year may be carried forward and set-off against taxable capital gains on shares and other securities that are taxed as shares during the subsequent fiscal years without any limitation in time.

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<sup>4</sup> Limited liability companies tax resident in Sweden includes Swedish limited liability company incorporated in Sweden and limited liability companies that due to its registered office or such circumstance is deemed to constitute a Swedish legal tax resident entity.

<sup>5</sup> The share for share exchange will only be considered a tax-free rollover if, among other conditions, the acquiring company holds 50 % of the voting rights in the acquired company by the end of the calendar year in which the share for share exchange is carried out. If there are *specific reasons*, it is sufficient that the voting condition is fulfilled at any time between the share for share exchange and the end of the calendar year. The Swedish rules are voluntary for limited liability companies if all requirements are fulfilled. The requirement will not be fulfilled in this case as Lundin Mining will not hold 50% of the Voting Rights in Filo by the end of the calendar year in which the share for share exchange is carried out. It has been deemed unlikely that *specific reasons* exist in this case. Thus, the Swedish rules on tax-free rollover are unlikely to be applicable regarding the disposal of Filo Shares against Share Consideration.

## **Taxation of Dividends on and Capital Gains and Capital Losses upon Divestment**

### *Natural Persons*

Dividends to natural persons on publicly listed shares are taxed as capital income at a 30% tax rate.

Divestments of publicly listed shares may trigger a capital gain or capital loss. Capital gains are subject to Swedish income tax at a 30% tax rate. The capital gain or capital loss is calculated as the difference between the sales price, after deduction of expenses relating to the divestment, and the acquisition cost. The acquisition cost for shares of the same class and type is calculated by applying the average method. By divestment of publicly listed shares, the standard method could be applied to calculate the acquisition cost, whereby the acquisition cost would be 20% of the received consideration from the sale of the share less transaction costs relating to the disposal. Capital losses on publicly listed shares are generally tax deductible against taxable capital gains.

### *Limited Liability Companies*

For limited liability companies, all income, including taxable capital gains and dividends, is generally taxed as business income at the standard corporate tax rate of 20.6%. Capital gains and capital losses are calculated in accordance with the same principles as described above for natural persons. Capital losses on shares may only be deducted against taxable capital gains on shares and similar instruments. If dividends are taxable, it is generally possible to credit and/or deduct foreign withholding taxes on the dividends, that have not been possible to eliminate by invoking an applicable tax treaty, against the Swedish taxes.

If the received Lundin Mining Shares qualify as business-related under the participation exemption, the rules above are not relevant. For a shareholding in a listed company to qualify as business-related. In general, it must *inter alia* represent voting rights of at least 10% of the total voting rights in the company and a holding period be respected. Dividends and capital gains on business-related shares are tax exempt and capital losses non-deductible.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed under “*The Arrangement – Interests of Certain Persons in the Arrangement*” and “*Information Concerning Filo*” in this Circular, no informed person of the Company (e.g. directors and executive officers of the Company and Persons beneficially owning or controlling or directing voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company), or any associate or affiliate of any informed person, has had any material interest in any transaction, or proposed Arrangement, which has materially affected or would materially affect the Company or any of its subsidiaries since the commencement of the most recently completed financial year of the Company.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website at [www.filocorp.com](http://www.filocorp.com). Financial information is provided in the Company's audited consolidated financial statements and MD&A for its most recently completed financial year which are filed on SEDAR+. In addition, copies of the Company's annual financial statements and MD&A and this Circular may be obtained upon request to the Company at 2800 - 1055 Dunsmuir Street, Vancouver, BC V7X 1L2, or by email at [j.mccall@filocorp.com](mailto:j.mccall@filocorp.com).

**APPROVAL OF THE BOARD OF DIRECTORS**

The contents and the sending of the Notice of Meeting and this Circular have been approved by the Board.

DATED this 26th day of August, 2024

BY ORDER OF THE BOARD OF DIRECTORS

*/s/ "James A. Beck"*

James A. Beck  
President, Chief Executive Officer and Director

**APPENDIX A  
ARRANGEMENT RESOLUTION**

The text of the Arrangement Resolution which the Shareholders will be asked to pass at the Meeting is as follows:

**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

- A. The arrangement (as it may be modified or amended, the “**Arrangement**”) under Section 192 of the *Canada Business Corporations Act* involving Filo Corp. (the “**Company**”), its shareholders, Lundin Mining Corporation (“**Lundin Mining**”) and BHP Investments Canada Inc. (“**BHP**”), all as more particularly described and set forth in the plan of arrangement (as it may be modified or amended, the “**Plan of Arrangement**”) attached as Appendix A to the Management Information Circular of the Company dated August 26, 2024, and all transactions contemplated thereby, are hereby authorized, approved and adopted.
- B. The Arrangement Agreement dated July 29, 2024 among the Company, Lundin Mining and BHP, as it may be amended, modified or supplemented from time to time (the “**Arrangement Agreement**”), and the transactions contemplated therein, the actions of the directors of the Company in approving the Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and causing the performance by the Company of its obligations thereunder are hereby confirmed, ratified, authorized and approved.
- C. The Company is hereby authorized to apply for a final order from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement.
- D. Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by shareholders of the Company or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered without further notice to or approval of any shareholders of the Company (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or Plan of Arrangement and (ii) not to proceed with the Arrangement at any time prior to the Effective Time (as defined in the Arrangement Agreement).
- E. Any director or officer of the Company is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person’s opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.



**APPENDIX B  
PLAN OF ARRANGEMENT**

See attached.

**SCHEDULE A  
TO THE ARRANGEMENT AGREEMENT**

**PLAN OF ARRANGEMENT**

**UNDER SECTION 192 OF THE  
CANADA BUSINESS CORPORATIONS ACT**

**ARTICLE ONE  
DEFINITIONS AND INTERPRETATION**

Section 1.01 *Definitions*

In this Plan of Arrangement, unless the context otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the meanings ascribed to them below:

- (a) “**affiliate**” has the meaning ascribed thereto under the Securities Act;
- (b) “**Arrangement**” means the arrangement of the Company under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of BHP, Lundin Mining and the Company, each acting reasonably;
- (c) “**Arrangement Agreement**” means the arrangement agreement dated as of July 29, 2024 among the Purchaser Parties and the Company, together with the disclosure letter delivered by the Company in connection with the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;
- (d) “**Arrangement Resolution**” means the special resolution of the Company Shareholders approving the Arrangement to be considered at the Company Meeting;
- (e) “**Business Day**” means any day, other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, Vancouver, British Columbia, London, United Kingdom, New York, United States, Stockholm, Sweden and Melbourne, Australia on which commercial banks in Toronto, Vancouver, London, New York and Melbourne are open for business;
- (f) “**BHP**” means BHP Investments Canada Inc., a corporation organized under the laws of the Province of Ontario;
- (g) “**BHP Filo Note**” means the Canadian dollar-denominated demand, non-interest bearing promissory note issued by Lundin Mining in favour of BHP, representing the Maximum BHP Cash payable to Former Company Shareholders under the Arrangement Agreement.
- (h) “**BHP Internal Reorganization**” means an internal reorganization whereby: (i) BHP Shareholder transfers its Company Shares to BHP in exchange for additional shares of BHP Shareholder having a value and stated capital equal to the value of the Company Shares transferred; and (ii) BHP Shareholder contributes cash to BHP in the Canadian dollar equivalent of the principal amount of the BHP Notes, as a contribution of capital to BHP

which shall be immediately added to the stated capital maintained for the issued shares of BHP held by BHP Shareholder;

- (i) “**BHP Josemaria Note**” means the U.S. dollar-denominated demand, non-interest bearing promissory note issued by Lundin Mining in favour of BHP, representing BHP’s investment in JVCo pursuant to Section 2.3 of the Contribution Agreement;
- (j) “**BHP Notes**” means the BHP Josemaria Note and the BHP Filo Note;
- (k) “**BHP Shareholder**” means BHP Western Mining Resources International Pty Ltd, a corporation organized under the laws of Australia;
- (l) “**BHP Shareholder Investor Rights**” means the rights and obligations of BHP Shareholder under Article 5 and Article 7 of the subscription agreement dated as of February 28, 2022 between BHP Shareholder and the Company;
- (m) “**Cash Consideration**” means \$33.00 per Company Share, without interest;
- (n) “**CBCA**” means the *Canada Business Corporations Act*;
- (o) “**Certificate of Arrangement**” means the certificate of arrangement to be issued by the Director pursuant to Section 192(7) of the CBCA in respect of the Articles of Arrangement;
- (p) “**Company**” means Filo Corp., a corporation organized under the federal laws of Canada;
- (q) “**Company Meeting**” means the special meeting of the Company Shareholders, including any adjournment or postponement thereof, to be held in accordance with the Interim Order for the purposes of considering, and if thought fit, approving the Arrangement Resolution;
- (r) “**Company Option Plan**” means the amended share option plan of the Company, which was last approved by the Company Board on May 6, 2022 and by the Company Shareholders on June 23, 2022;
- (s) “**Company Optionholder**” means a holder of one or more Company Options;
- (t) “**Company Options**” means options to acquire Company Shares granted pursuant to or otherwise subject to the Company Option Plan;
- (u) “**Company Shareholder**” means a holder of one or more Company Shares;
- (v) “**Company Shares**” means the common shares in the capital of the Company;
- (w) “**Contribution Agreement**” means the contribution agreement between Lundin Mining and BHP dated July 29, 2024 as the same may be amended, modified or replaced from time to time in accordance with the terms thereof and of the Agreement;
- (x) “**Court**” means the Ontario Superior Court of Justice (Commercial List), or other court as applicable;
- (y) “**Depository**” means Computershare Investor Services Inc. or any other trust company, bank or other financial institution agreed to in writing by each of the Parties;

- (z) **“Dissent Rights”** shall have the meaning ascribed to such term in Section 4.01;
- (aa) **“Dissenting Company Shareholder”** means a registered Company Shareholder as of the record date of the Company Meeting that duly and validly exercises Dissent Rights in respect of all Company Shares held and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;
- (bb) **“Effective Date”** means the date shown on the Certificate of Arrangement giving effect to the Arrangement;
- (cc) **“Effective Time”** means 12:01 a.m. (Vancouver, British Columbia time) on the Effective Date, or such other time as the Parties may agree in writing before the Effective Date;
- (dd) **“Election Deadline”** means 5:00 p.m. (Toronto, Ontario time) at the place of deposit on the date indicated as the election deadline in the Letter of Transmittal, which date shall be (i) agreed by the Parties, each acting reasonably, (ii) announced by the Company by means of a news release at least three (3) Business Days before such date; and (iii) not more than five (5) Business Days before the Effective Date;
- (ee) **“Eligible Holder”** means a beneficial owner of Company Shares immediately prior to the Effective Time (other than a Company Dissenting Shareholder) who is: (a) a resident of Canada for purposes of the Tax Act and any applicable income tax treaty (other than a Tax Exempt Person), (b) an Eligible Non-Resident, or (c) a partnership any member of which is described in (a) or (b);
- (ff) **“Eligible Non-Resident”** means a beneficial owner of Company Shares immediately prior to the Effective Time (other than a Company Dissenting Shareholder) who is not, and is not deemed to be, a resident of Canada for the purposes of the Tax Act and any applicable income tax treaty and whose Company Shares constitute “taxable Canadian property” (as defined in the Tax Act) and are not “treaty-protected property” (as defined in the Tax Act);
- (gg) **“Final Order”** means the order of the Court approving the Arrangement under Section 192 of the CBCA, in form and substance acceptable to each of the Parties, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of each of the Parties, each acting reasonably) at any time prior to the Effective Date;
- (hh) **“Former Company Shareholders”** means the Company Shareholders immediately prior to the Effective Time and, to the extent they receive Company Shares pursuant to Section 3.02(e), Former Company Optionholders;
- (ii) **“Former Company Optionholders”** means the holders of Company Options immediately prior to the Effective Time;
- (jj) **“Governmental Authority”** means (a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government or governmental body and any division, agent, official, agency, commission, board or authority of any government, governmental body, quasi-governmental or private body exercising any statutory, regulatory, expropriation or taxing authority under the authority of any of the foregoing, (b) any domestic, foreign or international judicial, quasi-judicial or administrative court, tribunal, commission, board, panel or arbitrator acting under the authority of any of the

foregoing, and (c) any stock exchange on which the securities of a Party (or any affiliate of a Party) may be listed or quoted for trading, including, without limitation, the TSX, Nasdaq Stockholm and Nasdaq First North Growth Market;

- (kk) “**Interim Order**” means the interim order of the Court pursuant to Section 192 of the CBCA following the application as contemplated by the Arrangement Agreement, in form and substance acceptable to each of the Parties, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as such order may be amended, modified, supplemented or varied by the Court (provided that any such amendment, modification, supplement or variation is acceptable to each of the Parties, each acting reasonably);
- (ll) “**In-the-Money Company Option**” means a Company Option where the aggregate Specified Value of the Company Shares subject to such Company Option exceeds the aggregate exercise price of such Company Option;
- (mm) “**In-the-Money Amount**” means in respect of an In-the-Money Company Option, the amount by which the Specified Value of the Company Shares that a holder is entitled to acquire on exercise of the In-the-Money Company Option immediately before the Effective Time exceeds the aggregate exercise price to acquire such Company Shares pursuant to the In-the-Money Company Option;
- (nn) “**Josemaria Canada**” means Josemaria Resources Inc., a corporation organized under the federal laws of Canada;
- (oo) “**Josemaria Canada Contribution**” means the contribution of the Josemaria Canada Shares to JVCo pursuant to the Contribution Agreement;
- (pp) “**Josemaria Canada Shares**” means common shares in the capital of Josemaria Canada;
- (qq) “**JVCo**” means 6565522 Canada Inc., a corporation organized under the federal laws of Canada;
- (rr) “**JVCo Holdco**” means 8693757 Canada Inc., a corporation organized under the federal laws of Canada;
- (ss) “**JVCo Holdco Note**” means the demand, non-interest bearing promissory note issued by JVCo Holdco in favour of Lundin Mining Holdco, in an aggregate amount to be agreed by Lundin Mining and BHP, each acting reasonably;
- (tt) “**JVCo Holdco Shares**” means common shares in the capital of JVCo Holdco;
- (uu) “**JVCo Shares**” means common shares in the capital of JVCo;
- (vv) “**Laws**” means all laws, statutes, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or other requirements (in each case, whether temporary, preliminary or permanent) of any Governmental Authority having the force of law and any legal requirements arising under the common law or principles of law or equity and the term “applicable” with respect to such Laws and, in the

context that refers to any person, means such Laws as are applicable at the relevant time or times to such person or its business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over such person or its business, undertaking, property or securities;

- (ww) “**Letter of Transmittal**” means the letter of transmittal and election form to be delivered by the Company to the Company Shareholders;
- (xx) “**Liability**” means, in respect of any Person, any debt, liability or obligation of any kind or nature whatsoever, including (i) any right against such Person to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, (ii) any right against such Person to an equitable remedy for breach of performance, whether or not such right to any equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured, and (iii) any obligation of such Person for the performance of any covenant or agreement (whether for the payment of money or otherwise);
- (yy) “**Liens**” means any pledge, claim, lien, charge, option, hypothec, mortgage, security interest, restriction, adverse right, prior assignment, lease, sublease, royalty, levy, right to possession or any other encumbrance, easement, license, right of first refusal, covenant, voting trust or agreement, transfer restriction under any shareholder or similar agreement, right or restriction of any kind or nature whatsoever, whether contingent or absolute, direct or indirect, or any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;
- (zz) “**Lundin Mining**” means Lundin Mining Corporation, a corporation organized under the federal laws of Canada;
- (aaa) “**Lundin Mining Internal Reorganization**” means the Reorganization (as such term is defined in the Contribution Agreement);
- (bbb) “**Lundin Mining Holdco**” means 4258703 Canada Inc., a corporation organized under the federal Laws of Canada;
- (ccc) “**Lundin Mining Holdco Shares**” means common shares in the capital of Lundin Mining Holdco;
- (ddd) “**Lundin Mining Shares**” means common shares in the capital of Lundin Mining;
- (eee) “**Maximum BHP Cash**” means \$1,908,087,786.00, provided that the Maximum BHP Cash shall:
  - (i) be increased by \$16.50 for each Company Share issued pursuant to the exercise of a Company Option that is outstanding as of the Date of the Agreement or Company Option issued following the Date of the Agreement as permitted by item (f)(ii)(1) [2024 Annual Grants] of Section 4.1 of the Company Disclosure Letter, and, in either case, exercised on or after the date of this Agreement, including pursuant to Section 3.02(e);

- (ii) be increased by \$16.50 for each Company Share issued following the Date of this Agreement as permitted by item (a)/(b)(iv) [*Issuances After Concurrent Private Placement Failure*] of Section 4.1 of the Company Disclosure Letter;
  - (iii) for the avoidance of doubt, not be adjusted as a result of the issuance of Company Shares pursuant to the Concurrent Private Placements; and
  - (iv) if, disregarding for such purpose paragraphs (a), (b) and (c) above, the number of issued and outstanding Company Shares is less than the number of Company Shares issued and outstanding as of the Date of Agreement as listed in Section 3.1(f)(i) of the Agreement, be decreased by \$16.50 multiplied by the difference between such amounts.
- (fff) “**Maximum Cash**” means the sum of the Maximum BHP Cash and the Maximum Lundin Mining Cash;
- (ggg) “**Maximum Lundin Mining Cash**” means \$859,028,280.00, provided that the Maximum Lundin Mining Cash shall:
- (i) be increased by \$6.60 for each Company Share issued pursuant to the exercise of a Company Option that is outstanding as of the Date of the Agreement or Company Option issued following the Date of the Agreement as permitted by item (f)(ii)(1) [*2024 Annual Grants*] of Section 4.1 of the Company Disclosure Letter, and, in either case, exercised on or after the date of this Agreement, including pursuant to Section 3.02(e);
  - (ii) be increased by \$6.60 for each Company Share issued following the Date of this Agreement as permitted by item (a)/(b)(iv) [*Issuances After Concurrent Private Placement Failure*] of Section 4.1 of the Company Disclosure Letter;
  - (iii) for the avoidance of doubt, not be adjusted as a result of the issuance of Company Shares pursuant to the Concurrent Private Placements; and
  - (iv) if, disregarding for such purpose paragraphs (a), (b) and (c) above, the number of issued and outstanding Company Shares is less than the number of Company Shares issued and outstanding as of the Date of Agreement as listed in Section 3.1(f)(i) of the Agreement, be decreased by \$6.60 multiplied by the difference between such amounts.
- (hhh) “**Maximum Lundin Mining Shares**” means the maximum aggregate amount of Share Consideration to be paid to all Company Shareholders, being 92,064,404 Lundin Mining Shares, provided that the Maximum Lundin Mining Shares shall:
- (i) be increased by 0.7073 Lundin Mining Shares for each Company Share issued pursuant to the exercise of a Company Option that is outstanding as of the Date of the Agreement or Company Option issued following the Date of the Agreement as permitted by item (f)(ii)(1) [*2024 Annual Grants*] of Section 4.1 of the Company Disclosure Letter, and, in either case, exercised on or after the date of this Agreement, including pursuant to Section 3.02(e);
  - (ii) be increased by 0.7073 Lundin Mining Shares for each Company Share issued following the Date of this Agreement as permitted by item (a)/(b)(iv) [*Issuances*

*After Concurrent Private Placement Failure]* of Section 4.1 of the Company Disclosure Letter;

- (iii) for the avoidance of doubt, not be adjusted as a result of the issuance of Company Shares pursuant to the Concurrent Private Placements; and
- (iv) if, disregarding for such purpose paragraphs (a), (b) and (c) above, the number of issued and outstanding Company Shares is less than the number of Company Shares issued and outstanding as of the Date of Agreement as listed in Section 3.1(f)(i) of the Agreement, be decreased by 0.7073 Lundin Mining Shares multiplied by the difference between such amounts.
- (iii) **“Out-of-the-Money Company Option”** means a Company Option that is not an In-the-Money Company Option;
- (jjj) **“Parties”** means the parties to the Arrangement Agreement and **“Party”** means any one of them;
- (kkk) **“Plan of Arrangement”** means this plan of arrangement, as amended, modified or supplemented from time to time in accordance with the Arrangement Agreement or this plan of arrangement or made at the direction of the Court in the Final Order, with the consent of each of the Parties, each acting reasonably;
- (lll) **“Purchaser Parties”** means Lundin Mining and BHP, and **“Purchaser Party”** means any one of them;
- (mmm) **“Section 85 Election”** has the meaning ascribed thereto in Section 3.07(a);
- (nnn) **“Share Consideration”** means 2.3578 Lundin Mining Shares for each Company Share;
- (ooo) **“Share Consideration Cash”** means \$0.0001 per Company Share, without interest;
- (ppp) **“Specified BHP Percentage”** the quotient of (i) the Maximum BHP Cash divided by (ii) the Maximum Cash, expressed as a percentage;
- (qqq) **“Specified Lundin Mining Percentage”** the quotient of (i) the Maximum Lundin Mining Cash divided by (ii) the Maximum Cash, expressed as a percentage;
- (rrr) **“Specified Number”** means, in each case, a number of JVCo Shares agreed by BHP and Lundin Mining, each acting reasonably, such that upon completion of the Arrangement and the transactions contemplated by the Contribution Agreement, BHP and Lundin Mining will each hold a 50% voting and equity interest in JVCo;
- (sss) **“Specified Value”** means the amount equal to the Cash Consideration;
- (ttt) **“Tax Act”** means the *Income Tax Act* (Canada);
- (uuu) **“Tax Exempt Person”** means a person who is exempt from tax under Part I of the Tax Act;
- (vvv) **“TSX”** means the Toronto Stock Exchange; and



(www) “**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder.

Any capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Arrangement Agreement. In addition, words and phrases used herein and defined in the CBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the CBCA unless the context otherwise requires.

#### Section 1.02 *Interpretation Not Affected by Headings*

The division of this Plan of Arrangement into articles, sections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms “this Plan of Arrangement”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto. Unless stated otherwise, “Article” and “Section” followed by a number or letter mean and refer to the specified Article or Section of this Plan of Arrangement.

#### Section 1.03 *Number, Gender and Persons*

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and *vice versa*, words importing the use of either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

#### Section 1.04 *Date for any Action*

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

#### Section 1.05 *Statutory References*

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

#### Section 1.06 *Currency*

Unless otherwise stated, all references herein to amounts of money are expressed in lawful money of Canada.

#### Section 1.07 *Governing Law*

This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of Ontario and the laws of Canada applicable therein.

**ARTICLE TWO**  
**ARRANGEMENT AGREEMENT AND BINDING EFFECT**

Section 2.01 *Arrangement Agreement*

This Plan of Arrangement is made pursuant to, and subject to the provisions of, the Arrangement Agreement.

Section 2.02 *Binding Effect*

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective, and be binding on, without any further act or formality required on the part of any Person:

- (a) Lundin Mining;
- (b) BHP;
- (c) the Company;
- (d) Lundin Mining Holdco;
- (e) JVCo Holdco;
- (f) JVCo;
- (g) Josemaria Canada;
- (h) BHP Shareholder;
- (i) the Depositary;
- (j) the Dissenting Company Shareholders;
- (k) the Company Shareholders;
- (l) the beneficial owners of Company Shares;
- (m) the Company Optionholders; and
- (n) all other Persons.

**ARTICLE THREE**  
**ARRANGEMENT**

Section 3.01 *Preliminary Steps*

The following preliminary steps shall occur at least one day prior to the Effective Date, and shall be conditions precedent to, the implementation of the Plan of Arrangement:

- (a) Lundin Mining shall have effected the Lundin Mining Internal Reorganization and the Josemaria Canada Contribution; and

- (b) BHP shall have effected the BHP Internal Reorganization.

Section 3.02 *Arrangement*

At the Effective Time, the following shall occur and shall be deemed to occur sequentially in the following order, unless otherwise stated each at one-minute intervals, without any further act or formality:

- (a) the BHP Shareholder Investor Rights shall be deemed terminated;
- (b) BHP shall advance to Lundin Mining an amount in cash equal to amount of the BHP Josemaria Note and an amount in cash equal to the BHP Filo Note, and Lundin Mining shall issue the BHP Josemaria Note and the BHP Filo Note in favour of BHP. The amount in cash equal to the BHP Filo Note shall be deposited by BHP directly with the Depository on behalf of Lundin Mining;
- (c) each Company Share held by a Dissenting Company Shareholder shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens to the Company and the Company shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Article 4, less applicable withholdings pursuant to Section 5.04, and each such Company Share so surrendered shall be cancelled and thereupon each Dissenting Company Shareholder shall cease to have any rights as holders of such Company Shares other than the rights set out in Article 4 and the name of such Dissenting Company Shareholder shall be removed from the register of holders of Company Shares;
- (d) each Out-of-the-Money Company Option shall (whether vested or unvested and notwithstanding the terms of the Company Option Plan) be, and shall be deemed to be, terminated without payment or compensation therefor, and the holder thereof will cease to be the holder of such Out-of-the-Money Company Option, will cease to have any rights as a holder in respect of such Out-of-the-Money Company Option, such holder will be removed from the register of Company Options, and all option agreements, grants and similar instruments relating thereto will be cancelled and neither the Company, BHP, Lundin Mining nor JVCo shall have any further liabilities or obligations to the Former Company Optionholders thereof with respect thereto;
- (e) each In-the-Money Company Option shall (whether vested or unvested and notwithstanding the terms of the Company Option Plan) be, and shall be deemed to be, surrendered and disposed of to the Company and the relevant holder of the In-the-Money Company Options will receive a payment from the Company, in the form of Company Shares, having an aggregate Specified Value equal to the relevant In-the-Money Amount, less applicable withholdings pursuant to Section 5.04, and the name of each such holder shall be added to the securities register maintained by or on behalf of Company in respect of Company Shares showing such holder as the legal and beneficial owner of the Company Shares acquired pursuant to the terms of such In-the-Money Company Options and the Company Shares issuable in connection therewith will be deemed to be issued as fully paid and non-assessable common shares in the authorized share structure of the Company provided that no share certificates shall be issued with respect to such Company Shares and the Company Option Plan shall be terminated
- (f) each Company Share held by a Former Company Shareholder (other than any Company Shares held by a Purchaser Party or a Dissenting Company Shareholder) shall be

transferred to Lundin Mining, free and clear of all Liens, in accordance with the election or deemed election of such Former Company Shareholder pursuant to Section 3.03 and, subject to Section 3.04, and each such Former Company Shareholder shall be entitled to receive, in exchange therefor, consideration comprised of:

- (i) the Cash Consideration, or
- (ii) the Share Consideration and Share Consideration Cash,

and the name of such Former Company Shareholder shall be removed from the register of holders of Company Shares and, to the extent such holder has elected to or is deemed to have elected to receive the Share Consideration, added to the register of holders of Lundin Mining Shares, and Lundin Mining shall be recorded as the registered holder of the Company Shares so exchanged and shall be deemed to be the legal and beneficial owner thereof and, for greater certainty, with respect to any election pursuant to the foregoing, a Former Company Shareholder may elect to receive a combination of the Cash Consideration and the Share Consideration and Share Consideration Cash in exchange for the aggregate number of Company Shares in respect of which such election is made;

- (g) all Company Shares held by Lundin Mining shall be, and shall be deemed to be, transferred to Lundin Mining Holdco (free and clear of any Liens) by Lundin Mining in exchange for (i) the assumption by Lundin Mining Holdco, as obligor, of the BHP Notes; and (ii) Lundin Mining Holdco Shares having a value and stated capital equal to the value of the Company Shares transferred less the aggregate principal amount of the BHP Notes, and Lundin Mining Holdco shall be added to the securities register maintained by or on behalf of the Company in respect of the Company Shares showing such holder as the legal and beneficial owner of the Company Shares transferred and Lundin Mining shall be added to the securities register maintained by or on behalf of Lundin Mining Holdco in respect of the Lundin Mining Holdco Shares showing such holder as the legal and beneficial owner of the Lundin Mining Holdco Shares issued. Lundin Mining and Lundin Mining Holdco will jointly file an election under section 85 of the Tax Act; with an agreed amount not exceeding the greater of: (i) the adjusted cost base (as defined in the Tax Act) of the Company Shares transferred to Lundin Mining Holdco; and (ii) the aggregate principal amount of the BHP Notes;
- (h) all Company Shares held by Lundin Mining Holdco shall be, and shall be deemed to be, transferred to JVCo Holdco in exchange for (i) the assumption by JVCo Holdco, as obligor, of the BHP Notes, (ii) the JVCo Holdco Note, and (iii) JVCo Holdco Shares having a value and stated capital equal to the value of the Company Shares transferred less the aggregate principal amount of the BHP Notes and JVCo Holdco Note, and JVCo Holdco shall be added to the securities register maintained by or on behalf of the Company in respect of the Company Shares showing such holder as the legal and beneficial owner of the Company Shares transferred and Lundin Mining Holdco shall be added to the securities register maintained by or on behalf of JVCo Holdco in respect of the JVCo Holdco Shares showing such holder as the legal and beneficial owner of the JVCo Holdco Shares issued. Lundin Mining Holdco and JVCo Holdco will jointly file an election under section 85 of the Tax Act with an agreed amount not exceeding the greater of: (i) the adjusted cost base (as defined in the Tax Act) of the Company Shares transferred to JVCo Holdco; and (ii) the aggregate principal amount of the BHP Notes and the JVCo Holdco Note;
- (i) all Company Shares held by JVCo Holdco shall be, and shall be deemed to be, transferred to JVCo in exchange for (i) the assumption by JVCo, as obligor, of the BHP Notes, and

- (ii) a Specified Number of JVCo Shares having a value and stated capital equal to the value of the Company Shares transferred less the aggregate principal amount of the BHP Notes, and JVCo shall be added to the securities register maintained by or on behalf of the Company in respect of the Company Shares showing such holder as the legal and beneficial owner of the Company Shares transferred and JVCo Holdco shall be added to the securities register maintained by or on behalf of JVCo in respect of the JVCo Shares showing such holder as the legal and beneficial owner of the JVCo Shares issued. JVCo Holdco and JVCo will jointly file an election under section 85 of the Tax Act with an agreed amount not exceeding the greater of: (i) the adjusted cost base (as defined in the Tax Act) of the Company Shares transferred to JVCo; and (ii) the aggregate principal amount of the BHP Notes;
- (j) all Company Shares held by BHP shall be, and shall be deemed to be, transferred to JVCo in exchange for a Specified Number of JVCo Shares having a value and stated capital expressed in Canadian dollars equal to the value of the Company Shares transferred and JVCo shall be added to the securities register maintained by or on behalf of the Company in respect of the Company Shares showing such holder as the legal and beneficial owner of the Company Shares transferred and BHP shall be added to the securities register maintained by or on behalf of JVCo in respect of the JVCo Shares showing such holder as the legal and beneficial owner of the JVCo Shares issued; and
- (k) concurrently with the transfer of Company Shares contemplated in Section 3.02(j), a Specified Number of JVCo Shares having a value and stated capital expressed in Canadian dollars equal to the Canadian dollar equivalent of the aggregate principal amount of the BHP Notes shall be, and shall be deemed to be, issued to BHP in full and final satisfaction of the indebtedness evidenced by the BHP Notes, and BHP shall be added to the securities register maintained by or on behalf of JVCo in respect of the JVCo Shares showing such holder as the legal and beneficial owner of the JVCo Shares issued.

Section 3.03 *Elections*

- (a) Each Company Shareholder, other than a Dissenting Company Shareholder shall, by depositing with the Depository prior to the Election Deadline a duly completed Letter of Transmittal, together with certificates, if any, representing the Company Shares held by such Company Shareholder, indicate
  - (i) the number of Company Shares for which the Company Shareholder elects to receive the Cash Consideration; or
  - (ii) the number of Company Shares for which the Company Shareholder elects to receive the Share Consideration and Share Consideration Cash, or
  - (iii) any combination thereof,
 in each case subject to proration and adjustment in accordance with Section 3.04, and
  - (iv) in the case of Eligible Holders, whether they wish to make the Section 85 Election as contemplated in Section 3.07.
- (b) Any Company Shareholder who does not deposit with the Depository a duly completed Letter of Transmittal together with certificates, if any, representing the Company Shares held by such Company Shareholder prior to the Election Deadline, including any Company

Shareholder who attempts to exercise but does not validly exercise Dissent Rights, shall be deemed to have elected to receive the Cash Consideration in respect of all of such Company Shareholder's Company Shares, subject to proration and adjustment in accordance with Section 3.04;

- (c) Any election contemplated by Section 3.03(a) shall also be subject to the following:
  - (i) any Letter of Transmittal once deposited with the Depository shall be irrevocable and may not be withdrawn;
  - (ii) any deposit of a Letter of Transmittal and, if applicable, accompanying Company Share certificates may be made at any of the addresses of the Depository specified in the Letter of Transmittal; and
  - (iii) a Company Shareholder who holds Company Shares as a nominee, custodian, depository, trustee or in any other representative capacity for beneficial owners of Company Shares may submit multiple Letters of Transmittal.

Section 3.04 *Proration and Adjustment*

- (a) Notwithstanding Section 3.02 or any provision herein to the contrary:
  - (i) the maximum amount of cash (other than Share Consideration Cash) that may, in the aggregate, be paid to Former Company Shareholders pursuant to Section 3.02(f) shall be equal to the Maximum Cash;
  - (ii) the maximum number of Lundin Mining Shares that may, in the aggregate, be issued to the Former Company Shareholders pursuant to Section 3.02(f) shall be equal to the Maximum Lundin Mining Shares; and
  - (iii) no Former Company Shareholder shall be permitted to receive Lundin Mining Shares pursuant to Section 3.02(f), insofar as the Former Company Shareholder, either alone or together with its affiliates and other persons acting jointly or concert with the Former Company Shareholder, would, after receipt of Lundin Mining Shares beneficially own or control greater than 19.99% of the outstanding Lundin Mining Shares, immediately following completion of the Arrangement.
- (b) In the event that:
  - (i) the aggregate amount of cash (other than the Share Consideration Cash) that would, but for this Section 3.04, be paid to Former Company Shareholders pursuant to Section 3.02(f), exceeds the Maximum Cash, then the aggregate amount of cash (other than the Share Consideration Cash) to be paid to any Former Company Shareholder who has elected or is deemed to have elected to receive the Cash Consideration shall be determined by multiplying the total amount of the Cash Consideration that, but for this Section 3.04, would be payable to such holder by a fraction, rounded to six decimal places, the numerator of which is the Maximum Cash and the denominator of which is the aggregate amount of the Cash Consideration otherwise payable to all Former Company Shareholders who have so elected (or are deemed to have elected), and such Former Company Shareholder shall be deemed to have elected a combination of the Cash Consideration and the Lundin Mining Share Consideration and Share Consideration Cash such that the Cash Consideration will be reduced to reflect the Maximum Cash limit and Lundin

Mining Share Consideration and Share Consideration Cash will be increased such that the Former Company Shareholder will receive the Lundin Mining Share Consideration and Share Consideration Cash for the remainder of their Company Shares, for which they would, but for this Section 3.04, have received the Cash Consideration; and

- (ii) the aggregate number of Lundin Mining Shares that would, but for this Section 3.04, be issuable to Former Company Shareholders exceeds the Maximum Lundin Mining Shares then the number of Lundin Mining Shares issuable to any Former Company Shareholder who has elected, or is deemed to have elected to receive the Lundin Mining Share Consideration and Share Consideration Cash shall, subject to rounding in accordance with Section 3.06(a), be determined by multiplying the total number of Lundin Mining Shares that, but for this Section 3.04, would be payable to such Former Company Shareholder by a fraction, rounded to six decimal places, the numerator of which is the Maximum Lundin Mining Shares and the denominator of which is the aggregate number of Lundin Mining Shares otherwise issuable to all Former Company Shareholder who have so elected (or are deemed to have so elected), and such Former Company Shareholder shall be deemed to have elected to receive a combination of the Cash Consideration and Lundin Mining Share Consideration and Share Consideration Cash such that the Lundin Mining Share Consideration and Share Consideration Cash will be reduced to reflect the Maximum Lundin Mining Shares limit and the Cash Consideration will be increased such that the Former Company Shareholder will receive the Cash Consideration for the remainder of their Company Shares for which such Former Company Shareholder would, but for this Section 3.04, have received the Lundin Mining Share Consideration and Share Consideration Cash,

provided however, that if any Former Company Shareholder would as a result of the foregoing elections or deemed elections and after pro ration, either alone or together with its affiliates and other persons acting jointly or concert with the Former Company Shareholder, after receipt of Lundin Mining Shares hereunder beneficially own or control greater than 19.99% of the outstanding Lundin Mining Shares, immediately following completion of the Arrangement, such Former Company Shareholder shall be deemed to have elected to receive the Cash Consideration for the remainder of their Company Shares for which such Former Company Shareholder would, but for this Section 3.04, have received the Lundin Mining Share Consideration and Share Consideration Cash and the pro rationing in Section 3.04(b)(i) and Section 3.04(b)(ii) above shall be adjusted accordingly.

Section 3.05 *Effective Time Procedures*

- (a) Following the receipt of the Final Order and prior to the Effective Date,
  - (i) BHP will deposit in escrow with the Depositary (the terms and conditions of such escrow to be satisfactory to the Parties, each acting reasonably) funds equal to the Maximum BHP Cash; and
  - (ii) Lundin Mining will deposit in escrow with the Depositary (the terms and conditions of such escrow to be satisfactory to the Parties, each acting reasonably) funds equal to the Maximum Lundin Mining Cash and all Lundin Mining Shares and cash required satisfy the aggregate Share Consideration and Share Consideration Cash payable to Former Company Shareholders,

which cash and Lundin Mining Shares shall be held by the Depository as agent and nominee for such Former Company Shareholder, for distribution to such Former Company Shareholder, in accordance with the provisions of Article 5.

- (b) Subject to the provisions of Article 5, and upon return of a properly completed Letter of Transmittal by a registered Former Company Shareholder, together with certificates representing Company Shares if applicable and such other documents as the Depository may require, Former Company Shareholders shall be entitled to receive delivery of the Cash Consideration and/or the Lundin Mining Shares and Share Consideration Cash, to which they are entitled pursuant to Section 3.02(f).

Section 3.06 *Fractional Shares and Calculations*

- (a) No fractional Lundin Mining Shares shall be issued to Former Company Shareholders. The number of Lundin Mining Shares to be issued to Former Company Shareholders shall be rounded up to the nearest whole Lundin Mining Share in the event that a Former Company Shareholder is entitled to a fractional share representing 0.5 or more of a Lundin Mining Share and shall be rounded down to the nearest whole Lundin Mining Share in the event that a Former Company Shareholder is entitled to a fractional share representing less than 0.5 of a Lundin Mining Share.
- (b) All amounts of Cash Consideration to be received under this Plan of Arrangement will be calculated to the nearest cent (\$0.01).
- (c) All calculations and determinations made by the Company and the Purchaser Parties for the purposes of this Plan of Arrangement shall be conclusive, final and binding upon the Former Company Shareholders.

Section 3.07 *Section 85 Election*

- (a) An Eligible Holder whose Company Shares are exchanged for consideration under Section 3.02(f)(ii) hereof and receives Lundin Mining Shares shall be entitled to make a joint income tax election, pursuant to Section 85 of the Tax Act (and any analogous provision of provincial income tax law) (a “**Section 85 Election**”) with respect to the disposition of Company Shares under this Plan of Arrangement by providing two signed copies of the necessary joint election forms to an appointed representative, as directed by Lundin Mining, within sixty (60) days after the Effective Date, duly completed with the details of the Company Shares transferred and the applicable agreed amount for the purposes of such joint elections. Lundin Mining within sixty (60) days after receiving the completed joint election forms from an Eligible Holder, and subject to such joint election forms being correct and complete and in compliance with requirements imposed under the Tax Act (or any analogous provision of provincial income tax law), sign and return such forms to such Eligible Holder. None of the Company, Lundin Mining or any successor corporation shall be responsible for the proper completion and filing of any joint election form, and except for the obligation to sign and return the duly completed joint election forms which are received within sixty (60) days of the Effective Date, for any taxes, interest or penalties arising as a result of the failure of an Eligible Holder to properly or timely complete and file such joint election forms in the form and manner prescribed by the Tax Act (or any applicable provincial legislation). In its sole discretion, Lundin Mining or any successor corporation may choose to sign and return a joint election form received by it more than sixty (60) days following the Effective Date, but will have no obligation to do so.



- (b) Upon receipt of the Letter of Transmittal in which an Eligible Holder has indicated that the Eligible Holder intends to make a Section 85 Election, Lundin Mining will promptly deliver a tax instruction letter (and a tax instruction letter for the equivalent provincial election, if applicable), together with the relevant tax election forms (including the provincial tax election forms, if applicable) to the Eligible Holder.

#### **ARTICLE FOUR DISSENT RIGHTS**

##### Section 4.01 *Dissent Rights*

Pursuant to the Interim Order, registered Company Shareholders may exercise rights of dissent (“**Dissent Rights**”) in respect of all Company Shares held by such holder as a registered holder thereof as of such date in connection with the Arrangement pursuant to and in strict compliance with the procedures set forth in Section 190 of the CBCA, as modified by this Article 4, the Interim Order and the Final Order, provided that the written notice of dissent to the Arrangement Resolution contemplated by Section 190(5) of the CBCA must be received by the Company from registered Company Shareholders that wish to dissent not later than 5:00 p.m. (Toronto, Ontario time) on the date that is two Business Days before the date of the Company Meeting or any date to which the Company Meeting may be postponed or adjourned and provided further that holders who purport to exercise such rights of dissent and who:

- (a) are ultimately entitled to be paid fair value for their Company Shares by the Company which fair value shall be the fair value of such shares as of the close of business on the Business Day before the passing by the Company Shareholders of the Arrangement Resolution, shall (i) be deemed not to have participated in the transaction in Article 3 (other than Section 3.02(c)), (ii) be deemed to have transferred such Company Shares (free and clear of all Liens) to the Company in accordance with Section 3.02(c), (iii) be paid only an amount in cash equal to such fair value by the Company less applicable withholdings pursuant to Section 5.04, and (iv) not be entitled to any other payment or consideration, including payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Company Shares; and
- (b) are ultimately not entitled, for any reason, to be paid fair value for their Company Shares in which they have purported to exercise Dissent Rights shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting Company Shareholder and shall be entitled to receive only the consideration contemplated in Section 3.02(f) that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights,

but in no case shall the Purchaser Parties, the Company or any other person be required to recognize Company Shareholders who exercise Dissent Rights as Company Shareholders after the time that is immediately prior to the Effective Time, and the names of such registered Company Shareholders who exercise Dissent Rights (and have not withdrawn such exercise of Dissent Rights prior to the Effective Time) shall be deleted from the central securities register as Company Shareholders at the Effective Time. In addition to any other restrictions under Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) Company Optionholders; and (ii) Company Shareholders who vote or have instructed a proxyholder to vote such Company Shares in favour of the Arrangement Resolution.

**ARTICLE FIVE**  
**DELIVERY OF CONSIDERATION**

Section 5.01 *Delivery of Consideration*

- (a) On the Effective Date, each Former Company Shareholder (other than Dissenting Company Shareholders) who has validly elected in accordance with the provisions hereof shall, following completion of the transactions described in Section 3.02, be entitled to receive, and the Depositary shall deliver to such Former Company Shareholder following the Effective Time, cash representing the Cash Consideration and Lundin Mining Shares and Share Consideration Cash that such Former Company Shareholder is entitled to receive in accordance with Section 3.02.
- (b) Upon surrender to the Depositary of a certificate, if any, that immediately before the Effective Time represented one or more outstanding Company Shares that were exchanged for the Cash Consideration and/or Lundin Mining Shares and Share Consideration Cash in accordance with Section 3.02, together with such other documents and instruments as would have been required to effect the transfer of the Company Shares formerly represented by such certificate under the terms of such certificate, the CBCA or the articles of Company and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, cash representing the Cash Consideration and/or Lundin Mining Shares and Share Consideration Cash that such holder is entitled to receive in accordance with Section 3.02.
- (c) After the Effective Time and until surrendered as contemplated by Section 5.01(b), each certificate that immediately prior to the Effective Time represented one or more Company Shares following completion of the transactions described in Section 3.02, shall be deemed at all times to represent only the right to receive in exchange therefor the Cash Consideration and/or the Lundin Mining Share Consideration and Share Consideration Cash that the holder of such certificate is entitled to receive in accordance with their election (or deemed election) and Section 3.02.

Section 5.02 *Lost Certificates*

In the event any certificate, that immediately prior to the Effective Time represented one or more outstanding Company Shares that were exchanged for the Cash Consideration and/or the Lundin Mining Share Consideration and Share Consideration Cash in accordance with Section 3.02, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, cash and/or, cash and Lundin Mining Shares that such holder is entitled to receive in accordance with Section 3.02. When authorizing such delivery of cash and/or Lundin Mining Shares and Share Consideration Cash that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom cash and/or cash and Lundin Mining Shares is to be delivered shall, as a condition precedent to the delivery of cash and cash and Lundin Mining Shares, give a bond satisfactory to the Purchaser Parties and the Depositary in such amount as the Purchaser Parties and the Depositary may direct, or otherwise indemnify the Purchaser Parties and the Depositary in a manner satisfactory to the Purchaser and the Depositary, against any claim that may be made against the Purchaser Parties or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of Company.

### Section 5.03 *Distributions with Respect to Unsurrendered Certificates*

No dividend or other distribution declared or made after the Effective Time with respect to Lundin Mining Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Company Shares unless and until the holder of such certificate shall have complied with the provisions of Section 5.01 or Section 5.02. Subject to applicable law and to Section 5.04, at the time of such compliance, there shall, in addition to the delivery of Lundin Mining Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Lundin Mining Shares.

### Section 5.04 *Withholding Rights*

The Company, each of the Purchaser Parties and the Depositary will be entitled to deduct or withhold from any consideration otherwise payable to any Company Shareholder and any other securityholder of the Company under the Plan of Arrangement (including any payment to Dissenting Company Shareholders) such amounts as the Company, any of the Purchaser Parties or the Depositary, as the case may be, is required to deduct or withhold with respect to such payment under the Tax Act, and the rules and regulations promulgated thereunder, or any provision of any federal, provincial, territorial, state, local or foreign tax law as counsel may advise is required to be so deducted or withheld by the Company, each of the Purchaser Parties or the Depositary, as the case may be. For the purposes hereof, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Authority by or on behalf of the Company, the Purchaser Parties or the Depositary, as the case may be.

The Company, each of the Purchaser Parties and the Depositary, as applicable, is hereby authorized to sell or otherwise dispose of, on behalf of such person in respect of which a deduction or withholding was made, such portion of any Lundin Mining Shares or other security deliverable to such person as is necessary to provide sufficient funds to the Company, each of the Purchaser Parties and the Depositary, as the case may be, to enable it to comply with such deduction or withholding requirement and the Company, each of the Purchaser Parties and the Depositary, as the case may be, shall notify such person and remit the applicable portion of the net proceeds of such sale (after deduction of all fees, commissions or costs in respect of such sale) to the appropriate Governmental Authority and, if applicable, any portion of such net proceeds that is not required to be so remitted shall be paid to such person. None of the Company, each of the Purchaser Parties and the Depositary will be liable for any loss arising out of any sale under this Section 5.04.

### Section 5.05 *Limitation and Proscription*

To the extent that a Former Company Shareholder shall not have complied with the provisions of Section 5.01 or Section 5.02 hereof on or before the date that is six years after the Effective Date (the “**final proscription date**”), then:

- (a) the Specified BHP Percentage of the Cash Consideration which such Former Company Shareholder was entitled to receive shall be automatically returned to BHP by the Depositary and the Specified Lundin Mining Percentage of the Cash Consideration which such Former Company Shareholder was entitled to receive shall be automatically returned to Lundin Mining by the Depositary, and the interest of the Former Company Shareholder in such Cash Consideration to which it was entitled shall be terminated as of such final proscription date; and

- (b) the Share Consideration Cash to which such Former Company Shareholder was entitled to receive shall be automatically returned to Lundin Mining by the Depositary and the Share Consideration that such Former Company Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the Lundin Mining Shares representing such Share Consideration shall be delivered to Lundin Mining by the Depositary and the interest of the Former Company Shareholder in such Lundin Mining Shares and Share Consideration Cash to which it was entitled shall be terminated as of such final proscription date.

#### Section 5.05 *Paramountcy*

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Company Shares and Company Options issued prior to the Effective Time, (b) the rights and obligations of the Company, Lundin Mining, BHP, Lundin Mining Holdco, JVCo Holdco, JVCo, Josemaria Canada, the Dissenting Company Shareholders, the Company Shareholders, the beneficial owners of Company Shares, and the Company Optionholders, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Company Shares or Company Options shall be deemed to have been settled, compromised, released and determined without Liability of the Company or Purchaser Parties except as set forth in this Plan of Arrangement.

### **ARTICLE SIX AMENDMENTS**

#### Section 6.01 *Amendments to Plan of Arrangement*

- (a) The Purchaser Parties and the Company reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by each of the Purchaser Parties and the Company, (iii) filed with the Court and, if made following the Company Meeting, approved by the Court, and (iv) communicated to Company Shareholders and Company Optionholders if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company at any time prior to the Company Meeting provided that each of Purchaser Parties shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the Company Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Company Meeting shall be effective only if: (i) it is consented to in writing by each of the Purchaser Parties and the Company; and (ii) if required by the Court, it is consented to by the Company Shareholders voting in the manner directed by the Court.

**APPENDIX C  
INTERIM ORDER**

See attached.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) MONDAY, THE 26<sup>TH</sup>  
 )  
JUSTICE PENNY ) DAY OF AUGUST, 2024

**IN THE MATTER OF AN APPLICATION UNDER SECTION  
192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C.  
1985, c. C-44, AS AMENDED**

**AND IN THE MATTER OF RULES 14.05(2) and 14.05(3) OF  
THE *RULES OF CIVIL PROCEDURE***

**AND IN THE MATTER OF A PROPOSED ARRANGEMENT  
OF FILO CORP. INVOLVING BHP INVESTMENTS CANADA  
INC. AND LUNDIN MINING CORPORATION**

**INTERIM ORDER**

THIS MOTION, made by the Applicant, Filo Corp. (“**Filo**”) for an interim order for advice and directions pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the “**CBCA**”), was heard this day by video conference.

ON READING the Notice of Motion, the Notice of Application issued on August 16, 2024, the affidavit of James A. Beck sworn August 22, 2024 (the “**Affidavit**”), including the Plan of Arrangement, which is attached as Appendix B to Filo’s draft management information circular (the “**Circular**”), which is attached as Exhibit “A” to the Affidavit, on hearing the submissions of the lawyers for Filo, BHP Investments Canada Inc. (“**BHP**”), a wholly-owned subsidiary of BHP

Group Limited, and Lundin Mining Corporation (“**Lundin Mining**”) and on being advised that the Director under the CBCA (the “**Director**”) does not consider it necessary to appear,

### **Definitions**

1. THIS COURT ORDERS that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Circular or otherwise as specifically defined herein.

### **The Meeting**

2. THIS COURT ORDERS that Filo is permitted to call, hold and conduct a special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Shares**”) in the capital of Filo to be held in a virtual-only format via live webcast at [www.meetnow.global/MGK95K9](http://www.meetnow.global/MGK95K9) on September 26, 2024, at 10:00 a.m. (Vancouver time) in order for the Shareholders, among other things, to consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement (collectively, the “**Arrangement Resolution**”), a copy of which is found at Appendix “A” of the Circular, which is attached as Exhibit “A” to the Affidavit.

3. THIS COURT ORDERS that the Meeting shall be called, held and conducted in accordance with the CBCA, the notice of meeting of Shareholders, which accompanies the Circular (the “**Notice of Meeting**”), the arrangement agreement by and among Filo, BHP and Lundin Mining dated July 29, 2024 (the “**Arrangement Agreement**”) and the articles and by-laws of Filo subject to what is provided hereafter and subject to further order of this Court.

4. THIS COURT ORDERS that the record date (the “**Record Date**”) for determination of the Shareholders entitled to notice of, and to vote at, the Meeting in respect of the Arrangement Resolution shall be the close of business (Vancouver time) on August 20, 2024.

5. THIS COURT ORDERS that the only persons entitled to speak at the Meeting shall be:

- (a) the Shareholders or their respective proxyholders;
- (b) the officers, directors, auditors and advisors of Filo;
- (c) authorized representatives and advisors of BHP and Lundin Mining;
- (d) the Director; and
- (e) other persons who may receive the permission of the Chair of the Meeting.

6. THIS COURT ORDERS that Filo may transact such other business at the Meeting as is contemplated in the Circular, the Arrangement Agreement, or as may otherwise be properly before the Meeting or any adjournment or postponement thereof.

### **Quorum**

7. THIS COURT ORDERS that the Chair of the Meeting shall be determined by Filo and that the quorum for the transaction of business at the Meeting shall be two persons present, each being a Shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a Shareholder so entitled.

### **Amendments to the Arrangement and Plan of Arrangement**

8. THIS COURT ORDERS that Filo is authorized to make, subject to the terms of the Arrangement Agreement and paragraph 9 below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraphs 12 and 13 hereof, provided same: (i) are to correct clerical errors, (ii) would not, if disclosed, reasonably be expected



to affect a Shareholder's decision to vote, or (iii) are authorized by subsequent Court order, and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Court at the hearing for the final approval of the Arrangement.

9. THIS COURT ORDERS that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement are made after initial notice is provided as contemplated in paragraph 8 above, which would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Court, by e-mail, press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as Filo may determine.

#### **Amendments to the Circular**

10. THIS COURT ORDERS that Filo is authorized to make such amendments, revisions and/or supplements to the draft Circular as it may determine, subject to the terms of the Arrangement Agreement, and the Circular, as so amended, revised and/or supplemented, shall be the Circular to be distributed in accordance with paragraphs 12 and 13.

#### **Adjournments, Postponements and Change of Venue**

11. THIS COURT ORDERS that Filo, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn, postpone or change the venue (including holding an in-person or hybrid meeting whereby Shareholders may choose to attend in

person or virtually) of the Meeting on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment, postponement, or change of venue, and notice of any such adjournment, postponement or change of venue shall be given by such method as Filo may determine is appropriate in the circumstances (including solely by issuance of a press release if it so determines). This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments, postponements or changes of venue.

### **Notice of Meeting**

12. THIS COURT ORDERS that, in order to effect notice of the Meeting, Filo shall send, or cause to be sent, the Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, and the form of proxy, along with such amendments or additional documents as Filo may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the “**Meeting Materials**”), to the following:

- (a) the registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:
  - (i) by pre-paid ordinary or first class mail at the addresses of the Shareholders as they appear on the books and records of Filo, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to Filo;
  - (ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

- (iii) by facsimile or by e-mail or other electronic transmission to any Shareholder, who is identified to the satisfaction of Filo, who requests such transmission in writing, and if required by Filo, who is prepared to pay the charges for such transmission;
  
- (b) the non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*; and
  
- (c) the respective directors and auditors of Filo and to the Director appointed under the CBCA, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or by facsimile or by e-mail or other electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. THIS COURT ORDERS that, in the event that Filo elects to distribute the Meeting Materials, Filo is hereby directed to distribute the Circular (including the Notice of Application, and this Interim Order), and any other communications or documents determined by Filo to be necessary or desirable (collectively, the “**Court Materials**”) to holders of outstanding options to purchase Shares (“**Options**”) by any method permitted for notice to Shareholders as set forth in subparagraphs 12(a) or 12(b), above, or by e-mail or other electronic transmission, concurrently with the distribution described in paragraph 12 of this Interim Order. Distribution to such persons

shall be to their e-mail addresses or addresses as they appear on the books and records of Filo or its registrar and transfer agent at the close of business on the Record Date.

14. THIS COURT ORDERS that accidental failure or omission by Filo to give notice of the Meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Filo, or the non-receipt of such notice shall, subject to further order of this Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of Filo, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

15. THIS COURT ORDERS that Filo is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials as Filo may determine in accordance with the terms of the Arrangement Agreement (“**Additional Information**”), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by e-mail, press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as Filo may determine.

16. THIS COURT ORDERS that distribution of the Meeting Materials and the Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12 and 13 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the

Meeting to such persons or to any other persons, except to the extent required by paragraph 9, above.

### **Solicitation and Revocation of Proxies**

17. THIS COURT ORDERS that Filo is authorized to use the form of proxy substantially in the form of the draft accompanying the Circular, with such amendments and additional information as Filo may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Filo is authorized, at its expense, to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine. Filo may, subject to the terms of the Arrangement Agreement, waive generally, in its discretion, the time limits set out in the Circular for the deposit or revocation of proxies by Shareholders, if Filo deems it advisable to do so.

18. THIS COURT ORDERS that registered Shareholders shall be entitled to revoke their proxies in accordance with section 148(4) of the CBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to section 148(4)(a)(i) of the CBCA: (a) may be deposited at the registered office of Filo or with the registrar and transfer agent of Filo as set out in the Circular; and (b) any such instruments must be received by Filo or its transfer agent not later than 10:00 a.m. (Vancouver time) on September 24, 2024 (or if the Meeting is adjourned or postponed, by the time that is 48 hours prior to the Meeting, excluding Saturdays, Sundays and holidays).

## **Voting**

19. THIS COURT ORDERS that the only persons entitled to vote in person (or virtually) or represented by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders who hold Shares as of the close of business on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Forms of proxy that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

20. THIS COURT ORDERS that votes shall be taken at the Meeting on the basis of one vote per Share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Court, the Arrangement Resolution must be approved, with or without variation, at the Meeting by:

- (a) at least two-thirds ( $66\frac{2}{3}\%$ ) of the votes cast on the Arrangement Resolution by Shareholders, present in person (or virtually) or represented by proxy at the Meeting and entitled to vote at the Meeting; and
- (b) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present in person (or virtually) or represented by proxy at the Meeting and entitled to vote at the Meeting excluding for purposes of (b) the votes cast in respect of Shares held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

Such votes shall be sufficient to authorize Filo to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent

with what is provided for in the Circular without the necessity of any further approval by the Shareholders or holders of Options, subject only to final approval of the Arrangement by this Court.

21. THIS COURT ORDERS that in respect of matters properly brought before the Meeting pertaining to items of business affecting Filo (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Share held, unless otherwise provided for by Filo.

**Dissent Rights**

22. THIS COURT ORDERS that each registered Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 190 of the CBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 190(5) of the CBCA, any registered Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to Filo in the form required by section 190 of the CBCA and the Arrangement Agreement, which written objection must be received by Blake, Cassels & Graydon LLP, 199 Bay Street, Toronto, Ontario, M5L 1A9, Attention: Ryan Morris no later than 5:00 p.m. (Toronto time) on September 24, 2024 (or by 5:00 p.m. (Toronto time) on the date that is two Business Days before any date to which the Meeting may be adjourned or postponed) and must otherwise strictly comply with the requirements of the CBCA. For purposes of these proceedings, the “court” referred to in section 190 of the CBCA means this Court.

23. THIS COURT ORDERS that any registered Shareholder who duly exercises such Dissent Rights set out in paragraph 22 above and who:

- i) is ultimately determined by this Court to be entitled to be paid fair value for his, her or its Shares, shall be deemed to have transferred those Shares as of the applicable time set forth in the Plan of Arrangement, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to Filo for cancellation in consideration for a payment of cash from Filo equal to such fair value, less applicable withholdings; or
- ii) is for any reason ultimately determined by this Court not to be entitled to be paid fair value for his, her or its Shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall Filo, BHP and Lundin Mining, or any other person be required to recognize such Shareholders as holders of Shares at or after the date upon which the Arrangement becomes effective, and the names of such Shareholders shall be deleted from Filo's register of holders of Shares at that time.

### **Hearing of Application for Approval of the Arrangement**

24. THIS COURT ORDERS that upon approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, Filo may apply to this Court for final approval of the Arrangement.

25. THIS COURT ORDERS that distribution of the Notice of Application and the Interim Order in the Circular, when sent in accordance with paragraphs 12 and 13, shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of



service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 26 herein.

26. THIS COURT ORDERS that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for Filo, with a copy to counsel for BHP and Lundin Mining, as soon as reasonably practicable and, in any event, no less than four (4) business days before the hearing of this Application at the following addresses:

BLAKE, CASSELS & GRAYDON LLP  
199 Bay Street, Suite 4000  
Commerce Court West  
Toronto, ON M5L 1A9

Attention: Ryan A. Morris  
ryan.morris@blakes.com  
Lawyers for Filo Corp.

STIKEMAN ELLIOTT LLP  
199 Bay Street, Suite 5300  
Commerce Court West  
Toronto, Ontario M5L 1B9

Attention: Eliot Kolers / Alexander Rose  
ekolers@stikeman.com / arose@stikeman.com  
Lawyers for BHP Investments Canada Inc.

CASSELS, BROCK & BLACKWELL LLP  
40 Temperance Street  
Suite 3200, Bay Adelaide Centre – North Tower  
Toronto, Ontario M5H 0B4

Attention: Lara Jackson / Carly Valentine  
ljackson@cassels.com / cvalentine@cassels.com  
Lawyers for Lundin Mining Corporation

27. THIS COURT ORDERS that, subject to further order of this Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

- (a) Filo;
- (b) BHP;
- (c) Lundin Mining;
- (d) the Director; and
- (e) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

28. THIS COURT ORDERS that any materials to be filed by Filo in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Court.

29. THIS COURT ORDERS that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 27 shall be entitled to be given notice of the adjourned date.

**Service and Notice**

30. THIS COURT ORDERS that Filo and its counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to Filo's Shareholders, creditors or other interested parties and their advisors. For greater

certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

**Precedence**

31. THIS COURT ORDERS that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Shares, Options, or the articles or by-laws of Filo, this Interim Order shall govern.

**Extra-Territorial Assistance**

32. THIS COURT seeks and requests the aid and recognition of any court or any judicial, regulatory, or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Court in carrying out the terms of this Interim Order.

**Variance**

33. THIS COURT ORDERS that Filo shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Court may direct.

A handwritten signature in blue ink, appearing to read "Ray J.", is written over a solid horizontal line. The signature is stylized and cursive.

**IN THE MATTER OF** AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED  
**AND IN THE MATTER OF** RULES 14.05(2) AND 14.05(3) OF THE *RULES OF CIVIL PROCEDURE*  
**AND IN THE MATTER OF** A PROPOSED ARRANGEMENT OF FILO CORP. INVOLVING BHP INVESTMENTS CANADA INC. AND LUNDIN MINING CORPORATION

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE –**  
**(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**INTERIM ORDER**

**BLAKE, CASSELS & GRAYDON LLP**

Barristers & Solicitors  
199 Bay Street, Ste. 4000  
Commerce Court West  
Toronto, ON M5L 1A9

**Ryan A. Morris** LSO# 50831C  
Tel: (416) 863-2176  
ryan.morris@blakes.com

Lawyers for the Applicant,  
Filo Corp.

**APPENDIX D  
NOTICE OF APPLICATION**

See attached.



Court File No. CV-24- -00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

B E T W E E N:

*(Court Seal)*

**IN THE MATTER OF AN APPLICATION UNDER SECTION  
192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C.  
1985, c. C-44, AS AMENDED**

**AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3) OF  
THE *RULES OF CIVIL PROCEDURE***

**AND IN THE MATTER OF A PROPOSED ARRANGEMENT  
OF FILO CORP. INVOLVING BHP INVESTMENTS CANADA  
INC. AND LUNDIN MINING CORPORATION**

**NOTICE OF APPLICATION**

TO THE RESPONDENT

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing (*choose one of the following*)

- In writing
- In person
- By telephone conference
- By video conference

at the following location:

To be provided by the Court.

Please advise if you intend to join the hearing by emailing Ryan Morris at [ryan.morris@blakes.com](mailto:ryan.morris@blakes.com).

On October 2, 2024, at 11:00 a.m., before the Honourable Justice Kimmel.

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IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date August 16, 2024

Issued by \_\_\_\_\_

Local Registrar

Address of court office: Superior Court of Justice  
330 University Avenue, 9th Floor  
Toronto ON M5G 1R7

**AND TO:** All Holders of Common Shares in the capital of Filo Corp.

**AND TO:** All Holders of Options to purchase Common Shares in the capital of Filo Corp.

**AND TO:** The Directors of Filo Corp.

**AND TO:** The Auditor for Filo Corp.

**AND TO:** The Director Appointed under the CBCA

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**AND TO: STIKEMAN ELLIOTT LLP**

Barristers & Solicitors  
199 Bay Street, Suite 5300  
Commerce Court West  
Toronto, Ontario M5L 1B9

**Eliot Kolers** LSO #38304R  
Tel: (416) 869-5637  
ekolers@stikeman.com

**Alexander Rose** LSO #49415P  
Tel: (416) 869-5261  
arose@stikeman.com

Lawyers for BHP Investments Canada Inc.

**AND TO: CASSELS, BROCK & BLACKWELL LLP**

Barristers & Solicitors  
40 Temperance Street  
Suite 3200, Bay Adelaide Centre – North Tower  
Commerce Court West  
Toronto, Ontario M5H 0B4

**Lara Jackson** LSO #41858M  
Tel: (416) 860-2907  
ljackson@cassels.com

**Carly Valentine** LSO #87427H  
Tel: (416) 640-6042  
cvalentine@cassels.com

Lawyers for Lundin Mining Corporation



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## APPLICATION

1. The Applicant, Filo Corp. (“**Filo**”) makes application for:
  - (a) an order pursuant to subsections 192(3) and 192(4) of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the “**CBCA**”), approving an arrangement (the “**Arrangement**”) proposed by Filo and described in the Filo Management Information Circular (the “**Circular**”), which Circular will be attached as an exhibit to the affidavit to be filed in support of this Application, and which Arrangement will result in, among other things, the acquisition by BHP Investments Canada Inc. (“**BHP**”) and Lundin Mining Corporation (“**Lundin Mining**”, together with BHP the “**Purchaser Parties**”) of all of the issued and outstanding common shares in the capital of Filo (the “**Shares**”) that they (or their respective affiliates) do not already own;
  - (b) an interim order for the advice and directions of this Court pursuant to subsection 192(4) of the CBCA with respect to the Plan of Arrangement and this Application (the “**Interim Order**”);
  - (c) an order abridging the time for the service and filing or dispensing with service of the Notice of Application and Application Record, if necessary; and
  - (d) such further and other relief as to this Honourable Court may seem just.
2. The grounds for the Application are:

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- (a) Filo is a corporation subsisting under the provisions of the CBCA. Filo is a Canadian exploration company focused on advancing its key project, Filo del Sol. Filo del Sol hosts a high-sulphidation epithermal copper-gold-silver deposit associated with a large porphyry copper-gold system. The Shares are listed and posted for trading on the Toronto Stock Exchange under the symbol “FIL”, listed and posted for trading on the Nasdaq First North Growth Market in Sweden under the symbol “FIL.ST”, and quoted on the OTCQX under the symbol “FLMMF”;
- (b) BHP is a corporation organized under the laws of the province of Ontario and headquartered in Toronto. It is a wholly-owned subsidiary of BHP Group Limited, an Australian company that is the ultimate parent company of the BHP Group. The BHP Group is a global diversified mining company that is one of the world’s leading producers of major commodities including iron ore metallurgical coal and copper whose primary listing is on the Australian Securities Exchange (ASX);
- (c) Lundin Mining is a diversified Canadian base metals mining company with operations and projects in Argentina, Brazil, Chile, Portugal, Sweden and the United States, primarily producing copper, zinc, gold and nickel. Shares in the capital of Lundin Mining (“**Lundin Mining Shares**”) are listed and traded on the Toronto Stock Exchange under the symbol “LUN” and on Nasdaq Stockholm under the symbol “LUMI”.
- (d) pursuant to the Arrangement, as contemplated by the Plan of Arrangement included at Appendix B to the Circular, in summary:

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- (i) each holder of Shares (each a “**Shareholder**”) (other than those Shareholders validly exercising dissent rights, the Purchaser Parties or any affiliate of the Purchaser Parties) will receive as consideration for such Shareholder’s Shares, at such Shareholder’s election, on the closing of the Arrangement:
  - (A) \$33.00 in cash for each Share held; or
  - (B) 2.3578 Lundin Mining Shares plus \$0.0001 in cash for each Share held; or
  - (C) a combination of (A) and (B) in exchange for the aggregate number of Shares in respect of which such election is made, in each case, subject to proration and adjustment in accordance with the Plan of Arrangement;
- (ii) each option to purchase Shares (each, an “**Option**”) that is an Out-of-the-Money Option outstanding immediately prior to the Effective Time, whether vested or unvested, shall be terminated without payment or compensation therefor;
- (iii) each Option that is an In-the-Money Option outstanding immediately prior to the Effective Time, whether vested or unvested, shall be surrendered and disposed of to Filo in exchange for Shares having an aggregate value equal to the relevant In-the-Money Amount, less applicable withholdings; and

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- (iv) the Shares will ultimately be held by 6565522 Canada Inc., which will serve as a joint venture entity for a joint venture between the Purchaser Parties;
- (e) the Arrangement is an “arrangement” within the meaning of subsection 192(1) of the CBCA;
- (f) all statutory requirements for an arrangement under the CBCA either have been fulfilled or will be fulfilled by the date of the return of the Application;
- (g) Filo is not insolvent within the meaning of subsection 192(2) of the CBCA;
- (h) it is not practicable for Filo to effect the Arrangement under any other provision of the CBCA;
- (i) the directions set out and the approvals required pursuant to any Interim Order this Court may grant have been followed and obtained, or will be followed and obtained by the return date of this Application;
- (j) the Arrangement is put forward in good faith for a *bona fide* business purpose, and has a material connection to the Toronto Region;
- (k) the Arrangement is fair and reasonable, and it is appropriate for this Court to approve the Arrangement;
- (l) section 192 of the CBCA;
- (m) National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

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- (n) Rules 3.02(1), 14.05, 16.04(1), 16.08, 17.02, 37 and 38 of the *Rules of Civil Procedure*; and
  - (o) such further and other grounds as the lawyers may advise and this Court may permit.
3. The following documentary evidence will be used at the hearing of the application:
- (a) such Interim Order as may be granted by this Court;
  - (b) the affidavit of James A. Beck, to be sworn, and the exhibits thereto;
  - (c) such further affidavit(s) on behalf of the Applicant reporting as to the compliance with any Interim Order of this Court and as to the result of any meetings ordered by any Interim order of this Court; and
  - (d) such further and other evidence as the lawyers may advise and this Court may permit.
4. This Notice of Application will be sent to all registered holders of Shares and Options at the address of each holder as shown on the books and records of Filo or as this Court may direct

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5. in the Interim Order, pursuant to rule 17.02(n) of the *Rules of Civil Procedure* in the case of those holders whose addresses, as they appear on the books and records of Filo, are outside Ontario.

August 16, 2024

**BLAKE, CASSELS & GRAYDON LLP**  
Barristers & Solicitors  
199 Bay Street, Suite 4000  
Commerce Court West  
Toronto ON M5L 1A9

**Ryan A. Morris** LSO #50831C  
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Lawyers for the Applicant,  
Filo Corp.

**IN THE MATTER OF** AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, CHAP. C. C-44, AS AMENDED  
**AND IN THE MATTER OF** RULES 14.05(2) AND 14.05(3) OF THE RULES OF CIVIL PROCEDURE  
**AND IN THE MATTER OF** A PROPOSED ARRANGEMENT OF FILO CORP. INVOLVING BHP INVESTMENTS CANADA INC. AND LUNDIN MINING CORPORATION

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**NOTICE OF APPLICATION**

**BLAKE, CASSELS & GRAYDON LLP**

Barristers & Solicitors  
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Toronto ON M5L 1A9

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Lawyers for the Applicant,  
Filo Corp.

**APPENDIX E  
BMO FAIRNESS OPINION**

See attached.



July 29, 2024

The Special Committee of the Board of Directors and the Board of Directors

Filo Corp.  
2800 – 1055 Dunsmuir Street  
Vancouver, BC V7X 1L2

To the Special Committee of the Board of Directors and the Board of Directors:

BMO Nesbitt Burns Inc. (“BMO Capital Markets” or “we” or “us”) understands that Filo Corp. (the “Company”) and BHP Investments Canada Inc. (“BHP”) and Lundin Mining Corporation (“Lundin Mining”, together with BHP, the “Purchaser Parties”) propose to enter into an arrangement agreement to be dated July 29, 2024 (the “Arrangement Agreement”) pursuant to which, among other things, the Purchaser Parties will acquire all of the outstanding common shares of the Company (the “Shares”) other than any Shares owned directly or indirectly by the Purchaser Parties, and pursuant to which each holder of Shares (a “Shareholder”) will be entitled to elect, or will be deemed to have elected, to receive, in exchange for each Share held, either (i) C\$33.00 in cash, or (ii) 2.3578 Lundin Mining shares (the “Lundin Mining Shares”), or a combination of cash and Lundin Mining Shares, in each case subject to pro ration (as provided for in the Arrangement Agreement) of the maximum amount of cash consideration available and the maximum amount of Lundin Mining Shares consideration available (the “Consideration”). We understand further that the maximum amount of cash consideration available will be approximately C\$2,767 million and the maximum amount of share consideration available will be approximately 92.1 million Lundin Mining Shares, in each case subject to adjustment in accordance with the terms of the Arrangement Agreement. We are expressing no opinion as to the pro ration procedures and limitations provided for in the Arrangement Agreement. We also understand that the acquisition contemplated by the Arrangement Agreement is proposed to be effected by way of an arrangement under the *Canada Business Corporations Act* (the “Arrangement”). The terms and conditions of the Arrangement will be summarized in the Company’s management proxy circular (the “Circular”) to be mailed to holders of Shares (the “Shareholders”) in connection with a special meeting of the Shareholders to be held to consider and, if deemed advisable, approve the Arrangement.

We have been retained to provide financial advice to the Company, including our opinion (the “Opinion”) to the special committee of the board of directors (the “Special Committee”) and the board of directors of the Company (the “Board of Directors”) as to the fairness from a financial point of view of the Consideration to be received by the Shareholders pursuant to the Arrangement.

This fairness opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Canadian Investment Regulatory Organization (“CIRO”) but CIRO has not been involved in the preparation or review of the Opinion.

### ***Engagement of BMO Capital Markets***

The Company initially contacted BMO Capital Markets regarding a potential advisory assignment in July 2024. BMO Capital Markets was formally engaged by the Company pursuant to an agreement dated July 12, 2024 (the “Engagement Agreement”). Under the terms of the

Engagement Agreement, BMO Capital Markets has agreed to provide the Company, the Special Committee and the Board of Directors with various advisory services in connection with the Arrangement including, among other things, the provision of the Opinion.

BMO Capital Markets will receive a fee for rendering the Opinion. We will also receive certain fees for our advisory services under the Engagement Agreement, which is contingent upon the successful completion of the Arrangement. The Company has also agreed to reimburse us for our reasonable out-of-pocket expenses and to indemnify us against certain liabilities that might arise out of our engagement.

### ***Credentials of BMO Capital Markets***

BMO Capital Markets is one of North America's largest investment banking firms, with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment research and investment management. BMO Capital Markets has been a financial advisor in a significant number of transactions throughout North America involving public and private companies in various industry sectors and has extensive experience in preparing fairness opinions.

The Opinion represents the opinion of BMO Capital Markets, the form and content of which have been approved for release by a committee of our officers who are collectively experienced in merger and acquisition, divestiture, restructuring, valuation, fairness opinion and capital markets matters.

### ***Independence of BMO Capital Markets***

Neither BMO Capital Markets, nor any of our affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) (the "Act") or the rules made thereunder) of the Company, the Purchaser Parties, or any of their respective associates or affiliates (collectively, the "Interested Parties").

BMO Capital Markets has not been engaged to provide any financial advisory services nor has it participated in any financings involving the Interested Parties within the past two years, other than: (i) acting as financial advisor to the Company, the Special Committee and the Board of Directors pursuant to the Engagement Agreement; (ii) acting as lead arranger in connection with Lundin Mining's US\$800 million term loan in July 2023; (iii) providing various debt facility extensions, treasury and payment solutions and foreign exchange services to Lundin Mining; (iv) providing various foreign exchange services to the Company; and (v) acting as financial advisor to certain Interested Parties with respect to capital markets transactions unrelated to the Arrangement and the transactions contemplated thereby.

Other than as set forth above, there are no understandings, agreements or commitments between BMO Capital Markets and any of the Interested Parties with respect to future business dealings. BMO Capital Markets may, in the future, in the ordinary course of business, provide financial advisory, investment banking, or other financial services to one or more of the Interested Parties from time to time.

BMO Capital Markets and certain of our affiliates act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of one or more of the Interested Parties and, from time to time, may have executed or may execute transactions on behalf of one or more Interested Parties for which BMO Capital Markets or such affiliates received or may receive compensation. As investment dealers, BMO Capital Markets and certain of our affiliates conduct research on securities and may, in the ordinary course of business, provide research reports and investment advice to clients on investment matters, including with respect to one or more of the Interested Parties or the Arrangement. In addition, Bank of Montreal (“BMO”), of which BMO Capital Markets is a wholly-owned subsidiary, or one or more affiliates of BMO, may provide banking or other financial services to one or more of the Interested Parties in the ordinary course of business.

### *Scope of Review*

In connection with rendering the Opinion, we have reviewed and relied upon, or carried out, among other things, the following:

1. a draft of the Arrangement Agreement dated July 29, 2024, and the draft schedules thereto, including the plan of arrangement;
2. a draft of the voting and support agreements dated July 26, 2024 to be entered into by the Purchaser Parties and each of Nemesia S.a.r.l. and the directors and senior officers of the Company (collectively, the “Support Agreements”);
3. a draft of the contribution agreement (the “Contribution Agreement”) dated July 27, 2024 to be entered into by BHP and Lundin Mining;
4. a draft of the private placement subscription agreement (the “Subscription Agreement”) dated July 29, 2024 to be entered into by the Company and each of the Purchaser Parties, respectively;
5. certain publicly available information relating to the business, operations, financial condition and trading history of the Company, Lundin Mining and other selected public companies we considered relevant;
6. certain internal financial, operating, corporate and other information prepared or provided by or on behalf of the Company relating to the business, operations and financial condition of the Company;
7. internal management forecasts, projections, estimates and budgets prepared or provided by or on behalf of management of the Company;
8. the technical report for the Company’s wholly-owned Filo del Sol project located in Argentina and Chile, South America, titled “NI 43-101 Technical Report, Updated Prefeasibility Study” dated March 17, 2023 (effective date of February 28, 2023);
9. discussions with management of the Company relating to the Company’s current business, plan, financial condition and prospects;

10. discussions with the Special Committee and its legal counsel, Blake, Cassels & Graydon LLP;
11. public information with respect to selected precedent transactions we considered relevant;
12. various reports published by equity research analysts and industry sources we considered relevant;
13. a letter of representation as to certain factual matters and the completeness and accuracy of certain information upon which the Opinion is based, addressed to us and dated as of the date hereof, provided by senior officers of the Company; and
14. such other information, investigations, analyses and discussions as we considered necessary or appropriate in the circumstances.

BMO Capital Markets has not, to the best of its knowledge, been denied access by the Company to any information under the Company's control requested by BMO Capital Markets.

### ***Assumptions and Limitations***

We have relied upon and assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions, representations and other material obtained by us from public sources or provided to us by or on behalf of the Company or otherwise obtained by us in connection with our engagement (the "Information"). The Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to, and have not assumed any obligation to, independently verify the completeness, accuracy or fair presentation of any such Information. We have assumed that forecasts, projections, estimates and budgets provided to us and used in our analyses were reasonably prepared on bases reflecting the best currently available assumptions, estimates and judgments of management of the Company, having regard to the Company's business, plans, financial condition and prospects.

Senior officers of the Company have represented to BMO Capital Markets in a letter of representation delivered as of the date hereof, among other things, that: (i) the Information provided to BMO Capital Markets orally by, or in the presence of, an officer or employee of, the Company, or in writing by the Company or any of its subsidiaries (as defined in the Act) or any of its or their representatives in connection with our engagement was, at the date the Information was provided to BMO Capital Markets, and is, as of the date hereof, complete, true and correct in all material respects, and did not and does not contain a misrepresentation (as defined in the Act); and (ii) since the dates on which the Information was provided to BMO Capital Markets, except as disclosed in writing to BMO Capital Markets, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries, and no change has occurred in the Information or any part thereof which would have or which could reasonably be expected to have a material effect on the Opinion.

In preparing the Opinion, we have assumed that (i) the executed Arrangement Agreement, Support Agreements, Contribution Agreement and Subscription Agreement will not differ in any material respect from the drafts that we reviewed, (ii) the Arrangement will be consummated in accordance with the terms and conditions of the Arrangement Agreement without waiver of, or amendment

to, any term or condition that is in any way material to our analyses, (iii) the representations and warranties in the Arrangement Agreement are true and correct as of the date hereof and (iv) any governmental, regulatory or other consents and approvals necessary for the consummation of the Arrangement will be obtained without any material adverse effect on the contemplated benefits expected to be derived from the Arrangement.

The Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as of the date hereof and the condition and prospects, financial and otherwise, of the Company as they are reflected in the Information and as they have been represented to BMO Capital Markets in discussions with management of the Company and its representatives. In our analyses and in preparing the Opinion, BMO Capital Markets made numerous judgments and assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond our control or that of any party involved in the Arrangement.

The Opinion is provided to the Special Committee and the Board of Directors for its exclusive use only in considering the Arrangement and may not be used or relied upon by any other person or for any other purpose without our prior written consent. The Opinion does not constitute a recommendation as to how any Shareholder should vote or act on any matter relating to the Arrangement. Except for the inclusion of the Opinion in its entirety and a summary thereof (in a form acceptable to us) in the Circular, the Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent.

We have not been asked to prepare and have not prepared a formal valuation or appraisal of the securities or assets of the Company or of any of its affiliates, and the Opinion should not be construed as such. The Opinion is not, and should not be construed as, advice as to the price at which the securities of the Company may trade at any time. BMO Capital Markets was not engaged to review any legal, tax or regulatory aspects of the Arrangement and the Opinion does not address any such matters. We have relied upon, without independent verification, the assessment by the Company and its advisors with respect to such matters. In addition, the Opinion does not address the relative merits of the Arrangement as compared to any strategic alternatives that may be available to the Company.

The Opinion is rendered as of the date hereof and BMO Capital Markets disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of BMO Capital Markets after the date hereof. Without limiting the foregoing, if we learn that any of the information we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, BMO Capital Markets reserves the right to change or withdraw the Opinion.

### ***Approach to Fairness and Analysis***

In considering the fairness from a financial point of view of the Consideration to be received by the Shareholders (other than the Purchaser Parties and their affiliates) pursuant to the Arrangement, BMO Capital Markets principally considered and relied upon, among other things, (a) a comparison of the Consideration to an illustrative trading value range of the Shares (using multiples determined based on an analysis of selected publicly traded companies comparable to

the Company); (b) a comparison of the Consideration to an analysis of selected precedent transactions; (c) a comparison of the premium to various unaffected trading price benchmarks implied by the Consideration, to an analysis of precedent transactions; and (d) an analysis of the historical trading liquidity of the Lundin Mining Shares in connection with the Shareholders' pro-forma ownership in Lundin Mining and current and historical trading share prices and multiples of the Lundin Mining Shares.

### ***Conclusion***

Based upon and subject to the foregoing, BMO Capital Markets is of the opinion that, as of the date hereof, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates).

Yours truly,

*BMO Nesbitt Burns Inc.*

**BMO Nesbitt Burns Inc.**

**APPENDIX F  
NBF FAIRNESS OPINION**

See attached.

July 29, 2024

The Special Committee of the Board of Directors and the Board of Directors of Filo Corp.

Suite 2800, Bentall IV  
1055 Dunsmuir Street  
Vancouver, BC V7X 1L2

To the Special Committee of the Board of Directors and the Board of Directors:

National Bank Financial Inc. ("NBF", "we", "our" or "us") understands that Filo Corp. ("Filo" or the "Company") proposes to enter into an arrangement agreement (the "Arrangement Agreement") to be dated July 29, 2024 with BHP Investments Canada Inc. ("BHP"), a wholly-owned subsidiary of BHP Group Limited, and Lundin Mining Corporation ("Lundin Mining", together with BHP, the "Purchaser Parties") whereby the Purchaser Parties will acquire all of the issued and outstanding common shares of Filo (the "Shares") not already owned by the Purchaser Parties and their respective affiliates pursuant to a plan of arrangement (the "Arrangement").

Under the terms of the Arrangement, at closing, holders of the Shares (each a "Shareholder") will be entitled to elect, or will be deemed to have elected, to receive, as consideration for such Shareholder's Shares, either (i) C\$33.00 in cash for each Share held, or (ii) 2.3578 common shares in the capital of Lundin Mining (the "Lundin Mining Shares") for each Share held, or (iii) a combination of (i) and (ii) in exchange for the aggregate number of Shares in respect of which such election is made, in each case subject to pro-ratio (as provided for in the Arrangement Agreement) based on a maximum cash consideration of approximately C\$2,767 million and a maximum share consideration of approximately 92.1 million Lundin Mining Shares, in each case subject to adjustment in accordance with the terms of the Arrangement Agreement (the "Consideration").

We understand that the Arrangement will be effected pursuant to a court-approved plan of arrangement under the *Canada Business Corporations Act* and will require the approval at a special meeting of Shareholders (the "Meeting") to be held to consider and, if thought fit, pass, with or without variation, a special resolution approving the Arrangement (the "Arrangement Resolution"), which must be approved by at least (i) 66⅔% of the votes cast on the Arrangement Resolution by Shareholders present in person (virtually) or represented by proxy at the Meeting and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present in person (virtually) or represented by proxy at the Meeting and entitled to vote at the Meeting, excluding for the purposes of (ii) the votes cast in respect of Shares held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Further, we understand that the material terms and conditions of the Arrangement will be summarized in the Company's management information circular to be mailed to Shareholders in connection with the Meeting.

We further understand that in connection with the Arrangement Agreement, Filo and each of the Purchaser Parties entered into a subscription agreement pursuant to which each of the Purchaser Parties (or an affiliate) subscribed for 1,742,424 Shares at an issue price of C\$33.00 per Filo Share, or approximately C\$115 million in the aggregate (the "Concurrent Private Placement").

We further understand that on completion of the Arrangement, BHP and Lundin Mining will form a Canadian joint venture ("JV") into which the Filo del Sol copper-gold-silver project and the Josemaria copper-gold project (currently 100% owned by Lundin Mining and located in the San Juan Province of



Argentina in the same region as Filo del Sol) will be contributed, allowing for the development of the Vicuña district. BHP and Lundin Mining will each own a 50% interest in the JV following the closing of the Arrangement.

### **Engagement of National Bank Financial**

The Company initially contacted NBF on July 18, 2024 regarding a potential advisory assignment. NBF was formally engaged by the Company pursuant to an engagement agreement dated July 19, 2024 (the "Engagement Letter") to act as financial advisor to the special committee (the "Special Committee") of the board of directors of the Company (the "Board of Directors") in connection with the Arrangement, including by providing advice and assistance to the Special Committee with respect to considering the Arrangement and by preparing and delivering an opinion (the "Opinion") to the Special Committee and the Board of Directors as to the fairness from a financial point of view of the Consideration to be received by the Shareholders, other than the Purchaser Parties and their affiliates, pursuant to the Arrangement.

The Engagement Letter provides for the payment by the Company of a fixed fee for our delivery of the Opinion, which amount is payable to us regardless of the conclusion reached by us in this Opinion and whether or not the Arrangement or any other transaction is completed. In addition, NBF will be reimbursed for its reasonable out-of-pocket expenses and indemnified by the Company in certain circumstances.

NBF has not been asked to prepare and has not prepared a formal valuation (as defined in MI 61-101) or appraisal of the Company or of any of the securities or assets of Filo, and this Opinion should not be construed as such.

This Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Canadian Investment Regulatory Organization ("CIRO") but CIRO has not been involved in the preparation or review of this Opinion.

### **Relationship with Interested Parties**

Neither NBF nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of Filo, BHP or Lundin Mining or any of their respective associates or affiliates (collectively, the "Interested Parties"). Neither NBF nor any of its affiliates has been engaged to provide any financial advisory services, nor has NBF or any of its affiliates participated in any financing, involving the Interested Parties within the past two years, other than: (i) acting as financial advisor to the Special Committee pursuant to the Engagement Letter, (ii) receiving a finder's fee in connection with the Company's C\$130 million non-brokered private placement of common shares which closed in June 2023, and (iii) acting as a participant in Lundin Mining's US\$1.5 billion non-revolving term loan.

Other than as set forth above, there are no understandings, agreements or commitments between NBF and its affiliates and any of the Interested Parties with respect to any future business dealings. NBF or its affiliates may, in the future, in the ordinary course of its business, perform financial advisory, investment banking services or other services for the Interested Parties. In addition, National Bank of Canada ("NBC"), of which NBF is a wholly-owned subsidiary, or one or more affiliates of NBC, may provide banking or other financial services to one or more of the Interested Parties in the ordinary course of business.

NBF acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of Filo, BHP or Lundin Mining, and, from time to time, may have executed or may execute transactions for such companies and clients from whom it received or may receive compensation. NBF, as an investment dealer, conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to Filo, BHP or Lundin Mining.

## Credentials of NBF

NBF is a leading Canadian investment dealer whose businesses include corporate finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. The Opinion is the opinion of NBF, and the form and content herein has been reviewed and approved for release by a group of managing directors of NBF, each of whom is experienced in merger, acquisition, divestiture, valuation and fairness opinion matters.

## Scope of Review

In connection with rendering our Opinion, we have reviewed and relied upon, or carried out (as the case may be), among other things, the following:

- a) a draft of the Arrangement Agreement dated July 29, 2024;
- b) a draft of the Plan of Arrangement dated July 29, 2024;
- c) drafts of the private placement subscription agreements in connection with Concurrent Private Placement dated July 29, 2024 to be entered into between Filo and each of Lundin Mining and BHP (or an affiliate of Lundin Mining or BHP), respectively;
- d) in connection with the JV, a draft of the contribution agreement dated July 27, 2024, and a draft of the joint venture term sheet dated July 26, 2024;
- e) a draft of the voting and support agreements with each of the directors and senior officers of the Company and Nemesia S.à.r.l, dated July 29, 2024;
- f) publicly available documents regarding Filo, including annual reports, financial statements and other filings deemed relevant;
- g) publicly available documents regarding the Purchaser Parties, including annual reports, financial statements and other filings deemed relevant;
- h) certain internal management budgets and analysis prepared by or on behalf of the management of Filo that were provided to us in the course of our engagement;
- i) access to certain other non-public information through a virtual data room prepared and provided to us by Filo management, primarily financial in nature, concerning the Company's business, assets, liabilities and prospects;
- j) various reports published by equity research analysts and industry sources regarding Filo and other public companies, to the extent deemed relevant by us, in the exercise of our professional judgment;
- k) trading statistics and selected financial information of Filo and other selected public companies, to the extent deemed relevant by us, in the exercise of our professional judgment;
- l) public information with respect to selected precedent transactions considered by us to be relevant, in the exercise of our professional judgment;
- m) consultation with Blake, Cassels & Graydon LLP ("Blakes"), legal advisors to the Company and the Special Committee;
- n) such other information, discussions and analyses as NBF considered, in the exercise of our professional judgment, necessary or appropriate in the circumstances; and
- o) a certificate addressed to NBF containing representations from senior officers of Filo regarding the completeness and accuracy of the information upon which this Opinion is based, dated as of the date hereof.

NBF has not, to the best of its knowledge, been denied access by Filo to any information under the control of Filo that has been requested by NBF.

### **Prior Valuations**

Senior Officers of Filo have represented to NBF that, to the best of their knowledge, there have been no prior valuations (as defined for the purposes of MI 61-101) of Filo or any of its subsidiaries or any of their respective material assets or liabilities prepared within the past twenty-four (24) months.

### **Assumptions and Limitations**

NBF has relied upon the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations obtained by us (including all of the documents and other information referred to above under "Scope of Review") from public sources, or provided to us by Filo, its subsidiaries or their respective directors, officers, associates, affiliates, consultants, advisors and representatives (collectively, the "Information"). We have assumed that the Information did not omit to state any material fact or any fact necessary to be stated to make the Information not misleading. Our Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. We have not been requested to nor, subject to the exercise of professional judgment, have we attempted to verify independently the completeness, accuracy or fair presentation of the Information or any of it.

Senior officers of Filo have represented to NBF in a certificate delivered as of the date hereof, among other things, that (i) the Information provided orally by, or in the presence of, an officer or employee of Filo or in writing by Filo or any of its subsidiaries or any of its or their respective representatives, was, at the date the Information was provided to NBF, and is (except to the extent superseded by more current Information) at the date hereof, complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact in respect of Filo, its subsidiaries or the Arrangement and did not and does not omit to state a material fact in respect of Filo, its subsidiaries or the Arrangement necessary to make the Information or any statement contained therein not misleading in light of the circumstances under which the Information was provided or any such statement was made; and that (ii) since the dates on which such Information was provided to NBF, except as disclosed to NBF, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of Filo or any of its subsidiaries and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion. With respect to any forecasts, projections, estimates and/or budgets provided by Filo and used in its analyses, NBF notes that projecting future results of any company is inherently subject to uncertainty. NBF has assumed, however, that such forecasts, projections, estimates and/or budgets were prepared or reviewed using the assumptions identified therein and that such assumptions in the opinion of Filo, are (or were at the time) reasonable in the circumstances. NBF has relied upon forecasts, projections, estimates and budgets provided by Filo, each assumed to be reasonably prepared, reflecting the best currently available assumptions, estimates and judgments of Filo management considering the Company's business, plans, financial condition and prospects, and are not, in the reasonable belief of Filo management, misleading in any material respect.

NBF has assumed that, in all respects material to its analysis, the Arrangement Agreement executed by the parties will be in substantially the form and substance of the draft provided to us, the representations and warranties of the parties to the Arrangement Agreement contained therein are complete, true and correct in all material respects, such parties will each perform all of the respective covenants and agreements to be performed by them under the Arrangement Agreement, and all conditions to the obligations of such parties as specified in the Arrangement Agreement will be satisfied or waived. NBF has also assumed that all material approvals and consents required in connection with the consummation of the Arrangement will be obtained and, that in connection with any necessary approvals and consents, no limitations, restrictions or conditions will be imposed that would have an adverse effect on Filo, BHP or Lundin Mining.

This Opinion does not address the relative merits of the Arrangement as compared to other business strategies or transactions that might be available with respect to Filo or of Filo's underlying business decision to effect the Arrangement or any other term or aspect of the Arrangement or the Arrangement Agreement or any other agreement entered into or amended in connection with the Arrangement.

NBF did not meet with the auditors of Filo or any of the Purchaser Parties and has assumed the accuracy, completeness and fair presentation of, and has relied upon, without independent verification, the financial statements of Filo and the Purchaser Parties and any reports of the auditors thereon. We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Arrangement and have relied upon, without independent verification, the assessment by Filo and their legal and tax advisors with respect to such matters. We express no opinion as to the value at which the shares of Lundin Mining may trade following completion of the Arrangement.

This Opinion is rendered as at the date hereof and on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of Filo as they are reflected in the Information and as they were represented to us in our discussions with the management and directors of Filo. In our analyses and in connection with the preparation of our Opinion, we made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of NBF and any party involved in the Arrangement. This Opinion is provided to the Special Committee and the Board of Directors for their respective use only and may not be relied upon by any other person. NBF disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of NBF after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Opinion after the date hereof, NBF reserves the right to change, modify or withdraw the Opinion. The preparation of a fairness opinion is a complex process and is not necessarily capable of being partially analyzed or summarized. NBF believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create an incomplete and misleading view of the process underlying the Opinion. The Opinion should be read in its entirety.

This Opinion is addressed to and is for the sole use and benefit of the Special Committee and the Board of Directors in connection with their consideration of the Arrangement and, except for the inclusion of the Opinion in its entirety and a summary thereof (in a form acceptable to us) in the Circular, may not be referred to, summarized, circulated, publicized or reproduced or disclosed to or used or relied upon by any party without the express written consent of NBF. This Opinion is not to be construed or used as a recommendation to any holder of Shares as to how to vote at the Meeting.

### **Overview of Filo**

Filo is a Canadian exploration and development company focused on advancing its 100% owned Filo del Sol ("FDS") copper-gold-silver deposit located in San Juan Province, Argentina and adjacent Region III, Chile. Filo has continued to expand FDS, extending the strike length of mineralization to over 5 kilometers, with multiple reported high grade copper drill intercepts. The Shares are listed and posted for trading on the TSX and on Nasdaq First North Growth Market under the trading symbol "FIL", and are quoted on the OTCQX under the symbol "FLMMF".

### **Overview of Lundin Mining**

Lundin Mining is a diversified Canadian base metals mining company with operations and projects in Argentina, Brazil, Chile, Portugal, Sweden and the United States of America, primarily producing copper, zinc, gold and nickel. Lundin Mining owns 100% of the Josemaria project, which is an advanced stage Cu-Au project, located approximately 10 kilometers from FDS in San Juan Province, Argentina. The Lundin Mining shares are listed and posted for trading on the TSX under the trading symbol "LUN", and on the Nasdaq Stockholm under the symbol "LUMI".

## Overview of BHP

BHP is a corporation organized under the laws of the province of Ontario and headquartered in Toronto. It is a wholly owned subsidiary of BHP Group Limited. BHP Group Limited is incorporated under the Corporations Act (Australia) and has a primary listing on the Australian Securities Exchange (ASX). BHP Group Limited is the ultimate parent company of the BHP Group. The BHP Group is a global diversified mining company that is one of the world's leading producers of major commodities including iron ore, metallurgical coal and copper.

## Approach to Fairness

In support of the Opinion, NBF has reviewed and considered the items outlined under "Scope of Review" and has performed certain value analyses on the Company based on the methodologies and assumptions that NBF considered appropriate in the circumstances. NBF believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

In the context of the Opinion, NBF has considered the following principal methodologies (as each such term is defined below):

- (a) Review of Financial Projections
- (b) Net Asset Value Analysis
- (c) Resource Analysis
- (d) Comparable Trading Analysis with Control Premium
- (e) Precedent Transaction Analysis

The FDS deposit includes both porphyry Cu-Au and high-sulphidation epithermal Cu-Au-Ag mineralization. The currently defined mineral resource presented in the Updated Prefeasibility Study prepared for Filo by SRK Consulting (Canada) with an effective date of February 28, 2023 (the "PFS") is best classified as the upper oxidized part of the high-sulphidation epithermal Cu-Au-Ag part of the deposit. As part of some of the analyses, NBF has applied different valuation methodologies to the oxide mineralization (the "Oxide Project") and sulphide mineralization (the "Sulphide Project") given the inherent differences in time and capital required to achieve production at each project.

## Review of Financial Projections

### *Oxide Project*

In considering the fairness from a financial point of view of the Consideration to be received by the Shareholders (other than the Purchaser Parties and their affiliates), NBF reviewed certain projections for the eventual development of the Oxide Project based on the PFS.

These projections (the "Projections") include, among other things, assumptions, estimates and projections regarding mineral reserves and mineral resources, future commodity prices, production levels, operating costs, capital costs, depreciation, taxes, royalties, and mine life, among other things, which management of the Company has represented to NBF were prepared using the assumptions identified therein, which, in the reasonable opinion of the Company are (or were at the time of preparation) reasonable in the circumstances.

NBF adjusted the Projections to reflect the average of equity research analyst estimates for future commodity prices ("Street Consensus Price Forecast") rather than the estimates for future commodity prices from the 2023 PFS. This adjustment is to ensure that the forecasts for commodity prices are comparable with the forecasts for commodity prices used by equity research analysts in calculating the net asset values that are utilized in the comparable trading analysis and precedent transaction analysis described below.

Price Forecast		PFS	Street Consensus
Gold Price	US\$/oz	\$1,700	\$1,957
Silver Price	US\$/oz	\$21.00	\$24.22
Copper Price	US\$/lb	\$3.65	\$4.12

Note: Copper price excludes a 2.0% premium for cathode product.

The Projections are forecasted below at the Street Consensus Price Forecast:

	2028	2029	2030	2031	2032	2033	2034	2035	>>>	2042
Net Revenue	-	-	\$677	\$1,340	\$1,546	\$861	\$882	\$969		\$91
Operating Costs	-	-	(\$375)	(\$452)	(\$441)	(\$414)	(\$405)	(\$412)		(\$40)
Capital Expenditures	(\$902)	(\$902)	(\$9)	(\$13)	(\$13)	(\$12)	(\$13)	(\$13)		(\$1)
Cash Flow After Taxes	(\$902)	(\$902)	\$249	\$843	\$924	\$345	\$321	\$371		\$95

Note: figures shown in millions of United States dollars.

### Net Asset Value Analysis

#### *Oxide Project*

NBF performed a net asset value analysis for the Oxide Project by calculating the estimated present value of the unlevered, after-tax free cash flows that the Oxide Project was forecasted to generate from the time period beginning June 30, 2024. These cash flows were based on the PFS at the Street Consensus Price Forecast.

The present value of the unlevered, after-tax free cash flows that the Company was forecasted to generate (the "NAV of Cash Flows") was calculated by applying a discount rate of 9.5%, which represents the average street consensus discount rate. In addition, mid-period discounting was used. The net asset value analysis of the Oxide Project indicated an approximate implied per Share net asset value of C\$11.51.

#### *Combined Project*

NBF also reviewed the net asset value per Share estimates for the Company as reflected in, and derived from, publicly available equity research analyst reports available to NBF, which indicated an average per Share net asset value for the Company of C\$43.35, after making the appropriate adjustments, including removing the impact of future financing assumptions (the "Average Equity Research Analyst NAV").

### Resource Analysis

#### *Oxide Project*

The Oxide Project has the following Mineral Resource (the "Oxide Resource") with an effective date of January 18, 2023 as per the PFS:

Category	Tonnes (millions)	Copper (%)	Gold (g/t)	Silver (g/t)	Copper (Mlbs)	Gold (koz)	Silver (koz)
Indicated	362.2	0.34	0.33	13.3	2,683	3,839	154,670
Inferred	132.7	0.25	0.30	9.9	725	1,284	42,370

Note: The details above are subject to the assumptions and limitations described in the PFS. Mineral resources are inclusive of mineral reserves.

### Sulphide Project

NBF also reviewed the implied resource for the Sulphide Project as reflected in, and derived from, publicly available equity research analyst reports available to NBF (the “Equity Research Analyst Reports”).

### Combined Project

NBF estimated the combined resource as the sum of (i) the Oxide Resource, and (ii) the average contained implied resource for the Sulphide Project based on the Equity Research Analyst Reports.

### Comparable Trading Analysis with Control Premium:

NBF reviewed publicly traded base metals exploration and development stage companies to assess if a comparable trading analysis might be relevant to its analysis.

NBF primarily analyzed the multiple of (i) price to net asset value based on the average of equity research estimates of the net asset value, and (ii) enterprise value to total resource based on most recent NI 43-101 disclosure. NBF analyzed these multiples for select base metal exploration and development stage companies as at July 26, 2024.

The selected comparable companies were:

Foran Mining Corporation	Northern Dynasty Minerals Ltd.
Entrée Resources Ltd.	Sandfire Resources Americas Inc.
Ivanhoe Electric Inc.	Solaris Resources Inc.
Los Andes Copper Ltd.	SolGold Plc
Marimaca Copper Corporation	Western Copper and Gold Corporation
NGEx Minerals Ltd.	

NBF calculated the range and median of multiples observed below:

	Low	High	Average	Median
Price / Net Asset Value	0.10x	0.78x	0.37x	0.39x
EV / Resource	€0.1	€36.7	€8.4	€3.4

NBF selected the representative multiple range described below:

	Representative Range (Oxide)	Representative Range (Sulphide)	Representative Range (Combined)	Representative Control Premium Range
Price / Net Asset Value	0.40x - 0.60x		0.50x - 0.70x	25% - 35%
EV / Resource		€1.0 - €5.0	€1.0 - €5.0	

NBF calculated the range and median of multiples observed and selected a representative multiple range and applied a range of selected control premiums which was then applied to Filo's respective values as of the relevant date to calculate an implied value per Share range.

The comparable trading analysis with a control premium applied indicated the approximate implied per Share equity value reference ranges for the Shares summarized in the table below:

Zone	Method	Representative Range		Representative Control Premium Range		Reference Range (C\$)	
		Low	High	Low	High	Low	High
<i>Oxide (Reference Only)</i>	<i>Price / NAV</i>	<i>0.40x</i>	<i>0.60x</i>	25% - 35%		<i>\$5.76</i>	<i>\$9.33</i>
<i>Sulphide (Reference Only)</i>	<i>EV / Resource</i>	<i>¢1.0</i>	<i>¢5.0</i>			<i>\$9.82</i>	<i>\$47.47</i>
Sum of the Parts						\$15.58	\$56.80
Total (Oxide + Sulphide)	Price / NAV	0.50x	0.70x	25% - 35%		\$27.10	\$40.97
Total (Oxide + Sulphide)	EV / Resource	¢1.0	¢5.0			\$10.69	\$52.19

No company utilized in the comparable trading analysis is identical to the Company or its assets. Accordingly, an analysis of the results of the foregoing necessarily involves complex considerations and judgments concerning the differences between the Company and the companies and transactions to which they are being compared as well as other factors that could affect transaction values.

Precedent Transaction Analysis:

NBF reviewed the purchase prices and transaction multiples paid in selected precedent transactions that NBF, based on its experience in the mining industry, considered relevant.

NBF primarily analyzed (i) the multiple of price to net asset value based on the average of equity research analyst estimates of the net asset value at the date of each precedent transaction available to NBF, and (ii) the enterprise value of each transaction relative to the total resource based on the most recent NI 43-101 disclosure. NBF analyzed these multiples for select transactions since 2007 in which the target companies were base metal development companies, or in the case of asset transactions, were base metal development assets.

Announcement Date	Purchaser	Asset (Seller)/Target
December 20, 2021	Lundin Mining Corp.	Josemaria Resources Inc.
June 7, 2020	Zijin Mining Group Company Limited	Tibet Julong Copper Industry Co.
August 2, 2018	KAZ Minerals plc	Baimskaya Copper Project
April 25, 2016	Nevsun Resources Ltd.	Reservoir Minerals Inc.
February 9, 2014	HudBay Minerals Inc.	Augusta Resource Corp.
April 18, 2011	Capstone Mining Corp.	Far West Mining Ltd.
October 25, 2010	Equinox Minerals Ltd.	Citadel Resource Group Ltd.
July 15, 2010	Thompson Creek Metals Company Inc.	Terrane Metals Corp.
December 28, 2009	CRCC-Tongguan Investment Co.	Corriente Resources Inc.
June 11, 2007	Aluminum Corporation of China (Chinalco)	Peru Copper Inc.

NBF calculated the range and median of multiples observed below:



	Low	High	Average	Median
Price / Net Asset Value	0.41x	1.19x	0.75x	0.66x
EV / Resource	€2.0	€42.6	€9.8	€4.0

NBF selected the representative multiple range described below:

	Representative Range (Oxide)	Representative Range (Sulphide)	Representative Range (Combined)
Price / Net Asset Value	0.40x - 0.70x		0.60x - 0.80x
EV / Resource		€2.0 - €8.0	€2.0 - €8.0

NBF calculated the range and median of multiples observed and selected a representative multiple range which was then applied to Filo's respective values as of the relevant date to calculate an implied value per share range.

The precedent analysis indicated the approximate implied per Share equity value reference ranges for the Shares summarized in the table below:

Zone	Method	Representative Range		Reference Range (C\$)	
		Low	High	Low	High
<i>Oxide (Reference Only)</i>	<i>Price / NAV</i>	0.40x	0.70x	\$4.61	\$8.06
<i>Sulphide (Reference Only)</i>	<i>EV / Resource</i>	€2.0	€8.0	\$14.68	\$55.65
Sum of the Parts				\$19.29	\$63.71
Total (Oxide + Sulphide)	Price / NAV	0.60x	0.80x	\$26.01	\$34.68
Total (Oxide + Sulphide)	EV / Resource	€2.0	€8.0	\$16.08	\$61.24

No company or transaction utilized in the precedent transactions analysis is identical to the Company, its assets or the Arrangement. Accordingly, an analysis of the results of the foregoing necessarily involves complex considerations and judgements concerning the differences between the Company, the Purchaser Parties and the Arrangement and the companies and transactions to which they are being compared as well as other factors that could affect transaction values.

#### **Other Factors Considered:**

Although not forming part of our financial analysis, NBF considered a number of other factors deemed relevant in arriving at the Opinion, including the following:

- The historical trading price of the Shares on all exchanges, most notably the TSX, during the 52-week period ended July 11, 2024 (the unaffected date, prior to media reports of a potential transaction), which indicated a 52-week intraday low to high per share price range for the Shares of C\$16.43 to C\$27.64;
- Forward price targets for the Shares, as at July 11, 2024, as reflected in equity research analyst reports available to NBF, which indicate a forward price target range for the Shares of C\$29.00 to C\$47.00; forward price target range discounted at 9.5% results in a range of C\$26.48 - C\$42.92;
- The premiums implied by the Consideration relative to the closing price and the 30-day volume weighted average trading price of the Shares on the TSX as at July 11, 2024, which were approximately 25.8% and 32.2% respectively;

- The fact that, absent the Arrangement, the Company would likely be required to raise external capital (in the form of debt and/or equity) to continue to advance FDS and the potential terms of such capital raise; and
- Other quantitative and qualitative factors deemed relevant.

**Conclusion**

Based upon and subject to the foregoing, NBF is of the opinion that, as of the date hereof, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair from a financial point of view to the Shareholders (other than the Purchaser Parties and their affiliates).

Yours very truly,

*National Bank Financial Inc.*

NATIONAL BANK FINANCIAL INC.

## **APPENDIX G INFORMATION CONCERNING LUNDIN MINING**

Unless the context otherwise requires, all references in this Appendix G to “Lundin Mining” means “Lundin Mining Corporation”. Certain other terms used in this Appendix G that are not otherwise defined herein are defined under “*Glossary of Terms*” in the Circular to which this Appendix G is attached.

The following information concerning Lundin Mining should be read in conjunction with the documents incorporated by reference into this Appendix G and the information concerning Lundin Mining appearing elsewhere in this Circular.

### **General**

Lundin Mining is a diversified Canadian base metals mining company with operations and projects in Argentina, Brazil, Chile, Portugal, Sweden and the United States, primarily producing copper, zinc, gold and nickel. Lundin Mining’s material mineral properties for the purposes of NI 43-101 as reported in the Lundin Mining AIF consist of:

- Candelaria Mine, the open pit and underground copper-gold mines and related infrastructure located in the Copiapó Province in the Atacama Region of Chile;
- Caserones Mine, the copper-molybdenum mine located in the Atacama Region of Chile;
- Chapada Mine, the copper-gold mine located in northern Goiás State, Brazil;
- Josemaria Project, the copper-gold project located in the San Juan Province of Argentina; and
- Neves-Corvo Mine, the copper and zinc mine located in the Alentejo district of southern Portugal.

See the Lundin Mining AIF, which is incorporated into this Circular by reference, for descriptions of each of the Candelaria Mine, Caserones Mine, Chapada Mine, Josemaria Project and Neves-Corvo Mine, including summaries of each of the Candelaria Report, Caserones Report, Chapada Report, Josemaria Report and Neves-Corvo Report.

In addition, Lundin Mining also owns 100% of:

- the Eagle nickel and copper mine located in the Upper Peninsula of Michigan, USA;
- the Zinkgruvan zinc and lead mine located approximately 250 km southwest of Stockholm in south-central Sweden; and
- the Saúva copper-gold mineralized system located within an exploration concession owned by Lundin Mining approximately 15 km north of the Chapada Mine, in the State of Goiás, Brazil.

In addition to ongoing exploration in and around its existing mines, Lundin Mining regularly considers additional mining, exploration or project opportunities through acquisition, earn-in and other partnership models.

For further information regarding Lundin Mining, refer to its filings with the applicable securities commissions or similar authorities in Canada, which are available under Lundin Mining’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

For additional information relating to Lundin Mining following the Effective Date and the risk factors relating to the Arrangement, see “*Information Concerning Lundin Mining Following Completion of the Arrangement*” and “*Risk Factors*”.

## Corporate Structure

Lundin Mining was incorporated by Articles of Incorporation on September 9, 1994, under the CBCA as “South Atlantic Diamonds Corp.” and subsequently changed its name to “South Atlantic Resources Ltd.” on July 30, 1996, and to “South Atlantic Ventures Ltd.” on March 25, 2002. Lundin Mining changed its name to “Lundin Mining Corporation” on August 12, 2004.

Lundin Mining amalgamated with EuroZinc effective November 30, 2006 and with Tenke Mining Corp. effective July 31, 2007.

Lundin Mining’s registered and records office and corporate head office is located at 1055 Dunsmuir Street, Suite 2800, Bentall IV, Vancouver, BC, V7X 1L2.

The Lundin Mining AIF illustrates Lundin Mining’s material subsidiaries, including their respective jurisdiction of incorporation and the percentage of votes attaching to all voting securities of each subsidiary that are beneficially owned, controlled or directed, directly or indirectly, by Lundin Mining.

## Recent Developments

On February 21, 2024, Lundin Mining declared its regular quarterly dividend of \$0.09 per Lundin Mining Share.

On May 1, 2024, Lundin Mining declared its regular quarterly dividend of \$0.09 per Lundin Mining Share.

On May 10, 2024, at its annual general and special meeting of shareholders, Lundin Mining’s shareholders approved, among other things, resolutions to amend Lundin Mining’s articles (i) to remove one special share from its authorized share capital and (ii) to change the province of the registered office of Lundin Mining from Ontario to British Columbia.

On May 23, 2024, Lundin Mining amended the terms of its US\$1.75 billion revolving credit facility (the “**Lundin Mining Credit Facility**”) and its existing US\$800 million term loan (the “**Lundin Mining Term Loan**”) to, among other things, implement a sustainability-linked loan structure.

On July 2, 2024, Lundin Mining completed the exercise of its option to acquire an additional 19% interest in the issued and outstanding equity of SCM Minera Lumina Copper Chile, which owns the Caserones Mine, increasing Lundin Mining’s ownership in the Caserones Mine to 70% (the “**Caserones Option Exercise**”). The consideration for the Caserones Option Exercise was paid for in cash and consisted of a payment of US\$350 million for the additional 19% interest in the Caserones Mine. The acquisition was financed by a US\$350 million draw down from the Lundin Mining Credit Facility with the intention to re-finance this amount by increasing the US\$800 million Lundin Mining Term Loan to US\$1.15 billion.

On August 2, 2024, Lundin Mining announced the closing of the US\$350 million increase to the Lundin Mining Term Loan, which was used to refinance the draw down of the Lundin Mining Credit Facility.

On July 10, 2024, Lundin Mining published its 2023 Sustainability Report.

On July 29, 2024, Lundin Mining announced that it and BHP had entered into the Arrangement Agreement with Filo to jointly acquire 100% of the issued and outstanding Filo Shares not already owned by Lundin Mining and BHP pursuant to the Arrangement, had agreed to provide Filo interim financing pursuant to the Concurrent Private Placement, and had entered into the Contribution Agreement whereby BHP agreed to pay US\$690 million in cash to Lundin Mining (subject to certain adjustments), as consideration for the Josemaria Transaction. See “*The Contribution Agreement*” below.

Concurrently with the completion of the Arrangement and the Josemaria Transaction, JVCo will hold the Company Material Property and the Josemaria Project. Lundin Mining and BHP will each contribute their respective interests in Filo, and Lundin Mining will contribute the Josemaria Project, to JVCo. Each of Lundin Mining and BHP will hold a 50% interest in JVCo. See “*Information Concerning Lundin Mining Following Completion of the Arrangement*” for

additional information concerning JVCo and Lundin Mining's interest in the Company Material Property and the Josemaria Project following completion of the Arrangement.

The Arrangement, the Josemaria Transaction and the entering into of a definitive joint venture agreement with respect to JVCo are inter-conditional, whereby completion of each transaction is dependent on completion of each of the other transactions. Closing is expected to occur in the first quarter of 2025 subject to the receipt of regulatory approvals and other customary closing conditions for transactions of this nature.

In connection with the Arrangement, Lundin Mining and BHP (or an affiliate thereof) each agreed to subscribe for 1,742,424 Filo Shares at a price of \$33.00 per share pursuant to the Concurrent Private Placement. The Concurrent Private Placement closed on August 7, 2024.

On July 30, 2024, Lundin Mining declared its regular quarterly dividend of \$0.09 per Lundin Mining Share.

On August 12, 2024, Lundin Mining announced that one of the three unions representing approximately 30% of the Caserones employees, or 5% of the total workforce at the Caserones Mine, had taken job action. On August 24, 2024, Lundin Mining announced that an agreement has been reached with the union at Caserones and accepted by the majority of the union members through a vote.

On August 22, 2024, Lundin Mining entered into the Amending Agreement with BHP and Filo to allow Former Company Shareholders receiving Share Consideration pursuant to the Arrangement to make a Section 85 Election. See "*Certain Canadian Federal Income Tax Consequences – Exchange of Filo Shares for Cash and Share Consideration – With Section 85 Election*".

### ***The Contribution Agreement***

The following is a summary of certain terms of the Contribution Agreement and does not purport to be complete and is qualified in its entirety by reference to the Contribution Agreement, which has been filed by Lundin Mining under its SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). Capitalized terms used but not otherwise defined in this Appendix G have the meanings set out in the Contribution Agreement.

#### **Contribution and Subscription**

The Contribution Agreement sets forth Lundin Mining's and BHP's agreements with respect to: (a) the contribution by Lundin Mining of Josemaria to JVCo, in consideration for Lundin Mining's 50% interest in JVCo; and (b) a US\$690 million cash subscription amount payable by BHP (subject to certain adjustments), in consideration for BHP's 50% interest in JVCo.

The Contribution Agreement further provides for Lundin Mining to continue the funding of Josemaria on a 100% basis until December 31, 2024, subject to certain adjustment mechanisms. Subject to the terms of the Contribution Agreement, with respect to certain funding by Lundin Mining on or after January 1, 2025 and prior to the Effective Date, the subscription amount payable by BHP as finally determined (the "**Final Subscription Amount**") will be adjusted such that BHP will bear one-half of such funding.

The Final Subscription Amount will be the total of (a) US\$690,000,000 plus or minus (b) certain adjustments.

#### **Closing Conditions**

The obligations of BHP and Lundin Mining to consummate the Josemaria Transaction are subject to the fulfillment on or before Closing of customary conditions for a transaction of this nature, including the receipt of Key Regulatory Approvals, and that the Arrangement shall have been consummated (or the conditions precedent thereto have been satisfied or waived such that the Arrangement will be consummated).

### Covenants

The Contribution Agreement contains customary mutual covenants regarding the Josemaria Transaction, including with respect to notices of certain events, efforts to close and Key Regulatory Approvals. In addition, there are restrictive interim operating covenants that apply to Lundin Mining with respect to the Josemaria Entities and the conduct of the Josemaria operations, including operating in accordance with an initial budget and work plan, and other restrictions agreed in respect of employment matters, exclusive dealing, and intercompany matters.

### Representations and Warranties

The Contribution Agreement contains customary representations and warranties and covenants of Lundin Mining with respect to Lundin Mining, the Josemaria Entities and the Josemaria Project, and customary representations and warranties of BHP with respect to itself.

### Indemnification

Subject to certain limitations, following Closing, Lundin Mining will indemnify and save harmless BHP and BHP's affiliates and their respective officers, directors, managers, employees, agents, representatives, successors and assigns from and against losses suffered or incurred by any of the foregoing (and, in the case of BHP, for losses suffered or incurred by BHP that result from losses suffered or incurred by JVCo) as a result of or arising directly or indirectly out of or in connection with: (a) any inaccuracy or breach by Lundin Mining as of the date of the Contribution Agreement or as of the effectiveness of the Josemaria Transaction of any representation or warranty of Lundin Mining contained in the Contribution Agreement; (b) any breach or non-performance by Lundin Mining of any covenant contained in the Contribution Agreement; (c) certain employment expenses accrued up to the close of business on the Effective Date in respect of transferred employees; (d) any Taxes payable by Lundin Mining in accordance with prescribed sections and periods; and (e) any Leakage (as defined in the Contribution Agreement); (f) certain payables with respect to the period before April 1, 2024, to the extent not paid or accounted for in the calculation of the Final Subscription Amount; (g) specified indebtedness of the Josemaria Entities at Closing, to the extent not paid or accounted for in the calculation of the Final Subscription Amount; and (h) certain specific matters set forth in the Disclosure Letter.

Subject to certain limitations, following Closing, BHP will indemnify and save harmless Lundin Mining and Lundin Mining's affiliates and their respective officers, directors, managers, employees, agents, representatives, successors and assigns from and against all losses suffered or incurred by any of the foregoing (and, in the case of Lundin Mining, for any losses suffered or incurred by Lundin Mining that result from losses suffered or incurred by JVCo) as a result of or arising directly or indirectly out of or in connection with: (i) any inaccuracy or breach by BHP as of the date of the Contribution Agreement or as of the Effective Date of any representation or warranty of BHP contained in the Contribution Agreement; (ii) any breach or non-performance by BHP of any covenant contained in the Contribution Agreement; and (iii) any Taxes payable in accordance with prescribed sections.

### Termination

The Contribution Agreement may be terminated at any time prior to the Effective Date by the mutual written agreement of Lundin Mining and BHP. It may also be terminated by either Lundin Mining or BHP if: (a) the Closing has not occurred on or prior to the Outside Date, except by a party whose failure to fulfill its covenants or obligations or breach its representations and warranties has been the cause of, or resulted in, the failure to close; (b) the Arrangement Agreement has been validly terminated in accordance with its terms; (c) any applicable Law is enacted or an order issued permanently restraining or enjoining or otherwise prohibiting the Josemaria Transaction, or (d) if the closing conditions in its favour are not satisfied or waived (provided the terminating Party is not then in breach), the other party's representations or warranties are untrue such that the applicable closing conditions cannot be fulfilled, or the other party is in default in any material respect of its covenants or obligations.

## Documents Incorporated by Reference

Information regarding Lundin Mining has been incorporated by reference in this Appendix G from documents filed by Lundin Mining with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference in this Appendix G regarding Lundin Mining may be obtained on request without charge from Annie Laurenson, Lundin Mining's Corporate Secretary, by email: [annie.laurenson@lundinmining.com](mailto:annie.laurenson@lundinmining.com) or may be obtained under Lundin Mining's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

The following documents, filed by Lundin Mining with the securities regulatory authorities in Canada, are specifically incorporated by reference into, and form a part, of this Appendix G:

- (a) the annual information form of Lundin Mining dated February 21, 2024 for the year ended December 31, 2023 (the "**Lundin Mining AIF**");
- (b) the audited consolidated financial statements of Lundin Mining as at and for the years ended December 31, 2023 and 2022, together with the notes thereto and the independent auditor's report thereon;
- (c) the management's discussion and analysis of financial condition and results of operations of Lundin Mining for the years ended December 31, 2023 and 2022;
- (d) the unaudited condensed interim consolidated financial statements of Lundin Mining for the three and six months ended June 30, 2024 and 2023 (the "**Lundin Mining Interim Financial Statements**");
- (e) the management's discussion and analysis of financial condition and results of operations of Lundin Mining for the three and six months ended June 30, 2024;
- (f) the material change report of Lundin Mining dated August 8, 2024, relating to the announcement of the Arrangement, the Josemaria Transaction and the Concurrent Private Placement; and
- (g) the management information circular of Lundin Mining dated March 22, 2024 in connection with the annual and special meeting of shareholders of Lundin Mining held on May 10, 2024.

Any documents of the type described in Section 11.1 of Form 44-101F1 — *Short Form Prospectus* filed by Lundin Mining with any securities regulatory authorities in Canada subsequent to the date of the Circular and prior to the Effective Date will be deemed to be incorporated by reference in this Appendix G.

Any statement contained in a document incorporated or deemed to be incorporated by reference in this Appendix G will be deemed to be modified or superseded for the purposes of the Circular to the extent that a statement contained in this Appendix G or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference in this Appendix G modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of the Circular.

Information contained in or otherwise accessed through Lundin Mining's website at [www.lundinmining.com](http://www.lundinmining.com), or any other website, does not form part of the Circular. All such references to Lundin Mining's website are inactive textual references only.

## **Dividends and Distributions**

Lundin Mining's dividend policy is currently comprised of (i) a regular cash base dividend paid on a quarterly basis and (ii) a semi-annual variable performance dividend, and subject to declaration by the Lundin Mining Board. The dividend policy is designed to return to shareholders a minimum target of 40% of operating cash flow after capital investments, contingent payments and distributions to partners. The declaration, timing, amount and payment of all dividends (i.e., the regular base dividend and semi-annual variable performance dividend) remain at the discretion of the Lundin Mining Board.

In July 2021, Lundin Mining announced the inaugural semi-annual variable performance dividend of \$0.09 per Lundin Mining Share. This semi-annual variable performance dividend, which related to Lundin Mining's performance during the first half of 2021, was paid in the third quarter of the same year. Accordingly, in 2021, Lundin Mining paid aggregate cash base and variable performance dividends of \$0.39 per Lundin Mining Share in five installments (\$0.30 per Lundin Mining Share in base dividends paid in four installments and \$0.09 per Lundin Mining Share as a variable performance dividend in a single installment).

In 2022, Lundin Mining paid aggregate cash base and variable performance dividends of \$0.47 per Lundin Mining Share in six installments (\$0.36 per Lundin Mining Share in base dividends paid in four equal installments and \$0.11 per Lundin Mining Share as a variable performance dividend in the first half of 2022). No semi-annual variable performance dividend has been declared since February 2022.

In 2023, Lundin Mining paid an aggregate cash base dividend of \$0.36 per Lundin Mining Share in four equal installments.

In 2024, as of the date of the Circular, Lundin Mining has paid an aggregate cash base dividend of \$0.18 per Lundin Mining Share in two equal installments. On July 30, 2024, Lundin Mining declared that it would pay a cash base dividend of \$0.09 per Lundin Mining Share on September 11, 2024 to shareholders of record as of the close of business on August 30, 2024.

Based on, among other things, Lundin Mining's current and projected liquidity profile (including anticipated capital investments, contingent payments and distributions to partners), the Lundin Mining Board reviews the regular cash base dividend on a quarterly basis and reviews the semi-annual variable performance dividend in connection with the approval of Lundin Mining's second quarter and year-end results.

## **Description of Capital Structure**

As of August 23, 2024, the authorized share capital of Lundin Mining consisted of an unlimited number of Lundin Mining Shares without nominal or par value of which 776,791,058 Lundin Mining Shares were issued and outstanding. As of August 23, 2024, Lundin Mining had 4,090,754 stock options and 2,514,420 share units outstanding under Lundin Mining's incentive plans.

The holders of Lundin Mining Shares are entitled to receive notice of and attend all meetings of shareholders with each Lundin Mining Share entitling the holder to one vote on any resolution to be passed at such shareholder meetings. The holders of Lundin Mining Shares are entitled to dividends if, as and when declared by the Lundin Mining Board. The Lundin Mining Shares are entitled, upon liquidation, dissolution or winding up of Lundin Mining, to receive the remaining assets of Lundin Mining available for distribution to shareholders.

## **Consolidated Capitalization**

Except as otherwise set out in this Appendix G, there have been no material changes in the share and loan capital of Lundin Mining, on a consolidated basis, since June 30, 2024, the date of the Lundin Mining Interim Financial Statements, which are incorporated by reference in this Appendix G. Subsequent to June 30, 2024, on July 2, 2024, Lundin Mining financed the purchase price of the Caserones Option Exercise with a US\$350 million draw down of the Lundin Mining Credit Facility. On August 2, 2024, Lundin Mining announced that it had refinanced the US\$350 million draw down of the Lundin Mining Credit Facility by means of a US\$350 million increase in the Lundin Mining



Term Loan. In addition, pursuant to the terms of the Arrangement Agreement, Lundin Mining will issue up to approximately 95,789,989 Lundin Mining Shares in connection with the Arrangement (assuming all Filo Options are exercised between the date of the Circular and the Effective Date, and no additional Filo Options are granted between the date of the Circular and the Effective Date.).

### Market for Securities

The Lundin Mining Shares are listed and posted for trading on the TSX under the symbol LUN and are listed on the Nasdaq Stockholm under the symbol LUMI.

The following table shows the high and low trading prices and monthly trading volume of the Lundin Mining Shares on the TSX for the 12-month period preceding the date of the Circular:

Date	High	Low	Volume
August 2023	\$11.81	\$9.68	45,770,063
September 2023	\$10.99	\$9.52	48,664,777
October 2023	\$10.05	\$8.42	42,518,593
November 2023	\$9.72	\$8.18	57,393,177
December 2023	\$11.09	\$9.30	43,910,408
January 2024	\$11.3	\$9.85	35,044,980
February 2024	\$11.79	\$10.56	32,529,849
March 2024	\$13.97	\$10.66	61,919,290
April 2024	\$16.51	\$13.69	71,918,340
May 2024	\$17.97	\$14.74	62,440,324
June 2024	\$15.98	\$14.26	44,086,466
July 2024	\$16.31	\$13.41	34,682,539
August 1 – 23 2024	\$14.03	\$12.02	34,012,901

The closing price of Lundin Mining Shares on the TSX on July 29, 2024, the date of the announcement of the Arrangement, was \$14.24. The closing price of the Lundin Mining Shares on the TSX on August 23, 2024 was \$13.96.

### Prior Sales

The following table sets forth information in respect of issuances of Lundin Mining Shares and securities that are convertible or exchangeable into Lundin Mining Shares within the 12 months prior to the date of the Circular, including the price at which such securities have been issued, the number of securities issued, and the date on which such securities were issued:

Date of Issuance	Reasons for Issuance	Number and Type of Securities	Issue/Exercise Price per Security
August 31, 2023	RSU/PSU Vested/Released	64,064	\$10.34
September 1, 2023	Stock Option Award	10,300	\$10.81
September 1, 2023	RSU/PSU Vested/Released	10,500	Nil
September 29, 2023	RSU/PSU Vested/Released	4,196	\$9.71

<b>Date of Issuance</b>	<b>Reasons for Issuance</b>	<b>Number and Type of Securities</b>	<b>Issue/Exercise Price per Security</b>
October 4, 2023	Stock Option Exercise	12,000	\$6.65
October 5, 2023	RSU/PSU Vested/Released	2,114	\$9.51
November 2, 2023	RSU/PSU Award	74,000	Nil
November 16, 2023	Stock Option Exercise	50,879	\$6.25
November 22, 2023	Stock Option Exercise	25,000	\$7.09
December 5, 2023	Stock Option Exercise	3,300	\$6.65
December 11, 2023	Stock Option Exercise	42,000	\$6.87
December 12, 2023	Stock Option Exercise	5,000	\$7.09
December 13, 2023	Stock Option Exercise	5,000	\$7.09
December 15, 2023	Stock Option Exercise	10,000	\$7.09
December 18, 2023	Stock Option Exercise	31,000	\$6.89
December 19, 2023	Stock Option Exercise	5,000	\$7.09
December 20, 2023	Stock Option Exercise	5,000	\$7.09
December 21, 2023	Stock Option Exercise	25,000	\$6.74
December 21, 2023	RSU/PSU Vested/Released	2,665	\$10.97
December 22, 2023	Stock Option Exercise	12,000	\$7.09
December 27, 2023	Stock Option Exercise	12,500	\$6.83
December 28, 2023	Stock Option Exercise	5,000	\$7.09
December 29, 2023	Stock Option Exercise	10,000	\$6.65
January 2, 2024	Stock Option Exercise	21,000	\$6.65
January 2, 2024	RSU/PSU Vested/Released	21,119	\$10.91
January 4, 2024	Stock Option Exercise	17,684	\$4.69
January 8, 2024	Stock Option Exercise	8,333	\$7.09
January 9, 2024	RSU/PSU Vested/Released	5,419	\$10.53
January 26, 2024	Stock Option Exercise	155,000	\$7.03
January 29, 2024	Stock Option Exercise	10,000	\$6.65
January 31, 2024	Stock Option Exercise	12,000	\$6.65
February 2, 2024	Stock Option Exercise	8,333	\$7.09
February 12, 2024	Stock Option Exercise	7,318	\$4.19
February 14, 2024	Stock Option Exercise	20,000	\$7.09
February 20, 2024	Stock Option Exercise	163,000	\$7.09
February 22, 2024	Stock Option Exercise	33,500	\$7.16
February 23, 2024	RSU/PSU Vested/Released	217,150	\$10.71
February 26, 2024	Stock Option Award	1,490,300	\$10.71

<b>Date of Issuance</b>	<b>Reasons for Issuance</b>	<b>Number and Type of Securities</b>	<b>Issue/Exercise Price per Security</b>
February 26, 2024	RSU/PSU Award	1,038,620	Nil
February 27, 2024	Stock Option Exercise	31,946	\$5.23
March 4, 2024	Stock Option Exercise	67,500	\$6.65
March 5, 2024	Stock Option Exercise	25,000	\$6.65
March 6, 2024	Stock Option Exercise	21,000	\$6.65
March 7, 2024	Stock Option Exercise	25,000	\$6.65
March 8, 2024	Stock Option Exercise	55,000	\$6.89
March 11, 2024	Stock Option Exercise	13,500	\$11.21
March 12, 2024	Stock Option Exercise	21,000	\$7.09
March 14, 2024	Stock Option Exercise	20,000	\$8.43
March 15, 2024	Stock Option Exercise	173,595	\$9.13
March 15, 2024	RSU/PSU Vested/Released	4,988	\$13.49
March 18, 2024	Stock Option Exercise	58,568	\$10.58
March 19, 2024	Stock Option Exercise	80,136	\$9.41
March 20, 2024	Stock Option Exercise	98,575	\$9.66
March 21, 2024	Stock Option Exercise	29,734	\$9.02
March 22, 2024	Stock Option Exercise	49,901	\$10.29
March 27, 2024	Stock Option Exercise	43,700	\$10.02
April 1, 2024	Stock Option Exercise	22,167	\$10.13
April 2, 2024	Stock Option Exercise	20,868	\$6.51
April 3, 2024	Stock Option Exercise	20,090	\$9.93
April 4, 2024	Stock Option Exercise	22,534	\$10.98
April 5, 2024	Stock Option Exercise	20,468	\$10.42
April 8, 2024	Stock Option Exercise	76,134	\$11.27
April 9, 2024	Stock Option Exercise	48,000	\$14.90
April 10, 2024	Stock Option Exercise	62,500	\$14.52
April 11, 2024	Stock Option Exercise	79,000	\$12.53
April 12, 2024	Stock Option Exercise	5,000	\$14.90
April 15, 2024	Stock Option Exercise	35,500	\$9.40
April 18, 2024	Stock Option Exercise	25,000	\$7.09
April 19, 2024	Stock Option Exercise	25,000	\$7.09
April 22, 2024	Stock Option Exercise	29,300	\$14.90
April 24, 2024	Stock Option Exercise	11,868	\$10.48
April 30, 2024	Stock Option Exercise	28,534	\$7.20

<b>Date of Issuance</b>	<b>Reasons for Issuance</b>	<b>Number and Type of Securities</b>	<b>Issue/Exercise Price per Security</b>
April 30, 2024	RSU/PSU Vested/Released	27,814	\$15.38
May 1, 2024	Stock Option Exercise	286,211	\$14.78
May 2, 2024	Stock Option Exercise	13,900	\$8.88
May 3, 2024	RSU/PSU Vested/Released	12,500	\$15.28
May 7, 2024	Stock Option Exercise	104,167	\$7.11
May 9, 2024	Stock Option Exercise	30,309	\$13.05
May 13, 2024	Stock Option Exercise	42,227	\$11.03
May 15, 2024	Stock Option Exercise	16,700	\$12.04
May 16, 2024	Stock Option Exercise	128,384	\$10.50
May 17, 2024	Stock Option Exercise	67,217	\$11.82
May 21, 2024	Stock Option Exercise	18,700	\$7.99
May 22, 2024	Stock Option Exercise	84,218	\$12.44
May 23, 2024	Stock Option Exercise	66,368	\$8.24
May 30, 2024	Stock Option Exercise	25,000	\$7.09
June 5, 2024	Stock Option Exercise	5,000	\$7.09
June 11, 2024	Stock Option Exercise	6,067	\$8.35
June 13, 2024	Stock Option Exercise	16,834	\$7.59
June 14, 2024	Stock Option Exercise	10,500	\$11.54
June 17, 2024	Stock Option Exercise	2,500	\$11.54
June 18, 2024	Stock Option Exercise	9,662	\$11.54
June 19, 2024	Stock Option Exercise	25,000	\$7.99
June 21, 2024	Stock Option Exercise	2,500	\$11.54
June 25, 2024	Stock Option Exercise	5,000	\$7.99
June 30, 2024	RSU/PSU Vested/Released	3,339	\$15.35
July 2, 2024	Stock Option Exercise	10,500	\$14.90
July 3, 2024	Stock Option Exercise	7,000	\$7.09
July 4, 2024	Stock Option Exercise	9,500	\$10.61
July 11, 2024	Stock Option Exercise	1,250	\$7.99
July 25, 2024	Stock Option Exercise	25,000	\$11.54
July 30, 2024	Stock Option Exercise	1,250	\$7.99
July 31, 2024	Stock Option Exercise	4,690	\$7.99
August 12, 2024	Stock Option Exercise	2,378	\$7.09
August 12, 2024	Stock Option Exercise	622	\$7.09

## Risk Factors

An investment in Lundin Mining Shares and the completion of the Arrangement are subject to certain risks. In assessing the Arrangement, Shareholders should carefully consider the risks described under “*Risk Factors Associated with the Arrangement*” and the risks described in the Lundin Mining AIF and other documents incorporated by reference in this Appendix G.

## Interests of Experts

With respect to scientific and technical information relating to Lundin Mining contained in this Circular or in a document incorporated by reference in this Appendix G, the following is a list of persons or companies named as having prepared or certified a statement, report or valuation and whose profession or business gives authority to the statement, report or valuation made by the person or company:

- Glen Cole, P.Geo., Benny Zhang, P.Eng., Souvik Banerjee, P.Geo., Adrian Dance, P.Eng., Colleen MacDougall, P.Eng., and Cameron C. Scott, P.Eng., of SRK Consulting (Canada) Inc. have acted as Qualified Persons on the Candelaria Report and have reviewed and approved the information related to the Candelaria Mine, other than the Mineral Reserve and Mineral Resource estimations for the Candelaria Mine, contained in the Lundin Mining AIF as incorporated by reference in this Appendix G;
- Paul Daigle, P. Geo., Oscar Retto Magallanes, MAIG and Kirk Hanson, P.E. of AGP Mining Consultants Inc., Pierre Lacombe, P.Eng., former Group Metallurgist of Lundin Mining, and Andre Gagnon, P.Eng., Director, Tailings of Lundin Mining have acted as Qualified Persons on the Caserones Report and have reviewed and approved the information related to the Caserones Mine, other than the Mineral Reserve and Mineral Resource estimations for the Caserones Mine, contained in the Lundin Mining AIF as incorporated by reference in this Appendix G;
- Hugo Miranda, SME(RM) and Andrew Hampton, P.Eng. of SLR International Corporation; and Chester Moore, P.Eng. and David Ritchie, P.Eng. of SLR Consulting (Canada) Ltd. (formerly Roscoe Postle Associates Inc) have acted as Qualified Persons on the Chapada Report and have reviewed and approved the information related to the Chapada Mine, other than the Mineral Reserve and Mineral Resource estimations for the Chapada Mine, contained in the Lundin Mining AIF as incorporated by reference in this Appendix G;
- Bob McCarthy, P.Eng., Neil Winkelmann, FAusIMM, Andy Thomas, P.Eng. and Cameron C. Scott, P.Eng., of SRK Consulting (Canada) Inc.; Marcel Bittel, P.Eng. and Brian Johnston, P.Eng., of Fluor Canada Ltd.; Daniel Ruane, P.Eng., of Knight Piésold Ltd.; James Gray, P.Geo., of Advantage Geoservices Ltd.; Fionnuala Devine, P.Geo., of Merlin Geosciences Inc.; and Jeffrey Austin, P.Eng., of International Metallurgical and Environmental Inc. have acted as Qualified Persons on the Josemaria Report and have reviewed and approved the information related to the Josemaria Project, other than the Mineral Reserve and Mineral Resource estimations for the Josemaria Project, contained in the Lundin Mining AIF as incorporated by reference in this Appendix G;
- Richard Ellis, CGeol., EurGeol, FGS, Philip King, ARSM, C.Eng., FIMMM, Stuart Richardson, C.Eng., MIMMM, and Alison Allen, C.Env., FIMMM, MIEMA, MIEEM, of Wardell Armstrong International Ltd. have acted as Qualified Persons on the Neves-Corvo Report and have reviewed and approved the information related to the Neves-Corvo Mine, other than the Mineral Reserve and Mineral Resource estimations for the Neves-Corvo Mine, contained in the Lundin Mining AIF as incorporated by reference in this Appendix G;
- Arkadius Tarigan, P.Eng., former Director, Reserves and Mine Planning of Lundin Mining has reviewed and approved the Mineral Reserve estimates of Lundin Mining, other than the Mineral Reserve estimates for the Josemaria Project, contained in the Lundin Mining AIF as incorporated by reference in this Appendix G. Mr. Tarigan is a Qualified Person under NI 43-101;

- Dustin Smiley, P.Eng., Manager, Mine Engineering and Costing of Lundin Mining has reviewed and approved the Mineral Reserve estimates for the Josemaria Project contained in the Lundin Mining AIF as incorporated by reference in this Appendix G. Mr. Smiley is a Qualified Person under NI 43-101;
- Cole Mooney, P.Geo., Director, Resource Geology of Lundin Mining has reviewed and approved the Mineral Resource estimates of Lundin Mining contained in the Lundin Mining AIF as incorporated by reference in this Appendix G. Mr. Mooney is a Qualified Person under NI 43-101; and
- Unless otherwise stated, the scientific and technical information relating to Lundin Mining contained in the Lundin Mining AIF as incorporated by reference in this Appendix G has been reviewed and approved by Arman Barha, P.Eng., VP, Technical Services of Lundin Mining. Mr. Barha is a Qualified Person under NI 43-101.

Each of the aforementioned persons was a Qualified Person under NI 43-101 at the time of the respective Technical Report that they authored, or at the time of preparation of the Mineral Reserve or Mineral Resource estimates, or the other scientific and technical information relating to Lundin Mining, for which they take responsibility. Each of the aforementioned firms or persons held less than 1% of the outstanding securities of the same class of Lundin Mining or of any associate or affiliate of Lundin Mining when such expert prepared the Lundin Mining Technical Reports or the Mineral Resource or Mineral Reserve estimates, or other scientific and technical information relating to Lundin Mining referred to, and held less than 1% of the outstanding securities of the same class of Lundin Mining following the preparation of such reports or data.

None of the aforementioned firms or persons, nor any directors, officers or employees of such firms, are currently expected to be elected, appointed or employed as a director, officer or employee of Lundin Mining or of any associate or affiliate of Lundin Mining, other than Messrs. Andre Gagnon, Arman Barha, Dustin Smiley and Cole Mooney, each of whom is currently employed by Lundin Mining or one of its subsidiaries.

Lundin Mining's independent auditors, PricewaterhouseCoopers LLP, Chartered Professional Accountants, issued an independent auditor's report dated February 21, 2024 in respect of Lundin Mining's annual consolidated financial statements as at December 31, 2023 and 2022 and for each of the years then ended. PricewaterhouseCoopers LLP has advised that they are independent with respect to Lundin Mining within the meaning of the Chartered Professional Accountants of British Columbia, Code of Professional Conduct.

**APPENDIX H  
CURRENCY CONVERTED FINANCIAL INFORMATION**

**Filo Corp.**  
**Unaudited Consolidated Statements of Comprehensive Loss**  
**Presented in United States Dollars**

	<b>Year ended December 31,</b>	
	<b><u>2023</u></b>	<b><u>2022</u></b>
<b>Expenses</b>		
Exploration and project investigation	\$ 106,073,988	\$ 63,181,008
General and administration:		
Salaries and benefits	3,986,846	2,538,588
Share-based compensation	4,955,008	5,883,037
Management fees	535,955	152,901
Professional fees	407,724	168,986
Travel	161,548	199,899
Promotion and public relations	641,572	259,127
Office and general	1,149,085	742,569
<b>Operating loss</b>	<b>117,911,726</b>	<b>73,126,115</b>
<b>Other (income) and expenses</b>		
Interest income	(3,762,619)	(1,400,199)
Net monetary gain	(1,125,085)	(372,807)
Gain on use of marketable securities	(28,633,765)	(19,143,711)
Other foreign exchange loss (gain)	12,278	(351,055)
Other expenses	859,930	909,353
<b>Net loss</b>	<b>85,262,465</b>	<b>52,767,696</b>
<b>Other comprehensive loss</b>		
Items that may be reclassified subsequently to net loss:		
Foreign currency translation adjustment	351,201	(332,283)
Impact of hyperinflation	(2,850,500)	(588,916)
<b>Comprehensive loss</b>	<b>\$ 82,763,166</b>	<b>\$ 51,846,497</b>
<b>Basic and diluted loss per common share</b>	<b>\$ 0.67</b>	<b>\$ 0.44</b>
<b>Weighted average common shares outstanding</b>	<b>127,473,242</b>	<b>120,914,843</b>

**Filo Corp.**  
**Unaudited Consolidated Statements of Cash Flows**  
**Presented in United States Dollars**

	<b>Year ended December 31,</b>	
	<b><u>2023</u></b>	<b><u>2022</u></b>
<b>Cash flows used in operating activities</b>		
Net loss for the period	\$ (85,262,465)	\$ (52,767,696)
Items not involving cash		
Share-based compensation	6,088,379	7,234,870
Net monetary loss	2,678,914	1,171,173
Unrealized foreign exchange loss (gain)	2,206	(381,577)
Depreciation	107,156	11,936
Net changes in working capital and other items:		
Receivables and other	(496,059)	1,130,244
Trade payables and accrued liabilities	13,307,510	9,038,538
	<u>(63,574,359)</u>	<u>(34,562,512)</u>
<b>Cash flows from (for) financing activities</b>		
Proceeds from option exercises	3,261,607	3,698,349
Proceeds from equity financings, gross	97,588,536	79,490,817
Share issuance costs	(714,054)	(225,970)
	<u>100,496,089</u>	<u>82,963,196</u>
<b>Cash flows from (for) investing activities</b>		
Acquisition of equipment and facilities	(4,094,592)	(217,651)
Mineral properties and related expenditures	(736,642)	(876,002)
	<u>(4,831,234)</u>	<u>(1,093,653)</u>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<u>(5,654,874)</u>	<u>(7,309,966)</u>
<b>Increase in cash and cash equivalents during the period</b>	26,435,622	39,997,065
<b>Cash and cash equivalents, beginning of the period</b>	55,312,560	15,315,495
<b>Cash and cash equivalents, end of the period</b>	<u>\$ 81,748,182</u>	<u>\$ 55,312,560</u>



**APPENDIX I  
DISSENT PROVISIONS OF THE CBCA**

**SECTION 190 OF THE CANADA BUSINESS CORPORATIONS ACT**

**Right to dissent**

190 (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
- (b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
- (c) amalgamate otherwise than under section 184;
- (d) be continued under section 188;
- (e) sell, lease or exchange all or substantially all its property under subsection 189(3); or
- (f) carry out a going-private transaction or a squeeze-out transaction.

**Further right**

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

**If one class of shares**

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

**Payment for shares**

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

**No partial dissent**

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

**Objection**

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

### Notice of resolution

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

### Demand for payment

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares.

### Share certificate

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

### Forfeiture

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

### Endorsing certificate

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

### Suspension of rights

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

- (a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),
- (b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
- (c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

### Offer to pay

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

- (a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or
- (b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

### Same terms

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

### Payment

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

### Corporation may apply to court

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

### Shareholder application to court

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

### Venue

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

### No security for costs

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

### Parties

(19) On an application to a court under subsection (15) or (16),

- (a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and
- (b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

### Powers of court

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

### Appraisers

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

### Final order

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

### Interest

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

### Notice that subsection (26) applies

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

### Effect where subsection (26) applies

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

- (a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or
- (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

### Limitation

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

- (a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or
- (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.