Dundee Precious Metals Announces Positive Pre-Feasibility Study and Encouraging New Exploration Results for the Timok Gold Project in Serbia

(All dollar amounts in this news release are expressed in U.S. dollars, unless otherwise noted.)

Toronto, February 23, 2021 – **Dundee Precious Metals Inc. (TSX: DPM)** ("DPM" or "the Company") is pleased to announce the results of a pre-feasibility study ("PFS") for its Timok Gold Project (the "Timok project" or "Timok") in Serbia. The PFS is focused on the development of the oxide and transitional portions of the project and confirms Timok's potential as an attractive organic growth opportunity within the Company's portfolio. Based on the results of the PFS, the Company has received Board approval to proceed with a feasibility study ("FS").

Highlights

- **Positive pre-feasibility study results, including:**
  - After-tax $NPV_{5\%}$ of $135 million and internal rate of return of 21% (based on a $1,500 per ounce gold price assumption);
  - 547,000 gold ounces recovered over an 8-year mine life, with annual gold production estimated to average approximately 80,000 ounces in years 1 to 6, and approximately 70,000 ounces per year over the life of mine;
  - Life of mine average all-in sustaining cost of $693 per ounce[1]; and
  - Initial capital cost estimate of $211 million.
- **Opportunity to optimize capital costs:** DPM has identified a number of initiatives to reduce the initial capital estimate and optimize overall economics, including the potential for contractor mining, which will be evaluated as part of the FS.
- **Potential to add additional existing resources to the mine plan:** While the FS will continue to focus on the oxide portion of the deposit, there is potential to incorporate additional existing Mineral Resources into the mine plan by processing the sulphide portion of the ore body, which will be evaluated in parallel with the FS. Timok contains an additional 1.3 million ounces in Indicated Mineral Resources, contained within 32.3 million tonnes (Mt) at a grade (g/t) of 1.27 g/t.[2]
- **Adding value through exploration:** Encouraging new results from exploration activities, which were focused on adding resources to extend the project life, including:
  - 40.5 metres at 2.83 g/t Au from drill hole BIDD125 at the Chocolate South oxide prospect[3]
  - 36 metres at 5.26 g/t Au, including 7 metres at 14.45 g/t Au, from drill hole RADD013 at the new Čoka Rakita sulphide prospect

[1] All-in sustaining cost per ounce of gold represents mining, processing, site general and administrative costs ("G&A"), water treatment costs, royalties, treatment and refining charges and sustaining capital, divided by payable gold ounces, and excludes corporate G&A. All-in sustaining cost per ounce of gold and certain other measures presented herein are Non-GAAP Measures. Refer to the "Non-GAAP Financial Measures" section of the Management's Discussion and Analysis ("MD&A") for the year ended December 31, 2020, available on our website at www.dundeeprecious.com and on SEDAR at www.sedar.com.

[2] Refer to the Mineral Resource and Mineral Reserve section of the news release on pages 6-7 for more information regarding Mineral Resource estimate for the Timok gold project.

[3] As previously disclosed in the MD&A for the period ended December 31, 2020, available on our website at www.dundeeprecious.com and on SEDAR at www.sedar.com.

"The Timok project continues to advance as a potential future growth opportunity for DPM," said David Rae, President and Chief Executive Officer. "With additional optimization opportunities to enhance the project and very encouraging exploration results, we believe Timok represents an attractive opportunity to provide organic growth in a region where we have had a presence for many years."

Pre-feasibility study overview

The PFS is based on a total Mineral Reserve estimate of 19.2 Mt at 1.07 g/t of gold for 662 thousand contained gold ounces. As previously disclosed, the PFS focused on the oxide and transitional portion of the Mineral Resource, with potential upside from the sulphide to be considered in parallel with the feasibility study following further metallurgical test work.

The PFS contemplates the open-pit mining of the oxide and transitional material of the Bigar Hill, Korkan and Korkan West deposits, with three-stage crushing and stacking of material onto a valley fill heap leach. Leached gold will be recovered from the pregnant leach solution using a traditional Adsorption-Desorption-Recovery ("ADR") plant to produce doré bars. The PFS assumes a 17-month construction and commissioning period, with start-up of production targeted for the first quarter of 2026.

Key Operating and Financial Assumptions and Metrics		
Gold price	*$ per ounce*	$1,500
Production Profile		
Total ore mined	*million tonnes*	19.2
Total waste material	*million tonnes*	48.3
Strip ratio	*waste:ore*	2.5:1
Average grade	*g/t*	1.07
Average gold recovery	*%*	82.6%
Total ounces mined	*K oz.*	661.7
Total ounces recovered	*K oz.*	547.0
Average annual gold production	*K oz.*	68.4
Mine life	*years*	8
Life of Mine Unit Costs		
Mining	*$ per tonne*	$7.89
Processing	*$ per tonne*	$5.43
General and administrative (G&A)	*$ per tonne*	$1.76
Royalty	*$ per tonne*	$2.14
Refining charge	*$ per tonne*	$0.04
Total cash costs[4]	***$ per tonne***	**$17.25**
Total cash costs[4]	***$ per ounce***	**$606**
All-in sustaining cost[4]	***$ per ounce***	**$693**
Project economics		
Royalty	*%*	5.0% Net Smelter Return
Average annual EBITDA[4]	*$ millions*	$64
After-tax NPV (after-tax, 5% discount)	*$ millions*	$135
After-tax NPV (after-tax, 7.5% discount)	*$ millions*	$102
After-tax IRR	*%*	20.6%

[4] All-in sustaining cost per ounce, total cash costs per tonne or ounce and EBITDA are Non-GAAP Measures. Refer to the MD&A for the period ended December 31, 2020, available on our website at www.dundeeprecious.com and on SEDAR at www.sedar.com for more information on these Non-GAAP measures.

Production profile

Over the life of mine, ore is expected to be processed at an average rate of 2.5 Mtpa, with higher than average grade mined in the early years, a strip ratio of 2.5:1, and gold recovery for the heap leach estimated to average 82.6%. Mining is expected to extend for 7 years, with residual heap leach gold production in year 8.

During the first six years of production, Timok is forecast to produce an average of approximately 80,000 ounces per year. Over the life of mine, Timok is expected to produce an average of approximately 70,000 gold ounces per year at an average all-in sustaining cost of $693 per ounce over its 8-year mine life.

	Unit	Total / average	Pre-production	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Mining											
Ore mined	*Mt*	19.2	0.1	2.7	3.5	2.4	2.5	3.3	3.1	1.6	–
Waste mined	*Mt*	48.3	3.3	7.3	6.5	7.6	7.5	6.7	6.9	2.6	–
Total material	*Mt*	67.6	3.3	10.0	10.0	10.0	10.0	10.0	10.0	4.2	–
Strip ratio	*t:t*	2.5:1	44.2:1	2.7:1	1.9:1	3.2:1	2.9:1	2.1:1	2.2:1	1.6:1	–
Processing											
Ore processed	*Mt*	19.2	–	2.0	2.5	2.5	2.5	2.5	2.5	2.5	2.2
Grade	*g/t Au*	1.07	–	1.23	1.20	1.01	1.28	1.28	1.28	0.89	0.34
Ounces contained	*K oz.*	662	–	79	97	82	103	103	103	71	24
Ounces recovered	*K oz.*	547	–	67	81	68	87	85	83	57	19

Initial capital expenditures

The initial project capital costs are expected to be approximately $211 million, which includes the construction of a valley fill heap leach facility, three-stage crushing and agglomeration circuit, ADR plant, 47 Mt partially lined waste rock dumps and additional infrastructure, including haul and access roads, water treatment, power supply and site services.

Relative to the preliminary economic assessment (“PEA”), the initial capital estimate for the PFS reflects an increased level of detailed engineering and updated estimates at a higher degree of confidence. It also reflects a +/- 30% level of accuracy with a P^{50} contingency. The PFS estimate also includes costs associated with partially lined waste dumps, a revised estimate for haul and access roads, land acquisition, operational readiness, and updated estimates for engineering, procurement, construction management (“EPCM”). As part of the FS work, DPM will explore opportunities to optimize the initial capital required for the project.

	$ millions
Initial capital estimate	
Pre-stripping	$8.6
Mining (mine fleet, haul and access roads)	$36.7
Processing (heap leach, processing plant)	$52.7
Infrastructure	$17.2
Waste rock facilities and Other	$16.7
Total direct costs	**$131.9**
Construction Indirect & owner's costs	42.1
EPCM	15.8
Total indirect costs	**$57.8**
Contingency	21.0
Total initial capital	**$211.0**
Sustaining and closure	
Sustaining capital expenditures	$24.4
Closure and rehabilitation costs	$23.3
Total capital	**$258.7**

Totals in the table above may not add due to rounding.

Project optimization opportunities

As the Company proceeds with the FS, several optimization opportunities have been identified. The FS will continue to focus on the oxide and transitional portion of the Mineral Resource, and DPM will also explore the potential to incorporate the additional oxide, transitional and sulphide portions of the Mineral Resource, which includes an additional 32.3 Mt of Indicated Mineral Resource at 1.27 g/t Au for 1.3 million ounces of gold.

DPM will also be reviewing opportunities to reduce capital costs, which include optimizing the design of the haul roads, reducing the requirements for partially lining waste rock dumps based on further acid rock drainage test work, and exploring owner execution for bulk earthworks and contractor mining.

Prospective exploration targets

DPM continues to advance exploration activities at Timok to add to the project mine life, including at the prospective Chocolate, Chocolate South and Čoka Rakita targets which have generated encouraging results following the effective date for the current Mineral Resource estimate *(see Appendix - Figure 1)*.

In 2020, exploration activities focused on drilling targeted shallow oxide gold mineralization to support the growth of the Mineral Resource estimate.

Multiple drill holes from a program at the Chocolate target, which is located approximately 300 metres south-east of the main Bigar Hill deposit, intercepted shallow oxide, transitional and sulfide gold mineralization. The Chocolate prospect is found within the stratigraphy that hosts the sediment hosted gold at the Timok project.

Infill and extensional drilling at Chocolate continued during the last quarter of 2020. Highlights included[5]:

- 37 metres at 0.82 g/t Au from drill hole BIDD134
- 8 metres at 2.96 g/t Au from drill hole BIDD146

[5] As previously disclosed in the MD&A for the period ended December 31, 2020, available on our website at www.dundeeprecious.com and on SEDAR at www.sedar.com.

In late 2020, an extension of similar style mineralization has been outlined at Chocolate South, with notable intercepts of:

- 40.5 metres at 2.83 g/t Au from drill hole BIDD125[6]
- 20 metres at 1.47 g/t Au from drill hole BIDD161

See Appendix - Table 1 for significant drill intercepts from the Chocolate South prospect during early 2021.

In the fourth quarter of 2020, drilling commenced at Čoka Rakita, which is a highly prospective exploration target located 3 kilometres south-east of Bigar Hill. Drilling is designed to test the potential for porphyry related epithermal and carbonate replacement gold mineralization. While drilling is ongoing and assays are pending for several holes, highlights of the initial results from three holes include:

- 36 metres at 5.26 g/t Au, including 7 metres at 14.45 g/t Au, from drill hole RADD013
- 9 metres at 5.03 g/t from drill hole RADD014
- 22 metres at 2.59 g/t Au, including 5 metres at 6.16 g/t Au, from drill hole RADD016

See Appendix - Table 2 for significant drill intercepts from the Čoka Rakita prospect during late 2020 and early 2021.

Approximately 14,000 metres of drilling is planned for 2021, including exploration and infill drilling in support of the FS. Exploration drilling at Timok will be focused on shallow oxide resource delineation at the Chocolate and Chocolate South targets, proximal to Bigar Hill, as well as target delineation drilling on Čoka Rakita and other under-explored sulphide targets.

Stakeholder Engagement

Consistent with the approach across all operations, DPM seeks to build and maintain strong partnerships with local communities and governments. Since discovering Timok in 2008, DPM has developed strong relationships in the region and with the national government and will continue to proactively engage with all stakeholders as the project advances.

Planning for the project will be highly focused on ensuring responsible environmental management, social development, and the operation and closure of Timok in accordance with industry best practices. The Company is committed to working closely with local communities around the Timok project to understand and support local development opportunities, with a focus on maximizing benefits of the project for stakeholders in Serbia.

Next Steps

Based on the results of the PFS, DPM is proceeding with an FS for the Timok project, which is expected to be completed by the first quarter of 2022. In its detailed 2021 guidance, the Company included a range of $11 to $13 million for growth capital expenditures, and $2 to $3 million for evaluation expenditures to reflect the costs of the FS, other studies and related drilling.[7]

Work on baseline environmental assessments required for the Strategic Environmental Assessment ("SEA"), a site layout design (the "Spatial Plan") and a report on reserves to be submitted to the relevant

[6] As previously disclosed in the MD&A for the period ended December 31, 2020, available on our website at www.dundeeprecious.com and on SEDAR at www.sedar.com.

[7] For more information regarding the Company's detailed guidance for 2021, refer to the MD&A for the period ended December 31, 2020, available on our website at www.dundeeprecious.com and on SEDAR at www.sedar.com.

authorities (“Elaborate of Reserves”) are underway, as required under the Serbian permitting process. Following the expiry of the Timok exploration license in July 2021, completion of these technical studies is required to secure exploitation rights for the project and will form the basis for the Serbian feasibility study. These activities are expected to commence in the first quarter of 2021. Approval for the Elaborate of Reserves is expected to be received in the first half of 2022, as per statutory timeframes for this process.

Baseline studies for the Environmental Social Impact Assessment (“ESIA”) have commenced, with the Company targeting the second quarter of 2024 for the closeout of the ESIA and public hearings, followed by receipt of permits for the construction of mine facilities, which DPM estimates would occur in the fourth quarter of 2024. DPM also intends to evaluate opportunities to accelerate this timeline as part of the FS process.

Gold price sensitivity

Metric	$1,250	$1,500	$1,750	$2,000
IRR	10.2%	20.6%	29.4%	37.1%
NPV (after-tax, 5% discount)	$40	$135	$231	$326

Mineral Resource and Reserve Estimates

Mineral Resource estimates (“MRE”) have been updated for the Bigar Hill, Korkan and Korkan West gold deposits. Since the previous MRE in 2018, 218 additional drill holes have been completed, totalling approximately 27,400 metres. Drilling was mostly on the flanks of each prospect, designed to reclassify these areas to an indicated Mineral Resource Category. The previous MRE for the Kraku Pester deposit from 2018 remains current and has not been updated.

The Mineral Reserve estimate for the Timok project is shown below and are effective as of May 29, 2020.

Timok Probable Mineral Reserve Estimate (As at May 29, 2020)					
Deposit	**Ore Type**	**Tonnes (Mt)**	**Au Grade** (g/t)	**Contained Ounces** (K oz.)	**Strip ratio** (waste:ore)
Bigar Hill	Oxide	8.8	1.19	334	
	Transitional	1.9	1.09	67	
	Sub total	**10.7**	**1.17**	**401**	**2.85**
Korkan	Oxide	3.4	0.90	97	
	Transitional	1.2	1.02	39	
	Sub total	**4.6**	**0.93**	**137**	**2.69**
Korkan West	Oxide	3.7	0.99	118	
	Transitional	0.3	0.74	6	
	Sub total	**4.0**	**0.97**	**124**	**1.42**
Total	Oxide	15.8	1.08	549	
	Transitional	3.4	1.04	113	
	Total	**19.2**	**1.07**	**662**	**2.52**

Footnotes:
1. The effective date of the Mineral Reserve estimate is May 29, 2020.
2. The Mineral Reserve estimate has been reported in accordance with guidelines of the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”).
3. A cut-off grade of 0.21 g/t Au for the oxide material and 0.24 g/t Au for the transitional material is applied to all deposits.

4. Mineral Reserves were estimated at a gold price of US$1,250/oz. and include modifying factors related to mining cost, dilution and recovery, process recoveries and costs, G&A, royalties and rehabilitation costs.
5. Figures have been rounded to an appropriate level of precision for the reporting of Mineral Reserves.
6. Due to rounding, some columns may not compute exactly as shown.
7. Mineral Reserves are stated as in-situ dry tonnes. All figures are in metric tonnes.

The updated Mineral Resource estimate, exclusive of Mineral Reserves, is shown below and is effective as of May 29, 2020.

Timok Mineral Resource Estimate, exclusive of Mineral Reserves
(As at May 29, 2020)

Deposit	Material Type	Indicated			Inferred		
		Tonnes (Mt)	Grade (g/t)	Contained Ounces (K oz.)	Tonnes (Mt)	Grade (g/t)	Contained Ounces (K oz.)
Bigar Hill	Oxide	5.2	0.79	132	0.0	0.69	0
	Transitional	6.2	0.94	186	0.0	0.94	1
	Sulphide	10.9	1.63	572	0.6	1.79	36
	Total	**22.3**	**1.24**	**890**	**0.7**	**1.73**	**37**
Korkan	Oxide	2.2	0.70	49	0.0	0.42	0
	Transitional	2.0	0.78	50	0.1	0.54	1
	Sulphide	3.4	1.89	206	0.0	1.17	0
	Total	**7.6**	**1.25**	**305**	**0.1**	**0.56**	**2**
Korkan West	Oxide	0.0	0.74	1	–	–	–
	Transitional	0.0	0.64	0	0.0	0.15	0
	Sulphide	0.0	1.12	0	–	–	–
	Total	**0.1**	**0.71**	**2**	**0.0**	**0.15**	**0**
Kraku Pester	Oxide	0.7	0.95	22	0.1	1.3	5
	Transitional	0.1	0.95	4	0.0	1.2	0
	Sulphide	1.5	2.01	95	0.0	1.8	0
	Total	**2.3**	**1.61**	**122**	**0.1**	**1.3**	**6**
Total	Oxide	8.2	0.78	205	0.2	1.1	5
	Transitional	8.3	0.90	241	0.1	0.7	3
	Sulphide	15.8	1.72	873	0.6	1.8	37
	Total	**32.3**	**1.27**	**1,319**	**0.9**	**1.5**	**45**

Footnotes:
1. The effective date of the Mineral Resource estimate for Bigar Hill, Korkan and Koran West is May 29, 2020. The effective date of the Mineral Resource estimate for Kraku Pester is May 15, 2018.
2. Measured, Indicated and Inferred Mineral Resources have been reported in accordance with CIM guidelines.
3. A gold cut-off grade of 0.19 g/t for the oxide material, 0.216 g/t for the transitional material and 0.571 g/t for the sulphide material is applied at Bigar Hill, Korkan and Korkan West.
4. A gold cut-off grade of 0.35 g/t for the oxide material, 0.40 g/t for the transitional material and 1.05 g/t for the sulphide material is applied at Kraku Pester.
5. Figures have been rounded to the appropriate level of precision for the reporting of Mineral Resources, and some columns may not compute exactly as shown due to rounding.
6. Block models have been reported with a conceptual pit shell using a $1,400 per ounce gold price to support assumptions relating to the reasonable prospects of eventual economic extraction.
7. Mineral Reserves and Resources may be subject to legal, political, environmental and other risks and uncertainties.
8. Estimates of Measured and Indicated Mineral Resources are reported exclusive of those Mineral Resources modified to produce Mineral Reserves.

A technical report for the Timok gold project, prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”), will be filed under the Company’s profile on SEDAR at www.sedar.com within 45 days of this news release.

Technical Information

The Mineral Resource estimates for Bigar Hill, Korkan and Koran West and Mineral Reserve estimate for Timok and other scientific and technical information which supports this news release were prepared by DRA Americas Inc. ("DRA Americas"), in accordance with Canadian regulatory requirements set out in NI 43-101, and has been reviewed and approved by Shadrac Ibrango, P.Geo, MBA, Lead Geology & Hydrogeology Consultant (DRA Americas); Daniel Gagnon, P.Eng., Senior VP Mining Geology & Met-Chem Operations (DRA Americas); Volodymyr Liskovych, PhD, Principal Process Engineer (DRA Americas); Reywen Bigirimana, M.Sc., PMP, Regional Estimating Manager (DRA Americas); Philip de Weerdt, P.Eng, PMP, MBA, Project Manager (DRA Americas). Shadrac Ibrango, Daniel Gagnon, Volodymyr Liskovych, Reywen Bigirimana and Philip de Weerdt are Qualified Persons ("QP") as defined under NI 43-101 and are independent of the Company.

The Mineral Resource estimate for Kraku Pester set out in this news release was prepared by CSA Global (UK) Limited in 2018 in accordance with Canadian regulatory requirements set out in NI 43-101 and remains current. Information in this release relating to Kraku Pester has been reviewed and approved by Galen White, FAusIMM, Principal Consultant (CSA Global). Galen White is a QP as defined under NI 43-101 and is independent of the Company.

Ross Overall, Corporate Mineral Resource Manager, of the Company, is a QP, as defined under NI 43-101, and has reviewed and approved the contents of this news release.

About Dundee Precious Metals Inc.

Dundee Precious Metals Inc. is a Canadian-based international gold mining company with operations and projects located in Bulgaria, Namibia and Serbia. The Company's purpose is to unlock resources and generate value to thrive and growth 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).

For further information please contact:

David Rae
President and Chief Executive Officer
Tel: (416) 365-5092
drae@dundeeprecious.com

Jennifer Cameron
Director, Investor Relations
Tel: (416) 219-6177
jcameron@dundeeprecious.com

Appendix

Figure 1: Overview geological map of Bigar Hill, with location of recent drilling and notable results from the Chocolate, Chocolate South and Čoka Rakita prospects.

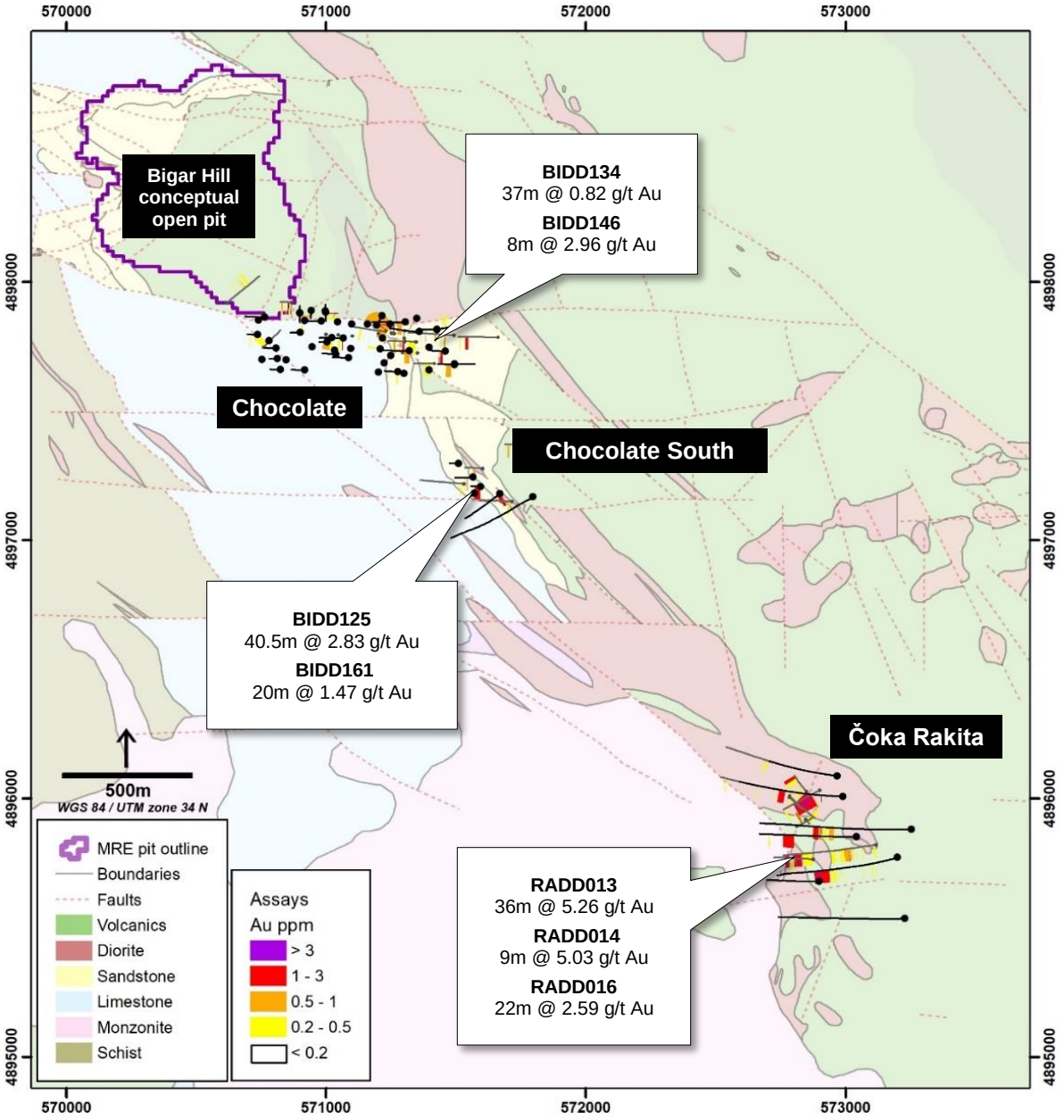

Table 1. Significant drill intercepts from the Chocolate South prospect received in early 2021:

HOLE ID	EAST	NORTH	RL	AZ	DIP	FROM (m)	TO (m)	LENGTH (m)	Au (g/t)
BIDD160	571567	4897244	895	270	-60	62	69	7	0.26
BIDD161	571670	4897180	889	240	-45	0	20	20	1.47

1. Coordinates are in UTM 34 North.
2. Intervals are reported at a cut-off grade of 0.2 g/t Au using 5 metres minimum length and 5 metres maximum internal dilution.

Table 2: Significant drill intercepts from the Čoka Rakita prospect during late 2020 and early 2021.

HOLE ID	EAST	NORTH	RL	AZ	DIP	FROM (m)	TO (m)	LENGTH (m)	Au (g/t)
RADD013	573199	4895771	940	255	-60	567	603	36	5.26
including	-	-	-	-	-	569	576	7	14.45
including	-	-	-	-	-	581	586	5	11.12
RADD014	573254	4895880	926	271	-54	508	525	17	1.18
and	-	-	-	-	-	600	605	5	1.76
and	-	-	-	-	-	611	620	9	5.03
RADD016	573042	4895851	918	270	-54	394	416	22	2.59
including	-	-	-	-	-	404	409	5	6.15
and	-	-	-	-	-	427	433	6	1.16

1. Coordinates are in UTM 34 North.
2. Intervals are reported at a cut-off grade of 1 g/t Au using 5 metres minimum length and 5 metres maximum internal dilution.
3. Including intervals are reported at a cut-off grade of 5 g/t Au using 5 metres minimum length and 3 metres dilution.

Cautionary Note to United States Investors Concerning Estimates of Mineral Reserves and Mineral Resources

This news release has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. Canadian reporting requirements for disclosure of mineral properties are governed by NI 43-101. Subject to the SEC Modernization Rules described below, the United States reporting requirements are currently governed by the United States Securities and Exchange Commission ("SEC") Industry Guide 7 ("SEC Industry Guide 7") under the 1933 Act. The definitions used in NI 43-101 are incorporated by reference from the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") – Definition Standards adopted by CIM Council on May 10, 2014 (the "CIM Definition Standards"). For example, the terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms as defined in NI 43-101, and these definitions differ from the definitions in SEC Industry Guide 7. Furthermore, while the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in NI 43-101, these terms are not defined terms under SEC Industry Guide 7. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority. Further, under SEC Industry Guide 7, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Any reserves reported by the Company in the future and in compliance with NI 43-101 may not qualify as "reserves" under SEC Industry Guide 7. Further, until recently, the SEC has not recognized the reporting of mineral deposits which do not meet the SEC Industry Guide 7 definition of "reserve".

The SEC adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the Securities Exchange Act of 1934, as amended. These amendments became effective February 25, 2019 (the "SEC Modernization Rules") with compliance required for the first fiscal year beginning on or after January 1, 2021. The SEC Modernization Rules replace the historical disclosure requirements for mining issuers that were included in SEC Industry Guide 7, which will be rescinded from and after the required compliance date of the SEC Modernization Rules. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "measured mineral resources", "indicated mineral resources" and "inferred mineral resources". In addition, the SEC has amended its definitions of "proven mineral reserves" and "probable mineral reserves" to be "substantially similar" to the corresponding CIM Definition Standards, incorporated by reference in NI 43-101.

You are cautioned that while the above terms are "substantially similar" to the corresponding CIM Definition Standards, there are differences in the definitions under the SEC Modernization Rules and the CIM Definition Standards. Accordingly, there is no assurance any mineral reserves or mineral resources that the Company may report as "proven mineral reserves", "probable mineral reserves", "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" under NI 43-101 would be the same had the Company prepared the reserve or resource estimates under the standards adopted under the SEC Modernization Rules.

You are also cautioned that while the SEC will now recognize "measured mineral resources", "indicated mineral resources" and "inferred mineral resources", you should not assume that any part or all of the mineralization in these categories will ever be converted into a higher category of mineral resources or into mineral reserves. Mineralization described using these terms has a greater amount of uncertainty as to their existence and feasibility than mineralization that has been characterized as reserves. Accordingly, you are cautioned not to assume that any "measured mineral resources", "indicated mineral resources" or "inferred mineral resources" that the Company reports are or will be economically or legally mineable. Further, "inferred mineral resources" have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, you are also cautioned not to assume that all or any part of the "inferred mineral resources" exist. In accordance with Canadian securities laws, estimates of "inferred mineral resources" cannot form the basis of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101.

For the above reasons, information contained in this news release containing descriptions of the Company's mineral deposits may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

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", "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: all the results of the PFS, including without limitation, the discussions of NPV, IRR, life of mine, all-in sustaining costs, total cash costs per ounces/tonnes, capital costs, operating costs, annual gold production and other production forecasts, the information contained in the Pre-Feasibility study overview, the Production profile and the Initial capital expenditures sections of this news release and other financial and operating metrics; the discussions of the project optimization opportunities and prospective exploration targets the commencement, completion and results of a feasibility study for Timok; the price of gold, copper, silver and acid, and other commodities; ; the estimation of Mineral Reserves and Mineral Resources and the realization of such mineral estimates; and expected exploration activities; expected stakeholder engagement and next steps. Forward Looking Statements are based on certain key assumptions and the opinions and estimates of management and the Qualified Persons, 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, risks relating to the Company's business generally and the impact of COVID-19, including, changes to the Company's supply chain; product shortages; delivery and shipping issues; closures and/or failure of plant, equipment or processes to operate as anticipated; employees and contractors becoming infected with COVID-19; lost work hours; labour force shortages; fluctuations in metal and acid prices, toll rates and foreign exchange rates; possible variations in ore grade and recovery rates; uncertainties inherent to the conclusions of economic evaluations and economic studies, including the PFS and feasibility study; changes in project parameters, including schedule and budget, as plans continue to be refined; 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; limitation 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-government organizations to mining projects and smelting operations; unanticipated title disputes; claims or litigation; cyber attacks and other cybersecurity risks; as well as those risk factors discussed or referred to in any other documents (including without limitation the Company's most recent MD&A) 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 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. Unless

required by securities laws, 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.