



# Acquisition of INV Metals

Adding a high-quality development project



May 31, 2021

TSX: DPM

# Forward Looking Statements

This presentation contains forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws. More particularly and without limitation, this presentation release contains forward-looking statements and information regarding the anticipated benefits of the proposed, the anticipated timing of the completion of the Transaction, and the Company's 2021 production and cost performance. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved". Forward looking statements involve risks, uncertainties and other factors disclosed under the risk factor disclosure contained in the filings made by DPM and INV Metals with Canadian securities regulators, that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements.

In respect of forward-looking statements and information concerning the anticipated benefits and timing of the completion of the proposed Transaction, each of DPM and INV Metals have provided such statements and information in reliance on certain assumptions that it believes are reasonable at this time, including assumptions as to the ability of the parties to receive, in a timely manner and on satisfactory terms, the necessary court and shareholder approvals; the ability of the parties to satisfy, in a timely manner, the other conditions for the completion of the Transaction, and other expectations and assumptions concerning the proposed Transaction. The anticipated dates indicated may change for a number of reasons, including the necessary court and shareholder approvals or the necessity to extend the time limits for satisfying the other conditions for the completion of the proposed Transaction. Although DPM and INV Metals each believe that the assumptions and factors used in preparing these forward-looking statements are reasonable based upon the information currently available to each management as of the date hereof, it can give no assurance that these expectations will prove to have been correct, that the proposed Transaction will be completed or that it will be completed on the terms and conditions contemplated in this presentation.

Risks and uncertainties inherent in the nature of the proposed Transaction include, without limitation, the failure of the parties to obtain the necessary shareholder and court approvals or to otherwise satisfy the conditions for the completion of the Transaction; failure of the parties to obtain such approvals or satisfy such conditions in a timely manner; significant transaction costs or unknown liabilities; the failure to realize the expected benefits of the Transaction; and general economic conditions. Failure to obtain the necessary shareholder and court approvals, or the failure of the parties to otherwise satisfy the conditions for the completion of the Transaction or to complete the Transaction, may result in the Transaction not being completed on the proposed terms or at all. Risks and uncertainties relating to DPM's 2021 production and cost performance include risks relating to the Company's business generally and the impact of global pandemics, including COVID-19; fluctuations in metal and acid prices, toll rates and foreign exchange rates; possible variations in ore grade and recovery rates. A full description of such risks are set out in DPM's most recent Annual Information Form found at [www.sedar.com](http://www.sedar.com). Readers are therefore cautioned not to place undue reliance on these statements, which only apply as of the date of this presentation, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, DPM and INV Metals each disclaim any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

# Transaction Highlights

## DPM to acquire remaining 76.5% of INV Metals, 100% owner of the Loma Larga gold project in Ecuador

- All-share transaction to consolidate DPM's ownership in INV Metals
- Loma Larga is a **high-quality, advanced stage gold project** with compelling economic returns
- Acquisition **aligns with DPM's core strengths** and unique capabilities to **unlock value**
- Consolidated ownership allows DPM to **apply** its **expertise and resources** for the benefit of all stakeholders
  - Expected to be accretive to DPM shareholders
- New shares outstanding represent **~5.5% of DPM** after the transaction
- **Strong shareholder support**, with voting support agreements with Iamgold Corp, INV management & directors representing 47% of shares outstanding

### DPM's Global Portfolio of Assets



# Transaction Summary

<b>Proposed Transaction</b>	<ul style="list-style-type: none"> <li>▪ DPM to acquire all of the outstanding shares of INV Metals that it does not currently own, pursuant to a Plan of Arrangement</li> <li>▪ Implied equity value on a 100% and fully-diluted basis of C\$132 million, and C\$104 million for the portion not owned by DPM</li> </ul>
<b>Consideration</b>	<ul style="list-style-type: none"> <li>▪ Exchange ratio of 0.0910 of a DPM common share per common share of INV Metals</li> <li>▪ Implies a price of C\$0.80 per INV Metals common share based on the 5-day volume-weighted-average price of DPM for the period ending May 28, 2021</li> </ul>
<b>Ownership</b>	<ul style="list-style-type: none"> <li>▪ Pro forma ownership: 94.5% DPM / 5.5% INV Metals</li> </ul>
<b>Approvals and Conditions</b>	<ul style="list-style-type: none"> <li>▪ Transaction has been unanimously approved by the Boards of DPM and INV Metals</li> <li>▪ INV Metals' Board of Directors recommends that its shareholders vote in favour of the transaction</li> <li>▪ Officers and directors of INV Metals, as well as IAMGOLD, have entered into voting support agreements for the Transaction</li> <li>▪ Subject to approval of: (i) at least 66 2/3% of INV Metals shareholder votes cast; and (ii) a simple majority of the votes cast by holders of INV Metals after excluding votes from DPM as required under MI 61-101</li> <li>▪ Regulatory approvals, including TSX approval, and the satisfaction of other customary closing conditions</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>▪ Termination fee of C\$4.53 million payable to DPM under certain circumstances</li> <li>▪ Customary provisions including reciprocal non-solicitation, "fiduciary out" and "right to match" provisions</li> </ul>
<b>Proposed Timing</b>	<ul style="list-style-type: none"> <li>▪ INV Metals' meeting materials to be mailed in June 2021</li> <li>▪ INV Metals' shareholder meeting to be held in July 2021, with closing expected shortly after</li> </ul>

# Strategic Rationale for Dundee Precious Metals

- ✓ **Strong track record of engaging with local communities and developing industry-leading ESG solutions**
- ✓ **Well-aligned with DPM's core strengths and unique capabilities to unlock value**
  - Leveraging experience at Chelopech, Ada Tepe and Tsumeb to deliver value for all stakeholders
- ✓ **Strong reserve base and economic profile**
  - Adds ~2.6 million oz. Au eq. of high-grade minerals for an initial estimated 12-year mine life<sup>(1)</sup>
- ✓ **Attractive valuation metrics**
  - Transaction is expected to be accretive on reserves per share & NAV per share basis
  - Implied multiples on a 100% & fully-diluted basis of \$38 per Au eq. reserve oz and 0.2x the Loma Larga Feasibility Study NPV<sup>(1,2)</sup>
- ✓ **Strong upside potential**
  - DPM to explore further optimization studies while continuing to advance the permitting process
- ✓ **Disciplined approach to project development**
  - Ability to minimize up front spend during permitting process
  - DPM will work to secure an investor protection agreement with Ecuadorian government prior to making significant capital commitments
- ✓ **Maintains DPM's financial strength and flexibility**
  - Transaction size preserves DPM's strong balance sheet and ability to pursue additional growth opportunities

# Well-Aligned with DPM Core Strengths & Unique Capabilities to Unlock Value

Leverages DPM's proven strengths in developing world-class assets and applying industry-leading ESG solutions

## Chelopech



- **Similar geology, mining method and processing flow sheet** to Loma Larga
- DPM has developed Chelopech into a **world-class, modern operation**
- One of the **lowest carbon footprint gold mines** in the world

## Ada Tepe



- Loma Larga **will benefit from additional engagement with local stakeholders**, similar to the initial stages of development for Ada Tepe
- Ada Tepe is now a highly successful operation that enjoys **strong support from local communities**

## Tsumeb



- Project to produce complex concentrate, with **ability to place material at DPM's Tsumeb smelter** or other outlets
- Operation is **highly regarded** by stakeholders, both at local and national level

# Strong Track Record Engaging with Local Communities & Developing Innovative Solutions

## Leveraging DPM's strong ESG performance

- DPM brings a depth of experience and a strong track record from our existing operations
- Strong performance in ESG enabled DPM to successfully develop Ada Tepe, Bulgaria's first new mine in over 40 years
- Approach to developing Loma Larga will be consistent with DPM's commitment to adopting highest standards of environmental stewardship and stakeholder engagement

## Strength in innovation and operational excellence

- Strong track record of generating value through innovation, include increasing safety, lowering mining costs, improving performance and reducing environmental impact
- DPM will look to apply best-in-class technology and innovative solutions to advance development of Loma Larga

## Sustainability Highlights

**Highest average salary in Bulgaria**  
Chelopech Municipality

**Highest population & income growth rates**  
Krumovgrad Municipality

**Contribution to economic revival**  
Tsumeb region

**Ada Tepe cited as best practice in biodiversity management**  
EU Commission report<sup>(1)</sup>

One of the lowest **GHG emission intensity rates** among gold producers<sup>(2)</sup>

**Zero discharge in 2020**  
of industrial waste-water

(1) Source: "Case Studies on the Article 6.3 Permit Procedure Under the Habitats Directive", European Commission (June 2013), pages 21 to 24.

Available: <https://op.europa.eu/en/publication-detail/-/publication/6d41e638-13bb-44f8-aef2-801aff9ac1a0>

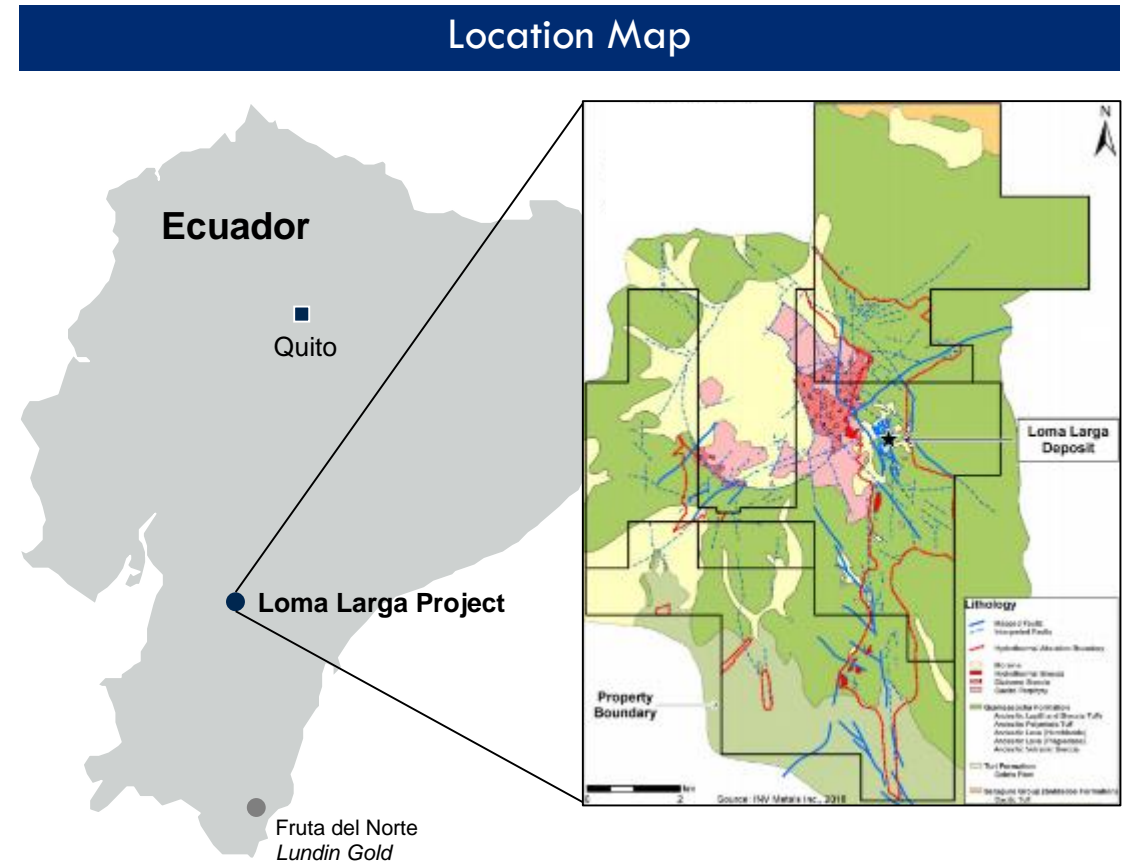
(2) Source: Sam Ulrich, CSA Global. Available: [https://www.csaglobal.com/wp-content/uploads/2020/10/Greenhouse-Emissions-in-Gold-Mining\\_Sam-Ulrich\\_October\\_2020.pdf](https://www.csaglobal.com/wp-content/uploads/2020/10/Greenhouse-Emissions-in-Gold-Mining_Sam-Ulrich_October_2020.pdf)

# Loma Larga Project Overview

Advanced stage, underground gold deposit located in Southern Ecuador

- High-quality, low-cost production with strong economic returns
- Designated as a “Strategic Project” by the Ecuadorian Government
- EIS submitted in April 2021
- Expected low carbon footprint and environmentally friendly operations
- Significant near-mine and regional exploration potential

## Project Milestones





# High-Quality Growth Asset

Feasibility study results highlight Loma Larga's potential to add meaningful growth and generate significant value

Feasibility Study Summary Metrics (April 2020)	
Initial mine life	12 years
Average annual production <sup>(1,2)</sup> (first 5 years)	~200k oz. Au
Average annual production <sup>(2)</sup> (LOM)	172k oz. Au
Average annual AISC <sup>(1,3)</sup> (LOM)	\$627/oz. Au
Initial capital	\$316M
Sustaining capital	\$71M
NPV <sub>5%</sub>	\$454M
IRR	28.3%
Mineral reserve estimate	
Ounces (Moz. Au Eq.)	2.6 M oz. Au Eq.
Grade (g/t Au Eq.)	5.72 g/t Au Eq.

**Significant Scale**  
Average annual production of +170k oz. Au LOM <sup>(1)</sup>

**Low Cost**  
Average annual AISC of US\$627/oz. Au LOM (net of by-products)<sup>(1,3)</sup>

**Strong Reserve Base**  
2.6 M oz Au Eq. of high-grade mineral reserves

**Compelling Economic Returns**  
28% IRR and US\$454M NPV<sub>5%</sub> at US\$1,400/oz. Au

Source: "NI 43-101 Feasibility Study Technical Report, Loma Larga Project, Azuay Province, Ecuador" dated June 10, 2020, available at [www.sedar.com](http://www.sedar.com)

Note: Based on US\$1,400/oz Au, US\$18.00/oz Ag, US\$3.00/lb. Cu prices per April 2020 Feasibility Study

(1) LOM annual averages based on full production years (year 2 through 11).

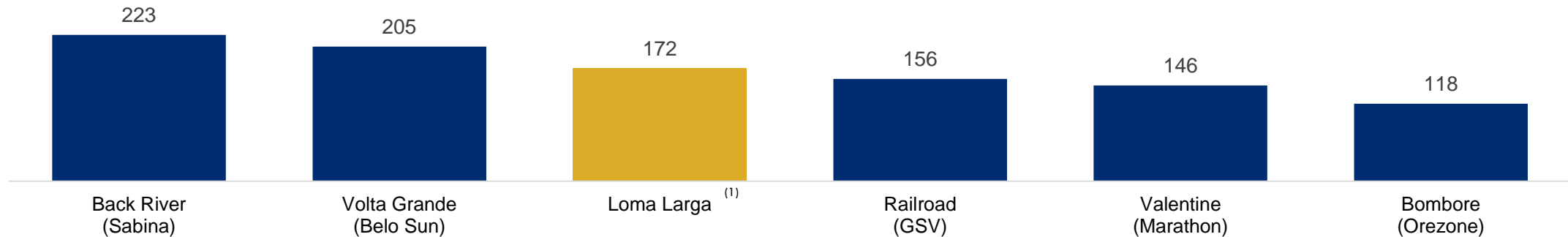
(2) Based on average annual gold production for the first five years.

(3) Net of by-products. All-in sustaining cost in a non-GAAP measure. Refer more information about INV's use of this measure, refer to the technical report: "NI 43-101 Feasibility Study Technical Report, Loma Larga Project, Azuay Province, Ecuador" dated June 10, 2020, available at [www.sedar.com](http://www.sedar.com)

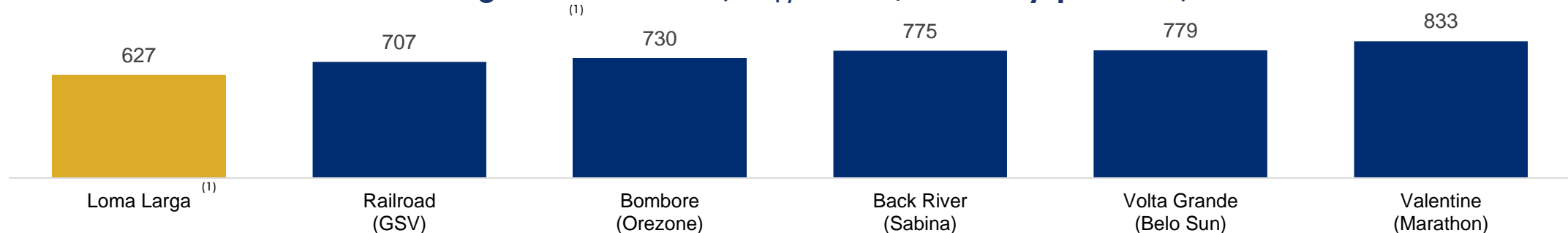
# Adds an Attractive Project to DPM's Development Pipeline

Loma Larga offers significant scale with peer-leading operating costs

**Average Annual Production (k oz. Au)**



**Average Annual AISC (US\$/oz. Au, net of by-products)**



**Market Capitalization (US\$M)**

\$107 <sup>(2)</sup>	\$225	\$369	\$522	\$287	\$599
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Source: Company disclosure and market data as at May 20, 2021

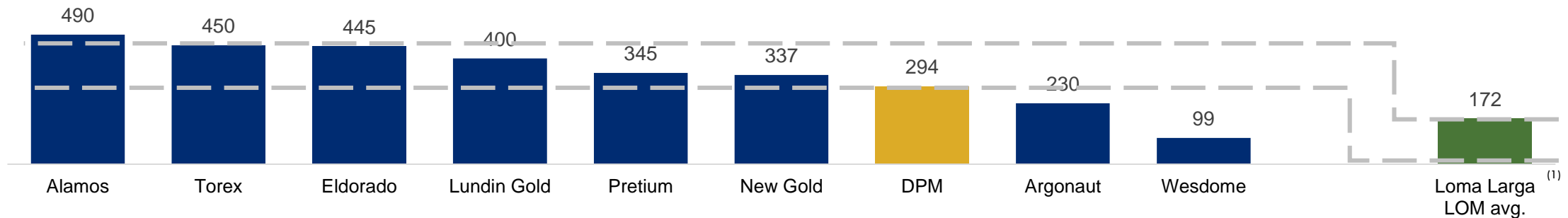
(1) Loma Larga production based on the annual average gold production for the first five years, and the life of mine all-in sustaining costs (years 2 through 11) per "NI 43-101 Feasibility Study Technical Report, Loma Larga Project, Azuay Province, Ecuador" dated June 10, 2020, available at [www.sedar.com](http://www.sedar.com)

(2) Equity offer value based on C\$0.80/sh offer price

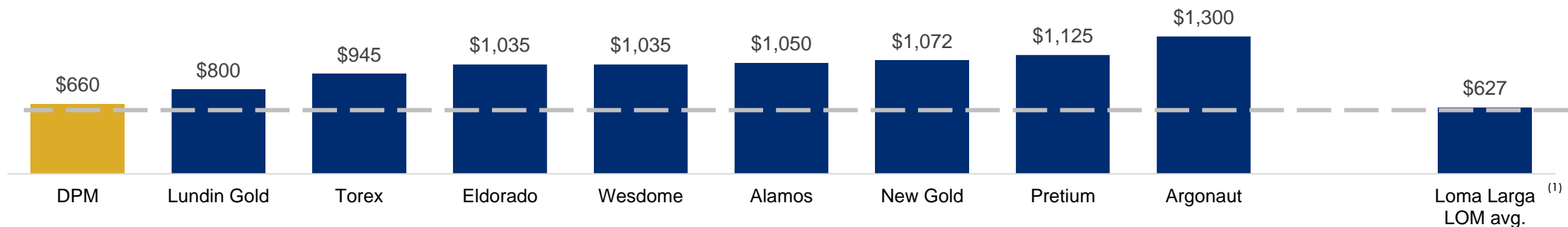
# Complementary to DPM's Existing Operations & Capabilities

Adds significantly to production and further strengthens industry-leading cost position

## 2021 Production Guidance (k oz. Au)



## 2021 AISC Guidance (US\$/oz. Au, net of by-products)



Source: Company disclosure

Note: Midpoint shown for guidance range, as applicable

(1) Loma Larga metrics based on LOM average for full production years (years 2 through 11) per "NI 43-101 Feasibility Study Technical Report, Loma Larga Project, Azuay Province, Ecuador" dated June 10, 2020, available at [www.sedar.com](http://www.sedar.com)

# Maintains DPM's Financial Strength & Flexibility

Preserves DPM's strong balance sheet & ability to pursue additional growth opportunities

- All-share transaction increases ownership from existing 23.5% to 100%
- Shares issued represent ~5.5% of DPM shares outstanding following the transaction
- Significant free cash flow generation from existing DPM operations and available capital resources more than sufficient to fund the project
- Attractive dividend and disciplined capital allocation framework maintained

Pro Forma Capitalization			
			Combined
Exchanges	TSX	TSX	TSX
Share Price (C\$/sh)	\$8.81	\$0.49	\$8.81
Shares O/S	182	153 <sup>(2)</sup>	193
Cash (US\$M) <sup>(1)</sup>	\$176	\$5	\$181
Debt (US\$M)	-	-(3)	-
Quarterly Dividend <sup>(4)</sup> (US\$/sh)	\$0.03	N/A	\$0.03

Source: Bloomberg and S&P Capital IQ as at May 28, 2021

(1) Source: Company reports. Represents cash balance as at March 31, 2021 for DPM and March 31, 2021 for INV.

(2) Includes RSUs.

(3) Excludes lease liabilities.

(4) Represents Dundee Precious Metals' Q2 2021 quarterly dividend, as announced on May 5, 2021



# Disciplined Approach to Project Development

## Next steps to building additional value for all stakeholders

- Prioritize engagement with local communities to develop an acceptable project plan and secure social license
- Review permitting schedule in conjunction with the key stakeholders to refine development timeline
- Minimize up front expenditures throughout permitting process
- Review existing Loma Larga feasibility study for optimization opportunities
- Review EIS with the goal of further enhancing standards
- Secure an investor protection agreement with the Ecuadorian government prior to making any significant capital commitments
- Leverage DPM's technical and stakeholder engagement experience, financial strength and resources to permit, build and operate Loma Larga



# Advancing Loma Larga Consistent with our Strategy & Track Record

## Commitment to the highest standards for engagement with local communities and environmental stewardship

- Our corporate purpose, “Unlocking resources and generating value to thrive & growth together” emphasizes our ability to deliver positive value for all stakeholders
- DPM brings a depth of experience and a strong track record from our existing operations
- Committed to engaging with all stakeholders, current and future, to find innovative solutions in a fit-for-purpose manner that applies to all
- DPM’s efforts recognized ‘A’ rating from MSCI, an independent ESG ratings agency





# Loma Larga Mineral Reserve & Resource Estimate

(as at March 31, 2020)

Mineral Reserves	Million Tonnes	Au (Moz)	Ag (Moz)	Cu (Mlbs)	Au (g/t)	Ag (g/t)	Cu (%)
Proven	2.9	0.7	3.3	28.5	7.30	34.8	0.44%
Probable	11.0	1.5	10.0	59.5	4.28	28.3	0.25%
<b>Proven &amp; Probable Sub Total</b>	<b>13.9</b>	<b>2.2</b>	<b>13.3</b>	<b>88.0</b>	<b>4.91</b>	<b>29.6</b>	<b>0.29%</b>

**Notes:**

1. CIM 2014 Definition Standards were followed for Mineral Reserves.
2. Mineral Reserves include long hole and drift-and-fill stopes as well as development in ore.
3. Mineral Reserves are reported at an NSR cut-off value of US\$60/t.
4. Mineral Reserves are estimated using a long-term gold price of US\$1,400 per ounce, silver price of US\$18.00 per ounce, and copper price of US\$3.00 per pound.
5. Average bulk density is 2.7 t/m<sup>3</sup>.
6. Numbers may not add due to rounding.

Mineral Resources (inclusive of Mineral Reserves)	Million Tonnes	Au (Moz)	Ag (Moz)	Cu (Mlbs)	Au (g/t)	Ag (g/t)	Cu (%)
<b>Measured &amp; Indicated</b>	<b>24.1</b>	<b>2.9</b>	<b>19.2</b>	<b>116.6</b>	<b>3.76</b>	<b>24.8</b>	<b>0.22%</b>
Inferred	6.2	0.4	5.1	16.9	2.03	25.6	0.12%

**Notes:**

1. CIM 2014 Definition Standards were followed for Mineral Resources.
2. Mineral Resources are reported at an NSR cut-off value of US\$55/t.
3. Mineral Resources are estimated using a long-term gold price of US\$1,650 per ounce, silver price of US\$21.00 per ounce, and copper price of US\$3.75 per pound.
4. The formula used to calculate gold equivalency (AuEq) is:  $(\text{Au g/t} \times 35.78 + \text{Ag g/t} \times 0.42 + \text{Cu\%} \times 49.58) \div 35.78$ . The formula considers estimated metallurgical recoveries, assumed metal prices and smelter, which include payable factors, treatment charges, penalties, and refining charges
5. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
6. Mineral Resources are inclusive of Mineral Reserves.
7. Average bulk density is 2.7 t/m<sup>3</sup>.
8. Numbers may not add due to rounding



# Qualified Person Disclosure

## **DPM Qualified Person**

All scientific and technical information in this presentation with respect to DPM and its assets were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) and were reviewed and approved by Ross Overall, Corporate Mineral Resource Manager of DPM, who is a qualified person as defined under NI 43-101, and not independent of the Company.

## **INV Metals Qualified Person**

All scientific and technical information in this news release with respect to INV Metals and its assets were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and NI 43-101 and were reviewed and approved by Bill Shaver, P. Eng, a mining engineer and Chief Operating Officer of INV Metals, who is the qualified person for the purpose of NI 43-101.



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