



DUNDEE PRECIOUS METALS ANNOUNCES THE RESTART OF ITS ARMENIAN GOLD-SILVER-COPPER-ZINC OPERATIONS

Toronto, March 31, 2009 – Dundee Precious Metals Inc. (DPM, DPM.WT, DPM.WT.A – TSX) (“DPM” or the “Company”) is pleased to announce the recommencement of operations at its gold-silver-copper-zinc facility in Kapan, Armenia.

In response to the very positive regulatory and operational advances made by Deno Gold Mining Company CJSC in the period leading up to and the five month period (ended March 2009) during which it was on temporary care and maintenance, DPM has elected to restart operations at its Armenian facilities.

“The strength of leadership and depth of experience at Deno Gold have been evident over the last five months and were a contributing factor in the decision to restart operations”, said Jonathan Goodman, President and CEO.

Advances made by Deno Gold include (i) the finalization of its agreement with the Armenian government on the extension of its Shahumyan mine license and other critical aspects of its License Agreement, (ii) increased mine productivity and associated economies of scale related to improved mining methodology, (iii) higher ore grades alongside improved dilution control, (iv) improved metal recovery rates, and (v) lower unit operating costs (in part, due to the devaluation of the Armenian Dram).

Mining operations will recommence on April 1, 2009 at an annualized rate of 360,000 tonnes of ore, with the balance of the facilities to follow shortly thereafter. At current metal prices, Deno Gold is still expected to incur a financial loss on its operations however, the benefits of a restart, including the minimization of losses, significantly outweigh the costs of maintaining the operation on temporary care and maintenance.

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.

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