Dundee Precious Metals announces 2017 Fourth Quarter and Annual Results and 2018 Guidance

2/15/2018

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

Annual Financial and Operating Highlights:

- **Metals production –** Produced record gold production of 197,684 ounces and outperformed 2017 guidance. Copper production of 35.8 million pounds was in line with guidance;
- **Smelter –** Smelted 219,252 tonnes of complex concentrate in line with 2017 guidance and generated positive cash flow in 2017;
- **Near term growth opportunities –** Krumovgrad construction forecast to be completed below budget and remains on track to produce first concentrate in the fourth quarter of 2018;
- **Cash flow –** Generated $110 million in cash flow from operating activities and free cash flow(1) of $46 million; and
- **Financial position –** Ended 2017 with approximately $281 million of cash resources, including long-term revolving credit facility.

TORONTO, Feb. 15, 2018 (GLOBE NEWSWIRE) -- Dundee Precious Metals Inc. (“DPM” or the “Company”) (TSX:DPM) today reported a fourth quarter net loss attributable to common shareholders from continuing operations of $1.4 million ($0.01 per share) compared to a net loss of $107.5 million ($0.67 per share) for the same period in 2016. Net earnings attributable to common shareholders from continuing operations in 2017 were $0.2 million ($nil per share) compared to a net loss attributable to common shareholders from continuing operations of $150.0 million ($1.00 per share) in 2016.

Net (loss) earnings attributable to common shareholders from continuing operations for the fourth quarter and twelve months of 2017 and 2016 were impacted by net after-tax losses of $4.8 million (2016 – $113.1 million) and $16.5 million (2016 – $127.6 million), respectively, related to several items not reflective of the Company’s underlying operating performance, including impairment charges taken in 2016, and unrealized losses and gains on commodity price and foreign exchange hedges, each of which are excluded from adjusted net earnings (loss).

Adjusted net earnings(1) during the fourth quarter of 2017 were $3.4 million ($0.02 per share) compared to $5.7 million ($0.04 per share) in the corresponding period in 2016. This decrease was due primarily to higher treatment charges for Chelopech, partially offset by higher volumes of payable metals in concentrate sold, lower depreciation and higher realized metal prices.

For 2017, adjusted net earnings were $16.7 million ($0.09 per share) compared to an adjusted net loss of $22.4 million ($0.15 per share) in 2016. The improved earnings were due primarily to higher volumes of payable gold in concentrate sold, higher volumes of complex concentrate smelted and higher realized metal prices, partially offset by higher treatment charges and operating expenses.

"2017 was a very strong year," said Rick Howes, President and CEO. "Chelopech delivered record gold production and outperformed guidance, while Tsumeb continued to demonstrate improvements in operating stability and performance and generated positive cash flow during the year. With first production from our low cost Krumovgrad gold project expected in the fourth quarter of 2018, we are fast approaching a new phase of growth that is expected to deliver a significant increase in gold production and operating cash flows. Together with our strong balance sheet and available capital resources, we are well positioned for 2018 and beyond."

Adjusted EBITDA

Adjusted EBITDA(1) during the fourth quarter and twelve months of 2017 was $21.8 million and $92.1 million, respectively, compared to $30.2 million and $73.0 million in the corresponding periods in 2016. Adjusted EBITDA was impacted by the same factors affecting adjusted net earnings (loss), except for depreciation, interest and income taxes, which are excluded from adjusted EBITDA.

Production

In the fourth quarter of 2017, gold contained in concentrate produced increased by 12% to 49,390 ounces, copper production increased by 7% to 9.5 million pounds and silver production increased by 6% to 53,920 ounces, in each case, relative to the corresponding period in 2016. The increase in gold production was due primarily to higher than anticipated gold grades and higher recoveries. The increase in gold recoveries was due primarily to ore mineralogy and the benefits of various initiatives with a specific focus on improving recoveries. The increase in copper production was due primarily to higher planned copper grades, consistent with the 2017 mine plan.

In 2017, gold contained in concentrate produced increased by 19% to 197,684 ounces, copper production decreased by 7% to 35.8 million pounds and silver production decreased by 9% to 206,767 ounces, in each case, relative to 2016. The increase in gold production was due primarily to higher gold recoveries and higher than anticipated grades. The decreases in copper and silver production were due primarily to lower grades, consistent with the 2017 mine plan.

Complex concentrate smelted during the fourth quarter of 2017 of 58,983 tonnes was 4% or 2,287 tonnes lower than the corresponding period in 2016 due primarily to reduced availability of the high pressure oxygen plant and a higher incidence of seasonal power outages, which impacted smelter operations during the quarter.

A total of 219,252 tonnes of complex concentrate was smelted during 2017, which was 9% or 18,980 tonnes higher than 2016 due primarily to a continued focus on operational excellence, increased availability of Tsumeb's main plants and the introduction of a matte holding furnace, partially offset by reduced availability of the high pressure oxygen plant.

Deliveries

In the fourth quarter of 2017, payable gold in concentrate sold increased by 31% to 48,906 ounces, payable copper increased by 13% to 10.0 million pounds and payable silver increased by 58% to 59,785 ounces, in each case, relative to the corresponding period in 2016. The increases in payable gold and copper were due primarily to higher production and the timing of concentrate deliveries.

In 2017, payable gold in concentrate sold increased by 23% to 171,969 ounces, payable copper decreased by 5% to 34.4 million pounds and payable silver increased by 14% to 182,721 ounces, in each case, relative to 2016, consistent with underlying production.

Cost Measures

In the fourth quarter of 2017, cost of sales of $68.5 million was comparable to the corresponding period in 2016 due primarily to lower depreciation offset by a weaker U.S. dollar relative to the Euro and higher copper concentrate deliveries. Cost of sales in the fourth quarter of 2017 excluded certain realized gains aggregating $2.0 million (2016 – $1.2 million) on foreign exchange hedges, which were recorded in other expense (income) in the consolidated statements of earnings (loss).

Cost of sales in 2017 of $267.1 million was $9.1 million higher than 2016 due primarily to higher operating expenses at Tsumeb related to higher throughput and electricity, contractor and labour rates, higher cost per tonne copper concentrate sold as a result of lower copper grades and a weaker U.S. dollar relative to the Euro and ZAR, partially offset by lower depreciation. Cost of sales in 2017 excluded certain realized gains aggregating $6.7 million (2016 – $3.7 million) on foreign exchange hedges, which were recorded in other expense (income) in the consolidated statements of earnings (loss).

All-in sustaining cost per ounce of gold(1) in the fourth quarter of 2017 of $802 was $190 higher than the corresponding period in 2016. This increase was due primarily to higher treatment charges and transportation costs for Chelopech, higher allocated general and administrative expenses and a weaker U.S. dollar relative to the Euro, partially offset by higher volumes of payable gold in concentrate sold, and higher by-product credits as a result of higher realized copper prices and higher volumes of payable copper in concentrate sold. The increase in treatment charges was due primarily to increased deliveries of copper concentrate to Tsumeb relative to the corresponding period in 2016 and favourable treatment charge adjustments in the fourth quarter of 2016 relating to provisionally invoiced concentrate sales from prior periods.

All-in sustaining cost per ounce of gold in 2017 of $729 was $18 lower than 2016. This decrease was due primarily to higher volumes of payable gold in concentrate sold, partially offset by higher treatment charges and transportation costs for Chelopech, higher cost per tonne copper concentrate sold as a result of lower copper grades, higher allocated general and administrative expenses and a weaker U.S. dollar relative to the Euro.

Cash cost per tonne of complex concentrate smelted, net of by-product credits(1), during the fourth quarter of 2017 of $406 was 10% or $37 higher than the corresponding period in 2016 due primarily to lower volumes of complex concentrate smelted and higher electricity, contractor and labour rates.

Cash cost per tonne of complex concentrate smelted, net of by-product credits, during 2017 of $458 was 4% or $18 higher than 2016 due primarily to higher electricity, contractor and labour rates, partially offset by higher volumes of complex concentrate smelted and higher by-product credits as a result of increased acid deliveries.

Cash provided from operating activities

Cash provided from operating activities in the fourth quarter of 2017 was $29.1 million compared to $15.7 million in the corresponding period in 2016. This increase was due primarily to a favourable change in non-cash working capital, partially offset by higher general and administrative expenses.

Cash provided from operating activities in 2017 was $109.9 million compared to $84.1 million in 2016. This increase was due primarily to a favourable change in non-cash working capital and improved results from Chelopech and Tsumeb reflecting increased volumes at both operations and higher realized metal prices. These favourable variances were partially offset by the receipt of $50.0 million from the prepaid forward gold sale in 2016.

Cash provided from operating activities, before changes in non-cash working capital(1), during the fourth quarter and twelve months of 2017 was $20.3 million and $89.9 million, respectively, compared to $24.8 million and $122.1 million in the corresponding periods in 2016. The year over year decrease was due solely to the receipt of $50.0 million from the prepaid forward gold sale in 2016 as results from Chelopech and Tsumeb were up from 2016 reflecting increased volumes at both operations and higher realized metal prices.

Free Cash Flow

Free cash flow in the fourth quarter of 2017 was $14.6 million compared to $11.1 million in the corresponding period in 2016. This increase was due primarily to lower term debt repayments following DPM’s decision to prepay the final $8.1 million instalment of its Term Loans in the second quarter of 2017, partially offset by higher general and administrative expenses.

Free cash flow in 2017 was $46.2 million compared to $74.9 million in 2016. This decrease was due solely to the receipt of $50.0 million from the prepaid forward gold sale in 2016 as results from Chelopech and Tsumeb were up from 2016 reflecting increased volumes at both operations and higher realized metal prices.

Capital Expenditures

Capital expenditures during the fourth quarter and twelve months of 2017 were $28.7 million and $96.0 million, respectively, compared to $14.1 million and $50.9 million in the corresponding periods in 2016.

Growth capital expenditures(1) during the fourth quarter and twelve months of 2017 were $24.2 million and $75.2 million, respectively, compared to $9.6 million and $29.6 million in the corresponding periods in 2016. These increases were due primarily to the construction of the Krumovgrad gold project, which started in the fourth quarter of 2016. Sustaining capital expenditures(1) during the fourth quarter and twelve months of 2017 were $4.5

million and $20.8 million, respectively, compared to $4.5 million and $21.3 million in the corresponding periods in 2016.

Exploration

Exploration continues to focus on brownfield exploration at Chelopech and Krumovgrad as well as the advanced Timok gold project in Serbia. At Chelopech, systematic underground drilling of the Southeast Breccia Pipe Zone ("SEBPZ") is in progress while surface drilling is centered on the Krasta target area located approximately one kilometre northeast of the mine. At both the SEBPZ and the Krasta target area, widely spaced drill holes have found broad zones of high sulphidation epithermal alteration with numerous intervals of weak copper gold mineralization. At Krumovgrad, preparations are underway for drilling at Surnak and Kuklitsa, two target areas within the concession, and on nearby exploration licenses.

At the Timok gold project, Phase 2 drilling around the Korkan West discovery has defined gold mineralization over a strike length of over 200 metres. Mineralized intervals are generally oxidized and are close to surface. Metallurgical test work of oxide and transitional ore from Bigar Hill, Korkan and Korkan West is being conducted at the SGS Lakefield laboratory.

Krumovgrad Project

At Krumovgrad, earthworks relating to the construction of the integrated mine waste facility ("IMWF") and installation of major equipment foundations continued in the fourth quarter of 2017 and are expected to be completed in the first quarter of 2018. The structural/mechanical/piping contractor mobilized to site during the quarter and commenced with steel erection and equipment installation. The electrical and instrumentation contractor was selected and will mobilize to site in the first quarter of 2018. All major contracts have now been awarded and rates locked in for the balance of the project, with a final estimated cost of $166 million, 7% lower than the original budget of $178 million. As at December 31, 2017, the project was approximately 51% complete and remains on track for first concentrate production in the fourth quarter of 2018.

Acquisition of MineRP

On October 25, 2017, the Company completed the acquisition of MineRP Holdings Proprietary Limited, through MineRP Holdings Inc. ("MineRP"), and combination with its Terrative Digital Solutions Division, creating a technology provider in the mining industry for digital innovation with operations in Canada, South Africa, Australia and Chile. As a result of this transaction, the Company owns a 78% investment in MineRP. Total cash paid by the Company for the acquisition of MineRP was $20.0 million, including $8.1 million that was used to repay all outstanding debt and certain other liabilities. DPM also agreed to provide MineRP with up to $5.0 million of additional financing to support its working capital and growth initiatives, of which $3.0 million has been advanced as at December 31, 2017.

Financial Position

As at December 31, 2017, DPM had cash of $28.8 million, a 10% interest in Sabina valued at $48.4 million and

$252.0 million of undrawn capacity under its committed long-term revolving credit facility.

(1) Adjusted net earnings (loss), adjusted basic earnings (loss) 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 twelve months ended December 31, 2017 (the "MD&A") for further discussion of these items, including reconciliations to IFRS measures.

Key Financial and Operational Highlights

$ millions, except where noted	Three Months		Twelve Months	
Ended December 31,	**2017**	2016	**2017**	2016
Revenue(1)	**94.9**	82.1	**348.7**	279.5
Cost of sales(1)	**68.5**	69.0	**267.1**	258.0
Impairment charges(1),(5)	-	115.2	-	126.3
Earnings (loss) before income taxes(1)	**0.2**	(106.2)	**4.8**	(146.9)
Net (loss) earnings attributable to common shareholders(1)	**(1.4)**	(107.5)	**0.2**	(150.0)
Basic (loss) earnings per share(1)	**(0.01)**	(0.67)	**0.00**	(1.00)
Adjusted EBITDA(1),(2)	**21.8**	30.2	**92.1**	73.0
Adjusted net earnings (loss)(1),(2)	**3.4**	5.7	**16.7**	(22.4)
Adjusted basic earnings (loss) per share(1),(2)	**0.02**	0.04	**0.09**	(0.15)
Cash provided from operating activities(1)	**29.1**	15.7	**109.9**	84.1
Cash provided from operating activities, before changes in non-cash working capital(1),(2)	**20.3**	24.8	**89.9**	122.1
Free cash flow(1),(2)	**14.6**	11.1	**46.2**	74.9
Metals contained in copper and pyrite concentrate produced(1):				
Gold (ounces)(3)	**49,390**	43,964	**197,684**	165,665
Copper ('000s pounds)	**9,451**	8,817	**35,773**	38,459
Silver (ounces)	**53,920**	51,035	**206,767**	227,673
Complex concentrate smelted at Tsumeb (tonnes)	**58,983**	61,270	**219,252**	200,272
Payable metals in copper and pyrite concentrate sold(1):				
Gold (ounces)(4)	**48,906**	37,259	**171,969**	139,324
Copper ('000s pounds)	**9,927**	8,786	**34,367**	36,074
Silver (ounces)	**59,785**	37,940	**182,721**	160,537
All-in sustaining cost per ounce of gold(2)	**802**	612	**729**	747
Cash cost per tonne of complex concentrate smelted at Tsumeb, net of by-product credits(2)	**406**	369	**458**	440

(1) Information relates to continuing operations and excludes results from Kapan, which was sold in April 2016.
(2) Adjusted EBITDA; adjusted net earnings (loss); adjusted basic earnings (loss) 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.
(3) Includes gold contained in pyrite concentrate produced in the fourth quarter and twelve months of 2017 of 12,938 ounces and 56,449 ounces, respectively, compared to 12,387 ounces and 47,237 ounces for the corresponding periods

in 2016.
(4) Includes payable gold in pyrite concentrate sold in the fourth quarter and twelve months of 2017 of 10,783 ounces and 35,714 ounces, respectively, compared to 8,140 ounces and 31,380 ounces for the corresponding periods in 2016.
(5) Impairment charges in the fourth quarter and twelve months of 2016 included $107.0 million related to the write-down of Tsumeb's carrying value to its net recoverable amount. Further details can be found in the MD&A under the section "Review of Consolidated Results".

DPM's audited consolidated financial statements for the years ended December 31, 2017 and 2016 and MD&A for the three and twelve months ended December 31, 2017, are posted on the Company's website at **www.dundeeprecious.com** and have been filed on SEDAR at **www.sedar.com**.

2018 Guidance

Overall Outlook and Strategy

For 2018, DPM will continue to focus on increasing the profitability of its business by optimizing existing assets, achieving first gold production in the fourth quarter at the Krumovgrad gold project, which is expected to generate significant growth in gold production and cash flows, and maintaining its balance sheet strength. DPM is also pursuing growth opportunities within its existing portfolio of assets through exploration programs in Bulgaria, near Chelopech and Krumovgrad, and in Serbia, near the Timok gold project as well as through disciplined identification of investments in potential new opportunities.

The Company's guidance for 2018 is set out in the following table:

$ millions, unless otherwise indicated	**Chelopech**	**Tsumeb**	**Consolidated**
Ore milled ('000s tonnes)	2,100 – 2,200	-	2,100 – 2,200
Cash cost per tonne of ore processed(3),(4)	37 – 40	-	37 – 40
Metals contained in concentrate produced(1),(2)			
Gold ('000s ounces)	165 – 195	-	165 – 195
Copper (million pounds)	33.7 – 40.4	-	33.7 – 40.4
Payable metals in concentrate sold(1)			
Gold ('000s ounces)	140 – 170	-	140 – 170
Copper (million pounds)	31.0 – 37.0	-	31.0 – 37.0
All-in sustaining cost per ounce of gold(3),(4),(5)	-	-	640 – 855
Complex concentrate smelted ('000s tonnes)	-	220 – 250	220 – 250
Cash cost per tonne of complex concentrate smelted, net of by-product credits(3),(4)	-	440 – 500	440 – 500
Corporate general and administrative expenses(3),(6)	-	-	20 – 24
Exploration expenses(3)	-	-	10 – 15
Sustaining capital expenditures(3),(4)	17 – 21	12 – 18	29 – 39

(1) Gold produced includes gold in pyrite concentrate produced of 47,000 to 55,000 ounces and payable gold sold includes payable gold in pyrite concentrate sold of 30,000 to 35,000 ounces.
(2) Metals contained in concentrate produced are prior to deductions associated with smelter terms.
(3) Based on Euro/US$ exchange rate of 1.23, US$/ZAR exchange rate of 12.75 and copper price of $2.75 per pound, where

applicable.

(4) Cash cost per tonne of ore processed, all-in sustaining cost per ounce of gold and cash cost per tonne of complex concentrate smelted, 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 reconciliations to IFRS.

(5) 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 $870 in 2018.

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

The 2018 guidance provided above is not expected to occur evenly throughout the year. The estimated metals contained in concentrate produced, payable metals in concentrate sold and volumes of complex concentrate smelted are expected to vary from quarter to quarter depending on the areas being mined, the timing of concentrate deliveries and planned outages. The rate of capital expenditures is also expected to vary from quarter to quarter based on the schedule for, and execution of, each capital project.

Chelopech

Gold contained in concentrate produced is expected to be between 165,000 and 195,000 ounces in 2018, slightly below our record production in 2017. This is largely due to higher than anticipated grades in 2017, and grades returning to expected life of mine levels in 2018. Gold production in the first half of 2018 is expected to be higher than the second half based on the existing mine plans at Chelopech. DPM is advancing initiatives to further increase stope intensity and cycle time to optimize production and costs. Mine planning will see a significant change in 2018 as MineRP software is implemented and optimized. DPM is also continuing its process plant optimization program designed to improve processes, consumables consumption and metal recoveries.

Sustaining capital expenditures for Chelopech are expected to be higher than in recent years reflecting approximately $9 million for the elevation of its tailings management facility. This work is expected to be completed in 2019 at a total cost of approximately $12 million.

Tsumeb

Complex concentrate smelted in 2018 is expected to be between 220,000 and 250,000 tonnes, an increase of up to 14% over 2017 production levels as the Company continues to optimize and ramp-up the facility. A key focus in 2018 will be on achieving increased availability of the oxygen and power plants and a decrease in secondary levels. Volumes of complex concentrate smelted in the first half of 2018 are expected to be lower than the second half due to the timing of the annual maintenance shutdown, which is currently expected to take place during the first half of 2018. Tsumeb is also implementing several initiatives targeting unit cost reductions and productivity improvements.

The Company continues to advance its permitting and commercial discussions in connection with the installation of a rotary holding furnace, which would increase capacity up to 370,000 tonnes. The timing of this expansion is subject to timing of anticipated new complex concentrate coming on the market and adequate commercial arrangements being in place to support this expansion.

Krumovgrad

Key milestones at the Krumovgrad gold project in 2018 include the completion of the IMWF earthworks, mechanical, structural, electrical and instrumentation installation and pre-stripping of the mine. Cold and hot commissioning are on track for the second and third quarters, respectively, followed by first concentrate production and commencement of the ramp-up to full design capacity in the fourth quarter. In addition to the above noted milestones, DPM is focused on operational readiness and deploying its shared services model to maximize the synergies with Chelopech. Fourth quarter gold production of approximately 3,000 ounces is expected to occur prior to declaring commercial production, anticipated to occur on or about January 1, 2019, and, as a result, is excluded from the above 2018 guidance.

As at December 31, 2017, approximately $79 million has been incurred and with an additional $83 million to $89 million forecast for 2018, the aggregate cost of the project is expected to be between $162 million and $168 million, compared to the original estimate of $178 million.

Serbia

Following the discovery of the Korkan West deposit in 2017, DPM will continue to advance exploration of this area in 2018 with the goal of adding more ounces to the existing Timok gold resource. DPM is also conducting metallurgical testing to determine if an improved flowsheet can be developed. If successful, this is expected to lead to an internal scoping study in 2018 followed by a revised preliminary economic assessment.

MineRP

DPM does not anticipate a material contribution to earnings from MineRP in 2018 given that it is still in a ramp-up phase. DPM also does not anticipate providing additional funding beyond the $2 million remaining undrawn from the $5 million working capital facility provided following the acquisition.

Growth capital

The Company's total growth capital expenditures are expected to range between $92 million and $100 million, which primarily relate to the completion of the Krumovgrad gold project. The balance of $9 million to $11 million of additional growth capital includes $2 million of resource development drilling at Chelopech, as well as $7 million to $9 million of 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 strongly positioned to grow 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 increased to approximately $14 million from $9 million in 2017. The increased budget will fund major drilling programs at Chelopech, consisting of 10,000 metres of underground drilling on the SEBPZ and 5,000 metres of surface drilling on the Krasta target, to follow up on 2017 drilling. Drill programs at

Krumovgrad include grid drilling at Surnak and Kuklitsa that are 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.

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.

2017 Fourth Quarter and Annual Results and 2018 Guidance Call and Webcast

The Company will hold a call and webcast to discuss its 2017 fourth quarter and annual results and its 2018 guidance on Friday, February 16, 2018 at 9:00 a.m. (E.S.T.). 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.

2017 Fourth Quarter and Annual Results and 2018 Guidance Call and Webcast (Listen/View only)

Date:	Friday, February 16, 2017
Time:	9:00 am EST
Webcast:	**https://edge.media-server.com/m6/p/3zjeoax2**
Canada and USA Toll Free:	1-844-264-2104
Outside Canada or USA:	1-270-823-1169
Replay:	1-855-859-2056
Replay Passcode:	3669639

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 fourth quarter of 2018, Canada, Serbia and Armenia, and its 10.2% interest in Sabina Gold & Silver Corp.

Cautionary Note Regarding Forward Looking Statements

This press release contains “forward looking statements” that involve a number of risks and uncertainties. Forward looking statements include, but are not limited to, statements with respect to the estimated capital costs, operating costs and other project economics with respect to Krumovgrad; 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 rotary furnace installation; price of gold, copper, silver and acid; toll rates; metals exposure and stockpile interest deductions; potential financial benefits from its investment in MineRP; the estimation of Mineral Reserves and Mineral Resources and the realization of such mineral estimates; timing and amount of estimated future production and output, life of mine, costs of production, cash costs and other cost measures, capital expenditures, 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; and timing and possible outcome of pending litigation. Often, but not always, forward looking statements can be identified by the use of words 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 the opinions and estimates of management 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. 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; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; uncertainties 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; failure to realize projected financial results from MineRP; 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. Unless required by securities laws, 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.

For further information please contact:

DUNDEE PRECIOUS METALS INC.

Rick Howes

President and Chief Executive Officer

Tel: (416) 365-2836

rhowes@dundeeprecious.com

Hume Kyle

Executive Vice President and Chief Financial Officer

Tel: (416) 365-5091

hkyle@dundeeprecious.com

Janet Reid

Manager, Investor Relations

Tel: (416) 365-2549

jreid@dundeeprecious.com

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