Dundee Precious Metals Announces Discovery of Significant High-Grade Deposit at ?oka Rakita; Results Include Drill Intercept of 40 metres at 63.6 g/t Au and 0.11% Cu

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TORONTO, Jan. 16, 2023 - Dundee Precious Metals Inc. (TSX: DPM) ("DPM" or "the Company") is pleased to announce the discovery of a high-grade deposit at the ?oka Rakita exploration prospect in eastern Serbia and report exceptional results from recent drilling. ?oka Rakita is located three kilometres southeast of the Company's Timok gold project and is 100% owned by DPM (see Figure 1).

Highlights

- Exceptional new high-grade intercepts, including:
  - RADDMET01 - 40 metres at 63.46 g/t Au and 0.11 % Cu from 517 metres depth (including one metre grading 2,140 g/t Au from 548 to 549 metres)
  - RIDD001 - 71 metres at 3.46 g/t Au and 0.16% Cu from 454 metres depth
  - RIDD004 - 65 metres at 13.40 g/t Au from 511 metres including 38 metres at 19.43 g/t Au from 537 metres depth
- Expands on positive results from previously drilled holes, which include:
  - RADD013 - 36 metres at 4.41 g/t Au, including 6 metres at 11.44 g/t Au and 5 metres at 10.66 g/t Au, from 567 metres depth
  - RADD020 - 26 metres at 7.52 g/t Au, including 6 metres at 24.94 g/t Au, from 533 metres depth
- Large defined footprint, deposit remains open: Shallow-dipping tabular body between 250 and 450 metres below surface, drilled over an area measuring 500 metres long, 250 metres wide and up to 80 metres thick, which remains open in multiple directions (see Figures 2, 3 and 4).
- Significant additional exploration potential: Approximately 40,000 metres of infill, extensional and target delineation drilling is planned for 2023, with a focus on further evaluating the deposit geometry, grade continuity and mineral resource potential.
- Encouraging metallurgical results: Preliminary metallurgical test results indicate that the mineralized material is amenable to conventional flotation and produces a clean gold concentrate, achieving total combined (flotation and tails leach) gold recoveries of greater than 93%. Test work to potentially improve overall gold recovery using a combined gravity and flotation circuit is planned for 2023.
- Interactive VRIFY 3D Model: Visit https://vrify.com/decks/12554 to view an interactive 3D model highlighting these results.

"We are excited to announce these exceptional results from recent drilling completed at the ?oka Rakita prospect in Serbia. Drilling has defined a large, high-grade footprint that remains open in multiple directions, which we believe provides additional upside potential," said David Rae, President and Chief Executive Office of Dundee Precious Metals.

"The discovery of a high-grade deposit in close proximity to our Timok gold project is an exciting development for the overall property package. Our activities in Serbia will now focus on exploration at ?oka Rakita as we continue to assess the mineral resource potential of this new discovery."

?oka Rakita Drilling Program

As previously disclosed, exploration activities at the ?oka Rakita prospect resumed in the fourth quarter of 2022 following receipt of a newly granted exploration licence. In this most recent drill program, DPM drilled 8,750 metres and completed ten holes, with five additional holes currently ongoing. This program was designed to follow-up on positive results returned from holes drilled prior to the expiry of the previous

exploration licence.[1]

Table 1: Significant new drill intercepts from the ?oka Rakita prospect

HOLEID	EAST	NORTH	RL	AZ	DIP	FROM (m)	TO (m)	LENGTH (m)	AuEq (g/t)	Au (g/t)	Cu (%)
RADD021	572994	4895775	913	275	-55	331	337	6	1.59	1.43	0.12
RADD027	573485	4895816	885	263	-70	1118	1123	5	2.66	0.86	1.33
RADDMET001	573174	4895948	907	260	-48	446	454	8	1.57	1.50	0.05
and						492	498	6	1.46	1.18	0.21
and						517	557	40	63.60	63.46	0.11
including						521	551	30	84.20	84.05	0.11
and						658	668	10	2.71	2.51	0.15
RADDMET002	572902	4896041	912	247	-50	70	75.3	5.3	2.14	2.08	0.04
and						84	89	5	2.40	2.36	0.03
and						101	117	16	2.36	2.34	0.02
and						133	163	30	1.15	1.12	0.02
RIDD001	572989	4896010	915	292	-67	454	525	71	3.67	3.46	0.16
including						455	462	7	6.05	5.61	0.33
RIDD002	572971	4896089	903	290	-54	715	728	13	1.84	0.42	1.89
RIDD003	573198	4895770	940	273	-59	577	588	11	2.26	2.04	0.17
RIDD004	573176	4895949	907	262	-54	423	428	5	2.27	2.24	0.02
and						478	496	18	1.35	0.97	0.29
and						511	576	65	13.50	13.40	0.05
including						515	524	9	11.06	11.05	0.00
including						537	575	38	19.54	19.43	0.08

1) Coordinates are in UTM Zone 34 North WGS84 datum.

2) Intervals are reported at a cut-off grade of 1 g/t AuEq using 5 metres minimum length and 5 metres maximum internal dilution. Higher grade 'Including' intervals are reported at a cut-off grade of 5 g/t AuEq using 5 metres minimum length and 3 metres dilution.

3) The AuEq calculation is based on the following formula: Au g/t + 1.35 x Cu %, based on a gold price of $1,400/oz and a copper price of $2.75/lb; and assumes metallurgical recoveries of 90% for gold and 90% for copper within the equivalency calculation.

4) No upper cuts have been applied.

5) Based on the current understanding of the geometry of the mineralized body, true widths are considered to be 90% or more of the reported downhole interval.

Some previously-disclosed intercepts, which were drilled prior to 2022, have been updated following the receipt of screen fire assay results. These updated results are presented in Table 2, along with other significant intercepts from pre-2022 drilling at ?oka Rakita.

Table 2: Significant previously reported drill intercepts from the ?oka Rakita prospect

HOLEID	EAST	NORTH	RL	AZ	DIP	FROM (m)	TO (m)	LENGTH (m)	AuEq (g/t)	Au (g/t)	Cu (%)
RADD001	572785	4896010	889	134	-60	91	131	40	2.47	2.45	0.01
RADD004	572812	4895892	872	64	-60	44	51	7	1.90	1.89	0.00
RADD006	572901	4896033	916	244	-50	87	135	48	1.88	1.86	0.02

and						144	150	6	1.75	1.74	0.00
and						164	173	9	1.08	1.07	0.01
RADD010	573116	4895821	930	261	-57	196	202	6	2.48	2.46	0.01
and						496	507	11	2.91	2.88	0.02
and						514	535	21	2.61	2.48	0.10
and						574	579	5	2.43	2.18	0.19
RADD012	572990	4896008	917	273	-56	417	433	16	1.21	0.59	0.47
RADD013	573199	4895771	940	255	-60	567	603	36	4.42	4.41	0.01
including						569	575	6	11.46	11.44	0.02
including						581	586	5	10.68	10.66	0.02
RADD014	573254	4895880	926	276	-54	508	525	17	1.24	1.18	0.04
and						600	620	20	3.95	3.86	0.07
RADD015	572968	4896087	902	277	-55	455	464	9	1.03	0.34	0.51
RADD016	573042	4895851	918	275	-54	25	37	12	1.39	1.37	0.02
and						393	418	25	3.07	2.95	0.10
and						427	451	24	1.19	0.69	0.37
RADD020	573168	4895951	907	290	-53	533	559	26	7.63	7.52	0.08
including						550	556	6	25.07	24.94	0.10

1) Coordinates are in UTM Zone 34 North WGS84 datum.

2) Intervals are reported at a cut-off grade of 1 g/t AuEq using 5 metres minimum length and 5 metres maximum internal dilution. Higher grade 'Including' intervals are reported at a cut-off grade of 5 g/t AuEq using 5 metres minimum length and 3 metres dilution.

3) The AuEq calculation is based on the following formula: Au g/t + 1.35 x Cu %, based on a gold price of $1,400/oz and a copper price of $2.75/lb; and assumes metallurgical recoveries of 90% for gold and 90% for copper within the equivalency calculation.

4) No upper cuts have been applied.

5) Based on the current understanding of the geometry of the mineralized body, true widths are considered to be 90% or more of the reported downhole interval.

Geology of ?oka Rakita

The ?oka Rakita prospect is located three kilometres southeast of the Bigar Hill sediment-hosted deposit and forms part of the of the Timok Magmatic Complex (TMC) in eastern Serbia. The surface footprint of the target, which was delineated by a combination of soil geochemistry, alteration mapping and geophysical signatures, extends more than 1,000 metres by 500 metres (see Figure 1).

The latest phase of drilling has defined a manto-like zone of shallow-dipping gold-rich skarn mineralization located within the contact zone of a carbonaceous sedimentary package and fertile diorite intrusives. The high-grade mineralization starts at roughly 250 metres below surface and has been drilled over an area measuring 500 metres long, 250 metres wide and up to 80 metres thick, and remains open in multiple directions (see Figures 2, 3 and 4).

Three principal mineralization environments have been identified at ?oka Rakita:

1. Porphyry gold-copper mineralization:
    - At shallow levels: structurally controlled and hosted by epiclastic rocks and volcanics; and
    - At deeper levels: disseminated in syn-mineral diorites, often overlapped with endoskarn formation on the contacts.

2. High-grade manto-like retrograde exoskarn gold-copper mineralization, hosted by carbonaceous sandstones and located on the hanging wall of the mineralized porphyry. This is the most prospective exploration target, providing the best exploration results in terms of assay grades and geologic continuity.
3. Strata-bound conglomerate-hosted copper-gold-polymetallic mineralization, located at depth and situated on the footwall of the mineralized porphyry.

Metallurgical Test Work Results

Metallurgical testing was completed on five composite samples from the ?oka Rakita prospect. Three composites were drawn from the retrograde exoskarn formation, while the other composites represented the upper epiclastic-hosted porphyry mineralization and the lower porphyry endoskarn mineralization. The strata-bound conglomerate-hosted copper-gold-polymetallic formation has not yet been tested.

Preliminary metallurgical test results indicate that the retrograde skarn mineralization is amenable to conventional flotation and has the potential to produce a clean gold concentrate, achieving overall gold recoveries of greater than 93%.

Owing to the significant amount of coarse gold present in the retrograde exoskarn, gravity concentration tests on those three composites demonstrated gold recoveries ranging from 51% to 64%. Flotation and leach tests have not yet been performed on the gravity tails.

Rougher/scavenger and cleaner flotation tests for the same three composites showed gold recoveries ranging from 74% to 81% into the cleaner flotation concentrate. Cleaner flotation tests indicated that a clean, saleable gold concentrate could be produced from all the rougher concentrates. With leaching of the flotation tails, total gold recoveries of 93% to 97% are achievable from the retrograde exoskarn mineralization.

Whole ore leach testing of the three exoskarn composites achieved gold recoveries ranging from 88% to 93%, confirming the non-refractory nature of the mineralization. Metallurgical test results from all five composites are summarized in Table 3.

Further testing to study combined gravity, flotation and leach recovery methods is planned for 2023.

Table 3. Summary of metallurgical test program results

Mineralization Type	Sample ID	Head Assay (g/t Au)	Recovery (%)					
			Gravity Concentrate	Whole Ore Leach	Rougher Flotation	Cleaner Flotation	Flotation Tailings Leach	Combined Flotation + Tails Leach
Retrograde exoskarn	Met Ra P01	2.68	50.73	88.27	75.13	73.71	73.15	92.94
Retrograde exoskarn	Met Ra P03	3.91	57.18	88.70	75.84	73.52	74.77	93.32
Retrograde exoskarn	Met Ra P05	18.54	63.63	93.01	82.28	81.26	82.32	96.69
Porphyry endoskarn	Met Ra P02	0.55	40.45	87.97	79.53	77.21	76.68	94.69
Shallow epiclastic porphyry	Met Ra P04	2.36	40.45	81.72	55.22	51.31	79.69	90.11

1) Metallurgical testing performed by Wardell Armstrong International (WAI).

2) All presented results based on samples with P80 particle size of 75 µm.

2023 Exploration Plans

Based on the results of a recent ground gravity survey, additional drilling is planned to test the full extent of the ?oka Rakita gold-rich skarn target, which continues to show potential for growth. Plans include extending holes from the current phase of drilling at depth to delineate the extents of deeper strata-bound conglomerate-hosted copper-gold mineralization. Approximately 40,000 metres of infill, extensional and

target delineation drilling is planned at ?oka Rakita in 2023, with the primary focus of further assessing the overall deposit geometry, grade continuity and mineral resource potential. This includes infilling the current footprint on a 60m x 60m drilling grid over the high-grade gold-rich skarn target zone, as well as closer spaced drilling (20m x 20m) to assess the short-range continuity of the mineralization.

Additionally, 10,000 metres of drilling is planned at the adjacent Umka exploration licence, which is located to the south of ?oka Rakita and shares a similar geological environment. This work is intended to follow-up on ground gravity surveys completed in 2022 and will involve integration of all other available data in order to delineate additional undercover high-grade skarn targets.

Timok Gold Project

As indicated in the third quarter of 2022, given the potential of this new high-grade discovery on the advancement of the overall property package, the Company now expects to focus on further exploration at ?oka Rakita in 2023. As a result, the Company is pausing further work on the Timok feasibility study.

As previously reported, the Timok gold project has a Probable Mineral Reserve estimate of 662,000 ounces of gold contained within 19.2 million tonnes at a grade of 1.07 g/t and an additional Indicated Mineral Resource estimate of 1.3 million ounces of gold contained within 32.3 million tonnes at a grade of 1.27 g/t.[2] The above Mineral Reserve and Mineral Resource does not incorporate any drilling at ?oka Rakita, which will be assessed as a separate high-grade deposit.

Figure 1. Overview map with project location.

Figure 2. Tilted slice looking down along high-grade skarn mineralization.

1) Intercepts shown above for RADD023 and RIDD002 are not included in Tables 1 and 2, and start at 399 metres downhole and 493 metres downhole, respectively. They have been included in Figure 2 to highlight how the high-grade exoskarn pinches out near the margins of the lower grade endoskarn mineralization.

2) No upper cuts have been applied.

Figure 3. Long-section through ?oka Rakita looking east, displaying drilling intercepts, geology and exploration targets.

Figure 4. Cross-section through ?oka Rakita looking north, displaying drilling intercepts, geology and exploration targets.

Figure 5. Photographs of representative high-grade gold mineralized drill core from hole RADDMET001.

The above picture highlights:

a) Core interval from 542 metres to 550 metres downhole: garnet-dominated prograde exoskarn formed on the carbonaceous sandstone protolith and overprinted by the gold-rich pyrite-pyrrhotite-quartz-epidote-chlorite-carbonate retrograde phase (HQ size drill core).

b) Close-up view of full core at 548.8 metres downhole: visible gold grain aggregates formed in the fractures and intragranular porosity of garnet skarn as a result of replacement by late carbonates.

c) Close-up view of cut core at 548.4 metres downhole: visible gold grain aggregates formed in secondary

porosity generated by garnet formation by the mineralized retrograde phase, comprised mainly of carbonate-epidote-actinolite.

d) Close-up view of full core at 548.6 metres downhole: visible gold grain aggregates formed in the intragranular porosity of garnets as a result of replacement by the mineralized retrograde phase comprised mainly of quartz-epidote.

Sampling, Analysis and QAQC of Exploration Drill Core Samples

Given the presence of coarse gold at ?oka Rakita, a rigorous sampling and QAQC procedure has been selected which includes the use of laboratory screen metallic assaying.

Most exploration diamond drill holes are collared with PQ size, continued with HQ, and are sometimes finished with NQ. Triple tube core barrels and short runs are used whenever possible to improve recovery. All drill core is cut lengthwise into two halves using a diamond saw; one half is sampled for assaying and the other half is retained in core trays. The common length for sample intervals within mineralized zones is one metre. Weights of drill core samples range from three to eight kilograms ("kg"), depending on the size of core, rock type, and recovery. A numbered tag is placed into each sample bag, and the samples are grouped into batches for laboratory submissions.

Drill core samples are shipped to the Company's own exploration laboratory in Bor, Serbia, which is independently managed by SGS. Quality control samples, comprising certified reference materials, blanks, and field duplicates, are inserted into each batch of samples and locations for crushed duplicates and pulp replicates are specified. All drill core and quality control samples are tabulated on sample submission forms that specify sample preparation procedures and codes for analytical methods. For internal quality control, the laboratory includes its own quality control samples comprising certified reference materials, blanks and pulp duplicates. All QAQC monitoring data are reviewed and signed off by an independent QAQC geologist. Chain of custody records are maintained from sample shipments to the laboratory until analyses are completed and remaining sample materials are returned to the Company. The chain of custody is transferred from the Company to SGS at the laboratory door.

At the SGS Bor laboratory, the submitted drill core samples are dried at 105°C for a minimum of 12 hours, and then jaw crushed to about 80% passing 4 millimetres. Sample preparation duplicates are created by riffle splitting crushed samples on a 1 in 20 basis. Larger samples are riffle split prior to pulverizing, whereas smaller samples are pulverized entirely. Pulverizing specifications are 90% passing 75 microns. Gold analyses are done using a conventional 50-gram fire assay and AAS finish. Multi-element analyses for 49 elements, including Ag, Cu, Mo, As, Bi, Pb, Sb, and Zn, are done using a four-acid digestion and an ICP-MS finish. Samples returning over 10 ppm for Ag and 1% for Cu, Pb and Zn are re-analyzed using high grade methods with AAS. Sulphur is analyzed using an Eltra Analyzer equipped with an induction furnace.

All fire assay results received from SGS Bor with results exceeding 1 g/t gold grade are re-assayed by means of a specifically designed gold screen fire assay program at the ALS Global laboratory located in Romania. For re-analyses, 1 kg of 2 mm sized coarse reject material split, which is pulverized and screened at 106 microns to separate the sample into a coarse fraction (>106?m) and a fine fraction (<106?m). After screening, two 50-gram aliquots of the fine fraction are analyzed using the traditional fire assay method and AAS finish. The entire coarse fraction is assayed to determine the contribution of the coarse gold using fire assay and gravimetric finish. A "total" gold calculation for the 1kg sample is based on the weighted average of the coarse and fine fractions.

Metallurgical composites, consisting of quarter and a half core samples, were bagged and shipped in plastic drums to the Wardell Armstrong International (WAI) laboratory in the United Kingdom. Each composite sample was crushed to 100% passing 2.0 mm and then split into representative sub-samples for testing.

The gravity testwork was performed as a two-stage gravity test in which an initial 10 kg sample of each composite was ground to a particle size of 80% passing 212 µm and subjected to gravity concentration using a Knelson KC-MD3 centrifugal gravity concentrator. The tailings from the first stage were then filtered, dried, and reground to a particle size of 80% passing 75 µm before being subjected to a second stage of gravity concentration using the same Knelson concentrator. Both gravity concentrates, along with a sub-sample of the final gravity tails, were submitted for gold assay to determine the gravity recoverable gold content of the

composite.

The flotation testwork consisted of a series of froth flotation tests on each of the composites at a range of grind sizes. Four rougher flotation tests and two cleaner flotation tests were conducted on each composite, with each test performed using a 1 kg representative sample. A single 48-hour leach test was conducted on a sub-sample of flotation tailings for each composite.

Two whole ore leach tests were conducted on each composite, using a 1 kg representative sample for each test at a 48-hour leach duration, to investigate the amount of gold recoverable by means of direct leaching without flotation.

Ross Overall, Corporate Mineral Resource Manager of the Company, who is a Qualified Person as defined under NI 43-101, and Paul Ivascanu, Director Exploration of the Company, have reviewed, and approved the scientific and technical content of this news release.

About Dundee Precious Metals

Dundee Precious Metals Inc. is a Canadian-based international gold mining company with operations and projects located in Bulgaria, Namibia, Ecuador and Serbia. The Company's purpose is to unlock resources and generate value to thrive and grow together. This overall purpose is supported by a foundation of core values, which guides how the Company conducts its business and informs a set of complementary strategic pillars and objectives related to ESG, innovation, optimizing our existing portfolio, and growth. The Company's resources are allocated in-line with its strategy to ensure that DPM delivers value for all of its stakeholders. DPM's shares are traded on the Toronto Stock Exchange (symbol: DPM).

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Cautionary Note Regarding Forward-Looking Statements

This news release contains "forward looking statements" or "forward looking information" (collectively, "Forward Looking Statements") that involve a number of risks and uncertainties. Forward Looking Statements are statements that are not historical facts and are generally, but not always, identified by the use of forward looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "outlook", "intends", "anticipates", "believes", or variations of such words and phrases or that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms or similar expressions. The Forward Looking Statements in this news release relate to, among other things: future exploration potential at ?oka Rakita; the geology and metallurgy at ?oka Rakita; the future of the Timok Gold Project; the price of commodities; the estimation of Mineral Reserves and Mineral Resources and the realization of such mineral estimates; and success of exploration activities. Forward Looking Statements are based on certain key assumptions and the opinions and estimates of management and the Qualified Persons, as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the Forward Looking Statements. In addition to factors already discussed in this news release, such factors include, among others, risks relating to the Company's business generally and the impact of COVID-19, including, changes to the Company's supply chain; product shortages; delivery and shipping issues; closures and/or failure of plant, equipment or processes to operate as anticipated; employees and contractors becoming infected with COVID-19; lost work hours; labour force shortages; fluctuations in metal and acid prices, toll rates and foreign exchange rates; possible variations in ore grade and recovery rates; uncertainties inherent to the conclusions of economic evaluations and economic studies; changes in project parameters, including schedule and budget, as plans continue to be refined; 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; limitation 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-government organizations to mining projects and smelting operations; unanticipated title disputes; claims or litigation; cyber attacks and other cybersecurity risks; as well as those risk factors discussed or referred to in any other documents (including without limitation the Company's most recent Annual Information Form) filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available on SEDAR at www.sedar.com. The reader has been cautioned that the foregoing list is not exhaustive of all factors which may have been used. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward Looking Statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that Forward Looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company's Forward Looking Statements reflect current expectations regarding future events and speak only as of the date hereof. Unless required by securities laws, the Company undertakes no obligation to update Forward Looking Statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on Forward Looking Statements.

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[1] Refer to the news release dated February 11, 2021, and the Management's Discussion and Analysis for the period ended March 31, 2021, both of which are available on our website at www.dundeeprecious.com.
[2] For more information regarding the Mineral Reserve and Mineral Resource estimate for the Timok gold project, refer to the technical report "NI 43-101 Timok Project Pre-Feasibility Study, Zagubica, Serbia," dated March 30, 2021, available on our website at www.dundeeprecious.com and SEDAR at www.sedar.com.

Photos accompanying this announcement are available at:

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