



**DUNDEE PRECIOUS METALS REPORTS  
FOURTH QUARTER 2007 AND YEAR-END RESULTS**

*(All monetary figures are expressed in Canadian Dollars unless otherwise stated)*

**Toronto, Ontario, March 5, 2008** – Dundee Precious Metals Inc. (“DPM” or the “Company”) (TSX: DPM and DPM.WT) today announced its unaudited results for the fourth quarter and the year ended December 31, 2007. DPM reported a fourth quarter net loss of \$9.5 million (basic and diluted loss per share of \$0.15). This compares with fourth quarter 2006 net earnings of \$18.4 million (basic earnings per share of \$0.34 and diluted earnings per share of \$0.33). For the year 2007, the Company has net earnings of \$15.4 million (basic earnings per share of \$0.27 and diluted earnings per share of \$0.26). This compares with net earnings of \$69.7 million (basic earnings per share of \$1.29 and diluted earnings per share of \$1.26) for the year 2006.

“The year 2007 was all about the steady upgrade and refurbishment of our mining and processing facilities, exploration successes in Serbia and the advancement of our Back River Project in Nunavut”, said Jonathan Goodman, President and CEO of Dundee Precious Metals. “The next six months will be pivotal for the Company – with completion of scoping studies on our molybdenum project in Serbia and gold project in Nunavut and results of confirmation drilling at Deno Gold. We have also, very importantly, renewed discussions with the Republic of Bulgaria in respect of the planned expansion of the Chelopech gold/copper mine. DPM’s strategy is to grow and grow profitably. We have the right asset mix and the right people to do it.”

The following table summarizes the Company’s financial and operating results for the periods indicated:

<i>\$ millions, except per share amounts</i> <b>Ended December 31,</b>	<b>Three Months</b>		<b>Twelve Months</b>	
	<b>2007</b>	2006	<b>2007</b>	2006
Net Revenue	\$ 22.2	\$ 32.9	\$ 122.4	\$ 110.9
Cost of Sales	<b>26.3</b>	21.2	<b>81.5</b>	51.4
Gross Profit (Loss) from Mining Operations	<b>(4.1)</b>	11.7	<b>40.9</b>	59.5
Investment Income	<b>8.8</b>	22.8	<b>39.7</b>	64.9
Net Earnings (Loss)	<b>(9.5)</b>	18.4	<b>15.4</b>	69.7
Basic Earnings (Loss) Per Share	\$ <b>(0.15)</b>	\$ 0.34	\$ <b>0.27</b>	\$ 1.29
Diluted Earnings (Loss) Per Share	\$ <b>(0.15)</b>	\$ 0.33	\$ <b>0.26</b>	\$ 1.26
Net Cash Provided by (used in) Operations	<b>(21.1)</b>	(6.1)	<b>(52.6)</b>	23.1
Capital Expenditures	<b>(14.4)</b>	(17.2)	<b>(110.2)</b>	(95.4)
Other Investing Activities	<b>48.1</b>	(9.4)	<b>105.1</b>	24.8
Financing Activities	<b>(1.2)</b>	0.4	<b>74.9</b>	1.9
Net Increase (Decrease) in Cash	<b>11.4</b>	(32.3)	<b>17.2</b>	(45.6)
Concentrate Produced (mt)				
Chelopech	<b>18,344</b>	22,389	<b>65,060</b>	70,108
Deno Gold	<b>2,113</b>	1,829	<b>8,326</b>	2,956
Cash Cost per tonne Ore Processed (US\$/t) <sup>1</sup>				
Chelopech	\$ <b>54.73</b>	\$42.10	\$ <b>46.84</b>	\$ 39.48
Deno Gold	\$ <b>121.28</b>	\$48.14	\$ <b>84.30</b>	\$ 42.86

*On August 31, 2006, DPM acquired an 80% interest in Deno Gold. It subsequently increased its interest to 95% on December 20, 2007.*

<sup>1</sup> A reconciliation of the Company’s cash cost per tonne ore processed to cost of sales under Canadian GAAP for the years 2007 and 2006 is shown in the table entitled “Non-GAAP Financial Measures.”

## FOURTH QUARTER AND YEAR 2007 - FINANCIAL HIGHLIGHTS

---

- As at December 31, 2007, DPM had cash and marketable securities of \$115.2 million (market value) versus \$221.5 million (market value) at the end of year 2006.
- Working capital requirements in year 2007 increased by \$45.3 million due primarily to a higher level of supplies inventory at Deno Gold and income taxes related to the 2006 fiscal year paid in 2007.
- The Chelopech gold/copper operation reported net revenue, for the respective fourth quarter and year 2007, of \$17.4 million and \$106.5 million on corresponding concentrate deliveries of 14,873 tonnes and 66,712 tonnes. Chelopech cash costs per tonne of ore processed<sup>1</sup> were impacted in the fourth quarter and year 2007 by rising prices for raw materials and power, the introduction of cemented rock fill (which will lead to better resource utilization in the future) and the negative impact of a stronger Euro relative to the U.S. dollar.
- The Deno Gold operation reported net revenue, for the respective fourth quarter and year 2007, of \$4.9 million and \$16.0 million on corresponding concentrate deliveries of 2,678 tonnes and 7,662 tonnes. Cash costs per tonne of ore processed<sup>1</sup> at Deno Gold increased significantly in the fourth quarter and year 2007 related, in part, to the addition of resources required to improve the levels of safety, communications and general standards of operation. In addition, cash costs were negatively impacted by the continued appreciation of the Armenian dram relative to the U.S. dollar.
- For the fourth quarter and year 2007, the Company realized net cash proceeds of \$51.3 million and \$125.1 million, respectively, on the disposition of certain shareholdings, including Goldbelt Resources Ltd. ("Goldbelt") in the fourth quarter of 2007.
- In 2007, the Company realized net proceeds of \$77.5 million (gross proceeds of \$81.9 million) from the sale of 5,520,000 common shares, 2,760,000 common share purchase warrants and 1,955,000 flow-through common shares.

## SIGNIFICANT ITEMS

---

- DPM is presently awaiting Bulgarian government approvals for the planned mine expansion and conversion of the Chelopech operation from copper/gold concentrate to onsite finished copper metal and gold doré bullion. Work completed to date on the expansion project, including engineering, procurement and construction management associated with the pressure oxidation plant ("POX"), mine upgrades, the construction of the Nadejda decline, acquisition and refurbishment of an oxygen plant and the first phase of the mine backfill plant ensures the Company is well positioned for the commencement of this project. On March 3, 2008, the Company announced that it is presently in discussions with the government of the Republic of Bulgaria in respect of the planned expansion of Chelopech. The Bulgarian Minister of Economy and Energy announced in the Bulgarian parliament on Friday, February 29, 2008 that the government was negotiating with the Company on these issues. DPM will report on the results of these discussions, if any, in due course.
- The focus at Deno Gold has been and continues to be on environment, health, safety and operational sustainability and a resource definition drilling program. Plans and specific measures for addressing key risks have been identified and are being implemented, including high priority items such as training, procedures and controls. In addition, diamond drilling and related activities are currently being undertaken adjacent to the existing mine workings with the intent of confirming the scale of the deposit, calculating National Instrument 43-101 compliant resources and to assist in the identification of potential mine/plant expansion opportunities. On March 4, 2008 the Company announced that initial

---

<sup>1</sup> A reconciliation of the Company's cash cost per tonne ore processed to cost of sales under Canadian GAAP for the years 2007 and 2006 is shown in the table entitled "Non-GAAP Financial Measures."

diamond drilling results from the first two holes in the vein 5 area at Deno Gold have returned wide polymetallic intercepts, providing initial support of the concept of bulk mineable polymetallic open pit mineralization.

- In Serbia, the 2007 exploration program has confirmed a major three kilometre by five kilometre zone of molybdenum-rhenium mineralization at the Company's Surdulica exploration license area in south east Serbia. DPM has commenced a scoping study at Surdulica which is expected to be completed in the second quarter of 2008. The Company also recently announced the identification of a major zone of limestone hosted gold mineralization bordering the Timok Magmatic Complex in north eastern Serbia. Numerous geochemical and geophysical prospects have been identified along a 25 kilometre trend.

A complete set of DPM's Consolidated Financial Statements, Notes to the Consolidated Financial Statements and Management's Discussion and Analysis for the year ended December 31, 2007 are posted on the Company's website at [www.dundeeprecious.com](http://www.dundeeprecious.com) and have been filed on Sedar at [www.sedar.com](http://www.sedar.com).

## CONFERENCE CALL

---

An analyst conference call is scheduled for Thursday, March 6, 2008 at 8:30 a.m. to present these results and will be webcast live at:

<http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=69218&eventID=1767328>.

The audio webcast for this conference call will be archived and available on the Company's website at [www.dundeeprecious.com](http://www.dundeeprecious.com).

## OVERVIEW

---

DPM is a Canadian based, international mining company engaged in the acquisition, exploration, development and mining of precious metal properties. Its common shares and share purchase warrants (symbol: DPM and DPM.WT) are traded on the Toronto Stock Exchange ("TSX"). DPM's business objectives are to identify, acquire, finance, develop and operate low-cost, long-life mining properties.

The Company's operating interests include its 100% ownership of Chelopech Mining EAD ("Chelopech"), a gold, copper, silver concentrates producer, owner of the Chelopech mine located approximately 70 kilometres east of Sofia, Bulgaria, and a 95% interest in Vatrln Investment Limited ("Vatrln"), a private entity which holds 100% of Deno Gold Mining Company CJSC ("Deno Gold"), its principal asset being the Kapan mine, a gold, copper, zinc, silver concentrates producer located about 320 kilometres south east of the capital city of Yerevan in Southern Armenia. DPM's interests also include a 100% interest in the Krumovgrad development stage gold property located in south eastern Bulgaria, near the town of Krumovgrad, a 100% interest in the Back River gold project located in Nunavut in the Canadian Arctic and three significant exploration and exploitation concessions in one of the larger gold-copper-silver mining regions in Serbia.

## SUMMARIZED FINANCIAL RESULTS

---

### ***Net Revenue***

Revenue from the sale of concentrates was \$22.2 million in the fourth quarter of 2007, a decrease of 32% compared with the fourth quarter of 2006. The reduction was due to lower deliveries of concentrate from Chelopech and the unfavourable impact of a stronger Canadian dollar relative to the U.S. dollar, partially offset by stronger metal prices for gold, copper and silver. Revenue from the sale of concentrates was \$122.4 million in the year 2007, an increase of 10% compared with the year 2006 due to higher deliveries from Deno Gold and Chelopech. Stronger metal prices for gold, copper and silver were partially offset by the unfavourable impact of a stronger Canadian dollar relative to the U.S. dollar.

### ***Cost of sales***

Cost of sales totalled \$26.3 million in the fourth quarter of 2007, an increase of 24% compared with the fourth quarter of 2006 due to higher operating costs at Chelopech as a result of rising prices for raw material and power, the introduction of cemented rock fill (which will lead to better resource utilization in the future) and the negative impact of a stronger Euro relative to the U.S. dollar. In addition, operating costs at Deno Gold were higher than the prior year due to the addition of resources required to improve the levels of safety, communications and general standards of operation. Processing costs at Deno Gold were also negatively impacted by the continued appreciation of the Armenian dram relative to the U.S. dollar. Cost of sales totalled \$81.5 million in the year 2007, an increase of 58% compared with the year 2006 due to higher processing costs at Chelopech and Deno Gold for the reasons discussed above.

### ***Investment income***

Investment income in the fourth quarter of 2007 totalled \$8.8 million, a decrease of \$14.0 million when compared with the fourth quarter of 2006. The decrease was primarily due to a \$13.0 million write-down, reflecting a decline in the market value of certain investments which were determined to be other than temporary, principally with respect to the Company's holdings in Tahera Diamond Corporation (\$12.9 million). Investment income in the year 2007 totalled \$39.7 million, a decrease of \$25.2 million when compared with the year 2006. The decrease was primarily due to the write-down noted above and a decrease in net realized gains on sale of investments. There was no comparable write-down of investments in 2006.

### ***Administrative expenses***

Administrative costs were \$5.9 million and \$21.9 million for the fourth quarter and year 2007, respectively, compared with \$4.3 million and \$14.4 million for the fourth quarter and year 2006. The increase over the prior year was due to the addition of senior staff and associated travel and recruitment expenses required for a rapidly growing international mining company. Professional fees and assistance in resolving the complex permitting issues in Bulgaria have also contributed to this increase.

### ***Exploration expenses***

Exploration expenses were \$7.2 million and \$29.2 million for the fourth quarter and year 2007, respectively, compared with \$6.0 million and \$14.9 million for the fourth quarter and year 2006. The higher spending in 2007 was related to an increased level of exploration activity in Serbia.

### ***Income tax expense***

The Company's effective tax rate for the year 2007 of 27.7% was lower than the statutory tax rate of 36.12% due to the benefit of profits earned in jurisdictions having a lower tax rate and the non-taxable portion of capital gains related to the sales of investments. These benefits were partially offset by unrecognized tax benefits relating to operating losses. The Company's effective tax rate for the year 2006 was 16.7% as a result of the non-taxable portion of capital gains and the benefit of profits earned in jurisdictions having a lower tax rate.

## Cash Flows and Financial Condition

The following table summarizes the Company's cash flow from operating activities for the periods indicated:

<i>\$ thousands</i> Ended December 31,	Three Months		Twelve Months	
	2007	2006	2007	2006
Net earnings (loss)	\$ (9,494)	\$ 18,383	\$ 15,375	\$ 69,732
Non-cash charges (credits) to earnings:				
Amortization of property, plant and equipment	3,229	3,207	12,512	9,127
Net realized gains on sale of investments	(18,811)	(23,102)	(53,733)	(68,682)
Other	12,416	6,035	18,490	13,263
Total non-cash credits to earnings	(3,166)	(13,860)	(22,731)	(46,292)
Increase in non-cash working capital	(8,441)	(10,600)	(45,251)	(301)
Net cash provided by (used in) operating activities	\$ (21,101)	\$ (6,077)	\$ (52,607)	\$ 23,139

Cash used by operating activities in the fourth quarter of 2007 was \$21.1 million, compared with cash used by operating activities of \$6.1 million in the fourth quarter of 2006. The greater shortfall was primarily related to lower revenue and increased costs, and higher spending on administrative and exploration expenses.

Cash used by operating activities in the year 2007 was \$52.6 million, compared with cash provided by operating activities of \$23.1 million in the year 2006. The shortfall was due to increased operating costs, higher spending on administrative and exploration expenses and an increase in working capital requirements. The increase in working capital requirements was primarily due to higher level of supplies inventory at Deno Gold and income taxes related to the 2006 fiscal year paid in 2007.

The following table summarizes the Company's investing activities for the periods indicated:

<i>\$ thousands</i> Ended December 31,	Three Months		Twelve Months	
	2007	2006	2007	2006
Purchase of investments	\$ (1,250)	\$ (47,446)	\$ (18,046)	\$ (61,313)
Proceeds on sale of investments	51,324	38,151	125,069	111,118
Acquisition of company, net of cash of \$523	-	(75)	-	(24,950)
Purchase of additional interest in company, net of share issue of \$2,464	(2,199)	-	(2,199)	-
Capital expenditures	(14,386)	(17,250)	(110,209)	(95,422)
Other	273	-	273	-
Net cash provided by (used in) investing activities	\$ 33,762	\$ (26,620)	\$ (5,112)	\$ (70,567)

Capital expenditures were \$14.4 million and \$110.2 million in the fourth quarter and year 2007, respectively, compared with \$17.2 million and \$95.4 million in the fourth quarter and year 2006. Year 2007 capital expenditures for the Chelopech mine were 11% higher than the prior year due to increased spending on upgrade work associated with mining activities such as purchase of new equipment, construction of the Nadejda decline and the first phase of the backfill plant. The work completed in 2007 resulted in improvement of the mine operability and recovery. In addition, spending related to the engineering, project management and procurement of the POX plant continued in 2007. Capital expenditures for Deno Gold in the year 2007 reflect twelve months of spending whereas spending for four months were reflected in 2006 following the acquisition of Deno Gold in August 2006. Capital expenditures at Deno Gold were \$21.8 million in the year 2007 compared with expenditures of \$3.4 million in 2006.

For the three and twelve months ended December 31, 2007, DPM realized pre and after tax cash proceeds of \$51.3 million and \$125.1 million, respectively, on the disposition of certain shareholdings, including Goldbelt Resources. By comparison, for the three and twelve months ended December 31,

2006, DPM realized pre and after-tax cash proceeds of \$38.2 million and \$111.1 million, respectively, on the disposition of certain shareholdings.

In the year 2007, DPM realized net proceeds of \$77.5 million (gross proceeds of \$81.9 million) from the sale of 5,520,000 common shares, 2,760,000 common share purchase warrants and 1,955,000 flow-through common shares.

## NON-GAAP FINANCIAL MEASURES

We have referred to cash cost per tonne of ore processed because we understand that certain investors use this information to assess the Company's performance and also determine the Company's ability to generate cash flow for investing activities. This measurement captures all of the important components of the Company's production and related costs. In addition, management utilizes this metric as an important management tool to monitor cost performance of the Company's operations. This measurement has no standardized meaning under Canadian GAAP and is therefore unlikely to be comparable to similar measures presented by other companies. This measurement is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with Canadian GAAP.

The following table provides, for the periods indicated, a reconciliation between the Company's cash cost measure and Canadian GAAP cost of sales:

<i>\$ thousands, unless otherwise indicated</i>			
<b>For the year ended December 31, 2007</b>			
	<b>Chelopech</b>	<b>Deno Gold</b>	<b>Total</b>
Ore processed (mt)	<b>913,440</b>	<b>323,371</b>	
Cost of sales (Cdn\$)	<b>\$ 51,631</b>	<b>\$ 29,852</b>	<b>\$ 81,483</b>
Cost of sales (US\$)	<b>\$ 47,235</b>	<b>\$ 27,323</b>	<b>\$ 74,558</b>
Add/(Deduct):			
Amortization	<b>(6,912)</b>	<b>(1,612)</b>	
Other non-cash charges	<b>-</b>	<b>(130)</b>	
Change in concentrate inventory	<b>2,459</b>	<b>1,678</b>	
<b>Total cash cost of production (US\$)</b>	<b>\$ 42,782</b>	<b>\$ 27,259</b>	
<b>Cash cost per tonne of ore processed (US\$)</b>	<b>46.84</b>	<b>84.30</b>	

<i>\$ thousands, unless otherwise indicated</i>			
<b>For the year ended December 31, 2006</b>			
	<b>Chelopech</b>	<b>Deno Gold <sup>(1)</sup></b>	<b>Total</b>
Ore processed (mt)	952,753	111,875	
Cost of sales (Cdn \$)	<b>\$ 45,785</b>	<b>\$ 5,660</b>	<b>\$ 51,445</b>
Cost of sales (US\$)	<b>\$ 40,295</b>	<b>\$ 4,950</b>	<b>\$ 45,245</b>
Add/(Deduct):			
Amortization	<b>(5,570)</b>	<b>(371)</b>	
Change in concentrate inventory	<b>2,890</b>	<b>216</b>	
<b>Total cash cost of production (US\$)</b>	<b>\$ 37,615</b>	<b>\$ 4,795</b>	<b>\$</b>
<b>Cash cost per tonne of ore processed (US\$)</b>	<b>39.48</b>	<b>42.86</b>	

(1) Includes four months of results following the acquisition by DPM in August 2006.

**CONSOLIDATED BALANCE SHEETS**  
**As at December 31, 2007 and December 31, 2006**  
*(in thousands of Canadian dollars, unaudited)*

	2007	2006
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 49,175	\$ 31,993
Accounts receivable and other assets	39,274	33,082
Inventories	32,396	17,097
<b>Total current assets</b>	<b>120,845</b>	<b>82,172</b>
<b>Portfolio investments</b> <i>(market value-\$34,567; December 2006-\$151,887)</i>	<b>34,567</b>	<b>79,603</b>
<b>Equity accounted investments</b> <i>(market value-\$31,457; December 2006-\$37,639)</i>	<b>13,665</b>	<b>29,752</b>
<b>Other long-term assets</b>	<b>9,570</b>	<b>6,443</b>
<b>Property, plant &amp; equipment</b>	<b>354,549</b>	<b>251,962</b>
<b>Future income tax asset</b>	<b>5,272</b>	<b>4,922</b>
<b>Total assets</b>	<b>\$ 538,468</b>	<b>\$ 454,854</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 24,114	\$ 35,129
Deferred revenue	-	6,246
Current portion of long-term debt and other long-term liabilities	3,604	4,246
<b>Total current liabilities</b>	<b>27,718</b>	<b>45,621</b>
<b>Long-term Liabilities</b>		
Long-term debt	6,114	12,672
Reclamation and other long-term liabilities	13,643	12,567
Long-term compensation	3,233	5,034
Future income tax liability	16,380	11,647
<b>Total long-term liabilities</b>	<b>39,370</b>	<b>41,920</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	268,669	193,307
Warrants	4,758	-
Contributed surplus	9,081	7,019
Retained earnings	184,510	166,987
Accumulated other comprehensive earnings	4,362	-
<b>Total shareholders' equity</b>	<b>471,380</b>	<b>367,313</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 538,468</b>	<b>\$ 454,854</b>

## CONSOLIDATED STATEMENTS OF EARNINGS

For the three and twelve months ended December 31, 2007 and December 31, 2006

(in thousands of Canadian dollars, except per share amounts, unaudited)

	Three months ended		Year ended	
	2007	2006	2007	2006
<b>Mining operations</b>				
Gold/copper/zinc concentrate net revenue	\$ 22,246	\$ 32,858	\$122,417	\$110,935
Cost of sales	26,346	21,177	81,483	51,445
<b>Gross profit (loss)</b>	<b>(4,100)</b>	11,681	<b>40,934</b>	59,490
<b>Investment income / (expense)</b>				
Dividends, interest and other income (loss)	1,357	(355)	2,211	1,395
Gain (loss) on equity accounted investments	1,717	(415)	(51)	(916)
Net realized gains on sale of investments	18,811	23,102	53,733	68,682
Loss (gain) on copper put options	(14)	475	(3,192)	(4,229)
Impaired investments written down to market value	(13,022)	-	(13,022)	(73)
<b>Investment income</b>	<b>8,849</b>	22,807	<b>39,679</b>	64,859
<b>Earnings before undernoted items</b>	<b>4,749</b>	34,488	<b>80,613</b>	124,349
<b>Expenses</b>				
Administrative and other expenses	5,885	4,254	21,916	14,359
Stock based compensation expense (credit)	(455)	1,904	193	5,395
Exploration expense	7,219	6,037	29,232	14,864
Amortization of property, plant and equipment	725	1,448	2,061	2,329
Financing and other costs	1,194	199	3,992	2,869
Foreign exchange loss (gain)	(1,472)	(1,106)	1,957	793
<b>Total expenses</b>	<b>13,096</b>	12,736	<b>59,351</b>	40,609
<b>Earnings (loss) before non-controlling interest and income taxes</b>	<b>(8,347)</b>	21,752	<b>21,262</b>	83,740
Non-controlling interest	-	(120)	-	-
<b>Earnings (loss) before income taxes</b>	<b>(8,347)</b>	21,872	<b>21,262</b>	83,740
<b>Provision for (recovery of) income taxes</b>				
Current	1,381	(27)	4,967	11,292
Future	(234)	3,516	920	2,716
<b>Total provision for income taxes</b>	<b>1,147</b>	3,489	<b>5,887</b>	14,008
<b>Net earnings (loss) for the period</b>	<b>\$ (9,494)</b>	\$ 18,383	<b>\$ 15,375</b>	\$ 69,732
<b>Basic net earnings (loss) per share</b>	<b>\$ (0.15)</b>	\$ 0.34	<b>\$ 0.27</b>	\$ 1.29
<b>Diluted net earnings (loss) per share</b>	<b>\$ (0.15)</b>	\$ 0.33	<b>\$ 0.26</b>	\$ 1.26

# CONSOLIDATED STATEMENTS OF CASH FLOW

For the three and twelve months ended December 31, 2007 and December 31, 2006

(in thousands of Canadian dollars, unaudited)

	Three months ended		Year ended	
	2007	2006	2007	2006
<b>OPERATING ACTIVITIES</b>				
Net earnings (loss) for the period	\$ (9,494)	\$ 18,383	\$ 15,375	\$ 69,732
Non-cash charges (credits) to earnings				
Amortization of property, plant and equipment	3,229	3,207	12,512	9,127
Stock based compensation expense (credit)	(455)	1,904	193	5,395
Repurchase of stock options	-	(950)	-	(950)
Net gains on sale of investments	(18,811)	(23,102)	(53,733)	(68,682)
Impaired investments written down to market value	13,022	-	13,022	73
Unrealized loss on revaluation of debt	499	-	715	-
Future income taxes	(234)	3,516	920	2,716
Loss (gain) on copper put options	14	(475)	3,192	4,229
Other non-cash charges (credits)	(430)	2,040	448	1,800
Changes in non-cash working capital				
Decrease (increase) in accounts receivable and other assets	3,261	(843)	(9,367)	(17,934)
Decrease (increase) in inventories	(6,902)	2,026	(15,299)	(2,982)
Decrease (increase) in other long-term assets	1,202	(4,303)	(3,353)	(5,239)
Increase (decrease) in accounts payable	(5,727)	(7,472)	(17,261)	26,056
Increase (decrease) in other liabilities	(275)	(8)	29	(202)
<b>Net cash provided by (used in) operating activities</b>	<b>(21,101)</b>	<b>(6,077)</b>	<b>(52,607)</b>	<b>23,139</b>
<b>INVESTING ACTIVITIES</b>				
Purchase of investments	(1,250)	(47,446)	(18,046)	(61,313)
Proceeds on sale of investments	51,324	38,151	125,069	111,118
Acquisition of company, net of cash of \$523	-	(75)	-	(24,950)
Purchase of additional interest in company, net of share issue of \$2,464	(2,199)	-	(2,199)	-
Acquisition of mineral properties	-	-	-	(8,950)
Exploration and development costs capitalized	(10,209)	(4,528)	(59,504)	(44,758)
Purchase of plant and equipment	(4,177)	(12,722)	(50,705)	(41,714)
Proceeds on sale of plant and equipment	273	-	273	-
<b>Net cash provided by (used in) investing activities</b>	<b>33,762</b>	<b>(26,620)</b>	<b>(5,112)</b>	<b>(70,567)</b>
<b>FINANCING ACTIVITIES</b>				
Issue of common shares	140	413	1,380	1,880
Net proceeds of equity financing	-	-	77,474	-
Redemption of deferred share units	(112)	-	(112)	-
Repayment of debt	(1,263)	-	(3,841)	-
<b>Net cash provided by (used in) financing activities</b>	<b>(1,235)</b>	<b>413</b>	<b>74,901</b>	<b>1,880</b>
<b>Increase (decrease) in cash and equivalents</b>	<b>11,426</b>	<b>(32,284)</b>	<b>17,182</b>	<b>(45,548)</b>
<b>Cash and equivalents at beginning of period</b>	<b>37,749</b>	<b>64,277</b>	<b>31,993</b>	<b>77,541</b>
<b>Cash and equivalents at end of period</b>	<b>\$ 49,175</b>	<b>\$ 31,993</b>	<b>\$ 49,175</b>	<b>\$ 31,993</b>

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

---

This press release contains “forward-looking statements” that involve a number of risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold, copper, zinc and silver the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold, copper, zinc and silver; possible variations in ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, fluctuations in metal prices, as well as those risk factors discussed or referred to in Management’s Discussion and Analysis under the heading “Risk and Uncertainties” and other documents filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

---

For further information please contact:

DUNDEE PRECIOUS METALS INC.

**Jonathan Goodman**  
President and  
Chief Executive Officer  
Tel: (416) 365-2408  
[jgoodman@dundeeprecious.com](mailto:jgoodman@dundeeprecious.com)

**Stephanie Anderson**  
Executive Vice President and  
Chief Financial Officer  
Tel: (416) 365-2852  
[sanderson@dundeeprecious.com](mailto:sanderson@dundeeprecious.com)

**Gabriela M. Sanchez**  
Vice President, Investor Relations  
Tel: (416) 365-2549  
[gsanchez@dundeeprecious.com](mailto:gsanchez@dundeeprecious.com)