



2022 FOURTH QUARTER REPORT

UNLOCKING VALUE. DELIVERING RESULTS.





MANAGEMENT’S DISCUSSION AND ANALYSIS

of Consolidated Financial Condition and Results of Operations
for the Three and Twelve Months Ended December 31, 2022
(All monetary figures are expressed in U.S. dollars unless otherwise stated)

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The following is Management’s Discussion and Analysis (“MD&A”) of the consolidated financial condition and results of operations of Dundee Precious Metals Inc. (“DPM” and, together with its consolidated subsidiaries, collectively referred to as the “Company”) as at December 31, 2022 and for the three and twelve months ended December 31, 2022. This MD&A should be read in conjunction with DPM’s audited consolidated financial statements for the year ended December 31, 2022 prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board. Additional Company information, including the Company’s most recent annual information form (“AIF”) and other continuous disclosure documents, can be accessed through the System for Electronic Document Analysis and Retrieval (“SEDAR”) website at www.sedar.com and the Company’s website at www.dundeeprecious.com. To the extent applicable, updated information contained in this MD&A supersedes older information contained in previously filed continuous disclosure documents. Capitalized terms used in this MD&A that have not been defined have the same meanings attributed to them as in DPM’s audited consolidated financial statements for the year ended December 31, 2022. Information contained on the Company’s website is not incorporated by reference herein and does not form part of this MD&A.

This MD&A contains forward looking statements that are based on certain estimates and assumptions and involve risks and uncertainties. Actual results may vary materially from management’s expectations. See the “Cautionary Note Regarding Forward Looking Statements” and “Risks and Uncertainties” sections later in this MD&A for further information.

Certain financial measures referred to in this MD&A are not measures recognized under IFRS and are referred to as non-GAAP financial measures or ratios. These measures have no standardized meanings under IFRS and may not be comparable to similar measures presented by other companies. The definitions established and calculations performed by DPM are based on management’s reasonable judgment and are consistently applied. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Non-GAAP financial measures and ratios, together with other financial measures calculated in accordance with IFRS, are considered to be important factors that assist investors in assessing the Company’s performance.

The Company uses the following non-GAAP financial measures and ratios in this MD&A:

- mine cash cost
- cash cost per tonne of ore processed
- mine cash cost of sales
- cash cost per ounce of gold sold
- all-in sustaining cost
- all-in sustaining cost per ounce of gold sold
- smelter cash cost
- cash cost per tonne of complex concentrate smelted
- adjusted earnings (loss) before interest, taxes, depreciation and amortization (“EBITDA”)
- adjusted net earnings (loss)
- adjusted basic earnings per share
- cash provided from operating activities, before changes in working capital
- free cash flow
- average realized metal prices

For a detailed description of each of the non-GAAP financial measures and ratios used in this MD&A and a detailed reconciliation to the most directly comparable measure under IFRS, please refer to the “Non-GAAP Financial Measures” section commencing on page 43 of this MD&A.

The technical and scientific information in this MD&A has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) of the Canadian Securities Administrators and the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) – Definition Standards adopted by CIM Council on May 10, 2014 (the “CIM Definition Standards”) for Mineral Resources and Mineral Reserves, and has been reviewed and approved by Ross Overall, B.Sc. (Applied Geology), Corporate Mineral Resource Manager of DPM, who is a Qualified Person (“QP”) as defined under NI 43-101, and who is not independent of the Company.

This MD&A has been prepared as at February 16, 2023.

OVERVIEW

Our Business

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

The Company’s purpose is to unlock resources and generate value to thrive and grow together. As illustrated in the graphic below, this overall purpose is supported by a foundation of core values, which guide how the Company conducts its business and informs a set of complementary strategic pillars and objectives relating to Environmental Social Governance (“ESG”), innovation, optimizing our existing portfolio, and growth. The Company’s resources are allocated in-line with its strategy to ensure that DPM delivers value for all of its stakeholders.



Continuing Operations:

As at December 31, 2022, DPM's principal subsidiaries include:

- 100% of Dundee Precious Metals Chelopech EAD ("Chelopech"), which owns and operates a gold, copper and silver mine located east of Sofia, Bulgaria;
- 100% of Dundee Precious Metals Krumovgrad EAD ("Ada Tepe"), which owns and operates a gold mine located in south eastern Bulgaria, near the town of Krumovgrad; and
- 92% of Dundee Precious Metals Tsumeb (Proprietary) Limited ("Tsumeb"), which owns and operates a custom smelter located in Tsumeb, Namibia.

As at December 31, 2022, DPM holds interests, directly or indirectly, in a number of exploration and development properties located in Ecuador, Serbia and Canada including:

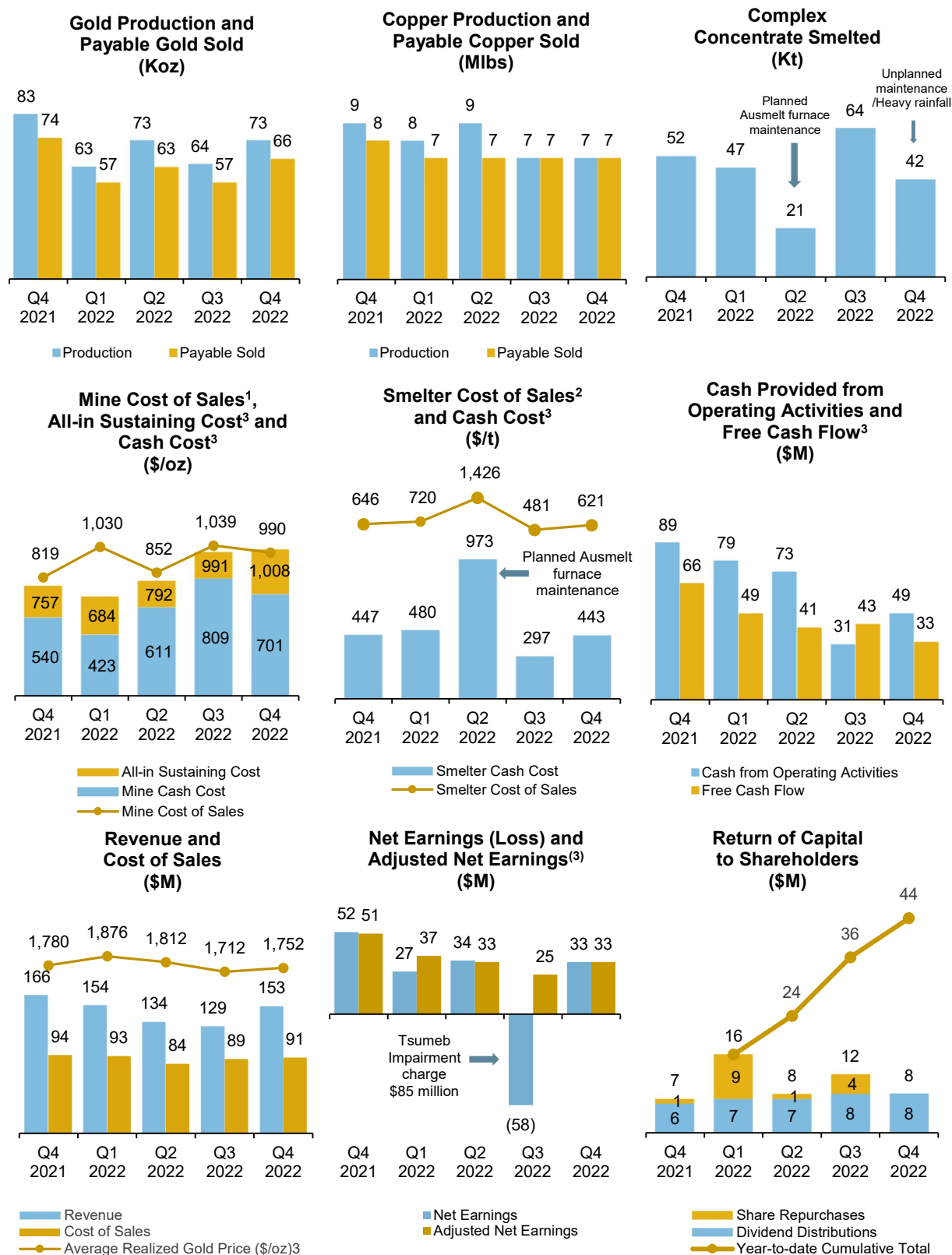
- 100% of DPM Ecuador S.A. ("DPM Ecuador"), which is focused on the exploration and development of the Loma Larga gold project located in Ecuador;
- 100% of DPM Avala d.o.o. and Crni Vrh Resources d.o.o., which are focused on the exploration and development of the Timok gold project and the exploration of the Čoka Rakita project in Serbia, respectively; and
- 6.5% of Sabina Gold and Silver Corp. ("Sabina"), which is focused on the development of the Back River project in southwestern Nunavut, Canada.

Discontinued Operations:

On May 3, 2021, DPM sold its 73.7% ownership interest in MineRP Holdings Inc. ("MineRP"), which owns MineRP Holdings (Proprietary) Limited, an independent mining software vendor with operations in Canada, South Africa, Australia and Chile ("MineRP Disposition"). As a result of the MineRP Disposition, DPM no longer owns any shares of MineRP and the operating results and cash flows of MineRP have been presented as discontinued operations in the audited consolidated statements of earnings (loss) and cash flows for the year ended December 31, 2021.

All operational and financial information contained in this MD&A are related to continuing operations, unless otherwise stated.

OPERATING AND FINANCIAL HIGHLIGHTS



1) Cost of sales per ounce of gold sold represents cost of sales for Chelopech and Ada Tepe divided by payable gold in concentrate sold. This measure is before treatment charges, freight and by-product credits, all of which are reflected in revenue, while all-in sustaining cost and cash cost per ounce of gold sold are net of by-product credits.

2) Cost of sales per tonne of complex concentrate smelted represents cost of sales for Tsumeb divided by tonnes of complex concentrate smelted. This measure is before by-product credits while cash cost per tonne of complex concentrate smelted is net of by-product credits.

3) All-in sustaining cost per ounce of gold sold; cash cost per ounce of gold sold; cash cost per tonne of complex concentrate smelted; free cash flow; average realized metal prices; and adjusted net earnings are non-GAAP financial measures or ratios. Refer to the "Non-GAAP Financial Measures" section commencing on page 43 of this MD&A for more information, including reconciliations to IFRS measures.

The following table summarizes the Company's selected operating and financial highlights for the three and twelve months ended December 31, 2022 and 2021:

<i>\$ thousands, unless otherwise indicated</i>		Three Months			Twelve Months		
Ended December 31,		2022	2021	Change	2022	2021	Change
Operating Highlights							
Metals contained in concentrate produced:							
Gold	oz	73,420	82,824	(11%)	273,109	309,965	(12%)
Copper	Klbs	7,436	9,151	(19%)	30,835	34,688	(11%)
Payable metals in concentrate sold:							
Gold	oz	65,831	73,820	(11%)	242,697	279,051	(13%)
Copper	Klbs	6,726	8,175	(18%)	27,224	32,680	(17%)
Cost of sales per ounce of gold sold	\$/oz	990	819	21%	975	819	19%
Cash cost per ounce of gold sold ⁽¹⁾	\$/oz	701	540	30%	646	465	39%
All-in sustaining cost per ounce of gold sold ⁽¹⁾	\$/oz	1,008	757	33%	885	657	35%
Complex concentrate smelted	t	41,835	51,932	(19%)	174,122	189,705	(8%)
Cost of sales per tonne of complex concentrate smelted	\$/t	621	646	(4%)	694	678	2%
Cash cost per tonne of complex concentrate smelted ⁽¹⁾	\$/t	443	447	(1%)	463	480	(3%)
Financial Highlights							
Average realized prices:							
Gold	\$/oz	1,752	1,780	(2%)	1,795	1,790	-%
Copper	\$/lb	3.65	3.77	(3%)	3.98	3.82	4%
Revenue		152,863	166,433	(8%)	569,795	641,443	(11%)
Cost of sales		91,109	94,042	(3%)	357,447	357,136	-%
Earnings before income taxes		37,632	60,274	(38%)	58,742	229,418	(74%)
Adjusted EBITDA ⁽¹⁾		58,254	84,274	(31%)	252,869	336,854	(25%)
Net earnings attributable to common shareholders from continuing operations							
Per share	\$/sh	0.18	0.27	(33%)	0.19	1.02	(81%)
Net earnings attributable to common shareholders ⁽²⁾							
Per share ⁽²⁾	\$/sh	0.18	0.27	(33%)	0.19	1.12	(83%)
Adjusted net earnings ⁽¹⁾							
Per share ⁽¹⁾	\$/sh	0.18	0.27	(33%)	0.68	1.09	(38%)
Cash provided from operating activities		49,289	88,940	(45%)	232,052	253,580	(8%)
Free cash flow ⁽¹⁾		33,263	65,807	(49%)	166,437	252,393	(34%)
Dividend distribution		7,600	5,744	32%	30,463	22,408	36%
Share repurchases		-	921	(100%)	13,619	10,410	31%
Capital expenditures incurred:							
Growth ⁽³⁾		11,162	7,419	50%	32,398	17,068	90%
Sustaining ⁽⁴⁾		16,700	12,338	35%	58,228	52,545	11%
Total capital expenditures		27,862	19,757	41%	90,626	69,613	30%
As at December 31,							
		2022	2021	Increase/ (Decrease)			
Financial Position and Available Liquidity							
Cash and cash equivalents		433,176	334,377	98,799			
Investments at fair value		40,773	47,983	(7,210)			
Available liquidity ⁽⁵⁾		583,176	484,377	98,799			

1) Cash cost per ounce of gold sold, all-in sustaining cost per ounce of gold sold, cash cost per tonne of complex concentrate smelted, adjusted EBITDA, adjusted net earnings, adjusted basic earnings per share and free cash flow are non-GAAP financial measures or ratios. Refer to the "Non-GAAP Financial Measures" section commencing on page 43 of this MD&A for more information, including reconciliations to IFRS measures.

2) These measures include discontinued operations for the twelve months of 2021.

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

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

5) Available liquidity is defined as cash and cash equivalents plus the available capacity under DPM's long-term revolving credit facility ("RCF") at the end of each reporting period.

Operating Highlights

In 2022, the Company's mine operations, Chelopech and Ada Tepe, delivered robust gold production within or towards the higher end of their respective annual guidance ranges for the year, while copper production at Chelopech was 3% below the low end of the guidance range. Despite inflationary cost pressures in 2022, the Company achieved an all-in sustaining cost per ounce of gold sold within the guidance range for the year.

- **Gold contained in concentrate produced** in the fourth quarter and twelve months of 2022 of 73,420 ounces and 273,109 ounces, respectively, was 11% and 12% lower than the corresponding periods in 2021 due primarily to mining in lower grade zones at Ada Tepe, partially offset by higher gold recoveries at Chelopech, in line with the mine plans for both operations.
- **Payable gold in concentrate sold** in the fourth quarter and twelve months of 2022 of 65,831 ounces and 242,697 ounces, respectively, was 11% and 13% lower than the corresponding periods in 2021 primarily reflecting lower gold production.
- **Copper production** in the fourth quarter and twelve months of 2022 of 7.4 million pounds and 30.8 million pounds, respectively, was 19% and 11% lower than the corresponding periods in 2021 due primarily to lower copper grades.
- **Payable copper in concentrate sold** in the fourth quarter and twelve months of 2022 of 6.7 million pounds and 27.2 million pounds, respectively, was 18% and 17% lower than the corresponding periods in 2021 due primarily to lower copper production.
- **All-in sustaining cost per ounce of gold sold** in the fourth quarter of 2022 of \$1,008 was 33% higher than the corresponding period in 2021 due primarily to higher local currency operating expenses reflecting the local inflationary environment, lower by-product credits as a result of lower volumes of copper sold, and lower volumes of gold sold, partially offset by a stronger U.S. dollar. All-in sustaining cost per ounce of gold sold in 2022 of \$885 was 35% higher than 2021 due primarily to lower volumes of gold sold, lower by-product credits, higher freight charges and higher local currency operating expenses, partially offset by a stronger U.S. dollar.
- **Complex concentrate smelted** during the fourth quarter of 2022 of 41,835 tonnes was 19% lower than the corresponding period in 2021 due primarily to a 17-day shutdown to repair a water leak in the off-gas system and instability in the power grid as a result of abnormally heavy rainfall in December. Complex concentrate smelted during 2022 of 174,122 tonnes was 8% lower than 2021 due primarily to unplanned downtime as a result of maintenance to the off-gas and baghouse systems during the year, partially mitigated by near record-level quarterly production in the third quarter of 2022.
- **Cash cost per tonne of complex concentrate smelted** in the fourth quarter and twelve months of 2022 of \$443 and \$463, respectively, was comparable to the corresponding periods in 2021 due primarily to higher sulphuric acid by-product credits and lower labour costs related to the cost optimization initiative undertaken in 2022, partially offset by lower volumes of complex concentrate smelted and higher inflationary local currency operating expenses.

Financial Highlights

Financial results from operations in 2022 reflected lower volumes of metal sold, partially offset by a stronger U.S. dollar.

- **Revenue** during the fourth quarter and twelve months of 2022 of \$152.9 million and \$569.8 million, respectively, were 8% and 11% lower than the corresponding periods in 2021 due primarily to lower volumes of gold and copper sold.
- **Cost of sales** in the fourth quarter of 2022 of \$91.1 million was 3% lower than the corresponding period in 2021 due primarily to a stronger U.S. dollar, partially offset by higher local currency mine operating expenses in Bulgaria. Cost of sales in 2022 of \$357.4 million was comparable to 2021 due primarily to a stronger U.S. dollar largely offset by higher local currency mine operating expenses in Bulgaria and higher depreciation.

- **Net earnings attributable to common shareholders from continuing operations** in the fourth quarter of 2022 were \$33.3 million (\$0.18 per share) compared to \$52.1 million (\$0.27 per share) in the corresponding period in 2021, due primarily to lower volumes of metal sold. Net earnings attributable to common shareholders from continuing operations in 2022 were \$35.9 million (\$0.19 per share) compared to \$190.7 million (\$1.02 per share) in 2021, due primarily to an impairment charge of \$85.0 million in respect of Tsumeb, as well as lower volumes of metal sold, partially offset by a stronger U.S. dollar.
- **Adjusted net earnings** in the fourth quarter and twelve months of 2022 were \$33.3 million (\$0.18 per share) and \$129.0 million (\$0.68 per share), respectively, compared to \$51.4 million (\$0.27 per share) and \$202.0 million (\$1.09 per share) in the corresponding periods in 2021, due primarily to the same factors affecting net earnings attributable to common shareholders from continuing operations, with the exception of the adjusting items primarily related to the Tsumeb impairment charge.
- **Earnings before income taxes** in the fourth quarter and twelve months of 2022 were \$37.6 million and \$58.7 million, respectively, compared to \$60.3 million and \$229.4 million in the corresponding periods in 2021. These changes reflect the same factors that affected net earnings attributable to common shareholders from continuing operations, except for income tax, which is excluded.
- **Adjusted EBITDA** in the fourth quarter and twelve months of 2022 was \$58.3 million and \$252.9 million, respectively, compared to \$84.3 million and \$336.9 million in the corresponding periods in 2021, reflecting the same factors that affected adjusted net earnings, except for interest, income tax, depreciation and amortization, which are excluded from adjusted EBITDA.
- **Cash provided from operating activities** in the fourth quarter and twelve months of 2022 of \$49.3 million and \$232.1 million, respectively, was 45% and 8% lower than the corresponding periods in 2021, due primarily to the same factors impacting earnings before income taxes, excluding the non-cash impairment charge in respect of Tsumeb, as well as timing of deliveries and subsequent receipt of cash.
- **Free cash flow** in the fourth quarter and twelve months of 2022 of \$33.3 million and \$166.4 million, respectively, was \$32.5 million and \$86.0 million lower than the corresponding periods in 2021, due primarily to the same factors impacting earnings before income taxes, excluding the non-cash impairment charge in respect of Tsumeb.
- **Return of capital to shareholders** through dividends declared of \$30.5 million (\$0.16 per share) and shares repurchased under the Normal Course Issuer Bid (“NCIB”) of \$13.6 million (Cdn\$17.6 million) in 2022, which in aggregate represented 27% of free cash flow, reflecting strong ongoing performance and significant free cash flow generation. The Board of Directors has approved the renewal of the NCIB, pending TSX approval, for the purchase of up to \$100 million of the Company’s common shares over a period of twelve months commencing after the TSX approval, subject to certain internal parameters.
- **Sustaining capital expenditures** incurred during the fourth quarter and twelve months of 2022 of \$16.7 million and \$58.2 million, respectively, were comparable to the corresponding periods in 2021 of \$12.3 million and \$52.5 million.
- **Growth capital expenditures** incurred during the fourth quarter and twelve months of 2022 were \$11.2 million and \$32.4 million, respectively, compared to \$7.4 million and \$17.1 million in the corresponding periods in 2021, due primarily to activities related to the development of the Loma Larga and Timok gold projects.
- **Strong balance sheet** as at December 31, 2022 with \$433.2 million in cash, an investment portfolio of \$40.8 million, an undrawn \$150.0 million RCF and no debt.

Growth, Exploration and Other Highlights

- **Ada Tepe updated life of mine plan:** Updated life of mine plan resulted in an estimated increase in recovered gold to concentrate of approximately 66,000 ounces, or an average of approximately 16,500 ounces of additional gold production per year for 2023 through 2026. The additional estimated production has been reflected in the Company’s three-year outlook.
- **Chelopech mine life extension:** Completed an updated Mineral Resource and Mineral Reserve estimate for Chelopech in March 2022 that extended the mine life to 2030.

- **Loma Larga gold project:** The timing for recommencing drilling activities and further advancing the environmental permitting process remain subject to an appeal process currently before the Provincial Court of Azuay. DPM has therefore taken the decision to extend the timeline for the optimization phase of the updated feasibility study (“FS”) for Loma Larga, which is now expected to be completed in the second half of 2023. This will allow DPM to evaluate additional optimization opportunities that have been identified to leverage the Company’s significant operating expertise with similar deposits, in particular Chelopech in Bulgaria. The impact of certain scope changes and inflationary cost pressures continue to be assessed as part of the updated FS.
- **Timok gold project and Čoka Rakita:** The Company is pausing further work on the Timok FS to focus on further exploration and delineation of the new high-grade discovery at Čoka Rakita in Serbia. Additional work is planned in 2023 to further assess Čoka Rakita’s Mineral Resource potential. DPM intends to release additional results from drilling in the second quarter of 2023 and is targeting an initial Mineral Resource estimate in the fourth quarter of 2023.
- **Other exploration:** An initial drill program at Tierras Coloradas tested a high-grade low sulphidation vein system, with further work planned for 2023. An advanced brownfield drill program at Chelopech was focused on supporting a Commercial Discovery application for the Sveta Petka licence.
- **ESG:** DPM scored in the 91st percentile among metals and mining companies in the 2022 S&P Global Corporate Sustainability Assessment, and was included in The Sustainability Yearbook for the second consecutive year.

For a more detailed discussion on the operating results of Chelopech, Ada Tepe and Tsumeb, activities related to the growth projects and exploration, as well as the financial results, refer to the “Review of Operating Results by Segment”, “Development and Other Major Projects”, “Exploration” and “Review of Financial Results” sections of this MD&A.

2022 ACTUAL RESULTS IN COMPARISON TO 2022 GUIDANCE

The following table provides a comparison of the Company's results to its 2022 original and updated guidance:

<i>\$ millions, unless otherwise indicated</i>		Original Consolidated Guidance ⁽¹⁾	Updated Consolidated Guidance ⁽²⁾	2022 Consolidated Results
Ore processed	Kt	2,900 - 3,100	2,900 - 3,100	2,992
Cash cost per tonne of ore processed ⁽³⁾				
Chelopech	\$/t	48 - 53	48 - 53	50
Ada Tepe	\$/t	54 - 60	54 - 60	55
Metals contained in concentrate produced ⁽⁴⁾				
Gold ⁽⁵⁾	Koz	250 - 290	250 - 290	273
Copper	Mlbs	32 - 37	32 - 37	31
Payable metals in concentrate sold				
Gold ⁽⁵⁾	Koz	220 - 255	220 - 255	243
Copper	Mlbs	28 - 32	28 - 32	27
All-in sustaining cost per ounce of gold sold ⁽³⁾	\$/oz	750 - 890	750 - 890	885
Complex concentrate smelted	Kt	210 - 240	185 - 200	174
Cash cost per tonne of complex concentrate smelted ⁽³⁾	\$/t	380 - 460	420 - 480	463
Corporate general and administrative expenses ⁽⁶⁾		26 - 30	26 - 30	29
Exploration expenses		16 - 19	22 - 25	24
Sustaining capital expenditures		57 - 66	57 - 66	58
Growth capital expenditures		31 - 49	31 - 49	32

1) As disclosed in the MD&A issued on February 17, 2022.

2) As disclosed in the MD&A issued on November 10, 2022.

3) Cash cost per tonne of ore processed, all-in sustaining cost per ounce of gold sold and cash cost per tonne of complex concentrate smelted are non-GAAP ratios. Refer to the "Non-GAAP Financial Measures" section commencing on page 43 of this MD&A for more information, including reconciliations to IFRS measures.

4) Metals contained in concentrate produced are prior to deductions associated with smelter terms.

5) Includes gold in pyrite concentrate produced of 59,082 ounces compared to guidance of 48,000 to 54,000 ounces and payable gold in pyrite concentrate sold of 40,828 ounces compared to guidance of 31,000 to 36,000 ounces, respectively.

6) Excludes mark-to-market adjustments on share-based compensation expense.

DPM achieved its 2022 gold production and delivery guidance as a result of continued strong operating performance at Chelopech and Ada Tepe, while copper was 3% below the low end of the guidance range.

Both Chelopech and Ada Tepe achieved a cash cost per tonne of ore processed toward the lower end of their respective guidance ranges for the year due primarily to a stronger U.S. dollar, partially offset by higher local currency operating expenses reflecting the local inflationary environment.

All-in sustaining cost per ounce of gold sold in 2022 of \$885 was at the higher end of the guidance range of \$750 to \$890, due primarily to lower by-product credits as a result of lower volumes of copper sold, higher treatment charges at Chelopech and higher local currency operating expenses, partially offset by a stronger U.S. dollar.

At Tsumeb, unplanned downtime and additional maintenance to the off-gas and baghouse systems due to water leaks in the first six months of 2022 resulted in a reduction in the 2022 guidance range for complex concentrate smelted as well as an increase in the guidance range for the cash cost per tonne of concentrate smelted during the second quarter of 2022. Total complex concentrate smelted for the year was 6% below the low end of the updated 2022 guidance range due primarily to additional unplanned maintenance as a result of water leaks in the off-gas system and instability in the power grid as a result of abnormally heavy rainfall in December.

Cash cost per tonne of concentrate smelted in 2022 was towards the higher end of the updated guidance range due primarily to the fixed cost nature of the facility and the impact of lower volumes of complex concentrate smelted, partially offset by a stronger U.S. dollar.

THREE-YEAR OUTLOOK

DPM continues to focus on increasing the profitability of its business by optimizing existing operating assets, which are expected to maintain high levels of gold production as highlighted in the 2023 to 2025 outlook and detailed 2023 guidance below.

2023 to 2025 Outlook

The production outlook for 2023 to 2025 is based on historical performance and experience at DPM's operations and in the case of its mining operations is consistent with the production schedules outlined in the technical report for Chelopech entitled "NI 43-101 Technical Report – Mineral Resource and Reserve Update, Chelopech Mine, Chelopech, Bulgaria" dated March 31, 2022 (the "Chelopech Technical Report"), and the news release for Ada Tepe entitled "Dundee Precious Metals Announces Life of Mine Plan with Additional Production and Updated Mineral Resource and Mineral Reserve Estimate for Ada Tepe" dated January 12, 2023, both of which have been filed on SEDAR (www.sedar.com) and are posted on the Company's website (www.dundeeprecious.com). A technical report for the Ada Tepe mine, prepared in accordance with NI 43-101 (the "Ada Tepe Technical Report"), will be filed within 45 days of the aforementioned news release. For 2024 and 2025, production and cost estimates do not fully incorporate operating performance improvements in respect of mine and smelter throughput and potential improvements to mine grades and recoveries. The 2023 to 2025 outlook is forward looking and based on certain estimates and assumptions which involve risks and uncertainties and is predicated on the conflict in Ukraine and the coronavirus ("COVID-19") pandemic having no material impact on DPM's production and costs. Actual results may vary materially from management's expectations. See the "Cautionary Note Regarding Forward Looking Statements" and "Risks and Uncertainties" sections later in this MD&A for further information.

Highlights of the three-year outlook include:

- **Maintained strong gold production levels:** Over the next three years, gold production is expected to average approximately 270,000 ounces per year based on current mine plans.
- **Stable copper production:** Copper production over the next three years is expected to average approximately 32 million pounds per year, based on current mine plans, with higher forecasted production in 2023 and 2024 compared to the previous outlook.
- **Improved all-in sustaining cost:** All-in sustaining cost per ounce of gold sold is expected to range between \$700 and \$860 in 2023 and between \$720 and \$880 for 2024 and 2025, which is lower than previously expected. This reflects the benefits of higher expected volumes of gold sold as a result of the updated life of mine plan at Ada Tepe and higher by-product credits reflecting higher copper prices, partially offset by a weaker U.S. dollar.
- **Consistent smelter performance:** The Company is forecasting complex concentrate smelted to be between 200,000 and 230,000 tonnes in each of the next three years, reflecting its expectation for a consistent rate of throughput following a plan to resolve water leak issues by April 2023. Cash cost per tonne of complex concentrate smelted is expected to trend lower over the next three-year period, reflecting the benefit of a consistent throughput level, as well as estimated cost savings associated with the ongoing comprehensive cost optimization initiative which commenced in 2022.
- **Sustaining capital expenditures:** Sustaining capital expenditures are expected to trend lower over the next three years, due primarily to the completion of the upgraded tailings management facility at Chelopech and the gradual reduction in activities at Ada Tepe as the mine approaches its end of life in 2026.

The Company's detailed guidance for 2023 is set out in the following table:

<i>\$ millions, unless otherwise indicated</i>		Chelopech	Ada Tepe	Tsumeb	Corporate and Other	Consolidated Guidance
Ore processed	Kt	2,090 - 2,200	730 - 810	-	-	2,820 - 3,010
Cash cost per tonne of ore processed ⁽¹⁾	\$/t	53 - 58	73 - 79	-	-	-
Metals contained in concentrate produced ^{(2),(3)}						
Gold	Koz	150 - 170	120 - 145	-	-	270 - 315
Copper	Mlbs	30 - 35	-	-	-	30 - 35
Payable metals in concentrate sold ⁽³⁾						
Gold	Koz	130 - 150	115 - 140	-	-	245 - 290
Copper	Mlbs	26 - 31	-	-	-	26 - 31
All-in sustaining cost per ounce of gold sold ^{(1),(4)}	\$/oz	700 - 880	530 - 630	-	-	700 - 860
Complex concentrate smelted	Kt	-	-	200 - 230	-	200 - 230
Cash cost per tonne of complex concentrate smelted ⁽¹⁾	\$/t	-	-	340 - 410	-	340 - 410
Corporate general and administrative expenses ⁽⁵⁾		-	-	-	25 - 28	25 - 28
Exploration expenses ⁽¹⁾		-	-	-	-	25 - 30
Sustaining capital expenditures ⁽¹⁾		20 - 24	10 - 13	14 - 17	2 - 3	46 - 57
Growth and other capital expenditures ^{(1),(6)}		2 - 3	0 - 1	2 - 3	18 - 24	22 - 31

1) Based on a Euro/US\$ exchange rate of 1.10, a US\$/ZAR exchange rate of 17.00, a copper price of \$4.00 per pound and a sulphuric acid price of \$95 per tonne, where applicable.

2) Metals contained in concentrate produced are prior to deductions associated with smelter terms.

3) Gold produced includes gold in pyrite concentrate produced of 45,000 to 51,000 ounces and payable gold sold includes payable gold in pyrite concentrate sold of 30,000 to 37,000 ounces.

4) Allocated general and administrative expenses are reflected in consolidated all-in sustaining cost per ounce of gold sold; however are not reflected in the all-in sustaining cost per ounce of gold sold for Chelopech and Ada Tepe, which is a change from the presentation in the Company's historical MD&A given that the nature of such expenses is more reflective of the Company's consolidated all-in sustaining cost and not pertaining to the individual operations of the Company.

5) Excludes share-based compensation expense of approximately \$3 million, before mark-to-market adjustments from movements in the Company's share price, given the volatile nature of this expense. This is a change from the historical approach to the Company's detailed guidance on corporate general and administrative expenses.

6) Growth and other capital expenditures in Corporate and Other include the estimated running cost for the Loma Larga gold project of \$10 million to \$14 million and for the Timok gold project of \$1 million to \$2 million (as detailed below), as well as a capitalized lease related to electric mobile equipment of \$7 million to \$8 million as part of the Company's ESG initiatives.

Certain key cost measures in the Company's detailed guidance for 2023 are sensitive to market assumptions, including copper price and foreign exchange rates. The following table demonstrates the effect of a 10% change in these market assumptions on consolidated all-in sustaining cost and the smelter cash cost provided in the 2023 guidance.

	2023 assumptions	Hypothetical change	All-in sustaining cost (\$/oz)	Smelter cash cost (\$/t)
Copper	\$4.00/lb	+/- 10%	+/- \$44/oz	N/A
Euro/US\$	1.10	+/- 10%	+/- \$92/oz	N/A
US\$/ZAR	17.00	+/- 10%	N/A	-\$24/t /+ \$40/t ⁽¹⁾

1) As at December 31, 2022, approximately 86% of projected Namibian dollar operating expenses for 2023 have been hedged with option contracts providing a weighted average floor rate of 15.69 and a weighted average ceiling rate of 17.69.

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

<i>\$ millions, unless otherwise indicated</i>		2022	2023	2024	2025
		Results	Guidance	Outlook	Outlook
Gold contained in concentrate produced ^{(1),(2)}					
Chelopech	Koz	179	150 - 170	160 - 180	160 - 185
Ada Tepe	Koz	94	120 - 145	85 - 105	70 - 85
Total	Koz	273	270 - 315	245 - 285	230 - 270
Copper contained in concentrate produced ⁽¹⁾					
Chelopech	Mlbs	31	30 - 35	29 - 34	29 - 34
All-in sustaining cost per ounce of gold sold ⁽³⁾	\$/oz	885	700 - 860	720 - 880	720 - 880
Complex concentrate smelted	Kt	174	200 - 230	200 - 230	200 - 230
Cash cost per tonne of complex concentrate smelted ⁽³⁾	\$/t	463	340 - 410	310 - 360	300 - 350
Sustaining capital expenditures ⁽³⁾					
Chelopech		23	20 - 24	14 - 18	12 - 15
Ada Tepe		10	10 - 13	10 - 12	8 - 10
Tsumeb		19	14 - 17	10 - 13	14 - 17
Corporate digital initiatives ⁽⁴⁾		6	2 - 3	2 - 3	2 - 3
Consolidated		58	46 - 57	36 - 46	36 - 45

1) Metals contained in concentrate produced are prior to deductions associated with smelter terms.

2) Gold produced includes gold in pyrite concentrate produced of 45,000 to 51,000 ounces for 2023, and 48,000 to 54,000 ounces in each of 2024 and 2025.

3) Based on, where applicable, a Euro/US\$ exchange rate of 1.10, a US\$/ZAR exchange rate of 17.00, and a copper price of \$4.00 per pound for all years, as well as a sulphuric acid price of \$95 per tonne in 2023, \$94 per tonne in 2024 and \$86 per tonne in 2025.

4) While corporate sustaining capital expenditures are primarily related to digital initiatives for all years, 2022 results also included the capitalized lease and leasehold improvements related to the new head office lease.

The estimated metals contained in concentrate produced, payable metals in concentrate sold and volumes of complex concentrate smelted detailed in the Company's 2023 guidance and three-year outlook are not expected to occur evenly throughout the period and are forecasted to vary from quarter to quarter depending on mine sequencing, the timing of concentrate deliveries and planned outages, including furnace maintenance shutdowns at Tsumeb. 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.

Additional detail on the Company's three-year outlook is set out below:

Chelopech

Gold and copper contained in concentrate produced are expected to be consistent with production schedules and expected grades outlined in the most recently issued technical report. Gold contained in concentrate produced remains unchanged from the previous outlook for 2023 and 2024, with the outlook for 2025 relatively consistent with 2024 production levels. The outlook for copper contained in concentrate produced in 2023 and 2024 has been revised from the previous outlook of between 32 and 39 million pounds for 2023 and between 30 and 35 million pounds for 2024.

Cash cost per tonne of ore processed is expected to be higher in 2023 as compared to 2022, primarily reflecting a stronger Euro relative to the U.S. dollar and the local inflationary environment.

Sustaining capital expenditures in 2023 are expected to be in line with 2022 results, reflecting additional costs related to the upgrade of Chelopech's tailings management facility which is expected to be completed in 2023. Sustaining capital expenditures are expected to trend lower in 2024 and decline even further in 2025. Growth capital expenditures related to resource development drilling and margin improvement projects are expected to be between \$2 million and \$3 million in 2023, relatively consistent year over year.

Ada Tepe

Gold contained in concentrate produced in 2023 and 2024 is expected to be higher than the previously issued outlook range of 115,000 to 140,000 ounces in 2023, and 69,000 to 83,000 ounces in 2024, reflecting the updated life of mine plan announced in January 2023, which included an increase of approximately 66,000 ounces of total gold recovered to concentrate for 2023 through 2026.

Cash cost per tonne of ore processed is expected to be higher in 2023 as compared to 2022, primarily reflecting lower volumes of ore processed, higher royalty payments due to higher contained ounces mined, a stronger Euro relative to the U.S. dollar and the local inflationary environment.

Sustaining capital expenditures are expected to be higher than the previous outlook range of between \$9 million and \$10 million in each of 2023 and 2024, as a result of increased costs related to Ada Tepe's integrated waste management facility, before reducing to a range of \$8 million to \$10 million in 2025.

Tsumeb

Complex concentrate smelted is expected to stabilize at the range of 200,000 and 230,000 tonnes annually for the next three years, following a plan to resolve water leak issues to the off-gas system by April 2023. Over 90% of concentrate feed is currently contracted through to the end of 2023, with the remaining feed in 2023 and additional feed thereafter expected to be contracted in the normal course.

Sustaining capital expenditures are expected to be between \$14 million and \$17 million for each of 2023 and 2025, and between \$10 million and \$13 million in 2024, reflecting the timing of scheduled maintenance shutdowns based on an expected 18-month operating cycle for the Ausmelt furnace.

Loma Larga gold project

Growth capital expenditures for 2023 associated with the Loma Larga gold project are expected to be between \$10 million and \$14 million, covering the estimated running costs for the year, which mainly include general and administrative expenses, and costs related to certain permitting, social and environmental related activities.

Upon achieving certain milestones for the project, the Company will increase its guidance for growth capital expenditures, reflecting additional funding to resume drilling and further advance permitting. The amount and timing of the spend in respect of this additional funding is dependant on the timing of achieving the respective milestones in the year.

See the "Development and Other Major Projects – Loma Larga Gold Project" section contained in this MD&A for further details.

Timok gold project

The Company is pausing work on the Timok FS to focus on further exploration at Čoka Rakita and as a result, growth capital expenditures are expected to be significantly reduced in 2023 to a range of \$1 million to \$2 million.

See the "Development and Other Major Projects – Timok Gold Project" section contained in this MD&A for further details.

Exploration expenses

Expenditures related to exploration in 2023 are expected to be between \$25 million and \$30 million due primarily to higher expected drilling activities following the positive discovery of a high-grade deposit at Čoka Rakita in Serbia, and an advanced brownfield drill program at Chelopech focusing on the Sveta Petka Commercial Discovery application process as well as additional drilling at Sharlo Dere.

See the "Exploration" section contained in this MD&A for further details.

REVIEW OF OPERATING RESULTS BY SEGMENT

Review of Chelopech Results

\$ thousands, unless otherwise indicated Ended December 31,		Three Months			Twelve Months		
		2022	2021	Change	2022	2021	Change
Operating Highlights							
Ore mined	t	556,108	569,789	(2%)	2,130,611	2,206,826	(3%)
Ore processed	t	553,088	561,986	(2%)	2,138,792	2,199,155	(3%)
Head grades:							
Gold	g/t	3.22	3.47	(7%)	3.28	3.29	(-%)
Copper	%	0.74	0.91	(19%)	0.80	0.88	(9%)
Recoveries:							
Gold in gold-copper concentrate	%	52.4	52.9	(1%)	53.3	50.0	7%
Gold in pyrite concentrate	%	26.9	25.4	6%	26.2	26.0	1%
Gold combined recoveries	%	79.3	78.3	1%	79.5	76.0	5%
Copper	%	82.9	80.8	3%	82.2	81.3	1%
Gold-copper concentrate produced	t	36,048	29,034	24%	123,046	109,915	12%
Pyrite concentrate produced	t	68,716	70,900	(3%)	267,642	269,084	(1%)
Metals contained in concentrate produced:							
Gold in gold-copper concentrate	oz	29,968	33,149	(10%)	120,053	116,433	3%
Gold in pyrite concentrate	oz	15,371	15,901	(3%)	59,082	60,568	(2%)
Total gold production	oz	45,339	49,050	(8%)	179,135	177,001	1%
Copper	Klbs	7,436	9,151	(19%)	30,835	34,688	(11%)
Cost of sales per tonne of ore processed	\$/t	71	60	18%	63	59	7%
Cash cost per tonne of ore processed	\$/t	51	54	(6%)	50	47	6%
Gold-copper concentrate delivered	t	37,848	26,994	40%	124,061	112,342	10%
Pyrite concentrate delivered	t	67,740	79,788	(15%)	266,702	267,569	(-%)
Payable metals in concentrate sold ⁽¹⁾ :							
Gold in gold-copper concentrate	oz	28,795	29,207	(1%)	110,752	111,550	(1%)
Gold in pyrite concentrate	oz	10,408	11,331	(8%)	40,828	37,747	8%
Total payable gold	oz	39,203	40,538	(3%)	151,580	149,297	2%
Payable copper	Klbs	6,726	8,175	(18%)	27,224	32,680	(17%)
Cost of sales per ounce of gold sold	\$/oz	1,006	826	22%	884	862	3%
Cash cost per ounce of gold sold	\$/oz	862	635	36%	712	543	31%
All-in sustaining cost per ounce of gold sold	\$/oz	1,253	833	50%	957	722	33%
Capital expenditures incurred:							
Growth		721	992	(27%)	3,064	3,381	(9%)
Sustaining		10,375	4,019	158%	23,863	19,186	24%
Total capital expenditures		11,096	5,011	121%	26,927	22,567	19%

1) Represents payable metals in gold-copper and pyrite concentrate sold based on provisional invoices.

Metals production

Relative to the fourth quarter of 2021, gold contained in gold-copper concentrate produced in the fourth quarter of 2022 decreased by 10% to 29,968 ounces due primarily to lower gold grades. Gold contained in pyrite concentrate produced decreased by 3% to 15,371 ounces due primarily to lower gold grades, partially offset by higher gold recoveries. During the fourth quarter of 2022, Chelopech produced low copper concentrate grade gold-copper concentrate for deliveries to third party smelters, which resulted in higher volumes of concentrate produced and improved copper and combined gold recoveries during the quarter, as compared to the fourth quarter of 2021, when all Chelopech gold-copper concentrates were delivered to Tsumeb.

Relative to 2021, gold contained in gold-copper concentrate produced in 2022 increased by 3% to 120,053 ounces due primarily to higher gold recoveries from process efficiency improvement initiatives targeting improved recoveries. Gold contained in pyrite concentrate produced in 2022 of 59,082 ounces was comparable to 2021.

Copper production during the fourth quarter and twelve months of 2022 of 7.4 million pounds and 30.8 million pounds was 19% and 11% lower than the corresponding periods in 2021 due primarily to lower copper grades, in line with the mine plan.

Metals sold

In the fourth quarter of 2022, payable gold in gold-copper concentrate sold decreased slightly to 28,795 ounces due primarily to lower gold production, partially offset by the timing of shipments. Payable copper in the fourth quarter of 2022 decreased by 18% to 6.7 million pounds, consistent with lower copper production, relative to the corresponding period in 2021. Payable gold in pyrite concentrate sold in the fourth quarter of 2022 of 10,408 ounces was 8% lower than the corresponding period in 2021 due primarily to the timing of shipments.

In 2022, payable gold in gold-copper concentrate sold of 110,752 ounces was comparable to 2021. Payable copper in 2022 decreased by 17% to 27.2 million pounds, consistent with lower copper production relative to 2021. Payable gold in pyrite concentrate sold in 2022 of 40,828 ounces was 8% higher than 2021 due primarily to higher payable gold percentage terms that were generally offset by higher treatment charges and other deductions.

Inventory

Gold-copper concentrate inventory totalled 1,841 tonnes as at December 31, 2022, down from 2,856 tonnes as at December 31, 2021. Pyrite concentrate inventory totalled 14,241 tonnes as at December 31, 2022, up from 13,301 tonnes as at December 31, 2021. These changes in inventory were due primarily to the timing of deliveries.

Cash cost measures

Cash cost per tonne of ore processed in the fourth quarter of 2022 of \$51 was 6% lower than the corresponding period in 2021 due primarily to a stronger U.S. dollar, partially offset by inflationary pressures on local currency operating expenses and lower volumes of ore processed. Cash cost per tonne of ore processed in 2022 of \$50 was 6% higher than 2021 due primarily to higher local currency operating expenses and lower volumes of ore processed, partially offset by a stronger U.S. dollar.

Cash cost per ounce of gold sold in the fourth quarter of 2022 of \$862 was 36% higher than the corresponding period in 2021 due primarily to higher local currency operating expenses, lower by-product credits as a result of lower volumes of copper sold and higher freight charges, partially offset by a stronger U.S. dollar and lower treatment charges. Cash cost per ounce of gold sold in 2022 of \$712 was 31% higher than 2021 due primarily to lower by-product credits, higher freight charges and higher local currency operating expenses, partially offset by a stronger U.S. dollar.

All-in sustaining cost per ounce of gold sold in the fourth quarter of 2022 was \$1,253 compared to \$833 in the corresponding period in 2021 due primarily to higher local currency operating expenses, lower by-product credits, higher cash outlays for sustaining capital expenditures and higher freight charges, partially offset by a stronger U.S. dollar and lower treatment charges. All-in sustaining cost per ounce of gold sold in 2022 was \$957 compared to \$722 in 2021 due primarily to lower by-product credits, higher freight charges, higher local currency operating expenses and higher cash outlays for sustaining capital expenditures, partially offset by a stronger U.S. dollar.

Capital expenditures

Capital expenditures during the fourth quarter and twelve months of 2022 of \$11.1 million and \$26.9 million, respectively, were \$6.1 million and \$4.3 million higher than the corresponding periods in 2021 due primarily to the timing of expenditures.

Mineral Reserve and Mineral Resource update

On March 31, 2022, the Company announced a mine life extension to 2030, an optimized life of mine plan and updated Mineral Resource and Mineral Reserve estimates for the Chelopech mine. The updated Mineral Reserve Estimates for Chelopech, effective as of December 31, 2021, consists of 5.8 million tonnes Proven Mineral Reserves grading 2.72 g/t of gold, 0.85% copper and 6.8 g/t of silver, for 0.51 million ounces of gold, 108.9 million pounds of copper and 1.27 million ounces of silver. Probable Mineral Reserves were 13.6 million tonnes grading 2.72 g/t of gold, 0.78% copper and 7.9 g/t of silver, for 1.19 million ounces of

gold, 233 million pounds of copper and 3.45 million ounces of silver. Total Proven and Probable Mineral Reserves were 19.3 million tonnes grading 2.72 g/t of gold, 0.80% copper and 7.6 g/t of silver, for 1.70 million ounces of gold, 341.9 million pounds of copper and 4.72 million ounces of silver.

Compared to the year-end 2020 Mineral Reserve Estimates, Chelopech successfully added 3.0 million tonnes to Mineral Reserves, which more than offset 2021 production depletion of 2.2 million tonnes for a net addition of 0.8 million tonnes, extending the life of mine to 2030. The updated life of mine plan added approximately 286,000 ounces of gold production and 47 million pounds of copper production between 2022 and 2030, relative to the previous mine plan, reflecting higher metallurgical recoveries and improved commercial terms.

Current Mineral Resources, effective as of December 31, 2021 and exclusive of Mineral Reserves, consisted of 7.0 million tonnes in the Measured Mineral Resources grading 2.95 g/t of gold, 0.96% copper and 9.30 g/t of silver, for 0.665 million ounces of gold, 148 million pounds of copper and 2.098 million ounces of silver. Indicated Mineral Resources were 6.8 million tonnes grading 2.73 g/t of gold, 0.82% copper and 11.88 g/t of silver, for 0.593 million ounces of gold, 122 million pounds of copper and 2.581 million ounces of silver. Total Measured and Indicated Mineral Resources were 13.8 million tonnes grading 2.84 g/t of gold, 0.89% copper and 10.56 g/t of silver, for 1.258 million ounces of gold, 270 million pounds of copper and 4.679 million ounces of silver.

Inferred Mineral Resources were 2.9 million tonnes grading 2.36 g/t of gold, 0.82% copper and 9.20 g/t of silver, for 0.223 million ounces of gold, 53 million pounds of copper and 0.869 million ounces of silver. The Mineral Resource demonstrates the potential to extend the mine life, if such Mineral Resources are converted to Mineral Reserves.

See the Company's press release dated March 31, 2022 entitled "Dundee Precious Metals Announces Mine Life Extension and Update to Mineral Resource and Mineral Reserve Estimates for Chelopech" for additional information, including key assumptions and parameters relating to the foregoing Mineral Resource and Mineral Reserve Estimates, as well as the Chelopech Technical Report, which have been posted on the Company's website at www.dundeeprecious.com and have been filed on SEDAR at www.sedar.com.

Review of Ada Tepe Results

<i>\$ thousands, unless otherwise indicated</i> Ended December 31,		Three Months			Twelve Months		
		2022	2021	Change	2022	2021	Change
Operating Highlights							
Ore mined	t	194,285	210,223	(8%)	733,691	992,850	(26%)
Stripping ratio (waste/ore)		3.31	2.92	13%	3.44	2.22	55%
Ore processed	t	206,153	219,325	(6%)	852,990	865,587	(1%)
Gold head grade	g/t	5.04	5.75	(12%)	4.06	5.75	(29%)
Gold recoveries ⁽¹⁾	%	84.2	83.4	1%	84.4	83.1	2%
Gold concentrate produced	t	1,716	1,870	(8%)	5,577	7,267	(23%)
Gold contained in concentrate produced	oz	28,081	33,774	(17%)	93,974	132,964	(29%)
Cost of sales per tonne of ore processed	\$/t	125	123	2%	120	115	4%
Cash cost per tonne of ore processed	\$/t	58	60	(3%)	55	52	6%
Gold concentrate delivered	t	1,655	1,930	(14%)	5,509	7,329	(25%)
Payable gold in concentrate sold ⁽²⁾	oz	26,628	33,282	(20%)	91,117	129,754	(30%)
Cost of sales per ounce of gold sold	\$/oz	965	811	19%	1,128	769	47%
Cash cost per ounce of gold sold	\$/oz	464	425	9%	537	375	43%
All-in sustaining cost per ounce of gold sold	\$/oz	648	665	(3%)	765	583	31%
Sustaining capital expenditures incurred		2,077	4,973	(58%)	9,830	18,378	(47%)

1) Recoveries are after the flotation circuit but before filtration.

2) Represents payable metals in gold concentrate sold based on provisional invoices.

Gold production

Gold contained in concentrate produced in the fourth quarter and twelve months of 2022 of 28,081 ounces and 93,974 ounces, respectively, was 17% and 29% lower than the corresponding periods in 2021 due primarily to mining in lower grade zones, in line with the mine plan. Ada Tepe, however, delivered its highest

quarterly production in the fourth quarter of 2022, following the completion of a pushback in the third quarter. Gold grades increased as planned and the operation is well positioned for higher grades in 2023, as per the mine plan.

Gold sold

Payable gold in concentrate sold in the fourth quarter and twelve months of 2022 of 26,628 ounces and 91,117 ounces, respectively, was 20% and 30% lower than the corresponding periods in 2021, consistent with lower production.

Inventory

Gold concentrate inventory totalled 97 tonnes as at December 31, 2022, up from 29 tonnes as at December 31, 2021, due primarily to the timing of deliveries.

Cash cost measures

Cash cost per tonne of ore processed in the fourth quarter of 2022 of \$58 was 3% lower than the corresponding period in 2021 due primarily to a stronger U.S. dollar, partially offset by lower volumes of gold sold and higher royalties. Cash cost per tonne of ore processed in 2022 of \$55 was 6% higher than 2021 due primarily to higher local currency operating expenses, partially offset by lower royalties and a stronger U.S. dollar.

Cash cost per ounce of gold sold in the fourth quarter and twelve months of 2022 of \$464 and \$537, respectively, was 9% and 43% higher than the corresponding periods in 2021 due primarily to lower volumes of gold sold and higher local currency operating expenses, partially offset by a stronger U.S. dollar.

All-in sustaining cost per ounce of gold sold in the fourth quarter of 2022 was \$648 compared to \$665 in the corresponding period in 2021 due primarily to lower cash outlays for sustaining capital expenditures and a stronger U.S. dollar, partially offset by lower volumes of gold sold. All-in sustaining cost per ounce of gold sold in 2022 was \$765 compared to \$583 in 2021 due primarily to lower volumes of gold sold and higher local currency operating expenses, partially offset by lower cash outlays for sustaining capital.

Capital expenditures

Capital expenditures during the fourth quarter and twelve months of 2022 of \$2.0 million and \$9.8 million, respectively, were 58% and 47% lower than the corresponding periods in 2021 due primarily to the completion of the accelerated grade control drilling program and the timing of expenditures on other projects.

Mineral Reserve and Mineral Resource update

On January 12, 2023, the Company announced an updated life of mine plan and Mineral Reserve and Mineral Resource estimate for the Ada Tepe mine. The updated Mineral Resource and Mineral Reserve estimate for Ada Tepe, effective December 31, 2022, reflects the results of 290 kilometres of grade control drilling completed since the previous 2020 update. Effectively all of the Mineral Resource estimate has now been converted to the Measured category. The updated Proven and Probable Mineral Reserve comprises of 2.49 Mt with an average grade of 5.19 g/t of gold and 3.13 g/t of silver for 415,000 contained gold ounces and 250,000 contained silver ounces.

Based on the final pit design, a strategic mine planning study was conducted to optimize net present value of mine cash flows, balanced against other considerations including mine production, process plant throughput rates, stockpiling capacity, and mine life. The updated life of mine plan maintains production through 2026 and reflects an increase of approximately 66,000 ounces of total gold recovered with a higher life of mine gold grade of 5.19 g/t, relative to the same period in the previous 2020 life of mine plan.

See the Company's press release entitled "Dundee Precious Metals Announces Life of Mine Plan with Additional Production and Updated Mineral Resource and Mineral Reserve Estimate for Ada Tepe" dated January 12, 2023, which has been filed on SEDAR (www.sedar.com) and is posted on the Company's

website (www.dundeeprecious.com) for additional information, including key assumptions and parameters relating to the foregoing Mineral Resource and Mineral Reserve Estimates. The Ada Tepe Technical Report prepared in accordance with NI 43-101 will be filed within 45 days of the aforementioned news release.

Review of Tsumeb Results

<i>\$ thousands, unless otherwise indicated</i>		Three Months			Twelve Months		
Ended December 31,		2022	2021	Change	2022	2021	Change
Operating Highlights							
Complex concentrate smelted:							
Chelopech	t	10,532	9,862	7%	62,368	50,569	23%
Third parties	t	31,303	42,070	(26%)	111,754	139,136	(20%)
Total	t	41,835	51,932	(19%)	174,122	189,705	(8%)
Cost of sales per tonne of complex concentrate smelted	\$/t	621	646	(4%)	694	678	2%
Cash cost per tonne of complex concentrate smelted	\$/t	443	447	(1%)	463	480	(4%)
Sulphuric acid:							
Production	t	45,717	56,586	(19%)	198,386	201,483	(2%)
Deliveries	t	59,943	57,516	4%	203,912	202,054	1%
Capital expenditures incurred:							
Growth		-	526	(100%)	963	629	53%
Sustaining		3,848	2,354	63%	18,797	12,975	45%
Total capital expenditures		3,848	2,880	34%	19,760	13,604	45%

Production and sulphuric acid deliveries

Complex concentrate smelted during the fourth quarter of 2022 of 41,835 tonnes was 19% lower than the corresponding period in 2021 due primarily to a 17-day shutdown to repair a water leak in the off-gas system and instability in the power grid as a result of abnormally heavy rainfall in December 2022.

Complex concentrate smelted during 2022 of 174,122 tonnes was 8% lower than 2021 due primarily to unplanned downtime as a result of maintenance to the off-gas and baghouse systems during the year and instability in the power grid as a result of abnormally heavy rainfall in December, partially mitigated by near record-level quarterly production in the third quarter of 2022.

Sulphuric acid production during the fourth quarter of 2022 of 45,717 tonnes was 19% lower than the corresponding period in 2021 reflecting lower volumes of complex concentrate smelted.

Sulphuric acid production during 2022 of 198,386 tonnes was comparable to 2021 as lower volumes of complex concentrate smelted was mostly offset by higher sulphur content in the complex concentrate smelted.

Sulphuric acid deliveries during the fourth quarter of 2022 of 59,943 tonnes were 4% higher than the corresponding period in 2021 reflecting the timing of deliveries. Sulphuric acid deliveries during 2022 of 203,912 tonnes were comparable to 2021.

Cash cost per tonne of complex concentrate smelted

Cash cost per tonne of complex concentrate smelted in the fourth quarter and twelve months of 2022 of \$443 and \$463, respectively, was comparable to the corresponding periods in 2021 due primarily to higher sulphuric acid by-product credits and lower labour costs related to the cost optimization initiative undertaken in 2022, partially offset by lower volumes of complex concentrate smelted and higher inflationary local currency operating expenses.

Capital expenditures

Capital expenditures during the fourth quarter and twelve months of 2022 were \$3.9 million and \$19.8 million, respectively, compared to \$2.9 million and \$13.6 million in the corresponding periods in 2021 due primarily to the additional off-gas and baghouse system maintenance performed in 2022, as well as the timing of other expenditures.

DEVELOPMENT AND OTHER MAJOR PROJECTS

Loma Larga Gold Project

In the third quarter of 2021, DPM completed the acquisition of the high-quality, advanced stage Loma Larga gold project in the Azuay province of Ecuador. Loma Larga is expected to produce a pyrite gold concentrate that can be sold to various copper and gold smelting operations, as well as a small quantity of complex concentrate, which DPM could process at its Tsumeb smelter or sell on the market.

A FS completed by the previous owner in April 2020, which is currently being updated by DPM, outlined a 12-year life of mine plan with estimated annual mine production of approximately 200,000 gold ounces in concentrate in the first five years. Life of mine production is estimated to be approximately 170,000 gold ounces per year.

For more information, including key assumptions, risks and parameters relating to the FS, refer to the Technical Report entitled “NI 43-101 Feasibility Study Technical Report, Loma Larga Project, Azuay Province, Ecuador” dated April 8, 2020 and re-issued by DPM on November 29, 2021, which has been posted on the Company’s website at www.dundeeprecious.com and has been filed on SEDAR at www.sedar.com.

A 15,800 metre drilling program to support various studies complementary to the Loma Larga FS optimization, consisting of hydrogeological, geotechnical, metallurgical, condemnation and extension drilling, commenced in the first quarter of 2022. A total of 658 metres of condemnation drilling was completed prior to DPM temporarily pausing drilling activities at the end of February as a result of the Constitutional Protection Action (the “Action”) filed in February 2022 against the Ministry of Environment, Water and Ecological Transition (“MAATE”), and the suspension of the environmental permit required for exploration and technical drilling by the court.

On July 20, 2022, the written decision on the Action by the Judicial Labour Unit of Cuenca upheld the validity of the environmental permits for exploration, confirmed that the MAATE did not violate rights relating to the protection of water and nature in granting the permits, and reaffirmed the Company’s legal rights in the mining concessions. The court also found that the Company will be required to include the local indigenous populations in its consultation process prior to proceeding to the exploitation phase, which DPM had already planned as part of its development of the project, reflecting the Company’s commitment to the highest standards of stakeholder engagement and in line with International Finance Corporation practices. The decision of the first instance court was appealed by all parties, including (i) by the Company and the government parties on the requirement for indigenous consultation and whether, if required, it must precede the remaining requirements for the environmental licence, including the Citizen Participation Process, and (ii) by the plaintiffs on the finding by the first instance court that the grant of permits did not violate the rights of nature and the other alleged violations. The appeal was heard by the Provincial Court of Azuay on October 14, 2022 and a decision is pending. The Company continues to believe that the claims made by the plaintiffs are without merit, however, drilling activities at Loma Larga remain paused pending that decision.

For further details on the Action, please see press release entitled “Dundee Precious Metals Provides Update on Drilling Activities at Loma Larga” issued on February 24, 2022, which has been posted on the Company’s website at www.dundeeprecious.com and has been filed on SEDAR at www.sedar.com.

In parallel, the Company has continued to progress permitting activities, and received the certificate of technical viability for the filtered tailings storage facility at the end of June 2022, a key milestone for the project’s development. As previously reported, in April 2022, the Company received the technical approval of the Environmental Impact Assessment (“EIA”) study, which was submitted to MAATE by the previous owner prior to its acquisition by DPM. The MAATE has appointed facilitators to carry out the Citizen Participation Process, which remains paused pending the resolution of the Action. Once these activities resume, DPM and its EIA consultant will support the Citizen Participation Process, assess all comments received and make the necessary updates to the EIA in order to assist the MAATE in providing its final approval of the EIA and issuing the environmental licence. The expected timing for receipt of the environmental licence is subject to the outcome of the appeal process.

Given the delays in timing for recommencing drilling activities and further advancing the environmental permitting process, the Company has taken the decision to extend the optimization phase of the updated FS, which is now expected to be completed in the second half of 2023. This will allow DPM time to evaluate additional optimization opportunities that have been identified to leverage the Company's significant operating expertise with similar deposits, in particular Chelopech in Bulgaria, which shares similar geology, mining method and processing flow sheet to the Loma Larga project; and to potentially incorporate the results of the drilling program supporting the updated FS optimization once DPM is able to recommence those activities.

Prior to the acquisition, DPM had determined that the initial capital estimate for the project, prepared by the previous owner in April 2020, was low. Since then, the Company has incorporated certain scope changes to the project as part of the updated FS work, to enhance project execution and meet DPM's operating standards. DPM has also seen inflationary pressures consistent with general industry trends. Combined, these factors are expected to result in a significant increase to the estimated initial capital and operating costs for the project. This may impact the economics and other parameters, including Mineral Resource and Mineral Reserve estimates, which are being assessed as the additional work required for the updated FS progresses. DPM views Loma Larga as a high-quality advanced stage project with the potential to generate strong economic returns following the results of the ongoing optimization work.

The Company has progressed discussions with the government of Ecuador in respect of an investor protection agreement, which is targeted to be complete by the end of the first quarter of 2023. In-line with its disciplined approach to project development, the Company does not anticipate making any significant capital commitments for the project prior to the completion of the investment protection agreement and receipt of the environmental licence.

DPM maintains a constructive relationship with government institutions and other stakeholders involved with the development of the project. After the announcement of the local election results, the DPM team welcomed the newly elected leaders and plans to engage with them in a proactive manner to build support for the project.

Timok Gold Project

The Timok gold project is a sediment hosted gold deposit located in the central-eastern region of the Republic of Serbia.

In February 2021, the Company announced the results of a pre-feasibility study and commenced a FS. As announced in January 2023, given the potential of the new high-grade discovery at the Čoka Rakita prospect, the Company will now focus on further exploration at Čoka Rakita in 2023 and, as a result, will pause further work on the Timok FS.

As previously reported, the Timok gold project has a Probable Mineral Reserve estimate of 662,000 ounces of gold contained within 19.2 million tonnes at a grade of 1.07 g/t and an additional Indicated Mineral Resource estimate of 1.3 million ounces of gold contained within 32.3 million tonnes at a grade of 1.27 g/t. The above Mineral Reserve and Mineral Resource do not incorporate any drilling at Čoka Rakita, which will be assessed as a separate high-grade deposit.

The three-year retention of mineral rights for the Timok gold project was received during the third quarter of 2021. Other permitting activities for the project continued during the fourth quarter of 2022, including the certification of reserves and spatial planning, with the objective of securing the mining rights for the project during the retention period. The Company plans to pause the submission of the application for the certificate of reserves and any activities associated with the spatial planning public hearings.

For additional details, including key assumptions, risks and parameters relating to the pre-feasibility study, refer to the news release entitled "Dundee Precious Metals Announces Positive Pre-Feasibility Study and Encouraging New Exploration Results for the Timok Gold Project in Serbia" dated February 23, 2021 and the Technical Report entitled "NI 43-101 Technical Report, Timok Project, Pre-Feasibility Study, Žagubica, Serbia" effective March 30, 2021, which have been posted on the Company's website at www.dundeeprecious.com and have been filed on SEDAR at www.sedar.com.

Tsumeb Rotary Holding Furnace

As part of the Company's strategy to optimize the inherent value of the Tsumeb smelter operation, an assessment was completed in respect of the installation of a rotary holding furnace which has the potential to increase the smelter's throughput up to approximately 370,000 tonnes, increase metal recoveries and generate significant additional value, given the high fixed-cost nature of the smelter. The estimated upfront capital cost was estimated to be between \$47 million and \$55 million. To date, the Company has been unable to secure additional long-term supply of suitable complex concentrate on acceptable terms that would support the expansion. While the Company will continue to assess opportunities that could support this expansion, the current focus of the smelter is on optimizing its operating performance and cost structure to support economically processing increasing amounts of new third party feed to replace Chelopech concentrate, which by 2024 is expected to be processed entirely at third party smelters.

EXPLORATION

Chelopech Mine

In 2022, the Company continued to advance in-mine exploration activities aimed at resource development, drilling a total of approximately 45,000 metres, of which approximately 34,000 metres were extensional drilling designed to explore for new mineralization along interpreted geological trends and to test potential exploration targets.

During 2022, extensional diamond drilling in the Chelopech mine was concentrated on testing several potential targets:

- Structurally controlled zones of pyrite rich, high-sulphidation mineralization located on the northern flank of Chelopech. A total of approximately 11,700 metres were drilled in 2022.
- Quartz-Barite-Gold-Sulphide ("QBGS") zone located in the southeastern section of the mine. This zone is characterized by relatively narrow, structurally controlled QBGS mineralization, hosted within a halo of pervasive sericitic alteration. During 2022, a total of approximately 4,800 metres of underground drilling was undertaken toward this target.
- The infilling of the existing drilling grid to test potential areas above existing ore bodies mainly in the northwestern part of the mine.
- The evaluation of the deeper potential of the hydrothermal system as well as to collect samples for metallurgical purposes.

The 2023 Mineral Resource development strategy for Chelopech will be focused on the following:

- Extensional drilling to continue testing the conceptual targets in the northeastern part of the deposit.
- Testing structurally controlled zones of pyrite rich, high-sulphidation mineralization located on the northern flank of Chelopech.
- Drilling the upper levels of the Western part of the deposit in the gap between Blocks 103, 150 and 153.

The Company has budgeted between \$5 million and \$6 million on exploration activities at the Chelopech mine in 2023.

Chelopech Brownfield Exploration

During 2022, a total of approximately 67,500 metres of surface exploration diamond drilling was completed, which comprised of ninety-two completed and six ongoing holes with up to ten operating drill rigs. The brownfield exploration program at Chelopech was focused on an intensive drilling campaign to support a Commercial Discovery application for the Sveta Petka exploration licence, which is now close to completion.

Sveta Petka EL.

An intensive delineation and infill drilling campaign was completed on the Sveta Petka exploration licence, focused on Wedge, West Shaft, Krasta and Petrovden prospects. The final Geology Report and Commercial Discovery Application is scheduled for submission to the Bulgarian authorities during the first quarter of 2023. After Sveta Petka is registered as a Commercial Discovery, which is expected by the end of 2023, the Company intends to apply for concession rights in 2024.

Sharlo Dere

The prospect is located at the north-eastern flank of the Chelopech mine concession. A total of approximately 16,400 metres of surface exploration drilling at an approximately 100 metre grid spacing was conducted, which confirmed Bulgarian state drilling results from the late 1970s and locally extended mineralization. Results demonstrated reasonable levels of continuity and reinforced the validity of the exhalative style high-sulphidation mineralization model. Geological modelling and early-stage resource re-evaluation are underway.

Exploration drilling will continue in 2023 with approximately 50,000 metres planned, aiming to test conceptual targets on the Brevene exploration licence as well as in the Chelopech mine concession which includes follow-up on the Sharlo Dere prospect and other targets, including testing for deeper extensions of the Chelopech deposit.

The Company has budgeted a total of \$5 million to \$6 million for Chelopech brownfield exploration activities in 2023.

Ada Tepe Brownfield Exploration

In 2022, exploration activities focused on a Mineral Resource extension drilling program at Ada Tepe and other satellites in the Khan Krum mine concession area, as well as target delineation campaigns on the Chiirite and Dalbokata Reka exploration licences. Approximately 9,400 metres were drilled over 47 holes during the year.

Khan Krum Concession Area

A dedicated drilling program to test for potential extensions of mineralization to the north and to test for conceptual feeder structures at depth was implemented with 17 holes consisting of approximately 2,700 metres. Results of extensional drilling to the north of the deposit returned a series of narrow intervals of mineralization above the mine cut-off, which may represent incremental extensions of Upper Zone vein swarms. The Company is assessing if follow-up infill RC drilling is required in this area.

Chiirite Exploration Licence

On the Chiirite exploration licence, the drilling program at the Golden Creek and Chernichino prospects was completed in 2022 with a total of approximately 3,400 metres drilled during the year from 11 drill holes. The program generated encouraging results from drill hole ZDDD004 on Chernichino target, which returned 10 metres at 1.98 g/t of gold and 1.21 g/t of silver. This intercept will be followed up in 2023 and pending permitting, drilling will also focus on the area to the south at Kara Tepe, where a prospective structurally controlled granite hosted target and a separate skarn/carbonate replacement gold target was delineated in 2022 by combined IP pole-dipole electrical survey, ground radiometry survey and mapping.

In 2023, DPM will be employing a focused approach to evaluate undercover targets within the Krumovgrad camp. Targeting methodologies will be driven by integration and re-interpretation of existing data, which will be assisted by machine learning, additional geophysical methods and spectral satellite image processing, followed by approximately 11,000 metres of drilling. Drilling is initially planned to focus on the Chiirite licence area, while the Company finalizes permitting for the Krumovitsa licence, which is expected in the third quarter of 2023. Subject to the timing of permits, there is potential to increase drilling activities to approximately 26,000 metres.

The Company has budgeted a total of \$2 million to \$3 million for Ada Tepe brownfield exploration activities in 2023.

Serbia Exploration

In Serbia, exploration activities during 2022 have been focused on target delineation work and limited scout drilling at Umka, Zdrelo and other early-stage exploration licences. At the Čoka Rakita prospect, drilling resumed in the fourth quarter of 2022 following receipt of a newly granted exploration licence with approximately 8,700 metres completed by the end of 2022. Drilling defined a large high-grade footprint that

remains open in multiple directions. Results to date are very encouraging, and the Company plans to follow up on these results with approximately 40,000 metres of infill, extensional and target delineation drilling that is planned at Čoka Rakita in 2023. The primary focus of drilling is to further assess the overall deposit geometry, grade continuity and Mineral Resource potential. DPM intends to release additional results from drilling in the second quarter and is targeting an initial Mineral Resource estimate for Čoka Rakita in the fourth quarter of 2023.

Additionally, approximately 10,000 metres of drilling is planned at the adjacent Umka exploration licence, which is located to the south of Čoka Rakita and shares a similar geological environment. This work is intended to follow up on ground gravity surveys completed in 2022 and will involve integration of all other available data to delineate additional undercover high-grade skarn targets.

The Company has budgeted a total of \$12 million to \$13 million for Serbian exploration activities in 2023, mainly focused on the Čoka Rakita prospect.

For further details on the drilling program at Čoka Rakita, please see press release entitled “Dundee Precious Metals Announces Discovery of Significant High-Grade Deposit at Čoka Rakita; Results Include Drill Intercept of 40 metres at 63.6 g/t Au and 0.11% Cu”, issued on January 16, 2023, which has been posted on the Company’s website at www.dundeeprecious.com and has been filed on SEDAR at www.sedar.com.

Ecuador Exploration

Loma Larga Concessions

On the Loma Larga concessions, a drilling program of approximately 15,800 metres to support various studies complementary to the Loma Larga FS optimization, consisting of hydrogeological, geotechnical, metallurgical, condemnation and extension drilling, was commenced in the first quarter of 2022. A total of approximately 650 metres of condemnation drilling was completed prior to DPM temporarily pausing drilling activities at the end of February 2022 as a result of the Action filed against the MAATE by certain non-government organizations and local agencies. Drilling activities remain paused, pending the resolution of the court process (see the “Development and Other Major Projects – Loma Larga Gold Project” section contained in this MD&A for further details).

In 2023, the drilling program is expected to be restarted, pending the outcome of the appeals process.

Tierras Coloradas Concessions

In 2022, the Company completed a diamond drilling program of approximately 2,700 metres and assay results are being reviewed. The drill program tested the low sulphidation epithermal vein system which was previously identified in 2020. The change in status of the Tierras Coloradas project from early to advanced stage exploration is in progress, and all regulatory authorizations required from the different Ecuadorian authorities are expected to be received by early 2024.

During the transition period of the phase change, a drill program will be proposed to test the best targets identified from work completed in 2022. Additional drilling is planned to delineate the shape, size, and extents of the main veins system. Furthermore, additional untested portions of the veins and soil-geochemistry anomalies will be subject to follow-up drilling. Detailed surface mapping in conjunction with soil and rock chip-channel sampling will continue, in order to determine the surface footprint and identify additional targets.

The Company has budgeted between \$1 million and \$2 million for exploration activities at Tierras Coloradas in 2023.

REVIEW OF FINANCIAL RESULTS

\$ thousands, unless otherwise indicated Ended December 31,	Three Months			Twelve Months		
	2022	2021	Change	2022	2021	Change
Revenue	152,863	166,433	(8%)	569,795	641,443	(11%)
Cost of sales	91,109	94,042	(3%)	357,447	357,136	-%
General and administrative expenses ⁽¹⁾	10,506	3,753	180%	28,800	18,161	59%
Corporate social responsibility expenses	3,503	2,967	18%	6,240	4,838	29%
Exploration and evaluation expenses	8,382	4,369	92%	24,230	18,006	35%
Impairment charge	-	-	-%	85,000	-	100%
Finance costs	1,555	1,380	13%	6,325	5,549	14%
Other income and expense	176	(352)	(150%)	3,011	8,335	(64%)
Earnings before income taxes	37,632	60,274	(38%)	58,742	229,418	(74%)
Income tax expense	4,312	8,169	(47%)	22,819	38,689	(41%)
Net earnings attributable to common shareholders from continuing operations	33,320	52,108	(36%)	35,923	190,750	(81%)
Per share	\$/sh 0.18	0.27	(33%)	0.19	1.02	(81%)
Net earnings attributable to common shareholders	33,320	51,465	(35%)	35,923	210,101	(83%)
Per share	\$/sh 0.18	0.27	(33%)	0.19	1.12	(83%)
Adjusted EBITDA	58,254	84,274	(31%)	252,869	336,854	(25%)
Adjusted net earnings	33,320	51,449	(35%)	129,027	202,081	(36%)
Per share	\$/sh 0.18	0.27	(33%)	0.68	1.09	(38%)

1) Includes changes in share-based compensation expense primarily related to movements in DPM's share price, which had a \$2.7 million unfavourable impact (2021 – a \$2.3 million favourable impact) and a \$3.6 million unfavourable impact (2021 – a \$4.5 million favourable impact) in the fourth quarter and twelve months of 2022, respectively.

Revenue

Revenue during the fourth quarter and twelve months of 2022 of \$152.9 million and \$569.8 million, respectively, was 8% and 11% lower than the corresponding periods in 2021 due primarily to lower volumes of gold and copper sold.

The following table summarizes revenue by segment:

\$ thousands Ended December 31,	Three Months			Twelve Months		
	2022	2021	Change	2022	2021	Change
Chelopech ⁽¹⁾	66,361	73,486	(10%)	271,648	292,779	(7%)
Ada Tepe ⁽¹⁾	46,607	59,373	(22%)	161,842	229,314	(29%)
Tsumeb	39,895	33,574	19%	136,305	119,350	14%
Total revenue	152,863	166,433	(8%)	569,795	641,443	(11%)

1) Includes the value of payable metals sold, deductions for treatment charges, penalties, transportation and other selling costs, and final settlements to reflect any physical and cost adjustments on provisionally priced sales.

At Chelopech, revenue during the fourth quarter of 2022 of \$66.4 million was 10% lower than the corresponding period in 2021 due primarily to lower volumes of metal sold and lower realized gold and copper prices, partially offset by lower treatment charges. Revenue during 2022 of \$271.7 million was 7% lower than 2021 due primarily to lower volumes of copper sold and higher freight charges, partially offset by higher realized copper prices and lower treatment charges.

At Ada Tepe, revenue during the fourth quarter and twelve months of 2022 of \$46.6 million and \$161.8 million, respectively, was 22% and 29% lower than the corresponding periods in 2021 due primarily to lower volumes of gold sold.

At Tsumeb, revenue during the fourth quarter and twelve months of 2022 of \$39.9 million and \$136.3 million, respectively, was 19% and 14% higher than the corresponding periods in 2021 due primarily to higher estimated metal recoveries and higher sulphuric acid prices and toll rates, partially offset by lower volumes of complex concentrate smelted.

Cost of sales

Cost of sales in the fourth quarter of 2022 of \$91.1 million was 3% lower than the corresponding period in 2021 due primarily to a stronger U.S. dollar, partially offset by higher local currency mine operating expenses in Bulgaria. Cost of sales in 2022 of \$357.4 million was comparable to 2021 due primarily to a stronger U.S. dollar largely offset by higher local currency mine operating expenses in Bulgaria and higher depreciation.

General and administrative expenses

General and administrative expenses in the fourth quarter and twelve months of 2022 were \$10.5 million and \$28.8 million, respectively, compared to \$3.8 million and \$18.2 million in the corresponding periods in 2021, due primarily to variations in the Company's share-based compensation expense as a result of changes in DPM's share price, higher costs related to corporate digital and innovation initiatives and higher employee costs.

Exploration and evaluation expenses

Exploration and evaluation expenses in the fourth quarter and twelve months of 2022 were \$8.4 million and \$24.2 million, respectively, compared to \$4.4 million and \$18.0 million in the corresponding periods in 2021 due primarily to higher drilling volumes at Chelopech related to the Sveta Petka Commercial Discovery process, as well as additional drilling at Sharlo Dere.

For a more detailed discussion on the Company's exploration activities, refer to the "Exploration" section of this MD&A.

Tsumeb Impairment charge

During the year ended December 31, 2022, the carrying value of Tsumeb exceeded its estimated recoverable amount resulting in an impairment charge of \$85.0 million being recognized in the audited consolidated statements of earnings (loss), of which \$84.3 million related to property, plant, and equipment and \$0.7 million related to intangible assets. This charge was primarily attributable to lower forecast toll revenue as a result of an expected reduction in higher arsenic bearing third party concentrate feed being received by the smelter, commencing in 2024, concurrent with when the smelter is not expected to be processing any Chelopech concentrate. While the processing of Chelopech concentrate at other third party smelters is expected to generate additional overall value for the Company, it will be realized through lower treatment charges and higher margins at Chelopech rather than higher tolling rates and higher margins at Tsumeb.

Finance costs

Finance costs are comprised of interest and other deemed financing costs in respect of the Company's debt facilities, lease obligations and rehabilitation provisions.

Finance costs in the fourth quarter and twelve months of 2022 were \$1.5 million and \$6.3 million, respectively, compared to \$1.4 million and \$5.5 million in the corresponding periods in 2021.

Other income and expense

The following table summarizes items making up other income and expense:

\$ thousands Ended December 31,	Three Months		Twelve Months	
	2022	2021	2022	2021
Net (gains) losses on Sabina special warrants ⁽¹⁾	-	(654)	2,369	6,289
Net (gains) losses on other warrants ⁽¹⁾	190	(5)	46	23
Tsumeb restructuring costs ⁽²⁾	-	-	5,735	-
Net foreign exchange losses ⁽³⁾	2,858	218	681	1,628
Interest income	(3,673)	(254)	(6,554)	(632)
Other, net	801	343	734	1,027
Total other income and expense	176	(352)	3,011	8,335

1) Refer to the "Financial Instruments" section of this MD&A for more details.

2) Represents costs related to a comprehensive initiative directed at optimizing the cost structure of the smelter.

3) Primarily related to the revaluation of foreign denominated monetary assets and liabilities.

Income tax expense

The effective tax rate of the Company can vary significantly from one period to the next based on a number of factors. For the three and twelve months ended December 31, 2022 and 2021, the Company's effective tax rate was impacted primarily by the Company's overall earnings, mix of foreign earnings or losses, which are subject to lower tax rates in certain jurisdictions, and changes in unrecognized tax benefits relating to corporate operating, exploration and evaluation costs, as well as unrealized gains or losses on the Company's publicly traded securities recognized in other comprehensive income (loss). For the twelve months ended December 31, 2022, the Company's effective tax rate was also impacted by unrecognized tax benefits in respect of the Tsumeb impairment charge.

\$ thousands, unless otherwise indicated Ended December 31,	Three Months		Twelve Months	
	2022	2021	2022	2021
Earnings before income taxes	37,632	60,274	58,742	229,418
Combined Canadian federal and provincial statutory income tax rates	26.5%	26.5%	26.5%	26.5%
Expected income tax expense	9,973	15,973	15,567	60,796
Lower rates on foreign earnings	(985)	(10,332)	(26,593)	(41,163)
Changes in unrecognized tax benefits	(2,914)	2,477	30,867	14,842
Non-taxable portion of capital (gains) losses	(2,458)	583	2,223	3,346
Non-deductible share-based compensation expense	74	74	296	279
Other, net	622	(606)	459	589
Income tax expense	4,312	8,169	22,819	38,689
Effective income tax rates	11.5%	13.6%	38.8%	16.9%

In December 2020, the Namibian Ministry of Finance announced that tax incentives under the Export Processing Zones ("EPZ") Act would no longer be granted, effective December 31, 2020, and that companies with EPZ status, such as Tsumeb, would continue to benefit from these incentives up to December 31, 2025. The Ministry also announced that the EPZ regime will be replaced by a new regime known as the Sustainable Special Economic Zone ("SSEZ"). On January 18, 2023, the Ministry of Trade and Industrialisation stated that they have completed the draft bill on SSEZ, which has been submitted to Namibian Cabinet for approval. Thereafter the bill will be circulated to stakeholders for inputs before it is presented to Parliament for enactment.

Net earnings attributable to common shareholders from continuing operations

Net earnings attributable to common shareholders from continuing operations in the fourth quarter of 2022 were \$33.3 million (\$0.18 per share) compared to \$52.1 million (\$0.27 per share) in the corresponding period in 2021. This decrease was due primarily to lower volumes of metal sold and lower volumes of complex concentrate smelted, partially offset by a stronger U.S. dollar.

Net earnings attributable to common shareholders from continuing operations in 2022 were \$35.9 million (\$0.19 per share) compared to \$190.7 million (\$1.02 per share) in 2021. This decrease was due primarily to the \$85.0 million Tsumeb impairment charge, lower volumes of metal sold, higher local currency mine

operating expenses, higher freight charges at Chelopech and lower volumes of complex concentrate smelted, partially offset by a stronger U.S. dollar, higher toll rates and sulphuric acid prices, higher estimated metal recoveries at Tsumeb and higher realized metal prices.

Adjusted net earnings

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

<i>\$ millions</i>	Three	Twelve
Ended December 31,	Months	Months
Adjusted net earnings – 2021	51.4	202.0
Lower volumes of metal sold	(20.5)	(86.9)
Higher operating expenses	(2.3)	(14.3)
Higher freight charges	(0.4)	(10.9)
Lower smelter volumes	(6.0)	(9.4)
Stronger U.S. dollar	7.7	20.0
Higher toll rates and sulphuric acid prices	1.1	12.4
Higher estimated metal recoveries	3.8	10.7
Higher (lower) realized metal prices	(2.5)	5.0
Income taxes and other	1.0	0.4
Adjusted net earnings – 2022	33.3	129.0

Adjusted net earnings in the fourth quarter and twelve months of 2022 were \$33.3 million (\$0.18 per share) and \$129.0 million (\$0.68 per share), respectively, compared to \$51.4 million (\$0.27 per share) and \$202.0 million (\$1.09 per share) in the corresponding periods in 2021. These decreases were due primarily to the same factors affecting net earnings attributable to common shareholders from continuing operations, with the exception of the adjusting items primarily related to the Tsumeb impairment charge.

For more details on these adjustments, refer to the “Non-GAAP Financial Measures” section commencing on page 43 of this MD&A.

Earnings before income taxes

Earnings before income taxes in the fourth quarter and twelve months of 2022 were \$37.6 million and \$58.7 million, respectively, compared to \$60.3 million and \$229.4 million in the corresponding periods in 2021. These changes reflect the same factors that affected net earnings attributable to common shareholders from continuing operations, except for income tax, which is excluded.

Adjusted EBITDA

Adjusted EBITDA in the fourth quarter and twelve months of 2022 was \$58.3 million and \$252.9 million, respectively, compared to \$84.3 million and \$336.9 million in the corresponding periods in 2021, reflecting the same factors that affected adjusted net earnings, except for interest, income tax, depreciation and amortization, which are excluded from adjusted EBITDA.

MARKET REVIEW

Commodity prices

Commodity prices are the principal determinants of the Company's results of operations and financial condition.

The following table summarizes the average trading prices for gold and copper based on the London Bullion Market Association ("LBMA") for gold and the London Metal Exchange ("LME") for copper (Grade A) for the three and twelve months ended December 31, 2022 and 2021 and highlights the overall year over year change in commodity prices:

Metal Prices (Market Average) Ended December 31,		Three Months			Twelve Months		
		2022	2021	Change	2022	2021	Change
LBMA gold	\$/oz	1,729	1,795	(4%)	1,800	1,800	- %
LME settlement copper	\$/lb	3.63	4.40	(18%)	4.00	4.22	(5%)

The Company's average realized gold price for the fourth quarter and twelve months of 2022 of \$1,752 per ounce and \$1,795 per ounce, respectively, was 2% lower than and comparable to the corresponding periods in 2021, reflecting year over year changes in market prices. The average realized copper price for the fourth quarter and twelve months of 2022 of \$3.65 per pound and \$3.98 per pound, respectively, was 3% lower and 4% higher than the corresponding periods in 2021. These changes in realized copper prices deviated from the year over year changes in market prices as a result of DPM hedging substantially all of payable copper sold during 2021 at an average price of \$3.72 per pound.

The price of gold is subject to volatile price movements over short periods of time and is affected by numerous industry and macro-economic factors that are beyond our control including, but not limited to, the supply of and demand for gold, interest rates (and interest rates expectations), inflation rates (and inflation expectations), currency movements and the relative strength of the U.S. dollar, economic data and market volatility, as well as central bank reserves and investor behaviors. These diverse sources of impacts can counterbalance one another and provide gold with its uniquely stable performance at times, with gold's resilience in 2022 as a good example. The average gold price in 2022 was comparable to 2021, representing a stable and uncorrelated performance of gold amid market turbulence, a strong U.S. dollar and an unprecedented rise in inflation and interest rates in the year.

Overall, our view is that the demand for gold, the amount of gold in the central bank reserves, the value of the U.S. dollar, and the desire to hold gold as a hedge against inflation and currency devaluation, all help drive the price of gold in the near-term.

The price of copper is largely influenced by the health of the global economy. This is due to its widespread applications in all sectors of the economy, such as power generation and transmission, construction, transportation, factory equipment and electronics. Following strong copper prices in 2021 due to anticipated higher demand from increased manufacturing activity and a rebound in economic growth, low levels of global copper stockpiles and constrained mine supply, copper prices continued to rise and reached an all-time high in the first quarter of 2022 due to a widening supply and demand gap.

In the long run, the supply and demand fundamentals are supportive for copper prices, with the expectation of China's recovery from the COVID-19 pandemic and the rising demand for copper in the green energy transition.

The Company regularly enters into cash settled commodity swap contracts to swap future contracted monthly average metal prices for fixed metal prices in order to reduce the price exposure associated with the time lag between the provisional and final determination of its gold and copper concentrate sales ("QP Hedges"). In addition, the Company periodically enters into cash settled commodity swap and option contracts to reduce its price exposure on future sales associated with projected payable copper production ("Production Hedges") given the higher volatility in copper prices. The Company sells and hedges gold and copper metal 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 LBMA. The Company currently has no hedges in place for its expected payable copper to be sold in 2023.

Foreign exchange rates

As an entity reporting in U.S. dollars with operations in several countries, fluctuations in foreign exchange rates between the U.S. dollar and the Bulgarian lev, which is pegged to the Euro, the Namibian dollar, which is pegged to the South African rand (“ZAR”) on a 1:1 basis, and the Canadian dollar (“Cdn\$”) can also impact the Company’s results of operations and financial condition.

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

Foreign Exchange Rates (Market Average) Ended December 31,	Three Months			Twelve Months		
	2022	2021	Change	2022	2021	Change
US\$/Cdn\$	1.3580	1.2597	8%	1.3017	1.2535	4%
Euro/US\$	1.0211	1.1437	11%	1.0541	1.1833	11%
US\$/ZAR	17.6117	15.4203	14%	16.3531	14.7756	11%

In 2022, the U.S. dollar strengthened against almost every currency around the world. The weakness seen in late 2022 could continue into early 2023 largely driven by the expectations of the end of the Federal Reserve’s aggressive interest rates hiking cycle and the potential peak or near-peak of global inflation, as well as the growing fear of a global recession. However, the higher yields available in the United States combined with a stronger growth outlook than most other markets may support a steady U.S. dollar in 2023.

Fluctuations in these exchange rates increase the volatility of the Company’s cost measures reported in U.S. dollars. The Company periodically undertakes to purchase, in advance, a portion of its foreign denominated cash flow requirements on a spot or forward basis to reduce this exposure. The Company also enters into foreign exchange option contracts in order to reduce the foreign exchange exposure associated with projected operating expenses and capital expenditures denominated in foreign currencies. In 2022, approximately 89% of Namibian dollar operating expenses for 2022 were hedged with option contracts providing, on a US\$/ZAR basis, a weighted average floor rate of 15.12 and a weighted average ceiling rate of 17.03. In addition, approximately 86% and 14% of projected Namibian dollar operating expenses for 2023 and 2024, respectively, have been hedged with option contracts providing a weighted average floor rate of 15.69 for 2023 and 16.55 for 2024, and a weighted average ceiling rate of 17.69 for 2023 and 19.35 for 2024. The Company currently has no Euro or Canadian dollar hedges in place.

Energy costs

Energy costs are the single largest cost to the Company’s producing mines other than labour costs, representing approximately 15% of its total mine cash cost at an average annual consumption rate of approximately 165,000 megawatt hours (“MWh”). The fluctuation in energy costs can also impact the Company’s key cost measures and results of operations.

In 2022, global economic activity experienced a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. Russia’s invasion of Ukraine and the lingering COVID-19 pandemic heavily distorted global energy supply chains. Despite gas prices retreating from the highs in late 2022, the cost of energy for Europe remains multiple times that of North America.

The Company’s Chelopech and Ada Tepe mines are located in Bulgaria, Eastern Europe. As Bulgaria is a net exporter of power, Chelopech and Ada Tepe are not currently reliant on Russia for their power needs. In addition, the Company’s exposures to the rising prices for energy were mitigated by the Bulgarian government power subsidies starting from October 2021 and through to the end of 2023. The power subsidies were applicable to both residential and commercial business operations to mitigate the surge in electricity prices. In 2022, the Company paid an average of Bulgarian lev 269 per MWh (\$147 per MWh), net of the government power subsidy, which was based on progressive measures enacted through the year with set price thresholds per MWh. On November 8, 2022, the Bulgarian government extended the existing compensation program to mitigate the effects of high electricity costs for businesses until the end of 2023, under which Chelopech and Ada Tepe are expected to pay Bulgarian lev 200 per MWh (approximately \$110 per MWh) on a net basis.

Fuel costs

Fuel costs are also a significant cost element to the Company through direct purchases of fuel and diesel related to operation of mobile fleet and furnaces, or indirectly through transportation costs as well as costs for other direct materials including grinding media, reagents and certain spare parts which rely on fuel as an input cost. In aggregate, approximately 25% to 30% of the Company's mine and smelter cash costs are directly or indirectly impacted by fuel costs. Fuel costs are affected directly by the crude oil prices, and therefore, fluctuations in the crude oil prices can also impact the Company's key cost measures and results of operations.

Crude oil prices typically fluctuate based on seasonal demand and supply and global political and economic events. The main benchmark for fuel prices is Brent Crude, which gained approximately 10% in 2022, after jumping 50% in 2021. Russia and China are expected to be the key countries shaping the oil price forecast in 2023, as the oil prices are expected to be driven by the balance between the tightening Russian supply and China's demand growth.

Bulgaria imports oil from Russia which is refined by a Bulgarian entity ultimately controlled by a Russian oil company that is a designated entity under Canadian and U.S. sanctions and subject to sectoral sanctions in the European Union ("EU"). The Bulgarian subsidiaries of DPM procure fuel from this refinery from Bulgarian suppliers. In the event that existing sanctions are not eliminated and the exemption from the Council of Europe's sanctions in favour of Bulgaria with respect to the import of Russian oil is not extended or other sanctions otherwise prevent Bulgaria from importing Russian oil or prevent the Company from otherwise procuring fuel refined in Bulgaria, the costs of procuring fuel for the Company's operations in Bulgaria may be significantly increased. For a detailed discussion related to the conflict in Ukraine and its impact to DPM, please see the "Risks and Uncertainties" section later in this MD&A.

The Company does not have any oil hedges in place.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2022, the Company held cash of \$433.2 million, investments valued at \$40.8 million primarily related to its 6.5% interest in Sabina, and \$150.0 million of undrawn capacity under its RCF.

The Company's liquidity is impacted by several factors which include, but are not limited to, gold, copper and sulphuric acid market prices, production levels, capital expenditures, operating cash costs, interest rates and foreign exchange rates. These factors are monitored by the Company on a regular basis.

As at December 31, 2022, the Company's cash resources and available capital under its RCF continue to provide sufficient liquidity and capital resources to meet its current operating and capital expenditure requirements, all contractual commitments, as well as a number of margin improvement and growth-related expenditures. The Company may, from time to time, raise additional capital or amend its RCF to ensure it maintains its financial strength and has sufficient liquidity to support the funding requirements associated with one or more of its growth capital projects and the overall needs of the business.

As part of the Company's assessment of the potential implications associated with the conflict in Ukraine and the COVID-19 pandemic, the Company assessed its financial resources as at December 31, 2022 and concluded that it has sufficient available cash resources to manage the potential impacts that could reasonably be expected to arise.

Capital Allocation

As part of its strategy, the Company adheres to a disciplined capital allocation framework that is based on three fundamental considerations – balance sheet strength, reinvestment in the business, and the return of excess capital to shareholders. Maintaining a strong balance sheet includes ensuring adequate liquidity, managing within prudent financial metrics, and building a strong cash position to support accretive growth. Reinvestment in the business includes investing in its operating assets to sustain and optimize performance; investing in resource development to extend the life of its mines and to identify new gold resources; further advancing existing resources towards production; as well as investing in new projects to grow beyond its existing asset base. Returning capital to shareholders includes dividends, and under

certain circumstances, opportunistic share repurchases. These alternatives are not mutually exclusive, nor are they exhaustive, and are assessed in a balanced manner with a view to maximizing total shareholder returns over the long-term.

Declaration of dividend

In 2022, the Company declared a quarterly dividend of \$0.04 (2021 – \$0.03) per common share to its shareholders of record resulting in total dividend distributions of \$30.5 million (2021 – \$22.4 million) recognized against its retained earnings in the audited consolidated statements of changes in shareholders' equity. The Company paid an aggregate of \$28.6 million (2021 – \$22.1 million) of dividends which were included in cash used in financing activities in the audited consolidated statements of cash flows for the year ended December 31, 2022 and recognized a dividend payable of \$7.6 million (December 31, 2021 – \$5.7 million) in accounts payable and accrued liabilities in the audited consolidated statements of financial position as at December 31, 2022.

On February 16, 2023, the Company declared a dividend of \$0.04 per common share payable on April 17, 2023 to shareholders of record on March 31, 2023.

The Company's dividend has been set at a level that is considered to be sustainable based on the Company's free cash flow outlook and is expected to allow the Company to build additional balance sheet strength to support the estimated capital funding associated with its projects, including Loma Larga, Čoka Rakita and other growth opportunities, which represent a key element of DPM's strategy. The declaration, amount and timing of any future dividend are at the sole discretion of the Board of Directors 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 of Directors.

Share repurchases under the NCIB

The Company renewed its NCIB on March 1, 2022, which permitted the repurchase of up to 9,000,000 common shares representing approximately 5% of the total outstanding common shares as at February 17, 2022, over a period of twelve months commencing March 1, 2022 and terminating on February 28, 2023. In accordance with TSX rules, the Company is not permitted to acquire on any given trading day more than 182,760 common shares, representing 25% of the average daily volume of common shares for the six months ended January 31, 2022. The price that the Company pays for common shares in open market transactions is the market price at the time of purchase and any common shares purchased under the NCIB are cancelled.

In 2022, the Company purchased a total of 2,471,500 (2021 – 1,723,800) shares, all of which were cancelled as at December 31, 2022. The Company also cancelled an additional 29,600 shares in 2022 that were purchased in 2021, resulting in a total of 2,501,100 (2021 – 1,694,200) shares being cancelled during the twelve months ended December 31, 2022. The total cost of these purchases was \$13.6 million (2021 – \$10.4 million) at an average price of \$5.51 (Cdn\$7.14) (2021 – \$6.02 (Cdn\$7.64)) per share, of which \$7.5 million (2021 – \$5.3 million) was recognized as a reduction in share capital, \$nil (2021 – \$5.1 million) as a reduction in contributed surplus and \$6.1 million (2021 – \$nil) as a reduction in retained earnings in the audited consolidated statements of changes in shareholders' equity for the year ended December 31, 2022. The payments for these share repurchases were included in cash used in financing activities in the audited consolidated statements of cash flows for the year ended December 31, 2022 and 2021.

The Board of Directors has approved the renewal of the NCIB (the "New Bid"), however, the renewal is subject to acceptance by the TSX. If accepted, the New Bid will be made in accordance with the applicable rules and policies of the TSX and applicable Canadian securities laws. Pursuant to the New Bid, it is expected that the Company will be able to purchase up to 16,500,000 common shares, representing approximately 10% of the public float as of February 16, 2023, over a period of twelve months commencing after the TSX approval. The New Bid will also allow the Company to implement an Issuer Repurchase Agreement and automatic share repurchase plan with its designated broker in order to facilitate the purchase of its shares.

Assuming the full number of shares are repurchased under this New Bid, and at the Company's current share price, this represents an authorized return of capital of up to \$100 million. The actual timing and number of common shares that may be purchased pursuant to the NCIB will be undertaken in accordance with DPM's capital allocation framework, having regard for such things as DPM's financial position, business outlook and ongoing capital requirements, as well as its share price and overall market conditions.

A copy of the TSX Form 12 for the NCIB can be obtained, without charge, by contacting the Company at info@dundeeprecious.com.

Cash Flow

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

\$ thousands Ended December 31,	Three Months			Twelve Months		
	2022	2021	Change	2022	2021	Change
Cash provided from operating activities, before changes in working capital ⁽¹⁾	52,353	80,063	(35%)	227,195	309,049	(26%)
Changes in working capital	(3,064)	8,877	(135%)	4,857	(55,469)	109%
Cash provided from operating activities	49,289	88,940	(45%)	232,052	253,580	(8%)
Cash provided from (used in) investing activities	(26,103)	33,058	(179%)	(85,809)	(32,073)	168%
Cash used in financing activities	(9,604)	(8,022)	20%	(47,444)	(36,662)	29%
Increase in cash and cash equivalents	13,582	113,976	(88%)	98,799	184,845	(47%)
Cash at beginning of period	419,594	220,401	90%	334,377	149,532	124%
Cash and cash equivalents at end of period	433,176	334,377	30%	433,176	334,377	30%

1) Cash provided from operating activities, before changes in working capital, is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section commencing on page 43 of this MD&A for more information, including reconciliations to IFRS measures.

The primary factors impacting period over period cash flows are summarized below.

Operating activities

Cash provided from operating activities in the fourth quarter of 2022 of \$49.3 million was 45% lower than the corresponding period in 2021 due primarily to lower volumes of metal sold and lower volumes of complex concentrate smelted, partially offset by a stronger U.S. dollar, as well as an unfavourable period over period change in working capital primarily related to timing of deliveries and subsequent receipt of cash, partially offset by timing of supplier payments.

Cash provided from operating activities in 2022 of \$232.1 million was 8% lower than 2021 due primarily to lower volumes of metal sold, higher local currency mine operating expenses and higher freight charges at Chelopech, partially offset by a stronger U.S. dollar, and higher realized metal and sulphuric acid prices, as well as a favourable period over period change in working capital primarily related to timing of deliveries and subsequent receipt of cash.

Free cash flow in the fourth quarter and twelve months of 2022 of \$33.3 million and \$166.4 million, respectively, was \$32.5 million and \$86.0 million lower than the corresponding periods in 2021, due primarily to the same factors impacting cash provided from operating activities, except for the impact of changes in working capital, which is excluded from free cash flow.

Investing activities

Cash used in investing activities in the fourth quarter of 2022 was \$26.1 million compared to cash provided from investing activities of \$33.1 million in the corresponding period in 2021. Cash used in investing activities in 2022 was \$85.8 million compared to \$32.1 million in 2021.

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

<i>\$ thousands</i> Ended December 31,	Three Months			Twelve Months		
	2022	2021	Change	2022	2021	Change
Chelopech	10,600	5,149	106%	23,349	18,891	24%
Tsumeb	5,040	2,373	112%	18,852	15,660	20%
Ada Tepe	1,840	5,235	(65%)	10,193	17,538	(42%)
Corporate & Other	8,618	5,128	68%	32,920	12,059	173%
Total cash capital expenditures	26,098	17,885	46%	85,314	64,148	33%

Cash outlays for capital expenditures in the fourth quarter and twelve months of 2022 of \$26.1 million and \$85.3 million, respectively, are in line with capital expenditures incurred (refer to segment results for further details) adjusted for timing of payments related to sustaining capital expenditures as well as increased cash outlays for growth capital expenditures related to the Loma Larga gold project.

Other factors impacting investing activities period over period are summarized below:

- Total cash proceeds of \$45.2 million from the MineRP Disposition, partially offset by the increase in restricted cash of \$3.5 million in 2021; and
- Purchase of publicly traded securities in 2022 of \$0.5 million compared to \$8.3 million in 2021.

Financing activities

Cash used in financing activities in the fourth quarter and twelve months of 2022 was \$9.6 million and \$47.4 million, respectively, compared to \$8.0 million and \$36.7 million in the corresponding periods in 2021, due primarily to an increase in dividend distribution to \$0.04 per share in 2022 compared to \$0.03 in 2021.

Financial Position

<i>\$ thousands</i> As at December 31,	2022	2021	Increase/ (Decrease)
Cash	433,176	334,377	98,799
Accounts receivable, inventories and other current assets	177,745	179,416	(1,671)
Investments at fair value	40,773	47,983	(7,210)
Non-current assets, excluding investments at fair value	505,560	606,634	(101,074)
Total assets	1,157,254	1,168,410	(11,156)
Current liabilities	96,885	85,799	11,086
Non-current liabilities	67,275	78,198	(10,923)
Equity attributable to common shareholders	993,094	1,004,413	(11,319)

Cash increased by \$98.8 million to \$433.2 million during 2022 due primarily to earnings generated in the period as well as a favourable period over period change in working capital primarily related to timing of deliveries and subsequent receipt of cash, partially offset by cash outlays for capital expenditures, dividend payments and share repurchases. Accounts receivable, inventories and other current assets decreased by \$1.7 million to \$177.7 million due primarily to the timing of deliveries and subsequent receipt of cash. Investments at fair value decreased by \$7.2 million to \$40.8 million due primarily to the decrease in Sabina's share price. Non-current assets, excluding investments at fair value, decreased by \$101.1 million to \$505.6 million due primarily to the Tsumeb impairment charge, and depreciation and depletion, partially offset by capital expenditures.

Current liabilities increased by \$11.1 million to \$96.9 million during 2022 due primarily to an increase in accounts payable and accrued liabilities as a result of the timing of payments to suppliers and an increase in the current portion of rehabilitation provisions. Non-current liabilities decreased by \$10.9 million to \$67.3 million due primarily to a decrease in rehabilitation provisions as a result of a stronger U.S. dollar and higher discount rates, partially offset by a higher inflation rate, as well as a decrease in share-based compensation liabilities as a result of the decrease in DPM's share price. Equity attributable to common shareholders decreased by \$11.3 million to \$993.1 million due primarily to the Tsumeb impairment charge, a decrease in accumulated other comprehensive income related to unrealized losses on publicly traded securities, dividends declared and shares repurchased, partially offset by adjusted net earnings for the year.

Contractual Obligations, Commitments and Other Contingencies

The Company had the following minimum contractual obligations and commitments as at December 31, 2022:

<i>\$ thousands</i>	up to 1 year	1 – 5 years	Over 5 years	Total
Lease obligations	5,416	9,854	1,403	16,673
Capital commitments	17,348	-	-	17,348
Purchase commitments	21,077	95	-	21,172
Other obligations	127	1,567	486	2,180
Total contractual obligations and commitments	43,968	11,516	1,889	57,373

Tsumeb secondary materials

As at December 31, 2022, Tsumeb had approximately \$36.8 million (December 31, 2021 – \$73.8 million) of recoverable third party in-process secondary materials, which it is obligated to process and return, generally in the form of blister, to IXM S.A. (“IXM”) pursuant to a tolling agreement.

In April 2021, the Company and IXM agreed to amend the existing tolling agreement to provide for, among other things: i) targeted declining excess secondary material balances, above which excess secondary material would be required to be purchased by the Company; ii) the elimination of all excess secondary material by March 31, 2023; iii) an increase in the defined level of normal secondary material; and iv) an extension of the tolling agreement by three years to December 31, 2026.

As at December 31, 2022, the value of excess secondary materials, as defined in the tolling agreement, was approximately \$3.3 million, which was below the targeted excess secondary material balance under the tolling agreement.

Debt and Available Credit Facilities

As at December 31, 2022, the Company had no debt.

The Company has a number of credit facilities that can be accessed by DPM or its subsidiaries, including DPM’s committed revolving credit facility of \$150.0 million with a consortium of four banks that matures in July 2026. Pursuant to an accordion feature, this facility can be increased to \$250.0 million, subject to certain conditions. As at December 31, 2022, DPM was in compliance with all financial covenants and \$nil was drawn under the RCF.

Chelopech and Ada Tepe have a \$21.0 million multi-purpose credit facility that matures on November 30, 2023 and as at December 31, 2022, \$17.3 million had been utilized in the form of letters of credit and letters of guarantee, primarily in respect of concession contracts with the Bulgarian Ministry of Energy.

Chelopech and Ada Tepe also have a Euro 21.0 million (\$22.5 million) credit facility to support mine closure and rehabilitation obligations in respect of concession contracts with the Bulgarian Ministry of Energy which had been fully utilized as at December 31, 2022.

Ada Tepe also has a \$10.3 million multi-purpose credit facility that matures on November 30, 2023 and as at December 31, 2022, only \$0.2 million had been utilized in the form of letters of credit and letters of guarantee, primarily in respect of exploration contracts with the Bulgarian Ministry of Energy.

Outstanding Share Data

DPM’s common shares are traded on the TSX under the symbol DPM. As at February 16, 2023, 190,278,309 common shares were issued and outstanding.

DPM also has 2,386,676 stock options outstanding as at February 16, 2022 with exercise prices ranging from Cdn\$3.28 to Cdn\$8.50 per share (weighted average exercise price – Cdn\$5.77 per share).

Other Contingencies

The Company is involved in legal proceedings, from time to time, arising in the ordinary course of its business. Other than the Action filed against the MAATE by certain non-government organizations and local agencies at Loma Larga (see the “Development and Other Major Projects – Loma Larga Gold Project” section contained in this MD&A for details), there are no ongoing legal proceedings that are expected to result in a material liability or have a material adverse effect on the Company’s future business, operations or financial condition.

FINANCIAL INSTRUMENTS

As at December 31, 2022, the Company had the following financial instruments measured at fair market value:

<i>\$ thousands</i>			
As at December 31,		2022	2021
Consolidated statements of financial position		Financial assets	
Investments at fair value	Publicly traded securities	40,554	42,167
	Sabina special warrants	-	5,795
	Other Warrants	219	21
Other current assets	Commodity swap contracts	149	21
	Foreign exchange forward contracts	531	-
		Financial liabilities	
Accounts payable and accrued liabilities	Commodity swap contracts	3,259	1,946
	Foreign exchange option contracts	1,787	1,489
	Foreign exchange forward contracts	318	-

The fair value gains or losses on each of these financial instruments have been summarized in the table below:

<i>\$ thousands</i>		Three Months		Twelve Months	
Ended December 31,		2022	2021	2022	2021
Consolidated statements of earnings (loss)		Gains (losses) on financial instruments			
Revenue	QP Hedges	(7,523)	(6,379)	6,732	(3,548)
	Production Hedges	-	(4,634)	-	(15,740)
Cost of Sales	Foreign exchange option contracts	872	(503)	1,140	(6,525)
Other income and expense	Sabina special warrants	-	(654)	2,369	6,289
	Other warrants	190	(5)	46	23
	Foreign exchange forward contracts	-	-	-	-
Consolidated statements of comprehensive income (loss)		Gains (losses) on financial instruments, net of income taxes			
Other comprehensive income (loss)	Production hedges	-	(2,571)	-	(14,227)
	Foreign exchange option contracts	4,252	(1,955)	(1,440)	(1,329)
	Publicly traded securities	8,984	(749)	(5,292)	(37,593)

For a more detailed description of the accounting policies and the nature of the gains or losses on these financial instruments, see *note 8, Financial Instruments*, to the audited consolidated financial statements for the year ended December 31, 2022.

Investments at Fair Value

As at December 31, 2022, the Company’s investments at fair value were \$40.8 million (December 31, 2021 – \$48.0 million), the vast majority of which related to the value of its investment in Sabina common shares and special warrants. In September 2022, 5,000,000 Series B special warrants were exercised in return for 5,000,000 common shares by DPM following a positive production decision with respect to the Back River project. As at December 31, 2022, DPM held 36,050,566 common shares of Sabina, representing a 6.5% ownership interest in Sabina with a fair market value of \$35.4 million (Cdn\$47.9 million).

On February 13, 2023, B2Gold Corp (“B2Gold”) and Sabina announced that the parties have entered into a definitive agreement pursuant to which B2Gold has agreed to acquire all of the issued and outstanding shares of Sabina through issuing 0.3867 of a common share of B2Gold for each Sabina common share, representing a consideration of Cdn\$1.87 per Sabina share on a fully-diluted basis based on the closing price of B2Gold on the TSX as at February 10, 2023. As a result, DPM’s ownership interest in Sabina would be valued at \$49.8 million (Cdn\$67.4 million) based on Cdn\$1.87 per Sabina share under this transaction.

This transaction is subject to Sabina shareholders’ approval, as well as normal course regulatory approvals and the satisfaction of customary closing conditions.

Commodity Swap Contracts

The Company is subject to price risk associated with fluctuations in the market prices for metals. The Company regularly enters into QP Hedges to reduce the price exposure associated with the time lag between the provisional and final determination of its concentrate sales. In addition, the Company periodically enters into Production Hedges to reduce the price exposure associated with projected payable copper production.

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

The fair value gain or loss on commodity swap contracts is calculated based on the corresponding LME forward copper prices and New York Commodity Exchange forward gold prices, as applicable. As at December 31, 2022, the impact of a 5% increase or decrease in metal prices impacting the Company’s accounts receivable on provisionally priced sales (the hedged item) and outstanding commodity swap contracts (the hedging instrument), with all other variables held constant, would decrease or increase earnings before income taxes by \$0.6 million (2021 – \$2.0 million) and would decrease or increase equity by \$0.6 million (2021 – \$2.0 million).

Foreign Exchange Option Contracts

The Company’s foreign currency exposures arise primarily from a significant portion of its operating and capital costs being denominated in currencies other than the U.S. dollar, the Company’s functional currency. The Company enters into foreign exchange option contracts in order to reduce the foreign exchange exposure associated with projected operating expenses and capital expenditures denominated in foreign currencies. Foreign exchange option contracts are entered into, to provide price protection below a specified “floor” rate and participation up to a specified “ceiling” rate. The option contracts entered into are comprised of a series of call options and put options (which when combined create a price “collar”) that are structured so as to provide for a zero upfront cash cost.

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

The fair value gain or loss on foreign exchange option contracts was calculated based on foreign exchange forward rates quoted in the market. As at December 31, 2022, approximately 86% of the Company’s 2023 projected Namibian dollar operating expenses, which is linked to the ZAR, have been hedged. A 5% appreciation of the U.S. dollar relative to the ZAR on the Company’s outstanding foreign exchange option contracts, with all other variables held constant, would decrease equity by \$0.8 million (2021 – \$1.9 million). The effect of a 5% depreciation of the U.S. dollar relative to the ZAR on the Company’s outstanding foreign exchange option contracts, with all other variables held constant, would have no impact on equity.

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

OFF BALANCE SHEET ARRANGEMENTS

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

SELECTED QUARTERLY AND ANNUAL INFORMATION

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

\$ millions except per share amounts	2022				2021			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	152.9	128.6	134.5	153.8	166.4	162.3	174.7	138.0
Net earnings (loss)	33.3	(57.7)	33.5	26.8	51.5	50.4	88.1	19.8
Net earnings (loss) attributable to:								
• Continuing operations	33.3	(57.7)	33.5	26.8	52.1	50.4	67.5	20.7
• Discontinued operations	-	-	-	-	(0.6)	-	20.7	(0.7)
• Non-controlling interests	-	-	-	-	-	-	(0.1)	(0.2)
Basic earnings (loss) per share:	0.18	(0.30)	0.18	0.14	0.27	0.27	0.48	0.11
• Continuing operations	0.18	(0.30)	0.18	0.14	0.27	0.27	0.37	0.11
• Discontinued operations	-	-	-	-	-	-	0.11	-
Diluted earnings (loss) per share:	0.17	(0.30)	0.17	0.14	0.27	0.26	0.48	0.11
• Continuing operations	0.17	(0.30)	0.17	0.14	0.27	0.26	0.37	0.11
• Discontinued operations	-	-	-	-	-	-	0.11	-
Adjusted net earnings	33.3	25.3	33.3	37.0	51.4	52.5	67.1	31.0
Adjusted basic earnings per share	0.18	0.13	0.17	0.19	0.27	0.28	0.37	0.17
Cash from operating activities	49.3	31.5	72.5	78.8	88.9	41.2	75.8	47.7

The variations in the Company's quarterly results were driven largely by fluctuations in gold and copper grades and recoveries, timing of metal deliveries, volumes of complex concentrate smelted, gold, copper and sulphuric acid prices, foreign exchange rates, smelter toll rates, smelter metal recoveries, depreciation, gains and losses related to Sabina special warrants, gains and losses on commodity swap contracts related to hedging the Company's metal price exposures, realized gains or losses on foreign exchange option contracts related to hedging the Company's foreign denominated operating expenditures, the MineRP Disposition, restructuring costs and impairment charge.

The following table summarizes the quarterly average realized prices for gold and copper and highlights the quarter over quarter variability:

Average Realized Metal Prices		2022				2021			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
LBMA gold	\$/oz	1,752	1,712	1,812	1,876	1,780	1,800	1,803	1,779
LME settlement copper	\$/lb	3.65	3.53	4.42	4.58	3.77	3.72	3.99	3.76

Other key items impacting the Company's quarter over quarter results include:

- Lower volumes of complex concentrate smelted at Tsumeb in Q1 2021, Q2 2022 and Q4 2022 as a result of planned maintenance and additional unplanned downtime due primarily to water leaks to the off-gas system;
- MineRP Disposition in Q2 2021;
- Tsumeb restructuring cost in Q1 2022; and
- Tsumeb impairment charge in Q3 2022.

The following is a summary of selected annual information for the Company's last three fiscal years:

\$ thousands, unless otherwise indicated

As at December 31,	2022	2021	2020
Revenue from continuing operations	569,795	641,443	609,558
Impairment charge	85,000	-	-
Net earnings attributable to common shareholders from continuing operations	35,923	190,750	199,074
Net earnings (loss) attributable to common shareholders from discontinued operations	-	19,351	(3,072)
Net earnings	35,923	209,824	194,863
Adjusted net earnings from continuing operations	129,027	202,081	188,415
Basic earnings per share from continuing operations	0.19	1.02	1.10
Basic earnings (loss) per share from discontinued operations	-	0.10	(0.02)
Basic earnings per share	0.19	1.12	1.08
Diluted earnings per share	0.19	1.12	1.07
Dividend declared per share	0.16	0.12	0.09
Adjusted net earnings per share from continuing operations	0.68	1.09	1.04
Total assets	1,157,254	1,168,410	974,860
Non-current liabilities	67,275	78,198	84,500

The following table summarizes the annual average realized prices for gold and copper and highlights the year over year variability:

Average Realized Metal Prices Ended December 31,		2022	2021	2020
LBMA gold	\$/oz	1,795	1,790	1,709
LME settlement copper	\$/lb	3.98	3.82	2.74

Other key items impacting the Company's financial results over the period from 2020 to 2022 include:

- Improved combined gold recoveries at Chelopech in 2022 relative to 2021 and 2020;
- Declining gold grades at Chelopech in 2022 relative to 2021 and 2020 due to mining in lower grade zones, in line with its mine plan;
- Lower volumes of complex concentrate smelted at Tsumeb in 2022 relative to 2021 and 2020 as a result of planned maintenance and operational issues in 2022;
- A stronger U.S. dollar in 2022 and 2020 relative to a weaker U.S. dollar in 2021 compared to the local currencies in which the Company's operating costs are denominated;
- Acquisition of INV accounted for as an asset acquisition in 2021;
- The MineRP Disposition in 2021;
- Growth capital expenditures for the Timok and Loma Larga gold projects incurred in 2022 and 2021;
- Dividend distribution of \$30.5 million in 2022 compared to \$22.4 million in 2021 and \$16.3 million in 2020;
- Purchased 2,471,500 common shares under the NCIB for a total cost of \$13.6 million in 2022 and 1,723,800 common shares under the NCIB for a total cost of \$10.4 million in 2021; and
- An impairment charge of \$85.0 million at Tsumeb in 2022.

CRITICAL ACCOUNTING ESTIMATES

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

The significant areas of estimation and uncertainty considered by management in preparing the consolidated financial statements include, but are not limited to:

Mineral exploration and evaluation expenditures

Exploration and evaluation activities involve the search for Mineral Resources and Mineral Reserves, the assessment of technical and operational feasibility and the determination of an identified Mineral Resource or Mineral Reserve's commercial viability.

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is probable that future economic benefits will be generated from the exploitation of an exploration and evaluation asset when activities have not yet reached a stage where a reasonable assessment of the existence of Mineral Reserves can be determined. The estimation of Mineral Resources is a complex process and requires significant assumptions and estimates regarding economic and geological data and these assumptions and estimates impact the decision to either expense or capitalize exploration and evaluation expenditures. Management is required to make certain estimates and assumptions about future events and circumstances in order to determine if an economically viable extraction operation can be established. Any revision to any of these assumptions and estimates could result in the impairment of the capitalized exploration and evaluation costs. If new information becomes available after expenditures have been capitalized that the recovery of these expenditures is no longer probable, the expenditures capitalized are written down to the recoverable amount and charged to net earnings (loss) in the period the new information becomes available.

Mine properties

Commencement of commercial production

All expenditures undertaken in the development, construction, installation and/or completion of mine production facilities are capitalized and initially classified as "Mines under construction". Upon the commencement of commercial production, all related assets included in "Mines under construction" are reclassified to "Mine Properties – Producing mines" or "Property, plant and equipment".

Determination of commencement of commercial production is a complex process and requires significant assumptions and estimates. The commencement of commercial production is defined as the date when the mine is capable of operating in the manner intended by management. The Company considers primarily the following factors, among others, when determining the commencement of commercial production:

- All major capital expenditures to achieve a consistent level of production and desired capacity have been incurred;
- A reasonable period of testing of the mine plant and equipment has been completed;
- A predetermined percentage of design capacity of the mine and mill has been reached; and
- Required production levels, grades and recoveries have been achieved.

Mineral Resource and Mineral Reserve estimates

The estimation of Mineral Resources and Mineral Reserves, as defined under NI 43-101 is a complex process and requires significant assumptions and estimates. The Company prepares its Mineral Resource and Mineral Reserve estimates based on information related to the geological data on the size, depth and shape of the orebody which is compiled by appropriately qualified persons. Mineral Resource and Mineral Reserve estimates are based upon factors such as metal prices, capital requirements, production costs, foreign exchange rates, geotechnical and geological assumptions and judgments made in estimating the size and grade of the orebody. Mineral Resource and Mineral Reserve estimates, together with forecast production, determine the life of mine estimates and therefore changes in the Mineral Resource or Mineral Reserve estimates may impact the carrying value of exploration and evaluation assets, mine properties, property, plant and equipment, depletion and depreciation charges, rehabilitation provisions and deferred income tax assets.

Impairment of non-financial assets

At each reporting date, the carrying values of mine properties, intangible assets and property, plant and equipment are assessed for impairment if indicators of potential impairment or reversal of previously recognized impairment exist. If any such indication exists, an estimate of the asset's recoverable amount

is calculated. The recoverable amount is determined as the higher of the fair value less costs of disposal (“FVLCD”) and its value in use based on discounted cash flows. This is determined on an asset-by-asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets or groups of assets. If this is the case, individual assets are grouped together into a Cash Generating Unit (“CGU”) for impairment purposes. Such CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or groups of assets. Management has assessed the Company’s CGUs as being an individual operating site.

The assessment of impairment is based on a number of external and internal factors, some of which are outside of the Company’s control, and requires the use of estimates and assumptions related to these factors for each CGU. External factors include market considerations ranging from overall economic activity and the supply of and demand for the materials used in and products produced by the Company to changes in commodity prices, toll rates, discount rates, foreign exchange rates and regulatory requirements. Internal factors include considerations such as production volume, ability to convert resources into reserves, capital and operating expenditures, and future development and expansion plans.

These significant estimates and assumptions, some of which may be subjective, require that management make decisions based on the best available information at each reporting period. It is possible that the actual recoverable amount could be significantly different than those estimates. A significant decline in the asset’s market value, reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable reserves, resources and exploration potential, and/or adverse market conditions can result in a write-down of the carrying amounts of the Company’s assets. Judgment is also required when considering whether significant changes in any of these items indicate a previous impairment may have reversed.

During the year ended December 31, 2022, the Company recognized an impairment charge in respect of Tsumeb of \$85.0 million. Tsumeb’s recoverable amount of \$40.0 million was determined using FVLCD, which was calculated based on projected future cash flows utilizing the latest information available and management’s estimates including throughput ranging from 230,000 tonnes to 350,000 tonnes, toll rates and volumes based on historical terms received and the Company’s knowledge of the complex concentrate market, lower operating costs, sustaining capital expenditures in line with current levels, and the foreign exchange rate between the U.S. dollar and the ZAR of 17.05. These projected cash flows were prepared in current dollars and discounted using a real discount rate of 10.79%, representing the estimated weighted average real cost of capital. This rate was estimated based on the Capital Asset Pricing Model where the costs of equity and debt were based on, among other things, estimated interest rates, market returns on equity, share volatility, leverage and risks specific to the mining sector and Tsumeb.

The projected cash flows and FVLCD for Tsumeb can be affected by any one or more changes in the estimates used. Changes in third party toll rates, operating costs, foreign exchange rates and volumes of concentrate smelted have the greatest impact on value, where a 5% change in any one of above assumptions would each change the FVLCD by approximately \$30 million to \$35 million as at December 31, 2022. In addition, if Tsumeb does not achieve forecasted operating levels and future cost savings in respect of its initiative to optimize the cost structure of the smelter, there could be a further impairment charge.

Rehabilitation provisions

Mining, processing, development and exploration activities are subject to various laws and regulations governing the protection of the environment. The Company recognizes a liability for its rehabilitation obligations in the period when a legal and/or constructive obligation is identified. The liability is measured at the present value of the estimated costs required to rehabilitate operating locations based on the risk-free nominal discount rates that are specific to the countries in which the operations are located.

The nature of these restoration and rehabilitation activities includes: i) dismantling and removing structures; ii) rehabilitating mines and tailing dams; iii) dismantling operating facilities; iv) closure of plant and waste sites; and v) restoration, reclamation and re-vegetation of affected areas.

Significant estimates and assumptions are made by management in determining the nature and costs associated with the rehabilitation liability. The estimates and assumptions required include estimates of the

timing, extent and costs of rehabilitation activities, technology changes, regulatory changes, and changes in the discount and inflation rates. These uncertainties may result in future expenditures being different from the amounts currently provided.

Changes in the underlying assumptions used to estimate the rehabilitation liability as well as changes to environmental laws and regulations could cause material changes in the expected cost and expected future settlement value.

At as December 31, 2022, the undiscounted future cost for estimated mine closure and rehabilitation costs before inflation was estimated to be \$83.4 million. The carrying value of the estimated mine closure and rehabilitation cost was \$50.9 million at December 31, 2022 and \$51.6 million at December 31, 2021.

Revenue recognition related to toll smelting arrangements

Revenue from processing concentrate is recognized when concentrate has been smelted and is based on the toll rate specified in the toll agreement, which can vary based on the composition of the concentrate processed and prevailing market conditions at the time the agreement was entered. Revenue from processing concentrate is adjusted for any over or under recoveries of metals delivered relative to contracted rates under the tolling agreement between Tsumeb and IXM. These adjustments represent metal exposure and are calculated by comparing (i) the copper, gold and silver content in the concentrate received and processed by Tsumeb multiplied by the percentage accountable in the IXM contract to (ii) the accountable copper, gold and silver in the blister delivered to IXM and in the in-circuit material still being processed by Tsumeb.

Many aspects of the metal exposure are subject to estimation, including the amount of metal contained in concentrate received, in-circuit material and blister delivered where final assays have not been completed. These significant estimates are based on the Company's process knowledge, joint surveys with IXM and multiple assay results, the final results of which could differ from initial estimates.

As at December 31, 2022, the Company's accounts receivable included a metal recovery of \$15.5 million (December 31, 2021 – \$2.2 million) related to estimated metal exposure at Tsumeb.

Deferred income taxes

Deferred income tax is provided using the balance sheet method on temporary differences on the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences, and the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable income will be generated in future periods to utilize these deductible temporary differences.

Judgment is required in determining whether deferred income tax assets are recognized on the consolidated statements of financial position. Deferred income tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate future taxable income in order to utilize the deferred income tax assets. Estimates of future taxable income are based on forecasted cash flows from operations or other activities and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred income tax assets recorded on the reporting date could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could impact tax deductions in future periods and the value of its deferred income tax assets and liabilities.

NON-GAAP FINANCIAL MEASURES

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

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

Mine cash cost; smelter cash cost; mine cash cost of sales; and all-in sustaining cost are non-GAAP financial measures. Cash cost per tonne of ore processed; cash cost per ounce of gold sold; all-in sustaining cost per ounce of gold sold; and cash cost per tonne of complex concentrate smelted are non-GAAP ratios. These measures capture the important components of the Company's production and related costs. Management and investors utilize these metrics as an important tool to monitor cost performance at the Company's operations. In addition, the Human Capital and Compensation Committee of the Board of Directors uses certain of these measures, together with other measures, to set incentive compensation goals and assess performance.

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

<i>\$ thousands, unless otherwise indicated</i>					
For the three months ended December 31, 2022					
		Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t	553,088	206,153	-	
Complex concentrate smelted	t	-	-	41,835	
Cost of sales		39,438	25,703	25,968	91,109
Add/(deduct):					
Depreciation and amortization		(7,456)	(13,948)	(800)	
Change in concentrate inventory		(3,985)	193	-	
Sulphuric acid revenue ⁽¹⁾		-	-	(6,625)	
Mine cash cost / Smelter cash cost ⁽²⁾		27,997	11,948	18,543	
Cost of sales per tonne of ore processed ⁽³⁾	\$/t	71	125	-	
Cash cost per tonne of ore processed ⁽³⁾	\$/t	51	58	-	
Cost of sales per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	621	
Cash cost per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	443	

<i>\$ thousands, unless otherwise indicated</i>					
For the three months ended December 31, 2021					
		Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t	561,986	219,325	-	
Complex concentrate smelted	t	-	-	51,932	
Cost of sales		33,474	27,004	33,564	94,042
Add/(deduct):					
Depreciation and amortization		(5,766)	(13,604)	(3,736)	
Change in concentrate inventory		2,289	(253)	-	
Other non-cash expenses		155	72	-	
Sulphuric acid revenue ⁽¹⁾		-	-	(6,614)	
Mine cash cost / Smelter cash cost ⁽²⁾		30,152	13,219	23,214	
Cost of sales per tonne of ore processed ⁽³⁾	\$/t	60	123	-	
Cash cost per tonne of ore processed ⁽³⁾	\$/t	54	60	-	
Cost of sales per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	646	
Cash cost per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	447	

1) Represents a by-product credit for Tsumeb.

2) Cash costs are reported in U.S. dollars, although the majority of costs incurred are denominated in non-U.S. dollars, and consist of all production related expenses including mining, processing, services, royalties and general and administrative.

3) Represents cost of sales and mine cash cost, respectively, divided by tonnes of ore processed.

4) Represents cost of sales and smelter cash cost, respectively, divided by tonnes of complex concentrate smelted.

<i>\$ thousands, unless otherwise indicated</i>					
For the twelve months ended December 31, 2022					
		Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t	2,138,792	852,990	-	
Complex concentrate smelted	t	-	-	174,122	
Cost of sales		133,929	102,739	120,779	357,447
Add/(deduct):					
Depreciation and amortization		(26,132)	(55,984)	(17,023)	
Change in concentrate inventory		(1,671)	181	-	
Sulphuric acid revenue ⁽¹⁾		-	-	(23,052)	
Mine cash cost / Smelter cash cost⁽²⁾		106,126	46,936	80,704	
Cost of sales per tonne of ore processed ⁽³⁾		63	120	-	
Cash cost per tonne of ore processed ⁽³⁾	\$/t	50	55	-	
Cost of sales per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	694	
Cash cost per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	463	

<i>\$ thousands, unless otherwise indicated</i>					
For the twelve months ended December 31, 2021					
		Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t	2,199,155	865,587	-	
Complex concentrate smelted	t	-	-	189,705	
Cost of sales		128,726	99,748	128,662	357,136
Add/(deduct):					
Depreciation and amortization		(22,063)	(54,405)	(18,202)	
Other non-cash expenses ⁽⁵⁾		155	72	(652)	
Change in concentrate inventory		(3,196)	(247)	-	
Sulphuric acid revenue ⁽¹⁾		-	-	(18,840)	
Mine cash cost / Smelter cash cost⁽²⁾		103,622	45,168	90,968	
Cost of sales per tonne of ore processed ⁽³⁾	\$/t	59	115	-	
Cash cost per tonne of ore processed ⁽³⁾	\$/t	47	52	-	
Cost of sales per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	678	
Cash cost per tonne of complex concentrate smelted ⁽⁴⁾	\$/t	-	-	480	

1) Represents a by-product credit for Tsumeb.

2) Cash costs are reported in U.S. dollars, although the majority of costs incurred are denominated in non-U.S. dollars, and consist of all production related expenses including mining, processing, services, royalties and general and administrative.

3) Represents cost of sales and mine cash cost, respectively, divided by tonnes of ore processed.

4) Represents cost of sales and smelter cash cost, respectively, divided by tonnes of complex concentrate smelted.

5) Relates to inventory write-down to net realizable value, reflecting market price movement, included in cost of sales in the audited consolidated statements of earnings (loss).

The following table provides, for the periods indicated, a reconciliation of the Company's cash cost per ounce of gold sold and all-in sustaining cost per ounce of gold sold to its cost of sales:

<i>\$ thousands, unless otherwise indicated</i>			
For the three months ended December 31, 2022			
	Chelopech	Ada Tepe	Total
Cost of sales	39,438	25,703	65,141
Add/(deduct):			
Depreciation and amortization	(7,456)	(13,948)	(21,404)
Treatment charges, transportation and other related selling costs ⁽¹⁾	26,529	864	27,393
By-product credits ⁽²⁾	(24,717)	(260)	(24,977)
Mine cash cost of sales	33,794	12,359	46,153
Rehabilitation related accretion and depreciation expenses ⁽³⁾	264	295	559
General and administrative expenses ⁽⁴⁾	4,943	2,469	7,412
Cash outlays for sustaining capital ⁽⁵⁾	9,879	1,840	11,719
Cash outlays for leases ⁽⁵⁾	251	280	531
All-in sustaining cost	49,131	17,243	66,374
Payable gold in concentrate sold ⁽⁶⁾	oz	39,203	26,628
Cost of sales per ounce of gold sold ⁽⁷⁾	\$/oz	1,006	965
Cash cost per ounce of gold sold ⁽⁷⁾	\$/oz	862	701
All-in sustaining cost per ounce of gold sold ⁽⁷⁾	\$/oz	1,253	1,008

<i>\$ thousands, unless otherwise indicated</i>			
For the three months ended December 31, 2021			
	Chelopech	Ada Tepe	Total
Cost of sales	33,474	27,004	60,478
Add/(deduct):			
Depreciation and amortization	(5,766)	(13,604)	(19,370)
Other non-cash expenses	155	72	227
Treatment charges, transportation and other related selling costs ⁽¹⁾	29,571	964	30,535
By-product credits ⁽²⁾	(31,703)	(285)	(31,988)
Mine cash cost of sales	25,731	14,151	39,882
Rehabilitation related accretion expenses ⁽³⁾	70	32	102
General and administrative expenses ⁽⁴⁾	3,568	2,361	5,929
Cash outlays for sustaining capital ⁽⁵⁾	4,158	5,235	9,393
Cash outlays for leases ⁽⁵⁾	237	347	584
All-in sustaining cost	33,764	22,126	55,890
Payable gold in concentrate sold ⁽⁶⁾	oz	40,538	33,282
Cost of sales per ounce of gold sold ⁽⁷⁾	\$/oz	826	811
Cash cost per ounce of gold sold ⁽⁷⁾	\$/oz	635	540
All-in sustaining cost per ounce of gold sold ⁽⁷⁾	\$/oz	833	757

1) Represents revenue deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.

2) Represents copper and silver revenue.

3) Included in cost of sales and finance cost in the audited consolidated statements of earnings (loss).

4) Represents an allocated portion of DPM's general and administrative expenses, including share-based compensation expense, based on Chelopech's and Ada Tepe's proportion of total revenue.

5) Included in cash used in investing activities and financing activities, respectively, in the audited consolidated statements of cash flows.

6) Includes payable gold in pyrite concentrate sold in the fourth quarter of 2022 of 10,408 ounces (2021 – 11,331 ounces).

7) Represents cost of sales, mine cash cost of sales and all-in sustaining cost, respectively, divided by payable gold in concentrate sold.

\$ thousands, unless otherwise indicated

For the twelve months ended December 31, 2022	Chelopech	Ada Tepe	Total
Cost of sales	133,929	102,739	236,668
Add/(deduct):			
Depreciation and amortization	(26,132)	(55,984)	(82,116)
Treatment charges, transportation and other related selling costs ⁽¹⁾	111,016	2,943	113,959
By-product credits ⁽²⁾	(110,959)	(793)	(111,752)
Mine cash cost of sales	107,854	48,905	156,759
Rehabilitation related accretion and depreciation expenses ⁽³⁾	1,020	1,353	2,373
General and administrative expenses ⁽⁴⁾	14,888	8,052	22,940
Cash outlays for sustaining capital ⁽⁵⁾	20,285	10,193	30,478
Cash outlays for leases ⁽⁵⁾	959	1,185	2,144
All-in sustaining cost	145,006	69,688	214,694
Payable gold in concentrate sold ⁽⁶⁾	oz	151,580	91,117
Cost of sales per ounce of gold sold ⁽⁷⁾	\$/oz	884	1,128
Cash cost per ounce of gold sold ⁽⁷⁾	\$/oz	712	537
All-in sustaining cost per ounce of gold sold ⁽⁷⁾	\$/oz	957	765

\$ thousands, unless otherwise indicated

For the twelve months ended December 31, 2021	Chelopech	Ada Tepe	Total
Cost of sales	128,726	99,748	228,474
Add/(deduct):			
Depreciation and amortization	(22,063)	(54,405)	(76,468)
Other non-cash expenses	155	72	227
Treatment charges, transportation and other related selling costs ⁽¹⁾	102,901	4,310	107,211
By-product credits ⁽²⁾	(128,636)	(1,038)	(129,674)
Mine cash cost of sales	81,083	48,687	129,770
Rehabilitation related accretion expenses ⁽³⁾	256	125	381
General and administrative expenses ⁽⁴⁾	10,019	7,847	17,866
Cash outlays for sustaining capital ⁽⁵⁾	15,511	17,469	32,980
Cash outlays for leases ⁽⁵⁾	936	1,466	2,402
All-in sustaining cost	107,805	75,594	183,399
Payable gold in concentrate sold ⁽⁶⁾	oz	149,297	129,754
Cost of sales per ounce of gold sold ⁽⁷⁾	\$/oz	862	769
Cash cost per ounce of gold sold ⁽⁷⁾	\$/oz	543	375
All-in sustaining cost per ounce of gold sold ⁽⁷⁾	\$/oz	722	583

1) Represents revenue deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.

2) Represents copper and silver revenue.

3) Included in cost of sales and finance cost in the audited consolidated statements of earnings (loss).

4) Represents an allocated portion of DPM's general and administrative expenses, including share-based compensation expense, based on Chelopech's and Ada Tepe's proportion of total revenue.

5) Included in cash used in investing activities and financing activities, respectively, in the audited consolidated statements of cash flows.

6) Includes payable gold in pyrite concentrate sold in 2022 of 40,828 ounces (2021 – 37,747 ounces).

7) Represents cost of sales, mine cash cost of sales and all-in sustaining cost, respectively, divided by payable gold in concentrate sold.

Adjusted net earnings and adjusted basic earnings per share

Adjusted net earnings is a non-GAAP financial measure and adjusted basic earnings per share is a non-GAAP ratio used by management and investors to measure the underlying operating performance of the Company. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods.

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

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

The following table provides a reconciliation of adjusted net earnings to net earnings attributable to common shareholders from continuing operations:

<i>\$ thousands</i>	Three Months		Twelve Months	
Ended December 31,	2022	2021	2022	2021
Net earnings attributable to common shareholders from continuing operations	33,320	52,108	35,923	190,750
Add/(deduct):				
Impairment charge	-	-	85,000	-
Net (gains) loss on Sabina special warrants, net of income taxes of \$nil	-	(659)	2,369	6,312
Tsumeb restructuring costs	-	-	5,735	-
Deferred income tax expense not related to current period earnings ⁽¹⁾	-	-	-	5,019
Adjusted net earnings	33,320	51,449	129,027	202,081
Basic earnings per share	0.18	0.27	0.19	1.02
Adjusted basic earnings per share	0.18	0.27	0.68	1.09

¹⁾ Represents changes in unrecognized tax benefits included in net earnings related to unrealized gains (losses) on publicly traded securities, which, together with the related deferred income tax expense (recovery), were recognized in other comprehensive income (loss).

Adjusted EBITDA

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

Adjusted EBITDA excludes the following from earnings before income taxes:

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

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

<i>\$ thousands</i>	Three Months		Twelve Months	
Ended December 31,	2022	2021	2022	2021
Earnings before income taxes	37,632	60,274	58,742	229,418
Add/(deduct):				
Impairment charge	-	-	85,000	-
Depreciation and amortization	22,740	23,533	101,252	96,207
Tsumeb restructuring costs	-	-	5,735	-
Finance costs	1,555	1,380	6,325	5,549
Interest income	(3,673)	(254)	(6,554)	(632)
Net (gains) losses on Sabina special warrants	-	(659)	2,369	6,312
Adjusted EBITDA	58,254	84,274	252,869	336,854

Cash provided from operating activities, before changes in working capital

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

Free cash flow

Free cash flow is a non-GAAP financial measure defined as cash provided from operating activities, before changes in working capital which includes changes in share-based compensation liabilities, less cash outlays for sustaining capital, mandatory principal repayments and interest payments related to debt and leases. This measure is used by the Company and investors to measure the cash flow available to fund growth capital expenditures, dividends and share repurchases.

The following table provides a reconciliation of cash provided from operating activities, before changes in working capital and free cash flow to cash provided from operating activities:

\$ thousands Ended December 31,	Three Months		Twelve Months	
	2022	2021	2022	2021
Cash provided from operating activities	49,289	88,940	232,052	253,580
Add:				
Changes in working capital	3,064	(8,877)	(4,857)	55,469
Cash provided from operating activities, before changes in working capital	52,353	80,063	227,195	309,049
Cash outlays for sustaining capital ⁽¹⁾	(17,160)	(12,724)	(53,823)	(49,758)
Principal repayments related to leases	(1,207)	(1,165)	(4,620)	(4,455)
Interest payments ⁽¹⁾	(723)	(367)	(2,315)	(2,443)
Free cash flow	33,263	65,807	166,437	252,393

1) Included in cash used in investing and financing activities, respectively, in the audited consolidated statements of cash flows.

Average realized metal prices

Average realized gold and copper prices are non-GAAP ratios used by management and investors to highlight the price actually realized by the Company relative to the average market price, which can differ due to the timing of sales, hedging and other factors.

Average realized gold and copper prices represent the average per unit price recognized in the Company's consolidated statements of earnings (loss) prior to any deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.

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

\$ thousands, unless otherwise indicated Ended December 31,	Three Months		Twelve Months	
	2022	2021	2022	2021
Total revenue	152,863	166,433	569,795	641,443
Add/(deduct):				
Tsumeb revenue	(39,895)	(33,574)	(136,305)	(119,350)
Treatment charges and other deductions ⁽¹⁾	27,393	30,535	113,959	107,211
Silver revenue	(446)	(1,127)	(3,319)	(4,831)
Revenue from gold and copper	139,915	162,267	544,130	624,473
Revenue from gold	115,341	131,407	435,657	499,630
Payable gold in concentrate sold	oz	65,831	73,820	242,697
Average realized gold price per ounce	\$/oz	1,752	1,780	1,795
Revenue from copper	24,574	30,860	108,473	124,843
Payable copper in concentrate sold	Klbs	6,726	8,175	27,224
Average realized copper price per pound	\$/lb	3.65	3.77	3.98

1) Represents revenue deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.

RISKS AND UNCERTAINTIES

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. The operating results and financial condition are also subject to numerous external factors, which include economic, social, geopolitical, including military conflicts, environmental, regulatory, health, legal, tax and market risks impacting, among other things, precious metals and copper prices, sulphuric acid prices, toll rates, foreign exchange rates, inflation, the availability and cost of capital to fund the capital requirements of the business and the supply chain related to the business, uncertainty of production and cost estimates and the potential for unexpected costs and expenses, and changes in general economic conditions or conditions in the financial markets. Each of these risks could have a material adverse impact on the Company's future business, results of operations and financial condition, and could cause actual results to differ materially from those described in any Forward Looking Statements contained in this MD&A. The Company endeavours to manage these risks and uncertainties in a balanced manner with a view to mitigating risk while maximizing total shareholder returns. The Company continually strives to identify and to effectively manage the risks of each of its business units. 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.

The following subsections describe some of the more significant business risks and uncertainties affecting the Company. These risks, along with other potential risks not specifically discussed in this MD&A, should be considered when evaluating the Company and its three-year outlook along with the more comprehensive discussion of risks contained in the "Risk Factors" section of our most recent Annual Information Form. Additional risks not identified below may affect the Company.

Metal Prices

The fluctuation in the price of a metal sold by the Company can significantly impact revenues as well as all-in sustaining cost per ounce of gold and other cost measures that are reported net of by-product credits. Accordingly, the prices of gold and copper are major factors influencing the Company's business, results of operations and financial condition, and, in turn, the price for its common shares.

Metal 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 and/or 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 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 approved by our Board of Directors, the Company enters into QP Hedges to reduce the metal price exposure associated with the time lag between the provisional and final determination of concentrate sales. The Company also selectively enters into Production Hedges to reduce its price exposure on future sales and in respect of certain cost measures that are impacted by variability in by-product metal credits. These Production Hedges 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. The Company sells and hedges gold and copper metal 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 LBMA.

Conflict in Ukraine

On February 24, 2022, Russia launched an invasion of Ukraine which, as of the date hereof, is still ongoing. Given the role each country plays around global energy and agricultural trade, the international community's imposition of a variety of sanctions on Russia, and the withdrawal of foreign products and services to Russia, this invasion is putting further strains on the global supply chain and adding additional pricing pressure above and beyond what previously was attributable to COVID-19.

The Company's Chelopech and Ada Tepe mines are located in Bulgaria, Eastern Europe. Bulgaria does not share a border with either Russia or Ukraine and is part of the North Atlantic Treaty Organization and the EU. The main sources of Bulgaria's electric energy are nuclear and coal facilities, which together comprise approximately 80% of Bulgaria's total energy generation. Although Russia has halted natural gas deliveries to Bulgaria, approximately 5% of Bulgaria's total energy supply is generated from natural gas and DPM has not experienced and does not anticipate any disruption of power supply to its mines as a result. In June 2022, the Council of Europe adopted sanctions that, among other things, prohibit the purchase, import or transfer of crude oil and certain petroleum products from Russia to the EU. A temporary exemption is available for those EU member states that, due to their geographic situation, suffer from a specific dependence on Russian supplies and have no viable alternative options. Bulgaria has secured this exemption until end of 2024. As a result, the impact of the conflict in Ukraine on the Company has been limited to date to increased costs for energy, fuel and other direct materials.

Further escalation of the conflict, including an outbreak of and/or expansion of hostilities into other countries or regions within Europe could have a material adverse effect on the Company's operations due to, among other factors, disruption in the Company's supply chain, increased input costs, and increased risk (or perception of increased risk) in the profile of the Company's operations in Eastern Europe. In addition, Bulgaria imports oil from Russia which is refined by a Bulgarian entity ultimately controlled by a Russian oil company that is a designated entity under Canadian and U.S. sanctions and subject to sectoral sanctions in the EU. The Bulgarian subsidiaries of DPM procure fuel from this refinery from Bulgarian suppliers. In the event that existing sanctions are not eliminated and the exemption from the Council of Europe's sanctions in favour of Bulgaria with respect to the import of Russian oil is not extended or other sanctions otherwise prevent Bulgaria from importing Russian oil or prevent the Company from otherwise procuring fuel refined in Bulgaria, the costs of procuring fuel for the Company's operations in Bulgaria may be significantly increased. The Company continues to monitor this evolving situation and will proactively manage the situation, although there is no assurance that the Company's operations will not be adversely affected by current geopolitical tensions and/or associated government sanctions.

Inflation and Global Economic Conditions

As a consequence of the COVID-19 pandemic, the war in Ukraine and other events, the global economy has faced significant instability marked by increased inflation and supply chain issues. Global economic conditions could further deteriorate, and the economy may contract and enter into a recession. Additionally, future economic shocks may be precipitated by a number of causes, including a rise in the price of oil, geopolitical instability, natural disasters and outbreaks of medical endemic or pandemic issues. Any sudden or rapid destabilization of global economic conditions could impact the Company's ability to obtain equity or debt financing in the future on terms favorable to the Company. Additionally, any such occurrence could cause decreases in asset values that are deemed to be other than temporary, which may result in impairment charges. Further, in such an event, the Company's operations and financial condition could be adversely impacted.

In addition to potentially affecting the price of gold, copper and silver, general inflationary pressures may also affect labor, commodity and other input costs, which could have a material adverse effect on the Company's financial condition, results of operations and capital expenditures for the development of its projects. Over the course of 2022, global inflationary pressures increased driven by supply chain disruptions. Global energy costs have also increased significantly following the invasion of Ukraine by Russia in February 2022. The Company has been impacted by these inflationary pressures in the form of higher costs for key inputs required for its operations, most notably higher energy costs. The Company has made assumptions around the expected costs of these key inputs, and the Company's actual costs in an inflationary environment may differ materially from those assumptions. These inflationary impacts may be felt directly through purchases of diesel and fuel, as well as through higher transportation costs, and indirectly through higher costs of products which rely on energy as an input cost.

Smelter Toll Rates, Sulphuric Acid Prices, Metal Recoveries and Feed

The availability of sufficient volumes of high value complex concentrate, at suitable toll rates, is critical to the ongoing viability and profitability of the Tsumeb smelter, given the fixed cost nature of the operation. To facilitate the procurement of complex concentrates, the Company entered into an agreement with IXM that currently matures on December 31, 2026. There is no assurance that this agreement will be renewed with IXM upon its expiry.

Under this agreement, the Company typically secures complex concentrate volumes at specified toll rates covering the next 12-24 months. As at December 31, 2022, the Company has contracted high value complex concentrate covering over 90% of its expected concentrate requirements through to the end of 2023. There can be no assurance that such concentrate will be available to the smelter in the 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 can 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, Tsumeb must return specified quantities of copper, gold and silver, and maintain specified maximum levels of in-process metal. 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. In the event that in-process metals at the smelter exceed specified maximum contractual levels, Tsumeb may be required to purchase such excess in-process metal. IXM may agree to waive such purchase requirement, and has done so in 2021 and 2022, when in-process metal exceeded maximum contractual levels.

Tsumeb produces sulphuric acid as a by-product of the smelting operation. Historically, the vast majority of this sulphuric acid has been sold to customers in Namibia, with the balance exported to other countries in Africa. The revenue from sulphuric acid sales makes up approximately 15% to 20% of Tsumeb's revenue and changes in the market price of and demand for sulphuric acid can have a material impact on Tsumeb's financial results. As at December 31, 2022, approximately 85% of Tsumeb's forecast sulphuric acid production over the next three years is expected to be sold domestically under a reference price contract which includes floor and ceiling prices. The remainder of Tsumeb's sulphuric acid production is expected to be sold at market terms under spot or longer-term agreements. An inability to sell or deliver sufficient acid production whereby Tsumeb's sulphuric acid storage capacity is exceeded would result in a reduction of smelter operating levels up to and including a full stoppage.

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 lev, which is pegged to the Euro, the Namibian dollar, which is tied to the ZAR, 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. Fluctuations in the U.S. dollar relative to certain currencies can also have an impact on commodity prices quoted in U.S. dollars, such that a stronger U.S. dollar tends to have a negative impact on U.S. quoted prices while a weaker U.S. dollar tends to have a favourable impact. As a result, this relationship is considered in conjunction with the Company's risk assessment.

From time to time, the Company enters into foreign exchange option contracts in order to reduce the foreign exchange exposures associated with projected operating expenses and capital expenditures denominated in foreign currencies.

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, delays in obtaining work visas or other authorizations, 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, delays in scheduled maintenance, 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.

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 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, silver or copper recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Fluctuations in gold, silver and copper 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 Mineral Resource and Mineral Reserve 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.

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 and Mineral Resources 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 its Mineral Resource base 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.

Financing, Interest Rate 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 credit 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 being placed into a situation where it is required to raise additional capital at times when the costs or terms would be regarded as unfavourable.

The Company's exposure to the risk of changes in market interest rates relates primarily to the interest earned on the Company's cash and cash equivalent and short-term investments, as well as potential interest paid on future drawdowns under its RCF, which is based on a floating reference rate.

Furthermore, 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.

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 incurs significant costs to maintain its 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.

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, processing, smelting 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 SO₂ 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.

COVID-19

In March 2020, the World Health Organization classified the COVID-19 epidemic as a worldwide pandemic and governments across the globe undertook extensive measures to combat the spread of this virus. To date, as a result of the proactive actions being taken within the regions in which we operate and by personnel at each of our sites, the Company has not experienced any material disruptions to its operations as a result of COVID-19 and all operations are currently operating at full capacity.

The Company continues to closely assess and monitor the COVID-19 situation in the jurisdictions in which it operates. At present, there do not appear to be any imminent COVID-19 related circumstances that are expected to disrupt the Company's operations, however, recognizing that the situation remains dynamic, the Company is not able to reliably estimate the likelihood, timing, duration, severity and scope of this pandemic and the potential impact it could have on the Company's operating and financial results. There is no assurance that the pandemic will not have a material adverse impact on the future results of the Company.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

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

The CEO and CFO evaluated or caused to be evaluated under their supervision the design and operating effectiveness of the DC&P and ICFR as defined by NI 52-109 as at December 31, 2022. Based on this evaluation, the CEO and CFO concluded that the Company's DC&P and ICFR were designed and operating effectively as at December 31, 2022.

NI 52-109 also requires Canadian public companies to disclose in their MD&A any change in ICFR that has materially affected, or is reasonably likely to materially affect, ICFR. No material changes were made to the ICFR in the year ended December 31, 2022. Only reasonable, rather than absolute, assurance that misstatements are prevented or detected on a timely basis by ICFR can be provided due to the inherent limitations of the ICFR system. Such limitations also apply to the effectiveness of ICFR as it is also possible that controls may become inadequate because of changes in conditions or deterioration in compliance with policies and procedures.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements and other information included in this MD&A and our other disclosure documents constitute "forward looking information" or "forward looking statements" within the meaning of applicable securities legislation, which we refer to collectively hereinafter as "Forward Looking Statements".

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", "guidance", "outlook", "intends", "anticipates", "believes", or variations of such words and phrases or that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms or similar expressions. The Forward Looking Statements in this MD&A relate to, among other things: expected cash flows; the price of gold, copper, silver and sulphuric acid; toll rates, metal exposure and stockpile interest deductions at Tsumeb; the estimation of Mineral Reserves and Mineral Resources and the realization of such mineral estimates; estimated capital costs, all-in sustaining cost, operating costs and other financial metrics, including those set out in the outlook and guidance provided by the Company; currency fluctuations; the impact of any impairment charges; Tsumeb's ability to continue to benefit from the EPZ and expected new SSEZ regime in Namibia; the processing of Chelopech concentrate; timing of further optimization work at Tsumeb; potential benefits of any upgrades and/or expansion, including the potential rotary holding furnace installation at the Tsumeb smelter; DPM's strategy, plans, targets and goals in respect of environmental, social and governance issues, including climate change, greenhouse gas emissions reduction targets, tailings management facilities and human rights initiatives; results of economic studies; expected milestones; timing and success of exploration activities, including at the Čoka Rakita target; the timing of the completion and results of an updated FS for the Loma Larga gold project; the timing and possible outcome of pending litigation or legal proceedings, including the timing of the legal proceedings related to the Action and resumption of drilling activities at Loma Larga; expectations with respect to the potential to incorporate additional existing Mineral Resources into the Timok mine plan by processing the sulphide portion of the ore body; development of the Loma Larga gold project, including expected production, successful negotiations of an investment protection agreement and exploitation agreement and granting of environmental and construction permits in a timely manner; success of permitting activities; permitting timelines; success of investments, including potential acquisitions; requirements for additional capital; measures the Company is undertaking in response to the COVID-19 outbreak, including its impacts on the Company's global supply chains, the level of and duration of reductions or curtailments in operating levels at any of the Company's operations or in its exploration and development activities; 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 timing and amount of dividends; the timing and number of common shares of the Company that may be purchased pursuant to the NCIB; and the timing and expected benefit of the recently announced acquisition by B2Gold of Sabina.

Forward Looking Statements are based on certain key assumptions and the opinions and estimates of management and QP (in the case of technical and scientific information), as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the Forward Looking Statements. In addition to factors already discussed in this document, such factors include, among others: fluctuations in metal and sulphuric acid prices, toll rates and foreign exchange rates; risks arising from the current inflationary environment and the impact on operating costs and other financial metrics, including risks of recession and the risk that the power subsidy in Bulgaria may be discontinued; continuation or escalation of the conflict in Ukraine, including the continued exemption from the Council of Europe's sanctions in favour of Bulgaria with respect to the import of Russian oil and economic sanctions against Russia and Russian persons which may impact supply chains; risks relating to the Company's business generally and the impact of global pandemics, including COVID-19, resulting in 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, low vaccination rates, lost work hours and labour force shortages; regulatory changes, including changes impacting the complex concentrate market; inability of Tsumeb to secure complex copper concentrate on terms that are economic; possible variations in ore grade and recovery rates; inherent uncertainties in respect of conclusions of economic evaluations, economic studies and mine plans, including the Loma Larga FS; uncertainties with respect to timing of the updated Loma Larga FS; changes in project parameters, including schedule and budget, as plans continue to be refined; uncertainties with respect to realizing the anticipated benefits from the development of the Loma Larga gold project; 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 and planned reclamation activities; opposition by social and non-governmental organizations to mining projects and smelting operations; unanticipated title disputes; claims or litigation; failure to achieve certain cost savings or the potential benefits of any upgrades and/or expansion, including the potential rotary holding furnace installation at the Tsumeb smelter; increased costs and physical risks, including extreme weather events and resource shortages, related to climate change; cyber-attacks and other cybersecurity risks; there being no assurance that the Company will purchase additional common shares of the Company under the NCIB; risks related to the timing, completion and expected benefit of the acquisition by B2Gold of Sabina; risks related to the implementation, cost and realization of benefits from digital initiatives; uncertainties with respect to realizing the targeted MineRP earn-outs as well as those risk factors discussed or referred to in any other documents (including without limitation the Company's most recent AIF) filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available on SEDAR at www.sedar.com. This list is not exhaustive of the factors that may affect any of the Company's Forward Looking Statements.

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

Ore processed: 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 concentrate 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 cost: 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, planned maintenance activities or concentrate supply. Subject to a number of risks, the more significant of which are: unanticipated operational issues; delays in maintenance activities; 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: assumes complex concentrate smelted is consistent with the guidance provided; no delays in planned maintenance activities; sulphuric acid prices are at or around current levels; sulphuric 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: lower than anticipated complex concentrate smelted and sulphuric acid production;; lower than anticipated sulphuric acid prices; strengthening of the ZAR relative to the U.S. dollar; and higher than anticipated operating and transportation costs due to a variety of factors, including higher than anticipated inflation, labour and other operating costs.

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

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

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, Tsumeb and Loma Larga; no significant events or changes relating to regulatory, environmental, health and safety matters, and no significant negative effects as a result of , including that the Company does not experience any significant negative effects as a result of the COVID-19 pandemic, the conflict in Ukraine and current economic conditions, including inflationary impacts, beyond what has been factored into the Company's Forward Looking Statements.

The reader is cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward Looking Statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended.

There can be no assurance that Forward Looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company's Forward Looking Statements reflect current expectations regarding future events and are only as of the date hereof. Other than as it may be required by law, the Company undertakes no obligation to update Forward Looking Statements if circumstances or management's estimates or opinion should change. Accordingly, readers are cautioned not to place undue reliance on Forward Looking Statements.

CAUTIONARY NOTE TO UNITED STATES INVESTORS CONCERNING DIFFERENCES IN REPORTING OF MINERAL RESOURCE ESTIMATES

This MD&A has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. Canadian reporting requirements for disclosure of mineral properties are governed by NI 43-101.

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

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

Readers are also cautioned that while the SEC will now recognize "measured mineral resources", "indicated mineral resources" and "inferred mineral resources", it should not be assumed that any part or all of the mineralization in these categories will ever be converted into a higher category of Mineral Resources or into Mineral Reserves. Mineralization described using these terms has a greater amount of uncertainty as to their existence and feasibility than mineralization that has been characterized as reserves. Accordingly, readers are cautioned not to assume that any "measured mineral resources", "indicated mineral resources" or "inferred mineral resources" that the Company reports are or will be economically or legally mineable. Further, "inferred mineral resources" have a greater amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, readers are also cautioned not to assume that all or any part of the "inferred mineral resources" exist. In accordance with Canadian securities laws, estimates of "inferred mineral resources" cannot form the basis of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101. For the above reasons, information contained in this MD&A containing descriptions of the Company's mineral deposits may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING


The accompanying consolidated financial statements of Dundee Precious Metals Inc. (the "Company") and all information in this financial report are the responsibility of management. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and, where appropriate, include management's best estimates and judgments. Management has reviewed the financial information presented throughout this report and has ensured it is consistent with the consolidated financial statements.

Management maintains a system of internal control designed to provide reasonable assurance that assets are safeguarded from loss or unauthorized use, and that financial information is timely and reliable. However, any system of internal control over financial reporting, no matter how well designed and implemented, has inherent limitations and may not prevent or detect all misstatements.

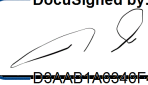
The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Board of Directors appoints the Audit Committee, and all of its members are independent directors. The Audit Committee meets periodically with management and the auditors to review internal controls, audit results, accounting principles and related matters. The Board of Directors approves the consolidated financial statements on the recommendation from the Audit Committee.

PricewaterhouseCoopers LLP, an independent firm of Chartered Professional Accountants, was appointed by the shareholders at the last annual meeting to examine the consolidated financial statements and provide an independent professional opinion. PricewaterhouseCoopers LLP has full and free access to the Audit Committee.

DocuSigned by:

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David Rae
President and Chief Executive Officer

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Navin Dyal
Executive Vice President and
Chief Financial Officer

February 16, 2023



Independent auditor's report

To the Shareholders of Dundee Precious Metals Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Dundee Precious Metals Inc. and its subsidiaries (together, the Company) as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2022 and 2021;
- the consolidated statements of earnings (loss) for the years then ended;
- the consolidated statements of comprehensive income (loss) for the years then ended;
- the consolidated statements of cash flows for the years then ended;
- the consolidated statements of changes in shareholders' equity for the years then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2
T: +1 416 863 1133, F: +1 416 365 8215

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment assessments of property, plant and equipment and intangible assets for the Tsumeb cash generating unit (CGU)</p> <p><i>Refer to note 2.2 – Significant accounting policies, note 11 – Property, plant and equipment, note 12 – Intangible assets and note 3 – Tsumeb impairment charge to the consolidated financial statements.</i></p> <p>The Company's total carrying amounts for property, plant and equipment (PP&E) and intangible assets as at December 31, 2022 amounted to \$237.1 million and \$15.5 million, respectively, which includes a portion related to the Tsumeb CGU. At each reporting date, the carrying amounts of PP&E and intangible assets are assessed for impairment if indicators of potential impairment exist. The impairment assessment is performed at the CGU level, which is the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or groups of assets. Management assessed the Company's CGUs as being an individual operating site. If the carrying amount of a CGU exceeds its recoverable amount, the carrying amount of the CGU is reduced to its recoverable amount with the corresponding impairment being charged to earnings (loss) in the period of impairment.</p> <p>During the year, management assessed the recoverable amounts of the Tsumeb CGU as a result of (i) the market capitalization of the</p>	<p>Our approach to addressing the matter included the following procedures, among others:</p> <ul style="list-style-type: none">• Tested how management estimated the recoverable amounts of the Tsumeb CGU:<ul style="list-style-type: none">– Evaluated the appropriateness of the FVLCD method and tested the mathematical accuracy of the discounted cash flow models.– Tested the underlying data used in the discounted cash flow models.– Evaluated the reasonableness of management's assumptions by:<ul style="list-style-type: none">○ Comparing the forecasted foreign exchange rates to external market data;○ Comparing forecasted operating and sustaining capital costs to the current and past performance of the Tsumeb CGU; and○ Comparing forecasted volumes of concentrate smelted and third party toll rates to the current and past performance of the Tsumeb CGU and current tolling agreements in place, as applicable.– Professionals with specialized skill and knowledge in the field of valuation assisted



Key audit matter

Company's shares being less than their carrying amount; and (ii) a decrease in the expected supply of suitable higher arsenic bearing concentrate for processing at the Tsumeb CGU over the longer term. Based on the impairment assessments performed by management, the carrying amount of the Tsumeb CGU exceeded its estimated recoverable amount, which resulted in an impairment charge of \$85.0 million being recognized in the consolidated statement of earnings (loss) for the year ended December 31, 2022.

The recoverable amounts of the Tsumeb CGU were based on the fair value less costs of disposal (FVLCD) method using discounted cash flow models. Management's estimates of the recoverable amounts of the Tsumeb CGU included assumptions with respect to forecasted third party toll rates, forecasted operating and sustaining capital costs, forecasted foreign exchange rates, forecasted volumes of concentrate smelted and real discount rates.

We considered this a key audit matter due to the judgment by management in estimating the recoverable amounts of the Tsumeb CGU, and a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating management's assumptions. The audit effort involved the use of professionals with specialized skill and knowledge in the field of valuation.

How our audit addressed the key audit matter

- in evaluating the appropriateness of the discounted cash flow models and the reasonableness of the real discount rates assumptions used by management.
- Tested the disclosures made in the consolidated financial statements.



Key audit matter	How our audit addressed the key audit matter
<p data-bbox="261 506 808 569">Recognition of the Tsumeb metal exposure adjustment</p> <p data-bbox="261 600 846 699"><i>Refer to note 2.2 – Significant accounting policies and note 6 – Accounts receivable to the consolidated financial statements.</i></p> <p data-bbox="261 737 870 869">As at December 31, 2022, the Company’s accounts receivable included a metal recovery of \$15.5 million related to estimated metal exposure at Tsumeb.</p> <p data-bbox="261 909 870 1289">Revenue from processing concentrate is adjusted for any over or under recoveries of metals delivered relative to contracted rates under the tolling agreement between Tsumeb and its customer. These metal exposure adjustments are calculated by comparing (i) the copper, gold and silver (together, metal) content in the concentrate received and processed by Tsumeb multiplied by the percentage payable in the agreement to (ii) the metal in the blister delivered to the customer and in the in-circuit material still being processed.</p> <p data-bbox="261 1329 870 1499">The metal exposure adjustment is subject to estimation, including the amount of metal contained in concentrate received, in-circuit material and blister delivered where final assays have not been completed.</p> <p data-bbox="261 1539 870 1736">We considered this a key audit matter due to (i) the significant judgment by management in estimating the Tsumeb metal exposure adjustment, including a high degree of estimation uncertainty and (ii) the significant audit effort and subjectivity in performing procedures related to management’s assumptions.</p>	<p data-bbox="899 506 1511 569">Our approach to addressing the matter included the following procedures, among others:</p> <ul data-bbox="899 590 1511 1268" style="list-style-type: none"><li data-bbox="899 590 1511 722">• Tested the operating effectiveness of controls relating to the metal exposure process, including management’s estimate of the metal exposure adjustment.<li data-bbox="899 743 1511 806">• Observed the metal stockpile survey performed near year-end.<li data-bbox="899 827 1511 932">• Obtained a customer confirmation in respect of the quantities of concentrate treated, blister returned and metal in-circuit at year-end.<li data-bbox="899 953 1511 1268">• Tested how management estimated the Tsumeb metal exposure adjustment at year-end and evaluated the reasonableness of the estimated amount of metal contained in concentrate received, in-circuit material and blister delivered, where final assays have not been completed at year-end, by comparing to historical recovery rates and historical adjustments to provisional assays.



Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis, which we obtained prior to the date of this auditor's report and the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. When we read the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a



guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Manuel Pereyra.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
February 16, 2023

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at December 31, 2022 and 2021

(in thousands of U.S. dollars)

		December 31, 2022	December 31, 2021
ASSETS			
Current Assets			
Cash and cash equivalents	2.2(e)	433,176	334,377
Accounts receivable	6	126,437	128,338
Inventories	7	45,813	49,626
Other current assets	8(c)	5,495	1,452
		610,921	513,793
Non-Current Assets			
Investments at fair value	8(a),8(b)	40,773	47,983
Exploration and evaluation assets	9	126,231	98,925
Mine properties	10	113,520	138,037
Property, plant & equipment	11	237,103	335,305
Intangible assets	12	15,501	17,359
Deferred income tax assets	22	6,590	8,685
Other long-term assets		6,615	8,323
		546,333	654,617
TOTAL ASSETS		1,157,254	1,168,410
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	13	86,529	77,170
Income tax liabilities	22	83	2,395
Current portion of long-term liabilities	16	10,273	6,234
		96,885	85,799
Non-Current Liabilities			
Rehabilitation provisions	15	45,823	50,401
Share-based compensation plans	18	8,122	13,933
Other long-term liabilities	16	13,330	13,864
		67,275	78,198
TOTAL LIABILITIES		164,160	163,997
EQUITY			
Share capital		583,027	585,050
Contributed surplus		6,436	8,629
Retained earnings		411,786	412,394
Accumulated other comprehensive loss	26(c)	(8,155)	(1,660)
TOTAL SHAREHOLDERS' EQUITY		993,094	1,004,413
TOTAL LIABILITIES AND EQUITY		1,157,254	1,168,410

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

Signed on behalf of the Board of Directors

(Signed) "David Rae"

David Rae, Director

(Signed) "Anthony Walsh"

Anthony Walsh, Director

CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

For the years ended December 31, 2022 and 2021

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

		2022	2021
	Notes		
Continuing Operations			
Revenue	29	569,795	641,443
Costs and expenses			
Cost of sales	19	357,447	357,136
General and administrative expenses	19	28,800	18,161
Corporate social responsibility expenses		6,240	4,838
Exploration and evaluation expenses	19	24,230	18,006
Impairment charge	3	85,000	-
Finance costs	20	6,325	5,549
Other income and expense	21	3,011	8,335
		511,053	412,025
Earnings before income taxes		58,742	229,418
Current income tax expense	22	21,199	33,625
Deferred income tax expense	22	1,620	5,064
Net earnings from continuing operations		35,923	190,729
Discontinued Operations			
Net earnings from discontinued operations	4	-	19,095
Net earnings		35,923	209,824
Net earnings (loss) attributable to:			
Common shareholders of the Company			
From continuing operations		35,923	190,750
From discontinued operations		-	19,351
Non-controlling interests		-	(277)
Net earnings		35,923	209,824
Earnings per share attributable to common shareholders of the Company			
- Basic			
From continuing operations	23	0.19	1.02
From discontinued operations	23	-	0.10
- Diluted			
From continuing operations	23	0.19	1.02
From discontinued operations	23	-	0.10

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the years ended December 31, 2022 and 2021

(in thousands of U.S. dollars)

	2022	2021
Net earnings	35,923	209,824
Other comprehensive income (loss) items that may be reclassified subsequently to profit or loss:		
Foreign exchange option contracts designated as cash flow hedges		
Unrealized gains (losses), net of income tax of \$nil (2021 - \$nil)	(1,544)	1,175
Deferred cost of hedging, net of income tax of \$nil (2021 - \$nil)	104	(2,504)
Realized (gains) losses transferred to cost of sales, net of income tax of \$nil (2021 - \$nil)	1,140	(6,525)
Commodity swap contracts designated as cash flow hedges		
Unrealized losses, net of income tax recovery of \$nil (2021 - \$1,525)	-	(13,723)
Deferred cost of hedging, net of income tax recovery of \$nil (2021 - \$56)	-	(504)
Realized losses transferred to revenue, net of income tax recovery of \$nil (2021 - \$1,516)	-	13,645
Cost of hedging transferred to revenue, net of income tax recovery of \$nil (2021 - \$58)	-	522
Currency translation adjustments from discontinued operations	-	(908)
Other comprehensive income (loss) items that will not be reclassified subsequently to profit or loss:		
Unrealized losses on publicly traded securities, net of income tax recovery of \$nil (2021 - \$5,019)	(5,292)	(37,593)
Remeasurement of pension obligations, net of income tax recovery of \$108 (2021 - \$nil)	(903)	-
	(6,495)	(46,415)
Comprehensive income	29,428	163,409
Comprehensive income (loss) attributable to:		
Common shareholders of the Company		
From continuing operations	29,428	145,243
From discontinued operations	-	18,682
Non-controlling interests	-	(516)
Comprehensive income	29,428	163,409

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2022 and 2021

(in thousands of U.S. dollars)

		2022	2021
	Notes		
OPERATING ACTIVITIES			
Earnings before income taxes		58,742	229,418
Depreciation and amortization		101,252	96,207
Impairment charge	3	85,000	-
Changes in working capital	25(a)	4,857	(55,469)
Other items not affecting cash	25(b)	(3,875)	26,209
Proceeds from (payments for) settlement of derivative contracts		3,998	(14,082)
Interest received		6,625	454
Income taxes paid		(24,547)	(29,157)
Cash provided from operating activities of continuing operations		232,052	253,580
Cash used in operating activities of discontinued operations	4	-	(442)
INVESTING ACTIVITIES			
Proceeds from MineRP Disposition	4	-	45,188
Acquisition of INV, net of cash acquired	5	-	(1,569)
Purchase of publicly traded securities		(500)	(8,307)
Proceeds from disposal of mine properties, property, plant and equipment and intangible assets		5	263
Expenditures on exploration and evaluation assets		(26,694)	(10,100)
Expenditures on mine properties		(9,549)	(16,862)
Expenditures on property, plant and equipment		(47,673)	(33,648)
Expenditures on intangible assets		(1,398)	(3,538)
Increase in restricted cash	4	-	(3,500)
Cash used in investing activities of continuing operations		(85,809)	(32,073)
FINANCING ACTIVITIES			
Proceeds from share issuance		3,377	2,810
Principal repayments related to leases		(4,620)	(4,455)
Dividends paid	26(a)	(28,606)	(22,143)
Payments for share repurchases	26(b)	(13,619)	(10,207)
Interest and finance fees paid		(3,976)	(2,667)
Cash used in financing activities of continuing operations		(47,444)	(36,662)
Cash used in financing activities of discontinued operations		-	(140)
Increase in cash and cash equivalents of continuing operations		98,799	184,845
Decrease in cash of discontinued operations		-	(582)
Cash at beginning of year, continuing operations		334,377	149,532
Cash at beginning of year, discontinued operations		-	582
Cash and cash equivalents at end of year, continuing operations	2.2(e)	433,176	334,377
Cash at end of year, discontinued operations		-	-

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

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended December 31, 2022 and 2021

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

	Notes	December 31, 2022		December 31, 2021	
		Number	Amount	Number	Amount
Share Capital					
Authorized					
Unlimited common and preference shares with no par value					
Issued					
Fully paid common shares with one vote per share					
Balance at beginning of year		191,441,200	585,050	181,400,125	525,219
Shares issued on exercise of stock options	18	1,060,102	3,377	1,070,774	2,810
Shares issued on acquisition of INV	5		-	10,664,501	60,844
Share repurchases	26(b)	(2,501,100)	(7,551)	(1,694,200)	(5,269)
Transferred from contributed surplus on exercise of stock options			2,151		1,446
Balance at end of year		190,000,202	583,027	191,441,200	585,050
Contributed surplus					
Balance at beginning of year			8,629		7,078
Share-based compensation expense			1,116		1,052
Transferred to share capital on exercise of stock options			(2,151)		(1,446)
MineRP Disposition	4		-		4,741
Stock options issued on acquisition of INV	5		-		2,366
Share repurchases	26(b)		-		(5,141)
Other changes in contributed surplus			(1,158)		(21)
Balance at end of year			6,436		8,629
Retained earnings					
Balance at beginning of year			412,394		224,701
Net earnings attributable to common shareholders of the Company			35,923		210,101
Dividend distribution	26(a)		(30,463)		(22,408)
Share repurchases	26(b)		(6,068)		-
Balance at end of year			411,786		412,394
Accumulated other comprehensive loss					
Balance at beginning of year	26(c)		(1,660)		41,671
Other comprehensive loss			(6,495)		(46,176)
MineRP disposition	4		-		2,845
Balance at end of year			(8,155)		(1,660)
Total equity attributable to common shareholders of the Company			993,094		1,004,413
Non-controlling interests					
Balance at beginning of year			-		6,615
Net loss attributable to non-controlling interests			-		(277)
Other comprehensive loss attributable to non-controlling interests			-		(239)
MineRP disposition	4		-		(6,010)
Other changes in non-controlling interests			-		(89)
Balance at end of year			-		-
Total equity at end of year			993,094		1,004,413

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2022 and 2021

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

1. CORPORATE INFORMATION

Dundee Precious Metals Inc. (“DPM”) is a Canadian based, international gold mining company engaged in the acquisition of mineral properties, exploration, development, mining and processing of precious metals. DPM is a publicly listed company incorporated under the federal laws of Canada. DPM has common shares traded on the Toronto Stock Exchange (“TSX”). The address of DPM’s registered office is 150 King Street West, Suite 902, P.O. Box 30, Toronto, Ontario M5H 1J9.

As at December 31, 2022, DPM’s consolidated financial statements include DPM and its subsidiary companies (collectively, the “Company”).

Continuing Operations:

DPM’s principal subsidiaries include:

- 100% of Dundee Precious Metals Chelopech EAD (“Chelopech”), which owns and operates a gold, copper and silver mine located east of Sofia, Bulgaria;
- 100% of Dundee Precious Metals Krumovgrad EAD (“Ada Tepe”), which owns and operates a gold mine located in south eastern Bulgaria, near the town of Krumovgrad; and
- 92% of Dundee Precious Metals Tsumeb (Proprietary) Limited (“Tsumeb”), which owns and operates a custom smelter located in Tsumeb, Namibia.

DPM holds interests, directly or indirectly, in a number of exploration and development properties located in Ecuador, Serbia and Canada including:

- 100% of DPM Ecuador S.A. (“DPM Ecuador”), which is focused on the exploration and development of the Loma Larga gold project located in Ecuador;
- 100% of DPM Avala d.o.o. and Crni Vrh Resources d.o.o, which are focused on the development of the Timok gold project and the exploration of the Čoka Rakita project in Serbia, respectively; and
- 6.5% of Sabina Gold and Silver Corp. (“Sabina”), which is focused on the development of the Back River project in southwestern Nunavut, Canada.

Discontinued Operations (note 4):

On May 3, 2021, DPM sold its 73.7% ownership interest in MineRP Holdings Inc. (“MineRP”), which owns MineRP Holdings (Proprietary) Limited, an independent mining software vendor with operations in Canada, South Africa, Australia and Chile.

2.1 BASIS OF PREPARATION

The Company’s consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and Interpretations of the IFRS Interpretations Committee. These consolidated financial statements were approved by the Board of Directors on February 16, 2023.

2.2 SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared on a historical cost basis except for publicly traded securities and derivative assets and liabilities (note 8) that are measured at fair value.

The Company’s significant accounting policies are set out below. The Company has consistently applied these accounting policies to all periods presented in these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2022 and 2021

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

2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company uses the acquisition method of accounting for business combinations. The fair value of the acquisition of a subsidiary is based on the fair value of the assets acquired and liabilities assumed, and the fair value of the consideration. The fair value of the assets acquired and liabilities assumed includes any contingent consideration arrangement. Acquisition related costs are expensed as incurred. At the date of acquisition, identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values. The Company also recognizes any non-controlling interest in the acquiree at fair value.

The excess, if any, of the consideration paid and the amount of any non-controlling interest recognized over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, where the total consideration paid and the non-controlling interest recognized are less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated statements of earnings (loss).

Subsidiaries are fully consolidated from the date on which control is acquired by the Company and they are deconsolidated from the date that control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies. All inter-company balances, revenues and expenses and earnings and losses resulting from inter-company transactions are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are a separate component of the Company's equity. Non-controlling interests consist of the non-controlling interests on the date of the original business combination plus the non-controlling interests' share of changes in equity since the date of acquisition.

(b) Critical accounting estimates and judgments

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

The significant areas of estimation and/or judgment considered by management in preparing the consolidated financial statements include, but are not limited to:

- Mineral Resource and Mineral Reserve estimates (*note 2.2(l)*);
- impairment of non-financial assets (*note 2.2(p)*);
- rehabilitation provisions and contingencies (*note 2.2(q)*);
- revenue recognition related to toll smelting arrangements (*note 2.2(t)*); and
- deferred income tax assets and liabilities (*note 2.2(x)*).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2022 and 2021

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

2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Presentation and functional currency

The Company's presentation currency is the U.S. dollar and the functional currency of DPM and its consolidated subsidiaries from continuing operations is the U.S. dollar as it was assessed by management as being the primary currency of the economic environment in which the Company operates.

(d) Foreign currency

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at exchange rates on the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated at the exchange rates on the dates that their fair values are determined. Non-monetary assets and liabilities denominated in foreign currencies that are measured at historical cost are translated at the exchange rates on the dates of the transactions. Income and expense items are translated at the exchange rate on the dates of the transactions. Exchange gains or losses resulting from the translation of these amounts are included in net earnings (loss), except those arising on the translation of equity instruments that are fair valued through other comprehensive income (loss).

Foreign operations

Foreign operations are comprised of subsidiaries of the Company that have a functional currency other than the U.S. dollar. The assets and liabilities of foreign operations, including fair value adjustments arising on acquisition, are translated into U.S. dollars at exchange rates on the reporting date. The income and expenses of foreign operations are translated into U.S. dollars at exchange rates on the dates of the transactions. Foreign currency differences are recognized as currency translation adjustments in other comprehensive income (loss). Accumulated currency translation adjustments are reclassified to net earnings (loss) upon the disposal of the associated foreign operation when the gain or loss on disposal is recognized. Prior to the sale of MineRP in May 2021, MineRP was the only foreign operation of the Company with a functional currency being South African Rand ("ZAR") and its subsidiaries with functional currencies denominated in the currencies of the primary economic environments in which each of the subsidiaries operated.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash deposits, guaranteed investment certificates ("GICs") and/or other highly rated and liquid securities with an original maturity of less than three months. As at December 31, 2022, cash and cash equivalents comprised of cash at banks of \$383.4 million (December 31, 2021 – \$334.4 million) and GICs of \$49.8 million (December 31, 2021 – \$nil).

(f) Inventories

Inventories of ore and concentrates are measured and valued at the lower of average production cost and net realizable value. Net realizable value is the estimated selling price of the concentrates in the ordinary course of business based on the prevailing metal prices on the reporting date, less estimated costs to complete production and to bring the concentrates to sale. Production costs that are inventoried include the costs directly related to bringing the inventory to its current condition and location, such as materials, labour, other direct costs (including external services and depreciation, depletion and amortization), production related overheads and royalties.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2022 and 2021

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

2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories of sulphuric acid, arsenic calcines, spare parts, supplies and other materials are valued at the lower of average cost and net realizable value. Obsolete, redundant and slow moving inventories are identified at each reporting date and written down to their net realizable values. Arsenic calcines not expected to be processed in the next 12 months are classified as long-term inventory and included in other long-term assets.

(g) Financial assets and liabilities excluding derivative instruments related to hedging activities

Financial assets

Initial recognition and measurement

Non-derivative financial assets are classified and measured as “financial assets at fair value”, as either through profit or loss (“FVPL”) or through other comprehensive income (“FVOCI”), and “financial assets at amortized cost”, as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company’s business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost. The Company has classified accounts receivable on provisionally priced sales as financial assets measured at FVPL. Other accounts receivable held for collection of contractual cash flows are measured at amortized cost.

Subsequent measurement – Financial assets at FVPL

Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in other income and expense in the consolidated statements of earnings (loss). The Company’s investment in Sabina special warrants, its accounts receivable on provisionally priced sales and foreign exchange forward contracts not related to hedging activities are classified as financial assets at FVPL.

Subsequent measurement – Financial assets at FVOCI

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company’s investments in publicly traded equity securities are classified as financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income (loss) in the consolidated statements of comprehensive income (loss).

Subsequent measurement – Financial assets at amortized cost

Financial assets measured at amortized cost are non-derivative financial assets that are held for collection of contractual cash flows, where those cash flows represent repayments of principal and interest. The Company’s other accounts receivable is classified as financial assets at amortized cost.

Dividends from all financial assets are recognized in other income and expense in the consolidated statements of earnings (loss) when the right to receive the dividend is established.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2022 and 2021

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

2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire or are transferred, or the Company no longer retains substantially all the risks and rewards of ownership.

On derecognition of a financial asset, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognized in other income and expense in the consolidated statements of earnings (loss) except for financial assets at FVOCI, for which the cumulative gain or loss remains in accumulated other comprehensive income (loss) and is not reclassified to profit or loss.

Impairment of financial assets

The Company's only financial assets subject to impairment are other accounts receivable, which are measured at amortized cost. The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, *Financial Instruments*, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial liabilities

Recognition and measurement

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued liabilities and long-term debt, which are initially recognized at fair value and subsequently measured at amortized cost.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income and expense in the consolidated statements of earnings (loss).

(h) Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the dates they are entered into and are subsequently re-measured at their fair value at the end of each reporting period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

For a derivative instrument to qualify for hedge accounting, the Company documents at the inception of the transaction the relationship between a hedging instrument and hedged item, as well as its risk management objectives and strategy for undertaking the hedging transaction. The Company also documents its assessment, both at inception and on an ongoing basis, of whether the derivative used to hedge an underlying exposure is highly effective in offsetting changes in the cash flows of the hedged item.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity is more than 12 months.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2022 and 2021

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

2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign exchange option contracts designated as cash flow hedges

The Company designates the intrinsic value of foreign exchange option contracts entered to hedge a portion of its projected operating expenses and capital expenditures denominated in foreign currencies as cash flow hedges.

The effective portion of changes in fair value of the intrinsic value of the options are initially recognized in other comprehensive income (loss) in the consolidated statements of comprehensive income (loss). For hedges of operating expenses, the accumulated fair value change initially recognized in other comprehensive income (loss) in the consolidated statements of comprehensive income (loss) is subsequently recognized in cost of sales in the consolidated statements of earnings (loss) in the period when the underlying hedged operating expenses occur. For hedges of capital expenditures, the accumulated fair value change initially recognized in other comprehensive income (loss) in the consolidated statements of comprehensive income (loss) is subsequently included in the carrying value of the underlying assets hedged in the period the underlying hedged capital expenditures occur.

The time value, which forms a component of these foreign exchange option contracts, is treated as a separate cost of hedging. As a result, any unrealized fair value change in the time value component of the outstanding foreign exchange option contracts is initially recognized as a deferred cost of hedging in other comprehensive income (loss) in the consolidated statements of comprehensive income (loss). The accumulated cost of hedging is subsequently recognized in cost of sales or included in the carrying value of the underlying assets hedged in the period the underlying hedged operating expenses or capital expenditures occur.

Commodity swap contracts designated as cash flow hedges

The Company also designates the spot component of commodity swap contracts to hedge future metal price exposures ("Production Hedges") as cash flow hedges.

The effective portion of changes in fair value of the spot component of the swaps are initially recognized in other comprehensive income (loss) in the consolidated statements of comprehensive income (loss). The accumulated fair value change is subsequently recognized in revenue in the consolidated statements of earnings (loss) in the period the underlying hedged sales occur.

The forward points, or time value, which form a component of these commodity swap contracts, are treated as a separate cost of hedging. As a result, any unrealized fair value change in the time value component of the outstanding commodity swap contracts is initially recognized as a deferred cost of hedging in other comprehensive income (loss) in the consolidated statements of comprehensive income (loss). The accumulated cost of hedging is subsequently recognized in revenue in the period the underlying hedged sales occur.

Commodity swap contracts designated as fair value hedges

The Company designates the spot component of commodity swap contracts to hedge the metal price exposure associated with the time lag between the provisional and final determination of concentrate sales ("QP Hedges") as a fair value hedge.

The effective portion of changes in fair value of the spot component of these commodity swap contracts are recognized in revenue in the consolidated statements of earnings (loss), together with any changes in the fair value of the hedged accounts receivable on the provisionally priced sales.

The forward point component of these commodity swap contracts is accounted for separately as a cost of hedging. As a result, any change in the fair value of the forward point component is recognized in revenue in the consolidated statements of earnings (loss).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2022 and 2021

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

2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for cash flow hedge accounting, the accumulated deferred gains or losses remain in other comprehensive income (loss) until the period the underlying transaction that was hedged occurs at which point they are reclassified and recognized in revenue in the consolidated statements of earnings (loss). If the underlying hedged transaction is no longer expected to occur, the accumulated gains or losses that were initially recognized in other comprehensive income (loss) are immediately reclassified to other income and expense in the consolidated statements of earnings (loss).

The gains or losses relating to the ineffective portion of all cash flow or fair value hedges, if any, are recognized immediately in other income and expense in the consolidated statements of earnings (loss).

(i) Offsetting of financial instruments

Financial assets and financial liabilities are offset if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the assets and settle the liabilities simultaneously.

(j) Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models. These valuation models require the use of assumptions, including future stock price volatility and probability of exercise.

Changes in the underlying assumptions could materially impact the Company's investments at FVPL. Further details on measurement of the fair values of financial instruments are provided in *note 8*.

(k) Mineral exploration and evaluation expenditures

Exploration and evaluation activities involve the search for Mineral Resources and Mineral Reserves, the assessment of technical and operational feasibility and the determination of an identified Mineral Resource or Mineral Reserve's commercial viability. Once the legal right to explore has been acquired, exploration and evaluation expenditures are expensed as incurred until economic production is probable. Exploration expenditures in areas where there is a reasonable expectation to convert existing estimated Mineral Resources to estimated Mineral Reserves or to add additional Mineral Resources with additional drilling and evaluations in areas near existing Mineral Resources or Mineral Reserves and existing or planned production facilities, are capitalized.

Exploration properties that contain Proven and Probable Mineral Reserves, but for which a development decision has not yet been made, are subject to periodic review for impairment when events or changes in circumstances indicate the project's carrying value may not be recoverable.

Exploration and evaluation assets are reclassified to "Mine Properties – Mines under construction" when the technical feasibility and commercial viability of extracting the Mineral Resources or Mineral Reserves are demonstrable and construction has commenced or a decision to construct has been made. Exploration and evaluation assets are assessed for impairment before reclassification to "Mines under construction", and the impairment charge, if any, is recognized through net earnings (loss).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2022 and 2021

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

2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is probable that future economic benefits will be generated from the exploitation of an exploration and evaluation asset when activities have not yet reached a stage where a reasonable assessment of the existence of Mineral Reserves can be determined. The estimation of Mineral Resources is a complex process and requires significant assumptions and estimates regarding economic and geological data and these assumptions and estimates impact the decision to either expense or capitalize exploration and evaluation expenditures. Management is required to make certain estimates and assumptions about future events and circumstances in order to determine if an economically viable extraction operation can be established. Any revision to any of these assumptions and estimates could result in the impairment of the capitalized exploration and evaluation costs. If new information becomes available after expenditures have been capitalized that the recovery of these expenditures is no longer probable, the expenditures capitalized are written down to the recoverable amount and charged to net earnings (loss) in the period the new information becomes available.

(I) Mine properties

Mine Properties – Mines under construction

All expenditures undertaken in the development, construction, installation and/or completion of mine production facilities are capitalized and initially classified as "Mines under construction". All expenditures related to the construction of mine declines and orebody access, including mine shafts and ventilation raises, are considered to be capital development and are capitalized. Expenses incurred after reaching the orebody are regarded as operating development costs and are included in the cost of ore hoisted.

Upon the commencement of commercial production, all related assets included in "Mines under construction" are reclassified to "Mine Properties – Producing mines" or "Property, plant and equipment". Determination of commencement of commercial production is a complex process and requires significant assumptions and estimates. The commencement of commercial production is defined as the date when the mine is capable of operating in the manner intended by management. The Company considers primarily the following factors, among others, when determining the commencement of commercial production:

- All major capital expenditures to achieve a consistent level of production and desired capacity have been incurred;
- A reasonable period of testing of the mine plant and equipment has been completed;
- A predetermined percentage of design capacity of the mine and mill has been reached; and
- Required production levels, grades and recoveries have been achieved.

Mine Properties – Producing mines

All assets reclassified from "Mines under construction" to "Producing mines" are stated at cost less accumulated depletion and accumulated impairment charges. Costs incurred for the acquisition of land are stated at cost.

The initial cost of a producing mine comprises its purchase price or construction cost, any costs directly attributable to bringing it to a working condition for its intended use, the initial estimate of the rehabilitation costs, and for qualifying assets, applicable borrowing costs during construction. The purchase price or construction cost is the aggregate amount of cash consideration paid and the fair value of any other consideration given to acquire the asset.

When a mine construction project moves into production, the capitalization of certain mine construction costs ceases, and from that point on, costs are either regarded as inventory costs or expensed as cost of sales, except for costs related to mine additions or improvements, open pit stripping activities that provide a future benefit, and underground mine development or mineable reserve development, which qualify for capitalization.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depletion

The depletion of a producing mine asset is based on the unit-of-production method over the estimated economic life of the related deposit.

Mineral Resource and Mineral Reserve estimates

The estimation of Mineral Resources and Mineral Reserves, as defined under National Instrument 43-101, *Standards of Disclosure for Mine Projects* ("NI 43-101"), is a complex process and requires significant assumptions and estimates. The Company prepares its Mineral Resource and Mineral Reserve estimates based on information related to the geological data on the size, depth and shape of the orebody which is compiled by appropriately qualified persons. Mineral Resource and Mineral Reserve estimates are based upon factors such as metal prices, capital requirements, production costs, foreign exchange rates, geotechnical and geological assumptions and judgments made in estimating the size and grade of the orebody. Mineral Resource and Mineral Reserve estimates, together with forecast production, determine the life of mine estimates and therefore changes in the Mineral Resource or Mineral Reserve estimates may impact the carrying value of exploration and evaluation assets (*note 2.2(k)*), mine properties, property, plant and equipment (*note 2.2(m)*), depletion and depreciation charges (*note 2.2(m)*), rehabilitation provisions (*note 2.2(q)*), and deferred income tax assets (*note 2.2(x)*).

(m) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment charges.

The initial cost of property, plant and equipment comprises its purchase price or construction cost, any costs directly attributable to bringing it to a working condition for its intended use, the initial estimate of the rehabilitation costs, and for qualifying assets, applicable borrowing costs during construction. The purchase price or construction cost is the aggregate amount of cash consideration paid and the fair value of any other consideration given to acquire the asset. Where an item of property, plant and equipment is comprised of significant components with different useful lives, the components are accounted for as separate items of property, plant and equipment. Right-of-use assets relating to leases are also included in property, plant and equipment (*note 2.2(r)*).

Depreciation

The depreciation of property, plant and equipment related to a mine is based on the unit-of-production method over the estimated economic life of the related deposit, except in the case of an asset whose estimated useful life is less than the life of the deposit, in which case the asset is depreciated over its estimated useful life based on the straight-line method. For all other property, plant and equipment, depreciation is based on the estimated useful life of the asset on a straight-line basis. Depreciation of property, plant and equipment used in a capitalized exploration or development project is capitalized to the project.

Depreciation of property, plant and equipment, which are depreciated on a straight-line basis over their estimated useful lives, is as follows:

Asset Category	Estimated useful life (Years)
Buildings	10 - 20
Machinery and Equipment	3 - 20
Vehicles	5
Computer Hardware	2 - 4
Office Equipment	3 - 10

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Construction work-in-progress includes property, plant and equipment in the course of construction and is carried at cost less any recognized impairment charge. These assets are reclassified to the appropriate category of property, plant and equipment and depreciation of these assets commences when they are completed and ready for their intended use.

An item of property, plant and equipment, including any significant part initially recognized, is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of all assets are reviewed at each financial year end and are adjusted prospectively, if appropriate. Significant judgment is involved in the determination of estimated residual values and useful lives. The actual residual values and useful lives may differ from current estimates.

Depreciation of mine specific assets is based on the unit-of-production method. The life of these assets is assessed annually with regard to both their anticipated useful life and the present assessments of the economically recoverable reserves and resources of the mine property where these assets are located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and resources. Any changes to these calculations based on new information are accounted for prospectively.

Rates of depreciation and, in turn, the annual depreciation expense could therefore be materially affected by changes in underlying estimates. Changes in estimates can be the result of differences in actual production or changes in forecast future production, changes in Mineral Resources or Mineral Reserves through exploration activities, differences between estimated and actual costs of mining and differences in metal prices used in the estimation of Mineral Reserves.

Major maintenance and repairs

Expenditures on major maintenance include the cost of replacing part of an asset and overhaul costs. When part of an asset is being replaced and it is probable that future economic benefits associated with the replacement or overhauled item will flow to the Company through an extended life, the expenditure is capitalized as a separate asset and the carrying amount of the replaced part is written off.

(n) Intangible assets

Intangible assets include software, exploration and software licences and long-term customer contracts.

Intangible assets acquired are measured upon initial recognition at cost, which comprises the purchase price plus any costs directly attributable to the preparation of the asset for its intended use. Identifiable intangible assets acquired through business combinations are initially recognized at fair value as at the date of acquisition.

Research expenditures are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of an identifiable software product are capitalized and recognized as an intangible asset.

Intangible assets are carried at cost less accumulated amortization and any accumulated impairment charges and are amortized on a straight-line basis over their estimated useful lives.

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The amortization periods applicable to intangible assets over their estimated useful lives are as follows:

Asset Category	Estimated useful life (Years)
Computer Software	3 - 5
Exploration and Software Licences	3 - 5

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the intangible assets require the use of estimates and assumptions and are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense attributable to an intangible asset is recognized in the consolidated statements of earnings (loss) in the applicable expense category to which the intangible asset relates.

The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss when the asset is derecognized.

(o) Assets and liabilities held for sale and discontinued operations

Non-current assets or assets in a disposal group that are expected to be recovered primarily through sale rather than through continuing use are classified as assets held for sale. A disposal group is a group of assets which the Company intends to dispose of in a single transaction. These assets are measured at the lower of their carrying amount and fair value less cost to sell. Impairment charges on initial classification as held for sale and subsequent gains or losses on re-measurement are recognized in net earnings (loss) from discontinued operations. The reversal of any previously recognized impairment charge cannot exceed the carrying amount that would have been determined had no impairment charge been recognized for the asset held for sale.

Assets and liabilities in a disposal group are classified as held for sale and are presented separately in the consolidated statements of financial position.

The measurement of assets held for sale requires the use of estimates and assumptions related to the carrying value and its recoverability through sale. Actual sale proceeds may differ materially from the carrying value.

A discontinued operation is a component of the Company that has been disposed of or is classified as held for sale and represents a separate line of business or geographical area of operations. The operating results and cash flows of discontinued operations are presented separately in the consolidated statements of earnings (loss) and cash flows.

(p) Impairment of non-financial assets

At each reporting date, the carrying values of mine properties, intangible assets and property, plant and equipment are assessed for impairment if indicators of potential impairment exist. If any indication of potential impairment exists, an estimate of the asset's recoverable amount is calculated. The recoverable amount is determined as the higher of the fair value less costs of disposal ("FVLCD") and its value in use based on discounted cash flows. This is determined on an asset-by-asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets or groups of assets. If this is the case, individual assets are grouped together into a Cash Generating Unit ("CGU") for impairment purposes. Such CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or groups of assets. Management has assessed the Company's CGUs as being an individual operating site.

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

If the carrying amount of an asset or CGU exceeds its recoverable amount, the carrying amount of the asset or CGU is reduced to its recoverable amount with the corresponding impairment being charged to earnings (loss) in the period of impairment. Impairment charge is recognized in the consolidated statements of earnings (loss) in those expense categories consistent with the function of the impaired asset.

An assessment is also made at each reporting date as to whether there is any change in events or circumstances relating to a previously recognized impairment. If a change has occurred, the Company makes an estimate of the recoverable amount for the previously impaired asset or CGU. A previously recognized impairment charge is reversed only if there has been a change in the estimates used to determine the asset or CGU's recoverable amount since the last impairment charge was recognized. If this is the case, the carrying amount of the asset or CGU is increased to its newly determined recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment charge been recognized for the asset or CGU in prior years.

The assessment of impairment is based on a number of external and internal factors, some of which are outside of the Company's control, and requires the use of estimates and assumptions related to these factors for each CGU. External factors include market considerations ranging from overall economic activity and the supply of and demand for the materials used in and products produced by the Company to changes in commodity prices, toll rates, discount rates, foreign exchange rates and regulatory requirements. Internal factors include considerations such as production volume, ability to convert resources into reserves, capital and operating expenditures, and future development and expansion plans.

These significant estimates and assumptions, some of which may be subjective, require that management make decisions based on the best available information at each reporting period. It is possible that the actual recoverable amount could be significantly different than those estimates. A significant decline in the asset's market value, reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable reserves, resources and exploration potential, and/or adverse market conditions can result in a write-down of the carrying amounts of the Company's assets. Judgment is also required when considering whether significant changes in any of these items indicate a previous impairment may have reversed.

(q) Provisions and contingencies

General

Provisions are recognized when: a) the Company has a present obligation (legal or constructive) as a result of a past event; and b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognized when it is virtually certain that reimbursement will be received if the Company settles the obligation. The reimbursement shall be treated as a separate asset. If the effect of the time value of money is material, provisions are discounted using a current pre-tax discount rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision as a result of the passage of time is recognized in finance cost in the consolidated statements of earnings (loss).

A contingent liability is not recognized in the case where no reliable estimate can be made; however, disclosure is required unless the possibility of an outflow of resources embodying economic benefits is remote. By its nature, a contingent liability will only be resolved when one or more future events occur or fail to occur. The assessment of a contingent liability inherently involves the exercise of significant judgment and estimates of the outcome of future events.

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Rehabilitation provisions

Mining, processing, development and exploration activities are subject to various laws and regulations governing the protection of the environment. The Company recognizes a liability for its rehabilitation obligations in the period when a legal and/or constructive obligation is identified. The liability is measured at the present value of the estimated costs required to rehabilitate operating locations based on the risk free nominal discount rates that are specific to the countries in which the operations are located. A corresponding increase to the carrying amount of the related asset is recorded and depreciated in the same manner as the related asset.

The nature of these restoration and rehabilitation activities includes: i) dismantling and removing structures; ii) rehabilitating mines and tailing dams; iii) dismantling operating facilities; iv) closure of plant and waste sites; and v) restoration, reclamation and re-vegetation of affected areas. Other environmental costs incurred at the operating sites, such as environmental monitoring, water management and waste management costs, are charged to profit or loss when incurred.

The liability is accreted over time to its expected future settlement value. The accretion expense is recognized in finance costs in the consolidated statements of earnings (loss).

The Company assesses its rehabilitation provisions at each reporting date. The rehabilitation liability and related assets are adjusted at each reporting date for changes in the discount rates and in the estimated amount, timing and cost of the work to be carried out. Any reduction in the rehabilitation liability and therefore any deduction in the related rehabilitation asset may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is immediately credited to profit or loss.

Significant estimates and assumptions are made by management in determining the nature and costs associated with the rehabilitation liability. The estimates and assumptions required include estimates of the timing, extent and costs of rehabilitation activities, technology changes, regulatory changes, and changes in the discount and inflation rates. These uncertainties may result in future expenditures being different from the amounts currently provided.

(r) Leases

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

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

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

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

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

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

(s) Share capital

Common shares issued by DPM are classified as equity. Costs directly attributable to the issuance of new shares are recognized in equity as a deduction from the share proceeds. Costs to repurchase and cancel the Company's shares are recognized as a reduction in share capital to the extent of its book value. The excess of the purchase price over the book value is recognized as a reduction in contributed surplus to the extent of available surplus and any further excess is recognized as a reduction in retained earnings in the consolidated statements of changes in shareholders' equity.

(t) Revenue recognition

Revenue from the sale of concentrates containing gold, copper and silver is recognized when control has been transferred, which is considered to occur when products have been delivered and the significant risks of loss have been transferred to the buyer. Revenue is measured based on the consideration specified in the contract.

Revenue from the sale of concentrates is initially recorded based on a provisional value which is a function of prevailing market prices, estimated weights and grades less smelter and other commercial deductions. Under the terms of the concentrate sales contracts, the final metal price for the payable metal is based on a predetermined quotational period of London Metal Exchange and London Bullion Market daily prices. The price of the concentrate is the sum of the metal payments less the sum of specified deductions, including treatment and refining charges, penalties for deleterious elements, and freight. The terms of these contracts result in embedded derivatives because of the timing difference between the prevailing metal prices for provisional payments and the actual contractual metal prices used for final settlement. These embedded derivatives are adjusted to fair value at the end of each reporting period through to the date of final price determination with any adjustments recognized in revenue.

Any adjustments to the amount receivable for each shipment on the settlement date, caused by final assay results, are adjusted through revenue at the time of determination.

Revenue from processing concentrates is recognized when the concentrate has been smelted and is based on the toll rate specified in the toll agreement, which can vary based on the composition of the concentrate processed and prevailing market conditions at the time the agreement was entered. Under each toll agreement, Tsumeb incurs a carrying charge in respect of the concentrate it processes until blister copper is delivered. This carrying charge is recorded as a reduction of revenue.

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from processing concentrates is also adjusted for any over or under recoveries of metals delivered relative to contracted rates under the tolling agreement between Tsumeb and IXM S.A. ("IXM"). These adjustments represent metal exposure and are calculated by comparing (i) the copper, gold and silver content in the concentrate received and processed by Tsumeb multiplied by the percentage accountable in the IXM contract to (ii) the accountable copper, gold and silver in the blister delivered to IXM and in the in-circuit material still being processed by Tsumeb. Many aspects of the metal exposure are subject to estimation, including the amount of metal contained in concentrate received, in-circuit material and blister delivered where final assays have not been completed. These significant estimates are based on the Company's process knowledge, joint surveys with IXM and multiple assay results, the final results of which could differ from initial estimates.

Revenue from the sale of sulphuric acid, a by-product from processing concentrate at the Tsumeb smelter, is measured at the price specified in the sales contract and is recognized when the control has been transferred, which is considered to occur when the products have been delivered to the location specified in the sales contract and the risk of loss has been transferred to the buyer.

Prior to the sale of MineRP in May 2021, revenue from MineRP's software services was recognized over time when the services were rendered. This was measured based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The estimated revenue or extent of progress toward percentage of completion was revised if changes occurred or circumstances arose that indicated a revision was warranted. Any resulting increase or decrease in estimated revenue was reflected in the consolidated statements of earnings (loss) in the period in which such determination was made.

Prior to the sale of MineRP in May 2021, revenue from licences entered into by MineRP containing software and ongoing services elements was recognized based on the estimated fair value of each element. The fair value of each element was determined based on the market price of each element when sold separately. Revenue relating to the software element was recognized when the control had been transferred to the customer, which occurred on delivery. Revenue relating to the service element was recognized over time when the services were rendered.

(u) Deferred revenue

Deferred revenue is recognized in the consolidated statements of financial position when a cash prepayment is received from one or more customers prior to the sale of product or delivery of service. Revenue is subsequently recognized in the consolidated statements of earnings (loss) when the sale occurs, which generally occurs when control has been transferred or in the case of services, when the services have been rendered.

The Company recognizes the time value of money, where there is a significant financing component and the period between the payment by the customer and the transfer of the contracted goods or services exceeds one year.

(v) Borrowing costs

Borrowing costs directly related to the acquisition and the construction of a qualifying capital asset are capitalized and added to the cost of the asset until such time as the asset is considered substantially ready for its intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where funds used to finance a project form part of general borrowings, the amount capitalized is calculated using the weighted average cost applicable to relevant general borrowings of the Company during the period. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Share-based compensation transactions

Equity-settled transactions

Stock options are granted to directors and selected employees to buy common shares of the Company. Stock options vest equally over a three-year period and expire five years from the date of grant. Grants of stock options are based on the five-day volume weighted average price (“Market Price”) of DPM’s common shares on the TSX the day before the effective grant date and reflect the Company’s estimate of the number of awards that will ultimately vest. Stock options are measured on the date of grant by reference to the fair value determined using a Black-Scholes valuation model, further details of which are given in *note 18*. The value is recognized as a general and administrative expense in the consolidated statements of earnings (loss) and an increase to contributed surplus in the consolidated statements of changes in shareholders’ equity over the period in which the performance and/or service conditions are fulfilled.

The dilutive effect of outstanding stock options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

A Director Deferred Share Unit (“Director DSU”) Plan and an Employee Deferred Share Unit (“Employee DSU”) Plan were established for directors and certain employees in lieu of cash compensation. The Director DSUs are paid in cash following separation of a director from the Company based on the closing price of DPM’s common shares on the applicable redemption date as elected by the director. The Employee DSUs are paid in cash based on (i) the Market Price of DPM’s common shares on the date the employee ceases to be employed by DPM or a subsidiary thereof (“Separation Date”); or (ii) if a deferred redemption date has been elected by the employee (“Deferred Redemption Date”), a cash payment by the Company to the employee based on the Market Price or the closing price of DPM’s common shares on the day preceding the Deferred Redemption Date; or (iii) the Market Price of DPM’s common shares if the Deferred Redemption Date is December 15 of the calendar year commencing after the Separation Date. The cost of the DSUs is measured initially at fair value based on the closing price of DPM’s common shares preceding the day the DSUs are granted. The cost of the DSUs is recognized as a liability under share based compensation plans in the consolidated statements of financial position and as a general and administrative expense in the consolidated statements of earnings (loss). The liability is remeasured to fair value based on the Market Price of DPM’s common shares at each reporting date up to and including the settlement date, with changes in fair value recognized in general and administrative expenses in the consolidated statements of earnings (loss).

A Share Unit (“SU”) Plan was established for directors, certain employees and eligible contractors (“Participant”) of DPM and its wholly-owned subsidiaries in consideration of past services to the Company.

Under this plan, the Board of Directors may, at its sole discretion, (i) grant non-performance based SUs, referred to as restricted share units (“RSUs”) and SUs with a performance-based component, referred to as performance share units (“PSUs”), subject to performance conditions to be achieved by the Company; and (ii) determine the entitlement date or dates of such RSUs and PSUs. Non-performance based RSUs vest equally over a three-year period and are paid in cash based on the Market Price of DPM’s publicly traded common shares on the entitlement date or dates. PSUs vest after three years from the grant date and are paid in cash based on the Market Price of DPM’s common shares, subject to performance criteria established by the Board of Directors on the entitlement date or dates.

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The cost of the RSUs and PSUs is measured initially at fair value on the grant date based on the Market Price of DPM's common shares preceding the effective grant date. The cost of RSUs and PSUs is recognized as a liability under share based compensation plans, with the current portion recognized in accounts payable and accrued liabilities, in the consolidated statements of financial position and as an expense in the consolidated statements of earnings (loss) over the vesting period. The liability is remeasured to fair value based on the Market Price of DPM's common shares and, in the case of PSUs, subject to performance criteria, at each reporting date up to and including the settlement date, with changes in fair value recognized in the consolidated statements of earnings (loss).

(x) Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities on the taxable loss or income for the period. The tax rates and tax laws used to compute the amount are those enacted or substantively enacted by the end of the reporting period.

Current income tax assets and current income tax liabilities are only offset if a legally enforceable right exists to offset the amounts and the Company intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

Deferred income tax

Deferred income tax is provided using the balance sheet method on temporary differences on the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences, and the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable income will be generated in future periods to utilize these deductible temporary differences.

The following temporary differences do not result in deferred income tax assets or liabilities:

- The initial recognition of assets or liabilities, not arising from a business combination, that does not affect accounting or taxable profit;
- Initial recognition of goodwill, if any; and
- Investments in subsidiaries, associates and jointly controlled entities where the timing of the reversal of temporary differences can be controlled and reversal in the foreseeable future is not probable.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable income will be generated to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable income will be generated to allow the deferred income tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to be in effect in the period when the asset is expected to be realized or the liability is expected to be settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and liabilities are offset if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

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2.2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Current and deferred income taxes related to items recognized directly in equity are recognized in equity and not in profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Judgment is required in determining whether deferred income tax assets are recognized on the consolidated statements of financial position. Deferred income tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate future taxable income in order to utilize the deferred income tax assets. Estimates of future taxable income are based on forecasted cash flows from operations or other activities and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred income tax assets recorded on the reporting date could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could impact tax deductions in future periods and the value of its deferred income tax assets and liabilities.

(y) Earnings per share

Basic earnings per share is computed by dividing the net earnings available to common shareholders by the weighted average number of shares outstanding during the reporting period.

Diluted earnings per share reflects the potential dilution that could occur if additional common shares are assumed to be issued under securities that entitle their holders to obtain common shares in the future. The number of additional shares for inclusion in diluted earnings per share is determined using the treasury stock method, whereby stock options and warrants, whose exercise price is less than the average market price of the Company's common shares, are assumed to be exercised at the beginning of the period with proceeds based on the average market price for the period. The incremental number of common shares issued under stock options and warrants is included in the calculation of diluted earnings per share.

2.3 NEW IFRS AMENDMENT ADOPTED

The Company adopted amendment to *IAS 16, Property, Plant and Equipment*, effective for financial reporting periods commencing on or after January 1, 2022. This amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss, and must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities. This amendment had no impact on the Company's consolidated financial statements for the year ended December 31, 2022.

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3. TSUMEB IMPAIRMENT CHARGE

During the year ended December 31, 2022, the Company assessed the recoverable amount of each of its CGUs as a result of (i) the market capitalization of DPM's shares being less than their carrying value; and (ii) a decrease in the expected supply of suitable higher arsenic bearing concentrate for processing at the smelter over the longer term. Based on this assessment, the carrying values of all CGUs were considered recoverable, with the exception of Tsumeb.

As a result of the impairment assessment, the carrying value of Tsumeb exceeded its estimated recoverable amount resulting in an impairment charge of \$85.0 million being recognized in the consolidated statements of earnings (loss) for the year ended December 31, 2022, of which \$84.3 million related to property, plant, and equipment and \$0.7 million related to intangible assets. This charge was primarily attributable to lower forecast toll revenue as a result of an expected reduction in higher arsenic bearing third party concentrate feed being received by the smelter commencing in 2024, concurrent with when the smelter is not expected to be processing any of Chelopech concentrate. While the processing of Chelopech concentrate at other third party smelters is expected to generate additional overall value for the Company, it will be realized through lower treatment charges and higher margins at Chelopech rather than higher tolling rates and higher margins at Tsumeb.

Tsumeb's recoverable amount of \$40.0 million was determined using FVLCD, which was calculated based on projected future cash flows utilizing the latest information available and management's estimates including throughput ranging from 230,000 tonnes to 350,000 tonnes, toll rates and volumes based on historical terms received and the Company's knowledge of the complex concentrate market, lower operating costs, sustaining capital expenditures in line with current levels, and the foreign exchange rate between the U.S. dollar and the ZAR of 17.05. These projected cash flows were prepared in current dollars and discounted using a real discount rate of 10.79%, representing the estimated weighted average real cost of capital. This rate was estimated based on the Capital Asset Pricing Model where the costs of equity and debt were based on, among other things, estimated interest rates, market returns on equity, share volatility, leverage and risks specific to the mining sector and Tsumeb. Management's estimate of Tsumeb's FVLCD is classified as level 3 in the fair value hierarchy.

Sensitivities

The projected cash flows and FVLCD for Tsumeb can be affected by any one or more changes in the estimates used. Changes in third party toll rates, operating costs, foreign exchange rates and volumes of concentrate smelted have the greatest impact on value, where a 5% change in any one of above assumptions would each change the FVLCD by approximately \$30 million to \$35 million as at December 31, 2022. In addition, if Tsumeb does not achieve forecasted operating levels and future cost savings in respect of its initiative to optimize the cost structure of the smelter, there could be a further impairment charge.

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4. DISCONTINUED OPERATIONS

On December 22, 2020, the Company and other shareholders of MineRP entered into a definitive agreement with Epiroc Canada Holding Inc., a subsidiary of Epiroc Rock Drills AB (“Epiroc”) for the sale of MineRP (the “MineRP Disposition”). The MineRP Disposition closed on May 3, 2021.

Net cash consideration received for DPM's equity interest in MineRP:

Total purchase price	59,000
Cash received for settlement of DPM loan to MineRP	(20,571)
Working capital adjustment	(1,485)
Closing indebtedness	(534)
Closing cash	276
Cash consideration	36,686
Less: transaction costs	(3,048)
Net cash consideration	33,638
Cash paid to non-controlling interests	(9,021)
Net cash consideration received for DPM's equity interest in MineRP^(a)	24,617

Net assets disposed:

Cash	276
Accounts receivable	2,231
Property, plant & equipment	1,137
Intangible assets	26,760
Other long-term assets	230
Total assets disposed	30,634
Accounts payable and accrued liabilities	5,835
Loan payable to Epiroc	20,571
Current portion of long-term liabilities	311
Deferred income tax liabilities	950
Other long-term liabilities	630
Total liabilities disposed	28,297
Non-controlling interests	607
Net assets disposed	1,730

Reclassification of currency translation adjustments from accumulated other comprehensive income	(2,845)
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Gain on MineRP Disposition included in net earnings from discontinued operations	20,042
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(a) Net cash consideration received included \$5.1 million held in escrow on closing to secure against any post closing adjustments related to working capital and certain representations and warranties, of which \$1.6 million related to working capital items. The working capital adjustment was finalized in December 2021, resulting in an unfavourable final adjustment of \$0.6 million to the Company which was recognized as a reduction in the gain on MineRP Disposition included in net earnings from discontinued operations for the year ended December 31, 2021. As at December 31, 2022, the remaining cash held in escrow of \$3.5 million related to other indemnities was recognized as restricted cash included in other current assets in the consolidated financial statements of financial position.

As a result of the MineRP Disposition, the operating results and cash flows of MineRP have been presented as discontinued operations in the consolidated statements of earnings (loss) and cash flows for the year ended December 31, 2021.

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The following table summarizes the operating results of MineRP which have been aggregated and presented as discontinued operations for the year ended December 31, 2021:

	2021
Revenue	4,521
Costs and expenses	
Cost of sales	3,726
General and administrative expenses	2,384
Other income	(631)
	5,479
Loss before income taxes	(958)
Deferred income tax recovery	(11)
Net loss from discontinued operations before gain on MineRP Disposition	(947)
Gain on MineRP Disposition	20,042
Net earnings from discontinued operations	19,095

5. ACQUISITION OF INV METALS INC. (“INV”)

On July 26, 2021, the Company acquired all of the issued and outstanding shares it did not already own of INV, now renamed DPM Ecuador Holdings Inc., which owns DPM Ecuador, the principal assets of which are comprised of the Loma Larga gold project and certain other exploration licences. As consideration for the acquisition, DPM issued 10,664,501 common shares representing 0.0910 of a DPM common share for each INV common share acquired at a market price of \$5.72 (Cdn\$7.19) per share with an aggregate value of \$61.0 million.

This transaction was accounted for as an asset acquisition with the consideration paid allocated primarily to the exploration and evaluation assets related to the Loma Larga gold project. The following table summarizes the consideration paid and the allocation of this consideration to the assets acquired and liabilities assumed as at the date of acquisition.

Consideration paid

DPM common shares issued, net of share issuance costs	60,844
Fair value of previously held equity interest ^(a)	17,988
DPM stock options ^(b)	2,366
Transaction costs	2,463
Total consideration paid	83,661

Assets acquired and liabilities assumed

Cash	1,029
Accounts receivable	556
Investments at fair value	151
Exploration and evaluation assets	86,372
Property, plant and equipment	589
Other long-term assets	897
Accounts payable and accrued liabilities	(4,677)
Current portion of long-term liabilities	(220)
Other long-term liabilities	(1,036)
Net assets acquired	83,661

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- (a) The fair value of the 35,344,424 INV shares previously held by DPM was based on the market price of \$0.51 (Cdn\$0.64) per INV share as at the date of acquisition.
- (b) As at the date of acquisition, 12,304,700 outstanding INV stock options vested immediately and were exchanged for 1,119,728 DPM stock options, the fair value of which was estimated using the Black-Scholes option pricing model.

The Company recognized a post-acquisition net loss of \$0.6 million from DPM Ecuador in the consolidated statements of earnings (loss) for the year ended December 31, 2021. Had DPM Ecuador been consolidated from January 1, 2021, the Company would have reported a net loss of \$8.6 million, including change of control payments as a result of the acquisition, in its consolidated statements of earnings (loss) for the year ended December 31, 2021.

6. ACCOUNTS RECEIVABLE

	December 31, 2022	December 31, 2021
Accounts receivable (a)	113,951	116,699
Supplier advances and other prepaids	9,599	9,618
Value added tax receivable	2,887	2,021
	126,437	128,338

- (a) As at December 31, 2022, the Company's accounts receivable included a metal recovery of \$15.5 million (December 31, 2021 – \$2.2 million) related to estimated metal exposure at Tsumeb.

7. INVENTORIES

	December 31, 2022	December 31, 2021
Ore and concentrates	12,787	18,012
Spare parts, supplies and other	33,026	31,614
	45,813	49,626

For the year ended December 31, 2022, the cost of inventories recognized as an expense and included in cost of sales was \$220.3 million (2021 – \$209.5 million), including a provision for slow moving inventories of \$1.2 million (2021 – \$0.7 million).

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8. FINANCIAL INSTRUMENTS

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

		December 31, 2022	December 31, 2021
Financial assets			
Cash and cash equivalents	Amortized cost	433,176	334,377
Accounts receivable			
on provisionally priced sales	FVPL	75,707	85,083
Other accounts receivable	Amortized cost	50,730	43,255
Restricted cash	Amortized cost	5,641	5,730
Sabina special warrants (a)	FVPL	-	5,795
Other warrants	FVPL	219	21
Publicly traded securities (b)	FVOCI	40,554	42,167
Commodity swap contracts (c)	Derivatives for fair value hedges	149	21
Foreign exchange forward contracts	FVPL	531	-
Financial liabilities			
Accounts payable			
and accrued liabilities	Amortized cost	81,165	73,735
Commodity swap contracts (c)	Derivatives for fair value hedges	3,259	1,946
Foreign exchange option			
contracts (d)	Derivatives for cash flow hedges	1,787	1,489
Foreign exchange forward contracts	FVPL	318	-

The carrying values of all the financial assets and liabilities approximate their fair values as at December 31, 2022 and 2021.

(a) Sabina special warrants

In September 2022, 5,000,000 Series B special warrants were exercised in return for 5,000,000 common shares by DPM following a positive production decision with respect to the Back River project. As at December 31, 2022, DPM held 36,050,566 common shares of Sabina.

The fair value of the Sabina special warrants was included in investments at fair value in the consolidated statements of financial position as at December 31, 2021 and was based on the fair value of the Sabina common shares, which was determined based on the closing bid prices as at the valuation date.

For the year ended December 31, 2022, the Company recognized net losses on the Sabina special warrants of \$2.4 million (2021 – \$6.3 million) in other income and expense (note 21) in the consolidated statements of earnings (loss).

(b) Publicly traded securities

Publicly traded securities include a portfolio of equity investments in publicly traded mining and exploration companies, comprised primarily of Sabina.

For the year ended December 31, 2022, the Company recognized unrealized losses on these publicly traded securities of \$5.3 million (2021 – \$42.6 million) in other comprehensive income (loss) that will not be reclassified subsequently to profit or loss.

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(c) Commodity swap contracts

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

As at December 31, 2022, the Company's outstanding QP Hedges, all of which mature within four months from the reporting date, are summarized in the table below:

Commodity hedged	Volume hedged	Weighted average fixed price of QP Hedges
Payable gold	27,510 ounces	1,795.80/ounce
Payable copper	11,695,509 pounds	3.59/pound

The Company also enters into Production Hedges, being cash settled commodity swap contracts from time to time to swap future contracted monthly average prices for fixed metal prices to reduce its future metal price exposure in respect of its projected production. As at December 31, 2022, the Company had no outstanding Production Hedges.

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

The fair value gain or loss on commodity swap contracts is calculated based on the corresponding London Metal Exchange forward copper prices and New York Commodity Exchange forward gold prices, as applicable. As at December 31, 2022, the net fair value loss on all outstanding QP hedges was \$3.2 million (December 31, 2021 – \$1.9 million), of which \$0.1 million (December 31, 2021 – \$0.02 million) was included in other current assets and \$3.3 million (December 31, 2021 – \$1.9 million) in accounts payable and accrued liabilities.

All QP hedges are subject to master netting agreements. As at December 31, 2022 and 2021, there was no set-off of assets and liabilities in the consolidated statements of financial position.

For the year ended December 31, 2022, the Company recognized, in revenue, net gains of \$6.8 million (2021 – net losses of \$3.5 million) on QP Hedges and realized losses of \$nil (2021 – \$15.7 million) on Production Hedges.

(d) Foreign exchange option contracts

The Company enters into foreign exchange option contracts from time to time to reduce the foreign exchange exposure associated with projected operating expenses and capital expenditures denominated in foreign currencies. Foreign exchange option contracts are entered to provide price protection below a specified "floor" rate and participation up to a specified "ceiling" rate. The option contracts entered are comprised of a series of call options and put options (which when combined create a price "collar") that are structured so as to provide for a zero upfront cash cost.

As at December 31, 2022, the Company had outstanding foreign exchange option contracts in respect of a portion of its projected Namibian dollar denominated operating expenses which are linked to the ZAR as summarized in the table below:

Year of projected operating expenses	Amount hedged in ZAR ⁽ⁱ⁾	Call options sold Weighted average ceiling rate US\$/ZAR	Put options purchased Weighted average floor rate US\$/ZAR
2023	1,378,176,000	17.69	15.69

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

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

The fair value gain or loss on these outstanding contracts was calculated based on foreign exchange forward rates quoted in the market. As at December 31, 2022, the net fair value loss on all outstanding foreign exchange option contracts was \$1.8 million (December 31, 2021 – \$1.5 million), which was included in accounts payable and accrued liabilities. All foreign exchange option contracts are subject to master netting agreements. As at December 31, 2022 and 2021, there was no set-off of assets and liabilities in the consolidated statements of financial position.

The Company recognized realized losses of \$1.1 million (2021 – realized gains of \$6.5 million) for the year ended December 31, 2022 in cost of sales on the spot component of settled contracts.

For the year ended December 31, 2022, the Company recognized unrealized losses of \$0.4 million (2021 – \$5.4 million) in other comprehensive income (loss) on the spot component of the outstanding foreign exchange option contracts. For the year ended December 31, 2022, the Company also recognized unrealized gains of \$0.1 million (2021 – unrealized losses of \$2.5 million) on the time value component of the outstanding foreign exchange option contracts in other comprehensive income (loss) as a deferred cost of hedging.

Effects of hedge accounting

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged items (the Company's accounts receivable on provisionally priced sales, projected payable metal production, and projected operating expenses and capital expenditures denominated in foreign currencies) and the hedging instruments (commodity swap contracts and foreign exchange forward and option contracts). The hedges are effective when the critical terms of the hedging instrument match with the critical terms of the hedged item.

Hedge ineffectiveness can arise from:

- Differences in the timing and/or amount of the cash flows of the hedged item and the hedging instrument; and
- Fair value movements related to counterparty credit risk, which impact the hedging instrument and the hedged item differently.

The Company's hedging relationships are such that the ratio between the underlying hedged item and the hedging instrument is 1:1. To measure for potential hedge ineffectiveness, the Company compares change in the fair value of the hedging instrument to change in the fair value of the underlying hedged item.

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Set out below is a summary of effects of hedge accounting on the Company's consolidated statements of financial position by risk category for its fair value and cash flow hedges:

	2022	2021
Commodity swap contracts		
designated as fair value hedges ^(a)		
Carrying amount		
Assets included in other current assets	149	21
Liabilities included in accounts payable and accrued liabilities	(3,259)	(1,946)
	(3,110)	(1,925)
Notional amount	91,380	58,281
Changes in fair value used for measuring ineffectiveness		
Hedging instruments	(3,224)	(1,892)
Hedged items	3,369	1,914
Foreign exchange option contracts		
designated as cash flow hedges		
Carrying amount		
Liability included in accounts payable and accrued liabilities	(1,787)	(1,489)
Notional amount ZAR (in 000's)	1,378,176	1,464,090
Changes in fair value used for measuring ineffectiveness		
Hedging instruments	(403)	-
Hedged items	403	-

(a) As at December 31, 2022, the carrying value of the hedged item, comprised of accounts receivable on provisionally priced sales, was \$75.7 million (December 31, 2021 – \$85.1 million).

See note 26(c) for the effects of hedge accounting on the consolidated statements of earnings (loss) and the consolidated statements of comprehensive income (loss).

Fair value hierarchy

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

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

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The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at December 31, 2022 and 2021:

	As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Accounts receivable on provisionally priced sales	-	75,707	-	75,707
Other warrants	-	-	219	219
Publicly traded securities	40,554	-	-	40,554
Commodity swap contracts	-	149	-	149
Foreign exchange forward contracts	-	531	-	531
Financial liabilities				
Commodity swap contracts	-	3,259	-	3,259
Foreign exchange option contracts	-	1,787	-	1,787
Foreign exchange forward contracts	-	318	-	318

	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Accounts receivable on provisionally priced sales	-	85,083	-	85,083
Sabina special warrants	-	-	5,795	5,795
Other warrants	-	-	21	21
Publicly traded securities	42,167	-	-	42,167
Commodity swap contracts	-	21	-	21
Foreign exchange option contracts	-	-	-	-
Financial liabilities				
Commodity swap contracts	-	1,946	-	1,946
Foreign exchange option contracts	-	1,489	-	1,489

During the years ended December 31, 2022 and 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

The following table reconciles Level 3 fair value measurements from January 1, 2021 to December 31, 2022:

	December 31, 2022	December 31, 2021
Balance at beginning of year	5,816	12,128
Purchase of other warrants	245	-
Unrealized losses included in net earnings (note 21)	(2,415)	(6,312)
Exercise of Sabina special warrants into common shares	(3,427)	-
Balance at end of year	219	5,816

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9. EXPLORATION AND EVALUATION ASSETS

	December 31, 2022	December 31, 2021
Balance at beginning of year	98,925	-
Additions	26,649	12,444
Acquisition of INV (note 5)	-	86,372
Capitalized depreciation	657	109
Balance at end of year	126,231	98,925

Exploration and evaluation expenditures expensed directly to net earnings from continuing operations amounted to \$24.2 million (2021 – \$18.0 million) for the year ended December 31, 2022.

10. MINE PROPERTIES

	December 31, 2022	December 31, 2021
Cost:		
Balance at beginning of year	330,262	314,003
Additions	8,567	16,837
Capitalized depreciation	620	537
Change in rehabilitation provisions (note 15)	(2,268)	(1,115)
Disposals	(222)	-
Balance at end of year	336,959	330,262
Accumulated depletion:		
Balance at beginning of year	192,225	158,565
Depletion	31,436	33,660
Disposals	(222)	-
Balance at end of year	223,439	192,225
Net book value:		
At beginning of year	138,037	155,438
At end of year	113,520	138,037

The costs comprising mine properties related to producing mines. Of the total depletion expense, \$33.1 million (2021 – \$31.0 million) was charged to cost of sales for the year ended December 31, 2022.

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11. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Machinery and Equipment	Construction Work-in- Progress	Total
Cost:				
Balance as at January 1, 2021	79,513	576,290	19,240	675,043
Additions	3,106	16,406	15,971	35,483
Acquisition of INV (note 5)	263	326	-	589
Capitalized depreciation	-	-	802	802
Disposals	(1,506)	(3,274)	(305)	(5,085)
Impairment charge	(6)	(5,506)	-	(5,512)
Change in rehabilitation provisions (note 15)	(609)	(1,262)	-	(1,871)
Transfers	167	12,058	(12,225)	-
Balance as at December 31, 2021	80,928	595,038	23,483	699,449
Additions	6,634	19,238	26,984	52,856
Capitalized depreciation	-	-	744	744
Disposals	(1,419)	(15,960)	(104)	(17,483)
Impairment charge (note 3)	(12,406)	(111,468)	(12,158)	(136,032)
Change in rehabilitation provisions (note 15)	(1,074)	227	-	(847)
Transfers	(359)	17,865	(17,506)	-
Balance as at December 31, 2022	72,304	504,940	21,443	598,687
Accumulated depreciation and impairment:				
Balance as at January 1, 2021	30,386	280,320	-	310,706
Depreciation expense	7,635	53,958	-	61,593
Capitalized depreciation	48	1,382	-	1,430
Depreciation relating to disposals	(1,116)	(3,175)	-	(4,291)
Impairment charge	(3)	(5,291)	-	(5,294)
Balance as at December 31, 2021	36,950	327,194	-	364,144
Depreciation expense	6,151	58,282	-	64,433
Capitalized depreciation	571	1,419	-	1,990
Depreciation relating to disposals	(1,407)	(15,874)	-	(17,281)
Impairment charge (note 3)	(4,384)	(47,318)	-	(51,702)
Balance as at December 31, 2022	37,881	323,703	-	361,584
Net book value:				
As at December 31, 2021	43,978	267,844	23,483	335,305
As at December 31, 2022	34,423	181,237	21,443	237,103

Of the total depreciation expense from continuing operations, \$63.5 million (2021 – \$61.3 million) was charged to cost of sales and \$0.9 million (2021 – \$0.6 million) was charged to general and administrative expenses for the year ended December 31, 2022.

See note 17 for the carrying value of right-of-use assets under leases recognized in property, plant and equipment as at December 31, 2022 and 2021 and other lease related information for the years ended December 31, 2022 and 2021.

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12. INTANGIBLE ASSETS

	December 31, 2022	December 31, 2021
Cost:		
Balance at beginning of year	36,026	32,114
Additions	2,554	4,609
Disposals	(406)	-
Impairment charge (note 3)	(2,138)	(697)
Balance at end of year	36,036	36,026
Accumulated amortization and impairment:		
Balance at beginning of year	18,667	15,975
Amortization	3,733	3,370
Capitalized amortization	10	17
Amortization relating to disposals	(406)	-
Impairment charge (note 3)	(1,469)	(695)
Balance at end of year	20,535	18,667
Net book value:		
At beginning of year	17,359	16,139
At end of year	15,501	17,359

Of the total intangible asset amortization expense from continuing operations, \$2.5 million (2021 – \$2.4 million) was charged to cost of sales and \$1.2 million (2021 – \$1.0 million) was charged to general and administrative expenses for the year ended December 31, 2022.

13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2022	December 31, 2021
Accounts payable	22,025	17,643
Accrued liabilities	40,824	40,201
Commodity swap contracts (note 8(c))	3,259	1,946
Foreign exchange option contracts (note 8(d))	1,787	1,489
Foreign exchange forward contracts	318	-
Share based compensation plans - current portion (note 18)	7,943	6,518
Dividend payable (note 26(a))	7,600	5,743
Value added tax payable	2,773	3,630
	86,529	77,170

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14. DEBT

(a) DPM Revolving Credit Facility

Up to July 2022, DPM had a committed revolving credit facility of \$150.0 million with a consortium of banks that was to mature in February 2024. In July 2022, DPM replaced this facility with a new committed revolving credit facility (the "RCF") with a consortium of four banks that matures in July 2026. Generally speaking, this facility contains more favourable terms and conditions than the old RCF, providing added flexibility, an extended term, and lower pricing, and is secured by pledges of DPM's investments in Ada Tepe, Chelopech and Loma Larga and by guarantees from each of the subsidiaries that hold these assets and by certain holding companies. Initially, DPM is permitted to borrow up to an aggregate principal amount of \$150.0 million, which can be increased pursuant to an accordion feature that permits, subject to certain conditions, the facility to be increased to \$250.0 million. The cost of borrowing is based on the Secured Overnight Financing Rate ("SOFR"), the general replacement rate for LIBOR, plus a spread, which is currently 2.25%, and can range between 2.25% and 3.50% depending upon DPM's leverage. The RCF contains financial covenants that require DPM to maintain: (i) a Debt Leverage Ratio below 3.75:1, and (ii) a minimum net worth equal to \$600 million plus (minus) 50% of ongoing net earnings (loss) plus 50% of all equity raised by DPM, in each case, after March 31, 2022, and as defined under the RCF.

As at December 31, 2022 and 2021, DPM was in compliance with all financial covenants and \$nil was drawn under the RCF.

(b) Tsumeb overdraft facility

Tsumeb has a Namibian \$100.0 million (\$5.9 million) demand overdraft facility. This facility is guaranteed by DPM and bears interest at a rate equal to the Namibian Prime Lending Rate minus 0.5%. As at December 31, 2022 and 2021, \$nil was drawn from this facility.

(c) Other credit agreements and guarantees

Chelopech and Ada Tepe have a \$21.0 million multi-purpose credit facility that matures on November 30, 2023 and is guaranteed by DPM. As at December 31, 2022, \$17.3 million (December 31, 2021 – \$13.9 million) had been utilized in the form of letters of credit and letters of guarantee, primarily in respect of concession contracts with the Bulgarian Ministry of Energy.

Chelopech and Ada Tepe also have a Euro 21.0 million (\$22.5 million) credit facility to support mine closure and rehabilitation obligations in respect of concession contracts with the Bulgarian Ministry of Energy. This credit facility matures on November 30, 2023 and is guaranteed by DPM. As at December 31, 2022, \$22.5 million (December 31, 2021 – \$23.8 million) had been utilized in the form of letters of guarantee.

Ada Tepe also has a \$10.3 million multi-purpose credit facility that matures on November 30, 2023 and is guaranteed by DPM. As at December 31, 2022, \$0.2 million (December 31, 2021 – \$0.2 million) had been utilized in the form of letters of credit and letters of guarantee, primarily in respect of exploration contracts with the Bulgarian Ministry of Energy.

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

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15. REHABILITATION PROVISIONS

The rehabilitation provisions represent the present value of rehabilitation costs relating to the Chelopech, Tsumeb and Ada Tepe sites, which are expected to be incurred between 2023 and 2049.

Key assumptions used in determining the rehabilitation provisions were as follows:

	December 31, 2022	December 31, 2021
Discount period		
Chelopech	2023 - 2043	2022 - 2043
Tsumeb	2023 - 2049	2022 - 2049
Ada Tepe	2023 - 2038	2022 - 2038
Local discount rate		
Chelopech/Ada Tepe	4.2%	1.3%
Tsumeb	12.1%	11.1%
Local long-term inflation rate		
Chelopech/Ada Tepe	2.6%	2.5%
Tsumeb	4.5%	4.5%

Changes to rehabilitation provisions were as follows:

	Chelopech	Tsumeb	Ada Tepe	Total
Balance as at January 1, 2021	23,270	17,793	11,463	52,526
Change in cost estimate	834	-	-	834
Remeasurement of provisions (b)	(1,702)	(980)	(1,432)	(4,114)
Accretion expense (note 20)	256	1,999	125	2,380
Balance as at December 31, 2021	22,658	18,812	10,156	51,626
Change in cost estimate (a)	675	5,482	-	6,157
Remeasurement of provisions (b)	(4,134)	(3,049)	(2,509)	(9,692)
Accretion expense (note 20)	413	2,232	214	2,859
Balance as at December 31, 2022	19,612	23,477	7,861	50,950

The current portion of rehabilitation provisions of \$5.1 million (December 31, 2021 – \$1.2 million) is presented as current portion of long-term liabilities on the consolidated statements of financial position (note 16).

- (a) During the year ended December 31, 2022, Tsumeb has increased its estimated rehabilitation costs based on its current activities, updated closure plan and existing closure obligations.
- (b) Remeasurement of provisions resulted from changes in discount rates, inflation rates and foreign exchange rates at each site.

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16. OTHER LONG-TERM LIABILITIES

	December 31, 2022	December 31, 2021
Leases (note 17)	14,584	15,188
Pension obligations	2,731	2,513
Other liabilities	6,288	2,397
	23,603	20,098
Less: Current portion	(10,273)	(6,234)
	13,330	13,864

17. LEASES

The Company leases various property, equipment and vehicles with lease terms ranging between one to 15 years. Extension and termination options are included in a number of property and equipment leases across the Company. These terms are used to maximize operational flexibility in terms of managing contracts, the majority of which are exercisable jointly by both the Company and the respective lessor. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. Some of the Company's leased assets are pledged as security for the related lease obligations.

Tsumeb has a long-term lease agreement for the supply of oxygen. The original term of the lease was 15 years extending to 2025, payable on a monthly basis. The lease payments were discounted at a rate of 12.5%.

Right-of-use assets recognized in property, plant and equipment (note 11) as at December 31, 2022 and 2021 were as follows:

	December 31, 2022	December 31, 2021
Buildings	6,077	3,741
Machinery and Equipment	3,502	7,024
	9,579	10,765

Additions to the right-of-use assets during the year ended December 31, 2022 were \$3.9 million (2021 – \$2.9 million).

Lease obligations related to right-of-use assets recognized in the current portion of long-term liabilities and other long-term liabilities (note 16) as at December 31, 2022 and 2021 were as follows:

	December 31, 2022	December 31, 2021
Current portion of long-term liabilities	4,543	4,405
Other long-term liabilities	10,041	10,783
	14,584	15,188

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Expenses related to leases recognized in the consolidated statements of earnings (loss) for the year ended December 31, 2022 and 2021 were as follows:

	2022	2021
Depreciation charge of right-of-use assets		
Buildings	1,112	870
Machinery and Equipment	3,691	3,954
	4,803	4,824
Finance charges (note 20)	1,025	1,163
Expense relating to short-term leases	795	494
Expense relating to leases of low-value assets that are not short-term leases	30	59
Expense relating to variable lease payments not included in lease obligations	1,530	1,194

Total cash outflows for leases for the year ended December 31, 2022 were \$5.7 million (2021 – \$5.5 million).

18. SHARE-BASED COMPENSATION PLANS

SU plan

DPM has a SU Plan for directors, certain employees and eligible contractors of DPM and its wholly-owned subsidiaries in consideration of past services to the Company. The Board of Directors administers this plan and determines the grants.

(a) RSUs

These RSUs vest equally over a three-year period and are paid in cash based on the Market Price of DPM's publicly traded common shares on the entitlement date or dates, which should not be later than December 31 of the year that is three years after the year of service for which the RSUs are granted, as determined by the Board of Directors in its sole discretion.

The following is a summary of the RSUs granted for the years indicated:

	Number of RSUs	Amount
Balance as at January 1, 2021	2,280,594	9,773
RSUs granted	726,258	3,869
RSUs redeemed	(1,199,532)	(7,700)
RSUs forfeited	(82,749)	(89)
Mark-to-market adjustments		433
Balance as at December 31, 2021	1,724,571	6,286
RSUs granted	840,499	4,262
RSUs redeemed	(903,171)	(5,411)
RSUs forfeited	(146,739)	(366)
Mark-to-market adjustments		(328)
Balance as at December 31, 2022	1,515,160	4,443

The current portion of RSUs of \$3.1 million (December 31, 2021 – \$4.5 million) was included in accounts payable and accrued liabilities on the consolidated statements of financial position (note 13).

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As at December 31, 2022, there was \$3.4 million (December 31, 2021 – \$3.1 million) of expenses relating to unvested RSUs remaining to be charged to net earnings in future periods relating to the RSU plan.

(b) PSUs

Under the SU Plan, the Board of Directors may, at its sole discretion, (i) grant SUs with a performance-based component, referred to as PSUs, subject to performance conditions to be achieved by the Company, and (ii) determine the entitlement date or dates of such PSUs. These PSUs vest after three years and are paid in cash based on the Market Price of DPM's publicly traded common shares, subject to established performance criteria, on the entitlement date or dates, which shall not be later than December 31 of the year that is three years after the year of service for which the PSUs were granted, as determined by the Board of Directors in its sole discretion.

The following is a summary of the PSUs granted for the years indicated:

	Number of PSUs	Amount
Balance as at January 1, 2021	1,252,090	7,212
PSUs granted	240,928	1,403
PSUs redeemed	(511,316)	(5,599)
Mark-to-market adjustments		471
Balance as at December 31, 2021	981,702	3,487
PSUs granted	278,829	1,438
PSUs redeemed	(411,850)	(2,956)
PSUs forfeited	(17,948)	(33)
Mark-to-market adjustments		488
Balance as at December 31, 2022	830,733	2,424

The current portion of PSUs of \$1.5 million (December 31, 2021 – \$2.0 million) was included in accounts payable and accrued liabilities on the consolidated statements of financial position (*note 13*).

As at December 31, 2022, there was \$1.8 million (December 31, 2021 – \$1.7 million) of expenses remaining to be charged to net earnings in future periods relating to unvested PSUs.

DSU plans

DPM has a DSU Plan for directors and certain employees.

Under the Director DSU Plan, directors receive a portion of their annual compensation in the form of DSUs. The DSUs are redeemable in cash equal to the closing price of DPM's common shares on the applicable redemption date as elected by the director.

Under the Employee DSU Plan, grants to employees of the Company are determined by the Board of Directors, or the Human Capital & Compensation Committee, in lieu of a cash bonus. The DSUs are redeemable in cash based on (i) the Market Price of DPM's common shares on the Separation Date; or (ii) the Market Price or the closing price of DPM's common share on the day preceding the Deferred Redemption Date; or (iii) the Market Price of DPM's common shares if the Deferred Redemption Date is December 15 of the calendar year commencing after the Separation Date.

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The following is a continuity of the DSUs for the years indicated:

	Number of DSUs	Amount
Balance as at January 1, 2021	1,869,258	13,478
DSUs granted	179,883	1,093
DSUs redeemed	(297,007)	(2,078)
Mark-to-market adjustments		(1,876)
Balance as at December 31, 2021	1,752,134	10,617
DSUs granted	235,372	1,189
DSUs redeemed	(145,802)	(949)
Mark-to-market adjustments		(1,706)
Balance as at December 31, 2022	1,841,704	9,151

The current portion of DSUs of \$3.3 million (December 31, 2021 – \$0.02 million) was included in accounts payable and accrued liabilities on the consolidated statements of financial position (*note 13*).

DPM stock option plan

The Company has established an incentive stock option plan for the directors, selected employees and consultants. Pursuant to the plan, the exercise price of the stock option cannot be less than the Market Price of DPM's common shares on the trading date preceding the effective date of the stock option grant. The aggregate number of shares that can be issued from treasury under this plan is 12,500,000. Stock options granted vest equally over a three-year period and expire five years from the date of grant.

During the year ended December 31, 2022, the Company granted 649,468 (2021 – 464,443) stock options with a fair value of \$1.1 million (2021 – \$1.1 million). The estimated value of the stock options granted will be recognized as an expense in the consolidated statements of earnings (loss) and an addition to contributed surplus in the consolidated statements of changes in shareholders' equity over the vesting period. The Company recorded stock option expenses of \$1.1 million (2021 – \$1.1 million) for the year ended December 31, 2022 under this stock option plan.

As at December 31, 2022, there was \$0.8 million (December 31, 2021 – \$0.7 million) of expenses remaining to be charged to net earnings in future periods relating to unvested stock options.

The fair value of options granted was estimated using the Black-Scholes option pricing model. The expected volatility is estimated based on the historic average share price volatility. The inputs used in the measurement of the fair values at the time the options were granted were as follows:

	2022	2021
Five year risk free interest rate	2.4% - 3.3%	0.8% - 0.9%
Expected life in years	4.75	4.75
Expected volatility	45.7% - 46.78%	52.6% - 54.6%
Dividends per share	\$0.16	\$0.12

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The following is a stock option continuity for the years indicated:

	Number of options	Weighted average exercise price per share (Cdn\$)
Balance as at January 1, 2021	2,916,087	3.52
Options granted	464,443	7.67
INV options (note 5)	1,119,728	6.74
Options exercised	(1,070,774)	3.27
Options expired	(34,139)	10.11
Balance as at December 31, 2021	3,395,345	5.17
Options granted	649,468	7.37
Options exercised	(1,060,102)	4.04
Options expired	(301,028)	10.66
Options forfeited	(18,900)	6.80
Balance as at December 31, 2022	2,664,783	5.53

The following lists the options outstanding and exercisable as at December 31, 2022:

Options outstanding			Options exercisable		
Range of exercise prices per share (Cdn\$)	Number of options outstanding	Weighted average remaining years	Weighted average exercise price per share (Cdn\$)	Number of options exercisable	Weighted average exercise price per share (Cdn\$)
3.28 - 4.45	1,526,147	1.21	4.08	1,321,734	4.02
4.46 - 8.50	1,138,636	3.66	7.47	187,251	7.43
3.28 - 8.50	2,664,783	2.26	5.53	1,508,985	4.44

19. EXPENSES BY NATURE

Cost of sales, general and administrative expenses, and exploration and evaluation expenses, as reported in the consolidated statements of earnings (loss), have been regrouped by the nature of the expenses as follows:

	2022	2021
Raw materials, consumables and spare parts	112,545	101,844
Staff costs	77,135	85,467
Service costs	68,423	69,494
Share-based compensation expense	6,742	4,156
Royalties (a)	15,648	21,468
Drilling, assaying and other exploration and evaluation expenses	16,413	11,095
Insurance	4,794	4,855
Net (gains) losses on foreign exchange option contracts (note 8(d))	1,140	(6,525)
Depletion of mine properties (note 10)	33,119	30,960
Depreciation of property, plant and equipment (note 11)	64,400	61,877
Amortization of intangible assets (note 12)	3,733	3,370
Other costs	6,385	5,242
	410,477	393,303

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- (a) Chelopech pays royalties at a fixed rate of 1.5% annually based on the gross value of the gold, silver and copper contained in the ore mined. Ada Tepe pays royalties at a variable royalty rate on a sliding scale between 1.44% and 4% applied to the gross value of the gold and silver contained in the ore mined based on a range of pre-tax profit to sales ratios. For the year ended December 31, 2022, the royalty rate was 1.5% (2021 – 1.5%) for Chelopech and 4% (2021 – 3.9%) for Ada Tepe.

20. FINANCE COSTS

	2022	2021
Borrowing costs	2,441	2,006
Accretion expense related to rehabilitation provisions (note 15)	2,859	2,380
Finance charges under leases (note 17)	1,025	1,163
	6,325	5,549

21. OTHER INCOME AND EXPENSE

	2022	2021
Net losses on Sabina special warrants (note 8(a))	2,369	6,289
Net losses on other warrants	46	23
Tsumeb restructuring costs (a)	5,735	-
Net foreign exchange losses	681	1,628
Interest income	(6,554)	(632)
Other, net	734	1,027
	3,011	8,335

- (a) Tsumeb restructuring costs were related to severance payment and other employee benefits related to a comprehensive cost saving initiative at Tsumeb.

22. INCOME TAXES

The major components of income tax expense recognized in net earnings (loss) from continuing operations are as follows:

	2022	2021
Current income tax expense on earnings	21,199	33,625
Deferred income tax expense related to origination and reversal of temporary differences	1,620	5,064
Income tax expense	22,819	38,689

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The reconciliation of the combined Canadian federal and provincial government statutory income tax rates to the effective tax rate is as follows:

	2022	2021
Earnings before income taxes from continuing operations	58,742	229,418
Combined Canadian federal and provincial statutory income tax rates	26.5%	26.5%
Expected income tax expense	15,567	60,796
Lower rates on foreign earnings	(26,593)	(41,163)
Changes in unrecognized tax benefits	30,867	14,842
Non-deductible portion of capital losses	2,223	3,346
Non-deductible share-based compensation expense	296	279
Other, net	459	589
Income tax expense	22,819	38,689

A deferred income tax recovery of \$8.2 million relating to publicly traded securities and cash flow hedges was also recognized in other comprehensive income (loss) for the year ended December 31, 2021.

The significant components of the Company's deferred income taxes as at December 31, 2022 and 2021 are as follows:

	December 31, 2022	December 31, 2021
Deferred income tax assets		
Non-capital losses	79,453	72,565
Capital losses	7,110	3,354
Cumulative Canadian exploration and evaluation expenses	2,220	2,308
Depreciable property, plant and equipment	8,497	8,897
Financing costs	5,477	2,345
Share-based compensation expense	2,042	3,541
Rehabilitation provisions	2,251	2,754
Investments	2,258	1,360
Other	373	1,055
Gross deferred income tax assets	109,681	98,179
Unrecognized tax benefits	(101,882)	(88,724)
Total deferred income tax assets	7,799	9,455
Deferred income tax liabilities		
Depreciable property, plant and equipment	1,035	649
Other	174	121
Total deferred income tax liabilities	1,209	770
Net deferred income tax assets	6,590	8,685

As at December 31, 2022, the Company had \$6.6 million (December 31, 2021 – \$8.7 million) of net deferred income tax assets after offsetting deferred income tax assets and liabilities incurred by the same legal entities in the same jurisdictions in its consolidated statements of financial position.

Of the total deferred income tax assets recognized in 2022, \$7.7 million (2021 – \$8.6 million) is expected to be recovered after more than 12 months. Of the total deferred income tax liabilities recognized in 2022, \$1.0 million (2021 – \$0.6 million) is expected to be payable after more than 12 months.

As at December 31, 2022, the Company had Canadian non-capital losses of \$280.4 million (December 31, 2021 – \$255.3 million) expiring between 2025 and 2042 and Serbian non-capital losses of \$34.4 million (December 31, 2021 – \$31.8 million) expiring between 2023 and 2027 for which no deferred income tax assets had been recognized.

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The Company is subject to assessments by various taxation authorities which may interpret tax legislation and tax filing positions differently than the Company. Such differences are provided for when it is probable that the Company's filing position will not be upheld and the amount of the tax exposure can be reasonably estimated. As at December 31, 2022 and 2021, no provisions have been made in the consolidated financial statements for potential tax liabilities relating to such assessments and interpretations.

23. EARNINGS PER SHARE

	2022	2021
Net earnings attributable to common shareholders		
Net earnings from continuing operations	35,923	190,750
Net earnings from discontinued operations	-	19,351
Basic weighted average number of common shares	190,518,584	186,135,033
Effect of stock options	639,008	1,342,045
Diluted weighted average number of common shares	191,157,592	187,477,078
Basic earnings per share		
From continuing operations	0.19	1.02
From discontinued operations	-	0.10
Diluted earnings per share		
From continuing operations	0.19	1.02
From discontinued operations	-	0.10

24. RELATED PARTY TRANSACTIONS

Key management remuneration

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

The remuneration of the key management of the Company recognized in the consolidated statements of earnings (loss) for the years ended December 31, 2022 and 2021 was as follows:

	2022	2021
Salaries, management bonuses and director fees	5,040	3,290
Other benefits	274	210
Share-based compensation	2,559	1,897
Total remuneration	7,873	5,397

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25. SUPPLEMENTARY CASH FLOW INFORMATION

(a) Changes in working capital

	2022	2021
(Increase) decrease in accounts receivable and other assets	1,836	(42,190)
(Increase) decrease in inventories	2,163	(5,103)
Increase (decrease) in accounts payable and accrued liabilities	3,081	(1,714)
Decrease in other liabilities	(2,223)	(6,462)
	4,857	(55,469)

(b) Other items not affecting cash

	2022	2021
Net finance costs	(229)	4,917
Share-based compensation expense	1,116	1,052
Net losses on Sabina special warrants	2,369	6,289
Net losses on other warrants	46	23
Realized (gains) losses on commodity swap contracts	(7,917)	19,289
Realized (gains) losses on foreign exchange option contracts	1,140	(6,525)
Other, net	(400)	1,164
	(3,875)	26,209

26. SUPPLEMENTARY SHAREHOLDERS' EQUITY INFORMATION

(a) Dividend

During the year ended December 31, 2022, the Company declared a quarterly dividend of \$0.04 (2021 – \$0.03) per common share to its shareholders of record resulting in total dividend distributions of \$30.5 million (2021 – \$22.4 million) recognized against its retained earnings in the consolidated statements of changes in shareholders' equity. The Company paid an aggregate of \$28.6 million (2021 – \$22.1 million) of dividends which were included in cash used in financing activities in the consolidated statements of cash flows for the year ended December 31, 2022 and recognized a dividend payable of \$7.6 million (December 31, 2021 – \$5.7 million) in accounts payable and accrued liabilities in the consolidated statements of financial position as at December 31, 2022.

On February 16, 2023, the Company declared a dividend of \$0.04 per common share payable on April 17, 2023 to shareholders of record on March 31, 2023.

(b) Share repurchases under the Normal Course Issuer Bid ("NCIB")

The Company established a NCIB on March 1, 2022 extending to February 28, 2023. The maximum number of shares that can be repurchased during this period is 9,000,000 shares.

During the year ended December 31, 2022, the Company purchased a total of 2,471,500 (2021 – 1,723,800) shares, all of which were cancelled as at December 31, 2022. The Company also cancelled an additional 29,600 shares in 2022 that were purchased in 2021, resulting in a total of 2,501,100 (2021 – 1,694,200) shares being cancelled during the year ended December 31, 2022. The total cost of these purchases was \$13.6 million (2021 – \$10.4 million) at an average price of \$5.51 (Cdn\$7.14) (2021 – \$6.02 (Cdn\$7.64)) per share, of which \$7.5 million (2021 – \$5.3 million) was recognized as a reduction in share capital, \$nil (2021 – \$5.1 million) as a reduction in contributed surplus and \$6.1 million (2021 – \$nil) as a reduction in retained earnings in the consolidated statements of changes in shareholders' equity for the year ended December 31, 2022 and the payment for which was included in cash used in financing activities in the consolidated statements of cash flows for the years ended December 31, 2022 and 2021.

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(c) Changes in accumulated other comprehensive loss

	2022	2021
Cash flow hedge reserves		
Foreign exchange option contracts		
Balance at beginning of year	(6)	5,344
Unrealized gains (losses), net of income taxes	(1,544)	1,175
Realized (gains) losses transferred to cost of sales, net of income taxes	1,140	(6,525)
Balance at end of year	(410)	(6)
Commodity swap contracts		
Balance at beginning of year	-	78
Unrealized losses, net of income taxes	-	(13,723)
Realized losses transferred to revenue, net of income taxes	-	13,645
Balance at end of year	-	-
Deferred cost of hedging reserves		
Foreign exchange option contracts		
Balance at beginning of year	(1,444)	1,060
Deferred cost of hedging, net of income taxes	104	(2,504)
Balance at end of year	(1,340)	(1,444)
Commodity swap contracts		
Balance at beginning of year	-	(18)
Deferred cost of hedging, net of income taxes	-	(504)
Cost of hedging transferred to revenue, net of income taxes	-	522
Balance at end of year	-	-
Unrealized gains on publicly traded securities		
Balance at beginning of year	2,236	39,829
Unrealized losses, net of income taxes	(5,292)	(37,593)
Balance at end of year	(3,056)	2,236
Pension obligations		
Balance at beginning of period	-	-
Remeasurements of pension obligations, net of income taxes	(903)	-
Balance at end of year	(903)	-
Accumulated currency translation adjustments		
Balance at beginning and end of year	(2,446)	(2,446)
Accumulated currency translation adjustments related to assets and liabilities held for sale		
Balance at beginning of year	-	(2,176)
Classified as held for sale	-	(669)
MineRP Disposition (note 4)	-	2,845
Balance at end of year	-	-
Accumulated other comprehensive loss	(8,155)	(1,660)

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27. COMMITMENTS AND OTHER CONTINGENCIES

(a) Commitments

The Company had the following minimum contractual commitments as at December 31, 2022:

	up to 1 year	1 - 5 years	Total
Capital commitments	17,348	-	17,348
Purchase commitments	21,077	95	21,172
Total commitments	38,425	95	38,520

Tsumeb secondary materials

As at December 31, 2022, Tsumeb had approximately \$36.8 million (December 31, 2021 – \$73.8 million) of recoverable third party in-process secondary materials, which it is obligated to process and return, generally in the form of blister, to IXM pursuant to a tolling agreement.

In April 2021, the Company and IXM agreed to amend the existing tolling agreement to provide for, among other things: i) targeted declining excess secondary material balances, above which excess secondary material would be required to be purchased by the Company; ii) the elimination of all excess secondary material by March 31, 2023; iii) an increase in the defined level of normal secondary material; and iv) an extension of the tolling agreement by three years to December 31, 2026.

As at December 31, 2022, the value of excess secondary materials, as defined in the tolling agreement, was approximately \$3.3 million, which was below the targeted excess secondary material balance under the tolling agreement as at December 31, 2022.

(b) Contingencies

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

28. FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise accounts payable and accrued liabilities and long-term debt. The main purpose of these financial instruments is to assist with the management of the Company's short term and long term cash flow requirements. The Company has various financial assets, such as cash and accounts receivable, which arise directly from its operations.

The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are market risk (which includes commodity price risk, interest rate risk and foreign currency risk), liquidity risk and credit risk. Management reviews each of these risks and establishes policies for managing them as summarized below.

The following discussion also includes a sensitivity analysis that is intended to illustrate the sensitivity to changes in market variables on the Company's financial instruments and the impact on net earnings (loss) and shareholders' equity, where applicable. Financial instruments affected by market risk include cash, accounts receivable, investments at fair value, commodity swap contracts, foreign exchange option contracts, long-term debt, accounts payable and accrued liabilities. The sensitivity has been prepared using financial assets and liabilities held as at the reporting dates.

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The Company has established financial risk management policies to identify and analyze the risks of the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Financial risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees involved in financial risk management activities understand their roles and obligations.

Market risk

Market risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risks: commodity price risk, interest rate risk and foreign currency risk. The impact of each of these components is discussed below.

Commodity price risk

The Company is subject to price risk associated with fluctuations in the market prices for metals. The Company sells its products at prices that are effectively determined by reference to the traded prices on the London Metal Exchange and London Bullion Market. The prices of gold and copper are major factors influencing the Company's business, results of operations and financial condition. The Company regularly enters into commodity swap contracts to reduce the price exposure associated with the time lag between the provisional and final determination of its concentrate sales. In addition, the Company periodically enters into commodity swap contracts to reduce the price exposure associated with projected payable copper production.

The Company's risk management policy, which was approved by the Board of Directors, requires provisional concentrate sales to be fully hedged and permits hedging up to 90%, 85% and 80% of its projected payable copper production in the subsequent 1, 2, and 3 year reporting periods, respectively.

As at December 31, 2022, the impact of a 5% increase or decrease in metal prices impacting the Company's accounts receivable and outstanding commodity swap contracts, with all other variables held constant, would decrease or increase earnings before income taxes by \$0.6 million (2021 – \$2.0 million) and would decrease or increase equity by \$0.6 million (2021 – \$2.0 million).

The following table demonstrates the effect on 2022 and 2021 earnings before income taxes of a 5% increase in commodity prices on its sales, excluding the impact of any hedges and with all other variables held constant. The impact on equity is the same as the impact on net earnings.

Effect of a 5% increase in metal prices on earnings before income taxes

	2022	2021
Gold	21,911	25,129
Copper	5,487	6,883
Total increase on earnings before income taxes	27,398	32,012

The effect of a 5% decrease in metal prices, excluding the impact of any hedges and with all other variables held constant, would decrease earnings before income taxes by an equivalent amount.

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Interest rate risk

Interest rate risk is the risk that the future cash flows or fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's cash and floating rate denominated debt and other financial liabilities. As at December 31, 2022, the Company had no debt or floating rate denominated financial liabilities. For the year ended December 31, 2022, a 100 basis point increase or decrease in interest rates across the yield curve, with all other variables held constant, would increase or decrease earnings before income taxes by \$4.3 million (2021 – \$3.4 million). The impact on equity is the same as the impact on net earnings.

Foreign currency risk

The Company's foreign currency exposures arise primarily from a significant portion of its operating and capital costs being denominated in currencies other than the U.S. dollar, the Company's functional currency. The Company periodically undertakes to purchase, in advance, a portion of its foreign denominated cash flow requirements on a spot or forward basis to reduce this exposure. The Company also enters into foreign exchange option contracts in order to reduce the foreign exchange exposure associated with projected operating expenses and capital expenditures denominated in foreign currencies.

The Company's risk management policy, which was approved by the Board of Directors, permits up to 85%, 80% and 75% of its projected operating expenses denominated in foreign currency to be hedged in the subsequent 1, 2, and 3 year reporting periods, respectively. The policy also permits projected capital expenditures denominated in foreign currency to be fully hedged.

As at December 31, 2022, a 5% appreciation of the U.S. dollar relative to the ZAR on the Company's outstanding foreign exchange option contracts, with all other variables held constant, would decrease equity by \$0.8 million (2021 – \$1.9 million). The effect of a 5% depreciation of the U.S. dollar relative to the ZAR on the Company's outstanding foreign exchange option contracts, with all other variables held constant, would have no impact on equity.

The following table demonstrates the effect on 2022 and 2021 earnings before income taxes and equity of a 5% appreciation of the U.S. dollar relative to the Company's key foreign currencies on the Company's outstanding financial assets and liabilities denominated in foreign currencies, excluding the impact of any hedges and with all other variables held constant.

	<i>Effect of a 5% appreciation of the U.S. dollar on</i>			
	<u>Earnings before income taxes</u>		<u>Equity</u>	
	2022	2021	2022	2021
Euro	2,091	1,731	1,822	1,521
Namibian Dollar	(381)	(353)	(381)	(353)
Canadian Dollar	(1,082)	(773)	946	1,335
Total increase	628	605	2,388	2,504

The effect of a 5% depreciation of the U.S. dollar relative to these foreign currencies on the Company's outstanding foreign denominated financial assets and liabilities, excluding the impact of any hedges and with all other variables held constant, would be to decrease earnings before income taxes and equity by equivalent amounts.

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Credit risk

The exposure to credit risk arises through the potential failure of a customer or another third party to meet its contractual obligations to the Company. During 2022, the Company had contracts with 19 customers in connection with its mining and smelting operations, one of whom accounted for approximately 40% (2021 – 40%) of the Company's revenue. Under the terms of the Company's concentrate sales contracts, the purchasers make an initial advance payment equal to 70% to 100% of the provisional value of each lot at the time title transfers. This serves to mitigate a portion of the Company's credit risk.

With respect to credit risk arising from the other financial assets of the Company, which comprise cash, equity investments and derivative financial assets, the Company's maximum exposure is equal to the carrying amount of these instruments. The Company limits its counterparty credit risk on these assets by dealing with highly rated counterparties, issuers that are subject to minimum credit ratings, and/or maximum prescribed exposures.

Liquidity risk

The Company relies on the cash flows generated from its operations, including provisional payments received from its customers, retained cash balances, available lines of credit 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 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 and/or smelting agreements, as well as its liquidity, cost of capital and its ability to access new capital, which could adversely affect 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 to debt covenants; (ii) strives to maintain a prudent capital structure that is comprised primarily of equity financing and long-term debt, currently in the form of a committed RCF; and (iii) targets a minimum level of liquidity comprised of surplus cash balances and/or undrawn committed lines of credit to avoid having to raise additional capital at times when the costs or terms would be regarded as unfavourable.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	As at December 31, 2022			
	up to 1 year	1 - 5 years	over 5 years	Total
Accounts payable and accrued liabilities	81,165	-	-	81,165
Commodity swap contracts	3,259	-	-	3,259
Foreign exchange option contracts	1,787	-	-	1,787
Foreign exchange forward contracts	318	-	-	318
Lease obligations	5,416	9,854	1,403	16,673
Other obligations	127	1,567	486	2,180
	92,072	11,421	1,889	105,382

	As at December 31, 2021			
	up to 1 year	1 - 5 years	over 5 years	Total
Accounts payable and accrued liabilities	73,735	-	-	73,735
Commodity swap contracts	1,946	-	-	1,946
Foreign exchange option contracts	1,489	-	-	1,489
Lease obligations	5,407	10,305	1,791	17,503
Other obligations	700	840	125	1,665
	83,277	11,145	1,916	96,338

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Capital management

The Company's objective for capital management is to: (i) maintain sufficient levels of liquidity to fund and support its exploration, evaluation, development and operating activities; (ii) maintain a strong financial position to ensure it has ready access to debt and equity markets to supplement its existing cash balance and free cash flow being used to fund its growth activities; and (iii) comply with all financial covenants set out in its credit agreements and guarantees. See *note 14* for discussion on the Company's compliance with these requirements. The Company monitors its financial position and the potential impact of adverse market conditions on an ongoing basis. The Company manages its capital structure and makes adjustments to it based on prevailing market conditions and according to its business strategy. The Company's long term funding strategy is to maintain a capital structure comprised primarily of equity sourced from equity offerings and net earnings generated from its businesses and, as a result, the targeted level of debt making up the Company's capital base is relatively low. Given the long term nature of the assets being funded and the U.S. dollar denominated revenue stream generated therefrom, the Company's general strategy around any debt financing is to raise long-term U.S. dollar denominated debt to supplement these equity financings.

Overall financial leverage is monitored based upon a number of non-financial and financial factors, including a number of credit related ratios contained in DPM's loan agreements and net debt (defined as total debt less cash and cash equivalents) as a percentage of total capital (defined as total equity plus net debt). As of December 31, 2022, the Company was in compliance with all loan covenants and its net debt as a percentage of total capital was negative 77% (December 31, 2021 – negative 50%).

29. OPERATING SEGMENT INFORMATION

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

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

The operating results of MineRP have been presented as a discontinued operation for the year ended December 31, 2021 as a result of the MineRP Disposition (*note 4*).

The accounting policies of the segments are the same as those described in *note 2.2, Significant Accounting Policies*. Segment performance is evaluated based on several operating and financial measures, including net earnings (loss), which is measured consistently with net earnings (loss) in the consolidated financial statements.

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The following table summarizes the net earnings (loss) and other relevant information by segment for the years ended December 31, 2022 and 2021:

	Year ended December 31, 2022				
	Chelopech	Ada Tepe	Tsumeb	Corporate & Other	Total
Continuing operations					
Revenue (a)	271,648	161,842	136,305	-	569,795
Costs and expenses					
Cost of sales	133,929	102,739	120,779	-	357,447
General and administrative expenses	-	-	-	28,800	28,800
Corporate social responsibility expenses	-	-	-	6,240	6,240
Exploration and evaluation expenses	12,876	2,769	-	8,585	24,230
Impairment charge (note 3)	-	-	85,000	-	85,000
Finance costs	833	502	2,985	2,005	6,325
Other income and expense	(216)	(648)	7,625	(3,750)	3,011
	147,422	105,362	216,389	41,880	511,053
Earnings (loss) before income taxes	124,226	56,480	(80,084)	(41,880)	58,742
Income tax expense	13,223	9,359	-	237	22,819
Net earnings (loss) from continuing operations	111,003	47,121	(80,084)	(42,117)	35,923
Other disclosures					
Depreciation and amortization	26,132	55,984	17,023	2,113	101,252
Capital expenditures (b)	26,927	9,830	19,760	34,109	90,626

	Year ended December 31, 2021				
	Chelopech	Ada Tepe	Tsumeb	Corporate & Other	Total
Continuing operations					
Revenue (a)	292,779	229,314	119,350	-	641,443
Costs and expenses					
Cost of sales	128,726	99,748	128,662	-	357,136
General and administrative expenses	-	-	-	18,161	18,161
Corporate social responsibility expenses	-	-	-	4,838	4,838
Exploration and evaluation expenses	6,089	2,204	-	9,713	18,006
Finance costs	722	430	2,967	1,430	5,549
Other income and expense	440	(443)	884	7,454	8,335
	135,977	101,939	132,513	41,596	412,025
Earnings (loss) before income taxes	156,802	127,375	(13,163)	(41,596)	229,418
Income tax expense	16,046	17,419	-	5,224	38,689
Net earnings (loss) from continuing operations	140,756	109,956	(13,163)	(46,820)	190,729
Other disclosures					
Depreciation and amortization	22,063	54,405	18,202	1,537	96,207
Capital expenditures (b)	22,567	18,378	13,604	15,064	69,613

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- (a) Revenues from Chelopech and Ada Tepe were generated from the sale of concentrates and Tsumeb's revenues were generated from processing concentrates and acid sales. For the year ended December 31, 2022, \$169.3 million or 39% (2021 – \$237.7 million or 46%) of revenues from the sale of concentrates and \$113.0 million or 83% (2021 – \$100.5 million or 84%) of revenues from processing concentrates were derived from a single external customer. Revenues of \$112.2 million or 26% (2021 – \$157.5 million or 30%) from the sale of concentrates were also derived from another single external customer.
- (b) Capital expenditures represent cash outlays and non-cash accruals in respect of exploration and evaluation assets (note 9), mine properties (note 10), property, plant and equipment (note 11) and intangible assets (note 12).

The following table summarizes the Company's revenue recognized for the years ended December 31, 2022 and 2021:

	2022	2021
Revenue recognized at a point in time from:		
Sale of concentrates (a)	434,859	537,896
Processing concentrates (b)	113,252	100,509
Acid sales	23,053	18,841
Revenue from contracts with customers	571,164	657,246
Mark-to-market price adjustments on provisionally priced sales	(8,101)	3,486
Net mark-to-market gains (losses) on commodity swap contracts	6,732	(19,289)
Total revenue	569,795	641,443

- (a) For the year ended December 31, 2022, the Company's revenue from the sale of concentrates included an adjustment of \$5.8 million (2021 – \$1.8 million) in connection with the final determination and settlement of prior year provisional sales.
- (b) For the year ended December 31, 2022, the Company's revenue from processing concentrates included a metal recovery of \$13.2 million (2021 – \$2.6 million) related to the estimated metal exposure at Tsumeb.

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The following table summarizes the total assets and total liabilities by segment as at December 31, 2022 and 2021:

	As at December 31, 2022				
	Chelopech	Ada Tepe	Tsumeb	Corporate & Other	Total
Total current assets	103,463	97,589	45,356	364,513	610,921
Total non-current assets	169,655	169,244	26,564	180,870	546,333
Total assets	273,118	266,833	71,920	545,383	1,157,254
Total liabilities	57,196	24,379	42,038	40,547	164,160

	As at December 31, 2021				
	Chelopech	Ada Tepe	Tsumeb	Corporate & Other	Total
Total current assets	117,806	110,689	33,440	251,858	513,793
Total non-current assets	173,894	216,702	106,392	157,629	654,617
Total assets	291,700	327,391	139,832	409,487	1,168,410
Total liabilities	54,388	31,660	41,865	36,084	163,997

DPM is domiciled in Canada. Revenues by geographic location are based on the location in which the revenues originate. Revenues by geographic location for the years ended December 31, 2022 and 2021 are summarized below:

	Year ended December 31, 2022		
	Europe	Africa	Total
Revenue	433,490	136,305	569,795

	Year ended December 31, 2021		
	Europe	Africa	Total
Revenue	522,093	119,350	641,443

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Assets by geographic location as at December 31, 2022 and 2021 are summarized below:

	As at December 31, 2022				
	Canada	Europe	Africa	Ecuador	Total
Total current assets	359,108	205,356	45,381	1,076	610,921
Financial assets	40,773	-	1,301	-	42,074
Deferred income tax assets	-	6,590	-	-	6,590
Other non-current assets	9,175	349,490	25,262	113,742	497,669
Total assets	409,056	561,436	71,944	114,818	1,157,254

	As at December 31, 2021				
	Canada	Europe	Africa	Ecuador	Total
Total current assets	242,595	234,924	33,596	2,678	513,793
Financial assets	51,520	-	1,388	-	52,908
Deferred income tax assets	-	8,685	-	-	8,685
Other non-current assets	4,587	391,603	105,004	91,830	593,024
Total assets	298,702	635,212	139,988	94,508	1,168,410

30. SUBSEQUENT EVENT

On February 13, 2023, B2Gold Corp (“B2Gold”) and Sabina announced that the parties have entered into a definitive agreement pursuant to which B2Gold has agreed to acquire all of the issued and outstanding shares of Sabina through issuing 0.3867 of a common share of B2Gold for each Sabina common share, representing a consideration of Cdn\$1.87 per Sabina share on a fully-diluted basis based on the closing price of B2Gold on the TSX as at February 10, 2023. As a result, DPM’s ownership interest in Sabina would be valued at \$49.8 million (Cdn\$67.4 million) based on Cdn\$1.87 per Sabina share under this transaction. As at December 31, 2022, DPM held 36,050,566 common shares of Sabina with a fair value of \$35.4 million (Cdn\$47.9 million) (*note 8(a)*).

This transaction is subject to Sabina shareholders’ approval, as well as normal course regulatory approvals and the satisfaction of customary closing conditions.

CORPORATE INFORMATION

Directors

Nicole Adshead-Bell^{1,2}

Vancouver, British Columbia,
Canada

Jaimie Donovan^{3,4}

Toronto, Ontario, Canada

R. Peter Gillin⁵

Toronto, Ontario, Canada

Kalidas Madhavpeddi^{1,2,4}

Phoenix, Arizona, USA

Juanita Montalvo^{3,4}

Toronto, Ontario, Canada

David Rae

Toronto, Ontario, Canada

Marie-Anne Tawil^{1,2,3}

Westmount, Québec, Canada

Anthony P. Walsh^{1,2}

Vancouver, British Columbia,
Canada

Shareholder Contact

Jennifer Cameron

Director, Investor Relations

jcameron@dundeeprecious.com

Tel: 416-365-2549

Fax: 416-365-9080

Officers

David Rae

President and Chief Executive Officer

Navin Dyal

Executive Vice President and
Chief Financial Officer

Michael Dorfman

Executive Vice President,
Corporate Development

Kelly Stark-Anderson

Executive Vice President, Corporate
Affairs, General Counsel and Corporate
Secretary

Iliya Garkov

Senior Vice President, European
Operations

Nikolay Hristov

Senior Vice President,
Sustainable Business Development

Sylvia Chen

Vice President, Finance

Mark Crawley

Vice President, Commercial

Anna Ivanova

Vice President, Business Optimization

Zebra Kasete

Vice President and Managing Director,
Tsumeb

Mirco Nolte

Vice President, Operational Excellence

Matthieu Risgallah

Vice President, Innovation & Technology

Alex Wilson

Vice President, Human Resources

¹ Audit Committee

² Human Capital and Compensation
Committee

³ Corporate Governance and
Nominating Committee

⁴ Sustainability Committee

⁵ Board Chair

Corporate Office

Dundee Precious Metals Inc.

150 King Street West
Suite 902, P.O. Box 30
Toronto, Ontario, Canada, M5H 1J9
Tel: 416-365-5191
Fax: 416-365-9080

Regional Offices

Ecuador

Cuenca office:

Dundee Precious Metals
Padre Julio Matovelle 755 y Migue Díaz
Tel: +593 7 2815 161

Quito office:

Dundee Precious Metals
El Tiempo N37-67 y El Comercio
Tel: +593 2 2468 674

Sofia

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

Windhoek

Dundee Precious Metals
35 Schanzen Road
Klein Windhoek
Windhoek, Namibia
Tel: +264-0-61-385000
Fax: +264-0-61-385001

Stock Listing and Symbol

The Toronto Stock Exchange

DPM – Common Shares

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

Registrar

Computershare

Investor Services Inc.

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



Dundee Precious Metals
150 King Street West, Suite 902
P.O. Box 30, Toronto, Ontario M5H 1J9

www.dundeeprecious.com

Connect with us:   