MANAGEMENT INFORMATION CIRCULAR

2019

ANNUAL MEETING

MAY 10, 2019 AT 2:00 P.M. (Eastern Time)

Design Exchange
234 Bay Street
Toronto, Ontario
M5K 1B2

Dated as of March 22, 2019

P.O. Box 195, Suite 500
1 Adelaide Street E., Toronto, Ontario
Canada M5C 2V9
Tel: (416) 365-5191 Fax: (416) 365-9080

March 22, 2019

Dear Fellow Shareholder,

On behalf of the board of directors (the “Board”) and employees of Dundee Precious Metals Inc. (the “Company”), we invite you to join us at our Annual Meeting (the “Meeting”) at 2:00 p.m. (Eastern Time) on Friday, May 10, 2019 at the Design Exchange, 234 Bay Street, Toronto, Ontario.

The accompanying management information circular (the “Circular”) provides information about the nominated directors, our director and executive compensation programs, and our governance practices. For the fifth consecutive year, shareholders will be given the opportunity to vote on our approach to executive compensation. Your vote is advisory and will provide the Compensation Committee and the Board with important feedback. The Company’s compensation policies and procedures are based on the principle of pay for performance designed to align the interests of the Company’s executives with the long-term interests of shareholders.

At the Meeting, we will review our operations and outline our strategy to increase shareholder value in the future. Management and members of the Board will also be available to meet you and answer any questions, following the formal part of the Meeting.

Your participation in the affairs of the Company is important regardless of the number of shares you own. Please consult the accompanying Circular which contains all of the information you need about the Meeting and how to exercise your right to vote. Your vote does count.

We look forward to seeing you at the Meeting. However, if you are unable to attend in person, an audio webcast of the Meeting can be accessed live, or after the Meeting on our website at www.dundeeprecious.com under Investors & Analyst Support.

Sincerely,

“Jonathan Goodman”

Jonathan Goodman
Chair of the Board

“Rick Howes”

Rick Howes
President and Chief Executive Officer

The accompanying Circular, as well as our 2018 Annual Report, annual information form and quarterly financial information, is posted on our website at www.dundeeprecious.com along with other information regarding Dundee Precious Metals Inc.

Notice of 2019 Annual Meeting of Shareholders

When

Friday, May 10, 2019 at 2:00 p.m. (Eastern Time)

Where

Design Exchange
234 Bay Street
Toronto, Ontario
M5K 1B2

What

We will cover the following items of business:

1. Receive the audited consolidated financial statements of Dundee Precious Metals Inc. (the "Company") for the year ended December 31, 2018 and the report of the auditor thereon;
2. Elect the directors for the ensuing year and set the number of directors at nine;
3. Appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the directors to set the auditor's remuneration;
4. Vote on a non-binding advisory basis, on a resolution accepting the Company's approach to executive compensation, as more particularly described in the accompanying management information circular (the "Circular"); and
5. Approve the transaction of such other business as may properly be brought before the Annual Meeting (the "Meeting") or any adjournment thereof.

Only shareholders of record at the close of business on March 22, 2019 will be entitled to vote at the Meeting.

Board's Recommendations

The Board unanimously recommends that Shareholders vote FOR each of the foregoing resolutions at the Meeting.

The Circular forms part of this Notice and provides additional information relating to the matters to be dealt with at the Meeting.

DATED at Toronto, Ontario this 22nd day of March, 2019.

BY ORDER OF THE BOARD

(signed) "Kelly Stark-Anderson"

Kelly Stark-Anderson
Vice President, Legal &
Corporate Secretary

We ask that you promptly sign, date and return the form of proxy in the return envelope if you do not intend to be present at the Meeting. All instruments appointing proxies to be used at the Meeting must be deposited with Computershare Investor Services Inc. by hand, courier or by mail at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or you may vote (i) by telephone at 1-866-732-8683 (toll free), or (ii) by visiting www.investorvote.com, in each case, prior to 2:00 p.m. (Eastern Time) on May 8, 2019 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours, Saturdays, Sundays and statutory holidays excepted, prior to the time of the adjourned or postponed Meeting. Refer to "Appointment and Revocation of Proxies" and "Voting - Registered Shareholders" on page 1 of the Circular and "Voting - Beneficial Shareholders" on page 2 of the Circular for voting instructions. Instruments appointing proxies not so deposited may not be voted at the Meeting. The proxy cut-off time may be waived or extended by the Chair of the Meeting, in his sole discretion without notice.

TABLE OF CONTENTS

2019 Management Information Circular

This Management Information Circular (the "Circular") has been prepared to provide information to shareholders of Dundee Precious Metals Inc. (the "Company" or "DPM") as of the close of business on March 22, 2019, (the "Record Date") for the 2019 annual meeting of shareholders to be held on Friday, May 10, 2019 (the "Meeting").

Unless otherwise indicated, the information contained in this Circular is given as of March 22, 2019 and all dollar amounts used are in Canadian dollars.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The information contained in this Circular is furnished in connection with the solicitation of proxies to be used at the Meeting to be held at the Design Exchange, 234 Bay Street, Toronto, Ontario at 2:00 p.m. (Eastern Time) on Friday, May 10, 2019, for the purposes set out in the accompanying Notice of Meeting.

The solicitation of proxies for the Meeting is being made by or on behalf of management of the Company and it will bear the cost of soliciting proxies for the Meeting. The Company will be soliciting proxies for the Meeting primarily by mail but directors, officers and employees of the Company, as well as agents that may be retained by the Company, may also solicit proxies by telephone, electronic transmission or in person. The Company may also reimburse brokerage firms and nominees for reasonable expenses incurred in sending proxy materials to beneficial owners of the common shares of the Company (the "Shares").

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy ("Proxy") are directors of the Company. **A shareholder of the Company ("Shareholder") desiring to appoint some other person, who need not be a Shareholder, to represent him or her at the Meeting may do so either by inserting such person's name in the blank space provided in the Proxy, and delivering the completed Proxy to Computershare Investor Services Inc. ("Computershare") in time for use at the Meeting as specified in the Notice of Meeting.**

Shares represented by Proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

The giving of a Proxy will not affect the right of a Shareholder to attend and vote in person at the Meeting. A Shareholder who has given a Proxy, or his or her attorney so authorized in writing, may revoke the Proxy by an instrument in writing deposited at Computershare at any time up to and including the last business day preceding the day of the Meeting at which the Proxy is to be used, or with the Chair of the Meeting on the day of the Meeting or in any manner prescribed by law.

Voting

A Shareholder is entitled to vote at the Meeting if he or she held Shares as of the close of business on the Record Date. Each Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting.

To be valid, all Proxies and Voting Information Forms ("VIF") must be received no later than 2:00 p.m. (Eastern Time) on May 8, 2019 or, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays), before the Meeting if it is adjourned or postponed. The Proxy cut-off time may be waived or extended by the Chair of the Meeting, in his sole discretion without notice.

Registered Shareholders

Registered Shareholders are Shareholders who hold Shares registered in their own name.

Voting by Proxy

Registered Shareholders can vote their Shares by Proxy in one of the following ways:

- by calling the telephone number set out in the Proxy included with this Circular and following the instructions set out on the Proxy (the required access codes being the holder account number and Proxy access number found on the Proxy);
- by visiting www.investorvote.com and following the instructions set out on the Proxy (the required access codes being the holder account number and Proxy access number found on the Proxy); or
- by mail by completing, dating and signing the Proxy, and returning it to Computershare in the envelope provided.

Voting by Attending the Meeting in Person

Registered Shareholders who wish to vote their Shares in person at the Meeting should not complete or return their Proxy, and should notify a Computershare representative upon arrival at the Meeting that they wish to vote their Shares.

Beneficial Shareholders

Beneficial Shareholders are Shareholders who hold Shares in the name of an intermediary (such as a securities broker, trust company or other financial institution).

Voting by Providing Instructions to the Intermediary

Beneficial Shareholders will receive a VIF from their intermediaries and should follow the instructions with respect to the procedures to be followed for voting their Shares as set out in the VIF. If a beneficial Shareholder who has voted his or her Shares by following the directions of the intermediary wishes to revoke his or her vote, such Shareholder must contact his or her intermediary to determine the procedure to be followed.

Voting by Attending the Meeting in Person

The Company does not have access to the names and shareholdings of its beneficial Shareholders. Therefore, if a beneficial Shareholder wishes to attend the Meeting and vote in person at the Meeting, he or she should insert his or her own name in the space provided on the VIF and request and return the VIF well in advance of the Meeting in accordance with the instructions therein. If the VIF does not provide a blank space to write a name in, contact the intermediary for a Proxy, which would grant the right to vote in person at the Meeting. Beneficial Shareholders attending the Meeting in person should not otherwise complete the VIF or request for voting instructions sent by the intermediary. Beneficial Shareholders who instruct their intermediary to appoint them as proxyholders should present themselves to a representative of Computershare upon arrival at the Meeting.

Exercise of Discretion by Proxies

All properly executed Proxies which have not been previously revoked will be voted or withheld from voting on any ballot taken at the Meeting in accordance with the instructions contained therein. **Proxies containing no instructions regarding the matters specified therein will be voted in favour of such matters. In the event, not presently anticipated, that any amendment, variation or other new matter is properly brought before the Meeting and is submitted to a vote, the Proxy may be voted in accordance with the judgment of the persons named therein. The Proxy also confers discretionary authority in respect of amendments to, or variations in, all matters which may properly come before the Meeting.**

Interest of Informed Persons in Material Transactions

Except as otherwise disclosed in this Circular, the notes to the Company's consolidated audited financial statements for the years ended December 31, 2018 and December 31, 2017 or the Company's latest annual information form (the "AIF"), each of which can be found on SEDAR at www.sedar.com, there has been no transaction since January 1, 2018, or a proposed transaction, which has materially affected or would materially affect the Company or any of its subsidiaries in respect of which any 10% holder of voting securities, (a "Principal Shareholder"), any director or executive officer of the

Company, any director or executive officer of any of its subsidiaries, any director or executive officer of a Principal Shareholder, any proposed nominee for director of the Company, or any associate or affiliate of any of the foregoing had a direct or indirect material interest.

Interests of Certain Persons in Matters to be Acted Upon

Other than as set forth in this Circular, no (a) director or executive officer of the Company who has held such position at any time since January 1, 2018; (b) proposed nominee for election as a director of the Company; or (c) associate or affiliate of a person in (a) or (b) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

Shares Outstanding and Principal Holders

As of the date hereof, the Company has 178,681,636 Shares outstanding.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns or exercises control or direction, directly or indirectly, over Shares carrying more than 10% of the voting rights attached to all of the Shares, except as set out below:

Name [1]	**Shares Owned or Controlled**	**% of Outstanding Shares**
Dundee Corporation, Toronto, Ontario	36,381,552	20.36%
GMT Capital Corp., Atlanta, Georgia	23,809,240	13.32%

BUSINESS OF THE MEETING

Financial Statements

Our audited consolidated financial statements for the year ended December 31, 2018 and the auditor's report will be placed before the Meeting. These financial statements are included in the Company's annual report for the year ended December 31, 2018, and are filed on SEDAR at www.sedar.com.

Election of Directors

- Peter Gillin
- Jonathan Goodman
- Rick Howes
- Jeremy Kinsman
- Juanita Montalvo
- Peter Nixon
- Marie-Anne Tawil
- Anthony P. Walsh
- Donald Young

The Company's Articles provide that the board of directors of the Company (the "Board") consists of a minimum of three and a maximum of fifteen directors. It is proposed that the nine individuals set out above be nominated for election as directors of the Company to hold office until the next annual meeting or until their successors are elected or appointed.

As of the date hereof, the Company has not received notice of any director nominations pursuant to the advance notice provision of our by-laws as of the date of this circular. The only nominees for election at the meeting are the nominees listed above.

Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the person(s) named as proxyholder(s) in the enclosed Proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the next annual meeting of Shareholders, or until his or her successor is duly elected, unless his or her office is earlier vacated.

Majority Voting

In accordance with the Company's Majority Voting Policy, each director must be elected by a majority (50% + 1 vote) of the votes cast with respect to his or her election other than at a contested meeting. If a director is not elected by at least a majority, such director must promptly tender his or her resignation to the Board. The Corporate Governance & Nominating Committee (the "CGN Committee") will consider such resignation and make a recommendation to the Board whether or not to accept it, provided however, that the resignation will be accepted absent exceptional circumstances. Within 90 days of certification of final voting results, the Board will make its decision public. A director who tenders his or her resignation pursuant to this provision will not participate in the recommendation of the CGN Committee or the decision of the Board with respect to his or her resignation. Since its adoption, the Majority Voting Policy has not been triggered.

We recommend that you vote FOR the election of these nominees

The people named in the Proxy will vote FOR the election of these nine nominees listed above, unless the Shareholder has specified in the Proxy that the Shares represented by such Proxy are to be withheld from voting in respect thereof.

Appointment of Auditors

The Board recommends, on the advice of the Audit Committee, that PricewaterhouseCoopers LLP, Chartered Professional Accountants, be re-appointed as auditors of the Company. PricewaterhouseCoopers LLP has served as auditor of the Company since June 2002. The directors will also be authorized to set the fees paid to the auditors.

Additional information with respect to the auditor, including the Audit Committee charter can be found in the Company's AIF, available on SEDAR at www.sedar.com.

We recommend that you vote FOR the appointment of PricewaterhouseCoopers LLP Chartered Professional Accountants as our auditors

The people named in the Proxy will vote FOR the appointment of PricewaterhouseCoopers LLP Chartered Professional Accountants as our auditors unless the Shareholder has specified in the Proxy that the Shares represented by such Proxy are to be withheld from voting in respect thereof.

Advisory Vote on Executive Compensation

The Board adopted a policy to hold an advisory vote on our approach to executive compensation (commonly referred to as "Say on Pay") at every annual Shareholder meeting. This advisory Say on Pay vote, gives Shareholders the opportunity to provide feedback on the Company's executive compensation programs and policies, including the compensation paid to the individuals who were, for any portion of the year, the CEO, CFO, or one of the three other most highly compensated executive officers of the Company, or a principal subsidiary thereof (collectively the "Named Executive Officers" or "NEOs").

As discussed in this Circular, the primary objective of the Company's compensation program, including the executive compensation program, is to attract and retain qualified employees that fit our corporate culture in order to achieve our corporate objectives and increase Shareholder value.

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass a non-binding advisory resolution to accept the approach to executive compensation, as disclosed in this Circular, substantially in the form set out below (the "Advisory Resolution").

The text of the Advisory Resolution to be passed is:

"BE IT RESOLVED that on an advisory basis, and not to diminish the role and responsibilities of the board of directors of the Company, the shareholders accept the approach to executive compensation disclosed in the Company's management information circular dated March 22, 2019."

We recommend that you vote FOR the adoption of this resolution to support our approach to executive compensation

The people named in the Proxy will vote FOR the advisory resolution approving our approach to executive compensation unless the Shareholder has specified in the Proxy that the Shares represented by such Proxy are to be voted against such resolution.

Because the vote is advisory, it will not be binding on the Board. However, if a significant number of Shares, represented in person or by Proxy at the Meeting, are voted against this Advisory Resolution, the Board will review the approach to executive compensation in the context of the specific concerns of the Shareholders. Following such review by the Board, the Company will disclose a summary of the processes undertaken by the Board and an explanation of any changes being implemented in relation to the Company's executive compensation practices. This disclosure will be provided within six months of the relevant Shareholders' meeting and, in any case, not later than the next Circular of the Company.

Shareholders approved our approach to executive compensation in 2018 with 99.53% voting in favour. The Board and Compensation Committee continue to monitor developments in executive compensation to ensure that our approach, including our compensation practices and risk oversight, is appropriate.

Other Business

If other matters are properly brought up at the meeting, you (or your proxy holder, if you are voting by proxy) can vote as you see fit. We are not aware of any other items of business to be considered at the meeting.

DIRECTOR NOMINEE PROFILES

The following charts provide information on the nine director nominees. Included in these charts is: (a) information relating to each nominee's city, province or state and country of residence; (b) the period during which each has served as a director; (c) their membership on committees of the Board; (d) other public board memberships held; (e) Board and committee meeting attendance in the twelve months ended December 31, 2018; (f) their present principal occupation and principal occupations held in the last five years; (g) their current equity ownership consisting of Common Shares beneficially owned, directly or indirectly, or controlled or directed, deferred share units ("DSUs"), stock options ("Options"), restricted share units ("RSUs") and performance share units ("PSUs"), in the case of Mr. Howes, our President and CEO, credited to each nominee; (h) whether the nominee meets the requirements of our share ownership guidelines; and their core skills and competencies.

R. Peter Gillin
Toronto, Ontario, Canada

Age 70

Director since 2009

Independent

Voting Results (1)
2018: 99.94%
2017: 99.92%
2016: 98.53%

Principal Occupation and Experience

Corporate Director

Lead Director, effective April 1, 2013

Mr. Gillin brings extensive public and mining company experience to the Board. Prior to December 2008, he was Chairman and Chief Executive Officer ("CEO") of Tahera Diamond Corporation and is the former President and CEO of Zemex Corporation. He has also been a senior investment banker, having previously served as Vice Chairman of N M Rothschild & Sons Canada Limited and as a Managing Director of Scotia Capital. In addition to being a director of several major public mining companies, he is also a member of the Independent Review Committee of TD Asset Management Inc. and a director at TD Mutual Funds Corporate Class Ltd. Mr. Gillin is a Chartered Financial Analyst and holds an ICD.D designation from The Institute of Corporate Directors.

Committee Memberships and Meeting Attendance During 2018

Board	6 / 6	Overall Attendance	100%
Compensation *(Chair)*	5 / 5		

Ownership and Total Value of Equity (2)

Shares	15,000	
DSUs	245,681	
Total Value		*$938,500*
Options	49,000	
Total Value (3)		*$30,300*
Total amount of equity at risk		*$968,800*

Equity Ownership Requirement (4)

Minimum Value Required	$240,000
Meets Equity Ownership Guidelines	Yes

Other Public Board Directorships

Sherritt International Corporation
Wheaton Precious Metals Corp.
Turquoise Hill Resources Ltd.

Core Skills and Competencies

Capital Markets
Strategic Leadership / Risk Management
Governance / Executive Compensation

Jonathan Goodman
Toronto, Ontario, Canada

Age 57

Director since 1993

Not Independent

Voting Results (1)
2018: 99.83%
2017: 86.71%
2016: 99.69%

Principal Occupation and Experience

Chair and CEO of Dundee Corporation, a diversified holding company with investments in companies in the wealth management, resources, agriculture and real estate verticals, since June 2018, prior to which he served as Executive Chairman since January 2018.

President and CEO of Dundee Goodman Merchant Partners, (Division of Goodman and Company Investment Inc.), a mining focused merchant bank since September 2018.

President and CEO of Toachi Mining Inc. from September 8, 2017 to January 31, 2018; and Chair effective January 31, 2018.

President and CEO of the Company from June 8, 1995 to March 31, 2013; Executive Chair from April 1, 2013 to September 6, 2017; and Chair effective September 7, 2017.

Mr. Goodman has over 30 years of experience in the resource and investment industry, working as a geologist, senior analyst, portfolio manager and senior executive. Mr. Goodman joined Goodman & Company, Investment Counsel Ltd. in 1990, where he was responsible for the selection of Canadian equities and played a major role in developing asset allocation strategies, before becoming the company's President. He is also the founder of Goepel Shields and Partners, an investment firm. Mr. Goodman graduated from the Colorado School of Mines as a Professional Engineer, holds a Master of Business Administration from the University of Toronto and is a Chartered Financial Analyst. He is also a member of The Institute of Corporate Directors.

Committee Memberships and Meeting Attendance During 2018

Board *(Chair)*		6 / 6	Overall Attendance	100%

Ownership and Total Value of Equity (2)		
Shares	398,282	
DSUs	559,037	
Total Value		*$4,376,700*
Options	207,298	
Total Value (3)		*$149,800*
Total amount of equity at risk		*$4,526,500*

Equity Ownership Requirement (4)	
Minimum Value Required	$562,500
Meets Equity Ownership Guidelines	Yes

Other Public Board Directorships

Dundee Corporation
Toachi Mining Inc.

Core Skills and Competencies

Capital Markets
International Business / Government & Community Relations
Mining, Exploration & Operations

Rick Howes
Toronto, Ontario, Canada

Age 61

Director since 2012

Not Independent

Voting Results [1]
2018: 99.94%
2017: 99.98%
2016: 99.99%

Principal Occupation and Experience

President and CEO of the Company since April 1, 2013

Mr. Howes is a Professional Engineer and has over 37 years of experience in the mining industry. Throughout his career, Mr. Howes has been closely associated with the practices that make for world-class mining operations including Inco's North Mine, which won the 2006 Ryan Award as the safest mine in Canada. Mr. Howes joined the Company in early 2009 as General Manager and Executive Director of Dundee Precious Metals Chelopech EAD and, in November 2010, was appointed Executive Vice President and Chief Operating Officer and on April 1, 2013 was appointed President and CEO of the Company. Prior to joining the Company, Mr. Howes worked for 30 years in various operating and technical capacities in the Canadian mining industry working for major mining producers including Vale Inco, Falconbridge and Cominco. Mr. Howes attended Queen's University where he earned a Bachelor of Science in Mining Engineering. He is also a member of The Institute of Corporate Directors.

Committee Memberships and Meeting Attendance During 2018

Board	6 / 6		Overall Attendance	100%

Ownership and Total Value of Equity [2]

Shares	135,026	
DSUs	0	
RSUs [5]	339,867	
PSUs [5]	538,800	
Total Value		*$3,649,300*
Options	1,381,571	
Total Value [3]		*$833,900*
Total amount of equity at risk		*$4,483,200*

Equity Ownership Requirement [7]

Minimum Value Required	$2,022,000
Meets Equity Ownership Guidelines	Yes

Other Public Board Directorships

Sabina Gold & Silver Corp.[6]

Core Skills and Competencies

Strategic Leadership / Risk Management
International Business / Government & Community Relations
Mining, Exploration & Operations

Jeremy Kinsman
Victoria, B.C., Canada

Age 77

Director since 2007

Independent

Voting Results [1]
2018: 99.95%
2017: 86.83%
2016: 98.53%

Principal Occupation and Experience

Corporate Director

Mr. Kinsman was educated at Princeton University and the Institut d'Etudes Politiques, Paris, before joining the Canadian Foreign Service in 1966, where he became one of Canada's most senior and experienced diplomats, serving as Deputy Permanent Representative to the United Nations in New York, Minister for Political Affairs in Washington and Political Director in Ottawa. From 1992 to 2006, Mr. Kinsman was Canada's Ambassador to Russia, Ambassador to Italy, High Commissioner to the United Kingdom, and Ambassador to the European Union, accredited as well in these positions to a dozen other countries. Since 2007, he has directed an international democracy support project for the Community of Democracies and continues to be a widely-presented and published commentator, notably for CTV News. Since 2010, he has been affiliated with the University of California, Berkeley, and Ryerson University, Toronto. He is also a member of The Institute of Corporate Directors.

Committee Memberships and Meeting Attendance During 2018

Board	6 / 6		Overall Attendance	100%
Corporate Governance & Nominating	5 / 5			
Compensation	5 / 5			

Ownership and Total Value of Equity [2]

Shares	22,500	
DSUs	109,716	
Total Value		*$476,000*
Options	49,000	
Total Value [3]		*$30,300*
Total amount of equity at risk		*$506,300*

Equity Ownership Requirement [4]

Minimum Value Required	$240,000
Meets Equity Ownership Guidelines	Yes

Other Public Board Directorships

None

Core Skills and Competencies

Strategic Leadership / Risk Management
Governance / Executive Compensation
International Business / Government & Community Relations

Juanita Montalvo [8]
Toronto, Ontario, Canada

Age: 53

Director since 2017

Independent

Voting Results [1]
2018: 99.94%
2017: 99.97%
2016: N/A

Principal Occupation and Experience

Managing Director, Privus Capital Inc. and Acasta CC Inc.

Ms. Montalvo brings to the Board 26 years of experience in developing and leading strategies. Prior to joining DPM, Ms. Montalvo held a number of board positions with subsidiaries of Sherritt International Corporation and on Executive Committees to the board. Currently, Ms. Montalvo is also a Managing Partner with Acasta Cuba Capital and a director and Deputy Chairman of the board of Canada's National Ballet School. She was educated at Dalhousie University in Halifax, Nova Scotia, where she earned a Bachelor of Science in Biology and Biochemistry, a Bachelor of Arts in International Development Studies, and a Masters in Developed Economics.She is also a member of the Institute of Corporate Directors.

Committee Memberships and Meeting Attendance During 2018

Board	6 / 6	Overall Attendance	100%
Corporate Governance & Nominating	5 / 5		
Health Safety & Environment *(Chair)*	4 / 4		

Ownership and Total Value of Equity [2]

Shares	0	
DSUs	87,076	
Total Value		*$313,500*
Options	20,000	
Total Value		*$10,700*
Total amount of equity at risk		*$324,200*

Equity Ownership Requirement [4]

Minimum Value Required	$240,000
Meets Equity Ownership Guidelines	Yes

Other Public Board Directorships

None

Core Skills and Competencies

Safety, Health & Environment
International Business / Government & Community Relations
Strategic Leadership/Risk Management

Peter Nixon
Niagara-on-the-Lake, Ontario, Canada

Age 72

Director since 2002

Independent

Voting Results [1]
2018: 99.91%
2017: 86.74%
2016: 98.52%

Principal Occupation and Experience

Corporate Director

Mr. Nixon has spent more than three decades in the investment industry, specializing in the natural resource sector and working primarily in research and institutional sales. He was also a founder of the investment firm Goepel Shields & Partners and was subsequently President of the firm's subsidiary in the United States. Mr. Nixon was Senior Vice President of Dundee Securities Corporation from June 1998 to December 2000, where his mandate was to expand the company's activities in the United States. He is also a member of The Institute of Corporate Directors.

Committee Memberships and Meeting Attendance During 2018

Board	6 / 6	Overall Attendance	100%
Corporate Governance & Nominating *(Chair)*	5 / 5		
Compensation	5 / 5		

Ownership and Total Value of Equity [2]

Shares	5,204	
DSUs	136,955	
Total Value		*$511,800*
Options	49,000	
Total Value [3]		*$30,300*
Total amount of equity at risk		*$542,100*

Equity Ownership Requirement [4]

Minimum Value Required	$240,000
Meets Equity Ownership Guidelines	Yes

Other Public Board Directorships

Midas Gold Corp.
Reunion Gold Corporation
Stornoway Diamond Corporation*
Toachi Mining Inc.
Dundee Corporation

Core Skills and Competencies

Capital Markets
Financial Literacy
Governance / Executive Compensation

**** In a press release dated March 28, 2019 Stornoway Diamond Corporation confirmed that Mr. Nixon will not be standing for re-election at their upcoming annual general meeting to be held on May 14, 2019.***

Marie-Anne Tawil [9]
Montreal, Quebec.,
Canada

Age 59

Director since 2015

Independent

Voting Results [1]
2018: 99.94%
2017: 99.97%
2016: 99.98%

Principal Occupation and Experience

Corporate Director

Ms. Tawil has over 30 years of legal experience, principally in corporate, commercial and securities law, and over 20 years of management experience. She practiced law with Stikeman Elliott and McCarthy Tetrault and, in 1984, joined Quebecor Inc. as Legal Counsel, and also served as Corporate Secretary from 1987 until 1990. She was previously Chair of the board of Société de l'Assurance Automobile du Québec, joined the board of Hydro Quebec in 2005 and, is also on the board of Stornoway Diamonds Corporation. Ms. Tawil is a member of the Bar of the Province of Quebec and holds a Master of Business Administration from the John Molson School of Business. She holds an ICD.D designation from the Institute of Corporate Directors.

Committee Memberships and Meeting Attendance During 2018

Board	6 / 6	Overall Attendance	100%
Audit	5 / 5		
Corporate Governance & Nominating	5 / 5		
Health Safety & Environment	4 / 4		

Ownership and Total Value of Equity [2]

Shares	0	
DSUs	140,896	
Total Value		*$507,200*
Options	30,000	
Total Value [3]		*$24,600*
Total amount of equity at risk		*$531,800*

Equity Ownership Requirement [4]

Minimum Value Required	$240,000
Meets Equity Ownership Guidelines	Yes

Other Public Board Directorships

Stornoway Diamond Corporation

Core Skills and Competencies

Financial Literacy
Governance / Executive Compensation
Safety, Health & Environment

Anthony P. Walsh
West Vancouver, B.C.,
Canada

Age 67

Director since 2012

Independent

Voting Results [1]
2018: 99.95%
2017: 99.91%
2016: 99.91%

Principal Occupation and Experience

Corporate Director

Mr. Walsh has over 25 years of experience in the field of exploration, mining and development. Mr. Walsh was President and CEO of Sabina Gold & Silver Corp. from 2008 to 2011, prior to which he served as President and CEO of Miramar Mining Corporation from 1995 to 2007, Senior Vice President and Chief Financial Officer of a computer leasing company from 1993 to 1995 and Chief Financial Officer and Senior Vice President, Finance of International Corona Mines Ltd., a major North American gold producer from 1989 to 1992. Mr. Walsh also serves on the board of directors of several publicly-traded exploration and development companies. Mr. Walsh graduated from Queen's University in 1973 and became a member of The Canadian Institute of Chartered Accountants in 1976. He is also a member of The Institute of Corporate Directors.

Committee Memberships and Meeting Attendance During 2018

Board	6 / 6	Overall Attendance	100%
Audit	5 / 5		
Compensation	5 / 5		

Ownership & Total Value of Equity [2]

Shares	550	
DSUs	159,508	
Total Value		*$576,200*
Options	50,100	
Total Value [3]		*$33,000*
Total amount of equity at risk		*$609,200*

Equity Ownership Requirement [4]

Minimum Value Required	$240,000
Meets Equity Ownership Guidelines	Yes

Other Public Board Directorships

NovaGold Resources Inc.
Sabina Gold & Silver Ltd.

Core Skills and Competencies

Capital Markets
Financial Literacy
Strategic Leadership / Risk Management

Donald Young
West Vancouver, B.C., Canada

Age 73

Director since 2010

Independent

Voting Results [1]
2018: 99.95%
2017: 99.98%
2016: 99.99%

Principal Occupation and Experience

Corporate Director

Mr. Young, FCPA, FCA is a retired KPMG audit partner who also worked for a time as a KPMG management consulting partner focused on risk management, assessments and governance. Before joining KPMG, he worked for Placer Development Ltd. (now Barrick Gold Corp). He is a member of the board of Midas Gold Corp. He has served on the boards of other publicly-listed mining companies and served on the governing boards of not-for-profit organizations, including Science World British Columbia, British Columbia Safety Authority and the Canadian Institute of Chartered Accountants. Mr. Young is a Fellow and past President of the British Columbia Chartered Accountants and is a member of the Institute of Corporate Directors.

Committee Memberships and Meeting Attendance During 2018

Board	6 / 6	Overall Attendance	100%
Audit *(Chair)*	5 / 5		
Health Safety & Environment	4 / 4		

Ownership & Total Value of Equity [2]

Shares	1,700	
DSUs	99,125	
Total Value		*$363,000*
Options	49,000	
Total Value [3]		*$30,300*
Total amount of equity at risk		*$393,300*

Equity Ownership Requirement [4]

Minimum Value Required	$240,000
Meets Equity Ownership Guidelines	Yes

Other Public Board Directorships

Midas Gold Corp.

Core Skills and Competencies

Financial Literacy
Strategic Leadership / Risk Management
Governance / Executive Compensation

(1) Voting results relate to the percentage of votes cast in favour at the 2018, 2017 and 2016 annual meetings of Shareholders.

(2) The information as to Shares owned or controlled is not within the knowledge of the Company, and has been furnished by the nominees individually as at December 31, 2018, the values of which were calculated based on the greater of: (i) the acquisition cost or the grant value; and (ii) the aggregate fair market value based on the closing price of the Shares on the Toronto Stock Exchange ("TSX") on December 31, 2018 of $3.60.

(3) Value of unexercised in-the-money Options represents the intrinsic value of the Options based on the closing price of the Shares on the TSX on December 31, 2018 of $3.60. This amount may not be representative of the amount that may be realized upon exercise of the Options due to market fluctuations. Refer to "Compensation Discussion and Analysis - Outstanding Option-Based and Share-Based Awards at Year-End" and "Board of Directors Compensation - Outstanding Option-Based and Share-Based Awards at Year-End" for further information.

(4) The equity ownership was calculated, based on the greater of: (i) the acquisition cost or the grant value; and (ii) the aggregate fair market value based on the closing price of the Shares on the TSX on December 31, 2018 of $3.60. Non-executive Board members have five years to reach the threshold, being three times the annual cash retainer. Refer to "Board of Directors Compensation - Director Equity Ownership Requirements" for further information.

(5) Value of PSUs and RSUs is calculated based on the greater of: (i) the acquisition cost or the grant value; and (ii) the aggregate fair market value based on the closing price of the Shares on the TSX on December 31, 2018 of $3.60. Non-executive directors of the Company are not eligible to receive RSUs and PSUs. See "Compensation Discussion and Analysis – Long Term Incentive Compensation – RSU Plan".

(6) Board seat is directly related to the Company's ownership position in this company.

(7) The equity ownership was calculated as at December 31, 2018. Refer to "Compensation Discussion and Analysis - Executive Equity Ownership Requirements" for further information.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

No proposed director of the Company:

1. is as of the date hereof, or has been, within the last ten years, a director, chief executive officer or chief financial officer of any company (including the Company) that:

   a) was subject to a cease trade, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an "Order") that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

   b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;.

2. is as of the date hereof, or has been, within the last ten years, a director, chief executive officer or chief financial officer of any company (including the Company) that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

3. has, within the ten before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or

4. has been subject to:

   a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

   b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

LETTER TO SHAREHOLDERS

On behalf of the Compensation Committee, I am pleased to present the Compensation Discussion and Analysis ("CD&A"), which outlines our approach to executive compensation and illustrates how the Board reaches its decisions on executive pay programs and awards. Through the CD&A, we aim to provide enhanced understanding to our Shareholders, advisory groups and industry analysts by disclosing how our executive compensation aligns with the Company's strategic plan, corporate and individual performance and creation of Shareholder value.

Compensation Philosophy

At DPM we have focused our executive compensation structure on two objectives: first, the provision of competitive compensation to attract, retain and motivate high calibre individuals who can drive achievement of our corporate objectives; and second, ensuring that executive compensation is aligned with the interests of Shareholders. We believe that a compensation structure that contains a mix of fixed and variable compensation, with short- and long-term components, will create the desired motivation and focus in our executives. As part of that structure, the Compensation Committee and Board have adopted a median pay philosophy aligning the targeted total direct compensation of the NEOs at approximately the 50^{th} percentile of the Company's peer group. In setting compensation, in addition to considering industry competitiveness, we review a number of other factors, including internal parity, scope and complexity of the position and current business challenges.

Key Compensation Principles

We align our executive pay program with Shareholders' interests: We directly align our executive compensation program with Shareholder interests, and the short and long-term objectives of the Company, through (i) our short-term incentive program based on our Balanced Scorecard system; and (ii) our long-term incentive program consisting of a mix of Stock Options ("Options"), Restricted Share Units ("RSUs") and Performance Share Units ("PSUs").

A significant proportion of executive pay is at risk: Approximately 75% of the 2018 total direct compensation for the CEO and, on average, approximately 60% of the total direct compensation for the remaining NEOs, is at risk, achieved through the awarding of short-term incentives, Options, RSUs and PSUs, the value of which is approximately $4.5 million, as at December 31, 2018.

We assess and manage compensation risk: We ensure our compensation programs are appropriately aligned to reflect the Company's position within our peer group and to best position us in the labour market to attract and retain experienced mining executives. Our program is reviewed regularly to benchmark best practices, ensuring it is encouraging the appropriate behaviour for performance and aligning with our values. We employ effective risk management measures, including our Anti-Hedging and Executive Compensation Recoupment ("Clawback") Policies, to discourage excessive risk-taking. We also engage an independent third party consultant, Mercer (Canada) Limited ("Mercer"), to assist with our review to ensure a balanced approach and to mitigate compensation risk.

We follow leading compensation practices: We operate in a highly competitive industry and our compensation program is designed to facilitate the attraction, motivation and retention of talented and experienced mining executives. Through our annual review of peer company compensation practices, conducted with the assistance of Mercer, and the combination of a balanced pay mix of base salary, short-term incentive and long-term equity with meaningful links to performance measures, share ownership requirements and anti-hedging guidelines, the Company has developed an effective executive compensation program.

<table>
<tr><th colspan="2">OUR COMPENSATION PRACTICES</th></tr>
<tr><th>WE DO:</th><th>WE DO NOT:</th></tr>
<tr><td>✓ Provide Pay for Performance
• 75% of CEO’s and 61% of other NEO’s target total direct compensation is pay-at-risk
• 80% of CEO’s and 70% of other NEO’s short-term incentive is based on corporate performance
• Corporate objectives are structured using a comprehensive Balanced Scorecard (“BSC”) approach
• Our long-term incentive plan uses a combination of Options, RSUs and PSUs to drive sustained long-term performance
• 37.5% of CEO and other NEO’s long-term incentive awards is performance-based through PSUs
• PSU awards are earned based on performance criteria reflecting Total Shareholder Return (“TSR”) and achievement of corporate objectives as measured by our BSC system
✓ Provide proportionately greater award opportunity through long-term rather than short-term incentive awards
✓ Have an Executive Compensation Recoupment (Clawback) Policy
✓ Have an Anti-Hedging Policy and an Insider Trading Policy
✓ Have director and executive share ownership guidelines
✓ Employ various measures to mitigate undue risk in our compensation program
✓ Promote retention with equity awards that vest over three years
✓ Have a compensation committee with all independent members
✓ Retain an independent compensation consultant
✓ Conduct a say on pay advisory vote</td>
<td>✗ Reprice out-of-the-money stock options
✗ Have single trigger NEO severance on a change of control
✗ Provide excessive perquisites
✗ Have supplemental executive retirement provisions
✗ Provide guaranteed bonuses to executives
✗ Payout PSUs above 100% if TSR is negative, regardless of our relative position and no PSU payouts are made if our relative TSR is below the 33rd percentile</td></tr>
</table>

2018 Company Performance

During 2018 the Company made significant progress on its strategic objectives and towards enhancing shareholder value as evidenced by our 89th percentile TSR ranking against our TSR peer group and the achievement of 102% corporate performance as measured by our BSC system. See *“Compensation Discussion & Analysis - Components of Executive Compensation”*.

The following are the key highlights of our performance in 2018:

- ***Health and safety*** – Both Krumovgrad and Tsumeb achieved two million lost-time injury (“LTI”) free hours, while Chelopech achieved one million LTI free hours;

- ***Metals production –*** Achieved record gold production of 201,095 ounces and outperformed 2018 guidance. Copper production of 36.7 million pounds was in line with guidance;
- ***Smelter –*** Achieved record throughput of 232,043 tonnes, in line with guidance, generating positive cash flow in 2018;
- ***Near term growth –*** Construction of the Krumovgrad project was 92% complete at year-end and remains under budget, with first gold concentrate expected in the first quarter of 2019;
- ***Exploration success –*** Reported an updated Mineral Resource estimate for the Timok gold project in Serbia and commenced scoping study;
- ***Cash flow –*** Generated $98.1 million in cash flow from operating activities and $53.9 million in free cash flow;
- ***Cash Costs –*** Reported an all-in sustaining cost per ounce of gold of $659, and a cash cost per tonne of complex concentrate smelted, net of by-product credits of $445, which were in the low end of 2018 guidance; and
- ***Financial position –*** Ended 2018 with approximately $255 million of cash resources, including long-term revolving credit facility.

2018 CEO Compensation and Realizable Pay Alignment

Corporate performance is the most significant factor affecting the Board's decisions on DPM executive pay. Notably, the CEO's target compensation mix is 25% base salary and 75% at-risk compensation with 25% based on a short-term incentive award and 50% based on a long-term incentive award. The CEO's long-term incentive is awarded 75% in RSUs and PSUs (equally weighted) and 25% in Options. PSUs are performance-based , with payouts based (i) 60% on the achievement of a three-year TSR relative to the TSR peer group established for this purpose; and (ii) 40% on the achievement of the BSC, measured over the performance period (the "Achieved Performance Ratio"). Executive salaries, including that of the CEO, were frozen for 2015 and 2016, reflecting negative industry conditions. In 2017 and 2018, following a comprehensive review by our independent compensation consultant, the CEO's salary was increased by 5% and 2.8%, respectively, to maintain competitiveness with our compensation peer group. The CEO's annual bonus for 2018 was $0.7 million and his total direct compensation in 2018 was $2.9 million. This was based on the Board's assessment of Mr. Howes' strong performance in driving Shareholder value in 2018 as reflected in the Board-approved achievement of the BSC objectives at 102% and our 89th percentile TSR ranking against our TSR peer group.

We believe that our executive compensation is aligned with Shareholder value as the amounts that executives actually realize from Options and Share-based compensation are subject to fluctuations in our share price and achievement of corporate objectives. Consequently, we think it is important to assess pay for performance against net realizable pay, which adjusts compensation to reflect the impact of Company performance (share price and other performance metrics) on potential pay values. Net realizable pay more accurately represents the actual compensation value received by executives by taking into account the Share price change over a given time period. As discussed in "Compensation Discussion and Analysis – Share Performance " and "Compensation Discussion and Analysis – CEO Net Realizable Pay" the Company's compensation program pays for performance achieved and effectively aligns executives with long-term shareholder value creation with realizable value changing in line with changes in our common share price.

Key Areas of Compensation Focus

The Compensation Committee continually reviews our compensation practices to ensure they are appropriately focused for achievement of corporate objectives and retention of high calibre individuals. Outlined below are the key initiatives and areas of focus, with respect to our compensation program and compensation governance practices, for the Compensation Committee in 2018:

- Continued to enhance our BSC system to set annual measurable targets clearly linked to DPM's long term strategic objectives at operating levels to align the efforts of senior management and personnel with Shareholder interests.
- Reviewed our compensation and TSR peer groups to ensure our executive compensation benchmarking and pay for performance objectives are based on the appropriate comparators;
- Received a report from Mercer on the adjustment of and outcomes from our executive compensation structure measured against the ISS pay for performance methodology
- Received a report on gender diversity and pay equity throughout the organization to ensure achievement of the Company's diversity objectives.

Say on Pay

"Pay for performance" and creation of Shareholder value are fundamental principles underpinning our executive compensation structure. The Board believes in providing transparency to Shareholders and understanding Shareholder perspectives on pay and governance matters. Accordingly, since 2015, we have given Shareholders an opportunity to vote on the Company's approach to executive compensation through an annual "Say on Pay" advisory vote.

At the Company's last Annual Meeting of Shareholders on May 3, 2018, 99.53% of the votes cast at the Meeting were voted in favour of the Company's advisory resolution on executive compensation demonstrating significant shareholder support for the Company's approach to compensation.

Shareholder Engagement

In addition to seeking Shareholder feedback through our "Say on Pay" vote, the Board undertakes Shareholder outreach initiatives to ensure it has the benefit of specific Shareholder views in determining executive compensation. The most recent Shareholder outreach meetings were held in January 2019. Mr. Nixon, the Chair of the Corporate Governance & Nominating Committee and member of the Compensation Committee, as well as Ms. Montalvo, Chair of the Health, Safety & Environment Committee and member of the Corporate Governance & Nominating Committee, and I met over two days with a number of Shareholder representatives in-person and by conference call. The discussions addressed various topics and feedback from those meetings was overall positive and supportive.

Conclusion

The Compensation Committee and the Board believe that our executive compensation program and governance practices transparently and effectively support the achievement of our strategic objectives and align the interests of our executives with those of our Shareholders.

We thank you for taking the time to read our disclosure and encourage you to vote in favour of our approach to executive compensation.

Sincerely,

"Peter Gillin"

Peter Gillin, Chair,
Compensation Committee,
Dundee Precious Metals Inc.

COMPENSATION DISCUSSION AND ANALYSIS

This CD&A describes our executive compensation philosophy, summarizes the principles of our executive compensation program and analyzes our pay decisions for 2018. It also provides context for the data presented in the compensation tables. For purposes of this CD&A, our NEOs for 2018 are:

NEO	Title
Rick Howes	President and Chief Executive Officer (“CEO”)
Hume Kyle	Executive Vice President and Chief Financial Officer (“CFO”)
David Rae	Executive Vice President and Chief Operating Officer (“COO”)
Richard Gosse	Senior Vice President (“SVP”), Exploration
Michael Dorfman	Senior Vice President (“SVP”), Corporate Development

Objectives of Compensation Strategy

The Company’s goal in designing its executive compensation program is to achieve two principal objectives. First, the program is designed so that a portion of the compensation of the Company’s executives aligns their interests with those of Shareholders in both the short and long-term. Second, the program is intended to offer compensation competitive to comparable positions with similar companies in the mining industry, in order to attract, motivate and retain talented individuals who are able to fulfill the strategic objectives of the Company.

Alignment of Interests of Management with Interests of Shareholders

The compensation package is designed to align the interests of management with those of Shareholders through the following elements:

- Options, RSUs, and PSUs which give management an interest in Share price increases over time; and
- Options and RSU awards that vest over a three-year period, and PSU awards that vest after three years, which give management an interest in focusing on long-term rather than short-term results.

Attraction, Motivation and Retention of Key Talent

The compensation program is designed to attract, motivate and retain key talent in a highly competitive mining environment through the following elements:

- A competitive cash compensation program, consisting of base salary and short-term incentive compensation (bonus paid as a set percentage of salary); and
- A long-term equity-based compensation program, consisting of Options, RSUs and PSUs.

Peer Groups and Benchmarking

Compensation Peer Group

The Compensation Committee believes that benchmarking executive compensation against peer companies (the “Compensation Peer Group”) is appropriate to ensure that the Company’s compensation structure serves to attract and retain the high calibre individuals required to achieve the Company’s strategic objectives. The Compensation Committee retains Mercer to assist with a review of peer companies’ executive and independent director compensation pay levels and practices. The Compensation Committee also considers advice and information from other sources, in addition to the benchmarking data compiled by Mercer.

The Compensation Committee focuses on the compensation of the NEOs using industry-related market data and compensation data and analysis provided by Mercer. Where applicable, the Compensation Committee adjusts executive salaries and other compensation components to align the target total direct compensation of the NEOs at approximately the 50th percentile of the Compensation Peer Group. This alignment reflects the adoption, by the Compensation Committee, of a median pay philosophy consistent with industry practice. Actual pay may differ due to company and individual performance.

The companies in the Compensation Peer Group are selected based on similar characteristics to those of the Company with respect to some, or all, of the following: industry, market capitalization, revenue, global scope of operations and business complexity, as well as the companies’ focus on both gold and base metal production.

The peer group is reviewed by the Compensation Committee with Mercer on an annual basis. The Compensation Peer Group used to benchmark executive compensation was reviewed in February 2018 and is set out below:

Company Name	**Revenue (1) (millions)**	**Total Assets (1) (millions)**	**Market Capitalization (2) (millions)**
Alacer Gold Corp.	$217	$1,414	$613
Alamos Gold Inc.	$670	$3,080	$2,465
Argonaut Gold Inc.	$198	$866	$418
B2Gold Corp.	$844	$3,226	$3,221
Capstone Mining Corp.	$721	$1,744	$548
First Majestic Silver Corp.	$336	$1,048	$1,431
Hudbay Minerals Inc.	$1,647	$5,744	$2,448
Mandalay Resources Company	$225	$416	$135
Nevsun Resources Ltd.	$319	$1,516	$888
Primero Mining Corp.(3)	N/A	N/A	N/A
Semafo Inc.	$346	$1,273	$1,037
Sherritt International Corp.	$283	$3,489	$398
SSR Mining Inc.	$612	$1,875	$1,292
Taseko Mines Ltd.	$379	$987	$612
Teranga Gold Corp.	$338	$1,008	$268
75th Percentile	*$670*	*$3,080*	*$1,431*
50th Percentile	*$338*	*$1,414*	*$613*
25th Percentile	*$225*	*$987*	*$398*
Average	***$489***	***$1,880***	***$1,053***
Dundee Precious Metals	**$569**	**$1,280**	**$687**
Percentile Ranking	***68%***	***44%***	***52%***

(1) *Reflects a 12-month trailing revenue and assets (December 2016 – November 2017);*
(2) *Market capitalization data is as at the period ending November 30, 2017; and*
(3) *Primero Mining Corp. was acquired by First Majestic Silver Corp. on May 10, 2018 and is no longer in the Compensation Peer Group.*

TSR Peer Group

The Compensation Committee's independent consultant, Mercer, recommended a peer group developed through a performance sensitivity analysis for the purpose of benchmarking DPM's TSR performance (the "TSR peer group"). The TSR peer group is comprised of the 14 companies listed below which are predominantly gold producers comparable in size to the Company.

Hudbay Minerals Inc.	Centerra Gold Inc.
B2Gold Corp.	Capstone Mining Corp.
Alamos Gold Inc.	Semafo Inc.
Teranga Gold Corp.	Golden Star Resources Inc.
Mandalay Resources Corp.	Perseus Mining Ltd.
Argonaut Gold Inc.	Alacer Gold Corp.
Alio Gold Inc.	Taseko Mines Ltd.

The TSR peer group was approved by the Compensation Committee and the Board as the comparator group for measurement of TSR for the PSU grants made in each of 2016, 2017 and 2018 and to measure TSR performance for a portion of the BSC achievement. The table below illustrates our relative TSR performance against our TSR peer group for the fiscal year ending December 31, 2018 for the TSR measure in the 2018 BSC and our relative TSR performance for the January 2015-December 2017 performance period applicable to the PSUs granted in 2015 which were paid out in March 2018:

TSR Performance

	January 2018 – December 2018 20-day VWAP Growth	January 2015 – December 2017 20-day VWAP Growth
75th Percentile	3%	18%
50th Percentile	-31%	3%
25th Percentile	-64%	-9%
Average	***-30%***	***2%***
Dundee Precious Metals	**21%**	**1%**
Percentile Ranking	**P89**	**P36**

(1) *Primero Mining Corp. was acquired by first Majestic Silver Corp. on May 10, 2018 and was not included in the TSR calculation for 2018 BSC performance.*

Components of Executive Compensation

Our executive compensation program is comprised of four components that have different objectives and target performance over different time periods: base salary, short-term incentive compensation, long-term incentive compensation, and benefits**.** The objective is to provide target total direct compensation (base salary + short-term incentives + long-term incentives) at approximately the 50th percentile and to reward individual performance based on objectives that support the Company's goal of building Shareholder value as measured by the BSC and relative TSR. This alignment reflects the adoption by the Compensation Committee of a median pay philosophy consistent with industry practice. Actual pay may differ due to company and individual performance.

The following diagram outlines our total compensation structure:

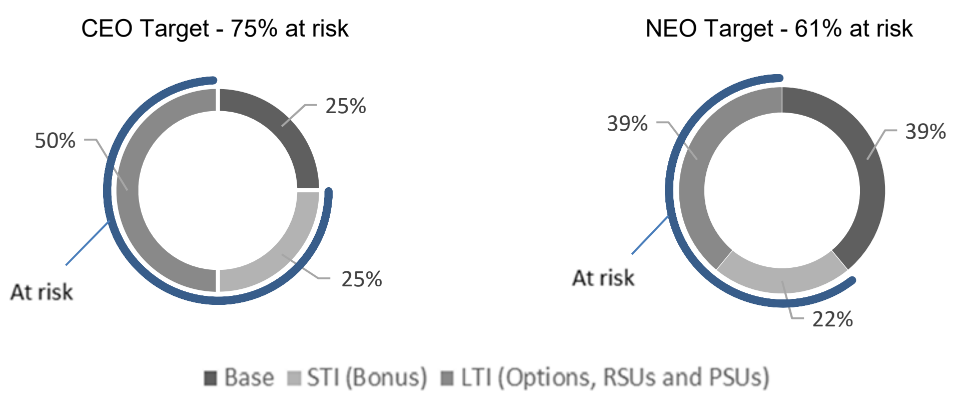
Base Salary	**+**	**STI (Company Results and Individual Results)**	**+**	**LTI (25% Options, 37.5% RSUs and 37.5% PSUs)**	**+**	**Benefits**	**=**	**Total Compensation**

NEO compensation (including the CEO) consists of the following components:

Components		**Form**	**Period**	**Program Objectives and Details**
Fixed	Base salary	Cash	Annual	Reflects an individual's level of authority and accountability within the Company as well as experience
Variable	Short-term Incentives ("STI")	Cash	Annual	• Each executive has a target annual bonus (% of base salary) • Payouts range from 0% to a maximum of 200% target on the BSC component and from 0% to 150% on the individual component • Awards are linked to the achievement of specific financial, operational and growth objectives as set out in the BSC • Payouts are determined on the basis of a combination of individual and corporate performance
	Long-term incentives ("LTI")	RSUs	Annual vesting over 3 year period	• Aligns executive reward with Shareholder value delivered • 37.5% of annual LTI award • RSUs are settled in cash
		PSUs	Vest at the end of the 3-year performance period	• Aligns executive reward with Shareholder value delivered • 37.5% of annual LTI award • Value is dependent on (i) achievement of TSR performance relative to the TSR peer group

Components		Form	Period	Program Objectives and Details
				(60%); and (ii) achievement of the BSC, measured over the performance period (40%) • PSUs are settled in cash
		Options	3-year vesting period 5-year term	• Aligns executive reward with Shareholder value via share price increases only • 25% of annual LTI award • Vest 1/3 on each of the first, second and third anniversaries of grant
Other Elements of Compensation				
Benefits	Group health, dental, insurance benefits, registered retirement savings plan ("RRSP"), critical illness, fitness benefit, annual comprehensive medical			
Perquisites	Parking allowance provided to the CEO and CFO			

As illustrated below, a substantial portion of the target total compensation for our CEO and our other NEOs is provided through at-risk-compensation that is dependent upon short and long-term corporate performance and Share price appreciation. Any value ultimately realized by these executives is directly tied to the Company's performance and Shareholder value creation.



Base Salary

Base salary is an essential component of the Company's compensation mix as it is the first measure to compare relative to peer groups and the global market generally. It is fixed and used as the base to determine other elements of compensation and benefits. Salaries are determined by discussion of the Compensation Committee, for approval by the Board, with consideration of and upon the recommendations by management. The main consideration in establishing base salary ranges for the NEOs is the evaluation of comparable market positions which is benchmarked with the assistance of our independent compensation consultant, Mercer. Within those ranges, individual rates generally vary based on experience, past or expected performance, level of responsibility, impact on the business, tenure and retention concerns. There is no mandatory framework that determines which of these additional factors may be more or less important and the emphasis placed on any of these additional factors may vary among the NEOs. While certain roles are common throughout the industry, others are more unique. As such, industry surveys may not always produce comparable data on which to base compensation decisions. A certain level of discretion is required to ensure internal equity and external competitiveness.

The Compensation Committee reviewed a report prepared by Mercer early in 2018 which compared the salaries of the NEOs against the base salaries of similar positions within the Compensation Peer Group and recommended compensation adjustments for 2018. After considering the recommendations from Mercer, and other relevant factors, the following salary adjustments were approved to ensure market competitiveness.

Executive	2017 Salary	2018 Salary	Average Change
Rick Howes	$656,000	$674,000	2.8%
Hume Kyle	$400,000	$411,000	2.8%

Executive	2017 Salary	2018 Salary	Average Change
David Rae	$420,000	$432,000	2.8%
Richard Gosse	$337,000	$346,000	2.8%
Michael Dorfman	$315,000	$324,000	2.8%

Short-Term Incentive Compensation

The NEOs and other key employees are also eligible for short-term incentive payments in the form of annual cash bonus awards. Bonus payments are based on a target level as a percentage of annual base salary, being 100% of base salary for the CEO, 60% of base salary for EVPs and 50% of base salary for SVPs. The bonus for the CEO is determined and recommended by the Compensation Committee for approval by the Board, with 20% of his bonus based on objectives or initiatives determined by the Compensation Committee and 80% based on Company performance, as set out in the BSC. For the remaining NEOs, 70% of their bonus is based on Company performance and 30% on individual objectives or initiatives established by the CEO. The payment of bonuses to the NEOs, including the CEO, is reviewed by the Compensation Committee and recommended for approval by the Board.

The Company's performance is based on specific objectives and measures that support the advancement of the Company's overall strategy and the creation of Shareholder value. Individual performance is based on objectives and measures established within each executive's primary area of accountability.

Company performance is based on the overall score resulting from performance against the weighted objectives contained in the BSC. An individual's Overall Performance Rating is determined by combining the Company rating and the individual's performance rating. The individual performance is a combination of the individual results achieved and the behaviours demonstrated. Actual short-term incentive payouts for 2018 performance ranged from 98-110% of the target bonus, depending on the level of performance and a Company rating (BSC) of 102%. Payment of these amounts was made in February 2019.

- *BSC System*

The BSC system allows DPM to link compensation to concrete and measurable annual objectives that align executives with the outcomes experienced by shareholders and reward shareholder value creation. The high level strategic objectives and outcomes are broken down into meaningful targets at the operating level. Using the BSC system, initiatives are linked to DPM's business strategy to ensure successful execution that engages the entire organization and drives accountability beyond the executive level.

The CEO, supported by the senior leadership team, is accountable for strategy development and implementation looking forward over a 5-10-year horizon to ensure that the strategy of the organization is clearly understood and properly resourced. In defining its strategy, the Company affirmed its **Vision**, committed to an ambitious set of mid-term **goals** and organized the work required to achieve these goals into three **strategic themes**, each of which is supported by a number of strategic imperatives, as depicted below:

VISION

A progressive gold mining company that unlocks and delivers superior value through innovation and strong partnerships with stakeholders

GOALS

- Mid-tier gold producer (within 5 Years >500 k oz/annum)
- Global leader in mining innovation and operating excellence
- All-in sustaining cost (AISC) in the bottom quartile of industry
- Total Shareholder Returns in the top quartile of industry

STRATEGIC THEMES

OPTIMIZE PORTFOLIO

Increased profitability by driving operational excellence, underpinned by effective leadership and strong balance sheet.

GROWTH

Grow the business by realizing the value of our pipeline of assets enhanced by M&A, exploration and rapid deployment.

INNOVATION

Create value through deployment of technology and innovation underpinned by internal capability and strategic partnerships.

STRATEGIC IMPERATIVES

Effective & Accountable Organization

Core Business Excellence

Corporate Responsibility

Corporate Responsibility

(1) *AISC is a non-GAAP measure that has no standard meaning under International Financial Reporting Standards. See our Management Discussion and Analysis for the year-ended December 31, 2018 for a detailed discussion of our utilization of non-GAAP measures available at www.sedar.com. See "Additional Information".*

To ensure overall accountability, each objective in the BSC has been assigned to one of four "perspectives", and each objective is assigned to a responsible executive who monitors the progress and ensures that initiatives are established to support the work.

Perspective	Weighting	Responsible Executive
Financial	35%	CFO
Internal Processes	40%	COO
Stakeholders	15%	SVP, Sustainable Business Development
Learning	10%	SVP, Corporate Services

To measure the progress against each objective, specific measures are defined, and annual targets are assigned. To determine the overall score of the Company, a weighting of the perspectives, objectives and measures is used. Each measure is assigned a score from 0 to 10 (based on the actual results against target) to calculate a Company score using the weighting assigned to each of the BSC elements. A score of 6.67 is assigned as Target, a score of 3.3 is assigned as Below Target and below this point there is no payout.

The objectives, measures and related targets are approved, in advance, by the Compensation Committee and subsequently by the Board. The table below provides information on these components and the outcomes achieved for 2018:

2018 Objectives, Measures and Outcomes					
Objective	**Measure**(1)	**Target**	**Actual**	**Weighting**	**Score/10**
Financial Perspective (35%)					
Maintain balance sheet strength	Debt/Adjusted EBITDA(1) ratio	0.97	0.49	7%	8.23
	Available Liquidity(1)	$214.1M	$231.8M		
Increase profitability of business (1)	Return on Capital Employed ("ROCE")(1)	10.50%	11.2%	17.5%	7
Grow value of business	Estimated NAV(1) per share at December 31, 2018 relative to a baseline targeted level	1.0	1.03	10.5%	7.22
Stakeholder Perspective (15%)					
Strive for Zero Harm to People and Environment	Health and Safety - Reduction of Total Recordable Injury Frequency to 0.8 average for the last three years – achieved above targeted level of reduction			4.5%	10
	Environment - Improvement of fresh water intensity – targets were achieved in mining operations; initiatives to improve smelter results are continuing.			4.5%	8.19
Grow as a Desired Partner for the communities and countries of operation	Closing of actions ICAMs and Grievances – more than 75% of actions closed on time and work continues to improve this.			6%	1.48
Internal Processes Perspective (40%)					
Strive for Operational Excellence	Operation Intensity – implementation of Analyze & Improve as part of the DPM Management Operating Model continues at both operations. The Furnace life was extended, and variability post shutdown was decreased. In Chelopech a slurry conditioning project is underway.			9%	6.38
	Operational Excellence – the initiatives related to Metal Accounting and Commercial Systems at Tsumeb resulted in decreased variability and improved exposure position. Work on the Business Planning System initiated in 2017 progressed, slower than planned, from Conceptual Design to detailed design.				
Introduce a Digital Platform and Data Analytics that will enable people to better use data for performance improvement	Progressing with execution of the roadmap for digital transformation. The SMART Center Project in Bulgaria is progressing well. The operation of the pilot SMART center started in Q3, while introducing new services based on the defined plan. Cloud migration assessment was completed. Initiatives and projects were completed to support the utilization of digital technologies in the Krumovgrad operation. Other digital initiatives underway. MineRP implementation is progressing.			9%	6.67
Build a pipeline of potential future assets that meet the DPM long-term growth objectives	Several projects evaluated and advanced as potential growth opportunities.			6%	6.725
	Pipeline Exploration – Timok Gold Project advanced to scoping study, new greenfield projects in Bulgaria, Serbia and Quebec were identified.				

2018 Objectives, Measures and Outcomes					
Objective	**Measure**[1]	**Target**	**Actual**	**Weighting**	**Score/10**
Grow resources based around existing assets	At Chelopech, three zones defined by encouraging drill intersections were identified along the Southeast Breccia Pipe Zone and a new high sulphidation deposit was discovered at Krasta. At Krumovgrad, a resource drill program at the Surnak deposit was completed.			6%	4.8
Executing the growth plan – Krumovgrad Project Implementation	Cost Performance Index (CPI) relative to baseline cost of US$166 million	1	1.06	10%	6.428
	Schedule Performance Index (SPI) relative to baseline first concentrate production in Q4 2018	1	0.93		
	First Concentrate Production planned for Q4 2018 was delayed to Q1 2019				
Learning Perspective (Organizational Capacity) (10%)					
Improve Management and Leadership Capability and Effectiveness so that employees willingly give the best they have to offer	Leadership and management development program re-design initiated.			5%	8
	Engagement survey was completed enterprise wide showing improvement of the engagement score from 56 to 59				
Ensure we have the right skills, resources and culture to identify, execute, and integrate M&A transactions	Focused on strengthening succession planning, resulting in regular reviews and introduced development plans for high potential individuals.			5%	7.1
Final Company Score					**6.73/10**

(1) The scoring for each measure was based on performance relative to a predetermined target and a range of outcomes. In the case of the historic financial measures, actual performance was adjusted to reflect budgeted commodity prices and foreign exchange rates as well as the timing of spending related to certain capital projects. For purposes of measuring financial performance, the Company utilized the following definitions: debt is defined in accordance with the terms of DPM's revolving credit facility; adjusted EBITDA is defined as earnings before income tax, depreciation and amortization, finance costs, and unrealized gains and losses on investments at fair value; available liquidity is defined as undrawn capacity under DPM's revolving credit facility plus cash balances as at December 31, 2018. ROCE is defined as adjusted EBITDA less sustaining capital expenditures divided by average capital employed for the period, where capital is comprised of debt plus equity minus excess cash. and NAV per share is defined as the estimated net present value of operating, development and exploration assets; plus cash and cash equivalents and the market value of DPM's strategic investment portfolio; less the estimated net present value of general administrative, corporate social responsibility, and exploration costs; less debt; divided by number of shares outstanding. Debt / adjusted EBITDA, available liquidity, ROCE and NAV per share are non-GAAP measures which have no standardized meaning under International Financial Reporting Standards. See our Management Discussion and Analysis for the year-ended December 31, 2018 for a detailed discussion in respect of our utilization of non-GAAP measures available at www.sedar.com.

Notes on the type of measures and their scoring:

- Most measures generate a score on a continuous scale from 0 to 10 but, in some cases, performance is based on a subjective assessment of outcomes.
- Measures with continuous scale are for example: "Available liquidity" and "Achieving an improved engagement score" – for those the score is calculated based on how the actual result related to the target.
- In 2018, certain measures, including operational excellence, were assessed based on the achievement of outcomes set out in detailed work plans associated with each initiative and scoring was calculated based on an assessment of the progress made**.** For those objectives, the previous scale set out in the Performance Grid was applied: Below Target (score of 3.33); Between Target and Below (score of 5); Target (score of 6.67); Between Target and Above (score of 8.33); and Above Target (score of 10).

Early in 2019, the Compensation Committee reviewed corporate performance as indicated from the results of the BSC and agreed to recommend, and the Board approved, an overall corporate achievement of 102% for 2018 based on a total score of 6.73 out of 10.

The Compensation Committee also reviewed the CEO's individual performance, as well as the CEO's assessment of each NEO's individual performance. The table below includes a summary of each of the NEO's performance for 2018 and sets out their 2018 base salary, target bonus percentage, their performance rating and the cash bonus awards approved by the Board and paid to each of the NEOs. Refer to "Compensation Discussion and Analysis - Summary Compensation Table" for further information.

Toronto, Ontario, Canada

Age 61

Rick Howes, President and Chief Executive Officer

Personal objectives for 2018 were focused on executing the corporate strategy to create sustainable value.

- Ensured the continuation of the work associated with the four strategic imperatives of OE&A, Core Business Excellence, Corporate Responsibility and Creativity & Innovation. These imperatives are driving significant cultural change and competitive advantage for DPM in the mining industry
- Continued to build the DPM brand as the established leader in adopting digital solutions in the mining industry, and thought-leader with digital transformation within mining
- Continued to refine and align the BSC methodology (now starting its fourth year) to include site operational BSCs to ensure alignment and break down of high level strategy into key objectives, measures and targets which engages employees by directly linking their efforts to organizational success and rewards
- Worked closely with the executive team by providing support to each with respect to a number of notable achievements, including the strengthening of the existing and new business opportunities for MineRP; consistently advanced the construction of the Krumovgrad open pit project to be ready for operation; continued to improve performance results at the Tsumeb smelter; focused advancement of the growth strategy for both M&A and Exploration; and supported work to advance on our sustainable mining and risk framework
- Redefined the Social and Environmental commitments in a new Corporate Responsibility Policy and continued the integration of the Environmental and Social aspects into DPM's strategy under the Corporate Responsibility Imperative, this further strengthening our Social License in the countries where we operate
- Continued to enhance the investor relation strategy and focused marketing efforts resulting in share price appreciation

The Compensation Committee rated Mr. Howes' overall performance at 110% of target.

2018 Base Salary	Target Bonus	Overall Performance Rating	Individual/Company Split (%)	Payment ($)
$674,000	100%	110%	20/80	$739,000

Oakville, Ontario, Canada

Age 58

Hume Kyle, Executive Vice President and Chief Financial Officer

Mr. Kyle is accountable for the overall financial management, reporting and commercial affairs of the Company and in 2018 worked closely with other key executives in the execution of the corporate strategy and leading or supporting the advancement and execution of a number of key initiatives directed at maintaining balance sheet strength and financial flexibility, improving profitability; and growing the business, including:

- Strengthening existing and establishing new commercial relationships and arrangements that will contribute meaningfully to the bottom line and improved overall flexibility
- Rolling out a new capital management framework and policy directed at improving capital allocation and investment decision making
- Advancing the conceptual and detailed design work associated with implementing an updated business planning system, leveraging off the implementation of MineRP technology at Chelopech
- Completing the negotiation and structuring of a broad based Black Economic Empowerment (BEE) transaction that provides for the divestiture of an 8% ownership stake in the Tsumeb operation
- Establishing new local credit facilities and amending the existing corporate revolving credit facility, each of which serve to increase the Company's overall financial flexibility
- Prudently managing the Company's financial risks within established parameters

The Compensation Committee rated Mr. Kyle's overall performance at 98% of target.

2018 Base Salary	Target Bonus	Overall Performance Rating	Individual/Company Split (%)	Payment ($)
$411,000	60%	98%	30/70	$243,000

Oakville, Ontario, Canada

Age 58

David Rae, Executive Vice President and COO

Mr. Rae continued to primarily focus the operational activities on safe, reliable delivery against commitments and continuous improvement underpinned by the DPM operating model and employee effectiveness activities.

- Chelopech and Tsumeb safety performances continued to improve in 2018, achieving new record levels with reductions in incident rates
- Chelopech and Tsumeb both achieved record annual production; Chelopech for gold in copper concentrate and total gold produced and Tsumeb for concentrate smelted
- Chelopech further improved recovery performance because of ongoing mill activities, targeting more focused continuous improvement and enhanced planning
- The new pilot smart centre was commissioned at Chelopech in September 2018 and is expected to underpin future performance improvements for Chelopech and Krumovgrad
- Tsumeb operational improvement activities resulted in record third quarter production at 68kt concentrate smelted and 232kt for the year, a 6% improvement over 2017
- Focused cost saving activities at Tsumeb saved US$9M in 2018

The Compensation Committee rated Mr. Rae's overall performance at 107% of target.

2018 Base Salary	Target Bonus	Overall Performance Rating	Individual/Corporate Split (%)	Payment ($)
$432,000	60%	107%	30/70	$278,000

Vancouver, British Columbia, Canada

Age 59

Richard Gosse, Senior Vice President, Exploration

Mr. Gosse leads the exploration group in achieving the Company's strategic objectives to grow its resource base around existing assets and build a pipeline of potential future assets that meet long-term growth objectives.

- Contributed to the Company's improved safety performance; the exploration group and its consultants and contractors at Chelopech, Krumovgrad and Timok have not had an LTI since February 2015
- Worked together with the Chelopech brownfields exploration team to generate, advance and drill test high priority copper-gold targets on the concession and surrounding exploration licenses
- Together with the Krumovgrad brownfields exploration team, continued work to execute on a strategy to increase resources in the near term while advancing exploration on nearby licenses
- Together with the exploration team at the Timok Gold Project, expanded the zones of near surface gold mineralization that led to the increase in resources announced in September 2018 and identified new near-resource targets for drilling in 2019
- Strengthened the project pipeline by adding and advancing greenfield projects in Bulgaria, Serbia and Canada

The Compensation Committee rated Mr. Gosse's overall performance at 101% of target.

2018 Base Salary	Target Bonus	Overall Performance Rating	Individual/Company Split (%)	Payment ($)
$346,000	50%	101%	30/70	$175,000

Toronto, Ontario, Canada

Age 41

Michael Dorfman, Senior Vice President, Corporate Development

Mr. Dorfman leads the corporate development group in identifying, evaluating, and advancing growth opportunities in line with our corporate strategy. Mr. Dorfman also leads the strategic planning function within DPM as well as investor relations activities.

- Developed and refined corporate strategy to reflect stronger positioning following commissioning of Krumovgrad
- Advancement of growth initiative through evaluation of M&A opportunities in line with strategic goals
- Initiated and developed capital allocation framework to assess alternatives for the deployment of free cash flow
- Refined capital markets strategy and identified new institutional shareholders to address undervalued share price
- Negotiated sale of Kapan net smelter royalty for US$5.5 MM

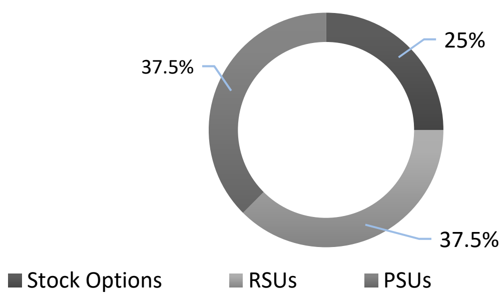
The Compensation Committee rated Mr. Dorfman's overall performance at 107% of target.

2018 Base Salary	Target Bonus	Overall Performance Rating	Individual/Company Split (%)	Payment ($)
$324,000	50%	107%	30/70	$174,000

Long-Term Incentive Compensation

Each year, the NEOs are provided with long-term incentives that are competitive with similar positions found in peer group companies. Long-term incentive compensation is provided through Options, RSUs and PSUs and aligns the interests of senior management with the longer-term interests of Shareholders. The LTI compensation has been designed to give individuals an interest in creating and maximizing Shareholder value over the longer term, to enable the Company to attract and retain experienced individuals and to reward individuals for current performance and motivate future performance.

Long-term incentive compensation consists of a mix of Options, RSUs and PSUs, as illustrated below:



In determining the number of Options, RSUs and PSUs to be granted, the Compensation Committee is guided by the relative position of the individual within the Company and market trends. In 2018, the value of Options granted was approximately 25% and the value of RSUs and PSUs granted was approximately 75% of the total long-term incentive compensation provided to senior management. Following the initial awards made at the time of hiring, Option, RSU and PSU grants are considered on an annual basis, at the prevailing share price, thereby motivating employees to work toward sustained increases in the share price. For all NEOs, other than the CEO, recommendations are made to the Compensation Committee by the CEO for consideration and approval by the Board. With respect to the CEO, awards are considered and proposed by the Compensation Committee for approval by the Board.

PSUs are a performance-based component to RSU awards, with payouts based (i) 60% on the achievement of a three-year TSR relative to the TSR peer group established for this purpose; and (ii) 40% on the achievement of the BSC, measured over the performance period.

- *Stock Option Plan*

The Stock Option Plan (or the “Plan”) is designed to advance the interests of the Company by, among other things, encouraging stock ownership by certain eligible persons, including employees, officers, directors and consultants of the Company or any affiliate of the Company (“Eligible Persons”). The Plan is administered by the Board or a duly appointed committee of the Board (the “Committee” and, together with the Board, the “Administrator”) consisting of not less than three directors. The Board or the Committee, as the case may be, has the authority to, among other things, grant Options to Eligible Persons and determine the terms, including the limitations, restrictions and conditions (including any performance conditions and/or subject to the Clawback Policy the Company may have from time to time), if any, of such grants.

The maximum number of Shares reserved for issuance under the Plan is 12,500,000. The maximum number of Shares which may be reserved for issuance under the Plan, together with any other compensation arrangement of the Company to insiders shall be 10% of the Shares outstanding on the date of issuance thereof (on a non-diluted basis). The maximum number of Shares which may be issued under the Plan, together with any other compensation arrangement of the Company to insiders in any 12-month period is 10% of the Shares outstanding on the date of issuance (on a non-diluted basis). The maximum number of Shares which may be reserved for issuance under the Plan, together with any other compensation arrangement of the Company, to any one insider and any such insider’s associates in any 12-month period is 5% of the Shares outstanding at the date of issuance (on a non-diluted basis). The maximum number of Shares which may be reserved for issuance under the Plan, together with any other compensation arrangement of the Company, to any one person, together with any holding company pursuant to Options is 5% of the Shares outstanding at the date of issuance.

In addition, Option grants to non-executive directors will not exceed 1% of the outstanding issued Shares at that time; provided further that the maximum value of Options which may be granted to each non-executive director will not exceed $100,000 in any fiscal year.

The Options granted under the Plan must expire no later than 10 years after the date of the grant or within such lesser period as the applicable grant or regulations under the Plan may require. The Plan provides that Options expiring during, or within 3 days of the end of, a blackout period will be automatically extended to the 10th day after the end of a blackout period ("Blackout Extension"). Unless otherwise determined by the Administrator, the aggregate number of Options granted under the Plan to an Eligible Person (including his or her holding company) will vest equally over a period of three years from the date of the grant and expire up to 10 years thereafter, subject to the Blackout Extension. No fractional Shares may be issued and the Administrator may determine the manner in which any fractional share value will be treated.

The Board establishes the exercise price of an Option at the time each Option is granted on the basis of, among other things, the closing market price of the Shares on the market with the highest closing price on the last trading date preceding the effective date of the grant. The Plan allows the Company, subject to the requisite regulatory and legislative requirements, to grant the holders of Options the option to terminate such Options and to receive a cash payment from the Company in an amount equal to the product of the number of Options terminated multiplied by the difference between the exercise price of such Options and the current market price of the Shares.

- *Restricted Share Unit Plan - Restricted Share Units*

The Company's Restricted Share Unit Plan ("RSU Plan") supplements its Stock Option Plan as part of its long-term incentive compensation program. RSUs are seen as an effective retention tool for top and middle management. A number of the companies in the Compensation Peer Group use a combination of Options and RSUs in the design of their long-term incentive compensation programs. RSUs are granted for past services and can also serve to enhance alignment with Shareholders as RSUs offer both upside potential and downside exposure based on the Company's future stock price.

The RSU Plan provides for phantom share unit awards that mirror the market value of the Company's Shares. They may be granted by the Board to employees, officers, directors and certain eligible contractors of the Company and its affiliates ("Participants") as a bonus in consideration of past services to the Company or its affiliates. The RSU Plan is not used for non-executive director compensation.

The RSU Plan provides that the RSUs will vest on the entitlement date or dates, which will not be later than December 31 of the year that is three years after the year of service for which the RSUs were granted (the "Entitlement Date"), as determined by the Board in its sole discretion. The Entitlement Date for each RSU grant is usually determined as follows: one-third of the RSUs granted will be payable in cash on the first anniversary of the date they were authorized by the Board; one-third in cash on the second anniversary; and one-third in cash on the third anniversary.

On an Entitlement Date, the Company will make a payment to the relevant Participant in cash equal to the five-day volume weighted average price ("VWAP") of the Shares on the TSX, multiplied by the number of RSUs that are vested. The Participant has no right to receive any cash payment until the Entitlement Date. Except in certain specified circumstances, in the event of the termination, with or without cause, of a Participant, all RSUs credited to the Participant will become void and the Participant will have no entitlement to any payment under the RSU Plan, subject to any good leaver policy of the Company that may be in effect from time to time.

- *Restricted Share Unit Plan - Performance Share Units*

The Company introduced awards of RSUs with a performance-based component to officers and director-level managers of the Company under the RSU Plan in 2015. Like RSUs, PSUs are seen as an effective retention tool for senior management and also help to align their interests with those of Shareholders. A number of the companies in the Compensation Peer Group use a combination of Options, RSUs and PSUs in the design of their long-term incentive compensation programs.

Like RSUs, PSUs are phantom share unit awards that mirror the market value of the Company's Shares and may be granted by the Board to Participants as a bonus in consideration of past services to the Company or its affiliates and to motivate achievement of Shareholder value. PSUs have a performance factor that determines their ultimate value.

PSUs will vest on the entitlement date or dates (usually the third anniversary of the initial grant date), which will not be later than December 31 of the year that is three years after the year of service for which the PSUs were granted (the "PSU Entitlement Date"), as determined by the Board in its sole discretion.

On a PSU Entitlement Date, the Company makes a payment to the relevant Participant in cash equal the five-day VWAP of the Shares on the TSX, multiplied by the number of PSUs that are vested, and the Achieved Performance Ratio, being the performance factor as measured by (i) the achievement of TSR relative to the TSR peer group (60% weighting); and (ii) the achievement of the BSC (40% weighting), measured over the performance period. The payout on the TSR component of the Achieved Performance Ratio is determined based on the following scale:

Performance level	3-year relative TSR percentile rank	Payout level
Below Threshold	33rd or below	0%
Threshold	34th	50%
Target	50th	100%
Maximum	75th or above	200%

Relative TSR performance is measured based on the change in the 20-day VWAP on the TSX of the Shares of the Company and the TSR peer group at the beginning and end of the performance period.

The Participant has no right to receive any cash payment until the PSU Entitlement Date.

- *Employee Deferred Share Unit Plan*

The Employee DSU Plan was established for the purpose of strengthening the alignment of interests between eligible senior officers and employees of the Company and designated affiliates thereof (an "Employee") and the Shareholders by linking a portion or all of an Employee's bonus or long-term incentive to the future value of the Shares.

The Employee DSU Plan is administered by the Compensation Committee. Under the Employee DSU Plan, an Employee may be granted, at any time, deferred share units (the "Employee Units") in such number and effective as of such date as the Compensation Committee specifies and based on certain criteria determined by the Compensation Committee, including services performed or to be performed by the Employee. The Employee Units are credited to an account maintained for the Employee by the Company or its designated affiliates, as specified by the Compensation Committee, and are subject to adjustment for dividends and normal anti-dilution events including the subdivision, consolidation or reclassification of the outstanding Shares.

An Employee is entitled to payment in respect of the Employee Units granted only when the Employee ceases to be a senior officer or employee of the Company, or designated affiliates thereof, for any reason. Upon termination, the Company will, on the later of (i) the 20th day after the separation date and (ii) such date as determined by the Employee, which will be after the separation date and prior to December 15 of the calendar year commencing after the separation date (the "Redemption Date"), redeem each Employee Unit credited to the Employee's account for cash (the "Redemption Value"). The Redemption Value of the Employee Units will be the product of: (i) the VWAP of the Shares on the TSX for the five consecutive trading days immediately prior to the date as of which market value is determined or the closing price of a Share on the TSX on the day immediately prior to the date as of which such price is determined, as elected by the Employee as at the relevant date, and (ii) the number of Employee Units redeemed from the Employee on such date.

An aggregate of 406,446 Employee Units have been issued under the Employee DSU Plan, all of which are held by Mr. Goodman and were issued to him when he was the President and CEO of the Company. Mr. Goodman currently serves as the Chair of the Board. Employee DSUs are not currently used as part of the Company's executive compensation program.

- *Benefits and Perquisites*

We offer group life, health and dental benefits, vacation time and other benefits to employees on a market-competitive level, ensuring that benefit costs are prudently managed. We also make payments for term life insurance, disability insurance, and RRSP. These benefits are made available to our NEOs. No supplemental pension arrangements are provided to our NEOs. The CEO and CFO are each provided with a parking allowance.

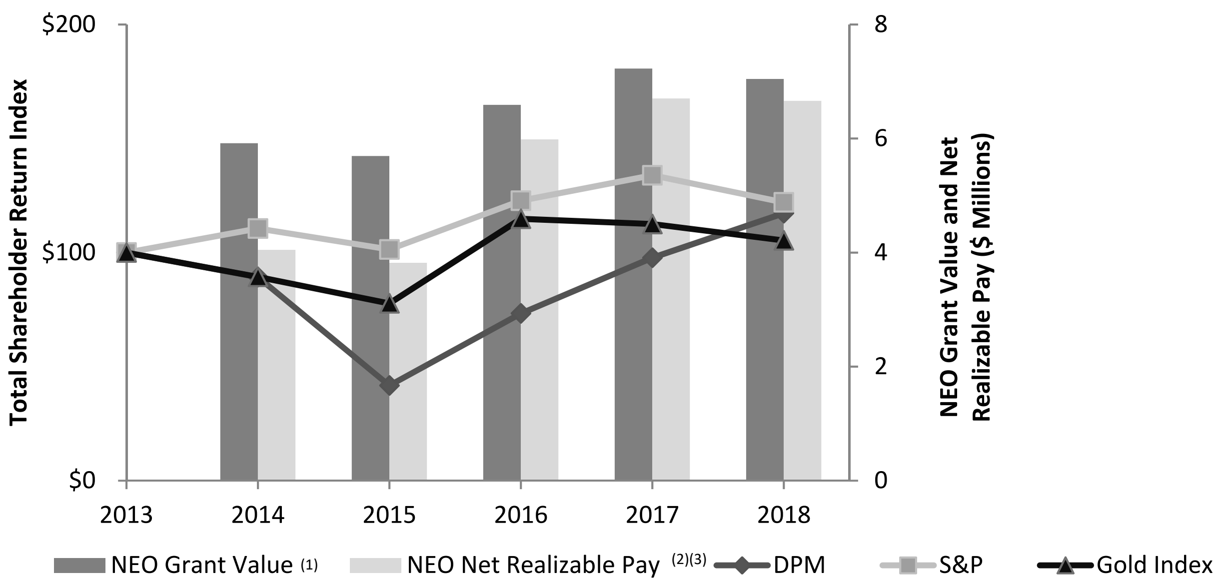
- *Retirement Savings Plan*

To encourage employees to save for their retirement through long-term investment, the Company has established a group RRSP: (i) are eligible to fully participate in the plan from their date of hire; and (ii) receive a full company contribution of 9% of their base salary toward their RRSP. In the case of NEOs, if 9% of the base salary exceeds the Canada Revenue Agency limit for annual RRSP contributions, the excess is paid in cash. This RRSP is available to all full-time employees of the Company resident in Canada.

Share Performance

The following graph compares the yearly change in the cumulative TSR on $100 invested in the Shares of the Company from December 31, 2013 to December 31, 2018 with the cumulative total return of the S&P/TSX Composite Index ("S&P") and the S&P/TSX 15104030-Gold Index ("Gold Index") assuming the reinvestment of all dividends. The graph also illustrates the trends in our NEO compensation as shown on the Summary Compensation Table (which reflects the grant value of Option- and Share-based awards) and our NEO net realizable pay for each of those years.

Comparison of 5-Year TSR, NEO Pay



(1) These amounts reflect total compensation to the NEOs as disclosed in the Summary of Compensation Table for each applicable year, which includes Options- and Share-based compensation calculated at grant date values. For a description of grant date valuation methodology see "Summary Compensation Table – Option-based awards valuation/Share-based awards valuation."

(2) Net realizable pay is calculated as the sum of the salary, non-equity compensation and all other compensation amounts paid to the NEOs as disclosed in the Summary of Compensation Table for each applicable year with the Option- and Share-based awards for the applicable year adjusted to realizable value as follows:

(i) Realizable value of RSUs is equal to that number of RSUs granted to the NEOs in each year multiplied by the closing price of the Shares on the TSX on December 31 of such year (2014 - $2.74, 2015 - $1.28, 2016 - $2.25, 2017 - $3.00, 2018 - $3.60) (the "Closing Price");

(ii) Realizable value of PSUs is equal to that number of PSUs granted to the NEOs in each year multiplied by the Closing Price with an assumed Achievement Performance Ratio of 100%; and

(iii) Realizable value of Options represents the intrinsic value, which is equal to the number of Options granted to the NEOs in each year multiplied by the difference between the Closing Price and the exercise price applicable to the grant (2014 - $3.96, 2015 - $2.97, 2016 - $2.21, 2017 - $2.85, 2018 - $3.28) in the event that the Closing Price is greater than the exercise price.

(3) NEO net realizable pay for 2017 does not include the stock options (the "MineRP options") issued to Mr. Howes by MineRP Holdings Inc. ("MineRP"), the entity created to acquire the Company's 78% equity interest in MineRP Holdings Proprietary Limited, an independent software vendor for the mining industry. MineRP is a private company and the MineRP options do not entitle the holder thereof to equity securities of the Company.

		For the Financial Years Ended				
	Jan. 1, 2014	**2014**	**2015**	**2016**	**2017**	**2018**
Shares of Dundee Precious Metals Inc.	100.00	89.25	41.69	73.29	97.72	117.26
S&P / TSX Composite Index	100.00	110.55	101.36	122.73	133.89	121.99
15104030 - Gold Index	100.00	89.36	77.71	114.81	112.52	105.34

Trend

The sharp decrease in the gold price, which started in 2013 and continued throughout 2015, had an adverse impact on gold equities, gold indices and gold exchange traded funds during that period. This adverse impact is clearly illustrated above in the decline of both the Gold Index and the DPM share price. In addition, DPM's share performance was also impacted by a decline in the copper price during the same period as copper revenue represents a significant portion of the Company's total revenue. Gold prices rebounded thereafter and DPM's share price strengthened significantly from 2016 to 2018, which can be attributed to a number of factors, including strong underlying operating performance, improved commodity prices, and the successful advancement of the Krumovgrad project. During 2018, the Company made significant progress on its strategic objectives and towards enhancing Shareholder value, outperforming the Gold Index, as evidenced by our 89th percentile TSR ranking against our TSR peer group and the achievement of 102% corporate performance as measured by our BSC system.

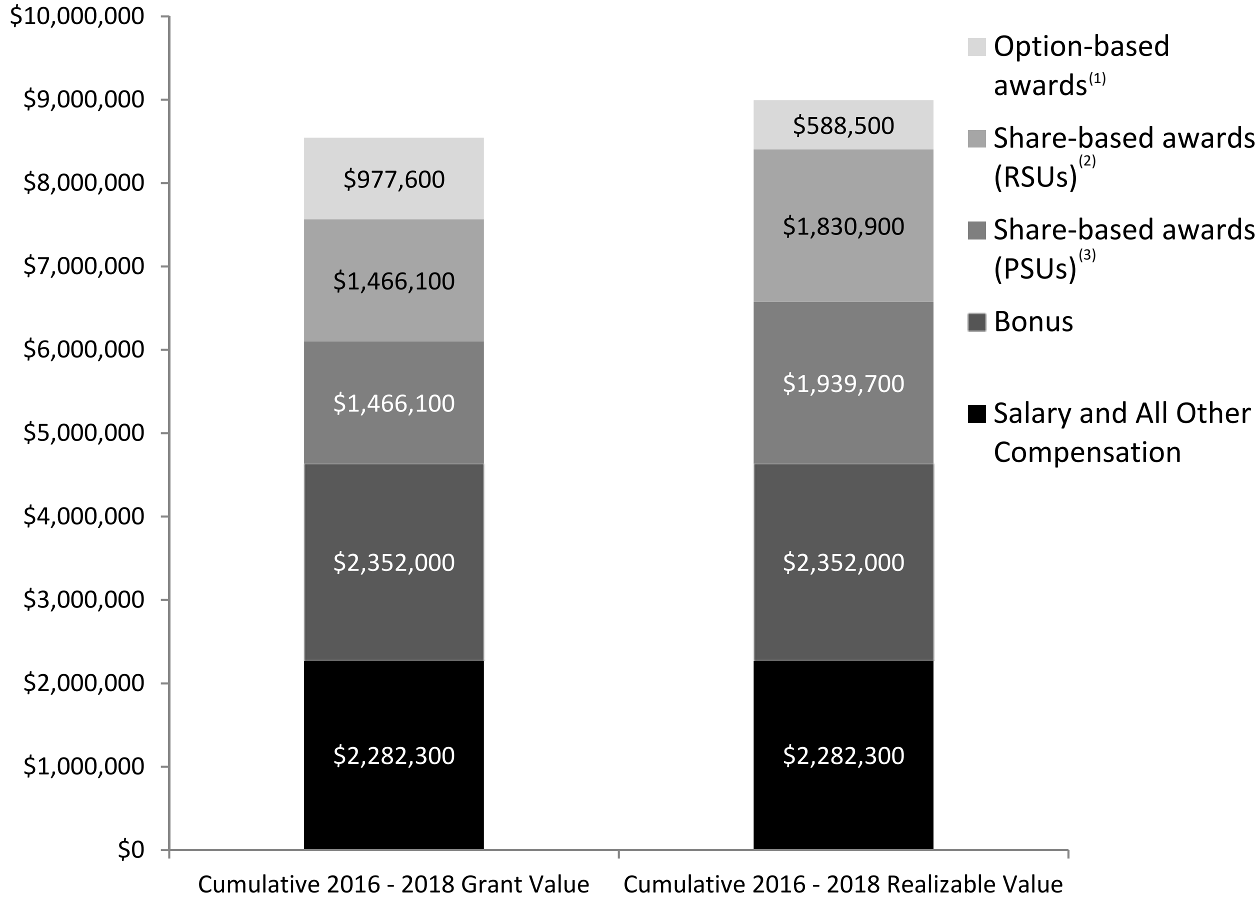
The fixed components of executive compensation as shown in the Summary Compensation Table, comprised primarily of base salary, have remained relatively stable over the measurement period. There were no salary adjustments in 2015 and 2016. To maintain market competitiveness, following executive benchmarking reviews and recommendations made by Mercer, the Compensation Committee recommended and the Board approved salary increases in 2017 for the NEOs of approximately 5% to 9% and 2.8% for the NEOs in 2018.

The variable components of executive compensation are comprised primarily of bonuses, Options- and Share-based compensation. The values of the Option- and Share-based compensation as shown in the Summary Compensation Table are based on the grant date values. Grant date value measures the value of the estimated compensation at the date of grant (see "Summary Compensation Table – Option-based awards valuation/Share-based awards valuation" for detailed description of the valuation methodologies and assumptions used for the grant date values) and, as a result, the values in the Summary Compensation Table may not correlate with the DPM share price movement illustrated above. Net realizable pay adjusts compensation to reflect the impact of company performance on potential pay values, and therefore more accurately represents the actual compensation value by taking into account the share price change at the end of a given time period. The graph above illustrates that NEO net realizable pay over the five-year period is aligned with the trend in DPM share price performance.

CEO Net Realizable Pay

The graph below shows the net realizable total compensation compared to the grant date value total compensation for the CEO for the last three years. The graph shows no difference for the salary and bonus amounts, as these are paid in cash. The decline in the realizable value of Mr. Howes' Options from the grant date value as shown on the graph below is due to higher assumed share price volatility in the grant date valuation than was actually experienced in the period. The increase in the RSU and PSU values shows that our compensation structure operates as designed with the increase in realizable value compared to grant date value tracking the improvement in our Share price from $1.28 per Share at December 31, 2015 to $3.60 at December 31, 2018. This clearly illustrates that the Company's compensation program pays for performance and aligns executives with long-term Shareholder value creation.

CEO Net Realizable Pay Comparison (Cumulative 2016 - 2018)



(1) Realizable value of Option-based awards is calculated based on the intrinsic value of the Options being equal to the number of Options granted in the period multiplied by the closing price of the Shares on the TSX on December 31, 2018 less the applicable exercise price (exercise prices 2016-$2.21,2017-$2.85 and 2018-$3.28). Options do not include MineRP options issued to Mr. Howes. The MineRP options do not entitle the holder to equity securities of the Company. For the grant value of the Options, see "Summary Compensation Table – Option-based awards valuation" for a detailed description of the valuation methodology and assumptions.

(2) Realizable value of RSUs is based on the actual payout for vested RSUs and one RSU having the value of one Share at the closing price of the Shares on the TSX on December 31, 2018 of $3.60 for unvested RSUs. For the grant value of the RSUs, see "Summary Compensation Table – Share-based awards valuation" for a detailed description of the valuation methodology.

(3) The realizable value of unvested PSUs was based on one PSU having the value of one Share at the closing price of the Shares on the TSX on December 31, 2018 of $3.60, assuming a 100% performance ratio. For the grant value of the PSUs, see "Summary Compensation Table – Share-based awards valuation" for a detailed description of the valuation methodology.

Compensation Governance

Compensation Committee Composition and Process

The Company's executive compensation program is administered by the Compensation Committee of the Board. The members of the Compensation Committee are R. Peter Gillin (Chair), Jeremy Kinsman, Peter Nixon and Anthony P. Walsh. All the members of the Compensation Committee are, and during 2018 were, independent. The Board is confident that the Compensation Committee, collectively, has the knowledge, experience and background required to effectively fulfill its mandate of making executive compensation decisions in the best interests of the Company and its Shareholders. One of the key roles of the Compensation Committee is to assist the full board of the Company in attracting, evaluating and retaining key senior executive personnel through compensation and other appropriate performance incentives. The Compensation Committee met 5 times during 2018.

R. Peter Gillin: Mr. Gillin has served as Chair of the Company's Compensation Committee since March 24, 2010. Mr. Gillin is also a member of the Compensation Committee of Wheaton Precious Metals Inc. He was also Chair and CEO of Tahera and President and CEO of Zemex Corporation. During his career, Mr. Gillin has gained extensive experience in matters pertaining to director and senior management compensation and has frequent interaction with professional compensation advisors. He holds the ICD.D designation from The Institute of Corporate Directors and, during 2018, participated in a number of compensation-related continuing education courses and seminars.

Jeremy Kinsman: Mr. Kinsman has been a member of the Company's Compensation Committee since May 13, 2009. During Mr. Kinsman's 40-year career, he was a senior executive of the Federal Public Service, responsible, over time, for several hundred executives and professionals, prior to serving as Canada's Head of four successive (large and complex) G-7 missions. Mr. Kinsman is also a member of The Institute of Corporate Directors.

Peter Nixon: Mr. Nixon has been a member of the Company's Compensation Committee since June 9, 2004. Mr. Nixon is also a member of the Compensation Committee of Dundee Corporation and Toachi Mining. During his extensive experience in the investment industry, specializing in the natural resource sector, and as a founder of the investment firm Goepel Shields & Partners and, subsequently, President of the firm's subsidiary in the United States, Mr. Nixon has had regular involvement with executive compensation matters. Mr. Nixon is also a member of The Institute of Corporate Directors and has participated in compensation-related courses offered by the Institute.

Anthony P. Walsh: Mr. Walsh has been a member of the Company's Compensation Committee since May 9, 2013. Mr. Walsh is also a member of the Compensation Committee of Novagold Resources Inc. Throughout his career, Mr. Walsh has held several senior executive positions with publicly-listed companies in the mining industry which has provided him with extensive experience in executive compensation matters, including Miramar Mining Ltd. and Sabina Gold and Silver Corp. ("Sabina"), as President and CEO. Prior to joining the mining industry, Mr. Walsh had a 12-year tenure with Deloitte, Haskins & Sells, where he earned his Chartered Accountant designation. Mr. Walsh is also a member of The Institute of Corporate Directors.

Following completion of the financial year, the Compensation Committee meets to review the performance of the Company, based on the specific objectives, measures and targets set out in the BSC, and of each of the NEOs. As business conditions and other factors change, the Compensation Committee recognizes that certain objectives may no longer be applicable given prevailing circumstances. In the case of NEOs other than the CEO, the Compensation Committee, with the assistance of the CEO, determines the rating of each individual and the percentage of the target bonus to be paid as a cash bonus award, if any. In the case of the CEO, the Compensation Committee performs a similar evaluation against the Company's objectives for the year then ended, as well as the personal objectives set for the CEO, and determines the rating of the Company and the percentage of the CEO's target bonus amount to be paid as a cash bonus award, if any. The Compensation Committee also takes into account any extraordinary contributions made during the year by any of the NEOs and has the discretion to make what it considers to be a suitable recommendation with respect to a cash bonus or other award in connection therewith.

Role of Management

The CEO, the SVP, Corporate Services, and the Corporate Secretary generally attend part of each meeting of the Compensation Committee but do not have the right to vote on any matter considered by the Compensation Committee and are required to leave the meetings when deemed appropriate by the Chair. In camera sessions are generally held at the end of each meeting with the CEO, with the independent compensation consultant and with members of the Committee alone. In addition, the CEO does not participate in discussions concerning his own compensation. The role of management is to provide the Compensation Committee with perspectives on the business context and individual performance to assist the Compensation Committee in making recommendations regarding compensation. The Corporate Secretary is responsible for keeping the minutes of the committee meetings. The Chair of the Compensation Committee provides regular reports to the Board regarding actions and discussions at committee meetings.

None of our NEOs have served on the Compensation Committee or board of another company whose executive officers are members of the Compensation Committee.

Role of the Compensation Consultant

On an annual basis, the Compensation Committee retains Mercer to provide market data on executive pay levels and practices, as well as an overview of current and emerging governance and executive compensation trends in the mining industry. In addition, the Compensation Committee retains Mercer, as required, to review independent director compensation levels and practices. Mercer is a wholly-owned subsidiary of Marsh & McLennan Companies and has adopted Global Business Standards to manage actual or perceived conflicts of interest and to preserve the integrity of its advice. The standards prohibit the consultant from considering the relationship with Marsh Inc. (an affiliate of Mercer) in rendering advice to the Compensation Committee. Mercer consultants are not compensated based on the revenue and profitability of other lines of business.

Mercer has been engaged by the Compensation Committee to act as its independent compensation consultant since 2006. The following table sets forth the fees paid by the Company to Mercer, and to its affiliates, for 2018 and 2017:

Category of Fees	2018	2017
Executive Compensation-Related Fees (1)	$72,400	$113,953
All other fees (2)	$704,721	$420,029
Total	**$777,121**	**$533,982**

(1) Fees include review of the Company's compensation structure (including updating peer groups for purposes of benchmarking the Company's NEOs and TSR), benchmarking the total direct compensation (base salary, annual and long-term incentives) of its NEOs, benchmarking director compensation, and review of proxy circular.

(2) Insurance-related fees and commissions paid to Marsh Inc., an affiliate of Mercer.

Compensation Risk Management

The Compensation Committee avoids compensation policies and practices that encourage excessive risk-taking and believes that its executive compensation structure does not include risks that are reasonably likely to have a material adverse effect on the Company. The Compensation Committee is also sensitive to the possible reputational damage that could be suffered by the Company if executives are not compensated in a manner that is consistent with the objectives of the Company's compensation program or that is otherwise not in the best interests of the Company and its Shareholders. To mitigate the risks associated with the Company's compensation policies and programs and to specifically ensure the compensation policies and programs do not encourage undue risk-taking on the part of its executives, the Company has implemented compensation policies and practices with the following key risk mitigation features**:**

- Limits on performance-based compensation, notably STI and PSU awards, based on predefined plan provisions and calculation formulae including caps on payouts;
- Proportionately greater award opportunity derived from the LTI plan compared to the STI plan, creating a greater focus on sustained Company performance over time;
- Use of three distinct LTI vehicles – RSUs, PSUs and Options – that vest over a number of years to provide strong incentives for sustained performance;
- Equity ownership requirements for the CEO, all EVPs and SVPs to ensure alignment with Shareholder interests over the long-term;
- Compensation Committee and Board discretion to adjust payouts under both the STI and LTI plans to, among other things, take into account the risks undertaken to achieve performance;
- Inclusion of an individual performance rating, ranging from 0% to 150%, as a factor in the total STI calculation to enable the Compensation Committee to direct a zero payout to any executive in any year if the individual executive performs poorly or engaged in activities that pose a financial, operational or other undue risk to the Company;
- Formal recoupment policy applicable to both cash and equity compensation of all executives (see "Executive Compensation Recoupment (Clawback) Policy" below); and
- Formal anti-hedging policy applicable to insiders, which includes all of the Company's executive officers (see "Anti-Hedging Policy" below).

The Compensation Committee also considers the nature of the objectives established each year to ensure they incorporate both short- and long-term elements so as not to encourage high risk behaviour on the part of senior management, which may be inconsistent with the creation of Shareholder value over the longer term. In addition, the compensation formulae do not apply direct compensation calculations to specific transactions or events.

Executive Compensation Recoupment (Clawback) Policy

The Board adopted an *Executive Compensation Recoupment (Clawback) Policy* (the "Clawback Policy"). The Clawback Policy applies to all of the NEOs, including the following (a) president; (b) CEO, CFO and COO; (c) SVPs; and (d) vice presidents (each an "Executive Officer" for the purpose of this section only). The Clawback Policy provides that the Board may, in its discretion, on the recommendation of the Compensation Committee, determine and recover the Overcompensation Amount from the Executive Officer in the event that:

(a) the Company makes a financial restatement;

(b) an Executive Officer is engaged in willful misconduct or fraud which caused or significantly contributed to the financial restatement; and

(c) the Executive Officer received an "Overcompensation Amount" (being the portion of the Executive Officer's incentive compensation relating to the year(s) subject to the financial restatement which is in excess of the incentive compensation that the Executive Officer would have received for such year(s) if the incentive compensation had been computed in accordance with the results as restated under the restatement, calculated on an after-tax basis to the Executive Officer).

To date, this policy has not had to be applied.

Anti-Hedging Policy

The Board adopted an Anti-Hedging Policy to prohibit directors and senior officers of the Company or any of its subsidiaries, from directly or indirectly, engaging in any kind of hedging transaction that could reduce or limit the director's and senior officer's economic risk with respect to their holdings, ownership or interest in or to Shares or other securities of the Company, including without limitation, outstanding Options, stock appreciation rights or other compensation awards the value of which are derived from, referenced to or based on the value or market price of Shares or other securities in the capital of the Company. Prohibited transactions include purchasing financial instruments, including, without limitation, prepaid variable forward contracts, equity swaps, collars, puts, calls or other derivative securities that are designed to hedge or offset a decrease in market value of any securities of the Company which were granted as compensation or held, directly or indirectly, by such director or senior officer.

Directors and officers of the Company are required to confirm their compliance with this policy annually.

Trading of Securities

All directors, officers and employees are subject to the Company's Insider Trading Policy which was adopted in 2004 and ensures that any purchase or sale of Company securities occurs in accordance with applicable law and stock exchange rules. The Insider Trading Policy prohibits purchasing or selling or otherwise monetizing securities of the Company while in possession of undisclosed material information, and during regular or special blackout periods.

Executive Equity Ownership Requirements

The Board believes that the Company's executives should hold significant equity ownership in the Company to align their interests with those of the Company and its Shareholders and to promote the Company's commitment to sound corporate governance.

All executives of the Company, including the CEO, EVPs and SVPs are required to hold, during their respective terms of office, Shares, RSUs and PSUs, as applicable, (collectively referred to as "Securities") with an aggregate value equal to the individual equity ownership guidelines set out in the Executive Equity Ownership Policy. The NEOs holdings are set out below:

Executive	Equity Ownership Requirement (Multiple of Salary)($)	Value of Total Holdings ($)(1)	In Compliance
Rick Howes	2,022,000 (3X)	3,649,300	Yes
Hume Kyle	513,750 (1.25X)	1,191,400	Yes
David Rae	540,000 (1.25X)	1,265,900	Yes
Richard Gosse	259,500 (0.75X)	710,900	Yes
Michael Dorfman	243,000 (0.75X)	628,100	Yes

(1) *Ownership levels are monitored and compliance with this policy is assessed based on the greater of: (i) the acquisition cost or the grant value of the Securities; and (ii) the aggregate fair market value of the Shares on the TSX on the last trading day of the year.*

Executives noted above must comply with their applicable equity ownership requirement within five years of the later of January 1, 2015 and the date of his or her appointment as an executive, with two thirds of the ownership requirement to be attained within three years and the remaining one third over the remaining two years.

In the event of an increase in the executive's annual base salary, after the level of equity ownership requirement is attained, the executive is expected to reach the additional ownership requirement, related to such increase, within three years of the change.

Equity Compensation Plan Information

The following table provides details of compensation plans under which equity securities of the Company are authorized for issuance as of December 31, 2018[1].

Plan Category	**Number of securities to be issued upon exercise of outstanding Options[1]**	**Weighted-average exercise price of outstanding Options**	**Number of securities remaining available for future issuance under equity compensation plans**
Equity compensation plans approved by security holders	**5,460,743**	$3.03	**2,629,329**
Equity compensation plans not approved by security holders	n/a	n/a	n/a
Total	**5,460,743**	$3.03	**2,629,329**

(1) Options do not include the MineRP options which do not entitle the holder thereof to equity securities of the Company

If all 5,460,743 Options outstanding at December 31, 2018 were exercised for Shares, the Shares which would be issued upon such exercise would total approximately 3.06% of the issued and outstanding Shares at December 31, 2018 on a non-diluted basis. The maximum number of Shares reserved for issuance under the Plan is 12,500,000. At December 31, 2018, there were 2,629,329 Shares remaining available for future issuance under the Plan.

Burn Rate

The following table sets out the annual burn rate for each of the three prior fiscal years for the Company's Stock Option Plan. The Company's Stock Option Plan is the only compensation plan under which Shares are reserved for issuance.

	Fiscal Year		
	2018	**2017**	**2016**
Burn rates	0.45%	0.56%	0.84%

The Plan specifies those amendments to the Plan that can be made by the Board with/without Shareholder approval. Shareholder approval is required in connection with: (i) any amendment to the number of securities issuable under the Plan, including an increase to a fixed maximum number of securities or a change from a fixed maximum number of securities to a fixed maximum percentage; (ii) the addition of any form of financial assistance; (iii) any addition of a cashless exercise feature, payable in cash or securities whether or not it provides for a full deduction in the number of underlying securities from the Plan; (iv) the addition of any provision in the Plan which results in participants receiving securities while no cash consideration is received by the Company; (v) any amendment that reduces the range of amendments requiring Shareholder approval contemplated in the Plan; (vi) any amendment that permits Options to be transferred other than for normal estate settlement purposes; (vii) any amendment that extends the exercise period of Options beyond their original expiry date (subject to any blackout extension as permitted under the Plan); (viii) any amendment that reduces the exercise price or permits the cancellation and re-issuance of Options; (ix) any amendment that results in an increase to the limit imposed on the participation of non-executive directors; and (x) any other amendments that may lead to significant and unreasonable dilution in the Company's outstanding securities or may provide additional significant benefits to participants, especially to Insiders of the Company, at the expense of the Company and its existing Shareholders.

Under the Plan, the Board is, subject to the receipt of the requisite regulatory approval, where required, in its sole discretion (without Shareholder approval), able to make all other amendments to the Plan that are not of the type contemplated above, including, without limitation; (i) amendments of a housekeeping nature; (ii) the addition of, or a change to vesting provisions of a security of the Plan; and (iii) a change to the termination provisions of a security of the Plan which does not entail an extension beyond the original expiry date.

Summary Compensation Table

The following table sets forth all annual compensation for services in all capacities to the Company and its subsidiaries for the financial years ending December 31, 2016, 2017 and 2018 in respect of each of the NEOs.

Name and Principal Position	Year	Salary ($)	Share-based awards		Option-based awards ($)(3)	Non-Equity compensation ($)(4) (annual)	All other compensation ($)(5)	Total compensation ($)
			RSU awards ($)(1)	PSU awards ($)(2)				
Rick Howes CEO	2018	674,000	505,400	505,400	336,700	739,000	115,200	2,875,700
	2017	656,000	491,900	491,900	328,000	892,000	609,400	3,469,200
	2016	625,000	468,700	468,700	312,500	721,000	101,500	2,697,400
Hume Kyle CFO	2018	411,000	192,500	192,500	128,200	243,000	72,000	1,239,200
	2017	400,000	187,500	187,500	125,000	299,000	69,900	1,268,900
	2016	367,500	172,200	172,200	114,800	274,000	62,100	1,162,800
David Rae COO	2018	432,000	202,400	202,400	134,900	278,000	70,600	1,320,300
	2017	420,000	196,900	196,900	131,300	333,000	68,000	1,346,100
	2016	400,000	187,400	187,400	125,000	262,000	60,600	1,222,400
Richard Gosse SVP, Exploration	2018	346,000	91,200	91,200	60,800	175,000	54,400	818,600
	2017	337,000	87,800	87,800	58,600	210,000	52,000	833,200
	2016	321,200	83,800	83,800	55,800	175,000	45,600	765,200
Michael Dorfman SVP, Corporate Development	2018	324,000	91,200	91,200	60,800	174,000	49,300	790,500
	2017	315,000	87,800	87,800	58,600	208,000	46,700	803,900
	2016	300,300	83,800	83,800	55,800	164,000	40,700	728,400

(1) *RSU awards consist of RSUs granted under the RSU Plan and represents the grant date fair value. See detail description of the valuation methodology under "Share-based awards valuation" below.*

(2) *PSU awards consist of PSUs granted under the RSU Plan and represents the grant date fair value. See detail description of the valuation methodology and assumptions under "Share-based awards valuation" below.*

(3) *Option-based awards consist of Options granted under the Stock Option Plan and represents the grant date fair value. See detail description of the valuation methodology and assumptions under "Option-based awards valuation" below.*

(4) *Non-equity compensation relates to the cash bonus earned in the year. The non-equity compensation is paid annually and there is no long-term portion.*

(5) *The amounts in this column include Company benefits, contributions to registered savings plan for all NEOs and the MineRP options issued to Mr. Howes upon completion of the acquisition of the MineRP in October, 2017. Those options were valued at $0.5 million.*

Option-based awards valuation

The fair value of the Options granted in the Summary Compensation Table set out above is the same as the accounting fair value recorded by the Company at the time of the grant, which is estimated using the Black-Scholes option pricing model. The expected volatility is estimated based on the historic average share price volatility. The inputs used in the measurement of the fair value of the Options granted for the three most recently completed financial years were as follows:

	2018	2017	2016
Five year risk free interest rate	1.9% - 2.0%	1.0% - 1.6%	0.5% - 0.6%
Expected life in years	4.75	4.75	4.75
Expected volatility	65.9% - 68.2%	68.4% - 69.4%	64.8% - 66.3%
Dividend per share	-	-	-

Share-based awards valuation

The fair value of the Share-based awards granted in the Summary Compensation Table set out above is the same as the accounting fair value recorded by the Company at the time of the grant. The fair value of the RSUs is calculated based on the grant price. The fair value of the PSUs is estimated based on the grant price and management's forecasted performance factor of one assuming a 100% Achieved Performance Ratio.

Outstanding Option-Based and Share-Based Awards at Year-End

The following table provides details of Options and Share-based awards outstanding as of December 31, 2018 for each of the NEOs.

	Option-Based Awards				Share-based Awards			
					RSU Awards [1]		PSU Awards [2]	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($) [3]**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of RSU awards that have not vested ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of PSU awards that have not vested ($)**
Rick Howes	336,000 385,274 1,100 269,397 207,600 182,200	3.96 2.97 1.14 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 May 28, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 242,700 2,700 374,500 155,700 58,300	339,867	1,223,500	538,800	1,939,700
Hume Kyle	126,400 141,600 99,000 79,100 69,400	3.96 2.97 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 89,200 137,600 59,300 22,200	128,533	462,700	202,400	728,600
David Rae	58,000 68,400 154,100 107,800 83,100 73,000	3.96 3.28 2.97 2.21 2.85 3.28	Apr. 1, 2019 May 8, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 21,900 97,100 149,800 62,300 23,400	136,033	489,700	215,600	776,200
Richard Gosse	58,000 68,800 48,100 37,100 32,900	3.96 2.97 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 43,300 66,900 27,800 10,500	60,966	219,500	96,500	347,400
Michael Dorfman	58,000 68,800 48,100 37,100 32,900	3.96 2.97 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 43,300 66,900 27,800 10,500	60,966	219,500	96,500	347,400

(1) RSU awards consist of RSUs granted under the RSU Plan. Amounts shown are based on one RSU having the value of one Share at the closing price of the Shares on the TSX on December 31, 2018 at $3.60. These amounts may not be representative of the amounts that may be realized on payout due to market fluctuations. The RSUs will vest on the Entitlement Date or Dates. There are no RSU awards that have vested and not been paid out or distributed.

(2) PSU awards consist of PSUs granted under the RSU Plan. Amounts shown are based on one PSU having the value of one Share at the closing price of the Shares on the TSX on December 31, 2018 at $3.60, assuming a 100% Achieved Performance Ratio and multiplier factor of one. These amounts may not be representative of the amounts that may be realized on payout due to market fluctuations and achieved performance. The PSUs will vest on the Entitlement Date or Dates. There are no PSU awards that have vested and not been paid out or distributed.

(3) Value of unexercised in-the-money options represents the intrinsic value of the Options based on the closing price of the Shares on the TSX on December 31, 2018 at $3.60. This amount may not be representative of the amount that may be realized upon exercise of the Options due to market fluctuations. Options do not include the MineRP options which do not entitle the holder thereof to equity securities of the Company.

Value Vested or Earned During the Year

The following table provides details on the value realized or earned upon vesting of Options, share-based awards and non-equity incentive plan payouts by any of the NEOs during the year ended December 31, 2018.

Name	**Option-based awards – Value vested during the year[(1)] ($)**	**RSU awards – Value vested during the year[(2)] ($)**	**PSU awards – Value vested during the year[(3)] ($)**	**Non-equity incentive plan compensation – Value earned during the year ($)[(4)]**
Rick Howes	168,100	511,000	253,000	739,000
Hume Kyle	62,200	190,000	93,000	243,000
David Rae	67,300	205,000	101,000	278,000
Richard Gosse	30,000	91,000	45,000	175,000
Michael Dorfman	30,000	91,000	45,000	174,000

(1) The value vested during the year on Option-based awards represents the intrinsic value of the Options based on the closing price of the Shares on the TSX for the various dates when the Options were exercised in 2018. Options do not include the MineRP options which do not entitle the holder thereof to equity securities of the Company.

(2) The value vested during the year on RSU awards is based on the 5-day VWAP of the Shares on the TSX on March 17, 21, and 23, 2018.

(3) The value vested during the year on PSU awards represents the payout of PSUs granted in 2015 which vested on March 23, Name and the Achieved Performance Ratio which was (i) as to 60% for TSR performance, a factor of 56% and (ii) as to 40% for achievement on the BSC, a factor of 124%.

(4) Amounts in this column are cash bonuses earned for 2018

Termination and Change of Control Benefits

The Company has entered into agreements (the “Agreement”) with each of the NEOs that contain termination and change of control provisions. In the event of termination without cause, an NEO would receive a termination payment equal to 12 months of the NEO’s base salary and bonus. If the NEO has been employed for 12 years, the NEO will receive an additional month of severance per year of service rendered beyond the 12 years up to a maximum aggregate severance of 24 months. The bonus included in the termination payment is based on the NEO’s annual bonus for the year the termination occurs or the average of the previous two years’ bonus, whichever is greater. In addition, NEOs would continue to participate in the Company’s benefit plans for the minimum period established in the Employment Standards Act of Ontario. After such period, the NEO may remain in such plan as allowed by the plan for a period equal to the number of months of eligible severance or receive a payment to enable such benefits to be purchased if the plan does not allow continued participation.

The estimated incremental payments, payables and benefits that might be paid to each NEO under the various plans and arrangements in the event of termination without cause are as follows (assuming an effective date of December 31, 2018 for the termination):

Name	**Payment for Salary ($)**	**Payment for Bonus ($)**	**Value of Continued Benefits ($)**	**Total ($)**
Rick Howes	674,000	815,500	115,200	1,604,700
Hume Kyle	411,000	272,800	72,000	755,800
David Rae	432,000	305,500	70,600	808,100
Richard Gosse	346,000	192,500	54,400	592,900
Michael Dorfman	324,000	191,000	49,300	564,300
Total	**2,187,000**	**1,777,300**	**361,500**	**4,325,800**

Stock Option Plan

Upon termination of employment of an Eligible Person (the "Termination Date"), with or without cause, the Eligible Person has 60 days within which to exercise all Options that were vested as of the Termination Date, or such longer period as may be determined by the Board provided that no Option may remain outstanding for any period exceeding the lesser of (i) the expiry date of the Option; and (ii) one year following termination of a consultant, or three years following termination of all other Eligible Persons. In the event of the death of an Eligible Person, the legal representative of the Eligible Person has 180 days after the date of death within which to exercise all Options that were vested as of such date or such longer period as may be determined by the Administrator provided that no Option may remain outstanding for any period exceeding the lesser of (i) the expiry date of the Option; and (ii) one year following the death of the Eligible Person.

The Board may, by resolution, in connection with a proposed sale or conveyance of all or substantially all of the property and assets of the Company or any proposed merger, consolidation, amalgamation or offer to acquire all of the outstanding Shares (collectively, the "Proposed Transaction"), give notice to all Eligible Persons advising that their Options, including those held by holding companies, shall automatically vest if unvested and may be exercised only within 30 days after the date of such notice, and not thereafter, subject to the Blackout Extension, and provided that the Proposed Transaction is completed within 180 days after the date of the notice. If the Proposed Transaction is not completed within the 180-day period, no right under any Option will be affected by such notice except that the Option may not be exercised between the date of the expiration of the applicable 30-day period and the day after the expiration of the 180-day period.

The Board may by resolution, in connection with the occurrence or imminent occurrence of a change of control of the Company (as such term is defined in the Plan), give written notice to all Eligible Persons advising that their respective Options, including Options held by their holding companies, shall automatically vest, if unvested, and may be exercised only within 30 days after the date of the notice, subject to the Blackout Extension, and not thereafter, and that all rights of the Eligible Persons and their holding companies under any Options not exercised will terminate at the expiration of the applicable 30-day period, provided that the change of control is completed within 180 days after the date of the notice. If the change of control is not completed within the 180-day period, no right under any Option will be affected by the notice, except that the Option may not be exercised between the date of expiration of the applicable 30-day period and the day after the expiration of the 180-day period.

RSU Plan

An RSU Plan Participant has no right or entitlement to receive any cash payment until the Entitlement Date. In the event of the termination, with or without cause, of a Participant, all RSUs and PSUs granted under the RSU Plan credited to the Participant will become void and the Participant will have no entitlement to any payment under the RSU Plan, subject to any Good Leaver policy of the Company and provisions relating to change of control as described below, in effect from time to time.

Employee DSU Plan

An Employee is entitled to payment in respect of the Employee Units granted to him or her only when the Employee ceases to be a senior officer or employee of the Company, or designated affiliates thereof, for any reason. Upon termination, the Company will, on the Redemption Date, redeem each Employee Unit credited to the Employee's account for the Redemption Value. The Redemption Value of the Employee Units will be the product of: (i) the VWAP of a Share on the TSX for the five consecutive trading days immediately prior to the date as of which market value is determined or the closing price of a Share on the TSX on the day immediately prior to the date as of which such price is determined, as elected by the Employee as at the relevant date, and (ii) the number of Employee Units redeemed from the Employee on such date.

Good Leaver Policy

The Board has approved a Good Leaver Policy that establishes criteria whereby certain employees, including the NEOs, with a certain tenure of service may be eligible, upon retiring or leaving the Company on good terms, to benefit from the continuation of the term and vesting schedule of their Options, RSUs and PSUs. Under the policy, upon approval by the Compensation Committee and subject to certain conditions, (i) all RSUs and PSUs credited to the individual continue to vest and remain payable pursuant to their terms; and (ii) all Options credited to the individual continue to vest and, are exercisable once vested until the earlier of their original expiry date and three years from the date of termination of employment.

Change of Control

The Agreements contain provisions with respect to the occurrence of any Change of Control, as defined in the Agreements, which includes, among other things, a consolidation, merger, arrangement or other acquisition as a result of which the holders of Shares prior to the completion of the transaction hold less than 50% of the outstanding shares, a sale of assets which have a fair market value greater than 50% of the fair market value of the Company's assets or the acquisition by any person or entity of control of over 30% of the voting securities of the Company.

The Agreements provide that the Company will pay certain amounts to each of the officers if his or her employment is terminated, without cause, by the Company within 12 months after the Change of Control, or if Good Reason (as defined in the Agreements which includes certain triggering events such as a material reduction of responsibilities or reduction in compensation) exists, within 12 months after the Change of Control and the NEO elects within six months of the occurrence of Good Reason to resign his or her employment. The amount to be paid is the equivalent of a multiplier of such executive's current annual base salary at the annual rate in effect on the effective date of the Change of Control plus a further amount equal to the greater of the average of bonuses for the two fiscal years prior to the Change of Control and the bonus for the year in which the Change of Control occurs. The multipliers are two and one-half for Mr. Howes, two for Messrs. Kyle and Rae and one and one-half for Messrs. Gosse and Dorfman. If an executive has not completed two years of service on the date of the Change of Control, only the completed year is included in the calculation of the payment.

The Agreements provide that upon a Change of Control of the Company, any securities convertible into or exercisable or exchangeable for securities or shares of the Company and any Options, RSUs, PSUs and other incentive securities will immediately vest and, in the case of Options, become exercisable. Under the RSU Plan, upon termination within 12 months of a Change of Control all RSUs and PSUs are accelerated and become payable. In the case of PSUs, the Achieved Performance Ratio will be calculated based on (i) in the case of any performance measurement periods that are complete on or prior to the Change of Control, the actual performance, and (ii) in the case of any performance measurement periods that are not complete on or prior to the Change of Control, assuming a 150% Achieved Performance Ratio during such measurement period.

Upon termination of the executive's employment, as set forth above, following a Change of Control, the rights and benefits under employee benefit plans and programs of the Company continue for 30 months for Mr. Howes, 24 months for Messrs. Kyle and Rae and 18 months for Messrs. Gosse and Dorfman.

As of December 31, 2018, the aggregate value of the termination liability under the Change of Control provisions for the NEOs is approximately $19.5 million based on 2018 salaries, bonuses paid and assuming lump sum payments of salaries, accelerated vesting of Options, RSUs and PSUs, and including the value of the continuation of rights and benefits under employee benefits plans and programs of the Company after the termination date.

The estimated incremental payments and benefits that might be paid under the various plans and arrangements in the event of termination following a Change of Control are as follows (assuming an effective date of December 31, 2018 for the Change of Control):

Name	Payment for Salary ($)	Payment for Bonus ($)	Accelerated Vesting of Stock Options, RSUs and PSUs ($) (1)	Value of Continued Benefits ($)	Total ($)
Rick Howes	1,685,000	2,038,800	4,966,900	288,000	8,978,700
Hume Kyle	822,000	545,600	1,864,000	144,000	3,375,600
David Rae	864,000	611,000	2,008,500	141,200	3,624,700
Richard Gosse	519,000	288,800	889,100	81,600	1,778,500
Michael Dorfman	486,000	286,500	889,100	74,000	1,735,600
Total	**4,376,000**	**3,770,700**	**10,617,600**	**728,800**	**19,493,100**

(1) The realizable value of the Options represents the intrinsic value of the unexercised in-the-money Options based on the closing price of the Shares on the TSX on December 31, 2018 of $3.60; the realizable value of the unvested RSUs is based on one RSU having the value of one Share at the closing price of the Shares on the TSX on December 31, 2018 of $3.60; and the realizable value of the unvested PSUs is based on one PSU having the value of one Share at the closing price of the Shares on the TSX on December 31, 2018 of $3.60, assuming a 150% Achieved Performance Ratio.

BOARD OF DIRECTOR COMPENSATION

The total annual retainer for every non-executive director is equally comprised of both a cash component and a long-term equity component. The annual equity component is provided in the form of Options, up to the lesser of: (i) 10,000 Options; or (ii) 25% of the value of the annual equity retainer to each non-executive director, and for the Chair equal to 25% of the value of the annual equity retainer, with any balance remaining to be paid in DSUs. Refer to “Stock Option Plan” and “Director Deferred Share Unit Plan” for further information. The annual grants of equity-based compensation, in the form of Options and DSUs serve to align the interests of directors with those of Shareholders.

The following table is a summary of the director compensation, paid quarterly, for services rendered during the year ended December 31, 2018:

Director Services	Compensation ($)
Annual Cash Retainer	
Non-Chair and Non-Executive Directors	80,000
Chair	187,500
Lead Director	45,000
Chair of the Audit Committee	20,000
Chair of the Corporate Governance Committee Chair of the Compensation Committee Chair of the Health, Safety & Environment Committee	10,000
Annual Equity Retainer	
Non-Chair and Non-Executive Directors	80,000
Chair	187,500
Additional Fees	
Attendance Fee (1)	1,500
Fee for each day of travel to and from a site, at the request of the Company, and for each day spent at site as well as for attendance at any Board or Committee meetings during the visit	1,250
Fee paid to directors in British Columbia as a travel allowance for meetings attended in person	1,250

(1) The Chair and President and CEO do not receive additional attendance fees.

The Compensation Committee believes that the current compensation structure for the Board members is reasonable, competitive and assists in attracting and retaining superior candidates to the Board.

Director Deferred Share Unit Plan

The director deferred share unit plan (“Director DSU Plan”) was established for the purpose of strengthening the alignment of interests between eligible directors of the Company and designated affiliates (the “Eligible Directors”) and Shareholders by linking a portion of annual director compensation to the future value of the Shares. In addition, the Director DSU Plan has been adopted for the purpose of advancing the interests of the Company through the motivation, attraction and retention of directors, encouraging director commitment and performance due to the opportunity offered to them to receive compensation in line with the value of the Shares.

The Board has established a policy that allows directors to elect to receive all, or a portion, of their annual compensation in DSUs. Refer to “Director Equity Ownership Requirements” below.

The Director DSU Plan is administered by the Compensation Committee. Under the Director DSU Plan, DSUs granted are credited to an account maintained for the Eligible Director by the Company or its designated affiliates, as specified by the Compensation Committee, and are subject to adjustment for dividends and normal anti-dilution events including the subdivision, consolidation or reclassification of the outstanding Shares.

An Eligible Director is only entitled to payment in respect of the DSUs granted to him or her when the Eligible Director ceases to be a director of the Company or any designated affiliate thereof for any reason. Upon termination, the Company shall, on the later of (i) the 20th day following the separation date and (ii) such date as determined by the Eligible Director, which shall be after the separation date and prior to December 15 of the calendar year commencing after the separation date, redeem each DSU credited to the Eligible Director's account for cash (the "Redemption Value"). The Redemption Value of the DSUs will be the product of: (i) the VWAP of the Shares on the TSX for the five (5) consecutive trading days immediately prior to the date as of which market value is determined or the closing price of a Share on the TSX on the day immediately prior to the date as of which such price is determined, as elected by the Eligible Director as at the relevant date, and (ii) the number of DSUs redeemed from the Eligible Director on such date. Executive directors are not eligible to receive DSUs under the Director DSU Plan.

During the year ended December 31, 2018, an aggregate of 270,948 DSUs were issued and 72,990 DSUs were redeemed under the Director DSU Plan. As of December 31, 2018 and the date hereof, there were an aggregate of 1,131,548 DSUs outstanding under the Director DSU Plan.

Director Equity Ownership Requirements

It is important for our directors to hold a significant equity ownership in the Company in order to align their interests with those of the Company and its Shareholders and provide a performance incentive to each of them by ensuring their vested interest in the price performance of the Shares.

Our Chair and each non-executive director is required to own Shares or DSUs with an aggregate value of 3 times their annual retainer, calculated based on the greater of: (i) the acquisition cost or the grant value; and (ii) the aggregate fair market value of the Shares on the TSX on the last trading day of the year (the "Director Equity Ownership Requirement"). The Director Equity Ownership Requirement must be met within five years of becoming a member of the Board. Under the terms of the policy, each director is required to take at least 50% of his or her annual cash retainer in DSUs until the ownership requirement has been fulfilled. Refer to "Business of the Meeting - Election of Directors" and "Director Deferred Share Unit Plan" for further information.

In the event of an increase in the directors' annual retainer, after the Director Equity Ownership Requirement is attained, directors will be expected to reach the additional ownership requirement, related to the annual retainer increase, within three years of the change.

Directors are prohibited from engaging in equity monetization transactions or hedges involving securities of the Company and are required to confirm this on an annual basis. Refer to "Compensation Discussion and Analysis – Anti-Hedging Policy" for further information.

As of the date hereof, all of the non-executive directors meet or exceed the Director Equity Ownership Requirement

Director Compensation Table

The following table shows the compensation provided to non-executive directors of the Company for the year ended December 31, 2018.

Name(1)	Fees earned ($)	Share-based awards ($)(2)	Option-based awards ($)(3)	All Other Compensation(4)	Total Compensation ($)
Jonathan Goodman	187,500	140,600	40,000	12,700	380,800
R. Peter Gillin	74,500	141,500	18,500	Nil	234,500
Jeremy Kinsman	113,300	61,500	18,500	Nil	193,300
Juanita Montalvo	35,500	141,500	18,500	Nil	195,500
Peter Nixon	101,000	77,500	18,500	Nil	197,000
Marie-Anne Tawil	33,000	141,500	18,500	Nil	193,000
Anthony Walsh	73,300	101,500	18,500	Nil	193,300
Donald Young	131,800	61,500	18,500	Nil	211,800

(1) Mr. Howes is also a director of the Company, for which he does not receive any additional compensation.

(2) Share-based awards consist of DSUs granted under the Director DSU Plan. Amounts shown are based on one DSU having the value of one Share at the closing price of the Shares on the TSX on December 31, 2018 of $3.60. This amount may not be representative of the amount that may be realized on payout due to market fluctuations. These DSUs have been deemed to be unvested as, under the terms of the Director DSU Plan, they cannot be redeemed until the date a director ceases to be a director

of the Company or an affiliate thereof.

(3) *Option-based awards consist of Options granted under the Stock Option Plan and represent the grant date fair value. See "Summary Compensation Table – Option-based awards valuation" for detail valuation methodology and assumptions.*

(4) *This amount represents benefits to Mr. Goodman under Company plans including RRSP contributions. As of June 30, 2018, Mr. Goodman no longer receives benefits under any Company plans.*

During the financial year ended December 31, 2018, the Company incurred a total of $1,799,200 in directors' compensation, of which $749,900 were paid in cash, $867,100 were awarded in DSUs and $169,500 were awarded in Options. No other pension or retirement benefits have been paid to any of the directors of the Company. All directors of the Company are reimbursed for their travel and other expenses incurred in connection with fulfilling their responsibilities as directors of the Company.

Outstanding Option-Based and Share-Based Awards at Year-End

The following table provides details of Options and Share-based awards outstanding as of December 31, 2018 for each of the non-executive directors of the Company.

Option-Based Awards					Share-based Awards	
Name(1)	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)(2)**	**Number of share or units of shares that have not vested (#)(3)**	**Market or payout value of DSU awards that have not vested ($)(3)**
Jonathan Goodman(4)	36,800 42,380 59,267 43,513 25,338	3.96 2.97 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 26,700 82,400 32,600 8,100	559,037	2,012,500
R. Peter Gillin	10,000 9,000 10,000 10,000 10,000	3.96 2.97 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 5,700 13,900 7,500 3,200	245,681	884,500
Murray John	10,000 9,000 10,000 10,000	3.96 2.97 2.21 2.85	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022	Nil 5,700 13,900 7,500	Nil	Nil
Jeremy Kinsman	10,000 9,000 10,000 10,000 10,000	3.96 2.97 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 5,700 13,900 7,500 3,200	109,716	395,000
Garth MacRae	10,000 9,000 10,000 10,000	3.96 2.97 2.21 2.85	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022	Nil 5,700 13,900 7,500	Nil	Nil
Juanita Montalvo	10,000 10,000	2.85 3.28	Mar. 20, 2022 Mar. 19, 2023	7,500 3,200	87,076	313,500
Peter Nixon	10,000 9,000 10,000 10,000 10,000	3.96 2.97 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 5,700 13,900 7,500 3,200	136,955	493,000
Marie-Anne Tawil	10,000 10,000 10,000	2.21 2.85 3.28	Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	13,900 7,500 3,200	140,896	507,200

Option-Based Awards					Share-based Awards	
Name[(1)]	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)[(2)]	Number of share or units of shares that have not vested (#)[(3)]	Market or payout value of DSU awards that have not vested ($)[(3)]
Anthony Walsh	10,000 9,000 1,100 10,000 10,000 10,000	3.96 2.97 1.14 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 May 28, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 5,700 2,700 13,900 7,500 3,200	159,508	574,200
Donald Young	10,000 9,000 10,000 10,000 10,000	3.96 2.97 2.21 2.85 3.28	Apr. 1, 2019 Mar. 22, 2020 Mar. 16, 2021 Mar. 20, 2022 Mar. 19, 2023	Nil 5,700 13,900 7,500 3,200	99,125	356,900

(1) *Mr. Howes is also a director of the Company. Option and share-based awards outstanding at December 31, 2018 for the CEO are disclosed under the heading "Compensation Discussion and Analysis - Outstanding Option-Based and Share-Based Awards at Year-End".*

(2) *Value of unexercised in-the-money options represents the intrinsic value of the Options based on the closing price of the Shares on the TSX on December 31, 2018 at $3.60. This amount may not be representative of the amount that may be realized upon exercise of the Options due to market fluctuations. Options do not include the MineRP options awarded to Mr. Goodman upon completion of the MineRP acquisition in October 2017. The MineRP options do not entitle the holder thereof to equity securities of the Company.*

(3) *DSU awards consist of DSUs granted under the Director DSU Plan. Amounts shown are based on one DSU having the value of one Share at the closing price of the Shares on the TSX on December 31, 2018 at $3.60. This amount may not be representative of the amount that may be realized on payout due to market fluctuations. These DSUs have been deemed to be unvested as, under the terms of the Director DSU Plan, they cannot be redeemed until the date a director ceases to be a director of the Company or an affiliate thereof.*

(4) *Mr. Goodman served as Executive Chair of the Board until September 7, 2017 when he was appointed Chairman. He was formerly the President and CEO of the Company. His Employee Units were granted when he was the President and CEO of the Company. Mr. Goodman holds 406,446 Employee Units granted under the Employee DSU Plan and 152,591 DSUs granted under the Director DSU Plan. These Employee Units and DSUs have been deemed to be unvested as, under the terms of the Employee DSU Plan and the Director DSU Plan, they are not redeemable until the date Mr. Goodman is no longer a director or officer of the Company or an affiliate thereof.*

Refer to "Compensation Discussion and Analysis – Components of Executive Compensation – Long-Term Incentive Compensation – Stock Option Plan" and "Board of Director Compensation – Director Deferred Share Unit Plan" for a description of the material terms of the Stock Option Plan and the Director DSU Plan, respectively.

Value Vested or Earned During the Year

The following table provides details on the value realized upon vesting of Options, share-based awards and non-equity incentive plan pay-outs by any of the non-executive directors during the year ended December 31, 2018.

Name[(1)]	Option-based awards – Value vested during the year ($)[(2)]	DSU awards – Value vested during the year ($)[(3)]	Non-equity incentive plan compensation – Value earned during the year ($)
Jonathan Goodman	31,300	Nil	n/a
R. Peter Gillin	5,900	Nil	n/a
Murray John[(2)]	5,900	n/a	n/a
Jeremy Kinsman	5,900	Nil	n/a
Garth MacRae[(2)(3)]	5,900	240,700	n/a
Juanita Montalvo	1,400	Nil	n/a
Peter Nixon	5,900	Nil	n/a

Name(1)	Option-based awards – Value vested during the year ($)(2)	DSU awards – Value vested during the year ($)(3)	Non-equity incentive plan compensation – Value earned during the year ($)
Marie-Anne Tawil	4,800	Nil	n/a
Anthony Walsh	5,900	Nil	n/a
Donald Young	5,900	Nil	n/a

(1) Mr. Howes is also a director of the Company. See "Compensation Discussion and Analysis - Value Vested or Earned During the Year".

(2) The value vested during the year on Option-based awards represents the intrinsic value of the Options based on the closing price of the Shares on the TSX for the various dates that the Options were exercised in 2018. Options do not include the MineRP options which do not entitle the holder thereof to equity securities of the Company. Messrs. John and MacRae's were permitted to retain their stock options for the balance of their original terms following their retirement from the Board on May 4, 2017.

(3) The value vested during the year on DSU awards is based on the 5-day VWAP of the Shares on the TSX on the date the director resigned from the Board. DSUs held by current directors have been deemed to be unvested as, under the terms of the Director DSU Plan, they cannot be redeemed until the date a director ceases to be a director of the Company or an affiliate thereof. Mr. MacRae's DSUs vested on his retirement from the Board on May 4, 2017 and he redeemed his DSUs for $240,700 on December 15, 2018.

Directors' and Officers' Liability Insurance

The Company maintains directors' and officers' liability insurance insuring its directors and officers against liability arising from wrongful acts in their capacity as directors and officers, subject to limitations, if any, contained in the *Business Corporations Act* (Ontario). The Company also maintains a local directors' and officers' liability insurance policy in Bulgaria for its subsidiaries. These policies are in effect until November 15**,** 2019.

The Company also has a directors' and officers' liability run off policy for Dundee Precious Metals Kapan CJSC, which is in effect until April 27, 2019.

To date, no claims have been made against any of these policies.

CORPORATE GOVERNANCE PRACTICES

The Company and the Board recognize the need for sound corporate governance and the conduct of business in an effective, ethical and transparent manner to achieve the goal of enhancing Shareholder value over the long-term. The Board monitors continuing changes in the regulatory and industry environment regarding corporate governance practices to support this objective. The Company is pleased to provide this overview of its corporate governance practices, as assessed in the context of National Instrument 58-101 ("NI 58-101"); National Policy 58-201 - Corporate Governance Guidelines and National Instrument 52-110 - Audit Committees and Companion Policy ("NI 52-110").

Board of Directors

Independence of the Board

The Board and the CGN Committee considered the relationships of each of the nine director nominees and determined that seven out of the nine proposed nominees for election as directors, qualify as independent directors. Independence is reviewed in light of the requirements of NI 58-101. None of the independent directors has a material relationship with the Company that could impact their ability to make independent decisions.

	Status of Director Nominees		
Name	Independent	Not Independent	Reason for Non-Independent Status
R. Peter Gillin*	●		
Jonathan Goodman		●	Executive Chair until appointed Chair on September 7, 2017
Rick Howes		●	President and CEO
Jeremy Kinsman	●		

Name	Status of Director Nominees Independent	 Not Independent	Reason for Non-Independent Status
Juanita Montalvo	●		
Peter Nixon	●		
Marie-Anne Tawil	●		
Anthony P. Walsh	●		
Donald Young	●		

* Mr. Gillin was appointed Lead Director to facilitate the functioning of the Board independently of management and to provide independent leadership to the Board, when required.

Meetings of Independent Directors

The independent directors hold in camera sessions, without management present, at each regularly held Board meeting, including those held by telephone, and as otherwise considered necessary and desirable. Sessions are led by the Lead Director and are of no fixed duration. At least once each quarter, the Audit Committee also meets independently with the Company's external auditor to discuss the financial affairs of the Company, without management present, and also has confidential discussions with management, as well as the Director of Internal Audit. In-camera sessions are also scheduled for each of the regularly held meetings of the Compensation Committee, CGN Committee and Health, Safety & Environment Committees (the "HSE Committee"). The Compensation Committee will also meet in-camera with Mercer, the independent compensation consultant. The members of each Board committee are all independent and operate independently of management in fulfilling their mandates and making recommendations to the Board. In addition, the independent directors may meet separately at such other times as any independent director may request.

The Lead Director and the committee chairs update senior management on the substance of these sessions, to the extent that action is required by management.

Other Directorships

In addition to their positions on the Board, certain directors are presently on the board of other public companies, as set out under the heading "Election of Directors - Other Public Board Directorships".

Prior to joining another board, directors are expected to consult with the Chair of the Board, who may further consult with the CGN Committee, to ensure that a conflict would not arise, that the director will still have sufficient time to properly fulfill his/her role and also to ensure that an additional board seat would not have a negative impact on the director's status under good governance practices.

Nomination of Directors

The CGN Committee, composed entirely of independent directors, is responsible for identifying, recruiting and recommending potential Board candidates for nomination to the Board and, as such, monitors and assesses, on an annual basis, the mix of skills and competencies required in order for the Board to perform and fulfill its role effectively. When the CGN Committee identifies additional skills and competencies required, or becomes aware of an individual director's intention to retire from the Board, it initiates a recruitment process and, if necessary, engages the services of a search firm to assist in the identification of potential candidates. As part of the process, the CGN Committee considers the core skills and competencies matrix, the long-term plan for Board composition, and the potential candidate's skills, expertise, experience, independence and diversity. Consideration is also given to the perceived ability of a candidate to devote the time and effort needed to fulfill his or her duties and that he or she exhibits the highest degree of integrity, professionalism, values and independent judgment.

The CGN Committee reviewed the qualifications of the current directors, all of whom have been nominated for election as directors in 2019, against the mix of skills and competencies that it determined are required for the Board to perform and fulfill its role effectively and concluded that there are currently no gaps that need to be addressed.

The Company has implemented a Majority Voting Policy for its directors. See "Business of the Meeting - Majority Voting" for further information.

Advance Notice Policy

The Company adopted an “Advance Notice Policy” with the purpose of providing Shareholders, directors and management of the Company with a clear framework for nominating directors.

The Advance Notice Policy provides a framework for director nominations by establishing a notice period by which holders of Shares must submit director nominations to the Company prior to any Meeting of Shareholders and also sets forth the information that a Shareholder must include in the notice to the Company for the notice to be in proper written form, in order for any director nominee to be eligible for election at any Meeting of the Shareholders.

The Advance Notice Policy allows the Company a reasonable opportunity to assess the qualification and suitability of director nominees and to respond, as appropriate, in the best interests of the Company. It also allows the Shareholders a reasonable opportunity to evaluate all proposed director nominees and the Board’s recommendation in order to make an informed vote.

Diversity Policy

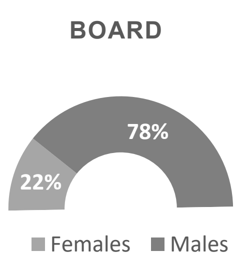
The Company fully recognizes and appreciates that having a diverse pool of Board member, Executive, Officers and Management team is key to achieving strong business performance, continuous innovation and good governance. The Board further acknowledges the important role that women, with competitive skills and competencies, play in contributing to the Company’s effectiveness and success.

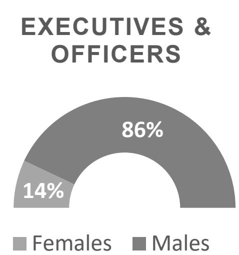
The Board approved a written policy (the “Diversity Policy”) that is committed to diversity across the Company based on a number of factors including, gender, education, skills, experience, ethnicity, age, and others, placing a special focus on the gender diversity of its Board, and in its Executive positions (defined as an individual who is president, a chief executive officer, chief financial officer, chief operating officer, or an executive vice president), Officer positions (defined as an individual who is a senior vice president or vice-president) and Management positions (defined as an individual who is a director in charge of a corporate function.)

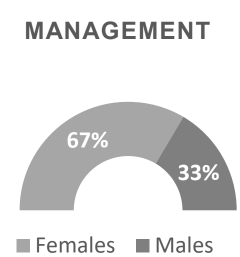
The Diversity Policy establishes the importance of diversity within the Company and sets out a number of initiatives which the Company is committed to undertake in order to ensure diversity while attracting and recruiting the best candidates. The Board has not adopted any specific targets regarding gender representation on the Board, in Executive, Officer and Management positions on the basis that appropriate skills and experience must remain the primary criteria. The Company continues to focus on a diverse candidate pool and to develop internal talent for succession. To demonstrate our commitment to diversity, in particular with respect to gender, the Company joined the 30% Club in Canada, an organization committed to meaningful sustainable improvement in gender balance on boards and in senior management positions. On an annual basis, the CGN Committee receives a diversity update on diversity statistics and global initiatives that support the Diversity Policy and practices.

Two of the nine members of the Board are female, representing 22% of the Board, while there are no vacancies on the Board currently, the CGN Committee continues its efforts towards expanding the pool of potential Board candidates, to maintain an exemplary Board, which would benefit from the diversity of viewpoints, backgrounds, skills and experience, with a continued focus on gender diversity.

The following charts provide information about the gender diversity of DPM’s Board, Executives, Officers and Management positions, as defined above.







The benefits of gender diversity are also recognized at the Company’s local operations. The Company’s Bulgarian subsidiaries, Dundee Precious Metals Chelopech EAD and Dundee Precious Metals Krumovgrad EAD, have a combined female workforce of approximately 16%, despite operating under legislative restrictions with respect to the employment of women in underground mining positions. The percentage of site senior management positions at our Bulgarian operations filled by women is currently 73%. The Company’s Namibian subsidiary, Dundee Precious Metals

Tsumeb (Pty) Limited has a female workforce of approximately 13% and approximately 38% of site senior management positions are filled by women.

Director Core Skills and Competencies Matrix

The CGN Committee reviews the skills and competencies of its directors in a number of areas critical to the Board's oversight function to ensure that there is appropriate diversity of experience and to ensure that the Board is composed of directors with the required expertise and experience to oversee the achievement of the Company's strategic objectives.

The CGN Committee has determined that each of the director nominees possess the relevant skills and competencies as set out in the table below which are currently relied upon for the Board to effectively fulfill is oversight responsibilities:

Core Skills and Competencies Matrix							
Directors	**Capital Markets**	**Financial Literacy**	**Strategic Leadership / Risk Management**	**Governance / Executive Compensation**	**International Business / Government & Community Relations**	**Mining, Exploration & Operations**	**Safety, Health & Environment**
Peter Gillin	✓		✓	✓			
Jonathan Goodman	✓				✓	✓	
Rick Howes			✓		✓	✓	
Jeremy Kinsman			✓	✓	✓		
Juanita Montalvo			✓		✓		✓
Peter Nixon	✓	✓		✓			
Marie-Anne Tawil		✓		✓			✓
Anthony Walsh	✓	✓	✓				
Donald Young		✓	✓	✓			

Definitions of skills:

Capital Markets: *Experience in the field of finance, investment and/or in mergers and acquisitions.*

Financial Literacy: *The ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.*

Strategic Leadership/Risk Management: *Experience in developing and guiding implementation of growth strategies of an organization, preferably including the management of multiple significant projects as well as experience in overseeing policies and processes to identify principal business risks and to ensure that appropriate systems are in place to mitigate these risks.*

Governance/Executive Compensation*: Experience with providing guidance on, and defining the framework for, directing, administering and controlling a corporation to ensure management coherence, accountability, transparency and protection of shareholder interests and ethics, and/or experience in the oversight of significant, sustained succession planning, talent development and retention programs, including executive compensation.*

International Business/Government & Community Relations*: Experience operating in multiple jurisdictions, (preferably in countries or regions where the Company has or expects to be developing operations) as well as having knowledge and experience in international business practices and regulatory requirements, and/ or experience with, or a good understanding of, the workings of governments and public policy, domestically and internationally, and experience developing strong working relationships with communities and mining regulators, including corporate public outreach.*

Mining, Exploration and Operations: *Experience with a leading mining or resource company and dealing with one or more of the following areas: reserves, exploration, mine development, metallurgy and operations, including cultivating and maintaining a culture focused on operational excellence.*

Safety, Health & Environment: *Strong understanding of the requirements and leading practices of workplace safety, health, and environment, including the requirements needed for a strong safety culture and environmental stewardship.*

Board Mandate and Position Descriptions

The Board operates in accordance with a written mandate that outlines its duties and responsibilities, the full text of which is attached as Schedule "A" to the Circular.

The Board has also developed written position descriptions for the President & CEO, Chair of the Board, the Lead Director and each of its committees and the committee chairs.

The mandate of the Board and all position descriptions may be found on the Company's website at www.dundeeprecious.com.

Board and Committee Meetings

During the year ended December 31, 2018, the Board met on 6 occasions. All members of the Board also have a standing invitation to attend all Board committee meetings. The CEO regularly attends Board committee meetings, as a non-voting participant, as, occasionally, do other directors.

Each director who is a nominee for election attended 100% of all Board and committee meetings, of which he or she is a member, either in person or by telephone, during the year ended December 31, 2018, as set out under "Election of Directors - Committee Memberships and Meeting Attendance During 2018".

Ethical Business Conduct

Our Board promotes a high standard of integrity for all its members and the Company. As part of its responsibility for the stewardship of the Company, the Board strives to nurture a culture of ethical conduct by requiring the Company to carry out its business in line with high business and moral standards and applicable legal and financial requirements.

The Board has approved the Code of Business Conduct and Ethics (the "Code"), a Speak Up and Reporting Policy, an Insider Trading Policy and an Anti-Bribery and Anti-Corruption Policy to support the Company's commitment to ethical business conduct.

The Code is a statement of the key principles and expectations that guide the business of the Company and the behaviour of anyone who works for or does business with DPM, in line with our core values: safety, dignity and respect, environmental responsibility, community investment, transparency and continuous improvement. It applies to all employees and directors as well as all third parties working for and on behalf of the Company, who are required to become thoroughly familiar with it and acknowledge their understanding of and adherence thereto.

DPM retains an independent, third party supplier to provide a confidential and anonymous communication channel for reporting concerns with respect to the integrity of the Company's accounting, internal accounting controls and auditing matters, as well as other potential breaches under the Code (the "Ethics Hotline"). Unless personally implicated, all reports filed through the Ethics Hotline are delivered to the Corporate Compliance Officer. Each report through the Ethics Hotline is also automatically delivered to a Board Committee Chair, determined by the nature of the report; for example, a report relating to accounting matters would be delivered to the Chair of the Audit Committee. The Board is provided with a quarterly report on reports received and reports provided to Committee Chairs are discussed at the applicable committee meeting. The Code also protects anyone, who in good faith submits a complaint or concern, from retaliation. The Company recognizes the importance of, and has ongoing initiatives to promote the awareness and confidence in, the report handling process.

The Company provides an on-line training course covering the key components of the Code to its directors, employees and third parties. Employees are fully aware that violations of the Code will be addressed and could result in disciplinary action, including dismissal.

The Board has not granted any waiver of the Code in favour of any director or employee since its adoption in 2004.

A copy of the Code can be found on the Company's website at www.dundeeprecious.com, may be obtained by contacting the Corporate Secretary of the Company and is also filed on SEDAR at www.sedar.com.

Conflicts of Interest

Messrs. Goodman and Nixon may be in a position of conflict of interest with Dundee Corporation as Mr. Goodman holds the position of Chairman and CEO of and has an ownership interest in Dundee Corporation, a significant shareholder of the Company and Mr. Nixon also serves as a director of Dundee Corporation. Messrs. Howes and Walsh are also directors of Sabina Gold and Silver Corp., in which the Company holds an approximate 10% interest, which may create potential conflicts of interest. We are not aware of any other existing or potential conflict of interest between the Company and any of our other directors or officers. The Board is aware of these potential conflicts and these individuals recuse themselves from Board deliberations and voting when necessary.

If a director or officer has any conflict of interest or potential conflict of interest, the interested director or officer is required to disclose such conflict pursuant to and is expected to govern themselves in accordance with applicable laws and the provisions of our Code. In particular, an interested director or officer will not participate in deliberations where he or she has a conflict or potential conflict of interest and, in the case of an interested director, will not vote on any such matter.

Orientation and Continuing Education

The Company has an orientation program for new directors to assist them in becoming knowledgeable in all aspects of the Company's business activities. New directors are provided with comprehensive materials with respect to the Company and also participate in informal discussions with members of the executive management team. In addition, online access to an electronic board portal is provided which allows new directors to review previous Board meeting and other relevant materials. During the recruitment process, the CGN Committee makes each prospective new director aware of the performance expectancy and the amount of time required to fulfill his or her role as a director. Site visits to the Company's main operations are encouraged and arranged periodically, at the earliest opportunity upon the request of a new or any existing director.

The Company is also committed to a continuing education program for all directors. At each regularly scheduled Board meeting, management provides the directors with a presentation on each of the Company's operations, development projects, exploration activities and strategic initiatives thereby updating the Board on all important matters since the previous meeting. In addition, the Board receives regular updates from the CEO between scheduled meetings via teleconference. The CEO and the executive management team coordinate special sessions for the Board periodically in order to keep directors apprised of matters impacting the longer term strategy of the Company. Through the CGN Committee, directors are kept informed of best practices with respect to the role of the Board and emerging trends that are relevant to their roles as directors.

In addition, in the event of significant regulatory or other industry developments that may affect the Company, an appropriate member of management, the independent auditor, outside legal counsel and/or other experts, as deemed appropriate, present an overview of the changes, to the Board and the ways in which they may impact the Company, its Shareholders and/or the Board. The following special education sessions were provided in 2018:

Date	Topic
February 2018	Cyber Security
May 2018	Digital Strategy
July 2018	MineRP Information Session
November 2018	Trends in Corporate Governance

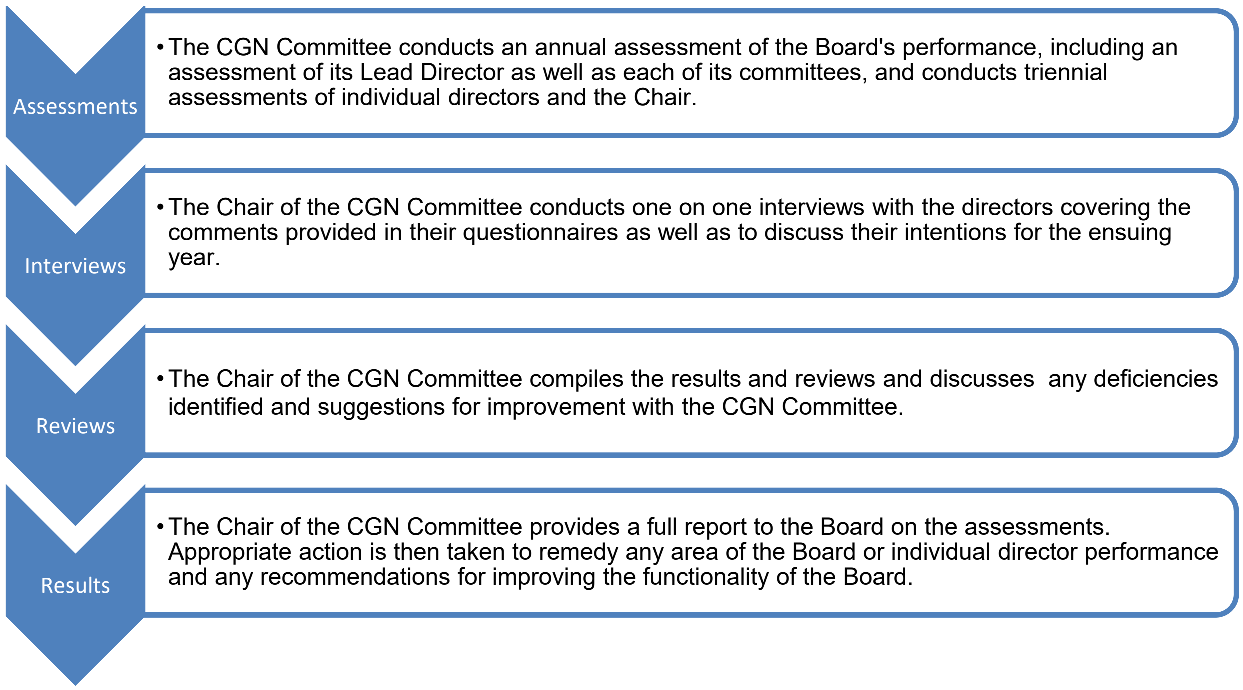
Directors are also advised of, and encouraged to participate in, seminars and educational programs, at the expense of the Company, which can enhance their abilities to fulfill their roles as Board or committee members.

To facilitate access to director education, all of our directors are members of the Institute of Corporate Directors, an organization which promotes the continuing education of directors and participation in the various educational seminars and programs. All of the directors are actively involved in their respective areas of expertise and have full access to our management.

Board Performance Assessments

The CGN Committee is responsible for overseeing the annual assessment process of the Board as a whole, its committees and each of its chairs, individual directors, as well as the Lead Director and Chair. The assessments are intended to provide the Board and each committee with an opportunity to evaluate performance for the purpose of improving Board and committee processes and effectiveness.

The process by which such assessments are made is through questionnaires which are reviewed and approved by the CGN Committee and completed by each individual director.



As part of the Board assessment process, directors are asked to evaluate the Board's composition, function and meetings, in an effort to identify strengths and areas for improvement. In addition, each committee is evaluated with respect to its understanding of its role and responsibilities, the involvement of each committee member, its composition, and conduct of meetings. Individual directors are assessed on a number of factors including items such as attendance at and participation in meetings, meeting preparedness, ability to communicate ideas clearly and overall contribution to effective Board performance. The Chair is assessed on such things as his ability to conduct meetings effectively, whether he encourages participation by all directors, and whether he allows full contemplation of all issues.

The annual assessments conducted in 2018 indicated that the Board, committees, Committee chairs and individual directors were effectively fulfilling their responsibilities.

Succession Planning

The Board, through the CGN Committee, is actively involved in the Company's succession planning process with respect to senior management of the Company. The CGN Committee, in conjunction with Human Resources, identifies the skills and experience required for the three most senior executive roles within the Company: President and CEO; COO; and the CFO. The CGN Committee, together with Human Resources, identifies the potential candidates with the desired capabilities best suited for advancement into these roles. The identified successors work with Human Resources and the CEO to establish development plans to address their gaps and career goals in the context of the succession planning process. Regular reports are also provided to the Board by the CEO and Human Resources on the ongoing progress and development of these prospective successors.

With respect to succession planning for the Board itself, the CGN Committee Chair discusses, annually, with each director, his or her intentions with respect to continuing to serve as a director for the ensuing year. Based on these conversations, and other considerations, the CGN Committee structures its efforts to identify and recruit potential candidates to the Board.

Director Term Limits

The Board has chosen not to adopt a mandatory retirement policy or term limits for directors. The Board believes that mandatory retirement and term limits may result in the loss of effective directors with deep knowledge of the Company.

Instead, determination of a director's continued fitness for service as a member of the Board is assessed through the implementation of the thorough Board and individual director assessment process outlined above.

Board Committees

The Board has established four standing committees to assist it to carry out its mandate: the Audit Committee, the Compensation Committee, the CGN Committee and the HSE Committee. All the committees of the Board are composed entirely of independent directors.

The following table sets out the current members of the standing committees:

Name	Audit	Compensation	Corporate Governance & Nominating	Health, Safety & Environment
Peter Gillin		✓ *(Chair)*		
Jeremy Kinsman		✓	✓	
Juanita Montalvo			✓	✓ *(Chair)*
Peter Nixon		✓	✓ *(Chair)*	
Marie-Anne Tawil	✓		✓	✓
Anthony P. Walsh	✓	✓		
Donald Young	✓ *(Chair)*			✓

Audit Committee

The Audit Committee assists the Board in fulfilling its oversight responsibilities for the integrity, quality and transparency of the Company's financial statements, compliance with legal and regulatory requirements relating to financial reporting, the appointment of the external auditor with the responsibility to approve its compensation, review its independence and qualifications as well as oversight of all its audit and allowable non-audit work. The Audit Committee is also responsible for the appointment of the head of internal audit, approval of its charter and annual audit plan, and for the review and approval of its compensation, including bonuses and other special compensation. In addition, the Audit Committee is responsible for the oversight of the Company's Speak up and Reporting system, as well as such other duties as may be assigned to it from time to time by the Board.

Compensation Committee

The Compensation Committee is responsible for determining, and recommending to the full Board for approval, the compensation of the directors and executive officers of the Company. The process by which appropriate compensation is determined includes, among other things, a periodic review, conducted by an independent compensation consultant, including a benchmark analysis of the base salary, total cash compensation and total direct compensation of each executive officer based on information publicly-disclosed in management proxy circulars of companies in the Compensation Peer Group. The Compensation Committee reviews and recommends approval by the Board of annual corporate objectives through the BSC that are intended to drive achievement of strategic objectives and increase Shareholder value. In the case of the CEO, the Compensation Committee establishes annual performance objectives and appropriate weighting factors in order to measure performance and to establish total remuneration for the CEO, which is primarily based on Company performance. The Compensation Committee reviews and discusses with the CEO his recommendations regarding the total remuneration packages of the other executive officers prior to recommending approval of such packages by the Board. Refer to the "Compensation Discussion and Analysis" for further information.

Corporate Governance & Nominating Committee

The CGN Committee assists the Board in fulfilling its oversight responsibilities by assessing the functioning and effectiveness of the Board and developing and recommending the implementation of effective corporate governance principles and practices, identifying candidates and recommending that the Board select qualified director candidates, giving consideration to diversity, as well as the skills and competencies required to comprise an effective Board, for election at the next annual meeting of shareholders.

Health, Safety & Environment Committee

The HSE Committee assists the Board in developing and implementing a corporate culture of environmental responsibility and to oversee all aspects of health and safety relating to the Company's operating activities, including quarterly reviews of the Company programs to promote zero injuries among the workforce, and monitoring their effectiveness, as well as reviewing the programs in place to minimize or prevent the harmful effects of the Company's operations on the environment. The HSE Committee also reviews management reports on a quarterly and annual basis, tracking performance and compliance with applicable laws providing for the protection of the environment, employees and the public.

All committee mandates are reviewed annually and can be found on the Company's website at www.dundeeprecious.com.

Risk Oversight

The Board oversees the Company's approach to risk management which is designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term performance and enhance Shareholder value. A fundamental part of risk management is not only understanding the risks the Company faces and what steps management is taking to manage those risks, but also understanding what level of risk is appropriate for the Company. The involvement of the full Board in setting the Company's business strategy is a key part of its assessment of the Board's appetite for risk and also a determination of what constitutes an appropriate level of risk for the Company.

While the Board has the ultimate oversight responsibility for the risk management process, various standing committees have responsibility for particular risk management areas:

- The Audit Committee focuses on financial risk, including internal controls, and periodically discusses with management and the internal auditor the Company's policies regarding financial risk assessment and financial risk management.
- The Audit Committee, together with the CGN Committee, oversees the establishment and implementation of a comprehensive compliance program, which includes the Code and various measures to mitigate potential bribery and corruption risks in accordance with Canada's *Corruption of Foreign Public Officials Act* and applicable international conventions, local legislation in the countries where DPM operates, as well as best international practices.
- The Compensation Committee assesses potentially material adverse risks facing the Company arising from the Company's compensation policies and practices, and considers ways to address those risks.
- The HSE Committee focuses on risks related to the operations and sustainability practices and the implementation of appropriate mitigation strategies.

For a detailed explanation of the risks applicable to the Company and its business, see ''Risk Factors'' in the Company's latest AIF, filed on SEDAR at www.sedar.com.

Indebtedness of Directors and Executive Officers

To date, no director, executive officer or associate of any director or executive officer of the Company is indebted to the Company, nor are any of these individuals indebted to any other entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company, including under any securities purchase or other program.

Shareholder Engagement

The Company communicates with its Shareholders and other stakeholders through various channels, including through its disclosure documents, industry conferences and other meetings as well as management's quarterly conference calls with analysts, which can be accessed by Shareholders and the public. Specific Shareholder inquiries are handled by Investor Relations. We also hold our annual meeting of Shareholders, with a live audio webcast, so all Shareholders who are unable to attend in person, can participate. In addition, our website provides extensive information about our Board, its mandate, the Board committees and their mandates, and our directors and officers and offers insight into our vision, our strategy and how we apply these to guide our business. The website is designed to demonstrate the intrinsic link between our values, our actions and our results. And most recently, our social media account on Twitter provides an alternate channel to access already publicly disclosed information found on our website and on SEDAR.

Event	Who Engages	Who we engage with, when and what we discuss
Board shareholder outreach calls	Directors	With institutional investors to get feedback on our governance processes, executive compensation and health and safety initiatives
Non-deal marketing roadshows, meetings, calls	CEO CFO Corporate Development Investor Relations	With institutional investors throughout the year to provide publicly disclosed information on our business, operations and sustainability efforts and to get feedback on these topics
Quarterly conference call and webcast	Senior Management Investor Relations	With the stakeholder community four times per year to review our most recently released financial and operating results; available on our website following the call and SEDAR
Guidance release	Senior Management Investor Relations	With the stakeholder community in tandem with our quarterly earnings release in early February to report on our financial outlook for the coming year; available on our website and SEDAR
News Releases	Senior Management Investor Relations	With the stakeholder community; released to the public throughout the year to report on any material information with respect to DPM; available on our website and SEDAR
Bank conferences/retail conferences	CEO CFO Investor Relations Corporate Development	With the institutional and retail investment community; numerous times per year, mass speaking events and one-on-one presentations at industry investor conferences about publicly disclosed information on our business and operations
Investor half day	Senior Management Investor Relations	With the institutional investment community; DPM investors and analysts are invited to attend a live webcast and presentations once every couple of years, these are made available on our website
Site visits	Senior Management Investor Relations	With the institutional investment community; DPM investors and analysts are invited to tour our Bulgarian assets annually (typically early April) and presentations are made available on our website following the site visit
Social media	Investor Relations	With the stakeholder community; news/events posted throughout the year to report any material or interesting information with respect to DPM that has already been publicly disclosed; Twitter
Annual Meeting of Shareholder (“AGM”)	Directors Senior Management Investor Relations	The stakeholder community is invited to attend live or via webcast or dial-in to attend our AGM every May to hear about what transpired over the past one year and our outlook for the upcoming year; presentation is made available on our website following the AGM

Shareholder Communication with the Board

The Board also recognizes that it is important for the Board to communicate with Shareholders and periodically meets with Shareholders through in-person and conference call meetings. Most recently, in late 2018, Mr. Gillin, our Lead Director and Chair of our Compensation Committee, Ms. Montalvo, Chair of our HSE Committee and a member of our CGN Committee and Mr. Nixon, Chair of our CGN Committee, reached out to our top ten largest Shareholders to arrange meetings to solicit feedback on issues of concern, and in early 2019, they met with representatives of six Shareholders, representing approximately 25% of the Company’s issued and outstanding Shares (excluding Dundee Corporation which owns approximately 20%). The initiative was once again very well received and meetings involved discussions, based on publicly disclosed information, on a variety of topics including strategy, capital allocation, compensation, environmental and social governance and corporate social responsibility, as well as corporate governance matters.

The Board welcomes input and comments from Shareholders for the Board or its committees which should be directed to:

Board of Directors of Dundee Precious Metals Inc.
C/o Corporate Secretary
Dundee Precious Metals Inc.
1 Adelaide Street East, 5th Floor
Toronto, Ontario M5C 2V9
416-365-5143
kstarkanderson@dundeeprecious.com

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's website at www.dundeeprecious.com. The Company's annual audited consolidated financial statements and management's discussion and analysis for the years ended December 31, 2018 and December 31, 2017 are provided in the Company's annual report which can be found on the SEDAR website located at www.sedar.com. Shareholders may also contact the Corporate Secretary of the Company by telephone at (416) 365-5191 or by email to info@dundeeprecious.com to request copies of these documents.

The information contained herein is given as of March 22, 2019, except as otherwise indicated. The contents and the sending of this Circular have been approved by the Board.

BY ORDER OF THE BOARD

"Kelly Stark-Anderson"

Kelly Stark-Anderson
Vice President, Legal
and Corporate Secretary

Schedule "A"

Last Amended: July 27, 2017
Adopted: March 10, 2006

MANDATE OF THE BOARD OF DIRECTORS

General

The board of directors (the "Board") is responsible for the stewardship and the general supervision of the management of the business of Dundee Precious Metals Inc. (the "Company") and for acting in the best interests of the Company and its shareholders.

The Board will discharge its responsibilities directly and through its committees. In addition, the Board may, from time to time, appoint such additional committees as it deems necessary and appropriate in order to discharge its duties. Each committee shall have its own mandate.

The Board shall meet regularly, but not less than once each quarter, to review the business operations, corporate governance and financial results of the Company. All Board meeting agendas will include an in camera session of independent directors, without management or third parties present.

The primary functions of the Board are to:

- perform its duties and responsibilities in accordance with the Company's governing corporate statute, other applicable law and its articles and by-laws;
- oversee and monitor the performance of the Company in the context of the long-term interests of its shareholders;
- promote a culture of integrity throughout the organization; and
- together with management of the Company, develop a process for the timely and accurate disclosure of information which is material to the Company.

Composition

The Board shall be constituted at all times of a majority of "independent directors" in accordance with applicable corporate and securities laws, regulations, and stock exchange rules. In order to be considered "independent", directors shall have no direct or indirect material relationship with the Company.

Responsibilities

The Board, directly and through its committees, fulfills these functions by, among other things and without limitation to its general mandate:

1. overseeing the development of the Company's approach to corporate governance;
2. reviewing, approving (at least annually) and monitoring implementation of the Company's strategic plan (which takes into account the risks and opportunities of the Company's business), annual business plan and corporate goals for which the Chief Executive Officer is responsible;
3. reviewing with senior management, and approving material transactions outside the ordinary course of business and such other major corporate matters which require Board approval;
4. reviewing and discussing with senior management the significant enterprise risks and issues which could affect the Company and the systems that are in place to effectively monitor and manage those risks with a view to the long-term viability of the Company;
5. selecting, evaluating and compensating the executive officers of the Company and planning for senior management succession and training;
6. overseeing the integrity of the Company's internal controls through the adoption of appropriate internal control systems;
7. overseeing that the Company has in place a corporate policy framework that enables it to operate at all times within applicable laws, regulations and its ethical standards;

8. maintaining a Code of Business Conduct and Ethics (the “Code”) and overseeing that management has developed effective systems such that all directors, employees and third parties comply with the Code;
9. assessing the effectiveness of the Board, its committees and each individual director, on a regular basis, including considering whether the size of the Board is appropriate and reviewing the independence of its members to ensure it meets independence requirements;
10. establishing an appropriate review and selection process for new nominees to the Board, taking its Diversity Policy into consideration;
11. adopting an appropriate orientation and education program for new members of the Board;
12. reviewing the processes for the implementation and maintenance of environmental stewardship and health and safety management systems that are consistent with industry practices and comply with the applicable laws and regulatory requirements in the communities where the Company conducts its business;
13. with the assistance of the Audit Committee, recommending the appointment of the external auditors and reviewing the performance of the external auditors;
14. approving the Company’s annual and interim financial statements, including the notes thereto, management’s discussion and analysis (“MD&A”), and the release and filing thereof. The Board may delegate approval of interim financial statements and MD&A to its Audit Committee;
15. ensuring the Company and the Board have in place a process to communicate and engage effectively with shareholders, other stakeholders and the public generally, including appropriate measures for receiving shareholder feedback; and
16. performing such other functions as prescribed by law or assigned to the Board in the Company’s constating documents and by-laws.

Miscellaneous

The members of the Board are expected to attend all meetings of the Board.

The members of the Board (and any Board committee) are required to have reviewed Board (and committee, if applicable) materials in advance of the meeting and be prepared to discuss such materials at the meeting.

The members of the Board are required to act honestly and in good faith with a view to the best interests of the Company, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board may, at the expense of the Company, retain independent legal counsel or such other advisers in appropriate circumstances as it considers necessary.

www.dundeeprecious.com