

DUNDEE PRECIOUS METALS

# BUILDING A PREMIER, INTERMEDIATE, LOW-COST GOLD PRODUCER

INVESTOR PRESENTATION  
CIBC 17<sup>th</sup> ANNUAL WHISTLER INSTITUTIONAL INVESTOR CONFERENCE  
JANUARY 22-25, 2014



# FORWARD LOOKING STATEMENTS

This presentation contains "forward-looking information" or "forward-looking statements" that involve a number of risks and uncertainties. Forward-looking information and forward-looking statements include, but are not limited to, statements with respect to the future prices of gold and other metals, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production and output, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management 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. Such factors include, among others: the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold; possible variations in ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; 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, fluctuations in metal prices, as well as those risk factors discussed or referred to in this presentation under and in the Company's annual information form under the heading "Risk Factors" and other documents filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available at [www.sedar.com](http://www.sedar.com). 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. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.



# INVESTMENT SUMMARY



# DPM'S GLOBAL PORTFOLIO OF ASSETS

## Chelopech Mine, Bulgaria

- Ownership: 100%
- Stage: Producing
- Mine Life: 10+ years
- 2012 production: 121koz Au; 43Mlbs Cu
- Reserves<sup>(1)</sup>: 2.5Moz Au; 5.4Moz Ag; 519Mlbs Cu
- M&I Resources<sup>(1)</sup>: 3.8Moz Au; 8.8Moz Ag; 825Mlbs Cu
- Inferred Resources<sup>(1)</sup>: 0.9Moz Au; 3.2Moz Ag; 182Mlbs Cu

## Krumovgrad, Bulgaria

- Ownership: 100%
- Stage: Feasibility
- Startup: 2016
- Mine life: 9 years
- Avg. Production: 74koz Au; 35koz Ag
- Reserves<sup>(1)</sup>: 0.78Moz Au; 0.45Moz Ag
- M&I Resources<sup>(1)</sup>: 0.90Moz Au; 0.51Moz Ag
- Inferred Resources<sup>(1)</sup>: 0.02Moz Au; 0.01Moz Ag

## Kapan Mine, Armenia

- Ownership: 100%
- Stage: Producing
- 2012 production: 22koz Au; 449koz Ag; 2Mlbs Cu; 15Mlbs Zn
- M&I Resources<sup>(1)</sup>: 0.24Moz Au; 4.5Moz Ag; 25Mlbs Cu; 130Mlbs Zn
- Inferred Resources<sup>(1)</sup>: 0.79Moz Au; 14.0Moz Ag; 93Mlbs Cu; 397Mlbs Zn
- Conceptual study on UG expansion pending



## Tsumeb Smelter, Namibia

- Ownership: 100%
- Technology: Ausmelt
- Product: Copper blister bars
- 2012 Concentrate Smelted: 159,356 tonnes of concentrate
- 2013E Concentrate Smelted: 155,000 tpy – 162,000 tpy
- Smelter Complex Concentrate Capacity: 240,000 tpy with potential to increase to 320,000 tpy

Note:  
(1)

M&I resources are presented inclusive of reserves  
Chelopech reserves & resources are as at Dec. 31, 2012; Krumovgrad reserves & resources are as at Jan. 11, 2012; Kapan resources are as at Aug. 29, 2013

# COMMITTED TO MAINTAINING A SOLID FINANCIAL POSITION

**\$200M**

**Cash and Credit including:**

\$150M undrawn revolving credit facility  
~\$50M in Cash and Short-term Investments  
@ September 30, 2013

**\$85M**

Year-to-Date Annualized  
2013 Operating  
Cash Flow

**\$73.9M**

Debt  
@ September 30, 2013  
Total Debt : Total Capital  
= 9%

## Capital Structure @ January 20, 2014

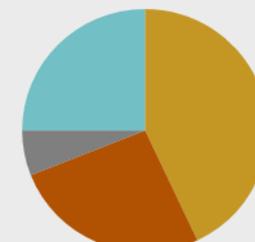
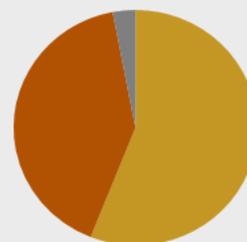
Share Price	C\$3.89
Shares Outstanding	139M
Market Capitalization	C\$541M
Fully diluted shares Additional cash on dilution	146M C\$25M
52 week low - high	C\$2.495 - \$9.18

## Top Shareholders

Dundee Corporation	25%
Norges Bank Investment Management	4%

## Adjusted EBITDA by Revenue Stream

- Gold
- Copper
- Other
- Smelter



*Based on current metals prices, excludes G&A and Exploration*

# CORPORATE VISION / STRATEGY

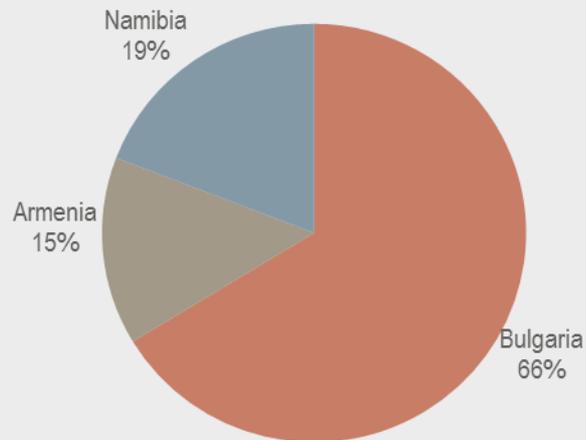
- ✓ **Build DPM into a premier, international, intermediate, low-cost gold producer**
- ✓ **Optimize value of existing operating assets**
  - Increase mine production and extend LOM
  - Upgrade/expand smelter and establish long-term contracts that provide a stable return
- ✓ **Grow the business beyond existing operating assets**
  - Develop Krumovgrad Gold Project
  - Establish deep pipeline of greenfield exploration opportunities
  - Complete acquisitions that offer accretive growth, diversity and gold exposure, while maintaining a conservative capital structure
- ✓ **Sustain low quartile operating cost positions**
- ✓ **Maintain a strong balance sheet with ample liquidity and solid credit metrics**



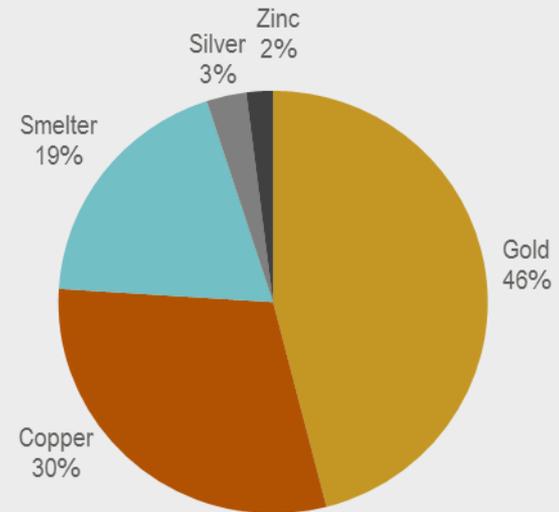
# DIVERSE PORTFOLIO OF ASSETS IN ATTRACTIVE JURISDICTIONS

- Producing operations in several jurisdictions with diversification across multiple commodities
  - Current revenue split by commodity of 46% gold, 30% copper, 19% smelter, 3% silver and 2% zinc
  - Additional diversification through 3<sup>rd</sup> party smelter contracts
- Operations in Bulgaria, Armenia, Namibia and Serbia, which are politically stable and mining friendly jurisdictions

**Geographic Diversification**  
(last 12 months revenue)



**Commodity Diversification**  
(last 12 months revenue)



# LOW-COST, MID-TIER GOLD PRODUCER WITH PROVEN OPERATING TRACK RECORD

## Production Profile (koz) and Cash Costs Net of By-Products (\$/oz)



## 2013E All-In-Sustaining Costs (\$/oz) <sup>(1)</sup>



(1) Source: Scotia Capital (April 2, 2013)

Note: All-in Sustaining Cash Cost = Total cash costs (by product basis) + sustaining capital + corporate G&A

# LOW-COST, MID-TIER GOLD PRODUCER WITH PROVEN OPERATING TRACK RECORD

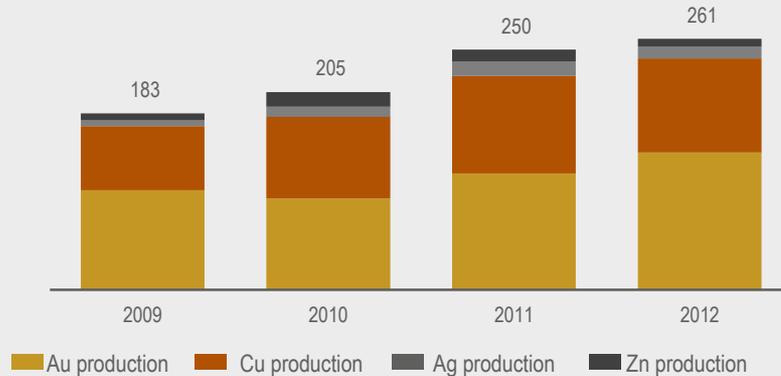
- Low gold cost per ounce drives strong EBITDA margins
  - Produced gold at a cash cost of ~\$117 per ounce (net of by-product credits) in 2012
  - Lowest quartile cash costs

## Targeted Production Growth

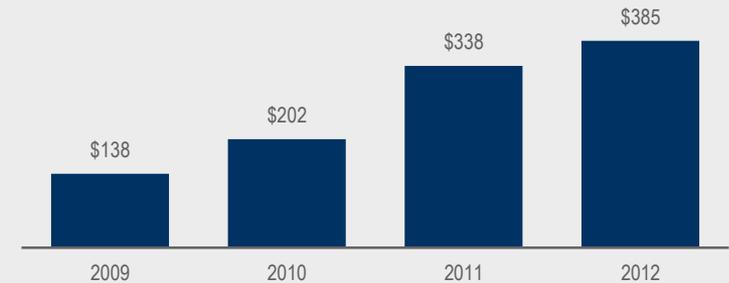


# HISTORICAL ANNUAL FINANCIAL PERFORMANCE

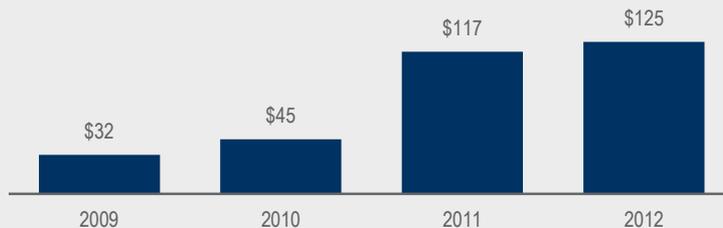
## Au equivalent oz produced (koz)



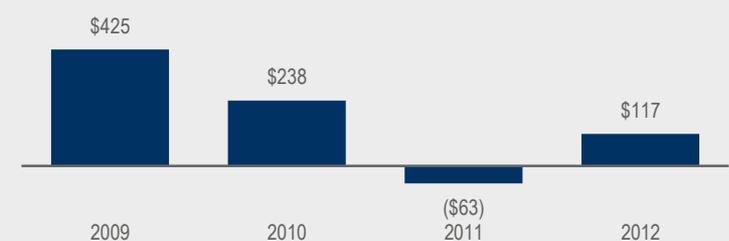
## Revenue (US\$M)



## Adjusted EBITDA (US\$M)<sup>(1)</sup>



## Cash cost, net of by-product credit (\$/oz)<sup>(2)</sup>



Source: Company filings

Note: Au equivalent oz produced calculated using averaged realized prices of gold, silver, copper and zinc as disclosed by DPM. Production represents metals contained in concentrate produced

(1) "EBITDA" represents adjusted EBITDA, calculated as EBIT plus D&A, finance costs, losses / (gains) on impairment provisions and reversals, unrealized losses / (gains) on derivatives and investments at fair value, unusual income and minus interest income. EBITDA is presented exclusive of Avala & Dunav

(2) Represents cash cost of sales per ounce of gold sold, net of by-product credits

# CHELOPECH MINE: LOW COST OPERATION WITH LOWEST QUARTILE CASH COSTS

## Recent Accomplishments

- Mine/mill expansion completed on time and under budget in Q4 2012 (doubled capacity to 2 Mtpa)
- Produced 120,631 oz of gold and 42.7 Mlbs of copper in 2012 at cash costs of \$9.00/oz (net of by-product credits)
- Pyrite Recovery Project slated for completion and production to commence in Q1 2014

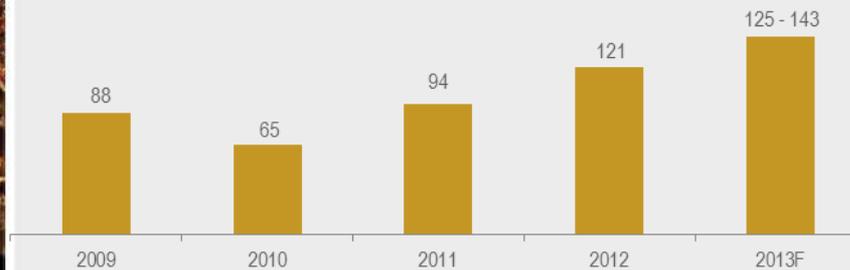
## Outlook

- Capitalize on lower cost/ higher recovery staged flotation reactor technology
- Perform targeted exploration to replace depletion and increase mineral resources/ reserves
- Continue to implement cost/margin improvements

## Asset Overview

DPM Ownership		100%
Location		Bulgaria
Acquired		Sept. 2003
Resources (at Dec 31, 2012)	Gold (Moz)	(3.8g/t) 4.7
	Copper (Mlbs)	(1.2% Cu) 1,007.0
Mine Type		Underground
Estimated Mine Life @ expanded rate		10+ years

Gold Production (000 oz)



# CHELOPECH MINE

## PYRITE RECOVERY PROJECT

- Project will economically recover most of the contained gold, silver and copper associated with rejected pyrite minerals, with capacity to produce 380 kt to 420 kt of concentrate per annum containing:
  - 75 to 90 koz gold
  - 130 to 190 koz silver
  - 4.5 to 6.0 Mlbs copper
- Establishes a pyrite concentrate circuit, which includes a new flotation, thickening and filtration installation in the existing mill facility which will start production in Q1 2014
- DPM signed a contract with Xianguang Copper (China) for the sale of up to 200 kt of pyrite concentrate (28 – 30 koz payable gold) per year
- Pyrite treatment project involves a POX process to produce a low mass residue resulting in a metal rich product for sale
  - Currently on hold pending favourable market conditions

### Pyrite Project to Increase Gold Recoveries to 90%

2 Mtpy ore mined		400,000 t pyrite concentrate produced (E)
Metals	Potential Grades	Est. Incremental Production Result
Gold	6 - 7 g/t	75,000 - 90,000 oz
Silver	10 - 15 g/t	130,000 - 190,000 oz
Copper	0.5% - 0.7%	4.5 - 6.0 Mlbs
<b>Pyrite Recovery:</b> Start Production in Q1 2014		Capex: \$23 M



Stage 1 Pyrite Recovery Facility

# KAPAN MINE: SIGNIFICANT EXPLORATION PACKAGE SURROUNDING THE AREA

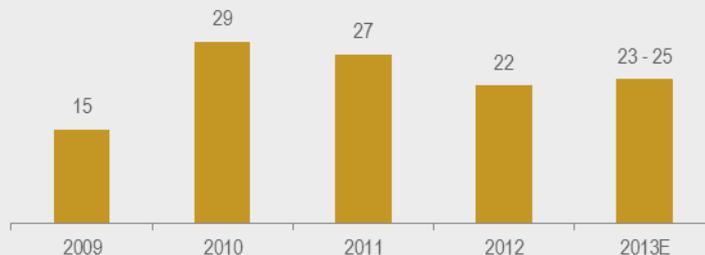
## Recent Accomplishments

- Produced 21,843 oz of gold and 2.5 Mlbs of copper in 2012
- Completed upgrade of mill circuit to reduce lead content in copper concentrate to specified levels
- Released first underground resource estimate for the Shahumyan deposit in August 2013

## Outlook

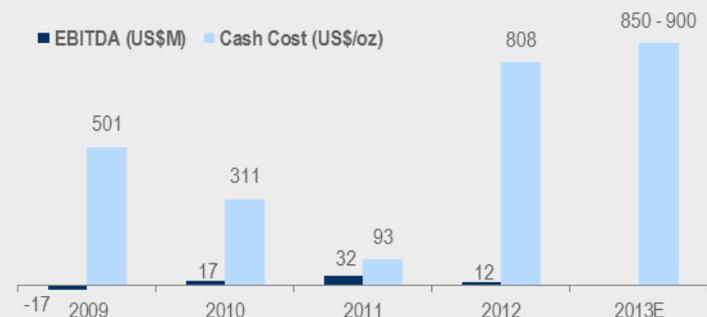
- Rebuild development inventory and return to normal sustainable operating levels – Q2 2014
- Internal conceptual study on expanded underground mine based on new Mineral Resource Estimate – Q1 2014
- Continue operational improvements and cost reductions

Gold Production (000 oz)



## Asset Overview

DPM Ownership			100%
Location			Armenia
Acquired			August 2006
Resources (at Aug. 29, 2013)	Gold (Moz)	(2.4g/t)	1.0
	Gold Eq. (Moz)	(4.6g/t)	2.0
Mine Type			Underground
Deposit Type			Polymetallic vein deposit



Kapan operations were on care and maintenance as of November 2008; operations restarted April 2009.

# UNIQUE SMELTER EQUIPPED TO TREAT COMPLEX CONCENTRATES

## One of a few smelters with ability to process large volumes of complex concentrate

- Secures capacity to treat Chelopech concentrate and derives additional revenues processing complex concentrates from 3<sup>rd</sup> parties
- Toll rates for complex concentrate command a substantial premium
- Most recent 3<sup>rd</sup> party contracts at higher rates than pre-existing arrangements prior to DPM ownership



## Project 2012 dust and emissions upgrades complete

- New off-gas and emissions management
- New dust management systems
- Smelter hygiene improvements



## Production curtailment expected to be lifted

- Anticipate increasing to 100% in Q1 2014

## Additional upgrades reduce SO2 emissions, increase capacity and lower costs

- New sulphuric acid plant subject to lump sum turnkey contract
- Long-term acid off-take agreement with Rössing
- Potential installation of an electric holding furnace

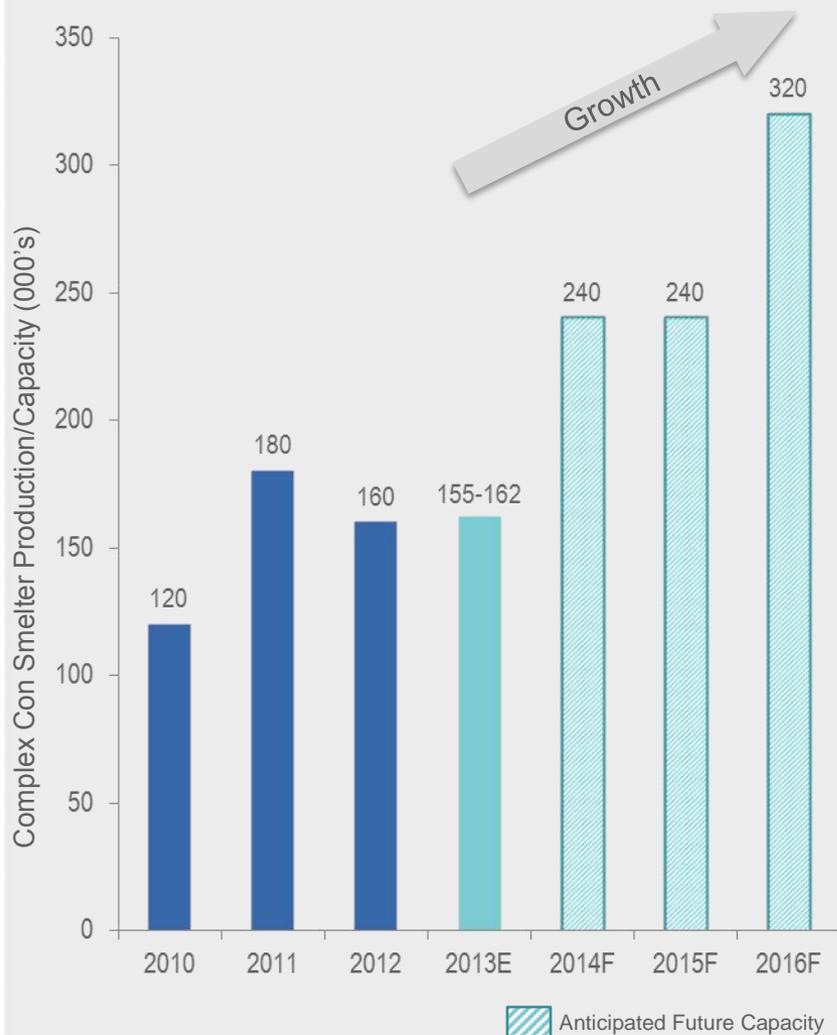


Ausmelt Offgas Bag-House



Acid Plant 3D Schematic

# TSUMEB SMELTER HAS POTENTIAL TO POSITIVELY IMPACT EARNINGS



## Asset Overview

DPM Ownership	100%
Location	Namibia
Acquisition March 2010	\$50M
Technology / Product	Ausmelt
Product	Copper blister bars
2012 concentrate throughput	159,356 tonnes
Expanding smelter capacity	320 ktpy
Emissions & dust capture upgrades	\$106 M
Sulphuric acid capture plant (Q3 '14)	~\$240 million
Electric Arc holding furnace (2016)	\$70+ million E

Concentrate Smelted ('000 t)	2010	2011	2012	2013E
Chelopech Concentrate	56	89	112	155-162
3 <sup>rd</sup> Party Concentrate	64	92	47	
Cash Cost (US\$/t)	\$268	\$293	\$374	\$415-\$435
EBITDA (US\$m)	\$2	\$3	(\$3)	n/a

## Outlook

- Namibian government curtailment removed allowing for a return to 100% capacity in Q1 2014
- Complete acid plant construction in Q4 2014
- Reposition smelter as a sustainable, cost-competitive niche processor of complex concentrate
- Complete assessment of installation of an electric holding furnace

# KRUMOVGRAD MINE: open-pit, development-stage gold project

## Recent Accomplishments

- Successfully completed the EIA permitting process
- Obtained a 30-year concession to develop deposit
- Finalized archaeological work to support clearing of project site
- Completed basic engineering and initiated detailed engineering of process plant and integrated mine waste facility

## Outlook

- Secure final local approvals required to proceed with ordering long lead items/construction
- Seek opportunities to increase recoveries through use of SFR technology
- Complete detailed engineering that optimizes value of project
- Evaluate other exploration opportunities within existing licenses and establish targeted drill program



Conceptual Illustration of Krumovgrad Gold Project

## Asset Overview (1)

DPM Ownership	100%
Location	Bulgaria
Deposit Type	Low-sulphidation epithermal Au
Proposed Mine Type	Open Pit
Gold Recoveries	85%
Grade	3.4 g/t
Annual ore tonnage production	850,000 tpy
Annual gold production	74,000 ounces
Mine Life	9 years
Capital Costs to complete	~US\$127mm
Total cash cost per oz Au Eq	\$404
Construction / Production	2015 / 2016
Average Annual EBITDA (2)	\$52.6 mm
After-Tax NPV <sub>7.5%</sub> (2)	\$165.3 mm
IRR (2)	31%

(1) As per Krumovgrad 2012 Technical Report

(2) Assuming gold and silver prices of \$1,250/oz and \$25.00/oz, respectively

# DPM EXPLORATION ASSETS

## PARTIALLY-OWNED ENTITIES

### Sabina Gold & Silver Corp. (TSX:SBB), Nunavut

- Canadian-based, precious metals company with the goal of becoming a mid-tier gold producer
- Assets comprise the high grade Back River gold project, the Hackett River payable silver right from Xstrata Zinc as well as certain other gold claims
  - Back River PFS indicates a project with avg. annual prod. of 287 koz Au at \$685/oz cash costs and \$831 mm LOM capex
    - Post-tax NPV5%, \$1,350/oz Au of \$290 mm and IRR of 16.5%
  - Strong balance sheet with \$69 mm<sup>(2)</sup> in cash and investments
  - Hackett River royalty (22.5% of first 190 Moz Ag, 12.5% thereafter)

### Avala Resources Ltd. (TSX-V:AVZ), Serbia

- Exploration company holding the Timok gold project in Eastern Serbia with of 2.7 Moz of gold resources
- Released favourable metallurgical results in Nov. 2013 and proceeding toward PEA targeted for completion Feb. 2014
- NI-43-101 resources include:
  - Bigar Hill Indicated Resource of 25.5 MT @ 1.6 g/t for 1.3 Moz; Inferred Resource of 1.6 MT @ 1.6g g/t for 0.08 Moz
  - Korkan Indicated Resource of 14.5 MT @ 1.5 g/t for 0.7 Moz; Inferred Resource of 4.9 MT @ 1.4 g/t Au for 0.2 Moz
  - Kraku Pester Indicated resource of 6.3 MT @ 1.3 g/t Au for 0.27 Moz; Inferred Resource of 2.2 MT @ 1.0 g/t Au for 0.07 Moz

### Equity Portfolio Holdings Overview (C\$m)<sup>(1)</sup>

Securities	Shares (m)	% Held	Value (\$m)
<u>Sabina Gold &amp; Silver</u>	23.6	12%	21.5
Special Warrants	5.0		-
Warrants (strike at C\$1.07)	5.0		-
<b>Total</b>	2.5		<b>\$21.5</b>
<u>Avala Resources</u>	135.0	53%	8.1
Special Warrants	50.0		-
Warrants (strike at C\$0.30)	25.0		-
<b>Total</b>			<b>\$8.1</b>
<u>Dunav Resources</u>	56.0	46%	3.9
Warrants (strike at C\$0.50)	23.0		-
<b>Total</b>			<b>\$3.9</b>
<b>Total shares and securities</b>			<b>\$33.5</b>

### Dunav Resources Ltd. (TSX-V:DNV), Serbia

- Exploration company in Serbia holding the Kiseljak copper/gold porphyry project
- NI-43-101 inferred resources include:
  - Kiseljak Mineral Resource initial estimate 300 MT grading 0.27% Cu and 0.26 g/t Au for 1.8 Blbs Cu and 2.5 Moz Au

(1) Based on intrinsic value as at January 16, 2014

(2) As reported, as at September 30, 2013

# DPM GREENFIELDS EXPLORATION STRATEGY: GENERATIVE PIPELINE

## Bulgaria

- 3 Exploration Licences granted, another 5 under application, totalling 265km<sup>2</sup>
- Experienced team of geoscientists credited with the discovery of Ada Tepe

## Armenia

- Systematic regional exploration around Kapan has resumed after a 5 year hiatus
- Regional targets being drilled in 2013: Norashenik and Arajadzor

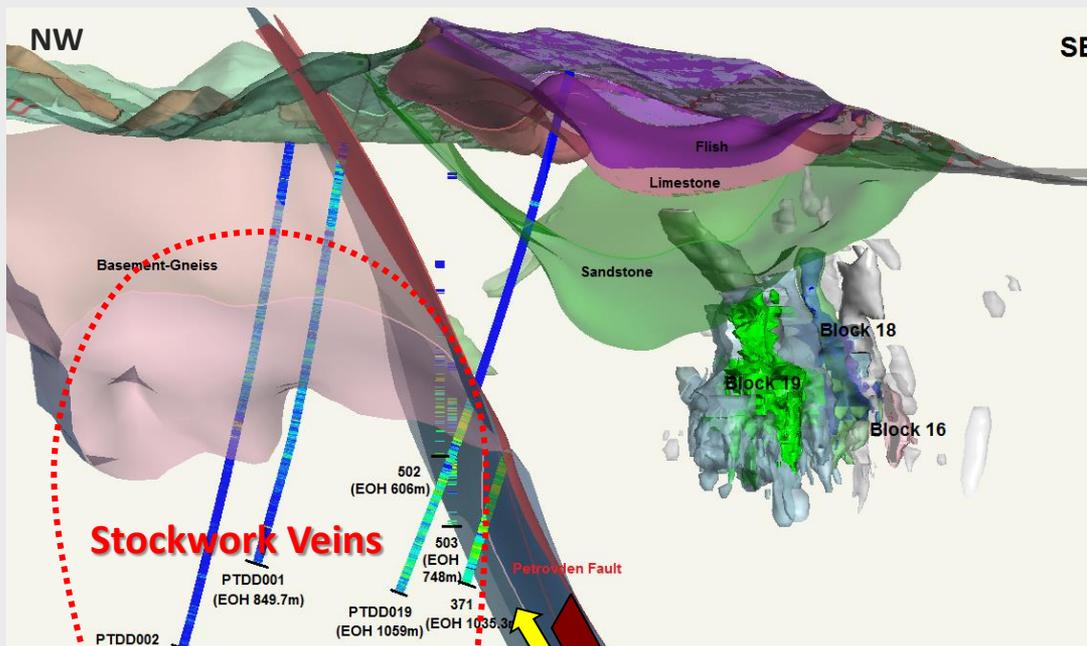
## Project Generation

- Generate new early stage opportunities through joint ventures, partnerships or acquisitions
- Global scope with emphasis on lower-risk jurisdictions
- Gold focused; minimum size: 1 million ounces at more than 1g Au/t



Tethyan Belt runs from Central Asia to Eastern Europe

# DPM BROWNFIELDS EXPLORATION STRATEGY: CHELOPECH & SVETA PETKA



## Petrovden Porphyry Target

## Results to date:

**PTDD019**  
 369m @0.17% Cu, 0.16g/t Au  
 (incl 64m @0.30 %Cu. 0.25g/t Au from 687m)

**371**  
 270m @0.23% Cu, 0.23g/t Au  
 (incl 103m @0.30 %Cu. 0.23g/t Au from 773m)

**PTDD001**  
 708m @0.079% Cu, 0.068g/t Au  
 (incl 53m @0.11 %Cu. 0.117g/t Au from 82m)

**PTDD002**  
 479m @ 0.077%Cu, 0.093g/t Au  
 (incl 70m @ 0.11%Cu, 0.102g/t Au from 423m)

# DPM BROWNFIELDS EXPLORATION STRATEGY: KAPAN

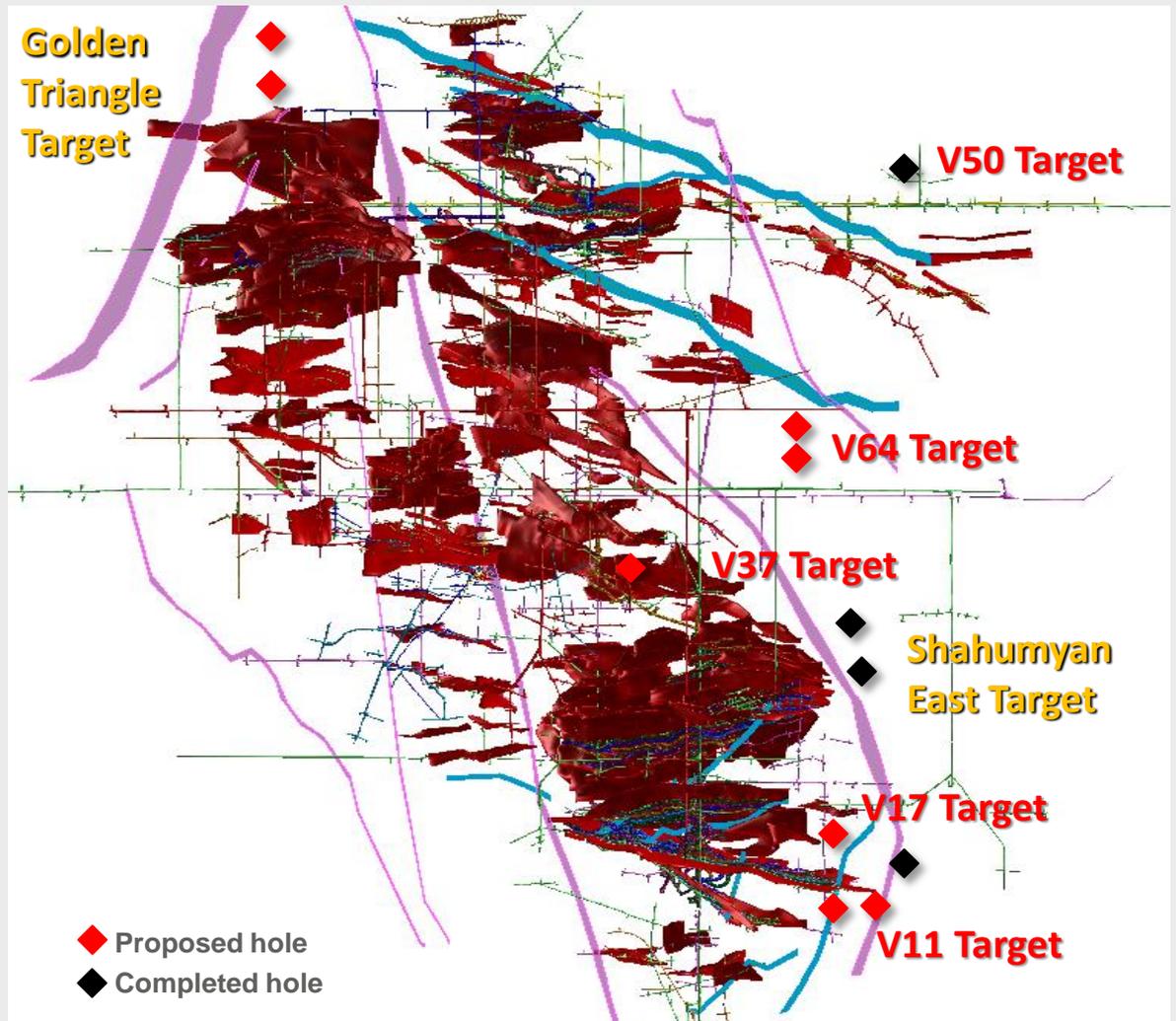
## Kapan Near Mine Drilling Targets

Drill program tests:

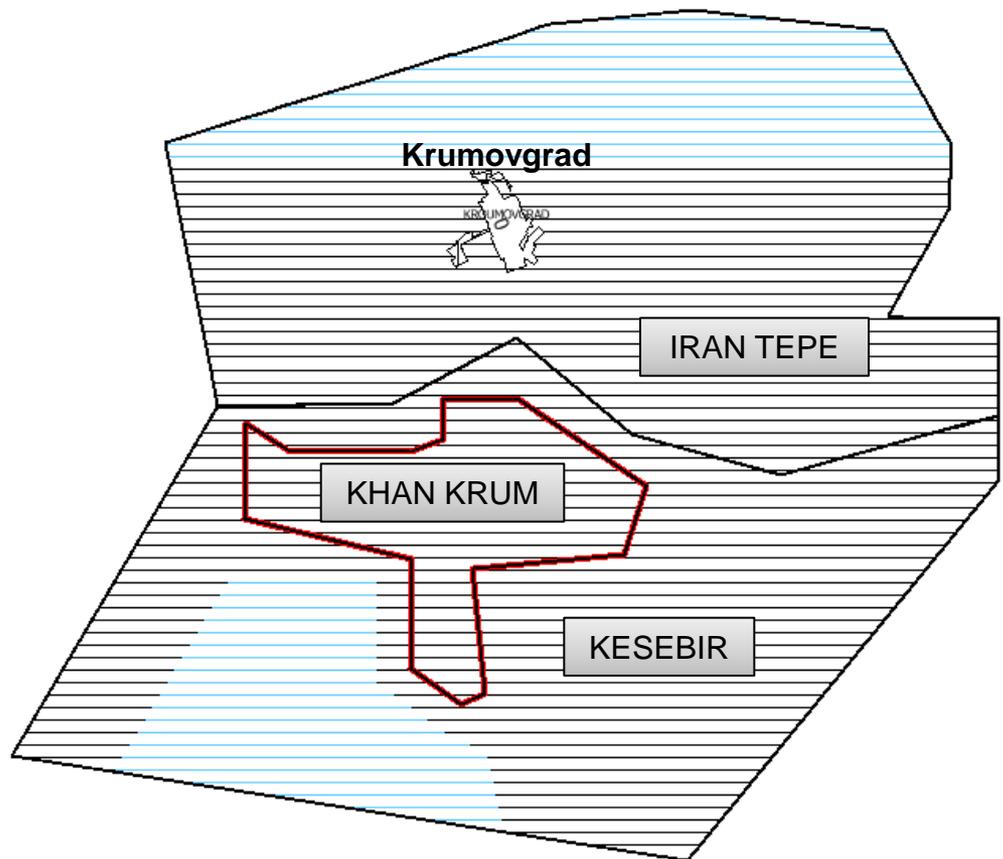
- Conceptual targets at Golden Triangle and Shahumyan East
- High grade down-plunge Vein Targets on known mineralization

## Outlook

- Approx. 4,000m diamond drilling on 6 targets to be completed by end of 2013
- Structural studies ongoing
- Continuous interpretation of current drilling to improve remaining targets
- Applications for new exploration licences in progress



# DPM BROWNFIELDS EXPLORATION STRATEGY: KRUMOVGRAD

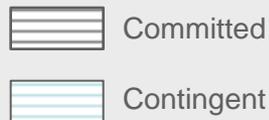


## Geophysical Surveys Khan Krum – Iran Tepe – Kesebir

### Outlook

- Geophysics completed by end of 2013
- Finalize target generation
- Possible electrical geophysics follow up for targeting
- Second phase drilling depending on land use permitting

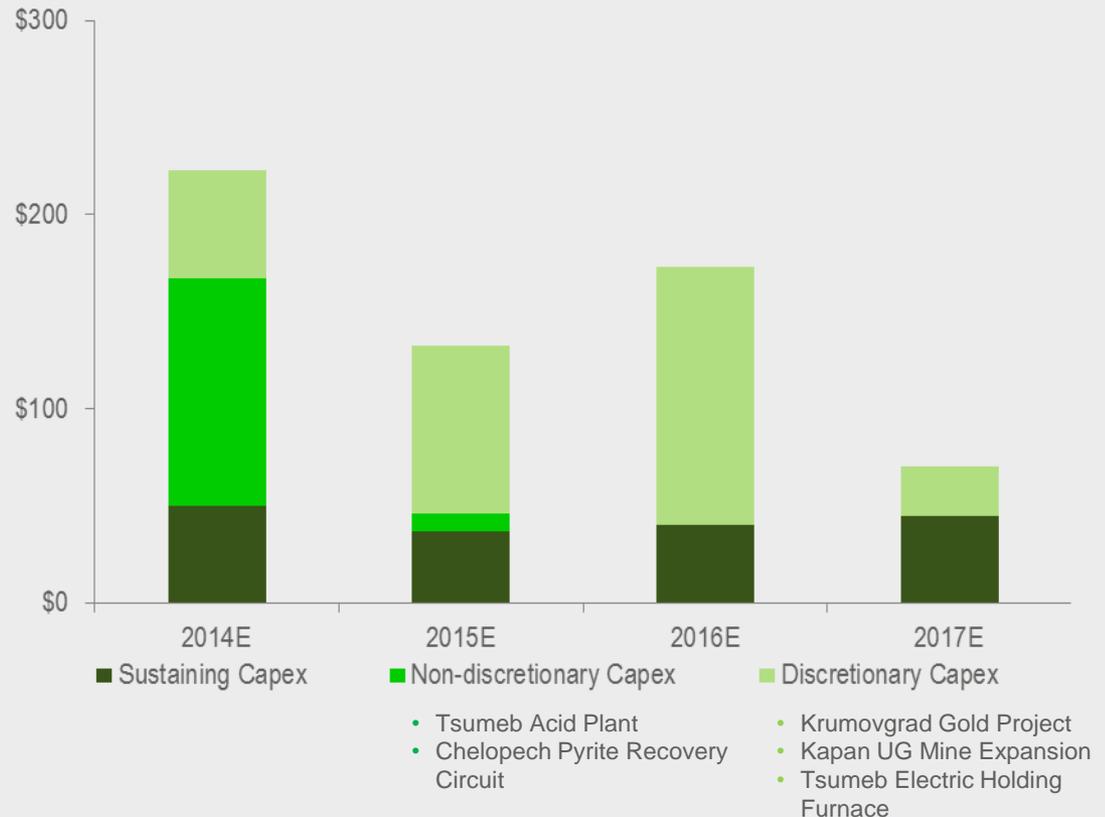
Ground Magnetics - 200m Lines



# CASH FLOW WITH FLEXIBLE CAPITAL PROGRAM PROJECTED

- Discretionary capex provides flexibility to prudently pace spending
- Ability to conserve additional cash and increase financial flexibility in response to unforeseen events or lower commodity prices
- **Sources of liquidity**
  - \$150M revolver
  - \$33M cash
  - \$25M publically traded investments
  - Last 12 months adj. EBITDA of \$136M with strong growth prospects

## Planned Capex Largely Discretionary



# ABLE TO ADAPT TO POTENTIAL DOWNSIDE RISKS

- DPM has ability to conserve additional cash and increase financial flexibility in response to unforeseen events or lower commodity prices
  - Reduce exploration spending
  - Delay development projects
  - Stage construction projects over longer periods

## Chelopech

- Delayed Pyrite Treatment Project

## Kapan

- Able to defer potential expansion

## Krumovgrad

- Defer development plan and /or extend project construction timeline

## Tsumeb

- Defer installation of the proposed electric holding furnace

## Equity Investments

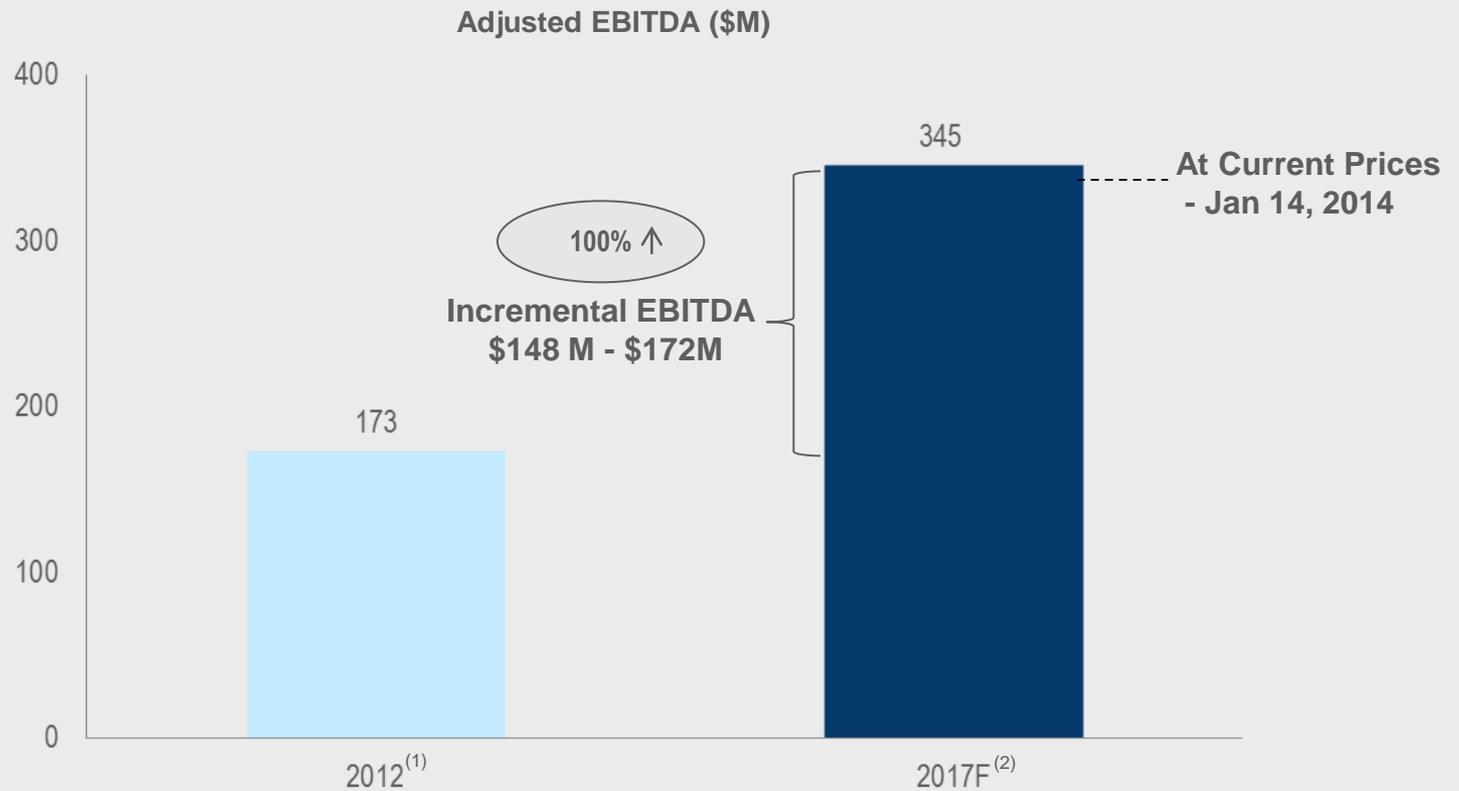
- Potential to sell investments or not participate in future capital raises to bolster or preserve capital
- Current market/intrinsic value of equity investments of ~\$25 million

## Revolver Capacity

- Access to additional liquidity through revolving credit facility (\$150 mm)

# EBITDA GROWTH POTENTIAL

Capital investments expected to deliver additional value  
- Implied current share price / 2017F EBITDA ~ 1.5 - 2x



(1) 2012 EBITDA exclusive of Avala and Dunav.

(2) 2017F EBITDA based on completion of identified investment opportunities, current and LT metal prices and tolling rates in line with most recent contract.

# DPM FUTURE CATALYSTS

Chelopech Pyrite  
Recovery Circuit  
Complete

Tsumeb Ramps  
Up to 100%  
Capacity

Tsumeb Acid Plant  
Commissioned

Krumovgrad  
Capital Cost and  
Mine Plan Update

Krumovgrad  
Construction  
Begins

Krumovgrad  
Begins  
Production

2014

2015

2016

Internal  
Conceptual Study  
on Expanded  
Kapan  
Underground Mine  
Completed

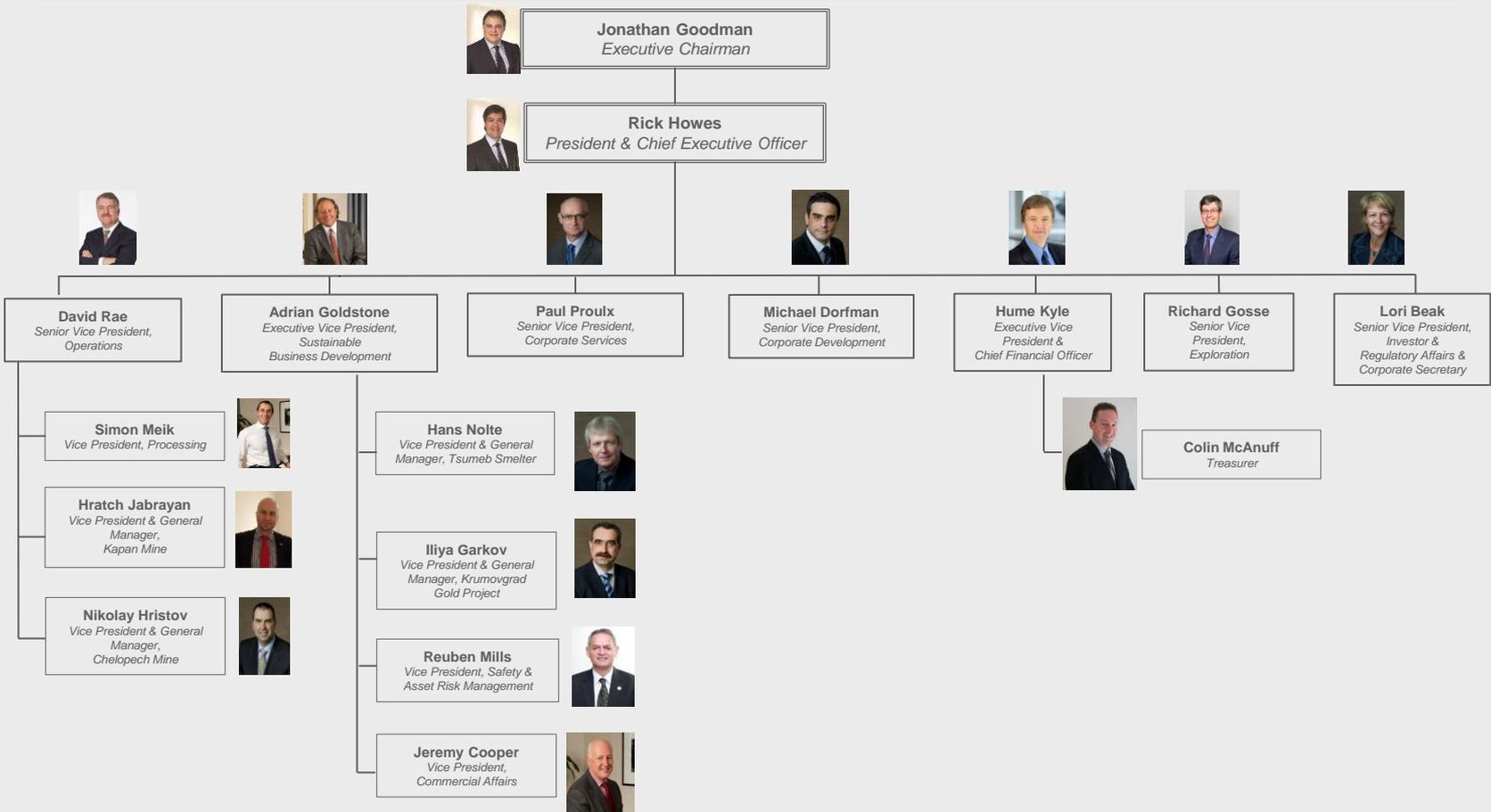


Chelopech Mine

# COMPELLING INVESTMENT OPPORTUNITY



# DUNDEE PRECIOUS METALS MANAGEMENT TEAM





Proudly celebrating 30 years as  
a Toronto Stock Exchange listed  
company

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Investor Relations  
T: 416 365-2851  
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TSX:  
DPM – Common Shares  
DPM.WT.A – 2015 Warrants



# APPENDICES



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# ANALYST COVERAGE

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BMO

John Hayes

CIBC World Markets

Leon Esterhuizen

Cormark Securities

Mike Kozak

Dundee Securities

Josh Wolfson

GMP Securities

Oliver Turner

Paradigm Capital

Don MacLean

RBC Capital Markets

Sam Crittenden

Scotia Capital

*\*\*In transition\*\**

# SUSTAINABLE DEVELOPMENT

## People, Health and Safety

**Develop and operate sustainable businesses where the health and safety of our employees is paramount**

- 2,617 full-time and 825 contracted employees worldwide
  - 99% of employees and 86% at the manager level (or above) are local nationals
- Local hiring, ongoing safety improvements, employee training and fair compensation assist in maintaining healthy labour relations
- Corporate, regional and human resource policies and programs reflect local needs to attract, retain and motivate employees
- 2013 focused on reducing Lost Time Injuries (LTI) and Lost Time Injury Frequency Rate (LTIFR) and achieving zero fatalities at all sites

## Environment

**Promote sustainable growth and responsibility through pragmatic environmental solutions and practices across the business**

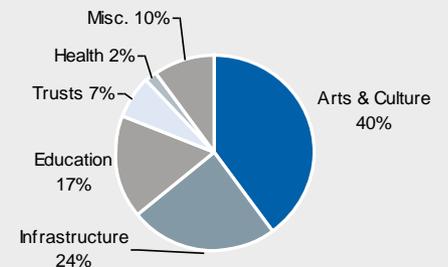
- Ongoing investment in plant upgrades and modernization at all sites has resulted in significant energy efficiency improvements
- Award-winning environmental conservation at Chelopech
  - Chelopech tailings and waste management policies compliant with international best practices
- Emissions control project (Project 2012) substantially complete
  - Continued environmental improvements at Tsumeb in 2013 and beyond
  - A \$204mm contract was signed with Outotec, to install a sulphuric acid plant to capture sulphur dioxide emissions, which is due for commissioning in late 2014

## Local Communities

**Provide economic benefits and participate in community development in meaningful and innovative ways**

- Appoint corporate and local operational executives to manage political relationships and corporate social responsibility (CSR)
- Award-winning CSR initiatives at Chelopech
  - Established the Dundee Foundation in Bulgaria in 2012, to separate our national and site-specific CSR spending
- Foster stakeholder engagement with two public information centers in Chelopech and one in Krumovgrad

### **Community Spending & Donations Totalled \$3.4mm in 2012**



# KEY SENSITIVITIES

## - 5% CHANGE

Item	EBITDA (\$ mm)
Commodity Prices	16.0
Mine production	12.5
FX	7.2
Mine costs	6.5
Smelter production	4.0
Smelter Toll rate	3.5
Smelter costs	3.8

(1) Based on current prices, and estimated 2013 concentrate deliveries and concentrate smelted

# 2013 GUIDANCE

Metals Contained in Concentrate Produced	Chelopech	Kapan	Total
Gold (ounces)	125,000 – 143,000	23,000 – 25,000	148,000 – 168,000
Copper (million pounds)	43.0 – 46.0	2.3 – 2.5	45.3 – 48.5
Zinc (million pounds)	-	14.5 – 15.0	14.5 – 15.0
Silver (ounces)	210,000 – 230,000	420,000 – 435,000	630,000 – 665,000
Sustaining Capital expenditures	\$14 - \$17 million	\$8 - \$12 million	\$22 - \$29 million

Total growth capital expenditures	\$210 - \$240 million
Construction of acid plant at Tsumeb	
Phase I Pyrite Project at Chelopech	
Krumovgrad development and construction work	
Kapan Gold exploration and/or development work	
Mine output at Chelopech (tonnes of ore)	1.9 – 2.05 million
Mine out put at Kapan (tonnes of ore)	450,000 – 465,000
Concentrate smelted at Tsumeb (tonnes)	155,000 – 162,000
Sustaining capital expenditures at Tsumeb	\$13 - \$16 million

# Q3 2013 SUMMARY

	Q3 2013	Q3 2012	Sept 30 2013 YTD	Sept 30 2012 YTD
<b>Adjusted Net Earnings</b>	<b>\$10.1 million</b>	<b>\$18.7 million</b>	<b>\$20. million</b>	<b>\$59.4 million</b>
<b>Adjusted basic EPS</b>	<b>\$0.07</b>	<b>\$0.15</b>	<b>\$0.15</b>	<b>\$0.47</b>
<b>Gross profit (loss)</b>				
Chelopech	\$28.5 million	\$38.2 million	\$85.3 million	\$127.0 million
Kapan	\$4.3 million	\$2.0 million	\$0.4 million	\$1.5 million
Tsumeb Smelter	(\$3.6 million)	\$1.1 million	(\$15.9 million)	(\$10.7 million)
<b>Total Gross profit</b>	<b>\$29.2 million</b>	<b>\$41.3 million</b>	<b>\$69.8 million</b>	<b>\$117.8 million</b>
<b>Chelopech Production</b>				
Gold (ounces)	28,081	28,296	99,330	93,128
Copper (lbs)	10,508,642	11,144,786	33,157,117	32,447,388
Silver (ounces)	48,953	60,847	161,989	172,359
Cash cost/T ore processed (incl. royalties)	\$38.41	\$43.24	\$39.94	\$46.15
Cash cost/T ore processed (excl. royalties)	\$35.77	\$39.01	\$36.18	\$41.43
<b>Kapan Production</b>				
Gold (ounces)	4,217	5,548	18,057	16,679
Copper (lbs)	341,788	720,640	1,726,394	1,839,743
Zinc (lbs)	2,418,775	4,714,540	11,620,729	12,545,234
Silver (ounces)	78,227	124,925	335,604	349,997
Cash cost/T ore processed (incl. royalties)	\$89.58	\$70.31	\$74.74	\$73.69
Cash cost/T ore processed (excl. royalties)	\$79.60	\$65.13	\$68.40	\$68.75

# HEDGE POSITION AS AT SEPTEMBER 30, 2013

QP Hedged	Volume Hedged	Average fixed price
Payable copper	7,138,560 lbs	\$3.26/lbs
Payable zinc	947,987 lbs	\$0.84/lbs
Payable gold	21,710 oz	\$1,336.22/oz
Payable silver	25,290 oz	\$20.83/oz

Year of projected payable copper production	Volume Hedged (lbs)	Average fixed price (\$/lb)
2013	6,038,454	3.43
2014	22,672,312	3.41
<b>Total</b>	<b>28,710,766</b>	<b>3.41</b>

Year of projected payable gold production	Volume Hedged (oz)	Average fixed price (\$/oz)
2014	30,000	1,230.90
2015	30,000	1,233.70
<b>Total</b>	<b>60,000</b>	<b>1,232.30</b>

# CHELOPECH MINE: UPDATED MINERAL RESERVES AND RESOURCES

## Chelopech Mineral Reserves – December 31, 2012

Category	Tonnes (M)	Gold		Copper		Silver	
		Grade (g/t)	Ounces (M)	Grade (%)	Pounds (M)	Grade (g/t)	Ounces (M)
Proven	12.3	3.4	1.4	1.3	340	9.3	3.7
Probable	9.3	3.8	1.1	0.9	180	5.7	1.7
Total	21.6	3.6	2.5	1.1	519	7.7	5.4

## Chelopech Mineral Resources – December 31, 2012

Category	Tonnes (M)	Gold		Copper		Silver	
		Grade (g/t)	Ounces (M)	Grade (%)	Pounds (M)	Grade (g/t)	Ounces (M)
Measured	15.1	4.0	2.0	1.5	490	10.3	5.0
Indicated	14.0	4.0	1.8	1.1	336	8.5	3.8
M&I	29.1	4.0	3.8	1.3	825	9.4	8.8
Inferred	9.3	2.9	0.9	0.9	182	10.6	3.2

1. The rounding of tonnage and grade figures has resulted in some columns showing relatively minor discrepancies in sum totals.
2. All Mineral Resources and Mineral Reserves Estimates have been determined and reported in accordance with NI 43-101 and the classification adopted by the CIM.
3. Chelopech Mineral Reserves are based on a gold equivalent cut-off of 4 g/t (Au g/t + 2.06xCu%) and a cut-off of USD 10 profit/tonne using NSR analysis, as of December 31, 2012. This information has been prepared by Gordon Fellows who is a QP as defined in NI 43-101 and not independent of the Company.
4. Chelopech Mineral Resources are based on a gold equivalent cut-off 3 g/t (Au g/t + 2.06xCu%) and a greater than USD 0 profit/tonne test using NSR analysis, as of December 31, 2012. This information has been prepared by Petya Kuzmanova and reviewed and approved by Julian Barnes. Julian Barnes is a QP as defined in NI 43-101 and not independent of the Company.
5. Mineral Reserves and Mineral Resources for Chelopech are based on long term metals prices of USD 1,250/oz Au, USD 2.75/lb Cu, USD 25/oz Ag.
6. Measured and Indicated Mineral Resources are inclusive of Proven and Probable Mineral Reserves.

# CHELOPECH MINE: EXPLORATION RESULTS Q3 2013

Significant intercepts (cut-off grade 3g/tAuEq)									
Hole ID	Northing (mRL)	Easting (mRL)	Dip	Az	From (m)	To (m)	Interval (m)	Grades	
								Cu (%)	Au (g/t)
EXT19E_290_04	29779	6043	-6.9	030.3	124.5	163.5	39.0	0.65	2.40
EXT19E_290_07	29778	6043	-11.4	033.2	67.5	94.5	27.0	1.16	3.39
EXT19E_290_08	29778	6043	-4.3	037.0	76.5	96.0	19.5	1.30	3.70
EXT19E_290_09	29777	6044	-4.5	049.1	0	13.5	13.5	0.97	3.34
EXT19E_290_10	29777	6043	-12.0	049.2	1.5	9.0	7.5	0.48	2.76
EXT19E_290_11	29777	6044	-10.4	060.7	1.5	21.0	19.5	0.74	4.47
EXT151_225_05	29777	6043	-25.2	175.8	4.5	28.5	24.0	0.82	2.83
EXT151_225_06	29184	5609	-43.2	175.2	7.5	15.0	7.5	1.10	3.46
EXT151_225_07	29184	5608	-24.4	200.3	12	22.5	10.5	1.38	2.20
EXT151_400_01	29330	5285	-18.7	301.7	10.5	66.0	55.5	1.01	3.3
EXT151_400_02	29331	5285	-37.1	301.1	51.0	61.5	10.5	2.90	4.87
EXT151_400_03	29330	5284	-14.1	276.7	46.5	66	19.5	0.96	2.4
G103_225_19	29175	5710	-16.5	091.6	108.0	123.0	15.0	0.40	2.44

1. Significant intercepts are located within the Chelopech Mine Concession and proximal to the mine workings.
2. Gold Equivalent calculation is based on the following formula:  $(Au\ g/t + 2.06 \times Cu\%)$ .
3. Minimum downhole width reported is 1.5 metres with a maximum internal dilution of 4.5 metres.
4. True widths are approximately 90% of the intersection width.
5. Drill holes with prefix G indicate grade control drilling which is performed using BQ diamond drill core. All other holes are drilled with NQ diamond core.
6. Coordinates are in mine-grid.
7. No factors of material effect have hindered the accuracy and reliability of the data presented above.
8. No upper cuts applied.
9. For detailed information on drilling, sampling and analytical methodologies refer to the NI 43-101 "Preliminary Economic Assessment Report for the Chelopech Pyrite Recovery Project" (the "PEA Technical Report") filed on SEDAR at [www.sedar.com](http://www.sedar.com) on September 10, 2012.

# CHELOPECH MINE: CASH COST RECONCILIATION

US\$ thousands, unless otherwise indicated	Q3 2013 Actual	Q2 2013 Actual	Q1 2013 Actual	Year 2012 Actual	Year 2011 Actual	Year 2010 Actual	Year 2009 Actual
Cost of Sales:	<b>32,840</b>	27,381	31,991	98,298	88,838	\$72,707	74,499
Less amortization & other	<b>(8,160)</b>	(8,264)	(7,948)	(19,542)	(15,499)	(14,425)	(14,242)
Plus other charges, including freight	<b>24,536</b>	21,490	23,832	86,228	65,125	41,234	38,317
Less by-product credits	<b>(39,031)</b>	(33,560)	(41,434)	(163,940)	(147,812)	(87,320)	(64,198)
Cash cost of sales after by-product credits	<b>10,185</b>	7,047	6,441	1,044	(9,348)	12,196	34,376
Gold oz (payable metal)	<b>33,506</b>	32,392	34,732	116,644	83,796	58,065	93,081
Cash cost of sales/oz gold, (net of by-product credits)	<b>\$304<sup>1</sup></b>	\$218 <sup>2</sup>	\$185 <sup>3</sup>	\$9 <sup>4</sup>	\$(112) <sup>5</sup>	\$210 <sup>6</sup>	\$369 <sup>7</sup>

1. Based on \$3.26/lb copper
2. Based on \$3.34/lb copper
3. Based on \$3.64/lb copper
4. Based on \$3.95/lb copper
5. Based on \$4.27/lb copper
6. Based on \$3.42/lb copper
7. Based on \$2.34/lb copper

# KAPAN MINE: UNDERGROUND MINERAL RESOURCE ESTIMATE

Dundee Precious Metals Kapan Shahumyan Deposit Mineral Resource Estimate as at  
January 31, 2013  
Reported at a gold equivalent cut-off 2.24 Au g/t

Classification	Tonnes Mt	Au g/t	Contained Koz	Gold Equiv g/t	Ag g/t	Cu %	Zn %	Pb %	S %	Density
Indicated	2.8	2.6	237	5.2	50	0.4	2.1	0.2	2.4	2.73
Inferred	10.6	2.3	790	4.5	41	0.4	1.7	0.1	3.2	2.73

- AuEq was calculated using the formula  $Au + (Cu \times 1.34) + (Ag \times 0.023) + (Zn \times 0.42)$  and assumes metal prices of USD 1,250/oz Au, USD 25/oz Ag, USD 2.75/lb Cu and USD 0.85/lb Zn
- The Mineral Resource estimate consists of DPM and historical drilling data. DPM has carried out significant additional surface diamond drilling and reverse circulation drilling since July 2007, contributing 41% of the data used for the Mineral Resource estimate

# KAPAN MINE: EXPLORATION RESULTS Q3 2013

Significant intercepts (AuEq cut-off grade of 3.5 g/t) received during the third quarter of 2013:

HOLE ID	EAST	NORTH	RL	AZ.	DIP	FROM	TO	True Width m	AuEq g/t	Au g/t Best Value	Ag g/t Best Value	Cu % Best Value	Zn % Best Value
EIN4S008	8623568	4344606	723	161.8	-28.2	189	191	1.90	7.15	2.93	102.8	0.75	1.72
EIN4S008	8623568	4344606	723	161.8	-28.2	277	281	3.90	6.64	0.92	35.4	2.63	1.26
EIN9S003	8623822	4342879	772	176.2	-28.0	34	37	1.60	6.02	3.61	33.6	0.59	1.39
EIN9S003	8623822	4342879	772	176.2	-28.0	122	125	2.70	5.61	3.23	61.0	0.43	0.82
EIN9S005	8623822	4342879	772	189.0	-9.3	198	201	2.75	4.10	2.16	69.7	0.27	0.18
EIN9S006	8623822	4342879	772	189.2	-18.3	35	37	1.30	7.67	3.53	52.9	1.32	1.67

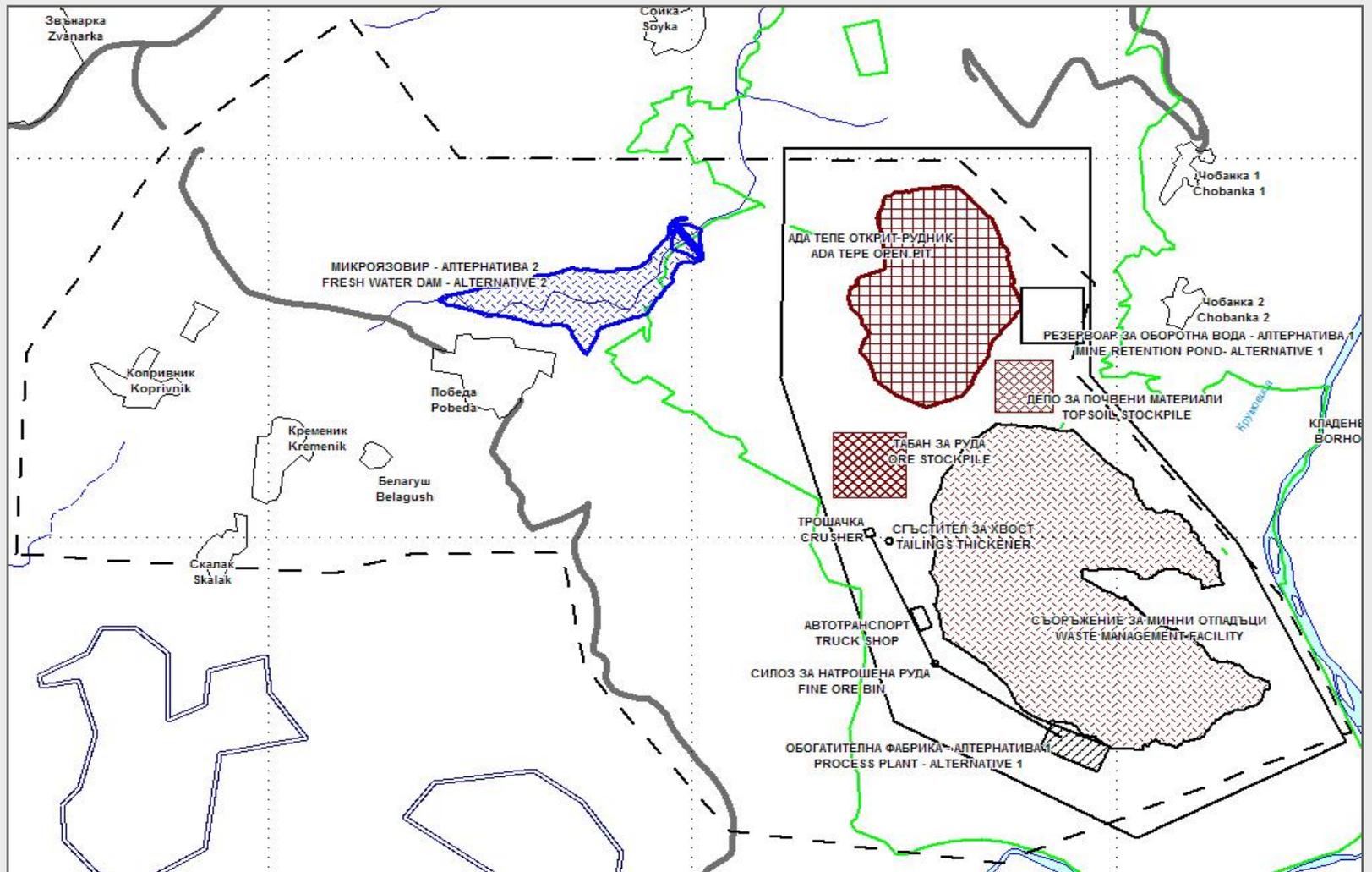
1. Significant intercepts are located within the Shahumyan Mine Concession and proximal to the mine workings.
2. Gold Equivalent calculation is based on the formula:  $Au\ g/t + 0.02 \times Ag\ g/t + 1.645 \times Cu\ \% + 0.548 \times Zn\ \%$ .
3. Minimum downhole width reported is 2 metres with a maximum internal dilution of 2 metres.
4. All holes reported are NQ diamond core.
5. Co-ordinates are in Kapan exploration-grid.
6. No factor of material effect has hindered the accuracy and reliability of the data presented above.
7. No upper cuts applied.
8. For detailed information on drilling, sampling and analytical methodologies refer to "NI 43-101 Technical Report – Shahumyan Project Kapan, Republic of Armenia" filed on SEDAR at [www.sedar.com](http://www.sedar.com) on August 29, 2013.

# KAPAN MINE: CASH COST RECONCILIATION

US\$ thousands, unless otherwise indicated	Q3 2013 Actual	Q2 2013 Actual	Q1 2013 Actual	Year 2012 Actual	Year 2011 Actual	Year 2010 Actual	Year 2009 Actual
Cost of Sales:	9,672	13,445	9,502	50,547	47,276	33,637	21,072
Less amortization & other	(1,364)	(1,578)	(1,617)	(9,989)	(9,140)	(7,056)	(6,996)
Plus other charges, including freight	2,307	2,874	1,672	6,218	11,893	8,912	5,142
Less by-product credits	(6,721)	(8,827)	(5,780)	(32,075)	(47,588)	(28,562)	(13,591)
Cash cost of sales after by-product credits	3,894	5,914	3,777	14,701	2,441	6,931	5,627
Gold oz (payable metal)	6,500	5,733	3,541	18,204	26,230	22,287	11,233
Cash cost of sales/oz gold, (net of by-product credits)	\$599 <sup>1</sup>	\$1,032 <sup>2</sup>	\$1,067 <sup>3</sup>	\$808 <sup>4</sup>	\$93 <sup>5</sup>	\$311 <sup>6</sup>	\$501 <sup>7</sup>

1. Based on \$3.26/lb copper
2. Based on \$3.34/lb copper
3. Based on \$3.64/lb copper
4. Based on \$3.95/lb copper
5. Based on \$4.27/lb copper
6. Based on \$3.42/lb copper
7. Based on \$2.34/lb copper

# KRUMOVGRAD GOLD PROJECT



# KRUMOVGRAD GOLD PROJECT

## Krumovgrad Mineral Reserves – December 31, 2011

Category	Tonnes (M)	Gold		Silver	
		Grade (g/t)	Ounces (M)	Grade (g/t)	Ounces (M)
Proven	2.94	4.70	0.44	2.54	0.24
Probable	4.30	2.44	0.34	1.52	0.21
Total	7.24	3.36	0.78	1.92	0.45

## Krumovgrad Mineral Resources – December 31, 2011

Category	Tonnes (M)	Gold		Silver	
		Grade (g/t)	Ounces (M)	Grade (g/t)	Ounces (M)
Measured	3.30	4.90	0.52	3.00	0.28
Indicated	4.69	2.50	0.38	2.00	0.24
M&I	7.99	3.50	0.90	2.00	0.51
Inferred	0.40	1.20	0.02	1.00	0.01

1. Rounding of tonnage and grade figures has resulted in some columns showing relatively minor discrepancies in sum totals.
2. All Mineral Resource Estimates have been determined and reported in accordance with NI 43-101 and the classification adopted by the CIM.
3. Krumovgrad Mineral Reserves and Resources are based on the Krumovgrad 2012 Technical Report using a variable economic cut-off grade and 0.5 g/t Au respectively.
4. All Mineral Reserves and Resources are based on long term metals prices of \$1,250 Au, \$3/lb Cu, \$25/oz Ag and \$1/lb Zn.
5. Measured and Indicated Mineral Resources are inclusive of Proven and Probable Reserves.



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TSX:  
DPM – common shares  
DPM.WT.A – 2015 Warrants