



BULGARIAN COURT OF APPEAL RULES IN FAVOUR OF DPM'S CLAIM ON KRUMOVGRAD EIA

Toronto, November 2, 2006 – Dundee Precious Metals Inc. (DPM - TSX) ("DPM", "Dundee Precious" or the "Company") announces that on November 1, 2006, a five member judge panel of the Court of Appeal in Bulgaria revoked the ruling passed by the Supreme Administrative Court ("SAC") on July 10, 2006 that the Company's claim regarding the silent refusal of the Minister of Environment and Waters ("MoEW") on the Company's Krumovgrad Project EIA was inadmissible.

"We are encouraged by the Court of Appeal's decision and will continue our efforts to advance our projects in Bulgaria in the shortest possible timeframe," said Jonathan Goodman, President and CEO of Dundee Precious.

As previously reported, the Company had claimed that the non-rendering of a resolution on the EIA by the MoEW within three months of the public hearings was considered a silent refusal and directly infringed upon the rights of the Company. DPM had requested that the SAC revoke the silent refusal of the MoEW and approve the EIA or, alternatively, instruct the MoEW to address the matter appropriately in compliance with Bulgarian law. On July 10, 2006, the SAC ruled to terminate the court proceeding on the grounds of inadmissibility of the claim and DPM subsequently appealed that decision.

Yesterday's ruling by the Court of Appeal confirms that the Environment Protection Act obliges the Minister to decide on the EIA in relation to the investment project within a three month period, as specified in the legislation, and confirms that DPM's case is admissible. Consequently, the case has been returned to the SAC with instructions to decide on the merits of the claim.

Dundee Precious Metals Inc. is a Canadian based, international mining company engaged in the acquisition, exploration, development and mining of precious metals. It currently 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 an 80% interest in the Kapan Mining Project in Armenia. The Company also holds a significant and strategic portfolio of investments in the precious metals and mineral related sector.

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.

For further information please contact:

DUNDEE PRECIOUS METALS INC.

Jonathan Goodman

President & Chief Executive Officer

Tel: (416) 365-2408

Email: jgoodman@dundeeprecious.com

Gabriela M. Sanchez

Vice President Investor Relations

Tel: (416) 365-2549

Email: gsanchez@dundeeprecious.com