



**STRONG 2005 FINANCIAL AND OPERATIONAL RESULTS
CHELOPECH MOVES CLOSER TO PERMITTING
\$29.2 MILLION BUDGETED FOR NUNAVUT AND SERBIA**

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

Toronto, March 10, 2006 – Dundee Precious Metals Inc. (DPM – TSX) (“Dundee Precious”, “DPM” or “the Company”) announced its 2005 financial results with record earnings and strong operational results.

“2005 was a milestone year for Dundee Precious. We produced two feasibility studies, completed two EIA’s, confirmed reserves and welcomed two other regions into our project pipeline, Nunavut and Serbia,” said Jonathan Goodman, President and CEO of DPM. “Building a successful company requires time and patience, and we know we have the right people to do it. As we move into our 2006 programs, we do so with the objective of continuing to create long term value for our shareholders,” he added.

HIGHLIGHTS

- DPM earned \$19.9 million or \$0.37 per share for the year ended December 31, 2005 compared with \$7.9 million or \$0.15 per share for the eleven month period ended December 31, 2004 and \$6.2 million or \$0.11 per share for the quarter ended December 31, 2005 (2004: \$1.3 million or \$0.03 per share).
- As at December 31, 2005, the Company had working capital of \$90.7 million and an investment portfolio with a market value of \$184.7 million, which in the aggregate equated to \$5.12 per share.
- The Chelopech gold/copper mine earned \$17.7 million on sales of 72,000 tonnes of gold/copper concentrate as a result of the high commodity prices and the improved throughput at the mine.
- Investment activities generated earnings of \$23.9 million and \$46.2 million in cash flow in 2005.
- During 2005, DPM completed and filed Environmental Impact Assessments (“EIA”) for the Chelopech and Krumovgrad projects, completed Definitive Feasibility Studies (“DFS”) and received budget approvals from the Board of Directors for both projects.
- On March 10, 2006, the Supreme Environmental Council of Bulgaria met and voted in favour of a resolution to approve the EIA for the Chelopech expansion project. The final step in the approval process is for the Minister of Environment and Waters (“MoEW”) to sign the resolution on or before March 15, 2006.
- DPM has been advised that a hearing date of May 15, 2006 has been set to address the lack of response from the Bulgarian regulators on the EIA filed in April 2005 on the Krumovgrad Gold Project. As a result, the Krumovgrad Gold Project may be delayed.

- DPM was awarded three significant mining concessions in Serbia in one of the larger gold-copper-silver mining regions in Europe. The Company has budgeted \$13.6 million for Serbian exploration activities in 2006.
- The Company recently announced that it has agreed to purchase a 100% interest in the Back River Gold Project in Nunavut for US\$6.0 million (Cdn\$7.0 million). DPM had capitalized \$20.8 million on the property to the end of 2005 under an option agreement, and has budgeted \$15.6 million for 2006 exploration activities.

A complete set of DPM's consolidated financial statements and Management's Discussion and Analysis for the year ended December 31, 2005, are posted on our website at www.dundeeprecious.com and have been filed on Sedar at www.sedar.com.

On Monday, March 13, 2006, 8:30 a.m. (EST), an analyst conference call will be webcast live at <http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=69218&eventID=1212468> to discuss these results. The audio webcast for this conference call will be archived and available on the Company's website.

Dundee Precious Metals Inc. 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 development project, both located in Bulgaria, and is engaged in mineral exploration activities in the region. In addition, Dundee has entered into an agreement to purchase a 100% interest in the Back River gold exploration project in Nunavut, Canada. 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 "*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.

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