



**DUNDEE PRECIOUS METALS REACHES AGREEMENT TO
SELL ITS BACK RIVER PROJECT IN NUNAVUT
TO SABINA SILVER CORPORATION**

Toronto, March 30, 2009 – Dundee Precious Metals Inc. (DPM, DPM.WT, DPM.WT.A – TSX) (“DPM” or the “Company”) announced today that it has entered into a definitive agreement with Sabina Silver Corporation (TSX-V: SBB.V) (“**Sabina**”) to sell its Back River exploration project in Nunavut, in consideration for cash and securities of Sabina.

Pursuant to the definitive agreement, the Company will receive in exchange for the Back River project:

- Cdn\$7 million in cash;
- 17,000,000 Sabina common shares (representing approximately 18.8% of the current outstanding common shares of Sabina);
- 5,000,000 Series A Special Warrants; and
- 5,000,000 Series B Special Warrants.

Each of the Special Warrants will be comprised of one common share and one-half of one common share purchase warrant of Sabina. The Series A Special Warrants will be automatically exercised upon a decision to proceed to a feasibility study or proceed to production on the Back River project. The Series B Special Warrants will be automatically exercised upon a positive production decision with respect to the project. Each whole share purchase warrant will be exercisable for five years from the closing date of the transaction, at the discretion of DPM, for one Sabina common share at a price equal to the volume weighted average of the Sabina common shares on the TSX-V for the five consecutive trading days ending on the trading day prior to the closing.

“We have always recognized the value of the Back River assets however, with our focus clearly on advancing our Bulgarian assets, this transaction provides us with an opportunity to continue to participate in Back River’s growth and development without diverting resources from our core business,” said Jonathan Goodman, President & CEO. “Back River is an excellent exploration property that will complement the adjacent Sabina properties allowing DPM to become a significant shareholder in a much larger exploration venture run by one of the best exploration groups in Canada”.

DPM will be entitled to two nominees on the board of directors of Sabina as long as it holds a 15% interest in Sabina and to one nominee as long as it holds a 10% interest.

The transaction is subject to various conditions, including regulatory (including TSX-V) and any required Sabina shareholder approvals.

FORWARD LOOKING STATEMENTS

This news release may contain certain information that constitutes forward-looking statements. Forward-looking statements are frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate” and other similar words, or statements that certain events or conditions “may” or “will” occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks

and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices and other factors described above and in the Company's most recent annual information form under the heading "Risk Factors" which has been filed electronically by means of the Canadian Securities Administrators' website located at www.sedar.com. The Company disclaims any obligation to update or revise any forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.

Dundee Precious Metals Inc. is a Canadian based, international mining company engaged in the acquisition, exploration, development and mining of precious metals. DPM owns the Chelopech Mine, a producing gold/copper mine, and the Krumovgrad Gold Project, a mining development project, both located in Bulgaria, and is engaged in mineral exploration activities in Serbia. In addition, Dundee Precious owns the Back River gold exploration project in Nunavut, Canada and a 95% interest in the Kapan Mine in Armenia.

For further information please contact:

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