



DPM ANNOUNCES KRUMOVGRAD EIA PROCEDURE RESTARTS WITH NATURA 2000 COMPATIBILITY ASSESSMENT

Toronto, December 2, 2008 - Dundee Precious Metals Inc. (TSX: DPM; DPM.WT; DPM.WT.A) (the "Company" or "DPM") received yesterday a letter from the Bulgarian Deputy Minister of Environment and Waters requesting DPM to prepare a Compatibility Assessment Report (the "Report") for the Krumovgrad Gold Project (the "Project"). This Report will assess the compatibility of the Project within the scope and purpose of Natura 2000, the European network of protected sites, and is a prerequisite for the issuance of a decision on the Environmental Impact Assessment ("EIA") report of the Project. As the compatibility assessment and the EIA procedures are aligned, the Ministry of Environment and Waters ("MoEW") should issue a single final resolution on both matters.

"This letter officially restarts the Krumovgrad EIA process which has been stalled for three years. While there remains considerable work to be completed and we need to form a dialogue with the local community, this is a very positive step which allows us to move forward with this exciting project." said Jonathan Goodman President and CEO of DPM.

The letter was issued in response to a notification that the Company filed with the MoEW in September 2008 in compliance with the Bulgarian legislation related to Natura 2000 and indicates that their request was issued in view of the instructions for completion of the EIA procedure, provided for in the Resolution of the Supreme Administrative Court of June 13, 2007. The letter also states that following the submission of the requested documents, both the EIA and the Report shall be submitted for consideration by the Supreme Expert Environmental Council at the MOEW to render a decision under Article 99, Paragraph 2 of the Environmental Protection Act.

Dundee Precious Metals Inc. is a Canadian based, international mining company engaged in the acquisition, exploration, development and mining of precious metals. It 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, DPM owns the Back River gold exploration project in Nunavut, Canada and a 95% interest in the Kapan Mine in Armenia.

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.

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