Dundee Precious Metals Delivers Record Free Cash Flow and Adjusted Net Earnings; Announces Second Quarter 2025 Results

31.07.2025 | GlobeNewswire

TORONTO, July 31, 2025 - Dundee Precious Metals Inc. (TSX: DPM) ("DPM" or the "Company") announced its operating and financial results for the second quarter and first half ended June 30, 2025.

Highlights
(Unless otherwise stated, all monetary figures in this news release are expressed in U.S. dollars, and all operational and financial information contained in this news release is related to continuing operations.)

- Record free cash flow generation: Generated $94.5 million of free cash flow[1] and $99.5 million of cash provided from operating activities of continuing operations in the second quarter.
- Record adjusted net earnings per share: Reported second quarter adjusted net earnings[1] of $87.6 million ($0.52 per share[1]) and net earnings from continuing operations of $82.4 million ($0.49 per share).
- Creating a premier mining business: Announced on June 13, 2025 that it had agreed with Adriatic Metals plc ("Adriatic") to the terms pursuant to which it would acquire Adriatic and its high-quality Vareš silver-lead-zinc-gold operation for an implied equity value of approximately $1.3 billion[2], forming a peer-leading growth profile.
- Advancing growth pipeline: ?oka Rakita feasibility study ("FS") advancing well and on-track for completion at year-end 2025. Received the environmental licence for Loma Larga in June, a significant milestone for the project.
- Substantial liquidity for growth: Ended the quarter with a total of $796.6 million, consisting of $331.7 million in cash and cash equivalents and $464.9 million in restricted cash pursuant to the agreement to acquire Adriatic.
- Record capital returns: Returned $129.9 million, or 75% of free cash flow, to shareholders during the first half of 2025 through the repurchase of approximately 10 million shares and the quarterly dividend of $0.04 per share.
- On-track to meet 2025 guidance: With strong production of 61,212 ounces of gold and 6.4 million pounds of copper during the second quarter, and 111,075 ounces of gold and 12.3 million pounds of copper during the first half of 2025, DPM is well-positioned to meet its 2025 production guidance.
- Generating robust margins: Reported cost of sales per ounce of gold sold[3] of $1,328 and an all-in sustaining cost per ounce of gold sold[1,3] of $1,118 for the first half of the year, compared to an average realized gold price of $3,183 per ounce. DPM reconfirmed its 2025 guidance for all-in sustaining cost of $780 to $900 per ounce of gold sold, subject to dynamics such as the mark-to-market impact of DPM's share price, as well as metal prices and foreign exchange movements relative to guidance assumptions.

---

1 Free cash flow, adjusted net earnings, adjusted basic earnings per share and all-in sustaining cost per ounce of gold sold are non-GAAP financial measures or ratios. These measures have no standardized meanings under IFRS Accounting 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 13 of this news release for more information, including reconciliations to IFRS measures.

2 Based on the June 11, 2025 closing price of DPM shares of Cdn$20.33, and a GBP/CAD exchange rate of 1.85.

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 concentrates 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.

CEO Commentary

David Rae, President and Chief Executive Officer, made the following comments in relation to the second quarter results:

"We continue to consistently deliver robust free cash flow, generating a record $174 million year-to-date, further strengthening our financial capacity to fund growth. At the same time, our investors are benefiting from our low-cost, high-margin gold production as we continue to return capital to shareholders, demonstrated by the repurchase of a record 10 million shares during the first half of the year.

"We received the environmental licence for Loma Larga at the end of June, achieving a significant milestone for the project, which is an attractive future growth opportunity for DPM. We continue to advance permitting and the feasibility study for the ?oka Rakita project, which is on track for completion by year-end.

"The proposed acquisition of Adriatic is an excellent fit with our operating expertise and financial strength, and offers a clear and compelling value proposition for all of our shareholders. This is an exciting time for DPM and our shareholders, as we look to our future as a growing precious metals producer, offering a peer-leading development pipeline, a strong balance sheet and capital returns, all of which are underpinned by our exceptional operational track record."

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
- adjusted earnings (loss) before interest, taxes, depreciation and amortization ("adjusted EBITDA")
- adjusted net earnings (loss)
- adjusted basic earnings (loss) 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 13 of this news release.

Key Operating and Financial Highlights from Continuing Operations

$ millions, except where noted		Three Months			Six Months		
		2025	2024	Change	2025	2024	Change
Operating Highlights							
Ore Processed	t	730,980	755,543	(3%)	1,411,122	1,456,741	(3%)
Metals contained in concentrates produced:							
Gold							
Chelopech	oz	47,032	43,734	8%	84,445	81,229	4%
Ada Tepe	oz	14,180	23,910	(41%)	26,630	49,142	(46%)

Total gold in concentrates produced	oz	61,212	67,644	(10%)	111,075	130,371	(15%)
Copper	Klbs	6,439	7,880	(18%)	12,344	14,572	(15%)
Payable metals in concentrates sold:							
Gold							
Chelopech	oz	38,333	37,849	1%	70,755	67,417	5%
Ada Tepe	oz	14,544	22,974	(37%)	26,911	48,618	(45%)
Total payable gold in concentrates sold	oz	52,877	60,823	(13%)	97,666	116,035	(16%)
Copper	Klbs	5,204	6,469	(20%)	10,367	11,926	(13%)
Cost of sales per ounce of gold sold(1):							
Chelopech	$/oz	1,097	1,003	9%	1,103	1,094	1%
Ada Tepe	$/oz	1,933	1,188	63%	1,920	1,105	74%
Consolidated	$/oz	1,327	1,073	24%	1,328	1,099	21%
All-in sustaining cost per ounce of gold sold(2):							
Chelopech	$/oz	682	531	28%	678	670	1%
Ada Tepe	$/oz	1,166	699	67%	1,246	638	95%
Consolidated	$/oz	1,011	710	42%	1,118	793	41%
Capital expenditures incurred(3):							
Sustaining(4)		5.9	7.9	(24%)	13.5	13.6	0%
Growth and other(5)		16.3	3.6	343%	28.0	11.9	134%
Total capital expenditures		22.2	11.5	92%	41.5	25.5	63%
Financial Highlights							
Average realized prices(2):							
Gold	$/oz	3,334	2,369	41%	3,183	2,254	41%
Copper	$/lb	4.36	4.57	(5%)	4.36	4.26	2%
Revenue		186.5	156.8	19%	330.6	280.6	18%
Cost of sales		70.2	65.2	8%	129.7	127.5	2%
Earnings before income taxes		92.0	80.2	15%	130.6	126.5	3%
Adjusted EBITDA(2)		114.1	93.1	23%	189.3	147.6	28%
Net earnings		82.4	70.9	16%	115.9	110.3	5%
Basic earnings per share	$/sh	0.49	0.39	26%	0.68	0.61	11%
Adjusted net earnings(2)		87.6	70.9	24%	143.0	103.4	38%
Adjusted basic earnings per share(2)	$/sh	0.52	0.39	33%	0.84	0.57	47%
Cash provided from operating activities(6)		99.5	125.8	(21%)	154.5	161.6	(4%)
Free cash flow(2)		94.6	82.4	15%	173.7	142.5	22%

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

(2) All-in sustaining cost per ounce of gold sold, average realized metal prices, adjusted EBITDA, adjusted net earnings, adjusted basic earnings per share, and free cash flow are non-GAAP financial measures or ratios. Refer to the "Non-GAAP Financial Measures" section commencing on page 13 of this news release for more information, including reconciliations to IFRS measures.

(3) Capital expenditures incurred are reported on an accrual basis and do not represent the cash outlays for capital expenditures.

(4) 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.

(5) 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.

(6) Excludes cash used in operating activities of discontinued operations of $5.3 million (2024 - $9.1 million) and cash provided from operating activities of discontinued operations of $167.9 million (2024 - $8.5 million), respectively, during the second quarter and first half of 2025.

Performance Highlights
A table comparing production, sales and cash cost measures by asset for the second quarter and first half ended June 30, 2025 against 2025 guidance is located on page 10 of this news release.

In the second quarter and first half of 2025, the Company's operations delivered gold production in line with expectations. With higher grades at Chelopech and increased production from both mines planned for the second half of the year, DPM is on track to achieve its 2025 production guidance.

Highlights include the following:

Chelopech, Bulgaria: Gold contained in concentrates produced in the second quarter and first half of 2025 was higher than 2024 due primarily to higher gold grades, partially offset by lower volumes of ore processed and lower gold recoveries, in line with the mine plan. As per the mine plan, the Company continues to expect higher grades and increased production over the balance of the year.

Copper production in the second quarter and first half of 2025 was lower than 2024 due primarily to lower copper grades and recoveries, in line with the mine plan.

Payable gold in concentrates sold in the second quarter of 2025 was comparable to 2024 due primarily to higher gold production offset by timing of shipments. Payable gold in concentrates sold in the first half of 2025 was higher than 2024 due primarily to higher production and favourable payable gold terms, partially offset by timing of shipments.

Payable copper in concentrate sold in the second quarter and first half of 2025 was lower than 2024 due primarily to lower copper production.

All-in sustaining cost per ounce of gold sold in the second quarter and first half of 2025 was higher than 2024 due primarily to lower by-product credits reflecting lower volumes of copper sold, a stronger Euro relative to the U.S. dollar and higher labour costs including higher mark-to-market adjustments for share-based compensation as a result of DPM's strong share price performance, partially offset by lower freight charges and lower cash outlays for sustaining capital expenditures for the year, as expected. All-in sustaining cost per ounce of gold sold in the second quarter of 2025 also benefited from lower treatment charges as a result of favourable market conditions.

Ada Tepe, Bulgaria: Gold contained in concentrate produced in the second quarter and first half of 2025 was lower than 2024 due primarily to mining in lower grade zones, as well as lower volumes of ore processed and lower gold recoveries, in line with the mine plan. As disclosed in February 2025, gold production at Ada Tepe is forecast to nearly double in the second half of 2025, relative to the first half, due to the cell sequencing of its integrated mine waste facility.

All-in sustaining cost per ounce of gold sold in the second quarter and first half of 2025 was higher than 2024 due primarily to lower volumes of gold sold, higher labour costs and a stronger Euro relative to the U.S. dollar, as well as higher cash outlays for sustaining capital expenditures, partially offset by lower royalties reflecting lower contained ounces mined.

Consolidated Operating Highlights

Production: Gold contained in concentrates produced in the second quarter and first half of 2025 was 10% and 15% lower than 2024, respectively, due primarily to lower gold grades at Ada Tepe, as well as lower volumes of ore processed and lower gold recoveries at both mines, partially offset by higher gold grades at Chelopech, in line with the mine plan for each operation.

Copper production in the second quarter and first half of 2025 was 18% and 15% lower than 2024, respectively, due primarily to lower copper grades and recoveries, in line with the mine plan.

Deliveries: Payable gold in concentrates sold in the second quarter and first half of 2025 was 13% and 16%

lower than 2024, respectively, primarily reflecting lower gold production.

Payable copper in concentrate sold in the second quarter and first half of 2025 was 20% and 13% lower than 2024, respectively, due primarily to lower copper production.

Cost measures: Cost of sales in the second quarter and first half of 2025 was 8% and 2% higher than 2024, respectively, due primarily to higher labour costs and a stronger Euro relative to the U.S. dollar.

All-in sustaining cost per ounce of gold sold in the second quarter and first half of 2025 was 42% and 41% higher than 2024, respectively, due primarily to lower volumes of gold sold, higher mark-to-market adjustments to share-based compensation expenses reflecting DPM's strong share price performance, lower by-product credits reflecting lower volumes of copper sold and a stronger Euro relative to the U.S. dollar, partially offset by lower freight charges. Mark-to-market adjustments to share-based compensation expenses resulted in an increase of $138 per ounce of gold sold in the first half of 2025 compared to an increase of $26 per ounce of gold sold in 2024.

Capital expenditures: Sustaining capital expenditures incurred in the second quarter of 2025 were 24% lower than 2024, due primarily to lower expenditures at Chelopech, as expected, partially offset by higher deferred stripping costs as a result of higher stripping ratios, in line with the mine plan at Ada Tepe. Sustaining capital expenditures incurred in the first half of 2025 were comparable to 2024.

Growth and other capital expenditures incurred in the second quarter and first half of 2025 were 343% and 134% higher than 2024, respectively, due primarily to costs related to the ?oka Rakita project being capitalized from 2025 as a result of the project's advancement to the FS stage.

Consolidated Financial Highlights

The Company reported record financial results for the second quarter and first half of 2025, including record revenue, earnings and free cash flow. Financial results in the second quarter and first half of 2025 continued to reflect higher realized metal prices, partially offset by lower volumes of gold sold at Ada Tepe.

Revenue: Revenue in the second quarter and first half of 2025 was 19% and 18% higher than 2024, respectively, due primarily to higher realized metal prices, partially offset by lower volumes of gold sold at Ada Tepe.

Net earnings: Net earnings from continuing operations in the second quarter of 2025 was 16% higher than 2024 due primarily to higher revenue and lower evaluation expenses as a result of the capitalization of costs related to the ?oka Rakita project, partially offset by higher employee costs reflecting primarily higher mark-to-market adjustments to share-based compensation expenses and Adriatic acquisition related costs of $5.1 million. Net earnings from continuing operations in the first half of 2025 was 5% higher than 2024, due primarily to the same factors affecting the quarter, partially offset by the 2025 Bulgarian levy of $24.4 million.

Adjusted net earnings: Adjusted net earnings from continuing operations in the second quarter and first half of 2025 was 24% and 38% higher than 2024, respectively, due primarily to the same factors affecting net earnings from continuing operations, with the exception of adjusting items primarily related to the 2025 Bulgarian levy and Adriatic acquisition related costs, as well as a net termination fee received from Osino Resources Corp. ("Osino") in 2024.

Cash provided from operating activities of continuing operations in the second quarter and first half of 2025 was 21% and 4% lower than 2024, respectively, due primarily to the timing of deliveries and subsequent receipt of cash, the timing of payments to suppliers and the first payment of the 2025 Bulgarian levy, partially offset by higher earnings generated in the periods.

Free cash flow: Free cash flow from continuing operations in the second quarter and first half of 2025 was 15% and 22% higher than 2024, respectively, due primarily to higher adjusted net earnings generated in the periods, partially offset by the first payment of the 2025 Bulgarian levy. Free cash flow is calculated before changes in working capital.

Proposed Acquisition of Adriatic

On June 13, 2025, the Company announced that it had agreed with Adriatic to the terms of a recommended acquisition of the entire issued, and to be issued, ordinary share capital of Adriatic (the "Transaction") for an implied equity value of approximately $1.3 billion. Upon completion of the Transaction, DPM will acquire 100% of the Vareš operation in Bosnia and Herzegovina, a producing silver-lead-zinc-gold underground mine.

Under the terms of the Transaction, shareholders of Adriatic ("Adriatic Shareholders") will be entitled to receive 0.1590 of a common share of DPM (each whole share, a "DPM Share") and 93 pence in cash for each ordinary share of Adriatic (each, an "Adriatic Share"). The implied value for each Adriatic Share is £2.68 (and CHESS Depository Interests of Adriatic at AUD$5.56), based on the closing price of Cdn$20.33 per DPM Share and a GBP/CAD exchange rate of 1.85 on June 11, 2025. Immediately following completion of the Transaction, it is expected that current shareholders of DPM (the "DPM Shareholders") will own approximately 75%, and former Adriatic Shareholders will own approximately 25%, of DPM's issued share capital.

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

Balance Sheet Strength and Financial Flexibility

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

Cash and cash equivalents decreased by $303.1 million to $331.7 million in the first half of 2025, due primarily to the restricted cash set aside pursuant to the agreement to acquire Adriatic, payments for shares repurchased under the Normal Course Issuer Bid ("NCIB"), cash outlays for capital expenditures and dividends paid, partially offset by earnings generated in the period and cash interest received, as well as a net cash inflow of $167.9 million under a DPM tolling agreement related to the disposition of the Tsumeb smelter in 2024.

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 the NCIB.

During the first half of 2025, the Company returned a total of $129.9 million to shareholders through the repurchase of approximately 10.0 million shares, for a total cash payment of $116.1 million, and $13.8 million of dividends paid.

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

Development Projects Update

?oka Rakita, Serbia

The Company continues to advance the ?oka Rakita project, targeting first concentrate production in 2028. The FS is advancing as planned and is expected to be completed by year-end 2025. Most of the surface and underground geotechnical and hydrogeological drilling is now complete. Advancing the design to the basic engineering level, the project execution readiness, and commencing operational readiness activities are all proceeding as planned.

Permitting activities have continued to advance, with a detailed permitting timeline focused on supporting commencement of construction in mid-2026.

Work continues on various baseline studies required for the Environmental and Social Impact Assessment. DPM continues to focus on completing all preparatory work for the Special Purpose Spatial Plan, pending a decision by the Serbian government to initiate the process, and is proactively engaging with relevant stakeholders to mitigate the risk of administrative delays.

The Company has planned to spend $40 million to $45 million of growth capital expenditures for the ?oka Rakita project in 2025, with $19.0 million incurred in the first half of the year.

Loma Larga, Ecuador

During the second quarter, the environmental licence for the Loma Larga project was issued by the Ministry of Environment, Water and Ecological Transition, which represents a significant milestone for the project and is the result of a rigorous process by the government to ensure high Ecuadorian standards are applied in the development of mining projects. DPM's commitment to these standards is consistent with the Company's proven development practices and adoption of international standards and best practices which meet or exceed national standards. Following the environmental licence issuance, negotiations for the exploitation agreement are in progress.

The approval of the environmental licence follows the successful completion of the prior, informed indigenous consultation process in May 2025, and the fulfilment of the requirements of the August 2023 ruling by the Provincial Court of Azuay.

Preparations are ongoing for a planned 23,000-metre drilling campaign at Loma Larga, with additional mapping, re-logging and drilling and site logistics planning. The drilling program will prioritize geotechnical and hydrological monitoring holes, as well as metallurgical and resource infill and extensional drilling, and is planned to commence in the second half of 2025.

Following receipt of the environmental licence, the Company increased its guidance for growth capital expenditures related to the Loma Larga project in 2025 to a total of $23 million to $25 million, up from the previous guidance range of $12 million to $14 million, to support the planned drilling and certain early works in 2025. The Company has incurred $7.5 million in the first half of the year.

Exploration

?oka Rakita and Dumitru Potok, Serbia

Exploration activities in Serbia continued to focus on the ?oka Rakita and Potaj ?uka licences, including scout drilling campaigns at the Dumitru Potok, Frasen, Valja Saka and various Potaj ?uka targets, completing 10,787 metres of drilling during the second quarter of 2025 and 22,411 metres in total during the first half of 2025.

At Dumitru Potok, drilling continues to confirm the presence of a large, high-grade copper-gold-silver skarn system with mineralization concentrated along both the eastern and western sides of a causative intrusion. Based on drilling to date, a one-kilometre strike length of the mineralization has been outlined and will be the focus of further delineation drilling.

Drilling confirmed the high potential for shallow porphyry copper-gold mineralization in the Frasen area, with one drill hole demonstrating significant intercepts within a fertile diorite intrusion. This relatively narrow zone, approximately 150 metres wide, was intersected 350 metres along strike to the northwest, with previous drill holes where a vertical distribution of up to 450 metres from surface was confirmed with most recent drilling. It still remains open up to some extent towards the northwest and southeast, as well as at depth.

At the Rakita North prospect, the drilling continued to highlight the marble-hosted copper-gold-silver mineralization on the northern flank of the ?oka Rakita deposit, proximal to the ?oka Rakita planned underground development. The overall dimensions of the orebody are yet to be defined but drilling to date has outlined a high-grade zone of approximately 300 metres by 150 metres. It remains open in multiple directions, with the prospect demonstrating the highest potential towards the east.

Within the Potaj ?uka licence, exploration drilling has continued at the Valja Saka prospect, which is located approximately two kilometres north of ?oka Rakita, as well as several target areas in the central and northern part of the licence, supported by magneto-telluric, soil and magnetic anomalies. Exploration drilling at the Valja Saka prospect continued to encounter strong skarn (garnet and magnetite) altered sediments, zones of porphyry type copper-gold mineralization, weak strata-bound and marble hosted copper-gold mineralization. DPM has integrated the collected information regarding the alteration and mineralization assemblages into its exploration targeting models, which will be used for vector exploration drilling towards potentially higher grade mineralization. These geological observations are strong indications of the prospectivity of the Potaj ?uka licence for additional copper and gold mineralization.

Tulare, Serbia

Drilling continued at the Tulare exploration licence, which is located in southern Serbia, with 3,370 metres in total drilled during the second quarter of 2025 and 3,708 metres during the first half of 2025. The Company continued drilling at the Kiseljak and Yellow Creek prospects and commenced drill testing the conceptual target at the Gubavce prospect, which is supported by a combination of geophysics, soil geochemistry, short-wave-infrared and portable X-ray fluorescence measurement anomalies.

The Company has planned to spend between $23 million and $25 million for Serbian exploration activities in 2025, with $15.9 million incurred in the first half of the year. These activities are primarily focused on testing prospective targets around the ?oka Rakita project and defining the upside potential of the Dumitru Potok and Frasen discoveries, as well as planned scout drilling on the Potaj ?uka and Pešter Jug licences.

Chelopech, Bulgaria

DPM continues to prioritize in-mine and brownfield exploration activities with the objective of extending Chelopech's mine life to over 10 years. During the second quarter of 2025, the Company completed approximately 10,557 metres of drilling with 2,409 metres dedicated to extensional drilling, which was primarily focused on discovering new mineralization along identified geological trends in the Chelopech mine.

During the second quarter of 2025, extensional drilling activity was concentrated on higher elevations of Blocks 150 and 151. This initiative aims to explore the western (150) and northern (151) parts of these blocks, potentially uncovering new mineralization.

At the beginning of the quarter, a drilling program was completed to test new mineralization in Block 8, with 2 holes returning results demonstrating zones with grades exceeding 2 g/t AuEq and highlighting the zone's potential for economic mineralization.

During the quarter, assay results were received from drill holes targeting Zone 701. The results identified new zones of mineralization, expanding the orebody contour, particularly on horizons between 410 mRL and 200 mRL.

Brownfield exploration continued within the Chelopech mine concession during the second quarter of 2025 with a total of 9,146 metres of exploration and target delineation drilling with five active diamond drill rigs.

Results from initial drilling at the Wedge Zone Deep ("WZD") target discovered a new zone of approximately 150 metres down hole of contiguous semi-massive and stockwork pyrite rich high-sulphidation mineralization. The target, which remains open in multiple directions, is located within the northern flank of Chelopech mine concession and approximately 300 metres below existing Mineral Reserves.

The Company is increasing the 2025 Chelopech exploration program, in part, to expand the scope of this mineralization and define the geological setting and structural context. An additional 12,000 metres of exploration drilling has been planned in order to test the WZD target's vertical extent and continuation along strike, as well as continuing to test the mineral potential at the shallow levels, on the northeastern and southern flanks of the Chelopech mine concession. Drill testing of some of the generated targets has already commenced and will continue over the balance of the year.

The Company continues to advance the process of converting the Brevene exploration licence to a Commercial Discovery, with a one-year extension of the exploration rights granted by the Ministry of Energy on May 5, 2025, and received a positive statement from the Ministry of Environment and Water to implement an exploration program. Based on these positive permitting steps and expectation that drilling will commence in later 2025, after drilling permits are obtained with the land owner, an additional budget for 28,000 metres of infill and target delineation drilling was approved to advance the targets to Commercial Discovery technical requirements.

The Company has increased the planned budget for Chelopech in-mine and brownfield exploration activities to be between $14 million and $15 million, up from the previous guidance range of $6 million to $7 million, to focus on intensive drilling at the Brevene licence and exploring the near-mine targets on the Chelopech mine concession. The Company has incurred $4.9 million in the first half of the year.

2025 Guidance and Three-year Outlook

With higher production planned for the second half of the year, DPM is on track to achieve its 2025 guidance, including expected gold production of 225,000 to 265,000 ounces, copper production of 28 to 33 million pounds, and an all-in sustaining cost of $780 to $900 per ounce of gold sold.

The three-year outlook previously issued in DPM's MD&A for the year ended December 31, 2024 remains unchanged, except for the following updates to the Company's guidance for 2025:

- Growth capital expenditures related to the Loma Larga project are now expected to be between $23 million and $25 million, up from the previous guidance range of $12 million to $14 million, due primarily to the receipt of the environmental licence for exploitation, representing an important milestone. The additional funding will be used primarily to resume drilling at Loma Larga as well as certain early works.
- Based on positive results, exploration expenses are now expected to be between $44 million and $49 million, up from the previous guidance range of $36 million to $41 million. This updated guidance supports exploration activities associated with Chelopech near-mine exploration, drilling at the Brevene exploration licence and Serbian exploration programs.

The Company's three-year outlook and 2025 detailed guidance do not reflect the potential acquisition of the anticipated operating and financial results of Adriatic.

Selected Production, Delivery and Cost Performance versus 2025 Guidance

		Q2 2025			YTD June 2025		
		Chelopech	Ada Tepe	Consolidated	Chelopech	Ada Tepe	Consolidat
Ore processed	Kt	541.1	189.9	731.0	1,073.9	337.2	1,411.1
Metals contained in concentrates produced							
Gold	Koz	47.0	14.2	61.2	84.4	26.6	111.0
Copper	Mlbs	6.4	-	6.4	12.3	-	12.3

Payable metals in concentrates sold							
Gold	Koz	38.3	14.5	52.8	70.8	26.9	97.7
Copper	Mlbs	5.2	-	5.2	10.4	-	10.4
All-in sustaining cost per ounce of gold sold	$/oz	682	1,166	1,011	678	1,246	1,118

For additional information regarding the Company's detailed guidance for 2025 and current three-year outlook, please refer to the "Three-Year Outlook" section of the MD&A.

Second Quarter 2025 Results Conference Call and Webcast

At 9 a.m. EDT on Friday, August 1, 2025, 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 date and time	Friday, August 1, 2025 9 a.m. EDT
Call registration	https://register-conf.media-server.com/register/BI98866034cb584008a2fd5d55a8b90439
Webcast link	https://edge.media-server.com/mmc/p/kivzz2za
Replay	Archive will be available on www.dundeeprecious.com

This news release and DPM's unaudited condensed interim financial statements and MD&A for the three and six months ended June 30, 2025 are posted on the Company's website at www.dundeeprecious.com and have been filed on SEDAR+ at 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), Director, Corporate Technical Services, 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, Serbia and Ecuador. The Company's purpose is to unlock resources and generate value to thrive and grow together. Our strategic objective is to become a mid-tier precious metals company, which is based on sustainable, responsible and efficient gold production from our portfolio, the development of quality assets, and maintaining a strong financial position to support growth in mineral reserves and production through disciplined strategic transactions. This strategy creates a platform for robust growth to deliver above-average returns for our shareholders. DPM's shares are traded on the Toronto Stock Exchange (symbol: DPM).

For further information, please contact:

Jennifer Cameron
Director, Investor Relations
Tel: (416) 219-6177
jcameron@dundeeprecious.com

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: forecasted results of production in 2025 and the ability of the Company to meet previously provided guidance in respect thereof; expected cash flows; the price of gold, copper, and silver; 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; the intention of the Company to complete the Transaction and the anticipated timing thereof; the receipt of all necessary shareholder and regulatory approvals in connection with the Transaction; the anticipated benefits of the Transaction; currency fluctuations; results of economic studies; the intention to complete the FS in respect of the ?oka Rakita project and the anticipated timing thereof; anticipated steps in the continued development of the ?oka Rakita project, including exploration, permitting activities, environmental assessments, and stakeholder engagement, and the timing for completion and anticipated results thereof; anticipated timing regarding a construction decision in respect of the ?oka Rakita project; anticipated steps in the development of the Loma Larga project, including the intention to resume drilling activities and to commence formal negotiations in respect of an exploitation agreement, and the anticipated timing thereof; exploration activities at the Company's operating and development properties and the anticipated results thereof; permitting requirements, the ability of the Company to obtain such permits, and the anticipated timing thereof; anticipated amounts of future expenditures at the Company's operating and development properties; statements under the heading "2025 Guidance and Three-year Outlook"; timing of payments and amounts of dividends; and the number of common shares of the Company that may be purchased under 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 prices and foreign exchange rates; risks arising from the current economic environment and the impact on operating costs and other financial metrics, including risks of recession; the ability of the Company to complete the Transaction, including the ability to obtain all necessary shareholder and regulatory approvals in connection therewith; the ability of the Company to realize the anticipated benefits of the Transaction; the commencement, continuation or escalation of geopolitical crises and armed conflicts, including without limitation, in Ukraine, the Middle East, Ecuador, and other jurisdictions from time to time, and their direct and indirect effects on the operations of DPM; risks arising from counterparties being unable to or unwilling to fulfill their contractual obligations to the Company; the speculative nature of mineral exploration, development and production, including changes in mineral production performance, exploitation and exploration results; the Company's dependence on its operations at the Chelopech mine and Ada Tepe mine; changes in tax and tariff regimes in the jurisdictions in which the Company operate or which are otherwise applicable to the Company's business, operations, or financial condition; possible inaccurate estimates relating to future production, operating costs and other costs for operations; possible variations in ore grade and recovery rates; inherent uncertainties in respect of conclusions of economic evaluations, economic studies and mine plans; uncertainties with respect to the timing of completion and publication of the FS in respect of each of the ?oka Rakita project and the Loma Larga project, and the results thereof; the Company's dependence on continually developing, replacing and expanding its mineral reserves; uncertainties and risks inherent to developing and commissioning new mines into production, which may be subject to unforeseen delays; risks related to the possibility that future exploration results will not be consistent with the Company's expectations, that quantities or grades of reserves will be diminished, and that resources may not be converted to reserves; risks associated with the fact that certain of the Company's initiatives are still in the early stages and may not materialize; changes in project parameters, including schedule and budget, as plans continue to be refined; risks related to the financial results of operations, changes in interest rates, and the Company's ability to finance its operations; the impact of global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future cash flows; 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; accidents, labour disputes and other risks inherent to the mining industry; failure to achieve certain cost savings; risks related to the Company's ability to manage environmental and social matters, including risks and obligations related to closure of the Company's mining properties; risks related to climate change, including extreme weather events, resource shortages, emerging policies and increased regulations relating to related to greenhouse gas emission levels, energy efficiency and reporting of risks; land reclamation and mine closure requirements, and costs associated therewith; the Company's controls over financial reporting and obligations as a public company; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; opposition by social and non-governmental organizations to mining projects; uncertainties with respect to realizing the anticipated benefits from the development of the Loma Larga or ?oka Rakita projects; cyber-attacks and other cybersecurity risks; competition in the mining industry; exercising judgment when undertaking impairment assessments; claims or litigation; limitations on insurance coverage; changes in values of the Company's investment portfolio; changes in laws and regulations, including with respect to taxes, and the Company's ability to successfully obtain all necessary permits and other approvals required to conduct its operations; employee relations, including unionized and non-union employees, and the Company's ability to retain key personnel and attract other highly skilled employees; ability to successfully integrate acquisitions or complete divestitures; unanticipated title disputes; volatility in the price of the common shares of the Company; potential dilution to the common shares of the Company; damage to the Company's reputation due to the actual or perceived occurrence of any number of events, including negative publicity with respect to the Company's handling of environmental matters or dealings with community groups, whether true or not; risks related to holding assets in foreign jurisdictions; conflicts of interest between the Company and its directors and officers; the timing and amounts of dividends; there being no assurance that the Company will purchase additional common shares of the Company under the NCIB, as well as those risk factors discussed or referred to in the MD&A, the Company's most recent AIF, the Company's management information circular dated July 11, 2024, 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.

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; 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; and all-in sustaining cost per ounce of gold sold 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 table provides a reconciliation of the Company's cash cost per tonne of ore processed to its cost of sales:

$ thousands		Three Months		Six Months	
unless otherwise indicated		2025	2024	2025	2024
Chelopech					
Ore processed	t	541,096	559,026	1,073,947	1,080,150
Cost of sales		42,046	37,950	78,044	73,743
Add/(deduct):					
Depreciation and amortization		(8,475)	(7,962)	(16,448)	(15,654)
Change in concentrate inventory		542	1,119	656	1,510
Mine cash cost[(1)]		34,113	31,107	62,252	59,599
Cost of sales per tonne of ore processed[(2)]	$/t	78	68	73	68
Cash cost per tonne of ore processed[(2)]	$/t	63	56	58	55
Ada Tepe					
Ore processed	t	189,884	196,517	337,175	376,591
Cost of sales		28,115	27,286	51,666	53,722
Deduct:					
Depreciation and amortization		(14,458)	(13,596)	(25,832)	(28,051)
Change in concentrate inventory		(355)	284	(32)	(4)
Mine cash cost[(1)]		13,302	13,974	25,802	25,667
Cost of sales per tonne of ore processed[(2)]	$/t	148	139	153	143
Cash cost per tonne of ore processed[(2)]	$/t	70	71	77	68

(1) 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.

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

The following tables provide, 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:

$ thousands, unless otherwise indicated For the three months ended June 30, 2025		Chelopech	Ada Tepe	Consolidated
Cost of sales[(1)]		42,046	28,115	70,161
Add/(deduct):				
Depreciation and amortization		(8,475)	(14,458)	(22,933)
Treatment charges, transportation and other related selling costs[(2)]		14,256	(113)	14,143
By-product credits[(3)]		(24,085)	(244)	(24,329)
Mine cash cost of sales		23,742	13,300	37,042
Rehabilitation related accretion and depreciation expenses[(4)]		20	394	414
Allocated general and administrative expenses[(5)]		-	-	10,351
Cash outlays for sustaining capital expenditures[(6)]		1,827	3,075	4,902
Cash outlays for leases[(6)]		554	186	740
All-in sustaining cost		26,143	16,955	53,449
Payable gold in concentrates sold	oz	38,333	14,544	52,877
Cost of sales per ounce of gold sold[(7)]	$/oz	1,097	1,933	1,327
Cash cost per ounce of gold sold[(7)]	$/oz	619	914	701
All-in sustaining cost per ounce of gold sold[(7)]	$/oz	682	1,166	1,011

$ thousands, unless otherwise indicated For the three months ended June 30, 2024		Chelopech	Ada Tepe	Consolidated

Cost of sales(1)		37,950	27,286	65,236
Add/(deduct):				
Depreciation and amortization		(7,962)	(13,596)	(21,558)
Treatment charges, transportation and other related selling costs(2)		17,904	272	18,176
By-product credits(3)		(30,574)	(305)	(30,879)
Mine cash cost of sales		17,318	13,657	30,975
Rehabilitation related accretion expenses(4)		65	319	384
Allocated general and administrative expenses(5)		-	-	7,060
Cash outlays for sustaining capital expenditures(6)		2,559	1,920	4,479
Cash outlays for leases(6)		143	170	313
All-in sustaining cost		20,085	16,066	43,211
Payable gold in concentrates sold	oz	37,849	22,974	60,823
Cost of sales per ounce of gold sold(7)	$/oz	1,003	1,188	1,073
Cash cost per ounce of gold sold(7)	$/oz	458	594	509
All-in sustaining cost per ounce of gold sold(7)	$/oz	531	699	710

(1) Included in cost of sales were share-based compensation expenses of $0.8 million (2024 - $0.5 million) in the second quarter of 2025.

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

(3) Represent copper and silver revenue.

(4) Included in cost of sales and finance cost in the condensed interim consolidated statements of earnings (loss).

(5) Represent an allocated portion of DPM's general and administrative expenses, including share-based compensation expenses of $5.1 million (2024 - $2.3 million) for the second quarter of 2025, based on Chelopech's and Ada Tepe's proportion of total revenue, including revenue from discontinued operations in 2024. Allocated general and administrative expenses, including corporate social responsibility expenses and excluding depreciation and amortization, 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) Represents cost of sales, mine cash cost of sales and all-in sustaining cost, respectively, divided by payable gold in concentrates sold.

$ thousands, unless otherwise indicated For the six months ended June 30, 2025		Chelopech	Ada Tepe	Consolidated
Cost of sales(1)		78,044	51,666	129,710
Add/(deduct):				
Depreciation and amortization		(16,448)	(25,832)	(42,280)
Treatment charges, transportation and other related selling costs(2)		28,335	420	28,755
By-product credits(3)		(48,129)	(431)	(48,560)
Mine cash cost of sales		41,802	25,823	67,625
Rehabilitation related accretion and depreciation expenses(4)		19	553	572
Allocated general and administrative expenses(5)		-	-	27,673
Cash outlays for sustaining capital expenditures(6)		4,919	6,796	11,715
Cash outlays for leases(6)		1,216	357	1,573
All-in sustaining cost		47,956	33,529	109,158
Payable gold in concentrates sold	oz	70,755	26,911	97,666
Cost of sales per ounce of gold sold(7)	$/oz	1,103	1,920	1,328
Cash cost per ounce of gold sold(7)	$/oz	591	960	692
All-in sustaining cost per ounce of gold sold(7)	$/oz	678	1,246	1,118

$ thousands, unless otherwise indicated For the six months ended June 30, 2024		Chelopech	Ada Tepe	Consolidated
Cost of sales[1]		73,743	53,722	127,465
Add/(deduct):				
Depreciation and amortization		(15,654)	(28,051)	(43,705)
Treatment charges, transportation and other related selling costs[2]		33,360	961	34,321
By-product credits[3]		(52,774)	(583)	(53,357)
Mine cash cost of sales		38,675	26,049	64,724
Rehabilitation related accretion expenses[4]		149	673	822
Allocated general and administrative expenses[5]		-	-	15,764
Cash outlays for sustaining capital expenditures[6]		6,024	3,967	9,991
Cash outlays for leases[6]		340	338	678
All-in sustaining cost		45,188	31,027	91,979
Payable gold in concentrates sold	oz	67,417	48,618	116,035
Cost of sales per ounce of gold sold[7]	$/oz	1,094	1,105	1,099
Cash cost per ounce of gold sold[7]	$/oz	574	536	558
All-in sustaining cost per ounce of gold sold[7]	$/oz	670	638	793

(1) Included in cost of sales were share-based compensation expenses of $2.5 million (2024 - $1.0 million) in the first half of 2025.

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

(3) Represents copper and silver revenue.

(4) Included in cost of sales and finance cost in the condensed interim consolidated statements of earnings (loss).

(5) Represents an allocated portion of DPM's general and administrative expenses, including share-based compensation expenses of $14.6 million (2024 - $5.3 million) in the first half of 2025, based on Chelopech and Ada Tepe's proportion of total revenue, including revenue from discontinued operations in 2024. 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) Represents cost of sales, mine cash cost of sales and all-in sustaining cost, respectively, divided by payable gold in concentrates sold.

Adjusted net earnings and adjusted basic earnings per share

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

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

- impairment charges or reversals thereof;
- unrealized and realized gains or losses related to investments carried at fair value;
- significant tax adjustments not related to current period earnings; and
- non-recurring or unusual income or expenses that are either not related to the Company's operating segments or unlikely to occur on a regular basis.

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

$ thousands, except per share amounts		Three Months		Six Months	
Ended June 30,		2025	2024	2025	2024
Net earnings		82,399	70,849	115,903	110,275
Add/(deduct):					
Adriatic acquisition related costs, net of income taxes of $nil		5,130	-	5,130	-
2025 Bulgarian levy, net of income tax recoveries of $2,438[(1)]		-	-	21,938	-
Net termination fee received from Osino, net of income taxes of $nil		-	-	-	(6,901)
Adjusted net earnings		87,529	70,849	142,971	103,374
Basic earnings per share	$/sh	0.49	0.39	0.68	0.61
Adjusted basic earnings per share	$/sh	0.52	0.39	0.84	0.57

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

Adjusted EBITDA

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

Adjusted EBITDA excludes the following from earnings before income taxes:

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

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

$ thousands	Three Months		Six Months	
Ended June 30,	2025	2024	2025	2024
Earnings before income taxes	92,004	80,220	130,556	126,499
Add/(deduct):				
Depreciation and amortization	23,691	22,108	43,863	44,944
Finance costs	1,100	696	1,812	1,402
Interest income	(7,849)	(9,935)	(16,417)	(18,342)
Adriatic acquisition related costs	5,130	-	5,130	-
2025 Bulgarian levy[(1)]	-	-	24,376	-
Net termination fee received from Osino	-	-	-	(6,901)
Adjusted EBITDA	114,076	93,089	189,320	147,602

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

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 expenditures, mandatory principal repayments and interest payments related to debt and leases. Free cash flow excludes non-recurring or unusual income or expenses that are not related to the Company's operating segments. This measure is used by the Company and investors to measure the cash flow available to fund growth related initiatives and 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 of continuing operations:

$ thousands	Three Months		Six Months	
Ended June 30,	2025	2024	2025	2024
Cash provided from operating activities	99,541	125,793	154,467	161,593
Excluding:				
Changes in working capital[1]	2,324	(26,394)	11,067	7,222
Cash provided from operating activities, before changes in working capital[2]	101,865	99,399	165,534	168,815
Adriatic acquisition related costs	5,130	-	5,130	-
2025 Bulgarian levy[3]	(6,094)	-	18,282	-
Cash outlays for sustaining capital expenditures[4]	(4,513)	(5,351)	(11,779)	(11,311)
Principal repayments related to leases	(1,482)	(1,153)	(2,806)	(2,125)
Interest payments[4]	(366)	(467)	(693)	(699)
Other non-cash items	-	(10,000)	-	(12,200)
Free cash flow	94,540	82,428	173,668	142,480

(1) Excludes an unfavourable change in working capital from discontinued operations of $5.3 million (2024 - a favourable change of $6.8 million) and a favourable change of $167.9 million (2024 - $16.6 million), respectively, during the second quarter and first half of 2025.

(2) Excludes cash used in operating activities of discontinued operations, before changes in working capital, of $15.9 million and $8.1 million, respectively, during the second quarter and first half of 2024.

(3) Represents an accrual of a one-time levy to the 2025 Bulgarian state budget in respect of both the Chelopech and Ada Tepe mines. During the second quarter of 2025, $6.1 million was paid in cash and the remaining accrual was $18.3 million as of June 30, 2025.

(4) 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 stated		Three Months		Six Months	
Ended June 30,		2025	2024	2025	2024
Total revenue		186,487	156,838	330,634	280,629
Add/(deduct):					
Treatment charges and other deductions[(1)]		14,143	18,176	28,755	34,321
Silver revenue		(1,637)	(1,334)	(3,401)	(2,610)
Revenue from gold and copper		198,993	173,680	355,988	312,340
Revenue from gold		176,301	144,099	310,829	261,557
Payable gold in concentrates sold	oz	52,877	60,823	97,666	116,035
Average realized gold price per ounce	$/oz	3,334	2,369	3,183	2,254
Revenue from copper		22,692	29,581	45,159	50,783
Payable copper in concentrate sold	Klbs	5,204	6,469	10,367	11,926
Average realized copper price per pound	$/lb	4.36	4.57	4.36	4.26

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