

DUNDEE PRECIOUS METALS INC.

FOR IMMEDIATE RELEASE

Toronto, August 3, 2001 – In accordance with regulatory requirements, Dundee Precious Metals Inc. (DPM.A, DPM.WTA - TSE) (“Dundee Precious”) announced today that it has acquired 300,000 common shares of Major Drilling Group International Inc. (“Major Drilling Group”) at \$3.76 per share.

Dundee Precious now owns or exercises control or direction over shares of Major Drilling Group representing an approximate 11.8% interest in Major Drilling Group.

The foregoing securities were acquired for investment purposes and the position in Major Drilling Group may be increased or decreased as deemed appropriate in light of investment criteria and market conditions and in accordance with the provisions of applicable securities legislation.

Dundee Precious is a Toronto Stock Exchange listed investment company, managed by Dynamic Mutual Funds Ltd., a subsidiary of Dundee Wealth Management Inc., providing investors with an opportunity to participate in a portfolio consisting primarily of precious metals related investments with the principal objectives of capital appreciation and the provision of a hedge against long term inflation.

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