



**DUNDEE PRECIOUS METALS ANNOUNCES 2021 SECOND QUARTER RESULTS;  
DELIVERED RECORD QUARTERLY GOLD PRODUCTION AND GENERATED RECORD FINANCIAL RESULTS  
(All monetary figures are expressed in U.S. dollars unless otherwise stated)**

**Toronto, Ontario, July 29, 2021 – Dundee Precious Metals Inc. (TSX: DPM)** (“DPM” or the “Company”) today announced its operating and financial results for the second quarter of 2021. All operational and financial information contained in this news release are related to continuing operations, unless otherwise stated.

**SECOND QUARTER FINANCIAL AND OPERATING HIGHLIGHTS:**

- **Record gold production** – Achieved record quarterly gold production of 85,128 ounces. Copper production was 10.0 million pounds;
- **Solid smelter performance** – Throughput of 59,627 tonnes of complex concentrate;
- **Strong cost performance at all operations** – Reported an all-in sustaining cost per ounce of gold<sup>(1)</sup> of \$605 and a cash cost per tonne of complex concentrate smelted<sup>(1)</sup> of \$400, both below the low-end of 2021 guidance;
- **Record quarterly free cash flow generation** – Generated \$75.7 million in cash flow from operating activities and a record \$67.1 million of free cash flow<sup>(1)</sup>;
- **Record quarterly earnings** – Reported record net earnings attributable to common shareholders from continuing operations of \$67.5 million and adjusted net earnings<sup>(1)</sup> of \$67.1 million or \$0.37 per share;
- **Dividends** – Declared third quarter dividend of \$0.03 per common share payable on October 15, 2021 to shareholders of record on September 30, 2021;
- **Sale of MineRP** – Closed sale of MineRP Holdings Inc. (“MineRP”) bringing in cash proceeds of \$45.8 million;
- **Acquisition of INV** – Announced acquisition of INV Metals Inc. (“INV”) adding the Loma Larga gold project, an attractive development project in Ecuador, to the Company;
- **Growing financial strength** – Ended the quarter with \$260.5 million in cash and an undrawn \$150 million long-term revolving credit facility (“RCF”), as well as an investment portfolio of \$76.9 million and no debt; and
- **2021 guidance** – On track to meet previously issued 2021 guidance at all operations.

“We delivered exceptional performance at our mines in the second quarter, achieving record gold production and impressive all-in sustaining cost performance. Our strong operating results generated record net earnings and free cash flow,” said David Rae, President and Chief Executive Officer. “Earlier this week, we completed the acquisition of the Loma Larga gold project, adding a high-quality, advanced stage gold asset to our development pipeline with the potential to generate meaningful production growth and significant value.”

“Our strong gold production profile and significant free cash flow generation, combined with our operating track record and unique skills in innovation and building partnerships with local communities, positions DPM very well to continue delivering value for all stakeholders.”

## KEY FINANCIAL AND OPERATIONAL HIGHLIGHTS

\$ millions, except where noted Ended June 30,	Three Months		Six Months	
	2021	2020	2021	2020
Revenue	174.7	154.0	312.7	301.8
Cost of sales	89.9	82.9	175.5	169.8
Earnings before income taxes	74.9	53.0	110.2	104.4
Net earnings attributable to common shareholders from continuing operations	67.5	48.0	88.2	93.7
Net earnings attributable to common shareholders <sup>(1)</sup>	88.1	48.9	108.2	92.1
Basic earnings per share from continuing operations	0.37	0.27	0.49	0.52
Basic earnings per share <sup>(1)</sup>	0.48	0.27	0.60	0.51
Adjusted EBITDA <sup>(2)</sup>	100.6	77.6	166.8	158.2
Adjusted net earnings <sup>(2)</sup>	67.1	44.1	98.1	92.7
Adjusted basic earnings per share <sup>(2)</sup>	0.37	0.25	0.54	0.52
Cash provided from operating activities	75.7	73.6	123.3	84.6
Free cash flow <sup>(2)</sup>	67.1	59.9	118.1	110.3
Metals contained in concentrate produced:				
Gold (ounces)				
Chelopech	52,638	49,088	89,517	91,719
Ada Tepe	32,490	32,277	65,869	62,609
Total gold in concentrate produced	85,128	81,365	155,386	154,328
Copper ('000s pounds)	10,013	9,378	17,187	18,759
Payable metals in concentrate sold:				
Gold (ounces)				
Chelopech	39,229	36,723	74,763	75,488
Ada Tepe	31,201	34,115	64,234	63,604
Total payable gold in concentrate sold	70,430	70,838	138,997	139,092
Copper ('000s pounds)	9,468	8,543	16,747	18,063
Cash cost per tonne of ore processed <sup>(2)</sup> :				
Chelopech	50.09	37.65	45.83	36.98
Ada Tepe	51.86	44.00	47.45	41.99
All-in sustaining cost per ounce of gold <sup>(2)</sup>	605	729	583	662
Complex concentrate smelted at Tsumeb (tonnes)	59,627	58,516	82,636	123,526
Cash cost per tonne of complex concentrate smelted, net of by-product credits <sup>(2)</sup>	400	345	558	352

1) These measures include discontinued operations.

2) Adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA"); adjusted net earnings; adjusted basic earnings per share; free cash flow; cash cost per tonne of ore processed; all-in sustaining cost per ounce of gold; and cash cost per tonne of complex concentrate smelted, net of by-product credits are not defined measures under International Financial Reporting Standards ("IFRS"). Refer to the "Non-GAAP Financial Measures" section of the Management's Discussion and Analysis for the three and six months ended June 30, 2021 (the "MD&A") for more details, including reconciliations to IFRS measures.

### Second Quarter Operating Highlights

In the second quarter of 2021, the Company achieved record quarterly gold production, free cash flow and net earnings reflecting continued strong operating performance at Chelopech and Ada Tepe, combined with strong gold prices. Production at Chelopech increased significantly compared with the prior quarter, as a result of mining higher grade zones and improved recoveries, while Ada Tepe's strong gold production was in line with plan. The Tsumeb smelter delivered solid performance, with complex concentrate smelted increasing compared with the prior quarter, following completion of the planned Ausmelt furnace maintenance in March 2021. With strong performance in the first half of the year, the Company is on track to meet its previously issued guidance for 2021 at each of its operations.

### Net Earnings and Adjusted Net Earnings

Net earnings attributable to common shareholders were \$88.1 million (\$0.48 per share) and \$108.2 million (\$0.60 per share) in the second quarter and first six months of 2021, respectively, including a gain of \$20.7 million on the disposition of MineRP, compared to \$48.9 million (\$0.27 per share) and \$92.1 million (\$0.51 per share) in the corresponding periods in 2020.

Net earnings attributable to common shareholders from continuing operations in the second quarter and first six months of 2021 were \$67.5 million (\$0.37 per share) and \$88.2 million (\$0.49 per share), respectively, compared to \$48.0 million (\$0.27 per share) and \$93.7 million (\$0.52 per share) in the corresponding periods in 2020.

Net earnings attributable to common shareholders from continuing operations in the second quarter and first six months of 2021 and 2020 were impacted by unrealized losses on Sabina Gold and Silver Corp. ("Sabina") special warrants and deferred income tax adjustments not related to current period earnings, both of which are not reflective of the Company's underlying operating performance and are excluded from adjusted net earnings.

Adjusted net earnings in the second quarter of 2021 were \$67.1 million (\$0.37 per share) compared to \$44.1 million (\$0.25 per share) in the corresponding period in 2020. This increase was due primarily to higher realized gold and copper prices<sup>(1)</sup> and lower general and administrative expenses related to share-based compensation as a result of changes in DPM's share price, partially offset by a weaker U.S. dollar.

Adjusted net earnings in the first six months of 2021 were \$98.1 million (\$0.54 per share) compared to \$92.7 million (\$0.52 per share) in the corresponding period in 2020. This increase was due primarily to the maintenance shutdown at Tsumeb, a weaker U.S. dollar and higher income taxes reflecting higher earnings, partially offset by higher realized gold and copper prices.

#### Adjusted EBITDA

Adjusted EBITDA in the second quarter of 2021 was \$100.6 million compared to \$77.6 million in the corresponding period in 2020 due primarily to higher realized gold and copper prices and lower general and administrative expenses related to share-based compensation as a result of changes in DPM's share price, partially offset by a weaker U.S. dollar.

Adjusted EBITDA in the first six months of 2021 was \$166.8 million compared to \$158.2 million in the corresponding period in 2020 due primarily to the maintenance shutdown at Tsumeb and a weaker U.S. dollar, partially offset by higher realized gold and copper prices.

#### Production, Delivery and Cost Measures

Gold contained in concentrate produced in the second quarter of 2021 increased by 5% to 85,128 ounces due primarily to higher gold grades as a result of mining higher grade zones and improved recoveries at Chelopech, and copper production increased by 7% to 10.0 million pounds due primarily to higher copper grades and recoveries, partially offset by lower ore processed, in each case, relative to the corresponding period in 2020.

Gold contained in concentrate produced in the first six months of 2021 of 155,386 ounces was comparable to the corresponding period in 2020 reflecting higher gold grades offset by lower ore processed, and copper production decreased by 8% to 17.2 million pounds due primarily to lower copper grades, relative to the corresponding period in 2020.

Payable gold in concentrate sold in the second quarter of 2021 of 70,430 ounces was comparable to the corresponding period in 2020. Payable copper in concentrate sold in the second quarter of 2021 of 9.5 million pounds was 11% higher than the corresponding period in 2020 consistent with the increase in copper production as a result of higher copper grades and recoveries.

Payable gold in concentrate sold in the first six months of 2021 of 138,997 ounces was comparable to the corresponding period in 2020. Payable copper in concentrate sold in the first six months of 2021 of 16.8 million pounds was 7% lower than the corresponding period in 2020 consistent with the decrease in copper production as a result of lower copper grades.

Complex concentrate smelted at Tsumeb in the second quarter of 2021 of 59,627 tonnes was comparable to the corresponding period in 2020. Complex concentrate smelted at Tsumeb in the first six months of 2021 of 82,636 tonnes was 33% lower than the corresponding period in 2020 due primarily to the planned Ausmelt furnace maintenance shutdown, which was completed during the first quarter of 2021.

Cost of sales in the second quarter and first six months of 2021 of \$89.9 million and \$175.5 million, respectively, was \$7.0 million and \$5.7 million higher than the corresponding periods in 2020 due primarily to a weaker U.S. dollar relative to the ZAR and Euro and higher royalties at Ada Tepe reflecting a higher profit-based royalty rate.

All-in sustaining cost per ounce of gold in the second quarter and first six months of 2021 of \$605 and \$583, respectively, was 17% and 12% lower than the corresponding periods in 2020 due primarily to higher by-product credits reflecting higher copper prices and lower allocated general and administrative expenses, partially offset by a stronger Euro relative to the U.S. dollar and higher cash outlays for sustaining capital expenditures.

Cash cost per tonne of complex concentrate smelted in the second quarter of 2021 of \$400 was \$55 higher than the corresponding period in 2020 due primarily to a stronger ZAR relative to the U.S. dollar and lower acid by-product credits as a result of the timing of deliveries. Cash cost per tonne of complex concentrate smelted in the first six months of 2021 of \$558 was \$206 higher than the corresponding period in 2020 reflecting the fixed cost nature of the facility and the impact of lower volumes of complex concentrate smelted resulting from the longer-than anticipated maintenance shutdown, which was completed in the first quarter of 2021, combined with a stronger ZAR relative to the U.S. dollar.

A table comparing production, delivery and cash cost measures for the second quarter and first six months of 2021 against 2021 guidance can be found on page 8 of this news release.

#### Cash Provided from Operating Activities

Cash provided from operating activities in the second quarter of 2021 of \$75.7 million was \$2.1 million higher than the corresponding period in 2020 due primarily to the fulfillment of the prepaid forward gold sales agreement at Ada Tepe in December 2020 and higher realized gold and copper prices, partially offset by an unfavourable period over period change related to working capital. Cash provided from operating activities in the first six months of 2021 of \$123.3 million was \$38.7 million higher than the corresponding period in 2020 due primarily to a favourable period over period change related to working capital, the fulfillment of the prepaid forward gold sales agreement at Ada Tepe in December 2020 and higher realized gold and copper prices, partially offset by lower volumes of complex concentrate smelted as a result of the planned Ausmelt furnace maintenance shutdown at Tsumeb in 2021.

During the second quarter and first six months of 2020, Ada Tepe delivered 6,992 ounces and 20,102 ounces of gold, respectively, pursuant to the prepaid forward gold sales arrangement which resulted in \$9.6 million and \$27.5 million of deferred revenue being recognized in revenue during the second quarter and first six months of 2020, respectively, with no corresponding impact on cash as these deliveries were in partial satisfaction of the \$50.0 million of upfront proceeds received in 2016. In December 2020, the Company completed its final delivery of gold under this arrangement.

For a detailed discussion on the factors affecting cash provided from operating activities, refer to the "Liquidity and Capital Resources" section contained in the MD&A.

#### Free Cash Flow

Free cash flow in the second quarter of 2021 was \$67.1 million compared to \$59.9 million in the corresponding period in 2020 due primarily to higher realized gold and copper prices including the fulfillment of the prepaid forward gold sales agreement at Ada Tepe in December 2020, partially offset by higher cash outlays for sustaining capital expenditures.

Free cash flow in the first six months of 2021 was \$118.1 million compared to \$110.3 million in the corresponding period in 2020 due primarily to higher realized gold and copper prices including the fulfillment of the prepaid forward gold sales agreement at Ada Tepe in December 2020, partially offset by lower volumes of complex concentrate smelted as a result of the maintenance shutdown at Tsumeb in 2021 and higher cash outlays for sustaining capital expenditures.

## Capital expenditures

Capital expenditures incurred during the second quarter and first six months of 2021 were \$15.8 million and \$34.8 million, respectively, compared to \$11.6 million and \$21.2 million in the corresponding periods in 2020.

Sustaining capital expenditures<sup>(1)</sup> incurred during the second quarter and first six months of 2021 were \$11.9 million and \$29.3 million, respectively, compared to \$10.3 million and \$17.1 million in the corresponding periods in 2020. These increases were due primarily to the planned maintenance shutdown at Tsumeb and accelerated grade control drilling at Ada Tepe. Growth capital expenditures<sup>(1)</sup> incurred during the second quarter and first six months of 2021 were \$3.9 million and \$5.5 million, respectively, compared to \$1.3 million and \$4.1 million in the corresponding periods in 2020.

## Timok gold project, Serbia

On February 23, 2021, DPM released the positive results of a pre-feasibility study (“PFS”) on the Timok gold project, and is now proceeding with a feasibility study (“FS”). The project is currently expected to produce approximately 547,000 gold ounces over an eight-year mine life, with an average annual gold production of 80,000 ounces for the first six years, at an all-in sustaining cost of \$693 per ounce of gold (life of mine average). Initial capital is currently expected to be \$211 million, with several initiatives to reduce the initial capital estimate and optimize overall economics to be evaluated as part of the FS. The PFS focused on the oxide and transitional portion of the project’s Mineral Resource, with additional upside potential from the sulphides to be considered in parallel with the FS following further metallurgical test work. The FS is expected to be completed in the first quarter of 2022 with the results planned for release in the second quarter of 2022.

For additional details, including key assumptions, risks and parameters relating to the FS refer to the news release entitled “Dundee Precious Metals Announces Positive Pre-Feasibility Study and Encouraging New Exploration Results for the Timok Gold Project in Serbia” dated February 23, 2021 and the Technical Report entitled “NI 43-101 Technical Report, Timok Project, Pre-Feasibility Study, Zagubica, Serbia” effective March 30, 2021, which have been posted on the Company’s website at [www.dundeeprecious.com](http://www.dundeeprecious.com) and have been filed on SEDAR at [www.sedar.com](http://www.sedar.com).

## Exploration

At Chelopech, during the quarter significant effort was dedicated towards testing conceptual targets within the Brevene exploration license as well as the completion of scout drilling at the Vozdol, Petrovden and Sharlo Dere near-mine prospects. This phase of work will be continuing over the summer season with additional geochemical sampling and field mapping campaigns planned in support. Re-logging and re-interpretation of the results from winter drilling at West Shaft and Wedge are underway to incorporate new observations and concepts that relate to the occurrence of higher grade mineralization. The review will be used to support and optimize infill and mineral resource delineation drilling programs planned on the Sveta Petka Exploration license, subsequent to the granting of an extension of the exploration license, expected in late 2021.

Drilling activities have been completed at the Surnak, Synap and Kuklitsa prospects, within the Khan Krum mining concession, as part of sustained efforts to support an extension of the Ada Tepe project life. At Surnak, a new geological model has been completed in order to support internal technical assessments. Currently the focus has shifted towards a significant camp wide surface data evaluation and compilation program, that includes additional mapping programs as well as geochemical and geophysical surveys to support exploration targeting exercises.

At Timok, drilling programs were completed at the Chocolate, Chocolate South, Frasen and Čoka Rakita targets, all located south-east of the Bigar Hill deposit. Drilling was focused on infill and delineation drilling of shallow oxide sediment hosted gold and of higher grade, sulphide-hosted gold mineralization. The results of the drilling programs returned encouraging results, helping to improve geologic confidence at Chocolate. Subsequent plans for the next quarter include scout and target delineation drilling on the adjacent Umka exploration license, south of Bigar Hill, as well as other regional early stage exploration programs.

## Financial Position and Liquidity

As at June 30, 2021, the Company had no debt, a cash position of \$260.5 million, up from \$175.7 million at the end of the first quarter, investments valued at \$76.9 million primarily related to its 8.9% interest in Sabina and a 23.5% interest in INV, as well as \$150.0 million of available capital under its revolving credit facility.

## Capital Allocation – INV Acquisition and Declaration of Dividend

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 capital to shareholders.

On July 26, 2021, the Company acquired all of the issued and outstanding shares it did not already own of INV, the principal assets of which are comprised of the Loma Larga gold project and certain other exploration licenses. This transaction was accounted for as an asset acquisition and the total consideration for the acquisition consists of: i) 0.0910 DPM common shares for each INV common share acquired for a total of 10,664,501 DPM common shares at a market price of \$5.72 (Cdn\$7.19) per share with an aggregate value of \$61.0 million; ii) 1,119,728 DPM stock options with a fair market value of \$2.4 million in exchange for 12,304,700 outstanding INV stock options which vested immediately as at the date of acquisition; and iii) transaction costs of \$2.5 million. The total consideration was allocated primarily to the exploration and evaluation assets related to the Loma Larga gold project. This acquisition leverages DPM's proven strengths in developing world-class assets and applying industry-leading Environmental Social Governance (“ESG”) solutions to unlock the significant potential of the Loma Larga gold project.

On February 11, 2021 and May 5, 2021, the Company declared a quarterly dividend of \$0.03 (2020 – \$0.02) per common share to shareholders of record on March 31, 2021 and June 30, 2021, respectively, resulting in total dividend distributions of \$10.9 million (2020 – \$7.2 million) recognized against its retained earnings in the condensed interim consolidated statements of changes in shareholders' equity for the six months ended June 30, 2021. The Company paid an aggregate of \$10.9 million (2020 – \$3.6 million) of dividends which were included in cash used in financing activities in the condensed interim consolidated statements of cash flows for the six months ended June 30, 2021 and recognized a dividend payable of \$5.5 million (December 31, 2020 – \$5.4 million) in accounts payable and accrued liabilities in the condensed interim consolidated statements of financial position as at June 30, 2021.

On July 29, 2021, the Company declared a dividend of \$0.03 per common share payable on October 15, 2021 to shareholders of record on September 30, 2021.

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 further growth, a key element of DPM's strategy. The declaration, amount and timing of any future dividend are at the sole discretion of the Board of Directors and will be assessed based on the Company's capital allocation framework, having regard for the Company's financial position, overall market conditions, and its outlook for sustainable free cash flow, capital requirements, and other factors considered relevant by the Board of Directors.

## 2021 Guidance

Following strong performance in the first half of the year, DPM is on track to meet its previously issued guidance for 2021 for all operations, including gold production of 271,000 to 317,000 ounces, copper production of 34 to 39 million pounds, and complex concentrate smelted of 200,000 to 220,000 tonnes. The 2021 guidance for growth capital expenditures has been revised to include estimated costs of \$5 million to \$7 million over the balance of 2021 related to advancing the Loma Larga gold project acquired in July 2021.

For additional information regarding the Company's detailed guidance for 2021, please refer to the “Three-Year Outlook” section of the MD&A.

## COVID-19

To date, with the proactive measures taken by each of the Company's operations, the COVID-19 pandemic has had minimal impact on DPM's production. DPM is closely monitoring the COVID-19 situation and has put measures in place to safeguard the health of its workforce and support the continuity of its operations. Given the highly uncertain and evolving nature of this situation, the Company is not able to reliably estimate the likelihood, timing, duration, severity and scope of this pandemic and the potential impact it could have on the Company's future operating and financial results. As a result, the 2021 guidance is predicated on the COVID-19 pandemic continuing to be effectively managed with minimal impact on DPM's operations. For additional details on COVID-19, including the related risks faced by the Company, refer to the "Overview – Operational and Financial Highlights" and "Risk and Uncertainties" sections contained in the MD&A.

*(1) Adjusted net earnings, adjusted basic earnings per share, adjusted EBITDA, average realized gold and copper prices, all-in sustaining cost per ounce of gold, cash cost per tonne of complex concentrate smelted, net of by-product credits, free cash flow, and growth and sustaining capital expenditures are Non-GAAP measures and have no standardized meaning under IFRS. Presenting these measures from period to period helps management and investors evaluate earnings and cash flow trends more readily in comparison with results from prior periods. Refer to the "Non-GAAP Financial Measures" section of the MD&A for further discussion of these items, including reconciliations to IFRS measures.*

Selected Production, Delivery and Cost Performance Versus Guidance

	Q2 2021				YTD June 2021				2021 Consolidated Guidance
	Chelopech	Ada Tepe	Tsumeb	Consolidated	Chelopech	Ada Tepe	Tsumeb	Consolidated	
Ore processed ('000s tonnes)	535.6	207.0	-	742.6	1,079.2	425.7	-	1,504.9	2,925 – 3,125
Metals contained in concentrate produced									
Gold ('000s ounces)	52.6	32.5	-	85.1	89.5	65.9	-	155.4	271 – 317
Copper (million pounds)	10.0	-	-	10.0	17.2	-	-	17.2	34 – 39
Payable metals in concentrate sold									
Gold ('000s ounces)	39.2	31.2	-	70.4	74.8	64.2	-	139.0	243 – 285
Copper (million pounds)	9.5	-	-	9.5	16.7	-	-	16.7	31 – 36
All-in sustaining cost per ounce of gold <sup>(1)</sup>	638	563	-	605	649	507	-	583	625 – 695
Complex concentrate smelted ('000s tonnes)	-	-	59.6	59.6	-	-	82.6	82.6	200 – 220
Cash cost per tonne of complex concentrate smelted	-	-	400	400	-	-	558	558	450 – 520

1) Chelopech's all-in sustaining cost per ounce of gold is expected to range between \$685 and \$755. Ada Tepe's all-in sustaining cost per ounce of gold is expected to range between \$560 and \$630.



This news release and DPM's unaudited condensed interim consolidated financial statements and MD&A for the three and six months ended June 30, 2021 are posted on the Company's website at [www.dundeeprecious.com](http://www.dundeeprecious.com) and have been filed on SEDAR at [www.sedar.com](http://www.sedar.com).

### Qualified Person

The technical and scientific information in this news release, with respect to the Company's material mineral projects, has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators and the Canadian Institute of Mining, Metallurgy and Petroleum 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 as defined under NI 43-101, and who is not independent of the Company.

### Second Quarter 2021 Results

On Friday, July 30, 2021 at 9:00 AM EDT, DPM will host a conference call and audio webcast to discuss the results, followed by a question-and-answer session. Participants are encouraged to dial into the call 15 minutes before its scheduled start time or to join via the audio webcast to reduce hold time in advance of the call.

The call-in numbers and webcast details are as follows:

Date:	Friday, July 30, 2021
Time:	9:00 AM EDT
Webcast:	<a href="https://edge.media-server.com/mmc/p/4xh46g4h">https://edge.media-server.com/mmc/p/4xh46g4h</a>
North America Toll Free:	1-844-402-0878
International:	1-478-219-0512
Toll Free Replay:	1-855-859-2056
International Replay:	1-404-537-3406
Passcode:	8784570
Replay Available Until:	Friday, August 6, 2021 (available for 7 days following the call)

For further information, please contact:

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### **About Dundee Precious Metals**

Dundee Precious Metals Inc. is a Canadian-based international gold mining company with operations and projects located in Bulgaria, Namibia and Serbia. The Company's purpose is to unlock resources and generate value to thrive and growth 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. DPM's shares are traded on the Toronto Stock Exchange (symbol: DPM).

## **CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

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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. The Forward Looking Statements in this news release relate to, among other things: measures the Company is undertaking in response to the COVID-19 outbreak, including its impacts on the Company's global supply chains, the level of and duration of reductions or curtailments in operating levels at any of the Company's operations and exploration and development activities; 2021 financial and operating performance at each of the Company's operations, including production, operating costs, capital costs and other financial metrics set out in the 2021 updated guidance and three year outlook; expected cash flow; the realization of Mineral Reserve and Resource estimates; the completion of the Timok gold project feasibility study; and payment of dividends. Forward Looking Statements are based on certain key assumptions and the opinions and estimates of management and Qualified Person (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 news release, such factors include, among others: risks relating to the Company's business generally and the impact of global pandemics, including COVID-19, including changes to the Company's supply chain, product shortages, delivery and shipping issues, closure and/or failure of plant, equipment or processes to operate as anticipated, employees and contractors becoming infected, lost work hours and labour force shortages; fluctuations in metal and acid prices, toll rates and foreign exchange rates; possible variations in ore grade and recovery rates; inherent uncertainties in respect of conclusions of economic evaluations and economic studies, including the PFS and the FS; uncertainties with respect to timing of the 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 acquisition of INV; 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; cyber-attacks and other cybersecurity risks; risks related to the implementation, cost and realization of benefits from digital initiatives; as well as those risk factors discussed or referred to in the Company's MD&A under the heading "Risks and Uncertainties" and under the heading "Cautionary Note Regarding Forward Looking Statements" which include further details on material assumptions used to develop such Forward Looking Statements and material risk factors that could cause actual results to differ materially from Forward Looking Statements, and other documents (including without limitation the Company's most recent Annual Information Form) filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available on SEDAR at [www.sedar.com](http://www.sedar.com).

The reader has been 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 speak 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 opinions should change. Accordingly, readers are cautioned not to place undue reliance on Forward Looking Statements.

## **NON-GAAP FINANCIAL MEASURES**

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Certain financial measures referred to in this news release are not measures recognized under IFRS and are referred to as non-GAAP measures. 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, 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*

Cash cost per tonne of ore processed, cash cost per pound of copper in gold-copper concentrate produced, cash cost per ounce of gold in gold-copper concentrate produced, cash cost per ounce of gold in gold concentrate produced, cash cost per ounce of gold sold, net of by-product credits, all-in sustaining cost per ounce of gold and cash cost per tonne of complex concentrate smelted, net of by-product credits, 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.

### *Adjusted net earnings and adjusted basic earnings per share*

Adjusted net earnings and adjusted basic earnings per share are 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 EBITDA*

Adjusted EBITDA is 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.

### *Average realized price reconciliation*

Average realized gold and copper prices are 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 cost differences relative to the provisional invoice.

### *Free cash flow*

Free cash flow is defined as cash provided from operating activities, before changes in working capital, 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 the Company's growth capital expenditures.

### *Cash provided from operating activities, before changes in working capital*

Cash provided from operating activities, before changes in working capital, is 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.

### *Growth capital expenditures*

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.

### *Sustaining capital expenditures*

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.

For additional information with respect to the Non-GAAP measures used by the Company, including reconciliation to the nearest IFRS measures, refer to the detailed "Non-GAAP Financial Measures" section contained in the MD&A available on SEDAR at [www.sedar.com](http://www.sedar.com).