



# MANAGEMENT’S DISCUSSION AND ANALYSIS

of Consolidated Financial Condition and Results of Operations  
*for the Three and Six Months Ended June 30, 2023*  
*(All monetary figures are expressed in U.S. dollars unless otherwise stated)*

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The following is Management’s Discussion and Analysis (“MD&A”) of the consolidated financial condition and results of operations of Dundee Precious Metals Inc. (“DPM” and, together with its consolidated subsidiaries, collectively referred to as the “Company”) as at June 30, 2023. This MD&A should be read in conjunction with DPM’s unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2023 prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board. Additional Company information, including the Company’s most recent annual information form (“AIF”) and other continuous disclosure documents, can be accessed through the System for Electronic Document Analysis and Retrieval (“SEDAR+”) at [www.sedarplus.ca](http://www.sedarplus.ca) and the Company’s website at [www.dundeeprecious.com](http://www.dundeeprecious.com). To the extent applicable, updated information contained in this MD&A supersedes older information contained in previously filed continuous disclosure documents. Capitalized terms used in this MD&A that have not been defined have the same meanings attributed to them as in DPM’s unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2023. Information contained on the Company’s website is not incorporated by reference herein and does not form part of this MD&A.

This MD&A contains forward looking statements that are based on certain estimates and assumptions and involve risks and uncertainties. Actual results may vary materially from management’s expectations. See the “Cautionary Note Regarding Forward Looking Statements” and “Risks and Uncertainties” sections later in this MD&A for further information.

Certain financial measures referred to in this MD&A are not measures recognized under IFRS and are referred to as non-GAAP financial measures or ratios. These measures have no standardized meanings under IFRS and may not be comparable to similar measures presented by other companies. The definitions established and calculations performed by DPM are based on management’s reasonable judgment and are consistently applied. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Non-GAAP financial measures and ratios, together with other financial measures calculated in accordance with IFRS, are considered to be important factors that assist investors in assessing the Company’s performance.

The Company uses the following non-GAAP financial measures and ratios in this MD&A:

- mine cash cost
- cash cost per tonne of ore processed
- mine cash cost of sales
- cash cost per ounce of gold sold
- all-in sustaining cost
- all-in sustaining cost per ounce of gold sold
- smelter cash cost
- cash cost per tonne of complex concentrate smelted
- adjusted earnings before interest, income taxes, depreciation and amortization (“EBITDA”)
- adjusted net earnings
- adjusted basic earnings per share
- cash provided from operating activities, before changes in working capital
- free cash flow
- average realized metal prices

For a detailed description of each of the non-GAAP financial measures and ratios used in this MD&A and a detailed reconciliation to the most directly comparable measure under IFRS, please refer to the “Non-GAAP Financial Measures” section commencing on page 32 of this MD&A.

The technical and scientific information in this MD&A has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) of the Canadian Securities Administrators and the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) – Definition Standards adopted by CIM Council on May 10, 2014 (the “CIM Definition Standards”) for Mineral Resources and Mineral Reserves, and has been reviewed and approved by Ross Overall, B.Sc. (Applied Geology), Corporate Mineral Resource Manager of DPM, who is a Qualified Person (“QP”) as defined under NI 43-101, and who is not independent of the Company.

This MD&A has been prepared as at August 1, 2023.

## OVERVIEW

### Our Business

DPM is a Canadian based international gold mining company engaged in the acquisition of mineral properties, exploration, development, mining and processing of precious metals. Its common shares (symbol: DPM) are traded on the Toronto Stock Exchange (“TSX”).

The Company’s purpose is to unlock resources and generate value to thrive and grow together. As illustrated in the graphic below, this overall purpose is supported by a foundation of core values, which guide how the Company conducts its business and informs a set of complementary strategic pillars and objectives relating to Environmental Social Governance (“ESG”), innovation, optimizing our existing portfolio, and growth. The Company’s resources are allocated in-line with its strategy to ensure that DPM delivers value for all of its stakeholders.



As at June 30, 2023, DPM's principal subsidiaries included:

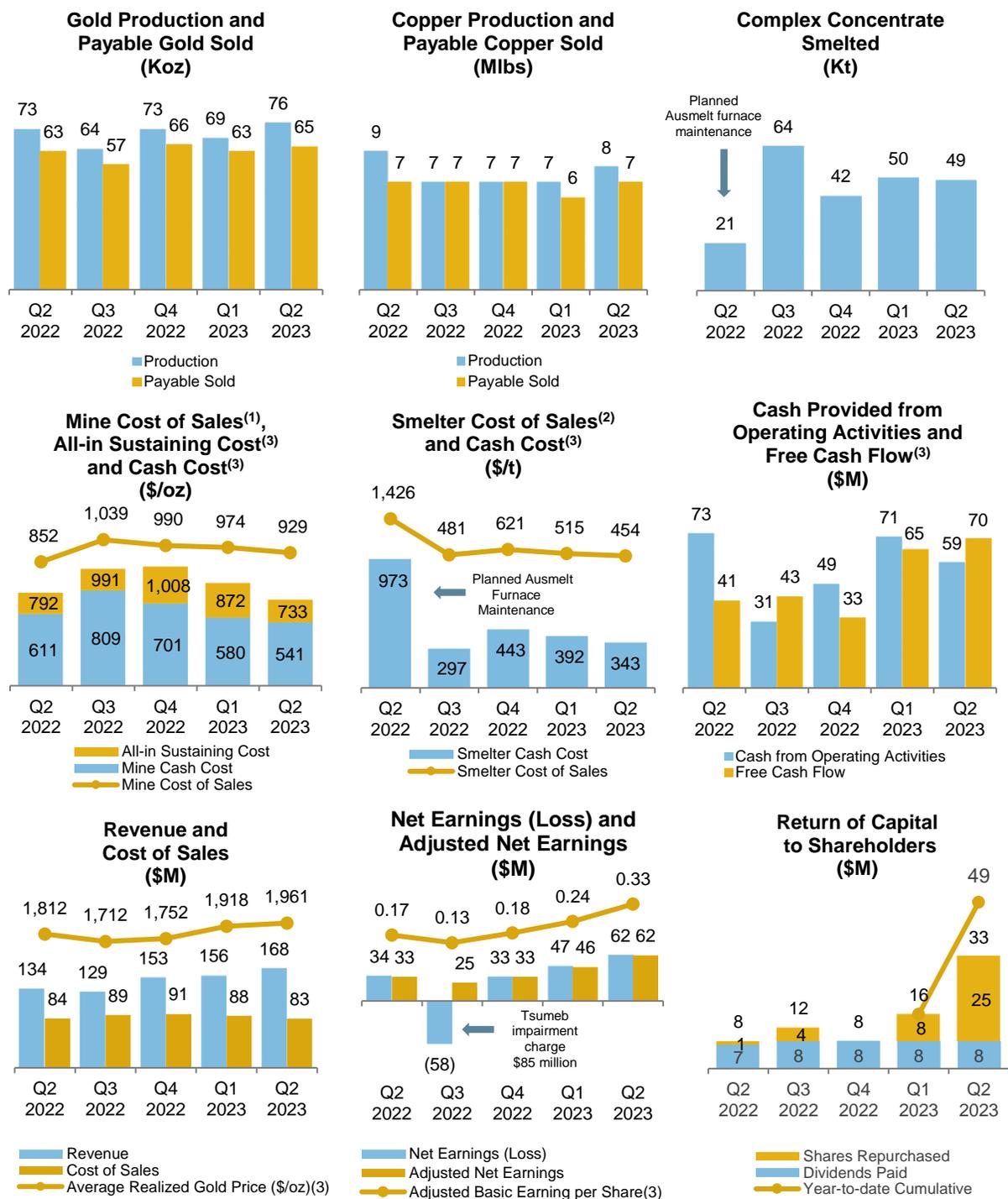
- 100% of Dundee Precious Metals Chelopech EAD ("Chelopech"), which owns and operates a gold, copper and silver mine located east of Sofia, Bulgaria;
- 100% of Dundee Precious Metals Krumovgrad EAD ("Ada Tepe"), which owns and operates a gold mine located in south eastern Bulgaria, near the town of Krumovgrad;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

As at June 30, 2023, DPM held interests, directly or indirectly, in a number of exploration and development properties located in Ecuador and Serbia including:

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

All operational and financial information contained in this MD&A are related to continuing operations, unless otherwise stated.

## OPERATING AND FINANCIAL HIGHLIGHTS



- 1) Cost of sales per ounce of gold sold represents cost of sales for Chelopech and Ada Tepe divided by payable gold in concentrate sold, while all-in sustaining cost and cash cost per ounce of gold sold include treatment and freight charges, net of by-product credits, all of which are reflected in revenue.
- 2) Cost of sales per tonne of complex concentrate smelted represents cost of sales for Tsumeb divided by tonnes of complex concentrate smelted. This measure is before by-product credits while cash cost per tonne of complex concentrate smelted is net of by-product credits.
- 3) All-in sustaining cost per ounce of gold sold; cash cost per ounce of gold sold; cash cost per tonne of complex concentrate smelted; free cash flow; average realized metal prices; adjusted net earnings and adjusted basic earnings per share are non-GAAP financial measures or ratios. Refer to the "Non-GAAP Financial Measures" section commencing on page 32 of this MD&A for more information, including reconciliations to IFRS measures.

The following table summarizes the Company's selected operating and financial highlights for the three and six months ended June 30, 2023 and 2022:

\$ thousands, unless otherwise indicated Ended June 30,		Three Months			Six Months		
		2023	2022	Change	2023	2022	Change
<b>Operating Highlights</b>							
Ore processed	t	<b>740,936</b>	746,027	(1%)	<b>1,478,573</b>	1,500,662	(1%)
Metals contained in concentrate produced:							
Gold	oz	<b>76,306</b>	72,904	5%	<b>144,887</b>	135,819	7%
Copper	Klbs	<b>7,913</b>	8,809	(10%)	<b>15,090</b>	16,502	(9%)
Payable metals in concentrate sold:							
Gold	oz	<b>65,065</b>	62,709	4%	<b>128,564</b>	120,090	7%
Copper	Klbs	<b>6,585</b>	7,242	(9%)	<b>12,943</b>	13,783	(6%)
Cost of sales per ounce of gold sold	\$/oz	<b>929</b>	852	9%	<b>951</b>	937	1%
Cash cost per ounce of gold sold <sup>(1)</sup>	\$/oz	<b>541</b>	611	(11%)	<b>560</b>	521	7%
All-in sustaining cost per ounce of gold sold <sup>(1)</sup>	\$/oz	<b>733</b>	792	(7%)	<b>802</b>	741	8%
Complex concentrate smelted	t	<b>49,483</b>	21,054	135%	<b>99,130</b>	68,297	45%
Cost of sales per tonne of complex concentrate smelted	\$/t	<b>454</b>	1,426	(68%)	<b>485</b>	938	(48%)
Cash cost per tonne of complex concentrate smelted <sup>(1)</sup>	\$/t	<b>343</b>	973	(65%)	<b>368</b>	632	(42%)
<b>Financial Highlights</b>							
Average realized prices:							
Gold	\$/oz	<b>1,961</b>	1,812	8%	<b>1,940</b>	1,843	5%
Copper	\$/lb	<b>3.77</b>	4.42	(15%)	<b>3.91</b>	4.50	(13%)
Revenue		<b>167,523</b>	134,483	25%	<b>323,356</b>	288,284	12%
Cost of sales		<b>82,900</b>	83,444	(1%)	<b>170,361</b>	176,574	(4%)
Earnings before income taxes		<b>69,244</b>	40,872	69%	<b>118,242</b>	74,762	58%
Adjusted EBITDA <sup>(1)</sup>		<b>86,654</b>	68,653	26%	<b>155,079</b>	138,128	12%
Net earnings		<b>61,736</b>	33,492	84%	<b>108,336</b>	60,317	80%
Per share	\$/sh	<b>0.33</b>	0.18	83%	<b>0.57</b>	0.32	78%
Adjusted net earnings <sup>(1)</sup>		<b>62,200</b>	33,266	87%	<b>108,336</b>	70,308	54%
Per share <sup>(1)</sup>	\$/sh	<b>0.33</b>	0.17	94%	<b>0.57</b>	0.37	54%
Cash provided from operating activities		<b>59,177</b>	72,530	(18%)	<b>130,077</b>	151,292	(14%)
Free cash flow <sup>(1)</sup>		<b>70,445</b>	41,206	71%	<b>135,478</b>	89,930	51%
Dividend paid		<b>7,587</b>	7,639	(1%)	<b>15,187</b>	13,374	14%
Shares repurchased		<b>25,338</b>	565	4,385%	<b>33,668</b>	9,464	256%
Capital expenditures incurred <sup>(2)</sup> :							
Sustaining <sup>(3)</sup>		<b>8,885</b>	21,139	(58%)	<b>16,631</b>	29,971	(45%)
Growth <sup>(4)</sup>		<b>6,852</b>	7,592	(10%)	<b>13,322</b>	13,740	(3%)
Total capital expenditures		<b>15,737</b>	28,731	(45%)	<b>29,953</b>	43,711	(31%)

As at,	June 30, 2023	December 31, 2022	Increase/ (Decrease)
<b>Financial Position and Available Liquidity</b>			
Cash and cash equivalents	<b>541,947</b>	433,176	108,771
Investments at fair value	<b>5,990</b>	40,773	(34,783)
Available liquidity <sup>(5)</sup>	<b>691,947</b>	583,176	108,771

1) Cash cost per ounce of gold sold; all-in sustaining cost per ounce of gold sold; cash cost per tonne of complex concentrate smelted; average realized metal prices; adjusted EBITDA; adjusted net earnings; adjusted basic earnings per share and free cash flow are non-GAAP financial measures or ratios. Refer to the "Non-GAAP Financial Measures" section commencing on page 32 of this MD&A for more information, including reconciliations to IFRS measures.

2) Capital expenditures incurred were reported on an accrual basis and do not represent the cash outlays for the capital expenditures.

3) Sustaining capital expenditures are generally defined as expenditures that support the ongoing operation of the asset or business without any associated increase in capacity, life of assets or future earnings. This measure is used by management and investors to assess the extent of non-discretionary capital spending being incurred by the Company each period.

4) Growth capital expenditures are generally defined as capital expenditures that expand existing capacity, increase life of assets and/or increase future earnings. This measure is used by management and investors to assess the extent of discretionary capital spending being undertaken by the Company each period.

5) Available liquidity is defined as cash and cash equivalents plus the available capacity under DPM's long-term revolving credit facility ("RCF") at the end of each reporting period.

## Operating Highlights

In the second quarter of 2023, the Company's mining operations continued to perform well and delivered strong operating results. Both the Chelopech and Ada Tepe mines remain on track to achieve their 2023 production and cost guidance.

- **Gold contained in concentrate produced** in the second quarter and first half of 2023 of 76,306 ounces and 144,887 ounces, respectively, was 5% and 7% higher than the corresponding periods in 2022 due primarily to higher gold grades at Ada Tepe, partially offset by lower gold grades and recoveries at Chelopech, in-line with mine plans for both operations.
- **Payable gold in concentrate sold** in the second quarter and first half of 2023 of 65,065 ounces and 128,564 ounces, respectively, was 4% and 7% higher than the corresponding periods in 2022 primarily reflecting higher gold production.
- **Copper production** in the second quarter and first half of 2023 of 7.9 million pounds and 15.1 million pounds, respectively, was 10% and 9% lower than the corresponding periods in 2022 due primarily to lower copper grades.
- **Payable copper in concentrate sold** in the second quarter and first half of 2023 of 6.6 million pounds and 12.9 million pounds, respectively, was 9% and 6% lower than the corresponding periods in 2022 primarily reflecting lower copper production.
- **All-in sustaining cost per ounce of gold sold** in the second quarter of 2023 of \$733 was 7% lower than the corresponding period in 2022 due primarily to lower treatment and freight charges at Chelopech as a result of increased deliveries to third-party smelters and higher volumes of gold sold, partially offset by higher local currency operating expenses reflecting higher labour costs and higher prices for direct materials, and lower by-product credits as a result of lower volumes and realized prices of copper sold. All-in sustaining cost per ounce of gold sold in the first half of 2023 of \$802 was 8% higher than the corresponding period in 2022 due primarily to lower by-product credits as a result of lower volumes and realized prices of copper sold, higher local currency operating expenses and higher share-based compensation reflecting DPM's strong share price performance, partially offset by lower treatment and freight charges at Chelopech and higher volumes of gold sold.
- **Complex concentrate smelted** in the second quarter and first half of 2023 of 49,483 tonnes and 99,130 tonnes, respectively, was 28,429 tonnes and 30,833 tonnes higher than the corresponding periods in 2022 due primarily to the timing of Ausmelt furnace maintenance shutdown, which was completed during the second quarter of 2022. Complex concentrate smelted in the first half of 2023 was below expectations due to unplanned downtime related to the off-gas system. The Company is undertaking additional maintenance in the off-gas system during the Ausmelt furnace maintenance, which is currently underway, to resolve this issue. Tsumeb is tracking at the low-end of its 2023 production guidance range.
- **Cash cost per tonne of complex concentrate smelted** in the second quarter and first half of 2023 of \$343 and \$368, respectively, was 65% and 42% lower than the corresponding periods in 2022 due primarily to higher volumes of complex concentrate smelted and a stronger U.S. dollar relative to the South African Rand ("ZAR"). Tsumeb is currently tracking towards the higher end of its 2023 guidance range for cash cost per tonne of complex concentrate smelted.
- **Sustaining capital expenditures** incurred in the second quarter and first half of 2023 of \$8.9 million and \$16.6 million, respectively, were 58% and 45% lower than the corresponding periods in 2022 of \$21.1 million and \$30.0 million. While overall this was in-line with expectations, these decreases also reflected the timing of the Ausmelt furnace maintenance shutdown at Tsumeb.
- **Growth capital expenditures** incurred in the second quarter and first half of 2023, primarily related to the Loma Larga gold project, were \$6.8 million and \$13.3 million, respectively, compared to \$7.6 million and \$13.7 million in the corresponding periods in 2022.

## Financial Highlights

Financial results from operations in the second quarter of 2023 reflected higher volumes and realized prices of gold sold, lower treatment and freight charges at Chelopech and a stronger U.S. dollar relative to the ZAR, which contributed to the Company's record quarterly free cash flow generation.

- **Revenue** in the second quarter and first half of 2023 of \$167.5 million and \$323.4 million, respectively, was 25% and 12% higher than the corresponding periods in 2022 due primarily to lower treatment and freight charges at Chelopech as a result of increased deliveries to third-party smelters, higher volumes and realized prices of gold sold, and higher volumes of complex concentrate smelted as a result of the timing of the Ausmelt furnace maintenance shutdown. This was partially offset by lower volumes and realized prices of copper sold at Chelopech.
- **Cost of sales** in the second quarter and first half of 2023 of \$82.9 million and \$170.4 million, respectively, decreased compared to \$83.4 million and \$176.6 million in the corresponding periods in 2022 due primarily to a stronger U.S. dollar relative to the ZAR and lower depreciation expense as a result of the impairment charge in respect of Tsumeb taken in the third quarter of 2022, partially offset by higher local currency mine operating costs.
- **Net earnings** in the second quarter of 2023 of \$61.7 million (\$0.33 per share) increased compared to \$33.5 million (\$0.18 per share) in the corresponding period in 2022, due primarily to higher revenue and higher interest income, partially offset by higher planned exploration and evaluation expenses. Net earnings in the first half of 2023 of \$108.3 million (\$0.57 per share) increased compared to \$60.3 million (\$0.32 per share) in the corresponding period in 2022 due primarily to higher revenue, lower cost of sales and higher interest income, partially offset by higher planned exploration and evaluation expenses and higher share-based compensation expenses as a result of DPM's strong share price performance. Net earnings in the second quarter and first half of 2022 also included restructuring costs related to a cost optimization initiative at Tsumeb.
- **Adjusted net earnings** in the second quarter and first half of 2023 of \$62.2 million (\$0.33 per share) and \$108.3 million (\$0.57 per share), respectively, increased compared to \$33.3 million (\$0.17 per share) and \$70.3 million (\$0.37 per share) in the corresponding periods in 2022 due primarily to the same factors affecting net earnings, except for adjusting items primarily related to the Tsumeb restructuring costs in 2022.
- **Earnings before income taxes** in the second quarter and first half of 2023 of \$69.2 million and \$118.2 million, respectively, increased compared to \$40.9 million and \$74.8 million in the corresponding periods in 2022, reflecting the same factors that affected net earnings, except for income taxes, which are excluded.
- **Adjusted EBITDA** in the second quarter and first half of 2023 of \$86.7 million and \$155.1 million, respectively, increased compared to \$68.6 million and \$138.1 million in the corresponding periods in 2022, reflecting the same factors that affected adjusted net earnings, except for interest, income taxes, depreciation and amortization, which are excluded from adjusted EBITDA.
- **Cash provided from operating activities** in the second quarter and first half of 2023 of \$59.2 million and \$130.1 million, respectively, was 18% and 14% lower than the corresponding periods in 2022, due primarily to timing of deliveries and subsequent receipt of cash, and the timing of payments to suppliers, partially offset by higher earnings generated.
- **Free cash flow** in the second quarter and first half of 2023 of \$70.5 million and \$135.5 million, respectively, was \$29.3 million and \$45.6 million higher than the corresponding periods in 2022, due primarily to higher earnings generated and timing of cash outlays for sustaining capital expenditures. Free cash flow is calculated before changes in working capital.
- **Return of capital to shareholders** through dividends paid of \$15.2 million (\$0.04 per share) and shares repurchased under the Normal Course Issuer Bid ("NCIB") of \$33.7 million in the first half of 2023, which in aggregate represented 36% of free cash flow, in-line with the Company's commitment to a sustainable quarterly dividend and its share buyback program reflecting strong ongoing operational performance and significant free cash flow generation.

- **Strong balance sheet** as at June 30, 2023 with \$542.0 million in cash, an undrawn \$150.0 million RCF and no debt.

### ***Growth, Exploration and Other Highlights***

- **Loma Larga gold project:** DPM continues to progress the updated feasibility study (“FS”), which is expected to be completed in the second half of 2023. Drilling activities and the Citizens Participation Process for the Environmental Impact Assessment (“EIA”) remain paused. The EIA for a 69kV power line received technical approval, subject to public consultation which has been initiated.
- **Čoka Rakita:** The Company has largely completed its 40,000-metre infill and extensional drill program at the Čoka Rakita prospect in Serbia. Assay results from the ongoing drill program reported in July 2023 extended the deposit to the south, and also confirmed and further extended the high-grade zone. With nine drill rigs currently active on-site and an additional 30,000-metres of infill drilling planned, DPM continues to target a maiden Mineral Resource estimate by the end of 2023. The Company has commenced additional scout drilling to test other camp-wide targets near Čoka Rakita and is continuing its 10,000-metre scout drill program on the Umka licence.
- **Tierras Coloradas:** The Company expects to commence a 10,000-metre drilling program at Tierras Coloradas in August 2023, which is designed to follow-up results reported in the first quarter of 2023 which confirmed two well-mineralized high-grade vein systems that remain open in multiple directions.

For a more detailed discussion on the operating results of Chelopech, Ada Tepe and Tsumeb, activities related to the growth projects and exploration, as well as the financial results, refer to the “Review of Operating Results by Segment”, “Development and Other Major Projects”, “Exploration” and “Review of Financial Results” sections of this MD&A.

## **THREE-YEAR OUTLOOK**

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DPM continues to focus on increasing the profitability of its business by optimizing its existing mining operations, which are expected to maintain high levels of gold production as highlighted in the 2023 to 2025 outlook and detailed 2023 guidance below.

### ***2023 to 2025 Outlook***

The production outlook for 2023 to 2025 is based on historical performance and experience at DPM’s operations and in the case of its mining operations is consistent with the production schedules outlined in the news release for Chelopech entitled “Dundee Precious Metals Extends Life of Mine Plan to 2031 for the Chelopech Mine in Bulgaria and Provides Updated Mineral Resource and Mineral Reserve Estimate” dated March 30, 2023, the technical report for Chelopech entitled “NI 43-101 Technical Report – Mineral Resource and Reserve Update, Chelopech Mine, Chelopech, Bulgaria” dated March 31, 2022 (the “Chelopech Technical Report”), and the technical report for Ada Tepe entitled “NI 43-101 Technical Report – Mineral Resource and Reserve Update, Ada Tepe Mine, Krumovgrad, Bulgaria” dated February 22, 2023, all of which have been filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and are posted on the Company’s website at [www.dundeeprecious.com](http://www.dundeeprecious.com). For 2024 and 2025, production and cost estimates do not fully incorporate operating performance improvements in respect of mine and smelter throughput and potential changes to mine grades and recoveries. The 2023 to 2025 outlook is forward looking and based on certain estimates and assumptions which involve risks and uncertainties and is predicated on the conflict in Ukraine having no material impact on DPM’s production and costs. Actual results may vary materially from management’s expectations. See the “Cautionary Note Regarding Forward Looking Statements” and “Risks and Uncertainties” sections later in this MD&A for further information.

The three-year outlook previously issued in DPM's MD&A for the year ended December 31, 2022 remains unchanged, except for the following updates to the Company's guidance for 2023:

- Based on positive results, exploration and evaluation expenses are now expected to be between \$38 million and \$46 million, up from the previous guidance range of \$25 million to \$30 million. This is due primarily to increased drilling activities and early stage technical work at Čoka Rakita in Serbia, as well as increased drilling activities at Tierras Coloradas in Ecuador, as the exploration programs for both projects have been expanded following the initial guidance. See the "Exploration" section contained in this MD&A for further details on these exploration activities.
- Growth capital expenditures related to the Loma Larga gold project are now expected to be between \$18 million and \$22 million, up from the previous guidance range of \$10 million to \$14 million due primarily to the additional scope of work for the optimization phase of the project as well as increased activities related to stakeholder engagement. See the "Development and Other Major Projects" section contained in this MD&A for further details on the Loma Larga gold project.

The Company's detailed guidance for 2023 is set out in the following table:

<i>\$ millions, unless otherwise indicated</i>		<b>Chelopech</b>	<b>Ada Tepe</b>	<b>Tsumeb</b>	<b>Corporate and Other</b>	<b>Consolidated Guidance</b>
Ore processed	Kt	2,090 - 2,200	730 - 810	-	-	2,820 - 3,010
Cash cost per tonne of ore processed <sup>(1)</sup>	\$/t	53 - 58	73 - 79	-	-	-
Metals contained in concentrate produced <sup>(2),(3)</sup>						
Gold	Koz	150 - 170	120 - 145	-	-	270 - 315
Copper	Mlbs	30 - 35	-	-	-	30 - 35
Payable metals in concentrate sold <sup>(3)</sup>						
Gold	Koz	130 - 150	115 - 140	-	-	245 - 290
Copper	Mlbs	26 - 31	-	-	-	26 - 31
All-in sustaining cost per ounce of gold sold <sup>(1),(4)</sup>	\$/oz	700 - 880	530 - 630	-	-	700 - 860
Complex concentrate smelted	Kt	-	-	200 - 230	-	200 - 230
Cash cost per tonne of complex concentrate smelted <sup>(1)</sup>	\$/t	-	-	340 - 410	-	340 - 410
Corporate general and administrative expenses <sup>(5)</sup>		-	-	-	25 - 28	25 - 28
Exploration and evaluation expenses <sup>(1),(6)</sup>		-	-	-	-	38 - 46
Sustaining capital expenditures <sup>(1), (7)</sup>		20 - 24	10 - 13	14 - 17	2 - 3	46 - 57
Growth and other capital expenditures <sup>(1),(7), (8)</sup>		2 - 3	0 - 1	2 - 3	26 - 32	30 - 39

1) Based on a Euro/US\$ exchange rate of 1.10, a US\$/ZAR exchange rate of 17.00, a copper price of \$4.00 per pound and a sulphuric acid price of \$95 per tonne, where applicable.

2) Metals contained in concentrate produced are prior to deductions associated with smelter terms.

3) Gold produced includes gold in pyrite concentrate produced of 45,000 to 51,000 ounces and payable gold sold includes payable gold in pyrite concentrate sold of 30,000 to 37,000 ounces.

4) Allocated general and administrative expenses are reflected in consolidated all-in sustaining cost per ounce of gold sold; however are not reflected in the all-in sustaining cost per ounce of gold sold for Chelopech and Ada Tepe, which is a change from the presentation in the Company's historical MD&A given that the nature of such expenses is more reflective of the Company's consolidated all-in sustaining cost and not pertaining to the individual operations of the Company.

5) Excludes share-based compensation expense of approximately \$3 million, before mark-to-market adjustments from movements in the Company's share price, given the volatile nature of this expense. This is a change from the historical approach to the Company's detailed guidance on corporate general and administrative expenses.

6) Previous guidance in respect of exploration and evaluation expenses was between \$25 million and \$30 million.

7) Represent capital expenditures on an accrual basis and do not represent the cash outlays for the capital expenditures.

8) Growth and other capital expenditures in Corporate and Other include the estimated running cost for the Loma Larga gold project of \$18 million to \$22 million, up from the previous guidance range of \$10 million to \$14 million, and for the Timok gold project of \$1 million to \$2 million, as well as a capitalized lease related to electric mobile equipment of \$7 million to \$8 million as part of the Company's ESG initiatives.

Certain key cost measures in the Company's detailed guidance for 2023 are sensitive to market assumptions, including copper price and foreign exchange rates. The following table demonstrates the effect of a 10% change in these market assumptions for the balance of the year on the consolidated all-in sustaining cost and the smelter cash cost provided in the 2023 guidance.

	2023 assumptions	Hypothetical change	All-in sustaining cost (\$/oz)	Smelter cash cost (\$/t)
Copper	\$4.00/lb	+/- 10%	+/- \$24/oz	N/A
Euro/US\$	1.10	+/- 10%	+/- \$39/oz	N/A
US\$/ZAR	17.00	+/- 10%	N/A	- \$8/t /+ \$26/t <sup>(1)</sup>

1) As at June 30, 2023, approximately 82% of projected Namibian dollar operating expenses for the balance of 2023 have been hedged with foreign exchange option contracts providing a weighted average floor rate of 15.72 and a weighted average ceiling rate of 17.71.

The Company's three-year outlook is set out in the following table:

<i>\$ millions, unless otherwise indicated</i>		2023 Guidance	2024 Outlook	2025 Outlook
Gold contained in concentrate produced <sup>(1),(2)</sup>				
Chelopech	Koz	150 - 170	160 - 180	160 - 185
Ada Tepe	Koz	120 - 145	85 - 105	70 - 85
Total	Koz	270 - 315	245 - 285	230 - 270
Copper contained in concentrate produced <sup>(1)</sup>				
Chelopech	Mlbs	30 - 35	29 - 34	29 - 34
All-in sustaining cost per ounce of gold sold <sup>(3)</sup>	\$/oz	700 - 860	720 - 880	720 - 880
Complex concentrate smelted	Kt	200 - 230	200 - 230	200 - 230
Cash cost per tonne of complex concentrate smelted <sup>(3)</sup>	\$/t	340 - 410	310 - 360	300 - 350
Sustaining capital expenditures <sup>(3),(4)</sup>				
Chelopech		20 - 24	14 - 18	12 - 15
Ada Tepe		10 - 13	10 - 12	8 - 10
Tsumeb		14 - 17	10 - 13	14 - 17
Corporate digital initiatives		2 - 3	2 - 3	2 - 3
Consolidated		46 - 57	36 - 46	36 - 45

1) Metals contained in concentrate produced are prior to deductions associated with smelter terms.

2) Gold produced includes gold in pyrite concentrate produced of 45,000 to 51,000 ounces for 2023, and 48,000 to 54,000 ounces in each of 2024 and 2025.

3) Based on, where applicable, a Euro/US\$ exchange rate of 1.10, a US\$/ZAR exchange rate of 17.00, and a copper price of \$4.00 per pound for all years, as well as a sulphuric acid price of \$95 per tonne in 2023, \$94 per tonne in 2024 and \$86 per tonne in 2025.

4) Represent capital expenditures on an accrual basis and do not represent the cash outlays for the capital expenditures.

The estimated metals contained in concentrate produced, payable metals in concentrate sold and volumes of complex concentrate smelted detailed in the Company's 2023 guidance and three-year outlook are not expected to occur evenly throughout the period and are forecasted to vary from quarter to quarter depending on mine sequencing, the timing of concentrate deliveries and planned outages, including furnace maintenance shutdowns at Tsumeb. The rate of capital expenditures is also expected to vary from quarter to quarter based on the schedule for, and execution of, each capital project.

## REVIEW OF OPERATING RESULTS BY SEGMENT

### Review of Chelopech Results

\$ thousands, unless otherwise indicated Ended June 30,		Three Months			Six Months		
		2023	2022	Change	2023	2022	Change
<b>Operating Highlights</b>							
Ore mined	t	<b>537,692</b>	536,516	0%	<b>1,094,265</b>	1,071,075	2%
Ore processed	t	<b>550,888</b>	529,003	4%	<b>1,097,018</b>	1,069,895	3%
Head grades:							
Gold	g/t	<b>3.23</b>	3.66	(12%)	<b>3.06</b>	3.25	(6%)
Copper	%	<b>0.78</b>	0.94	(17%)	<b>0.77</b>	0.85	(9%)
Recoveries:							
Gold in gold-copper concentrate	%	<b>51.8</b>	52.9	(2%)	<b>48.9</b>	56.7	(14%)
Gold in pyrite concentrate	%	<b>25.9</b>	26.3	(2%)	<b>25.0</b>	24.5	2%
Gold combined recoveries	%	<b>77.7</b>	79.2	(2%)	<b>73.9</b>	81.2	(9%)
Copper	%	<b>83.4</b>	80.7	3%	<b>81.1</b>	82.8	(2%)
Gold-copper concentrate produced	t	<b>37,283</b>	28,091	33%	<b>71,639</b>	64,183	12%
Pyrite concentrate produced	t	<b>67,181</b>	68,403	(2%)	<b>132,843</b>	127,540	4%
Metals contained in concentrate produced:							
Gold in gold-copper concentrate	oz	<b>29,649</b>	32,877	(10%)	<b>52,779</b>	63,333	(17%)
Gold in pyrite concentrate	oz	<b>14,814</b>	16,368	(9%)	<b>26,942</b>	27,412	(2%)
Total gold production	oz	<b>44,463</b>	49,245	(10%)	<b>79,721</b>	90,745	(12%)
Copper	Klbs	<b>7,913</b>	8,809	(10%)	<b>15,090</b>	16,502	(9%)
Cost of sales per tonne of ore processed	\$/t	<b>62</b>	52	18%	<b>63</b>	58	9%
Cash cost per tonne of ore processed	\$/t	<b>50</b>	48	4%	<b>51</b>	48	6%
Gold-copper concentrate delivered	t	<b>37,214</b>	24,772	50%	<b>72,355</b>	62,219	16%
Pyrite concentrate delivered	t	<b>57,903</b>	76,585	(24%)	<b>129,016</b>	135,607	(5%)
Payable metals in concentrate sold <sup>(1)</sup> :							
Gold in gold-copper concentrate	oz	<b>25,399</b>	27,593	(8%)	<b>47,500</b>	56,115	(15%)
Gold in pyrite concentrate	oz	<b>8,454</b>	12,088	(30%)	<b>17,426</b>	19,879	(12%)
Total payable gold	oz	<b>33,853</b>	39,681	(15%)	<b>64,926</b>	75,994	(15%)
Payable copper	Klbs	<b>6,585</b>	7,242	(9%)	<b>12,943</b>	13,783	(6%)
Cost of sales per ounce of gold sold	\$/oz	<b>1,010</b>	699	44%	<b>1,071</b>	815	31%
Cash cost per ounce of gold sold	\$/oz	<b>633</b>	658	(4%)	<b>690</b>	508	36%
All-in sustaining cost per ounce of gold sold	\$/oz	<b>776</b>	754	3%	<b>851</b>	598	42%
Capital expenditures incurred <sup>(2)</sup> :							
Sustaining		<b>3,136</b>	4,152	(24%)	<b>8,062</b>	6,125	32%
Growth		<b>838</b>	1,037	(19%)	<b>1,463</b>	2,219	(34%)
Total capital expenditures		<b>3,974</b>	5,189	(23%)	<b>9,525</b>	8,344	14%

1) Represents payable metals in gold-copper and pyrite concentrate sold based on provisional invoices.

2) Represent capital expenditures on an accrual basis and do not represent the cash outlays for the capital expenditures.

### Metals production

Relative to second quarter of 2022, gold contained in gold-copper concentrate produced in the second quarter of 2023 decreased by 10% to 29,649 ounces, and gold contained in pyrite concentrate produced decreased by 9% to 14,814 ounces, in each case, due primarily to lower gold grades and recoveries, in-line with the mine plan.

Relative to the first half of 2022, gold contained in gold-copper concentrate produced in the first half of 2023 decreased by 17% to 52,779 ounces due primarily to lower gold grades and recoveries, in-line with the mine plan. Gold contained in pyrite concentrate produced in the first half of 2023 of 26,942 ounces was comparable to the corresponding period in 2022.

Copper production in the second quarter and first half of 2023 of 7.9 million pounds and 15.1 million pounds, respectively, was 10% and 9% lower than the corresponding periods in 2022 due primarily to lower copper grades.

### *Metals sold*

Relative to the second quarter of 2022, payable gold in gold-copper concentrate sold in the second quarter of 2023 decreased by 8% to 25,399 ounces and payable copper decreased by 9% to 6.6 million pounds. These decreases were due primarily to lower gold and copper production and lower payable terms, partially offset by the timing of deliveries. Generally lower payable terms are offset by lower treatment charges and other deductions.

Payable gold in pyrite concentrate sold in the second quarter of 2023 of 8,454 ounces was 30% lower than the corresponding period in 2022 due primarily to the timing of deliveries and lower gold contained in pyrite concentrate produced.

Relative to the first half of 2022, payable gold in gold-copper concentrate sold in the first half of 2023 decreased by 15% to 47,500 ounces and payable copper decreased by 6% to 12.9 million pounds. These decreases were due primarily to lower gold and copper production, partially offset by the timing of deliveries.

Payable gold in pyrite concentrate sold in the first half of 2023 of 17,426 ounces was 12% lower than the corresponding period in 2022 due primarily to the timing of deliveries.

### *Inventory*

Gold-copper concentrate inventory totalled 1,125 tonnes at June 30, 2023, down from 1,841 tonnes at December 31, 2022. Pyrite concentrate inventory totalled 18,068 tonnes at June 30, 2023, up from 14,241 tonnes at December 31, 2022. These changes in inventory were due primarily to the timing of deliveries.

### *Cash cost measures*

Cash cost per tonne of ore processed in the second quarter of 2023 of \$50 was 4% higher than the corresponding period in 2022 due primarily to higher local currency operating expenses resulting from higher labour costs and higher prices for direct materials, partially offset by higher volumes of ore processed. Cash cost per tonne of ore processed in the first half of 2023 of \$51 was 6% higher than the corresponding period in 2022 due primarily to higher labour costs and higher prices for direct materials, partially offset by higher volumes of ore processed.

Cash cost per ounce of gold sold in the second quarter of 2023 of \$633 was 4% lower than the corresponding period in 2022 due primarily to lower treatment and freight charges as a result of increased deliveries to third-party smelters, partially offset by lower by-product credits as a result of lower volumes and prices of copper sold, lower volumes of gold sold, higher labour cost and higher prices for direct materials. Cash cost per ounce of gold sold in the first half of 2023 of \$690 was 36% higher than the corresponding period in 2022 due primarily to lower by-product credits, lower volumes of gold sold, higher labour cost and higher prices for direct materials, partially offset by lower treatment and freight charges.

All-in sustaining cost per ounce of gold sold in the second quarter and the first half of 2023 of \$776 and \$851, respectively, increased compared to \$754 and \$598 in the corresponding periods in 2022 due primarily to lower by-product credits, lower volumes of gold sold, higher labour cost and higher prices for direct materials, as well as the timing of cash outlays for sustaining capital expenditures related to the upgrade of the tailings management facility, partially offset by lower treatment and freight charges.

### *Capital expenditures*

Capital expenditures in the second quarter of 2023 of \$4.0 million was \$1.2 million lower than the corresponding period in 2022 due primarily to the completion of the planned upgrade of the tailings

management facility in the quarter. Capital expenditures in the first half of 2023 of \$9.5 million was \$1.2 million higher than the corresponding period in 2022 due primarily to the timing of expenditures.

### Review of Ada Tepe Results

\$ thousands, unless otherwise indicated Ended June 30,		Three Months			Six Months		
		2023	2022	Change	2023	2022	Change
<b>Operating Highlights</b>							
Ore mined	t	<b>189,125</b>	194,596	(3%)	<b>388,447</b>	352,452	10%
Stripping ratio (waste/ore)		<b>3.38</b>	3.20	6%	<b>3.19</b>	3.54	(10%)
Ore processed	t	<b>190,048</b>	217,024	(12%)	<b>381,555</b>	430,767	(11%)
Gold head grade	g/t	<b>6.12</b>	3.96	55%	<b>6.22</b>	3.84	62%
Gold recoveries <sup>(1)</sup>	%	<b>84.9</b>	85.6	(1%)	<b>85.3</b>	84.5	1%
Gold concentrate produced	t	<b>2,052</b>	1,331	54%	<b>4,125</b>	2,559	61%
Gold contained in concentrate produced	oz	<b>31,843</b>	23,659	35%	<b>65,166</b>	45,074	45%
Cost of sales per tonne of ore processed	\$/t	<b>138</b>	118	17%	<b>138</b>	117	18%
Cash cost per tonne of ore processed	\$/t	<b>66</b>	54	22%	<b>66</b>	53	25%
Gold concentrate delivered	t	<b>2,043</b>	1,313	56%	<b>4,118</b>	2,538	62%
Payable gold in concentrate sold <sup>(2)</sup>	oz	<b>31,212</b>	23,028	36%	<b>63,638</b>	44,096	44%
Cost of sales per ounce of gold sold	\$/oz	<b>841</b>	1,115	(25%)	<b>830</b>	1,147	(28%)
Cash cost per ounce of gold sold	\$/oz	<b>441</b>	529	(17%)	<b>427</b>	544	(22%)
All-in sustaining cost per ounce of gold sold	\$/oz	<b>530</b>	623	(15%)	<b>508</b>	699	(27%)
Sustaining capital expenditures incurred <sup>(3)</sup>		<b>2,507</b>	2,195	14%	<b>4,655</b>	5,395	(14%)

1) Recoveries are after the flotation circuit but before filtration.

2) Represents payable metals in gold concentrate sold based on provisional invoices.

3) Represent capital expenditures on an accrual basis and do not represent the cash outlays for the capital expenditures.

### Gold production

Gold contained in concentrate produced in the second quarter and first half of 2023 of 31,843 ounces and 65,166 ounces, respectively, was 35% and 45% higher than the corresponding periods in 2022 due primarily to mining higher grade zones, in-line with the mine plan.

### Gold sold

Payable gold in concentrate sold in the second quarter and first half of 2023 of 31,212 ounces and 63,638 ounces, respectively, was 36% and 44% higher than the corresponding periods in 2022, consistent with higher production.

### Inventory

Gold concentrate inventory totalled 104 tonnes at June 30, 2023, up from 97 tonnes at December 31, 2022.

### Cash cost measures

Cash cost per tonne of ore processed in the second quarter and first half of 2023 of \$66, in each case, was 22% and 25% higher than the corresponding periods in 2022 due primarily to lower volumes of ore processed and higher royalties reflecting higher contained ounces mined.

Cash cost per ounce of gold sold in the second quarter and first half of 2023 of \$441 and \$427, respectively, was 17% and 22% lower than the corresponding periods in 2022 due primarily to higher volumes of gold sold which benefited from higher gold grades.

All-in sustaining cost per ounce of gold sold in the second quarter and first half of 2023 of \$530 and \$508, respectively, was 15% and 27% lower than the corresponding periods in 2022 due primarily to higher volumes of gold sold.

## Capital expenditures

Capital expenditures in the second quarter and first half of 2023 were \$2.5 million and \$4.7 million, respectively, compared to \$2.2 million and \$5.4 million in the corresponding periods in 2022. The accelerated grade control drilling program at Ada Tepe was completed in the first quarter of 2022.

## Review of Tsumeb Results

<i>\$ thousands, unless otherwise indicated</i>		<b>Three Months</b>			<b>Six Months</b>		
<b>Ended June 30,</b>		<b>2023</b>	<b>2022</b>	<b>Change</b>	<b>2023</b>	<b>2022</b>	<b>Change</b>
<b>Operating Highlights</b>							
Complex concentrate smelted:							
Chelopech	t	<b>7,744</b>	7,494	3%	<b>22,677</b>	26,664	(15%)
Third parties	t	<b>41,739</b>	13,560	208%	<b>76,453</b>	41,633	84%
Total	t	<b>49,483</b>	21,054	135%	<b>99,130</b>	68,297	45%
Cost of sales per tonne of complex concentrate smelted	\$/t	<b>454</b>	1,426	(68%)	<b>485</b>	938	(48%)
Cash cost per tonne of complex concentrate smelted	\$/t	<b>343</b>	973	(65%)	<b>368</b>	632	(42%)
Sulphuric acid:							
Production	t	<b>49,414</b>	24,853	99%	<b>105,137</b>	78,020	35%
Deliveries	t	<b>52,051</b>	27,153	92%	<b>107,222</b>	88,521	21%
Capital expenditures incurred <sup>(1)</sup> :							
Sustaining		<b>2,778</b>	10,986	(75%)	<b>3,225</b>	13,003	(75%)
Growth		-	604	(100%)	-	896	(100%)
Total capital expenditures		<b>2,778</b>	11,590	(76%)	<b>3,225</b>	13,899	(77%)

1) Represent capital expenditures on an accrual basis and do not represent the cash outlays for the capital expenditures.

## Production and sulphuric acid deliveries

Complex concentrate smelted in the second quarter and first half of 2023 of 49,483 tonnes and 99,130 tonnes, respectively, was 28,429 tonnes and 30,833 tonnes higher than the corresponding periods in 2022 due primarily to the Ausmelt furnace maintenance shutdown, which was completed during the second quarter of 2022, partially offset by unplanned maintenance in the off-gas system in the first half of 2023. The Company plans to undertake additional maintenance in the off-gas system, which is expected to address this issue, concurrently with the Ausmelt furnace maintenance shutdown scheduled for the third quarter of 2023.

Sulphuric acid production in the second quarter and first half of 2023 of 49,414 tonnes and 105,137 tonnes, respectively, were 24,561 tonnes and 27,117 tonnes higher than the corresponding periods in 2022 reflecting higher volumes of complex concentrate smelted.

Sulphuric acid deliveries in the second quarter and first half of 2023 of 52,051 tonnes and 107,222 tonnes, respectively, were 24,898 tonnes and 18,701 tonnes higher than the corresponding periods in 2022 reflecting higher sulphuric acid production, partially offset by timing of deliveries.

## Cash cost per tonne of complex concentrate smelted

Cash cost per tonne of complex concentrate smelted in the second quarter and first half of 2023 of \$343 and \$368, respectively, was 65% and 42% lower than the corresponding periods in 2022 due primarily to higher volumes of complex concentrate smelted and a stronger U.S. dollar relative to the ZAR.

## Capital expenditures

Capital expenditures in the second quarter and first half of 2023 of \$2.8 million and \$3.2 million, respectively, decreased compared to \$11.6 million and \$13.9 million in the corresponding periods in 2022 due primarily

to the timing of the Ausmelt furnace maintenance shutdown which occurred in the second quarter of 2022 and is scheduled for the third quarter of 2023.

## **DEVELOPMENT AND OTHER MAJOR PROJECTS**

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### ***Loma Larga Gold Project***

DPM continues to advance the updated FS, including optimization work leveraging the Company's significant expertise with similar deposits, including Chelopech in Bulgaria, which shares similar geology, mining method and processing flow sheet to the Loma Larga project. The updated FS is targeted for completion in the second half of 2023.

Drilling activities, as well as the Citizens Participation Process for the EIA, remain paused pending the outcome of the appeal related to the decision on the Constitutional Protective Action (the "Action") following the hearing held in mid-October 2022. The decision on the appeal is expected to provide clarity on the consultation process and whether an indigenous consultation could be completed in parallel, as originally planned by the Company, or would need to be completed prior to resuming the Citizens Participation Process. The expected timing for receipt of the environmental licence is subject to the outcome of the appeal process.

For further details on the Action, please see the news releases issued on February 24, 2022 and July 13, 2022, which are available on the Company's website at [www.dundeeprecious.com](http://www.dundeeprecious.com) and have been filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

During the second quarter of 2023, the EIA for the 69 kV power line received technical approval, and the associated public consultation has been initiated.

Since the acquisition of the Loma Larga gold project, the Company has made significant progress in its understanding of the development and operational parameters of the project. The Company has incorporated certain scope changes to the project as part of the updated FS work to enhance project execution and meet DPM's operating standards. DPM has also seen inflationary pressures and other external factors consistent with general industry trends. Combined, these factors are expected to result in a significant increase to the estimated initial capital and operating costs for the project. This may impact the economics and other parameters, including the Mineral Resource and Mineral Reserve estimate, which are being assessed as the additional work required for the updated FS progresses. DPM views the Loma Larga gold project as a high-quality advanced stage project with the potential to generate strong economic returns following the results of the ongoing optimization work. The Company has increased its 2023 guidance in respect of the Loma Larga gold project to between \$18 million and \$22 million, up from the previous guidance range of \$10 million to \$14 million, due to the additional scope of work related to the updated FS work as well as increased activities related to stakeholder engagement.

The Company continues to progress discussions with the government of Ecuador in respect of an investor protection agreement. The agreement is substantially complete and is progressing through the approvals of the various government ministries. In-line with its disciplined approach to project development, DPM does not anticipate making any significant capital commitments to the project prior to the completion of the investor protection agreement and receipt of the environmental licence.

The Company maintains a constructive relationship with government institutions and other stakeholders involved with the development of the project.

## ***Čoka Rakita Gold Project***

Exploration activities continue to deliver promising results for the Čoka Rakita gold project and the 40,000-metre infill and extensional drill program is largely completed, including infill drilling at a 60-metre by 60-metre spacing. The Company has commenced an additional 30,000-metre infill drilling program at a 30-metre by 30-metre spacing.

DPM expects to complete a maiden Mineral Resource estimate for Čoka Rakita by the end of 2023, and is progressing activities to accelerate the advancement of the project, including geotechnical drilling, metallurgical test work and the evaluation of potential portal locations for an exploration decline. The Company has commenced additional scout drilling to test other camp-wide targets near Čoka Rakita and is continuing its 10,000-metre scout drill program on the Umka licence.

See the “Exploration – Serbia Exploration” section contained in this MD&A for additional details on the drilling program at Čoka Rakita.

## ***Timok Gold Project***

Given the potential of the new high-grade discovery at the Čoka Rakita project, the Company is focusing on further exploration at Čoka Rakita in 2023 and, as a result, has paused further work on the Timok FS.

The three-year retention of mineral rights for the Timok gold project was received in the third quarter 2021. Permitting activities for the project continued in the first quarter of 2023, including the finalization of the certificate of reserves, with the objective of securing the mining rights for the project during the retention period. The Company has paused plans to submit the application for the certificate of reserves and any activities associated with the spatial planning public hearings.

## **EXPLORATION**

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### ***Chelopech Mine***

DPM continues to aggressively focus on extending Chelopech’s mine life through its successful in-mine exploration program. In the second quarter of 2023, the Company continued to advance in-mine exploration activities aimed at resource development, drilling approximately 9,700 metres, which included approximately 6,700 metres of extensional drilling designed to explore for new mineralization along interpreted geological trends and to test potential exploration targets.

In the second quarter of 2023, approximately 1,690 metres were drilled to test upper levels of the western part of the deposit in the gaps between Blocks 150 and 151, as well as Blocks 150 and 153. As a result of the drill program, the high-grade contour of Block 150 was extended by approximately 20 metres to the southeast and by 15 metres vertically. Furthermore, the contours of silica alteration of Blocks 150 and 151 were expanded locally. Additionally, the silica contour of Block 153 was expanded, by approximately 70 metres, both along strike and vertically.

Drill testing continues at the Quartz-Barite-Gold-Sulphide (“QBGS”) zone located in the southeastern section of the mine. During the second quarter, the Company completed a total of 1,191 metres toward this target. While no significant results were returned, extensions to the silica envelope of Block 18 were encountered. The “QBGS” zone remains open in multiple directions and further resource definition drilling is planned to delineate this zone.

During the second quarter of 2023, a total of 2,705 metres of underground drilling was undertaken toward Target 11, which is located in the northeastern section of the mine. As a result of the drilling, the silica zone and the mineralized contours were expanded along strike to the east.

In the third quarter of 2023, in-mine drilling at Chelopech will be focused on extensional drilling to continue testing the conceptual targets in the northeastern part of the mine (Target 11), as well as further delineation drilling at Block 25 and Target 184 to determine the final shape and size of the ore body.

The Company has budgeted between \$5 million and \$6 million on exploration activities at the Chelopech mine in 2023.

### ***Chelopech Brownfield Exploration***

During the second quarter of 2023, DPM continued to advance the Chelopech brownfield exploration program, with eight drill rigs active at the Brevene exploration licence and the Sharlo Dere target within the mine concession. Approximately 15,600 metres of surface diamond drilling were completed with 17 drill holes completed and eight holes ongoing.

An intensive drilling campaign in Brevene exploration licence is ongoing with the goal of obtaining the Geological Discovery Certificate in 2024.

At the Sharlo Dere prospect, the current drilling has been focused along the western extension of the mineralized zone, which may represent a connection to mineralized zones within the Chelopech Mineral Resource area. The 50-metre by 50-metre infill drilling commenced in the second quarter of 2023, which is aimed at fully evaluating the economic potential at the Sharlo Dere prospect.

Additionally, several deeper holes have been drilled under Chelopech to evaluate the root of the systems and potential porphyry mineralization at depth, with results being currently evaluated in terms of alteration and geochemical vectors.

The Company has budgeted a total of \$5 million to \$6 million for Chelopech brownfield exploration activities in 2023.

### ***Ada Tepe Brownfield Exploration***

During the second quarter of 2023, exploration activities at Ada Tepe camp were focused on target delineation campaigns on the Surnak and Skalac prospects within the Khan Krum mine concession as well as the Chiirite and Lada exploration licences. This included systematic geological mapping, rock sampling, trenching, ground magnetic surveying, drilling and 3D modelling.

#### **Khan Krum Concession Area**

During the second quarter, the drilling program at the Kupel prospect, which was aimed at testing possible mineralized structures at depth that could be feeding the mineralization at surface, was completed with approximately 380 metres drilled. Only several late faults containing silicified clasts with anomalous gold grades (up to 0.88 g/t gold over one metre) were intersected during the program.

#### **Lada Exploration Licence**

Approximately 720 metres of drilling was completed on the Lada exploration licence during the second quarter, which was focused on testing the assumed pre-mineral sediments and its contact with the underlying Shavar crosscut formation, crosscut by the main east basin bounding fault. No significant results returned.

## Chiirite Exploration Licence

Permitting for drilling at Kara Tepe is ongoing. Target delineation and trenching programs have defined potential gold and copper mineralization, related to skarn/carbonate replacement targets highlighted by a combined IP pole-dipole electrical survey, ground radiometry survey and mapping done in 2022.

## Krumovitsa Exploration Licence

Permitting for 29 drill sites is ongoing at the newly granted Krumovitsa exploration licence. Drilling is scheduled to commence in the third quarter with 15,000 metres drilling planned in the second half of 2023.

The Company had budgeted a total of \$2 million to \$3 million for Ada Tepe brownfield exploration activities in 2023, which is now increased to between \$3 million and \$4 million as a result of the new drilling program under the Krumovitsa exploration licence.

## ***Serbia Exploration***

In Serbia, exploration activities in the second quarter of 2023 focused on its accelerated drilling program at Čoka Rakita. During the second quarter of 2023, approximately 23,000 metres were drilled, with 37 holes completed and another 10 drill holes currently in progress.

Results from drilling extended the deposit by 100 metres to the south, where the system remains locally open, extended the limits of high-grade mineralization by approximately 60 metres to the west and to the south, and confirmed the overall thickness of the target of over 100 metres within the core of the system.

Scout drilling intercepted favourable geological indicators on the north-west flank of the system, about 600 metres to the north-east of the current limit of the deposit, as well as 500 metres to the south of the main Čoka Rakita target, which indicate further extension potential.

The Company has largely completed its previously announced 40,000-metre infill and extensional drill program and has commenced an additional 30,000-metre infill drilling program, which includes infill drilling at a 30-metre by 30-metre spacing. The Company also commenced additional scout drilling to test other camp-wide targets near Čoka Rakita and is continuing its 10,000-metre scout drill program on the Umka licence.

The Company had budgeted a total of \$12 million to \$13 million for Serbian exploration activities in 2023, mainly focused on the Čoka Rakita target. With the additional drilling and early-stage technical work planned for 2023, the Company is planning to spend an additional \$8 million to \$10 million in 2023 related to the Čoka Rakita project for a revised total of \$20 million to \$23 million for Serbian exploration activities in 2023.

For further details on the drilling program at Čoka Rakita, please refer to the news releases entitled “Dundee Precious Metals Announces Discovery of Significant High-Grade Deposit at Čoka Rakita; Results Include Drill Intercept of 40 metres at 63.6 g/t Au and 0.11% Cu”, “Dundee Precious Metals Announces Significant Additional Drill Results from Čoka Rakita Extending Deposit to the East and Confirming High Grade Zone; Results include Drill Intercept of 71 metres at 18.05 g/t Au” and “Dundee Precious Metals Announces Additional Drill Results from Čoka Rakita in Serbia; Ongoing Drilling Extends Deposit by 100 Metres to the South, Confirms and Extends Continuity of High-Grade Zone”, dated January 16, April 10, and July 10, 2023, respectively, which have been posted on the Company’s website at [www.dundeeprecious.com](http://www.dundeeprecious.com) and have been filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## ***Ecuador Exploration***

### ***Loma Larga Concessions***

On the Loma Larga concessions, drilling activities remain paused, pending the resolution of the court process as a result of the Action filed by certain non-government organizations and local agencies (see the “Development and Other Major Projects – Loma Larga Gold Project” section contained in this MD&A for further details). The 15,800-metre program is designed to support various studies complementary to the Loma Larga FS optimization, consisting of hydrogeological, geotechnical, metallurgical, condemnation and extensional drilling.

### ***Tierras Coloradas Concessions***

In the first quarter of 2023, the Company reported the results of a 2,700-metre diamond drilling program completed in the fourth quarter of 2022. The drilling program was designed to test a series of epithermal veins, previously identified by field work and scout drilling in 2020. Drilling confirmed two well-mineralized high-grade vein systems that remain open in multiple directions.

The Company plans to follow up these results with a 10,000-metre drilling program which is expected to commence in August 2023. The primary focus will be to further assess the extension and geometry of the Aparecida and La Tuna vein systems and to test other additional recently discovered high-grade veins and soil anomalies.

Detailed surface mapping in conjunction with soil and rock chip-channel sampling will continue to determine the surface footprint and identify additional targets.

The change in status of the Tierras Coloradas project from early to advanced stage exploration is in progress, and all regulatory authorizations required from the different Ecuadorian authorities are expected to be received by early 2024.

The Company is planning to spend between \$4 million and \$5 million at Tierras Coloradas in 2023 to support the expanded drilling program, an increase from the previous budget of \$1 million to \$2 million.

For further details on the drilling program at Tierras Coloradas, please see press release entitled “Dundee Precious Metals Announces Significant Diamond Drilling Results at Tierras Coloradas, Ecuador; Results Include Drill Intercept of 17.3 metres at 46.09 g/t Au”, issued on February 27, 2023, which has been posted on the Company’s website at [www.dundeeprecious.com](http://www.dundeeprecious.com) and has been filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## REVIEW OF FINANCIAL RESULTS

<i>\$ thousands, unless otherwise indicated</i> Ended June 30,		Three Months			Six Months		
		2023	2022	Change	2023	2022	Change
Revenue		167,523	134,483	25%	323,356	288,284	12%
Cost of sales		82,900	83,444	(1%)	170,361	176,574	(4%)
General and administrative expenses		6,220	6,235	(0%)	19,690	14,766	33%
Corporate social responsibility expenses		606	757	(20%)	1,351	1,511	(11%)
Exploration and evaluation expenses		11,076	5,817	90%	18,737	9,099	106%
Finance costs		1,715	1,475	16%	3,344	2,838	18%
Other income and expense		(4,238)	(4,117)	3%	(8,369)	8,734	(196%)
Earnings before income taxes		69,244	40,872	69%	118,242	74,762	58%
Income tax expense		7,508	7,380	2%	9,906	14,445	(31%)
Net earnings		61,736	33,492	84%	108,336	60,317	80%
Per share	\$/sh	0.33	0.18	83%	0.57	0.32	78%
Adjusted EBITDA		86,654	68,653	26%	155,079	138,128	12%
Adjusted net earnings		62,200	33,266	87%	108,336	70,308	54%
Per share	\$/sh	0.33	0.17	94%	0.57	0.37	54%

### Revenue

Revenue in the second quarter and first half of 2023 of \$167.5 million and \$323.4 million, respectively, was 25% and 12% higher than the corresponding periods in 2022 due primarily to lower treatment and freight charges at Chelopech, higher volumes and realized prices of gold sold, and higher volumes of complex concentrate smelted due to timing of Ausmelt furnace maintenance shutdown, partially offset by lower estimated metal recoveries at Tsumeb and lower volumes and realized prices of copper sold.

The following table summarizes revenue by segment:

<i>\$ thousands</i> Ended June 30,		Three Months			Six Months		
		2023	2022	Change	2023	2022	Change
Chelopech <sup>(1)</sup>		72,178	66,917	8%	136,750	150,514	(9%)
Ada Tepe <sup>(1)</sup>		60,340	41,600	45%	122,136	80,711	51%
Tsumeb		35,005	25,966	35%	64,470	57,059	13%
Total revenue		167,523	134,483	25%	323,356	288,284	12%

1) Includes the value of payable metals sold, deductions for treatment charges, penalties, transportation and other selling costs, and final settlements to reflect any physical and cost adjustments on provisionally priced sales.

At Chelopech, revenue in the second quarter of 2023 of \$72.2 million was 8% higher than the corresponding period in 2022 due primarily to lower treatment and freight charges and higher realized gold prices, partially offset by lower volumes of metal sold and lower realized copper prices. Revenue in the first half of 2023 of \$136.8 million was 9% lower than the corresponding period in 2022 due primarily to lower volumes of metal sold and lower realized copper prices, partially offset by lower treatment and freight charges and higher realized gold prices.

At Ada Tepe, revenue in the second quarter and first half of 2023 of \$60.3 million and \$122.1 million, respectively, was 45% and 51% higher than the corresponding periods in 2022 due primarily to higher volumes of gold sold and higher realized gold prices.

At Tsumeb, revenue in the second quarter and first half of 2023 of \$35.0 million and \$64.5 million, respectively, was 35% and 13% higher than the corresponding periods in 2022 due primarily to higher volumes of complex concentrate smelted, partially offset by lower estimated metal recoveries.

### Cost of sales

Cost of sales in the second quarter and first half of 2023 of \$82.9 million and \$170.4 million, respectively, decreased compared to \$83.4 million and \$176.6 million in the corresponding periods in 2022 due primarily

to a stronger U.S. dollar relative to the ZAR and lower depreciation expense as a result of the impairment charge in respect of Tsumeb taken in the third quarter of 2022, partially offset by higher local currency mine operating costs.

#### *General and administrative expenses*

General and administrative expenses in the second quarter of 2023 of \$6.2 million was comparable to the corresponding period in 2022. General and administrative expenses in the first half of 2023 of \$19.7 million were \$4.9 million higher than the corresponding period in 2022 due primarily to a \$6.4 million unfavourable mark-to-market adjustment to share-based compensation expenses, reflecting DPM's strong share price performance, partially offset by lower spend on consulting services.

Share-based compensation expense included in general and administrative expenses in the second quarter of 2023 was \$0.2 million, compared to a reversal of \$0.2 million in the corresponding period in 2022. Share-based compensation expense included in general and administrative expenses in the first half of 2023 was \$8.6 million, compared to \$2.2 million in the corresponding period in 2022.

#### *Exploration and evaluation expenses*

Exploration and evaluation expenses in the second quarter and first half of 2023 of \$11.1 million and \$18.7 million, respectively, increased compared to \$5.8 million and \$9.1 million in the corresponding periods in 2022 due primarily to accelerated drilling activities at Čoka Rakita in Serbia following the high-grade discovery announced in January 2023, additional drilling at Brevene in Chelopech and increased focus on drilling at Tierras Coloradas in Ecuador.

For a more detailed discussion on the Company's exploration activities, refer to the "Exploration" section of this MD&A.

#### *Finance costs*

Finance costs are comprised of interest and other deemed financing costs in respect of the Company's debt facilities, lease obligations and rehabilitation provisions.

Finance costs in the second quarter and first half of 2023 were \$1.7 million and \$3.3 million, respectively, compared to \$1.5 million and \$2.8 million in the corresponding periods in 2022.

#### *Other income and expense*

The following table summarizes items making up other income and expense:

<i>\$ thousands</i>	<b>Three Months</b>		<b>Six Months</b>	
<b>Ended June 30,</b>	<b>2023</b>	2022	<b>2023</b>	2022
Net losses on foreign exchange forward contracts <sup>(1)</sup>	<b>1,553</b>	-	<b>4,729</b>	-
Net foreign exchanges (gains) losses <sup>(2)</sup>	<b>1,323</b>	(2,975)	<b>(1,922)</b>	(301)
Net losses on Sabina special warrants <sup>(1)</sup>	-	1,797	-	2,185
Tsumeb restructuring costs <sup>(3)</sup>	-	(2,023)	-	7,806
Interest income	<b>(6,021)</b>	(716)	<b>(10,118)</b>	(965)
Other, net	<b>(1,093)</b>	(200)	<b>(1,058)</b>	9
<b>Total other (income) and expense<sup>(4)</sup></b>	<b>(4,238)</b>	(4,117)	<b>(8,369)</b>	8,734

1) Refer to the "Financial Instruments" section of this MD&A for more details.

2) Primarily related to the revaluation of foreign denominated monetary assets and liabilities.

3) Represents costs related to a comprehensive initiative directed at optimizing the cost structure of the smelter.

4) For the three and six months ended June 30, 2022, the Bulgarian government subsidy for electricity of \$3.4 million and \$7.5 million, respectively, was reclassified from other income and expense to cost of sales to conform with current year presentation.

### Income tax expense

The effective tax rate of the Company can vary significantly from one period to the next based on a number of factors. For the three and six months ended June 30, 2023 and 2022, the Company's effective tax rate was impacted primarily by the Company's overall earnings, mix of foreign earnings or losses, which are subject to lower tax rates in certain jurisdictions, and changes in unrecognized tax benefits relating to corporate operating, exploration and evaluation costs, as well as unrealized gains or losses on the Company's publicly traded securities recognized in other comprehensive income (loss).

<i>\$ thousands, unless otherwise indicated</i> Ended June 30,	Three Months		Six Months	
	2023	2022	2023	2022
Earnings before income taxes	69,244	40,872	118,242	74,762
Combined Canadian federal and provincial statutory income tax rates	26.5%	26.5%	26.5%	26.5%
Expected income tax expense	18,350	10,831	31,334	19,812
Lower rates on foreign earnings	(13,336)	(9,224)	(21,341)	(14,755)
Changes in unrecognized tax benefits	3,037	3,701	424	6,424
Non-taxable portion of capital (gains) losses	(606)	2,236	(401)	2,903
Non-deductible share-based compensation expense	61	72	136	154
Other, net	2	(236)	(246)	(93)
Income tax expense	7,508	7,380	9,906	14,445
Effective income tax rates	10.8%	18.1%	8.4%	19.3%

### Net earnings

Net earnings in the second quarter and first half of 2023 of \$61.7 million (\$0.33 per share) and \$108.3 million (\$0.57 per share), respectively, increased compared to \$33.5 million (\$0.18 per share) and \$60.3 million (\$0.32 per share) in the corresponding periods in 2022, due primarily to lower treatment and freight charges at Chelopech, higher volumes and realized prices of gold sold, higher volumes of complex concentrate smelted due to timing of the Ausmelt furnace maintenance shutdown, a stronger U.S. dollar relative to the ZAR and higher interest income, partially offset by lower estimated metal recoveries at Tsumeb, higher local currency mine operating expenses, higher planned exploration and evaluation expenses and lower volumes and realized prices of copper sold. Net earnings in the first half of 2023 were also impacted by higher share-based compensation expenses as a result of DPM's strong share price performance.

### Adjusted net earnings

The following table summarizes the key drivers affecting the changes in adjusted net earnings:

<i>\$ millions</i> Ended June 30,	Three Months	Six Months
<b>Adjusted net earnings – 2022</b>	<b>33.3</b>	<b>70.3</b>
Higher volumes of complex concentrate smelted	15.6	16.2
Lower treatment and freight charges	18.8	16.1
Higher volumes of metal sold	1.6	12.2
Stronger U.S. dollar	4.9	11.1
Higher interest income	5.3	9.2
Higher realized metal prices	5.5	4.7
Higher local currency mine operating expenses	(6.5)	(10.6)
Higher exploration and evaluation expenses	(5.3)	(9.6)
Lower estimated metal recoveries	(7.9)	(9.6)
Other	(3.1)	(1.7)
<b>Adjusted net earnings – 2023</b>	<b>62.2</b>	<b>108.3</b>

Adjusted net earnings in the second quarter and first half of 2023 of \$62.2 million (\$0.33 per share) and \$108.3 million (\$0.57 per share), respectively, increased compared to \$33.3 million (\$0.17 per share) and \$70.3 million (\$0.37 per share) in the corresponding periods in 2022 due primarily to the same factors affecting net earnings, except for adjusting items primarily related to the Tsumeb restructuring costs in 2022.

For more details on these adjustments, refer to the “Non-GAAP Financial Measures” section commencing on page 32 of this MD&A.

#### *Earnings before income taxes*

Earnings before income taxes in the second quarter and first half of 2023 of \$69.2 million and \$118.2 million, respectively, increased compared to \$40.9 million and \$74.8 million in the corresponding periods in 2022, reflecting the same factors that affected net earnings, except for income taxes, which are excluded.

#### *Adjusted EBITDA*

Adjusted EBITDA in the second quarter and first half of 2023 was \$86.7 million and \$155.1 million, respectively, compared to \$68.6 million and \$138.1 million in the corresponding periods in 2022, reflecting the same factors that affected adjusted net earnings, except for interest, income taxes, depreciation and amortization, which are excluded from adjusted EBITDA.

## **LIQUIDITY AND CAPITAL RESOURCES**

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At June 30, 2023, the Company held cash of \$542.0 million and \$150.0 million of undrawn capacity under its RCF.

The Company’s liquidity is impacted by several factors which include, but are not limited to, gold, copper and sulphuric acid market prices, production levels, capital expenditures, operating cash costs, interest rates and foreign exchange rates. These factors are monitored by the Company on a regular basis.

At June 30, 2023, the Company’s cash resources and available capital under its RCF continue to provide sufficient liquidity and capital resources to meet its current operating and capital expenditure requirements, all contractual commitments, as well as a number of margin improvement and growth-related expenditures. The Company may, from time to time, raise additional capital or amend its RCF to ensure it maintains its financial strength and has sufficient liquidity to support the funding requirements associated with one or more of its growth capital projects and the overall needs of the business.

#### *Capital Allocation*

As part of its strategy, the Company adheres to a disciplined capital allocation framework that is based on three fundamental considerations – balance sheet strength, reinvestment in the business, and the return of excess capital to shareholders. Maintaining a strong balance sheet includes ensuring adequate liquidity, managing within prudent financial metrics, and building a strong cash position to support accretive growth. Reinvestment in the business includes investing in its operating assets to sustain and optimize performance; investing in resource development to extend the life of its mines and to identify new gold resources; further advancing existing resources towards production; as well as investing in new projects to grow beyond its existing asset base. Returning capital to shareholders includes dividends, and under certain circumstances, opportunistic share repurchases. These alternatives are not mutually exclusive, nor are they exhaustive, and are assessed in a balanced manner with a view to maximizing total shareholder returns over the long-term.

### *Declaration of dividend*

During the six months ended June 30, 2023, the Company declared a quarterly dividend of \$0.04 (2022 – \$0.04) per common share to its shareholders of record resulting in total dividend distributions of \$15.0 million (2022 – \$15.3 million) recognized against its retained earnings in the condensed interim consolidated statements of changes in shareholders' equity. At June 30, 2023, the Company recognized a dividend payable of \$7.4 million (December 31, 2022 – \$7.6 million) in accounts payable and accrued liabilities in the condensed interim consolidated statements of financial position.

On August 1, 2023, the Company declared a dividend of \$0.04 per common share payable on October 16, 2023 to shareholders of record on September 30, 2023.

The Company's dividend has been set at a level that is considered to be sustainable based on the Company's free cash flow outlook and is expected to allow the Company to build additional balance sheet strength to support the estimated capital funding associated with its projects, including Loma Larga, Čoka Rakita and other growth opportunities, which represent a key element of DPM's strategy. The declaration, amount and timing of any future dividends are at the sole discretion of the Board of Directors and will be assessed based on the Company's capital allocation framework, having regard for the Company's financial position, overall market conditions, and its outlook for sustainable free cash flow, capital requirements, and other factors considered relevant by the Board of Directors.

### *Share repurchases under the NCIB*

The Company commenced an NCIB on March 1, 2022 (the "Previous Bid"), which expired on February 28, 2023. Under the Previous Bid, the Company sought and obtained approval to purchase up to 9,000,000 common shares. Effective March 1, 2023, the Company renewed its NCIB to repurchase certain of its common shares through the facilities of the TSX.

Pursuant to the NCIB, the Company is able to purchase up to 16,500,000 common shares representing approximately 10% of the public float as at February 16, 2023, over a period of twelve months commencing March 1, 2023 and terminating on February 28, 2024. In accordance with TSX rules, the Company will not acquire on any given trading day more than 112,323 common shares, representing 25% of the average daily volume of common shares for the six months ended January 31, 2023. The price that the Company will pay for common shares in open market transactions will be the market price at the time of purchase and any common shares that are purchased under the NCIB will be cancelled.

During the six months ended June 30, 2023, the Company purchased a total of 4,798,095 shares (2022 – 1,598,800 shares), all of which were cancelled as at June 30, 2023. The total cost of these purchases was \$33.7 million (2022 – \$9.5 million) at an average price per share of \$7.05 (Cdn\$9.50) (2022 – \$5.92 (Cdn\$7.55)), of which \$14.5 million (2022 – \$4.9 million) was recognized as a reduction in share capital, \$nil (2022 – \$4.6 million) as a reduction in contributed surplus, and \$19.2 million (2022 – \$nil) as a reduction in retained earnings in the condensed interim consolidated statements of changes in shareholders' equity. Payments for these shares repurchases were included in cash used in financing activities in the condensed interim consolidated statements of cash flows for the six months ended June 30, 2023 and 2022.

As at June 30, 2023, the Company had an active automatic share repurchase plan in place under the NCIB with its designated broker which terminated on July 26, 2023, pursuant to which the Company repurchased an additional 1,169,923 shares in July 2023, all of which were cancelled as at August 1, 2023. As at June 30, 2023, the Company recognized a liability of \$8.1 million for the amount repurchased under the plan, of which \$3.7 million was recognized as a reduction in share capital and \$4.4 million as a reduction in retained earnings in the condensed interim consolidated statements of changes in shareholders' equity for the six months ended June 30, 2023.

The Company's Board of Directors has authorized management to repurchase up to \$100 million of the Company's shares over a period of twelve months, which began on March 1, 2023 and as at August 1, 2023, the shares repurchased totalled \$42.1 million. The actual timing and number of common shares that may be purchased pursuant to the NCIB will be undertaken in accordance with DPM's capital allocation framework, having regard for such things as DPM's financial position, business outlook and ongoing capital requirements, as well as its share price and overall market conditions.

A copy of the TSX Form 12 for the NCIB can be obtained, without charge, by contacting the Company at info@dundeeprecious.com.

## Cash Flow

The following table summarizes the Company's cash flow activities:

<i>\$ thousands</i>	<b>Three Months</b>			<b>Six Months</b>		
<b>Ended June 30,</b>	<b>2023</b>	2022	Change	<b>2023</b>	2022	Change
Cash provided from operating activities, before changes in working capital <sup>(1)</sup>	<b>81,682</b>	57,075	43%	<b>157,108</b>	117,915	33%
Changes in working capital	<b>(22,505)</b>	15,455	(246%)	<b>(27,031)</b>	33,377	(181%)
Cash provided from operating activities	<b>59,177</b>	72,530	(18%)	<b>130,077</b>	151,292	(14%)
Cash provided from (used in) investing activities	<b>44,242</b>	(21,465)	(306%)	<b>28,020</b>	(38,831)	(172%)
Cash used in financing activities	<b>(34,515)</b>	(9,743)	254%	<b>(49,326)</b>	(23,519)	110%
Increase in cash and cash equivalents	<b>68,904</b>	41,322	67%	<b>108,771</b>	88,942	22%
Cash at beginning of period	<b>473,043</b>	381,997	24%	<b>433,176</b>	334,377	30%
Cash and cash equivalents at end of period	<b>541,947</b>	423,319	28%	<b>541,947</b>	423,319	28%

1) Cash provided from operating activities, before changes in working capital, is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section commencing on page 32 of this MD&A for more information, including reconciliations to IFRS measures.

The primary factors impacting period over period cash flows are summarized below.

### Operating activities

Cash provided from operating activities in the second quarter and first half of 2023 of \$59.2 million and \$130.1 million, respectively, was 18% and 14% lower than the corresponding periods in 2022, due primarily to the timing of deliveries and subsequent receipt of cash and the timing of payments to suppliers, partially offset by higher earnings generated.

Free cash flow in the second quarter and first half of 2023 of \$70.5 million and \$135.5 million, respectively, was \$29.3 million and \$45.6 million higher than the corresponding periods in 2022, due primarily to higher earnings generated and lower cash outlays for sustaining capital expenditures. Free cash flow is calculated before changes in working capital.

### Investing activities

Cash provided from investing activities in the second quarter and first half of 2023 was \$44.2 million and \$28.0 million, respectively, compared to cash used in investing activities of \$21.5 million and \$38.8 million in the corresponding periods in 2022.

The following table provides a summary of the Company's cash outlays for capital expenditures:

\$ thousands Ended June 30,	Three Months			Six Months		
	2023	2022	Change	2023	2022	Change
Chelopech	5,090	4,534	12%	10,706	8,404	27%
Tsumeb	2,512	5,543	(55%)	4,205	7,555	(44%)
Ada Tepe	2,210	1,800	23%	3,966	6,146	(35%)
Corporate & Other	5,868	9,588	(39%)	12,628	16,226	(22%)
Total cash capital expenditures	15,680	21,465	(27%)	31,505	38,331	(18%)

Cash outlays for capital expenditures in the second quarter and first half of 2023 of \$15.7 million and \$31.5 million, respectively, were \$5.8 million and \$6.8 million lower than the corresponding periods in 2022 due primarily to lower sustaining capital expenditures as expected, as well as timing of the Ausmelt furnace maintenance shutdown which was completed in the second quarter of 2022 and is scheduled for the third quarter of 2023.

Other factors impacting investing activities in the second quarter of 2023 are summarized below:

- Cash proceeds of \$56.5 million from disposition of B2Gold Corp ("B2Gold") shares as a result of B2Gold's acquisition of Sabina Gold and Silver Corp ("Sabina"). See "Financial Instrument" section of this MD&A for further details; and
- Release of restricted cash of \$3.5 million in respect of the disposition of MineRP Holdings Inc. ("MineRP").

#### *Financing activities*

Cash used in financing activities in the second quarter and first half of 2023 was \$34.5 million and \$49.3 million, respectively, compared to \$9.7 million and \$23.5 million in the corresponding periods in 2022, due primarily to payments for shares repurchased under the NCIB.

#### **Financial Position**

\$ thousands As at	June 30, 2023	December 31, 2022	Increase/ (Decrease)
Cash and cash equivalents	541,947	433,176	108,771
Accounts receivable, inventories and other current assets	182,479	177,745	4,734
Investments at fair value	5,990	40,773	(34,783)
Non-current assets, excluding investments at fair value	494,193	505,560	(11,367)
Total assets	1,224,609	1,157,254	67,355
Current liabilities	90,082	96,885	(6,803)
Non-current liabilities	66,284	67,275	(991)
Total equity	1,068,243	993,094	75,149

Cash and cash equivalents increased by \$108.8 million to \$542.0 million in the first half of 2023 due primarily to earnings generated in the period, plus the cash proceeds from the disposition of B2Gold shares, partially offset by cash outlays for capital expenditures, dividends paid and shares repurchased, as well as changes in working capital primarily related to the timing of deliveries and subsequent receipt of cash, timing of payments to suppliers and cash redemptions on share-based compensation liabilities. Accounts receivable, inventories and other current assets increased by \$4.7 million to \$182.5 million due primarily to the timing of deliveries and subsequent receipt of cash. Investments at fair value decreased by \$34.8 million to \$6.0 million due primarily to the B2Gold acquisition of Sabina and the Company's subsequent disposition of B2Gold shares. Non-current assets, excluding investments at fair value, decreased by \$11.4 million to \$494.2 million due primarily to depreciation and depletion, partially offset by capital expenditures.

Current liabilities decreased by \$6.8 million to \$90.1 million in the first half of 2023 due primarily to timing of payments to suppliers, partially offset by higher income tax liabilities. Non-current liabilities decreased by \$1.0 million to \$66.3 million due primarily to the remeasurement in the rehabilitation provision. Total equity increased by \$75.1 million to \$1,068.2 million due primarily to the current period earnings and realized gains on DPM's investment in Sabina, partially offset by share repurchases and dividend distributions.

### ***Contractual Obligations, Commitments and Other Contingencies***

The Company had the following minimum contractual obligations and commitments at June 30, 2023:

	up to 1 year	1 - 5 years	over 5 years	Total
Lease obligations	5,348	8,695	1,378	15,421
Capital commitments	20,552	-	-	20,552
Purchase obligations	17,100	4	-	17,104
Other obligations	289	1,236	486	2,011
Total contractual obligations	43,289	9,935	1,864	55,088

#### *Tsumeb secondary materials*

As at June 30, 2023, Tsumeb had approximately \$55.8 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 April 30, 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 June 30, 2023, the value of excess secondary materials, as defined in the tolling agreement, was approximately \$27.4 million. The Company also had a receivable from IXM of \$16.5 million related to estimated metal exposure at Tsumeb. IXM has agreed to waive the requirement to purchase secondary material above the agreed normal levels as at June 30, 2023.

#### ***Debt and Available Credit Facilities***

At June 30, 2023, the Company had no debt.

The Company has a number of credit facilities that can be accessed by DPM or its subsidiaries, including DPM's committed revolving credit facility of \$150.0 million with a consortium of four banks that matures in July 2026. Pursuant to an accordion feature, this facility can be increased to \$250.0 million, subject to certain conditions. 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. As at June 30, 2023 and December 31, 2022, DPM was in compliance with all financial covenants and \$nil was drawn under the RCF.

Tsumeb has a Namibian \$100.0 million (\$5.3 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 June 30, 2023 and December 31, 2022, \$nil was drawn from this facility.

Chelopech and Ada Tepe have a \$21.0 million multi-purpose credit facility that matures on November 30, 2023 and is guaranteed by DPM. As at June 30, 2023, \$14.6 million (December 31, 2022 – \$17.3 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 (\$22.9 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, 2023 and is guaranteed by DPM. As at June 30, 2023, \$22.8 million (December 31, 2022 – \$22.5 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, 2023 and is guaranteed by DPM. As at June 30, 2023, \$0.1 million (December 31, 2022 – \$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 at Chelopech and Ada Tepe 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.

### **Outstanding Share Data**

DPM's common shares are traded on the TSX under the symbol DPM. As at August 1, 2023, 185,049,900 common shares were issued and outstanding.

DPM also has 1,911,317 options outstanding as at August 1, 2023 with exercise prices ranging from Cdn\$3.74 to Cdn\$9.97 per share (weighted average exercise price – Cdn\$6.91 per share).

### **Other Contingencies**

The Company is involved in legal proceedings, from time to time, arising in the ordinary course of its business. Other than the Action filed by certain non-government organizations and local agencies at Loma Larga (see the "Development and Other Major Projects – Loma Larga Gold Project" section contained in this MD&A for details), there are no ongoing legal proceedings that are expected to result in a material liability or have a material adverse effect on the Company's future business, operations or financial condition.

## **FINANCIAL INSTRUMENTS**

At June 30, 2023, the Company had the following financial instruments measured at fair market value:

<i>\$ thousands</i>		<b>June 30,</b>	December 31,
<b>As at</b>		<b>2023</b>	2022
<b>Consolidated statements of financial position</b>			
	<b>Financial assets</b>		
Investments at fair value	Publicly traded securities	<b>5,961</b>	40,554
	Warrants	<b>29</b>	219
Other current assets	Commodity swap contracts	<b>752</b>	149
	Foreign exchange option contracts	<b>131</b>	-
	Foreign exchange forward contracts	-	531
	<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	Commodity swap contracts	-	3,259
	Foreign exchange option contracts	<b>3,576</b>	1,787
	Foreign exchange forward contracts	-	318

The fair value gains or losses on each of these financial instruments have been summarized in the table below:

<i>\$ thousands</i>		<b>Three Months</b>		<b>Six Months</b>	
<b>Ended June 30,</b>		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Consolidated statements of earnings (loss)</b>	<b>Gains (losses) on financial instruments</b>				
Revenue	Commodity swap contracts	<b>801</b>	14,631	<b>(6,994)</b>	7,872
Cost of Sales	Foreign exchange option contracts	<b>(1,154)</b>	69	<b>(1,575)</b>	200
Other income and expense	Sabina special warrants	-	(1,797)	-	(2,185)
	Foreign exchange forward contracts	<b>(1,553)</b>	-	<b>(4,729)</b>	-
<b>Consolidated statements of comprehensive income (loss)</b>	<b>Gains (losses) on financial instruments, net of income taxes</b>				
Other comprehensive income (loss)	Foreign exchange option contracts	<b>(780)</b>	(5,127)	<b>(1,657)</b>	(871)
	Publicly traded securities	<b>2,209</b>	(12,724)	<b>21,754</b>	(10,455)

For a more detailed description of the accounting policies and the nature of the gains or losses on these financial instruments, see *note 3, Financial Instruments*, to the condensed interim consolidated financial statements for the three and six months ended June 30, 2023.

### ***Investments at Fair Value***

As at June 30, 2023, the Company's investments at fair value were \$6.0 million (December 31, 2022 – \$40.8 million).

On April 19, 2023, B2Gold successfully completed its previously announced acquisition of Sabina through the issuance of 0.3867 of a common share of B2Gold for each Sabina common share, representing a consideration of Cdn\$2.11 per Sabina share on a fully diluted basis based on the closing price of B2Gold on the TSX as at the closing date. As a result, DPM exchanged its ownership interest in Sabina for 13,940,753 common shares of B2Gold, valued at \$56.8 million (Cdn\$76.1 million) at the date of the transaction. On de-recognition of its investment in Sabina, the Company recognized a fair value gain of \$2.2 million in other comprehensive income (loss). The Company subsequently disposed of all B2Gold common shares held for cash proceeds of \$56.5 million and transferred the accumulated fair value gains of \$17.7 million on Sabina common shares from accumulated other comprehensive income to retained earnings in the second quarter of 2023.

### ***Commodity Swap Contracts***

The Company is subject to price risk associated with fluctuations in the market prices for metals. The Company regularly 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").

The Company designates the spot component of commodity swap contracts in respect of QP Hedges as fair value hedges. The fair value gain or loss on QP Hedges is calculated based on the corresponding LME forward copper prices and New York Commodity Exchange forward gold prices, as applicable.

### ***Foreign Exchange Option Contracts***

The Company's foreign currency exposures arise primarily from a significant portion of its operating and capital costs being denominated in currencies other than the U.S. dollar, the Company's functional currency. The Company enters into foreign exchange option contracts in order to reduce the foreign exchange exposure associated with projected operating expenses and capital expenditures denominated in foreign currencies. Foreign exchange option contracts are entered into, to provide price protection below

a specified “floor” rate and participation up to a specified “ceiling” rate. The option contracts entered into 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.

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 foreign exchange option contracts was calculated based on foreign exchange forward rates quoted in the market. As at June 30, 2023, approximately 82% and 43% of the Company’s projected Namibian dollar operating expenses for the balance of 2023 and 2024, respectively, which is linked to the ZAR, have been hedged.

The Company is also exposed to credit and liquidity risks in the event of non-performance by counterparties in connection with its commodity swap contracts and foreign exchange option contracts. These risks, which are monitored on a regular basis, are mitigated, in part, by entering into transactions with financially sound counterparties and, where possible, ensuring contracts are governed by legally enforceable master agreements.

## OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

## SELECTED QUARTERLY INFORMATION

Selected financial results for the last eight quarters, which have been prepared in accordance with IFRS, are shown in the table below:

<i>\$ millions</i> <i>except per share amounts</i>	2023		2022				2021	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue	<b>167.5</b>	155.8	152.9	128.6	134.5	153.8	166.4	162.3
Net earnings	<b>61.7</b>	46.6	33.3	(57.7)	33.5	26.8	51.5	50.4
Net earnings (loss) attributable to:								
• Continuing operations	<b>61.7</b>	46.6	33.3	(57.7)	33.5	26.8	52.1	50.4
• Discontinued operations	-	-	-	-	-	-	(0.6)	-
Net earnings (loss) per share:	<b>0.33</b>	0.25	0.18	(0.30)	0.18	0.14	0.27	0.27
• Continuing operations	<b>0.33</b>	0.25	0.18	(0.30)	0.18	0.14	0.27	0.27
• Discontinued operations	-	-	-	-	-	-	-	-
Net earnings (loss) diluted per share:	<b>0.33</b>	0.24	0.17	(0.30)	0.17	0.14	0.27	0.26
• Continuing operations	<b>0.33</b>	0.24	0.17	(0.30)	0.17	0.14	0.27	0.26
• Discontinued operations	-	-	-	-	-	-	-	-
Adjusted net earnings	<b>62.2</b>	46.1	33.3	25.3	33.3	37.0	51.4	52.5
Adjusted basic earnings per share	<b>0.33</b>	0.24	0.18	0.13	0.17	0.19	0.27	0.28
Cash provided from operating activities	<b>59.2</b>	70.9	49.3	31.5	72.5	78.8	88.9	41.2

The variations in the Company’s quarterly results were driven largely by fluctuations in gold and copper grades and recoveries, timing of metal deliveries, volumes of complex concentrate smelted, gold, copper and sulphuric acid prices, foreign exchange rates, smelter toll rates, smelter metal recoveries, depreciation, gains and losses related to Sabina special warrants, gains and losses on commodity swap contracts related to hedging the Company’s metal price exposures, realized gains or losses on foreign exchange option contracts related to hedging the Company’s foreign denominated operating expenditures, the disposition of MineRP, restructuring costs and impairment charge.

The following table summarizes the quarterly average realized prices for gold and copper and highlights the quarter over quarter variability:

Average Realized Metal Prices	2023		2022				2021	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Gold (\$/oz)	1,961	1,918	1,752	1,712	1,812	1,876	1,780	1,800
Copper (\$/lb)	3.77	4.06	3.65	3.53	4.42	4.58	3.77	3.72

Other key items impacting the Company's quarter over quarter results include:

- Lower volumes of complex concentrate smelted at Tsumeb in Q1 and Q2 2023, as well as Q2 and Q4 2022 as a result of planned maintenance and / or additional unplanned downtime due primarily to water leaks to the off-gas system;
- Tsumeb impairment charge in Q3 2022; and
- Tsumeb restructuring costs in Q1 2022.

## CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the amounts of assets, liabilities and contingent liabilities on the date of the consolidated financial statements and the amounts of revenues and expenses during the periods reported. Estimates and assumptions are evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The significant areas of estimation and uncertainty considered by management in preparing the condensed interim consolidated financial statements for the three and six months ended June 30, 2023 are the same as those described in the Company's MD&A for the year ended December 31, 2022.

## NON-GAAP FINANCIAL MEASURES

Certain financial measures referred to in this MD&A are not measures recognized under IFRS and are referred to as non-GAAP financial measures or ratios. These measures have no standardized meanings under IFRS and may not be comparable to similar measures presented by other companies. The definitions established and calculations performed by DPM are based on management's reasonable judgment and are consistently applied. These measures are used by management and investors to assist with assessing the Company's performance, including its ability to generate sufficient cash flow to meet its return objectives and support its investing activities and debt service obligations. In addition, the Human Capital and Compensation Committee of the Board of Directors uses certain of these measures, together with other measures, to set incentive compensation goals and assess performance. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Non-GAAP financial measures and ratios, together with other financial measures calculated in accordance with IFRS, are considered to be important factors that assist investors in assessing the Company's performance.

## Non-GAAP Cash Cost and All-in Sustaining Cost Measures

Mine cash cost; smelter cash cost; mine cash cost of sales; and all-in sustaining cost are non-GAAP financial measures. Cash cost per tonne of ore processed; cash cost per ounce of gold sold; all-in sustaining cost per ounce of gold sold; and cash cost per tonne of complex concentrate smelted are non-GAAP ratios. These measures capture the important components of the Company's production and related costs. Management and investors utilize these metrics as an important tool to monitor cost performance at the Company's operations. In addition, the Human Capital and Compensation Committee of the Board of Directors uses certain of these measures, together with other measures, to set incentive compensation goals and assess performance.

The following tables provide a reconciliation of the Company's cash cost per tonne of ore processed and cash cost per tonne of complex concentrate smelted to its cost of sales:

<i>\$ thousands, unless otherwise indicated</i>					
<b>For the three months ended June 30, 2023</b>					
		<b>Chelopech</b>	<b>Ada Tepe</b>	<b>Tsumeb</b>	<b>Total</b>
Ore processed	t	<b>550,888</b>	<b>190,048</b>	-	
Complex concentrate smelted	t	-	-	<b>49,483</b>	
Cost of sales		<b>34,192</b>	<b>26,243</b>	<b>22,465</b>	<b>82,900</b>
Add/(deduct):					
Depreciation and amortization		<b>(6,655)</b>	<b>(13,648)</b>	<b>(846)</b>	
Change in concentrate inventory		<b>55</b>	<b>(19)</b>	-	
Sulphuric acid revenue <sup>(1)</sup>		-	-	<b>(4,648)</b>	
Mine cash cost / Smelter cash cost <sup>(2)</sup>		<b>27,592</b>	<b>12,576</b>	<b>16,971</b>	
Cost of sales per tonne of ore processed <sup>(3)</sup>	\$/t	<b>62</b>	<b>138</b>	-	
Cash cost per tonne of ore processed <sup>(3)</sup>	\$/t	<b>50</b>	<b>66</b>	-	
Cost of sales per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	<b>454</b>	
Cash cost per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	<b>343</b>	

<i>\$ thousands, unless otherwise indicated</i>					
<b>For the three months ended June 30, 2022</b>					
		<b>Chelopech</b>	<b>Ada Tepe</b>	<b>Tsumeb</b>	<b>Total</b>
Ore processed	t	529,003	217,024	-	
Complex concentrate smelted	t	-	-	21,054	
Cost of sales <sup>(5)</sup>		27,744	25,673	30,027	83,444
Add/(deduct):					
Depreciation and amortization		(6,119)	(14,139)	(6,440)	
Change in concentrate inventory		3,976	92	-	
Sulphuric acid revenue <sup>(1)</sup>		-	-	(3,097)	
Mine cash cost / Smelter cash cost <sup>(2)</sup>		25,601	11,626	20,490	
Cost of sales per tonne of ore processed <sup>(3)</sup>	\$/t	52	118	-	
Cash cost per tonne of ore processed <sup>(3)</sup>	\$/t	48	54	-	
Cost of sales per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	1,426	
Cash cost per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	973	

1) Represents a by-product credit for Tsumeb.

2) Cash costs are reported in U.S. dollars, although the majority of costs incurred are denominated in non-U.S. dollars, and consist of all production related expenses including mining, processing, services, royalties and general and administrative.

3) Represents cost of sales and mine cash cost, respectively, divided by tonnes of ore processed.

4) Represents cost of sales and smelter cash cost, respectively, divided by tonnes of complex concentrate smelted.

5) For the three months ended June 30, 2022, the Bulgarian government subsidy for electricity of \$3.4 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

*\$ thousands, unless otherwise indicated*

For the six months ended June 30, 2023		Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t	1,097,018	381,555	-	
Complex concentrate smelted	t	-	-	99,130	
Cost of sales		69,504	52,801	48,056	170,361
Add/(deduct):					
Depreciation and amortization		(13,268)	(27,540)	(1,699)	
Change in concentrate inventory		(716)	(99)	-	
Sulphuric acid revenue <sup>(1)</sup>		-	-	(9,905)	
Mine cash cost / Smelter cash cost <sup>(2)</sup>		55,520	25,162	36,452	
Cost of sales per tonne of ore processed <sup>(3)</sup>	\$/t	63	138	-	
Cash cost per tonne of ore processed <sup>(3)</sup>	\$/t	51	66	-	
Cost of sales per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	485	
Cash cost per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	368	

*\$ thousands, unless otherwise indicated*

For the six months ended June 30, 2022		Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t	1,069,895	430,767	-	
Complex concentrate smelted	t	-	-	68,297	
Cost of sales <sup>(5)</sup>		61,937	50,598	64,039	176,574
Other non-cash expenses <sup>(6)</sup>		(243)	-	-	
Add/(deduct):					
Depreciation and amortization		(12,055)	(27,719)	(10,725)	
Change in concentrate inventory		1,960	127	-	
Sulphuric acid revenue <sup>(1)</sup>		-	-	(10,154)	
Mine cash cost / Smelter cash cost <sup>(2)</sup>		51,599	23,006	43,160	
Cost of sales per tonne of ore processed <sup>(3)</sup>	\$/t	58	117	-	
Cash cost per tonne of ore processed <sup>(3)</sup>	\$/t	48	53	-	
Cost of sales per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	938	
Cash cost per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	632	

1) Represents a by-product credit for Tsumeb.

2) Cash costs are reported in U.S. dollars, although the majority of costs incurred are denominated in non-U.S. dollars, and consist of all production related expenses including mining, processing, services, royalties and general and administrative.

3) Represents cost of sales and mine cash cost, respectively, divided by tonnes of ore processed.

4) Represents cost of sales and smelter cash cost, respectively, divided by tonnes of complex concentrate smelted.

5) For the six months ended June 30, 2022, the Bulgarian government subsidy for electricity of \$7.5 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

6) Relates to inventory write-down to net realizable value, reflecting market price movement, included in cost of sales in the condensed interim consolidated statements of earnings (loss).

The following table provides, for the periods indicated, a reconciliation of the Company's cash cost per ounce of gold sold and all-in sustaining cost per ounce of gold sold to its cost of sales:

<i>\$ thousands, unless otherwise indicated</i>			
<b>For the three months ended June 30, 2023</b>			
	<b>Chelopech</b>	<b>Ada Tepe</b>	<b>Consolidated</b>
Cost of sales <sup>(1)</sup>	<b>34,192</b>	<b>26,243</b>	<b>60,435</b>
Add/(deduct):			
Depreciation and amortization	<b>(6,655)</b>	<b>(13,648)</b>	<b>(20,303)</b>
Treatment charges, transportation and other related selling costs <sup>(2)</sup>	<b>19,649</b>	<b>1,490</b>	<b>21,139</b>
By-product credits <sup>(3)</sup>	<b>(25,754)</b>	<b>(306)</b>	<b>(26,060)</b>
Mine cash cost of sales	<b>21,432</b>	<b>13,779</b>	<b>35,211</b>
Rehabilitation related accretion and depreciation expenses <sup>(4)</sup>	<b>315</b>	<b>293</b>	<b>608</b>
Allocated general and administrative expenses <sup>(5)</sup>	<b>-</b>	<b>-</b>	<b>4,890</b>
Cash outlays for sustaining capital <sup>(6)</sup>	<b>4,251</b>	<b>2,210</b>	<b>6,461</b>
Cash outlays for leases <sup>(6)</sup>	<b>282</b>	<b>267</b>	<b>549</b>
All-in sustaining cost	<b>26,280</b>	<b>16,549</b>	<b>47,719</b>
Payable gold in concentrate sold <sup>(7)</sup>	oz <b>33,853</b>	<b>31,212</b>	<b>65,065</b>
Cost of sales per ounce of gold sold <sup>(8)</sup>	\$/oz <b>1,010</b>	<b>841</b>	<b>929</b>
Cash cost per ounce of gold sold <sup>(8)</sup>	\$/oz <b>633</b>	<b>441</b>	<b>541</b>
All-in sustaining cost per ounce of gold sold <sup>(8)</sup>	\$/oz <b>776</b>	<b>530</b>	<b>733</b>

<i>\$ thousands, unless otherwise indicated</i>			
<b>For the three months ended June 30, 2022</b>			
	<b>Chelopech</b>	<b>Ada Tepe</b>	<b>Consolidated</b>
Cost of sales <sup>(1)(9)</sup>	<b>27,744</b>	<b>25,673</b>	<b>53,417</b>
Add/(deduct):			
Depreciation and amortization	<b>(6,119)</b>	<b>(14,139)</b>	<b>(20,258)</b>
Treatment charges, transportation and other related selling costs <sup>(2)</sup>	<b>37,233</b>	<b>843</b>	<b>38,076</b>
By-product credits <sup>(3)</sup>	<b>(32,752)</b>	<b>(185)</b>	<b>(32,937)</b>
Mine cash cost of sales	<b>26,106</b>	<b>12,192</b>	<b>38,298</b>
Rehabilitation related accretion expenses <sup>(4)</sup>	<b>95</b>	<b>48</b>	<b>143</b>
Allocated general and administrative expenses <sup>(5)</sup>	<b>-</b>	<b>-</b>	<b>5,411</b>
Cash outlays for sustaining capital <sup>(6)</sup>	<b>3,496</b>	<b>1,800</b>	<b>5,296</b>
Cash outlays for leases <sup>(6)</sup>	<b>237</b>	<b>295</b>	<b>532</b>
All-in sustaining cost	<b>29,934</b>	<b>14,335</b>	<b>49,680</b>
Payable gold in concentrate sold <sup>(7)</sup>	oz <b>39,681</b>	<b>23,028</b>	<b>62,709</b>
Cost of sales per ounce of gold sold <sup>(8)</sup>	\$/oz <b>699</b>	<b>1,115</b>	<b>852</b>
Cash cost per ounce of gold sold <sup>(8)</sup>	\$/oz <b>658</b>	<b>529</b>	<b>611</b>
All-in sustaining cost per ounce of gold sold <sup>(8)</sup>	\$/oz <b>754</b>	<b>623</b>	<b>792</b>

- 1) Included in cost of sales were share-based compensation expenses of \$0.1 million (2022 - \$0.1 million) for the three months ended June 30, 2023.
- 2) Represents revenue deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.
- 3) Represents copper and silver revenue.
- 4) Included in cost of sales and finance cost in the condensed interim consolidated statements of earnings (loss).
- 5) Represents an allocated portion of DPM's general and administrative expenses, including a share-based compensation reversal of \$0.3 million (2022 - expense of \$0.01 million) for the three months ended June 30, 2023, based on Chelopech's and Ada Tepe's proportion of total revenue. Allocated general and administrative expenses are reflected in consolidated all-in sustaining cost per ounce of gold sold and are not reflected in the cost measures for Chelopech and Ada Tepe.
- 6) Included in cash used in investing activities and financing activities, respectively, in the condensed interim consolidated statements of cash flows.
- 7) Includes payable gold in pyrite concentrate sold in the second quarter of 2023 of 8,454 ounces (2022 - 12,088 ounces).
- 8) Represents cost of sales, mine cash cost of sales and all-in sustaining cost, respectively, divided by payable gold in concentrate sold.
- 9) For the three months ended June 30, 2022, the Bulgarian government subsidy for electricity of \$3.4 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

<i>\$ thousands, unless otherwise indicated</i>			
<b>For the six months ended June 30, 2023</b>			
	<b>Chelopech</b>	<b>Ada Tepe</b>	<b>Consolidated</b>
Cost of sales <sup>(1)</sup>	<b>69,504</b>	<b>52,801</b>	<b>122,305</b>
Add/(deduct):			
Depreciation and amortization	<b>(13,268)</b>	<b>(27,540)</b>	<b>(40,808)</b>
Treatment charges, transportation and other related selling costs <sup>(2)</sup>	<b>40,925</b>	<b>2,566</b>	<b>43,491</b>
By-product credits <sup>(3)</sup>	<b>(52,350)</b>	<b>(628)</b>	<b>(52,978)</b>
Mine cash cost of sales	<b>44,811</b>	<b>27,199</b>	<b>72,010</b>
Rehabilitation related accretion and depreciation expenses <sup>(4)</sup>	<b>620</b>	<b>597</b>	<b>1,217</b>
Allocated general and administrative expenses <sup>(5)</sup>	-	-	<b>15,560</b>
Cash outlays for sustaining capital <sup>(6)</sup>	<b>9,243</b>	<b>3,966</b>	<b>13,209</b>
Cash outlays for leases <sup>(6)</sup>	<b>555</b>	<b>556</b>	<b>1,111</b>
All-in sustaining cost	<b>55,229</b>	<b>32,318</b>	<b>103,107</b>
Payable gold in concentrate sold <sup>(7)</sup>	oz	<b>64,926</b>	<b>63,638</b>
Cost of sales per ounce of gold sold <sup>(8)</sup>	\$/oz	<b>1,071</b>	<b>830</b>
Cash cost per ounce of gold sold <sup>(8)</sup>	\$/oz	<b>690</b>	<b>427</b>
All-in sustaining cost per ounce of gold sold <sup>(8)</sup>	\$/oz	<b>851</b>	<b>508</b>

<i>\$ thousands, unless otherwise indicated</i>			
<b>For the six months ended June 30, 2022</b>			
	<b>Chelopech</b>	<b>Ada Tepe</b>	<b>Consolidated</b>
Cost of sales <sup>(1)(10)</sup>	61,937	50,598	112,535
Add/(deduct):			
Depreciation and amortization	(12,055)	(27,719)	(39,774)
Other non-cash expenses <sup>(9)</sup>	(243)	-	(243)
Treatment charges, transportation and other related selling costs <sup>(1)</sup>	52,739	1,481	54,220
By-product credits <sup>(2)</sup>	(63,760)	(385)	(64,145)
Mine cash cost of sales	38,618	23,975	62,593
Rehabilitation related accretion expenses <sup>(4)</sup>	179	86	265
Allocated general and administrative expenses <sup>(5)</sup>	-	-	12,645
Cash outlays for sustaining capital <sup>(6)</sup>	6,185	6,146	12,331
Cash outlays for leases <sup>(6)</sup>	478	627	1,105
All-in sustaining cost	45,460	30,834	88,939
Payable gold in concentrate sold <sup>(7)</sup>	oz	75,994	44,096
Cost of sales per ounce of gold sold <sup>(8)</sup>	\$/oz	815	1,147
Cash cost per ounce of gold sold <sup>(8)</sup>	\$/oz	508	544
All-in sustaining cost per ounce of gold sold <sup>(8)</sup>	\$/oz	598	699

- 1) Included in cost of sales were share-based compensation expenses of \$1.1 million (2022 - \$0.6 million) for the six months ended June 30, 2023.
- 2) Represents revenue deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.
- 3) Represents copper and silver revenue.
- 4) Included in cost of sales and finance cost in the condensed interim consolidated statements of earnings (loss).
- 5) Represents an allocated portion of DPM's general and administrative expenses, including share-based compensation expenses of \$6.3 million (2022 - \$1.7 million) for the six months ended June 30, 2023, based on Chelopech's and Ada Tepe's proportion of total revenue. Allocated general and administrative expenses are reflected in consolidated all-in sustaining cost per ounce of gold sold and are not reflected in the cost measures for Chelopech and Ada Tepe.
- 6) Included in cash used in investing activities and financing activities, respectively, in the condensed interim consolidated statements of cash flows.
- 7) Includes payable gold in pyrite concentrate sold in the first half of 2023 of 17,426 ounces (2022 - 19,879 ounces).
- 8) Represents cost of sales, mine cash cost of sales and all-in sustaining cost, respectively, divided by payable gold in concentrate sold.
- 9) Relates to inventory write-down to net realizable value, reflecting market price movement, included in cost of sales in the condensed interim consolidated statements of earnings (loss).
- 10) For the six months ended June 30, 2022, the Bulgarian government subsidy for electricity of \$7.5 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

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

Adjusted net earnings is a non-GAAP financial measure and adjusted basic earnings per share is a non-GAAP ratio used by management and investors to measure the underlying operating performance of the Company. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods.

Adjusted net earnings are defined as net earnings adjusted to exclude specific items that are significant, but not reflective of the underlying operations of the Company, including:

- impairment charges or reversals thereof;
- unrealized and realized gains or losses related to investments carried at fair value;
- significant tax adjustments not related to current period earnings; and

- non-recurring or unusual income or expenses that are either not related to the Company's operating segments or unlikely to occur on a regular basis.

The following table provides a reconciliation of adjusted net earnings to net earnings:

<i>\$ thousands</i> Ended June 30,	Three Months		Six Months	
	2023	2022	2023	2022
Net earnings	61,736	33,492	108,336	60,317
Add/(deduct):				
Deferred tax recovery adjustments not related to current period earnings	464	-	-	-
Net loss on Sabina special warrants, net of income taxes of \$nil	-	1,797	-	2,185
Tsumeb restructuring costs, net of income taxes of \$nil	-	(2,023)	-	7,806
Adjusted net earnings	62,200	33,266	108,336	70,308
Basic earnings per share	0.33	0.18	0.57	0.32
Adjusted basic earnings per share	0.33	0.17	0.57	0.37

### Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure used by management and investors to measure the underlying operating performance of the Company's operating segments. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods. In addition, the Human Capital and Compensation Committee of the Board of Directors uses adjusted EBITDA, together with other measures, to set incentive compensation goals and assess performance.

Adjusted EBITDA excludes the following from earnings before income taxes:

- depreciation and amortization;
- interest income;
- finance cost;
- impairment charges or reversals thereof;
- unrealized and realized gains or losses related to investments carried at fair value; and
- non-recurring or unusual income or expenses that are either not related to the Company's operating segments or unlikely to occur on a regular basis.

The following table provides a reconciliation of adjusted EBITDA to earnings before income taxes:

<i>\$ thousands</i> Ended June 30,	Three Months		Six Months	
	2023	2022	2023	2022
Earnings before income taxes	69,244	40,872	118,242	74,762
Add/(deduct):				
Depreciation and amortization	21,716	27,248	43,611	51,502
Tsumeb restructuring costs	-	(2,023)	-	7,806
Finance costs	1,715	1,475	3,344	2,838
Interest income	(6,021)	(716)	(10,118)	(965)
Net losses on Sabina special warrants	-	1,797	-	2,185
Adjusted EBITDA	86,654	68,653	155,079	138,128

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

Cash provided from operating activities, before changes in working capital, is a non-GAAP financial measure defined as cash provided from operating activities excluding changes in working capital as set out in the Company's consolidated statements of cash flows. This measure is used by the Company and investors to measure the cash flow generated by the Company's operating segments prior to any changes in working capital, which at times can distort performance.

### **Free cash flow**

Free cash flow is a non-GAAP financial measure defined as cash provided from operating activities, before changes in working capital which includes changes in share-based compensation liabilities, less cash outlays for sustaining capital, mandatory principal repayments and interest payments related to debt and leases. This measure is used by the Company and investors to measure the cash flow available to fund growth capital expenditures, dividends and share repurchases.

The following table provides a reconciliation of cash provided from operating activities, before changes in working capital and free cash flow to cash provided from operating activities:

<i>\$ thousands</i> Ended June 30,	Three Months		Six Months	
	2023	2022	2023	2022
Cash provided from operating activities	<b>59,177</b>	72,530	<b>130,077</b>	151,292
Add:				
Changes in working capital	<b>22,505</b>	(15,455)	<b>27,031</b>	(33,377)
Cash provided from operating activities, before changes in working capital	<b>81,682</b>	57,075	<b>157,108</b>	117,915
Cash outlays for sustaining capital <sup>(1)</sup>	<b>(9,437)</b>	(14,140)	<b>(18,096)</b>	(24,537)
Principal repayments related to leases	<b>(1,356)</b>	(1,143)	<b>(2,634)</b>	(2,274)
Interest payments <sup>(1)</sup>	<b>(444)</b>	(586)	<b>(900)</b>	(1,174)
Free cash flow	<b>70,445</b>	41,206	<b>135,478</b>	89,930

<sup>1)</sup> Included in cash used in investing and financing activities, respectively, in the condensed interim consolidated statements of cash flows.

### **Average realized metal prices**

Average realized gold and copper prices are non-GAAP ratios used by management and investors to highlight the price actually realized by the Company relative to the average market price, which can differ due to the timing of sales, hedging and other factors.

Average realized gold and copper prices represent the average per unit price recognized in the Company's consolidated statements of earnings (loss) prior to any deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.

The following table provides a reconciliation of the Company's average realized gold and copper prices to its revenue:

<i>\$ thousands, unless otherwise indicated</i> <b>Ended June 30,</b>	<b>Three Months</b>		<b>Six Months</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
Total revenue	<b>167,523</b>	134,483	<b>323,356</b>	288,284
Add/(deduct):				
Tsumeb revenue	<b>(35,005)</b>	(25,966)	<b>(64,470)</b>	(57,059)
Treatment charges and other deductions <sup>(1)</sup>	<b>21,139</b>	38,075	<b>43,491</b>	54,219
Silver revenue	<b>(1,249)</b>	(918)	<b>(2,329)</b>	(2,152)
Revenue from gold and copper	<b>152,408</b>	145,674	<b>300,048</b>	283,292
Revenue from gold	<b>127,597</b>	113,655	<b>249,398</b>	221,300
Payable gold in concentrate sold	oz <b>65,065</b>	62,709	<b>128,564</b>	120,090
Average realized gold price	\$/oz <b>1,961</b>	1,812	<b>1,940</b>	1,843
Revenue from copper	<b>24,811</b>	32,019	<b>50,650</b>	61,992
Payable copper in concentrate sold	Klbs <b>6,585</b>	7,242	<b>12,943</b>	13,783
Average realized copper price	\$/lb <b>3.77</b>	4.42	<b>3.91</b>	4.50

1) Represents revenue deductions for treatment charges, refining charges, penalties, freight and final settlements to adjust for any differences relative to the provisional invoice.

## RISKS AND UNCERTAINTIES

The operating results and financial condition of the Company are subject to a number of inherent risks and uncertainties associated with its business activities, which include the acquisition, exploration, development, financing, construction, commissioning and operation of its mine, mill and concentrate processing facilities. The operating results and financial condition are also subject to numerous external factors, which include economic, social, geopolitical, warfare, environmental, regulatory, health, legal, tax and market risks impacting, among other things, precious metals and copper prices, sulphuric acid prices, toll rates, foreign exchange rates, inflation, the availability and cost of capital to fund the capital requirements of the business and the supply chain related to the business, uncertainty of production and cost estimates and the potential for unexpected costs and expenses, and changes in general economic conditions or conditions in the financial markets. Each of these risks could have a material adverse impact on the Company's future business, results of operations and financial condition, and could cause actual results to differ materially from those described in any Forward-Looking Statements contained in this MD&A. The Company endeavours to manage these risks and uncertainties in a balanced manner with a view to mitigating risk while maximizing total shareholder returns. The Company continually strives to identify and to effectively manage the risks of each of its business units. This includes developing appropriate risk management strategies, policies, processes and systems. There can be no assurance that the Company has been or will be successful in identifying all risks or that any risk-mitigating strategies adopted to reduce or eliminate risk will be successful.

A comprehensive discussion of the risks faced by the Company can be found in the Company's 2022 Annual MD&A and AIF.

## **DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING**

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The Company's management, under the supervision of the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), has designed disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), based on the Internal Control – Integrated Framework (2013) developed by COSO (Committee of Sponsoring Organizations of the Treadway Commission).

DC&P are designed to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO during the reporting period and the information required to be disclosed by the Company in its reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation. ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with IFRS. Due to the inherent limitations associated with any such controls and procedures, management recognizes that, no matter how well designed and operated, they may not prevent or detect misstatements on a timely basis.

The Company's management, under the supervision of the CEO and the CFO, has evaluated its DC&P and ICFR and concluded that, as at June 30, 2023, they have been designed effectively to provide reasonable assurance regarding required disclosures, the reliability of financial reporting and the preparation of financial statements for external purposes.

NI 52-109 also requires Canadian public companies to disclose any change in ICFR during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, ICFR. No material changes were made to the ICFR in the first half of 2023.

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

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Certain statements and other information included in this MD&A and our other disclosure documents constitute "forward looking information" or "forward looking statements" within the meaning of applicable securities legislation, which we refer to collectively hereinafter as "Forward Looking Statements".

Forward Looking Statements are statements that are not historical facts and are generally, but not always, identified by the use of forward looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "guidance", "outlook", "intends", "anticipates", "believes", or variations of such words and phrases or that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms or similar expressions. The Forward Looking Statements in this MD&A relate to, among other things: expected cash flows; the price of gold, copper, silver and sulphuric acid; toll rates, metal exposure and stockpile interest deductions at Tsumeb; the estimation of Mineral Reserves and Mineral Resources and the realization of such mineral estimates; estimated capital costs, all-in sustaining cost, operating costs and other financial metrics, including those set out in the outlook and guidance provided by the Company; currency fluctuations; the impact of any impairment charges; the processing of Chelopech concentrate; timing of further optimization work at Tsumeb; DPM's strategy, plans, targets and goals in respect of environmental, social and governance issues, including climate change, greenhouse gas emissions reduction targets, tailings management facilities and human rights initiatives; results of economic studies; expected milestones; timing and success of exploration activities, including at the Čoka Rakita target; the timing of the completion and results of an updated FS for the Loma Larga gold project; the timing and possible outcome of pending litigation or legal proceedings, including the timing of the legal proceedings related to the Action and resumption of drilling activities at the Loma Larga gold project; development of the Loma Larga gold project, including expected production, successful negotiations of an investment protection agreement and exploitation agreement and granting of environmental and construction permits in a timely manner; success of permitting activities; permitting timelines; potential benefits of any upgrades and/or expansion; success

of investments, including potential acquisitions; requirements for additional capital; government regulation of mining and smelting operations; environmental risks; reclamation expenses; potential or anticipated outcome of title disputes or claims; benefits of digital initiatives; the timing and amount of dividends; the timing and number of common shares of the Company that may be purchased pursuant to the NCIB.

Forward Looking Statements are based on certain key assumptions and the opinions and estimates of management and QP (in the case of technical and scientific information), as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the Forward Looking Statements. In addition to factors already discussed in this document, such factors include, among others: fluctuations in metal and sulphuric acid prices, toll rates and foreign exchange rates; risks arising from the current inflationary environment and the impact on operating costs and other financial metrics, including risks of recession and the risk that the power subsidy in Bulgaria may be discontinued; continuation or escalation of the conflict in Ukraine, including the continued exemption from the Council of Europe's sanctions in favour of Bulgaria with respect to the import of Russian oil and economic sanctions against Russia and Russian persons, or against other countries or persons, which may impact supply chains; risks relating to the Company's business generally and the impact of global pandemics, including COVID-19, resulting in changes to the Company's supply chain, product shortages, delivery and shipping issues; regulatory changes, including changes impacting the complex concentrate market; inability of Tsumeb to secure complex copper concentrate on terms that are economic; possible variations in ore grade and recovery rates; inherent uncertainties in respect of conclusions of economic evaluations, economic studies and mine plans, including the Loma Larga FS; uncertainties with respect to timing of the updated Loma Larga FS; changes in project parameters, including schedule and budget, as plans continue to be refined; uncertainties with respect to realizing the anticipated benefits from the development of the Loma Larga gold project; uncertainties with respect to actual results of current exploration activities; uncertainties and risks inherent to developing and commissioning new mines into production, which may be subject to unforeseen delays; uncertainties inherent with conducting business in foreign jurisdictions where corruption, civil unrest, political instability and uncertainties with the rule of law may impact the Company's activities; limitations on insurance coverage; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; actual results of current and planned reclamation activities; opposition by social and non-governmental organizations to mining projects and smelting operations; unanticipated title disputes; claims or litigation; failure to achieve certain cost savings or the potential benefits of any upgrades and/or expansion; increased costs and physical risks, including extreme weather events and resource shortages, related to climate change; cyber-attacks and other cybersecurity risks; there being no assurance that the Company will purchase additional common shares of the Company under the NCIB; risks related to the implementation, cost and realization of benefits from digital initiatives; as well as those risk factors discussed or referred to in any other documents (including without limitation the Company's most recent AIF) filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). This list is not exhaustive of the factors that may affect any of the Company's Forward Looking Statements.

The Forward Looking Statements are based on what the Company's management considers to be reasonable assumptions, beliefs, expectations and opinions based on the information currently available to it. Without limitation to the foregoing, the following section outlines certain specific Forward Looking Statements contained in the "Three-Year Outlook" section of this MD&A, unless otherwise noted, and provides certain material assumptions used to develop such Forward Looking Statements and material risk factors that could cause actual results to differ materially from the Forward Looking Statements (which are provided without limitation to the additional general risk factors discussed herein):

Ore processed: assumes Chelopech and Ada Tepe mines perform at planned levels. Subject to a number of risks, the more significant of which is failure of plant, equipment or processes to operate as anticipated.

Cash cost per tonne of ore processed: assumes Chelopech and Ada Tepe ore mined/milled are in line with the guidance provided; foreign exchange rates remain at or around current levels; and operating expenses at Chelopech and Ada Tepe are at planned levels. Subject to a number of risks, the more significant of which are: lower than anticipated ore mined/milled; a weaker U.S. dollar relative to the Euro; and unexpected increases in labour and other operating costs.

Metals contained in concentrate produced: assumes grades and recoveries are consistent with current estimates of Mineral Resources and Mineral Reserves and DPM's current expectations; and ore mined/milled is consistent with guidance. Subject to a number of risks, the more significant of which are: lower than anticipated ore grades, recovery rates and ore mined/milled.

All-in sustaining cost: assumes that metals contained in concentrate produced and cash cost per tonne of ore processed at Chelopech and Ada Tepe are each in line with the guidance provided; copper and silver prices remain at or around current levels; the timing, destination and commercial terms in respect of concentrate deliveries are consistent with DPM's current expectations; payable metals in concentrate sold are consistent with the guidance provided; and general and administrative expenses, sustaining capital expenditures and leases are consistent with the guidance provided. Subject to a number of risks, the more significant of which are: lower than anticipated metals contained in concentrate produced; concentrate deliveries and metal prices; a higher than anticipated cash cost per tonne of ore processed; and higher than anticipated sustaining capital expenditures, leases and general and administrative expenses.

Complex concentrate smelted at Tsumeb: assumes no significant disruption in equipment availability, planned maintenance activities or concentrate supply. Subject to a number of risks, the more significant of which are: unanticipated operational issues; delays in maintenance activities; lower than anticipated equipment availability; and disruptions to or changes in the supply of complex concentrate, including changes in the proportion of third party and Chelopech feed.

Cash cost per tonne of complex concentrate smelted: assumes complex concentrate smelted is consistent with the guidance provided; no delays in planned maintenance activities; sulphuric acid prices are at or around current levels; sulphuric acid production and operating expenses are at planned levels; and foreign exchange rates remain at or around current levels. Subject to a number of risks, the more significant of which are: lower than anticipated complex concentrate smelted and sulphuric acid production; lower than anticipated sulphuric acid prices; strengthening of the ZAR relative to the U.S. dollar; and higher than anticipated operating and transportation costs due to a variety of factors, including higher than anticipated inflation, labour and other operating costs.

Sustaining and growth capital expenditures: assumes foreign exchange rates remain at or around current levels, and all capital projects proceed as planned and at a cost that is consistent with the budget established for each project. Subject to a number of risks, the more significant of which are: technical challenges, delays related to securing necessary permits and approvals, equipment deliveries, equipment performance, and the speed with which work is performed; availability of qualified labour; and changes in project parameters and estimated costs, including foreign exchange impacts.

Liquidity (see comments contained in "Liquidity and Capital Resources" section): assumes the operating and cost performance are consistent with current expectations; metal and sulphuric acid prices, and foreign exchange rates remain at or around current levels; concentrate and sulphuric acid sales agreements, and smelter toll terms are consistent with current terms and/or forecast levels; progress of capital projects is consistent with current expectations; and DPM's RCF remains in place. Subject to a number of risks, the more significant of which are: lower than anticipated metals production at Chelopech and Ada Tepe, complex concentrate throughput and sulphuric acid production at Tsumeb, concentrate deliveries and metal prices; lower than anticipated reductions in the secondary material at Tsumeb; a weaker U.S. dollar relative to local operating currencies; changes in contractual sales and/or toll terms and sulphuric acid prices; changes to capital project parameters, schedule and/or costs; and the inability to draw down on DPM's RCF due to a breach or potential breach of one of its covenants.

General: assumes ability to carry on exploration and development activities; ability to operate in a safe, efficient and effective manner; no significant unanticipated operational or technical difficulties; maintenance of good relations with the communities surrounding Chelopech, Ada Tepe, Tsumeb and Loma Larga; no significant events or changes relating to regulatory, environmental, health and safety matters, and no significant negative effects as a result of the conflict in Ukraine and current economic conditions, including inflationary impacts, beyond what has been factored into the Company's Forward Looking Statements.

The reader is cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward Looking Statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that Forward Looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company's Forward-Looking Statements reflect current expectations regarding future events and are only as of the date hereof. Other than as it may be required by law, the Company undertakes no obligation to update Forward Looking Statements if circumstances or management's estimates or opinion should change. Accordingly, readers are cautioned not to place undue reliance on Forward Looking Statements.

## **CAUTIONARY NOTE TO UNITED STATES INVESTORS CONCERNING DIFFERENCES IN REPORTING OF MINERAL RESOURCE AND RESERVES ESTIMATES**

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This MD&A has been prepared in accordance with the requirements of Canadian securities laws, under which disclosure of mineral properties are governed by NI 43-101.

There are differences between the standards and terms used for reporting Mineral Reserves and Mineral Resources in Canada, and in the United States pursuant to the rules and regulations of United States Securities and Exchange Commission (the "SEC"). The terms "Mineral Resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined by the CIM and the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council, and must be disclosed according to Canadian securities regulations.

These standards differ from the requirements of the SEC applicable to domestic United States reporting companies. Accordingly, information contained in this MD&A containing descriptions of the Company's mineral deposits may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.