



CHELOPECH UPDATE

Toronto, March 27, 2006 – Further to its March 16, 2006 press release, Dundee Precious Metals Inc. (DPM - TSX) ("Dundee" or the "Company") announced that the Supreme Expert Environmental Council of Bulgaria (the "Council"), met today and once again overwhelmingly approved the Environmental Impact Assessment ("EIA") for the Chelopech Project. The issues raised by the Deputy Minister of Environment and Water, who is also Chairman of the Council, were discussed and the draft resolution was approved 23 to 2, with the Deputy Minister voting in favour. The dissenting votes were cast by representatives of the village of Chavdar and one NGO. Two other NGO representatives on the Council voted in support of the Project, as did the community of Chelopech. The Company is hopeful that the Minister of Environment and Water will now be able to sign the resolution.

Over 500 supporters attended a peaceful demonstration in support of the Project. "We are thrilled at the support that we have received from the Chelopech community as well as the communities of Zlatitza and Pirdop. We are also excited by the positive reactions of the local Bulgarian NGO's, the unions, the Bulgarian International Business Association, The American Chamber of Commerce, members of the Bulgarian media and others who have spoken out in favour of the Chelopech Expansion Project. The two NGO delegates supporting the Project represent over 200 NGO's that are in favour of responsible mining. We thank all of these groups for their support," said Jonathan Goodman, President and CEO of Dundee Precious Metals Inc.

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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