



ANNOUNCEMENT

BULGARIAN INVESTMENT AGENCY ISSUES CLASS 1 INVESTMENT CERTIFICATES FOR CHELOPECH MINE EXPANSION AND ADA TEPE CONSTRUCTION PROJECTS

Toronto, March 29, 2005 – Dundee Precious Metals Inc. (DPM - TSX) ("Dundee" or the "Company") has been awarded with Class 1 Investment Certificates for its Chelopech expansion and Ada Tepe construction projects by the InvestBulgaria Agency (BIA), pursuant to the Encouragement of Investments Act.

The Act establishes the terms and procedures for encouraging investments in Bulgaria and provides for preferential treatment of investment projects which meet certain criteria, namely: a) the investment must comprise fixed assets with the purpose of creating new or expanding and/or modernizing existing production of goods and/or services; b) job creation and c) implementation within three years.

"The news is very encouraging to our Bulgarian operations and shows the support of the Bulgarian Government to Dundee's mining projects", said Jonathan Goodman, President and Chief Executive Officer of DPM.

The preferential treatment measures are differentiated according to the class of investments. The Company, with an estimated investment within the next three years of BGN 124.4 million (US\$80 million) in Chelopech and BGN 101.7 (US\$68 million) in Ada Tepe, qualified for the most preferential status as Class 1 Investment. Dundee is not planning to apply for a government grant for infrastructure development; however, it will benefit from the opportunity to acquire the lands required for the implementation of the investment projects without tender or competition, will receive individual administrative service from BIA and will enjoy reduced administrative time frames.

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.

For further information please contact:

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