

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at September 30, 2022 and December 31, 2021

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

| | September 30, 2022 | December 31, 2021 |
|--|-----------------------|----------------------|
| ASSETS | | |
| Current Assets | | |
| Cash | 419,594 | 334,377 |
| Accounts receivable | 84,196 | 128,338 |
| Inventories | 48,653 | 49,626 |
| Other current assets (note 6(c)) | 11,187 | 1,452 |
| | 563,630 | 513,793 |
| Non-Current Assets | | |
| Investments at fair value (note 6(a) & 6(b)) | 31,981 | 47,983 |
| Exploration and evaluation assets | 117,018 | 98,925 |
| Mine properties | 120,397 | 138,037 |
| Property, plant & equipment | 229,722 | 335,305 |
| Intangible assets | 15,179 | 17,359 |
| Deferred income tax assets | 6,423 | 8,685 |
| Other long-term assets | 5,991 | 8,323 |
| | 526,711 | 654,617 |
| TOTAL ASSETS | 1,090,341 | 1,168,410 |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts payable and accrued liabilities | 62,362 | 77,170 |
| Income tax liabilities | 4,474 | 2,395 |
| Current portion of long-term liabilities | 9,393 | 6,234 |
| | 76,229 | 85,799 |
| Non-Current Liabilities | | |
| Rehabilitation provisions | 40,322 | 50,401 |
| Share-based compensation plans | 6,164 | 13,933 |
| Other long-term liabilities | 13,735 | 13,864 |
| | 60,221 | 78,198 |
| TOTAL LIABILITIES | 136,450 | 163,997 |
| EQUITY | | |
| Share capital | 583,027 | 585,050 |
| Contributed surplus | 6,158 | 8,629 |
| Retained earnings | 386,066 | 412,394 |
| Accumulated other comprehensive loss | (21,360) | (1,660) |
| TOTAL SHAREHOLDERS' EQUITY | 953,891 | 1,004,413 |
| TOTAL LIABILITIES AND EQUITY | 1,090,341 | 1,168,410 |

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 nine months ended September 30, 2022 and 2021

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

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|-------------------------------------|---------|------------------------------------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| Continuing Operations | | | | |
| Revenue (note 14) | 128,648 | 162,244 | 416,932 | 475,010 |
| Costs and expenses | | | | |
| Cost of sales | 99,424 | 87,510 | 283,541 | 263,094 |
| General and administrative expenses | 3,528 | 7,561 | 18,294 | 14,408 |
| Corporate social responsibility expenses | 1,226 | 738 | 2,737 | 1,871 |
| Exploration and evaluation expenses | 6,749 | 3,952 | 15,848 | 13,637 |
| Impairment charge (note 3) | 85,000 | - | 85,000 | - |
| Finance cost | 1,932 | 1,452 | 4,770 | 4,169 |
| Other (income) expense (note 9) | (15,559) | 2,096 | (14,368) | 8,687 |
| | 182,300 | 103,309 | 395,822 | 305,866 |
| Earnings (loss) before income taxes | (53,652) | 58,935 | 21,110 | 169,144 |
| Current income tax expense | 3,391 | 7,635 | 17,408 | 24,914 |
| Deferred income tax expense | 671 | 879 | 1,099 | 5,606 |
| Net earnings (loss) from continuing operations | (57,714) | 50,421 | 2,603 | 138,624 |
| Discontinued Operations | | | | |
| Net earnings from discontinued operations (note 4) | - | - | - | 19,738 |
| Net earnings (loss) | (57,714) | 50,421 | 2,603 | 158,362 |
| Net earnings (loss) attributable to: | | | | |
| Common shareholders of the Company | | | | |
| From continuing operations | (57,714) | 50,421 | 2,603 | 138,642 |
| From discontinued operations | - | - | - | 19,994 |
| Non-controlling interests | - | - | - | (274) |
| Net earnings (loss) | (57,714) | 50,421 | 2,603 | 158,362 |
| Earnings (loss) per share attributable to common shareholders of the Company | | | | |
| - Basic | | | | |
| From continuing operations | (0.30) | 0.27 | 0.01 | 0.75 |
| From discontinued operations | - | - | - | 0.11 |
| - Diluted | | | | |
| From continuing operations | (0.30) | 0.26 | 0.01 | 0.75 |
| From discontinued operations | - | - | - | 0.11 |

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 nine months ended September 30, 2022 and 2021

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

| | Three months ended September 30, 2022 | | Nine months ended September 30, 2021 | |
|--|---|---------|--|----------|
| Net earnings (loss) | (57,714) | 50,421 | 2,603 | 158,362 |
| Other comprehensive income (loss) items that may be reclassified subsequently to profit or loss: | | | | |
| Foreign exchange option contracts designated as cash flow hedges | | | | |
| Unrealized gains (losses), net of income tax of \$nil for all periods | (2,420) | (394) | (2,127) | 3,008 |
| Deferred cost of hedging, net of income tax of \$nil for all periods | (2,601) | (533) | (3,565) | (2,382) |
| Realized (gains) losses transferred to cost of sales, net of income tax of \$nil for all periods | 468 | (2,426) | 268 | (6,022) |
| Commodity swap contracts designated as cash flow hedges | | | | |
| Unrealized gains (losses), net of income tax expense (recovery) of \$nil (2021 - \$153) and \$nil (2021 - (\$1,241)), respectively | - | 1,370 | - | (11,174) |
| Deferred cost of hedging, net of income tax expense (recovery) of \$nil (2021 - \$19) and \$nil (2021 - \$(54)), respectively | - | 173 | - | (482) |
| Realized losses transferred to revenue, net of income tax recovery of \$nil (2021 - \$416) and \$nil (2021 - \$1,016), respectively | - | 3,740 | - | 9,144 |
| Cost of hedging transferred to revenue, net of income tax recovery of \$nil (2021 - \$69) and \$nil (2021 - \$95), respectively | - | 616 | - | 852 |
| Currency translation adjustments from discontinued operations | - | - | - | (1,210) |
| Other comprehensive income (loss) items that will not be reclassified subsequently to profit or loss: | | | | |
| Unrealized losses on publicly traded securities, net of income tax recovery of \$nil (2021 - \$732) and \$nil (2021 - \$5,019), respectively | (3,821) | (8,773) | (14,276) | (36,844) |
| | (8,374) | (6,227) | (19,700) | (45,110) |
| Comprehensive income (loss) | (66,088) | 44,194 | (17,097) | 113,252 |
| Comprehensive income (loss) attributable to: | | | | |
| Common shareholders of the Company | | | | |
| From continuing operations | (66,088) | 44,194 | (17,097) | 94,742 |
| From discontinued operations | - | - | - | 19,023 |
| Non-controlling interests | - | - | - | (513) |
| Comprehensive income (loss) | (66,088) | 44,194 | (17,097) | 113,252 |

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 nine months ended September 30, 2022 and 2021

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

| | Three months ended | | Nine months ended | |
|--|--------------------|-----------------|-------------------|-----------------|
| | September 30, | | September 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| OPERATING ACTIVITIES | | | | |
| Earnings (loss) before income taxes | (53,652) | 58,935 | 21,110 | 169,144 |
| Depreciation and amortization | 27,010 | 24,249 | 78,512 | 72,674 |
| Impairment charge (note 3) | 85,000 | - | 85,000 | - |
| Changes in working capital (note 11(a)) | (25,456) | (40,093) | 7,921 | (64,346) |
| Other Items not affecting cash (note 11(b)) | (5,867) | 1,748 | (1,915) | 13,671 |
| Proceeds from (payments for) settlement of derivative contracts | 6,968 | 1,193 | 4,165 | (9,914) |
| Income taxes paid | (4,056) | (4,971) | (14,469) | (16,880) |
| Cash provided from operating activities of continuing operations | 29,947 | 41,061 | 180,324 | 164,349 |
| Cash used in operating activities of discontinued operations (note 4) | - | - | - | (442) |
| INVESTING ACTIVITIES | | | | |
| Proceeds from MineRP Disposition (note 4) | - | - | - | 45,830 |
| Cash payment for acquisition of INV, net of cash acquired (note 5) | - | (1,569) | - | (1,569) |
| Purchase of short-term investments | - | (49,694) | - | (49,694) |
| Purchase of publicly traded securities | - | - | (500) | (8,307) |
| Proceeds from disposal of mine properties, property, plant and equipment and intangible assets | 10 | - | 10 | - |
| Expenditures on exploration and evaluation assets | (7,977) | (2,967) | (18,581) | (5,550) |
| Expenditures on mine properties | (1,383) | (4,761) | (7,895) | (11,060) |
| Expenditures on property, plant and equipment | (11,342) | (6,388) | (31,696) | (26,824) |
| Expenditures on intangible assets | (183) | (666) | (1,044) | (2,829) |
| Increase in restricted cash | - | - | - | (5,128) |
| Cash used in investing activities of continuing operations | (20,875) | (66,045) | (59,706) | (65,131) |
| FINANCING ACTIVITIES | | | | |
| Proceeds from share issuance | 610 | 1,026 | 3,377 | 2,204 |
| Principal repayments related to leases | (1,139) | (1,171) | (3,413) | (3,290) |
| Dividends paid (note 12(a)) | (7,628) | (5,498) | (21,002) | (16,399) |
| Payments for share repurchases (note 12(b)) | (4,155) | (8,855) | (13,619) | (8,855) |
| Net interest and finance fees paid | (485) | (572) | (744) | (2,009) |
| Cash used in financing activities of continuing operations | (12,797) | (15,070) | (35,401) | (28,349) |
| Cash used in financing activities of discontinued operations (note 4) | - | - | - | (140) |
| Increase (decrease) in cash of continuing operations | (3,725) | (40,054) | 85,217 | 70,869 |
| Decrease in cash of discontinued operations | - | - | - | (582) |
| Cash at beginning of period, continuing operations | 423,319 | 260,455 | 334,377 | 149,532 |
| Cash at beginning of period, discontinued operations | - | - | - | 582 |
| Cash at end of period, continuing operations | 419,594 | 220,401 | 419,594 | 220,401 |
| Cash at end of period, discontinued operations | - | - | - | - |

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 nine months ended September 30, 2022 and 2021

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

| | September 30, 2022 | | September 30, 2021 | |
|--|--------------------|-----------------|--------------------|----------|
| | 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 | 191,441,200 | 585,050 | 181,400,125 | 525,219 |
| Shares issued on exercise of stock options | 1,060,102 | 3,377 | 871,184 | 2,204 |
| Shares issued on acquisition of INV <i>(note 5)</i> | - | - | 10,664,501 | 60,844 |
| Share repurchases <i>(note 12(b))</i> | (2,501,100) | (7,551) | (1,465,100) | (4,803) |
| Transferred from contributed surplus on exercise of stock options | | 2,151 | | 1,074 |
| Balance at end of period | 190,000,202 | 583,027 | 191,470,710 | 584,538 |
| Contributed surplus | | | | |
| Balance at beginning of period | | 8,629 | | 7,078 |
| Share-based compensation expense | | 838 | | 774 |
| Transferred to share capital on exercise of stock options | | (2,151) | | (1,074) |
| MineRP Disposition <i>(note 4)</i> | | - | | 4,741 |
| Stock options issued on acquisition of INV <i>(note 5)</i> | | - | | 2,366 |
| Share repurchases <i>(note 12(b))</i> | | - | | (4,686) |
| Other changes in contributed surplus | | (1,158) | | (1) |
| Balance at end of period | | 6,158 | | 9,198 |
| Retained earnings | | | | |
| Balance at beginning of period | | 412,394 | | 224,701 |
| Net earnings attributable to common shareholders of the Company | | 2,603 | | 158,636 |
| Dividend distribution <i>(note 12(a))</i> | | (22,863) | | (16,664) |
| Share repurchases <i>(note 12(b))</i> | | (6,068) | | - |
| Balance at end of period | | 386,066 | | 366,673 |
| Accumulated other comprehensive income (loss) | | | | |
| Balance at beginning of period | | (1,660) | | 41,671 |
| Other comprehensive loss | | (19,700) | | (44,871) |
| MineRP Disposition <i>(note 4)</i> | | - | | 2,845 |
| Balance at end of period | | (21,360) | | (355) |
| Total equity attributable to common shareholders of the Company | | 953,891 | | 960,054 |
| Non-controlling interests | | | | |
| Balance at beginning of period | | - | | 6,615 |
| Net loss attributable to non-controlling interests | | - | | (274) |
| Other comprehensive loss attributable to non-controlling interests | | - | | (239) |
| MineRP Disposition <i>(note 4)</i> | | - | | (6,010) |
| Other changes in non-controlling interests | | - | | (92) |
| Balance at end of period | | - | | - |
| Total equity at end of period | | 953,891 | | 960,054 |

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 nine months ended September 30, 2022 and 2021

(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 September 30, 2022, DPM’s condensed interim consolidated financial statements include DPM and its subsidiary companies (collectively, the “Company”).

Continuing Operations:

DPM’s principal subsidiaries include:

- 100% of Dundee Precious Metals Chelopech EAD (“Chelopech”), which owns and operates a gold, copper and silver mine located east of Sofia, Bulgaria;
- 100% of Dundee Precious Metals Krumovgrad EAD (“Ada Tepe”), which owns and operates a gold mine located in south eastern Bulgaria, near the town of Krumovgrad; and
- 92% of Dundee Precious Metals Tsumeb (Proprietary) Limited (“Tsumeb”), which owns and operates a custom smelter located in Tsumeb, Namibia.

DPM holds interests, directly or indirectly, in a number of exploration and development properties located in Ecuador, Serbia and Canada including:

- 100% of DPM Ecuador S.A. (“DPM Ecuador”), which is focused on the exploration and development of the Loma Larga gold project located in Ecuador;
- 100% of DPM Avala d.o.o., which is focused on the exploration and development of the Timok gold project in Serbia; and
- 6.5% of Sabina Gold and Silver Corp. (“Sabina”), which is focused on the development of the Back River project in southwestern Nunavut, Canada.

Discontinued Operations (note 4):

On May 3, 2021, DPM sold its 73.7% ownership interest in MineRP Holdings Inc. (“MineRP”), which owns MineRP Holdings (Proprietary) Limited, an independent mining software vendor with operations in Canada, South Africa, Australia and Chile.

2. BASIS OF PREPARATION

These condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board, including International Accounting Standard 34, *Interim Financial Reporting*. These condensed interim consolidated financial statements do not include all of the information required for full financial statements and should be read in conjunction with the Company’s annual consolidated financial statements for the year ended December 31, 2021, 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, 2021.

These condensed interim consolidated financial statements were approved by the Board of Directors on November 10, 2022.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

3. TSUMEB IMPAIRMENT CHARGE

As at September 30, 2022, the Company assessed the recoverable amount of each of its Cash Generating Units (“CGUs”) as a result of (i) the market capitalization of DPM’s shares being less than their carrying value; and (ii) a decrease in the expected supply of suitable higher arsenic bearing concentrate for processing at the smelter over the longer term. Based on this assessment, the carrying values of all CGUs were considered recoverable, with the exception of Tsumeb.

As at September 30, 2022, the carrying value of Tsumeb exceeded its estimated recoverable amount resulting in an impairment charge of \$85.0 million being recognized in the condensed interim consolidated statements of earnings (loss) for the three and nine months ended September 30, 2022, of which \$84.3 million related to property, plant, and equipment and \$0.7 million related to intangible assets. This charge was primarily attributable to lower forecast toll revenue as a result of an expected reduction in higher arsenic bearing third party concentrate feed being received by the smelter commencing in 2024, concurrent with when the smelter is not expected to be processing any of Chelopech concentrate. While the processing of Chelopech concentrate at other third party smelters is expected to generate additional overall value for the Company, it will be realized through lower treatment charges and higher margins at Chelopech rather than higher throughput and higher margins at Tsumeb.

Tsumeb’s recoverable amount of \$40.0 million as at September 30, 2022 was determined using fair value less costs of disposal (“FVLCD”), which was calculated based on projected future cash flows utilizing the latest information available and management’s estimates including throughput ranging from 230,000 tonnes to 350,000 tonnes, toll rates and volumes based on historical terms received and the Company’s knowledge of the complex concentrate market, lower operating costs, sustaining capital expenditures in line with current levels, and the foreign exchange rate between the U.S. dollar and the South African Rand (“ZAR”) of 17.05. These projected cash flows were prepared in current dollars and discounted using a real discount rate of 10.79%, representing the estimated weighted average real cost of capital. This rate was estimated based on the Capital Asset Pricing Model where the costs of equity and debt were based on, among other things, estimated interest rates, market returns on equity, share volatility, leverage and risks specific to the mining sector and Tsumeb. Management’s estimate of Tsumeb’s FVLCD is classified as level 3 in the fair value hierarchy.

Sensitivities

The projected cash flows and FVLCD for Tsumeb can be affected by any one or more changes in the estimates used. Changes in third party toll rates, operating costs, foreign exchange rates and volumes of concentrate smelted have the greatest impact on value, where a 5% change in any one of above assumptions would each change the FVLCD by approximately \$25 million to \$35 million as at September 30, 2022. In addition, if Tsumeb does not achieve forecast operating levels and future cost savings in respect of its initiative to optimize the cost structure of the smelter, there could be a further impairment charge.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

4. DISCONTINUED OPERATIONS

On December 22, 2020, the Company and other shareholders of MineRP entered into a definitive agreement with Epiroc Canada Holding Inc., a subsidiary of Epiroc Rock Drills AB (“Epiroc”) for the sale of MineRP (the “MineRP Disposition”). The MineRP Disposition closed on May 3, 2021.

MineRP Disposition

Net cash consideration received for DPM's equity interest in MineRP:

| | |
|---|---------------|
| Total purchase price | 59,000 |
| Cash received for settlement of DPM loan to MineRP | (20,571) |
| Working capital adjustment | (1,485) |
| Closing indebtedness | (534) |
| Closing cash | 276 |
| Cash consideration | 36,686 |
| Less: transaction costs | (3,048) |
| Net cash consideration | 33,638 |
| Cash paid to non-controlling interests | (9,021) |
| Net cash consideration received for DPM's equity interest in MineRP^{(a), (b)} | 24,617 |

Net assets disposed:

| | |
|------------------------------|---------------|
| Cash | 276 |
| Accounts receivable | 2,231 |
| Property, plant & equipment | 1,137 |
| Intangible assets | 26,760 |
| Other long-term assets | 230 |
| Total assets disposed | 30,634 |

| | |
|--|--------|
| Accounts payable and accrued liabilities | 5,835 |
| Loan payable to Epiroc | 20,571 |
| Current portion of long-term liabilities | 311 |
| Deferred income tax liabilities | 950 |
| Other long-term liabilities | 630 |

| | |
|-----------------------------------|---------------|
| Total liabilities disposed | 28,297 |
|-----------------------------------|---------------|

| | |
|---------------------------|-----|
| Non-controlling interests | 607 |
|---------------------------|-----|

| | |
|----------------------------|--------------|
| Net assets disposed | 1,730 |
|----------------------------|--------------|

Reclassification of currency translation adjustments from accumulated other comprehensive income

| | |
|--|---------|
| | (2,845) |
|--|---------|

Gain on MineRP Disposition included in net earnings from discontinued operations

| | |
|--|--------|
| | 20,042 |
|--|--------|

(a) Net cash consideration received included \$5.1 million held in escrow on closing to secure against any post closing adjustments related to working capital and certain representations and warranties, of which \$1.6 million related to working capital items. The working capital adjustment was finalized in December 2021, resulting in an unfavourable final adjustment of \$0.6 million to the Company which was recognized as a reduction in the gain on MineRP Disposition included in net earnings from discontinued operations for the year ended December 31, 2021. As at September 30, 2022, the remaining cash held in escrow of \$3.5 million related to other indemnities was recognized as restricted cash included in other current assets in the condensed interim consolidated financial statements of financial position.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

- (b) The MineRP Disposition also provides for potential additional proceeds in the form of an earn-out conditional on the achievement of certain revenue targets by MineRP in 2022, for which no value has been recognized based on the assessment of its fair market value.

As a result of the MineRP Disposition, the operating results and cash flows of MineRP have been presented as discontinued operations in the condensed interim consolidated statements of earnings (loss) and cash flows for the nine months ended September 30, 2021.

5. ACQUISITION OF INV METALS INC. (“INV”)

On July 26, 2021, the Company acquired all of the issued and outstanding shares it did not already own of INV, now renamed DPM Ecuador Holdings Inc., which owns DPM Ecuador, the principal assets of which are comprised of the Loma Larga gold project and certain other exploration licences. As consideration for the acquisition, DPM issued 10,664,501 common shares representing 0.0910 of a DPM common share for each INV common share acquired at a market price of \$5.72 (Cdn\$7.19) per share with an aggregate value of \$61.0 million.

This transaction was accounted for as an asset acquisition with the consideration paid allocated primarily to the exploration and evaluation assets related to the Loma Larga project. The following table summarizes the consideration paid and the allocation of this consideration to the assets acquired and liabilities assumed as at the date of acquisition.

Consideration paid

| | |
|--|---------------|
| DPM common shares issued, net of share issuance costs | 60,844 |
| Fair value of previously held equity interest ^(a) | 17,988 |
| DPM stock options ^(b) | 2,366 |
| Transaction costs | 2,463 |
| Total consideration paid | 83,661 |

Assets acquired and liabilities assumed

| | |
|--|---------------|
| Cash | 1,029 |
| Accounts receivable | 556 |
| Investments at fair value | 151 |
| Exploration and evaluation assets | 86,372 |
| Property, plant and equipment | 589 |
| Other long-term assets | 897 |
| Accounts payable and accrued liabilities | (4,677) |
| Current portion of long-term liabilities | (220) |
| Other long-term liabilities | (1,036) |
| Net assets acquired | 83,661 |

- (a) The fair value of the 35,344,424 INV shares previously held by DPM was based on the market price of \$0.51 (Cdn\$0.64) per INV share as at the date of acquisition.
- (b) As at the date of acquisition, 12,304,700 outstanding INV stock options vested immediately and were exchanged for 1,119,728 DPM stock options, the fair value of which was estimated using the Black-Scholes option pricing model.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

6. FINANCIAL INSTRUMENTS

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

| | Financial instrument classification | September 30, 2022 | December 31, 2021 |
|---------------------------------------|---|--------------------|-------------------|
| Financial assets | | | |
| Cash | Amortized cost | 419,594 | 334,377 |
| Accounts receivable | | | |
| on provisionally priced sales | Fair value through profit or loss | 40,548 | 85,083 |
| Other accounts receivable | Amortized cost | 43,648 | 43,255 |
| Restricted cash | Amortized cost | 5,569 | 5,730 |
| Sabina special warrants (a) | Fair value through profit or loss | 408 | 5,816 |
| Publicly traded securities (b) | Fair value through other comprehensive income | 31,573 | 42,167 |
| Commodity swap contracts (c) | Derivatives for fair value hedges | 6,410 | 21 |
| Financial liabilities | | | |
| Accounts payable | | | |
| and accrued liabilities | Amortized cost | 55,417 | 73,735 |
| Commodity swap contracts (c) | Derivatives for fair value hedges | 32 | 1,946 |
| Foreign exchange option contracts (d) | Derivatives for cash flow hedges | 6,913 | 1,489 |

The carrying values of all the financial assets and liabilities measured at amortized cost approximate their fair values as at September 30, 2022 and December 31, 2021.

(a) Sabina special warrants

In September 2022, 5,000,000 Series B special warrants were exchanged for 5,000,000 common shares by DPM following a positive production decision with respect to the Back River project. As at September 30, 2022, DPM held 36,050,566 common shares of Sabina.

For the three and nine months ended September 30, 2022, the Company recognized net losses on the Sabina special warrants of \$0.04 million (2021 – \$1.3 million) and \$2.2 million (2021 – \$6.9 million), respectively, in other (income) expense (note 9) in the condensed interim consolidated statements of earnings (loss).

(b) Publicly traded securities

Publicly traded securities include a portfolio of equity investments in publicly traded mining and exploration companies, comprised primarily of Sabina.

For the three and nine months ended September 30, 2022, the Company recognized unrealized losses on these publicly traded securities of \$3.8 million (2021 – \$9.5 million) and \$14.3 million (2021 – \$41.9 million), respectively, in other comprehensive income (loss) that will not be reclassified subsequently to profit or loss.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

(c) 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 September 30, 2022, the Company’s outstanding QP Hedges, all of which mature within five months from the reporting date, are summarized in the table below:

| Commodity hedged | Volume hedged | Weighed average fixed price of QP Hedges |
|-------------------------|----------------------|---|
| Payable gold | 28,835 ounces | \$1,671.80/ounce |
| Payable copper | 11,232,539 pounds | \$3.99/pound |

The Company also enters into cash settled commodity swap contracts from time to time to swap future contracted monthly average prices for fixed metal prices to reduce its future metal price exposure in respect of its projected production (“Production Hedges”). As at September 30, 2022, the Company had no outstanding Production Hedges.

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

The fair value gain or loss on commodity swap contracts is calculated based on the corresponding London Metal Exchange forward copper prices and New York Commodity Exchange forward gold prices, as applicable. As at September 30, 2022, the net fair value gain on all outstanding QP Hedges was \$6.4 million (December 31, 2021 – a net fair value loss of \$1.9 million), of which \$6.4 million (December 31, 2021 – \$0.02 million) was included in other current assets and \$0.03 million (December 31, 2021 – \$1.9 million) in accounts payable and accrued liabilities.

For the three and nine months ended September 30, 2022, the Company recognized, in revenue, net gains of \$6.4 million (2021 – \$3.8 million) and \$14.3 million (2021 – \$2.9 million), respectively, on QP Hedges. For the three and nine months ended September 30, 2021, the Company also recognized, in revenue, realized losses of \$4.9 million and \$11.2 million, respectively, on Production Hedges.

For the three and nine months ended September 30, 2021, the Company recognized unrealized gains of \$5.6 million and unrealized losses of \$2.3 million, respectively, in other comprehensive income (loss) on the spot component of the outstanding commodity swap contracts in respect of Production Hedges. The Company also recognized unrealized gains of \$0.9 million and \$0.4 million, respectively, for the three and nine months ended September 30, 2021 on the forward point component of the outstanding commodity swap contracts in respect of Production Hedges in other comprehensive income (loss) as a deferred cost of hedging.

(d) Foreign exchange option contracts

The Company enters into foreign exchange option contracts from time to time to reduce the foreign exchange exposure associated with projected operating expenses and capital expenditures denominated in foreign currencies.

Foreign exchange option contracts are entered to provide price protection below a specified “floor” rate and participation up to a specified “ceiling” rate. The option contracts entered are comprised of a series of call options and put options (which when combined create a price “collar”) that are structured so as to provide for a zero upfront cash cost.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

As at September 30, 2022, the Company had outstanding foreign exchange option contracts in respect of a portion of its projected Namibian dollar denominated operating expenses which are linked to the ZAR as summarized in the table below:

| Year of projected operating expenses | Amount hedged in ZAR (i) | Call options sold Weighted average ceiling rate US\$/ZAR | Put options purchased Weighted average floor rate US\$/ZAR |
|--------------------------------------|--------------------------|--|--|
| Balance of 2022 | 349,710,000 | 17.03 | 15.12 |
| 2023 | 1,263,876,000 | 17.50 | 15.50 |

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

The Company designates the intrinsic value of foreign exchange option contracts as cash flow hedges. The time value component of foreign exchange option contracts is treated as a separate cost of hedging.

The fair value gain or loss on these outstanding contracts was calculated based on foreign exchange forward rates quoted in the market. As at September 30, 2022, the net fair value loss on all outstanding foreign exchange option contracts was \$6.9 million (December 31, 2021 – \$1.5 million), of which \$5.4 million (December 31, 2021 – \$1.5 million) was included in accounts payable and accrued liabilities and \$1.5 million (December 31, 2021 – \$nil) in other long-term liabilities.

The Company recognized realized losses of \$0.5 million (2021 – realized gains of \$2.4 million) and \$0.3 million (2021 – realized gains of \$6.0 million), respectively, for the three and nine months ended September 30, 2022 in cost of sales on the spot component of settled contracts.

For the three and nine months ended September 30, 2022, the Company recognized unrealized losses of \$2.0 million (2021 – \$2.8 million) and \$1.9 million (2021 – \$3.0 million), respectively, in other comprehensive income (loss) on the spot component of the outstanding foreign exchange option contracts. The Company also recognized unrealized losses of \$2.6 million (2021 – \$0.6 million) and \$3.6 million (2021 – \$2.4 million), respectively, for the three and nine months ended September 30, 2022 on the time value component of the outstanding foreign exchange option contracts in other comprehensive income (loss) as a deferred cost of hedging.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: based on quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: based on inputs which have a significant effect on fair value that are observable, either directly or indirectly from market data; and
- Level 3: based on inputs which have a significant effect on fair value that are not observable from market data.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at September 30, 2022 and December 31, 2021:

| | As at September 30, 2022 | | | |
|---|--------------------------|---------|---------|--------|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | |
| Accounts receivable on provisionally priced sales | - | 40,548 | - | 40,548 |
| Sabina special warrants | - | - | 408 | 408 |
| Publicly traded securities | 31,573 | - | - | 31,573 |
| Commodity swap contracts | - | 6,410 | - | 6,410 |
| Financial liabilities | | | | |
| Commodity swap contracts | - | 32 | - | 32 |
| Foreign exchange option contracts | - | 6,913 | - | 6,913 |
| | | | | |
| | As at December 31, 2021 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | |
| Accounts receivable on provisionally priced sales | - | 85,083 | - | 85,083 |
| Sabina special warrants | - | - | 5,816 | 5,816 |
| Publicly traded securities | 42,167 | - | - | 42,167 |
| Commodity swap contracts | - | 21 | - | 21 |
| Financial liabilities | | | | |
| Commodity swap contracts | - | 1,946 | - | 1,946 |
| Foreign exchange option contracts | - | 1,489 | - | 1,489 |

During the nine months ended September 30, 2022 and the year ended December 31, 2021, 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.

The following table reconciles Level 3 fair value measurements from January 1, 2021 to September 30, 2022:

| | |
|--|------------|
| Balance as at January 1, 2021 | 12,128 |
| Unrealized losses included in net earnings | (6,312) |
| Balance as at December 31, 2021 | 5,816 |
| Purchase of other warrants | 244 |
| Unrealized losses included in net earnings | (2,225) |
| Exercise of Sabina special warrants to common shares | (3,427) |
| Balance as at September 30, 2022 | 408 |

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

7. DEBT

(a) DPM Revolving Credit Facility

Up to July 2022, DPM had a committed revolving credit facility of \$150.0 million with a consortium of banks that was to mature in February 2024. In July 2022, DPM replaced this facility with a new committed revolving credit facility (the “RCF”) with a consortium of four banks that matures in July 2026. Generally speaking, this facility contains more favourable terms and conditions than the old RCF, providing added flexibility, an extended term, and lower pricing, and is secured by pledges of DPM’s investments in Ada Tepe, Chelopech and Loma Larga and by guarantees from each of the subsidiaries that hold these assets and by certain holding companies. Initially, DPM is permitted to borrow up to an aggregate principal amount of \$150.0 million, which can be increased pursuant to an accordion feature that permits, subject to certain conditions, the facility to be increased to \$250.0 million. The cost of borrowing is based on the Secured Overnight Financing Rate (“SOFR”), the general replacement rate for LIBOR, plus a spread, which is currently 2.25%, and can range between 2.25% and 3.5% depending upon DPM’s leverage. The RCF contains financial covenants that require DPM to maintain: (i) a Debt Leverage Ratio below 3.75:1, and (ii) a minimum net worth equal to \$600 million plus (minus) 50% of ongoing net earnings (loss) plus 50% of all equity raised by DPM, in each case, after March 31, 2022, and as defined under the RCF.

As at September 30, 2022 and December 31, 2021, DPM was in compliance with all financial covenants and \$nil was drawn under the RCF.

(b) Tsumeb overdraft facility

Tsumeb has a Namibian \$100.0 million (\$5.6 million) demand overdraft facility. This facility is guaranteed by DPM and bears interest at a rate equal to the Namibian Prime Lending Rate minus 0.5%. As at September 30, 2022 and December 31, 2021, \$nil was drawn from this facility.

(c) Other credit agreements and guarantees

Chelopech and Ada Tepe have a \$21.0 million multi-purpose credit facility that matures on November 30, 2022 and is guaranteed by DPM. As at September 30, 2022, \$16.3 million (December 31, 2021 – \$13.9 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 (\$20.5 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, 2022 and is guaranteed by DPM. As at September 30, 2022, \$20.5 million (December 31, 2021 – \$23.8 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, 2022 and is guaranteed by DPM. As at September 30, 2022, \$0.1 million (December 31, 2021 – \$0.2 million) had been utilized in the form of letters of credit and letters of guarantee, primarily in respect of exploration contracts with the Bulgarian Ministry of Energy.

Advances under these facilities bear interest at a rate equal to the one month U.S. Dollar LIBOR plus 2.5%. The letters of credit and guarantee bear a fee of 0.6% based on the amounts issued.

All these facilities are in the process of being renewed to November 30, 2023.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

8. SHARE-BASED COMPENSATION PLANS

The following is a summary of the new grants under the Company's share-based compensation plans during the nine months ended September 30, 2022:

| | Number of units granted | Fair value granted |
|-------------------------|-------------------------|--------------------|
| Restricted Share Units | 817,445 | 4,881 |
| Performance Share Units | 268,076 | 1,614 |
| Deferred Share Units | 170,497 | 872 |
| DPM Stock Options | 610,754 | 1,206 |

For the three and nine months ended September 30, 2022, mark-to-market adjustments related to the change in DPM's share price resulted in a decrease in share-based compensation of \$2.8 million (2021 – an increase of \$0.3 million) and \$3.6 million (2021 – \$1.4 million), respectively.

9. OTHER (INCOME) EXPENSE

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|-------------------------------------|-------|------------------------------------|-------|
| | 2022 | 2021 | 2022 | 2021 |
| Net losses on Sabina special warrants (note 6(a)) | 40 | 1,341 | 2,225 | 6,971 |
| Tsumeb restructuring costs | (2,056) | - | 5,750 | - |
| Bulgarian government subsidy for electricity | (9,660) | - | (17,203) | - |
| Net foreign exchange (gains) losses | (1,876) | 205 | (2,177) | 1,410 |
| Interest income | (1,916) | (194) | (2,881) | (378) |
| Other, net | (91) | 744 | (82) | 684 |
| | (15,559) | 2,096 | (14,368) | 8,687 |

10. RELATED PARTY TRANSACTIONS

Key management remuneration

The Company's related parties include its key management. Key management includes directors (executive and non-executive), the Chief Executive Officer ("CEO") and the Executive 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 nine months ended September 30, 2022 and 2021 was as follows:

| | Three months ended September 30, | | Nine months ended September 30, | |
|--|-------------------------------------|--------------|------------------------------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| Salaries, management bonuses and director fees | 729 | 784 | 2,359 | 2,491 |
| Other benefits | 48 | 48 | 193 | 171 |
| Share-based compensation | (848) | 1,172 | 175 | 362 |
| Total remuneration | (71) | 2,004 | 2,727 | 3,024 |

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

11. SUPPLEMENTARY CASH FLOW INFORMATION

(a) Changes in working capital

| | Three months ended | | Nine months ended | |
|---|--------------------|----------|-------------------|----------|
| | September 30, | | September 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| (Increase) decrease in accounts receivable and other assets | (7,839) | (28,034) | 38,852 | (43,448) |
| (Increase) decrease in inventories | 305 | (1,164) | (728) | (835) |
| Decrease in accounts payable and accrued liabilities | (16,456) | (9,292) | (20,480) | (7,828) |
| Decrease in other liabilities | (1,466) | (1,603) | (9,723) | (12,235) |
| | (25,456) | (40,093) | 7,921 | (64,346) |

(b) Other items not affecting cash

| | Three months ended | | Nine months ended | |
|--|--------------------|---------|-------------------|---------|
| | September 30, | | September 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Net finance cost | 16 | 1,258 | 1,889 | 3,791 |
| Share-based compensation expense | 257 | 266 | 838 | 774 |
| Net losses on Sabina special warrants | 40 | 1,341 | 2,225 | 6,971 |
| Realized (gains) losses on commodity swap contracts | (6,422) | 1,040 | (5,952) | 8,276 |
| Realized (gains) losses on foreign exchange option contracts | 468 | (2,426) | 268 | (6,022) |
| Other, net | (226) | 269 | (1,183) | (119) |
| | (5,867) | 1,748 | (1,915) | 13,671 |

12. SUPPLEMENTARY SHAREHOLDERS' EQUITY INFORMATION

(a) Dividend

During the nine months ended September 30, 2022, the Company declared a quarterly dividend of \$0.04 (2021 – \$0.03) per common share to its shareholders of record resulting in total dividend distributions of \$22.9 million (2021 – \$16.7 million) recognized against its retained earnings in the condensed interim consolidated statements of changes in shareholders' equity. The Company paid an aggregate of \$21.0 million (2021 – \$16.4 million) of dividends which were included in cash used in financing activities in the condensed interim consolidated statements of cash flows for the nine months ended September 30, 2022 and recognized a dividend payable of \$7.6 million (December 31, 2021 – \$5.7 million) in accounts payable and accrued liabilities in the condensed interim consolidated statements of financial position as at September 30, 2022.

On November 10, 2022, the Company declared a dividend of \$0.04 per common share payable on January 16, 2023 to shareholders of record on December 31, 2022.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

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

The Company established a NCIB on March 1, 2021, which provided for the repurchase of up to 9,000,000 of its common shares through the facility of the TSX up to February 28, 2022. A new NCIB was established on March 1, 2022 extending to February 28, 2023. The maximum number of shares that can be repurchased during this period is 9,000,000 shares.

During the nine months ended September 30, 2022, the Company purchased a total of 2,471,500 (2021 – 1,571,500) shares, all of which were cancelled as at September 30, 2022. The Company also cancelled an additional 29,600 shares in 2022 that were purchased in 2021, resulting in a total of 2,501,100 (2021 – 1,465,100) shares being cancelled during the nine months ended September 30, 2022. The total cost of these purchases was \$13.6 million (2021 – \$9.5 million) at an average price of \$5.51 (Cdn\$7.05) (2021 – \$6.04 (Cdn\$7.65)) per share, of which \$7.5 million (2021 – \$4.8 million) was recognized as a reduction in share capital, \$nil (2021 – \$4.7 million) as a reduction in contributed surplus and \$6.1 million (2021 – \$nil) as a reduction in retained earnings in the condensed interim consolidated statements of changes in shareholders’ equity for the nine months ended September 30, 2022 and the payment for which was included in cash used in financing activities in the condensed interim consolidated statements of cash flows for the nine months ended September 30, 2022 and 2021.

13. COMMITMENTS AND OTHER CONTINGENCIES

(a) Commitments

The Company had the following minimum contractual commitments as at September 30, 2022:

| | up to 1 year | 1 - 5 years | Total |
|--------------------------|---------------|-------------|---------------|
| Capital commitments | 18,436 | - | 18,436 |
| Purchase commitments | 15,127 | 49 | 15,176 |
| Total commitments | 33,563 | 49 | 33,612 |

As at September 30, 2022, Tsumeb had approximately \$30.8 million (December 31, 2021 – \$73.8 million) of recoverable third party in-process secondary materials, which it is obligated to process and return, generally in the form of blister, to IXM S.A. (“IXM”) pursuant to a tolling agreement.

In April 2021, the Company and IXM agreed to amend the existing tolling agreement to provide for, among other things: i) targeted declining excess secondary material balances, above which excess secondary material would be required to be purchased by the Company; ii) the elimination of all excess secondary material by March 31, 2023; iii) an increase in the defined level of normal secondary material; and iv) an extension of the tolling agreement by three years to December 31, 2026.

As at September 30, 2022, the value of excess secondary materials, as defined in the tolling agreement, was approximately \$0.5 million, which was below the targeted excess secondary material balance under the tolling agreement as at September 30, 2022.

(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.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

14. OPERATING SEGMENT INFORMATION

Operating segments are components of an entity whose operating results are regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance and for which separate financial information is available.

The Company has three reportable operating segments – Chelopech and Ada Tepe in Bulgaria and Tsumeb in Namibia. The nature of their operations, products and services are described in *note 1, Corporate Information*. These segments are organized predominantly by the products and services provided to customers and geography of the businesses. The Corporate and Other segment includes corporate, exploration and evaluation and other income and cost items that do not pertain directly to an operating segment. There are no significant inter-segment transactions that have not been eliminated on consolidation.

The following table summarizes the relevant information by segment for the three and nine months ended September 30, 2022 and 2021:

| | Three months ended September 30, 2022 | | | | |
|-------------------------------------|---------------------------------------|----------|----------|-------------------|----------|
| | Chelopech | Ada Tepe | Tsumeb | Corporate & Other | Total |
| Continuing Operations | | | | | |
| Revenue (a) | 54,773 | 34,524 | 39,351 | - | 128,648 |
| Earnings (loss) before income taxes | 19,101 | 8,394 | (75,611) | (5,536) | (53,652) |
| Capital expenditures | 7,487 | 2,358 | 2,013 | 7,195 | 19,053 |
| | Three months ended September 30, 2021 | | | | |
| | Chelopech | Ada Tepe | Tsumeb | Corporate & Other | Total |
| Continuing Operations | | | | | |
| Revenue (a) | 68,778 | 56,675 | 36,791 | - | 162,244 |
| Earnings (loss) before income taxes | 36,966 | 31,359 | 3,214 | (12,604) | 58,935 |
| Capital expenditures | 6,917 | 4,462 | - | 3,652 | 15,031 |
| | Nine months ended September 30, 2022 | | | | |
| | Chelopech | Ada Tepe | Tsumeb | Corporate & Other | Total |
| Continuing Operations | | | | | |
| Revenue (a) | 205,287 | 115,235 | 96,410 | - | 416,932 |
| Earnings (loss) before income taxes | 101,777 | 37,640 | (91,784) | (26,523) | 21,110 |
| Capital expenditures | 15,831 | 7,753 | 15,912 | 23,268 | 62,764 |
| | Nine months ended September 30, 2021 | | | | |
| | Chelopech | Ada Tepe | Tsumeb | Corporate & Other | Total |
| Continuing Operations | | | | | |
| Revenue (a) | 219,293 | 169,941 | 85,776 | - | 475,010 |
| Earnings (loss) before income taxes | 118,605 | 95,288 | (11,155) | (33,594) | 169,144 |
| Capital expenditures | 17,556 | 13,405 | 10,724 | 8,171 | 49,856 |

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

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022 and 2021

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

The following table summarizes the Company's revenue recognized for the three and nine months ended September 30, 2022 and 2021:

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|-------------------------------------|----------------|------------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Revenue recognized at a point in time from: | | | | |
| Sale of concentrate | 96,485 | 129,149 | 336,017 | 392,152 |
| Processing concentrate | 33,078 | 31,039 | 79,983 | 73,550 |
| Acid sales | 6,273 | 5,752 | 16,427 | 12,226 |
| Mark-to-market price adjustments on provisionally priced sales | (7,188) | (3,696) | (15,495) | (2,918) |
| Total revenue | 128,648 | 162,244 | 416,932 | 475,010 |

The following table summarizes the total assets and total liabilities by segment as at September 30, 2022 and December 31, 2021:

| | As at September 30, 2022 | | | | |
|---------------------------------|--------------------------|----------------|---------------|----------------------|------------------|
| | Chelopech | Ada Tepe | Tsumeb | Corporate & Other | Total |
| Total current assets | 196,521 | 159,944 | 40,131 | 167,034 | 563,630 |
| Total non-current assets | 162,770 | 180,877 | 21,400 | 161,664 | 526,711 |
| Total assets | 359,291 | 340,821 | 61,531 | 328,698 | 1,090,341 |
| Total liabilities | 40,113 | 20,442 | 45,202 | 30,693 | 136,450 |

| | As at December 31, 2021 | | | | |
|--------------------------|-------------------------|----------|---------|----------------------|-----------|
| | Chelopech | Ada Tepe | Tsumeb | Corporate & Other | Total |
| Total current assets | 117,806 | 110,689 | 33,440 | 251,858 | 513,793 |
| Total non-current assets | 173,894 | 216,702 | 106,392 | 157,629 | 654,617 |
| Total assets | 291,700 | 327,391 | 139,832 | 409,487 | 1,168,410 |
| Total liabilities | 54,388 | 31,660 | 41,865 | 36,084 | 163,997 |