

# Dundee Precious Metals Announces 2023 Third Quarter Results; Strong Operating Performance Drives Robust Free Cash Flow Generation

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TORONTO, Nov. 07, 2023 - [Dundee Precious Metals Inc.](#) (TSX: DPM) ("DPM" or the "Company") announced its operating and financial results for the third quarter and first nine months ended September 30, 2023.

## Highlights

*(Unless otherwise stated, all monetary figures in this news release are expressed in U.S. dollars.)*

- Strong metals production: Produced 74,102 ounces of gold and 7.2 million pounds of copper.
- All-in sustaining cost: Reported cost of sales per ounce of gold sold<sup>1</sup> of \$901 and an all-in sustaining cost per ounce of gold sold<sup>2</sup> of \$911.
- On track to achieve 2023 guidance: Both mining operations are on track to achieve their 2023 production and cost guidance, while Tsumeb is forecast to be below its 2023 production guidance range and at the high end of its cash cost per tonne guidance range.
- Significant free cash flow: Generated \$67.4 million of cash provided from operating activities and quarterly free cash flow<sup>2</sup> of \$44.6 million, bringing year-to-date cash provided from operating activities to \$197.5 million and year-to-date free cash flow to \$180.1 million.
- Solid adjusted net earnings: Reported net earnings of \$27.1 million (\$0.15 per share) and adjusted net earnings<sup>2</sup> of \$27.1 million (\$0.15 per share<sup>2</sup>).
- Growing financial position: Ended the quarter with a strong balance sheet, including \$562.7 million of cash, a \$150.0 million undrawn revolving credit facility, and no debt.
- Increasing return of capital to shareholders: Returned \$76.1 million, or 42% of free cash flow, to shareholders during the first nine months of 2023 through dividends paid and payments for shares repurchased. Declared fourth quarter dividend of \$0.04 per common share payable on January 15, 2024 to shareholders of record on December 31, 2023.
- Development projects: Completed an investment protection agreement ("IPA") for the Loma Larga gold project and advanced permitting for the 69 kV power line. DPM will continue to progress the updated feasibility study ("FS") beyond the previously stated timeline ending in 2023 to pursue additional optimization opportunities and potentially incorporate the results of drilling once these activities are able to resume.
- Strong results from exploration activities: Results from ongoing drilling activities at the ?oka Rakita exploration prospect in Serbia locally extended the deposit to the west and continue to confirm the continuity of the mineralization. DPM expects to complete a maiden Mineral Resource estimate by the end of 2023 and is progressing activities to accelerate the advancement of the project.

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<sup>1</sup> Cost of sales per ounce of gold sold represents total cost of sales for Chelopech and Ada Tepe, divided by total payable gold in concentrate sold, while all-in sustaining cost per ounce of gold sold includes treatment and freight charges, net of by-product credits, all of which are reflected in revenue.

<sup>2</sup> All-in sustaining cost per ounce of gold sold, free cash flow, adjusted net earnings and adjusted basic earnings per share are non-GAAP financial measures or ratios. These measures have no standardized meanings under International Financial Reporting Standards ("IFRS") and may not be comparable to similar measures presented by other companies. Refer to the "Non-GAAP Financial Measures" section commencing on page 16 of this news release for more information, including reconciliations to IFRS measures.

## CEO Commentary

"With strong gold production, including record quarterly performance from Ada Tepe, we generated over \$180 million of free cash flow year-to-date, demonstrating the quality of our assets and strength of our operating teams," said David Rae, President and Chief Executive Officer. "Our mining operations are on

track to achieve their 2023 guidance for production and all-in sustaining cost, and we continue to be well-positioned as one of the lowest-cost gold producers.

"During the quarter, we continued to return a significant portion of our free cash flow to our shareholders, approximately 42% year-to-date, through our enhanced share buyback program and our sustainable quarterly dividend.

"Our infill and extensional drilling programs at the ?oka Rakita project are advancing well, and we are on track to deliver the maiden Mineral Resource estimate for the project before the end of 2023. We continue to be excited by ?oka Rakita's potential and we are progressing activities to accelerate the development of this high-quality organic growth prospect."

#### Use of non-GAAP Financial Measures

Certain financial measures referred to in this news release 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 news release:

- 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 (loss) before interest, 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 news release and a detailed reconciliation to the most directly comparable measure under IFRS, please refer to the "Non-GAAP Financial Measures" section commencing on page 16 of this news release.

#### Key Operating and Financial Highlights

\$ millions, except where noted Ended September 30,	Three Months		Change	Nine Months		Char		
	2023	2022		2023	2022			
<b>Operating Highlights</b>								
Ore Processed	t	738,614	731,880	1	%	2,217,187	2,232,542	(1
<b>Metals contained in concentrate produced:</b>								
<b>Gold</b>								
Chelopech	oz	40,280	43,051	(6	%)	120,001	133,796	(10
Ada Tepe	oz	33,822	20,819	62	%	98,988	65,893	50
Total gold in concentrate produced	oz	74,102	63,870	16	%	218,989	199,689	10
Copper	Klbs	7,228	6,897	5	%	22,318	23,399	(5
<b>Payable metals in concentrate sold:</b>								

Gold							
Chelopech	oz	34,660	36,383	(5 %)	99,586	112,377	(11
Ada Tepe	oz	32,955	20,393	62 %	96,593	64,489	50
Total payable gold in concentrate sold	oz	67,615	56,776	19 %	196,179	176,866	11
Copper							
	Klbs	6,699	6,715	(0 %)	19,642	20,498	(4
Cost of sales per tonne of ore processed <sup>(1)</sup> :							
Chelopech	\$/t	63	63	0 %	63	60	5
Ada Tepe	\$/t	138	122	13 %	138	119	16
Cash cost per tonne of ore processed <sup>(2)</sup> :							
Chelopech	\$/t	50	51	(2 %)	50	49	2
Ada Tepe	\$/t	65	55	18 %	66	54	22
Cost of sales per ounce of gold sold <sup>(3)</sup>							
	\$/oz	901	1,039	(13 %)	934	970	(4
All-in sustaining cost per ounce of gold sold <sup>(2)</sup>							
	\$/oz	911	991	(8 %)	840	839	0
Complex concentrate smelted							
	t	21,782	63,990	(66 %)	120,912	132,287	(9
Cost of sales per tonne of complex concentrate smelted <sup>(4)</sup>							
	\$/t	1,061	481	121 %	589	717	(18
Cash cost per tonne of complex concentrate smelted <sup>(2)</sup>							
	\$/t	921	297	210 %	467	470	(1
Financial Highlights							
Revenue		135.0	128.6	5 %	458.4	416.9	10
Cost of sales		84.0	89.8	(6 %)	254.4	266.3	(4
Earnings before income taxes		34.5	(53.7)	164 %	152.8	21.1	624
Net earnings		27.1	(57.7)	147 %	135.5	2.6	5,10
Per share		0.15	(0.30)	150 %	0.72	0.01	7,10
Adjusted EBITDA <sup>(2)</sup>		52.5	56.4	(7 %)	207.5	194.5	7
Adjusted net earnings <sup>(2)</sup>		27.1	25.3	7 %	135.5	95.6	42
Per share <sup>(2)</sup>		0.15	0.13	15 %	0.72	0.50	44
Cash provided from operating activities		67.4	31.5	114 %	197.5	182.8	8
Free cash flow <sup>(2)</sup>		44.6	43.2	3 %	180.1	133.2	35
Capital expenditures incurred <sup>(5)</sup> :							
Sustaining <sup>(6)</sup>		16.8	11.6	45 %	33.4	41.5	(20
Growth <sup>(7)</sup>		6.4	7.5	(14 %)	19.7	21.2	(7
Total capital expenditures		23.2	19.1	22 %	53.1	62.8	(15

1) Cost of sales per tonne of ore processed represents cost of sales for Chelopech and Ada Tepe, respectively, divided by tonnes of ore processed.

2) Cash cost per ounce of gold sold, cash cost per tonne of ore processed, all-in sustaining cost per ounce of gold sold, cash cost per tonne of complex concentrate smelted, 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 16 of this news release for more information, including reconciliations to IFRS measures.

3) Cost of sales per ounce of gold sold represents total cost of sales for Chelopech and Ada Tepe, divided by total payable gold in concentrate sold.

4) Cost of sales per tonne of complex concentrate smelted represents cost of sales for Tsumeb, divided by tonnes of complex concentrate smelted.

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

6) 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.

7) 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.

## Performance Highlights

A table comparing production, sales and cash cost measures by asset for the third quarter and nine months ended September 30, 2023 against 2023 guidance is located on page 12 of this news release.

In the third quarter of 2023, the Company's mining operations continued to perform well and delivered another quarter of strong production. Ada Tepe achieved record quarterly gold production, reflecting higher

grades in-line with the mine plan, and production from Chelopech was in-line with expectations. At Tsumeb, the planned Ausmelt furnace maintenance was completed during the quarter and the smelter resumed operations and ramped up to full production towards the end of September. Both mining operations are on track to achieve their 2023 production and cost guidance, while Tsumeb is forecast to be below its 2023 production guidance range and towards the high end of its cash cost per tonne guidance range.

Highlights include the following:

Chelopech, Bulgaria: Gold contained in concentrate produced in the third quarter and first nine months of 2023 of 40,280 ounces and 120,001 ounces, respectively, was 6% and 10% lower than the corresponding periods in 2022 due primarily to lower gold grades, partially offset by higher volumes of ore processed, in-line with the mine plan. Copper production in the third quarter of 2023 of 7.2 million pounds was 5% higher than the corresponding period in 2022 due primarily to higher volumes of ore processed. Copper production in the first nine months of 2023 of 22.3 million pounds was 5% lower than the corresponding period in 2022 due primarily to lower copper grades, partially offset by higher volumes of ore processed.

All-in sustaining cost per ounce of gold sold in the third quarter of 2023 of \$1,120 increased compared to \$1,046 in the corresponding period in 2022 due primarily to lower volumes of gold sold and a stronger Euro relative to the U.S. dollar.

All-in sustaining cost per ounce of gold sold in the first nine months of 2023 of \$944 increased compared to \$765 in the corresponding period in 2022 due primarily to lower by-product credits, lower volumes of gold sold, higher costs for labour and direct materials, and higher cash outlays for sustaining capital expenditures, partially offset by lower treatment and freight charges.

Ada Tepe, Bulgaria: Gold contained in concentrate produced in the third quarter and first nine months of 2023 of 33,822 ounces and 98,988 ounces, respectively, was 62% and 50% higher than the corresponding periods in 2022 due primarily to mining higher grade zones, partially offset by lower volumes of ore processed, in-line with the mine plan. The Ada Tepe mine achieved record production for both the quarter and the first nine months of the year.

All-in sustaining cost per ounce of gold sold in the third quarter and first nine months of 2023 of \$509 and \$508, respectively, was 32% and 30% lower than the corresponding periods in 2022 due primarily to higher volumes of gold sold.

#### Consolidated Operating Highlights

Production: Gold contained in concentrate produced in the third quarter and first nine months of 2023 of 74,102 ounces and 218,989 ounces, respectively, was 16% and 10% higher than the corresponding periods in 2022 due primarily to mining in higher grade zones at Ada Tepe, partially offset by lower gold grades at Chelopech, in-line with the mine plans for both operations.

Copper production in the third quarter of 2023 of 7.2 million pounds was 5% higher than the corresponding period in 2022 due primarily to higher volumes of ore processed. Copper production in the first nine months of 2023 of 22.3 million pounds was 5% lower than the corresponding period in 2022 due primarily to lower copper grades, partially offset by higher volumes of ore processed.

Deliveries: Payable gold in concentrate sold in the third quarter and first nine months of 2023 of 67,615 ounces and 196,179 ounces, respectively, was 19% and 11% higher than the corresponding periods in 2022 primarily reflecting higher gold production.

Payable copper in concentrate sold in the third quarter of 2023 was comparable to the corresponding period in 2022. Payable copper in the first nine months of 2023 of 19.6 million pounds was 4% lower than the corresponding period in 2022 primarily reflecting lower copper production.

Complex concentrate: Complex concentrate smelted in the third quarter of 2023 of 21,782 tonnes was

42,208 tonnes lower than the corresponding period in 2022 due primarily to the timing of the Ausmelt furnace maintenance shutdown, which was completed during the third quarter of 2023 compared to the second quarter of 2022. Complex concentrate smelted in the first nine months of 2023 of 120,912 tonnes was 11,375 tonnes lower than the corresponding period in 2022 due primarily to unplanned downtime earlier in 2023, which was related to water leaks in the off-gas system. Following the completion of the maintenance work in the third quarter of 2023, Tsumeb resumed operations and ramped up to full production towards the end of September. While complex concentrate smelted is expected to increase in the fourth quarter, reflecting improved operating performance as a result of the maintenance work, it is forecast to be below the guidance range for the year.

Cost measures: Cost of sales in the third quarter of 2023 of \$84.0 million decreased compared to \$89.8 million in the corresponding period in 2022 due primarily to lower depreciation expense as a result of the impairment charge in respect of Tsumeb taken in the third quarter of 2022 and lower operating costs at the smelter as a result of the maintenance shutdown in the third quarter of 2023. Cost of sales in first nine months of 2023 of \$254.4 million decreased compared to \$266.3 million in the corresponding period in 2022 due primarily to lower depreciation expense and lower operating costs at the smelter as a result of unplanned downtime at Tsumeb, partially offset by higher local currency mine operating costs reflecting higher costs for labour and direct materials.

All-in sustaining cost per ounce of gold sold in the third quarter of 2023 of \$911 was 8% lower than the corresponding period in 2022 due primarily to higher volumes of gold sold, partially offset by a stronger Euro relative to the U.S. dollar.

All-in sustaining cost per ounce of gold sold in the third quarter of 2023 was \$178 higher compared to the second quarter of 2023 due primarily to higher treatment charges as all of the gold-copper concentrate was delivered to Tsumeb this quarter, while all deliveries were to third-party smelters in the second quarter. Going forward, DPM expects all gold-copper concentrate to be delivered to third-party smelters.

All-in sustaining cost per ounce of gold sold in the first nine months of 2023 of \$840 was comparable to the corresponding period of 2022 due primarily to higher local currency mine operating costs reflecting higher costs for labour and direct materials, lower by-product credits as a result of lower volumes and realized prices of copper sold, and higher share-based compensation reflecting DPM's strong share price performance, largely offset by higher volumes of gold sold and lower treatment and freight charges at Chelopech.

Cash cost per tonne of complex concentrate smelted in the third quarter of 2023 of \$921 was \$624 higher than the corresponding period in 2022 due primarily to lower volumes of complex concentrate smelted as a result of the timing of the Ausmelt furnace maintenance shutdown. Cash cost per tonne of complex concentrate smelted in the first nine months of 2023 of \$467 was comparable to the corresponding period in 2022 due primarily to lower volumes of complex concentrate smelted, largely offset by a weaker South African Rand ("ZAR") relative to the U.S. dollar. Tsumeb is tracking towards the high end of its 2023 cash cost guidance range.

Capital expenditures: Capital expenditures incurred in the third quarter and first nine months of 2023 of \$23.2 million and \$53.1 million, respectively, were 22% higher and 15% lower than the corresponding periods in 2022 of \$19.1 million and \$62.8 million.

Sustaining capital expenditures incurred in the third quarter of 2023 of \$16.8 million were 45% higher than the corresponding period in 2022 of \$11.6 million due primarily to the timing of the Ausmelt furnace maintenance shutdown. Sustaining capital expenditures in the first nine months of 2023 of \$33.4 million were 20% lower than the corresponding period in 2022 of \$41.5 million benefited primarily from the cost optimizations of the Ausmelt furnace maintenance shutdown in 2023. Sustaining capital expenditures incurred in the first nine months of 2022 also included the capitalized lease and leasehold improvements related to the new head office lease.

Growth capital expenditures incurred during the third quarter and first nine months of 2023, primarily related to the Loma Larga gold project, were \$6.4 million and \$19.7 million, respectively, compared to \$7.5 million and \$21.2 million in the corresponding periods in 2022.

## Consolidated Financial Highlights

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Financial results from operations in the third quarter of 2023 reflected higher volumes of gold sold and higher realized gold and copper prices, partially offset by lower volumes of complex concentrate smelted and higher planned exploration and evaluation expenses.

Revenue: Revenue in the third quarter of 2023 of \$135.0 million was 5% higher than the corresponding period in 2022 due primarily to higher volumes of gold sold, higher realized gold and copper prices, partially offset by lower volumes of complex concentrate smelted reflecting timing of the Ausmelt furnace maintenance shutdown.

Revenue in the first nine months of 2023 of \$458.4 million was 10% higher than the corresponding period in 2022 due primarily to higher volumes and realized prices of gold sold, and lower treatment and freight charges at Chelopech as a result of increased deliveries to third-party smelters, partially offset by lower volumes of complex concentrate smelted at Tsumeb and lower volumes and realized prices of copper sold.

Net earnings (loss): Net earnings in the third quarter of 2023 of \$27.1 million (\$0.15 per share) increased compared to a net loss of \$57.7 million (\$0.30 per share) in the corresponding period in 2022 due primarily to the Tsumeb impairment charge of \$85.0 million taken in the third quarter of 2022, together with higher volumes of gold sold and higher realized gold and copper prices, partially offset by lower volumes of complex concentrate smelted and higher planned exploration and evaluation expenses. Net earnings in the first nine months of 2023 of \$135.5 million (\$0.72 per share) increased compared to \$2.6 million (\$0.01 per share) in the corresponding period in 2022 due primarily to the Tsumeb impairment charge of \$85.0 million, higher volumes and realized prices of gold sold, lower treatment and freight charges at Chelopech and higher interest income, partially offset by higher planned exploration and evaluation expenses, higher local currency mine operating expenses, lower volumes and realized prices of copper sold, higher share-based compensation expenses reflecting DPM's strong share performance, as well as restructuring costs related to a cost optimization initiative at Tsumeb taken in 2022.

Adjusted net earnings: Adjusted net earnings in the third quarter and first nine months of 2023 of \$27.1 million (\$0.15 per share) and \$135.5 million (\$0.72 per share), respectively, increased compared to \$25.3 million (\$0.13 per share) and \$95.6 million (\$0.50 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 impairment charge and restructuring costs in 2022. Adjusted net earnings in the third quarter of 2023 was \$35.1 million lower compared to the second quarter of 2023 due primarily to lower volumes of complex concentrate smelted at Tsumeb reflecting timing of the Ausmelt furnace maintenance shutdown, combined with higher treatment charges at Chelopech as all of the gold-copper concentrate was delivered to Tsumeb this quarter.

Earnings before income taxes: Earnings before income taxes in the third quarter and first nine months of 2023 of \$34.5 million and \$152.8 million, respectively, increased compared to a loss before income taxes of \$53.7 million and earnings before income taxes of \$21.1 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 third quarter and first nine months of 2023 was \$52.5 million and \$207.5 million, respectively, compared to \$56.4 million and \$194.5 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: Cash provided from operating activities in the third quarter of 2023 of \$67.4 million was 114% higher than the corresponding period in 2022 due primarily to the timing of deliveries and subsequent receipt of cash and the timing of payments to suppliers. Cash provided from operating activities in the first nine months of 2023 of \$197.5 million was 8% higher than the corresponding period in 2022 due primarily to higher adjusted EBITDA generated in the period, partially offset by the timing of deliveries and subsequent receipt of cash.

Free cash flow: Free cash flow in the third quarter of 2023 of \$44.6 million was comparable to the corresponding period in 2022. Free cash flow in the first nine months of 2023 of \$180.1 million was \$46.9 million higher than the corresponding period in 2022 due primarily to higher adjusted EBITDA generated and lower cash outlays for sustaining capital expenditures. Free cash flow is calculated before changes in

working capital.

### Balance Sheet Strength and Financial Flexibility

The Company continues to maintain a strong financial position, with a growing cash position, no debt and a \$150 million revolving credit facility which remains undrawn.

Cash and cash equivalents increased by \$129.5 million to \$562.7 million in the first nine months of 2023 due primarily to earnings generated in the period, plus the cash proceeds from the disposition of B2Gold Corp ("B2Gold") shares following its acquisition of Sabina Gold and Silver Corp ("Sabina"), partially offset by cash outlays for capital expenditures, dividends paid and payments for shares repurchased, as well as changes in working capital.

### Return of Capital to Shareholders

In line with its disciplined capital allocation framework, DPM continues to return excess capital to shareholders, which currently includes a sustainable quarterly dividend and periodic share repurchases under its normal course issuer bid ("NCIB").

During first nine months of 2023, the Company returned a total of \$76.1 million to shareholders through payments for shares repurchased of \$53.3 million and dividends paid of \$22.8 million, representing approximately 42% of its free cash flow generated during this period.

During the nine months ended September 30, 2023, the Company purchased a total of 8,431,871 shares with a total cost of \$57.5 million at an average price per share of \$6.82 (Cdn\$9.18). As at September 30, 2023, the Company had an active automatic share repurchase plan in place under the NCIB with its designated broker which terminated on November 2, 2023, pursuant to which the Company repurchased an additional 1,306,192 shares, all of which were cancelled as at November 7, 2023.

### Enhanced NCIB

The Company renewed its NCIB in February 2023 and 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 which commenced on March 1, 2023, and terminates on February 28, 2024.

The Company's Board of Directors has authorized management to repurchase up to \$100 million of the Company's shares through the NCIB. As at November 7, 2023, the amount of shares repurchased totalled \$65.5 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.

### Quarterly Dividend

On November 7, 2023, the Company declared a dividend of \$0.04 per common share payable on January 15, 2024 to shareholders of record on December 31, 2023.

### Development Projects Update

#### Loma Larga, Ecuador

During the third quarter of 2023, the Company entered into an IPA with the Government of Ecuador for Loma Larga, a significant milestone for the project. The IPA provides tax stability and certain tax incentives, as well

as legal protections including stability of the regulatory framework and resolution of disputes through international arbitration.

Drilling activities, as well as the public consultation for the Environmental Impact Assessment ("EIA"), remain paused following the decision on the appeal of the Constitutional Protective Action (the "Action"), which was delivered by the Provincial Court of Azuay in August 2023. Based on the Company's preliminary analysis, the decision reaffirmed DPM's concessions for the Loma Larga project and clarified that free, prior and informed consultation of certain local indigenous populations must be carried out by the state, which the Company had already planned as part of its development of the project. The decision also held that environmental consultation with communities in the project's area of influence and certain additional reports on the impact of the project on water resources and the Quimsacocha National Recreation Area would need to be provided by the Ministry of Environment, Water and Ecological Transition to the court prior to advancing the project to the exploitation phase.

As it completes its legal assessment of the decision, DPM is seeking clarification on the requirements for the additional reports, the indigenous and environmental consultations and the steps needed for DPM to resume the planned drilling campaign in support of the updated FS for the project, in order to assess the associated impact on the project's development timeline.<sup>3</sup>

In parallel, DPM continues to advance the FS optimization work to leverage the Company's expertise with similar deposits, including its Chelopech mine in Bulgaria, and to incorporate certain scope changes to enhance project execution and meet DPM's operating standards. These scope changes, combined with inflationary pressures consistent with general industry trends, are expected to result in significant increases to the estimated initial capital and operating costs for the project. This may impact the project economics and other parameters, including the Mineral Resource and Mineral Reserve estimate, which are being assessed as part of the ongoing optimization phase of the updated FS.

DPM will continue with the optimization phase of the updated FS beyond the previously stated timeline ending in 2023, in order to evaluate additional opportunities and to potentially incorporate the results of drilling, once these activities are able to recommence. 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. DPM will continue to take a disciplined approach with respect to future investments in the Loma Larga project, based on the receipt of key milestones and the overall operating environment in-country. The Company's level of spending in 2024 related to Loma Larga is anticipated to be materially lower compared to the 2023 guidance range.

The Company maintains a constructive relationship with government institutions and other stakeholders involved with the development of the project. The EIA for the 69 kV power line for the project received technical approval during the second quarter of 2023, and the associated consultation process is currently ongoing.

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<sup>3</sup> For further details on the Action, please see the news releases issued on February 24, 2022, July 13, 2022, and August 18, 2023, 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).

## Exploration

### ?oka Rakita, Serbia

In Serbia, exploration activities continued to focus on an accelerated drilling program at the ?oka Rakita deposit, with 11 drill rigs currently in operation. In the first nine months of the year, DPM has drilled 63,500 metres. Infill drilling at a 30-metre by 30-metre spacing is well advanced, covering the core of the system, in order to provide additional confidence in the continuity and high-grade nature of the mineralization.

DPM expects to complete a maiden Mineral Resource estimate for ?oka Rakita by the end of the year, and is progressing activities to accelerate the advancement of the project, including geotechnical drilling,

metallurgical test-work and evaluation of potential surface locations for the exploration decline portal, mine infrastructure and processing facilities.

DPM also commenced additional scout drilling to test other camp-wide targets near ?oka Rakita, and is continuing its 10,000-metre scout drilling program on the Umka licence. 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 ?oka Rakita target, which indicate further extension potential.

#### Timok, Serbia

In October 2023, DPM was granted new exploration licences for the area hosting the Timok gold project, providing additional exploration potential on prospective targets to be developed and tested by the Company following the discovery at ?oka Rakita announced at the beginning of the year.

The Company is currently preparing an aggressive exploration program and plans to test the favourable stratigraphy for carbonate replacement and skarns on the new Potja Cuka exploration licence, located to the north of ?oka Rakita, as well as on the new Pester Jug exploration licence, which is to the west of ?oka Rakita. This program is expected to commence in late 2023 or early 2024, pending approval of the work program and permitting procedures, with approximately 25,000 meters of drilling planned for the first year of exploration at these targets.

#### Tierras Coloradas, Ecuador

At the Tierras Coloradas licence in Ecuador, DPM commenced a 10,000-metre drilling program in August 2023, completing approximately 2,300 metres during the third quarter. This program is designed to follow-up results reported during the first quarter which confirmed two well-mineralized high-grade vein systems that remain open in multiple directions. The primary focus will be to further assess the extension and geometry of the Aparecida and La Tuna vein systems and to test additional recently discovered high-grade vein and soil anomalies. Detailed surface mapping in conjunction with soil and rock chip-channel sampling is ongoing in order to determine the surface footprint and identify additional targets.

#### Chelopech, Bulgaria

During the third quarter of 2023, DPM continued to advance the Chelopech brownfield exploration program, with eight drill rigs currently drilling along the Brevene exploration licence and Sharlo Dere target within the mine concession. Approximately 18,500 metres of surface diamond drilling were completed, with 28 holes completed and 20 holes ongoing. At Sharlo Dere, a 50-metre by 50-metre infill drilling program aimed at fully evaluating the economic potential of the prospect was initiated during the quarter.

#### Ada Tepe, Bulgaria

During the third quarter of 2023, exploration activities at the Ada Tepe camp were on the Krumovitsa exploration licence, where scout drilling of several epithermal sediment hosted targets commenced in August. The target delineation and scout drilling program at Krumovitsa is ongoing, with 15,000 metres expected to be completed by the end of 2023.

Permitting for drilling at the Kara Tepe prospect, located on the Chiirite licence, is ongoing and pending the positive outcome of the EIA process, drilling is expected to commence in the second quarter of 2024.

#### 2023 Guidance and Three-year Outlook

With solid operating performance from the Chelopech and Ada Tepe mines in the third quarter and first nine months of 2023, DPM is on track to meet its 2023 guidance for both its mining operations, including expected gold production of 270,000 to 315,000 ounces, copper production of 30 to 35 million pounds, and

an all-in sustaining cost of \$700 to \$860 per ounce of gold sold.

While complex concentrate smelted is expected to increase in the fourth quarter, reflecting improved operating performance as a result of the maintenance work completed during the third quarter, it is forecasted to be below the guidance range for the year.

For additional information regarding the Company's detailed guidance for 2023 and current three-year outlook, please refer to the "Three-Year Outlook" section of the MD&A.

#### Selected Production, Delivery and Cost Performance versus Guidance

		Q3 2023				YTD September	
		Chelopech	Ada Tepe	Tsumeb	Consolidated	Chelopech	Ada Tepe
Ore processed	Kt	543.3	195.4	-	738.6	1,640.3	570.0
Metals contained in concentrate produced							
Gold	Koz	40.3	33.8	-	74.1	120.0	99.0
Copper	Mlbs	7.2	-	-	7.2	22.3	-
Payable metals in concentrate sold							
Gold	Koz	34.7	33.0	-	67.6	99.6	96.0
Copper	Mlbs	6.7	-	-	6.7	19.6	-
All-in sustaining cost per ounce of gold sold <sup>(1)</sup>	\$/oz	1,120	509	-	911	944	508
Complex concentrate smelted	Kt	-	-	21.8	21.8	-	-
Cash cost per tonne of complex concentrate smelted	\$/t	-	-	921	921	-	-

1) All-in sustaining cost per ounce of gold sold guidance for Chelopech and Ada Tepe is expected to be \$700 to \$880 and \$530 to \$630, respectively.

#### Third Quarter 2023 Results Conference Call and Webcast

At 9 a.m. EDT on Wednesday, November 8, 2023, DPM will host a conference call and audio webcast to discuss the results, followed by a question-and-answer session. To participate via conference call, register in advance at the link provided below to receive the dial-in information as well as a unique PIN code to access the call.

The call registration and webcast details are as follows:

Conference call Wednesday, November 8, 2023  
date and time 9 a.m. EST

Call registration <https://register.vevent.com/register/B11ef3267869cc4929b9a5b18b7d32e17a>

Webcast link <https://edge.media-server.com/mmc/p/wxpsvu35>

Replay Archive will be available on [www.dundeeprecious.com](http://www.dundeeprecious.com)

This news release and DPM's unaudited condensed interim consolidated financial statements and MD&A for the three and nine months ended September 30, 2023 are 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).

#### Qualified Person

The technical and scientific information in this news release 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 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 as defined under NI 43-101, and who is not independent of the Company.

## 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", "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 news release relate to, among other things: expected cash flows; the price of gold, copper, silver and sulphuric acid; toll rates, metals exposure and stockpile interest deductions at Tsumeb; estimated capital costs, all-in sustaining costs, operating costs and other financial metrics, including those set out in the outlook and guidance provided by the Company; currency fluctuations; the processing of Chelopech concentrate; results of economic studies; expected milestones; timing and success of exploration activities, including at the ?oka Rakita target; the timing of the completion and results of an updated feasibility study for the Loma Larga 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 Loma Larga; development of the Loma Larga gold project, including expected production, successful negotiations of an exploitation agreement and granting of environmental and construction permits in a timely manner; success of permitting activities; permitting timelines; success of investments, including potential acquisitions; government regulation of mining and smelting operations; 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 Qualified Person (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 news release, 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 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 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 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 the Company's annual MD&A and annual information form for the year ended December 31, 2022, the MD&A, and other documents 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).

The reader has been 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 speak 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 opinions should change. Accordingly, readers are cautioned not to place undue reliance on Forward Looking Statements.

#### Non-GAAP Financial Measures

Certain financial measures referred to in this news release 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.

#### 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:

*\$ thousands, unless otherwise indicated*

For the three months ended September 30, 2023

Chelopech   Ada Tepe   Tsumeb   Total

Ore processed	t	543,264	195,350	-	
Complex concentrate smelted	t	-	-	21,782	
Cost of sales		34,021	26,900	23,117	84,038
Add/(deduct):					
Depreciation and amortization		(6,950)	(14,133)	(1,645)	)
Change in concentrate inventory		(31)	(50)	-	)
Sulphuric acid revenue <sup>(1)</sup>		-	-	(1,404)	)
Mine cash cost / Smelter cash cost <sup>(2)</sup>		27,040	12,717	20,068	
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	50	65	-	
Cost of sales per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	1,061	
Cash cost per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	921	

*\$ thousands, unless otherwise indicated*

For the three months ended September 30, 2022		Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t	515,809	216,071	-	
Complex concentrate smelted	t	-	-	63,990	
Cost of sales <sup>(5)</sup>		32,554	26,438	30,772	89,764
Add/(deduct):					
Depreciation and amortization		(6,621)	(14,317)	(5,498)	)
Change in concentrate inventory		354	(139)	-	)
Sulphuric acid revenue <sup>(1)</sup>		-	-	(6,273)	)
Mine cash cost / Smelter cash cost <sup>(2)</sup>		26,287	11,982	19,001	
Cost of sales per tonne of ore processed <sup>(3)</sup>	\$/t	63	122	-	
Cash cost per tonne of ore processed <sup>(3)</sup>	\$/t	51	55	-	
Cost of sales per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	481	
Cash cost per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	297	

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 September 30, 2022, the Bulgarian government subsidy for electricity of \$9.7 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

*\$ thousands, unless otherwise indicated*

For the nine months ended September 30, 2023		Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t	1,640,282	576,905	-	
Complex concentrate smelted	t	-	-	120,912	
Cost of sales		103,525	79,701	71,173	254,399
Add/(deduct):					
Depreciation and amortization		(20,218)	(41,673)	(3,344)	)
Change in concentrate inventory		(747)	(149)	-	)
Sulphuric acid revenue <sup>(1)</sup>		-	-	(11,309)	)
Mine cash cost / Smelter cash cost <sup>(2)</sup>		82,560	37,879	56,520	
Cost of sales per tonne of ore processed <sup>(3)</sup>		63	138	-	
Cash cost per tonne of ore processed <sup>(3)</sup>	\$/t	50	66	-	
Cost of sales per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	589	
Cash cost per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t	-	-	467	

<i>\$ thousands, unless otherwise indicated</i>				
For the nine months ended September 30, 2022				
	Chelopech	Ada Tepe	Tsumeb	Total
Ore processed	t 1,585,704	646,838	-	
Complex concentrate smelted	t -	-	132,287	
Cost of sales <sup>(5)</sup>	94,491	77,036	94,811	266,338
Add/(deduct):				
Depreciation and amortization	(18,676	) (42,036	) (16,223	)
Change in concentrate inventory	2,314	(12	) -	
Sulphuric acid revenue <sup>(1)</sup>	-	-	(16,427	)
Mine cash cost / Smelter cash cost <sup>(2)</sup>	78,129	34,988	62,161	
Cost of sales per tonne of ore processed <sup>(3)</sup>	\$/t 60	119	-	
Cash cost per tonne of ore processed <sup>(3)</sup>	\$/t 49	54	-	
Cost of sales per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t -	-	717	
Cash cost per tonne of complex concentrate smelted <sup>(4)</sup>	\$/t -	-	470	

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 nine months ended September 30, 2022 the Bulgarian government subsidy for electricity of \$17.2 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

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>			
For the three months ended September 30, 2023			
	Chelopech	Ada Tepe	Total
Cost of sales <sup>(1)</sup>	34,021	26,900	60,921
Add/(deduct):			
Depreciation and amortization	(6,950	) (14,133	) (21,083
Treatment charges, transportation and other related selling costs <sup>(2)</sup>	32,479	1,591	34,070
By-product credits <sup>(3)</sup>	(25,752	) (304	) (26,056
Mine cash cost of sales	33,798	14,054	47,852
Rehabilitation related accretion and depreciation expenses <sup>(4)</sup>	300	300	600
Allocated general and administrative expenses <sup>(5)</sup>	-	-	5,981
Cash outlays for sustaining capital <sup>(6)</sup>	4,469	2,260	6,729
Cash outlays for leases <sup>(6)</sup>	257	173	430
All-in sustaining cost	38,824	16,787	61,592
Payable gold in concentrate sold <sup>(7)</sup>	oz 34,660	32,955	67,615
Cost of sales per ounce of gold sold <sup>(8)</sup>	\$/oz 982	816	901
Cash cost per ounce of gold sold <sup>(8)</sup>	\$/oz 975	426	708
All-in sustaining cost per ounce of gold sold <sup>(8)</sup>	\$/oz 1,120	509	911

<i>\$ thousands, unless otherwise indicated</i>			
For the three months ended September 30, 2022			
	Chelopech	Ada Tepe	Total
Cost of sales <sup>(1)(9)</sup>	32,554	26,438	58,992
Add/(deduct):			
Depreciation and amortization	(6,621	) (14,317	) (20,938
Treatment charges, transportation and other related selling costs <sup>(2)</sup>	31,748	598	32,346
By-product credits <sup>(3)</sup>	(24,292	) (148	) (24,440
Mine cash cost of sales	33,389	12,571	45,960
Rehabilitation related accretion expenses <sup>(4)</sup>	212	296	508

Allocated general and administrative expenses <sup>(5)</sup>	-	-	2,883
Cash outlays for sustaining capital <sup>(6)</sup>	4,221	2,207	6,428
Cash outlays for leases <sup>(6)</sup>	230	278	508
All-in sustaining cost	38,052	15,352	56,287
Payable gold in concentrate sold <sup>(7)</sup>	oz 36,383	20,393	56,776
Cost of sales per ounce of gold sold <sup>(8)</sup>	\$/oz 895	1,296	1,039
Cash cost per ounce of gold sold <sup>(8)</sup>	\$/oz 918	616	809
All-in sustaining cost per ounce of gold sold <sup>(8)</sup>	\$/oz 1,046	753	991

1) Included in cost of sales were share-based compensation expenses of \$0.3 million (2022 - \$0.1 million) for the three months ended September 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 expense of \$0.8 million (2022 - reversal of \$0.4 million) for the three months ended September 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 third quarter of 2023 of 11,606 ounces (2022 - 10,541 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 September 30, 2022, the Bulgarian government subsidy for electricity of \$9.7 million was reclassified from other income and expense to cost of sales to conform with current year presentation.

<i>\$ thousands, unless otherwise indicated</i>	Chelopech	Ada Tepe	Total
For the nine months ended September 30, 2023			
Cost of sales <sup>(1)</sup>	103,525	79,701	183,226
Add/(deduct):			
Depreciation and amortization	(20,218)	(41,673)	(61,891)
Treatment charges, transportation and other related selling costs <sup>(2)</sup>	73,404	4,157	77,561
By-product credits <sup>(3)</sup>	(78,102)	(932)	(79,034)
Mine cash cost of sales	78,609	41,253	119,862
Rehabilitation related accretion and depreciation expenses <sup>(4)</sup>	920	897	1,817
Allocated general and administrative expenses <sup>(5)</sup>	-	-	21,541
Cash outlays for sustaining capital <sup>(6)</sup>	13,712	6,226	19,938
Cash outlays for leases <sup>(6)</sup>	812	729	1,541
All-in sustaining cost	94,053	49,105	164,699
Payable gold in concentrate sold <sup>(7)</sup>	oz 99,586	96,593	196,179
Cost of sales per ounce of gold sold <sup>(8)</sup>	\$/oz 1,040	825	934
Cash cost per ounce of gold sold <sup>(8)</sup>	\$/oz 789	427	611
All-in sustaining cost per ounce of gold sold <sup>(8)</sup>	\$/oz 944	508	840

<i>\$ thousands, unless otherwise indicated</i>	Chelopech	Ada Tepe	Total
For the nine months ended September 30, 2022			
Cost of sales <sup>(1)(9)</sup>	94,491	77,036	171,527
Add/(deduct):			
Depreciation and amortization	(18,676)	(42,036)	(60,712)
Treatment charges, transportation and other related selling costs <sup>(2)</sup>	84,487	2,079	86,566
By-product credits <sup>(3)</sup>	(86,242)	(533)	(86,775)
Mine cash cost of sales	74,060	36,546	110,606
Rehabilitation related accretion expenses <sup>(4)</sup>	756	1,058	1,814
Allocated general and administrative expenses <sup>(5)</sup>	-	-	15,528
Cash outlays for sustaining capital <sup>(6)</sup>	10,406	8,353	18,759

Cash outlays for leases <sup>(6)</sup>	708	905	1,613
All-in sustaining cost	85,930	46,862	148,320
Payable gold in concentrate sold <sup>(7)</sup>	oz 112,377	64,489	176,866
Cost of sales per ounce of gold sold <sup>(8)</sup>	\$/oz 841	1,195	970
Cash cost per ounce of gold sold <sup>(8)</sup>	\$/oz 659	567	625
All-in sustaining cost per ounce of gold sold <sup>(8)</sup>	\$/oz 765	727	839

1) Included in cost of sales were share-based compensation expenses of \$1.4 million (2022 - \$0.8 million) for the nine months ended September 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 expense of \$7.1 million (2022 - \$1.3 million) for the nine months ended September 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 nine months of 2023 of 29,032 ounces (2022 - 30,420 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 nine months ended September 30, 2022, the Bulgarian government subsidy for electricity of \$17.2 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 (loss) attributable to common shareholders, 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 (loss):

<i>\$ thousands unless otherwise indicated</i>	Three Months		Nine Months	
Ended September 30,	2023	2022	2023	2022
Net earnings (loss)	27,127	(57,714 )	135,463	2,603
Add/(deduct):				
Impairment charge	-	85,000	-	85,000
Net loss on Sabina special warrants, net of income taxes of \$nil	-	40	-	2,225
Tsumeb restructuring costs	-	(2,056 )	-	5,750
Adjusted net earnings	27,127	25,270	135,463	95,578
Basic earnings (loss) per share	0.15	(0.30 )	0.72	0.01
Adjusted basic earnings per share	0.15	0.13	0.72	0.50

## 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 (loss) before income taxes:

<i>\$ thousands unless otherwise indicated</i>	Three Months		Nine Months	
Ended September 30,	2023	2022	2023	2022
Earnings (loss) before income taxes	34,538	(53,652 )	152,780	21,110
Add/(deduct):				
Impairment charge	-	85,000	-	85,000
Depreciation and amortization	23,364	27,010	66,975	78,512
Tsumeb restructuring costs	-	(2,056 )	-	5,750
Finance costs	1,570	1,932	4,914	4,770
Interest income	(7,022 )	(1,916 )	(17,140 )	(2,881 )
Net losses on Sabina special warrants	-	40	-	2,225
Adjusted EBITDA	52,450	56,358	207,529	194,486

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>	Three Months		Nine Months	
Ended September 30,	2023	2022	2023	2022
Cash provided from operating activities	67,426	31,471	197,503	182,763
Add:				
Changes in working capital	(9,463 )	25,456	17,568	(7,921 )
Cash provided from operating activities, before changes in working capital	57,963	56,927	215,071	174,842
Cash outlays for sustaining capital <sup>(1)</sup>	(11,433 )	(12,126 )	(29,529 )	(36,663 )

Principal repayments related to leases	(1,210 )	(1,139 )	(3,844 )	(3,413 )
Interest payments <sup>(1)</sup>	(708 )	(418 )	(1,608 )	(1,592 )
Free cash flow	44,612	43,244	180,090	133,174

1) 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:

\$ thousands, unless otherwise indicated	Three Months		Nine Months	
	2023	2022	2023	2022
Ended September 30,				
Total revenue	135,000	128,648	458,356	416,932
Add/(deduct):				
Tsumeb revenue	(13,134 )	(39,351 )	(77,604 )	(96,410 )
Treatment charges and other deductions <sup>(1)</sup>	34,070	32,347	77,561	86,566
Silver revenue	(1,110 )	(721 )	(3,439 )	(2,873 )
Revenue from gold and copper	154,826	120,923	454,874	404,215
Revenue from gold	129,881	97,203	379,279	320,316
Payable gold in concentrate sold	oz 67,615	56,776	196,179	176,866
Average realized gold price per ounce	\$/oz 1,921	1,712	1,933	1,811
Revenue from copper	24,945	23,720	75,595	83,899
Payable copper in concentrate sold	Klbs 6,699	6,715	19,642	20,498
Average realized copper price per pound	\$/lb 3.72	3.53	3.85	4.09

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

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