Annual Information Form

Date: March 30, 2020

2019

For the Year Ended
December 31, 2019

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PRELIMINARY NOTES

Unless the context indicates otherwise, a reference to the "Company" and "DPM" in this Annual Information Form ("AIF") means Dundee Precious Metals Inc. and its subsidiaries and other entities owned or controlled, directly or indirectly, by Dundee Precious Metals Inc. Defined terms used herein and not otherwise defined shall have the meanings ascribed to them elsewhere in this AIF.

Response to Coronavirus ("COVID-19")

On March 11, 2020, the World Health Organization expanded its classification of Coronavirus ("COVID-19") to a worldwide pandemic and governments across the globe have undertaken measures to combat the spread of COVID-19. As a result, the Company may experience some short/medium term negative impacts due to COVID-19. The Company is taking proactive measures to safeguard the health of its workforce and local communities, manage supply chains, and manage the risks posed by the pandemic. DPM has been closely following national safety instructions provided by authorities and has proactively introduced protocols to protect the health of its employees, including site access controls and work from home measures. As the situation evolves, DPM is considering ways that the Company can contribute to government and societal efforts to confine the spread of the virus and sustain economic activities. The Company has engaged with local communities and authorities to identify their needs and is assisting health care providers with financial support and materials, with a specific focus on the vulnerable groups within the communities in which DPM operates.

DPM is proactively managing inventories, reviewing alternative supply options and developing contingency plans for inbound and outbound supply of materials. Most key supplies and consumables for DPM's operations in Bulgaria are sourced locally, and to date the Company has not experienced any disruption to its inbound supply chain. In Namibia, Tsumeb currently has a sufficient supply of complex concentrate at site and at the local port facility, with additional supply scheduled to be shipped between now and the end of April. DPM is also focused on managing its outbound supply chains, including concentrate shipments from Bulgaria and sulfuric acid shipments from Namibia, by engaging with multiple sale and transportation outlets.

DPM has established procedures and contingency plans to address potential business interruptions across its portfolio. These efforts are being overseen by a cross-functional team that includes members of senior management and leaders at DPM's operations with expertise in health and safety, operations, legal, human resources, supply chain, finance, and communications. The Board of Directors is being regularly updated on these measures. See "Risk Factors – Coronavirus (COVID-19) and health crises" for additional details of some of the risks faced by the Company as it relates to COVID-19.

Cautionary Note Regarding Forward Looking Information

This AIF contains "forward looking statements" or "forward looking information" (collectively, "Forward Looking Statements") that involve a number of risks and uncertainties. Forward Looking Statements are statements that are not historical facts and are generally, but not always, identified by the use of forward looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "outlook", "intends", "anticipates", "believes", or variations of such words and phrases or that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms or similar expressions. Statements that constitute Forward Looking Statements include, but are not limited to certain statements with respect to:

- measures the Company is undertaking in response to the COVID-19 outbreak, including its impacts across the Company on demand, operations and its global supply chains;
- 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 estimated capital costs, operating costs, key project operating costs and financial metrics and other project economics, including the three-year outlook provided by the Company;
- currency fluctuations;
- the impact of any impairment charges;
- the processing of Chelopech concentrate;
- timing of further optimization work at Dundee Precious Metals Tsumeb (Proprietary) Limited;
- potential benefits of the planned rotary furnace installation at the Tsumeb smelter;
- results of economic studies;
- success of exploration activities;
- the commencement of a pre-feasibility study for the Timok gold project;
- success of permitting activities;
- permitting timelines;
- success of investments, including potential acquisitions;
- requirements for additional capital;
- government regulation of mining and smelting operations;
- environmental risks;
- reclamation expenses;
- potential or anticipated outcome of title disputes or claims;

- benefits of digital initiatives;
- the payment of dividends;
- the timing and number of common shares of the Company that may be purchased pursuant to the normal course issuer bid; and
- timing and possible outcome of pending litigation.

Forward Looking Statements are based on certain key assumptions and the opinions and estimates of management and Qualified Persons ("QPs") (in the case of technical and scientific information), as of the date such statements are made, and 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 risks, uncertainties and other factors include, among others:

- risks relating to the Company's business generally and as magnified by the impact of COVID-19, including, changes to the Company's supply chain, product shortages, delivery and shipping issues, closure and/or failure of plant, equipment or processes to operate as anticipated, employees and contractors becoming infected with COVID-19, lost work hours, and labour force shortages;
- fluctuations in metal and acid prices, toll rates and foreign exchange rates;
- possible variations in ore grade and recovery rates;
- conclusions of economic evaluations and economic studies;
- changes in project parameters as plans continue to be refined;
- uncertainties with respect to actual results of current exploration activities;
- uncertainties and risks inherent to developing and commissioning new mines into production, which may be subject to unforeseen delays;
- uncertainties inherent with conducting business in foreign jurisdictions where corruption, civil unrest, political instability and uncertainties with the rule of law may impact the Company's activities;
- limitations on insurance coverage;
- accidents, labour disputes and other risks of the mining industry;
- delays in obtaining governmental approvals or financing or in the completion of development or construction activities;
- actual results of current reclamation activities;
- social and non-governmental organizations opposition to mining projects and smelting operations;
- unanticipated title disputes;
- claims or litigation;
- cyber-attacks;
- whether the Company will purchase additional common shares of the Company under the normal course issuer bid;
- risks related to the implementation, cost and realization of benefits from digital initiatives;
- failure to realize projected financial results from MineRP Holdings Inc.;
- risks related to operating a technology business reliant on the ownership, protection and ongoing development of key intellectual properties; and
- those risk factors discussed or referred to in this AIF under the heading "Risk Factors" and other documents filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available at www.sedar.com.

The Forward Looking Statements are based on what the Company's management considers to be reasonable assumptions, beliefs, expectations and opinions based on the information currently available to it. Without limitation to the foregoing, the following section 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 Ada Tepe mines perform at planned levels. Subject to a number of risks, the more significant of which is failure of plant, equipment or processes to operate as anticipated;
- *Cash cost per tonne of ore processed*: assumes Chelopech and Ada Tepe 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 Ada Tepe 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 and ore mined/milled;
- *All-in sustaining costs*: assumes that metals contained in concentrate produced and cash cost per tonne of ore processed at Chelopech and Ada Tepe are each in line with the guidance provided; copper and silver prices remain at or around current levels; the timing, destination and commercial terms in respect 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, sustaining capital expenditures and leases, 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, leases 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, including changes in the proportion of third party and Chelopech feed;
- *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 assumed 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*: 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 revolving credit facility remains in place. Subject to a number of risks, the more significant of which are: lower than anticipated metals production at Chelopech and Ada Tepe, complex concentrate throughput and acid production at Tsumeb, concentrate deliveries and metal prices; lower than anticipated reductions in secondary materials at Tsumeb; weaker U.S. dollar relative to local operating currencies; changes in contractual sales and/or toll terms and acid prices; changes in key operating costs; changes to capital project parameters, schedule and/or costs; and the inability to draw down on DPM's revolving credit facility due to a breach or potential breach of one of its covenants; and
- *General*: assumes ability to carry on exploration and development activities; ability to operate in a safe, efficient and effective manner; no significant unanticipated operational or technical difficulties; maintenance of good relations with the communities surrounding Chelopech, Ada Tepe and Tsumeb; and no significant events or changes relating to regulatory, environmental, health and safety matters, including that the Company does not experience any negative effects as a result of the COVID-19 pandemic.

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.

Non-Generally Accepted Accounting Principles ("GAAP") Measures

This AIF contains certain non-GAAP measures which include free cash flow, all-in sustaining cost per ounce, cash cost per tonne/ounce processed, sustaining capital expenditures and earnings before interest, taxes, depreciation and amortization ("EBITDA"). Such measures have no standardized meaning under International Financial Reporting Standards ("IFRS") and may not be comparable to similar measures used by other issuers. See DPM's annual management's discussion and analysis ("MD&A") for the year ended December 31, 2019, which is available on the Company's website at www.dundeeprecious.com and has been filed on the SEDAR site at www.sedar.com for more information, for a description and reconciliation of each of these measures.

Cautionary Note Regarding Mineral Resource and Mineral Reserve Estimates

This AIF 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 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.

Technical Information

Unless otherwise stated, the technical or scientific information in this AIF 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"). All quoted Mineral Reserves and Resources have also been reviewed and approved by DPM's Technical Consultants, CSA Global (UK) Ltd ("CSA Global"). See "Names of Experts" for information with respect to QPs who have reviewed, supervised the preparation of, or prepared technical or scientific information.

"Chelopech 2020 Technical Report"	A technical report entitled "NI 43-101 Technical Report – Mineral Resource and Mineral Reserve Update, Chelopech Mine, Chelopech, Bulgaria" dated March 30, 2020, and filed on the System for Electronic Document Analysis and Retrieval ("SEDAR"), prepared by Maria O'Connor, BSc (Hons), Member Australian Institute of Mining and Metallurgy ("MAusIMM"), MAIG, Karl van Olden, BSc (Eng)(Mining), GDE, MBA, Fellow Australian Institute of Mining and Metallurgy ("FAusIMM"), Gary Patrick, BSc, MAusIMM, CP Met, and Petya Kuzmanova, MIMMM, CSci, each of whom are QPs under NI 43-101, and Ms. O'Connor and Messrs. van Olden and Patrick being independent of DPM.
"Timok 2019 Technical Report"	A technical report entitled "NI 43-101 Technical Report – Updated Preliminary Economic Assessment for the Timok Gold Project, Serbia" dated August 29, 2019 and filed on SEDAR, prepared by Maria O'Connor, MAIG, MAusIMM, Gary Patrick, MAusIMM CP (Met), David Muir, MAIG, Alex Veresezan, P. Eng., and Greg Trout, P. Eng. each of whom are QPs under NI 43-101, and Ms. O'Connor and Messrs. Patrick, Muir, Veresezan, and Trout being independent of DPM.
"Revised Ada Tepe 2014 Technical Report"	A technical report entitled "Revised NI 43-101 Technical Report – Ada Tepe Deposit, Krumovgrad Gold Project, Bulgaria" re-issued on November 7, 2017 and filed on SEDAR, originally dated March 21, 2014, prepared by Galen White, BSc (Hons) FAusIMM FGS, Julian Bennett, BSc, ARSM, FIMMM, CEng, Simon Meik, BSc (Hons), PhD, FAusIMM (CP), and Peter Corrigan BAI, C.Eng, each of whom are QPs under NI 43-101, and Messrs. White, Bennett and Corrigan being independent of DPM.

Date of Information

All information contained in this AIF is as of December 31, 2019, the last day of the Company's most recently completed financial year, unless otherwise indicated.

Defined Terms and Abbreviations

Appendix A contains a list of certain scientific and technical terms and abbreviations used throughout this AIF.

Currency Conversion

All dollar amounts referred to herein are in United States dollars ("USD") unless stated otherwise.

The high, low, average and closing exchange rates for Canadian dollars in terms of the United States dollar, as quoted by the Bank of Canada, for each of the three years in the period ended December 31, 2019, were as follows:

	Year ended December 31		
	2019	**2018**	**2017**
High	C$1.30	C$1.23	C$1.21
Low	C$1.36	C$1.36	C$1.37
Average [1]	C$1.33	C$1.30	C$1.30
Closing	C$1.30	C$1.36	C$1.25

1. For 2019, 2018 and 2017, calculated as prior day daily average.

On March 30, 2020 the daily average rate for Canadian dollars in terms of the United States dollar, as quoted by the Bank of Canada, was US$1.00 = C$1.42.

DESCRIPTION OF THE BUSINESS

General

DPM is a Canadian-based, international gold mining company engaged in the acquisition of mineral properties, exploration, development, mining and processing of precious metals.

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, 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 growth opportunities that leverages its expertise to generate a superior return on the 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.

The Company's principal operating assets include:

- 100% of Dundee Precious Metals Chelopech EAD ("DPMC" or "Chelopech"), which produces a gold-copper concentrate containing gold, copper and silver, and a pyrite concentrate containing gold, located east of Sofia, Bulgaria;
- 100% of Dundee Precious Metals Krumovgrad EAD ("DPMK" or "Ada Tepe", formerly known as "Krumovgrad"), which produces a gold concentrate containing gold and silver, located in south eastern Bulgaria, near the town of Krumovgrad; and
- 92% of Dundee Precious Metals Tsumeb (Proprietary) Limited ("DPMT" or "Tsumeb"), a specialty complex copper concentrate processing facility located in Tsumeb, northern Namibia.

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

- 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;
- 10.4% interest in Sabina Gold & Silver Corp. ("Sabina"), which is focused on the Back River project in southwestern Nunavut, Canada;
- 19.5% interest in INV Metals Inc. ("INV"), which is focused on the development of the Loma Larga gold property located in Ecuador; and
- through an option agreement, the right to earn up to a 71% interest in Pershimex Resources Corporation's ("Pershimex") Malartic gold property ("Malartic") located in the Archean Abitibi greenstone belt in the Malartic mining camp in Quebec, Canada.

DPM also owns:

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

Strategy

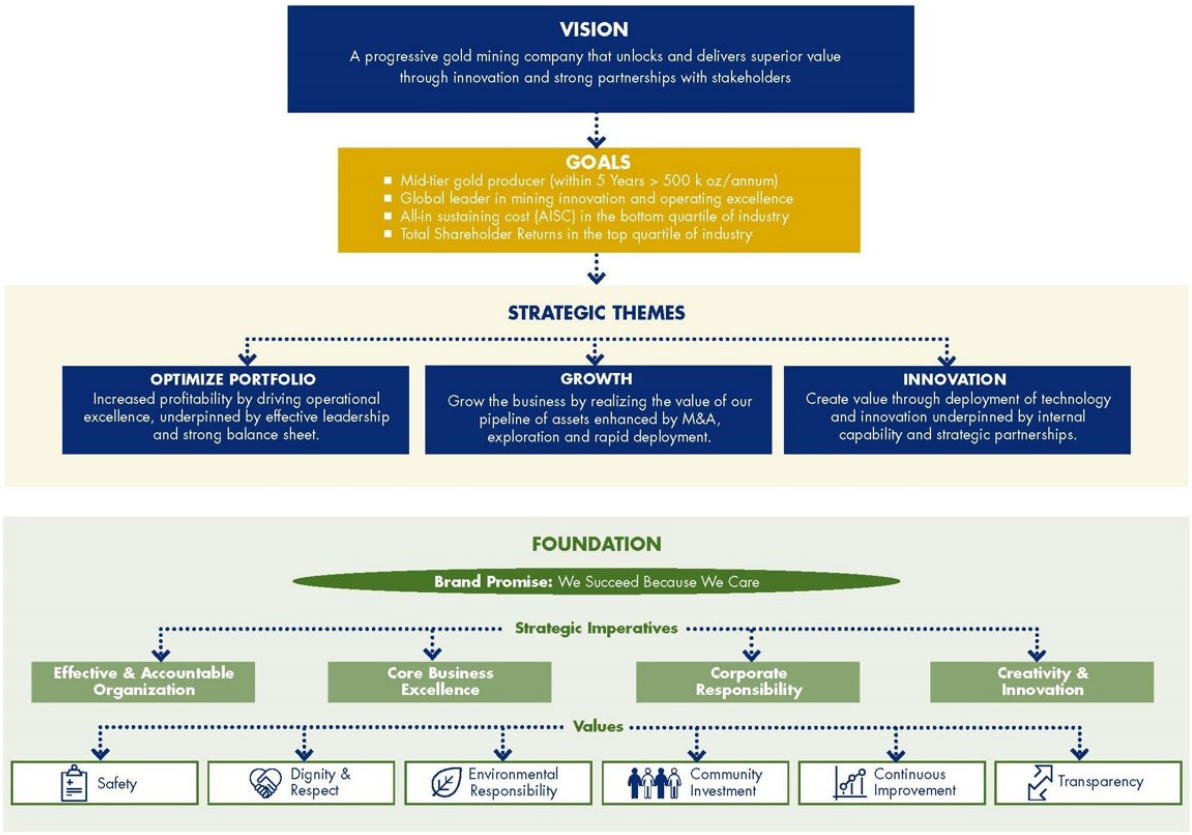
DPM continues to focus on increasing the profitability of its business by optimizing existing assets, including the new mine at Ada Tepe which achieved full design tonnage at the mine and mill in September 2019. This is expected to generate growth in gold production and cash flow, which will further strengthen the Company's balance sheet, allow for the continued return of capital to shareholders, and support the pursuit of growth initiatives.

After declaring commercial production at Ada Tepe in June 2019, the Company delivered record annual gold production of 230,592 ounces and copper production of 37.2 million pounds from both Chelopech and Ada Tepe. With a full year of operation from both of its mines, DPM is expected to produce between 257,000 – 299,000 ounces of gold in 2020. The Company is also expecting its Tsumeb smelter to deliver a record level of throughput in 2020 of 230,000 – 265,000 tonnes of concentrate, up from 215,289 tonnes in 2019. See "2020-2022 Outlook" for further details. The Company generated full year cash flow from operating activities of $99.4 million and increased free cash flow to $67.2 million in 2019.

On February 13, 2020, the Company announced the declaration of an inaugural quarterly dividend of $0.02 per share, which was set with the intention of establishing a sustainable dividend based on the Company's free cash flow outlook. The forecast increase in free cash flow is also expected to support the pursuit of a variety of margin improvement and growth opportunities, including exploration programs in Bulgaria, near Chelopech and Ada Tepe, and in Serbia, near the Timok gold project, as well as new investment opportunities that are consistent with the Company's growth strategy.

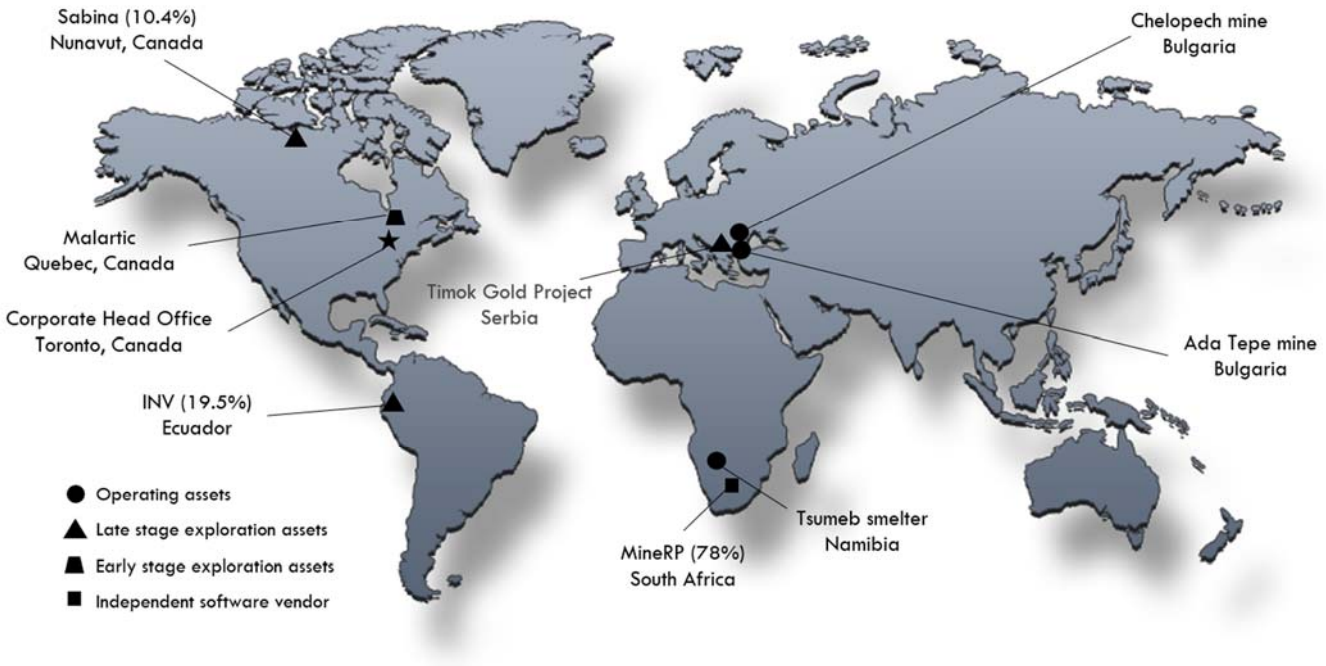
As at December 31, 2019, DPM had $23.4 million of cash, $59.4 million of investments, comprised primarily of its 10.4% interest in Sabina and 19.5% equity interest in INV, and $165.0 million of undrawn capacity under its revolving credit facility ("RCF").

See summary of DPM's business strategy below.



Portfolio of Assets

The following map illustrates the location of DPM's assets.



CORPORATE STRUCTURE

Incorporation and Registered Office

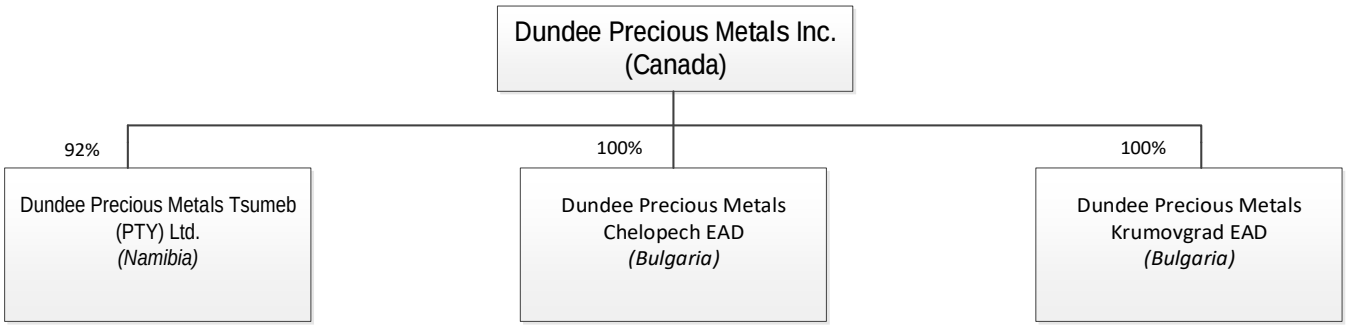
DPM was amalgamated under the Canada Business Corporations Act ("CBCA") by articles of amalgamation dated September 2, 1983. The Company's name was changed by articles of amendment on June 9, 1999. On April 16, 2004, pursuant to articles of amendment the Company was converted from a closed-end precious metals investment company to an operating mining company.

The Company amended its articles on May 18, 2010 to allow directors to appoint directors within the minimum and the maximum number permitted by the Company's articles. It also amended its by-laws in February 2014 to adopt advance notice requirements for the nomination of directors at its shareholders' meetings.

The head and registered office of the Company is 1 Adelaide Street East, Suite 500, Toronto, Ontario, M5C 2V9.

Intercorporate Relationships

The following chart illustrates the Company's material subsidiaries (the "Subsidiaries") and the jurisdiction of incorporation of each company as of the date hereof. Except as noted below, all Subsidiaries are wholly owned by DPM.



The Subsidiaries are held through the following 100% owned holding entities: Dundee Precious Metals Holdings Inc., Dundee Precious Metals Cooperatief U.A.; in the case of DPMC, by Dundee Precious (Chelopech) B.V.; and in the case of DPMK, by Dundee Precious (Krumovgrad) B.V. In the case of DPMT, 92% is held by Dundee Precious Metals Tsumeb Holding (PTY) Ltd. ("DPMTH"); 100% of DPMTH is held by Dundee Precious Metals (Namibia) Holding (PTY) Ltd. ("DPMNH"); 100% of DPMNH is held by Dundee Precious Investments B.V.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Changes in the Company's business are expected to occur during the current financial year and significant developments in the Company's business during the three most recently completed financial years are summarized below.

2020

- On March 25, 2020, DPM reported that it continues to operate fully in line with previously issued guidance at all sites and has not experienced any disruptions to its production as a result of COVID-19 or any travel restrictions implemented by local governments. See "Response to Coronavirus ("COVID-19")" and "Risk Factors – Coronavirus (COVID-19) and health crises" for further details.
- On February 21, 2020, DPM announced that the Toronto Stock Exchange ("TSX") accepted its notice of intention to renew its normal course issuer bid ("NCIB") to repurchase certain of its common shares through the facilities of the TSX for the period between February 28, 2020 to February 27, 2021. See "Description of Capital Structure – Normal Course Issuer Bid" for further details.
- On February 13, 2020, DPM announced that its Board of Directors (the "Board") declared an inaugural quarterly dividend of $0.02 per common share. See "Dividend Policy" for further details.
- On February 13, 2020, DPM announced the initiation of a three-year outlook, highlighting a strong production profile of approximately 275,000 ounces of gold and 35 million pounds of copper per year, declining all-in sustaining costs, and the potential for significant cash flow generation. See "2020-2022 Outlook" for further details.

2019

- On December 16, 2019, DPM announced that, as part of its executive succession planning process, Richard Howes will step down as President and Chief Executive Officer of the Company ("CEO") at the annual general meeting of shareholders on May 7, 2020 and will not stand for re-election as director of the Company. David Rae, DPM's Chief

Operating Officer ("COO") since 2014, was appointed as a director of the Company effective January 1, 2020 and will assume the role of President and CEO on May 7, 2020.

- On October 28, 2019, DPM announced the that it had acquired a 19.5% interest in INV pursuant to a non-brokered $7,650,000 private placement.
- DPM announced that (i) it achieved first gold concentrate production from Ada Tepe on March 14, 2019; (ii) it achieved commercial production on June 8, 2019; (iii) it received the final operating permits on August 12, 2019; and (iv) Ada Tepe successfully completed ramp-up activities and had been operating at full design tonnage for a period of ten days on September 27, 2019. See "Mining Properties – Ada Tepe, Krumovgrad, Bulgaria" for further details.
- The Company contracted additional supply under its tolling agreement with IXM S.A. ("IXM") (formerly Louis Dreyfus Commodities Metals Suisse SA) such that the Tsumeb smelter is now fully contracted for the next three years. See "Smelter Operations – Tsumeb Smelter, Namibia" and "Further Information – Principal Product" for further details.
- On July 15, 2019, DPM announced the results of a preliminary economic assessment ("PEA") on its Timok gold project and on August 29, 2019, DPM voluntarily filed the associated technical report on SEDAR. See "Development Projects – Timok Gold Project, Serbia" for further details.
- To further strengthen its stakeholder partnerships in Namibia through a transaction to address the empowerment initiatives being developed to aid previously disadvantaged Namibians, on May 17, 2018, DPM announced that it had entered into an agreement with Greyhorse Mining (Pty) Ltd. ("GHM") pursuant to which GHM acquired an indirect 8% interest in DPMT. On May 30, 2019, this transaction was completed for consideration of $17.6 million, received in the form of preferred shares in GHM. See "Smelter Operations – Tsumeb Smelter, Namibia – Economic Empowerment" for further details.

2018

- Construction of Ada Tepe was conducted throughout 2018.
- On September 24, 2018, DPM announced an updated Mineral Resource estimate for the Timok gold project and on November 7, 2018, DPM filed the associated technical report on SEDAR. During the fourth quarter of 2018, DPM initiated a scoping study to assess the preliminary economics of a potential mine development at the Timok gold project.
- On May 11, 2018, DPM announced that the TSX accepted its notice of intention to renew its NCIB to repurchase certain of its common shares through the facilities of the TSX.

2017

- On October 25, 2017, DPM completed a business combination pursuant to which it acquired a 78% interest in MineRP, an independent software vendor for the mining industry. See "Strategic Investments – MineRP" and "Risk Factors – MineRP" for further details.
- On September 7, 2017, Jonathan Goodman was appointed Chair of the Board of the Company resigning his role as Executive Chairman.
- On July 4, 2017, the Company announced that it had entered into an option agreement with Pershimex to earn up to a 71% interest in their Malartic gold property located in the Archean Abitibi greenstone belt in the Malartic mining camp in Quebec. See "Exploration Projects – Malartic Project, Quebec" for further details.
- On May 11, 2017, DPM announced that the TSX accepted its notice of intention to initiate an NCIB to repurchase certain of its common shares through the facilities of the TSX.
- On May 4, 2017, Murray John and Garth MacRae retired from the Board, following 12 and 29 years of service, respectively.
- On February 15, 2017, DPM announced the appointment of Juanita Montalvo to the Board.
- On January 24, 2017, DPM completed a $33.2 million strategic equity investment with the European Bank for Reconstruction and Development ("EBRD"). See "Material Contracts" for further details.

SUMMARY OF MINERAL RESERVE AND MINERAL RESOURCE ESTIMATES

The following tables summarizes the Company's Mineral Reserve and Mineral Resource estimates as at the dates set out in the footnotes. Estimates of Measured and Indicated Mineral Resources are reported exclusive of those Mineral Resources modified to produce the Mineral Reserves.

MINERAL RESERVES		**GOLD**		**SILVER**		**COPPER**	
	Tonnes	**Grade**	**Ounces**	**Grade**	**Ounces**	**Grade**	**Pounds**
	M	**g/t**	**M**	**g/t**	**M**	**%**	**M**
Proven	**10.8**	**3.41**	**1.180**	**6.22**	**2.164**	**-**	**173**
Chelopech	8.6	2.81	0.771	7.10	1.952	0.92	173
Ada-Tepe (Upper Zone)	0.7	3.55	0.082	1.93	0.044	-	-
Ada-Tepe (Wall)	1.5	6.83	0.323	3.50	0.165	-	-
Ada-Tepe (Stockpiles)	0.1	1.78	0.004	1.43	0.003	-	-
Timok	-	-	-	-	-	-	-
Tulare - Kiseljak	-	-	-	-	-	-	-
Tulare - Yellow Creek	-	-	-	-	-	-	-
Probable	**11.5**	**3.25**	**1.196**	**6.30**	**2.324**	**-**	**163**
Chelopech	8.3	3.27	0.873	8.01	2.138	0.89	163
Ada-Tepe (Upper Zone)	3.0	3.09	0.303	1.79	0.176	-	-
Ada-Tepe (Wall)	0.1	5.55	0.020	2.93	0.011	-	-
Timok	-	-	-	-	-	-	-
Tulare - Kiseljak	-	-	-	-	-	-	-
Tulare - Yellow Creek	-	-	-	-	-	-	-
Proven and Probable	**22.3**	**3.32**	**2.376**	**6.27**	**4.488**	**-**	**336**
Chelopech	16.9	3.03	1.644	7.55	4.089	0.90	336
Ada-Tepe (Upper Zone)	3.8	3.18	0.385	1.82	0.220	-	-
Ada-Tepe (Wall)	1.6	6.74	0.343	3.46	0.176	-	-
Ada-Tepe (Stockpiles)	0.1	1.78	0.004	1.43	0.003	-	-
Timok	-	-	-	-	-	-	-
Tulare - Kiseljak	-	-	-	-	-	-	-
Tulare - Yellow Creek	-	-	-	-	-	-	-

MINERAL RESOURCES		**GOLD**		**SILVER**		**COPPER**	
	Tonnes	**Grade**	**Ounces**	**Grade**	**Ounces**	**Grade**	**Pounds**
	M	**g/t**	**M**	**g/t**	**M**	**%**	**M**
Measured	**9.0**	**2.95**	**0.856**	**7.92**	**2.301**	**0.98**	**196**
Chelopech	9.0	2.95	0.856	7.92	2.301	0.98	196
Ada-Tepe (Upper Zone)	-	-	-	-	-	-	-
Ada-Tepe (Wall)	-	-	-	-	-	-	-
Timok	-	-	-	-	-	-	-
Tulare - Kiseljak	-	-	-	-	-	-	-
Tulare - Yellow Creek	-	-	-	-	-	-	-
Indicated	**52.1**	**1.46**	**2.448**	**-**	**1.355**	**-**	**100**
Chelopech	5.2	2.72	0.453	8.13	1.355	0.87	100

Ada-Tepe (Upper Zone)	-	-	-	-	-	-	-
Ada-Tepe (Wall)	-	-	-	-	-	-	-
Timok	46.9	1.32	1.996	-	-	-	-
Tulare - Kiseljak	-	-	-	-	-	-	-
Tulare - Yellow Creek	-	-	-	-	-	-	-
Measured and Indicated	**61.1**	**1.68**	**3.304**	**-**	**3.656**	**-**	**296**
Chelopech	14.2	2.86	1.308	8.00	3.656	0.94	296
Ada-Tepe (Upper Zone)	-	-	-	-	-	-	-
Ada-Tepe (Wall)	-	-	-	-	-	-	-
Timok	46.9	1.32	1.996	-	-	-	-
Tulare - Kiseljak	-	-	-	-	-	-	-
Tulare - Yellow Creek	-	-	-	-	-	-	-
Inferred	**552.0**	**-**	**4.012**	**-**	**0.407**	**-**	**2835**
Chelopech	1.9	2.02	0.123	6.57	0.399	0.84	35
Ada-Tepe (Upper Zone)	0.2	1.54	0.011	1.15	0.008	-	-
Ada-Tepe (Wall)	0.0	0.87	0.000	0.88	0.000	-	-
Timok	2.9	0.83	0.078	-	-	-	-
Tulare - Kiseljak	459.0	0.20	3.000	-	-	0.22	2,200
Tulare - Yellow Creek	88.0	0.30	0.800	-	-	0.3	600

1. *The rounding of tonnage and grade figures has resulted in some columns showing relatively minor discrepancies in sum totals;*
2. *Mineral Reserves, Measured, Indicated and Inferred Mineral Resources have been reported in accordance with NI 43-101 and the classification adopted by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM");*
3. *Estimates of Measured and Indicated Mineral Resources are reported exclusive of those Mineral Resources modified to produce the Mineral Reserves;*
4. *Mineral Reserves and Resources may be subject to legal, political, environmental and other risks and uncertainties. Refer to the disclosure in this AIF and the Company's technical reports for more information with respect to key assumptions, parameters and risks relating to the above estimates;*
5. *Mineral Reserves and Resources estimates have been reviewed and prepared by CSA Global and AMC Consultants (UK) Limited, which provide multi-disciplinary services to the global resources industry and are independent of the Company;*
6. *Chelopech Mineral Resources are based on a cut-off of $0 profit/tonne net smelter return ("NSR") analysis using metal prices of $1,400/oz Au, $17/oz Ag and $2.75/lb Cu and are effective as of December 31, 2019;*
7. *Chelopech Mineral Reserves are based on a cut-off of $10 profit/tonne using NSR analysis using metal prices of $1,250/oz Au, $17/oz Ag and $2.75/lb Cu and are effective as of December 31, 2019;*
8. *Ada-Tepe Mineral Reserves and Resources are based on a gold cut-off grade of 0.6 g/t for the Upper Zone and Overburden and of 0.8 g/t for the Wall calculated using metal prices of $1,250/oz Au, $23/oz Ag and are effective as of December 31, 2019;*
9. *Ada-Tepe Mineral Resources are constrained to material within the reserve shell because it has reasonable prospects for eventual economic extraction and therefore fulfils the criteria for mineral resources;*
10. *Mineral Resource estimates for Timok are calculated using a metal price of $1,250/oz Au and are effective as of May 15, 2018;*
11. *Timok Mineral Resources are based on a cut-off of 0.20 g/t Au for the oxide material, 0.25 g/t Au for the transitional material, and 0.60 g/t Au for the Sulphide material, applied to the Bigar Hill prospect;*
12. *Timok Mineral Resources are based on a cut-off of 0.20 g/t Au for the oxide material, 0.25 g/t Au for the transitional material, and 0.65 g/t Au for the Sulphide material, applied to the Korkan and Korkan West prospects;*
13. *Timok Mineral Resources are based on a cut-off of 0.35 g/t Au for the oxide material, 0.40 g/t Au for the transitional material, and 1.05 g/t Au for the Sulphide material, applied to the Kraku Pester prospect;*
14. *Mineral Resource estimates for Tulare-Kiseljak and Tulare-Yellow Creek are based on metal prices of $1,300/oz Au and $3.00/lb Cu;*
15. *Tulare-Kiseljak Mineral Resources are based on a cut-off of 0.15% CuEq (((Au*41.80) + (Cu*66.00))/66.00) and assumes an open pit mining scenario. The effective date of the Mineral Resource estimates is March 31, 2014;*
16. *Tulare-Yellow Creek Mineral Resources are based on a cut-off of 0.3% CuEq (((Au*41.80) + (Cu*66.00))/66.00) and assumes a bulk underground mining scenario. The effective date of the Mineral Resource estimates is March 31, 2014;*
17. *Economic assumptions for Tulare – Kiseljak and Tulare – Yellow Creek were prepared by Dunav Resources Ltd., prior to the acquisition by DPM; and*
18. *A Mineral Resource is an inventory of mineralization that under realistically assumed and justifiable technical and economic conditions might become economically extractable, while a Mineral Reserve includes diluting materials and allowances for losses that are expected to occur when the material is mined.*

THREE YEAR PRODUCTION AND DELIVERY HISTORY

	Chelopech		
	2019	**2018**	**2017**
Ore Mined (mt)	2,211,067	2,211,557	2,232,799
Ore Milled (mt)	2,203,242	2,216,753	2,218,717
Head Grade (ore milled):			
Copper (%)	0.93	0.92	0.91
Gold (g/mt)	3.35	3.72	3.74
Silver (g/mt)	6.29	6.77	7.52
Gold-Copper Concentrate Produced (mt)	105,741	104,087	100,994
Metals contained in Gold-Copper Concentrate Produced:			
Copper (lbs)	37,250,240	36,672,666	35,772,650
Gold (oz)	119,928	141,840	141,235
Silver (oz)	157,851	183,283	206,767
Gold-Copper Concentrate Delivered (mt)	106,895	102,524	103,644
Payable Metals in Gold-Copper Concentrate Sold:			
Copper (lbs)	34,130,933	33,650,828	34,366,752
Gold (oz)	112,660	126,858	136,255
Silver (oz)	138,305	165,035	182,721
Pyrite Concentrate:			
Pyrite Concentrate Produced (mt)	252,582	258,884	248,810
Gold Contained in Pyrite Concentrate Produced (oz)	53,471	59,255	56,449
Pyrite Concentrate Sold (mt)	256,937	255,063	242,660
Payable Gold in Pyrite Concentrate Sold (oz)	36,545	36,737	35,714
	Ada Tepe		
	2019	**2018**	**2017**
Ore Mined (mt)	430,384	157,834	-
Ore Milled (mt)	470,545	-	-
Head Grade (ore milled):			
Gold (g/mt)	4.56	-	-
Silver (g/mt)	2.62	-	-
Gold Concentrate Produced (mt)	2,700	-	-
Metals contained in Gold Concentrate Produced:			
Gold (oz)	57,193	-	-
Silver (oz)	22,519	-	-
Gold concentrate Delivered (mt)	2,397		
Payable Metals in Gold Concentrate Sold:			
Gold (oz)	49,459	-	-
Silver (oz)	17,854	-	-
	Tsumeb		
	2019	**2018**	**2017**
Complex concentrate smelted (mt)	215,289	232,043	219,252
Acid produced (mt)	223,009	240,404	221,050
Acid deliveries (mt)	199,205	244,123	212,727

2020-2022 OUTLOOK

DPM's three-year outlook is consistent with the production schedules outlined in the Chelopech 2020 Technical Report and the Revised Ada Tepe 2014 Technical Report, adjusted where applicable to incorporate the current mine plan for each operation and inflationary impacts since the filing of the relevant technical report. For 2021 and 2022, all production and cost estimates do not yet incorporate any cost savings initiatives, operating performance improvements in respect of mine and smelter throughput, potential improvements to mine grades and recoveries, or variations in third party processing mix at the Tsumeb smelter to capitalize on the potential to process Chelopech concentrate at higher margins through other facilities. See "Technical Information" for further details. Furthermore, for 2020 there has been no change in the guidance to factor in any effect that COVID-19 may have on the Company. To date, the Company has not been impacted as a result of the COVID-19 pandemic but the Company may experience some short/medium term negative impacts due to COVID-19. DPM is closely monitoring the impact of COVID-19 and is preparing for potential impacts on its projects and operations worldwide. To the extent the Company believes that it may have an impact on its guidance it will revise accordingly. See "Response to Coronavirus ("COVID-19")" and "Risk Factors – Coronavirus (COVID-19) and health crises" for further details.

The Company's three-year outlook is set out in the following table:

$ millions, unless otherwise indicated	**2019 Results**	**2020 Guidance**	**2021 Outlook**	**2022 Outlook**
Gold contained in concentrate produced *('000s ounces)* [1,2]				
Chelopech	174	163 – 184	145 – 165	145 – 165
Ada Tepe	57	94 – 115	105 – 130	105 – 130
Total	231	257 – 299	250 – 295	250 – 295
Copper contained in concentrate produced *(million pounds)*				
Chelopech	37	35 – 40	30 – 40	30 – 40
All-in sustaining cost per ounce of gold [3,4,5,7]	725	700 – 780	670 – 750	670 – 750
Complex concentrate smelted *('000s tonnes)*	215	230 – 265	220 – 250	240 – 265
Cash cost per tonne of complex concentrate smelted [3,4]	421	370 – 450	395 – 475	380 – 455
Sustaining capital expenditures *($ millions)* [3,4,6]				
Chelopech	16	17 – 22	13 – 17	9 – 12
Ada Tepe	4	9 – 11	4 – 5	4 – 5
Tsumeb	16	12 – 15	16 – 20	16 – 20
Consolidated	37	43 – 54	33 – 42	29 – 37

1. *Gold produced includes gold in pyrite concentrate produced of 47,000 to 53,000 ounces for 2020, and 39,000 to 44,000 ounces for each of 2021 and 2022.*
2. *Metals contained in concentrate produced are prior to deductions associated with smelter terms.*
3. *All costs and capital expenditures are based on, where applicable, a Euro/USD exchange rate of 1.15, USD/ZAR exchange rate of 14.50, a copper price of $2.75 per pound, and have not been adjusted for inflation.*
4. *All-in sustaining cost per ounce of gold, cash cost per tonne of complex concentrate smelted and sustaining capital expenditures have no standardized meaning under IFRS. Refer to the "Non-GAAP Financial Measures" section of the annual MD&A for the year ended December 31, 2019, which is available on the Company's website at www.dundeeprecious.com and has been filed on the SEDAR site at www.sedar.com 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. *Consolidated sustaining capital expenditures include $5 million related to corporate digital initiatives for 2020.*
7. *All-in sustaining cost per ounce of gold represents Chelopech and Ada Tepe cost of sales less depreciation, amortization and other non-cash items plus treatment charges, penalties, transportation and other selling costs, sustaining capital and lease 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 concentrate sold.*

The foregoing three-year outlook is not expected to occur evenly throughout each 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. See DPM's annual MD&A for the year ended December 31, 2019 which is available on the Company's website at www.dundeeprecious.com and has been filed on the SEDAR site at www.sedar.com for more information.

MINING PROPERTIES

Chelopech Mine, Chelopech, Bulgaria

The following summary and technical information of the Chelopech mine is derived in part from the Chelopech 2020 Technical Report, which is available on the Company's website at www.dundeeprecious.com and has been filed on the SEDAR site at www.sedar.com. See "Technical Information" for further details.

Project Description, Location, and Access

The Company holds a 100% interest in the Chelopech underground gold-copper mine which produces copper and gold contained in a concentrate grading between 15% and 17% Cu, 25 to 45 g/t Au and approximately 5.5% As. The high arsenic content of the copper minerals (enargite and tennantite) in the concentrate requires special arsenic recovery systems during the downstream smelting processes. Since 2010, the majority of the concentrate produced has been transported to the Company's smelter in Namibia, which has the required treatment facilities and, since 2014, a portion of the gold-copper concentrate production has been sold to third parties in China and Canada. The Chelopech mine also produces a pyrite concentrate which was designed to capture a portion of the unrecovered gold contained in the pyrite that was previously going into the tailings management facility ("TMF").

According to the concession contract, DPMC has rights to mine metalliferous underground resources, gold-copper-pyrite ores from the Chelopech deposit, and to do additional exploration within the footprint of the deposit which is 266 hectares. The DPMC mining concession area is 452 hectares and includes the Chelopech deposit and additional areas required for the implementation of concession activities, including the TMF and tailings pipeline.

DPMC is the owner of 212.8 hectares urbanized land where the main facilities are situated including the process plant, mining shafts, pump station, tailings flume and the TMF. DPMC also owns 115.8 hectares of agricultural land, which is partially used for topsoil storage needed for future rehabilitation and buttressing of the main embankment of TMF. The parts of the agricultural land not used for investment activities will be donated back to the municipalities of Chelopech and Chavdar.

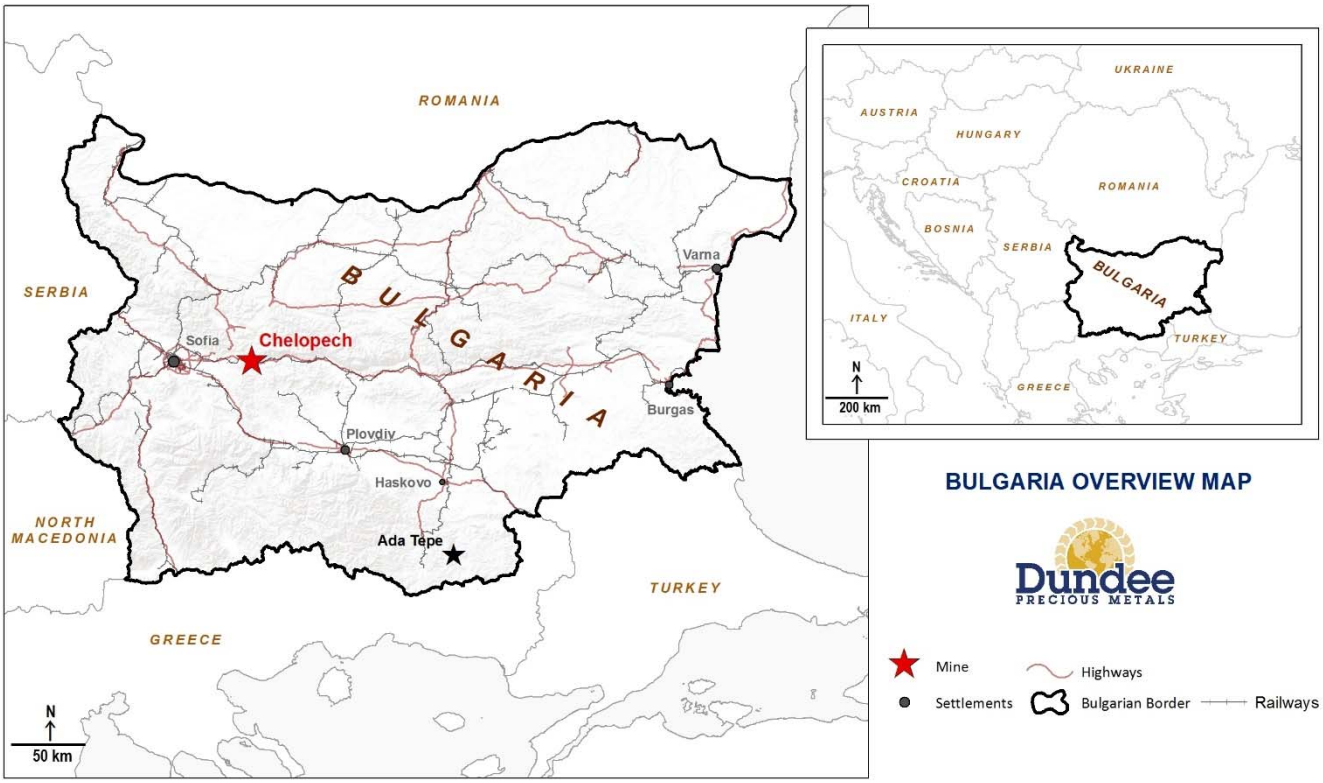
The royalty, payable to the Ministry of Energy (the "ME"), is fixed at a rate of 1.5% for each concession year based on the value of the payable metals (copper, gold and silver) in the mined ore, calculated on the arithmetic mean London Metal Exchange ("LME") on the LME price list for the preceding six-month period.

The Chelopech mine is situated adjacent to the Chelopech village, in the Sofia District of Bulgaria, 75 kilometres east of the capital of Sofia. It is situated approximately 350 kilometres to the west by road and rail from the Black Sea ports of Bourgas and Varna. Chelopech is located at the foot of the Balkan Mountains, at an elevation of approximately 700 metres above sea level ("ASL"). The infrastructure area is bounded to the north by the foothills of the Balkan Range, to the east by a government-owned road maintenance organization and residential housing and agricultural land to the west and south, respectively.

Chelopech lies at the base of a range of hills on gently undulating terrain. The plant site is located at approximately 730 metres ASL while the ranges of hills which form a backdrop to the plant site rise to over 1,000 metres ASL.

The Chelopech mine is easily accessible via major sealed roads from Sofia. The principal rail and road links between Sofia and the country's largest port, Bourgas, which is located on the Black Sea, pass through the village of Chelopech and the Chelopech mine site, where the loading facility for concentrate is available.

The following map shows the location and access to the Chelopech mine.



Infrastructure, Permitting and Compliance Activities

Infrastructure

Chelopech is well resourced, due to its proximity to major roads, power lines, communication facilities, water sources and the nearby towns of Zlatitsa and Pirdop. The site obtains power from the Bulgarian power grid and is permitted to obtain its water requirements from nearby storage.

Power is supplied from the Bulgarian national transmission and distribution system, at 110 kilovolts, via substations at Stolnik and Zlatitza to the mine substation (110/6 kilovolts) with two transformers (16 mega volt amperes each) located in the southeast area of the mine. Most of the distribution system consists of above ground transmission lines.

The Chelopech mine currently has a permit to obtain its freshwater requirements from the local Kachulka Dam (owned by the Chelopech Municipality). Additional water requirements are supplemented by mine-site catchments and recycled water from the TMF. Additional supply, should it be required, is available in the future from the Dushantzi Dam for which usage permits are in place.

Permitting

DPMC operates the Chelopech mine based on a concession contract dating from May 1999, when the concession rights were granted for a period of 30 years and owns the necessary land upon which the facilities are constructed. DPMC has complied with its obligations under the concession contract, the monitoring and control of which are done every year by the ME.

Mining and processing activities are carried out based on a life of mine ("LOM") plan, Annual Production Plans ("APP"), an Overall Closure and Rehabilitation Plan ("OCRP") and an Annual Closure and Rehabilitation Plan ("ACRP"). These plans require approval by the ME. The LOM plan was approved in November 2009 and the OCRP was approved in April 2010, updated in December 2015 and in September 2018. The 2020 APP and 2020 ACRP were approved in November 2019.

Tailing management facilities are operated based on an approved Mine Waste Management Plan ("MWMP"). Further, operators of class A mine waste management facilities require a permit, which is issued based on the approved MWMP. As an operator of a class A facility, DPMC has an approved MWMP, last updated and amended in December 2019 and, also an amended permit, issued in December 2019.

In May 2017, the Regional Inspectorate of Environment and Water – Sofia, issued a positive decision for the "TMF Chelopech 630 level upgrade" investment proposal. All permits for the upgrade have been obtained. Construction is ongoing and it is expected to be completed in the second quarter of 2020. At the end of 2019, the permitting process for additional buttressing of the main embankment of TMF began with land re-designation. It will be followed with investment project approval and issuing of the construction permit.

The day-to-day operating activities require a number of specific permits, which the Company maintains on an ongoing basis. These can be grouped into three categories: water use and discharge; blasting activities; and general waste treatment. All permits required in order to maintain the continuity of the business have been obtained. Specifically, the water abstraction permit from the Kachulka dam was renewed in July 2018 for three years.

Environmental Requirements

To the Company's knowledge, there are no additional environmental requirements for the operation of the Chelopech mine other than those associated with the existence of the current mining infrastructure, namely the underground mine, processing plant, flotation TMF, ancillary workshops and administration facilities.

Closure and Rehabilitation

Closure and rehabilitation activities are defined in an OCRP from 2010 and detailed into ACRPs. In compliance with its obligations under the concession contract, DPMC arranges for a financial surety for its closure and rehabilitation obligations, which is currently in the form of an annual bank guarantee. The most recent guarantee, which has an aggregate value of Euro 15.7 million, has been renewed in November 2019.

History

The following is a brief chronological description of mining that has occurred at the Chelopech mine prior to DPM's ownership:

- The mine started production in 1954. The mine, then part of several state-owned enterprises, was fully operational between 1970 and 1990 producing bulk gold-copper and pyrite concentrates;
- Production as a state-owned company reached 100,000 tonnes per annum of ore processed in 1971;
- Production quadrupled in 1976 following an expansion program and construction of a new concentrator, peaking at 512,000 tonnes per annum of ore processed in 1988, before trailing off rapidly between 1990 and 1992;
- Prior to 1990, the nearby Aurubis (formerly MDK - Pirdop) copper smelter, located seven kilometres east of Chelopech, accepted the bulk sulphide concentrates from Chelopech and blended them with cupriferous concentrates from the nearby Elatsite, Medet and Assarel mines;
- The relatively high arsenic content of the concentrates led to the Bulgarian government decreeing on April 1, 1990 that Chelopech concentrate could no longer be treated at the Aurubis smelter, unless arsenic capturing and treatment facilities were installed at the smelter;
- In February 1992, the mine was placed on care and maintenance;
- In 1994, operations were restarted by Navan Bulgarian Mining BV, a Dutch registered subsidiary of Navan Mining plc, with the re-treatment of approximately 100,000 tonnes of stockpiled low-grade concentrate;
- Following a number of ownership changes over the next five years, in 1999, the Council of Ministers of the Republic of Bulgaria, represented by the Ministry of Economy and Chelopech signed a concession contract for the extraction of gold-copper ores from the mine, and the company name was changed to Navan Chelopech AD ("Navan");
- Ore treated at Chelopech between 1994 to the end of 2002 was estimated at 4.8mt at an average grade of 1.4% Cu and 3.9g/t Au;
- Navan operated the Chelopech mine until late 2002, when it went into receivership, following which operations continued under the direct control of an administrator appointed by Deutsche Bank AG of London; and
- DPM acquired the mining operations in 2003.

Geological Setting, Mineralization and Deposit Types

The Chelopech deposit is located within the Panagyurishte metallogenic district. It formed during Late Cretaceous magmatic-hydrothermal events, defined by a north-northwest alignment of porphyry Cu-Au (Elatsite, Assarel and Medet) and epithermal Cu-Au deposits that is oblique to the east-west orientation of the Srednogorie belt. The geology of the Panagyurishte metallogenic district comprises a basement of Precambrian granitoid gneisses intruded by Palaeozoic granites and overlain by Late Cretaceous magmatic and sedimentary sequences.

The Chelopech area consists of pre-mineral and post-mineral sequences separated by a Late Turonian erosional surface. The pre-mineral formation consists of the following units (from oldest to youngest): (i) high and low-grade metamorphic complexes that form the *Paleozoic Basement unit*; (ii) the *Basal Turonian unit* of quartz-rich sandstones and conglomerates deposited in a shallow-marine setting; and (iii) the *Turonian Magmatic Chelopech mine Formation,* a shallow porphyritic diorite/microdiorite intrusive system with breccia pipes and at least one surface-reaching diatreme. The post-mineral sequence consists of an older *Monolithic Rock-Avalanche Breccia unit* made up of angular to sub-angular debris-flows deposits and younger sedimentary rocks.

The Chelopech deposit was previously interpreted to be hosted by the Chelopech andesitic strato-volcanic sequence that formed in a subaqueous environment. Continuous efforts to check and improve this model, including a re-logging program that started in 2014, resulted in a new geological model with the ore-hosting magmatic environment dominated by a multi-phase intrusive complex that is pierced by several vertical intrusion-related breccias bodies. These bodies include numerous blind breccia-pipes and at least one large surface-reaching maar-diatreme (i.e. phreatomagmatic explosive) eruptive center.

Chelopech is a high-sulphidation epithermal deposit within the diatreme system. Mineralization occurs as sulphide and sulphosalt-rich zones of replacement silicification surrounded by haloes of advanced argillic alteration. The ore bodies, both complex branched hydrothermal breccia bodies and discrete pipes, vary from 40-200 metres in length, are 20-130 metres thick and can extend at least 390 metres down plunge.

The main ore bodies are spatially grouped into two mining areas, with semi-circular distribution that are thought to be controlled by favorable breccia and host rock contact zones and structure intersections within the breccias. The Central zone consists of nine mineralized ore blocks (16, 17, 18, 19, 5, 25, 10, 8 and the new ore block 7), whilst the Western zone comprises a further 11 ore blocks (103, 144, 145, 147, 149, 149 South, 150, 151, 152, 153 and the new Block 148). Advanced argillic alteration related to Chelopech ore system extends toward the southeast, beneath the Chelopech thrust fault, and is associated with a zone of blind breccia pipes known as the Southeast Breccia Pipe Zone ("SEBPZ").

Exploration

During 2019, the brownfield exploration program at Chelopech included drill testing of gold copper targets at the Krasta prospect and the Wedge target area, both within the Sveta Petka exploration license, and at the Vozdol prospect and several geophysical targets within the Brevene exploration license. During the year, a total of 10,528 metres in 21 diamond drill holes, electromagnetic geophysical surveys, soil geochemistry and geological mapping were completed within the Sveta Petka and Brevene exploration licenses.

Diamond drilling at the Krasta prospect, located approximately two kilometres northeast of the Chelopech orebodies, continued in 2019. Ten diamond drill holes (Holes EX_KR_13 to 22) totaling 3,961 metres targeted extensions of higher-grade intervals intersected during the 2018 program. Within the wider mineralized zones in holes EX_KR_15 and 16, there is a core of higher grade mineralization that is six to eight metres in true width and averaging >3 g/t AuEq. In January 2020, hole EX_KR_23 extended this higher-grade core with an intersection of 26.3 meters of 2.64 g/t AuEq from 346.7 meters downhole, including eight meters at 5.32 g/t AuEq.

The Krasta prospect has now been drilled over a strike length of approximately 400 metres along a northeast trend and between 100 to 400 metres from surface. An infill diamond drill program of 3,500 metres to further evaluate this prospect is planned for 2020.

Exploration drilling was also carried out north and northwest of the Chelopech mine at the Brevene West and Wedge target areas and at the Vozdol prospect, a polymetallic vein system last explored by state exploration groups between 1969 and 1984. The single drill hole completed at Vozdol (EX_VD_01) aimed to better understand the style and continuity of historically reported mineralization. Several intervals with higher gold grades were intersected, including ten metres with 7.55 g/t Au from 434 metres downhole with an estimated true width of nine metres.

Along the southwestern part of the Wedge target area, a deep directional drill program to test the northwest extensions of Blocks 147 and 149 within the Sveta Petka exploration license is in progress at the Wedge South target. The first hole, EX_WZ_04, intercepted two intervals of mineralization, an upper interval from 757 metres downhole of four metres at 8.02 g/t AuEq (6.67 g/t Au and 0.66% Cu) and a second interval from 904.5 metres downhole of 5.1 metres at 8.24 g/t AuEq (7.17 g/t Au and 0.52% Cu). A daughter hole (WZ_05) completed in January 2020 targeted a weak conductor defined by a borehole electromagnetic survey at a depth of 900 metres (coincident with the deeper mineralized intercept). Hole WZ_05 extended the target approximately 100 metres to the northwest with an intercept of 12.2 metres at 3.86 g/t AuEq (3.23 g/t Au and 0.30% Cu).

Exploration at Chelopech in the first quarter of 2020 is focused on continuing the surface drilling at the Krasta and Wedge South targets within the Sveta Petka exploration license.

Drilling

Operator	Period	Company	Size	Number	Average length	Total metres
Pre-DPMC surface drilling	June 1956 to February 1992	State owned (including Polimet)	Various sizes	435	609	265,014
	Mine closed March to December 1992					
	January 1993 to August 2003	Navan (including Homestake Mining Company ("Homestake"))	Various sizes	13	166	2,163.4
	Total – pre-DPMC surface drilling			**448**	**596**	**267,177**

Pre-DPMC underground drilling	June 1956 to February 1992	State owned (including Polimet)	Various sizes	216	124	26,858
	Mine closed March to December 1992					
	January 1993 to August 2003	Navan (including Homestake)	BQ, NGM	501	58	28,813
	Total – pre-DPMC underground drilling			**717**	**78**	**55,672**
DPMC surface drilling	September 2003 to September 2019	Exploration	Various sizes	134	479	64,157
DPMC underground drilling	September 2003 to September 2019	Exploration	BQ, NQ, NQ-2, HQ, LTK60, NGM	1,341	288	386,118
		Grade control drilling	BQ, NQ, NQ-2	1,631	153	250,223
	Total – DPMC underground drilling			**2,972**	**214**	**636,341**
TOTAL				**4,271**	**240**	**1,023,347**

Resource Development

In 2019, a total of 60,643 metres of resource development diamond drilling was completed, which comprised of 16,503 metres of grade control drilling aimed to better define the shape and volume of existing ore bodies and 37,246 metres of extensional drilling, designed to explore for new mineralization along modeled trends. Further to this 8,825 metres of exploration drilling was completed to test targets within the SEBPZ and eastern targets of the deposit around Block 10.

Resource development extensional drilling was concentrated on the upper levels of Target 700 and Blocks 151, 17, 18, 5, 25 and 10, with the aim to expand the current orebody extents and allow conversion of Mineral Resources into Mineral Reserves. Further to this, the areas down plunge of Blocks 144 and 147 were also drilled during 2019.

In the Western area of the mine, the focus of drilling efforts was on the upper levels of Block 151, whereby holes aimed to explore for extensions to a prominent trend of mineralization below a historic mining area termed “Block 390”. In this area, there is a prominent gap in the mineralization models due to a lack of data. As a result of this program, there has been a significant extension to the existing Block 151 orebody in both a northerly and northwesterly direction between levels 510 metres relative level and 330 metres relative level.

During 2019, drilling works were completed on Target 700 in the central mining area of the Chelopech mine. It is approximately 150 metres above Block 17 and coincides with a northwest – southeast structural trend which is viewed as being a high potential target for hosting new mineralized bodies. The observed mineralization is presented as quartz-barite-sulphide vein coincident with a wide silica alteration zone. Drilling intercepted high-grade Au-Ag mineralization which expanded the current modeled extents.

In the central area of the mine Blocks 5, 17, 18 and 25 were the main targets of exploration efforts. Significant extensions to mineralization were delineated, particularly in Blocks 17 and 18.

Underground exploration diamond drilling along the SEBPZ during 2019 included the completion of 24 diamond drill holes totaling 8,825 metres and drill testing of five zones of interest defined by wide-spaced drilling in 2018: Block 8 South, Block 153 Southeast, Block 10 Northeast and Northwest, 555 Level and the Gold-Barite target.

The two year 18,250 metre drill program to explore the full length of the 1,200 metre SEBPZ concluded in January 2020. The program, using drill hole spacing designed to find the footprints of ore blocks of >5 mt, encountered new zones of mineralization and encouraging alteration in prospective geology but these zones are not considered to belong to footprints of large ore blocks. The remaining potential includes six target areas within the SEBPZ, five with the potential to host one mt blocks and one with the potential to host a block up to three mt, that will be prioritized with other near mine targets for follow up drilling.

During 2020 the Mineral Resource development strategy for Chelopech will be focused on further exploration of the upper levels of the mine. Based on the successful results in 2019, particular attention will be placed on the upper levels of Block 151 and Block 150. Further exploration drilling will be planned to test areas proximal to Block 10, Target 700 and the poorly tested northerly sections of the mine, termed Target North.

Sampling, Analysis, and Data Verification

Sampling and Analysis

Chelopech: Sampling and Analysis Summary					
Sample Type	**Method**	**Sample Recovery**	**Sample Interval**	**Metals Assayed**	**Lab and Assay Method**
Underground Face Sampling	Lower half of active face sampled with panel chips on a 20 centimeters grid	Three to five kilograms represents 170 tonnes of ore	Faces sampled each development round, approximately every three metres	Copper, gold, silver, sulphur and arsenic	SGS Laboratories ("SGS") Chelopech Copper assayed by acid digestion with AAS finish or Titration finish. Gold assayed by 25 grams fire assay with AAS finish or gravimetric finish
Diamond Core Sampling	NQ core is cut by diamond saw BQ core is whole core sampled	98-100% core recovery. Sample weight between three and seven kilograms	Standard sample interval of 1.5 metres, maximum 2.2 metres	Copper, gold, silver, sulphur, arsenic, lead and Zinc	

All samples are placed in heat resistant cotton bags with dimensions of 35 by 25 centimetres. Sample tickets are uniquely numbered and placed in the bags with the samples. The sample bags are arranged in order on mobile racks and dried in the oven at 110° C for eight to ten hours. After drying the bags, these are loaded onto a four by four pick-up truck and then delivered directly to the on-site sample preparation laboratory where they are routinely assayed for Cu, Au, Ag, S and As.

Both underground face and diamond core samples are submitted for analysis, adhering to the following quality assurance and quality control ("QAQC") data procedure:

- Certified Reference Materials ("CRMs"), also referred to as standards, are inserted in a ratio of 1:20;
- Blanks are inserted in a ratio of 1:50;
- Field duplicates are inserted in a ratio of 1:20; and
- A naming convention for standards is used for QAQC samples, so although the laboratory will know which samples are standard samples, they will not be able to identify which actual standard has been inserted.

The samples are dispatched to the laboratory with a unique sample submission form.

Security

Samples collected from underground development, underground drilling and surface drilling operations are transported to the site-based geology core shed, where the samples are geologically logged and prepared for dispatch. The sampling procedures are appropriate and adequate security exists on the site to minimize any risk of contamination or inappropriate mixing of samples. Sample tagging and a laboratory bar code system is in use to digitally track sample progress through to final chemical analysis.

Sample Recovery

The overall core recovery varies between 98 and 100% and averages 99.5%.

Brownfield Exploration

Drill core from brownfield's exploration is logged, sampled and sent to the Company's laboratory in Bor, Serbia for sample preparation and analysis. See "Exploration Projects – Sampling and Analysis of Exploration Core and Channel Samples" for further details.

Bulk Density

Bulk density measurements have been routinely completed since the start of 2003 at the (ISO9002 rated) Eurotest-Kontrol facility in Sofia using the industry standard wax coating water immersion method. The collection of bulk density data is part of DPM's standard procedures and samples are routinely taken from all diamond drilling, ore and development drives and stopes.

Bulk density measurements are collected as ten centimetres billets every three metres along the length of the drill hole, including both ore and waste. These measurements have been assigned to a location or to a bulk density table in the drill hole database. In 2009, onsite density analysis was introduced and made a part of the SGS managed onsite laboratory. The determination of bulk density for rock or core samples is by paraffin wax and water immersion.

Sample Preparation

The Chelopech laboratory operates its own sample preparation facility using standard sample preparation equipment. From late 2004, the site laboratory was upgraded and significantly re-equipped, under the supervision of SGS in order to be SGS certified. SGS manages the site laboratory as an independent sample preparation and assay facility for a monthly management fee. An SGS qualified laboratory manager is always on site. SGS Chelopech laboratory has been ISO 9001:2008 certificated since April 2013, updated to ISO 9001:2015 in April 2019 and recertified until April 4, 2022. At present, the majority of sample preparation (drying, crushing, pulverisation and splitting) is completed on site at SGS Chelopech with a small number of samples analysed at SGS Bor, Serbia. Both laboratories operate to SGS Global and international standards under SGS's international accreditation. All methods and procedures are implemented together with international quality control protocols.

The sample preparation procedure is as follows:

- The sample is crushed to two millimetres using a jaw crusher, to a minimum 90% passing rate;
- The sample is split in a Johnson splitter, retaining ⅛ or a 600 gram sample for pulverising and homogenization; and
- The 600 gram sample is pulverized using Labtech ESSA, LM2 or, LM5 to -75 micron size. Sizing analysis is routinely undertaken as part of the assay quality assurance procedures.

Routine grade assays are undertaken by the independently SGS-managed Chelopech laboratory. Analytical procedures with respect to mine face and core samples, mill feed and mill tails are as follows:

- Copper: All samples from Chelopech have been analysed for copper by one of two methods. High grade samples over 30,000 parts per million are analysed using an iodometric method consisting of (mixed) acidic digestion followed by titration with sodium thiosulphate solution. Low-grade copper samples less than 30,000 parts per million are analyzed by means of two-acid digestion followed with grade determinations by AAS;
- Gold: Gold and silver assays completed at Chelopech are determined by means of the industry standard lead fire assay method with AAS finish. Higher values over 20 parts per million are assayed with a gravimetric finish;
- Silver: Two acid (HCl/HNO3) digestion with AAS Finish;
- Arsenic: Two acid (HCl/HNO3) digestion with AAS Finish;
- Sulphur: Sulphur assays completed at Chelopech are determined by means of combustion in a (muffle furnace) ELTRA Analyzer – LECO method; and
- The laboratory is equipped with three ICP ("Inductive Coupled Plasma") instruments for multi element analysis:
  - The ICP - Optical Emission Spectrometry ("ICP-OES") is used generally to define the concentration of various elements found in the Chelopech ore, tail and concentrate. The Varian ICP–735ES can perform routine analysis on more than 50 elements simultaneously. All the above digestions and solutions can be analyzed on this instrument.
  - The ICP-OES, Optima 8300 Perkin Elmer, is used mainly to define the low concentrations of Au, in parts per billion, the range of 1 - 10,000 parts per billion, although it can perform 34 elements simultaneously.
  - The ICP - Mass Spectrometry ("ICP-MS") is used to analyze more than 50 elements for low level trace elements found in soil and stream sediment samples. It is also used to analyze for environmental water samples to sub parts per billion levels. This instrument is mainly used for regional exploration samples, and water samples discharged from the Chelopech mine.

Analytical procedures with respect to mill concentrate are as follows:

- Copper in ore and concentrate: Acid digestion with iodometric titration;
- Copper in tails: Two acid (HCl/HNO3) digestion with AAS finish;
- Gold: 15 grams fire assay with gravimetric finish (15 grams is used due to high sulphur and arsenic content);
- Silver: Two acid digestion with AAS Finish;
- Arsenic: Two acid (HCl/HNO3) digestion with AAS Finish; and
- Sulphur: Combustion with Eltra instrument.

Quality Control Procedures

The independent SGS-managed Chelopech laboratory quality control procedures include the following:

- Every batch of samples is recorded in a laboratory job book, and profiled using the LIMS (CCLAS) computer scheduling system;
- Two internationally accredited standards, one blank, repeats (~10%) and duplicates (~10%) of one in 20 samples are inserted randomly in every batch profiled;
- One in 20 pulverized samples is wet screened through a -75 micron sieve. 85% passing is expected. Job is re-pulverized if 40% of samples sieved in the batch failed (<85%);
- The laboratory participates in the SGS internal round robin, where four samples every month are analyzed for various elements, and results are compared with over 140 SGS laboratories worldwide;
- The laboratory participates in the Geostats international Round Robin Survey twice a year. Forty samples are analyzed for various elements and results compared with more than 100 laboratories; and
- As part of the quality control the laboratory sends 50 samples monthly to another SGS laboratory for QAQC checks. Results are compiled and compared statistically.

Data Verification

The Chelopech geology internal quality control procedures also include the following:

- One in 20 drill core pulps is re-submitted as a duplicate with a different number assigned to it; and
- Review of the independent laboratory QC data on a batch by batch, quarterly and annual basis.

The Chelopech geology procedure for external (Umpire) QAQC sample submission is as follows:

- All internal control pulp duplicates are submitted for umpire analysis;
- Every 20th core sample pulp is submitted for umpire analysis. Approximately 5% of all face sample pulps are included;
- Samples that have discrepancies between the geological description and chemical analysis are also submitted for umpire analysis;
- An internationally accredited standard with unknown metal concentrations is inserted after every 20th sample (by the laboratory). Geostats Australia has manufactured and certified 26 Chelopech standards using two different types of Chelopech ores;
- One blank is inserted for every 50 samples; and
- Since 2012 umpire assay analyses are performed by an internationally accredited laboratory – ALS Global, Rosia Montana, Romania; ISO9001:2000 and ISO17025.

Further verification of results included comparison of assay data with geology, alteration and mineralization logging data.

Results of the QAQC program for this reporting period (October 2018 to September 2019) noted issues with some of the QAQC results which will require ongoing monitoring, but overall no fatal flaws were apparent. This indicates that the QAQC procedures implemented at Chelopech are adequate to assess the repeatability, accuracy and precision of the assay results obtained and that the assay results should accurately reflect the grade of the samples.

Bias and failures were noted in individual CRMs, but this was not systematic (i.e. some bias is positive and some negative). A change in analytical precision (and accuracy) is apparent which will be followed up with SGS Chelopech.

Field, preparation and pulp duplicates as well as external check (umpire) results were compared for Face Samples (“FS”) and Drill Samples (“DDH”) for primary samples submitted to SGS Chelopech and SGS Bor and external check samples sent to ALS Rosia Montana. Au, Cu and S duplicate results were precise with no significant issues. Sporadic issues were noted with Ag and As duplicates analysed at SGS Bor. Overall SGS Bor duplicates had poorer precision and higher biases than samples analysed at SGS Chelopech.

Mineral Processing and Metallurgical Testing

The metallurgical test work characterised the hardness and flotation parameters of each, and the work confirmed that the process flowsheet currently in operation was optimum to produce copper/gold concentrates, and no changes were recommended. An additional test program was completed in 2012 covering current and future ores which also confirmed the current flowsheet performance for the copper circuit and developed the optimum conditions for the future recovery of pyrite from the current process plant ore feed.

A geomet and flowsheet optimization flotation test work program at XPS (Sudbury) was concluded in 2017. The geomet test

work considered the metallurgical variability of the eight identified domains at Chelopech – 151 Block Upper, Middle & Lower; 150 Block Upper & Lower; 103 Block East & West; 19 Block. The findings of the geomet test work was inconclusive on quantifying the variability in pyrite quality between the domains. Other information gathered was nonetheless useful and further enhanced the understanding of the geo-metallurgical properties and variability between the domains.

The latest annual review of the recovery models versus the actual plant performance indicate that the current recovery models still accurately predict the plant recovery performance for the expected future plant feed grades.

The Chelopech deposit contains arsenic and through mining and processing the ore, a high arsenic gold-copper concentrate is produced. The recovery of the metals from the gold-copper concentrate requires specialised facilities and the availability of such facilities worldwide as well as their ability to receive the concentrate and process it could have significant economic effect on the operation.

Mineral Reserve and Mineral Resource Estimates

See "Summary of Mineral Reserve and Mineral Resource Estimates" for the Chelopech Mineral Reserves and Mineral Resources. The December 31, 2019 Mineral Reserves and Resources were estimated by DPMC personnel under the supervision of CSA Global. Validation of the Mineral Resource Estimate was also completed by CSA Global.

Mineral Resources and Mineral Reserves are based on a profitability indicator that considers, among other things, metal price, metallurgical recoveries, treatment charges and market forecasts. Long term metal prices assumed for the evaluation of the Mineral Reserves are $1,250/ounce for Au, $17.00/ounce for Ag and $2.75/lb for Cu. The Mineral Resource Estimate is reported using $1,400/ounce for Au.

Mineral Resources exclusive of Mineral Reserves, in comparison to the end-of-year 2018 Mineral Resource estimate, have increased 14% in tonnes, whilst decreasing 5% in metal content for gold, 1% in metal content for copper and 6% in metal content for silver, within the Measured and Indicated Mineral Resource categories. This increase in Measured and Indicated Mineral Resources is attributed to the new cut-off assumptions and new extensions to Mineral Resources, discovered during resource development drilling programs. The increase was partially offset by conversion of Mineral Resources to Mineral Reserves. Inferred Mineral Resource tonnage has increased by 30%, in comparison to the end-of-year 2018 Mineral Resource estimate. This increase in the Inferred Mineral Resource category is primarily due to the additions to the Mineral Resource inventory as a result of ongoing infill and resource development drilling programs. See "Mining Properties – Chelopech Mine, Chelopech, Bulgaria – Drilling – Resource Development" for an overview of the resource drilling during 2019.

For the December 31, 2019 Mineral Reserves estimate, a profitability test was applied with designed stopes and development. The cutoff value of $10/ton of ore profitability test continues to be based on the results presented by Coffey Geosciences Pty Ltd. in 2010, which was considered a reasonable cut-off grade that balances economic risk and mine life. The profitability test provided for an estimated operating cost, excluding royalties, of $35.2/ton and a sustaining capital of $4.2/ton over the LOM.

Net changes in tonnes and contained metals from the 2018 to the 2019 Mineral Reserves estimate show reductions of 1.2 million tonnes, 132,000 ounces of gold, 19 million pounds of copper and 96 thousand ounces of silver. This corresponds to a percentage reduction of 7% in tonnes and metal content for gold, 5% in metal content for copper and 2% decrease in metal content for silver. The decrease can be attributed to 2019 mining depletion, which has been greatly offset by the addition of new stopes and redesign of existing stopes. New designs and redesign of existing stopes contributed about 1.0 mt to the Mineral Reserves, mainly from Blocks 148, 149, 151, 10 and 7.

The Mineral Reserves at Chelopech have been estimated by including a number of technical, economic and other factors. A change to any of the inputs would therefore have some effect on the overall results. Concerning mining and metallurgical factors, it is CSA Global's belief that sufficient work has been done by DPM to ensure that these are not likely to have any significant or material effect on Mineral Reserves.

Subject to the risk factors discussed under the "Risk Factors" section in this AIF and the more detailed information contained in the Chelopech 2020 Technical Report, DPM believes that the Mineral Reserve and Mineral Resource estimates for Chelopech are of low risk of being materially affected by environmental, permitting, legal, title, taxation, socio-economic, marketing, political, and other relevant issues.

Mining Operations

The operating facilities owned by the Company include an underground mine, semi-autogenous grinding ("SAG") mill as well as copper and pyrite flotation circuits. Other facilities include a fully operational tailings dam, underground crusher and conveyor system to surface, the original head frame and hoist for stand-by/emergency use, three primary ventilation shafts, a trackless decline from surface, paste fill plant, as well as surface and underground workshops. In the fourth quarter of 2014, the concentrate conveying and train load out facility was commissioned and in the third quarter of 2015, the gold-copper concentrate storage facilities were completed. There are also sufficient surface buildings and installations necessary to support current and future operations of the mine. Refer to the Chelopech 2020 Technical Report for further details.

Production from underground is attained via sublevel long hole open stoping ("LHOS"). Ore is delivered via ore passes, or via trucks, to the run-of-mine ("ROM") bin above the crusher. The crusher feeds up to 400 tonnes per hour to a system of eight conveyors to transport the ore to the surface stockpile.

Reconciliation, defining the performance of the mine and mill compared to the Mineral Reserves, shows that during 2019 the mine is producing an average of 6% more tonnes at 11% lower copper and 5% lower gold grades after mining dilution and ore losses, compared to the Mineral Reserves block model for the same period. Reconciliation at Chelopech is consistent with good industry standards (±10%) for this style of mineralization.

The production rate of the mine for the last three years has been approximately 2.2 million tonnes per annum of ore and the designed throughput rate of the SAG mill is 275 tonnes per hour of ore. In 2019, the mine processed over 2.2 million tonnes of ore, and produced 105,741 tonnes of gold-copper concentrate, containing 119,928 ounces of gold, 157,851 ounces of silver and 16,896 tonnes of copper (37,250,240 pounds). In addition, 252,582 tonnes of pyrite concentrate were produced, containing 53,471 ounces of gold. See "Three Year Production and Delivery History" for further details.

The mine is expected to produce, in gold-copper concentrate, a total of 0.82 million ounces of gold, 1.56 million ounces of silver and 124,486 tonnes of copper for the years 2020 through 2027. In addition, pyrite concentrate is expected to be produced, containing 0.35 million ounces of gold.

Processing and Recovery Operations

Current ore treatment processes comprise conventional crushing of ROM ore in a primary jaw crushing circuit, grinding in a SAG milling circuit, bulk floatation, three-stage cleaner flotation and concentrate dewatering to produce the gold-copper concentrate, while the pyrite is recovered from the copper circuit cleaner tails.

The primary saleable product is a gold-copper concentrate containing, on average, 16.5% Cu, 35 g/t Au, and 5.5% arsenic which is loaded at the mine site through a conveyor system from the stockpile into rail wagons and dispatched to the Port of Bourgas for sea transportation to the Tsumeb smelter and to third parties.

Since 2014, pyrite concentrate, containing gold, has been produced in a section with a capacity allowing the production of up to 400,000 tonnes of pyrite concentrate per year from the mill feed as a separate secondary concentrate product, in addition to the produced gold-copper concentrate. Production is currently operated to meet market demand.

Tailings from the concentrator are thickened and directed to the mine backfill plant, with the balance discharged to the TMF.

The concentrator operates 24 hours per day, seven days per week, and is designed to process 275 tonnes per hour at an operating availability of around 92%, with an average annual ore throughput capacity of 2.2 mt.

Capital and Operating Costs

The tables below set out the estimated capital and operating costs over the LOM. These costs are in current dollars without escalation, and, with respect to cash costs, net of by-product credits, and are based on a copper price of $2.75/lb. The base exchange rate used for the evaluation of the project is USD 1.25/EUR.

Capital Costs

The expansion project for the Chelopech mine was completed in 2012 at an overall capital cost of $171.2 million. The expansion project enabled the mine to achieve an ore processing rate of two million tonnes per annum. Through optimization and increasing operational efficiencies, the Company has been achieving, as expected, a throughput rate of 2.2 million tonnes per annum.

Capital Costs 2020-2027	
Item	**LOM ($ Millions)**
Sustaining /Replacement Capital (2020 – 2027)	82.9
Other Project Capital	10.7
Closure Costs	21.7
LOM Capital Expenditure	115.30

Operating Costs

The average estimated annual site operating cost for the LOM is $39.36 per tonne treated, as set out in the tables below:

Operating Costs - Gold-Copper Concentrate		
Item	**Unit**	**2020 – 2027**
Mine	$/t ore	17.30
Concentrator	$/t ore	9.68
Service	$/t ore	1.60
General and Administration	$/t ore	7.43
Royalty	$/t ore	2.77
Total On Site Cash costs / tonne ore treated [1]	$/t ore	38.78
Total Cash Costs / ounce Au Equivalent [2]	$/oz AuEq	905
On Site Cash Costs / ounce Au [1,3]	$/oz	459
On Site Cash Costs / pound Cu [1,3]	$/lb	1.01
Cash Costs / ounce Au sold, net of by-product credits [1,4]	$/oz	751

1. *Refer to the "Non-GAAP Financial Measures" section of the Company's MD&A for the financial year ended December 31, 2019, which is available on the Company's website at www.dundeeprecious.com and has been filed on the SEDAR site at www.sedar.com, for more information about Non-GAAP measures;*
2. *Total cash costs include on-site and off-site costs. Au equivalent ounces include gold ounces as well as copper pounds and silver ounces produced and converted to a gold equivalent based on the ratio of the forecast prices for each commodity;*
3. *Gold and copper are accounted for as co-products. Total on-site cash costs are net of by-product silver sales revenues; and*
4. *Cash costs / ounce Au sold, net of by-product credits, represent cost of sales, less depreciation, amortization and other non-cash expenses, plus treatment and refining charges, penalties, transportation and other selling costs related to the sale of gold-copper concentrate, less by-product copper and silver revenues, divided by the payable gold in gold-copper concentrate sold.*

Operating Costs - Pyrite Concentrate		
Item	**Unit**	**2020-2027**
On Site Cash Costs / tonne ore treated [1]	$/t ore	0.58
Cash Costs / ounce Au sold [2]	$/oz	801
Cash Costs / ounce Au, net of by-product credits, including payable gold in gold-copper and pyrite concentrates and related costs [3]	$/oz	762

1. *On-site operating cash costs include processing costs;*
2. *Cash costs / ounce Au sold represent processing costs and treatment charges, penalties, transportation and other selling costs related to the sale of pyrite concentrate divided by the payable gold in pyrite concentrate sold; and*
3. *For Cash costs / ounce Au sold, net of by-product credits, represent cost of sales, less depreciation, amortization and other non-cash expenses, plus treatment and refining charges, penalties, transportation and other selling costs related to the sale of gold-copper and pyrite concentrates, less by-product copper and silver revenues, divided by the payable gold in gold-copper and pyrite concentrates sold.*
4. *Refer to the "Non-GAAP Financial Measures" section of the MD&A, which is available on the Company's website at www.dundeeprecious.com and has been filed on the SEDAR site at www.sedar.com, for more information on the above Non-GAAP measures.*

Ada Tepe mine, Krumovgrad, Bulgaria

The following summary and technical information of the Ada Tepe mine is derived in part from the Revised Ada Tepe 2014 Technical Report, which is available on the Company's website at www.dundeeprecious.com and has been filed on the SEDAR site at www.sedar.com. See "Technical Information" for further details. Certain non-material adjustments have been made since the date of the Revised Ada Tepe 2014 Technical Report, under the subheadings "Mineral Processing and Metallurgical Testing"; "Mining Operations"; "Processing and Recovery Operations"; "Capital and Operating Costs"; and "Project Implementation", which have been made to reflect the current state of the Ada Tepe mine. These updates have been reviewed and approved by Richard Gosse, Vice President, Exploration of the Company, and Ross Overall, Corporate Mineral Resource Manager of the Company, who are "qualified persons" for the purposes of NI 43-101.

Project Description, Location and Access

The Company holds a 100% interest in the Ada Tepe open pit gold mine located in Bulgaria. The Ada Tepe mine is operated based on a 30 year mining concession for the Khan Krum deposit, which consists of Ada Tepe, Surnak, Sinap, Skalak, Kuklitsa and Kupel satellites. The mining concession was granted to DPMK in 2011 following a commercial discovery, for which DPMK was awarded a Commercial Discovery Certificate dated August 28, 2009. The concession contract was signed on April 25, 2012 between DPMK and the Bulgarian government and entered into force on March 4, 2013.

According to the concession contract, DPMK has rights to extract underground metalliferous natural resources - gold ores from the Khan Krum deposit. The concession area covers 1,370 hectares. Mining and exploration activities are permitted only within the footprints of the satellites after environmental permits have been issued. An environmental permit has been issued for the Ada Tepe satellite where mining and additional exploration is allowed. Environmental permits are required for the other five satellites, being Kuklitsa, Kupel, Sarnak, Skalak, and Sinap.

The Ada Tepe satellite area where mining is ongoing is 16.1 hectares. DPMK owns 132.02 hectares of land, where current operation facilities for Ada Tepe are located.

The town of Krumovgrad is approximately 320 kilometres southeast by paved road from the capital of Bulgaria, Sofia, which is serviced by a modern international airport. A second international airport exists in the city of Plovdiv, located approximately 106 kilometres northwest of Krumovgrad.

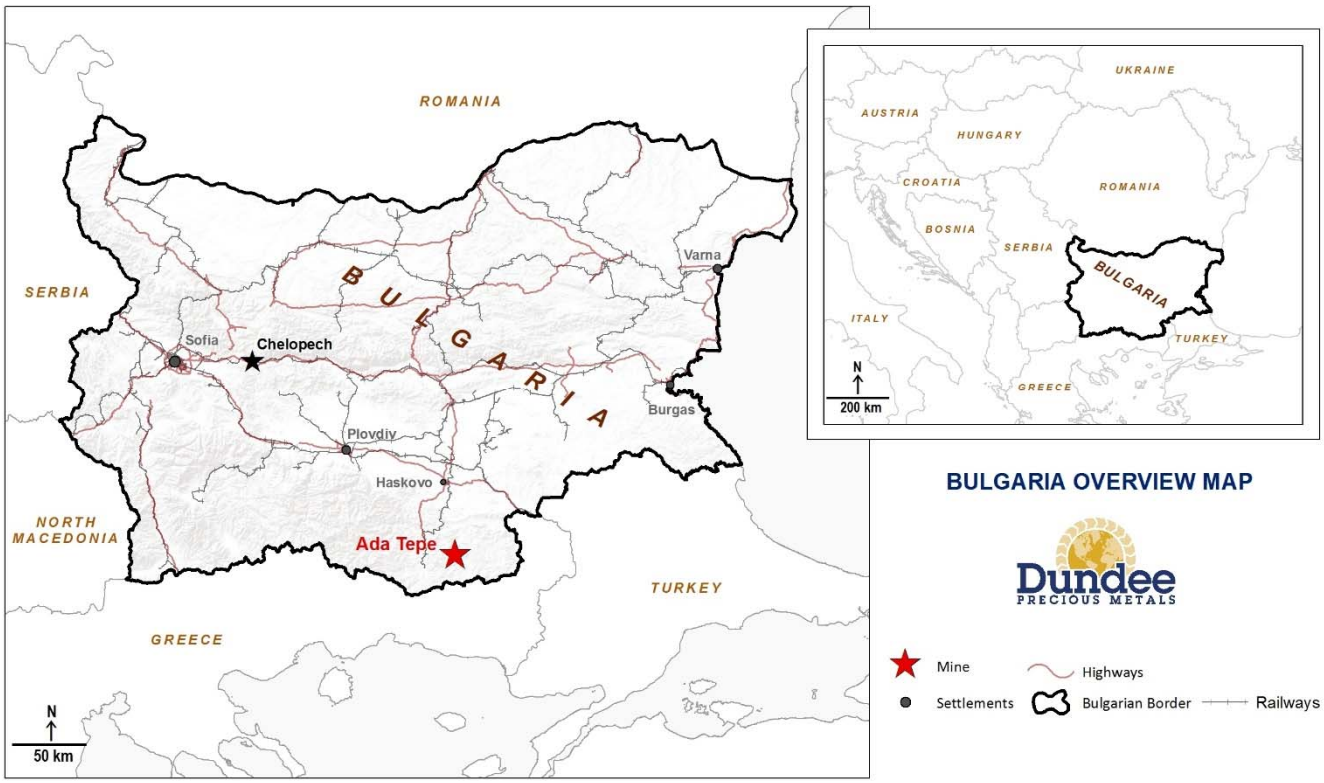
The Ada Tepe mine is located three kilometres south from the Krumovgrad town site and trends in a north south direction. The deposit area comprises of hilly topography abutting a major regional river system.

Access to the general area is excellent at all times of the year, by sealed roads to the municipal centre of Krumovgrad. Access within the license area is good, with all-weather surface roads transecting the area.

Construction of the Ada Tepe mine started in the fourth quarter of 2016 and first concentrate production was achieved in the first quarter of 2019. The final capital cost to construct and commission the project was $164 million.

The Company pays a royalty to the Bulgarian government at a variable royalty rate applied to the gross value of the gold and silver metals contained in the ore mined. The royalty rate depends on the profitability of the operation. At a pre-tax profit to sales ratio of 10% or less, the royalty rate is 1.44% of the value of the metals. At a pre-tax profit to sales ratio of 50% or more, the royalty rate is 4% of the value of the metals. At intermediate levels of profitability, the royalty rate varies on a sliding scale between 1.44% and 4% in a linear fashion. At a gold price of $1,250/ounce and a silver price of $23/ounce, the royalty rate will be in the order of 2.5% of the gross value of gold and silver metals contained in the ore produced from the mine.

The following map shows the location and access to the Ada Tepe mine.



Infrastructure, Permitting and Compliance Activities

Infrastructure

Infrastructure in the area is good, with paved roads, power and water resources available within proximity to the Ada Tepe mine.

Permitting

DPMK operates the Ada Tepe mine based on a 30 year concession contract dating from April 25, 2012 and owns the necessary land upon which the facilities are constructed. DPMK's compliance with its obligations under the concession contract is monitored and controlled by the ME on an annual basis.

The LOM plan and OCRP were approved in 2013. The updated OCRP was approved in October 2015. The 2020 APP and 2020 ACRP were approved in December 2019.

The permit to operate the mine site was issued on August 12, 2019 along with three other permits to operate for infrastructure connected with mine site operation, including an access road, discharge pipelines and a freshwater pump station. As per Bulgarian legislative requirements, the Company has permits to use water from the underground water body and to discharge treated water with potable quality to Krumovitsa river.

The day-to-day operating activities require several specific permits, which the Company maintains. These can be grouped into two categories: water use and discharge and blasting activities. All permits required in order to maintain the continuity of the business have been obtained.

Following the designation of part of the Ada Tepe mine as an Archaeological Immovable Cultural Asset ("AICA") in August 2010, DPMK entered into a Framework Agreement for Funding of Scientific Research with the National Archaeological Institute with Museum at the Bulgarian Academy of Sciences ("NAIM-BAS") to carry out archaeological work required for clearing the Ada Tepe mine. The first stage of the agreed work was completed in December 2014 and the second stage was completed in 2015. In April 2015 the Ministry of Culture issued an order for amending the boundaries of the AICA, by virtue of which the entire area required for the investment proposal was excluded from the boundaries of AICA and effectively released for the implementation of the Ada Tepe mine. Dissemination of the archaeological work results, through scientific publications and development of museum exhibitions, were carried out concurrently with the development of the Ada Tepe mine. According to the concession contract, DPMK is able to exercise its concession rights in compliance with the *Cultural Heritage Act*. All mining activities on the Ada Tepe satellite are performed under the supervision of an archaeologist.

Environmental Requirements

The implementation of a mining concession is subject to obtaining a positive environmental impact assessment ("EIA") resolution. The purpose of the EIA procedure is to identify, describe and assess in an appropriate manner, in light of each particular case, the direct and indirect effects of a development investment proposal for execution of construction activities and technologies on: human beings; biological diversity and the elements thereof, including flora and fauna; soil, water, air, climate and the landscape; the lithosphere, physical structures and the cultural and historical heritage; as well as the interaction among these factors. EIA Resolution No. 18-8 was issued in November 2011 and entered into force in March 2013.

Closure and Rehabilitation

The integrated mine waste facility ("IMWF") has a total design footprint area of 41 hectares, which is sufficient to accommodate the entire amount of mining wastes generated throughout the Ada Tepe mine life. The concept of the IMWF is to place thickened tailings into cells constructed from mine rock. The mine rock provides strength required for overall stability and internal drainage. Rehabilitation of the lower slopes of the IMWF began during the early stages of the mine operation and the entire area of the facility of 38.9 hectares will be fully rehabilitated at the end of the LOM. The rehabilitation is carried out entirely with native species present in the area in which the Ada Tepe mine is situated. According to the approved OCRP, all activities, including the IMWF, have a value of Euro 5.3 million, for which a full bank guarantee has been provided. In 2019, the newly rehabilitated area was 2.54 hectare. In December 2019, the ME approved planned relevant activities for 2020.

The IMWF is a fully drained facility and will not contain a water pond at any time during its operation. The surface interception drain will divert the runoff from the IMWF upstream catchment and prevent it from entering the facility. The underdrain system will collect and convey the rainfall and the excess pore water from the consolidation of the tailings. Any discharge of IMWF water to the Krumovitsa river, when necessary, will be carried out only after treatment and will be downstream of the town. An interception system, comprising a grout curtain and series of water wells, will capture any seepage from the IMWF to prevent seepage reaching the river. Seepage captured by the water wells will be pumped back into the IMWF water catchment and reticulation system, and ultimately be recycled to the plant for use as process water.

History

The following is a brief chronological description of exploration work done on the property prior to DPM's ownership:

- The Ada Tepe mine had been the subject of only very brief attention in previous Bulgarian state funded exploration;
- GeoEngineering, Asenovgrad ("GeoEngineering") had previously explored the area covered by the Ada Tepe license using finances provided by the Bulgarian State;
- Geology and Geophysics AD, Sofia ("G&G") had also explored parts of the license area;
- GeoEngineering carried out an extensive program of geological mapping, trenching and drilling over the nearby Surnak prospect during the early-mid 1990s, together with a minor amount of trenching on the Skalak and Kuklitsa prospects;
- G&G included the entire license area in the south-east Rhodopes regional soil sampling program (average sample grid 250 metres by 50 metres) conducted during the early-mid 1990s;
- G&G also performed magnetic and induced polarization surveys across the prospect;
- The results of this work showed the presence of a gold soil geochemical anomaly of significant intensity and extent over the prospect, and a variety of geophysical anomalies;
- Navan's Bulgarian subsidiary, Balkan Mineral and Mining ("BMM"), was awarded an Exploration Permit No. 1/09.05.2000 for the Ada Tepe license area covering 130 square kilometres, based on which it then entered into an Agreement of Prospecting and Exploration with the Ministry of Economy of the Republic of Bulgaria on June 12, 2000; and
- BMM was acquired by DPM in 2003, and later renamed DPMK.

Geological Setting, Mineralization and Deposit Types

The Krumovgrad region is located within the Eastern Rhodopes which comprises the eastern portion of a large metamorphic complex. Basement rocks in the Ada Tepe area consist of Precambrian and Paleozoic metasediments, gneisses, and amphibolites. The basement is unconformably overlain by Paleogene conglomerates, sandstones, siltstones and limestones of the Krumovgrad group that were deposited during rapid uplift of the metamorphic core complex.

At Ada Tepe, gold and silver mineralization is predominantly hosted within the Shavar Formation proximal to the unconformable listric fault contact or detachment with the underlying basement rocks of the Kessebir-Kardamos core complex. Sedimentary rocks within the Shavar Formation typically form laterally discontinuous lenses ranging from chaotic breccias to conglomerate to inter-bedded pebbly sandstone, siltstone, and marl to marl-argillite.

The dominant structure at the Ada Tepe mine is a "detachment fault" that separates the metamorphic basement rocks from the overlying mineralized sedimentary rocks and forms a 10° to 15° north dipping lower structural bounding surface to the deposit.

The Ada Tepe mine is a low sulphidation epithermal gold-silver deposit. High gold grades in association with electrum-bearing open-space fill colloform-banded and lattice-bladed silica-carbonate-adularia veins and hydrothermal breccias and the presence of sinter, suggest proximity to the paleosurface and a low sulphidation character.

Mineralization at Ada Tepe is subdivided into two types, based on the geometry and style of the mineralized zone, as follows:

- "Wall Zone" mineralization: a massive shallow dipping (15 degrees north), siliceous body forming the hanging wall to the detachment and defining the contact between the core complex and the overlying sedimentary rocks, and;
- "Upper Zone" mineralization: a series of predominantly east-west trending steeply dipping veins that exhibit textures indicative of forming within an epithermal environment and extend upwards into the sedimentary breccia unit above the Wall Zone.

The Ada Tepe mine is approximately 600 metres long (north-south), and up to 350 metres wide (east-west). The wall zone is up to 30 metres thick. The thickness of the Upper Zone vein mineralization is very variable, from less than one metre thick, to more than 30 metres thick. The Wall Zone exhibits very good continuity. The Upper Zone vein system exhibits less continuity than the Wall Zone, necessitating a higher drilling density that has been applied during the delineation of the Ada Tepe mine.

At the Surnak prospect, located about three kilometres west of Ada Tepe, the main volume of gold-silver mineralization occurs along a northeast-striking sub-vertical metamorphic and sedimentary rock contact and is associated with sulphide-rich silica and carbonate-altered hydrothermal breccias. Mineralization also extends into the metamorphic basement rocks and the overlying sediments, controlled by a combination of sub-horizontal stratigraphy-related zones of permeability and steeper feeder structures.

Exploration

On the Khan Krum concession, permitting to support drilling activities at the Surnak, Kuklitsa and Synap prospects is in progress. At Surnak, a re-logging program to improve the geological and geo-metallurgical models and to better target sulfide mineralization in the next phase of drilling is also planned. Approximately 5,200 metres of drilling at Surnak and other satellite deposit is planned for 2020 exploration activities. Some scout drilling, trenching and mapping, were carried out on several other exploration licences near Ada Tepe. Additional exploration drilling on these licenses is planned in 2020.

Drilling

Drilling at Ada Tepe has been undertaken using both reverse circulation ("RC") and diamond drilling techniques, using a variety of independent drilling contractors. The first and second drilling programs were carried out between 2000 and 2002. Approximately 145 holes were completed as of August 2003 for the collection of 11,939 drill samples from 12,440 metres of drilling.

The third and most substantial drilling program was undertaken between September 2003 and June 2004. The program comprised of 137 diamond holes (including 94 completely cored and 35 diamond tail resource holes, five "wild cat" exploration holes and eight metallurgical holes) and 333 RC holes (including 298 complete resource holes and 35 pre-collar holes). This program resulted in a notional drilling density of 25 metres east by 25 metres north over much of the deposit; with most of the holes declined 60^{o} towards the south and several scissor holes declined 60^{o} to the north and northwest. In addition, RC infill drilling was completed to a notional 12.5 metres by 12.5 metres hole spacing in two selected areas in the south-western and central-western regions of the deposit to investigate the close spaced variability of gold and silver assay grades.

The fourth drilling program was undertaken between late October 2004 and mid November 2004. The program comprised 36 RC drill holes designed to selectively infill strongly mineralized zones within the southern third and to a lesser extent the northern flank of the deposit.

RC grade control drilling programs are conducted on a five metres by five metres grid, to ensure that grade control modelling and short terms plans are complete at least one year ahead of mining. Furthermore, targeted RC infill drilling is also undertaken in other parts of the deposit to improve the confidence of the geologic model.

The current interpretation of the drilling results reflects the two principal styles of mineralization recognized at Ada Tepe, corresponding to the shallow, north-dipping "Wall Zone" mineralization and the steeply dipping, east-west striking "Upper Zone" vein style mineralization. The Upper Zone mineralization is comprised of numerous vein and vein zone domains, which are separated by un-mineralized host rock. As of the date hereof, infill drilling results continue to adhere to this geologic architecture.

Sampling, Analysis, and Data Verification

Sampling and Analysis

Ada Tepe: Sampling and Analysis Summary					
Sample Type	**Method**	**Sample Recovery**	**Sample Interval**	**Metals Assayed**	**Lab and Assay Method**
Channel Sampling	Chiseled channel to approximate half HQ core	Approximately three kilogram per sample	One metre	Gold, Silver and Sulphur	Majority of analyses by SGS labs in Bulgaria, Serbia, Australia and Romania. All gold analysis by fire assay and AAS finish. All silver analysis by aqua regia digest and AAS finish. All Sulphur analysis by combustion in a (muffle furnace) ELTRA Analyzer – LECO method.
RC Resource Drilling and RC Grade Control Drilling	RC drill cuttings riffle split per metre	RC Grade Control Drilling 86% average per sample	One metre		
Diamond Drilling	NQ, HQ, and PQ core cut by diamond saw	94% core recovery	One metre		

Upon review of the RC and diamond drill hole core recoveries, there was no evidence that anomalously low or high recoveries are associated with high (or low) gold grades. In all exploration and grade-control stage drilling programs, stringent precautions were taken during both RC and diamond drilling to ensure the highest quality sample was recovered.

Brownfield Exploration

Drill core from brownfield's exploration is logged, sampled and sent to the Company's laboratory in Bor, Serbia for sample preparation and analysis. See "Exploration Projects – Sampling and Analysis of Exploration Core and Channel Samples" for further details.

Bulk Density

All bulk density measurements have been completed by an ISO 9002 rated laboratory, Evrotest Kontrol, in Sofia using an ISO 9002 approved method of wax sealed water immersion bulk density measurement. Bulk density measurements have been routinely collected from core billets at approximately three metres downhole intervals and trench grab samples collected at five metres intervals. A total of 5,764 bulk density measurements are available for the Ada Tepe deposit covering all the major rock types and variations in oxidation and weathering at locations distributed throughout the deposit. Since 2014, bulk density measurements were done by SGS Chelopech.

Sample Preparation

Sample analysis for the initial resource drilling program (2000-2004) has been carried out at the following principal, independent, internationally accredited laboratories: (i) OMAC in Ireland; (ii) SGS of Perth (Welshpool), Western Australia; (iii) SGS Gura Rosiei (near the Rosia Montana mine site), Romania; and (iv) SGS Chelopech (part of Chelopech mine) Bulgaria (2002-2004). Primary gold assays were undertaken using industry standard lead fire assay method with AAS finish. Silver assays were undertaken using a two acid aqua-regia digest with AAS finish. Most sample analyses were completed at SGS Gura Rosiei (Au - 60%, Ag - 61%), followed by SGS Welshpool (Au - 32%, Ag - 34%), followed by OMAC (Au - 5%, Ag - 2%), followed by SGS Chelopech (Au - 3%, Ag - 3%).

For the 2002-2004 programs, internationally accredited external assay standards produced by Rocklabs of New Zealand were routinely inserted into the assay stream at a frequency of one in 20 exploration samples. From 2004 GEOSTATS certified reference materials were mostly used.

In addition, umpire assay analyses of approximately 5% of the routine exploration samples from the initial resource drilling program were performed by two internationally accredited laboratories: (i) Genalysis Laboratory Services, Maddington, Western Australia, Australia (2002 – 2004); ISO9002 and ISO17025; and (ii) ALS Chemex, Vancouver, British Columbia, Canada (2004); ISO9001:2000 and ISO17025.

Samples from the 2000 and 2002 trench sampling and drilling were transported either to the OMAC or SGS Gura Rosiei facilities for both sample preparation and analysis. Initiation of the 2003 drilling and associated trench sampling included the establishment of an SGS sample preparation facility within a fully secured and enclosed core farm and RC sample storage facility with 24-hour security. With the exception of the first 600 samples from the 2003-2004 drilling program (transported to the SGS Gura Rosiei facility for both sample preparation and analysis), all subsequent samples from the drilling programs underwent sample preparation at the SGS facility in Krumovgrad and subsequent transport to the SGS Gura Rosiei (Romania), SGS Welshpool (Western Australia) or SGS Chelopech (Bulgaria) laboratories for assay analysis.

As of 2017, samples from grade control drilling operations are being sent for preparation and analysis to the SGS Chelopech (Bulgaria), SGS Bor (Serbia), ALS Bor (Serbia) and ALS Rosia Montana (Romania) laboratories where they are routinely assayed for Au, Ag and S. All laboratories are independent of the Company.

All samples collected at the Ada Tepe mine site are temporarily stored in a guarded compound before being shipped to Chelopech. Samples batches are shipped in sacks that are securely sealed to preserve the chain of custody between sites.

Channel Sampling

Prior to March 2002, a variety of sample intervals were used in surface channel sampling, primarily controlled by changes in geology. In April 2002, RSG Global Pty Ltd. (“RSG”) (acquired by Coffey International limited and integrated with Coffey Mining Pty Ltd. effective September 2006) initiated the use of a standard RSG channel sampling method. Some 425 surface channels have been excavated at Ada Tepe from which a total of 14,770 channel samples have been collected representing a total of 18,300 metres of sampling. Additionally, collection of duplicate channel samples at a frequency of one in 20, approximately 20 centimetres above the primary channel sample location was undertaken.

RC Resource Drilling and RC Grade-Control Drilling

RC samples are routinely collected at one metre intervals and the cuttings split with a Jones riffle splitter. Field duplicates are taken using the splitter on every 20th sample. The bags of cuttings were routinely weighed prior to taking the sub-sample with the Jones riffle splitter.

All RC drilling is done to a high standard to prevent sample contamination and ensure high sample recovery. Practices actively adhered to by DPMK during RC drilling include the following:

- Drilling crew complete routine blowbacks at least every metre to clean the drill string;
- At the end of each rod, the driller must engage the “blow down” device and the cyclone must be cleaned with a brush and an air gun to prevent contamination;
- After completing each one metre sample, the sampler cleans the splitter and the plastic sheet with wire brushes and an air gun and gets it ready for the next sample;
- Should samples become wet, the hole must be stopped immediately and completed later with a diamond core tail;

- Additional compressed air boosters are routinely used to enhance RC sample recoveries; and
- Sample weights are measured on a metre by metre basis as part of the standard RC drilling procedures.

Quality Control Procedures

To ensure a high sample quality stringent data collection, quality control procedures have been applied. The diamond core was marked off at one metre intervals and sampled to produce half-core (lengthways) using a diamond core saw. Crusher duplicates were produced from the same half-core following jaw crushing. Drill core recoveries were calculated by comparing the measured length of recovered core with the distance recorded on the core blocks between each drill run. Core recoveries were noted to be consistently in excess of 95%.

Until 2012, the core was routinely oriented using a "spear" after every three metres or once in every two runs. Since 2012 core orientation is by Ezy Mark or Ace Tool.

All RC Grade-Control Drilling samples are submitted for analysis, adhering to the following QAQC procedure:

- CRMs, also referred to as standards, are inserted in a ratio of 1:20;
- Blanks are inserted in a ratio of 1:50;
- Field Duplicates are inserted in a ratio of 1:20; and
- A naming convention for standards is used for QAQC samples, so although the laboratory will know which samples are standard samples, they will not be able to identify which actual standard has been inserted.

The samples are dispatched to the laboratory with a unique sample submission form. ALS Bor was used as a sample preparation laboratory for ALS, with samples dispatched to this laboratory being sent to either ALS Rosia Montana or ALS Loughrea, Ireland for analysis. The assay techniques used in the GC program are listed below:

- Gold: Gold assays completed at SGS and ALS are determined by means of the industry standard lead fire assay method with AAS finish. Higher values over 20 parts per million are assayed with a gravimetric finish;
- Silver: Two acid (HCl/HNO3) digestion with AAS Finish; and
- Sulphur: Total Sulphur, LECO method.

All laboratories apply their own internal check regime of lab duplicates, second splits, repeats, and CRMs. The reliability of the primary assay data is further assessed by comparison of 5% of the original assay results with umpire assays completed at an independent laboratory.

Data Verification

Internal quality control procedures also include the following:

- One in 20 RC grade control pulps are re-submitted as a duplicate with a different number assigned to it; and
- Review of the independent laboratory quality control data on a batch by batch, quarterly and annual basis.

External (Umpire) QAQC samples submissions are conducted annually. At least 5% of pulps are selected for re-assay following the below guidelines:

- All internal control pulp duplicates are submitted for umpire analysis;
- Every 20th RC grade control pulp is submitted for umpire analysis;
- Samples that have discrepancies between the geological description and chemical analysis are also submitted for umpire analysis;
- An internationally accredited standard with unknown metal concentrations is inserted after every 20th sample (by the laboratory);
- One blank is inserted for every 50 samples; and
- Umpire assay analyses are performed by an internationally accredited laboratory – ALS Global, Rosia Montana, Romania; ISO9001:2000 and ISO17025.

Further verification of results included comparison of assay data with geology, alteration and mineralization logging data.

Results of the 2019 QAQC program noted minor issues with some of the QAQC results which will require ongoing monitoring, but overall no fatal flaws were apparent. This indicates that the QAQC procedures implemented at the Ada Tepe mine are adequate to assess the repeatability, accuracy and precision of the assay results obtained and that the assay results should accurately reflect the grade of the samples. Two laboratories were employed during the period - SGS Bor and SGS Chelopech. Results of the QAQC review are summarized below.

Blank Standards

- Overall blank results show no indications of contamination. No failures were noted in the preparation blanks and therefore no issues are expected with respect to cross contamination.

CRMs (Standards)

- DPMK inserts a suite of Geostats certified standards into the sample stream. CRM results were mostly accurate with no significant bias or failures, therefore no fatal flaws were noted with the accuracy results.

Duplicates

- Field duplicate results had acceptable precision for Au, Ag and S pairs with no significant issue. More than 98% of Ag and S pairs for SGS Bor and more than 99% of Ag pairs for SGS Chelopech are relatively low grade and therefore results when comparing these datasets are inconclusive. SGS Chelopech and SGS Bor had comparable precision for all the field duplicates, including acceptable and best practice limits. Overall SGS Bor lab duplicates for Au had slightly poorer precision and higher biases than samples analysed at SGS Chelopech.

Mineral Processing and Metallurgical Testing

Various phases of testing have been undertaken in the evaluation of the mineralization present at the Ade Tepe mine. In summary, these contributions were:

- Starting in 2005, the basis of the program was to develop an industry standard gold extraction process. Physical characterization, comminution, leaching and cyanide detoxification test work programs were conducted.
- The 2012 update essentially reinvented the project following the rejection of the original investment proposal by the local community and government authorities. At the expense of a reduction in recovery compared with the original and conventional cyanide leach circuit, the project was 're-engineered' using a more conventional flotation process, combined with the introduction of the IMWF.
- Following a successful piloting of a Staged Floatation Reactor ("SFR") unit at the Chelopech mine, floatation test work in 2013-2014 was focused on utilizing the SFR units to further reduce the plant footprint and capital costs.

Based on the various test programs, the final (summarized) design parameters for the Ada Tepe process plant were 105 tonnes per hour throughput at a grind size of 35 micron with 85% gold recovery to a final concentrate containing 600-800 g/t gold.

At Surnak, preliminary flotation metallurgical test work in 2019 shows variable recoveries depending on the oxidation level. The sulphide mineralization would likely be amenable to be recovered by a rougher and cleaner flow sheet, very similar to the one at Ada Tepe, resulting in an overall recovery of 82% to 85%. Based on the cleaner floatation test work, the final concentrate would be of saleable quality. As expected, the flotation performance of the oxide and transitional material was variable, with rougher-scavenger recoveries ranging from 35% to 75%. Cyanidation tests of the oxide material showed high gold extraction rates (90%), while the transitional sample extraction rates varied from 44% to 85%. Additional tests to understand the variability, especially of transitional or weakly oxidized material, are planned for 2020.

Mineral Reserve and Mineral Resource Estimates

See "Summary of Mineral Reserve and Mineral Resource Estimates" for a summary of the Ada Tepe Mineral Reserves and Mineral Resources. The December 31, 2019 Mineral Reserves and Resources were estimated by DPMK personnel under the supervision of CSA Global. Validation of the Mineral Resource Estimate was also completed by CSA Global.

Based on observations of the geology during the site visit by CSA Global and using all the available geological and grade information, suitable lithology, oxidation and mineralized domain boundaries were interpreted, and wireframe modeled to constrain the resource estimation for the Ada Tepe deposit.

Interpretation and digitizing of all the constraining boundaries were undertaken on north-south orientated cross sections coinciding with the drill traverses. The resultant digitized boundaries were used to construct wireframe surfaces or solids defining the three-dimensional geometry of each interpreted feature.

Comprehensive quality control procedures have been implemented for all data collection from 2002 onwards. A detailed statistical assessment of the sampling and analytical quality control data associated with the drilling and channel sampling was completed. The results of the assessment indicate that appropriate sampling recoveries and levels of analytical precision and accuracy have been achieved, and the exploration data are considered appropriate for use in resource estimation.

A total of 5,764 bulk density determinations were available for the purposes of resources modeling. Bulk density measurements were undertaken at the Evrotest Kontrol, in Sofia, using a water immersion method.

Mineralized domain boundaries for the purpose of constraining resource estimation were interpreted and modeled based on the geological logging, surface mapping and interpreted geological structural controls. In addition to these geological constraints, a notional 0.2 g/t Au lower cut-off grade was also applied to demarcate anomalous mineralization, where

appropriate.

The Mineral Resource model is based on detailed statistical and geostatistical investigations generated using three metres composite data subdivided by the geological interpretation. A sub-blocked block model was constructed using 12.5 metres east by 12.5 metres north by 5 metres relative level parent cell dimensions and sub-blocking down to minimum 2.5 cubic dimensions along the modeled wireframe surfaces representing the geological interpretation and surface topography.

The principal method used to estimate resource gold grades for the "Wall Zone" was ordinary kriging. Multiple-Indicator Kriging was used to produce a selective mining unit resource estimate for gold in the "Upper Zone" domain. Estimation of silver grades in the resource block model has been undertaken by linear regression from the block model gold estimates. Detailed visual and statistical review of the resource was completed as part of routine validation and the resource is considered globally robust.

The year-end 2013 Mineral Resource block model was reported to allow for production depletion, as of December 31, 2019 Mineral Reserves are reported constrained to reserve pit design, used to report year-end 2013 Mineral Reserves. Ada Tepe Mineral Resources are constrained to material within the reserve pit design, because it has reasonable prospects for eventual economic extraction and therefore fulfils the criteria for Mineral Resources. Mineral Reserve tonnage has decreased by 13%, gold metal content by 9% and silver metal content by 8%. The decrease is attributable to production depletion.

The Mineral Reserves at Ada Tepe mine have been estimated by including several technical, economic and other factors. A change to any of the inputs would therefore have some effect on the overall results. Concerning mining and metallurgical factors, it is CSA Global's belief that sufficient work has been done by DPM to ensure that these are not likely to have any significant or material effect on Mineral Reserves.

DPMK conducted a detailed exploration of the Ada Tepe mine between 2000 and 2004. 52.9 kilometres of drilling and 18.3 kilometres of surface trenching were completed, with more than 66,000 individual assay intervals and 5,700 bulk density determinations, which has resulted in a strong level of confidence in the data on which the resource is based. The mine plan proposed shows a high conversion of Mineral Resources to Mineral Reserves at the cut-off grades selected.

The extent of the data collected through this exploration program, and the quality control standards used provide the basis for a high level of confidence on the potential of this project.

Subject to the risk factors discussed under the "Risk Factors" section in this AIF and the more detailed information contained in the Revised Ada Tepe 2014 Technical Report, DPM believes that the Mineral Reserve estimate for the Ada Tepe mine is of low risk of being materially affected by environmental, permitting, legal, title, taxation, socio-economic, marketing, political, and other relevant issues.

Mining Operations

The Ada Tepe mine is expected to produce, on average, 85,700 ounces of gold per annum, based on the Mineral Reserves. The plant is designed to treat a peak of approximately 840,000 tonnes per annum and an average of 775,000 tonnes per annum of ore over an eight-year mine life, including processing stockpiled low grade ore at the end of the mine life. The treatment rate is consistent with existing permitting applications and environmental submissions.

In 2019, the mine processed 0.5 million tonnes of ore, and produced 2,700 tonnes of gold concentrate containing 57,193 ounces of gold and 22,519 ounces of silver. See "Three Year Production and Delivery History" for further details.

All ore and waste are mined via conventional, open pit mining methods, and utilizes conventional mining techniques to separate ore and waste. The mining equipment considered suitable for the mining operation at the Ada Tepe mine includes two 2.4 metres^3 bucket capacity excavators, and eight haul trucks with a payload capacity of 40 tonnes.

On site approximately 240 people are employed, engaged in the administration, mining, and processing operations. This includes several administrative and technical support staff servicing both Chelopech and Ada Tepe operations through a shared services concept. The Company has introduced training programs for the residents to help develop their skills, qualifications, knowledge and competencies, and the Company has established a recruitment and development facility in Krumovgrad, where a team of experts and consultants provide vocational training in selected fields.

The Ada Tepe mine is fully compliant with all European safety and environmental directives and industry best available techniques requirements.

Processing and Recovery Operations

The process plant facility completed in the first quarter of 2019 comprised crushing the mined ore in the primary jaw crushing circuit, grinding in a SAG milling circuit followed by a further secondary grind in a verti-mill circuit. The floatation uses SFR's for the rougher/scavenger and two stage cleaner flotation circuit. Final concentrate is dewatered and filtered before being bagged and shipped. Tailings from the concentrator are thickened to a high solids content (around 60% by weight) and placed in the IMWF cells along with waste rock from the mine. Since the plant commissioning in the second quarter of 2019, the plant has successfully ramped-up and has consistently operated at steady state design capacity since September 2019, processing around 105 tonnes per hour at an operating availability of around 92%.

Metallurgical recoveries of 85% and 70% for gold and silver, respectively, were used for the feasibility assessments. The facility operated at an 85% gold and 60% silver recovery for third and fourth quarters of 2019.

Capital and Operating Costs

Capital Costs

During the second quarter of 2016, DPM completed a capital and operating cost update of the project. The updated project capital cost estimate of $178 million reflected all construction, direct and indirect, costs and commissioning, including contingency of $12.4 million, and excluded financing and sunk costs. Detailed engineering was completed in the second quarter of 2016 and the final equipment and material quantities were incorporated into the updated capital cost estimate. The final capital cost to construct and commission the project was $164 million.

Operating Costs

The updated estimated operating costs over the life of the Ada Tepe mine were based on processing an average of 775,000 tonnes per year, producing an annual average of 85,700 ounces of gold and 38,700 ounces of silver for an estimated eight years.

Summary of Estimated Operating Costs [1]	
Item	**$/t ore processed** [2]
Mining costs	15.03
Processing costs	19.39
Tailings treatment and IMWF costs	1.88
General and administration	5.33
Royalty	3.78
Total Annual Operating Costs	**45.41**

1. Expressed as of the fourth quarter of 2015.
2. Average cash cost over eight years.

Project Implementation

The engineering, procurement and construction management project phase started in 2012. The detailed engineering of the process plant was developed by AMEC Foster Wheeler plc of Perth, Australia. The detailed engineering of the IMWF was carried by Golder Associates Ltd. ("Golder") and completed in the second quarter of 2016. Following receipt of the main approved construction permit in August 2016, an early works program was initiated to support earthworks, which commenced in the fourth quarter of 2016. The project was completed and commissioned, and commercial production was declared, in the second quarter of 2019. The project team was demobilized by the end of July 2019 and starting in August 2019, Ada Tepe was fully managed by the operations team. Mining of ore and waste continued throughout 2019, creating stocks for commissioning of the project and operation of the process plant in the third and fourth quarter of 2019.

SMELTER OPERATIONS

Tsumeb Smelter, Namibia

History

- The smelter was constructed in the early 1960's and is one of few in the world equipped to treat complex concentrates as its primary feed. It is linked by rail to the Atlantic port of Walvis Bay in Namibia. The facility currently consists of one primary smelting furnace, the Ausmelt furnace;
- The smelter was part of the earlier Ongopolo mining and processing group and the Weatherly International plc. ("WTI") mining and processing business in Namibia. The transaction between the Company and WTI was structured to ensure that no environmental or regulatory liabilities that belong to any of the mining operations were attached to the smelter (except where some joint assets and liabilities existed). The smelter is also subject to an earlier agreement with the Namibian government, struck in 2000, when Tsumeb Corporation (Ongopolo's predecessor company) was in bankruptcy, that limits environmental liability for events or facilities that date from a period prior to 2000;
- On March 24, 2010, the Company completed the acquisition of the smelter operation from WTI through the purchase of 100% of the shares of Namibian Custom Smelters (Pty) Limited; and
- IXM has exclusive rights to purchase the Chelopech concentrate for toll processing through the smelter and an exclusive arrangement to further supply concentrate feed for toll processing at the smelter through to and including 2023.

In 2012, DPMT was subject to a production curtailment, based on directives issued to DPMT by the Cabinet of the Republic

of Namibia (the "Cabinet"), relating to the operation of the smelter. The letter contained several directives emanating from the government's report on the environmental, health and safety audit, commissioned by the Namibian Minister of Environment and Tourism. A technical committee was established by the Cabinet directive to oversee implementation of these improvements, following the audit of the smelter. At a technical committee meeting held on February 26, 2015 in Tsumeb, satisfaction was expressed at the state of progress of upgrades to the smelter and the number of measured environmental and health improvements. In the third quarter of 2017, the technical committee performed the closeout audit, which is expected to conclude their mandate. The audit report was submitted to the Namibian government in the fourth quarter of 2017. The smelter commenced implementation of actions relating to the findings in the draft report in 2018 and final approval of the report is still pending.

Impairment Charges

As at December 31, 2019, the carrying value of Tsumeb exceeded its estimated recoverable amount resulting in an impairment charge of $107 million. This charge is primarily attributable to the increased opportunity to process additional volumes of third party complex concentrate at Tsumeb by capitalizing on, from time to time, market demand to process Chelopech concentrate, which has more available outlets than other complex third party concentrate processed by Tsumeb. While this has the potential to generate additional overall value for the Company, this would be realized through lower treatment charges and higher margins at Chelopech rather than higher throughput and higher margins at Tsumeb. The ability to optimize mix, as well as the actual timing and volume of expected additional third party complex concentrate coming to market, could result in the proposed expansion of the smelter being further delayed and possibly deferred indefinitely if a long term contract cannot be secured to support the expansion to 370,000 tonnes (see "Development Project" below). At present, the outlook for additional third party complex concentrate coming to market remains favourable as is the prospect for entering into a long-term arrangement. In 2019, the Company contracted additional supply under its tolling agreement with IXM, on terms in line with existing arrangements, such that the smelter's existing capacity is now fully contracted for the next three years. In addition, the Namibian government recently issued an Environmental Clearance Certificate to the Company, which provides the approval required to move forward with the expansion.

The assessment for impairment is subjective and requires management to make estimates and assumptions for several factors, including estimated production levels, operating costs and capital expenditures, as well as economic factors beyond management's control such as gold, copper and silver prices, discount rates and foreign exchange rates. Should management's estimate of the future not reflect actual events, further impairment charges may materialize, and the timing and amount of such impairment charges are difficult to predict. See "Risk Factors – Impairment" for further details.

Environmental Management

Shortly after the acquisition of the smelter, the development and roll out of an environmental management plan became a priority and was approved as part of the legislative permitting process of the Namibian government. This plan included several components, including engineering upgrades, to improve emission generation and capture. For example, the fugitive dust management improvement projects, which were completed in December 2013, were aimed at improving off-gas capture and workplace conditions to better comply with national standards. Key components included:

- completion of a landfill facility for the safe disposal of baghouse dust and other waste from the smelting process;
- projects to reduce dust emissions from the reverberatory and converter furnace section, which include increasing baghouse capacity, upgrading the taphole fume extraction systems, and improving ducting and fugitive fume collection;
- closure of the reverberatory furnace;
- projects to reduce emissions from the top submerged lance (Ausmelt) smelting furnace, which include installing new baghouse dust collection equipment including dust-removal, installing new ducting and other gas handling equipment; and
- construction of a new dust transfer system, upgraded roasting and fume management facilities, enclosed storage area, bag-filling station and extraction system at the arsenic plant, all aimed at reducing the dispersal of dust. The Company closed the arsenic plant in early 2017.

DPMT installed upgraded environmental monitoring equipment during 2012. Four fixed and one mobile air quality monitoring stations were equipped at various locations in residential as well as the industrial areas adjacent to DPMT. These stations continuously provide SO_2 as well as dust load readings in real time. Argos (previously SGS), a specialist air quality consulting company, operates the stations and provides third party independent reports on a monthly basis. Mean community arsenic levels in the dust show a continued long-term sustainable decline. As required by the Company's environmental management plan and in agreement with the authorities, several environmental performance metrics are measured and reported on a daily and monthly basis, including: SO_2, As, Dust (PM10 and PM2.5), groundwater, surface water and meteorology. Other parameters monitored, as part of the environmental and hygiene monitoring program, include soil and surface water quality. Several critical occupational health metrics, including urinary arsenic, personal dust (arsenic) exposure, noise, heat, drinking water quality and SO_2 exposure are also measured. A new water abstraction permit was issued by the Namibian government for the smelter operations during 2017 and number of initiatives are underway to further

improve the water management on site. This includes the completion of the site water balance as well as an updated groundwater model. The latter will be further refined to include potential impacts from abstraction. The site obtained the consolidated Environmental Clearance Certificate during December 2019. A key aspect of the consolidated Environment Management Plan includes further improvements and advances in monitoring and stakeholder engagement and involvement.

During 2017, DPM ceased the production of arsenic trioxide and decommissioned its production facility at the Tsumeb smelter. DPM continues to work on developing alternative ways to deal with the arsenic waste which is generated from the smelting of the complex concentrates and is currently deposited in an onsite hazardous waste management facility, which has a defined life capacity. In 2019, the Company invested in a prototype arsenic vitrification plant which transforms the arsenic waste in a non-hazardous form. Results from the initial tests of this plant are currently being assessed. In parallel to the vitrification alternative, the Company is exploring the development of a new hazardous waste deposition facility outside of the Tsumeb area, either operated by a third party or by DPM. Other potential alternatives to safely deal with arsenic, in the form of a product, are also being assessed.

Environmental Liabilities

Environmental liabilities include the two tailings facilities (one active, one closed), a stockpile of baghouse dust (arsenic containing) which is in the process of being safely disposed, hazardous waste disposal facility, and the smelter infrastructure and auxiliary buildings. These environmental liabilities have been estimated by independent specialists based on an updated closure plan.

The smelter also operates a slag mill which is used to reprocess the slag produced during the primary smelting process and enhances the overall metal recovery achieved in the smelter. The tailings produced are pumped to a tailings dam which dates back to the period when the Tsumeb mine and mill were still operational and is situated southwest of the smelter. During 1997 and 1998, the then owner of the TCL Mine and smelter reprocessed approximately two million tonnes of the tailings. This created a void in the dam which DPMT is currently filling with the slag tailings. A water management system was constructed at the TMF to ensure that all water is captured and returned to the smelter and utilized for slag milling and as cooling water.

The tailings dam was part of the property transferred to the Company when it acquired the assets from WTI in March 2010 and, since 2017, is inspected annually by a third party consultant. An Engineer of Record was appointed during 2019 to provide further assurance and technical expertise to ensure a robust operating, maintenance and surveillance system is in place along with appropriate risk controls. Additionally, a dam break study was completed providing clarity on the zone of influence. Actions are in progress to address the outcomes of this study as well as the third party review.

Closure and Rehabilitation

Golder was engaged to develop a formal closure plan and costing for the hazardous waste site, various tailings and site operational facilities on DPMT premises which was completed during the fourth quarter of 2013. During 2015, the technical and financial components were reviewed and updated by Golder. Since the acquisition of the smelter in 2010, and the completion of the first closure plan, much technical work has been undertaken to provide granularity to the various items in the closure plan. This includes detailed groundwater contamination modeling, soil quality mapping and assessment, detailed reviews of the general and hazardous waste disposal facilities, including the tailings facilities, by appropriately qualified and experienced specialists. In general, there is a significantly greater degree of confidence in the detail, both technical and financial, of the closure aspects of the smelter than there was in 2010. Company personnel are working together with Golder to further optimize and improve the studies. The updated closure plan was finalized and approved by management in 2017. As part of good practice and given improvements to the site and clarity on progressive rehabilitation, a review of the closure plan was commissioned during the latter part of 2019 and is expected to be completed in the third quarter of 2020. This cycle of reviews and updates will henceforth be every five years.

Development Project

The Company continues to assess opportunities to further optimize the inherent value of the Tsumeb 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, as well as potentially bringing in additional third party feed and increasing the proportion of third party volumes. These opportunities have the potential to generate additional value, with the rotary furnace installation being 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. The upfront cost of this project is currently estimated to be approximately $39 million, down from the previous estimate of $52 million, reflecting operational improvements that supported a change in project scope.

An Environmental and Social Impact Assessment (“ESIA”) was conducted in compliance with the Namibian requirements as well as the Performance Requirements set by the Environmental and Social Policy of EBRD, which, as a general matter, are the requirements the Company considers for all its projects. Public access to the draft ESIA was provided during the second quarter of 2017. The Company updated some of the technical studies as a result of the feedback received from the public

consultation process resulting in an updated ESIA being issued and another round of public comments received. Those comments were reflected in the documents and the final set submitted for review and approval by the Namibian government on July 31, 2019. On December 13, 2019, the Namibian government issued an Environmental Clearance Certificate to Tsumeb, approving its proposed expansion to 370,000 tonnes per year.

DPM continues to take the necessary steps to support moving forward with this project, including securing supply of complex concentrate, on acceptable terms, and having adequate funding in place.

Economic Empowerment

Maintaining the Company's license to operate requires alignment with the local and national objectives relevant to the areas in which DPM operates. Over the last several years, Namibia has been developing a national policy framework which aims to address the consequences from the previous discriminatory regimes. The framework was updated in late 2015 and a draft bill was circulated for comment to stakeholders during 2016. The framework is built on six pillars, including: (i) Ownership; (ii) Management, Control and Employment Equity; (iii) Human Resources and Skills Development; (iv) Entrepreneurship Development and Marketing; (v) Corporate Social Responsibility and Value Addition; and (vi) Technology and Innovation. Although the Namibian national policy framework and draft bill have not yet been legislated, the Company has been actively developing empowerment policies and practices that are generally consistent with the themes set out in each of the pillars contained in the framework. As of February 2020, a revised version of the bill was proposed and reviewed by the Council of Ministers and is expected to be submitted to parliament for approval.

On May 30, 2019, the Company sold GHM an indirect 8% interest in Tsumeb for consideration of $17.6 million in the form of preferred shares in GHM ("GHM Preferred Shares"). The GHM Preferred Shares are redeemable at the option of the Company and carry a cumulative dividend of 8% per annum. All dividends paid to GHM, with the exception of a $0.5 million preferred payment in each of the first five years, is required to be used to satisfy the dividend obligation of the GHM Preferred Shares and thereafter for their redemption.

DEVELOPMENT PROJECTS

Timok Gold Project, Serbia

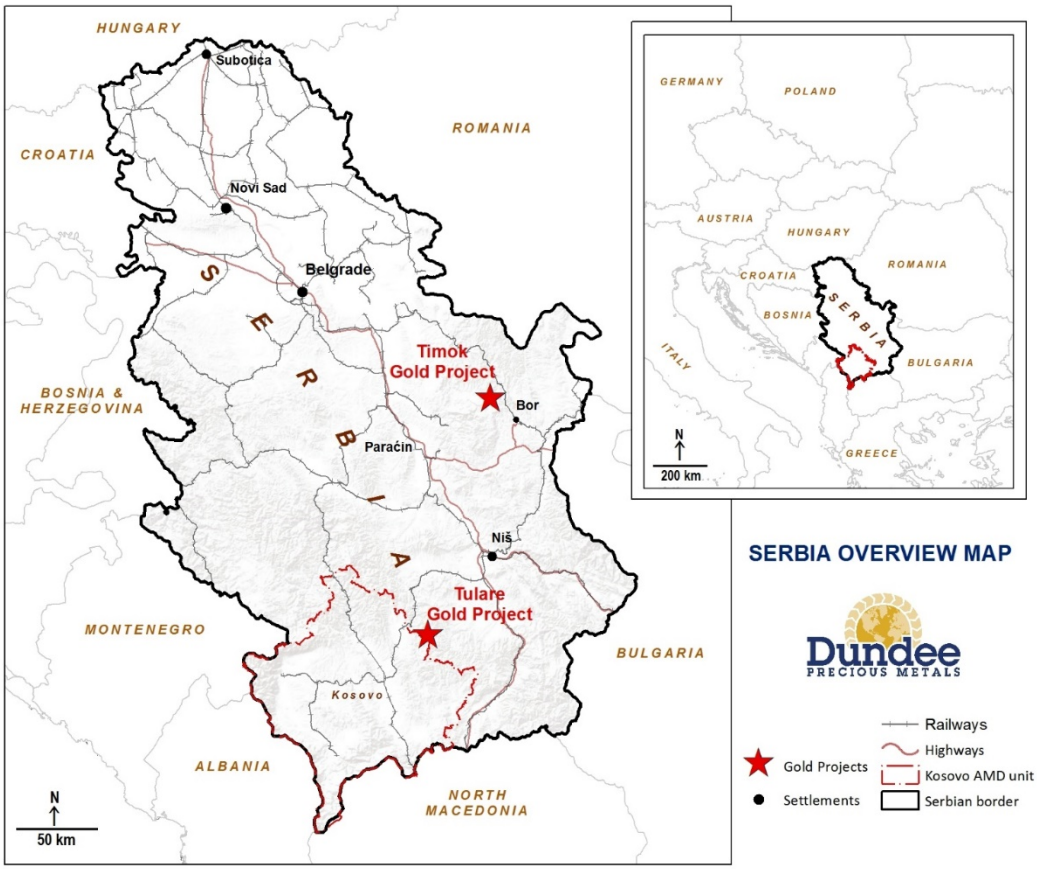
The following summary and technical information of the Timok gold project is derived in part from the Timok 2019 Technical Report, which is available on the Company's website at www.dundeeprecious.com and has been filed on the SEDAR site at www.sedar.com. This report was filed by the Company on a voluntary basis as contemplated under section 4.2(12) of the Companion Policy to NI 43-101. The report is not filed as a result of a requirement of NI 43-101. See "Technical Information" for further details.

Project Description, Location and Access

The Timok gold project is located in the central-eastern region of the Republic of Serbia, approximately 270 kilometres southeast of the capital, Belgrade. It comprises three exploration licences (Potaj Čuka Tisnica, Umka and Bigar Istok licences) covering an aggregate area of 131.2 square kilometres. The northern boundary is positioned about 25 kilometres southwest from the Danube River, and the project area extends 24 kilometres southwards to a point approximately 14 kilometres west of Bor at its southern boundary. The Bigar Hill, Korkan, Korkan West and Kraku Pester deposits are located within the boundary of the Potaj Čuka Tisnica exploration licence.

The exploration licences for the Timok gold project are held by Avala Resources d.o.o., a Serbian registered company. Since 2016, Avala Resources d.o.o., has been a wholly owned subsidiary of DPM following the acquisition of the remaining shares of Avala Resources Ltd. ("Avala") and its amalgamation with DPM.

The following map shows the location and access to the Timok gold project.



History

- Geological mapping of the region was initiated in 1933 by the Serbian government;
- Regional geophysical surveys in the region were initially undertaken during the 1930s and then over various periods until 1985 by governmental geological and geophysical agencies;
- Geochemical surveys over the region were undertaken by Geozavod, Belgrade, and Geology Institute Bor; and
- Small-scale adits were excavated in several localities prior to World War II.

Geological Setting, Mineralization and Deposit Types

The Timok gold project is located immediately to the west of the Timok Magmatic Complex, part of the larger tectonic Alpine-Balkan-Carpathian-Dinaride metallogenic-geodynamic province that extends from Western Europe to South-East Asia and comprises the Tethyan orogenic system. The Timok gold project is located on the western margin of the complex and is subdivided into a western sequence of Proterozoic metamorphic basement rocks, Late Jurassic and Early Cretaceous limestones and an eastern sequence of epiclastic and diorite intrusive rocks of Late Cretaceous age. The interface between these two sequences consists of six rock units: Jurassic to Cretaceous limestone rocks are unconformably overlain by calcareous clastic sedimentary rocks consisting of a basal sandstone (S1 unit) and an overlying red sandstone or conglomerate unit (S2 unit), a marl unit which overlies the clastic units which, in turn, is overlain by magmatic and clastic rocks.

Gold mineralisation is classified as relatively low-temperature auriferous deposits that share many characteristics with Carlin-type gold deposits. The interpretation of the sediment-hosted gold prospects within the Timok gold project area as Carlin-type is based upon: (i) the character of the sedimentary host; (ii) the metal association of gold, arsenic, mercury, thallium, sulphur and antimony; and (iii) the fine-grained nature of the gold, high gold-to-silver ratio and alteration types, including argillisation, decarbonisation, and locally, addition of quartz.

Four mineralised areas have been defined comprising of the Bigar Hill deposit, the Korkan and Korkan West deposits and the Kraku Pester deposit. Gold mineralisation at Bigar Hill is located principally along two stratigraphic horizons. A lower zone is localised along the unconformable and brecciated lower contact between the clastic S1 and isolated karst-infill zones above the KLS unit. The most continuous horizons lie at shallow stratigraphic levels along the contact between the S1 and S2 units, forming a middle zone. Above this zone, gold mineralisation occurs within the andesite intrusive unit.

Mineralisation at the Korkan deposit is generally southeast - northwest trending and shares similar characteristics with the Bigar Hill deposit. Unlike Bigar Hill, stratiform gold mineralisation at Korkan occurs primarily along the unconformable and breccia-like lower contact zone of the clastic S1 sequence against the underlying KLS limestone unit, and in karst-infill zones at the upper boundary of the KLS limestone unit.

The Korkan West deposit is the newest discovery within the Timok gold project. It shares many characteristics with the Bigar Hill deposit, located approximately one kilometre to the southeast, and the Korkan deposit located approximately one kilometre to the northeast. Almost all mineralised intervals are manifested as oxide and transitional weathering states. Host rocks for gold mineralisation are: (i) oxidised fine to very coarse-grained (0.1 millimetres to two millimetres) sandstone belonging to the S1 or S2 units; and (ii) conglomerate layers containing quartzite clasts and/or not limestone clasts (S1 or S2 units). Mineralisation at S2/S1 contact can commonly be observed.

The Kraku Pester deposit is located in an embayment at the north-western tip of the Potoj Čuka monzonite, consisting of a thermal aureole across a variably disrupted stratigraphic sequence of metamorphosed shale, marls and limestone metamorphosed to calc-silicate phyllite and marble, and tuffaceous rocks. Unlike Bigar Hill, gold mineralisation at Kraku Pester is hosted in brittle fault rocks composed of pyritised fault breccia to cataclasite, with relatively higher gold concentrations being associated with finer-grained cataclasite.

Exploration

Exploration of the Timok gold project has been carried out since 2007. Extensive soil sampling and surface trenching was completed by DPM from 2007 to 2009 and four diamond drill-holes were completed on the project during this period. From 2010 onwards, Avala completed geological mapping, outcrop sampling, soil geochemistry surveys and trenching over a large part of the Timok gold project. Exploration completed on Avala licenses produced 11,683 soil samples; 2,104 rock chip samples; and 35.5 kilometres of trenching.

During 2019, diamond drilling totaled 4,068 metres in 24 holes including 2,348 metres in 13 holes drilled in the fourth quarter on oxide and transitional targets. Assays are pending for seven holes. Partial results from the first holes drilled at a shallow oxide prospect southeast of Bigar Hill include 0.55 g/t Au over 22 metres from surface, including seven metres at 1.21 g/t Au, in soil and carbonate replaced rock that is rich in iron hydroxides (hole BIDD102).

In 2020, exploration drilling of 3,000 metres will continue to target shallow oxide gold mineralization to build on existing Mineral Resource inventories. Target areas include a shallow drilling program on the Korkan North prospect. Drilling is planned to start in the second quarter of 2020.

Drilling

Drilling campaigns from 2010 to 2012 have been focused on the Potaj Čuka Tisnica licence to outline mineralization across the Bigar Hill, Korkan, and Kraku Pester mineralized areas. Avala has completed 369 diamond drill-holes (100,936 metres); 722 RC drill-holes (136,053 metres); and 47 drill-holes (14,018 metres) that comprised a RC pre-collar and diamond tail on the three deposits in this license.

During 2019, a total of 14,043 metres were drilled, including 7,682 metres in 71 infill and metallurgical holes, 2,204 metres in 14 geotechnical/hydrogeological holes and 4,157 metres in 23 condemnation holes.

Mineral Processing and Metallurgical Testing

During 2018 and 2019, DPM conducted metallurgical test work at SGS Minerals Services, Lakefield, Ontario. The test work included coarse ore bottle roll tests as well as column leach tests to determine heap leach recoveries of the various domains and types of mineralization found at the Timok gold project.

The metallurgical test work, concluded in the second quarter of 2019, returned encouraging results of gold extractions of around 85-90% for the oxide material and 62-67% for the transitional material of the three domains – Bigar Hill, Korkan and Korkan West. These extraction rates were obtained at a crush size of 16 millimetres and typical reagent consumption rates.

The assumed recoveries for the sulphide material of Bigar Hill and Korkan were based on the flotation test work programs undertaken at SGS Mineral Services, United Kingdom during 2012 and 2013. No further test work, including optimization work, has been conducted on the sulphide material since the re-classification of the deposit into oxide, transitional and sulphide materials.

The gold recoveries assumed for the financial analysis in the PEA study are summarized in the following table.

Material Type	Domain			Average
	Bigar Hill	Korkan	Korkan West	
Oxide material (to doré)	91%	91%	73%	88%
Transitional material (to doré)	69%	69%	69%	69%
Sulphide material (to sulphide concentrate)	75%	75%	75%	75%

Mineral Reserve and Mineral Resource Estimates

See "Summary of Mineral Reserve and Mineral Resource Estimates" for a summary of the Timok gold project Mineral Resources. An update to the Mineral Resource estimate for the Timok gold project filed by Avala was completed by CSA Global in April 2019.

Total Indicated Mineral Resources of 46.9 million tonnes at 1.32 g/t Au for 1.9 million ounces which includes oxide Indicated Mineral Resources of 21.8 million tonnes at 1.06 g/t Au for 742,000 ounces and transitional Indicated Mineral Resources of 9.2 million tonnes at 1.15 g/t Au for 338,000 ounces.

Project Implementation

A scoping study, based on Mineral Resource estimates released in 2018, commenced in the same year.

On July 15, 2019, DPM announced the results of the PEA for Timok. The PEA was based on the updated Mineral Resource estimate completed in September 2018 and provided a base case, considering primarily oxide and transitional material types. Highlights of the PEA include:

- After-tax NPV 5% of $105 million and after-tax internal rate of return of 18.6% assuming a gold price of $1,250 per ounce;
- Cash cost of $618 per ounce;
- All-in sustaining cost of $717 per ounce;
- Peak annual gold production of approximately 132,000 ounces;
- Initial capital costs of $136 million; and
- Mine life of 9 years.

The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Unlike Mineral Reserves, Mineral Resources do not have demonstrated economic viability. There is no certainty that the PEA results will be realized.

Based on the results of the PEA, DPM conducted optimization work in the fourth quarter of 2019 to incorporate sulphide material in the existing resource within the mine plan. Prior to deciding on the initiation of a preliminary feasibility study, DPM is conducting a geotechnical and hydrogeological study. See "Risk Factors – Development Projects" for a discussion on risks related to the Timok gold project.

EXPLORATION PROJECTS

DPM carries out early stage gold exploration in Bulgaria, Serbia and Canada. 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.

Tulare Project, Serbia

The Tulare gold-copper porphyry project (the "Tulare Project") lies within the Oligocene Lece Volcanic Complex of southern Serbia and comprises several porphyry gold-copper targets including the Kiseljak and Yellow Creek deposits.

At a cut-off grade of 0.15% CuEq, Mineral Resources for the Kiseljak deposit are estimated at 459 mt at 0.22% copper (2.2 billion pounds of copper) and 0.2 g/t gold (3.0 million ounces of gold) classified as Inferred category. At a cut-off grade of 0.30% CuEq, Mineral Resources for the Yellow Creek deposit are estimated at 88 mt at 0.30% copper (0.6 billion pounds of copper) and 0.3 g/t gold (0.8 million ounces of gold) classified as Inferred category. See "Summary of Mineral Reserve and Mineral Resource Estimates" for a summary of the Tulare Project Mineral Resources.

In 2019, two diamond drill holes to test inferred extensions of higher-grade mineralization at depth commenced at both Kiseljak and Yellow Creek in the fourth quarter of 2019. The extensions are based on a revised geological model that was completed in the preceding quarter. At the end of 2019, 1,193 metres were drilled with both holes still in progress. An approximate 6,000 metres infill drilling program to upgrade the current, conceptual pit-constrained Mineral Resource at Kiseljak is planned to start in the first quarter of 2020. The infill program will be conducted in parallel with technical studies and field activities, including 4,000 metres of geotechnical, hydrological and condemnation drilling, related to the Serbian Elaborate study. On the Degremen exploration license, an induced polarization geophysical survey to define gold-rich porphyry and associated epithermal gold targets is planned.

Malartic Project, Quebec

On May 23, 2017, DPM entered into an option agreement with Pershimex to earn up to a 71% interest in its Malartic property located in the Archean Abitibi greenstone belt in the Malartic mining camp in Quebec. The Malartic property consists of 91 contiguous claims covering 35 square kilometres of prospective Abitibi geology. Under the terms of the option agreement, DPM can earn an initial 51% interest in the Malartic property in exchange for certain cash payments totaling C$412,500, the issuance of an aggregate of 70,000 common shares and making expenditures on the property aggregating C$2,500,000 within three years of the effective date of the option agreement. Thereafter, DPM will have a further option to increase its interest to 71% by incurring an additional C$3,500,000 in expenditures on the property. During the option period, DPM is the operator of the project. In 2018, the Company met its first-year exploration expenditure commitment and completed the first anniversary payment of C$60,000 and issuance of 15,000 common shares to Pershimex.

Project-wide exploration activities commenced during the third quarter of 2017 and continued through 2018 and 2019 with two scout diamond drilling programs totaling 7,776 metres. Other exploration activities include geological mapping, airborne magnetic surveys, induced polarization geophysical surveys and soils and till sediment geochemical sampling. In 2020, a 3,250 metres diamond drill program is planned to test new targets and follow up encouraging drill results.

Sampling and Analysis of Exploration Core and Channel Samples

Exploration samples are sampled and analysed using methods similar to mine samples but there are some differences. Most importantly, samples from exploration programs at Chelopech, Ada Tepe and the Timok gold project are shipped to the Company's own exploration laboratory in Bor, Serbia, which is managed by SGS Minerals. The core samples from the Malartic project were processed using identical QAQC procedures and analytical methods, but sample preparation and gold fire assay analysis were completed by SGS in Canada.

Most exploration diamond drill holes are collared with PQ size, continued with HQ, and are sometimes finished with NQ, whereas only NQ size was used at the Malartic project. 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.

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 four millimetres. Sample preparation duplicates are created by riffle splitting crushed samples on a one 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 parts per million for base metals are re-analyzed using high grade methods.

STRATEGIC INVESTMENTS

MineRP

In October 2017, the Company completed the acquisition of MineRP, a technology provider in the mining industry for digital innovation with operations in Canada, South Africa, Australia and Chile. As a result of this transaction, the Company owns a 78% investment in MineRP. Total cash paid by the Company for the acquisition of MineRP was $20.0 million, including $8.1 million that was used to repay all outstanding debt and certain other liabilities. DPM has also provided MineRP with additional financing to support its working capital and growth initiatives with $12.75 million being advanced to date. See "Rick Factors – MineRP" for further details.

Sabina

As at December 31, 2019, DPM held: (i) 30,537,746 common shares of Sabina representing 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.

INV

As at December 31, 2019, DPM held 26,538,462 common shares of INV representing 19.5% of the outstanding common shares.

See "Risk Factors – Value of Investment Portfolio" for further details on the risks related to the Company's investment portfolio.

ENVIRONMENT, SOCIAL AND GOVERNANCE

Mining today is as much a social science as it is engineering. Communities, civil society, governments and media all play an increasingly important role in determining whether a mining project is successful or not. Investors are also demanding that companies demonstrate good and progressive environmental, social and governance ("ESG") practices. This includes a risk management focus, with a concern for the resiliency of a business relative to issues such as climate change and resource scarcity (e.g. water and energy), as well as a more holistic view of the private sector having a direct role in the functioning of society as a whole (i.e. a social purpose). Though not traditionally categorized as such, social aspects, such as ensuring the health and safety of the people on site and in the local communities, as well as minimizing and properly managing environmental impacts are prerequisites of modern mining. As a progressive and innovative mining company, DPM continuously works toward achieving best practice in mining, processing, environmental responsibility and stewardship, and health and safety programs across all its operations, projects and other assets. The Company also works toward creating sustainable benefits to its stakeholder communities and countries and being seen as a responsible contributor to the social and economic wellbeing of those communities. The Company is committed to doing its business in an ethical and transparent way, respecting the rights of all stakeholders and developing strong and mutually beneficial partnerships with them.

At DPM, sustainability begins with the way the Company thinks, the way the Company behaves and the way the Company operates. This is achieved through an integrated approach to corporate responsibility, which is one of the Company's four strategic imperatives, together with effective and accountable organization; core business excellence; and creativity and innovation, are embedded into all aspects of the business over the lifecycle of DPM's activities. The entire foundation of the Company and its approach to corporate responsibility is built on its six core values: (i) safety; (ii) dignity and respect; (iii) environmental responsibility; (iv) community investment; (v) continuous improvement; and (vi) transparency.

The Company also believes that successful corporate responsibility is predicated on: having capable, engaged, committed and motivated people at every level of the organization; having informed and engaged stakeholders; applying global thinking with a localized approach; committing to and applying international good practices, wherever it does business; providing the appropriate human, financial and technical resources to support responsible business practices; and having unquestionable ethics. The Company operationalizes this by having a business model that embeds risk and performance management, transparent reporting, and continuous improvement into every aspect and level of the business.

Informed by DPM's core values, the Corporate Responsibility Policy reinforces and strengthens the Company's integrated approach to managing its commitments and responsibilities across three broad but interrelated pillars: (i) health and safety; (ii) environment; (iii) and social. In practice, this means that corporate responsibility is not subordinated to other business considerations and processes, but rather is aligned with and integrated into all DPM policies and procedures throughout the organization.

The Company's internal management systems and policy frameworks are informed by and evolve in line with a broad array of external frameworks, including UN Sustainable Development Goals, UN General Principles on Business and Human Rights, Organization for Economic Co-operation and Development, Extractive Industries Transparency Initiative, Global Reporting Initiative ("GRI"), Environment and Social Policy of the EBRD and its Performance Requirements (the "EBRD PR's"), and good international practice. Specific industry-level frameworks that guide DPM's policy and governance development include: International Council on Mining and Metals Standards; the Initiative for Responsible Mining Assurance Standards; World Gold Council's Responsible Gold Mining Principles; Mining Association of Canada's Towards Sustainable Mining Framework; London Bullion Market Association Responsible Gold Guidance; and Task Force on Climate-related Financial Disclosure.

The Company believes that trust-based relationships can only be built and maintained by engaging openly and transparently with its stakeholders. For this reason, since 2012, the Company has been a "Supporting Company" to the Extractive Industries Transparency Initiative. An important element of the Company's approach to corporate responsibility is to provide timely and transparent external reporting of its non-financial performance, incorporating ESG aspects that are material to its stakeholders. The Company has been reporting on its non-financial performance since 2011. Since 2013, these reports have been externally assured by Bureau Veritas UK and prepared in compliance with the GRI. In 2016, the Company committed to publishing a GRI-compliant report every two years, supplemented by ESG performance data updates during the intervening

years. The Company's most recent GRI-compliant report was published in May 2019, covering non-financial performance for the calendar year 2018. In 2020, the Company will publish an ESG performance data update.

In January 2017, the Company finalized a strategic equity investment with EBRD and agreed to extend the EBRD PR's to all DPM projects and operations. In line with the agreement, an updated Environmental and Social Action Plan was established for the Tsumeb smelter operation, which further specifies the areas that the Company will be working on to achieve full compliance with the EBRD PR's.

The Company continues to strengthen criteria and compliance requirements for its operations under its integrated Sustainable Management Framework. In 2019, emphasis was placed on achieving compliance with the Company's Internal Tailings Management Facility and Arsenic Management Standards. The Company also introduced a Human Rights Standard that supports and operationalizes its commitment to respect human rights and avoid contributing to adverse human rights impacts through the activities of DPM and any of its Subsidiaries.

In May 2018, DPM announced that it further strengthened its stakeholder partnerships in Namibia through a transaction to address the empowerment initiatives being developed to aid previously disadvantaged Namibians whereby it entered into an agreement with GHM pursuant to which GHM acquired an indirect 8% equity interest in DPMT. See "Smelter Operations – Tsumeb Smelter, Namibia – Economic Empowerment" for further details.

The Company's approach to ESG continues to grow and evolve in line with the needs, demands and expectations of its stakeholders. In 2019, DPM's executive and senior management dedicated significant time to developing a five-year road map directed at maintaining a leadership position in this area.

Environment

DPM's Corporate Responsibility Policy drives its strategy and actions with respect to environmental responsibility. This policy encompasses not only how the Company cares for, and manages its physical and biotic environment, but also its approach to the management of the health and safety of local communities. The Company also has local management systems in place to ensure compliance with all environmental laws in the jurisdictions where it operates.

The Company employs experienced environmental experts at all its operations to oversee its day-to-day activities and engages external environmental consultants for the design and implementation of various environmental projects, regulatory audits, management planning, feasibility studies and environmental and social impact assessments.

Emissions, energy use, waste management, water use and discharge and, where relevant, biodiversity impacts are the most relevant environmental matters to DPM.

The bulk of materials used in mining and processing, including the Company's smelter operations at Tsumeb, are non-renewable and are primarily derived from fossil fuels (i.e. oil, diesel, gasoline) and purchased electricity. Other materials used include refractories, lime, cement (primarily at Chelopech), blasting agents (at Chelopech and Ada Tepe) and steel balls.

DPM acknowledges that water is a major element of all its operations and a fundamental consideration for developing environmentally responsible projects and operational sites. As such, the Company continuously strives for efficient and effective water management systems. The Company continues to implement extensive surface water management projects at Tsumeb and has completed a modular domestic waste-water treatment plant at Chelopech as an additional protection and conservation measure for water resources. Several initiatives are underway to further improve the water management at DPM's sites.

The Company also acknowledges the level of impact the mining industry has on climate change. DPM's ongoing investment in plant upgrades and modernization, and its innovative use of technology to "digitalize" its operations is resulting in incremental improvements in energy efficiency and reductions in key emissions, such as greenhouse gases ("GHG") and SO_2. As leaders in promoting sustainable growth and environmental responsibility, DPM has several programs in place at its sites to reduce DPM's overall contribution to GHG and other emissions. At all sites, we are measuring both Scope 1 and Scope 2 GHG emissions as defined by the Greenhouse Gas Protocol and the GRI Standards. Scope 3 emissions are measured at Chelopech and the Company continues to gather data and information to be able to measure Scope 3 emissions at Tsumeb in future years. The Company has seen significant reductions in GHG emissions during the last decade. At Chelopech, as a result of ongoing plant upgrades and modernization, the Company has achieved its goal of a 20% reduction in Scope 1 and Scope 2 GHG emissions over ten years (by 2020). The new goal is to keep the emissions stable year-over-year, and if possible, reduce them with further energy efficient programs. At Tsumeb, the Company's GHG total emissions intensity has been reduced by forty percent since 2013 as a result of the site's major reductions in coal usage. In 2020, the Company will initiate a review of its climate change-related initiatives in order to define how it can best serve the global efforts of minimizing negative climate-related impacts.

It has been part of DPM's long-term strategy to bring the Tsumeb smelter to internationally accepted environmental standards. The Company determined that a sulphuric acid plant was the best solution to capture and process the off gases from the smelter, and, in turn, reduce emissions and considerably improve working and living conditions around the smelter. This acid plant was completed and commissioned in the third quarter of 2015 and allows the smelter to meet the ambient air SO_2 standards in the town of Tsumeb. Initiatives are in place to further reduce the fugitive emissions and improve the

environmental monitoring program.

Corporate-wide waste management policies, commitments and management systems are also being developed for the management of arsenic and the Company is implementing several internal initiatives to ensure that best practice in arsenic processing and environmental management is followed. Also, with the assistance of independent technical advisors, who are world-wide experts on arsenic management, the Company continues to develop and improve a set of internal arsenic management principles and standards that guide all aspects of the Company's responsible management, monitoring, stewardship, storage and neutralization of arsenic by-products at its sites.

During 2017, DPM ceased the production of arsenic trioxide and decommissioned its production facility at the Tsumeb smelter. DPM continues to work on developing alternative ways to deal with the arsenic waste which is generated from the smelting of complex concentrates and is currently deposited in an onsite hazardous waste management facility, which has a defined life capacity. In 2019, the Company invested in a prototype arsenic vitrification plant which transforms the arsenic waste in a non-hazardous form. Results from the initial tests of this plant are currently being assessed and alternatives for arsenic disposal are being evaluated. See "Smelter Operations – Tsumeb Smelter, Namibia" for further details.

Over the years, DPM has made significant investments to improve the environmental and social performance of its operations and the Company as a whole. These investments resulted in material performance improvements, communicated as part of its Sustainability Reports. Despite the achieved results, and in line with the societal expectations, management is constantly exploring areas where further improvements may be achieved. At this point of time, all the environmental performance improvement projects, which are envisaged to be executed, are included in the Company's budget and long-range financial forecast. See "Risk Factors – Environmental, Health and Safety" and "Risk Factors – Climate Change" for further details with respect to the financial and operational effects of environmental protection requirements on the Company's business.

Social

The Company regards the "social" aspects of ESG as including both internal matters relating to employees and contractors (e.g. employment practices, labour/management relations, occupational health and safety, training and education, diversity and equal opportunity, non-discrimination, freedom of association and collective bargaining, and human rights) and external aspects relating to local communities, governments, and other stakeholders.

The Company's employees are one of its most important stakeholder groups. A substantial proportion of DPM's financial resources are allocated to paying fair compensation, employee training, and providing its employees with a safe work environment. Corporate and local policies and programs, informed by both external and internal frameworks, are developed to support the geographic and cultural diversity of its workforce. This approach has allowed DPM to implement targeted local programs that attract, retain and develop its staff, while reflecting local needs and cultures.

The Company uses several methodologies for determining pay levels and tries to match or exceed the average in the countries where it operates. DPM also ensures that men and women receive the same remuneration for the same type of occupation according to their level of experience and length of employment. In Namibia, the Company complies with the *Affirmative Action Plan* of 1998, which legislates equal opportunities. At all its operations, the Company seeks to attract and hire locally based employees. In 2019, approximately 97% of DPM's employees were local nationals. See DPM's Sustainability Report, which is available on the Company's website at www.dundeeprecious.com, for further details.

Employee grievances are dealt with at both a local and corporate level. All employees can communicate their grievances through the Company's corporate wide Speak Up and Reporting Policy ("Speak Up Policy"), which is facilitated through a confidential and anonymous hotline for reporting.

The Company has good relations with its employees and trade unions and did not experience any strikes or work stoppages during 2019.

The health and safety of the workforce is a core value at DPM, and the Company allocates significant resources to ensure the safety of all employees and contractors. The Company's Corporate Responsibility Policy applies to all employees and contractors who work at DPM's sites. In addition, the Company complies with strict and rigorous health and safety standards and laws in all jurisdictions and has developed internal policies and standards governing the same.

DPM believes that maintaining an open dialogue about safety successes and failures will help the Company get closer to its goal of zero harm. In addition to the variety of safety-focused procedures, regulations, toolbox talks and mandatory safety training for visitors, employees, contractors and subcontractors, the Company makes every effort to ensure that the safety dialogue continues with local community residents and amongst the families of the Company's employees.

DPM sites are located adjacent to communities that are directly and indirectly impacted by the Company's operations. The execution of the Company's strategic business plan is reliant on the good relations with, and full support of, local communities and the Company relies on these communities to be a source of talent and other essential services that ensure smooth, efficient and profitable operations.

DPM conducts extensive stakeholder engagement activities on a regular basis. The Company's efforts are supplemented by

environmental and social impact assessments, and further supported by formal stakeholder engagement plans. The Company's Community Investment Standard is intended to provide guidance and boundaries on selecting and designing community investment that is mutually beneficial to DPM's stakeholders and its operations and assists local communities in achieving their sustainable development aspirations.

The Company works with local communities, governments and organizations to ensure the programs it supports are beneficial to the needs of the people and contributes to growth in human and institutional capacity. This is achieved through Community Investment Development Plans, which define short- and long-term programs for each site prioritized to community needs. In general, the common needs among all sites are education, economic growth in the form of sustainable businesses such as small-medium enterprises ("SME"), sports development, arts and culture and infrastructure improvement such as roads and agriculture. For example, in 2019, the Company began funding a program in SME development at its Ada Tepe mine. The intention is to ensure that the economic growth experienced throughout the LOM will continue to benefit future generations after the mine has closed.

DPM believes that a strategic approach to local employment and community investment is the best way to ensure the sustainability of communities after mine closure.

Governance

Strategy and Risk Management

The Company and the Board recognize the need for sound governance and conduct of business in an effective, ethical and transparent manner to achieve the goal of enhancing value for its shareholders and other stakeholders over the long-term. Changes in the regulatory and industry environment regarding governance best practices are continually monitored to support this objective. The Board is comprised of a majority of independent directors and has established an Audit Committee, a Compensation Committee, a Corporate Governance and Nominating Committee and a Health, Safety and Environment Committee, all the members of which are independent, to assist it to carry out its mandate.

The CEO, supported by the senior management team, is accountable for strategy development and implementation looking forward over a five- to ten-year horizon to ensure that the strategy of the organization is clearly understood and properly resourced. The Board takes an active role in overseeing this process and the achievement of the Company's strategic objectives. The Board oversees the Company's approach to risk management which is designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term performance. While the Board has the ultimate oversight responsibility for the risk management process, various committees have responsibility for particular risk management areas: the Audit Committee focuses on financial risk, including internal controls; the Audit Committee, together with the Corporate Governance and Nominating Committee, oversees the Company's comprehensive compliance program; the Compensation Committee assesses potential risks arising from its compensation policies and practices; the Health, Safety and Environment Committee focuses on risks related to health, safety and environment matters in the operations as well as the Company's sustainability practices; and the Corporate Governance and Nominating Committee oversees management of governance-related risks, including risks relating to ethics and compliance, succession-planning for the Board and senior management and Board practices and procedures.

Ethical Conduct

The Board promotes a culture of ethical conduct by requiring the Company to carry out its business in line with prudent business and ethical moral standards and applicable legal and financial requirements. The Board has approved a Code of Business Conduct and Ethics ("Code"), a Speak Up Policy, an Insider Trading Policy and an Anti-Bribery and Anti-Corruption Policy to support the Company's commitment to ethical business conduct. The Code is a statement of the key principles and expectations that guide the business of the Company and the behaviour of anyone who works for or does business with DPM, in line with the Company's core values. It applies to all employees and directors as well as third parties working for and on behalf of the Company, who are required to become thoroughly familiar with it and acknowledge their understanding of and adherence thereto.

DPM retains an independent, third party supplier to provide a confidential and anonymous communication channel (the "Ethics Hotline") for reporting concerns with respect to the integrity of the Company's accounting, internal accounting controls and auditing matters, as well as other potential breaches under the Code or any other company policy. The Board is provided with a quarterly summary report on reports received by and discussed at the applicable committee meeting. The Company provides training on the key components of and obligations under the Code to its directors, employees and certain third parties. The Company recognizes the importance of and has ongoing initiatives to promote the awareness of and confidence in the report handling process.

Diversity

DPM recognizes and appreciates that having a diverse pool of Board members and workforce is key to achieving strong business performance, continuous innovation and good governance. The Board further acknowledges the important role that diverse directors and employees with competitive skills and competencies, play in contributing to DPM's effectiveness and success. The Board recently approved an updated Diversity Policy that considers a broader definition of diversity as set out in the recent amendments to the CBCA. As demonstrated in the policy, DPM is committed to diversity across the Company

on a number of factors including but not limited to, characteristics such as race, religion, colour, gender, sexual orientation, national or ethnic origin, age, disability, indigeneity, education, and skills and experience, placing a special focus on the diversity of its Board and in its senior management team. The Diversity Policy establishes the importance of diversity within DPM and sets out several initiatives which DPM is committed to undertake in order to ensure diversity while attracting and recruiting the best candidates. The Board has not adopted any specific targets regarding representation of specific diverse groups on the Board and in senior management positions on the basis that appropriate skills and experience must remain the primary criteria.

The benefits of diversity, particularly gender diversity, are also recognized at the Company's local operations. The Company's Bulgarian subsidiaries, DPMC and DPMK, have a combined female workforce of approximately 19%, despite operating under legislative restrictions with respect to the employment of women in underground mining positions. The percentage of site senior management positions at the Company's Bulgarian operations filled by women is currently 83%. The Company's Namibian subsidiary, DPMT, has a female workforce of approximately 14% and approximately 29% of the Namibian senior management positions are filled by women. The senior management teams in both Bulgaria and Namibia are primarily comprised of local national talent.

Executive Compensation

At DPM we have focused the Company's executive compensation structure on two objectives: (i) the provision of competitive compensation to attract, retain and motivate high caliber individuals who can drive achievement of the Company's corporate objectives; and (ii) ensuring that executive compensation is aligned with the interests of shareholders. The Company believes that a compensation structure that contains a mix of fixed and variable compensation, with short- and long-term components, will create the desired motivation and focus in DPM's executives. As part of that structure, the Compensation Committee and Board have adopted a median pay philosophy aligning the targeted total direct compensation of the named executive officers at approximately the 50th percentile of the Company's compensation peer group. In setting compensation, in addition to considering industry competitiveness, DPM reviews several other factors, including internal parity, scope and complexity of the position and current business challenges.

The compensation program is designed to attract, motivate and retain key talent in a highly competitive environment through a competitive cash compensation program, consisting of base salary and short-term incentive compensation and a long-term equity-based compensation program, consisting of performance share units, restricted share units and stock options. Both the short- and long-term incentive compensation have performance elements, including achievement of corporate objectives and relative total shareholder returns against a defined peer group, to align the interests of its executives with those of shareholders. The Company's executive compensation program is reviewed regularly to benchmark best practices, ensuring it is encouraging the appropriate behaviour for performance and aligning with DPM's values. The Company employs effective risk management measures, including the Company's Anti-Hedging and Executive Compensation Recoupment Policy, to discourage excessive risk-taking. DPM also engages an independent consultant for the Compensation Committee to assist with the assessment of its executive compensation program to ensure a balanced approach and to mitigate compensation risk.

FURTHER INFORMATION

Principal Product

The Company's principal products are a gold-copper concentrate containing gold, copper and silver, and pyrite concentrate containing gold, which are produced at the Chelopech mine in Bulgaria and a gold concentrate containing gold and silver, which is produced at the Ada Tepe mine in Bulgaria. The complexity of the Chelopech concentrate limits processing options to a few smelters worldwide and a substantial amount of this concentrate is therefore processed at the Company's Tsumeb smelter.

DPM acquired the Tsumeb smelter in March 2010 as part of its strategy to secure the downstream processing of the Chelopech concentrate. Following the completion of an agreement between DPM and IXM in May 2010, and subject to certain rights of the Company, IXM has exclusive rights through 2023 to purchase the Chelopech concentrate for toll processing through the Tsumeb smelter, to source other concentrate for toll processing through the Tsumeb smelter, and to receive and sell blister copper produced by the Tsumeb smelter. DPMT secured its planned copper concentrate requirements through 2022 pursuant to tolling arrangements established with IXM. The pricing agreed under these arrangements provides DPMT with substantially higher treatment charges and penalty revenue than is typically received by smelters for normal copper concentrates due to the complex nature of the concentrate being processed.

Specialized Skills and Knowledge

Various aspects of the Company's business require specialized skills and knowledge, including in areas of geology, metallurgy, drilling, mine planning and operations, engineering, construction, regulatory compliance, information technology, finance and accounting. The Company has been successful to date in locating and retaining employees and contractors with such skills and knowledge. See "Risk Factors – Key Executives and Senior Personnel" for further details.

Competitive Conditions

The mining business is a competitive business. The Company competes with numerous companies and individuals that have resources significantly in excess of the resources of the Company in the search for: (i) attractive mineral properties; (ii) qualified service providers and employees; (iii) equipment and suppliers; and (iv) capital to finance exploration, development and exploration. The ability of the Company to acquire additional mineral properties in the future will depend on its ability to operate and develop its present properties, and on its ability to select and acquire suitable producing properties or prospects for development or exploration. See "Risk Factors – Competition" for further details.

Business Cycles

The mining business is subject to commodity price cycles. The marketability of minerals and mineral concentrates and the ability to finance the Company on favourable terms is also affected by worldwide economic cycles. See "Risk Factors – Metal Prices" for further details.

Employees

At the end of the Company's last financial year, DPM employed directly, or through its Subsidiaries, 2,159 employees.

Foreign Operations

The Company currently owns 100% of the Chelopech mining operation and 100% of the Ada Tepe mine, both in Bulgaria and 92% of the Tsumeb smelter located in Namibia, which represent its foreign operations. Any changes in regulations (or the application of regulations) or shifts in political attitudes in these foreign jurisdictions are beyond the control of the Company and may adversely affect its business. Future development and operations may be affected in varying degrees by factors such as government regulations (or changes to such regulations or the application of regulations) with respect to the restrictions on production, export controls, taxes, royalties, expropriation of property, repatriation of profits, environment land use, water use, operating activities, land claims of local people and mine safety. The impact of these factors cannot be accurately predicted. See "Risk Factors – Foreign Country and Political" for further details.

Operational Risk Management

In addition to managing health, safety and environmental risks, the Company applies a consistent approach to operational risk management. This approach consists of a multidisciplinary risk assessment where all risks are identified and measured on an annual basis. Mitigation plans are developed and implemented with monitoring throughout the year. The operational risk management process is linked to the external risk assessment process used to determine the required insurance coverage.

RISK FACTORS

The operating results and financial condition of the Company are subject to a number of inherent risks and uncertainties associated with its business activities, which include the acquisition, exploration, development, financing, construction, commissioning 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 and financial condition are also subject to numerous external factors, which include economic, social, geo-political, environmental, 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 AIF. 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 unit, to identify and to effectively manage the risks of each business unit. 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. A description of the more significant business risks and uncertainties affecting the Company are set out below. These risks, along with other potential risks not specifically discussed in this AIF, should be considered when evaluating the Company and its guidance. Additional risks not identified below may affect the Company.

Coronavirus (COVID-19) and health crises

The current outbreak of COVID-19 and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Company's operations, and the operations of its suppliers, contractors and service providers, the ability to obtain financing and maintain necessary liquidity, the demand for and ability to transport the Company's products and its ability to advance its projects and other growth initiatives. The outbreak of COVID-19 and the resulting global upheavals have caused significant volatility in commodity prices. The outbreak and its declaration as a global pandemic is causing companies and governments around the world to impose sweeping restrictions on the movement of people and goods, including social distancing measures and restrictions on group gatherings, isolation

and quarantine requirements, closure of business and government offices, travel advisories and travel restrictions. The duration of these measures, and the related business, social and government disruptions and financial impacts, cannot be reasonably estimated at this time. The Company cannot estimate whether or to what extent these measures, and the resulting impacts, may adversely impact the Company's business, financial condition and results of operations. In particular, if any employees or consultants of the Company become infected with COVID-19 or similar pathogens and/or the Company is unable to source necessary consumables or supplies or transport its products, due to government restrictions or otherwise, it could have a material negative impact on the Company's operations and prospects, including the complete shutdown of one or more of its operations. The situation is dynamic and changing day-to-day. The Company has explored and is continuing to explore several options to mitigate and/or deal with any repercussions that may occur as a result of the COVID-19 outbreak. See "Preliminary Notes – Response to Coronavirus (COVID-19)" for additional details of how the Company is currently responding to the COVID-19 outbreak.

Metal Prices

The Company sells and hedges the metals contained in concentrates produced at prices that are effectively determined by reference to the traded prices on major commodity exchanges, including the LME and the London Bullion Market Association ("LBMA"). The fluctuation of the price of a metal sold by the Company can significantly impact revenues and can significantly impact all-in sustaining cost per ounce of gold and other cost measures that are reported net of by-product credits. Therefore, the prices of gold, copper and silver are major factors influencing the Company's business, results of operations and financial condition, and, in turn, the price for its common shares.

Gold, copper and silver prices can fluctuate widely and are affected by numerous factors beyond the Company's control, including overall global market conditions; the sale or purchase of gold and silver by various central banks, financial institutions and Exchange Traded Funds; interest rates; foreign exchange rates; inflation or deflation; global and regional supply and demand; and the political and economic conditions of major gold, silver and copper producing and consuming countries throughout the world. If gold, silver and copper prices were to decline significantly from current levels, there can be no assurance that cash flow from operations, together with cash on hand and available lines of credit under the Company's RCF, will be sufficient to meet the Company's operating and capital requirements, including its contractual commitments and mandatory debt repayments, and the Company could be forced to discontinue production, reassess the feasibility of a particular project, and/or could lose its interest in, or be forced to sell, some of its properties. In addition, a significant commodity price decline could result in significant reductions in Mineral Reserve and Mineral Resource estimates, which could have a material adverse impact on the value of one or more of the Company's cash generating units and result in an impairment of the carrying value of certain assets, including exploration and evaluation assets, mine properties, and property, plant and equipment.

In accordance with established risk management policies, from time to time, the Company enters into cash settled commodity swap contracts to swap future contracted monthly average metal prices for fixed metal prices in order to reduce the metal price exposure associated with the time lag between the provisional and final determination of concentrate sales as well as its by-product metals price exposure on future sales. The Company also selectively enters into commodity option contracts from time to time to reduce its price exposure. These contracts are entered primarily to provide price protection below a specified "floor" price and, to reduce the upfront cost of these contracts, are typically accompanied by option contracts that provide price participation up to a specified "ceiling" price. Currently, no hedges are in place for the Company's 2020 expected payable copper production.

Financing and Liquidity

The Company relies on the cash flows generated from its mining and smelting operations, including provisional payments received from its customers, cash on hand, available lines of credits under its RCF, and its ability to raise debt and equity from the capital markets to fund its operating, investment and liquidity needs. The cyclical nature of the Company's businesses, general economic conditions and the volatility of capital markets are such that conditions could change dramatically, affecting the Company's cash flow generating capability, its ability to maintain, or draw upon, its RCF or the existing terms under its concentrate sales or toll agreements, as well as its liquidity, cost of capital and its ability to access additional capital, which could have a material adverse impact on the Company's earnings and cash flows and, in turn, could affect total shareholder returns. To reduce these risks, the Company: (i) prepares regular cash flow forecasts to monitor its capital requirements, available liquidity and compliance with its debt covenants; (ii) strives to maintain a prudent capital structure that is comprised primarily of equity financing and a long-term committed RCF; and (iii) targets a minimum level of liquidity comprised of surplus cash balances and/or available committed lines of credit to avoid having to raise additional capital at times when the costs or terms would be regarded as unfavourable.

There can be no assurance that the Company's operations will be profitable or that the Company will be able to raise capital on terms that it considers reasonable. Adverse commodity market, general economic conditions and adverse capital market conditions could result in a delay or the indefinite postponement of development or construction projects and could have a material adverse impact on the Company's business, financial condition, results of operations and share price.

Smelter Toll Rates, Metal Recoveries and Feed

The availability of sufficient volumes of high value complex concentrate, at suitable toll rates, is critical to the profitability of the Tsumeb smelter, given the fixed cost nature of the operation. To facilitate the procurement of complex concentrates, the Company entered a long-term agreement with IXM that currently matures on December 31, 2023. Under this agreement, the Company typically secures complex concentrate volumes at specified toll rates covering the next 12-24 months. Currently, the Company has contracted sufficient quantities of suitable high value complex concentrate through to December 2022. There can be no assurance that such concentrate will be available to the smelter in future or that the parties will agree on contracted toll rates that will be sufficient to generate an adequate return. From time to time the Company may increase the amount of third party concentrate and reduce the amount of Chelopech concentrate processed at Tsumeb. To the extent the volume of complex concentrate from Chelopech is reduced at Tsumeb, it will affect the profitability of the Tsumeb smelter. Failure to find sufficient quantities of suitable high value complex concentrate to be processed at acceptable toll rates could have a material adverse impact on the Company's business, financial condition and results of operations.

Under the agreement with IXM, DPMT must return specified quantities of copper, gold and silver. Metal over and under recoveries at the smelter are subject to smelter processing capabilities, contracted terms, and various estimates, including the quantities of metal contained in concentrate received, material in-process and blister delivered. These estimates are based on the Company's process knowledge and multiple assay results. Actual metal deliveries could differ materially from initial estimates and could have a material adverse impact on the Company's business, financial condition and results of operations as any over or under recovery of metals is recorded in revenue.

Foreign Exchange

By virtue of its international operations, the Company incurs costs and expenses in a number of foreign currencies. The revenue from its mining and smelting operations received by the Company is denominated in U.S. dollars since the prices of the metals that it produces are referenced in U.S. dollars, while the majority of operating and capital expenditures of its mining and smelter operations are denominated in Bulgarian leva, which is pegged to the Euro, the Namibian dollar, which is tied to the South African rand, and the Canadian dollar. Fluctuations in these foreign exchange rates give rise to foreign exchange exposures, either favourable or unfavourable, which could have a material impact on the Company's business, financial condition and results of operations.

From time to time, the Company enters into forward and option foreign exchange contracts in order to reduce the foreign exchange exposures associated with projected operating expenses and capital expenditures denominated in foreign currencies. Approximately 85% of projected Namibian dollar operating expenses for 2020 have been hedged with a series of call and put options with a weighted average floor and ceiling rates of 14.61 and 16.14, respectively. Currently, no hedges are in place for the Company's 2020 projected Canadian dollar and Euro denominated operating expenses and capital expenditures.

Counterparty Risk

The Company is exposed to counterparty risk, including market pricing and credit-related risk, in the event any counterparty, whether a customer, debtor or financial intermediary, is unable or unwilling to fulfill their contractual obligations to the Company or where such agreements are otherwise terminated and not replaced with agreements on substantially the same terms.

Under the terms of the Company's existing concentrate sale contracts, the risk to counterparties is mitigated, in part, through required provisional payments that range between 85% and 95% of the provisional value of each lot at the time title of the concentrate transfers. A final adjusting payment, reflecting the actual metal prices for the specified quotation period, is made when final weights and assays are established. During 2019, the Company had contracts with 16 customers in connection with its mining and smelting operations, one of whom accounted for approximately 60% (2018 - 74%) of the Company's revenue. All contractual commitments are subject to force majeure clauses which, if implemented, could have a material adverse impact on the Company's business, financial condition and results of operations.

While there can be no assurance that the Company will not experience a material loss for non-performance by any counterparty with whom it has a commercial relationship, the Company has established policies to manage its credit exposure that include assessing financial strength, limiting aggregate exposure to new and existing counterparties, and using contractual arrangements, including provisional payments and letters of credit. Should any such losses arise, they could have a material adverse impact on the Company's business, financial condition and results of operations.

Operations

Mining operations and related processing and infrastructure facilities are subject to a number of risks, including risks related specifically to the mining and metals industry. Such risks include, without limitation, environmental hazards, industrial accidents, disruptions in the supply of critical materials and supplies, disruptions due to pandemic conditions, labour disputes, changes in laws, technical difficulties or failures, equipment failure, failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of

material. Such risks could result in damage to, or destruction of, mines and other processing facilities, damage to life or property, environmental damage, delays in mining and processing, losses and possible legal liability. Any prolonged downtime or shutdowns at the Company's mining and processing facilities could have a material adverse impact on the Company's business, financial condition and results of operations.

Success of the Company's operations also depends on adequate public infrastructure. Reliable roads, bridges, power sources and water supplies are important determinants which affect capital and operating costs. Natural events, such as seismic events and severe climatic conditions, as well as sabotage, government or other interference in the maintenance or provision of such infrastructure could have a material adverse impact on the Company's business, financial condition and results of operations.

Dependence on a Restricted Portfolio of Assets

The Company's operations at the Chelopech mine and Ada Tepe mine accounted for all of the Company's gold and copper production in 2019. Any adverse condition affecting the Chelopech or Ada Tepe mine could have an adverse impact on the Company's business, financial condition and results of operations. Until such time as the Company acquires or develops other significant producing assets, the Company will continue to be dependent on its operations at the Chelopech mine and Ada Tepe mine for all of its cash flow provided by mining activities.

Production, Operating and Shipping Costs

Many unforeseen factors can impact the Company's future production and total cash costs of production, such as cost of inputs used in mining and processing operations; cost of fuel, energy, supplies, labour and equipment; availability of suitable high value complex concentrates to be processed at the smelter; regulatory factors; royalties and taxes; foreign exchange rates; adverse climatic conditions and natural phenomena; and industrial accidents can impact the accuracy of these projections. As such, there can be no assurance that production and production cost estimates will be achieved. Failure to achieve production or total cash cost estimates could have a material adverse impact on the Company's business, financial condition and results of operations.

The Company contracts for the shipment of its concentrates to its customers on varying terms and conditions, all subject to the prevailing rates, availability and general circumstances surrounding this market. Any material changes to the shipping markets and/or the terms and conditions of shipping contracts could have a material adverse impact on the Company's business, financial condition and results of operations.

Mineral Resources and Mineral Reserves

The Mineral Resources and Mineral Reserves disclosed by the Company are estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. There are numerous uncertainties inherent in estimating Mineral Resources and Mineral Reserves, including many factors beyond the Company's control. Such estimation is a subjective process and the accuracy of any resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Short-term operating factors, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause the mining operation to be unprofitable in any particular accounting period. In addition, there can be no assurance that gold, copper or silver recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Fluctuations in gold, copper and silver prices, results of drilling, change in cut-off grades, metallurgical testing, production and the evaluation of mine plans subsequent to the date of any estimates may require revision of such estimates. The volume and grade of Mineral Reserves mined and processed, and the recovery rates achieved may not be the same as currently anticipated. Any material reduction in the estimated Mineral Resources and Mineral Reserves could have a material adverse impact on the Company's business, financial condition and results of operations. A significant decrease in the Mineral Resource and Mineral Reserve estimates could have a material adverse impact on the carrying value of exploration and evaluation assets, mine properties, property, plant and equipment, depletion and depreciation charges, and estimated mine closure and rehabilitation costs, and could result in an impairment of the carrying value.

Inferred Mineral Resources

Inferred Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Due to the uncertainty which may be attached to Inferred Mineral Resources, there can be no assurance that Inferred Mineral Resources will be upgraded to Proven and Probable Mineral Reserves as a result of continued exploration.

Need for Mineral Reserves

As mines have limited lives based on Proven and Probable Mineral Reserves, the Company must continually develop, replace and expand its Mineral Reserves as its mines produce gold, copper and silver concentrates. The Company's ability to maintain or increase its annual production of gold, copper and silver and its aggregate Mineral Reserves will be significantly dependent

on its ability to expand Mineral Reserves both at its existing mines and new mines it intends to bring into production in the future.

Exploration

Exploration is speculative and involves many risks that even a combination of careful evaluation, experience and knowledge utilized by the Company may not eliminate. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible. Substantial expenditures are normally required to locate and establish Mineral Reserves and to permit and construct mining and processing facilities. While the discovery of mineralization may result in substantial rewards if an orebody is proven, few properties that are explored are ultimately developed into producing mines.

Foreign Country and Political

The majority of the Company's operations and business are outside of Canada, primarily in Eastern Europe and southern Africa, and as such, the Company's operations are exposed to various political and other risks and uncertainties.

These risks and uncertainties vary from country to country and include, but are not limited to, terrorism; corruption; crime; hostage taking or detainment of personnel; military repression; extreme fluctuations in foreign currency exchange rates; high rates of inflation; labour unrest; the risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; absence of reliable rule of law, regulatory and judiciary processes; illegal mining; environmental policies; extreme weather conditions; changes in taxation or royalty policies; restrictions on foreign exchange and movements of capital; changing political conditions; inappropriate laws and regulations; and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Any changes in mining or investment policies or shifts in political attitude in the countries in which the Company conducts its business and operations may have a material adverse impact on the Company's business, financial condition and results of operations. It is difficult to predict the future political, social and economic direction of the countries in which the Company operates, and the impact government decisions could have on its business. Any political or economic instability in the countries in which the Company currently operates could have a material adverse impact on the Company's business, financial condition and results of operations. Furthermore, the consequences of climate change may result in further political or economic instability in the countries in which the Company currently operates as scarce resources may be redistributed.

In addition, authorities and court systems in the countries in which the Company conducts its business and operations may be unpredictable. Challenges to foreign asset ownership, operations and regulatory compliance may be brought by government authorities for reasons that cannot be predicted and that may not be motivated by substantive law. It is also not unusual, in the context of a dispute resolution, for a party in these foreign jurisdictions to use the uncertainty of the legal environment as leverage in its business negotiations.

Failure to comply with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements.

Anti-Bribery and Anti-Corruption

The Company's operations are governed by, and involve interactions with, public officials and many levels of government in numerous countries. The Company's operations take place in jurisdictions ranked unfavourably under Transparency International's Corruption Perception Index. These jurisdictions may be vulnerable to the possibility of bribery, corruption, collusion, kickbacks, theft, improper commissions, facilitation payments, conflicts of interest and related party transactions. The Company is required to comply with anti-bribery and anti-corruption ("ABC") laws, including the *Canadian Corruption of Foreign Public Officials Act* ("CFPOA"), as well as similar laws in the countries in which the Company conducts its business. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also by third parties, such as, but not limited to, contractors, suppliers, consultants, agents and customers. Although the Company has adopted a number of steps to mitigate bribery and corruption risks, which include, among other things, developing policies and procedures, establishing a robust third party due diligence process, implementing training programs and performing regular internal monitoring activities and audits, such measures may not always be effective in ensuring the strict compliance with ABC laws by the Company, its employees or third parties. If the Company finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on the Company resulting in a material adverse impact on the Company's reputation, business, financial condition and results of operations.

Climate Change

Global climate change continues to attract considerable public, scientific and regulatory attention. Governments and regulatory bodies at the international, national, regional and local levels have introduced or may introduce legislative changes to respond to the potential impacts of climate change. Additional government action to regulate climate change, including

regulations on carbon emissions and energy use, could increase direct and indirect costs to the Company's operations and may have a material adverse impact on the Company. The Company's primary operations are located in Bulgaria and Namibia, both of which are signatories to the Paris Agreement Under the United Nations Framework Convention on Climate Change (the "Paris Agreement"). Additional requirements from the Paris Agreement or other climate change regulations could lead to increased costs for the Company. For example, the newly announced European Green Deal, which is an ambitious set of policy initiatives brought forward by the European Commission with the overarching aim of making Europe climate neutral in 2050, will likely have significant effects which are not yet quantifiable.

In addition, the Company's operations are subject to the physical risks of climate change, which may include increased extreme weather events, rising sea levels and significantly restricted water availability. In the long term, the Company may be required to respond to the physical effects of climate change which could have a material adverse impact on the Company and cause increases in expenditures and costs or require abandonment or delays in developing new mining properties.

Based on risk assessments conducted by the Company, climate change is not an immediate material risk faced by the Company. However, as time goes on, it will likely have an impact on how the Company conducts its business. As a result, management has planned a focused climate change assessment to be carried out during 2020. The assessment will look specifically on the physical and transitional risks resulting from climate change in both the short and long-term with the aim of quantifying potential financial impacts. Based on the results of the assessment, existing management and governance practices will be supplemented to ensure climate change effects are, among other things, minimized, adequately included in the ongoing assessment of the risk and opportunities for the Company, and disclosed based on the requirements of the Financial Stability Board's Task Force on Climate-related Financial Disclosures recommendations.

Environmental, Health and Safety

Mining and smelting operations, including exploration, development and production of mineral deposits and disposal of tailings and hazardous materials, generally involve a high degree of risk and are subject to conditions and events beyond the Company's control. The Company's operations are subject to all of the hazards and risks normally encountered in the mining and smelting sectors including: adverse environmental conditions; industrial and environmental accidents; metallurgical and other processing problems; unusual or unexpected rock formations; ground or slope failures; structural cave-ins or slides; flooding or fires; seismic activity; rock bursts; equipment failures; failures to contain hazardous materials (including arsenic) within the designated areas, and periodic interruptions due to weather conditions, as well as intentional acts by individuals or groups who intend to harm or disrupt the Company's operations. These risks could result in the destruction of mines or processing facilities, the failure of tailings management facilities and damage to infrastructure, causing partial or complete shutdowns, personal injury or death, environmental or other damage to the Company's properties or the properties of others, monetary losses and potential legal liability. Although the Company conducts extensive maintenance and monitoring and incur significant costs to maintain the Company's operations, equipment and infrastructure, including tailings management facilities, unanticipated failures or damage may occur that could cause injuries, production loss or environmental pollution resulting in significant legal and/or economic liability.

The Company's mining and smelting operations are subject to extensive environmental, health and safety regulations in the various jurisdictions in which it operates. These regulations address, among other things, emissions; air and water quality standards; land use; rehabilitation and reclamation; and safety and work environment standards, including human rights. They also set forth limitations on the generation, transportation, storage and disposal of various wastes, including hazardous wastes. Environmental, health and safety legislation continues to evolve and, while the Company takes active steps to monitor this legislation, it could result in stricter standards and enforcement, increased capital and operating costs and burdens to achieve compliance, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. Amendments to current laws and regulations governing the Company's mining, processing, development and exploration activities, or more stringent implementation thereof, could have a material adverse impact on the Company's business, financial condition and results of operations, and cause increases in exploration expenses, capital expenditures, production costs or future rehabilitation costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties and/or expansion of existing properties.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration, mining, processing and tailings management operations may be required to compensate those suffering loss or damage by reason of these activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Environmental hazards may exist on the properties in which the Company holds interests, which are unknown to the Company at present, and which have been caused by previous or existing owners or operators of the properties. The Company may also acquire properties with known or undiscovered environmental risk. Any indemnifications by the previous owners or others may not be adequate to pay all the fines, penalties and costs incurred related to such properties. Some of the Company's properties have also been used for mining and related operations for many years before the Company

acquired them and were acquired "as is" or with assumed environmental liabilities from previous owners or operators. The Company has been required to address contamination at its properties in the past and may need to do so in the future, either for existing environmental conditions or for leaks, discharges or contamination that may arise from its ongoing operations or other contingencies. The cost of addressing environmental conditions or risks, and liabilities associated with environmental damage may be significant, and could have a material adverse impact on the Company's business, financial condition and results of operations. Production at the Company's mines and processing facilities involves the use of various chemicals, including certain chemicals that are designated as hazardous substances. Contamination from hazardous substances, either at the Company's own properties or other locations for which it may be responsible, may subject the Company to liability for the investigation or remediation of contamination, as well as for claims seeking to recover costs for related property damage, personal injury or damage to natural resources. The occurrence of any of these events could have a material adverse impact on the Company's business, financial condition and results of operations.

In 2016, the Company completed a major multi-year capital program at its smelter in Namibia directed at modernizing the environmental equipment being utilized and debottlenecking its processing capacity. This included the completion of a sulphuric acid plant, which has reduced the plant's SO_2 emissions. The Company is committed to making further improvements to the health, safety and environmental performance of the smelter and is continuously assessing the scope of any capital expenditures required to support these further improvements. The Company's environmental and occupational health and safety performance will be subject to continued monitoring by the Namibian authorities and deviation from expected environmental and occupational health and safety outcomes could have a material adverse impact on the Company's future production, business, financial condition and results of operations.

Reclamation and Mine Closure Costs

Although variable depending on location and the governing authority, land reclamation and mine closure requirements are generally imposed on mining companies in order to minimize long-term effects of land disturbance. The Company is required by governments in the jurisdictions where it operates to provide financial assurances to cover any reclamation and mine closure obligations that it may have at its mine sites. The amount and nature of the Company's financial assurance obligations depend on a number of factors, including the Company's financial condition and reclamation and mine closure cost estimates. Reclamation and mine closure cost estimates can escalate because of new regulatory requirements, changes in site conditions, conditions in the receiving environment, or changes in analytical methods or scientific understanding of the impacts of various constituents in the environment. Changes to the form or amount of the Company's financial assurance obligations in respect of reclamation and mine closure obligations could significantly increase the Company's costs, making the maintenance and development of existing or new mines less economically feasible. Increases in financial assurance requirements could severely impact the Company's credit capacity and its ability to raise capital for other projects or acquisitions. The Company may be unable to obtain letters of credit or surety bonds to satisfy these requirements, in which case it may be required to deposit cash as financial assurance. If the Company is unable to satisfy these requirements, it may face loss of permits, fines and other material and negative consequences, which could have a material adverse impact on the Company's business, financial condition and results of operations.

The Company recognizes a liability for its rehabilitation expenses when a legal and/or constructive obligation is identified. The liability is measured at the present value of estimated costs required to rehabilitate the operating locations based on the risk-free nominal discount rates applicable to the countries in which the operations are located. The carrying value of the rehabilitation provision was $41.4 million and $38.4 million at December 31, 2019 and 2018, respectively. Changes in the underlying assumptions used to estimate the mine closure and rehabilitation costs as well as changes to environmental laws and regulations could cause material changes in the expected cost and the fair value of the estimated mine closure and rehabilitation costs and these changes could have a material adverse impact on the Company's business, financial condition and results of operations.

MineRP

In October 2017, the Company completed a business combination pursuant to which it acquired a 78% interest in MineRP, an independent software vendor for the mining industry with operations in South Africa, Canada, Australia and Chile. Up to 10% of the fully diluted common shares of MineRP are reserved for incentive compensation arrangements, with up to half being allocated to certain officers of DPM who serve as directors of MineRP and half being reserved for issuance to MineRP employees. As a result, assuming the issuance of all common shares reserved under the foregoing incentive arrangements, DPM will hold a 70% fully diluted interest in the common shares of MineRP. Total cash paid by the Company to acquire MineRP was $20.0 million, including $8.1 million that was used to repay all outstanding debt and certain other liabilities. Non-cash consideration through transfer of Terrative Digital Solutions Division assets was $0.7 million. Since October 2017, DPM has provided MineRP with $12.75 million of financing to support its working capital and growth initiatives.

There can be no assurance that the Company will be able to realize the projected financial results from MineRP. Failure to realize the projected financial results from MineRP could have an adverse impact on the Company's business, financial condition and results of operations.

MineRP's business as a software vendor is reliant upon the ownership, protection and ongoing development of key intellectual properties. There is no assurance that such ownership rights will not be challenged and that MineRP will

successfully maintain its rights in such intellectual properties. Further, there is no assurance that MineRP will be able to develop and market commercially successful intellectual property assets.

Inadequate Controls over Financial Reporting

The Company assessed and tested its internal control procedures in order to satisfy the requirements of National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), which require an annual assessment by management of the operating effectiveness of the Company's internal control over financial reporting. The Company's failure to satisfy the requirements of NI 52-109 on an ongoing and timely basis could result in the loss of investor confidence in the reliability of its financial statements, which in turn could have a material adverse impact on the Company's business and share price. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could have a material adverse impact on the Company's business, financial condition, results of operations and share price.

No evaluation can provide absolute assurance that the Company's internal control over financial reporting will detect or uncover all material information required to be reported. Furthermore, there can be no certainty that the Company's internal control over financial reporting will prevent or detect all errors and fraud. In addition, with ever increasing regulations and changes in the Company's business it is expected that the Company's internal control over financial reporting will continue to evolve and improve over time.

Stakeholder Relations and License to Operate

The Company's relationships with stakeholders are critical to ensure the future success of its existing operations and the construction and development of its projects. There is an increasing level of public concern relating to the perceived effect of mining and smelter activities on the environment and on communities impacted by such activities. Non-governmental organizations ("NGOs") and civil society groups, some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances and the handling, transportation and storage of various waste, including hazardous waste. Adverse publicity generated by such NGOs and civil society groups or others related to the extractive industries generally, or the Company's operations specifically, could have a material adverse impact on, including but not limited to, the laws under which the Company operates, its ability to secure new permits and its reputation. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and an impediment to the Company's overall ability to advance its projects, obtain permits and licenses and/or continue its operations, which could have a material adverse impact on the Company's business, results of operations and financial condition.

Development Projects

As part of the Company's growth strategy, it expects to invest in the development, design, construction, operation and optimization of existing and new facilities to enhance operations and increase future production. In developing these new projects, the Company may be required to incur significant preliminary engineering, environmental, permitting and legal-related expenditures prior to determining whether a project is technically feasible and economically viable. The commercial viability of development projects is based on many factors, including: in the case of a mine, the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal recoveries, metal prices and, in the case of the smelter, toll rates, each of which are highly cyclical; availability of complex concentrate; government regulations; capital and operating costs of such projects; and foreign currency exchange rates. Development projects are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits, subsequent appeals of such permits, including favourable EIA decisions, the acquisition of satisfactory surface or other land rights and having adequate funding arrangements in place.

All projects are approved for development on a project-by-project basis after considering strategic fit, inherent risks, and expected financial returns. This approach, which incorporates a gated project governance model, and combined with an experienced management team, staff and contract personnel, mitigates some of the risk associated with development projects. However, there can be no assurance that there will not be delays in obtaining the necessary permits or that the development or construction of any one or more projects will be completed on time, on budget or at all, or that the ultimate operating cost of the operation will not be higher than originally envisaged. In addition, to secure long lead times required for ordering equipment, the Company may place orders for equipment and make deposits thereon or advance projects before obtaining all requisite permits and licenses. Such actions are taken only when the Company reasonably believes such licenses or permits will be forthcoming prior to the requirement to expend the full amount of the purchase price. In the event a project, which was deemed economically viable, is not completed or does not operate at anticipated performance levels, the Company may be unable to fully recover its investment and be required to record a write-down. This, in turn, may have a material adverse impact on the Company's business, financial condition and results of operations.

It is not unusual in the mining industry, especially in jurisdictions like Bulgaria, Serbia and Namibia, for operations to experience construction challenges or delays and unexpected problems during the start-up phase, resulting in delays and requiring more capital than anticipated. Given the inherent risks and uncertainties associated with any major capital project,

there can be no assurance that construction will proceed in accordance with current expectations or at all, or that construction costs will be consistent with the budget, or that the operation will operate as planned.

Competition

The Company faces competition from other mining companies in connection with the acquisition of properties producing, or capable of producing and processing, precious and base metals, as well as the ultimate sale of its production. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, there can be no assurance that the Company will be able to acquire or maintain cost competitive operations or sell its production or toll complex concentrate on economically acceptable terms, which could have a material adverse impact on the Company's business, financial condition and results of operations.

The Company also faces competition from other smelting companies as well as trading companies, notably those with blending operations, to secure complex feed for its Tsumeb smelter operation. Such competitive forces and supply-demand dynamics could cause terms for complex copper concentrate to fall below levels at which it is economic for the Company to smelt this material and therefore have a material adverse impact on the Company's business, financial condition and results of operations.

MineRP faces competition from other software vendors in the development and sale of its intellectual properties. There can be no assurance that MineRP will be able to successfully develop and market its products.

Impairment

The Company recorded an impairment charge of $107.0 million with respect to its Tsumeb smelter for the year ended December 31, 2019. The assessment for impairment is subjective and requires management to make a number of estimates and assumptions, including estimated production levels, operating costs and capital expenditures, as well as economic factors beyond management's control such as toll rates, discount rates and foreign exchange rates. There can be no assurance that management's estimate of the future will reflect actual events, further impairment charges may materialize and the timing and amount of such impairment charges are difficult to predict and may have a material adverse impact on the Company's business, financial condition and results of operations.

Enforcement of Legal Rights

The Company's material Subsidiaries are organized under the laws of foreign jurisdictions. Given that the Company's material assets are located outside of Canada, investors may have difficulty in effecting service of process within Canada and collecting from or enforcing against the Company, any judgments obtained by the Canadian courts or Canadian securities regulatory authorities and predicated on the civil liability provisions of Canadian securities legislation or otherwise. Similarly, in the event a dispute arises from the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada.

Insurance and Uninsured Risks

The Company's business is subject to numerous risks and hazards, including severe climatic conditions, industrial accidents, equipment failures, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and other natural events such as earthquakes. Such occurrences could result in damage to mineral properties or processing facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining and processing, monetary losses and possible legal liability.

In order to eliminate or reduce certain risks, the Company purchases and maintains insurance coverage, subject to limits and deductibles that are considered reasonable and prudent. This insurance coverage does not cover all potential risks because of customary exclusions and/or limited availability, and in some instances, the Company's view that the cost of certain insurance coverage is excessive in relation to the risk or risks being covered. Further, there can be no assurance that insurance coverage will continue to be available on commercially reasonable terms, that such coverage will ultimately be sufficient, or that insurers will be able to fulfill their obligations should a claim be made.

Due to recent dam failures, there has been increased scrutiny by insurance underwriters on tailings management facilities and insurance underwriters' tolerance for writing risk in the pollution liability market has been reduced due to the elevated level of risk. As a result, the Company opted not to acquire pollution liability insurance in 2020 relating to liquefaction results from tailings management facilities failures due to its view that the cost is excessive in relation to the limited risk or risks being covered. Furthermore, losses that may arise from the COVID-19 outbreak may not be covered by the Company's insurance. Losses arising from any events that are not fully insured may cause the Company to incur significant costs that could have a material adverse impact on its business, financial condition and results of operations.

Value of Investment Portfolio

The value of the Company's investment portfolio of securities will vary based on the underlying value of the securities acquired by the Company. The business activities of issuers in the resource industry ("Resource Issuers") are speculative and may be adversely affected by factors outside the control of those issuers. Resource Issuers may not hold or discover

commercial quantities of precious metals or minerals, have limited access to capital, and profitability may be affected by adverse fluctuations in commodity prices, demand for commodities, general economic conditions and cycles, unanticipated depletion of reserves or resources, native land claims, liability for environmental damage, competition, imposition of tariffs, duties or other taxes and government regulations, as applicable. Since the Company has and may continue to invest primarily in securities issued by Resource Issuers engaged in the mining industry or related resource businesses (including junior issuers), the value of the Company's investment portfolio of securities may be more volatile than portfolios with a more diversified investment focus. In some cases, the value of securities owned by the Company may also be affected by such factors as investor demand, specified rights or restrictions associated with the security, general market trends or regulatory restrictions. Fluctuations in the market values of such securities may occur for a number of reasons beyond the control of the Company, and there can be no assurance that an adequate liquid market will exist for securities or that quoted market prices at any given time will properly reflect the value at which the Company could monetize these securities.

Laws, Regulations and Permitting

The activities of the Company are subject to various laws and regulations governing prospecting, exploration, development, production, taxes, labour commercial standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people, archaeological discovery and other matters. Although the Company currently carries out its operations and business in accordance with all applicable laws, rules and regulations, no assurance can be given that new laws, rules and regulations will not be enacted or that existing laws, rules and regulations will not be changed or be applied in a manner which could limit or curtail production or development. Furthermore, amendments to current laws and regulations governing operations and activities of mining, milling and processing or more stringent implementation thereof could cause costs and delays that could have a material adverse impact on the Company's business, financial condition and results of operations.

The Company's current and future operations and development activities are subject to receiving and maintaining permits from appropriate governmental authorities. Although the Company currently has the required permits for its current operations, there can be no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for the existing operations or additional permits for planned new operations or changes to existing operations that could have a material adverse impact on the Company's business, financial condition and results of operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining and processing operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining and processing activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Labour Relations

While the Company has good relations with both its unionized and non-unionized employees, there can be no assurance that it will be able to maintain positive relationships with its employees or that new collective agreements will be entered into without work interruptions. In addition, relations between the Company and its employees may be impacted by regulatory or governmental changes introduced by the relevant authorities in whose jurisdictions that the Company operates. Adverse changes in such legislations or in the relationship between the Company and its employees could have a material adverse impact on the Company's business, financial condition and results of operations.

The Company has entered into a two-year collective agreement with its employees in Bulgaria, for Chelopech and Ada Tepe, that is in effect until July 2021. Tsumeb's unionized employees continue to operate under the terms of the collective agreement agreed for 2019, with negotiations for a new agreement expected to take place in 2020.

Income and Other Taxes

The Company operates in Canada and several foreign jurisdictions, through a number of subsidiary intermediary entities. As a result, it is subject to potential changes in tax laws, judicial interpretations in respect thereof, and the administrative and/or assessing practices of tax authorities in each jurisdiction. While these tax risks are proactively managed and monitored by senior management and outside tax experts, there can be no assurance that there will not be tax changes or rulings, including changes applicable to Tsumeb's status under the *Export Processing Zone Act* in Namibia or to any other preferential tax status applicable to the Company or any of its Subsidiaries, that could have a material adverse impact on the Company's business, financial condition and results of operations.

The Company believes that it is not currently a passive foreign investment company ("PFIC") for U.S. Federal income tax purposes and it does not anticipate becoming a PFIC in the foreseeable future. However, the PFIC rules are complex, and, as a Canadian company publicly listed on the TSX, the Company does not operate its business in a manner specifically intended to avoid being classified as a PFIC. Accordingly, there can be no assurance that the Company will not be considered a PFIC. The Company also has not and does not expect to provide any shareholder with information that will enable a U.S. shareholder to make a qualified electing fund election in respect of the Company. To the extent that the Company is a PFIC

in respect of any taxable year, its status as such would have adverse tax consequences for taxable U.S. investors. U.S. investors should consult their own tax advisors regarding the PFIC rules and the potential adverse U.S. Federal income tax consequences to which they may be subject to in respect of an investment in the Company's common shares.

Future Plans

As part of its overall business strategy, the Company examines, from time to time, opportunities to acquire and/or develop new mineral projects and businesses. A number of risks and uncertainties are associated with these potential transactions and DPM may not realize all of the anticipated benefits. The acquisition and the development of new projects and businesses are subject to numerous risks, including the particular attributes of the deposit, political, regulatory, design, construction, labour, operating, technical, and technological risks, as well as uncertainties relating to the availability and cost of capital, future metal prices, foreign currency rates and toll rates, in the case of the smelter. Failure to successfully realize the anticipated benefits associated with one or more of these initiatives successfully could have a material adverse impact on the Company's business, financial condition and results of operations.

Land Title

Although the title to the properties owned by the Company were reviewed by, or on behalf of, the Company, there can be no assurances that there are no title defects affecting such properties or the shares of Subsidiaries that hold such properties. Title insurance generally is not available, and the Company's ability to ensure that it has obtained a secure claim to individual mineral properties or mining concessions may be severely constrained. The Company has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt.

Accordingly, the Company's interest in mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Market Price of Common Shares

The common shares are listed on the TSX. The price of these and other shares making up the mining sector have historically experienced substantial volatility, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, including those impacting the price of commodities, interest rates, market perceptions concerning equity securities generally and the precious and base metal sectors in particular, and factors that may be specific to the Company, including daily traded volumes of the common shares.

As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect the Company's long-term value, which in turn could impact the ability of the Company to raise equity or raise equity on terms considered to be acceptable. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources and have a material adverse impact on the Company's business, financial condition and results of operations.

Dilution to Common Shares

During the life of the Company's outstanding stock options granted under its share-based compensation plans, the holders are given an opportunity to profit from an increase in the market price of the Company's common shares with a resulting dilution in the interest of shareholders. The holders of stock options may exercise such securities at a time when the Company may have been able to obtain any needed capital by a new offering of securities on terms more favourable than those provided by the outstanding rights. The increase in the number of common shares in the market, if all or part of these outstanding rights were exercised, and the possibility of sales of these additional shares may have a negative effect on the price of the Company's common shares.

The Company may need to raise additional financing in the future through the issuance of additional equity securities. If the Company raises additional funding by issuing additional equity securities, such financings may substantially dilute the interests of shareholders of the Company and reduce the value of their investment in the Company's securities.

Dividends

The declaration amount and payment of future dividends will be subject to the sole discretion of the Board after taking into account, among other things, the Company's financial position, current and forecast operating results, overall market conditions, its outlook for sustainable free cash flow and capital and any restrictions contained in any debt instrument and/or credit agreement to which the Company may be party to from time to time. Despite the implementation of a regular dividend policy, there is no guarantee of the amount, timing and sustainability of the dividend.

Information Technology Systems and Information Technology Systems Security Threats

DPM has entered into agreements with third parties for hardware, software, telecommunications and other technology services/systems in connection with its operations (including information technology, operational technology and digital). The Company's operations depend, in part, on technology services/systems and how well the Company and its suppliers protect networks, equipment, technology systems and software against damage from a number of threats, including, but not limited to, cable cuts; damage to physical plants; natural disasters; terrorism; fire; power loss; hacking; computer viruses; vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, technology systems and software as well as specific cybersecurity systems and governance to mitigate the risk of failures. Any of these and other events could result in data leakage, information loss, system failures, business interruptions and/or increases in capital expenses, which could have a material adverse impact the Company's reputation, business, financial condition and results of operations.

Although to date the Company and its operations have not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that DPM will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, company and personal data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Interest Rate

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's cash and cash equivalents, revolver line of credit and finance lease obligations, the majority of which have associated cash flows based on fixed interest rates.

Reputational Risk

As a result of the increased usage and the speed and the global reach of social media and other web-based applications used to generate, publish and discuss user-generated content and to connect with others, the Company is at a much greater risk of losing control over how it is perceived by the public. Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events (for example, with respect to the handling of environmental matters, community relations or litigation), and could include any negative publicity, whether credible, factual, true or not. While the Company places a great emphasis on protecting and nurturing its reputation, it does not ultimately have direct control over how it is perceived by others, including how it is viewed on social media and other web-based applications. Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence and an impediment to the Company's overall ability to advance its projects, thereby having a material adverse impact on the Company's business, financial condition and results of operations.

Foreign Subsidiaries

The Company conducts its operations through foreign Subsidiaries and substantially all of its assets are held in such entities. Accordingly, any limitation on the transfer of cash or other assets between or among DPM and such entities, could restrict or impact the Company's ability to fund or receive cash from its operations. Any such limitations, or the perception that such limitations may exist now or in the future, could have a material adverse impact on the Company's business, financial condition and results of operations. In addition, the corporate law and other laws governing the Company's foreign Subsidiaries differ materially from Canadian corporate and other laws. Challenges to the Company's ownership or title to the shares of such Subsidiaries or the Subsidiaries' title or ownership of their assets may occur based on alleged formalistic defects or other grounds that are based on form rather than in substance. Any such challenges may cost time and resources for the Company or cause other adverse effects.

Key Executives and Senior Personnel

The Company is dependent on the services of key executives, including its President and CEO and a number of highly skilled and experienced executives and senior personnel. The loss of these persons or the Company's inability to attract and retain additional highly skilled employees could have a material adverse impact on the Company's future operations and business.

Conflicts of Interest

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development or investment in or provide services to natural resource companies, including Dundee Corporation, a company that has a large investment in the Company, and other companies in which the Company has investments, and consequently there exists the possibility for such directors and officers to be in a position of conflict. The Board is aware of these potential conflicts and these individuals recuse themselves from the Board deliberations and voting when necessary. The Company expects that any decision made by any of such directors and officers will be made in

accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the CBCA and other applicable laws.

Significant Shareholder

Dundee Corporation owns approximately 19.87% of the common shares. As a result, Dundee Corporation may have the ability to influence the outcome of corporate actions requiring shareholder approval, including the election of directors of DPM and the approval of certain corporate transactions.

Public Company Obligations

The Company's business is subject to evolving corporate governance and public disclosure regulations that have increased both the Company's compliance costs and the risk of non-compliance, which could have a material adverse impact on the Company's share price.

The Company is subject to changing rules and regulations promulgated by a number of governmental and self-regulated organizations, including the Canadian Securities Administrators, the TSX, and the International Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity creating many new requirements. The Company's efforts to comply with rules and obligations could result in increased general and administration expenses and a diversion of management time and attention from revenue-generating activities.

INTERNAL CONTROLS AND OPERATIONS IN EMERGING MARKETS

The Company's principal property interests are located in Bulgaria, an emerging market, and are held indirectly through locally incorporated subsidiaries for the purpose of compliance with local laws. The Company also has smelter operations in Namibia, an emerging market, that is held indirectly through locally incorporated subsidiaries for the purpose of compliance with local laws. Operating in an emerging market exposes the Company to certain risks and uncertainties that may not exist or that are significantly less likely to exist in other jurisdictions such as Canada and the United States. In order to manage and mitigate these risks, the Company has designed a system of corporate governance for itself and its Subsidiaries. These systems are coordinated by management and overseen by the Board.

Internal Controls

DPM has implemented a system of corporate governance, internal controls over financial reporting, and disclosure controls and procedures that apply at all levels of the Company and its Subsidiaries, including within the operations in Bulgaria and Namibia. These systems are overseen by the Company's Board and implemented by the Company's senior management personnel in Canada and its operations. The relevant features of these systems include:

(a) *DPM's Control over Subsidiaries.* DPM's corporate structure has been designed to ensure that the Company has a measure of direct oversight over the operations of its material Subsidiaries. DPM's material Subsidiaries are either wholly owned or controlled to a large extent by the Company. Accordingly, the Company directly controls the appointments of either all the directors or such number of directors reflecting the Company's proportional ownership interest of its material Subsidiaries. The directors of DPM's material Subsidiaries are ultimately accountable to DPM as the shareholder appointing him or her, and the Board and DPM's senior management. The annual budget and capital investment and exploration programs in respect of each of its material Subsidiaries are reviewed and approved by the Company. In addition, the Company has established delegations of authority and company policies to control commitments and expenditures.

Signing officers for foreign material subsidiary bank accounts are either employees of DPM or employees/directors of the material subsidiary. The establishment of any new banking relationships and/or new bank accounts requires approval from DPM. Monetary authorization limits are established by the Company's material Subsidiaries and put in place with the respective banking institutions. Signatories and authorization limits for bank accounts are reviewed and revised as necessary, with changes being communicated to the appropriate banking institutions.

(b) *Strategic Direction.* The Board is responsible for the overall stewardship of the Company and, as such, supervises the management of the business and affairs of the Company. More specifically, the Board is responsible for reviewing the strategic business plans and corporate objectives, and approving, subject to certain delegated authorities, acquisitions, dispositions, investments, capital expenditures and other transactions and matters that are material to the Company, including those of its material Subsidiaries.

(c) *Internal Control over Financial Reporting and Disclosure Controls and Procedures.* The Company prepares its consolidated financial statements on a quarterly and annual basis, using IFRS as issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the Chartered Professional Accountants of Canada Handbook - Accounting. The Company implements internal controls over the

preparation of its financial statements and other financial disclosures, including its MD&A, to provide reasonable assurance that its financial reporting is reliable in all material respects and that the quarterly and annual financial statements are being prepared in accordance with IFRS and other financial disclosures, including its MD&A, are being prepared in accordance with relevant securities legislation. These internal controls include the following:

(i) The Company has a disclosure control process in place to facilitate the communication of all significant items that should be considered for disclosure in the consolidated financial statements and MD&A, which includes clear lines of responsibility and accountability for those involved in the financial reporting and disclosure process as well as certifications and questionnaires that are completed by management and other personnel;

(ii) All public documents and statements relating to the Company and its Subsidiaries containing material information (including financial information) are reviewed by management and other personnel, and as applicable, members of the Disclosure Committee, which includes the CEO, the Chief Financial Officer ("CFO") and the Executive Vice President, Corporate Affairs, General Counsel and Corporate Secretary, before such material information is disclosed to ensure that all material information has been considered by management of the Company and properly disclosed;

(iii) As more fully described in paragraph (d), the Audit Committee of the Board obtains confirmation from the CEO and CFO as to the matters addressed in the quarterly and annual certifications required under NI 52-109;

(iv) In addition, the Audit Committee:

1. reviews and approves the Company's quarterly and annual financial statements and MD&A and recommends to the Board for the Board's approval of the Company's quarterly and annual financial statements and MD&A, and any other financial information requiring Board approval, prior to their publication or release;
2. oversees the Company's internal control systems including those systems to identify, monitor and mitigate business risks as well as compliance with legal, ethical and regulatory requirements; obtains and reviews reports of the external and internal auditors on significant findings and recommendations on the Company's internal controls together with management's responses;
3. assesses and evaluates the adequacy and effectiveness of the Company's systems of internal control over financial reporting and disclosure, including policies, procedures and systems to assess, monitor and manage the Company's assets, liabilities, revenues and expenses. In addition, the Committee reviews and discusses the appropriateness and timeliness of the dispositions of any recommendations for improvements in internal control over financial reporting and procedures; and
4. discusses and reviews with management and the internal auditor, the Company's policies and guidelines that govern financial risk management.

(v) Although not specifically a management control, the Company engages its external auditor to perform reviews of the Company's quarterly consolidated financial statements and an audit of the annual consolidated financial statements in accordance with Canadian generally accepted auditing standards.

(d) *CEO and CFO Certifications*. In order for the CEO and CFO to be in a position to attest to the matters addressed in the quarterly and annual certifications required by NI 52-109, the Company has developed internal processes and procedures and responsibilities throughout the organization for its regular periodic and special situation reporting, in order to provide reasonable assurance that documents and statements relating to the Company and its Subsidiaries containing material information are prepared with input from the responsible officers and employees, are available for review by the CEO and CFO in a timely manner, and are appropriately disseminated.

These systems of corporate governance, internal control over financial reporting, and disclosure controls and procedures are designed to ensure that, among other things, the Company has access to material information about its Subsidiaries.

Procedures of the Board

Board and Management Experience

Key members of the Board and senior management team have experience running operations in emerging markets, including Bulgaria and Namibia. Richard Howes, President and CEO; David Rae, Executive Vice President and COO; Iliya Garkov, Vice President and Managing Director, Bulgaria; Richard Gosse, Vice President, Exploration; Nikolay Hristov, Vice President,

Sustainability and External Relations; and Mirco Nolte, Vice President, Operational Excellence, all have direct and relevant experience conducting business in Bulgaria. David Rae; Zebra Kasete, Vice President and Managing Director, DPMT; and Mirco Nolte, all have direct and relevant experience conducting business in Namibia.

Fund Transfers from the Company's Subsidiaries to DPM

In executing certain normal course monetary transactions, funds are transferred between the Company and its Subsidiaries by way of wire transfer. These transactions would typically include the payment of applicable fees for services; reimbursement of costs incurred by the Company on behalf of the Subsidiaries; repayment of interest and/or principal on intercompany loans; and the return of capital or payment of dividends from Subsidiaries. Capital funding arrangements are established between the Company and its Subsidiaries, with defined terms and conditions. The return of capital, or dividends, are declared and paid, if appropriate, after consideration of the current and projected profitability and available liquidity of the applicable subsidiary. Where regulatory conditions exist in the form of exchange controls, all necessary approvals are obtained in advance of the proposed transactions.

Removal of Directors of Subsidiaries

In respect of its wholly owned Subsidiaries, subject to applicable local corporate laws and the respective constating documents, the Company may remove directors of these Subsidiaries from office either by way of a resolution duly passed at a shareholders' meeting or by way of a written shareholders' resolution.

Records Management of the Company's Subsidiaries

The original minute books, corporate seal and corporate records of each of the Company's Subsidiaries are kept at each subsidiary's respective registered office.

Language and Cultural Differences

Differences in cultures and practices between Canada and each emerging market in which the Company operates are addressed by employing competent staff in Canada and the applicable emerging market jurisdiction who are familiar with the local laws, business culture and standard practices, have local language proficiency, are experienced in working in that jurisdiction and in dealing with the relevant government authorities and have experience and knowledge of the local banking systems and treasury requirements.

DIVIDEND POLICY

Consistent with the Company's disciplined capital allocation framework, on February 13, 2020, the Board approved the introduction of a quarterly dividend, with the declaration of a dividend equal to $0.02 per common share, payable on April 15, 2020 to shareholders of record as at 5:00 p.m. Toronto local time on March 31, 2020. The level of this dividend was set with the intention of establishing a sustainable dividend based on the Company's free cash flow outlook and is expected to allow the Company to build additional balance sheet strength to support further growth, a key element of DPM's strategy. With strong free cash flow expected from the business in the coming years based on the current market environment, the Company may consider increasing its regular dividend and/or, from time to time, declaring a supplemental dividend.

The declaration, amount and timing of any future dividend is at the sole discretion of the Board and will be assessed based on the Company's capital allocation framework, having regard for the Company's financial position, overall market conditions, and its outlook for sustainable free cash flow, capital requirements, and other factors considered relevant by the Board.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of DPM consists of an unlimited number of common shares and an unlimited number of preference shares. As of March 30, 2020, there are 180,901,184 common shares issued and outstanding, on a non-diluted basis, and no preference shares are issued and outstanding.

Common Shares

Holders of common shares are entitled to receive: (a) notice of and attend any meeting of the Common Shareholders of the Company and the right to attend such meetings, except class meetings of other classes of shares and are entitled to one vote for each share held; and (b) dividends at the discretion of the Board. Additionally, subject to the rights of holders of any shares ranking prior to the common shares, the holders of the common shares shall be entitled to receive the remaining property of the Company upon liquidation, dissolution or the winding-up of the Company.

Preference Shares

The directors of the Company may at any time and from time to time issue preference shares in one or more series, having such rights, restrictions, conditions and limitations attaching thereto as shall be determined by resolution of the Board and prescribed by the articles of the Company.

In the event of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or other distribution of the assets of DPM among its shareholders for the purpose of winding-up its affairs, the preference shares of each series shall: (a) be entitled to preference over the common shares and over any other shares in the capital stock of the Company ranking junior to the preference shares with respect to the payment of dividends and the distribution of assets of the Company; and (b) rank pari passu with the preference shares of every other series with respect to priority in payment of dividends and in the distribution of assets.

The rights, privileges, restrictions and conditions attaching to the preference shares as a class may be repealed, altered, modified, amended or amplified with the approval of the holders of 66 2/3% of the votes cast at a meeting of the holders of preference shares.

Any consent or approval given by the holders of preference shares shall be deemed to have been sufficiently given if it is given in writing by the holders of all of the outstanding preference shares or by a resolution passed at a meeting of holders of preference shares called in accordance with the articles of the Company and carried by the affirmative vote of not less than 66 2/3% of the votes cast at such meeting, in addition to any other consent or approval required by law. On every poll taken at every such meeting every holder of preference shares shall be entitled to one vote in respect of each preference share held.

The holders of preference shares are not entitled to vote separately as a class or series upon a proposal to: (a) increase or decrease any maximum number of authorized preference shares, or increase any maximum number of authorized shares or any class of shares having rights or privileges equal or superior to the preference shares; or (b) effect an exchange, reclassification or cancellation of all or part of the preference shares.

Normal Course Issuer Bid

On February 21, 2020, DPM announced that the TSX accepted its notice of intention to renew its NCIB to repurchase certain of its common shares through the facilities of the TSX. The number of common shares that can be purchased during the period of the NCIB, which commenced on February 28, 2020 and terminates on February 27, 2021, will not exceed 9 million common shares, being approximately 5% of the 180.5 million outstanding common shares as of February 18, 2020 and is also subject to other requirements of the TSX. The actual timing and number of common shares that may be purchased pursuant to the NCIB will be subject to 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 30, 2020, the Company had not purchased any Common Shares under the NCIB.

Share Incentive Plans

The Company also has stock options, deferred share units, performance share units and restricted share units. See the notes to the Company's audited consolidated financial statements for the year ended December 31, 2019 and the Company's most recently filed management information circular, which are available on the Company's website at www.dundeeprecious.com and have been filed on the SEDAR site at www.sedar.com, for additional information regarding these securities.

MARKET FOR SECURITIES

The outstanding common shares are listed and posted for trading on the TSX under the stock symbol "DPM". The monthly trading history for the year ended December 31, 2019 for the common shares, based on the closing price on the TSX, was as follows:

Trading Price and Volume

Month 2019	Common Shares		
	High (C$)	Low (C$)	Total Volume Traded Per Month
January	4.26	3.44	9,935,905
February	4.79	4.09	7,579,467
March	4.89	4.30	6,230,378
April	4.46	3.92	4,111,710
May	4.20	3.55	7,876,629
June	4.98	3.88	8,368,312
July	4.92	4.23	7,114,316
August	5.75	4.37	8,447,914
September	5.60	4.40	10,351,698
October	4.69	4.24	6,234,060
November	5.09	4.02	5,066,121
December	6.66	4.92	27,695,680

Prior Sales

The following table summarizes the issuances of Options by DPM for the year ended December 31, 2019.

Date of Issue	Number of Options	Price per Option (C$)
March 29, 2019	644,044	$4.44
June 1, 2019	32,489	$3.74
August 1, 2019	25,150	$4.46

DIRECTORS AND OFFICERS

The following table sets forth the name, province/state and country of residence, position held with the Company and principal occupation of each of the directors and executive officers of DPM as of the date hereof. Directors of the Company hold office until the next annual meeting of shareholders or until their successors are elected or appointed.

Name, Province/State and Country of Residence	Office	Principal Occupation	Became Director/Officer
R. Peter Gillin [2] *Ontario, Canada*	Lead Director	Corporate Director	2009
Jonathan C. Goodman *Ontario, Canada*	Chair and Director	Chair and Chief Executive Officer, Dundee Corporation	1993
Richard Allan Howes *Ontario, Canada*	Director, President and CEO	President and CEO	2010
Jeremy Kinsman [2, 3] *British Columbia, Canada*	Director	Corporate Director	2007
Juanita Montalvo [3, 4] *Ontario, Canada*	Director	Managing Director, Privus Capital Inc. and Acasta CC Inc.	2017
Peter B. Nixon [2, 3] *Ontario, Canada*	Director	Corporate Director	2002
David Rae *Ontario, Canada*	Director, Executive Vice President and COO	Executive Vice President and COO	2012
Marie-Anne Tawil [1, 3, 4] *Québec, Canada*	Director	President and Chief Operating Officer at Lune Rouge	2015
Anthony P. Walsh [1, 2] *British Columbia, Canada*	Director	Corporate Director	2012
Donald Young [1, 4] *British Columbia, Canada*	Director	Corporate Director	2010
Executive Officers			
Hume Kyle *Ontario, Canada*	Executive Vice President and CFO	Officer of the Company	2011
Michael Dorfman *Ontario, Canada*	Executive Vice President, Corporate Development	Officer of the Company	2011
Kelly Stark-Anderson *Ontario, Canada*	Executive Vice President, Corporate Affairs and General Counsel and Corporate Secretary	Officer of the Company	2017
Richard Gosse *British Columbia, Canada*	Vice President, Exploration	Officer of the Company	2013
Nikolay Hristov *Ontario, Canada*	Vice President, Sustainability and External Relations	Officer of the Company	2011
Mark Crawley *British Columbia, Canada*	Vice President, Commercial Affairs	Officer of the Company	2016

Name, Province/State and Country of Residence	Office	Principal Occupation	Became Director/Officer
Iliya Garkov *Bulgaria*	Vice President and Managing Director, Bulgaria	Officer of the Company	2011
Zebra Kasete *Namibia*	Vice President and Managing Director, DPMT	Officer of the Company	2016
Mirco Nolte *Bulgaria*	Vice President, Operational Excellence	Officer of the Company	2019
Matthieu Risgallah *Ontario, Canada*	Vice President, Technology	Officer of the Company	2019
Alex Wilson *Ontario, Canada*	Vice President, Human Resources	Officer of the Company	2018

1. *Member of the Audit Committee;*
2. *Member of the Compensation Committee;*
3. *Member of the Corporate Governance and Nominating Committee; and*
4. *Member of the Health, Safety and Environment Committee.*

As of the date hereof, the directors and executive officers of the Company, as a group, held 627,762 common shares, representing less than 1% of the outstanding common shares.

Five Year Employment History

During the last five years, all the directors and executive officers have held their present principal occupations or other executive offices with the same company or a predecessor or affiliate thereof, except for:

Name of Director or Officer	Five-Year Employment History
Kelly Stark-Anderson	Prior to joining DPM in September 2017, Ms. Stark-Anderson was Vice President, Legal and Corporate Secretary, SSR Mining Inc., a Canadian based precious metals producer.
Mark Crawley	Prior to joining DPM in November 2016, Mr. Crawley was Senior Vice President, Commercial, KGHM International Limited, a wholly owned subsidiary of KGHM Polska Miedz SA, a Polish-based mining company.
Zebra Kasete	Prior to joining DPM in February 2016, Mr. Kasete was Managing Director of Rio Tinto's Murowa Diamond Pty Ltd, a Zimbabwean based diamond mining company.
Mirco Nolte	Prior to June 2019, Mr. Nolte was Corporate Director, Processing at DPM.
Matthieu Risgallah	Prior to joining DPM in August 2018, Mr. Risgallah was Director of Information Management, AkzoNobel, a Dutch paint and coating company.
Alex Wilson	Prior to joining DPM in May 2018, Ms. Wilson was Vice President, Organizational Effectiveness, Barrick Gold Corp., a mining company.

Standing Committees of the Board

There are currently four standing committees of the Board: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, and the Health, Safety and Environment Committee. The following table identifies the members of each of these committees:

Board Committee	Committee Members	Status
Audit Committee	Donald Young (Chair)	Independent
	Marie-Anne Tawil	Independent
	Anthony P. Walsh	Independent
Compensation Committee	Peter Gillin (Chair)	Independent
	Jeremy Kinsman	Independent
	Peter Nixon	Independent
	Anthony P. Walsh	Independent
Corporate Governance and Nominating Committee	Peter Nixon (Chair)	Independent
	Jeremy Kinsman	Independent
	Juanita Montalvo	Independent
	Marie-Anne Tawil	Independent
Health, Safety & Environment Committee	Juanita Montalvo (Chair)	Independent
	Marie-Anne Tawil	Independent
	Donald Young	Independent

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as noted below, no director or executive officer of DPM:

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

   (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, such order being in effect for a period of more than 30 consecutive days; or

   (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, such order being in effect for a period of more than 30 consecutive days.

Other than as noted below, no director or executive officer of DPM or a shareholder holding a sufficient number of securities of DPM to affect materially the control of DPM:

2. is, as at the date of the AIF, or has been within the 10 years before the date of the AIF, a director or executive officer of any company (including DPM) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity:

   (a) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or;

   (b) has, within the 10 years before the date of the AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder; or

3. has been subject to:

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

   (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder making an investment decision.

Hume Kyle, CFO of the Company and Peter Nixon and Marie-Anne Tawil, directors of the Company, were directors of Stornoway Diamond Corporation ("Stornoway") until November 1, March 28 and November 1, 2019, respectively. Stornoway filed for protection under the *Companies' Creditors Arrangement Act* (the "CCAA") on September 9, 2019. The CCAA process was concluded by order of the Superior Court of Quebec in November 2019 and Stornoway's operating subsidiary emerged from such process, continuing its operations on a going concern basis after the successful implementation of Stornoway's restructuring transactions. In November 2019, Stornoway made a voluntary assignment into bankruptcy pursuant to the *Bankruptcy and Insolvency Act*.

Conflicts of Interest

The directors and executive officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with the *CBCA* and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There have been no material transactions entered into since January 1, 2017 that have affected or are expected to materially affect the Company or any of the affiliates of the Company involving an officer or director of the Company, a holder of more than 10% of the common shares or any associate or affiliate of any such persons or companies.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company was not subject to any material legal proceedings throughout the recently completed financial year and there have been no penalties or sanctions imposed against the Company by a court or regulatory body for the year ended December 31, 2019.

TRANSFER AGENT AND REGISTRAR

Computershare Investor Services Inc. is the transfer agent and registrar of the common shares at its principal offices in Toronto, Ontario.

MATERIAL CONTRACTS

Other than those referred to below, there is no contract that is material to the Company that was entered into during the Company's year ended December 31, 2019, or prior thereto which is still in effect, other than a contract entered into in the ordinary course of business:

1. The Company maintains the RCF with BNP Paribas; Bank of Montreal; Canadian Imperial Bank of Commerce; Export Development Corporation; Raiffeisen Bank (Bulgaria) EAD; Raiffeisen Bank International AG; Royal Bank of Canada; and Unicredit Bank AG, originally established on February 15, 2013, and as subsequently extended and amended. As of the date hereof, tranches A and C of the RCF have been cancelled and the remaining Tranche B of the facility is comprised of $175 million and is supported by guarantees from, and by pledges of the shares of, the Company's wholly owned operating Subsidiaries. Tranche B matures in February 2022 and has a borrowing spread that varies between 2.5% and 3.5% of LIBOR depending upon the Company's funded net debt to adjusted EBITDA, as defined in the RCF. Documents in relation to RCF are available on the Company's profile on SEDAR at www.sedar.com. See "Risk Factors – Financing and Liquidity" for further details;

2. In September 2016, the Company entered into a prepaid forward gold sales arrangement with several of DPM's existing lenders whereby the Company will deliver 45,982 ounces of gold on specified dates over a 21-month period commencing in May 2019 in exchange for an upfront cash prepayment of $50.0 million. In March 2019, the Company amended its prepaid forward gold sales arrangement whereby the first six months of gold deliveries originally scheduled to commence in May 2019 are to be now 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. Delivery of this gold will be in the form of unallocated gold credits sourced from any of the Company's own mines and will occur 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. Documents in relation to prepaid forward gold sales arrangement are available on the Company's profile on SEDAR at www.sedar.com.

3. On January 24, 2017, the Company completed a non-brokered private placement with the EBRD, pursuant to a subscription agreement dated December 22, 2016, entered into between the Company and the EBRD, upon which the Company issued 17,843,120 common shares at a price of C$2.45 per share for gross proceeds of $33.2 million. As a result of this transaction, the EBRD holds approximately 9.99% of the Company's common shares (on a non-diluted basis). As part of EBRD's investment, DPM has undertaken to comply with various EBRD environmental, social, economic inclusion, equal opportunity and reporting standards. DPM also covenanted to maintain its 100% ownership interest in DPMK until project completion. EBRD has been granted certain rights, including a right to maintain its pro rata equity interest in DPM so long as it holds a 5% equity interest in DPM. Documents in relation to the non-brokered private placement are available on the Company's profile on SEDAR at www.sedar.com.

NAMES OF EXPERTS

Names of Experts

The following are the names of each of the QPs and other experts who are named as having prepared or certified a report, valuation, statement or opinion described, or included in a filing, or referred to in a filing, made under National Instrument 51-102, Continuous Disclosure Obligations ("NI 51-102") by DPM during, or relating to, the financial year ended December 31, 2019, whose profession or business gives authority to such report, valuation, statement or opinion:

1. PricewaterhouseCoopers LLP ("PwC") provided an auditor's report dated February 13, 2020 in respect of the Company's consolidated financial statements for the year ended December 31, 2019. PwC has advised that it is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario;

2. Richard Gosse, MSc (Mineral Exploration), P.Geo, Vice President, Exploration of the Company, who is a QP and not independent of the Company, for the purposes of NI 43-101, has reviewed all geoscientific information contained herein;

3. Ross Overall, BSc (Hons), CSci, MIMMM, FGS, Corporate Mineral Resource Manager of the Company, who is a QP and not independent of the Company, for the purposes of NI 43-101, has reviewed all technical information contained herein;

4. Petya Kuzmanova, MIMMM, CSci, Senior Resource Geologist of the Company, who is a QP and not independent of the Company, for the purposes of NI 43-101, has reviewed technical information contained herein with respect to the Company's Chelopech mine, Bulgaria;

5. Simon Meik, BSc (Hons), PhD, FAusIMM, an Independent Metallurgical Consultant, and formerly Corporate Director, Processing, of the Company, who is a QP, for the purposes of NI 43-101, and not independent of the Company, has reviewed the information contained herein with respect to the Company's Ada Tepe mine, Bulgaria;
6. Galen White, BSc (Hons), FAusIMM, FGS, Principal Consultant of CSA Global, is an independent QP, for the purposes of NI 43-101, who has reviewed certain technical information contained herein with respect to the geology and Mineral Resources relating to the Company's Ada Tepe mine, Bulgaria;
7. Karl van Olden, BSc (Eng)(Mining), GDE, MBA, FAusIMM, Mining Manager of CSA Global, is an independent QP, for the purposes of NI 43-101, who has reviewed technical information contained herein with respect to the Chelopech Mineral Reserve estimates and Ada Tepe mine Mineral Reserve estimates;
8. Peter Corrigan, BAI, CEng of Golder Associates (UK) Ltd. / Golder Associates Ireland Ltd., is an independent QP, for the purposes of NI 43-101, who has reviewed all technical information regarding the EIA, closure and rehabilitation and engineering plan contained herein with respect to the Company's Ada Tepe mine, Bulgaria;
9. Maria O'Connor, BSc (Hons), MAusIMM, MAIG, Director/Principal Resource Geologist of CSA Global (UK), is an independent QP, for the purposes of NI 43-101, who has reviewed technical information contained herein with respect to the Chelopech Mineral Resources estimates and the Company's Timok gold project, Serbia;
10. David Muir, BSc (Hons), MAIG, Principal Data Geologist of CSA Global (UK), is an independent QP, for the purposes of NI 43-101, who has reviewed technical information contained herein with respect to the Company's Timok gold project, Serbia;
11. Gary Patrick, BSc, MAusIMM, CP Met, Senior Associate Metallurgist of CSA Global (UK), is an independent QP, for the purposes of NI 43-101, who has reviewed technical information contained herein with respect to the Company's Chelopech mine, Bulgaria and its Timok gold project, Serbia;
12. Alex Veresezan, M.Sc., P.Eng., Principal Mining Engineer of CSA Global Consultants Canada Inc., is an independent QP, for the purposes of NI 43-101, who has reviewed technical information contained herein with respect to the Company's Timok gold project, Serbia; and
13. Greg Trout, P.Eng., of AGP Mining Consultants Inc., is an independent QP, for the purposes of NI 43-101, who has reviewed technical information contained herein with respect to the Company's Timok gold project, Serbia.

INTEREST OF EXPERTS

To the best knowledge of the Company, and as of the date hereof, the QPs referred to above do not have any interest in any securities of the Company or its associates or affiliates, nor do they expect to receive or acquire any such interests other than Richard Gosse, whose interests in securities of the Company represents less than 1% of the Company's outstanding common shares.

AUDIT COMMITTEE DISCLOSURE

Audit Committee Mandate

The responsibilities and duties of the Audit Committee are set out in the Audit Committee's mandate, the full text of which is attached as Appendix "B" hereto.

Composition of the Audit Committee

As at December 31, 2019, the Audit Committee was composed of three members, being Donald Young as Chair, Marie-Anne Tawil and Anthony P. Walsh, all of whom are independent and financially literate for the purposes of understanding the accounting principles used by the Company in the preparation of its financial statements in accordance with National Instrument 52-110, Audit Committees.

The Audit Committee met 4 times during the year ended December 31, 2019.

Relevant Education and Experience of Audit Committee Members

Mr. Young, FCPA, FCA serves as Chair of the Audit Committee. He is a retired KPMG audit partner. Mr. Young also worked as a KPMG management consulting partner focused on risk management, assessments and governance. Before joining KPMG, he worked for Placer Development Ltd. (now Barrick Gold Corp). He currently serves on the board and chairs the audit committee of Midas Gold Corp. He has served on the boards and chaired audit committees of other publicly listed mining companies and served on the governing boards of not-for-profit organizations, including Science World British Columbia, British Columbia Safety Authority and the Canadian Institute of Chartered Accountants. Mr. Young is a Fellow and past President of the British Columbia Chartered Accountants and is a member of the Institute of Corporate Directors ("ICD"). Mr. Young attended several courses during 2019 in relation to his role as a director including financial, regulatory and corporate governance courses.

Ms. Tawil is a member of the Bar of the Province of Quebec and holds a Master of Business Administration from the John Molson School of Business. Ms. Tawil has over 30 years of legal experience, principally in corporate, commercial and securities law, and over 20 years of management experience. She practiced law with Stikeman Elliott LLP and McCarthy Tetrault LLP and, in 1984, joined Quebecor Inc. as Legal Counsel, and also served as Corporate Secretary from 1987 until 1990. Ms. Tawil was previously Chair of the board of Société de l'Assurance Automobile du Québec, served on the board and audit committee of Hydro Quebec from 2015 to 2017, and most recently served on the board of Stornoway Diamond Corporation from 2015 to 2019. Ms. Tawil earned an ICD.D designation from the ICD and during 2019, participated in over 30 hours of professional development courses (Quebec Bar) and over 20 hours of professional development courses and conferences relating to corporate governance and audit related matters, through the ICD.

Mr. Walsh holds a Chartered Professional Accountant designation and was the President and Chief Executive Officer of Sabina from 2008 to 2011, prior to which he served as President and Chief Executive Officer of Miramar Mining Corporation ("Miramar") between 1999 and 2007, prior to which he served as the Vice President, Finance and Chief Financial Officer of Miramar from 1995. Mr. Walsh has been involved in the mining business for over 25 years, and prior to joining Miramar, was the chief financial officer and Senior Vice President, Finance of International Corona Mines Ltd., a major North American gold producer, from 1989 to 1992. From 1985 to 1989, Mr. Walsh was Vice President, Finance of International Corona Mines Ltd. From 1973 to 1985, he held various positions at Deloitte, Haskins & Sells, a firm of Chartered Accountants. Mr. Walsh has been a member of the Canadian Institute of Chartered Accountants since 1976. He currently serves on the board and chairs the audit committees of two other publicly traded exploration and development companies. During 2019, Mr. Walsh participated in numerous continuing education courses and seminars relating to compensation, corporate governance, accounting and audit, and security related matters.

Policy Regarding Pre-approval of Non-Audit Services

In accordance with its mandate, the Audit Committee has established policies and procedures for the pre-approval of allowable non-audit services provided by the Company's external auditor that safeguard the independence of the auditor. These policies and procedures provide for, among other things: all non-audit services being pre-approved by the Audit Committee or its Chair; quarterly reporting that sets out all non-audit services pre-approved and/or incurred by the auditor during the quarter; the Audit Committee's review of the independent status of the auditor in light of the services provided to the Company and its Subsidiaries during the quarter; and confirmation by the auditor, at least annually, of its continued independence from the Company.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year, was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Audit Fees

The following table presents the fees billed to the Company from its external auditor, PwC, by category, for the years ended December 31, 2019 and December 31, 2018:

Category of Fees ($ in thousands)	**December 31, 2019**	**December 31, 2018**
Audit fees [1]	571	601
Audit-related fees [2]	7	29
Tax fees [3]	26	15
All other fees [4]	13	14
Total	**617**	**659**

1. *Audit fees include the PwC audit of the year-end financial statements for consolidated DPM and certain Subsidiaries and the corresponding interim reviews of these financial statements;*
2. *The audit-related fees include services performed on regulatory and transaction documents;*
3. *Tax fees include services for routine tax compliance; and*
4. *All other fees include an external survey and the Canadian Public Accountability Board fee.*

The Company's auditor is PwC, who has audited the Company's consolidated financial statements since 2002 and expressed its opinion on the Company's consolidated financial statements. PwC has advised the Company that it is independent in accordance with the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

ADDITIONAL INFORMATION

Additional information related to the Company may be found on SEDAR at www.sedar.com. Additional information with respect to the Company, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, as applicable, is contained in the Company's annual meeting management information circular for its most recently completed annual meeting of shareholders that involved the election of directors. Additional financial information is provided in the Company's annual audited consolidated financial statements and notes thereto and MD&A for the year ended December 31, 2019, which is available on the Company's website at www.dundeeprecious.com and has been filed on the SEDAR site at www.sedar.com.

For additional copies of this AIF, please contact: The Secretary, Dundee Precious Metals Inc., 1 Adelaide Street East, P.O. Box 195, Suite 500, Toronto, Ontario, M5C 2V9, or by telephone at (416) 365-5191, by fax at (416) 365-9080 or email at invest@dundeeprecious.com.

APPENDIX "A" - GLOSSARY OF MINING TERMS

The following is a glossary of terms that appear in this AIF:

"AAS"	Atomic Absorption Spectrophotometry, an analytical method for determining concentrations of elements
"Assay"	A chemical test of metallurgical samples to determine the metal content.
"BQ"	A diamond drill core size, 36.5 millimetres in diameter
"Bulk Density"	The density of a rock sample or any material is the ratio of the mass of the rock/material to a given volume of sample. It can be defined as the concentration of matter
"Core"	A cylinder of rock produced by diamond drilling
"Cut-off Grade"	A grade level below which the material is not ore and considered to be uneconomical to mine and process
"Decline"	A passageway from surface or underground connecting one or more levels in a mine or underground development, providing adequate traction for heavy, self-propelled equipment
"Diamond drill"	A type of rotary drill in which the cutting is done by abrasion rather than percussion. The cutting bit is set with diamonds and is attached to the end of long hollow rods through which water is pumped to the cutting face. The drill cuts a core of rock which is recovered in long cylindrical sections, an inch or more in diameter
"Dip"	The angle which a geological structure forms with a horizontal surface, measured perpendicular to the strike of the structure
"Epithermal"	A term applied to deposits formed at shallow depths from ascending solutions of moderate temperatures
"Feasibility Study"	A comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis, that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a pre-feasibility study
"Fire Assay"	A type of analytical procedure that involves the heat of a furnace and a fluxing agent to fuse a sample to collect any precious metals (such as gold) in the sample. The collected material is then analyzed for gold or other precious metals by weight or spectroscopic methods
"Flotation"	Milling process that uses bubbles to capture valuable mineral particles that float to the surface, thereby separating them from waste which sinks to the bottom
"Grade"	The amount of valuable mineral in each tonne of ore, expressed as g/t for precious metal and as a percentage by weight for other metals such as copper and zinc
"Holding Furnace"	Used to provide holding capacity between the continuous ausmelt smelting process and the batch converting process
"HQ"	A diamond drill core size, 63.5 millimetres in diameter
"Indicated Mineral Resource"	The part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve

"Inferred Mineral Resource"	The part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration
"Measured Mineral Resource"	The part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve
"Metallurgy"	The science of extracting metals from ores by mechanical and chemical processes and preparing them for use
"Mill"	A plant where ore is crushed and ground to expose metals or minerals of economic value, which then undergo physical and/or chemical treatment to extract the valuable metals or minerals
"Mineral Reserve"	The economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. Mineral Reserves are sub-divided in order of increasing confidence into Probable Mineral Reserves and Proven Mineral Reserves. A Probable Mineral Reserve has a lower level of confidence than a Proven Mineral Reserve
"Mineral Resource"	A concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource
"Mineralization", "mineralized material", "mineralized deposit" or "deposit"	A mineralized body which has been intersected by sufficient closely spaced drill holes and/or sampling to support sufficient tonnage and average grade of metal(s) to warrant further exploration-development work. A deposit does not qualify as a commercially mineable ore body until a final and comprehensive economic, technical, and feasibility study based upon the test results is concluded and supports Proven/Probable Mineral Reserves
"Mineral Symbols"	"Ag" – Silver; "As" – Arsenic; "Au" – Gold; "AuEq" – Gold Equivalent; "Bi" – Bismuth; "Cu" – Copper; "CuEq" – Copper Equivalent; "Mo" – Molybdenum; "Pb" – Lead; "S" – Sulphur; "Sb" – Antimony; SO_2 – Sulphur Dioxide; "Zn – Zinc
"Modifying Factors"	Modifying Factors are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors
"Multiple Indicator Kriging"	A grade estimation technique which uses a series of Ordinary Kriging estimates of binary transformed data
"NGM"	A diamond drill core size, 56.1 millimetres in diameter

"NQ"	A diamond drill core size, 47.6 millimetres in diameter
"Ordinary Kriging"	A grade estimation technique using geostatistical methods, which uses the actual analytical data
"Ore"	A metal or mineral or a combination of these of sufficient value as to quality and quantity to enable it to be legally mined at a profit
"Preliminary Feasibility Study"	A comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a QP, acting reasonably, to determine if all or part of the Mineral Resource may be converted to a Mineral Reserve at the time of reporting. A preliminary feasibility study is at a lower confidence level than a feasibility study
"PQ"	A diamond drill core size, 85 millimetres in diameter
"Preliminary Economic Assessment"	A study, other than a pre-feasibility or feasibility study, that includes an economic analysis of the potential viability of mineral resources
"Probable Mineral Reserve"	The economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve
"Proven Mineral Reserve"	The economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors
"Pyrite"	A mineral consisting of sulphur and iron, usually of the formula FeS_2
"Re"	Rhenium
"Reverberatory Furnace"	A copper concentrate and secondary's smelting furnace
"Royalty"	A proportion of the cash flow which is paid to the government or other party with an interest in a mine
"Semi-Autogenous Grinding"	A process that uses the tumbling action of the material being ground, in combination with some additional material, such as steel balls, introduced to improve the grinding
"Strike"	Horizontal direction or trend of a geological structure
"Tailings"	The material that remains after all metals or minerals of economic interest have been removed from the ore during metallurgical treatment
"Trench sampling"	A sampling technique in which a shallow linear excavation is made in the ground surface, which is then methodically sampled, generally along one wall

APPENDIX "B" - MANDATE OF THE AUDIT COMMITTEE

Amended: July 30, 2019
Adopted: November 5, 2004

MANDATE OF THE AUDIT COMMITTEE

Purpose

To assist the board of directors (the "Board") of Dundee Precious Metals Inc. (the "Company") in fulfilling its oversight responsibilities for:

(a) the integrity, quality and transparency of the Company's financial statements;

(b) the Company's internal control over financial reporting;

(c) the Company's compliance with legal and regulatory requirements which relate to financial reporting;

(d) the Internal Audit department;

(e) the appointment (subject to shareholder ratification) of the Company's external auditor (the "External Auditor") and approval of its compensation, as well as responsibility for its independence, qualifications and performance of all audit and audit-related work; and

(f) such other duties as may be assigned to it from time to time by the Board.

The function of the audit committee (the "Committee") is oversight. The members of the Committee are not full-time employees of the Company. The Company's management is responsible for the preparation of the Company's financial statements in accordance with applicable accounting standards, laws and regulations. The Company's External Auditor is responsible for the audit and review, as applicable, of the Company's financial statements in accordance with applicable auditing standards, laws and regulations.

In carrying out its oversight role, the Committee and the Board recognize that the Company's management is responsible for:

(a) implementing and maintaining suitable internal controls and disclosure controls;

(b) the preparation, presentation and integrity of the Company's financial statements; and

(c) the appropriateness of the accounting principles and reporting policies that are used by the Company.

Composition

The Committee shall consist of at least three members of the Board. The Board will appoint the Committee members and the Committee Chair.

The Board will ensure that the Chair of the Committee and its members are independent and financially literate, in accordance with applicable corporate and securities laws, regulations, and stock exchange rules.

Procedures, Powers and Duties

The Committee will meet at least four times a year. The Committee will invite members of management, representatives of the external and internal auditors or others to attend meetings and provide pertinent information, as necessary. Any director of the Company may attend meetings of the Committee. All regularly scheduled meetings shall include in camera sessions with each of the External Auditor, head of Internal Audit and Chief Financial Officer. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

The Chair of the Committee has the authority to convene additional meetings, as circumstances warrant. Any member of the Committee, the Chair of the Board, Chief Executive Officer and the Chief Financial Officer shall be entitled to request that the Chair of the Committee call a meeting promptly on receipt of such request.

No business shall be transacted by the Committee, except at a meeting where a majority of the members are present, either in person or by telephone or video conference.

The Committee may:

(a) engage outside legal, audit or other counsel and/or advisors at the Company's expense, without the prior approval of the Board;

(b) set and pay the compensation of any advisors employed by the Committee;

(c) review any legal counsel's reports of evidence of a material violation of security laws or breaches of fiduciary duty;

(d) seek any information it requires from employees – all of whom are directed to cooperate with the Committee's request – or external parties; and

(e) meet and/or communicate directly with Company officers, External Auditor or outside legal counsel, as necessary.

The Committee's business will be recorded in minutes of the Committee, and a report on the activities of the Committee will be made to the Board following each regularly scheduled meeting of the Committee.

Responsibilities

The following responsibilities shall be the common recurring activities of the Committee in carrying out its responsibilities and shall serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of business, legal, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to its purpose.

The Committee will carry out the following responsibilities:

Financial Statements and Related Disclosure Documents

- Review and discuss with management and the External Auditor the interim and annual consolidated financial statements and the related disclosures contained in Management's Discussion and Analysis and news releases and approve, or where required recommend to the Board for approval, in each case subject to any required change being made, prior to the public disclosure of this information by the Company. Such discussion shall include:

  (a) the External Auditor's judgment about the quality, not just the acceptability, of accounting principles applied by the Company;

  (b) the reasonableness of any significant judgments made;

  (c) the clarity and completeness of the financial statement disclosure;

  (d) any accounting adjustments that were noted or proposed by the External Auditor but were not made because they were immaterial or otherwise; and

  (e) any communication between the audit team and their national office or a subject matter specialist relating to accounting or auditing issues encountered during their work.

- Review disclosures related to any insider and related party transactions.

Internal Controls

- Periodically review and assess with management, the internal auditor, and the External Auditor the adequacy and effectiveness of the Company's systems of internal control over financial reporting and disclosure, including policies, procedures and systems to assess, monitor and manage the Company's assets, liabilities, revenues and expenses. In addition, the Committee will review and discuss the appropriateness and timeliness of the disposition of any recommendations for improvements in internal control over financial reporting and procedures.

- Obtain and review reports of the External Auditor and reports of the internal auditor on significant findings and recommendations on the Company's internal controls, together with management's responses.

- Periodically discuss with management and the internal auditor the Company's policies regarding financial risk assessment and financial risk management. While it is the responsibility of management to assess and manage the Company's exposure to financial risk, the Committee will discuss and review guidelines and policies that govern the process. The discussion may include the Company's financial risk exposures and the steps management has taken to monitor and control such exposures.

External Auditor

1. Receive reports directly from and oversee the External Auditor.
2. Discuss with representatives of the External Auditor the plans for their quarterly reviews and annual audit, including the adequacy of staff and their proposed fees and expenses. The Committee will have separate discussions with the External Auditor, without management present, on:
   (a) the results of their annual audit and quarterly reviews;
   (b) any difficulties encountered in the course of their work, including restrictions on the scope of activities or access to information;
   (c) management's response to audit or quarterly review issues; and
   (d) any disagreements with management.
3. Pre-approve all audit and allowable non-audit fees and services to be provided by the External Auditor in accordance with securities laws and regulations, the Chartered Professional Accountants of Ontario's Rules of Professional Conduct and any policies and procedures established from time to time by the Company pertaining to the pre-approval and reporting of such services. The Committee delegates to the Chair the authority to pre-approve non-audit services provided that such pre-approval of non-audit services must be presented to the full Committee at its first scheduled meeting following such pre-approval. In addition, the pre-approval requirement shall be satisfied if:
   (a) the aggregate amount of all the non-audit services that were not pre-approved constitutes no more than five per cent of the total amount of revenues paid by the Company to its External Auditor during the fiscal year in which the services are provided;
   (b) the services were not recognized by the Company at the time of the engagement to be non-audit services; and
   (c) the services are promptly brought to the attention of the Committee and are approved, prior to the completion of the audit, by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.
4. Recommend to the Board that it recommend to the shareholders of the Company the appointment and termination of the External Auditor.
5. Receive reports in respect of the quarterly review and audit work of, and any other services provided by, the External Auditor and, where applicable, oversee the resolution of any disagreements between management and the External Auditor. Management shall ensure that the Committee receives a full report either directly from the External Auditor or from management on all services provided by the External Auditor and shall ensure that all required pre-approvals are obtained. All services to be provided by the External Auditor shall be supported by an engagement letter signed by a duly authorized representative of the Company.
6. Ensure that at all times there are direct communication channels between the Committee and the External Auditor of the Company to discuss and review specific issues, as appropriate.
7. Meet separately, on a regular basis, with management and the External Auditor to discuss any issues or concerns warranting Committee attention. As part of this process, the Committee shall provide sufficient opportunity for the External Auditor to meet privately with the Committee.
8. At least annually, obtain and review a report by the External Auditor describing all relationships between the External Auditor and the Company in order to assess External Auditor independence and receive a letter each year from the External Auditor confirming its continued independence.
9. Allow the External Auditor of the Company to attend and be heard at each quarterly meeting of the Committee and such other meetings of the Committee as requested by the Chair.
10. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former External Auditor of the Company.
11. At least annually, evaluate the External Auditor's qualifications, performance and independence, including that of the External Auditor's lead partner, and report the results of such review to the Board; and
12. At least every five years, conduct a more comprehensive review of the External Auditor's performance and report the results of such review to the Board.

Internal Audit

1. Review and approve Internal Audit's charter, including its authority and organizational reporting lines on an annual basis.
2. Review, discuss and, if appropriate, approve the annual audit plan for the internal audit department. Such plan will normally include key priorities, initiatives and planned audits; internal and external resource requirements; and the financial budget required to support these activities.
3. Discuss Internal Audit's performance, longer term plans, and staffing requirements.
4. In advance, approve the appointment, termination, bonuses and other special compensation awards as well as changes proposed by management in base compensation for the head of internal audit.
5. Ensure that at all times there are direct communication channels between the Committee and the head of internal audit of the Company to discuss and review specific issues, as appropriate. Meet periodically with the head of internal audit of the Company without the presence of management and the External Auditor.

Speak Up

1. Establish and review procedures established with respect to employees and third parties for:
   (a) the receipt, retention and treatment of complaints received by the Company, confidentially and anonymously, regarding accounting, financial reporting and disclosure controls and procedures, or auditing matters as well as other alleged illegal or unethical behaviour; and
   (b) dealing with the reporting, handling and taking of remedial action with respect to alleged violations of accounting, financial reporting and disclosure controls and procedures, or auditing matters, as well as other alleged illegal or unethical behaviour, in accordance with the Company's related policy and procedures.

Compliance

1. Review disclosures made by the Company's Chief Executive Officer and Chief Financial Officer regarding compliance with their certification obligations as required by the regulators.
2. Review the Company's Chief Executive Officer and Chief Financial Officer's quarterly and annual assessments of the design and operating effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting, respectively.
3. Review the findings of any examination by regulatory agencies, and any auditor observations.
4. Receive reports, if any, from management and legal counsel of evidence of material violation of securities laws or breaches of fiduciary duty.

Reporting Responsibilities

1. Regularly report to the Board on Committee activities, issues and related recommendations.
2. Report annually to the shareholders, describing the Committee's composition, responsibilities and how they are discharged, and any other information required by legislation.

Mandate Reviews

1. The Committee shall annually review its performance relative to this mandate, the adequacy of this mandate and recommend changes to the Board.

Other Responsibilities

1. Perform any other related activities as requested by the Board.
2. Institute and oversee special investigations, as needed.