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November 7, 2008

Trading Symbol: DPM

Dundee Precious Metals Inc. Increases Equity Offering to C\$80 Million

TORONTO, CANADA – November 7, 2008 – In connection with its previously announced public offering, Dundee Precious Metals Inc. (TSX: DPM) (the “Company”) is pleased to announce that the Company and the underwriters have agreed to increase the size of the Offering. Under the revised terms, the syndicate of underwriters co-led by GMP Securities L.P. and Dundee Securities Corp. and including BMO Capital Markets has agreed to sell 35,556,000 Units at a price of C\$2.25 per Unit to raise gross proceeds of C\$80,001,000 pursuant to a short form prospectus. Each Unit will consist of one common share of the Company (a “Common Share”) and one-half of one common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each Warrant will entitle the holder to acquire one additional Common Share for a period of seven years at an exercise price of \$3.25 per share following the closing of the Offering. In addition, the Company has granted the underwriters an over-allotment option to purchase up to that number of additional Common Shares and half-Warrants equal to 15% of the Units sold pursuant to the Offering, exercisable at any time up to 30 days from the closing of the Offering. The Offering is subject to certain conditions, including regulatory and TSX approval.

The Company intends to use the net proceeds for ongoing operating requirements, capital expenditures, including project capital for the Chelopech mine expansion, and general corporate purposes.

The Offering is expected to close on or about November 20, 2008.

For further information please contact:

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Certain statements contained in this news release constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company’s plans to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth in the Company’s Annual Information Form for the year ended December 31, 2007, a copy of which is available at www.sedar.com.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States. The securities have not been registered under the U.S. Securities Act of 1933 any may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the U.S. Securities Act of 1933.