



Dundee Precious Metals Announces Sale of Tsumeb Smelter for US\$49 Million

Toronto, Ontario, March 7, 2024 – Dundee Precious Metals Inc. (TSX: DPM) (“DPM” or “the Company”) today announced that it has entered into a definitive share purchase agreement (the “SPA”) with a subsidiary of Sinomine Resource Group Co. Ltd., (“Sinomine”) for the sale of its interest in the Tsumeb smelter located in Namibia, including all associated assets and liabilities, through the disposition of all of the issued and outstanding shares it indirectly holds in Dundee Precious Metals Tsumeb Holding (Pty) Ltd. (“DPMTH”) (“the Transaction”) for consideration of US\$49 million in cash.

“We are pleased to announce the sale of the Tsumeb smelter, which is consistent with our strategic objective of focusing on our gold mining assets and simplifying our portfolio going forward. We are extremely proud of the investments that we have made to transform Tsumeb’s operational and environmental performance into a specialized custom smelter with a highly skilled workforce,” said David Rae, President and Chief Executive Officer.

“We would like to thank the government of Namibia, the community of Tsumeb and our employees for their support over the past 13 years. We will work closely with Sinomine to ensure a smooth transition to support a successful future for the operation and all of its stakeholders.”

DPM acquired the smelter in 2010 to secure a processing outlet for the complex concentrate produced by the Company’s Chelopech mine in Bulgaria. With developments in the global smelting market and changes in the quality of the Chelopech concentrate, DPM is able to place its Chelopech concentrate at several other third-party facilities, providing secure and reliable processing alternatives at favourable terms.

Key terms of the transaction

Under the terms of the SPA, DPM, through the sale of the shares of DPMTH, will transfer, on a debt-free and cash-free basis, all assets and liabilities associated with the Tsumeb smelter to Sinomine for consideration of US\$49 million in cash, subject to normal working capital adjustments following closing (“the purchase price”). The Company has made limited representations and warranties and provided certain indemnities to Sinomine customary with transactions of this nature, subject to a liability cap equal to 50% of the purchase price. The cash received by DPM on closing will be less a US\$5 million holdback to be held in escrow for a period of six months to secure the Company’s indemnity obligations under the SPA.

In addition, pursuant to the SPA, DPM is entitled to be paid all cash collected from IXM S.A. with respect to a positive balance in metals exposure outstanding at Tsumeb, currently estimated to be approximately US\$17.2 million, which will constitute an increase in the purchase price.

The Transaction is subject to customary closing conditions, including approval under the Namibia Competition Act and approvals required from Chinese regulatory authorities for overseas investments, and is expected to close in Q3 2024. DPM expects to use the proceeds from the Transaction to further strengthen its balance sheet and to support its core mining business in line with its disciplined capital allocation framework.

Cutfield Freeman & Co. Ltd. acted as financial adviser to DPM in the Transaction.

About Dundee Precious Metals Inc.

Dundee Precious Metals Inc. is a Canadian-based international gold mining company with operations and projects located in Bulgaria, Namibia, Serbia and Ecuador. The Company's purpose is to unlock resources and generate value to thrive and grow together. This overall purpose is supported by a foundation of core values, which guides how the Company conducts its business and informs a set of complementary strategic pillars and objectives related to 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.

For further information please contact:

David Rae
President and Chief Executive Officer
Tel: (416) 365-5191
investor.info@dundeeprecious.com

Jennifer Cameron
Director, Investor Relations
Tel: (416) 219-6177
jcameron@dundeeprecious.com

Cautionary Note Regarding Forward Looking Statements

This news release contains "forward looking statements" or "forward looking information" (collectively, "Forward Looking Statements") that involve a number of risks and uncertainties. Forward Looking Statements are statements that are not historical facts and are generally, but not always, identified by the use of forward looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "outlook", "intends", "anticipates", "believes", or variations of such words and phrases or that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms or similar expressions. Forward looking statements in this news release include, without limitation, statements with respect to the potential timing of the closing of the Transaction; expected benefits to the Company from the Transaction; expected additional payments for cash collected from IXM S.A. with respect to a positive balance in metals exposure outstanding at Tsumeb; the Company's expectation regarding Namibian competition approval and other regulatory approvals for the Transaction; the Company's expectations with respect to its ability to place its Chelopech concentrate at several other third-party facilities without the need to own and operate the Tsumeb smelter; the Company's expected use of proceeds; and the impact on its balance sheet. Forward Looking Statements are based on certain key assumptions and the opinions and estimates 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 news release, such factors include, among others, there being no assurance that the Transaction will close, the Transaction being subject to regulatory

risks and uncertainties, including without limitation, uncertainties with respect to obtaining all required Namibian and other regulatory approvals, discretion of the Company with respect to the use of proceeds from the sale, uncertainties with respect to realizing the benefits of the Transaction and/or collect additional payments in full as estimated, risks relating to the Company's business generally, as well as those risk factors discussed or referred to in any other documents (including without limitation the Company's most recent Annual Information Form and its most recent Management's Discussion & Analysis) filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available on SEDAR+ at www.sedarplus.com. The reader has been cautioned that the foregoing list is not exhaustive of all factors which may have been used. Although the Company has attempted to identify important factors that could cause 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 speak only as of the date hereof. Unless required by securities laws, the Company undertakes no obligation to update Forward Looking Statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on Forward Looking Statements.