Dundee
PRECIOUS METALS

2023
FIRST QUARTER
REPORT

STRONG FOUNDATION. STRONG FUTURE.

FIRST QUARTER REPORT – Q1 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

of Consolidated Financial Condition and Results of Operations

for the Three Months Ended March 31, 2023

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

The following is Management's Discussion and Analysis ("MD&A") of the consolidated financial condition and results of operations of Dundee Precious Metals Inc. ("DPM" and, together with its consolidated subsidiaries, collectively referred to as the "Company") as at March 31, 2023. This MD&A should be read in conjunction with DPM's unaudited condensed interim consolidated financial statements for the three months ended March 31, 2023 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 unaudited condensed interim consolidated financial statements for the three months ended March 31, 2023. 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 before interest, income taxes, depreciation and amortization (“EBITDA”)
- adjusted net earnings
- 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 30 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 May 3, 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.

As at March 31, 2023, DPM's principal subsidiaries included:

- 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.

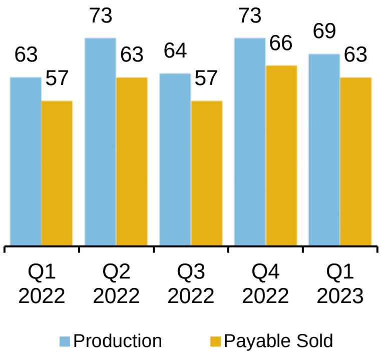
As at March 31, 2023, DPM held interests, directly or indirectly, in a number of exploration and development properties located in Ecuador, Serbia and Canada including:

- 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. On April 19, 2023, DPM exchanged all of its ownership interest in Sabina for B2Gold Corp. ("B2Gold") common shares as a result of B2Gold's acquisition of Sabina. The Company has subsequently disposed of all its holdings in B2Gold common shares.

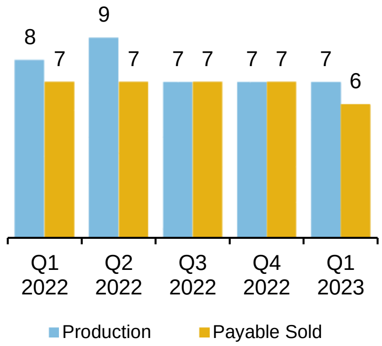
All operational and financial information contained in this MD&A are related to continuing operations, unless otherwise stated.

Operating and Financial Highlights

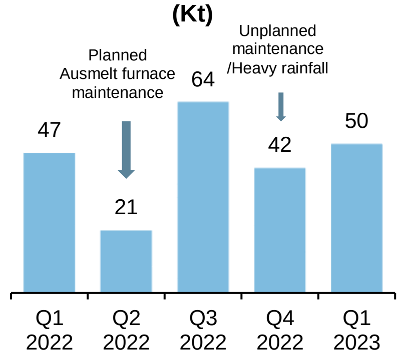
Gold Production and Payable Gold Sold (Koz)



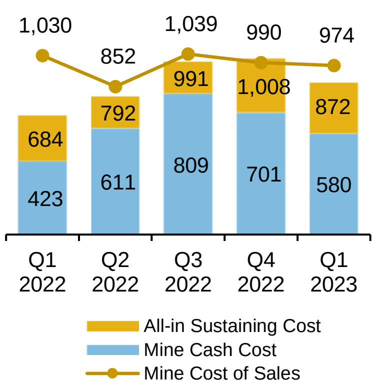
Copper Production and Payable Copper Sold (Mlbs)



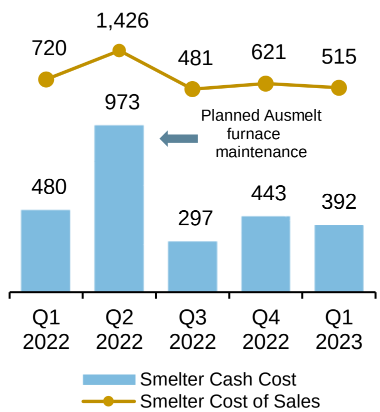
Complex Concentrate Smelted (Kt)



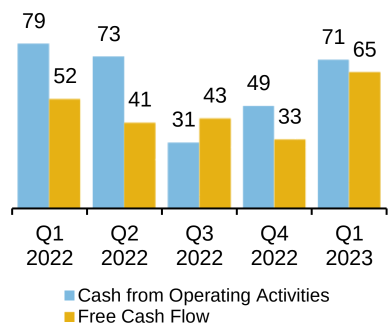
Mine Cost of Sales(1), All-in Sustaining Cost(3) and Cash Cost(3) ($/oz)



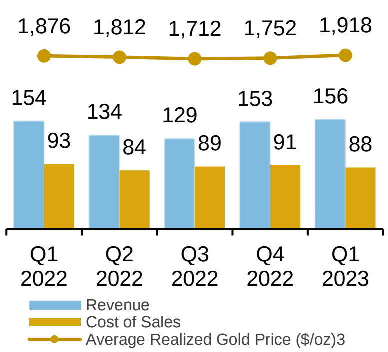
Smelter Cost of Sales(2) and Cash Cost(3) ($/t)



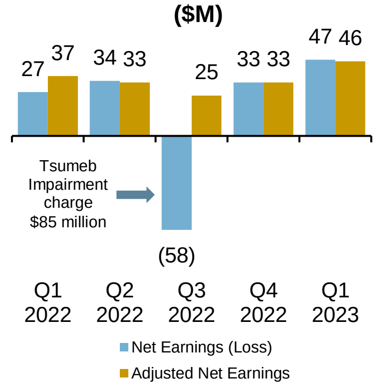
Cash Provided from Operating Activities and Free Cash Flow(3) ($M)



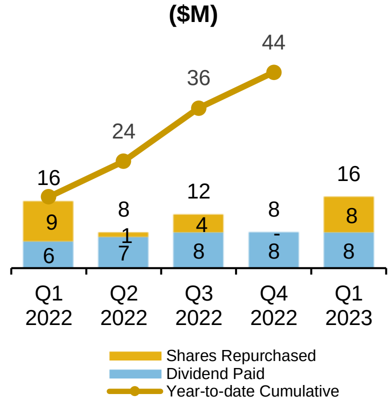
Revenue and Cost of Sales ($M)



Net Earnings (Loss) and Adjusted Net Earnings(3) ($M)



Return of Capital to Shareholders ($M)



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, while all-in sustaining cost and cash cost per ounce of gold sold include treatment and freight charges, net of by-product credits, all of which are reflected in revenue.*
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 30 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 months ended March 31, 2023 and 2022:

$ thousands, unless otherwise indicated		Three Months		
Ended March 31,		**2023**	2022	Change
Operating Highlights				
Ore processed	t	**737,637**	754,635	(2%)
Metals contained in concentrate produced:				
Gold	oz	**68,581**	62,915	9%
Copper	Klbs	**7,177**	7,693	(7%)
Payable metals in concentrate sold:				
Gold	oz	**63,499**	57,381	11%
Copper	Klbs	**6,358**	6,541	(3%)
Cost of sales per ounce of gold sold	$/oz	**974**	1,030	(5%)
Cash cost per ounce of gold sold(1)	$/oz	**580**	423	37%
All-in sustaining cost per ounce of gold sold(1)	$/oz	**872**	684	27%
Complex concentrate smelted	t	**49,647**	47,243	5%
Cost of sales per tonne of complex concentrate smelted	$/t	**515**	720	(28%)
Cash cost per tonne of complex concentrate smelted(1)	$/t	**392**	480	(18%)
Financial Highlights				
Average realized prices(1):				
Gold	$/oz	**1,918**	1,876	2%
Copper	$/lb	**4.06**	4.58	(11%)
Revenue		**155,833**	153,801	1%
Cost of sales		**87,461**	93,130	(6%)
Earnings before income taxes		**48,998**	33,890	45%
Adjusted EBITDA(1)		**68,425**	69,475	(2%)
Net earnings		**46,600**	26,825	74%
Per share	$/sh	**0.25**	0.14	79%
Adjusted net earnings(1)		**46,136**	37,042	25%
Per share(1)	$/sh	**0.24**	0.19	26%
Cash provided from operating activities		**70,900**	78,762	(10%)
Free cash flow(1)		**65,033**	52,378	24%
Dividend paid		**7,600**	5,735	33%
Share repurchased		**8,330**	8,899	(6%)
Capital expenditures incurred:				
Sustaining(2)		**7,746**	8,832	(12%)
Growth(3)		**6,470**	6,148	5%
Total capital expenditures		**14,216**	14,980	(5%)

As at,	**March 31, 2023**	December 31, 2022	Increase
Financial Position and Available Liquidity			
Cash and cash equivalents	**473,043**	433,176	39,867
Investments at fair value	**60,961**	40,773	20,188
Available liquidity(4)	**623,043**	583,176	39,867

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; average realized metal prices; 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 30 of this MD&A for more information, including reconciliations to IFRS measures.*
2) *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.*
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) *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 first quarter 2023, the Company's mining operations continued to deliver strong operating results. Ada Tepe delivered near record-level quarterly gold production and Chelopech continued its track record of strong performance with higher grades and recoveries expected for the balance of the year. Both mines remain on track to achieve their 2023 production and cost guidance.

- **Gold contained in concentrate produced** in first quarter 2023 of 68,581 ounces was 9% higher than the corresponding period in 2022 due primarily to higher gold grades at Ada Tepe, partially offset by lower gold recoveries at Chelopech, in line with the mine plans for both operations.
- **Payable gold in concentrate sold** in first quarter 2023 of 63,499 ounces was 11% higher than the corresponding period in 2022 primarily reflecting higher gold production and timing of shipments.
- **Copper production** in first quarter 2023 of 7.2 million pounds was 7% lower than the corresponding period in 2022 due primarily to lower copper recoveries.
- **Payable copper in concentrate sold** in first quarter 2023 of 6.4 million pounds was 3% lower than the corresponding period in 2022 due primarily to lower copper production, partially offset by timing of shipments.
- **All-in sustaining cost per ounce of gold sold** in first quarter 2023 of $872 was slightly above the high end of the 2023 guidance range of $700 to $860, due primarily to an unfavourable mark-to-market adjustment to share-based compensation expenses as a result of DPM's strong share price performance, which impacted all-in sustaining cost by approximately $100 per ounce of gold sold. Compared to the corresponding period in 2022, all-in sustaining cost per ounce of gold sold was 27% higher due to the above impact of share-based compensation expenses, as well as higher treatment and freight charges, lower by-product credits as a result of lower volumes and prices of copper sold, higher labour costs and higher prices for direct materials, partially offset by higher volumes of gold sold and a stronger U.S. dollar.
- **Complex concentrate smelted** in first quarter 2023 of 49,647 tonnes was comparable to the corresponding period in 2022, but below expectations due to unplanned maintenance to the off-gas system. Tsumeb remains on track to achieve its 2023 production guidance.
- **Cash cost per tonne of complex concentrate smelted** in first quarter 2023 of $392 was 18% lower than the corresponding period in 2022 due primarily to a stronger U.S. dollar and lower labour costs as a result of a cost optimization initiative undertaken in 2022.
- **Sustaining capital expenditures** incurred in first quarter 2023 of $7.7 million were 12% lower than the corresponding period in 2022 of $8.8 million, in-line with expectations.
- **Growth capital expenditures** incurred in first quarter 2023, primarily related to the Loma Larga gold project, were $6.5 million compared to $6.2 million in the corresponding period in 2022.

Financial Highlights

Financial results from operations in first quarter 2023 reflected higher volumes of gold sold and a stronger U.S. dollar, partially offset by higher share-based compensation expenses as a result of DPM's strong share price performance and higher planned exploration expenses.

- **Revenue** in first quarter 2023 of $155.8 million was comparable to the corresponding period in 2022 due primarily to higher volumes of gold sold at Ada Tepe, largely offset by lower revenue at Chelopech as a result of lower volumes of metal sold, higher treatment and freight charges and lower realized copper prices.
- **Cost of sales** in first quarter 2023 of $87.5 million was 6% lower than the corresponding period in 2022 due primarily to a stronger U.S. dollar and lower depreciation expense as a result of the impairment charge in respect of Tsumeb taken in third quarter 2022, partially offset by higher local currency mine operating costs and royalties.

- **Net earnings** in first quarter 2023 were $46.6 million ($0.25 per share) compared to $26.8 million ($0.14 per share) in the corresponding period in 2022, due primarily to higher volumes of metal sold and a stronger U.S. dollar, partially offset by higher share-based compensation expenses, higher local currency mine operating costs and royalties, and higher planned exploration expenses. Net earnings in first quarter 2022 also included Tsumeb restructuring costs related to the cost optimization initiative at the smelter.
- **Adjusted net earnings** in first quarter 2023 were $46.1 million ($0.24 per share) compared to $37.0 million ($0.19 per share) in the corresponding period in 2022, due primarily to the same factors affecting net earnings, with the exception of adjusting items primarily related to the Tsumeb restructuring costs in 2022.
- **Earnings before income taxes** in first quarter 2023 were $49.0 million compared to $33.9 million in the corresponding period in 2022 reflecting the same factors that affected net earnings, except for income taxes, which are excluded.
- **Adjusted EBITDA** in first quarter 2023 was $68.4 million, compared to $69.5 million in the corresponding period in 2022, reflecting the same factors that affected adjusted net earnings, except for interest, income taxes, depreciation and amortization, which are excluded from adjusted EBITDA.
- **Cash provided from operating activities** in first quarter 2023 of $70.9 million was 10% lower than the corresponding period in 2022, due primarily to the timing of payments to suppliers plus the timing of deliveries and subsequent receipt of cash, partially offset by the same factors impacting earnings before income taxes.
- **Free cash flow** in first quarter 2023 of $65.0 million was $12.7 million higher than the corresponding period in 2022, due primarily to the same factors impacting earnings before income taxes. Free cash flow is calculated before changes in working capital.
- **Return of capital to shareholders** through dividends paid of $7.6 million ($0.04 per share) and shares repurchased under the Normal Course Issuer Bid ("NCIB") of $8.3 million in first quarter 2023, which in aggregate represented 24% of free cash flow, reflecting strong ongoing performance and significant free cash flow generation.
- **Strong balance sheet** as at March 31, 2023 with $473.0 million in cash, an investment portfolio of $61.0 million, an undrawn $150.0 million RCF and no debt.

Growth, Exploration and Other Highlights

- **Chelopech mine life extension:** Completed an updated Mineral Resource and Mineral Reserve estimate for Chelopech that extended the mine life to 2031.
- **Loma Larga gold project:** DPM continues to progress the updated feasibility study ("FS"), which is expected to be completed in the second half of 2023. Drilling activities and the Citizens Participation Process for the Environmental Impact Assessment remain paused.
- **Čoka Rakita:** In January 2023, the Company announced a new high-grade discovery at the Čoka Rakita prospect in Serbia. Assay results from the ongoing drill program reported in April confirmed and extended the high-grade zone. DPM continues to advance a 40,000-metre infill and extensional drill program to support a maiden Mineral Resource estimate at Čoka Rakita, which is expected by the end of the year. 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.
- **Tierras Coloradas:** Results from a 2,700-metre diamond drilling program at the Tierras Coloradas prospect, located in the Loja province of Ecuador, confirmed the presence of two well-mineralized high-grade vein systems that remain open in multiple directions. The Company plans to follow up on these results with a 10,000-metre drilling program, which is expected to commence in the second half of 2023.

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.

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 news release for Chelopech entitled "Dundee Precious Metals Extends Life of Mine Plan to 2031 for the Chelopech Mine in Bulgaria and Provides Updated Mineral Resource and Mineral Reserve Estimate" dated March 30, 2023, 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 technical report for Ada Tepe entitled "NI 43-101 Technical Report – Mineral Resource and Reserve Update, Ada Tepe Mine, Krumovgrad, Bulgaria" dated February 22, 2023, all of which have been filed on SEDAR (www.sedar.com) and are posted on the Company's website (www.dundeeprecious.com). For 2024 and 2025, production and cost estimates do not fully incorporate operating performance improvements in respect of mine and smelter throughput and potential changes 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 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.

The three-year outlook previously issued in DPM's MD&A for the year ended December 31, 2022 remains unchanged.

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

$ millions, unless otherwise indicated		**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 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 for the balance of the year on the 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%	+/- $35/oz	N/A
Euro/US$	1.10	+/- 10%	+/- $60/oz	N/A
US$/ZAR	17.00	+/- 10%	N/A	- $11/t /+ $34/t[(1)]

1) *As at March 31, 2023, approximately 85% of projected Namibian dollar operating expenses for the balance of 2023 have been hedged with foreign exchange option contracts providing a weighted average floor rate of 15.70 and a weighted average ceiling rate of 17.70.*

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

$ millions, unless otherwise indicated		2023 Guidance	2024 Outlook	2025 Outlook
Gold contained in concentrate produced[(1),(2)]				
Chelopech	Koz	150 - 170	160 - 180	160 - 185
Ada Tepe	Koz	120 - 145	85 - 105	70 - 85
Total	Koz	270 - 315	245 - 285	230 - 270
Copper contained in concentrate produced[(1)]				
Chelopech	Mlbs	30 - 35	29 - 34	29 - 34
All-in sustaining cost per ounce of gold sold[(3)]	$/oz	700 - 860	720 - 880	720 - 880
Complex concentrate smelted	Kt	200 - 230	200 - 230	200 - 230
Cash cost per tonne of complex concentrate smelted[(3)]	$/t	340 - 410	310 - 360	300 - 350
Sustaining capital expenditures[(3)]				
Chelopech		20 - 24	14 - 18	12 - 15
Ada Tepe		10 - 13	10 - 12	8 - 10
Tsumeb		14 - 17	10 - 13	14 - 17
Corporate digital initiatives		2 - 3	2 - 3	2 - 3
Consolidated		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.*

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.

REVIEW OF OPERATING RESULTS BY SEGMENT

Review of Chelopech Results

$ thousands, unless otherwise indicated		Three Months		
Ended March 31,		**2023**	2022	Change
Operating Highlights				
Ore mined	t	**556,573**	534,599	4%
Ore processed	t	**546,130**	540,892	1%
Head grades:				
Gold	g/t	**2.89**	2.85	1%
Copper	%	**0.76**	0.76	0%
Recoveries:				
Gold in gold-copper concentrate	%	**45.6**	61.5	(26%)
Gold in pyrite concentrate	%	**23.9**	22.3	7%
Gold combined recoveries	%	**69.5**	83.9	(17%)
Copper	%	**78.8**	85.3	(8%)
Gold-copper concentrate produced	t	**34,356**	36,092	(5%)
Pyrite concentrate produced	t	**65,662**	59,137	11%
Metals contained in concentrate produced:				
Gold in gold-copper concentrate	oz	**23,130**	30,456	(24%)
Gold in pyrite concentrate	oz	**12,128**	11,044	10%
Total gold production	oz	**35,258**	41,500	(15%)
Copper	Klbs	**7,177**	7,693	(7%)
Cost of sales per tonne of ore processed	$/t	**65**	63	3%
Cash cost per tonne of ore processed	$/t	**51**	48	6%
Gold-copper concentrate delivered	t	**35,141**	37,447	(6%)
Pyrite concentrate delivered	t	**71,113**	59,022	20%
Payable metals in concentrate sold(1):				
Gold in gold-copper concentrate	oz	**22,101**	28,522	(23%)
Gold in pyrite concentrate	oz	**8,972**	7,791	15%
Total payable gold	oz	**31,073**	36,313	(14%)
Payable copper	Klbs	**6,358**	6,541	(3%)
Cost of sales per ounce of gold sold	$/oz	**1,136**	942	21%
Cash cost per ounce of gold sold	$/oz	**752**	345	118%
All-in sustaining cost per ounce of gold sold	$/oz	**932**	428	118%
Capital expenditures incurred:				
Sustaining		**4,926**	1,973	150%
Growth		**625**	1,182	(47%)
Total capital expenditures		**5,551**	3,155	76%

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

Metals production

Relative to first quarter 2022, gold contained in gold-copper concentrate produced in first quarter 2023 decreased by 24% to 23,130 ounces due primarily to lower gold recoveries, and gold contained in pyrite concentrate produced increased by 10% to 12,128 ounces due primarily to higher gold grades and recoveries. Ore processed in first quarter 2023 contained higher pyrite minerals compared to the corresponding period in 2022 which contributed to lower gold recoveries from gold-copper concentrate and higher gold recoveries from pyrite concentrate.

Copper production in first quarter 2023 of 7.2 million pounds was 7% lower than the corresponding period in 2022 due primarily to lower copper recoveries.

Grades and recoveries are expected to be higher at Chelopech for the balance of the year.

Metals sold

Relative to first quarter 2022, payable gold in gold-copper concentrate sold in first quarter 2023 decreased by 23% to 22,101 ounces due primarily to lower gold contained in gold-copper concentrate produced, while payable copper in first quarter 2023 decreased slightly by 3% to 6.4 million pounds. Payable gold in pyrite concentrate sold in first quarter 2023 of 8,972 ounces was 15% higher than the corresponding period in 2022 due primarily to higher gold contained in pyrite concentrate produced.

Inventory

Gold-copper concentrate inventory totalled 1,056 tonnes at March 31, 2023, down from 1,841 tonnes at December 31, 2022. Pyrite concentrate inventory totalled 8,790 tonnes at March 31, 2023, down from 14,241 tonnes at December 31, 2022. These changes in inventory were due primarily to the timing of deliveries.

Cash cost measures

Cash cost per tonne of ore processed in first quarter 2023 of $51 was 6% higher than the corresponding period in 2022 due primarily to higher labour costs and higher prices for direct materials, partially offset by a stronger U.S. dollar.

Cash cost per ounce of gold sold in first quarter 2023 of $752 was 118% higher than the corresponding period in 2022 due primarily to higher treatment and freight charges, lower by-product credits as a result of lower volumes and prices of copper sold, lower volumes of gold sold, higher labour cots and higher prices for direct materials, partially offset by a stronger U.S. dollar.

All-in sustaining cost per ounce of gold sold in first quarter 2023 was $932 compared to $428 in the corresponding period in 2022 due primarily to the same factors impacting cash cost per ounce of gold sold and higher cash outlays for sustaining capital expenditures related to the upgrade of Chelopech's tailings management facility.

Capital expenditures

Capital expenditures in first quarter 2023 of $5.6 million were $2.4 million higher than the corresponding period in 2022 due primarily to the planned upgrade of Chelopech's tailings management facility which is expected to be completed in second quarter 2023.

Mineral Reserve and Mineral Resource update

On March 31, 2023, the Company announced a mine life extension to 2031 and an updated Mineral Resource and Mineral Reserve estimate for the Chelopech mine. Compared to the December 31, 2021 Mineral Reserve estimate, Chelopech successfully added 1.1 million tonnes to Mineral Reserves, replacing approximately half of its 2022 production depletion of 2.1 million tonnes. The updated Mineral Reserve estimate supports a nine-year mine life that extends to 2031, excluding expected further conversions of existing Mineral Resources and potential additional exploration success.

See the Company's press release dated March 30, 2023 entitled "Dundee Precious Metals Extends Life of Mine Plan to 2031 for Chelopech Mine in Bulgaria and Provides Updated Mineral Resource and Mineral Reserve Estimate" 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

$ thousands, unless otherwise indicated		Three Months		
Ended March 31,		**2023**	2022	**Change**
Operating Highlights				
Ore mined	t	**199,322**	157,856	26%
Stripping ratio (waste/ore)		**3.01**	3.97	(24%)
Ore processed	t	**191,507**	213,743	(10%)
Gold head grade	g/t	**6.31**	3.72	70%
Gold recoveries(1)	%	**85.8**	83.2	3%
Gold concentrate produced	t	**2,073**	1,228	69%
Gold contained in concentrate produced	oz	**33,323**	21,415	56%
Cost of sales per tonne of ore processed	$/t	**139**	117	19%
Cash cost per tonne of ore processed	$/t	**66**	53	25%
Gold concentrate delivered	t	**2,075**	1,225	69%
Payable gold in concentrate sold(2)	oz	**32,426**	21,068	54%
Cost of sales per ounce of gold sold	$/oz	**819**	1,183	(31%)
Cash cost per ounce of gold sold	$/oz	**414**	559	(26%)
All-in sustaining cost per ounce of gold sold	$/oz	**486**	783	(38%)
Sustaining capital expenditures incurred		**2,148**	3,200	(33%)

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 first quarter 2023 of 33,323 ounces was 56% higher than the corresponding period in 2022, which was a near record-level of quarterly performance, due primarily to mining higher grade zones. Gold grades increased as planned and the operation is well positioned for continued higher grades in 2023, as per the mine plan.

Gold sold

Payable gold in concentrate sold in first quarter 2023 of 32,426 ounces was 54% higher than the corresponding period in 2022, consistent with higher production.

Inventory

Gold concentrate inventory totalled 95 tonnes at March 31, 2023, down from 97 tonnes at December 31, 2022, due primarily to the timing of deliveries.

Cash cost measures

Cash cost per tonne of ore processed in first quarter 2023 of $66 was 25% higher than the corresponding period in 2022 due primarily to higher royalties reflecting higher contained ounces mined, lower volumes of ore processed, higher prices for direct materials and higher labour costs, partially offset by a stronger U.S. dollar.

Cash cost per ounce of gold sold in first quarter 2023 of $414 was 26% lower than the corresponding period in 2022 due primarily to higher volumes of gold sold and a stronger U.S. dollar.

All-in sustaining cost per ounce of gold sold in first quarter 2023 was $486 compared to $783 in the corresponding period in 2022 due primarily to the same factors impacting cash cost per ounce of gold sold and lower cash outlays for sustaining capital expenditures.

Capital expenditures

Capital expenditures during first quarter 2023 of $2.1 million were 33% lower than the corresponding period in 2022 due primarily to the completion of the accelerated grade control drilling program in third quarter of 2022 and the timing of expenditures on other projects.

Review of Tsumeb Results

$ thousands, unless otherwise indicated		**Three Months**		
Ended March 31,		**2023**	2022	Change
Operating Highlights				
Complex concentrate smelted*:*				
Chelopech	t	**14,933**	19,170	(22%)
Third parties	t	**34,714**	28,073	24%
Total	t	**49,647**	47,243	5%
Cost of sales per tonne of complex concentrate smelted	$/t	**515**	720	(28%)
Cash cost per tonne of complex concentrate smelted	$/t	**392**	480	(18%)
Sulphuric acid:				
Production	t	**55,723**	53,167	5%
Deliveries	t	**55,171**	61,368	(10%)
Capital expenditures incurred:				
Sustaining		**447**	2,017	(78%)
Growth		**-**	292	(100%)
Total capital expenditures		**447**	2,309	(81%)

Production and sulphuric acid deliveries

Complex concentrate smelted in first quarter 2023 of 49,647 tonnes was comparable to the corresponding period in 2022, but below expectations due primarily to unplanned maintenance in the off-gas system. The Company plans to undertake additional maintenance in the off-gas system concurrently with the Ausmelt furnace maintenance, scheduled for third quarter 2023, which is expected to result in improved quarterly performance.

Sulphuric acid production in first quarter 2023 of 55,723 tonnes was 5% higher than the corresponding period in 2022 reflecting higher volumes of complex concentrate smelted.

Sulphuric acid deliveries in first quarter 2023 of 55,171 tonnes were 10% lower than the corresponding period in 2022 reflecting timing of deliveries, partially offset by higher sulphuric acid production.

Cash cost per tonne of complex concentrate smelted

Cash cost per tonne of complex concentrate smelted in first quarter 2023 of $392 was 18% lower than the corresponding period in 2022 due primarily to a stronger U.S. dollar and lower labour costs as a result of the cost optimization initiative undertaken in 2022.

Capital expenditures

Capital expenditures in first quarter 2023 were $0.5 million compared to $2.3 million in the corresponding period in 2022 due primarily to the timing of expenditures.

DEVELOPMENT AND OTHER MAJOR PROJECTS

Loma Larga Gold Project

Drilling activities, as well as the Citizens Participation Process for the Environmental Impact Assessment, remain paused pending the outcome of the appeals process related to the decision on the Constitutional Protective Action (the "Action") following the hearing held in mid-October 2022. The decision on the appeal is expected to provide clarity on the consultation process and whether an indigenous consultation could be completed in parallel, as originally planned by the Company, or would need to be completed prior to resuming the Citizens Participation Process. The expected timing for receipt of the environmental licence is subject to the outcome of the appeal process.

For further details on the Action, please see the news releases issued on February 24, 2022 and July 13, 2022, which are available on the Company's website at www.dundeeprecious.com and have been filed on SEDAR at www.sedar.com.

DPM continues to advance the updated FS, including optimization work leveraging the Company's significant expertise with similar deposits, including Chelopech in Bulgaria, which shares similar geology, mining method and processing flow sheet to the Loma Larga project. The updated FS is targeted for completion in the second half of 2023.

Since the acquisition of the Loma Larga gold project, the Company has made significant progress in its understanding of the development and operational parameters of the project. 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 and other external factors 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 the Mineral Resource and Mineral Reserve estimate, which are being assessed as the additional work required for the updated FS progresses. DPM views the Loma Larga gold project 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 continues to progress discussions with the government of Ecuador in respect of an investor protection agreement. The agreement is substantially complete and is progressing through the approvals of the various government ministries. In-line with its disciplined approach to project development, DPM does not anticipate making any significant capital commitments to the project prior to the completion of the investor protection agreement and receipt of the environmental licence.

The Company maintains a constructive relationship with government institutions and other stakeholders involved with the development of the project.

Timok Gold Project

Given the potential of the new high-grade discovery at the Čoka Rakita prospect, the Company is focusing on further exploration at Čoka Rakita in 2023 and, as a result, has paused further work on the Timok FS.

The three-year retention of mineral rights for the Timok gold project was received in third quarter 2021. Permitting activities for the project continued in first quarter 2023, including the certification of reserves, with the objective of securing the mining rights for the project during the retention period. The Company has paused plans to submit the application for the certificate of reserves and any activities associated with the spatial planning public hearings.

EXPLORATION

Chelopech Mine

DPM continues to aggressively focus on extending Chelopech's mine life through its successful in-mine exploration program. In first quarter 2023, the Company continued to advance in-mine exploration activities aimed at resource development, drilling approximately 11,900 metres, which included approximately 8,700 metres of extensional drilling designed to explore for new mineralization along interpreted geological trends and to test potential exploration targets.

Approximately 1,790 metres of underground drilling were completed in first quarter 2023 as part of a larger program to test the potential of the Quartz-Barite-Gold-Sulphide ("QBGS") zone, which is located in the southeastern section of the mine. Initial results of this program returned sporadic, narrow intervals with occasional elevated grades values, which require further follow-up in order to ascertain grade and geologic continuity.

In addition, the in-mine drilling program has focused on testing the upper levels of the western part of the deposit. Approximately 3,000 metres were completed in the gaps between Blocks 150 and 151, as well the gaps between Blocks 103 – 153. No significant mineralization was detected in the gap areas; however, the ore bodies located in the blocks stated above were either confirmed or extended locally.

In second quarter 2023, the Mineral Resource development strategy for Chelopech will be focused on extensional drilling to continue testing conceptual targets in the northeastern (Target 11) and southeastern parts (QBGS zone) of the deposit. Drilling will continue on the upper levels in the gap areas between Blocks 103, 150 and 151, in order to test for extensions to existing blocks and to explore for new mineralization.

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

Chelopech Brownfield Exploration

In first quarter 2023, DPM continued to advance the Chelopech brownfield exploration program, with seven drill rigs focused on the drilling campaign at Sveta Petka, as well as testing conceptual targets on the Brevene exploration licence and drilling deeper extensions of the Chelopech deposit. Approximately 13,900 metres of surface diamond drilling were completed, with twelve holes completed and eight holes ongoing.

At the Sharlo Dere West target, located within the mine concession, results from drilling support the potential for the expansion of the target footprint further to the north-east, and DPM is planning to further test this target in second quarter. Early-stage evaluation of the Mineral Resource potential has been completed at the Sharlo Dere prospect to support follow-up infill drilling.

The final Geology Report, which incorporates the Wedge, Krasta, West Shaft and Petrovden prospects, and the application for a Commercial Discovery were submitted to the Bulgarian authorities in mid-February. The Company is awaiting the subsequent defense and Commercial Discovery registration, which is expected by the end of 2023.

An intensive exploration drill program will continue in second quarter 2023 at priority targets on the Brevene licence and infill drilling to generate economic potential at the Sharlo Dere prospect within the mine concession.

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

Ada Tepe Brownfield Exploration

In first quarter 2023, exploration activities at Ada Tepe focused on target delineation campaigns for the Surnak and Kupel prospects, which are within Khan Krum mine concession, and the Kara Tepe prospect located within the Chiirite exploration licence. This included systematic geological mapping, rock sampling, trenching, drilling and 3D modelling.

Khan Krum Concession Area

A detailed mapping campaign was completed within the northeast of the Surnak prospect, aiming to clarify the relationship between the possible extension of mineralization below the overlying sediments. Geological fieldwork focused on defining targets in the area, with rock sampling taken from the area returning up to 1.36 g/t gold.

The drilling program at the Kupel prospect is ongoing, with approximately 245 metres drilled in first quarter 2023.

Chiirite Exploration Licence

At the Chiirite exploration licence, a trenching program at the Kara Tepe prospect was completed, covering approximately 329 metres, which was aimed at clarifying the footprint of hydrothermal alteration zone. The assay results from trenching returned elevated gold values, with results up to 1.8 metres at 1.49 g/t gold.

Plans for second quarter 2023 include drilling activities focused mainly on Kara Tepe structurally controlled mineralization and skarn/carbonate replacement gold targets, which were delineated in 2022 by a combined IP pole-dipole electrical survey, ground radiometry survey and mapping.

In 2023, DPM is employing a focused approach within the Ada Tepe camp in order to evaluate undercover mineralization. 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 third quarter 2023. Planned drilling for 2023 could increase to 26,000 metres, subject to the timing of permits.

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 in first quarter 2023 focused on target delineation drilling at Čoka Rakita. Approximately 9,330 metres of diamond drilling was completed in first quarter. Drilling has defined a large high-grade footprint that remains open in multiple directions. Another strata with prospective copper-gold mineralization has also been identified at depth and is followed with drilling. Results to date are very encouraging and the Company continues to advance its 40,000-metre infill and extensional drill program to support a maiden Mineral Resource estimate at Čoka Rakita by the end of the year.

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 campaign 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 target.

For further details on the drilling program at Čoka Rakita, please refer to the news releases dated January 16 and April 10, 2023, available on our www.dundeeprecious.com and have been filed on SEDAR at www.sedar.com.

Ecuador Exploration

Loma Larga Concessions

On the Loma Larga concessions, drilling activities remain paused, pending the resolution of the court process as a result of the Action filed by certain non-government organizations and local agencies (see the "Development and Other Major Projects – Loma Larga Gold Project" section contained in this MD&A for further details). The 15,800-metre program is designed to support various studies complementary to the Loma Larga FS optimization, consisting of hydrogeological, geotechnical, metallurgical, condemnation and extensional drilling.

Tierras Coloradas Concessions

In first quarter 2023, the Company reported the results of a 2,700-metre diamond drilling program completed in fourth quarter 2022. The drilling program was designed to test a series of low sulphidation epithermal veins, previously identified by field work and scout drilling in 2020. Drilling confirmed two well-mineralized high-grade vein systems that remain open in multiple directions.

The Company plans to follow up these results with a 10,000-metre drilling program which is expected to commence in second quarter 2023. The primary focus will be to further assess the extension and geometry of the Aparecida and La Tuna vein systems and to test other additional recently discovered high-grade veins and soil anomalies.

Detailed surface mapping in conjunction with soil and rock chip-channel sampling will continue to determine the surface footprint and identify additional targets.

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.

The Company originally budgeted between $1 million and $2 million for exploration activities at Tierras Coloradas in 2023. Given the strong results of the initial drilling program, DPM is now planning to spend between $4 million and $5 million at Tierras Coloradas in 2023 to support the expanded drilling program.

For further details on the drilling program at Tierras Coloradas, please see press release entitled "Dundee Precious Metals Announces Significant Diamond Drilling Results at Tierras Coloradas, Ecuador; Results Include Drill Intercept of 17.3 metres at 46.09 g/t Au", issued on February 27, 2023, which has been posted on the Company's website at www.dundeeprecious.com and has been filed on SEDAR at www.sedar.com.

REVIEW OF FINANCIAL RESULTS

$ thousands, unless otherwise indicated		Three Months		
Ended March 31,		**2023**	2022	**Change**
Revenue		**155,833**	153,801	1%
Cost of sales		**87,461**	93,130	(6%)
General and administrative expenses		**13,470**	8,531	58%
Corporate social responsibility expenses		**745**	754	(1%)
Exploration and evaluation expenses		**7,661**	3,282	133%
Finance costs		**1,629**	1,363	20%
Other income and expense		**(4,131)**	12,851	(132%)
Earnings before income taxes		**48,998**	33,890	45%
Income tax expense		**2,398**	7,065	(66%)
Net earnings		**46,600**	26,825	74%
Per share	$/sh	**0.25**	0.14	79%
Adjusted EBITDA		**68,425**	69,475	(2%)
Adjusted net earnings		**46,136**	37,042	25%
Per share	$/sh	**0.24**	0.19	26%

Revenue

Revenue in first quarter 2023 of $155.8 million was comparable to the corresponding period in 2022.

The following table summarizes revenue by segment:

$ thousands	Three Months		
Ended March 31,	**2023**	2022	Change
Chelopech[(1)]	**64,572**	83,597	(23%)
Ada Tepe[(1)]	**61,796**	39,111	58%
Tsumeb	**29,465**	31,093	(5%)
Total revenue	**155,833**	153,801	1%

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 in first quarter 2023 of $64.6 million was 23% lower than the corresponding period in 2022 due primarily to lower volumes of metal sold, higher treatment and freight charges, and lower realized copper prices.

At Ada Tepe, revenue in first quarter 2023 of $61.8 million was 58% higher than the corresponding period in 2022 due primarily to higher volumes of gold sold.

At Tsumeb, revenue in first quarter 2023 of $29.5 million was 5% lower than the corresponding period in 2022 due primarily to lower estimated metal recoveries, and lower sulphuric acid price and volumes sold, partially offset by higher volumes of complex concentrate smelted.

Cost of sales

Cost of sales in first quarter 2023 of $87.5 million was 6% lower than the corresponding period in 2022 due primarily to a stronger U.S. dollar and lower depreciation expense as a result of the impairment charge in respect of Tsumeb taken in third quarter 2022, partially offset by higher local currency mine operating costs and royalties.

General and administrative expenses

General and administrative expenses in first quarter 2023 of $13.5 million were $5.0 million higher than $8.5 million in the corresponding period in 2022, due primarily to a $6.0 million increase in share-based compensation expenses from changes in DPM's share price, reflecting strong DPM share price performance, partially offset by lower spend on consulting services.

Share-based compensation expenses included in general and administrative expenses in first quarter 2023 were $8.4 million compared to $2.4 million in the corresponding period in 2022.

Exploration and evaluation expenses

Exploration and evaluation expenses in first quarter 2023 were $7.7 million compared to $3.3 million in the corresponding period in 2022 due primarily to higher drilling activities at Chelopech related to the Sveta Petka Commercial Discovery process, additional drilling at Brevene and accelerated drilling activities at Čoka Rakita following the high-grade discovery announced in January 2023.

Exploration expenses are expected to be towards the high end of the Company's 2023 guidance. For a more detailed discussion on the Company's exploration activities, refer to the "Exploration" section of this MD&A.

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 first quarter 2023 were $1.6 million compared to $1.4 million in the corresponding period in 2022.

Other income and expense

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

$ thousands	**Three Months**	
Ended March 31,	**2023**	2022
Net losses on foreign exchange forward contracts[1]	**2,388**	-
Net foreign exchange (gains) losses[2]	**(2,457)**	2,674
Net losses on Sabina special warrants[1]	**-**	439
Tsumeb restructuring costs[3]	**-**	9,829
Interest income	**(4,097)**	(249)
Other, net	**35**	158
Total other income and expense[4]	**(4,131)**	12,851

1) *Refer to the "Financial Instruments" section of this MD&A for more details.*
2) *Primarily related to the revaluation of foreign denominated monetary assets and liabilities.*
3) *Represents costs related to a comprehensive initiative directed at optimizing the cost structure of the smelter.*
4) *For the three months ended March 31, 2022, the Bulgarian government subsidy for electricity of $4.2 million was reclassified from other income and expense to cost of sales to conform with current year presentation.*

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 months ended March 31, 2023 and 2022, 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).

$ thousands, unless otherwise indicated	**Three Months**	
Ended March 31,	**2023**	2022
Earnings before income taxes	**48,998**	33,890
Combined Canadian federal and provincial statutory income tax rates	26.5%	26.5%
Expected income tax expense	**12,984**	8,981
Lower rates on foreign earnings	**(8,005)**	(5,531)
Changes in unrecognized tax benefits	**(2,613)**	2,723
Non-deductible portion of capital losses	**205**	667
Non-deductible share-based compensation expense	**75**	82
Other, net	**(248)**	143
Income tax expense	**2,398**	7,065
Effective income tax rates	**4.9%**	20.8%

Net earnings

Net earnings in first quarter 2023 were $46.6 million ($0.25 per share) compared to $26.8 million ($0.14 per share) in the corresponding period in 2022, due primarily to higher volumes of metal sold and a stronger U.S. dollar, partially offset by higher share-based compensation expenses as a result of an increase in DPM's share price, higher local currency mine operating costs and royalties, and higher planned exploration expenses. Net earnings in first quarter 2022 also included the Tsumeb restructuring costs related to the cost optimization initiative at the smelter.

Adjusted net earnings

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

$ millions	**Three**
Ended March 31,	**Months**
Adjusted net earnings – 2022	**37.0**
Higher volumes of metal sold	10.6
Stronger U.S. dollar	8.9
Income taxes and other	5.5
Higher share-based compensation expenses	(7.0)
Higher operating expenses and royalties	(4.5)
Higher exploration expenses	(4.4)
Adjusted net earnings – 2023	**46.1**

Adjusted net earnings in first quarter 2023 were $46.1 million ($0.24 per share) compared to $37.0 million ($0.19 per share) in the corresponding period in 2022 due primarily to the same factors affecting net earnings, except for adjusting items primarily related to the Tsumeb restructuring costs in 2022.

For more details on these adjustments, refer to the "Non-GAAP Financial Measures" section commencing on page 30 of this MD&A.

Earnings before income taxes

Earnings before income taxes in first quarter 2023 were $49.0 million compared to $33.9 million in the corresponding period in 2022 reflecting the same factors that affected net earnings, except for income taxes, which are excluded.

Adjusted EBITDA

Adjusted EBITDA in first quarter 2023 was $68.4 million compared to $69.5 million in the corresponding period in 2022, reflecting the same factors that affected adjusted net earnings, except for interest, income taxes, depreciation and amortization, which are excluded from adjusted EBITDA.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2023, the Company held cash of $473.0 million, investments valued at $61.0 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.

At March 31, 2023, 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.

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

On February 16, 2023, the Company declared a quarterly dividend of $0.04 (2022 – $0.04) per common share to its shareholders of record resulting in total dividend distributions of $7.6 million (2022 – $7.6 million) recognized against its retained earnings in the condensed interim consolidated statements of changes in shareholders' equity. At March 31, 2023, the Company recognized a dividend payable of $7.6 million (December 31, 2022 – $7.6 million) in accounts payable and accrued liabilities in the condensed interim consolidated statements of financial position.

On May 03, 2023, the Company declared a dividend of $0.04 per common share payable on July 17, 2023 to shareholders of record on June 30, 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 dividends 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 commenced an NCIB on March 1, 2022 (the "Previous Bid"), which expired on February 28, 2023. Under the Previous Bid, the Company sought and obtained approval to purchase up to 9,000,000 common shares. Effective March 1, 2023, the Company renewed its NCIB to repurchase certain of its common shares through the facilities of the TSX.

Pursuant to the NCIB, the Company is able to purchase up to 16,500,000 common shares representing approximately 10% of the public float as at February 16, 2023, over a period of twelve months commencing March 1, 2023 and terminating on February 28, 2024. In accordance with TSX rules, the Company will not acquire on any given trading day more than 112,323 common shares, representing 25% of the average daily volume of common shares for the six months ended January 31, 2023. The price that the Company will pay for common shares in open market transactions will be the market price at the time of purchase and any common shares that are purchased under the NCIB will be cancelled.

During the three months ended March 31, 2023, the Company purchased a total of 1,291,207 shares (2022 – 1,489,100 shares), all of which were cancelled as at March 31, 2023. The total cost of these purchases was $8.3 million (2022 – $8.9 million) at an average price per share of $6.45 (Cdn$8.82) (2022 – $5.98 (Cdn$7.59)), of which $4.0 million (2022 – $4.5 million) was recognized as a reduction in share capital, $nil (2022 – $4.4 million) as a reduction in contributed surplus, and $4.3 million (2022 – $nil) as a reduction in retained earnings in the condensed interim consolidated statements of changes in shareholders' equity. The payments for these shares repurchased were included in cash used in financing activities in the condensed interim consolidated statements of cash flows for the three months ended March 31, 2023 and 2022.

As at March 31, 2023, the Company had an active automatic share repurchase plan in place under the NCIB with its designated broker which terminated on May 1, 2023, pursuant to which the Company repurchased an additional 1,092,888 shares in April 2023, all of which were cancelled as at May 3, 2023. As at March 31, 2023, the Company recognized a liability of $8.3 million for the amount repurchased under the plan, of which $3.5 million was recognized as a reduction in share capital and $4.8 million as a reduction in retained earnings in the condensed interim consolidated statements of changes in shareholders' equity for the three months ended March 31, 2023.

The Company's Board of Directors has authorized management to repurchase up to $100 million of the Company's shares over a period of twelve months beginning March 1, 2023. 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	Three Months		
Ended March 31,	**2023**	2022	Change
Cash provided from operating activities, before changes in working capital[1]	**75,426**	64,494	17%
Changes in working capital	**(4,526)**	14,268	(132%)
Cash provided from operating activities	**70,900**	78,762	(10%)
Cash provided from (used in) investing activities	**(16,222)**	(17,366)	(7%)
Cash used in financing activities	**(14,811)**	(13,776)	8%
Increase in cash and cash equivalents	**39,867**	47,620	(16%)
Cash and cash equivalents at beginning of period	**433,176**	334,377	30%
Cash and cash equivalents at end of period	**473,043**	381,997	24%

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 30 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 first quarter 2023 of $70.9 million was 10% lower than the corresponding period in 2022 due primarily to timing of payments to suppliers plus timing of deliveries and subsequent receipt of cash, partially offset by the same factors impacting earnings before income taxes.

Free cash flow in first quarter 2023 of $65.0 million was $12.6 million higher than the corresponding period in 2022, 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 first quarter 2023 was $16.2 million compared to cash provided from investing activities of $17.4 million in the corresponding period in 2022.

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

$ thousands	Three Months		
Ended March 31,	**2023**	2022	Change
Chelopech	**5,616**	3,870	45%
Tsumeb	**1,693**	2,012	(16%)
Ada Tepe	**1,756**	4,346	(60%)
Corporate & Other	**6,760**	6,638	2%
Total cash capital expenditures	**15,825**	16,866	(6%)

Cash outlays for capital expenditures in first quarter 2023 of $15.8 million were $1.0 million lower than the corresponding period in 2022 due primarily to the lower sustaining capital expenditures as expected.

Financing activities

Cash used in financing activities in first quarter 2023 was $14.8 million compared to $13.8 million in the corresponding period in 2022 due primarily to higher dividend paid in first quarter 2023.

Financial Position

$ thousands **As at**	**March** **31, 2023**	December 31, 2022	**Increase/** **(Decrease)**
Cash and cash equivalents	**473,043**	433,176	39,867
Accounts receivable, inventories and other current assets	**172,666**	177,745	(5,079)
Investments at fair value	**60,961**	40,773	20,188
Non-current assets, excluding investments at fair value	**502,083**	505,560	(3,477)
Total assets	**1,208,753**	1,157,254	51,499
Current liabilities	**99,430**	96,885	2,545
Non-current liabilities	**72,052**	67,275	4,777
Total equity	**1,037,271**	993,094	44,177

Cash and cash equivalents increased by $39.9 million to $473.0 million in first quarter 2023 due primarily to earnings generated in the period, partially offset by cash outlays for capital expenditures, dividends paid and shares repurchased, as well as changes in working capital primarily related to the timing of payments to suppliers and cash redemptions on share-based compensation liabilities. Accounts receivable, inventories and other current assets decreased by $5.1 million to $172.7 million due primarily to the timing of deliveries and subsequent receipt of cash. Investments at fair value increased by $20.2 million to $61.0 million due primarily to the increase in Sabina's share price. Non-current assets, excluding investments at fair value, decreased by $3.5 million to $502.1 million due primarily to depreciation and depletion, partially offset by capital expenditures.

Current liabilities increased by $2.5 million to $99.4 million in first quarter 2023 due primarily to an increase in accounts payable and accrued liabilities as a result of the accrued liabilities related to the automatic share repurchases, partially offset by timing of payments to suppliers. Non-current liabilities increased by $4.8 million to $72.1 million due primarily to an increase in share-based compensation liabilities as a result of the increase in DPM's share price. Total equity increased by $44.2 million to $1,037.3 million due primarily to the current period earnings and unrealized gains on publicly traded securities, partially offset by shares repurchased and dividends declared.

Contractual Obligations, Commitments and Other Contingencies

The Company had the following minimum contractual obligations and commitments at March 31, 2023:

	up to 1 year	**1 - 5 years**	**over 5 years**	**Total**
Lease obligations	**5,440**	**9,339**	**1,470**	**16,249**
Capital commitments	**18,045**	**-**	**-**	**18,045**
Purchase obligations	**18,219**	**54**	**-**	**18,273**
Other obligations	**123**	**1,568**	**486**	**2,177**
Total contractual obligations	**41,827**	**10,961**	**1,956**	**54,744**

Tsumeb secondary materials

At March 31, 2023, Tsumeb had approximately $38.5 million (December 31, 2022 – $36.8 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 April 30, 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.

At March 31, 2023, the value of excess secondary materials, as defined in the tolling agreement, was approximately $2.1 million, which was approximately $1.0 million above the targeted levels under the Tolling Agreement. IXM has agreed to waive the quarterly requirement to purchase secondary material above the targeted levels at March 31, 2023.

Debt and Available Credit Facilities

At March 31, 2023, 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. At March 31, 2023, 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 at March 31, 2023, $14.7 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 ($22.8 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 at March 31, 2023.

Ada Tepe also has a $10.3 million multi-purpose credit facility that matures on November 30, 2023 and at March 31, 2023, only $0.1 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 May 3, 2023, 188,590,822 common shares were issued and outstanding.

DPM also has 1,954,318 options outstanding as at May 3, 2023 with exercise prices ranging from Cdn$3.74 to Cdn$9.97 per share (weighted average exercise price – Cdn$6.86 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 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

At March 31, 2023, the Company had the following financial instruments measured at fair market value:

$ thousands		**March 31,**	December 31,
As at		**2023**	2022
Consolidated statements of financial position	**Financial assets**		
Investments at fair value	Publicly traded securities	**60,934**	40,554
	Warrants	**27**	219
Other current assets	Commodity swap contracts	**292**	149
	Foreign exchange option contracts	**-**	531
	Financial liabilities		
Accounts payable and accrued liabilities	Commodity swap contracts	**1,896**	3,259
	Foreign exchange option contracts	**2,664**	1,787
	Foreign exchange forward contracts	**2,175**	318

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

$ thousands		**Three Months**	
Ended March 31,		**2023**	2022
Consolidated statements of earnings (loss)	**Gains (losses) on financial instruments**		
Revenue	Commodity swap contracts	**(7,795)**	(6,759)
Cost of Sales	Foreign exchange option contracts	**421**	(131)
Other income and expense	Sabina special warrants	**-**	439
	Foreign exchange forward contracts	**(2,388)**	-
	Warrants	**(218)**	51
Consolidated statements of comprehensive income (loss)	**Gains (losses) on financial instruments, net of income taxes**		
Other comprehensive income (loss)	Foreign exchange option contracts	**(877)**	4,256
	Publicly traded securities	**19,545**	2,269

For a more detailed description of the accounting policies and the nature of the gains or losses on these financial instruments, see *note 3, Financial Instruments*, to the condensed interim consolidated financial statements for the three months ended March 31, 2023.

Investments at Fair Value

As at March 31, 2023, the Company's investments at fair value were $61.0 million (December 31, 2022 – $40.8 million), the vast majority of which related to the value of its investment in Sabina common shares. As at March 31, 2023, DPM held 36,050,566 common shares of Sabina, representing a 6.5% ownership interest in Sabina with a fair market value of $54.6 million (Cdn$73.9 million).

On April 19, 2023, B2Gold successfully completed its previously announced acquisition of Sabina through the issuance of 0.3867 of a common share of B2Gold for each Sabina common share, representing a consideration of Cdn$2.11 per Sabina share on a fully diluted basis based on the closing price of B2Gold on the TSX as at the closing date. As a result, DPM exchanged its ownership interest in Sabina for 13,940,753 common shares of B2Gold, valued at $56.8 million (Cdn$76.1 million) at the date of the transaction. On de-recognition of its investment in Sabina, the Company recognized a fair value gain of $2.2 million in other comprehensive income (loss). The Company has subsequently disposed of all B2Gold common shares held for cash proceeds of $56.5 million and has transferred the accumulated fair value gains of $17.7 million on Sabina common shares from accumulated other comprehensive income to retained earnings.

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.

The Company designates 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.

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. At March 31, 2023, approximately 85% of the Company's projected Namibian dollar operating expenses for the balance 2023, which is linked to the ZAR, have been hedged.

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 INFORMATION

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

$ millions	**2023**	2022				2021		
except per share amounts	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenue	**155.8**	152.9	128.6	134.5	153.8	166.4	162.3	174.7
Net earnings	**46.6**	33.3	(57.7)	33.5	26.8	51.5	50.4	88.1
Net earnings (loss) attributable to:								
• Continuing operations	**46.6**	33.3	(57.7)	33.5	26.8	52.1	50.4	67.5
• Discontinued operations	**-**	-	-	-	-	(0.6)	-	20.7
• Non-controlling interests	**-**	-	-	-	-	-	-	(0.1)
Net earnings (loss) per share:	**0.25**	0.18	(0.30)	0.18	0.14	0.27	0.27	0.48
• Continuing operations	**0.25**	0.18	(0.30)	0.18	0.14	0.27	0.27	0.37
• Discontinued operations	**-**	-	-	-	-	-	-	0.11
Net earnings (loss) diluted per share:	**0.24**	0.17	(0.30)	0.17	0.14	0.27	0.26	0.48
• Continuing operations	**0.24**	0.17	(0.30)	0.17	0.14	0.27	0.26	0.37
• Discontinued operations	**-**	-	-	-	-	-	-	0.11
Adjusted net earnings	**46.1**	33.3	25.3	33.3	37.0	51.4	52.5	67.1
Adjusted basic earnings per share	**0.24**	0.18	0.13	0.17	0.19	0.27	0.28	0.37
Cash provided from operating activities	**70.9**	49.3	31.5	72.5	78.8	88.9	41.2	75.8

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:

	2023	2022				2021		
Average Realized Metal Prices	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2
LBMA gold	**1,918**	1,752	1,712	1,812	1,876	1,780	1,800	1,803
LME settlement copper	**4.06**	3.65	3.53	4.42	4.58	3.77	3.72	3.99

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

- Lower volumes of complex concentrate smelted at Tsumeb in 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;
- Tsumeb impairment charge in Q3 2022;
- Tsumeb restructuring costs in Q1 2022; and
- MineRP Disposition in Q2 2021.

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 condensed interim consolidated financial statements for the three months ended March 31, 2023 are the same as those described in the Company's MD&A for the year ended December 31, 2022.

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:

$ thousands, unless otherwise indicated **For the three months ended March 31, 2023**		**Chelopech**	**Ada Tepe**	**Tsumeb**	**Total**
Ore processed	t	**546,130**	**191,507**	**-**	
Complex concentrate smelted	t	**-**	**-**	**49,647**	
Cost of sales		**35,312**	**26,558**	**25,591**	**87,461**
Add/(deduct):					
Depreciation and amortization		**(6,613)**	**(13,892)**	**(853)**	
Change in concentrate inventory		**(771)**	**(80)**	**-**	
Sulphuric acid revenue[1]		**-**	**-**	**(5,257)**	
Mine cash cost / Smelter cash cost[2]		**27,928**	**12,586**	**19,481**	
Cost of sales per tonne of ore processed[3]	$/t	**65**	**139**	**-**	
Cash cost per tonne of ore processed[3]	$/t	**51**	**66**	**-**	
Cost of sales per tonne of complex concentrate smelted[4]	$/t	**-**	**-**	**515**	
Cash cost per tonne of complex concentrate smelted[4]	$/t	**-**	**-**	**392**	

$ thousands, unless otherwise indicated For the three months ended March 31, 2022		**Chelopech**	**Ada Tepe**	**Tsumeb**	**Total**
Ore processed	t	540,892	213,743	-	
Complex concentrate smelted	t	-	-	47,243	
Cost of sales[6]		34,193	24,925	34,012	93,130
Other non-cash expenses[5]		(243)			
Add/(deduct):					
Depreciation and amortization		(5,936)	(13,580)	(4,285)	
Change in concentrate inventory		(2,016)	35	-	
Sulphuric acid revenue[1]		-	-	(7,057)	
Mine cash cost / Smelter cash cost[2]		25,998	11,380	22,670	
Cost of sales per tonne of ore processed[3]	$/t	63	117	-	
Cash cost per tonne of ore processed[3]	$/t	48	53	-	
Cost of sales per tonne of complex concentrate smelted[4]	$/t	-	-	720	
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 condensed interim consolidated statements of earnings (loss).*
6) *For the three months ended March 31, 2022, the Bulgarian government subsidy for electricity of $4.2 million was reclassified from other income and expense to cost of sales to conform with current year presentation.*

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:

$ thousands, unless otherwise indicated				
For the three months ended March 31, 2023		**Chelopech**	**Ada Tepe**	**Consolidated**
Cost of sales(9)		**35,312**	**26,558**	**61,870**
Add/(deduct):				
Depreciation and amortization		**(6,613)**	**(13,892)**	**(20,505)**
Treatment charges, transportation and other related selling costs(1)		**21,276**	**1,076**	**22,352**
By-product credits(2)		**(26,596)**	**(322)**	**(26,918)**
Mine cash cost of sales		**23,379**	**13,420**	**36,799**
Rehabilitation related accretion and depreciation expenses(3)		**305**	**304**	**609**
General and administrative expenses(4)		**-**	**-**	**10,670**
Cash outlays for sustaining capital(5)		**4,992**	**1,756**	**6,748**
Cash outlays for leases(5)		**273**	**289**	**562**
All-in sustaining cost		**28,949**	**15,769**	**55,388**
Payable gold in concentrate sold(6)	oz	**31,073**	**32,426**	**63,499**
Cost of sales per ounce of gold sold(7)	$/oz	**1,136**	**819**	**974**
Cash cost per ounce of gold sold(7)	$/oz	**752**	**414**	**580**
All-in sustaining cost per ounce of gold sold(7)	$/oz	**932**	**486**	**872**

$ thousands, unless otherwise indicated				
For the three months ended March 31, 2022		**Chelopech**	**Ada Tepe**	**Consolidated**
Cost of sales(9)(10)		34,193	24,925	59,118
Add/(deduct):				
Depreciation and amortization		(5,936)	(13,580)	(19,516)
Other non-cash expenses(8)		(243)	-	(243)
Treatment charges, transportation and other related selling costs(1)		15,506	638	16,144
By-product credits(2)		(31,008)	(200)	(31,208)
Mine cash cost of sales		12,512	11,783	24,295
Rehabilitation related accretion expenses(3)		84	38	122
General and administrative expenses(4) (9)		-	-	7,234
Cash outlays for sustaining capital(5)		2,689	4,346	7,035
Cash outlays for leases(5)		241	332	573
All-in sustaining cost		15,526	16,499	39,259
Payable gold in concentrate sold(6)	oz	36,313	21,068	57,381
Cost of sales per ounce of gold sold(7)	$/oz	942	1,183	1,030
Cash cost per ounce of gold sold(7)	$/oz	345	559	423
All-in sustaining cost per ounce of gold sold(7)	$/oz	428	783	684

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 condensed interim 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. Allocated general and administrative expenses are reflected in consolidated all-in sustaining cost per ounce of gold sold and are not reflected in the cost measures for Chelopech and Ada Tepe.

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

6) Includes payable gold in pyrite concentrate sold in first quarter 2023 of 8,972 ounces (2022 – 7,791 ounces).

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

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

9) Included in cost of sales and general and administrative expenses were share-based compensation expenses of $1.0 million (2022 - $0.5 million) and $6.6 million (2022 - $1.7 million), respectively, for the three months ended March 31, 2023.

10) For the three months ended March 31, 2022, the Bulgarian government subsidy for electricity of $4.2 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

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 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:

$ thousands, unless otherwise indicated		**Three Months**	
Ended March 31,		**2023**	2022
Net earnings		**46,600**	26,825
Add/(deduct):			
Deferred tax recovery adjustments not related to current period earnings		**(464)**	-
Net loss on Sabina special warrants, net of income taxes of $nil		**-**	388
Tsumeb restructuring costs, net of income taxes of $nil		**-**	9,829
Adjusted net earnings		**46,136**	37,042
Basic earnings per share	$/sh	**0.25**	0.14
Adjusted basic earnings per share	$/sh	**0.24**	0.19

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:

$ thousands	**Three Months**	
Ended March 31,	**2023**	2022
Earnings before income taxes	**48,998**	33,890
Add/(deduct):		
Depreciation and amortization	**21,895**	24,254
Tsumeb restructuring costs	**-**	9,829
Finance costs	**1,629**	1,363
Interest income	**(4,097)**	(249)
Net losses on Sabina special warrants	**-**	388
Adjusted EBITDA	**68,425**	69,475

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	**Three Months**	
Ended March 31,	**2023**	2022
Cash provided from operating activities	**70,900**	78,762
Add:		
Changes in working capital	**4,526**	(14,268)
Cash provided from operating activities, before changes in working capital	**75,426**	64,494
Cash outlays for sustaining capital[1]	**(8,659)**	(10,397)
Principal repayments related to leases	**(1,278)**	(1,131)
Interest payments[1]	**(456)**	(588)
Free cash flow	**65,033**	52,378

1) Included in cash used in investing and financing activities, respectively, in the condensed interim 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		**Three Months**	
Ended March 31,		**2023**	2022
Total revenue		**155,833**	153,801
Add/(deduct):			
Tsumeb revenue		**(29,465)**	(31,093)
Treatment charges and other deductions[1]		**22,352**	16,144
Silver revenue		**(1,080)**	(1,234)
Revenue from gold and copper		**147,640**	137,618
Revenue from gold		**121,801**	107,645
Payable gold in concentrate sold	oz	**63,499**	57,381
Average realized gold price	$/oz	**1,918**	1,876
Revenue from copper		**25,839**	29,973
Payable copper in concentrate sold	Klbs	**6,358**	6,541
Average realized copper price	$/lb	**4.06**	4.58

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, warfare, 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.

A comprehensive discussion of the risks faced by the Company can be found in the Company's 2022 Annual MD&A and AIF.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

The Company's management, under the supervision of the CEO and the CFO, has evaluated its DC&P and ICFR and concluded that, as at March 31, 2023, they have been designed effectively to provide reasonable assurance regarding required disclosures, the reliability of financial reporting and the preparation of financial statements for external purposes.

NI 52-109 also requires Canadian public companies to disclose any change in ICFR during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, ICFR. No material changes were made to the ICFR in the first three months 2023.

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; 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 the Loma Larga gold project; 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; potential benefits of any upgrades and/or expansion; 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; 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.

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, or against other countries or 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; 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; 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 implementation, cost and realization of benefits from digital initiatives; 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 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 AND RESERVES ESTIMATES

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

There are differences between the standards and terms used for reporting Mineral Reserves and Mineral Resources in Canada, and in the United States pursuant to the rules and regulations of United States Securities and Exchange Commission (the "SEC"). The terms "Mineral Resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined by the CIM and the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council, and must be disclosed according to Canadian securities regulations.

These standards differ from the requirements of the SEC applicable to domestic United States reporting companies. Accordingly, 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.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at March 31, 2023 and December 31, 2022

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

	Notes	**March 31, 2023**	December 31, 2022
ASSETS			
Current Assets			
Cash and cash equivalents		**473,043**	433,176
Accounts receivable		**122,044**	126,437
Inventories		**45,573**	45,813
Other current assets	*3(b), 3(c)*	**5,049**	5,495
		645,709	610,921
Non-Current Assets			
Investments at fair value	*3(a)*	**60,961**	40,773
Exploration and evaluation assets		**132,056**	126,231
Mine properties		**107,251**	113,520
Property, plant & equipment		**230,030**	237,103
Intangible assets		**15,314**	15,501
Deferred income tax assets		**10,649**	6,590
Other long-term assets		**6,783**	6,615
		563,044	546,333
TOTAL ASSETS		**1,208,753**	1,157,254
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		**84,112**	86,529
Income tax liabilities		**4,932**	83
Current portion of long-term liabilities		**10,386**	10,273
		99,430	96,885
Non-Current Liabilities			
Rehabilitation provisions		**46,411**	45,823
Share-based compensation liabilities	*5*	**13,374**	8,122
Other long-term liabilities		**12,267**	13,330
		72,052	67,275
TOTAL LIABILITIES		**171,482**	164,160
EQUITY			
Share capital		**579,901**	583,027
Contributed surplus		**5,234**	6,436
Retained earnings		**441,623**	411,786
Accumulated other comprehensive income (loss)		**10,513**	(8,155)
TOTAL SHAREHOLDERS' EQUITY		**1,037,271**	993,094
TOTAL LIABILITIES AND EQUITY		**1,208,753**	1,157,254

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

For the three months ended March 31, 2023 and 2022

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

	Notes	Three months ended March 31, 2023	2022
Revenue	*11*	**155,833**	153,801
Costs and expenses			
Cost of sales		**87,461**	93,130
General and administrative expenses	*5*	**13,470**	8,531
Corporate social responsibility expenses		**745**	754
Exploration and evaluation expenses		**7,661**	3,282
Finance cost		**1,629**	1,363
Other income and expense	*6*	**(4,131)**	12,851
		106,835	119,911
Earnings before income taxes		**48,998**	33,890
Current income tax expense		**6,807**	6,528
Deferred income tax expense (recovery)		**(4,409)**	537
Net earnings		**46,600**	26,825
Earnings per share			
- Basic		**0.25**	0.14
- Diluted		**0.24**	0.14

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the three months ended March 31, 2023 and 2022

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

	Three months ended March	
	2023	2022
Net earnings	**46,600**	26,825
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 (2022 – $nil)	**(2,243)**	902
Deferred cost of hedging, net of income tax of $nil (2022 – $nil)	**945**	3,485
Realized (gains) losses transferred to cost of sales, net of income tax of $nil (2022 – $nil)	**421**	(131)
Other comprehensive income items that will not be reclassified subsequently to profit or loss:		
Unrealized gains on publicly traded securities, net of income tax expenses of $464 (2022 – $nil)	**19,545**	2,269
	18,668	6,525
Comprehensive income	**65,268**	33,350

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2023 and 2022

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

		Three months ended March 31,	
	Notes	**2023**	2022
OPERATING ACTIVITIES			
Earnings before income taxes		**48,998**	33,890
Depreciation and amortization		**21,895**	24,254
Changes in working capital	*8(a)*	**(4,526)**	14,268
Other items not affecting cash	*8(b)*	**8,484**	8,828
Payments for settlement of derivative contracts		**(8,167)**	(2,670)
Interest received		**4,492**	223
Income taxes paid		**(276)**	(31)
Cash provided from operating activities		**70,900**	78,762
INVESTING ACTIVITIES			
Purchase of publicly traded securities		**(397)**	(500)
Expenditures on exploration and evaluation assets		**(6,396)**	(4,920)
Expenditures on mine properties		**(1,122)**	(4,376)
Expenditures on property, plant and equipment		**(8,104)**	(6,991)
Expenditures on intangible assets		**(203)**	(579)
Cash used in investing activities		**(16,222)**	(17,366)
FINANCING ACTIVITIES			
Proceeds from exercise of stock options		**2,853**	2,577
Principal repayments related to leases		**(1,278)**	(1,131)
Dividends paid	*9(a)*	**(7,600)**	(5,735)
Payments for share repurchases	*9(b)*	**(8,330)**	(8,899)
Interest and finance fees paid		**(456)**	(588)
Cash used in financing activities		**(14,811)**	(13,776)
Increase in cash and cash equivalents		**39,867**	47,620
Cash and cash equivalents at beginning of period		**433,176**	334,377
Cash and cash equivalents at end of period		**473,043**	381,997

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the three months ended March 31, 2023 and 2022

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

		March 31, 2023		March 31, 2022	
		Number	**Amount**	Number	Amount
	Notes				
Share capital					
Authorized					
Unlimited common and preference shares with no par value					
Issued					
Fully paid common shares with one vote per share					
Balance at beginning of period		**190,000,202**	**583,027**	191,441,200	585,050
Shares issued on exercise of stock options		**961,080**	**2,853**	855,508	2,577
Share repurchases	*9(b)*	**(1,291,207)**	**(7,468)**	(1,518,700)	(4,540)
Transferred from contributed surplus on exercise of stock options			**1,489**		1,028
Balance at end of period		**189,670,075**	**579,901**	190,778,008	584,115
Contributed surplus					
Balance at beginning of period			**6,436**		8,629
Share-based compensation expense			**287**		307
Transferred to share capital on exercise of stock options			**(1,489)**		(1,028)
Share repurchases	*9(b)*		**-**		(4,359)
Balance at end of period			**5,234**		3,549
Retained earnings					
Balance at beginning of period			**411,786**		412,394
Net earnings			**46,600**		26,825
Dividend distributions	*9(a)*		**(7,587)**		(7,631)
Share repurchases	*9(b)*		**(9,176)**		-
Balance at end of period			**441,623**		431,588
Accumulated other comprehensive income (loss)					
Balance at beginning of period			**(8,155)**		(1,660)
Other comprehensive income			**18,668**		6,525
Balance at end of period			**10,513**		4,865
Total equity at end of period			**1,037,271**		1,024,117

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

1. CORPORATE INFORMATION

Dundee Precious Metals Inc. ("DPM") is a Canadian based, international gold mining company engaged in the acquisition of mineral properties, exploration, development, mining and processing of precious metals. DPM is a publicly listed company incorporated 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 March 31, 2023, DPM's condensed interim consolidated financial statements included DPM and its subsidiary companies (collectively, the "Company").

DPM's principal subsidiaries included:

- 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 held 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. On April 19, 2023, DPM exchanged all of its ownership interest in Sabina for B2Gold Corp ("B2Gold") common shares as a result of B2Gold's acquisition of Sabina. The Company has subsequently disposed of all its holdings in B2Gold common shares *(note 3(a))*.

2. BASIS OF PREPARATION

These condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, including International Accounting Standard 34, *Interim Financial Reporting*. These condensed interim consolidated financial statements do not include all of the information required for full financial statements and should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2022, which have been prepared in accordance with IFRS.

The accounting policies applied in these condensed interim consolidated financial statements are consistent with those applied in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2022.

These condensed interim consolidated financial statements were approved by the Board of Directors on May 3, 2023.

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

3. FINANCIAL INSTRUMENTS

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

	Financial instrument classification	Carrying Amount March 31, 2023	Carrying Amount December 31, 2022
Financial assets			
Cash and cash equivalents	Amortized cost	**473,043**	433,176
Accounts receivable on provisionally priced sales	Fair value through profit or loss	**65,683**	75,707
Other accounts receivable	Amortized cost	**56,361**	50,730
Restricted cash	Amortized cost	**5,583**	5,641
Warrants	Fair value through profit or loss	**27**	219
Publicly traded securities *(a)*	Fair value through other comprehensive income	**60,934**	40,554
Commodity swap contracts *(b)*	Derivatives for fair value hedges	**292**	149
Foreign exchange forward contracts	Fair value through profit or loss	**-**	531
Financial liabilities			
Accounts payable and accrued liabilities	Amortized cost	**77,377**	81,165
Commodity swap contracts *(b)*	Derivatives for fair value hedges	**1,896**	3,259
Foreign exchange option contracts *(c)*	Derivatives for cash flow hedges	**2,664**	1,787
Foreign exchange forward contracts	Fair value through profit or loss	**2,175**	318

The carrying values of all the financial assets and liabilities measured at amortized cost approximate their fair values as at March 31, 2023 and December 31, 2022.

(a) 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 three months ended March 31, 2023, the Company recognized unrealized gains on these publicly traded securities of $20.0 million (2022 – $2.3 million) in other comprehensive income (loss) that will not be reclassified subsequently to profit or loss.

As at March 31, 2023, DPM held 36,050,566 common shares of Sabina with a fair value of $54.6 million (Cdn$73.9 million). On April 19, 2023, B2Gold successfully completed its previously announced acquisition of Sabina through the issuance of 0.3867 of a common share of B2Gold for each Sabina common share, representing a consideration of Cdn$2.11 per Sabina share on a fully-diluted basis based on the closing price of B2Gold on the TSX as at the closing date. As a result, DPM exchanged its ownership interest in Sabina for 13,940,753 common shares of B2Gold, valued at $56.8 million (Cdn$76.1 million) at the date of the transaction. On de-recognition of its investment in Sabina, the Company recognized a fair value gain of $2.2 million in other comprehensive income (loss). The Company has subsequently disposed of all B2Gold common shares held for cash proceeds of $56.5 million and has transferred the accumulated fair value gains of $17.7 million on Sabina common shares from accumulated other comprehensive income to retained earnings.

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

(b) Commodity swap contracts

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

As at March 31, 2023, the Company's outstanding QP Hedges, all of which mature within two months from the reporting date, are summarized in the table below:

Commodity hedged	Volume hedged	Weighed average fixed price of QP Hedges
Payable gold	35,310 ounces	$1,930.24 /ounce
Payable copper	2,590,429 pounds	$4.02 /pound

The Company designates 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 March 31, 2023, the net fair value loss on all outstanding QP Hedges was $1.6 million (December 31, 2022 – $3.2 million), of which $0.3 million (December 31, 2022 – $0.1 million) was included in other current assets and $1.9 million (December 31, 2022 – $3.3 million) in accounts payable and accrued liabilities.

For the three months ended March 31, 2023, the Company recognized, in revenue, net losses of $7.8 million (2022 – $6.8 million) on QP Hedges.

(c) 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 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.

As at March 31, 2023, the Company had outstanding foreign exchange option contracts in respect of a portion of its projected Namibian dollar operating expenses which are linked to the South African Rand ("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
Balance of 2023	1,028,631,000	17.70	15.70
2024	321,345,000	19.40	16.98

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

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 March 31, 2023, the net fair value loss on all outstanding foreign exchange option contracts was $2.7 million (December 31, 2022 – $1.8 million), which was included in accounts payable and accrued liabilities.

The Company recognized realized losses of $0.4 million (2022 – realized gains of $0.1 million) for the three months ended March 31, 2023 in cost of sales on the spot component of settled contracts.

For the three months ended March 31, 2023, the Company recognized unrealized losses of $1.8 million (2022 – unrealized gains of $0.8 million) in other comprehensive income (loss) on the spot component of the outstanding foreign exchange option contracts. The Company also recognized unrealized gains of $0.9 million (2022 – $3.5 million) on the time value component of the outstanding foreign exchange option contracts in other comprehensive income (loss) as a deferred cost of hedging.

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.

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

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at March 31, 2023 and December 31, 2022:

			As at March 31, 2023	
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Accounts receivable on provisionally priced sales	**-**	**65,683**	**-**	**65,683**
Warrants	**-**	**-**	**27**	**27**
Publicly traded securities	**60,934**	**-**	**-**	**60,934**
Commodity swap contracts	**-**	**292**	**-**	**292**
Financial liabilities				
Commodity swap contracts	**-**	**1,896**	**-**	**1,896**
Foreign exchange option contracts	**-**	**2,664**	**-**	**2,664**
Foreign exchange forward contracts	**-**	**2,175**	**-**	**2,175**

			As at December 31, 2022	
	Level 1	Level 2	Level 3	Total
Financial assets				
Accounts receivable on provisionally priced sales	-	75,707	-	75,707
Warrants	-	-	219	219
Publicly traded securities	40,554	-	-	40,554
Commodity swap contracts	-	149	-	149
Foreign exchange option 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

During the three months ended March 31, 2023 and the year ended December 31, 2022, 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.

4. DEBT

(a) DPM Revolving Credit Facility

DPM has a committed revolving credit facility (the "RCF") with a consortium of four banks that matures in July 2026, 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 March 31, 2023 and December 31, 2022, DPM was in compliance with all financial covenants and $nil was drawn under the RCF.

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

(b) Tsumeb overdraft facility

Tsumeb has a Namibian $100.0 million ($5.6 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 March 31, 2023 and December 31, 2022, $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 March 31, 2023, $14.7 million (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 ($22.8 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 March 31, 2023, $22.8 million (December 31, 2022 – $22.5 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 March 31, 2023, $0.1 million (December 31, 2022 – $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.

5. SHARE-BASED COMPENSATION PLANS

The following is a summary of the new grants under the Company's share-based compensation plans in April 2023:

	Number of units	Fair value granted
Restricted Share Units	**772,791**	**5,011**
Performance Share Units	**297,120**	**2,177**
Deferred Share Units	**44,335**	**328**
DPM Stock Options	**264,250**	**715**
Total	**1,378,496**	**8,231**

For the three months ended March 31, 2023, mark-to-market adjustments related to the change in DPM's share price resulted in an increase in share-based compensation liabilities of $8.6 million (2022 – $1.5 million). As at March 31, 2023, the Company had a total of share-based compensation liabilities of $21.6 million (December 31, 2022 – $16.0 million), of which the current portion of $8.2 million (December 31, 2022 – $7.9 million) was included in accounts payable and accrued liabilities on the condensed interim consolidated statements of financial position.

For the three months ended March 31, 2023, the Company recognized share-based compensation expenses totaling $10.3 million (2022 – $3.3 million), of which $1.9 million (2022 – $0.9 million) was included in cost of sales and $8.4 million (2022 – $2.4 million) included in general and administrative expenses.

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

6. OTHER INCOME AND EXPENSE

	Three months ended March 31,	
	2023	2022
Net losses on foreign exchange forward contracts	**2,388**	-
Net foreign exchange (gains) losses	**(2,457)**	2,674
Net losses on Sabina special warrants	**-**	439
Tsumeb restructuring costs *(a)*	**-**	9,829
Interest income	**(4,097)**	(249)
Other, net *(b)*	**35**	158
	(4,131)	12,851

(a) Tsumeb restructuring costs were related to severance payments and other employee benefits related to a comprehensive cost saving initiative at Tsumeb in 2022.

(b) For the three months ended March 31, 2022, the Bulgarian government subsidy for electricity of $4.2 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

7. 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 condensed interim consolidated statements of earnings (loss) for the three months ended March 31, 2023 and 2022 was as follows:

	Three months ended March 31,	
	2023	2022
Salaries, management bonuses and director fees	**973**	855
Other benefits	**67**	83
Share-based compensation	**7,080**	1,428
Total remuneration	**8,120**	2,366

8. SUPPLEMENTARY CASH FLOW INFORMATION

(a) Changes in working capital

	Three months ended March 31,	
	2023	2022
Decrease in accounts receivable and other assets	**3,982**	10,431
(Increase) decrease in inventories	**(119)**	3,326
Decrease in accounts payable and accrued liabilities	**(14,835)**	(1,341)
Increase in other liabilities	**6,446**	1,852
	(4,526)	14,268

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

(b) Other items not affecting cash

	Three months ended March 31,	
	2023	2022
Net finance (income) cost	**(2,469)**	1,113
Share-based compensation expense	**287**	307
Realized losses on commodity swap contracts	**9,301**	6,759
Realized (gains) losses on foreign exchange option contracts	**421**	(131)
Realized losses on foreign exchange forward contracts	**788**	509
Other, net	**156**	271
	8,484	8,828

9. SUPPLEMENTARY SHAREHOLDERS' EQUITY INFORMATION

(a) Dividend

On February 16, 2023, the Company declared a quarterly dividend of $0.04 (2022 – $0.04) per common share payable on April 17, 2023 to shareholders of record on March 31, 2023 resulting in dividend distributions of $7.6 million (2022 – $7.6 million) recognized against its retained earnings in the condensed interim consolidated statements of changes in shareholders' equity for the three months ended March 31, 2023. As at March 31, 2023, the Company recognized a dividend payable of $7.6 million (December 31, 2022 – $7.6 million) in accounts payable and accrued liabilities in the condensed interim consolidated statements of financial position. For the three months ended March 31, 2023, the Company also paid $7.6 million (2022 – $5.7 million) of dividends declared on November 10, 2022, which was included in cash used in financing activities in the condensed interim consolidated statements of cash flows.

On May 3, 2023, the Company declared a dividend of $0.04 per common share payable on July 17, 2023 to shareholders of record on June 30, 2023.

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

The Company renewed the NCIB on March 1, 2023 extending to February 28, 2024. The maximum number of shares that can be repurchased during this period is 16,500,000 shares. The NCIB also allows 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.

During the three months ended March 31, 2023, the Company purchased a total of 1,291,207 (2022 – 1,489,100) shares, all of which were cancelled as at March 31, 2023. The total cost of these purchases was $8.3 million (2022 – $8.9 million) at an average price per share of $6.45 (Cdn$8.82) (2022 – $5.98 (Cdn$7.59)), of which $4.0 million (2022 – $4.5 million) was recognized as a reduction in share capital, $nil (2022 – $4.4 million) as a reduction in contributed surplus, and $4.3 million (2022 – $nil) as a reduction in retained earnings in the condensed interim consolidated statements of changes in shareholders' equity. Payments for these share repurchases were included in cash used in financing activities in the condensed interim consolidated statements of cash flows for the three months ended March 31, 2023 and 2022.

As at March 31, 2023, the Company had an active automatic share repurchase plan in place under the NCIB with its designated broker which terminated on May 1, 2023, pursuant to which the Company repurchased an additional 1,092,888 shares in April 2023, all of which were cancelled as at May 3, 2023. As at March 31, 2023, the Company recognized a liability of $8.3 million for the amount repurchased under the plan, of which $3.5 million was recognized as a reduction in share capital and $4.8 million as a reduction in retained earnings in the condensed interim consolidated statements of changes in shareholders' equity for the three months ended March 31, 2023.

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

10. COMMITMENTS AND CONTINGENCIES

(a) Commitments

The Company had the following minimum contractual commitments as at March 31, 2023:

	up to 1 year	1 - 5 years	Total
Capital commitments	18,045	-	**18,045**
Purchase commitments	18,219	54	**18,273**
Total commitments	**36,264**	**54**	**36,318**

Tsumeb secondary materials

As at March 31, 2023, Tsumeb had approximately $38.5 million (December 31, 2022 – $36.8 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 April 30, 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 March 31, 2023, the value of excess secondary materials, as defined in the tolling agreement, was approximately $2.1 million, which was approximately $1.0 million above the targeted levels under the tolling agreement. IXM has agreed to waive the quarterly requirement to purchase secondary material above the targeted levels as at March 31, 2023.

(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.

11. 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.

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

The following table summarizes the relevant information by segment for the three months ended March 31, 2023 and 2022:

Three months ended March 31, 2023	Chelopech	Ada Tepe	Tsumeb	Corporate & Other	Total
Revenue *(a)*	**64,572**	**61,796**	**29,465**	**-**	**155,833**
Earnings (loss) before income taxes	**25,925**	**34,621**	**3,021**	**(14,569)**	**48,998**
Other disclosures					
Depreciation and amortization *(b)*	**6,613**	**13,892**	**853**	**537**	**21,895**
Share-based compensation expenses *(c)*	**682**	**338**	**907**	**8,372**	**10,299**
Capital expenditures *(d)*	**5,551**	**2,148**	**447**	**6,070**	**14,216**

Three months ended March 31, 2022	Chelopech	Ada Tepe	Tsumeb	Corporate & Other	Total
Revenue *(a)*	83,597	39,111	31,093	-	153,801
Earnings (loss) before income taxes	47,224	13,620	(15,141)	(11,813)	33,890
Other disclosures					
Depreciation and amortization *(b)*	5,936	13,580	4,285	453	24,254
Share-based compensation expenses *(c)*	354	155	370	2,423	3,302
Capital expenditures *(d)*	3,155	3,200	2,309	6,316	14,980

(a) Revenues from Chelopech and Ada Tepe were generated from the sale of concentrate and Tsumeb's revenues were generated from processing concentrate and acid sales.

(b) Depreciation and amortization relating to operating segments were included in cost of sales. Depreciation and amortization relating to Corporate and Other were included in general and administrative expenses, as well as exploration and evaluation expenses.

(c) Share-based compensation expenses relating to operating segments were included in cost of sales and those relating to Corporate and Other were included in general and administrative expenses.

(d) Capital expenditures for Corporate and Other included $5.3 million (2022 – $2.3 million) related to the Loma Larga gold project in Ecuador.

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

The following table summarizes the Company's revenue recognized for the three months ended March 31, 2023 and 2022:

	Three months ended March 31,	
	2023	2022
Revenue recognized at a point in time from:		
Sale of concentrate	**126,437**	122,641
Processing concentrate	**24,208**	24,036
Acid sales	**5,257**	7,057
Revenue from contracts with customers	**155,902**	153,734
Mark-to-market price adjustments on provisionally priced sales	**7,726**	6,826
Net mark-to-market losses on QP Hedges	**(7,795)**	(6,759)
Total revenue	**155,833**	153,801

The following table summarizes the total assets and total liabilities by segment as at March 31, 2023 and December 31, 2022:

					As at March 31, 2023
	Chelopech	**Ada Tepe**	**Tsumeb**	**Corporate & Other**	**Total**
Total current assets	**121,848**	**140,269**	**45,351**	**338,241**	**645,709**
Total non-current assets	**168,751**	**162,274**	**25,080**	**206,939**	**563,044**
Total assets	**290,599**	**302,543**	**70,431**	**545,180**	**1,208,753**
Total liabilities	**50,544**	**29,307**	**41,445**	**50,186**	**171,482**

					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

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Navin Dyal
Executive Vice President and Chief Financial Officer

Michael Dorfman
Executive Vice President, Corporate Development

Kelly Stark-Anderson
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Iliya Garkov
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Nikolay Hristov
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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
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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
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