Dundee
PRECIOUS METALS

Innovation. Growth. Value.

2019 First Quarter Report

FIRST QUARTER REPORT – Q1 2019

TABLE OF CONTENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS

of Consolidated Financial Condition and Results of Operations

for the Three Months Ended March 31, 2019

(All monetary figures are expressed in U.S. dollars unless otherwise stated)

The following is Management's Discussion and Analysis ("MD&A") of the consolidated financial condition and results of operations of Dundee Precious Metals Inc. ("DPM" and, together with its consolidated subsidiaries, collectively referred to as the "Company") for the three months ended March 31, 2019. This MD&A should be read in conjunction with DPM's unaudited condensed interim consolidated financial statements for the three months ended March 31, 2019 prepared in accordance with International Financial Reporting Standards ("IFRS") and the MD&A for the year ended December 31, 2018. Additional Company information, including the Company's most recent annual information form ("AIF") and other continuous disclosure documents, can be accessed through the System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com and the Company's website at www.dundeeprecious.com. To the extent applicable, updated information contained in this MD&A supersedes older information contained in previously filed continuous disclosure documents. Capitalized terms used in this MD&A that have not been defined have the same meanings attributed to them in DPM's unaudited condensed interim consolidated financial statements for the three months ended March 31, 2019. Information contained on the Company's website is not incorporated by reference herein and does not form part of this MD&A. This MD&A contains forward looking statements that are based on certain estimates and assumptions and involve risks and uncertainties. Actual results may vary materially from management's expectations. See the "Cautionary Note Regarding Forward Looking Statements" and "Risks and Uncertainties" sections later in this MD&A for further information.

The technical information in this MD&A, with respect to the Company's material mineral projects, has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators and the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources and Mineral Reserves, and has been reviewed and approved by Richard Gosse, M.Sc. (Mineral Exploration), Senior Vice President, Exploration of DPM and Ross Overall, B.Sc. (Applied Geology), Corporate Senior Resource Geologist of DPM, who are Qualified Persons as defined under NI 43-101 ("QP"), and not independent of the Company.

This MD&A has been prepared as at May 9, 2019.

OVERVIEW

Our Business

DPM is a Canadian based, international gold mining company engaged in the acquisition of mineral properties, exploration, development, mining and processing of precious metals. Its common shares (symbol: DPM) are traded on the Toronto Stock Exchange ("TSX").

The Company's vision is to be a progressive gold mining company that unlocks superior value through innovation and strong partnerships with stakeholders. Through operational excellence and innovation capability, DPM is focused on optimizing the performance of each of its operating assets to deliver strong margins and safe and reliable production results. The Company is also focused on building a pipeline of future growth opportunities that leverages that same expertise to unlock value and generate a superior return on capital employed. DPM's demonstrated ability to engage and work closely with key stakeholders, and conduct its business in a responsible and sustainable manner, allows the Company to be successful in each of the countries in which it operates.

As at March 31, 2019, DPM's principal subsidiaries include:

- 100% of Dundee Precious Metals Chelopech EAD ("Chelopech"), which owns and operates a gold, copper and silver mine located east of Sofia, Bulgaria;
- 100% of Dundee Precious Metals Krumovgrad EAD ("Krumovgrad"), which owns and operates a gold mine located in south eastern Bulgaria, near the town of Krumovgrad; and
- 100% of Dundee Precious Metals Tsumeb (Proprietary) Limited ("Tsumeb"), which owns and operates a custom smelter located in Tsumeb, Namibia.

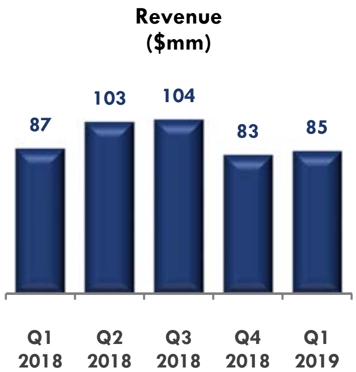
DPM also holds interests in a number of exploration properties located in Canada, Serbia and Armenia, including:

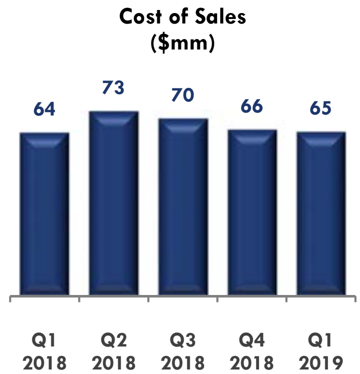
- 10.4% of Sabina Gold & Silver Corp. ("Sabina"), which is focused on the Back River project in southwestern Nunavut, Canada;
- 100% of Avala Resources Ltd. ("Avala"), which is focused on the exploration and development of the Timok gold project, the Lenovac project, the Tulare copper and gold project and other early stage projects in Serbia; and
- through an option agreement, the right to earn up to a 71% interest in Pershimex Resources Corporation's gold property located in the Archean Abitibi greenstone belt near Val-d'Or, Canada.

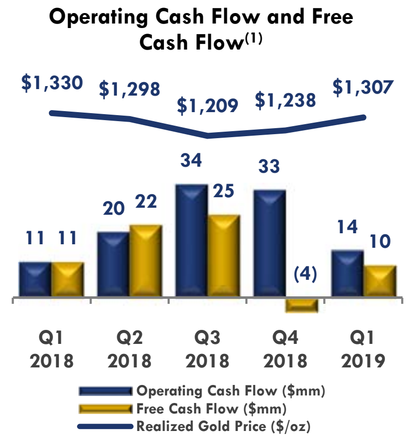
DPM also owns:

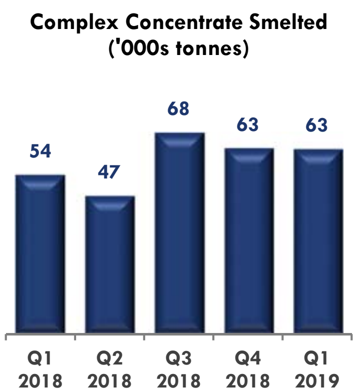
- 78% equity interest in MineRP Holdings (Proprietary) Limited, an independent mining software vendor with operations in Canada, South Africa, Australia and Chile, through MineRP Holdings Inc. ("MineRP").

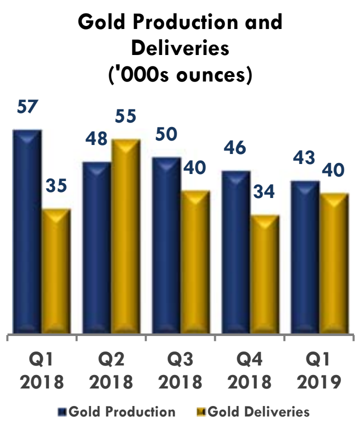
Overview - Operational and Financial Highlights

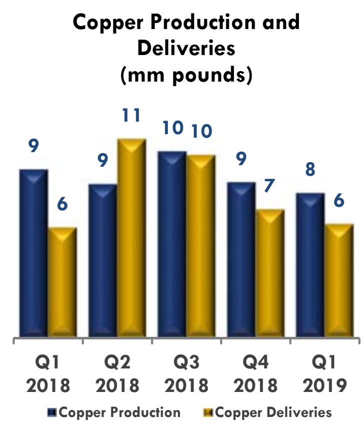


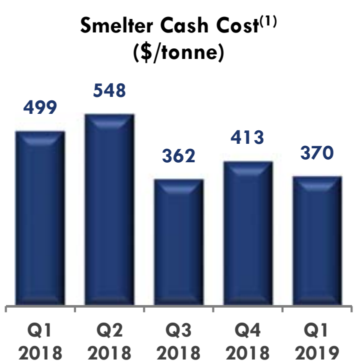


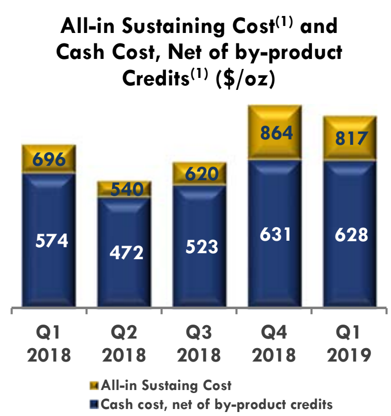


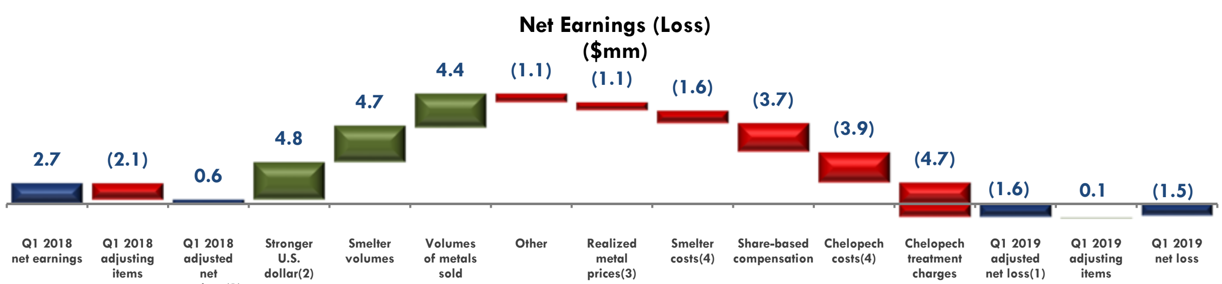












1) *Refer to the "Non-GAAP Financial Measures" section contained in this MD&A for reconciliations to IFRS measures.*
2) *Includes net realized gains and losses on foreign exchange forward contracts.*
3) *Includes net gains and losses on commodity swap and option contracts in Q1 2018.*
4) *Excludes impact of depreciation and foreign exchange.*
5) *Net debt represents total debt less cash at the end of the period.*

Financial results in the first quarter of 2019 reflected strong operating performance at Chelopech and record first quarter production at Tsumeb. Both operations performed in line with first quarter operating plans and remain on track to achieve their 2019 production guidance. Construction of the Krumovgrad project was substantially completed at March 31, 2019 and first concentrate production was achieved in March with commercial production and commencement of the depreciation on the invested capital expected in the second quarter of 2019.

In the first quarter of 2019, the Company reported a net loss attributable to common shareholders of $1.5 million compared to net earnings attributable to common shareholders of $2.7 million in the corresponding period in 2018. This decrease was due primarily to higher Chelopech treatment charges related to unfavourable final settlements of provisionally priced concentrate sales, the mark-to-market related to strong share price performance and a higher cost per tonne of gold-copper concentrate produced and sold reflecting lower copper grades, partially offset by higher volumes of complex concentrate smelted, higher volumes of payable gold in concentrate sold as a result of higher gold grades in concentrate sold and a stronger U.S. dollar relative to the ZAR and Euro.

Cash resources, including DPM’s long-term revolving credit facility (“RCF”), were $248 million as at March 31, 2019. With the start-up of Krumovgrad and the corresponding expected increase in operating cash flow, the Company is amending the terms and size of its RCF, resulting in tranches A and C being cancelled in April 2019 and tranche B being increased to $175 million from $150 million in May 2019.

REVIEW OF FINANCIAL AND OPERATIONAL CONSOLIDATED RESULTS

The following tables summarize the Company's selected financial and operational results:

$ thousands, unless otherwise indicated	Three Months	
Ended March 31,	**2019**	2018
Financial Results		
Revenue	**85,338**	86,888
Cost of sales	**64,733**	64,400
Depreciation and amortization	**14,754**	14,427
General and administrative expenses	**13,358**	9,613
Exploration and evaluation expenses	**2,905**	1,926
Finance cost	**3,032**	1,923
Other expense	**2,054**	3,132
Earnings (loss) before income taxes	**(994)**	5,635
Income tax expense	**808**	2,962
Net earnings (loss) attributable to common shareholders	**(1,488)**	2,707
Basic earnings (loss) per share	**(0.01)**	0.02
Adjusted EBITDA(1)	**16,678**	19,520
Adjusted net earnings (loss)(1)	**(1,555)**	645
Adjusted basic earnings (loss) per share(1)	**(0.01)**	0.00
Cash provided from operating activities	**14,453**	11,043
Free cash flow(1)	**10,027**	10,987
Capital expenditures incurred:		
Growth(1)	**17,706**	25,094
Sustaining(1)	**2,464**	5,340
Total capital expenditures	**20,170**	30,434
Operational Highlights		
Metals contained in concentrate produced:		
Gold *(ounces)*(2)	**43,034**	57,331
Copper *('000s pounds)*	**8,021**	9,261
Payable metals in concentrate sold:		
Gold *(ounces)*(3)	**39,559**	35,156
Copper *('000s pounds)*	**6,315**	6,084
Cash cost per ounce of gold sold, net of by-product credits(1),(4),(5),(6)	**628**	574
All-in sustaining cost per ounce of gold(1),(4),(6),(7)	**817**	696
Complex concentrate smelted at Tsumeb *(mt)*	**62,822**	54,142
Cash cost per tonne of complex concentrate smelted at Tsumeb, net of by-product credits(1),(8)	**370**	499

As at,	**March 31, 2019**	December 31, 2018
Financial Position and Available Liquidity		
Cash	**13,958**	17,043
Investments at fair value	**31,811**	29,997
Total assets	**868,740**	859,585
Debt	**29,000**	29,000
Equity	**638,503**	638,181
Number of common shares outstanding *('000s)*	**178,844**	178,548
Share price (Cdn$ per share)	**4.43**	3.60
Available liquidity(9)	**247,958**	255,043

1) Adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA"); adjusted net earnings (loss); adjusted basic earnings (loss) per share; free cash flow; growth and sustaining capital expenditures; cash cost per ounce of gold sold, net of by-product credits; all-in sustaining cost per ounce of gold; and cash cost per tonne of complex concentrate smelted at Tsumeb, net of by-product credits, are not defined measures under IFRS. Refer to the "Non-GAAP Financial Measures" section of this MD&A for reconciliations to IFRS measures.

2) Includes gold contained in pyrite concentrate produced in the first quarter of 2019 of 13,249 ounces compared to 15,148 ounces for the corresponding period in 2018.

3) Includes payable gold in pyrite concentrate sold in the first quarter of 2019 of 11,053 ounces compared to 10,555 ounces for the corresponding period in 2018.

4) Includes payable gold in pyrite concentrate sold, and the treatment charges, transportation and other selling costs related to the sale of pyrite concentrate of $7.1 million in the first quarter of 2019 compared to $6.6 million the corresponding period in 2018.

5) *Cash cost per ounce of gold sold, net of by-product credits, represents cost of sales at Chelopech less depreciation, amortization and other non-cash expenses plus treatment charges, penalties, transportation and other selling costs less by-product copper and silver revenues, divided by the payable gold in copper and pyrite concentrates sold.*
6) *Includes realized losses on copper swap and option contracts, entered to hedge a portion of projected payable production, of $2.6 million for the first quarter of 2018.*
7) *All-in sustaining cost per ounce of gold represents cost of sales at Chelopech less depreciation, amortization and other non-cash items plus treatment charges, penalties, transportation and other selling costs, sustaining capital expenditures, rehabilitation related accretion expenses and an allocated portion of the Company's general and administrative expenses and corporate social responsibility expenses, less by-product revenues in respect of copper and silver, divided by the payable gold in copper and pyrite concentrates sold.*
8) *Cash cost per tonne of complex concentrate smelted at Tsumeb, net of by-product credits, represents cost of sales less depreciation and amortization and net of revenue related to the sale of acid divided by the volumes of complex concentrate smelted.*
9) *Available liquidity is defined as undrawn capacity under the RCF plus cash at the end of the reporting period.*

Commodity Prices and Foreign Exchange Rates

Commodity prices are one of the principal determinants of the Company's results of operations and financial condition. In addition, as an entity reporting in U.S. dollars with operations in several countries, fluctuations in foreign exchange rates between the U.S. dollar and the Bulgarian lev, which is pegged to the Euro, the Namibian dollar, which is pegged to the South African rand ("ZAR") on a 1:1 basis, and the Canadian dollar ("Cdn$") can also impact the Company's results of operations and financial condition.

The following table summarizes the average trading price for gold, copper and silver based on the London Bullion Market Association ("LBMA") for gold and silver, and the London Metal Exchange ("LME") for copper (Grade A) for the three months ended March 31, 2019 and 2018 and highlights the overall year over year change in commodity prices.

Metal Market Prices (Average) Ended March 31,	**Three Months**		
	2019	2018	**Change**
LBMA gold *($/ounce)*	**1,304**	1,330	**(2%)**
LME settlement copper *($/pound)*	**2.82**	3.16	**(11%)**
LBMA spot silver *($/ounce)*	**15.57**	16.77	**(7%)**

The average realized gold price for the first quarter of 2019 was $1,307 per ounce, down 2% compared to $1,330 per ounce in the corresponding period in 2018. The average realized copper price for the first quarter 2019 of $2.77 per pound was comparable to the corresponding period in 2018. Average realized gold and copper prices are not defined measures under IFRS. For a reconciliation to IFRS, refer to the "Non-GAAP Financial Measures" section contained in this MD&A.

The following table sets out the average foreign exchange rates for the principal currencies impacting the Company and highlights the overall year over year strength of the U.S. dollar relative to these currencies.

Average Foreign Exchange Rates Ended March 31,	**Three Months**		
	2019	2018	**Change**
US$/Cdn$	**1.3292**	1.2648	**5%**
Euro/US$	**1.1357**	1.2291	**8%**
US$/ZAR	**14.0006**	11.9446	**17%**

Approximately 87% and 8% of projected Namibian dollar operating expenses for the balance of 2019 and full year 2020, respectively, have been hedged. At March 31, 2019, the remaining construction cost of the Krumovgrad project has been substantially hedged. For more information on DPM's risk management activities, refer to the "Financial Instruments" section contained in this MD&A.

Metals Production

In the first quarter of 2019, gold contained in concentrate produced decreased by 25% to 43,034 ounces and copper production decreased by 13% to 8.0 million, in each case, relative to the corresponding period in 2018. These decreases were due primarily to lower grades at Chelopech, in line with its 2019 mine plan. Chelopech remains on track to meet its 2019 production guidance.

Metals Sold

In the first quarter of 2019, payable gold in concentrate sold increased by 13% to 39,559 ounces and payable copper increased by 4% to 6.3 million pounds, in each case, relative to the corresponding period in 2018. The increase in payable gold was due primarily to higher gold grades in the concentrate sold in 2019.

Complex concentrate smelted

Complex concentrate smelted during the first quarter of 2019 of 62,822 tonnes was 16% higher than the corresponding period in 2018 due primarily to strong performance and a steady state of operations at Tsumeb. This is a record first quarter performance where seasonal power grid instability typically impacts operations, a concern that was successfully mitigated during the quarter.

Revenue

Revenue during the first quarter of 2019 of $85.3 million was $1.6 million lower than the corresponding period in 2018 due primarily to higher Chelopech treatment charges related to unfavourable final settlements of provisionally priced concentrate sales, lower third party toll rates at Tsumeb and lower gold prices, partially offset by higher volumes of payable gold in concentrate sold and higher complex concentrate smelted.

Cost of sales

Cost of sales in the first quarter of 2019 of $64.7 million was comparable to the corresponding period in 2018. The favourable impact of a stronger U.S. dollar relative to the ZAR and Euro offset higher cost per tonne of gold-copper concentrate produced and sold at Chelopech, reflecting lower copper grades, and higher local currency expenses at Tsumeb. This increase was due primarily to higher employment costs as a result of higher performance-based compensation and annual increases in line with local inflation, and higher rates for fuel, partially offset by the benefits of cost savings initiatives, which resulted in a decrease in contractor and consultant expenses.

All-in sustaining cost per ounce of gold

All-in sustaining cost per ounce of gold in the first quarter of 2019 of $817 was $121 higher than the corresponding period in 2018 due primarily to a higher cost per tonne of gold-copper concentrate produced and sold and higher allocated corporate general and administrative expenses as a result of the mark-to-market impact related to strong share price performance, partially offset by the favourable impact of higher gold grades in concentrate sold and a stronger U.S. dollar relative to the Euro.

Cash cost per tonne of complex concentrate smelted, net of by-product credits

Cash cost per tonne of complex concentrate smelted at Tsumeb, net of by-product credits, during the first quarter of 2019 of $370 was $129 lower than the corresponding period in 2018 due primarily to higher volumes of complex concentrate smelted, the favourable impact of a weaker ZAR relative to the U.S. dollar and the benefits of cost savings initiatives, which resulted in a decrease in contractor and consultant expenses, partially offset by higher employment costs as a result of higher performance-based compensation and annual increases in line with local inflation, and higher rates for fuel.

General and administrative expenses

General and administrative expenses in the first quarter of 2019 of $13.3 million were $3.7 million higher than the corresponding period in 2018 due primarily to higher share-based compensation, reflecting strong share price performance.

Exploration and evaluation expenses

Exploration and evaluation expenses during the first quarter of 2019 of $2.9 million were $1.0 million higher than the corresponding period in 2018 due primarily to increased activities in Serbia and at Chelopech. For a more detailed discussion on the Company's exploration activities, refer to the "Exploration" section contained in this MD&A.

Finance costs

Finance costs, which are comprised of interest and other financing costs in respect of the Company's debt, lease obligations and asset retirement obligations, were $3.0 million in the first quarter of 2019, $1.1 million higher than the corresponding period in 2018 due primarily to the cancellation of tranches A and C of the RCF, and the resultant accelerated amortization of certain costs related to tranches A and C, which had previously been deferred and were being amortized over the remaining term of these tranches.

Other expense

Other expense is primarily comprised of foreign exchange translation gains or losses, unrealized gains or losses on Sabina special warrants, and research costs associated with assessing alternate arsenic stabilization and disposal methods at Tsumeb.

The following table summarizes the items making up other expense:

$ thousands	**Three Months**	
Ended March 31,	**2019**	2018
Net (gains) losses on Sabina special warrants	**(67)**	1,117
Net foreign exchange losses[1]	**1,118**	1,146
Interest income	**(47)**	(50)
Other expense, net[2]	**1,050**	919
Total other expense	**2,054**	3,132

1) *Primarily related to the revaluation of foreign denominated monetary assets and liabilities.*
2) *Includes $0.9 million (2018 - $0.5 million) in the first quarter of 2019 in respect of testwork being done to treat arsenic using an arsenic vitrification plant.*

Income tax expense

Income tax expense and the effective tax rate of the Company can vary significantly from one period to the next based on a number of factors. For the three months ended March 31, 2019 and 2018, the Company's effective tax rate was impacted primarily by the Company's amount of earnings, mix of foreign earnings, which are subject to lower tax rates in certain jurisdictions, and unrecognized tax benefits relating to corporate operating, exploration and development costs.

$ thousands, unless otherwise indicated	**Three Months**	
Ended March 31,	**2019**	2018
Earnings (loss) before income taxes	**(994)**	5,635
Combined Canadian federal and provincial statutory income tax rates	**26.5%**	26.5%
Expected income tax expense (recovery)	**(263)**	1,493
Lower rates on foreign earnings	**(4,492)**	(3,407)
Unrecognized tax benefits relating to losses	**4,942**	5,307
Non-taxable portion of capital (gains) losses	**584**	(136)
Non-deductible share based compensation expense	**88**	90
Other, net	**(51)**	(385)
Income tax expense	**808**	2,962
Effective income tax rates	**(81.3%)**	52.6%

Net earnings (loss) attributable to common shareholders and adjusted net earnings (loss)

In the first quarter of 2019, the Company reported a net loss attributable to common shareholders of $1.5 million compared to net earnings attributable to common shareholders of $2.7 million in the corresponding period in 2018. This decrease was due primarily to higher Chelopech treatment charges related to unfavourable final settlements of provisionally priced concentrate sales, higher share-based compensation and a higher cost per tonne of gold-copper concentrate produced and sold reflecting lower copper grades, partially offset by higher volumes of complex concentrate smelted, higher volumes of payable gold in concentrate sold and a stronger U.S. dollar relative to the ZAR and Euro.

Adjusted net loss in the first quarter of 2019 was $1.6 million compared to adjusted net earnings of $0.6 million in the corresponding period in 2018 and excludes net after-tax gains of $0.1 million (2018 – $2.1 million) related to several items not reflective of the Company's underlying operating performance, including unrealized gains on commodity price hedges that, prior to the adoption of IFRS 9 in 2018, did not receive hedge accounting treatment and gains and losses on Sabina special warrants. For more details on these adjustments, refer to the "Non-GAAP Financial Measures" section contained in this MD&A.

The following table summarizes adjusted net earnings (loss) by segment:

$ thousands	Three Months	
Ended March 31,	**2019**	2018
Chelopech	**13,843**	16,197
Tsumeb	**3,186**	(4,654)
Corporate & Other	**(18,584)**	(10,898)
Total adjusted net earnings (loss)	**(1,555)**	645

Adjusted EBITDA

Adjusted EBITDA in the first quarter of 2019 was $16.7 million compared to $19.5 million in the corresponding period in 2018 reflecting the same factors that affected adjusted net earnings (loss), except for depreciation, interest and income taxes, which are excluded from adjusted EBITDA.

The following table summarizes adjusted EBITDA by segment:

$ thousands	Three Months	
Ended March 31,	**2019**	2018
Chelopech	**22,922**	26,523
Tsumeb	**10,535**	2,193
Corporate & Other	**(16,779)**	(9,196)
Total adjusted EBITDA	**16,678**	19,520

The Corporate and Other Segment includes MineRP, corporate general and administrative expenses, corporate social responsibility expenses, exploration and development projects, and other income and expense items that do not pertain directly to an operating segment. A more detailed discussion of Chelopech, Tsumeb and Corporate & Other results can be found in the section entitled "Review of Operating Results by Segment" contained in this MD&A.

Cash provided from operating activities

Cash provided from operating activities in the first quarter of 2019 was $14.4 million compared to $11.0 million in the corresponding period in 2018 reflecting the same factors affecting net earnings (loss) and lower period over period working capital requirements. For a detailed discussion on the factors affecting cash provided from operating activities, refer to the "Liquidity and Capital Resources" section contained in this MD&A.

Free cash flow

Free cash flow in the first quarter of 2019 was $10.0 million compared to $11.0 million in the corresponding period in 2018. Free cash flow was impacted by the same factors affecting cash provided from operating activities, with the exception of changes in working capital, which are excluded from free cash flow, and lower outlays for sustaining capital.

Capital expenditures

Capital expenditures during the first quarter of 2019 were $20.2 million compared to $30.4 million in the corresponding period in 2018.

First quarter of 2019 growth capital expenditures, which were mostly related to the construction of the Krumovgrad project, were $17.7 million compared to $25.1 million in the corresponding period in 2018. Sustaining capital expenditures incurred during the first quarter of 2019 were $2.5 million compared to $5.3 million in the corresponding period in 2018 due primarily to the timing of executing planned projects.

2019 GUIDANCE

The information contained in this section of the MD&A contains forward looking statements that are based on certain estimates and assumptions and involve risks and uncertainties. Actual results may vary materially from management's expectations. For further information, refer to the "Cautionary Note Regarding Forward Looking Statements" and "Risks and Uncertainties" sections contained in this MD&A.

Overall Outlook and Strategy

DPM continues to focus on increasing the profitability of its business by optimizing existing assets and ramping up its new Krumovgrad gold mine, which achieved first concentrate production in the first quarter with commercial production expected in the second quarter. This is expected to generate significant growth in gold production and cash flow, which will further strengthen the Company's balance sheet and support pursuing a variety of margin improvement and growth opportunities within its existing portfolio of assets. These growth opportunities include exploration programs in Bulgaria, near Chelopech and Krumovgrad, and in Serbia, near the Timok gold project, as well as new investment opportunities that are consistent with the Company's strategy. These opportunities will be assessed based on a disciplined capital allocation framework that balances the reinvestment of capital with building financial strength, and returning capital to shareholders.

The Company's guidance for 2019 is set out in the following table and remains unchanged from the guidance issued in February 2019, except for the range of Krumovgrad capital expenditures which has been narrowed:

$ millions, unless otherwise indicated	**Chelopech**	**Krumovgrad**	**Tsumeb**	**Consolidated**
Ore mined *('000s tonnes)*	2,100 – 2,200	440 – 590	-	2,540 – 2,790
Cash cost per tonne of ore processed(3),(4)	36 – 39	50 – 60	-	-
Metals contained in concentrate produced(1),(2)				
Gold *('000s ounces)*	155 – 187	55 – 75	-	210 – 262
Copper *(million pounds)*	33 – 39	-	-	33 – 39
Payable metals in concentrate sold(1)				
Gold *('000s ounces)*	138 – 165	53 – 72	-	191 – 237
Copper *(million pounds)*	32 – 37	-	-	32 – 37
All-in sustaining cost per ounce of gold(3),(4),(5),(8)	-	-	-	675 – 820
Complex concentrate smelted *('000s tonnes)*	-	-	225 – 250	225 – 250
Cash cost per tonne of complex concentrate smelted at Tsumeb, net of by-product credits(3),(4)	-	-	380 – 450	380 – 450
Corporate general and administrative expenses(3),(6)	-	-	-	16 – 20
Exploration expenses(3)	-	-	-	12 – 14
Sustaining capital expenditures(3),(4),(7)	16 – 19	4 – 5	14 – 18	38 – 46
Growth capital expenditures(3),(4)	4 – 5	25 – 27	-	29 – 32

1) *Gold produced includes gold in pyrite concentrate produced of 43,000 to 53,000 ounces and payable gold sold includes payable gold in pyrite concentrate sold of 30,000 to 35,000 ounces.*
2) *Metals contained in concentrate produced are prior to deductions associated with smelter terms.*
3) *Based on Euro/US$ exchange rate of 1.15, US$/ZAR exchange rate of 14.20 and copper price of $2.75 per pound, where applicable.*
4) *Cash cost per tonne of ore processed, all-in sustaining cost per ounce of gold and cash cost per tonne of complex concentrate smelted at Tsumeb, net of by-product credits, and sustaining and growth capital expenditures have no standardized meaning under IFRS. Refer to the "Non-GAAP Financial Measures" section of this MD&A for more information.*
5) *Includes the treatment charges, transportation and other selling costs related to the sale of pyrite concentrate, and payable gold in pyrite concentrate sold.*
6) *Excludes mark-to-market adjustments on share-based compensation and MineRP's general and administrative expenses.*
7) *Consolidated sustaining capital expenditures include $4 million related to Corporate digital initiatives.*
8) *All-in sustaining cost per ounce of gold represents cost of sales at Chelopech and Krumovgrad less Chelopech and Krumovgrad's depreciation, amortization and other non-cash items plus treatment charges, penalties, transportation and other selling costs, sustaining capital expenditures, rehabilitation related accretion expenses and an allocated portion of the Company's general and administrative expenses and corporate social responsibility expenses, less by-product revenues in respect of copper and silver, divided by the payable gold in concentrates sold.*

The 2019 guidance provided above is not expected to occur evenly throughout the year. The estimated metals contained in concentrate produced, payable metals in concentrate sold and volumes of complex concentrate smelted are expected to vary from quarter to quarter depending on the areas being mined, the timing of concentrate deliveries and planned outages. The rate of capital expenditures is also expected to vary from quarter to quarter based on the schedule for, and execution of, each capital project.

Chelopech

Gold contained in concentrate produced is expected to be between 155,000 and 187,000 ounces in 2019, reflecting grades returning to expected life of mine levels in 2019. Gold production in 2019 is expected to be higher in the first half based on the existing mine plans.

Sustaining capital expenditures are expected to be higher than in recent years reflecting approximately $6 million to extend the life of Chelopech's tailings management facility. Growth capital expenditures related to resource development drilling and margin improvement projects are expected to be between $4 million to $5 million.

Tsumeb

Complex concentrate smelted in 2019 is expected to be between 225,000 and 250,000 tonnes, an increase of up to 8% over 2018 production levels. Work in 2019 will be targeted at further improving the availability and performance of all facilities, and to support the current 18-month Ausmelt operating cycle and the planned move to 24 months in the next campaign, which would significantly increase average annual throughput and defer the next furnace rebuild to 2021. Volumes of complex concentrate smelted in the second half of 2019 are expected to be lower than the first half due to the maintenance shutdown, which is planned to take place in the fourth quarter at the completion of the current 18-month Ausmelt campaign.

Krumovgrad

Gold contained in concentrate produced is expected to be between 55,000 and 75,000 ounces in 2019. There is significant operating flexibility given the various grades of current stockpiles, which is expected to reduce the impact of potential delays in ramp-up.

As at March 31, 2019, approximately $152 million has been incurred and with an additional $12 million to $14 million forecast for 2019, the aggregate cost of the project is expected to be between $164 million and $166 million, compared to the original estimate of $178 million.

MineRP

DPM does not anticipate a material contribution to earnings or cash flow from MineRP operating results in 2019 given that it is in a growth ramp-up phase but does expect to see an increase in new customers based on the pipeline of prospective new customers. Chelopech anticipates finalizing the implementation of MineRP's planning software early in the third quarter of 2019, which is expected to support further optimization initiatives being developed in the Smart Center and integration into a new business planning system currently under development.

Exploration

Expenditures related to exploration in 2019 are expected to range between $12 million and $14 million, in line with 2018 spending. The 2019 budget is being used to fund major drilling programs at Chelopech, consisting of 10,000 metres of underground drilling on the Southeast Breccia Pipe Zone ("SEBPZ") and 7,000 metres of surface drilling at the Krasta prospect and other near-mine targets around Chelopech as well as drill programs at Krumovgrad, on the concession and on nearby exploration licenses, for a total 8,900 metres. A further 2,000 metres is planned for exploration and resource drilling at the Timok gold project in Serbia. Elsewhere, the exploration budget for 2019 will be put toward metallurgical testwork for the Surnak prospect near Krumovgrad. The remaining exploration budget will be deployed primarily to other greenfield projects in Bulgaria, Serbia and Quebec.

Chelopech – Selected Operational and Financial Highlights

$ thousands, unless otherwise indicated	Three Months	
Ended March 31,	**2019**	2018
Operational Highlights		
Ore mined *(mt)*	**554,649**	557,017
Ore processed *(mt)*	**551,809**	558,149
Head grade / recoveries in gold-copper concentrate (ore milled)		
Gold *(g/mt)* / %	**3.29 / 51.1**	4.46 / 52.8
Copper *(%)* / %	**0.80 / 82.6**	0.93 / 80.5
Silver *(g/mt)* / %	**5.37 / 32.2**	8.03 / 37.7
Gold-copper concentrate produced *(mt)*	**23,370**	26,974
Pyrite concentrate produced *(mt)*	**58,077**	58,252
Metals contained in concentrate produced:		
Gold in gold-copper concentrate *(ounces)*	**29,785**	42,183
Gold in pyrite concentrate *(ounces)*	**13,249**	15,148
Copper *(pounds)*	**8,020,556**	9,261,184
Silver *(ounces)*	**30,735**	54,367
Cash cost per tonne of ore processed(1),(2)	**34.70**	37.23
Cash cost per ounce of gold in gold-copper concentrate produced(1),(2),(3)	**399**	309
Cash cost per pound of copper in gold-copper concentrate produced(1),(2),(3)	**0.85**	0.74
Gold-copper concentrate delivered *(mt)*	**20,152**	19,296
Pyrite concentrate delivered *(mt)*	**71,477**	67,061
Payable metals in concentrate sold:		
Gold in gold-copper concentrate *(ounces)*(5)	**28,506**	24,601
Gold in pyrite concentrate *(ounces)*(5)	**11,053**	10,555
Copper *(pounds)*(5)	**6,315,454**	6,084,159
Silver *(ounces)*(5)	**25,061**	36,497
Cash cost per ounce of gold sold, net of by-product credits (2),(4),(6),(7)	**628**	574
Cost per tonne of gold-copper concentrate sold(8)	**1,269**	1,168
Financial Highlights		
Revenue(9)	**41,784**	45,873
Cost of sales(10)	**25,563**	22,546
Earnings before income taxes	**15,141**	22,040
Adjusted EBITDA(2)	**22,922**	26,523
Net earnings	**13,843**	19,377
Adjusted net earnings	**13,843**	16,197
Capital expenditures incurred:		
Growth(2)	**1,025**	810
Sustaining(2)	**1,537**	829
Total capital expenditures	**2,562**	1,639

1) *Cash costs are reported in U.S. dollars, although the majority of costs incurred are denominated in non-U.S. dollars, and consist of all production related expenses including mining, processing, services, royalties and general and administrative.*
2) *Refer to the "Non-GAAP Financial Measures" section of this MD&A for reconciliations of these non-GAAP measures.*
3) *Gold and copper are accounted for as co-products. Total cash costs are net of by-product silver sales revenue.*
4) *Includes payable gold in pyrite concentrate sold, and the treatment charges, transportation and other selling costs related to the sale of pyrite concentrate of $7.1 million in the first quarter of 2019 compared to $6.6 million in the corresponding period in 2018.*
5) *Represents payable metals in gold-copper and pyrite concentrates sold based on provisional invoices.*
6) *Cash cost per ounce of gold sold, net of by-product credits, represents cost of sales, less depreciation, amortization and other non-cash expenses, plus treatment charges, penalties, transportation and other selling costs, less by-product copper and silver revenues, divided by the payable gold in gold-copper and pyrite concentrates sold.*
7) *Includes realized losses on copper swap and option contracts, entered to hedge a portion of projected payable production, of $2.6 million in the first quarter of 2018.*
8) *Represents cost of sales divided by the volumes of gold-copper concentrate delivered.*
9) *Revenue includes the value of payable metals sold, deductions for treatment charges, penalties, transportation and other selling costs, and mark-to-market adjustments and final settlements to reflect any physical and cost adjustments on provisionally priced sales. Net unfavourable mark-to-market adjustments and final settlements of $1.5 million were recognized during the first quarter of 2019 compared to net favourable mark-to-market adjustments and final settlements of $1.1 million in the corresponding period in 2018. Deductions during the first quarter of 2019 were $24.7 million compared to $23.1 million in the corresponding period in 2018.*
10) *Cost of sales includes depreciation of $7.6 million in the first quarter of 2019 compared to $7.8 million in the corresponding period in 2018.*

Review of Chelopech Results

Concentrate and metals production

Gold-copper concentrate produced during the first quarter of 2019 of 23,370 tonnes was 13% lower than the corresponding period in 2018 due primarily to lower copper grades.

Pyrite concentrate produced during the first quarter of 2019 of 58,077 tonnes was comparable to the corresponding period in 2018.

In the first quarter of 2019, gold contained in gold-copper concentrate produced decreased by 29% to 29,785 ounces, copper production decreased by 13% to 8.0 million pounds and silver production decreased by 43% to 30,735 ounces, in each case, relative to the corresponding period in 2018. The decreases in gold and copper production were due primarily to lower grades, in line with current mine plans.

Gold contained in pyrite concentrate produced during the first quarter of 2019 of 13,249 ounces was 13% lower than the corresponding period in 2018 due primarily to lower gold grades.

Concentrate deliveries and metals sold

Deliveries of gold-copper concentrate during the first quarter of 2019 of 20,152 tonnes were comparable to the corresponding period in 2018.

Deliveries of pyrite concentrate in the first quarter of 2019 of 71,477 tonnes were 7% higher than the corresponding period in 2018 due primarily to the timing of deliveries.

In the first quarter of 2019, payable gold in gold-copper concentrate sold increased by 16% to 28,506 ounces, payable copper increased by 4% to 6.3 million pounds and payable silver decreased by 31% to 25,061 ounces, in each case, relative to the corresponding period in 2018. The increase in payable gold was due primarily to higher gold grades in gold-copper concentrate sold. Payable gold in pyrite concentrate sold in the first quarter of 2019 of 11,053 ounces was 5% higher than the corresponding period in 2018 consistent with the increase in pyrite concentrate sold.

Cash cost measures

Cash cost per tonne of ore processed in the first quarter of 2019 of $34.70 was 7% lower than the corresponding period in 2018 due primarily to the favourable impact of a stronger U.S. dollar relative to the Euro.

Cash cost per ounce of gold sold, net of by-product credits, during the first quarter of 2019 of $628 was $54 higher than the corresponding period in 2018 due primarily to a higher cost per tonne of gold-copper concentrate produced and sold, reflecting lower copper grades in ore mined, partially offset by the favourable impact of higher gold grades in concentrate sold and a stronger U.S. dollar relative to the Euro.

Net earnings

Net earnings in the first quarter of 2019 of $13.8 million were $5.6 million lower than the corresponding period in 2018 due primarily to higher treatment charges related to unfavourable final settlements of provisionally priced concentrate sales, a higher cost per tonne of gold-copper concentrate produced and sold and lower gold prices, partially offset by higher volumes of payable gold in concentrate sold and the favourable impact of a weaker Euro relative to the U.S. dollar.

Net earnings in the first quarter of 2018 were also impacted by net after-tax gains of $3.2 million related to items not reflective of Chelopech's underlying operating performance, including unrealized gains on commodity price hedges that, prior to the adoption of IFRS 9 in 2018, did not receive hedge accounting. For more details on these adjustments, refer to the "Non-GAAP Financial Measures" section contained in this MD&A.

Adjusted net earnings

The following table summarizes the key drivers affecting the change in adjusted net earnings:

$ millions **Ended March 31,**	**Three Months**
Adjusted net earnings - 2018	**16.2**
Higher treatment charges related to unfavourable adjustments of provisionally priced sales	(4.7)
Higher cost per tonne of concentrate produced and sold(1)	(3.9)
Lower realized metal prices(2)	(1.1)
Higher volumes of metals sold	4.4
Other	1.6
Weaker Euro	1.3
Adjusted net earnings - 2019	**13.8**

1) *Excludes impact of depreciation and foreign exchange.*
2) *Includes net gains and losses on commodity swap and option contracts.*

Capital expenditures

Capital expenditures during the first quarter of 2019 of $2.6 million were $1.0 million higher than the corresponding period in 2018 and in line with higher planned spending in 2019.

Tsumeb – Selected Operational and Financial Highlights

$ thousands, unless otherwise indicated	**Three Months**	
Ended March 31,	**2019**	2018
Operational Highlights		
Complex concentrate smelted *(mt):*		
Chelopech	**23,690**	20,143
Third parties	**39,132**	33,999
Total complex concentrate smelted	**62,822**	54,142
Cash cost per tonne of complex concentrate smelted, net of by-product credits(1),(2)	**370**	499
Acid production *(mt)*	**64,459**	55,711
Acid deliveries *(mt)*	**58,285**	63,134
Financial Highlights		
Toll revenue(3)	**34,958**	31,033
Acid revenue	**6,624**	5,796
Total revenue	**41,582**	36,829
Cost of sales(4)	**36,553**	38,992
Earnings (loss) before income taxes	**3,186**	(4,654)
EBITDA(2)	**10,535**	2,193
Net earnings (loss)/adjusted net earnings (loss)(2)	**3,186**	(4,654)
Capital expenditures incurred:		
Growth(2)	**36**	-
Sustaining(2)	**299**	4,340
Total capital expenditures	**335**	4,340

1) *Cash cost per tonne of complex concentrate smelted, net of by-product credits, represents cost of sales less depreciation and amortization and net of revenue related to the sale of acid divided by the volumes of complex concentrate smelted.*
2) *Refer to the "Non-GAAP Financial Measures" section of this MD&A for reconciliations of these non-GAAP measures.*
3) *Includes deductions for stockpile interest and slag mill concentrate returns, and favourable or unfavourable estimated metals exposure.*
4) *Cost of sales includes depreciation of $6.6 million in the first quarter of 2019 compared to $6.1 million in the corresponding period in 2018.*

Review of Tsumeb Results

Production & acid deliveries

Complex concentrate smelted during the first quarter of 2019 of 62,822 tonnes was 16% higher than the corresponding period in 2018 due primarily to strong performance and a steady state of operations. This is a record first quarter performance where seasonal power grid instability typically impacts operations, a concern that was successfully mitigated during the quarter.

Acid production in the first quarter of 2019 of 64,459 tonnes was 16% higher than the corresponding period in 2018 consistent with the increase in volumes of complex concentrate smelted.

Acid deliveries in the first quarter of 2019 of 58,285 tonnes were 8% lower than the corresponding period in 2018 due primarily to a planned build-up of inventories to maintain desired stock levels.

Cash cost per tonne of complex concentrate smelted, net of by-product credits

Cash cost per tonne of complex concentrate smelted, net of by-product credits, during the first quarter of 2019 of $370 was $129 lower than the corresponding period in 2018 due primarily to higher volumes of complex concentrate smelted, the favourable impact of a weaker ZAR relative to the U.S. dollar and the benefits of cost savings initiatives, which resulted in a decrease in contractor and consultant expenses, partially offset by higher employment costs as a result of higher performance-based compensation and annual increases in line with local inflation, and higher rates for fuel.

Net earnings (loss)

Net earnings in the first quarter of 2019 were $3.2 million compared to a net loss of $4.7 million in the corresponding period in 2018. This improvement was due primarily to higher volumes of complex concentrate smelted, the favourable impact of a weaker ZAR relative to the U.S. dollar and the benefits of cost savings initiatives, partially offset by higher employment costs and higher rates for fuel.

The following table summarizes the key drivers affecting the change in net earnings (loss):

$ millions **Ended March 31,**	**Three Months**
Net loss - 2018	**(4.7)**
Higher volumes	4.7
Weaker ZAR(1)	3.5
Lower stockpile interest	2.2
Reduced deductions for slag mill concentrate returns	1.0
Lower estimated metal recoveries	(1.7)
Higher operating expenses, net of cost savings initiatives(2)	(1.6)
Other	(0.2)
Net earnings - 2019	**3.2**

1) *Includes realized gains on foreign exchange forward contracts of $0.4 million (2018 – $1.2 million) in the first quarter of 2019.*
2) *Excludes impact of depreciation and foreign exchange.*

Capital expenditures

Capital expenditures during the first quarter of 2019 of $0.3 million were $4.0 million lower than the corresponding period in 2018 due primarily to the timing of executing planned projects.

REVIEW OF CORPORATE AND OTHER SEGMENT RESULTS

The corporate and other segment results include MineRP, corporate general and administrative expenses, corporate social responsibility expenses, exploration and development projects, and other income and expense items that do not pertain directly to an operating segment.

The following table summarizes the Company's selected corporate and other segment results:

$ thousands	**Three Months**	
Ended March 31,	**2019**	2018
Financial Highlights		
Revenue(1)	**1,972**	4,186
Cost of sales(1)	**2,617**	2,862
General and administrative expenses(2)	**13,358**	9,613
Exploration and evaluation expenses(3)	**2,268**	1,514
Loss before income taxes	**(19,321)**	(11,751)
Adjusted loss before interest, taxes, depreciation and amortization	**(16,779)**	(9,196)
Net loss attributable to common shareholders	**(18,517)**	(12,016)
Adjusted net loss(4)	**(18,584)**	(10,898)

1) *Revenue and cost of sales are related to MineRP.*
2) *Includes MineRP general and administrative expenses of $1.6 million in the first quarter of 2019 (2018 - $2.5 million).*
3) *Includes evaluation expenses related to Timok scoping study of $0.2 million in the first quarter of 2019 (2018 - $0.1 million).*
4) *Excludes net gains and losses on Sabina special warrants.*

MineRP

Revenue in the first quarter of 2019 of $2.0 million was $2.2 million lower than the corresponding period in 2018 due primarily to the timing associated with entering into contracts with several new customers. General and administrative expenses of $1.6 million in the first quarter of 2019 were $0.9 million lower than the corresponding period in 2018 due primarily to the favourable impact of a weaker ZAR relative to the U.S. dollar.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2019, the Company had cash of $14.0 million, investments valued at $31.8 million primarily related to its 10.4% interest in Sabina, and $234 million of undrawn capacity under its RCF. With the start-up of Krumovgrad and the corresponding expected increase in operating cash flow, the Company is amending the terms and size of its RCF, resulting in, among other things, tranches A and C being cancelled in April 2019 and tranche B being increased to $175 million from $150 million in May 2019.

The Company's liquidity is impacted by several factors which include, but are not limited to, gold, copper and silver market prices, production levels, capital expenditures, operating cash costs, interest rates and foreign exchange rates. These factors are monitored by the Company on a regular basis. As at March 31, 2019, the Company's cash resources and available lines of credit under its RCF continue to provide sufficient liquidity and cash resources to meet its current operating and capital expenditure requirements, all contractual commitments, as well as a number of margin improvement and growth opportunities. The Company may, from time to time, raise additional capital to ensure it maintains its financial strength and has sufficient liquidity to support its discretionary growth capital projects and the overall needs of the business.

The following table summarizes the Company's cash flow activities:

$ thousands	Three Months	
Ended March 31,	**2019**	2018
Cash provided from operating activities, before changes in non-cash working capital	**15,773**	18,444
Changes in non-cash working capital	**(1,320)**	(7,401)
Cash provided from operating activities	**14,453**	11,043
Cash used in investing activities	**(15,823)**	(32,977)
Cash provided from (used in) financing activities	**(1,715)**	7,933
Decrease in cash	**(3,085)**	(14,001)
Cash at beginning of period	**17,043**	28,767
Cash at end of period	**13,958**	14,766

Cash at March 31, 2019 of $14.0 million was $0.8 million lower than the corresponding period in 2018. The primary factors impacting these cash flow movements are summarized below.

Operating Activities

Cash provided from operating activities in the first quarter of 2019 was $14.4 million compared to $11.0 million in the corresponding period in 2018 reflecting the same factors affecting net earnings (loss) and lower period over period working capital requirements.

The unfavourable change in non-cash working capital in the first quarter of 2019 of $1.3 million was due primarily to an increase in accounts receivable as a result of the timing of receipts from customers and an increase in inventory, as a result of the timing of gold-copper concentrate deliveries and an increase in ore inventory at Krumovgrad following the start of mining activities, partially offset by an increase in other liabilities associated with the mark-to-market related increase in share-based compensation.

Cash provided from operating activities, before changes in non-cash working capital, during the first quarter of 2019 was $15.8 million compared to $18.4 million in the corresponding period in 2018. This decrease was due primarily to the same factors affecting net earnings (loss) as discussed above.

Investing Activities

Cash used in investing activities in the first quarter of 2019 was $15.8 million compared to $33.0 million in the corresponding period in 2018.

The following table provides a summary of the Company's cash outlays for capital expenditures:

$ thousands	Three Months	
Ended March 31,	**2019**	2018
Chelopech	**2,751**	1,676
Tsumeb	**1,296**	4,243
Krumovgrad[1]	**15,979**	22,931
Other	**633**	154
Total cash capital expenditures	**20,659**	29,004

1) Includes payments for the settlement of foreign exchange forward contracts of $0.4 million (2018 – proceeds of $1.6 million) in the first quarter of 2019.

Cash outlays for capital expenditures in the first quarter of 2019 of $20.7 million were $8.3 million lower than the corresponding period in 2018 due primarily to reduced outlays in connection with Krumovgrad and the timing of sustaining capital expenditures.

Proceeds of $5.5 million related to the sale of Kapan's royalties were received in the first quarter of 2019.

In January 2018, DPM purchased 2.2 million common shares of Sabina at a market price of $1.81 (Cdn $2.26) per share for a total cost of $4.0 million (Cdn $5.0 million) so as to maintain an ownership in excess of 10%.

Financing Activities

Cash used in financing activities in the first quarter of 2019 was $1.7 million compared to cash provided from financing activities of $8.0 million in the corresponding period in 2018. The primary factors impacting the movement in financing activities are summarized below.

Drawdowns under the RCF in the first quarter of 2019 were $nil compared to $10.0 million in the corresponding period in 2018.

Interest paid in the first quarter of 2019 was $1.4 million compared to $1.7 million in the corresponding period in 2018.

Financial Position

$ thousands **As at,**	**March 31, 2019**	December 31, 2018	**Increase/ (Decrease)**
Cash	**13,958**	17,043	**(3,085)**
Accounts receivable, inventories and other current assets	**73,952**	67,190	**6,762**
Investments at fair value	**31,811**	29,997	**1,814**
Non-current assets, excluding investments at fair value	**749,019**	745,355	**3,664**
Total assets	**868,740**	859,585	**9,155**
Current liabilities	**101,554**	93,446	**8,108**
Non-current liabilities	**128,683**	127,958	**725**
Equity attributable to common shareholders	**632,150**	632,000	**150**
Non-controlling interests	**6,353**	6,181	**172**

Cash decreased by $3.1 million to $14.0 million during the first quarter of 2019 due primarily to the timing of drawdowns and repayments under the RCF. Accounts receivable, inventories and other current assets increased by $6.8 million to $74.0 million due primarily to an increase in accounts receivables as a result of the timing of receipts from customers and an increase in inventories as a result of the timing of gold-copper concentrate deliveries and higher stockpiles as a result of the mining activities at Krumovgrad. Non-current assets, excluding investments at fair value, increased by $3.7 million to $749.0 million due primarily to capital expenditures at Krumovgrad, Tsumeb and Chelopech and leased assets being recognized as right-of-use assets in property, plant and equipment following the implementation of IFRS 16, partially offset by depreciation expense.

Current liabilities increased by $8.1 million to $101.6 million during the first quarter of 2019 due primarily to the reclassification of deferred revenue related to prepaid forward gold sales to be settled in 2019 to current liabilities from non-current liabilities and the increase in the current portion of lease obligations following the implementation of IFRS 16. Non-current liabilities increased by $0.7 million to $128.7 million due primarily to the mark-to-market related increase in share-based compensation and the increase in the long-term portion of lease obligations following the implementation of IFRS 16, partially offset by the reclassification of deferred revenue related to prepaid forward gold sales to be settled in 2019 from non-current liabilities to current liabilities.

Contractual Obligations, Commitments and Contingencies

The Company had the following minimum contractual obligations and commitments as at March 31, 2019:

$ thousands	**up to 1 year**	**1 – 5 years**	**over 5 years**	**Total**
Debt	-	29,000	-	29,000
Lease obligations	5,460	15,792	4,588	25,840
Capital commitments	28,478	-	-	28,478
Purchase commitments	6,044	8	-	6,052
Other obligations	3,573	13,498	7,169	24,240
Total contractual obligations and commitments	**43,555**	**58,298**	**11,757**	**113,610**

As at March 31, 2019, Tsumeb had approximately $54.4 million (December 31, 2018 – $62.1 million) of recoverable third party in-process secondary materials, which it is obligated to process and return, generally in the form of blister, to IXM S.A. (“IXM”) pursuant to a tolling agreement.

In July 2017, the Company and IXM agreed to amend the existing tolling agreement to provide for, among other things, lower stockpile interest deductions on excess secondary materials, specified quarterly targeted reductions designed to eliminate excess secondary materials, representing at that time approximately $90.0 million, over a period that extends to December 31, 2020, the purchase of secondary materials in excess of established quarterly targeted levels, and the extension of the tolling agreement by one year. During the three months ended March 31, 2019, no purchase of secondary materials was required. Since July 2017, the Company has reduced the quantity of copper-in-secondaries by approximately 56%. As at March 31, 2019, the value of excess secondary materials was approximately $28.2 million (December 31, 2018 – $39.0 million).

Debt

As at March 31, 2019, the Company’s total outstanding debt was $29.0 million (December 31, 2018 – $29.0 million) and the Company was in compliance with all of its debt covenants.

As at March 31, 2019, the Company’s total debt, as a percentage of total capital, was 4% (December 31, 2018 – 4%) and the Company’s total debt, net of cash, as a percentage of total capital, was 2% (December 31, 2018 – 2%).

DPM RCF

DPM has a committed RCF with a consortium of banks. As at March 31, 2019, the RCF is comprised of a $45.0 million tranche A maturing in February 2022, a $150.0 million tranche B maturing in February 2021, and a $68.0 million tranche C maturing in September 2021. The RCF bears interest at a spread above LIBOR, which varies between 2.75% and 5.50% depending upon the tranche being drawn and the Company’s funded net debt to adjusted EBITDA (“Debt Leverage Ratio”), as defined in the RCF agreement. The RCF is secured by pledges of the Company’s investments in Krumovgrad, Chelopech and Tsumeb and by guarantees from each of these subsidiaries.

The RCF contains financial covenants that require DPM to maintain: (i) a Debt Leverage Ratio below 3.5:1, (ii) a current ratio (including the addition of any unutilized credit within tranche B to current assets) of greater than 1.5:1, and (iii) a minimum net worth of $500.0 million plus (minus) 50% of ongoing annual net earnings (losses).

As at March 31, 2019, $29.0 million (December 31, 2018 – $29.0 million) was drawn under the RCF.

With the start-up of the Krumovgrad gold mine and the expected increase in operating cash flow, tranches A and C of the RCF were cancelled in April 2019. In addition, the Company is currently finalizing the legal documentation associated with agreed upon amendments to its RCF that will provide for, among other things: i) an increase in tranche B from $150 million to $175 million, ii) an extension of the term by an additional year from 2021 to 2022, and iii) a reduction in the credit margins from 275 to 475 basis points to 250 to 350 basis points. The Company expects to close the amended RCF in May 2019.

Tsumeb Overdraft Facility

In April 2018, Tsumeb entered into a Namibian $50.0 million ($3.5 million) demand overdraft facility that is guaranteed by DPM. This facility bears interest at a rate equal to the Namibian Prime Lending Rate minus 0.50%. As at March 31, 2019, $nil was drawn from this facility.

Credit Agreements and Guarantees

Chelopech and Krumovgrad have a $16.0 million multi-purpose credit facility that matures on November 30, 2019. This credit facility is guaranteed by DPM. As at March 31, 2019, $4.7 million (December 31, 2018 – $4.8 million) had been utilized against the multi-purpose revolving facility in the form of letters of credit and letters of guarantee.

Chelopech and Krumovgrad also have a Euro 21.0 million ($23.6 million) credit facility to support mine closure and rehabilitation obligations. This credit facility matures on November 30, 2019 and is guaranteed by DPM. As at March 31, 2019, $23.6 million (December 31, 2018 – $24.0 million) had been utilized against this credit facility in the form of letters of guarantee, which were posted with the Bulgarian Ministry of Energy.

Krumovgrad has a $5.3 million multi-purpose credit facility that matures on November 30, 2019. This credit facility is guaranteed by DPM. As at March 31, 2019, $0.1 million (December 31, 2018 – $0.1 million) had been utilized against this multi-purpose revolving facility in the form of letters of credit and letters of guarantee.

Advances under these facilities bear interest at a rate equal to the one month U.S. Dollar LIBOR plus 2.5%. The letters of credit and guarantee bear a fee of 0.6% based on the amounts issued.

Outstanding Share Data

DPM's common shares are traded on the TSX under the symbol DPM. As at May 9, 2019, 178,843,566 common shares were issued and outstanding.

DPM also has 5,808,850 stock options outstanding as at May 9, 2019 with exercise prices ranging from Cdn$2.05 to Cdn$4.44 per share (weighted average exercise price – Cdn$3.15 per share).

Normal Course Issuer Bid

On May 11, 2018, DPM announced that the TSX accepted its notice of intention to renew its normal course issuer bid (the "Bid") to repurchase certain of its common shares through the facilities of the TSX. Under the Bid, the Company can purchase up to 8.9 million common shares during the period of the Bid, which commenced on May 16, 2018 and terminates on May 15, 2019, representing approximately 5% of the 178.5 million outstanding common shares as of May 3, 2018. The actual timing and number of common shares purchased pursuant to the Bid is subject to the requirements of the TSX, DPM's ongoing capital requirements and management's view that, from time to time, DPM's common shares trade at prices well below the underlying value of the Company and during these periods the repurchase of common shares represents an excellent opportunity to enhance shareholder value.

As at March 31, 2019, the Company had not purchased any common shares under the Bid.

Other

The Company is involved in legal proceedings, from time to time, arising in the ordinary course of its business. It is not expected that any material liability will arise from current legal proceedings or have a material adverse effect on the Company's future business, operations or financial condition.

Investments at fair value

As at March 31, 2019, the Company's investments at fair value were $31.8 million, the vast majority of which related to the value of its investment in Sabina common shares and special warrants. As at March 31, 2019, DPM held: (i) 30,119,913 common shares of Sabina or 10.4% of the outstanding common shares and (ii) 5,000,000 Series B special warrants, which will be automatically exercised upon a positive production decision with respect to the Back River project or upon the occurrence of certain other events. Each of the special warrants is exercisable into one common share until 2044.

For the three months ended March 31, 2019, the Company recognized unrealized gains on the Sabina special warrants of $0.1 million (2018 – unrealized losses of $1.6 million) in other expense in the condensed interim consolidated statements of earnings (loss).

Commodity swap and option contracts

The Company enters into cash settled commodity swap contracts from time to time to swap future contracted monthly average metal prices for fixed metal prices to eliminate or substantially reduce the metal price exposure associated with the time lag between the provisional and final determination of concentrate sales ("QP Hedges").

As at March 31, 2019, the Company's outstanding QP Hedges, all of which mature within three months from the reporting date, are summarized in the table below:

Commodity hedged	Volume hedged	Average fixed price of QP Hedges
Payable gold	2,930 ounces	$1,300.78/ounce
Payable copper	7,065,807 pounds	$2.73/pound

The Company also enters into cash settled commodity swap and option contracts from time to time to reduce its future metal price exposures ("Production Hedges"). Commodity swap contracts are entered to swap future contracted monthly average prices for fixed prices. Commodity option contracts are entered to provide price protection below a specified "floor" price and price participation up to a specified "ceiling" price. These option contracts are comprised of a series of call options and put options (which when combined create a price "collar") that are generally structured so as to provide for a zero upfront cash cost. As at March 31, 2019, the Company had no outstanding Production Hedges.

The Company designates the spot component of commodity swap contracts and the intrinsic value of the commodity option contracts in respect of Production Hedges as cash flow hedges and the spot component of commodity swap contracts in respect of QP Hedges as fair value hedges.

The fair value gain or loss on commodity swap contracts was calculated based on the corresponding LME forward copper prices and New York Commodity Exchange forward gold and silver prices, as applicable. The fair value gain or loss on commodity option contracts was calculated based on the option prices quoted on the Commodity Exchange (a part of the Chicago Mercantile Exchange). As at March 31, 2019, the net fair value loss on all outstanding commodity swap and option contracts was $1.5 million (December 31, 2018 – net fair value gains of $0.1 million), of which $0.02 million (December 31, 2018 – $0.2 million) was included in other current assets and $1.5 million (December 31, 2018 – $0.1 million) in accounts payable and accrued liabilities.

For the three months ended March 31, 2019, the Company recognized unrealized gains of $nil (2018 – $4.8 million) on outstanding commodity swap and option contracts in other comprehensive income (loss). The Company also recognized net losses of $1.6 million (2018 – net gains of $1.0 million) for the three months ended March 31, 2019 in revenue on settled contracts.

Foreign exchange forward and option contracts

The Company enters into foreign exchange forward and option contracts from time to time to reduce the foreign exchange exposure associated with projected operating expenses and capital expenditures denominated in foreign currencies.

Foreign exchange forward contracts are entered to fix foreign exchange rates on future operating expenses and capital expenditures. Foreign exchange option contracts are entered to provide price protection below a specified "floor" rate and participation up to a specified "ceiling" rate. The option contracts entered are comprised of a series of call options and put options (which when combined create a price "collar") that are structured so as to provide for a zero upfront cash cost.

As at March 31, 2019, the Company had outstanding foreign exchange forward contracts in respect of a portion of its projected Euro denominated capital expenditures as summarized in the table below:

Year of projected capital expenditures	Amount hedged in Euro	Average exchange rate Euro/US$
Balance of 2019	4,100,000	1.1345

As at March 31, 2019, the Company had outstanding foreign exchange option contracts in respect of a portion of its projected Namibian dollar denominated operating expenses, which is linked to the ZAR, as summarized in the table below:

Year of projected operating expenses	Amount hedged in ZAR	Call options sold Average ceiling rate US$/ZAR	Put options purchased Average floor rate US$/ZAR
Balance of 2019	1,112,490,000	15.46	14.00
2020	136,080,000	16.50	14.00

Approximately 87% and 8% of projected Namibian dollar operating expenses for the balance of 2019 and full year 2020, respectively, have been hedged. At March 31, 2019, the remaining construction cost of the Krumovgrad project has been substantially hedged.

The Company designates the spot component of the foreign exchange forward contracts and the intrinsic value of option contracts as cash flow hedges. The time value component of foreign exchange forward contracts is treated as a separate cost of hedging.

The fair value gain or loss on these outstanding contracts was calculated based on foreign exchange forward rates quoted in the market. As at March 31, 2019, the fair value loss on all outstanding foreign exchange forward and option contracts was $0.4 million (December 31, 2018 – $0.6 million), of which $0.5 million (December 31, 2018 – $0.3 million) was included in other current assets, $0.8 million (December 31, 2018 – $0.9 million) in accounts payable and accrued liabilities, and $0.1 million (December 31, 2018 – $nil) in other long-term liabilities.

For the three months ended March 31, 2019, the Company recognized unrealized losses of $0.4 million (2018 – unrealized gains of $0.3 million) in other comprehensive income (loss) on the spot component of the outstanding foreign exchange forward and option contracts. The Company also recognized realized gains of $0.4 million (2018 – $1.0 million) for the three months ended March 31, 2019 in cost of sales on the spot component of settled contracts in respect of foreign denominated operating expenses. The Company also recognized realized losses of $0.1 million (2018 – realized gains of $2.2 million) for the three months ended March 31, 2019 as additions (reductions) to mine properties on the spot component of settled contracts in respect of foreign denominated capital expenditures.

For the three months ended March 31, 2019, the Company recognized unrealized gains of $0.6 million (2018 – $0.2 million) on the time value component of the outstanding foreign exchange forward and option contracts in other comprehensive income (loss) as a deferred cost of hedging. The Company also recognized realized gains of $nil (2018 – $0.2 million) for the three months ended March 31, 2019 in cost of sales on the forward point component of settled contracts in respect of foreign denominated operating expenses. The Company also recognized realized losses of $0.1 million (2018 – $0.3 million) for the three months ended March 31, 2019 as additions to mine properties on the forward point component of settled contracts in respect of foreign denominated capital expenditures.

The Company is also exposed to credit and liquidity risks in the event of non-performance by counterparties in connection with its commodity swap and option contracts, and foreign exchange forward and option contracts. These risks, which are monitored on a regular basis, are mitigated, in part, by entering into transactions with financially sound counterparties, and, where possible, ensuring contracts are governed by legally enforceable master agreements.

EXPLORATION

Chelopech Overview

In the first quarter of 2019, a total of 14,202 metres of resource development diamond drilling was completed within the Chelopech mine area, which comprised of:

- 3,201 metres of grade control drilling aimed to better define the shape and volume of existing ore bodies;
- 9,960 metres of underground extensional drilling, designed to explore for new mineralization along modelled trends; and
- 1,041 metres drilled with a contractor drill rig from surface towards Target 700.

Resource development drilling concentrated on the upper levels of Block 8 and Targets 148 and 700, with the aim to expand the current ore body extents and allow conversion of Mineral Resources into Mineral Reserves. Further to this, the areas down-plunge of Block 147 and Target 'North' were also drilled during the first quarter of 2019. A detailed review of the resource development drilling program results is discussed below.

Central Area

In the first quarter of 2019, drilling successfully extended Block 8 body contours between 530 mRL and 470 mRL with significant results presented in the table below for holes "EXT8_505_05" and "EXT8_505_06. The drilling program will continue in this zone during the next quarter.

Target 'North' was also tested during the quarter. The drilling program was designed to test for new mineralization and extend mineralization which was discovered during earlier drilling programs. The drill holes clarified the geological model in one of the most northern extremities of the Chelopech Mine area, but failed to return significant mineralization. Testing of the Target 'North' area will continue from other positions in the second quarter of 2019.

Western Area

Block 147

A total of 2,847 metres were drilled to define the shape and volume of Block 147 and to verify the Target 184 area, which is located about 60 metres northeast from Block 147. As a result, Block 147 ore contours were extended along strike between 230 mRL and 160 mRL elevations. The significant intervals from this program are shown in the table below from drill holes "EXT147_200_01", "EXT147_200_02" and "EXT147_200_03". Target 184 drill holes returned narrow sub-economic mineralization predominantly enriched in gold, but with no significant intervals. Further drilling is planned to explore the controls on this mineralization.

Target 148

A series of holes totaling 3,528 metres was completed from position WVD-400-405-EXP. As a result of this program, the shape of the silica envelope of Target 148 was better defined and enlarged between 310 mRL and 230 mRL elevations. The planned drilling was designed to extend more continuous zones of mineralization and target the conversion of Target 148 into higher Mineral Resource categories. Significant results from “EXT148_400_03”, “EXT148_400_07” and “EXT148_400_08” are shown in the table below.

Surface Drilling

The Target 700 surface drilling program continued with a total of 1,041 metres of extensional drilling completed in the first quarter of 2019. Within the 700 target area, drill holes “EXT765_07” and “EXT765_08” returned high grade Au-Ag mineralization and, as a result, the current modelled extents of mineralization were significantly increased between the 590 mRL and 690 mRL elevations.

The mineralization is presented as quartz-barite-sulphide veins coincident with a wide silica alteration zone, and is primarily enriched with Au-Ag but virtually devoid of Cu. Metallurgical testwork will be undertaken to determine the amenability of this mineralization style to the Chelopech flowsheet.

Outlook

In the second quarter of 2019, the Mineral Resource development strategy for Chelopech will focus on the upper levels of Blocks 18 and 19 and a high-potential area in the vicinity of Block 8. Extensional drilling at Target ‘North’, Target 700 and Block 10 areas will continue with the aim to further delineate the target volumes and to establish continuity between drill holes.

Significant intercepts (gold equivalent (“AuEq”) cut-off grade of 3 g/t) received during the first quarter of 2019:

HOLE ID	EAST	NORTH	RL	AZ	DIP	FROM	TO	True Width (m)	AuEq (g/t)	Au (g/t)	Ag (g/t)	Cu (%)
EXT147_200_01	5540	29912	203	308.1	11.4	78.0	88.5	10.5	3.85	3.36	7.67	0.24
EXT147_200_02	5540	29912	202	308.4	-8.8	83.1	91.9	8.8	21.77	16.25	8.55	2.68
EXT147_200_03	5540	29912	202	308.6	-17.0	97.5	112.4	14.5	15.08	12.65	9.48	1.18
EXT148_400_03	5256	29395	396	44.9	-25.9	262.5	301.5	35.5	3.76	2.37	12.42	0.68
EXT148_400_07	5257	29394	396	49.9	-27.1	396.0	406.5	9.5	7.19	4.87	11.66	1.12
EXT148_400_08	5256	29395	396	31.9	-26.2	328.5	336.0	7.0	5.60	3.33	12.00	1.10
EXT765_07	6151	29419	765	332.4	-23.3	288.0	312.0	22.5	4.12	4.10	25.90	0.01
EXT765_08	6151	29419	765	339.9	-17.9	276.0	288.0	11.5	6.78	6.76	39.10	0.01
EXT8_505_05	6390	29857	510	188.5	7.6	111.0	123.0	12.0	4.14	3.98	1.30	0.08
EXT8_505_06	6390	29857	510	187.3	-14.2	123.0	130.5	7.5	8.46	6.19	3.86	1.10

1) *Significant intercepts are located within the Chelopech Mine Concession and proximal to the mine workings.*
2) *AuEq calculation is based on the following formula: Au g/t + 2.06 x Cu %.*
3) *Minimum downhole width reported is 1.5 metres with a maximum internal dilution of 4.5 metres.*
4) *All stated holes are drilled with NQ diamond core.*
5) *Coordinates are in mine-grid.*
6) *No factors of material effect have hindered the accuracy and reliability of the data presented above.*
7) *No upper cuts applied.*
8) *For detailed information on drilling, sampling and analytical methodologies refer to the NI 43-101 Technical Report entitled “Mineral Resource & Reserve Update, Chelopech Project, Chelopech, Bulgaria” (the “Chelopech Technical Report”) filed on SEDAR at www.sedar.com on March 28, 2018.*

Sampling and Analysis

All drill cores are sampled in intervals up to a maximum of three metres, with 1.5 metres sample intervals being the common length within mineralized zones. The dimensions of the mineralized zones far exceed the standard sample length. Two sizes of core are drilled; NQ for extensional and BQ for grade control drilling. NQ core is cut by diamond saw, where one half of the core sample is submitted for assaying and the remaining half is retained in steel core trays. BQ core samples are submitted for analysis as a whole core. All drill cores are photographed prior to cutting and/or sampling.

Following DPM exploration standard procedures and internationally accredited standards, a full suite of CRM's (certified reference materials), blanks and field duplicates are submitted to the laboratory with each batch of samples. The overall quality control sample insertion rate is approximately 5% for reference materials, 2% for blanks, and 5% for field duplicates.

Sample tickets are entered into the bags with a numbering system, which reconciles sample and assayed results in the acQuire database. The average core recovery within the modeled resource constraints is 99.6% and the various phases of drill data show no issues with regards to recoveries.

No relationship is evident between core recoveries and the copper assay data, or the gold assay data. The weight of a core sample varies between three and seven kilograms.

Diamond drill core is prepared and assayed at the SGS managed laboratory at Chelopech in Bulgaria. Samples are routinely assayed for copper, gold, silver, sulphur and arsenic.

Chelopech Brownfield Exploration

During the first quarter of 2019, diamond drilling continued from underground positions along the 1.5 kilometres long SEBPZ and from surface at the Krasta prospect, located two kilometres northeast of the mine.

Underground Exploration Drilling

The three target areas defined by wide-spaced drilling during the SEBPZ drill program in 2018 are the focus of the program in 2019. The target areas are Block 153 Southeast extension, Block 8 South extension, and the Gold-Barite zone (southwest of Block 8). During the first quarter of 2019, five diamond drill holes totaling 1,534 metres were drilled in these target areas and continued fill-in drilling is planned for the remainder of 2019.

Assays received in the quarter were for holes drilled in late 2018. EX_SEBP_405_03 drilled towards the northeast from Block 153 Southeast extension intersected the Gold-Barite zone between 160 and 335 metres down hole. Two intervals of quartz-barite veins, 17.0 metres with 5.76 g/t AuEq and 6.0 metres with 3 g/t AuEq, are hosted by phyllic-altered diorite. Hole EX_SEBP_31_05 drilled earlier in 2018 intersected similar quartz-barite veins that averaged 3.25 g/t AuEq over 18.0 metres from 182 metres down hole. The two intersections are located about 120 metres apart however true widths and the overall geometry of the Gold-Barite zone are unknown due to the low density of drilling. Assay results are pending for holes drilled during the quarter.

Surface Exploration and Drilling

Exploration drilling continued at the Krasta prospect, located approximately two kilometres northeast of the Chelopech orebodies on the Sveta Petka exploration license. During the quarter four additional diamond drill holes (Holes EX_KR_13 to 16) totaling 1,328 metres were drilled from two drill pads. All four holes intersected zones of tennantite, enargite and pyrite mineralization in the form of semi-massive hydrothermal breccia infill and stockwork style veins hosted by phreatomagmatic breccia with advanced argillic alteration (kaolinite-dickite-alunite-vuggy silica) over estimated true widths of 40-60 metres. Within the wider mineralized zones in holes EX_KR_15 and 16 are higher grade intervals of 10-12 metres in thickness that average 2-3 g/t AuEq (significant intercepts shown in the table with estimated true widths). With the recent drilling, the Krasta prospect now has a strike length of approximately 350 metres along a northeast trend and has been drilled between 130 and 400 metres from surface. Further to the northeast, hole EX_KR_12 did not intersect mineralization however the strongest mineralization at Krasta is open both at depth as well as above the shallowest level of drilling. Drilling will continue into the second quarter from the same drill pad while permits for additional drill pads are processed.

Significant drill intercepts from the Krasta prospect received during the first quarter of 2019:

HOLE ID	EAST	NORTH	RL	AZ	DIP	FROM	TO	Length (m)	True width (m)	AuEq (g/t)	Au (g/t)	Ag (g/t)	Cu (%)
EX_KR_11	7222	30780	782	320	-45	292	370	78	75	0.86	0.50	0.92	0.17
including:						295	305	10	10	1.41	1.20	0.63	0.10
						319	326	7	7	1.38	0.60	1.92	0.40
						350	355	5	5	1.91	0.78	2.20	0.55
EX_KR_13	7223	30780	782	335	-45	293	334	41	40	0.94	0.63	0.47	0.15
including:						294	300	6	6	2.91	2.63	0.55	0.14
EX_KR_14	7263	31014	791	285	-40	187	248	61	60	0.80	0.53	1.09	0.13
including:						191	196	5	5	1.12	0.94	1.59	0.09
including:						200	205	5	5	1.20	0.94	2.90	0.12
EX_KR_15	7222	30779	782	305	-45	310	375	65	63	1.38	0.71	1.39	0.32
including:						313	325	12	12	2.13	1.37	1.85	0.37
including:						353	363	10	10	3.16	1.35	2.63	0.88
EX_KR_16	7223	30779	782	290	-45	354	416	62	60	1.59	0.91	1.93	0.33
including:						357	369	12	12	3.02	2.32	2.61	0.34
including:						403	416	13	13	3.08	1.09	1.96	0.97

1) Coordinates are in Chelopech mine-grid.
2) AuEq calculation is based on the following formula: Au g/t + 2.06 x Cu %.
3) Cut-off grade of 0.5 g/t AuEq, 5m min length, 5m max internal dilution.
4) True widths are estimated.

Also during the first quarter of 2019, a single scout hole tested a geophysical anomaly on the Brevene exploration license. Plans for the second and third quarters include geological mapping, soil sampling, geophysical surveying and diamond drilling on the Sveta Petka and Brevene exploration licenses.

Krumovgrad, Bulgaria

During the first quarter of 2019, geological mapping, trenching and soil sampling were carried out to define additional gold targets on the Chiirite, Elhovo and Lada exploration licenses. At the Chatal kaya prospect on the Chiriite license, a vein with 9.9 g/t Au over 1.0 metre was found along the northwestern extension of Vein 6. An initial drill campaign at Chiriite is expected to commence during the second quarter, depending upon government permits for drilling.

At the Surnak deposit on the Khan Krum mining concession, geological mapping and re-logging of drill core was done to improve the geological model, including definition of oxide and transitional ore zones.

Timok Gold Project, Serbia

Exploration Activities

Exploration during the first quarter of 2019 focused on defining drill targets near existing resources at Bigar Hill, Korkan and Korkan West, with the aim of increasing near surface oxide resources. Plans for the second and third quarters of 2019 include drilling these near-resource targets as well as targets at the Coka Rakita prospect, infill soil sampling, geological mapping, and trenching.

Scoping Study

Based on the updated Mineral Resource estimate released in September 2018, the Company continued to progress a scoping study for Timok through the quarter, and, depending on the results of the scoping study, targets to release a preliminary economic assessment in the second quarter of 2019.

Tulare Project, Serbia

At the Tulare Project, consisting of the Tulare, Trn and Degrmen exploration licenses, the Vector induced-polarization ("IP") survey that commenced in late 2018 was completed. Follow up IP profiles over chargeability and conductivity anomalies are planned for the second quarter of 2019.

Results from the drill program on shallow gold targets on the Tulare and Trn licences in late 2018 were received and interpreted. Hole TCDD011 at the Trilica prospect on the Tulare licence intersected 43 metres with 0.61 g/t Au from 22 metres downhole including 6 metres with 1.96 g/t Au. Brecciated volcanoclastic rocks with advanced argillic alteration (silica-dickite) host the mineralization. Infill soil sampling at the Trilica prospect is in progress and results will be integrated with geophysical and geological data prior to additional drilling at Trilica.

Core from the Kiseljak and Yellow Creek porphyry deposits is being re-logged to assist in planning drill holes to test the potential for higher-grade copper-gold porphyry mineralization below the current resource.

Malartic Project, Quebec

A diamond drill program consisting of 5,800 metres in nine holes started in early March 2019. Drill targets occur along the gold-bearing Parfouru deformation zone, at the Revillard and Malrobic prospects, and near last year's intersections of 5.5 g/t Au over 2.0 metres and 7.2 g/t Au over 3.3 metres in holes MLDD003 and 007, respectively. The targets are being tested both laterally and at approximately 300 to 400 metres from the surface. A total of 3,774 metres in six holes was completed by the end of March. During the second quarter of 2019, the drill program will be completed, results will be interpreted, and the summer exploration program, including the validation of the soil anomalies identified last fall, will be planned.

Other

DPM carries out early stage gold exploration in Bulgaria, Serbia, Quebec and Armenia. These programs involve geological mapping, systematic soil, rock-chip and channel sampling, geophysical surveys, trenching and scout drilling. In addition, DPM continues to conduct reviews of projects and prospective belts in other parts of the world.

Sampling and Analysis of Exploration Core and Channel Samples

Most exploration diamond drill holes are collared with PQ size, continued with HQ, and are sometimes finished with NQ. Triple tube core barrels are used whenever possible to improve recovery. All drill core is cut lengthwise into two halves using a diamond saw; one half is sampled for assaying and the other half is retained in core trays. All drill core is sampled in intervals ranging up to three metres; however, the common length for sample intervals within mineralized zones is one metre. Weights of drill core samples range from three to eight kilograms, depending on the size of core, rock type, and recovery. A numbered tag is placed into each sample bag, and the samples are grouped into batches for laboratory submissions.

Samples from exploration programs at Chelopech, Krumovgrad and the Timok gold project are shipped to the Company's own exploration laboratory in Bor, Serbia, which is managed by SGS Minerals. The exploration samples from the Canadian Malartic Joint Venture project are processed using identical quality assurance and quality control ("QAQC") procedures and analytical methods, but sample preparation and gold fire assay analysis during 2018 were completed by the Bureau Veritas Minerals in Timmins, Ontario, and in Vancouver, British Columbia.

Quality control samples, comprising certified reference materials, blanks, and field duplicates, are inserted into each batch of samples, and locations for crushed duplicates are specified. All drill core and quality control samples are tabulated on sample submission forms that specify sample preparation procedures and codes for analytical methods. For internal quality control, the laboratory includes its own quality control samples comprising certified reference materials, blanks, and pulp duplicates. All QAQC monitoring data are reviewed and signed off by an independent QAQC geologist. Chain of custody records are maintained from sample shipments to the laboratory until analyses are completed and remaining sample materials are returned to the Company. The chain of custody is transferred from the Company to SGS at the laboratory door.

Drill core samples submitted to the laboratory are dried at 105°C for a minimum of 12 hours, and then jaw crushed to about 80% passing 4 mm. Sample preparation duplicates are created by riffle splitting crushed samples on a 1 in 20 basis. Larger samples are riffle split prior to pulverizing, whereas smaller samples are pulverized entirely. Pulverizing specifications are approximately 90% passing 70 microns.

Gold analyses are done using a conventional 50-gram fire assay and AAS finish. Silver analyses are completed using a two-acid digestion and AAS finish. Sulphur is analyzed using an Eltra Analyzer equipped with an induction furnace. Multi-element analyses for 49 elements, including Cu, Mo, As, Bi, Pb, Sb, and Zn, are done using a four-acid digestion and an ICP-MS finish. Samples returning over 10,000 ppm for base metals are re-analyzed using high grade methods.

DEVELOPMENT AND OTHER MAJOR PROJECTS

Krumovgrad

The mine site is located at Ada Tepe, approximately three kilometres south of the town of Krumovgrad in southeastern Bulgaria. The project plan contemplates the construction of an open pit mining operation comprised of a process plant, which will employ conventional crushing, grinding and flotation processing for gold extraction, and the disposal of thickened tailings, together with mine rock waste, in an integrated mine waste facility ("IMWF"). The plant is designed to treat up to 840,000 tonnes of ore per year over an eight-year mine life, including processing stockpiled low grade ore at the end of the project, which is consistent with existing permitting applications and environmental submissions. A feasibility study for the project was completed in 2011. The technical report for the Krumovgrad project entitled "Revised NI 43-101 Technical Report, Ada Tepe Deposit, Krumovgrad Project, Bulgaria" dated effective March 21, 2014, and revised November 7, 2017, is available at www.sedar.com (the "Krumovgrad Technical Report").

The estimated capital cost of the project at completion is expected to be between $164 million and $166 million, of which $151.6 million has been incurred as at March 31, 2019. This decrease relative to the 2015 estimate of $178.2 million is due primarily to:

- A reforecast of contingency based on the remaining estimated cost ($4.7 million);
- Locking in a more favourable foreign exchange rate than was budgeted ($3.6 million);
- Procurement of some equipment spares on a consignment basis, as opposed to initial purchase ($2.0 million);
- Lower than planned earthmoving quantities ($2.0 million); and
- Procurement of some service vehicles on a leased basis, as opposed to purchase ($0.7 million).

The main construction activities during the first quarter of 2019 were:

- Completed construction of the IMWF containment cells with waste rock from the mine;
- Completed installation of the grout curtain and pumping wells at the IMWF;
- Completed construction of the permanent access road and waste water discharge pipeline;
- Completed installation of minor equipment foundations and suspended floors in the process plant area;
- Completed installation of electrical and instrumentation equipment;
- Completed installation of structural steel, piping and mechanical equipment;
- Continued with installation of building roofing and cladding;
- Completion of cold commissioning in all process plant areas;
- Completion of hot commissioning of all process plant areas;
- Production of first concentrate;
- Commenced ramp-up to design capacity; and
- Ongoing rectification of deficiencies and punch list items in all areas.

Mining of ore and waste continued through the quarter as planned, with 71,000 tonnes of waste and 16,000 tonnes of ore blasted and excavated. Ore was hauled to the ore stockpile and 600 tonnes were fed to the plant during the hot commissioning process during the first quarter. Waste was also hauled to the IMWF for construction of the initial tailings containment cells.

Progress against the project baseline schedule is set out below:

Key Milestones	**Expected/Actual Completion**
Commence main civil/mechanical/electrical construction	Completed
Complete bulk earthworks in the process plant area	Completed
Mobilize electrical and instrumentation contractor to site	Completed
Complete IMWF earthworks	Completed
Commence pre-stripping of the mine	Completed
Start cold commissioning	Completed
Start hot commissioning	Completed
First concentrate production	Completed
Achieve commercial production	Q2 2019

As at March 31, 2019, construction of the project was approximately 99% complete, based on installed quantities, compared with a planned completion of 100%. First concentrate production was achieved during the first quarter, as planned, with commercial production expected in the second quarter of 2019. The Company continues to engage in an active dialogue with the municipality, government and other stakeholders to support the ongoing project start-up, and receipt of the subsequent operating permit, which is expected in the third quarter of 2019.

During the first quarter of 2019, the Company also amended its prepaid forward gold sales arrangement whereby gold deliveries originally scheduled from May 2019 to October 2019 will now be delivered from November 2019 to April 2020 in addition to the existing quantities due during this period. As a result, total quantities of gold to be delivered increased by 228 ounces to 46,210 ounces. These ounces will now be delivered over a 15-month period from November 2019 to January 2021 in satisfaction of the upfront cash prepayment of $50.0 million that was received in September 2016 and represent approximately 14% of expected gold deliveries during this period with approximately 75% of the deliveries occurring in 2020. This prepayment, together with a deemed financing component, is recorded as deferred revenue in the consolidated statements of financial position, and will be recognized as revenue as deliveries are made, which will be in the form of unallocated gold credits that can be sourced from any of the Company’s own mines.

Tsumeb – Capital Project

Rotary Holding Furnace

The Company continues to assess opportunities to further optimize the smelter operation, including the installation of a rotary holding furnace, which is expected to provide surge capacity between the Ausmelt furnace and the converters, and increase smelter recoveries. This is a potentially high return project that is expected to debottleneck and increase the annual throughput of complex concentrate by over 50% up to 370,000 tonnes and, in turn, generate significant incremental margins, given the fixed cost nature of the facility.

A pre-feasibility study was completed in 2015, which evaluated a number of options to increase throughput and identified a preferred option. A subsequent feasibility study, based upon the preferred option, was completed in the fourth quarter of 2016 and confirmed the robust project economics, with an estimated implementation capital cost of approximately $52 million. The scope of the project includes the rotary holding furnace, additional cooling and other upgrades to the Ausmelt furnace, as well as upgrades to the slag mill area.

Work to secure the necessary permits to support this planned increase in production is ongoing. An Environmental and Social Impact Assessment ("ESIA") is underway for the project. Public access to the draft ESIA was provided during the second quarter of 2017. The Company is finalizing an update of certain technical studies, as a result of the feedback received from the public consultation process, and is planning to submit an updated ESIA for approval during the first half of 2019.

DPM anticipates moving forward with this project, subject to receipt of all major permits, adequate supply of complex concentrate on acceptable terms and funding being in place.

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

SELECTED QUARTERLY INFORMATION

Selected financial results for the last eight quarters, which have been prepared in accordance with IFRS, are shown in the table below:

$ millions	**2019**	2018				2017		
except per share amounts	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenue	**85.3**	83.0	104.3	102.9	86.9	94.9	92.3	86.9
Net earnings (loss)	**(1.8)**	(1.5)	20.0	16.0	2.7	(1.8)	3.0	11.0
Net earnings (loss) attributable to:								
• Non-controlling interest	**(0.3)**	(0.2)	(0.3)	(0.4)	(0.0)	(0.4)	(0.1)	0.0
• Common shareholders	**(1.5)**	(1.3)	20.3	16.4	2.7	(1.4)	3.1	11.0
Net earnings (loss) per share	**(0.01)**	(0.01)	0.11	0.09	0.02	(0.01)	0.02	0.06
Net earnings (loss) diluted per share	**(0.01)**	(0.01)	0.11	0.09	0.02	(0.01)	0.02	0.06
Adjusted net earnings (loss)	**(1.6)**	(3.1)	17.8	13.7	0.6	3.4	7.6	11.9
Adjusted basic earnings (loss) per share	**(0.01)**	(0.02)	0.10	0.08	0.00	0.02	0.04	0.07

The variations in the Company's quarterly results were driven largely by fluctuations in gold grades and recoveries, volumes of complex concentrate smelted, gold and copper prices, foreign exchange rates, smelter toll rates, metals exposure and slag mill concentrate returns, depreciation, gains and losses related to Sabina special warrants, unrealized and realized gains and losses on commodity swap and option contracts related to hedging the Company's metal price exposures, realized and unrealized gains or losses on foreign exchange forward and option contracts, impairment charges and common share issuances. Following the implementation of IFRS 9 on January 1, 2018, unrealized gains or losses on commodity swap and options contracts on Production Hedges and the time value of foreign exchange forward and option contracts are recognized in other comprehensive income (loss) rather than in other expense.

The following table summarizes the quarterly average trading price for gold, copper and silver based on the LBMA for gold and silver and the LME for copper (Grade A) and highlights the quarter over quarter variability.

	2019	2018				2017		
Average	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2
LBMA gold *($/oz)*	**1,304**	1,228	1,213	1,307	1,330	1,275	1,278	1,257
LME settlement copper *($/lb)*	**2.82**	2.80	2.77	3.12	3.16	3.09	2.88	2.57
LBMA spot silver *($/oz)*	**15.57**	14.55	14.99	16.53	16.77	16.70	16.83	17.26

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's condensed interim consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities on the date of the condensed interim consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The significant areas of estimation and uncertainty considered by management in preparing the condensed interim consolidated financial statements for the three months ended March 31, 2019 are the same as those described in the Company's MD&A for the year ended December 31, 2018, except for the changes in accounting policies as described below.

CHANGES IN ACCOUNTING POLICIES

Effective January 1, 2019, the Company adopted IFRS 16, *Leases*, replacing IAS 17, which resulted in changes in accounting policies. In accordance with the transitional provisions in the standard, IFRS 16 was adopted retrospectively without restating comparatives, with the cumulative impact adjusted in the opening balances as at January 1, 2019. For more details on this change in accounting policy, refer to note 2.2 to DPM's condensed interim consolidated financial statements for the three months ended March 31, 2019.

NON-GAAP FINANCIAL MEASURES

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

Non-GAAP Cash Cost and All-in Sustaining Cost Measures

Cash cost per tonne of ore processed, cash cost per pound of copper in gold-copper concentrate produced, cash cost per ounce of gold in gold-copper concentrate produced, cash cost per ounce of gold sold, net of by-product credits, all-in sustaining cost per ounce of gold and cash cost per tonne of complex concentrate smelted, net of by-product credits, capture the important components of the Company's production and related costs. Management and investors utilize these metrics as an important tool to monitor cost performance at the Company's operations. In addition, the Compensation Committee of the Board of Directors uses certain of these measures, together with other measures, to set incentive compensation goals and assess performance.

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

$ thousands, unless otherwise indicated **For the three months ended March 31, 2019**	**Chelopech**	**Tsumeb**	**MineRP**	**Total**
Ore processed *(mt)*	**551,809**	**-**		
Metals contained in gold-copper concentrate produced:				
Gold *(ounces)*	**29,785**	**-**		
Copper *(pounds)*	**8,020,556**	**-**		
Complex concentrate smelted *(mt)*	**-**	**62,822**		
Cost of sales	**25,563**	**36,553**	**2,617**	**64,733**
Add/(deduct):				
Depreciation, amortization & other	**(7,585)**	**(6,595)**		
Change in concentrate inventory	**1,172**	**-**		
Total cash cost before by-product credits	**19,150**	**29,958**		
By-product credits	**(478)**	**(6,703)**		
Total cash cost after by-product credits	**18,672**	**23,255**		
Cash cost per tonne ore processed	**34.70**	**-**		
Cash cost per pound copper produced(1)	**0.85**	**-**		
Cash cost per ounce gold produced(1)	**399**	**-**		
Cash cost per tonne of complex concentrate smelted, net of by-product credits	**-**	**370**		

1) Gold and copper are accounted for as co-products. Total cash costs are net of by-product silver revenue.

$ thousands, unless otherwise indicated **For the three months ended March 31, 2018**	**Chelopech**	**Tsumeb**	**MineRP**	**Total**
Ore processed *(mt)*	558,149	-		
Metals contained in gold-copper concentrate produced:				
Gold *(ounces)*	42,183	-		
Copper *(pounds)*	9,261,184	-		
Complex concentrate smelted *(mt)*	-	54,142		
Cost of sales	22,546	38,992	2,862	64,400
Add/(deduct):				
Depreciation, amortization & other	(8,010)	(6,064)		
Change in concentrate inventory	6,244	-		
Total cash cost before by-product credits	20,780	32,928		
By-product credits	(911)	(5,892)		
Total cash cost after by-product credits	19,869	27,036		
Cash cost per tonne ore processed	37.23	-		
Cash cost per pound copper produced(1)	0.74	-		
Cash cost per ounce gold produced(1)	309	-		
Cash cost per tonne of complex concentrate smelted, net of by-product credits	-	499		

1) Gold and copper are accounted for as co-products. Total cash costs are net of by-product silver revenue.

The following table provides, for the periods indicated, a reconciliation of Chelopech cash cost per ounce of gold sold, net of by-product credits, to its cost of sales:

$ thousands, unless otherwise indicated	**Three Months**	
Ended March 31,	**2019**	2018
Cost of sales	**25,563**	22,546
Add/(deduct):		
Depreciation, amortization & other	**(7,585)**	(8,010)
Other charges, including freight(1)	**24,723**	23,089
By-product credits(2)	**(17,874)**	(17,462)
Cash cost of sales, net of by-product credits	**24,827**	20,163
Payable gold in concentrate sold *(ounces)*(3)	**39,559**	35,156
Cash cost per ounce of gold sold, net of by-product credits	**628**	574

1) *Includes treatment charges, transportation and other selling costs related to the sale of pyrite concentrate of $7.1 million in the first quarter of 2019 compared to $6.6 million in the corresponding period in 2018.*
2) *Includes realized losses on copper swap and option contracts, entered to hedge a portion of projected payable production, of $2.6 million in the first quarter of 2018.*
3) *Includes payable gold in pyrite concentrate sold in the first quarter of 2019 of 11,053 ounces compared to 10,555 ounces in the corresponding period in 2018.*

DPM's all-in sustaining cost per ounce of gold calculation is set out in the following table:

$ thousands, unless otherwise indicated	**Three Months**	
Ended March 31,	**2019**	2018
Cash cost of sales, net of by-product credits(1)	**24,827**	20,163
Accretion expenses(1)	**91**	106
General and administrative expenses(2)	**5,777**	3,236
Cash outlays for sustaining capital(1)	**1,639**	963
All-in sustaining costs	**32,334**	24,468
Payable gold in concentrate sold *(ounces)*(3)	**39,559**	35,156
All-in sustaining cost per ounce of gold	**817**	696

1) *Represents the cash cost of sales, net of by-product credits, accretion expenses and cash sustaining capital expenditures that are specific to Chelopech. Includes treatment charges, transportation and other selling costs related to the sale of pyrite concentrate of $7.1 million in the first quarter of 2019 compared to $6.6 million in the corresponding period in 2018.*
2) *Represents an allocated portion of DPM's general and administrative expenses, including share-based compensation, and excluding depreciation and expenses related to Avala, Krumovgrad and MineRP, based on Chelopech proportion of total revenue, excluding MineRP.*
3) *Includes payable gold in pyrite concentrate sold in the first quarter of 2019 of 11,053 ounces compared to 10,555 ounces in the corresponding period in 2018.*

Adjusted net earnings (loss) and adjusted basic earnings (loss) per share

Adjusted net earnings (loss) and adjusted basic earnings (loss) per share are used by management and investors to measure the underlying operating performance of the Company. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods.

Adjusted net earnings (loss) are defined as net earnings (loss) attributable to common shareholders, adjusted to exclude specific items that are significant, but not reflective of the underlying operations of the Company, including:

- impairment charges or reversals thereof;
- unrealized 2017 gains or losses on commodity swap and option contracts that settled in 2018;
- unrealized and realized gains or losses related to investments carried at fair value;
- significant tax adjustments not related to current period earnings; and
- non-recurring or unusual income or expenses that are either not related to the Company's operating segments or unlikely to occur on a regular basis.

The following table provides a reconciliation of adjusted net earnings (loss) to net earnings (loss) attributable to common shareholders:

$ thousands, except per share amounts	**Three Months**	
Ended March 31,	**2019**	2018
Net earnings (loss) attributable to common shareholders	**(1,488)**	2,707
Add/(deduct) after-tax adjustments:		
Unrealized 2017 losses on commodity swap and option contracts that settled in 2018, net of income tax recovery of $353(1)	**-**	(3,179)
Net (gains) losses related to Sabina special warrants, net of income taxes of $nil for all periods	**(67)**	1,117
Adjusted net earnings (loss)	**(1,555)**	645
Basic earnings (loss) per share	**(0.01)**	0.02
Adjusted basic earnings (loss) per share	**(0.01)**	0.00

1) These losses were recognized in net earnings (loss) attributable to common shareholders in 2017 but were never recognized in adjusted net earnings (loss).

Adjusted EBITDA

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

Adjusted EBITDA excludes the following from earnings (loss) before income taxes:

- depreciation and amortization;
- interest income;
- finance cost;
- impairment charges or reversals thereof;
- unrealized 2017 gains or losses on commodity swap and option contracts that settled in 2018;
- unrealized and realized gains or losses related to investments carried at fair value; and
- non-recurring or unusual income or expenses that are either not related to the Company's operating segments or unlikely to occur on a regular basis.

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

$ thousands	**Three Months**	
Ended March 31,	**2019**	2018
Earnings (loss) before income taxes	**(994)**	5,635
Add/(deduct):		
Depreciation and amortization	**14,754**	14,427
Finance cost	**3,032**	1,923
Interest income	**(47)**	(50)
Net (gains) losses related to Sabina special warrants	**(67)**	1,117
Unrealized 2017 losses on commodity swap and option contracts that settled in 2018(1)	**-**	(3,532)
Adjusted EBITDA	**16,678**	19,520

1) These losses were recognized in earnings before income taxes in 2017 but were never recognized in adjusted EBITDA.

Free cash flow

Free cash flow is defined as cash provided from operating activities, before changes in non-cash working capital, less cash outlays for sustaining capital, mandatory principal repayments and interest payments related to debt and leases. This measure is used by the Company and investors to measure the cash flow available to fund the Company's growth capital expenditures.

DPM's free cash flow calculation is set out in the following table:

$ thousands	Three Months	
Ended March 31,	**2019**	2018
Cash provided from operating activities	**14,453**	11,043
Add (deduct) changes in non-cash working capital	**1,320**	7,401
Cash provided from operating activities, excluding changes in non-cash working capital	**15,773**	18,444
Cash outlays for sustaining capital	**(3,487)**	(5,289)
Principal repayments related to leases	**(874)**	(442)
Interest payments	**(1,385)**	(1,726)
Free cash flow	**10,027**	10,987

Cash provided from operating activities, before changes in non-cash working capital

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

Growth capital expenditures

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

Sustaining capital expenditures

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

Average realized price reconciliation

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

$ thousands, unless otherwise indicated	Three Months	
Ended March 31,	**2019**	2018
Total revenue	**85,338**	86,888
Add/(deduct):		
Tsumeb revenue	**(41,582)**	(36,829)
MineRP revenue	**(1,972)**	(4,186)
Treatment charges and other deductions	**24,723**	23,089
Unrealized 2017 losses on commodity swap and option contracts that settled in 2018	**-**	(3,532)
Unfavourable (favourable) final settlements on provisionally priced concentrate sales	**3,076**	(1,201)
Silver revenue	**(394)**	(617)
Revenue from gold and copper	**69,189**	63,612
Revenue from gold	**51,708**	46,767
Payable gold in concentrate sold *(ounces)*	**39,559**	35,156
Average realized gold price per ounce	**1,307**	1,330
Revenue from copper	**17,481**	16,845
Payable copper in concentrate sold *('000s pounds)*	**6,315**	6,084
Average realized copper price per pound	**2.77**	2.77

RISKS AND UNCERTAINTIES

The operating results, financial condition and future prospects of the Company are subject to a number of inherent risks and uncertainties associated with its business activities, which include the acquisition, financing, exploration, development, construction and operation of its mine, mill and concentrate processing facilities and the research, development and sales activities of MineRP, a software vendor for the mining industry. The operating results, financial condition and prospects of the Company are also subject to numerous external factors, which include economic, social, geo-political, regulatory, legal, tax and market risks impacting, among other things, precious metals and copper prices, acid prices, toll rates, foreign exchange rates, inflation and the availability and cost of capital to fund the capital requirements of the business. Each of these risks could have a material adverse impact on the Company's future business, results of operations and financial condition, and could cause actual results to differ materially from those described in any Forward Looking Statements contained in this MD&A. The Company endeavors to manage these risks and uncertainties in a balanced manner with a view to mitigating risk while maximizing total shareholder returns. It is the responsibility of senior management, and the functional head of each business, to identify and to effectively manage the risks of each business. This includes developing appropriate risk management strategies, policies, processes and systems. There can be no assurance that the Company has been or will be successful in identifying all risks or that any risk-mitigating strategies adopted to reduce or eliminate risk will be successful. These risks should be considered when evaluating the Company and its guidance.

A comprehensive discussion of the risks faced by the Company can be found in the Company's 2018 Annual MD&A and AIF.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

The Company's management, under the supervision of the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), has designed disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109") based on the Internal Control – Integrated Framework (2013) developed by COSO (Committee of Sponsoring Organizations of the Treadway Commission).

DC&P are designed to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO during the reporting period and the information required to be disclosed by the Company in its reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation. ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with IFRS. Due to the inherent limitations associated with any such controls and procedures, management recognizes that, no matter how well designed and operated, they may not prevent or detect misstatements on a timely basis.

The Company's management, under the supervision of the CEO and the CFO, has evaluated its DC&P and ICFR and concluded that, as of March 31, 2019, they have been designed effectively to provide reasonable assurance regarding required disclosures and the reliability of financial reporting and the preparation of financial statements for external purposes.

NI 52-109 also requires Canadian public companies to disclose any change in ICFR during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, ICFR. No material changes were made to the internal controls in the first three months of 2019.

Cautionary Note Regarding Forward Looking Statements

Certain statements and other information included in this MD&A and our other disclosure documents constitute "forward looking information" or "forward looking statements" within the meaning of applicable securities legislation, which we refer to collectively hereinafter as "Forward Looking Statements". Statements that constitute Forward Looking Statements include, but are not limited to, certain statements with respect to the estimated capital costs, operating costs, key project operating costs and financial metrics and other project economics with respect to Krumovgrad; the timing of the completion of construction, commissioning activities, commencement of production and the receipt of the operating permit in respect of Krumovgrad; timing of further optimization work at Tsumeb and potential benefits of the planned rotary furnace installation; price of gold, copper, silver and acid; toll rates; metals exposure and stockpile interest deductions; the estimation of Mineral Reserves and Mineral Resources and the realization of such mineral estimates; the timing and amount of estimated future production and output, life of mine, costs of production, cash costs and other cost measures, capital expenditures, rates of return at Krumovgrad and other deposits and timing of the development of new deposits; results of economic studies; success of exploration activities; success of permitting activities; permitting time lines; currency fluctuations; requirements for additional capital; government regulation of mining and smelting operations; success of permitting activities; environmental risks; reclamation expenses; potential or anticipated outcome of title disputes or claims; benefits of digital initiatives; and timing and possible outcome of pending litigation. Forward Looking Statements are statements that are not historical facts and are generally, but not always, identified by the use of forward looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "outlook", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Without limitation to the foregoing, the following section outlines certain specific Forward Looking Statements contained in the "2019 Guidance" of this MD&A, unless otherwise noted, and provides certain material assumptions used to develop such forward looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements (which are provided without limitation to the additional general risk factors discussed herein):

Ore mined/milled: assumes Chelopech and Krumovgrad mines perform at planned levels. Subject to a number of risks, the more significant of which are: failure of plant, equipment or processes to operate as anticipated, and longer than anticipated commissioning and ramp-up of the Krumovgrad gold mine.

Cash cost per tonne of ore processed: assumes Chelopech and Krumovgrad ore mined/milled are in line with the guidance provided; foreign exchange rates remain at or around current levels; and operating expenses at Chelopech and Krumovgrad are at planned levels. Subject to a number of risks, the more significant of which are: lower than anticipated ore mined/milled; a weaker U.S. dollar relative to the Euro; and unexpected increases in labour and other operating costs.

Metals contained in concentrates produced: assumes grades and recoveries are consistent with current estimates of Mineral Resources and Mineral Reserves and DPM's current expectations; and ore mined/milled is consistent with guidance. Subject to a number of risks, the more significant of which are: lower than anticipated ore grades, recovery rates, ore mined/milled and longer than anticipated commissioning and ramp-up of the Krumovgrad gold mine.

All-in sustaining costs: assumes that metals contained in concentrate produced and cash cost per tonne of ore processed at Chelopech and Krumovgrad are each in line with the guidance provided; copper and silver prices remain at or around current levels; timing of concentrate deliveries are consistent with DPM's current expectations; payable metals in concentrate sold are consistent with the guidance provided, and general and administrative expenses and sustaining capital expenditures are consistent with the guidance provided. Subject to a number of risks, the more significant of which are: lower than anticipated metals contained in concentrate produced, concentrate deliveries and metal prices; a higher than anticipated cash cost per tonne of ore processed; and higher than anticipated sustaining capital expenditures and general and administrative expenses.

Complex concentrate smelted at Tsumeb: assumes no significant disruption in equipment availability or concentrate supply. Subject to a number of risks, the more significant of which are: unanticipated operational issues; lower than anticipated equipment availability; and disruptions to or changes in the supply of complex concentrate.

Cash cost per tonne of complex concentrate smelted, net of by-product credits: assumes complex concentrate smelted is consistent with the guidance provided; acid prices are at or around current levels; acid production and operating expenses are at planned levels; and foreign exchange rates remain at or around current levels. Subject to a number of risks, the more significant of which are: complex concentrate smelted and acid production are lower than anticipated; acid prices are lower than anticipated; strengthening of the ZAR relative to the U.S. dollar; and higher than anticipated operating and transportation costs due to a variety of factors, including higher than anticipated inflation, labour and other operating costs.

Sustaining and growth capital expenditures: assumes foreign exchange rates remain at or around current levels, and all capital projects proceed as planned and at a cost that is consistent with the budget established for each project. Subject to a number of risks, the more significant of which are: technical challenges, delays related to securing necessary approvals, equipment deliveries, equipment performance, and the speed with which work is performed; availability of qualified labour; and changes in project parameters and estimated costs, including foreign exchange impacts.

Liquidity (see comments contained in "Liquidity and Capital Resources" section): assumes the operating and cost performance are consistent with current expectations; metal and acid prices, and foreign exchange rates remain at or around current levels; concentrate and acid sales agreements, and smelter toll terms are consistent with current terms and/or forecast levels; progress of capital projects is consistent with current expectations; and DPM's RCF remains in place. Subject to a number of risks, the more significant of which are: lower than anticipated metals production at Chelopech and Krumovgrad, longer than anticipated commissioning and ramp-up of the Krumovgrad gold mine, complex concentrate throughput and acid production at Tsumeb, concentrate deliveries and metal prices; weaker U.S. dollar relative to local operating currencies; changes in contractual sales and/or toll terms and acid prices; changes to project parameters, schedule and/or costs; and the inability to draw down on DPM's RCF due to a breach or potential breach of one of its covenants.

Forward looking statements are based on certain key assumptions and the opinions and estimates of management and Qualified Persons (in the case of technical and scientific information) as of the date such statements are made and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the Forward Looking Statements. In addition to factors already discussed in this document, such factors include, among others: the uncertainties with respect to actual results of current exploration activities, actual results of current reclamation activities, conclusions of economic evaluations and economic studies; changes in project parameters as plans continue to be refined; possible variations in ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; uncertainties and risks inherent to developing and commissioning new mines into production, such as the Krumovgrad project, which may be subject to unforeseen delays, costs or other issues; uncertainties inherent with conducting business in foreign jurisdictions where corruption, civil unrest, political instability and uncertainties with the rule of law may impact the Company's activities; social and non-governmental organizations ("NGO") opposition to mining projects and smelting operations; fluctuations in metal and acid prices, toll rates and foreign exchange rates; unanticipated title disputes; claims or litigation; limitation on insurance coverage; cyber-attacks; risks related to the implementation, cost and realization of benefits from digital initiatives; failure to realize projected financial results from MineRP; risks related to operating a technology business reliant on the ownership, protection and ongoing development of key intellectual properties; as well as those risk factors discussed or referred to in any other documents (including without limitation the Company's most recent AIF) filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward Looking Statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that Forward Looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Unless required by securities laws, the Company undertakes no obligation to update Forward Looking Statements if circumstances or management's estimates or opinion should change. Accordingly, readers are cautioned not to place undue reliance on Forward Looking Statements.

CAUTIONARY NOTE TO UNITED STATES INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES

This MD&A uses the terms "Measured", "Indicated" and "Inferred" Mineral Resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission ("SEC") does not recognize them. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies. **United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable.**

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at March 31, 2019 and December 31, 2018

(unaudited, in thousands of U.S. dollars)

	March 31, 2019	December 31, 2018
ASSETS		
Current Assets		
Cash	**13,958**	17,043
Accounts receivable	**34,666**	31,170
Inventories	**36,597**	34,101
Other current assets *(note 3(c) & 3(d))*	**2,689**	1,919
	87,910	84,233
Non-Current Assets		
Investments at fair value *(note 3(a) &3(b))*	**31,811**	29,997
Mine properties	**352,672**	337,022
Property, plant & equipment	**342,088**	347,822
Intangible assets	**39,702**	45,715
Deferred income tax assets	**11,678**	10,992
Other long-term assets	**2,879**	3,804
	780,830	775,352
TOTAL ASSETS	**868,740**	859,585
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	**66,097**	67,285
Income tax liabilities	**2,767**	1,216
Current portion of long-term liabilities	**32,690**	24,945
	101,554	93,446
Non-Current Liabilities		
Long-term debt *(note 4(a))*	**29,000**	29,000
Deferred revenue	**30,768**	36,399
Rehabilitation provisions	**39,565**	38,388
Share based compensation plans	**11,581**	7,962
Other long-term liabilities	**17,769**	16,209
	128,683	127,958
TOTAL LIABILITIES	**230,237**	221,404
EQUITY		
Share capital	**516,904**	515,658
Contributed surplus	**11,470**	12,085
Retained earnings	**114,421**	115,909
Accumulated other comprehensive loss	**(10,645)**	(11,652)
Equity attributable to common shareholders of the Company	**632,150**	632,000
Non-controlling interests	**6,353**	6,181
TOTAL EQUITY	**638,503**	638,181
TOTAL LIABILITIES AND EQUITY	**868,740**	859,585

The accompanying notes are an integral part of the condensed interim consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

For the three months ended March 31, 2019 and 2018

(unaudited, in thousands of U.S. dollars, except per share amounts)

	Three months ended March 31,	
	2019	2018
Revenue *(note 9)*	**85,338**	86,888
Costs and expenses		
Cost of sales	**64,733**	64,400
General and administrative expenses	**13,358**	9,613
Corporate social responsibility expenses	**250**	259
Exploration and evaluation expenses	**2,905**	1,926
Finance cost	**3,032**	1,923
Other expense	**2,054**	3,132
Earnings (loss) before income taxes	**(994)**	5,635
Current income tax expense	**1,719**	3,101
Deferred income tax recovery	**(911)**	(139)
Net earnings (loss)	**(1,802)**	2,673
Net earnings (loss) attributable to:		
Common shareholders of the Company	**(1,488)**	2,707
Non-controlling interests	**(314)**	(34)
Net earnings (loss)	**(1,802)**	2,673
Earnings (loss) per share attributable to common shareholders of the Company		
- Basic	**(0.01)**	0.02
- Diluted	**(0.01)**	0.02

The accompanying notes are an integral part of the condensed interim consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the three months ended March 31, 2019 and 2018

(unaudited, in thousands of U.S. dollars)

	Three months ended March 31, 2019	2018
Net earnings (loss)	**(1,802)**	2,673
Other comprehensive income (loss) items that may be reclassified subsequently to profit or loss:		
Foreign exchange forward and option contracts designated as cash flow hedges		
Unrealized gains (losses), net of income tax expense (recovery) of $(21) (2018 - $169)	**(98)**	3,298
Deferred cost of hedging, net of income tax expense (recovery) of $(6) (2018 - $45)	**464**	134
Realized gains transferred to cost of sales, net of income tax expense of $nil (2018 - $nil)	**(384)**	(959)
Cost of hedging transferred to cost of sales, net of income tax expense of $nil (2018 - $nil)	**-**	(212)
Commodity swap and option contracts designated as cash flow hedges		
Unrealized gains, net of income tax expense of $nil (2018 - $443)	**-**	3,990
Deferred cost of hedging, net of income tax expense of $nil (2018 - $128)	**-**	1,149
Realized gains transferred to revenue, net of income tax expense of $nil (2018 - $61)	**-**	(550)
Cost of hedging transferred to revenue, net of income tax expense of $nil (2018 - $33)	**-**	(295)
Currency translation adjustments	**(206)**	2,052
Other comprehensive income (loss) items that will not be reclassified subsequently to profit or loss:		
Unrealized gains (losses) on publicly traded securities, net of income tax recovery of $nil (2018 - $1,198)	**998**	(13,331)
	774	(4,724)
Comprehensive loss	**(1,028)**	(2,051)
Comprehensive income (loss) attributable to:		
Common shareholders of the Company	**(665)**	(2,463)
Non-controlling interests	**(363)**	412
Comprehensive loss	**(1,028)**	(2,051)

The accompanying notes are an integral part of the condensed interim consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2019 and 2018

(unaudited, in thousands of U.S. dollars)

	Three months ended March 31, 2019	2018
OPERATING ACTIVITIES		
Earnings (loss) before income taxes	**(994)**	5,635
Items not affecting cash and other adjustments *(note 7(a))*	**17,444**	15,802
Changes in non-cash working capital *(note 7(b))*	**(1,320)**	(7,401)
Payments for settlement of derivative contracts	**(634)**	(2,439)
Income taxes paid	**(43)**	(554)
Cash provided from operating activities	**14,453**	11,043
INVESTING ACTIVITIES		
Purchase of publicly traded securities	**(748)**	(3,994)
Proceeds from disposal of mine properties, property, plant and equipment and intangible assets	**5,584**	21
Expenditures on mine properties	**(17,110)**	(23,692)
Expenditures on property, plant and equipment	**(3,107)**	(5,299)
Expenditures on intangible assets	**(442)**	(13)
Cash used in investing activities	**(15,823)**	(32,977)
FINANCING ACTIVITIES		
Proceeds from shares issued	**544**	101
Drawdowns under revolving credit facility *(note 4(a))*	**-**	10,000
Lease obligation	**(874)**	(442)
Interest paid	**(1,385)**	(1,726)
Cash provided from (used in) financing activities	**(1,715)**	7,933
Decrease in cash	**(3,085)**	(14,001)
Cash at beginning of period	**17,043**	28,767
Cash at end of period	**13,958**	14,766

The accompanying notes are an integral part of the condensed interim consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the three months ended March 31, 2019 and 2018

(unaudited, in thousands of U.S. dollars, except for number of shares)

	March 31, 2019		March 31, 2018	
	Number	**Amount**	Number	Amount
Share capital				
Authorized				
Unlimited common and preference shares with no par value				
Issued				
Fully paid common shares with one vote per share				
Balance at beginning of period	**178,547,639**	**515,658**	178,492,566	515,507
Shares issued on exercise of stock options	**295,927**	**833**	-	-
Transferred from contributed surplus on exercise of stock options		**413**		-
Balance at end of period	**178,843,566**	**516,904**	178,492,566	515,507
Contributed surplus				
Balance at beginning of period		**12,085**		11,720
Share based compensation expense		**333**		337
Transferred to share capital on exercise of stock options		**(413)**		-
Other changes in contributed surplus		**(535)**		(22)
Balance at end of period		**11,470**		12,035
Retained earnings				
Balance at beginning of period		**115,909**		57,115
Impact of adoption of IFRS 9		**-**		20,681
Adjusted balance at beginning of period		**115,909**		77,796
Net earnings (loss) attributable to common shareholders of the Company		**(1,488)**		2,707
Balance at end of period		**114,421**		80,503
Accumulated other comprehensive income (loss)				
Balance at beginning of period		**(11,652)**		41,820
Impact of adoption of IFRS 9		**-**		(20,681)
Adjusted balance at beginning of period		**(11,652)**		21,139
Other comprehensive income (loss)		**823**		(5,170)
Realized (gains) losses on foreign exchange forward contracts and cost of hedging transferred to Mine Properties, net of income tax expense of $23 (2018 - $186)		**184**		(1,670)
Balance at end of period		**(10,645)**		14,299
Total equity attributable to common shareholders of the Company		**632,150**		622,344
Non-controlling interests				
Balance at beginning of period		**6,181**		7,326
Net loss attributable to non-controlling interests		**(314)**		(34)
Other comprehensive income (loss) attributable to non-controlling interests		**(49)**		446
Other changes in non-controlling interests		**535**		22
Balance at end of period		**6,353**		7,760
Total equity at end of period		**638,503**		630,104

The accompanying notes are an integral part of the condensed interim consolidated financial statements

1. CORPORATE INFORMATION

Dundee Precious Metals Inc. ("DPM") is a Canadian based, international gold mining company engaged in the acquisition of mineral properties, exploration, development, mining and processing of precious metals. DPM is a publicly listed company incorporated in Canada with limited liability under legislation of the Province of Ontario. DPM has common shares traded on the Toronto Stock Exchange ("TSX"). The address of DPM's registered office is 1 Adelaide Street East, Suite 500, P. O. Box 195, Toronto, Ontario, M5C 2V9.

As at March 31, 2019, DPM's condensed interim consolidated financial statements include DPM and its subsidiary companies (collectively, the "Company").

DPM's principal subsidiaries include:

- 100% of Dundee Precious Metals Chelopech EAD ("Chelopech"), which owns and operates a gold, copper and silver mine located east of Sofia, Bulgaria;
- 100% of Dundee Precious Metals Krumovgrad EAD ("Krumovgrad"), which owns and operates a gold mine located in south eastern Bulgaria, near the town of Krumovgrad; and
- 100% of Dundee Precious Metals Tsumeb (Proprietary) Limited ("Tsumeb"), which owns and operates a custom smelter located in Tsumeb, Namibia.

DPM holds interests in a number of exploration properties located in Canada, Serbia and Armenia, including:

- 10.4% of Sabina Gold and Silver Corp. ("Sabina"), which is focused on the Back River project in southwestern Nunavut, Canada;
- 100% of Avala Resources Ltd., which is focused on the exploration and development of the Timok gold project, the Lenovac project, the Tulare copper and gold project and other early stage projects in Serbia; and
- through an option agreement, the right to earn up to a 71% interest in Pershimex Resources Corporation's gold property located in the Archean Abitibi greenstone belt near Val-d'Or, Canada.

DPM also owns:

- 78% equity interest in MineRP Holdings (Proprietary) Limited, an independent mining software vendor with operations in Canada, South Africa, Australia and Chile, through MineRP Holdings Inc. ("MineRP").

2.1 BASIS OF PREPARATION

These condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, including International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. These condensed interim consolidated financial statements do not include all of the information required for full financial statements and should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS.

The accounting policies applied in these condensed interim consolidated financial statements are consistent with those applied in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2018, except for the changes in accounting policies as described below in *note 2.2.* These condensed interim consolidated financial statements were approved by the Board of Directors on May 9, 2019.

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

2.2 CHANGES IN ACCOUNTING POLICIES

Effective January 1, 2019, the Company adopted IFRS 16, Leases, replacing IAS 17, which resulted in changes in accounting policies as described below. In accordance with the transitional provisions in the standard, IFRS 16 was adopted retrospectively without restating comparatives, with the cumulative impact adjusted in the opening balances as at January 1, 2019. The Company also utilized certain practical expedient elections whereby (i) there is no need to reassess whether an existing contract is a lease, or contains an embedded lease if previously determined under IAS 17, (ii) short term and low value leases are treated as operating leases, and (iii) there is no need to reassess the previous assessments in respect of onerous contracts that confirmed there were no existing onerous lease contracts.

Under IFRS 16, most leases are now recognized on the balance sheet for lessees, essentially eliminating the distinction between a finance lease and an operating lease under IAS 17, where operating leases were reflected in the consolidated statements of earnings (loss).

As a result, as at January 1, 2019, the Company recognized lease obligations and leased assets under existing operating leases of $3.6 million, with no impact on total shareholders' equity. Each lease obligation was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate, the weighted average rate of which was 4.2%. Leased assets were recognized as right-of-use assets in property, plant and equipment and were measured at the amount equal to the lease obligations. Leases previously classified as finance leases and recognized in the carrying amounts of the Company's lease obligations and leased assets are now recognized in the carrying amounts of the lease obligations and the right-of-use assets as at January 1, 2019.

The effects of adopting IFRS 16 as at January 1, 2019 are summarized in the table below:

Operating lease commitments disclosed as at December 31, 2018	**4,367**
Add/(deduct):	
Effect of discounting operating lease commitments	**(433)**
Short-term leases	**(349)**
Low value leases	**(19)**
Finance lease obligations recognized as at December 31, 2018	**17,571**
Lease obligations recognized as at January 1, 2019	**21,137**
Lease obligations recognized in:	
Current portion of long-term liabilities	**3,574**
Other long-term liabilities	**17,563**
	21,137
Right-of-use assets recognized in property, plant and equipment:	
Buildings	**3,272**
Machinery and Equipment	**16,029**
	19,301

The following are the Company's new accounting policies for its leases under IFRS 16:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the agreement on the inception date.

As a lessee, the Company recognizes a lease obligation and a right-of-use asset in the consolidated statements of financial position on a present-value basis at the date when the leased asset is available for use. Each lease payment is apportioned between a finance charge and a reduction of the lease obligation. Finance charges are recognized in finance cost in the consolidated statements of earnings (loss). The right-of-use asset is included in property, plant and equipment and is depreciated over the shorter of its estimated useful life and the lease term on a straight-line basis.

Lease obligations are initially measured at the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments are discounted using the interest rate implicit in the lease, or if this rate cannot be determined, the Company's incremental borrowing rate.

Right-of-use assets are initially measured at cost comprising the following:

- the amount of the initial measurement of the lease obligation;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- rehabilitation costs.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the consolidated statements of earnings (loss). Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise primarily small equipment.

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

3. FINANCIAL INSTRUMENTS

Set out below is a comparison, by category, of the carrying amounts of the Company's financial instruments that are recognized in the condensed interim consolidated statements of financial position:

	Financial instrument classification	Carrying Amount March 31, 2019	December 31, 2018
Financial assets			
Cash	Amortized cost	**13,958**	17,043
Accounts receivable on provisionally priced sales	Fair value through profit or loss	**4,313**	7,921
Other accounts receivable	Amortized cost	**30,353**	23,249
Restricted cash	Amortized cost	**2,132**	2,140
Sabina special warrants *(a)*	Fair value through profit or loss	**2,684**	2,617
Publicly traded securities *(b)*	Fair value through other comprehensive income	**29,127**	27,380
Commodity swap contracts *(c)*	Derivatives for cash flow and fair value hedges	**16**	197
Foreign exchange forward and option contracts *(d)*	Derivatives for cash flow hedges	**509**	351
Financial liabilities			
Accounts payable and accrued liabilities	Amortized cost	**63,725**	66,303
Debt *(note 4(a))*	Amortized cost	**29,000**	29,000
Commodity swap contracts *(c)*	Derivatives for cash flow and fair value hedges	**1,476**	60
Foreign exchange forward and option contracts *(d)*	Derivatives for cash flow hedges	**896**	922

The carrying values of all the financial assets and liabilities measured at amortized cost approximate their fair values as at March 31, 2019 and December 31, 2018.

(a) Sabina special warrants

As at March 31, 2019, DPM held: (i) 30,119,913 common shares of Sabina; and (ii) 5,000,000 Series B special warrants, which will be automatically exercised upon a positive production decision with respect to the Back River project or upon the occurrence of certain other events. Each of the special warrants is exercisable into one common share until 2044.

For the three months ended March 31, 2019, the Company recognized unrealized gains on the Sabina special warrants of $0.1 million (2018 – unrealized losses of $1.6 million) in other expense in the condensed interim consolidated statements of earnings (loss).

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

(b) Publicly traded securities

Publicly traded securities include a portfolio of equity investments in publicly traded mining and exploration companies, comprised primarily of Sabina common shares. For the three months ended March 31, 2019, the Company recognized unrealized gains on these publicly traded securities of $1.0 million (2018 – unrealized losses of $14.5 million) in other comprehensive income (loss) that will not be reclassified subsequently to profit or loss.

(c) Commodity swap and option contracts

The Company enters into cash settled commodity swap contracts from time to time to swap future contracted monthly average metal prices for fixed metal prices to eliminate or substantially reduce the metal price exposure associated with the time lag between the provisional and final determination of concentrate sales ("QP Hedges"). As at March 31, 2019, the Company's outstanding QP Hedges, all of which mature within three months from the reporting date, are summarized in the table below:

Commodity hedged	Volume hedged	Average fixed price of QP Hedges
Payable gold	2,930 ounces	$1,300.78 /ounce
Payable copper	7,065,807 pounds	$2.73 /pound

The Company also enters into cash settled commodity swap and option contracts from time to time to reduce its future metal price exposures ("Production Hedges"). Commodity swap contracts are entered to swap future contracted monthly average prices for fixed prices. Commodity option contracts are entered to provide price protection below a specified "floor" price and price participation up to a specified "ceiling" price. These option contracts are comprised of a series of call options and put options (which when combined create a price "collar") that are generally structured so as to provide for a zero upfront cash cost. As at March 31, 2019, the Company had no outstanding Production Hedges.

The Company designates the spot component of commodity swap contracts and the intrinsic value of the commodity option contracts in respect of Production Hedges as cash flow hedges and the spot component of commodity swap contracts in respect of QP Hedges as fair value hedges.

The fair value gain or loss on commodity swap contracts was calculated based on the corresponding London Metal Exchange forward copper prices and New York Commodity Exchange forward gold and silver prices, as applicable. The fair value gain or loss on commodity option contracts was calculated based on the option prices quoted on the Commodity Exchange (a part of the Chicago Mercantile Exchange). As at March 31, 2019, the net fair value loss on all outstanding commodity swap and option contracts was $1.5 million (December 31, 2018 – a net fair value gain of $0.1 million), of which $0.02 million (December 31, 2018 – $0.2 million) was included in other current assets and $1.5 million (December 31, 2018 – $0.1 million) in accounts payable and accrued liabilities.

For the three months ended March 31, 2019, the Company recognized unrealized gains of $nil (2018 – $4.8 million) in other comprehensive income (loss) on outstanding commodity swap and option contracts. The Company also recognized net losses of $1.6 million (2018 – net gains of $1.0 million) for the three months ended March 31, 2019 in revenue on settled contracts.

(d) Foreign exchange forward and option contracts

The Company enters into foreign exchange forward and option contracts from time to time to reduce the foreign exchange exposure associated with projected operating expenses and capital expenditures denominated in foreign currencies.

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

Foreign exchange forward contracts are entered to fix foreign exchange rates on future operating expenses and capital expenditures. Foreign exchange option contracts are entered to provide price protection below a specified "floor" rate and participation up to a specified "ceiling" rate. The option contracts entered are comprised of a series of call options and put options (which when combined create a price "collar") that are structured so as to provide for a zero upfront cash cost.

As at March 31, 2019, the Company had outstanding foreign exchange forward contracts in respect of a portion of its projected Euro denominated capital expenditures as summarized in the table below:

Year of projected capital expenditures	Amount hedged in Euro *(i)*	Average exchange rate Euro/US$
Balance of 2019	4,100,000	1.1345

As at March 31, 2019, the Company had outstanding foreign exchange option contracts in respect of a portion of its projected South African Rand ("ZAR") denominated operating expenses as summarized in the table below:

Year of projected operating expenses	Amount hedged in ZAR *(i)*	Call options sold Average ceiling rate US$/ZAR	Put options purchased Average floor rate US$/ZAR
Balance of 2019	1,112,490,000	15.46	14.00
2020	136,080,000	16.50	14.00

(i) The Bulgarian leva is pegged to the Euro and the Namibian dollar is pegged to the ZAR on a 1:1 basis.

The Company designates the spot component of the foreign exchange forward contracts and the intrinsic value of option contracts as cash flow hedges. The time value component of foreign exchange forward and option contracts is treated as a separate cost of hedging.

The fair value gain or loss on these outstanding contracts was calculated based on foreign exchange forward rates quoted in the market. As at March 31, 2019, the fair value loss on all outstanding foreign exchange forward and option contracts was $0.4 million (December 31, 2018 – $0.6 million), of which $0.5 million (December 31, 2018 – $0.3 million) was included in other current assets, $0.8 million (December 31, 2018 – $0.9 million) in accounts payable and accrued liabilities, and $0.1 million (December 31, 2018 – $nil) in other long-term liabilities.

For the three months ended March 31, 2019, the Company recognized unrealized losses of $0.4 million (2018 – unrealized gains of $0.3 million) in other comprehensive income (loss) on the spot component of the outstanding foreign exchange forward and option contracts. The Company also recognized realized gains of $0.4 million (2018 – $1.0 million) for the three months ended March 31, 2019 in cost of sales on the spot component of settled contracts in respect of foreign denominated operating expenses. The Company also recognized realized losses of $0.1 million (2018 – realized gains of $2.2 million) for the three months ended March 31, 2019 as additions (reductions) to mine properties on the spot component of settled contracts in respect of foreign denominated capital expenditures.

For the three months ended March 31, 2019, the Company recognized $0.6 million (2018 – $0.2 million) of unrealized gains on the time value component of the outstanding foreign exchange forward and option contracts in other comprehensive income (loss) as a deferred cost of hedging. The Company also recognized realized gains of $nil (2018 – $0.2 million) for the three months ended March 31, 2019 in cost of sales on the forward point component of settled contracts in respect of foreign denominated operating expenses. The Company also recognized realized losses of $0.1 million (2018 – $0.3 million) for the three months ended March 31, 2019 as additions to mine properties on the forward point component of settled contracts in respect of foreign denominated capital expenditures.

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: based on quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: based on inputs which have a significant effect on fair value that are observable, either directly or indirectly from market data; and
- Level 3: based on inputs which have a significant effect on fair value that are not observable from market data.

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at March 31, 2019 and December 31, 2018:

				As at March 31, 2019
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Accounts receivable on provisionally priced sales	**-**	**4,313**	**-**	**4,313**
Sabina special warrants	**-**	**-**	**2,684**	**2,684**
Publicly traded securities	**29,127**	**-**	**-**	**29,127**
Commodity swap contracts	**-**	**16**	**-**	**16**
Foreign exchange forward and option contracts	**-**	**509**	**-**	**509**
Financial liabilities				
Commodity swap contracts	**-**	**1,476**	**-**	**1,476**
Foreign exchange forward and option contracts	**-**	**896**	**-**	**896**

				As at December 31, 2018
	Level 1	Level 2	Level 3	Total
Financial assets				
Accounts receivable on provisionally priced sales	-	7,921	-	7,921
Sabina special warrants	-	-	2,617	2,617
Publicly traded securities	27,380	-	-	27,380
Commodity swap contracts	-	197	-	197
Foreign exchange forward and option contracts	-	351	-	351
Financial liabilities				
Commodity swap contracts	-	60	-	60
Foreign exchange forward and option contracts	-	922	-	922

During the three months ended March 31, 2019 and the year ended December 31, 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

The following table reconciles Level 3 fair value measurements from January 1, 2019 to March 31, 2019:

Balance as at January 1, 2018	5,239
Purchase of other warrants	2
Unrealized losses included in net earnings (loss)	(2,624)
Balance as at December 31, 2018	2,617
Unrealized gains included in net earnings (loss)	**67**
Balance as at March 31, 2019	**2,684**

4. DEBT

(a) DPM Revolving Credit Facility ("RCF")

DPM has a committed RCF with a consortium of banks. As at March 31, 2019, the RCF is comprised of a $45.0 million tranche A maturing in February 2022, a $150.0 million tranche B maturing in February 2021, and a $68.0 million tranche C maturing in September 2021. The RCF bears interest at a spread above LIBOR, which varies between 2.75% and 5.50% depending upon the tranche being drawn and the Company's funded net debt to adjusted earnings before interest, taxes, depreciation and amortization ("Debt Leverage Ratio"), as defined in the RCF agreement. The RCF is secured by pledges of the Company's investments in Krumovgrad, Chelopech and Tsumeb and by guarantees from each of these subsidiaries.

The RCF contains financial covenants that require DPM to maintain: (i) a Debt Leverage Ratio below 3.5:1, (ii) a current ratio (including the addition of any unutilized credit within tranche B to current assets) of greater than 1.5:1, and (iii) a minimum net worth of $500.0 million plus (minus) 50% of ongoing annual net earnings (losses).

As at March 31, 2019, DPM was in compliance with all financial covenants and $29.0 million (December 31, 2018 – $29.0 million) was drawn under the RCF.

In April 2019, the Company cancelled tranches A and C of the RCF and is in process of amending its tranche B facility, which is expected to close in May 2019 and will provide for, among other things, the maturity date being extended to February 2022, the size being increased to $175.0 million, and a lower borrowing spread above LIBOR of 2.5% and 3.5%.

(b) Tsumeb overdraft facility

In April 2018, Tsumeb entered into Namibian $50.0 million ($3.5 million) demand overdraft facility that is guaranteed by DPM. This facility bears interest at a rate equal to the Namibian Prime Lending Rate minus 0.50%. As at March 31, 2019, $nil was drawn from this facility.

(c) Other credit agreements and guarantees

Chelopech and Krumovgrad have a $16.0 million multi-purpose credit facility that matures on November 30, 2019. This credit facility is guaranteed by DPM. As at March 31, 2019, $4.7 million (December 31, 2018 – $4.8 million) had been utilized against the multi-purpose revolving facility in the form of letters of credit and letters of guarantee.

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

Chelopech and Krumovgrad also have a Euro 21.0 million ($23.6 million) credit facility to support mine closure and rehabilitation obligations. This credit facility matures on November 30, 2019 and is guaranteed by DPM. As at March 31, 2019, $23.6 million (December 31, 2018 – $24.0 million) had been utilized against this credit facility in the form of letters of guarantee, which were posted with the Bulgarian Ministry of Energy. Krumovgrad has a $5.3 million multi-purpose credit facility that matures on November 30, 2019. This credit facility is guaranteed by DPM. As at March 31, 2019, $0.1 million (December 31, 2018 – $0.1 million) had been utilized against the multi-purpose revolving facility in the form of letters of credit and letters of guarantee.

Advances under these facilities bear interest at a rate equal to the one month U.S. Dollar LIBOR plus 2.5%. The letters of credit and guarantee bear a fee of 0.6% based on the amounts issued.

5. SHARE BASED COMPENSATION PLANS

The following is a summary of the new grants under the Company's share based compensation plans during the three months ended March 31, 2019:

	Number of units granted	Fair value granted
Restricted Share Units ("RSUs")	**1,270,500**	**1,217**
Performance Share Units ("PSUs")	**441,700**	**356**
Deferred Share Units ("DSUs")	**48,343**	**160**
DPM Stock Options	**644,044**	**1,118**

For the three months ended March 31, 2019, the Company recognized mark-to-market adjustments of $2.0 million (2018 – $0.6 million) on RSUs, $2.5 million (2018 – $0.6 million) on PSUs and $1.3 million (2018 – $0.2 million) on DSUs.

6. RELATED PARTY TRANSACTIONS

(a) Key management remuneration

The Company's related parties include its key management. Key management includes directors (executive and non-executive), the Chief Executive Officer ("CEO") and the Executive and Senior Vice Presidents reporting directly to the CEO.

The remuneration of the key management of the Company recognized in the condensed interim consolidated statements of earnings (loss) for the three months ended March 31, 2019 and 2018 was as follows:

	Three months ended March 31,	
	2019	2018
Salaries, management bonuses and director fees	**1,214**	1,297
Other benefits	**93**	100
Share based compensation	**3,830**	1,572
Total remuneration	**5,137**	2,969

(b) Transaction with a director

In January 2018, the Company purchased 2,200,000 common shares of Sabina from a director of the Company at the market price of $1.81 (Cdn$2.26) per share for a total cost of $4.0 million (Cdn$5.0 million) to maintain its ownership interest in Sabina (*note 3(a)*).

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

7. SUPPLEMENTARY CASH FLOW INFORMATION

(a) Items not affecting cash and other adjustments

	Three months ended March 31,	
	2019	2018
Depreciation and amortization	**14,754**	14,427
Net interest expense	**2,418**	1,304
Accretion expense related to rehabilitation provisions	**567**	569
Share based compensation expense	**333**	337
Net (gains) losses on Sabina special warrants	**(67)**	1,117
Net (gains) losses on commodity swap and option contracts	**1,594**	(1,014)
Net gains on foreign exchange forward and option contracts	**(384)**	(1,172)
Other, net	**(1,771)**	234
	17,444	15,802

(b) Changes in non-cash working capital

	Three months ended March 31,	
	2019	2018
Increase in accounts receivable and other assets	**(3,040)**	(8,585)
Increase in inventories	**(2,287)**	(7,073)
Increase in accounts payable and accrued liabilities	**582**	6,990
Increase in other liabilities	**3,425**	1,267
	(1,320)	(7,401)

8. COMMITMENTS AND OTHER CONTINGENCIES

(a) Commitments

The Company had the following minimum contractual commitments as at March 31, 2019:

	up to 1 year	1 - 5 years	Total
Capital commitments	28,478	-	**28,478**
Purchase commitments	6,044	8	**6,052**
Total commitments	**34,522**	**8**	**34,530**

As at March 31, 2019, Tsumeb had approximately $54.4 million (December 31, 2018 – $62.1 million) of recoverable third party in-process secondary materials, which it is obligated to process and return, generally in the form of blister, to IXM S.A. (“IXM”) pursuant to a tolling agreement.

In July 2017, the Company and IXM agreed to amend the existing tolling agreement to provide for, among other things, lower stockpile interest deductions on excess secondary materials, specified quarterly targeted reductions designed to eliminate excess secondary materials representing at that time approximately $90.0 million over a period that extends to December 31, 2020, the purchase of secondary materials in excess of established quarterly targeted levels, and the extension of the tolling agreement by one year. During the three months ended March 31, 2019, no purchase of secondary materials was required. As at March 31, 2019, the value of excess secondary materials was approximately $28.2 million (December 31, 2018 – $39.0 million).

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

(b) Other

The Company is involved in legal proceedings, from time to time, arising in the ordinary course of its business. It is not expected that any material liability will arise from current legal proceedings or have a material adverse effect on the Company's future business, operations or financial condition.

9. OPERATING SEGMENT INFORMATION

Operating segments are components of an entity whose operating results are regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance and for which separate financial information is available.

The Company has two operating segments – Chelopech in Bulgaria and Tsumeb in Namibia. The nature of their operations, products and services are described in *note 1*, *Corporate Information*. These segments are organized predominantly by the products and services provided to customers and geography of the businesses. The Corporate and Other segment includes corporate, exploration, development projects, the results of MineRP and other income and cost items that do not pertain directly to an operating segment. There are no significant inter-segment transactions that have not been eliminated on consolidation.

The following table summarizes the relevant information by segment for the three months ended March 31, 2019 and 2018:

	Three months ended March 31, 2019			
	Chelopech	**Tsumeb**	**Corporate & Other**	**Total**
Revenue *(a)*	**41,784**	**41,582**	**1,972**	**85,338**
Earnings (loss) before income taxes	**15,141**	**3,186**	**(19,321)**	**(994)**
Capital expenditures	**2,562**	**335**	**17,273**	**20,170**

	Three months ended March 31, 2018			
	Chelopech	Tsumeb	Corporate & Other	Total
Revenue *(a)*	45,873	36,829	4,186	86,888
Earnings (loss) before income taxes	22,040	(4,654)	(11,751)	5,635
Capital expenditures	1,639	4,340	24,455	30,434

(a) Chelopech's revenues were generated from the sale of concentrate, Tsumeb's revenues were generated from processing concentrate, and revenues for Corporate and Other were generated from sale of software licenses and delivery of consulting services by MineRP.

(unaudited, in thousands of U.S. dollars, unless otherwise indicated)

The following table summarizes the Company's revenue recognized for the three months ended March 31, 2019 and 2018:

	Three months ended March 31,	
	2019	2018
Revenue recognized at a point in time		
Sale of concentrate	**40,091**	45,765
Processing concentrate	**41,582**	36,829
Sale of software licenses	**68**	251
Mark-to-market price adjustments on provisionally priced sales	**1,693**	108
Revenue recognized over time		
Software services	**1,904**	3,935
Total revenue	**85,338**	86,888

The following table summarizes the total assets and total liabilities by segment as at March 31, 2019 and December 31, 2018:

			As at March 31, 2019	
	Chelopech	**Tsumeb**	**Corporate & Other**	**Total**
Total current assets	**37,923**	**30,564**	**19,423**	**87,910**
Total non-current assets	**185,272**	**230,542**	**365,016**	**780,830**
Total assets	**223,195**	**261,106**	**384,439**	**868,740**
Total liabilities	**36,339**	**44,726**	**149,172**	**230,237**

			As at December 31, 2018	
	Chelopech	Tsumeb	Corporate & Other	Total
Total current assets	35,272	26,086	22,875	84,233
Total non-current assets	188,443	236,723	350,186	775,352
Total assets	223,715	262,809	373,061	859,585
Total liabilities	35,054	45,195	141,155	221,404

Directors

R. Peter Gillin[2,5]
Toronto, Ontario, Canada

Jonathan Goodman[6]
Toronto, Ontario, Canada

Richard Howes
Toronto, Ontario, Canada

Jeremy Kinsman[2,3]
Victoria, British Columbia, Canada

Juanita Montalvo[3,4]
Toronto, Ontario, Canada

Peter Nixon[2,3]
Niagara-on-the-Lake, Ontario, Canada

Marie-Anne Tawil[1,3,4]
Westmount, Québec, Canada

Anthony P. Walsh[1,2]
Vancouver, British Columbia, Canada

Donald Young[1,4]
Vancouver, British Columbia, Canada

Officers

Richard Howes
President and Chief Executive Officer

Hume Kyle
Executive Vice President and Chief Financial Officer

David Rae
Executive Vice President and Chief Operating Officer

Michael Dorfman
Senior Vice President, Corporate Development

Richard Gosse
Senior Vice President, Exploration

Nikolay Hristov
Senior Vice President, Sustainable Business Development

John Lindsay
Senior Vice President, Projects

Paul Proulx
Senior Vice President, Corporate Services

Mark Crawley
Vice President, Commercial

Iliya Garkov
Vice President and General Manager, Bulgaria

Zebra Kasete
Vice President and Managing Director Dundee Precious Metals Tsumeb (Pty) Limited

Kelly Stark-Anderson
Vice President, Legal, and Corporate Secretary

Alex Wilson
Vice President, Human Resources

Theophile Yameogo
Vice President, Digital Innovation

Sylvia Chen
Global Controller

Walter Farag
Treasurer

Shareholder Contact

Janet Reid
jreid@dundeeprecious.com
Tel: 416-365-5191
Fax: 416-365-9080

1 Audit Committee
2 Compensation Committee
3 Corporate Governance and Nominating Committee
4 Health, Safety and Environment Committee
5 Lead Director
6 Chair

Corporate Office

Dundee Precious Metals Inc.
1 Adelaide Street East
Suite 500, P.O. Box 195
Toronto, Ontario, Canada M5C 2V9
Tel: 416–365–5191
Fax: 416–365–9080

Regional Offices

Sofia
Dundee Precious Metals
Krumovgrad EAD
26 Bacho Kiro Street, 3rd Floor
Sofia 1000, Bulgaria
Tel: +359–2–9301500
Fax: +359–2–9301595

Windhoek
Dundee Precious Metals
Tsumeb (Pty) Limited
35 Schanzen Road
Klein Windhoek
Windhoek, Namibia
Tel: +264–0–61–385000
Fax: +264–0–61–385001

Operations

Chelopech Mine
Dundee Precious Metals
Chelopech EAD
Village of Chelopech 2087, Bulgaria
Tel: +359–728–68–226
Fax: +359–728–68–286

Krumovgrad Project
Dundee Precious Metals
Krumovgrad EAD
1 Hristo Botev Street
District of Kardzhali
6900 Krumovgrad, Bulgaria
Tel: +359–0–3641–6803
Fax: +359–0–3641–7093

Tsumeb Smelter
Dundee Precious Metals
Tsumeb (Pty) Limited
P.O. Box 936
Smelter Road, Tsumeb, Namibia
Tel: +264–67–223–4000

Stock Listing and Symbol

The Toronto Stock Exchange
DPM – Common Shares

Copies of the Company's Quarterly and Annual Reports are available on written request from our registrar.

Registrar

Computershare Investor Services Inc.
100 University Avenue, 8th Floor
Toronto, Ontario, Canada M5J 2Y1
Tel: 514–982–7555
(International direct dial)
Tel: (toll-free): 800–564–6253
(North America)
Fax: 416–263–9394 (International)
Fax: (toll-free): 888–453–0330
(North America)
Website: www.computershare.com
Email: service@computershare.com

Annual General Meeting

Friday, May 10, 2019 at 2:00 pm
The Design Exchange
234 Bay Street
Toronto, Ontario, Canada
M5K 1B2

Dundee Precious Metals
1 Adelaide Street East, Suite 500
P.O. Box 195, Toronto, ON Canada
M5C 2V9

www.dundeeprecious.com