



DPM FIRST QUARTER 2007 FINANCIAL RESULTS OPERATIONAL AND FINANCIAL STRENGTH CONTINUE

(All amounts have been expressed in Canadian dollars except where indicated.)

Toronto, May 8, 2007 - Dundee Precious Metals Inc. (DPM – TSX) (“Dundee Precious”, “DPM” or “the Company”) reported continued strong operational and financial results during its First Quarter of 2007.

“While the permitting issues that we are dealing with in Bulgaria are very frustrating, we are making progress,” stated Jonathan Goodman, President and CEO of DPM. “The mines at Chelopech and Kapan are operating well and our exploration efforts are having very encouraging results. We are continuing to work hard towards getting our permits and the recent decision by the Bulgarian court works in our favour”, he added.

FINANCIAL HIGHLIGHTS

- DPM had net earnings of \$11.0 million or \$0.20 per share on both a basic and diluted basis for the three months ended March 31, 2007, compared with net earnings of \$3.7 million or \$0.07 per share for the three months ended March 31, 2006.
- As at March 31, 2007, the Company had working capital of \$48 million and an investment portfolio with a market value of \$147 million, which in the aggregate equated to \$3.60 per share, down from \$4.26 per share at December 31, 2006.
- The Chelopech gold/copper mine reported revenue of \$18.6 million on sales of 11,164 tonnes of gold/copper concentrate for the three months ended March 31, 2007. Kapan had revenues of \$2.3 million for the three months ended March 31, 2007 on sales of 690 tonnes of gold/copper concentrate and 388 tonnes of zinc concentrate.
- Investment activities generated investment income of \$19.5 million for the three months ended March 31, 2007.

SIGNIFICANT EVENTS

- Early stage drilling on the Timok Trend in Serbia has encountered several zones of significant copper-gold mineralization. Results are still of a preliminary nature, as continuity of grade and continuity of mineralization have yet to be established. Although the Company is encouraged by these results, it has no plans to deviate from the current systematic program to scout test the full portfolio of targets. Only after completion of this phase will a comprehensive re-ranking and planning of follow-up drilling be undertaken.
- On April 26, 2007, the Supreme Administrative Court of Bulgaria (the “Court”) revoked the silent refusal on the part of the Ministry of the Environment and Waters (“MoEW”), instructing the Minister to issue a decision on Chelopech’s Environmental Impact Assessment (“EIA”). This decision cannot be appealed.
- Despite the Court ruling, the MoEW continues to withhold approval of the Chelopech EIA on the basis of economic considerations. DPM’s positions are that the existing concession agreement, which is with the Ministry of Economy and Energy on behalf of the Republic of Bulgaria, cannot be unilaterally altered, and that the current royalty and income tax rates are globally competitive. Discussions with the Government have commenced with the objective of resolving the impasse in the final sign-off by the MoEW on the EIA. Continuing delays by the MoEW will force the Company to seek redress in the International Courts for international treaty violations and result in a relocation of the planned Metals Production Facilities to a more collaborative jurisdiction.

- On February 13, 2007, the Court revoked the silent refusal of the MoEW on the Krumovgrad EIA. The Environmental Protection Act does not provide for a silent refusal and therefore, the MoEW has been required to issue a pronouncement on the EIA. This decision was appealed to the five member panel Court of Appeal in Bulgaria by the MOEW and the Court hearing is scheduled for May 10, 2007.
- There are recent indications that the concentrate market is improving and there has been some renewed interest in higher arsenic concentrate by several parties. Should the Company be successful in obtaining new contracts at acceptable terms, the previously announced required slow down or suspension of operations at Chelopech may be deferred. Some production disruptions will occur later this year or in 2008 when the main shaft is converted to a production only shaft.

A complete set of DPM's unaudited consolidated financial statements and Management's Discussion and Analysis for the first quarter ended March 31, 2007 are posted on its website at www.dundeeprecious.com and have been filed on Sedar at www.sedar.com.

An analyst conference call is scheduled for Wednesday, May 9, 2007 at 3:30 p.m. in conjunction with the Company's Annual General Meeting of Shareholders, to present these results and will be webcast live at <http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=69218&eventID=1534629>. The audio webcast for this conference call will be archived and available on the Company's website.

Dundee Precious 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 Mine 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.

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