

**DUNDEE PRECIOUS METALS COMPLETES
RESOURCE UPDATE AT ITS ADA TEPE GOLD PROJECT
MEASURED AND INDICATED GOLD RESOURCES INCREASED TO 835,000 Oz.**

Toronto, February 25, 2005 – Dundee Precious Metals Inc. (DPM – TSX) (“Dundee Precious”) announced the completion of its resource estimate of its Ada Tepe gold project in Bulgaria for year end 2004 resulting in a 78,000 ounce (oz) increase in the Measured and Indicated Resources compared to its previously reported estimate announced in October 2004.

As part of the feasibility study for the Ada Tepe project currently underway, and subsequent to the previous resource update, the objective of the additional infill drilling program was to ensure that any Inferred Resources in the Upper Zone, occurring within the likely open pit outline, were upgraded to the Indicated Resources category. As expected, the program confirmed increased measured and indicated gold resources of 835,000 ounces which will now be incorporated in the calculation of the reserves for the feasibility study expected by the end of March 2005.

The updated resource estimate included an additional 36 reverse circulation (RC) drill holes targeted to test inferred and lower confidence regions of the resource model reported in October 2004. The resource estimate has been classified in accordance to the criteria laid out in the Canadian National Instrument 43-101.

DEPOSIT GEOLOGY AND GEOLOGICAL MODELLING

The geological model generated for the October 2004 resource estimate was updated to reflect the additional drill hole data. The geological model includes wireframes for lithology, oxidation and mineralized domain boundaries. In aggregate, 26 mineralised domains were interpreted, representing 24 Upper Zone domains and a single Wall Zone domain, plus a separate zone constraining the mineralized overburden.

Table 1
Ada Tepe Deposit Gold Resources
(1.0g/t Au lower cut off grade)

Lower Cutoff 1.0 (Au g/t)	Tonnes (Million)	Gold		Silver	
		Grade (g/t)	Au Oz (000)	Grade (g/t)	Ag Oz (000)
Measured	2.65	5.9	500	3.0	259
Indicated	2.57	4.1	335	2.0	181
M&I	5.22	5.0	835	3.0	440
Inferred	0.21	1.6	11	1.0	8

UPDATED RESOURCE ESTIMATE

Table 1 above, summarizes the resource estimate based on a multiple indicator kriging estimate (and selective mining unit emulation of 6.25mE by 5mN by 2.5mRL size blocks) for the Upper Zone, and ordinary kriging of the Wall Zone (and Overburden Zone) in 12.5mN by 5mRL size blocks, as reported by RSG Global Pty Ltd. Silver was estimated using linear regression from the gold grade estimates, due to the robust correlation between the two elements and in order to determine a selective mining estimate for silver as well as gold.

Table 2
Ada Tepe Deposit Gold Resources
At 1.0 g/t Au lower cut off grade

Grade Tonnage Distribution of RSG Global Preferred Resource Estimate Sub-divided by Mineralized Zones and JORC / CIM Resource Classification (12.5mE x 12.5mN x 5mRL Size Blocks for Wall Zone and Overburden and SMU emulation of 6.25mE x 5mN x 2.5mRL Size Blocks for Upper Zone)

JORC / CIM Resource Category	Wall Zone					Upper Zone					Overburden					Combined Zones				
	Tonnes		Gold		Silver	Tonnes		Gold		Silver	Tonnes		Gold		Silver	Tonnes		Gold		Silver
	(Kt)	(g/t)	(Koz)	(g/t)	(Koz)	(Kt)	(g/t)	(Koz)	(g/t)	(Koz)	(Kt)	(g/t)	(Koz)	(g/t)	(Koz)	(Kt)	(g/t)	(Koz)	(g/t)	(Koz)
Measured	1929	6.4	395	3	204	721	4.53	105	2	54	-	-	-	-	-	2650	5.9	500	3	259
Indicated	208	4.6	31	3	17	2364	4.0	304	2	164	-	-	-	-	-	2572	4.1	335	2	181
Measured+Indicated	2137	6.2	426	3	221	3085	4.1	409	2	219	-	-	-	-	-	5222	5.0	835	3	440
Inferred	-	-	-	-	-	4	2.3	-	2	-	209	1.6	10	1	8	213	1.6	11	1	8

RESOURCE

In the above Table 2, summarised criteria applied to resource categorization are as follows:

- Measured Resource is restricted to the densely drilled Wall Zone (approximately 25m x 25m drilling or better) and the Upper Zone regions that are defined by a notional 12.5m x 12.5m drill spacing.
- Indicated Resource is restricted to regions drilled on average to a spacing of 25m x 25m or better, excluding the Measured Resource blocks.
- Inferred Resource represents the lower geological confidence blocks that do not meet the indicated or measured criteria. All mineralized overburden blocks are classified as Inferred Resources.

RESOURCE DATABASE

The resource database applied to the December 2004 study included a combined 651 diamond and reverse circulation (RC) drill holes for 56,525.75m of drilling (37,170.2m of RC and 19,355.55m of diamond). A further 425 trenches (18,299.8m of trenching) were also available and included in the resource estimation study. Significantly, the updated resource estimate included 36 RC drill holes (2,095m of drilling) completed post the October 2004 resource estimate. Tonnage estimates have been based on some 5,764 bulk density estimates made on sealed diamond drill core at an ISO 9002 accredited laboratory in Sofia, Bulgaria.

GRADE ESTIMATION

A similar approach was applied to these grades estimation studies to that applied to construct the October 2004 resource model.

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 "*Risks 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.

Dundee Precious is a Canadian operating 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 Ada Tepe, an advanced stage exploration property, both located in Bulgaria, and is engaged in mineral exploration activities in the region. In addition, Dundee Precious has the option to earn a 60% interest in the Back River gold project in Nunavut, Canada. The Company also holds a significant and strategic portfolio of investments in the precious metals and mineral related sector.

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