

Dundee Precious Metals Continues Track Record of Strong Free Cash Flow Generation; Announces 2023 First Quarter Results

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TORONTO, May 03, 2023 - [Dundee Precious Metals Inc.](#) (TSX: DPM) ("DPM" or the "Company") announced its operating and financial results for the first quarter ended March 31, 2023.

Highlights

(Unless otherwise stated, all monetary figures in this news release are expressed in U.S. dollars, and all operational and financial information contained in this news release is related to continuing operations.)

- Strong metals production: Produced 68,581 ounces of gold and 7.2 million pounds of copper.
- All-in sustaining cost: Reported cost of sales per ounce of gold sold¹ of \$974 and an all-in sustaining cost per ounce of gold sold² of \$872, slightly above the 2023 guidance range due primarily to an unfavourable mark-to-market adjustment to share-based compensation expenses as a result of DPM's strong share price performance, which impacted all-in sustaining cost by approximately \$100 per ounce of gold sold.
- On track to achieve 2023 guidance: Strong performance at each operation is expected for the balance of the year and DPM remains on track to achieve its 2023 production and cost guidance.
- Significant free cash flow: Generated \$70.9 million of cash provided from operating activities and \$65.0 million of free cash flow².
- Solid adjusted net earnings: Reported net earnings of \$46.6 million (\$0.25 per share) and adjusted net earnings² of \$46.1 million (\$0.24 per share).
- Growing financial position: Ended the quarter with a strong balance sheet, including \$473.0 million of cash, a \$150.0 million undrawn revolving credit facility, and no debt.
- Increasing return of capital to shareholders: Returned \$15.9 million, or 24% of free cash flow during the first quarter, to shareholders through dividends and share repurchases. Declared second quarter dividend of \$0.04 per common share payable on July 17, 2023 to shareholders of record on June 30, 2023.
- Chelopech mine life extension: Updated Mineral Reserve and Mineral Resource estimate and life of mine plan for Chelopech supports a mine life that now extends to 2031.
- Development projects: Continued to progress the updated feasibility study ("FS") for Loma Larga in Ecuador, which is expected to be completed in the second half of 2023.
- Strong results from exploration activities: Assay results from the ongoing drill program at the ?oka Rakita exploration prospect in Serbia reported in April 2023 extended the deposit to the east and confirmed and extended the high-grade zone. Also reported encouraging results at Tierras Coloradas in Loja, Ecuador, which confirmed the presence of a well-mineralized vein system.

CEO Commentary

"Our first quarter was an excellent start to the year, as we delivered strong production and financial results, including a near-record \$65 million of free cash flow generation. With quarterly production at each of our operations expected to increase for the balance of the year, we are in a strong position to deliver on our 2023 guidance," said David Rae, President and Chief Executive Officer.

"We returned 24% of our free cash flow to shareholders during the quarter through our enhanced share buyback program and our sustainable quarterly dividend. We also continued to invest in our future, as we progressed the optimized feasibility study at Loma Larga, and announced strong results from our exploration activities at ?oka Rakita in Serbia and Tierras Coloradas in Ecuador."

"We continue to believe that DPM represents a compelling value opportunity for investors, given our strong three-year outlook for gold production, attractive all-in sustaining costs, significant free cash flow generation and exciting exploration prospects."

Use of non-GAAP Financial Measures

Certain financial measures referred to in this news release are not measures recognized under IFRS and are referred to as non-GAAP financial measures or ratios. These measures have no standardized meanings under IFRS and may not be comparable to similar measures presented by other companies. The definitions established and calculations performed by DPM are based on management's reasonable judgment and are consistently applied. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Non-GAAP financial measures and ratios, together with other financial measures calculated in accordance with IFRS, are considered to be important factors that assist investors in assessing the Company's performance.

The Company uses the following non-GAAP financial measures and ratios in this news release:

- mine cash cost
- cash cost per tonne of ore processed
- mine cash cost of sales
- cash cost per ounce of gold sold
- all-in sustaining cost
- all-in sustaining cost per ounce of gold sold
- smelter cash cost
- cash cost per tonne of complex concentrate smelted
- adjusted earnings before interest, income taxes, depreciation and amortization ("EBITDA")
- adjusted net earnings
- adjusted basic earnings per share
- cash provided from operating activities, before changes in working capital
- free cash flow
- average realized metal prices

For a detailed description of each of the non-GAAP financial measures and ratios used in this news release and a detailed reconciliation to the most directly comparable measure under IFRS, please refer to the "Non-GAAP Financial Measures" section commencing on page 12 of this news release.

Key Operating and Financial Highlights

\$ thousands, except where otherwise indicated		Three Months			
Ended March 31,		2023	2022	Change	
Operating Highlights					
Ore processed	t	737,637	754,635	(2	%)
Metals contained in concentrate produced:					
Gold					
Chelopech	oz	35,258	41,500	(15	%)
Ada Tepe	oz	33,323	21,415	56	%
Total gold in concentrate produced	oz	68,581	62,915	9	%
Copper	Klbs	7,177	7,693	(7	%)
Payable metals in concentrate sold:					
Gold					
Chelopech	oz	31,073	36,313	(14	%)
Ada Tepe	oz	32,426	21,068	54	%
Total payable gold in concentrate sold	oz	63,499	57,381	11	%
Copper	Klbs	6,358	6,541	(3	%)
Cost of sales per tonne of ore processed ⁽¹⁾ :					
Chelopech	\$/t	65	63	3	%
Ada Tepe	\$/t	139	117	19	%

Cash cost per tonne of ore processed⁽²⁾:

Chelopech	\$/t	51	48	6	%
Ada Tepe	\$/t	66	53	25	%
Cost of sales per ounce of gold sold ⁽³⁾	\$/oz	974	1,030	(5	%)
All-in sustaining cost per ounce of gold sold ⁽²⁾	\$/oz	872	684	27	%
Complex concentrate smelted	t	49,647	47,243	5	%
Cost of sales per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	515	720	(28	%)
Cash cost per tonne of complex concentrate smelted ⁽²⁾	\$/t	392	480	(18	%)

Financial Highlights

Revenue		155.8	153.8	1	%
Cost of sales		87.5	93.1	(6	%)
Earnings before income taxes		49.0	33.9	45	%
Net earnings		46.6	26.8	74	%
Per share	\$/sh	0.25	0.14	79	%
Adjusted EBITDA ⁽²⁾		68.4	69.5	(2	%)
Adjusted net earnings ⁽²⁾		46.1	37.0	25	%
Per share ⁽²⁾	\$/sh	0.24	0.19	26	%
Cash provided from operating activities		70.9	78.8	(10	%)
Free cash flow ⁽²⁾		65.0	52.4	24	%
Capital expenditures incurred:					
Sustaining ⁽⁵⁾		7.7	8.8	(12	%)
Growth ⁽⁶⁾		6.5	6.2	5	%
Total capital expenditures		14.2	15.0	(5	%)

- 1) Cost of sales per tonne of ore processed represents cost of sales for Chelopech and Ada Tepe, respectively, divided by tonnes of ore processed.

Cash cost per tonne of ore processed, all-in sustaining cost per ounce of gold sold, cash cost per tonne of complex concentrate smelted, adjusted EBITDA, adjusted net earnings, adjusted basic earnings per share

- 2) and free cash flow are non-GAAP financial measures or ratios. Refer to the "Non-GAAP Financial Measures" section commencing on page 12 of this news release for more information, including reconciliations to IFRS measures.

- 3) Cost of sales per ounce of gold sold represents total cost of sales for Chelopech and Ada Tepe, divided by total payable gold in concentrate sold.

- 4) Cost of sales per tonne of complex concentrate smelted represents cost of sales for Tsumeb, divided by tonnes of complex concentrate smelted.

- 5) Sustaining capital expenditures are generally defined as expenditures that support the ongoing operation of the asset or business without any associated increase in capacity, life of assets or future earnings. This measure is used by management and investors to assess the extent of non-discretionary capital spending being incurred by the Company each period.

- 6) Growth capital expenditures are generally defined as capital expenditures that expand existing capacity, increase life of assets and/or increase future earnings. This measure is used by management and investors to assess the extent of discretionary capital spending being undertaken by the Company each period.

Performance Highlights

A table comparing first quarter 2023 production, sales and cash cost measures by asset against 2023 guidance is located on page nine of this news release.

The Company's mining operations continued to deliver strong operating results, including a near record-level of gold production at Ada Tepe and continued consistent performance at Chelopech. All-in sustaining cost per ounce of gold sold for the first quarter was slightly above the high end of guidance range for the year, due primarily to an unfavourable mark-to-market adjustment to share-based compensation expenses as a result of DPM's strong share price performance, which impacted all-in sustaining cost by approximately \$100 per ounce of gold sold. Both mines remain on track to achieve their 2023 production and cost guidance.

Highlights include the following:

Chelopech, Bulgaria: Chelopech continued its track record of strong performance, producing 35,258 ounces of gold and 7.2 million pounds of copper in first quarter 2023. Gold production was in-line with expectations while copper production was slightly lower than planned to due to lower copper grades. Grades and recoveries are expected to be higher for the balance of the year.

All-in sustaining cost per ounce of gold sold in first quarter 2023 was \$932 compared to \$428 in the corresponding period in 2022 due primarily to higher treatment and freight charges, lower by-product credits as a result of lower volumes and prices of copper sold, higher cash outlays for sustaining capital expenditures related to the upgrade of Chelopech's tailings management facility, which is expected to be completed in the second quarter, as well as lower volumes of gold sold, higher labour costs and higher prices for direct materials, partially offset by a stronger U.S. dollar.

Ada Tepe, Bulgaria: Ada Tepe delivered a near-record level of performance during the first quarter, producing 33,323 ounces of gold.

All-in sustaining cost per ounce of gold sold in first quarter 2023 was \$486 compared to \$783 in the corresponding period in 2022 due primarily to higher volumes of gold sold, lower cash outlays for sustaining capital expenditures and a stronger U.S. dollar.

Consolidated Operating Highlights

Production: Gold contained in concentrate produced in first quarter 2023 of 68,581 ounces was 9% higher than the corresponding period in 2022, due primarily to higher gold grades at Ada Tepe, partially offset by lower recoveries at Chelopech, in line with the mine plans for both operations.

Copper production in first quarter 2023 of 7.2 million pounds was 7% lower than the corresponding period in 2022 due primarily to lower copper recoveries.

Deliveries: Payable gold in concentrate sold in first quarter 2023 of 63,499 ounces was 11% higher than the corresponding period in 2022, reflecting higher gold production and timing of shipments. Payable copper in concentrate sold in first quarter 2023 of 6.4 million pounds was 3% lower than the corresponding period in 2022 due primarily to lower copper production, partially offset by the timing of shipments.

Complex concentrate: Complex concentrate smelted in first quarter 2023 of 49,647 tonnes was comparable to the corresponding period in 2022, but below expectations due to unplanned maintenance to the off-gas system. The Company plans to undertake additional maintenance in the off-gas system concurrently with the Ausmelt furnace maintenance, scheduled for third quarter 2023, which is expected to result in improved quarterly performance.

Cost measures: Cost of sales in first quarter 2023 of \$87.5 million was 6% lower than the corresponding period in 2022 due primarily to a stronger U.S. dollar and lower depreciation expense as a result of the impairment charge in respect of Tsumeb taken in third quarter 2022, partially offset by higher local currency mine operating costs and royalties.

All-in sustaining cost per ounce of gold sold in first quarter 2023 of \$872 was 27% higher than the corresponding period in 2022 due primarily to higher share-based compensation expenses reflecting DPM's strong share price performance, higher treatment and freight charges, lower by-product credits as a result of lower volumes and prices of copper sold, higher labour costs and higher prices for direct materials, partially offset by higher volumes of gold sold and a stronger U.S. dollar.

Cash cost per tonne of complex concentrate smelted in first quarter 2023 of \$392 was 18% lower than the corresponding period in 2022 due primarily to a stronger U.S. dollar and lower labour costs as a result of a cost optimization initiative undertaken in 2022.

Capital expenditures: Capital expenditures incurred in first quarter 2023 were \$14.2 million compared to \$15.0 million in the corresponding period in 2022.

Sustaining capital expenditures incurred in first quarter 2023 of \$7.7 million were 12% lower than the corresponding period in 2022 of \$8.8 million, in-line with expectations.

Growth capital incurred in first quarter 2023, primarily related to the Loma Larga gold project, was \$6.5 million compared to \$6.2 million in the corresponding period in 2022.

Consolidated Financial Highlights

Financial results from operations in the first quarter reflected higher volumes of gold sold and a strong U.S. dollar, partially offset by higher share-based compensation expense reflecting DPM's strong share price performance and higher planned exploration expenses.

Revenue: Revenue in first quarter 2023 of \$155.8 million was comparable to the corresponding period in 2022, due primarily to higher volumes of gold sold at Ada Tepe, largely offset by lower revenue at Chelopech as a result of lower volumes of metal sold, higher treatment and freight charges and lower realized copper prices.

Net earnings: Net earnings in first quarter 2023 were \$46.6 million (\$0.25 per share) compared to \$26.8 million (\$0.14 per share) in the corresponding period in 2022, due primarily to higher volumes of gold sold and a stronger U.S. dollar, partially offset by higher share-based compensation, higher local currency mine operating costs and royalties, and higher planned exploration expenses. Net earnings in the first quarter 2022 also included Tsumeb restructuring costs related to the cost optimization initiative at the smelter.

Adjusted net earnings: Adjusted net earnings in first quarter 2023 were \$46.1 million (\$0.24 per share) compared to \$37.0 million (\$0.19 per share) in the corresponding period in 2022, due primarily to the same factors affecting net earnings, with the exception of adjusting items primarily related to the Tsumeb restructuring costs in 2022.

Earnings before income taxes: Earnings before income taxes in first quarter 2023 were \$49.0 million compared to \$33.9 million in the corresponding period in 2022. These changes reflect the same factors that affected net earnings except for income taxes, which are excluded.

Adjusted EBITDA: Adjusted EBITDA in first quarter 2023 was \$68.4 million compared to \$69.5 million in the corresponding period in 2022, reflecting the same factors that affected adjusted net earnings except for interest, income taxes, depreciation and amortization, which are excluded from adjusted EBITDA.

Cash provided from operating activities: Cash provided from operating activities in first quarter 2023 of \$70.9 million was 10% lower than the corresponding period in 2022, due primarily to the timing of payments to suppliers plus the timing of deliveries and subsequent receipt of cash, partially offset by the same factors impacting earnings before income taxes.

For a detailed discussion on the factors affecting cash provided from operating activities, refer to the "Liquidity and Capital Resources" section contained in the Management's Discussion and Analysis for the three months ended March 31, 2023 (the "MD&A").

Free cash flow: Free cash flow in first quarter 2023 of \$65.0 million was \$12.7 million higher than the corresponding period in 2022, due primarily to the same factors impacting earnings before income taxes. Free cash flow is calculated before changes in working capital.

Balance Sheet Strength and Financial Flexibility

The Company continues to maintain a strong financial position, with a growing cash position, no debt and a \$150 million revolving credit facility which remains undrawn.

For the three months ended March 31, 2023, cash and cash equivalents increased by \$39.9 million to \$473.0 million due primarily to earnings generated in the period, partially offset by cash outlays for capital expenditures, dividends paid and shares repurchased, as well as changes in working capital primarily related to timing of payments to suppliers and cash redemptions on share-based compensation liabilities.

On April 19, 2023, DPM's 6.5% ownership interest in Sabina Gold and Silver Corp. ("Sabina"), was exchanged for B2Gold Corp. ("B2Gold") common shares as a result of the acquisition of Sabina by B2Gold. The Company has subsequently disposed of all B2Gold common shares held for cash proceeds of \$56.5 million.

Return of Capital to Shareholders

In line with its disciplined capital allocation framework, DPM continues to return excess capital to shareholders, which currently includes a sustainable quarterly dividend and periodic share repurchases under its normal course issuer bid ("NCIB").

In first quarter 2023, the Company returned a total of \$15.9 million to shareholders, representing approximately 24% of its free cash flow generated in the quarter. This included the repurchase of 1,291,207 shares at an average price of \$6.45 (Cdn\$8.82) per share for a total value of approximately \$8.3 million (Cdn\$11.3 million), and \$7.6 million of dividends paid in first quarter 2023.

As at March 31, 2023, the Company had an active automatic share repurchase plan in place under the NCIB with its designated broker which terminated on May 1, 2023, pursuant to which the Company repurchased an additional 1,092,888 shares in April 2023, all of which were cancelled as at May 3, 2023. As at March 31, 2023, the Company recognized a liability of \$8.3 million for the amount repurchased under the plan.

Enhanced NCIB

The Company renewed its NCIB in February 2023 and is able to purchase up to 16,500,000 common shares, representing approximately 10% of the public float as at February 16, 2023, over a period of twelve months which commenced on March 1, 2023 and terminates on February 28, 2024.

The Company's Board of Directors has authorized management to repurchase up to \$100 million of the Company's shares over through the NCIB. The actual timing and number of common shares that may be purchased pursuant to the NCIB will be undertaken in accordance with DPM's capital allocation framework, having regard for such things as DPM's financial position, business outlook and ongoing capital requirements, as well as its share price and overall market conditions.

Quarterly Dividend

On May 3, 2023, the Company's Board of Directors declared a dividend of \$0.04 per common share payable on July 17, 2023, to shareholders of record on June 30, 2023.

Development Projects Update

Loma Larga, Ecuador

Drilling activities, as well as the Citizens Participation Process for the Environmental Impact Assessment ("EIA"), remain paused pending the outcome of the appeals process related to the decision on the Constitutional Protective Action (the "Action") following the hearing held in mid-October 2022.³ The decision on the appeal is expected to provide clarity on the consultation process and whether an indigenous consultation could be completed in parallel, as originally planned by the Company, or would need to be completed prior to resuming the Citizens Participation Process. The expected timing for receipt of the environmental licence is subject to the outcome of the appeal process.

DPM continues to advance the updated FS, including optimization work leveraging the Company's significant

expertise at Chelopech in Bulgaria, which shares similar geology, mining method and processing flow sheet to the Loma Larga project. The updated FS is targeted for completion in the second half of 2023.

The Company continues to progress discussions with the government of Ecuador in respect of an investor protection agreement. The agreement is substantially complete and is progressing through the approvals of the various government ministries. In line with its disciplined approach to project development, DPM does not anticipate making any significant capital commitments to the project prior to the completion of the investor protection agreement and receipt of the environmental licence.

The Company maintains a constructive relationship with government institutions and other stakeholders involved with the development of the project.

Exploration

In Serbia, exploration activities in first quarter 2023 focused on target delineation at the Žoka Rakita discovery where DPM has outlined a large, high-grade footprint that remains open in multiple directions. In mid-April, the Company released additional assay results which extended the deposit to the east and confirmed and extended the high-grade zone. Prospective copper-gold mineralization has also been identified at depth. DPM continues to advance its 40,000-metre infill and extensional drilling program to support a maiden Mineral Resource estimate at Žoka Rakita by the end of the year.

Additionally, approximately 10,000 metres of drilling is planned at the adjacent Umka exploration licence, which is located south of Žoka Rakita and shares a similar geological environment.

During the quarter, DPM reported the results of a 2,700-metre diamond drilling program completed at the Tierras Coloradas licence in Ecuador. The drill results confirmed two well-mineralized high-grade vein systems that remain open in multiple directions. The Company plans to follow up on these results with an expanded 10,000-metre drilling program, which is expected to commence in the second half of 2023. DPM has increased its 2023 exploration budget at Tierras Coloradas in support of the expanded drilling program, and now expects to spend between \$4 million and \$5 million compared to the original budget of \$1 million to \$2 million.

At Chelopech, DPM continued to advance the brownfield exploration program, with seven drill rigs focused on the drilling campaign at Sveta Petka, as well as testing conceptual targets on the Brevene exploration licence and drilling deeper extensions of the Chelopech deposit. The application for a Commercial Discovery for Sveta Petka was submitted to the Bulgarian authorities in mid-February. Pending a positive decision on the EIA, approval is expected by the end of 2023.

At Ada Tepe, exploration activities were focused on target delineation for the Surnak and Kupel prospects, within the mine concession, and the Kara Tepe prospect located within the Chiirite exploration licence. This included systematic geological mapping, rock sampling, trenching, drilling and 3D modelling.

Exploration expenses are expected to be towards the high end of the Company's 2023 guidance.

2023 Guidance and Three-year Outlook

With solid operating performance from the Chelopech and Ada Tepe mines in the first quarter and higher average quarterly production expected at all operations over the balance of the year, DPM is on track to meet its 2023 guidance.

The Company's three-year outlook issued in February 2023 remains unchanged.

For additional information regarding the Company's detailed guidance for 2023 and three-year outlook, please refer to the "Three-Year Outlook" section of the MD&A.

Selected Production, Delivery and Cost Performance versus Guidance

		Q1 2023				2023 Consolidated
		Chelopech	Ada Tepe	Tsumeb	Consolidated	
Ore processed	Kt	546	192	-	738	2,820 - 3,010
Metals contained in concentrate produced						
Gold	Koz	35	34	-	69	270 - 315
Copper	Mlbs	7	-	-	7	30 - 35
Payable metals in concentrate sold						
Gold	Koz	31	33	-	64	245 - 290
Copper	Mlbs	6	-	-	6	26 - 31
All-in sustaining cost per ounce of gold sold ⁽¹⁾	\$/oz	932	486	-	872	700 - 860
Complex concentrate smelted	Kt	-	-	50	50	200 - 230
Cash cost per tonne of complex concentrate smelted	\$/t	-	-	392	392	340 - 410

1) All-in sustaining cost per ounce of gold sold guidance for Chelopech and Ada Tepe is expected to be \$700 to \$880 and \$530 to \$630, respectively.

First Quarter 2023 Results Conference Call and Webcast

At 9 AM EDT on Thursday, May 4, 2023, DPM will host a conference call and audio webcast to discuss first quarter 2023 results, followed by a question-and-answer session. To participate via conference call, register in advance at the link provided below to receive the dial-in information as well as a unique PIN code to access the call.

The call registration and webcast details are as follows:

Conference call date and time	Thursday, May 4, 2023 9AM EDT
Call registration	https://register.vevent.com/register/BI8530661972f044949a0799de40889c94
Webcast link	https://edge.media-server.com/mmc/p/wduwwhfd
Replay	Archive will be available on www.dundeeprecious.com

This news release and DPM's unaudited condensed interim consolidated financial statements and MD&A for the three months ended March 31, 2023 are posted on the Company's website at www.dundeeprecious.com and have been filed on SEDAR at www.sedar.com.

Qualified Person

The technical and scientific information in this news release has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators and the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves, and has been reviewed and approved by Ross Overall, B.Sc. (Applied Geology), Corporate Mineral Resource Manager of DPM, who is a Qualified Person as defined under NI 43-101, and who is not independent of the Company.

About Dundee Precious Metals

[Dundee Precious Metals Inc.](http://DundeePreciousMetalsInc.com) is a Canadian-based international gold mining company with operations and projects located in Bulgaria, Namibia, Ecuador and Serbia. The Company's purpose is to unlock resources and generate value to thrive and grow together. This overall purpose is supported by a foundation of core values, which guides how the Company conducts its business and informs a set of complementary strategic pillars and objectives related to ESG, innovation, optimizing our existing portfolio, and growth. The Company's resources are allocated in-line with its strategy to ensure that DPM delivers value for all of its stakeholders. DPM's shares are traded on the Toronto Stock Exchange (symbol: DPM).

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Cautionary Note Regarding Forward Looking Statements

This news release contains "forward looking statements" or "forward looking information" (collectively, "Forward Looking Statements") that involve a number of risks and uncertainties. Forward Looking Statements are statements that are not historical facts and are generally, but not always, identified by the use of forward looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "guidance", "outlook", "intends", "anticipates", "believes", or variations of such words and phrases or that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms or similar expressions. The Forward Looking Statements in this news release relate to, among other things: expected cash flows; the price of gold, copper, silver and sulphuric acid; toll rates, metals exposure and stockpile interest deductions at Tsumeb; estimated capital costs, all-in sustaining costs, operating costs and other financial metrics, including those set out in the outlook and guidance provided by the Company; currency fluctuations; the processing of Chelopech concentrate; results of economic studies, including the Loma Larga feasibility study; expected milestones; timing and success of exploration activities, including at the ?oka Rakita target; the timing of the completion and results of an updated feasibility study for the Loma Larga project; the timing and possible outcome of pending litigation or legal proceedings, including the timing of the legal proceedings related to the Action and resumption of drilling activities at Loma Larga; development of the Loma Larga gold project, including expected production, successful negotiations of an investment protection agreement and exploitation agreement and granting of environmental and construction permits in a timely manner; success of permitting activities; permitting timelines; success of investments, including potential acquisitions; government regulation of mining and smelting operations; the timing and amount of dividends; the timing and number of common shares of the Company that may be purchased pursuant to the NCIB.

Forward Looking Statements are based on certain key assumptions and the opinions and estimates of management and Qualified Person (in the case of technical and scientific information), as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the Forward Looking Statements. In addition to factors already discussed in this news release, such factors include, among others: fluctuations in metal and sulphuric acid prices, toll rates and foreign exchange rates; risks arising from the current inflationary environment and the impact on operating costs and other financial metrics, including risks of recession and risk that the power subsidy in Bulgaria may be discontinued; continuation or escalation of the conflict in Ukraine, including the continued exemption from the Council of Europe's sanctions in favour of Bulgaria with respect to the import of Russian oil and economic sanctions against Russia and Russian persons, or against other countries or persons, which may impact supply chains; risks relating to the Company's business generally and the impact of global pandemics, including COVID-19, resulting in changes to the Company's supply chain, product shortages, delivery and shipping issues; regulatory changes, including changes impacting the complex concentrate market; inability of Tsumeb to secure complex copper concentrate on terms that are economic; possible variations in ore grade and recovery rates; inherent uncertainties in respect of conclusions of economic evaluations, economic studies and mine plans, including the Loma Larga feasibility study; uncertainties with respect to timing of the updated Loma Larga feasibility study; changes in project parameters, including schedule and budget, as plans continue to be refined; uncertainties with respect to realizing the anticipated benefits from the Loma Larga gold project; uncertainties with respect to actual results of current exploration activities; uncertainties and risks inherent to developing and commissioning new mines into production, which may be subject to unforeseen delays; uncertainties inherent with conducting business in foreign jurisdictions where corruption, civil unrest, political instability and uncertainties with the rule of law may impact the Company's activities; limitations on insurance coverage; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; actual results of current and planned reclamation activities; opposition by social and non-governmental organizations to mining projects and smelting operations; unanticipated title disputes; claims or litigation; failure to achieve certain cost savings or the potential benefits of any upgrades and/or expansion; increased costs and physical risks, including extreme weather events and resource shortages, related to climate change; cyber-attacks and other cybersecurity risks; there being no assurance that the Company will purchase additional common shares of the Company under the NCIB; risks related to the implementation, cost and realization of benefits from digital initiatives as well as those risk factors discussed or referred to in the Company's annual MD&A and annual information form for the year ended December 31, 2022, the MD&A, and other documents filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and

available on SEDAR at www.sedar.com.

The reader has been cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward Looking Statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that Forward Looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company's Forward Looking Statements reflect current expectations regarding future events and speak only as of the date hereof. Other than as it may be required by law, the Company undertakes no obligation to update Forward Looking Statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on Forward Looking Statements.

Non-GAAP Financial Measures

Certain financial measures referred to in this news release are not measures recognized under IFRS and are referred to as non-GAAP financial measures or ratios. These measures have no standardized meanings under IFRS and may not be comparable to similar measures presented by other companies. The definitions established and calculations performed by DPM are based on management's reasonable judgment and are consistently applied. These measures are used by management and investors to assist with assessing the Company's performance, including its ability to generate sufficient cash flow to meet its return objectives and support its investing activities and debt service obligations. In addition, the Human Capital and Compensation Committee of the Board of Directors uses certain of these measures, together with other measures, to set incentive compensation goals and assess performance. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Non-GAAP financial measures and ratios, together with other financial measures calculated in accordance with IFRS, are considered to be important factors that assist investors in assessing the Company's performance.

Cash Cost and All-in Sustaining Cost Measures

Mine cash cost; smelter cash cost; mine cash cost of sales; and all-in sustaining cost are non-GAAP financial measures. Cash cost per tonne of ore processed; cash cost per ounce of gold sold; all-in sustaining cost per ounce of gold sold; and cash cost per tonne of complex concentrate smelted are non-GAAP ratios. These measures capture the important components of the Company's production and related costs. Management and investors utilize these metrics as an important tool to monitor cost performance at the Company's operations. In addition, the Human Capital and Compensation Committee of the Board of Directors uses certain of these measures, together with other measures, to set incentive compensation goals and assess performance.

The following tables provide a reconciliation of the Company's cash cost per tonne of ore processed and cash cost per tonne of complex concentrate smelted to its cost of sales:

\$ thousands, unless otherwise indicated
For the three months ended March 31, 2023

	Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t 546,130	191,507	-	
Complex concentrate smelted	t -	-	49,647	
Cost of sales	35,312	26,558	25,591	87,461
Add/(deduct):				
Depreciation and amortization	(6,613)	(13,892)	(853)	
Change in concentrate inventory	(771)	(80)	-	
Sulphuric acid revenue ⁽¹⁾	-	-	(5,257)	
Mine cash cost / Smelter cash cost ⁽²⁾	27,928	12,586	19,481	
Cost of sales per tonne of ore processed ⁽³⁾	\$/t 65	139	-	
Cash cost per tonne of ore processed ⁽³⁾	\$/t 51	66	-	
Cost of sales per tonne of complex concentrate smelted ⁽⁴⁾	\$/t -	-	515	

Cash cost per tonne of complex concentrate smelted ⁽⁴⁾	\$/t -	-	392
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\$ thousands, unless otherwise indicated

For the three months ended March 31, 2022

		Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t	540,892	213,743	-	
Complex concentrate smelted	t	-	-	47,243	
Cost of sales ⁽⁶⁾		34,193	24,925	34,012	93,130
Other non-cash expenses ⁽⁵⁾		(243)	-	-	
Add/(deduct):					
Depreciation and amortization		(5,936)	(13,580)	(4,285)	
Change in concentrate inventory		(2,016)	35	-	
Sulphuric acid revenue ⁽¹⁾		-	-	(7,057)	
Mine cash cost / Smelter cash cost ⁽²⁾		25,998	11,380	22,670	
Cost of sales per tonne of ore processed ⁽³⁾	\$/t	63	117	-	
Cash cost per tonne of ore processed ⁽³⁾	\$/t	48	53	-	
Cost of sales per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	720	
Cash cost per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	480	

1) Represents a by-product credit for Tsumeb.

Cash costs are reported in U.S. dollars, although the majority of costs incurred are denominated in non-U.S.

2) dollars, and consist of all production related expenses including mining, processing, services, royalties and general and administrative.

3) Represents cost of sales and mine cash cost, respectively, divided by tonnes of ore processed.

4) Represents cost of sales and smelter cash cost, respectively, divided by tonnes of complex concentrate smelted.

5) Relates to inventory write-down to net realizable value, reflecting market price movement, included in cost of sales in the condensed interim consolidated statements of earnings (loss).

6) For the three months ended March 31, 2022, the Bulgarian government subsidy for electricity of \$4.2 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

The following table provides, for the periods indicated, a reconciliation of the Company's cash cost per ounce of gold sold and all-in sustaining cost per ounce of gold sold to its cost of sales:

\$ thousands, unless otherwise indicated

For the three months ended March 31, 2023

		Chelopech	Ada Tepe	Consolidated
Cost of sales ⁽⁹⁾		35,312	26,558	61,870
Add/(deduct):				
Depreciation and amortization		(6,613)	(13,892)	(20,505)
Treatment charges, transportation and other related selling costs ⁽¹⁾		21,276	1,076	22,352
By-product credits ⁽²⁾		(26,596)	(322)	(26,918)
Mine cash cost of sales		23,379	13,420	36,799
Rehabilitation related accretion and depreciation expenses ⁽³⁾		305	304	609
General and administrative expenses ⁽⁴⁾		-	-	10,670
Cash outlays for sustaining capital ⁽⁵⁾		4,992	1,756	6,748
Cash outlays for leases ⁽⁵⁾		273	289	562
All-in sustaining cost		28,949	15,769	55,388
Payable gold in concentrate sold ⁽⁶⁾	oz	31,073	32,426	63,499
Cost of sales per ounce of gold sold ⁽⁷⁾	\$/oz	1,136	819	974
Cash cost per ounce of gold sold ⁽⁷⁾	\$/oz	752	414	580

All-in sustaining cost per ounce of gold sold ⁽⁷⁾	\$/oz 932	486	872
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\$ thousands, unless otherwise indicated

For the three months ended March 31, 2022

	Chelopech	Ada Tepe	Consolidated
Cost of sales ⁽⁹⁾⁽¹⁰⁾	34,193	24,925	59,118
Add/(deduct):			
Depreciation and amortization	(5,936)	(13,580)	(19,516)
Other non-cash expenses ⁽⁸⁾	(243)	-	(243)
Treatment charges, transportation and other related selling costs ⁽¹⁾	15,506	638	16,144
By-product credits ⁽²⁾	(31,008)	(200)	(31,208)
Mine cash cost of sales	12,512	11,783	24,295
Rehabilitation related accretion expenses ⁽³⁾	84	38	122
General and administrative expenses ⁽⁴⁾⁽⁹⁾	-	-	7,234
Cash outlays for sustaining capital ⁽⁵⁾	2,689	4,346	7,035
Cash outlays for leases ⁽⁵⁾	241	332	573
All-in sustaining cost	15,526	16,499	39,259
Payable gold in concentrate sold ⁽⁶⁾	oz 36,313	21,068	57,381
Cost of sales per ounce of gold sold ⁽⁷⁾	\$/oz 942	1,183	1,030
Cash cost per ounce of gold sold ⁽⁷⁾	\$/oz 345	559	423
All-in sustaining cost per ounce of gold sold ⁽⁷⁾	\$/oz 428	783	684

- 1) Represents revenue deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.
- 2) Represents copper and silver revenue.
- 3) Included in cost of sales and finance cost in the condensed interim consolidated statements of earnings (loss).
- 4) Represents an allocated portion of DPM's general and administrative expenses and share-based compensation expense, based on Chelopech's and Ada Tepe's proportion of total revenue. Allocated general and administrative expenses are reflected in consolidated all-in sustaining cost per ounce of gold sold and are not reflected in the cost measures for Chelopech and Ada Tepe.
- 5) Included in cash used in investing activities and financing activities, respectively, in the condensed interim consolidated statements of cash flows.
- 6) Includes payable gold in pyrite concentrate sold in the first quarter 2023 of 8,972 ounces (2022 - 7,791 ounces).
- 7) Represents cost of sales, mine cash cost of sales and all-in sustaining cost, respectively, divided by payable gold in concentrate sold.
- 8) Relates to inventory write-down to net realizable value, reflecting market price movement, included in cost of sales in the condensed interim consolidated statements of earnings (loss).
- 9) Included in cost of sales and general and administrative expenses were share-based compensation expenses of \$1.0 million (2022 - \$0.5 million) and \$6.6 million (2022 - \$1.7 million), respectively, for the three months ended March 31, 2023.
- 10) For the three months ended March 31, 2022, the Bulgarian government subsidy for electricity of \$4.2 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

Adjusted net earnings and adjusted basic earnings per share

Adjusted net earnings is a non-GAAP financial measure and adjusted basic earnings per share is a non-GAAP ratio used by management and investors to measure the underlying operating performance of the Company. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods.

Adjusted net earnings are defined as net earnings, adjusted to exclude specific items that are significant, but

not reflective of the underlying operations of the Company, including:

- impairment charges or reversals thereof;
- unrealized and realized gains or losses related to investments carried at fair value;
- significant tax adjustments not related to current period earnings; and
- non-recurring or unusual income or expenses that are either not related to the Company's operating segments or unlikely to occur on a regular basis.

The following table provides a reconciliation of adjusted net earnings to net earnings:

<i>\$ thousands, unless otherwise indicated</i>	Three Months	
Ended March 31,	2023	2022
Net earnings	46,600	26,825
Add/(deduct):		
Deferred tax recovery adjustments not related to current period earnings	(464)	-
Net loss on Sabina special warrants, net of income taxes of \$nil	-	388
Tsumeb restructuring costs, net of income taxes of \$nil	-	9,829
Adjusted net earnings	46,136	37,042
Basic earnings per share	\$/sh 0.25	0.14
Adjusted basic earnings per share	\$/sh 0.24	0.19

Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure used by management and investors to measure the underlying operating performance of the Company's operating segments. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods. In addition, the Human Capital and Compensation Committee of the Board of Directors uses adjusted EBITDA, together with other measures, to set incentive compensation goals and assess performance.

Adjusted EBITDA excludes the following from earnings before income taxes:

- depreciation and amortization;
- interest income;
- finance cost;
- impairment charges or reversals thereof;
- unrealized and realized gains or losses related to investments carried at fair value; and
- non-recurring or unusual income or expenses that are either not related to the Company's operating segments or unlikely to occur on a regular basis.

The following table provides a reconciliation of adjusted EBITDA to earnings before income taxes:

<i>\$ thousands</i>	Three Months	
Ended March 31,	2023	2022
Earnings before income taxes	48,998	33,890
Add/(deduct):		
Depreciation and amortization	21,895	24,254
Tsumeb restructuring costs	-	9,829
Finance costs	1,629	1,363
Interest income	(4,097)	(249)
Net losses on Sabina special warrants	-	388
Adjusted EBITDA	68,425	69,475

Cash provided from operating activities, before changes in working capital

Cash provided from operating activities, before changes in working capital, is a non-GAAP financial measure

defined as cash provided from operating activities excluding changes in working capital as set out in the Company's consolidated statements of cash flows. This measure is used by the Company and investors to measure the cash flow generated by the Company's operating segments prior to any changes in working capital, which at times can distort performance.

Free cash flow

Free cash flow is a non-GAAP financial measure defined as cash provided from operating activities, before changes in working capital which includes changes in share-based compensation liabilities, less cash outlays for sustaining capital, mandatory principal repayments and interest payments related to debt and leases. This measure is used by the Company and investors to measure the cash flow available to fund growth capital expenditures, dividends and share repurchases.

The following table provides a reconciliation of cash provided from operating activities, before changes in working capital, and free cash flow to cash provided from operating activities:

<i>\$ thousands</i>	Three Months	
Ended March 31,	2023	2022
Cash provided from operating activities	70,900	78,762
Add:		
Changes in working capital	4,526	(14,268)
Cash provided from operating activities, before changes in working capital	75,426	64,494
Cash outlays for sustaining capital ⁽¹⁾	(8,659)	(10,397)
Principal repayments related to leases	(1,278)	(1,131)
Interest payments ⁽¹⁾	(456)	(588)
Free cash flow	65,033	52,378

1) Included in cash used in investing and financing activities, respectively, in the condensed interim consolidated statements of cash flows.

Average realized metal prices

Average realized gold and copper prices are non-GAAP ratios used by management and investors to highlight the price actually realized by the Company relative to the average market price, which can differ due to the timing of sales, hedging and other factors.

Average realized gold and copper prices represent the average per unit price recognized in the Company's consolidated statements of earnings (loss) prior to any deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.

The following table provides a reconciliation of the Company's average realized gold and copper prices to its revenue:

<i>\$ thousands, unless otherwise indicated</i>	Three Months	
Ended March 31,	2023	2022
Total revenue	155,833	153,801
Add/(deduct):		
Tsumeb revenue	(29,465)	(31,093)
Treatment charges and other deductions ⁽¹⁾	22,352	16,144
Silver revenue	(1,080)	(1,234)
Revenue from gold and copper	147,640	137,618
Revenue from gold	121,801	107,645
Payable gold in concentrate sold	oz 63,499	57,381
Average realized gold price	\$/oz 1,918	1,876
Revenue from copper	25,839	29,973

Payable copper in concentrate sold	Klbs 6,358	6,541
Average realized copper price	\$/lb 4.06	4.58

1) Represents revenue deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.

¹ Cost of sales per ounce of gold sold represents total cost of sales for Chelopech and Ada Tepe, divided by total payable gold in concentrate sold, while all-in sustaining cost per ounce of gold sold includes treatment and freight charges, net of by-product credits, all of which are reflected in revenue.

² All-in sustaining cost per ounce of gold sold, free cash flow, and adjusted net earnings are non-GAAP financial measures or ratios. These measures have no standardized meanings under International Financial Reporting Standards ("IFRS") and may not be comparable to similar measures presented by other companies. Refer to the "Non-GAAP Financial Measures" section commencing on page 12 of this news release for more information, including reconciliations to IFRS measures.

³ For further details on the Action, please see the news releases issued on February 24, 2022 and July 13, 2022, which are available on the Company's website at www.dundeeprecious.com and have been filed on SEDAR at www.sedar.com.

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