



# Dundee Precious Metals Announces First Quarter Production Results and Notice of First Quarter 2016 Financial Results

4/11/2016

**TORONTO, ONTARIO--(Marketwired - April 11, 2016) - Dundee Precious Metals Inc.** (TSX:DPM) ("DPM" or "the Company") announced its mine and smelter production results for the three months ended March 31, 2016, and the timing of the release of first quarter 2016 operating and financial results, together with the related conference call and webcast.

"Our focus remains on increasing throughput and earnings growth at Tsumeb, further optimization of Chelopech and advancing our Krumovgrad Project to construction phase," stated Rick Howes, President and CEO. "We expect the completion of the sale of the Kapan Mine in the second quarter to strengthen the balance sheet and support progress with Krumovgrad."

On a consolidated basis, gold, copper and silver production and complex concentrate smelted in the first quarter of 2016 met or exceeded guidance.

## Production Highlights

First quarter 2016 production at the Chelopech and Kapan mines and complex concentrate smelted at the Tsumeb smelter are provided below.

	Chelopech	Kapan	Tsumeb	Consolidated	2016 Consolidated Guidance 1
	Q1 2016	Q1 2016	Q1 2016	Q1 2016	
Ore milled ('000s tonnes)	544	104	-	648	2,405 - 2,685
Gold ('000s ounces)	33.4	5.2	-	38.6	119 - 139
Copper (million pounds)	10.6	0.6	-	11.2	35.3 - 40.5
Zinc (million pounds)	-	2.2	-	2.2	9.0 - 14.0
Silver ('000s ounces)	69.2	90.1	-	159.3	588 - 708
Complex Concentrate smelted ('000s tonnes)	-	-	57.4	57.4	215 - 250
Payable gold in pyrite concentrate sold ('000s ounces)	9.7	-	-	9.7	26 - 40

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1 As disclosed in Management's Discussion and Analysis ("MD&A") for the full year ended December 31, 2015, which was issued on February 9, 2016.

At Chelopech, gold and copper production was slightly higher than expected benefitting from higher copper and gold grades and recoveries. Production for the balance of the year is forecast to come from gold zones with grades at the reserve average in keeping with initial 2016 guidance. Gold and copper production at Chelopech is expected to finish the year in line with guidance.

At Kapan, lower ore grades and mined tonnages resulted in lower metals production for the quarter.

On March 1, 2016, DPM announced the sale of its Kapan mining operation for US\$25 million, subject to a working capital adjustment, and a 2% Net Smelter Return Royalty. Closing of the sale is expected to occur in the second quarter of 2016, but in any event, must occur prior to June 30, 2016.

At Tsumeb, concentrate smelted during the first quarter was in line with guidance. Sulphuric acid production was also consistent with expected results. Commissioning of the new copper converters commenced in February 2016, as planned, and while some normal operational instability was experienced, as expected, the impact on operations was limited and ramp-up is progressing towards nameplate capacity. Production remains in line with the smelter throughput guidance.

The Krumovgrad approval process continues to advance. During the quarter, the Executive Forestry Agency approved the final re-designation of the land from forestry land to industrial land, allowing the Company to initiate the land purchase process. The Company expects to complete the land purchase and receive the construction permit in the second quarter of 2016, and remains on track to proceed towards construction in the second half of 2016, as planned, subject to adequate financing being in place.

In March, DPM announced the results of the updated Mineral Reserve estimate for the Chelopech mine. The Mineral Reserve update follows the December 2015 announcement regarding the 15% increase to the Measured and Indicated Mineral Resource category of the Mineral Resource inventory at Chelopech. The update to the Chelopech Mineral Reserve has not been impacted by this 15% increase to the Mineral Resources.

The Company's first quarter 2016 operating and financial results are expected to be released after market close on May 4, 2016. The press release, MD&A and consolidated financial statements will be posted on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.dundeeprecious.com](http://www.dundeeprecious.com).

The Company will hold a call and webcast to discuss its first quarter results on Thursday, May 5, 2016 at 9:00 am EST. The call will be hosted by Rick Howes, President and Chief Executive Officer, who will be joined by Hume Kyle, Executive Vice President and Chief Financial Officer, together with other members of the executive management team. The call will be accessible via a live webcast and by telephone.

#### First Quarter 2016 Call and Webcast (Listen/View only)

Date: Thursday, May 5, 2016  
Time: 9:00 am EST  
Webcast: <http://www.gowebcasting.com/7445>  
Canada and USA Toll Free: 1-866-225-0198  
Outside Canada or USA: 1-416-340-2218  
Replay: 1-905-694-9451 or 1-800-408-3053  
Replay Passcode: 2008720

## About Dundee Precious Metals

Dundee Precious Metals Inc. is a Canadian based, international gold mining company engaged in the acquisition, exploration, development, mining and processing of precious metals. The Company's continuing operating assets include the Chelopech operation, which produces a copper concentrate containing gold and silver, located east of Sofia, Bulgaria; and the Tsumeb smelter, a concentrate processing facility located in Namibia. DPM also holds interests in a number of developing gold properties located in Bulgaria, Serbia, and northern Canada, including the Krumovgrad project and interests held through its ownership of Avala Resources Ltd. and its 11.8% interest in Sabina Gold & Silver Corp. With the anticipated second quarter closing of the previously announced sale of Kapan, which produces a copper concentrate and a zinc concentrate, both containing gold and silver, located in southern Armenia, the Kapan operation represents a discontinued operation.

## Cautionary Note Regarding Forward Looking Statements

This press release contains "forward looking statements" that involve a number of risks and uncertainties. Forward looking statements include, but are not limited to, statements with respect to the technical potential to the mine resources proximal to the historic SLC area which was previously restricted from mining, the future price of gold, copper, zinc and silver, the estimation of mineral reserves and resources, the realization of such mineral estimates, the potential to upgrade resources to reserves, and the potential to increase future production and output. Often, but not always, forward looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward looking statements are based on the opinions and estimates of management as of the date such statements are made and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward looking statements.

Such factors include, among others: the actual results of current exploration activities; conclusions of technical and economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold, copper, zinc and silver; possible variations in ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, uncertainties inherent with conducting business in foreign jurisdictions where corruption, civil unrest, political instability and uncertainties with the rule of law may impact the Company's activities; fluctuations in metal prices; unanticipated

title disputes; claims or litigation; limitation on insurance coverage; 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 latest 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](http://www.sedar.com). There can be no assurance that forward looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Unless required by securities laws, the Company undertakes no obligation to update forward looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

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