



Dundee Precious Metals Announces 2018 Third Quarter Results and Updated 2018 Guidance

11/7/2018

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

TORONTO, Nov. 07, 2018 (GLOBE NEWSWIRE) -- **Dundee Precious Metals Inc. (TSX: DPM)**

Third Quarter Financial and Operating Highlights:

- **Health and safety** – Both Krumovgrad project and Tsumeb recorded two million of lost-time injury (“LTI”) free hours and Chelopech achieved one million LTI free hours;
- **Metals production** – Achieved gold production of 49,644 ounces and copper production of 10.3 million pounds in the quarter. 2018 production guidance increased to reflect strong year-to-date production;
- **Smelter** – Achieved record quarterly production of 68,431 tonnes. 2018 guidance updated to reflect strong year-to-date and planned fourth quarter performance;
- **Near term growth opportunities** – Krumovgrad 82% complete and under budget, hot commissioning to commence in the fourth quarter, as planned, with first gold production expected in the first quarter of 2019;
- **Exploration success** – Updated Mineral Resource estimate for the Timok gold project in Serbia and commenced scoping study;
- **Cash flow** – Generated \$34.5 million in cash flow from operating activities and \$25.1 million in free cash flow(1); and
- **Financial position** – Ended the third quarter of 2018 with approximately \$255 million of cash resources, including long-term revolving credit facility.

"The strong results in the quarter reflect the exceptional progress our team has made to improve the performance of our operations and advance our growth projects. Chelopech had another strong quarter of gold and copper production putting us on track to achieve the high end of our original guidance for the full year 2018. Tsumeb achieved record quarterly operating and financial results and is starting to show the true potential the smelter has to contribute significantly to the earnings and free cash flow of our business" said Rick Howes, President and CEO. "Our Krumovgrad gold project remains on budget with hot commissioning on track for the fourth quarter, while production of first concentrate is now expected in the first quarter of 2019. We are also proud of the significant safety milestones achieved at all three sites with Krumovgrad and Tsumeb achieving two million LTI free hours and Chelopech achieving one million LTI free hours. With Krumovgrad production set to commence in the first quarter

of 2019, we expect a significant increase in gold production and cash flows in 2019 and beyond."

Dundee Precious Metals Inc. ("DPM" or the "Company") today reported third quarter net earnings attributable to common shareholders of \$20.3 million (\$0.11 per share) compared to \$3.1 million (\$0.02 per share) for the same period in 2017. Net earnings attributable to common shareholders in the first nine months of 2018 were \$39.4 million (\$0.22 per share) compared to \$1.6 million (\$0.01 per share) for the same period in 2017.

Net earnings attributable to common shareholders in the third quarter and first nine months of 2018 and 2017 were impacted by several items not reflective of the Company's underlying operating performance, including unrealized gains and losses on commodity price and foreign exchange hedges that in 2017, prior to the adoption of IFRS 9, did not receive hedge accounting, and net gains and losses on Sabina special warrants, each of which are excluded from adjusted net earnings.

Adjusted net earnings⁽¹⁾ in the third quarter of 2018 were \$17.8 million (\$0.10 per share) compared to \$7.6 million (\$0.04 per share) for the same period in 2017. This increase was due primarily to record performance at Tsumeb as a result of higher volumes of complex concentrate smelted and a reduction in operating expenses through cost savings initiatives.

Adjusted net earnings in the first nine months of 2018 were \$32.1 million (\$0.18 per share) compared to \$13.3 million (\$0.07 per share) for the same period in 2017. This increase was due primarily to higher realized copper and gold prices, higher volumes of concentrate smelted, lower overall treatment charges at Chelopech, higher estimated metal recoveries at Tsumeb, higher volumes of payable gold and copper in concentrate sold as a result of increased gold and copper production and a reduction in operating expenses at Tsumeb, partially offset by a weaker U.S. dollar relative to the Euro and ZAR and lower third party toll rates at Tsumeb.

Adjusted EBITDA

Adjusted EBITDA⁽¹⁾ during the third quarter and first nine months of 2018 was \$35.9 million and \$87.0 million compared to \$25.6 million and \$70.3 million in the corresponding periods in 2017. These increases were attributable to strong performance from Chelopech and Tsumeb, including a record quarter from Tsumeb who reported adjusted EBITDA of \$16.1 million up from \$3.2 million during the third quarter of 2017.

Production

In the third quarter of 2018, gold contained in concentrate produced increased by 2% to 49,644 ounces relative to the corresponding period in 2017 due primarily to higher overall gold recoveries. Copper production increased by 9% to 10.3 million pounds relative to the corresponding period in 2017 due primarily to higher copper grades and recoveries.

In the first nine months of 2018, gold contained in concentrate produced increased by 5% to 155,247 ounces and copper production increased by 7% to 28.1 million pounds, in each case, relative to the corresponding period in 2017. The increase in gold and copper production was due primarily to higher grades and recoveries. The increase in gold recoveries was due primarily to different ore mineralogy and the benefits of various initiatives with a specific

focus on improving metallurgical performance.

Complex concentrate smelted during the third quarter and first nine months of 2018 of 68,431 tonnes and 168,982 tonnes, respectively, was 18% and 5% higher than the corresponding periods in 2017 due primarily to increased availability of all plants, including the high pressure oxygen plant, the performance of which has been optimized over the course of 2018. Performance was also enhanced by the introduction of converter and Ausmelt furnace improvements, including increased oxygen enrichment at the Ausmelt furnace, which helped to mitigate the impact of the converter relines on the Ausmelt throughput. Process optimization is expected to continue through the fourth quarter.

Deliveries

In the third quarter of 2018, payable gold in concentrate sold decreased by 4% to 40,324 ounces and payable copper increased by 8% to 10.1 million pounds, in each case, relative to the corresponding period in 2017. The decrease in payable gold was due primarily to lower gold grades in copper concentrate sold. The increase in payable copper was consistent with increased copper production as a result of higher grades and recoveries.

In the first nine months of 2018, payable gold in concentrate sold increased by 6% to 130,140 ounces and payable copper increased by 9% to 26.6 million pounds, in each case, relative to the corresponding period in 2017. These increases were consistent with increased copper and gold production as a result of higher grades and recoveries.

Cost Measures

Cost of sales in the third quarter of 2018 of \$69.9 million was \$2.3 million lower than the corresponding period in 2017 due primarily to a reduction in operating expenses at Tsumeb through cost savings initiatives and lower depreciation, partially offset by higher copper concentrate deliveries. Cost of sales in the third quarter of 2018 also included \$2.6 million from MineRP.

Cost of sales in the first nine months of 2018 of \$207.2 million was \$8.6 million higher than the corresponding period in 2017 due primarily to higher copper concentrate deliveries and a weaker U.S. dollar, partially offset by lower depreciation and a reduction in operating expenses at Tsumeb through cost savings initiatives. Cost of sales in the first nine months of 2018 also included \$8.7 million from MineRP.

All-in sustaining cost per ounce of gold(1) in the third quarter and first nine months of 2018 of \$620 and \$607, respectively, was \$65 and \$93 lower than the corresponding periods in 2017. These decreases were due primarily to higher by-product credits as a result of higher realized copper prices and volumes of copper sold, and lower cash outlays for sustaining capital expenditures.

Cash cost per tonne of complex concentrate smelted, net of by-product credits(1), during the third quarter of 2018 of \$362 was 25% or \$122 lower than the corresponding period in 2017 due primarily to higher volumes of complex concentrate smelted and Tsumeb's cost reduction program, which resulted in lower contractor and consultant expenses, partially offset by higher labour costs and electricity rates.

Cash cost per tonne of complex concentrate smelted, net of by-product credits, during the first nine months of 2018 of \$457 was 4% or \$19 lower than the corresponding period in 2017 due primarily to higher volumes of complex concentrate smelted, higher acid by-product credits and Tsumeb's cost reduction program, which resulted in lower contractor and consultant expenses, partially offset by higher labour costs and electricity rates, and a stronger ZAR relative to the U.S. dollar.

Cash provided from operating activities

Cash provided from operating activities in the third quarter of 2018 was \$34.5 million compared to \$29.1 million in the corresponding period in 2017. This increase was due primarily to better results from Tsumeb, partially offset by an unfavourable period over period change in non-cash working capital. Cash provided from operating activities in the first nine months of 2018 was \$65.4 million compared to \$80.8 million in the corresponding period in 2017. This decrease was due primarily to an unfavourable period over period change in non-cash working capital and higher income taxes paid, partially offset by improved results at Chelopech and Tsumeb.

Cash provided from operating activities, before changes in non-cash working capital(1), during the third quarter and first nine months of 2018 was \$34.0 million and \$81.0 million, respectively, compared to \$26.9 million and \$69.6 million in the corresponding periods in 2017 due primarily to improved results at Tsumeb and Chelopech.

Free Cash Flow

Free cash flow in the third quarter of 2018 was \$25.1 million compared to \$18.0 million in the corresponding period in 2017. This increase was due primarily to higher cash provided from operating activities before changes in non-cash working capital as a result of improved results at Tsumeb. Free cash flow in the first nine months of 2018 was \$58.2 million compared to \$31.6 million in the corresponding period in 2017. This increase was due primarily to the repayment of term loans of \$16.3 million in the first nine months of 2017 and higher cash provided from operating activities before changes in non-cash working capital as a result of improved results at Chelopech and Tsumeb.

Capital Expenditures

Capital expenditures during the third quarter and first nine months of 2018 were \$26.6 million and \$83.8 million, respectively, compared to \$24.6 million and \$67.3 million in the corresponding periods in 2017.

Growth capital expenditures(1) during the third quarter and first nine months of 2018 were \$20.0 million and \$65.9 million, respectively, compared to \$17.9 million and \$51.0 million in the corresponding periods in 2017. These increases were due primarily to increased construction activities at the Krumovgrad gold project in 2018. Sustaining capital expenditures(1) during the third quarter and first nine months of 2018 were \$6.6 million and \$17.9 million, respectively, compared to \$6.7 million and \$16.3 million in the corresponding periods in 2017, in line with higher planned 2018 expenditures.

Krumovgrad Project

Construction continued through the period and, as at September 30, 2018, the project was approximately 82%

complete, based on installed quantities, compared with a planned completion of 89%. Hot commissioning is on track for the fourth quarter of 2018, as planned, while first concentrate production has shifted from late in the fourth quarter of 2018 to the first quarter of 2019.

Timok gold project

In September, DPM released an updated Mineral Resource estimate for the Timok gold project. The new Indicated Mineral Resource estimate is 46.9 million tonnes at 1.32 g/t gold for 1.996 million ounces, including an oxide Indicated Mineral Resource of 21.8 million tonnes at 1.06 g/t gold for 742,000 ounces and a transitional Indicated Mineral Resource of 9.2 million tonnes at 1.15 g/t gold for 338,000 ounces. For additional information on the key parameters, assumptions, risks and other information relating to the updated Mineral Resource estimate for Timok, refer to the Company's press release dated September 24, 2018 entitled "Dundee Precious Metals announces updated Mineral Resource estimate for the Timok Gold Project" and the associated Technical Report filed on November 7, 2018 under the Company's profile at www.sedar.com.

Based on the updated Mineral Resource estimate, the Company has initiated a scoping study, the results of which could lead to a Preliminary Economic Assessment in the first quarter of 2019.

During the third quarter a total of 7,011 metres of diamond drilling was completed at the Timok gold project and includes several significant intervals of gold mineralization outside the new resource models at both Bigar Hill and Korkan.

Exploration

The first phase of diamond drilling at the Krasta target, located approximately two kilometres northwest of the Chelopech mine, was completed in the third quarter. All ten holes intersected high-sulphidation type epithermal copper-gold mineralization over a strike length of 300 metres between 100 and 300 metres from surface.

At Surnak, located approximately four kilometres to the east of the Krumovgrad gold project mine site, resource drilling comprising 2,608 metres in 20 diamond drill holes was completed. The aim of this drilling was to improve the geological model as well as to provide sufficient fill in drilling to complete the maiden Mineral Resource that is expected in the first quarter of 2019.

Financial Position

As at September 30, 2018, DPM had \$23 million of cash, \$28 million of investments, comprised primarily of its 10% interest in Sabina, and \$232 million of undrawn capacity under its committed long-term revolving credit facility.

(1) Adjusted net earnings, adjusted basic earnings per share, adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA"), all-in sustaining cost per ounce of gold, cash cost per tonne of complex concentrate smelted, net of by-product credits, cash provided from operating activities, before changes in non-cash working capital, free cash flow, and growth and sustaining capital expenditures have no standardized meaning under International Financial Reporting Standards ("IFRS"). Presenting these measures from period to period helps

management and investors evaluate earnings and cash flow trends more readily in comparison with results from prior periods. Refer to the “Non-GAAP Financial Measures” section of the Management’s Discussion and Analysis for the three and nine months ended September 30, 2018 (the “MD&A”) for further discussion of these items, including reconciliations to IFRS measures.

Key Financial and Operational Highlights

\$ millions, except where noted Ended September 30,	Three Months		Nine Months	
	2018	2017	2018	2017
Revenue	104.3	92.3	294.1	253.8
Cost of sales	69.9	72.2	207.2	198.6
Other expense	(1.3)	(7.9)	(6.2)	(22.9)
Earnings before income taxes	21.7	3.3	46.1	4.6
Net earnings attributable to common shareholders	20.3	3.1	39.4	1.6
Basic earnings per share	0.11	0.02	0.22	0.01
Adjusted EBITDA(1)	35.9	25.6	87.0	70.3
Adjusted net earnings(1)	17.8	7.6	32.1	13.3
Adjusted basic earnings per share(1)	0.10	0.04	0.18	0.07
Cash provided from operating activities	34.5	29.1	65.4	80.8
Cash provided from operating activities, before changes in non-cash working capital(1)	34.0	26.9	81.0	69.6
Free cash flow(1)	25.1	18.0	58.2	31.6
Metals contained in copper and pyrite concentrates produced:				
Gold (ounces)(2)	49,644	48,449	155,247	148,294
Copper (‘000s pounds)	10,308	9,479	28,114	26,322
Silver (ounces)	49,081	56,934	148,156	152,847
Payable metals in copper and pyrite concentrates sold:				
Gold (ounces)(3)	40,324	41,926	130,140	123,063
Copper (‘000s pounds)	10,099	9,363	26,581	24,440
Silver (ounces)	45,230	44,183	135,817	122,936
All-in sustaining cost per ounce of gold(1)	620	685	607	700
Complex concentrate smelted at Tsumeb (tonnes)	68,431	57,991	168,982	160,269
Cash cost per tonne of complex concentrate smelted at Tsumeb, net of by-product credits(1)	362	484	457	476

Adjusted EBITDA; adjusted net earnings; adjusted basic earnings per share; cash provided from operating activities, before changes in non-cash working capital; free cash flow; all-in sustaining cost per ounce of gold; and cash cost per tonne of complex concentrate smelted, net of by-product credits are not defined measures under IFRS. Refer to the “Non-GAAP Financial Measures” section of the MD&A for reconciliations to IFRS measures.

Includes gold contained in pyrite concentrate produced in the third quarter and first nine months of 2018 of 17,337 ounces and 47,337 ounces, respectively, compared to 14,288 ounces and 43,511 ounces for the corresponding periods in 2017.

Includes payable gold in pyrite concentrate sold in the third quarter and first nine months of 2018 of 7,667 ounces and 27,781 ounces, respectively, compared to 7,302 ounces and 24,931 ounces for the corresponding periods in 2017.

DPM’s unaudited condensed interim consolidated financial statements and MD&A for the three and nine months

ended September 30, 2018 are posted on the Company's website at www.dundee precious.com and have been filed on SEDAR at www.sedar.com.

2018 Guidance

2018 guidance has been updated to reflect higher annual mine and smelter production as a result of higher than expected year-to-date performance as well as lower per unit operating costs and growth capital expenditures. These changes reflect continued strong performance at Chelopech and continued improvements being made at Tsumeb, which reported record third quarter operating and financial results.

The Company's updated guidance for 2018, together with its original guidance, is set out in the following table:

\$ millions, unless otherwise indicated	Chelopech	Tsumeb	Updated Consolidated Guidance	Original Consolidated Guidance
Ore milled ('000s tonnes)	2,150 – 2,200	-	2,150 – 2,200	2,100 – 2,200
Cash cost per tonne of ore processed ⁽³⁾ , ⁽⁴⁾	35 – 37	-	35 – 37	37 – 40
Metals contained in concentrate produced ⁽¹⁾ , ⁽²⁾				
Gold ('000s ounces)	190 – 200	-	190 – 200	165 – 195
Copper (million pounds)	35.0 – 38.0	-	35.0 – 38.0	33.7 – 40.4
Payable metals in concentrate sold ⁽¹⁾				
Gold ('000s ounces)	161 – 170	-	161 – 170	140 – 170
Copper (million pounds)	31.0 – 37.0	-	31.0 – 37.0	31.0 – 37.0
All-in sustaining cost per ounce of gold ⁽³⁾ , ⁽⁴⁾ , ⁽⁵⁾	-	-	640 – 710	640 – 855
Complex concentrate smelted ('000s tonnes)	-	230 – 250	230 – 250	220 – 250
Cash cost per tonne of complex concentrate smelted, net of by-product credits ⁽³⁾ , ⁽⁴⁾	-	430 – 460	430 – 460	440 – 500
Corporate general and administrative expenses ⁽³⁾ , ⁽⁶⁾	-	-	20 – 23	20 – 24
Exploration expenses ⁽³⁾	-	-	12 – 14	10 – 15
Sustaining capital expenditures ⁽³⁾ , ⁽⁴⁾	13 – 15	15 – 18	28 – 33	29 – 39

Gold produced includes gold in pyrite concentrate produced of 55,000 to 60,000 ounces and payable gold sold includes payable gold in pyrite concentrate sold of 34,000 to 38,000 ounces.

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

Based on Euro/US\$ exchange rate of 1.19, US\$/ZAR exchange rate of 12.88 and copper price of \$2.76 per pound, where applicable.

Cash cost per tonne of ore processed, all-in sustaining cost per ounce of gold and cash cost per tonne of complex concentrate smelted, net of by-product credits, and sustaining capital expenditures have no standardized meaning under IFRS. Refer to the "Non-GAAP Financial Measures" section of the MD&A for more information.

Includes the treatment charges, transportation and other selling costs related to the sale of pyrite concentrate, and payable gold in pyrite concentrate sold. All-in sustaining cost per ounce of gold, excluding payable gold in pyrite concentrate sold and related costs, is expected to be between \$630 and \$705 in 2018.

Excludes mark-to-market adjustments on share-based compensation and MineRP Holdings Inc.'s ("MineRP") general and administrative expenses.

As can be seen from our year-to-date results, our 2018 guidance provided above does not occur evenly throughout the year. The estimated metals contained in concentrate produced, payable metals in concentrate sold and volumes of complex concentrate smelted have and do vary from quarter to quarter depending on the areas being mined, the timing of concentrate deliveries and planned maintenance outages. The rate of capital expenditures also varies from quarter to quarter based on the schedule for, and execution of, each capital project.

Chelopech

Gold and copper production in the third quarter of 2018 was as expected. The outlook for the fourth quarter is consistent with our full year 2018 updated guidance.

Tsumeb

In the third quarter, Tsumeb smelted 68,431 tonnes of complex concentrate setting a new quarterly record for production surpassing the previous record set in the fourth quarter of 2016 by 12%. Production was in line with 2018 expectations and exceeded production achieved in the third quarter and first nine months of 2017 due to improved availability of all plants, including the high pressure oxygen plant, the performance of which has been optimized over the course of 2018. Performance was also enhanced with the introduction of converter and Ausmelt furnace improvements, including increased oxygen enrichment to the Ausmelt furnace which helped to mitigate the impact of the converter relines on the Ausmelt throughput. This improved level of performance and optimization is expected to continue through the fourth quarter and, as a result, 2018 production guidance has been increased to 230,000 to 250,000 tonnes.

Krumovgrad

Hot commissioning is scheduled to commence in the fourth quarter and first concentrate production has shifted from late in the fourth quarter of 2018 to the first quarter of 2019. The final estimated construction cost remains between \$164 million and \$168 million, compared with the original budget of \$178 million.

Timok gold project

Following the discovery of the Korkan West deposit in 2017, DPM is continuing to advance exploration in this area with the goal of adding more ounces to the existing Timok gold resource. In September, DPM released an updated Mineral Resource estimate for Timok. For more details, refer to the "Exploration" section of DPM's MD&A. Based on the updated Mineral Resource estimate, the Company has initiated a scoping study, the results of which could lead to a Preliminary Economic Assessment in the first quarter of 2019.

Growth capital

The Company's total growth capital expenditures guidance has been lowered and are now expected to be between \$82 million and \$90 million, down from the previous guidance of \$94 million to \$100 million due primarily to the deferral to 2019 of expenditures related to the Krumovgrad project, as a result of the delays experienced with concrete installation, as well as other growth projects. These other growth projects are expected to be between \$5 million to \$7 million, \$2 million of which relates to resource development drilling at Chelopech and \$3 million to \$5 million for margin improvement projects at Chelopech and Tsumeb.

Growth and Exploration

Given DPM's strong financial position and expected surplus cash flow generation commencing in 2019, DPM is solidly positioned to expand the business beyond its existing operating and development assets and is actively identifying opportunities to grow its business in a disciplined manner.

The exploration budget for 2018 was increased to approximately \$14 million from \$9 million in 2017. The increased budget is being used to fund major drilling programs at Chelopech, consisting of 10,000 metres of underground drilling on the South East Breccia Pipe Zone and 5,000 metres of surface drilling on the Krasta target and other near mine targets. Drill programs at Krumovgrad include resource development drilling at Surnak that is within the concession and scout drilling on nearby exploration licenses. A further 11,500 metres is planned for exploration and resource drilling at the Timok gold project in Serbia. The remaining exploration budget will be deployed primarily to other greenfield projects in Bulgaria, Serbia and the Malartic project in Quebec. All drill programs were generally on schedule at the end of the third quarter. Expenditures related to exploration in 2018 are expected to range between \$12 million and \$14 million.

Qualified Person

The technical information in this press release, with respect to the Company's material mineral projects, has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators and the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources and Mineral Reserves, and has been reviewed and approved by Richard Gosse, M.Sc. (Mineral Exploration), Senior Vice President, Exploration of DPM, who is a Qualified Person as defined under NI 43-101, and not independent of the Company.

Third Quarter 2018 Results Call and Webcast (Listen/View only)

The Company will hold a call and webcast to discuss its third quarter results on Thursday, November 8, 2018 at 9:00 a.m. EST. The call will be hosted by Rick Howes, President and Chief Executive Officer, who will be joined by Hume Kyle, Executive Vice President and Chief Financial Officer, together with other members of the executive management team. The call will be accessible via a live webcast and by telephone.

Date: Thursday, November 8, 2018
Time: 9:00 am EST
Webcast: <http://edge.media-server.com/m6/p/jzzxxc5k>

Canada and USA Toll Free: 1-844-264-2104

Outside Canada or USA: 1-270-823-1169

Replay: 1-855-859-2056

Replay Passcode: 7877996

About Dundee Precious Metals

Dundee Precious Metals Inc. is a Canadian based, international gold mining company engaged in the acquisition of mineral properties, exploration, development, mining and processing of precious metals. The Company's operating assets include the Chelopech operation, which produces a copper concentrate containing gold and silver and a pyrite concentrate containing gold, located east of Sofia, Bulgaria; and the Tsumeb smelter, a complex copper concentrate processing facility located in Namibia. DPM also holds interests in a number of developing gold and exploration properties located in Bulgaria, including the Krumovgrad gold project, which started construction in the fourth quarter of 2016 and is expected to commence production in the first quarter of 2019, Canada and Serbia, and its 10.2% interest in Sabina Gold & Silver Corp.

Cautionary Note Regarding Forward Looking Statements

This press release contains "forward looking statements" or "forward looking information" (collectively, "Forward Looking Statements") that involve a number of risks and uncertainties. Statements that constitute Forward looking statements include, but are not limited to, certain statements with respect to the estimated capital costs, key project operating costs and financial metrics and other project economics with respect to Krumovgrad; the timing of development, permitting, construction, commissioning activities and commencement of production in respect of Krumovgrad, timing of further optimization work at Tsumeb and potential benefits of the planned rotary furnace installation; price of gold, copper, silver and acid, toll rates, metals exposure and stockpile interest deductions; the estimation of Mineral Reserves and Mineral Resources and the realization of such mineral estimates; the timing and amount of estimated future production and output, life of mine, costs of production, cash costs and other cost measures, capital expenditures, rates of return at Krumovgrad and other deposits and timing of the development of new deposits; results of economic studies; success of exploration activities; success of permitting activities, permitting time lines; currency fluctuations; requirements for additional capital; government regulation of mining and smelting operations; environmental risks; reclamation expenses; potential or anticipated outcome of title disputes or claims; benefits of digital initiatives; and timing and possible outcome of pending litigation. Forward Looking Statements are statements that are not historical facts and are generally, but not always, identified by the use of forward looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "outlook", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward Looking Statements are based on certain key assumptions and the opinions and estimates of management and Qualified Persons (in the case of technical and scientific information), as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the Forward Looking Statements. In addition to factors already discussed in this document, such factors include, among

others: the uncertainties with respect to the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations and economic studies; changes in project parameters as plans continue to be refined; possible variations in ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; uncertainties and risks inherent to developing and commissioning new mines into production, such as the Krumovgrad project, which may be subject to unforeseen delays, costs or other issues; 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, social and non-governmental organizations (“NGO”) opposition to mining projects and smelting operations; 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; fluctuations in metal and acid prices, toll rates and foreign exchange rates; unanticipated title disputes; claims or litigation; limitation on insurance coverage; cyber-attacks; risks related to the implementation, cost and realization of benefits from digital initiatives; failure to realize projected financial results from MineRP Holdings Inc.; risks relating to operating a technology business reliant on the ownership, protection and ongoing development of key intellectual properties; as well as those risk factors discussed or referred to in the Company’s MD&A under the heading “Risks and Uncertainties” and under the heading “Cautionary Note Regarding Forward Looking Statements” which include further details on material assumptions used to develop such Forward Looking Statements and material risk factors that could cause actual results to differ materially from Forward Looking Statements, and other documents (including without limitation the Company’s most recent Annual Information Form) filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward Looking Statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that Forward Looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. 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 opinions should change. Accordingly, readers are cautioned not to place undue reliance on Forward Looking Statements.

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Source: Dundee Precious Metals, Inc.