

NEWS RELEASE

December 20, 2000 - Dundee Precious Metals Inc. (stock symbol DPM.A; DPM.WTA) ("DPM") announces its intention to make a Normal Course Issuer Bid (the "Bid") through the facilities of The Toronto Stock Exchange for up to 326,400 Class A Shares, and up to 67,140 of its Class A Share Purchase Warrants representing 5% and 3% of the "Public Float" of 6,528,011 Class A Shares and 2,238,000 Class A Share Purchase Warrants respectively. There are 7,130,472 Class A Shares and 2,520,000 Class A Share Purchase Warrants currently issued and outstanding. The Notice of Intention to make the Bid has been accepted by the Toronto Stock Exchange. The Bid will commence on December 22, 2000 and will terminate on the earlier of the date the purchases are completed and December 21, 2001. All Class A Shares and Class A Share Purchase Warrants purchased under the bid will be cancelled.

DPM is making the Normal Course Issuer Bid because it is of the view that it may be advantageous to engage in repurchases of the Class A Shares, from time to time, when they are trading at prices which reflect a significant discount from the net asset value of the Class A Shares. Purchases made under the Normal Course Issuer Bid will have the immediate effect of reducing the net asset value of DPM and of increasing the net asset value per Class A Share. The purchase of Class A Share Purchase Warrants will also enhance the long term net asset value per share of DPM.

Pursuant to our previous Normal Course Issuer Bid which commenced on December 21, 1999 and will terminate on December 20, 2000, DPM purchased 53,500 Class A Shares at an average price of \$6.68 per share and no Class A Share Purchase Warrants under the previous Bid.

Dundee Precious Metals Inc. is a closed-end investment company which invests primarily in precious metals opportunities. Its Class A Shares and Class A Share Purchase Warrants trade on the Toronto Stock Exchange.

For additional information contact Rosanna Gatti, Controller, Dundee Precious Metals Inc. (416) 365-5129.