

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2025 and December 31, 2024

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

	Notes	June 30, 2025	December 31, 2024
ASSETS			
Current Assets			
Cash and cash equivalents	3	331,685	634,830
Accounts receivable	4	199,677	325,725
Inventories		30,987	32,945
Other current assets	3	468,491	7,485
		1,030,840	1,000,985
Non-Current Assets			
Investments at fair value		2,871	2,759
Exploration and evaluation assets		181,367	157,963
Mine properties		64,300	67,814
Property, plant & equipment		145,139	161,564
Intangible assets		14,767	16,295
Deferred income tax assets		7,499	8,529
Other long-term assets		5,512	5,296
		421,455	420,220
TOTAL ASSETS		1,452,295	1,421,205
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities		107,281	70,278
Income tax liabilities		9,274	6,295
Current portion of long-term liabilities		7,987	6,913
		124,542	83,486
Non-Current Liabilities			
Rehabilitation provisions		26,433	23,288
Share-based compensation liabilities	7	16,937	15,622
Other long-term liabilities		11,608	11,981
		54,978	50,891
TOTAL LIABILITIES		179,520	134,377
EQUITY			
Share capital		518,019	547,652
Contributed surplus		5,946	5,844
Retained earnings		750,163	734,759
Accumulated other comprehensive loss		(1,353)	(1,427)
TOTAL SHAREHOLDERS' EQUITY		1,272,775	1,286,828
TOTAL LIABILITIES AND EQUITY		1,452,295	1,421,205

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

For the three and six months ended June 30, 2025 and 2024

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

		Three months ended June 30,		Six months ended June 30,	
	Notes	2025	2024	2025	2024
Continuing Operations					
Revenue	13	186,487	156,838	330,634	280,629
Costs and expenses					
Cost of sales		70,161	65,236	129,710	127,465
General and administrative expenses	7	10,576	8,717	27,613	20,994
Corporate social responsibility expenses		338	582	1,204	1,191
Exploration and evaluation expenses		13,177	14,004	24,661	28,645
Finance costs		1,100	696	1,812	1,402
Other income and expense	8	(869)	(12,617)	15,078	(25,567)
		94,483	76,618	200,078	154,130
Earnings before income taxes from continuing operations					
		92,004	80,220	130,556	126,499
Current income tax expense		8,943	8,818	12,479	15,779
Deferred income tax expense		662	553	2,174	445
Net earnings from continuing operations					
		82,399	70,849	115,903	110,275
Discontinued Operations					
Net loss from discontinued operations		-	(8,434)	-	(2,120)
Net earnings					
		82,399	62,415	115,903	108,155
Net earnings (loss):					
From continuing operations		82,399	70,849	115,903	110,275
From discontinued operations		-	(8,434)	-	(2,120)
Net earnings					
		82,399	62,415	115,903	108,155
Basic and diluted earnings (loss) per share					
From continuing operations		0.49	0.39	0.68	0.61
From discontinued operations		-	(0.05)	-	(0.01)

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 and six months ended June 30, 2025 and 2024

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

		Three months ended June 30,		Six months ended June 30,	
	Notes	2025	2024	2025	2024
Net earnings		82,399	62,415	115,903	108,155
Other comprehensive income (loss) items that may be reclassified subsequently to profit or loss:					
Foreign exchange option contracts designated as cash flow hedges from discontinued operations					
Unrealized gains, net of income tax of \$nil for all periods		-	271	-	171
Deferred cost of hedging, net of income tax of \$nil for all periods		-	121	-	(360)
Realized gains transferred to cost of sales, net of income tax of \$nil for all periods		-	(210)	-	(210)
Foreign exchange forward contracts designated as cash flow hedges					
Unrealized losses, net of income tax of \$nil for all periods	3	(407)	-	(407)	-
Other comprehensive income (loss) items that will not be reclassified subsequently to profit or loss:					
Unrealized gains (losses) on publicly traded securities, net of income tax of \$nil for all periods		121	(243)	971	2,975
Transferred to retained earnings on derecognition of investments		(490)	-	(490)	-
		(776)	(61)	74	2,576
Comprehensive income		81,623	62,354	115,977	110,731
Comprehensive income (loss):					
From continuing operations		81,623	70,606	115,977	113,250
From discontinued operations		-	(8,252)	-	(2,519)
Comprehensive income		81,623	62,354	115,977	110,731

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three and six months ended June 30, 2025 and 2024

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

		Three months ended June 30,		Six months ended June 30,	
	Notes	2025	2024	2025	2024
OPERATING ACTIVITIES					
Earnings before income taxes		92,004	71,786	130,556	124,379
Depreciation and amortization		23,691	24,113	43,863	48,627
Changes in working capital	10(a)	(7,653)	33,168	156,840	9,385
Other items not affecting cash	10(b)	(946)	(4,252)	539	(9,625)
Payments for settlement of derivative contracts		(7,790)	(6,576)	(12,770)	(6,356)
Interest received		8,077	6,723	16,198	12,186
Income taxes paid		(13,171)	(8,308)	(12,852)	(8,473)
Cash provided from operating activities	4	94,212	116,654	322,374	170,123
INVESTING ACTIVITIES					
Proceed from disposal of (purchase of) publicly traded securities		841	-	841	(3,675)
Proceeds from disposal of property, plant and equipment		-	38	-	139
Expenditures on exploration and evaluation assets		(11,471)	(3,259)	(16,423)	(6,333)
Expenditures on mine properties		(5,556)	(2,256)	(9,912)	(4,192)
Expenditures on property, plant and equipment		(1,878)	(4,933)	(5,649)	(9,899)
Expenditures on intangible assets		(514)	(1,621)	(937)	(2,945)
Increase in restricted cash related to the proposed acquisition of Adriatic	3	(464,903)	-	(464,903)	-
Release of restricted cash related to the Tsumeb Disposition	4	-	-	5,000	-
Cash used in investing activities	4	(483,481)	(12,031)	(491,983)	(26,905)
FINANCING ACTIVITIES					
Proceeds from exercise of stock options		407	3,072	926	4,035
Dividends paid	11(a)	(6,775)	(7,288)	(13,844)	(14,525)
Payments for share repurchases	11(b)	(33,856)	(16,126)	(116,135)	(17,991)
Taxes paid on share repurchases	11(b)	-	-	(984)	-
Principal repayments related to leases		(1,482)	(1,850)	(2,806)	(3,489)
Interest and finance fees paid		(366)	(544)	(693)	(865)
Cash used in financing activities	4	(42,072)	(22,736)	(133,536)	(32,835)
Increase (decrease) in cash and cash equivalents		(431,341)	81,887	(303,145)	110,383
Cash and cash equivalents at beginning of period					
Continuing operations		763,026	607,989	634,830	595,285
Discontinued operations	4	-	17,616	-	1,824
Cash and cash equivalents at end of period		331,685	707,492	331,685	707,492

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 six months ended June 30, 2025 and 2024

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

	Notes	June 30, 2025		June 30, 2024	
		Number	Amount	Number	Amount
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		176,713,839	547,652	181,433,538	559,059
Shares issued on exercise of stock options		200,872	926	894,755	4,035
Shares repurchased	11(b)	(9,981,571)	(30,898)	(2,277,611)	(7,193)
Transferred from contributed surplus on exercise of stock options			339		1,593
Balance at end of period		166,933,140	518,019	180,050,682	557,494
Contributed surplus					
Balance at beginning of period			5,844		6,304
Share-based compensation expense			441		418
Transferred to share capital on exercise of stock options			(339)		(1,593)
Balance at end of period			5,946		5,129
Retained earnings					
Balance at beginning of period			734,759		556,777
Net earnings			115,903		108,155
Dividend distributions	11(a)		(13,455)		(14,459)
Share repurchases	11(b)		(85,237)		(11,184)
Taxes on share repurchases	11(b)		(2,297)		-
Transferred from accumulated other comprehensive income (loss) on derecognition of investments			490		-
Balance at end of period			750,163		639,289
Accumulated other comprehensive income (loss)					
Balance at beginning of period			(1,427)		(1,590)
Other comprehensive income			74		2,576
Balance at end of period			(1,353)		986
Total equity at end of period			1,272,775		1,202,898

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

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

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 June 30, 2025, DPM’s condensed interim consolidated financial statements included DPM and its subsidiary companies (collectively, the “Company”).

Continuing operations:

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; and
- 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.

DPM held interests in a number of exploration and development properties located in Serbia and Ecuador through its subsidiaries, including:

- 100% of Crni Vrh Resources d.o.o. and DPM Avala d.o.o., which hold the Čoka Rakita project and the Timok gold project, respectively, in Serbia; and
- 100% of DPM Ecuador S.A., which is focused on the exploration and development of the Loma Larga project and the Tierras Coloradas exploration property in Ecuador.

Discontinued operations (see note 4):

On August 30, 2024, DPM sold its 98% ownership interest of Dundee Precious Metals Tsumeb (Proprietary) Limited (“Tsumeb”), which owned and operated a custom smelter located in Tsumeb, Namibia.

2. Basis of Preparation

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) applicable to the preparation of interim financial statements under 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, 2024, 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, 2024.

These condensed interim consolidated financial statements were approved by the Board of Directors on July 31, 2025.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

3. Proposed Acquisition of Adriatic Metals plc (“Adriatic”)

On June 13, 2025, the Company announced that it had agreed with Adriatic to the terms of a recommended acquisition of the entire issued, and to be issued, ordinary share capital of Adriatic (the “Transaction”). Upon completion of the Transaction, DPM will acquire 100% of the Vareš operation in Bosnia and Herzegovina, a producing silver-lead-zinc-gold underground mine.

Under the terms of the Transaction, shareholders of Adriatic (“Adriatic Shareholders”) will be entitled to receive 0.1590 of a common share of DPM (each whole share, a “DPM Share”) and 93 pence in cash for each ordinary share of Adriatic (each, an “Adriatic Share”). Immediately following completion of the Transaction, it is expected that current shareholders of DPM (the “DPM Shareholders”) will own approximately 75%, and former Adriatic Shareholders will own approximately 25%, of DPM’s issued share capital.

The Transaction will be subject to certain closing conditions, including, among other things: (i) approval of the Transaction by Adriatic Shareholders; (ii) court approval; (iii) the issuance of the DPM Shares to be issued in the Transaction being approved by DPM Shareholders; (iv) receipt of the approval for listing of such DPM common shares by the TSX; (v) receipt by DPM of an unconditional approval of the Transaction by the Bosnian Competition Council in accordance with the Bosnian Competition Act; and (vi) the Transaction becoming effective no later than December 31, 2025. The TSX has conditionally approved the listing of the DPM Shares to be issued under the Transaction, subject to DPM satisfying the customary listing conditions of the TSX and filing (or causing to be filed) certain documents in connection with the closing of the Transaction.

Pursuant to the Transaction, the Company is required to set aside a total of £336.1 million as restricted cash to satisfy the cash consideration portion of the acquisition, together with certain acquisition related costs. On June 13, 2025, the Company set aside a U.S. dollar equivalent of \$464.9 million in a restricted account, which was excluded from cash and cash equivalents and included in other current assets in the condensed interim consolidated statements of financial position as at June 30, 2025. To manage the foreign exchange exposure of this restricted cash, DPM entered into a deal contingent foreign exchange forward contract accounted for as a cash flow hedge, for which the company recognized unrealized losses, in other comprehensive income (loss), of \$0.4 million for the three and six months ended June 30, 2025.

4. Tsumeb Disposition and Discontinued Operations

On August 30, 2024, DPM closed its previously announced sale of the Tsumeb smelter to a subsidiary of Sinomine Resource Group Co. Ltd. (“Sinomine”) for cash consideration of \$20.0 million, on a debt-free and cash-free basis (the “Tsumeb Disposition”). Net cash consideration received included \$5.0 million held in escrow at closing to secure against certain indemnity obligations for a period up to six months. During the six months ended June 30, 2025, the \$5.0 million restricted cash was released to cash and cash equivalents.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

As part of the Tsumeb Disposition, DPM entered into a tolling arrangement with Tsumeb (the “DPM Tolling Agreement”) for a period of four months following the closing of the sale. On December 31, 2024, the DPM Tolling Agreement was concluded and as a result, Sinomine bought back all inventories, including unprocessed concentrates and contractual secondary materials owed by the smelter to DPM. During the six months ended June 30, 2025, the Company received a net of \$167.9 million in cash in respect of the DPM Tolling Agreement. As at June 30, 2025, the Company had a net receivable of \$9.0 million, reflecting primarily the mark-to-market adjustments on provisionally priced unprocessed third-party materials.

The Company has chosen to present cash provided from (used in) operating, investing and financing activities on a consolidated basis in its condensed interim consolidated statements of cash flows starting from 2025, supplemented with the disclosure of the cash flow activities from discontinued operations in the notes to the consolidated financial statements, where applicable, so as to better conform with the industry practices. As a result, certain comparative figures have been reclassified to conform with current year presentation in the condensed interim consolidated statements of cash flows for the three and six months ended June 30, 2024.

The following table summarizes the statements of cash flows from discontinued operations for the three and six months ended June 30, 2025 and 2024:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Loss before income taxes	-	(8,434)	-	(2,120)
Depreciation and amortization	-	2,005	-	3,683
Changes in working capital	(5,329)	6,774	167,907	16,607
Other items not affecting cash	-	(9,507)	-	(9,319)
Payments for settlement of derivative contracts	-	-	-	(366)
Interest received	-	23	-	45
Cash provided from (used in) operating activities of discontinued operations	(5,329)	(9,139)	167,907	8,530
Cash used in investing activities of discontinued operations	-	(1,878)	-	(2,999)
Cash used in financing activities of discontinued operations	-	(774)	-	(1,530)
	(5,329)	(11,791)	167,907	4,001

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

5. 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:

		Carrying Amount	
		June 30, 2025	December 31, 2024
Financial assets			
Cash and cash equivalents	Amortized cost	331,685	634,830
Accounts receivable on provisionally priced sales	Fair value through profit or loss	137,069	104,355
Accounts receivable on provisionally priced inventories	Fair value through profit or loss	-	17,292
Other accounts receivable	Amortized cost	62,608	204,078
Restricted cash	Amortized cost	465,505	5,602
Derivatives	Fair value through profit or loss	34	28
Publicly traded securities	Fair value through other comprehensive income	2,861	2,731
Commodity swap contracts (a)	Derivatives for fair value hedges	1,989	1,221
Financial liabilities			
Accounts payable and accrued liabilities	Amortized cost	106,336	70,041
Commodity swap contracts (a)	Derivatives for fair value hedges	538	237
Foreign exchange forward contracts (note 3)	Derivatives for cash flow hedges	407	-

The carrying values of all the financial assets and liabilities measured at amortized cost approximate their fair values as at June 30, 2025 and December 31, 2024.

(a) 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 June 30, 2025, the Company's outstanding QP Hedges, all of which mature within three months from the reporting date, are summarized in the table below:

Commodity hedged	Volume hedged	Weighted average fixed price of QP Hedges
Payable gold	24,706 ounces	3,375/ounce
Payable copper	4,678,204 pounds	4.38/pound

The Company designates the spot component of commodity swap contracts in respect of QP Hedges as fair value hedges.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

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 June 30, 2025, the net fair value gain on all outstanding QP Hedges was \$1.5 million (December 31, 2024 – \$1.0 million), of which \$2.0 million (December 31, 2024 – \$1.2 million) was included in other current assets and \$0.5 million (December 31, 2024 – \$0.2 million) was included in accounts payable and accrued liabilities.

For the three and six months ended June 30, 2025, the Company recognized, in revenue, net losses of \$1.1 million (2024 – \$2.2 million) and \$11.0 million (2024 – \$3.7 million), respectively, on QP Hedges.

(b) 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.

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at June 30, 2025 and December 31, 2024:

	As at June 30, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
Accounts receivable on provisionally priced sales	-	137,069	-	137,069
Derivatives	-	24	10	34
Publicly traded securities	2,861	-	-	2,861
Commodity swap contracts	-	1,989	-	1,989
Financial liabilities				
Commodity swap contracts	-	538	-	538
Foreign exchange forward contracts	-	407	-	407

	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
Accounts receivable on provisionally priced sales	-	104,355	-	104,355
Accounts receivable on provisionally priced inventories	-	17,292	-	17,292
Derivatives	-	-	28	28
Publicly traded securities	2,731	-	-	2,731
Commodity swap contracts	-	1,221	-	1,221
Financial liabilities				
Commodity swap contracts	-	237	-	237

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

During the six months ended June 30, 2025 and the year ended December 31, 2024, 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.

6. 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 the Loma Larga project and by guarantees from each of the subsidiaries that hold these assets. 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”), 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, as defined under the RCF.

As at June 30, 2025 and December 31, 2024, DPM was in compliance with all financial covenants and \$nil was drawn under the RCF.

(b) Other credit agreements and guarantees

Chelopech and Ada Tepe have a \$21.0 million multi-purpose credit facility that matures on November 30, 2025 and is guaranteed by DPM. As at June 30, 2025, \$14.9 million (December 31, 2024 – \$15.8 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 (\$24.7 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, 2025 and is guaranteed by DPM. As at June 30, 2025, \$24.6 million (December 31, 2024 – \$21.8 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, 2025 and is guaranteed by DPM. As at June 30, 2025, \$10.3 million (December 31, 2024 – \$5.0 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.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

7. Share-Based Compensation Plans

The following is a summary of the new grants under the Company's share-based compensation plans during the six months ended June 30, 2025:

	Number of units	Fair value granted
Restricted Share Units	454,811	5,969
Performance Share Units	217,693	2,852
Deferred Share Units	43,502	591
DPM Stock Options	220,939	970
Total	936,945	10,382

As at June 30, 2025, the Company had a total share-based compensation liability of \$32.0 million (December 31, 2024 – \$22.1 million), of which the current portion of \$15.1 million (December 31, 2024 – \$6.5 million) was included in accounts payable and accrued liabilities on the condensed interim consolidated statements of financial position.

The following table summarizes the impact of the mark-to-market adjustments related to the change in DPM's share price on the Company's share-based compensation expenses from continuing operations for the three and six months ended June 30, 2025 and 2024:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Increase in share-based compensation expenses due to mark-to-market adjustments	3,864	1,156	13,839	3,938

The following table summarizes total share-based compensation expenses recognized by the Company in net earnings from continuing operations in the condensed interim consolidated statements of earnings (loss) for the three and six months ended June 30, 2025 and 2024:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Share-based compensation expenses recognized in:				
Cost of sales	778	521	2,514	1,011
General and administrative expenses	5,104	2,842	14,557	6,636
Exploration and evaluation expenses	417	136	939	384
Total	6,299	3,499	18,010	8,031

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

8. Other Income and Expense

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
2025 Bulgarian levy ⁽¹⁾	-	-	24,376	-
Adriatic acquisition related costs (note 3)	5,130	-	5,130	-
Net termination fee received from Osino Resources Corp.	-	-	-	(6,901)
Net foreign exchange (gains) losses	3,389	(1,896)	4,391	(1,743)
Interest income	(7,849)	(9,935)	(16,417)	(18,342)
Other, net	(1,539)	(786)	(2,402)	1,419
Total	(869)	(12,617)	15,078	(25,567)

(1) Represents a one-time levy to the 2025 Bulgarian state budget in respect of both the Chelopech and Ada Tepe mines.

9. Related Party Transactions

Key management remuneration

The Company's related parties include its key management. Key management includes directors, the Chief Executive Officer ("CEO"), and the Executive and 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 and six months ended June 30, 2025 and 2024 was as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Salaries, management bonuses and director fees	1,242	944	2,358	3,189
Other benefits	97	54	181	185
Share-based compensation	4,448	2,739	13,264	5,733
Total remuneration	5,787	3,737	15,803	9,107

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

10. Supplementary Cash Flow Information

(a) Changes in working capital

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
(Increase) decrease in accounts receivable and other assets ⁽¹⁾	(6,720)	29,416	126,792	6,248
Decrease in inventories	1,435	2,123	639	3,523
Increase in accounts payable and accrued liabilities ⁽²⁾	69	7,753	18,971	5,659
Increase (decrease) in other liabilities	(2,437)	(6,124)	10,438	(6,045)
	(7,653)	33,168	156,840	9,385

(1) Included a decrease of \$nil (2024 – \$5.2 million) and \$164.5 million (2024 – \$15.6 million), respectively, in accounts receivable for the three and six months ended June 30, 2025 related to discontinued operations (note 4).

(2) Included a decrease of \$5.3 million (2024 – an increase of \$2.0 million) and an increase of \$3.4 million (2024 – \$1.2 million), respectively, in accounts payable for the three and six months ended June 30, 2025 related to discontinued operations (note 4).

(b) Other items not affecting cash

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Share-based compensation expense	236	190	441	418
Realized losses on commodity swap contracts	5,631	4,740	14,467	5,903
Realized gains on foreign exchange option contracts	-	(210)	-	(210)
Net finance income	(6,749)	(8,524)	(14,605)	(15,448)
Other, net	(64)	(448)	236	(288)
	(946)	(4,252)	539	(9,625)

11. Supplementary Shareholders' Equity Information

(a) Dividend

During the six months ended June 30, 2025, the Company declared quarterly dividends of \$0.04 (2024 – \$0.04) per common share to its shareholders of record resulting in total dividend distributions of \$13.5 million (2024 – \$14.5 million) recognized against its retained earnings in the condensed interim consolidated statements of changes in shareholders' equity. The Company paid an aggregate of \$13.8 million (2024 – \$14.5 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, 2025 and recognized a dividend payable of \$6.7 million (December 31, 2024 – \$7.1 million) in accounts payable and accrued liabilities in the condensed interim consolidated statements of financial position as at June 30, 2025.

On July 31, 2025, the Company declared a dividend of \$0.04 per common share payable on October 15, 2025 to shareholders of record on September 30, 2025.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Company renewed its NCIB on March 18, 2025 with an expiry date of March 17, 2026. The maximum number of shares that can be repurchased during this period is 15 million shares. The NCIB also allows the Company to implement an automatic share repurchase plan with its designated broker in order to facilitate the purchase of its shares.

During the six months ended June 30, 2025, the Company purchased a total of 9,969,571 (2024 – 2,327,011) shares, all of which were cancelled as at June 30, 2025. The Company also cancelled an additional 12,000 shares that were purchased in 2024, resulting in a total of 9,981,571 shares being cancelled during the six months ended June 30, 2025. The total cost of these purchases was \$116.1 million (2024 – \$18.4 million), at an average price per share of \$11.65 (Cdn\$16.58) (2024 – \$7.90 (Cdn\$10.80)), of which \$30.9 million (2024 – \$7.2 million) was recognized as a reduction in share capital, and \$85.2 million (2024 – \$11.2 million) as a reduction in retained earnings in the condensed interim consolidated statements of changes in shareholders' equity. Cash payments for share repurchases of \$116.1 million (2024 – \$18.0 million) were included in cash used in financing activities in the condensed interim consolidated statements of cash flows for the six months ended June 30, 2025.

12. Commitments and Other Contingencies

(a) Commitments

The Company had the following minimum contractual commitments as at June 30, 2025:

	up to 1 year	Total
Capital commitments	19,813	19,813
Purchase commitments	8,325	8,325
Total commitments	28,138	28,138

(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.

13. 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 two reportable operating segments – Chelopech and Ada Tepe in Bulgaria. 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.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

The following table summarizes the relevant information by segment from continuing operations for the three and six months ended June 30, 2025 and 2024:

	Three months ended June 30, 2025			
	Chelopech	Ada Tepe	Corporate & Other	Total
Revenue ⁽¹⁾	137,691	48,796	-	186,487
Earnings (loss) before income taxes from continuing operations	92,668	18,894	(19,558)	92,004
Other disclosures				
Depreciation and amortization ⁽²⁾	8,475	14,458	758	23,691
Share-based compensation expenses ⁽³⁾	443	335	5,521	6,299
Capital expenditures ⁽⁴⁾	3,016	3,724	15,448	22,188
	Three months ended June 30, 2024			
	Chelopech	Ada Tepe	Corporate & Other	Total
Revenue ⁽¹⁾	102,669	54,169	-	156,838
Earnings (loss) before income taxes from continuing operations	65,686	28,150	(13,616)	80,220
Other disclosures				
Depreciation and amortization ⁽²⁾	7,962	13,596	550	22,108
Share-based compensation expenses ⁽³⁾	391	130	2,978	3,499
Capital expenditures ⁽⁴⁾	5,196	2,249	4,091	11,536
	Six months ended June 30, 2025			
	Chelopech	Ada Tepe	Corporate & Other	Total
Revenue ⁽¹⁾	245,229	85,405	-	330,634
Earnings (loss) before income taxes	148,514	19,651	(37,609)	130,556
Other disclosures				
Depreciation and amortization ⁽²⁾	16,448	25,832	1,583	43,863
Share-based compensation expenses ⁽³⁾	1,499	1,015	15,496	18,010
Capital expenditures ⁽⁴⁾	6,525	7,760	27,252	41,537
	Six months ended June 30, 2024			
	Chelopech	Ada Tepe	Corporate & Other	Total
Revenue ⁽¹⁾	172,635	107,994	-	280,629
Earnings (loss) before income taxes	100,294	57,100	(30,895)	126,499
Other disclosures				
Depreciation and amortization ⁽²⁾	15,654	28,051	1,239	44,944
Share-based compensation expenses ⁽³⁾	705	306	7,020	8,031
Capital expenditures ⁽⁴⁾	9,187	4,410	11,937	25,534

(1) Revenues from Chelopech and Ada Tepe were generated from the sale of concentrate.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2025 and 2024

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

- (2) Depreciation and amortization relating to operating segments were included in cost of sales and those relating to Corporate and Other were included in general and administrative expenses, as well as exploration and evaluation expenses.
- (3) 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, as well as exploration and evaluation expenses (note 7).
- (4) Capital expenditures for the three and six months ended June 30, 2025 for Corporate and Other included \$11.2 million (2024 – \$nil) and \$19.0 million (2024 – \$nil), respectively, related to the Čoka Rakita project in Serbia, and \$4.2 million (2024 – \$2.7 million) and \$7.5 million (2024 – \$6.0 million), respectively, related to the Loma Larga project in Ecuador. The Company started capitalizing costs related to the Čoka Rakita project from 2025 as a result of the project's advancement to the feasibility study stage, which have been included in exploration and evaluation assets in the condensed interim consolidated statement of financial position.

The following table summarizes the Company's revenue from continuing operations recognized for the three and six months ended June 30, 2025 and 2024:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue recognized at a point in time from:				
Sale of concentrate	186,392	156,405	330,419	280,222
Revenue from contracts with customers	186,392	156,405	330,419	280,222
Mark-to-market price adjustments on provisionally priced sales	1,192	2,623	11,178	4,074
Net mark-to-market losses on QP Hedges	(1,097)	(2,190)	(10,963)	(3,667)
Total revenue	186,487	156,838	330,634	280,629

The following table summarizes total assets and total liabilities by segment as at June 30, 2025 and December 31, 2024:

	As at June 30, 2025			
	Chelopech	Ada Tepe	Corporate & Other	Total
Total current assets	290,449	95,218	645,173	1,030,840
Total non-current assets	150,790	67,686	202,979	421,455
Total assets	441,239	162,904	848,152	1,452,295
Liabilities	77,537	31,236	70,747	179,520
Total liabilities	77,537	31,236	70,747	179,520

	As at December 31, 2024			
	Chelopech	Ada Tepe	Corporate & Other	Total
Total current assets	188,903	140,367	671,715	1,000,985
Total non-current assets	151,801	83,585	184,834	420,220
Total assets	340,704	223,952	856,549	1,421,205
Liabilities	61,662	27,241	45,474	134,377
Total liabilities	61,662	27,241	45,474	134,377