



**DUNDEE PRECIOUS METALS ACQUIRES UNITS OF
MEDITERRANEAN MINERALS CORP.
ON CONVERSION OF DEBT**

IMMEDIATE RELEASE

Toronto, June 29, 2005 – In accordance with regulatory requirements, Dundee Precious Metals Inc. (DPM - TSX) ("Dundee Precious") announces that it has acquired 10,123,735 units of Mediterranean Minerals Corp. ("Mediterranean") at \$0.05334 each on the exercise of its option to convert debt to equity. Each unit consists of one common share and one share purchase warrant. Each warrant is exercisable into one common share of Mediterranean at \$0.06 for a two year period and includes an option to purchase an additional common share for \$0.07 at the time of exercise. The above securities represent an approximate 11% interest in Mediterranean, on an undiluted basis, and 26% assuming the exercise of the warrants and the options.

Dundee Precious now holds an aggregate of 12,223,021 common shares and 11,652,735 warrants of Mediterranean, as well as a convertible note in the amount of \$360,000, which represents an approximate 13% interest in Mediterranean, on an undiluted basis, and approximately 30% assuming the exercise of all warrants and the conversion of the remaining debt to equity.

The above noted securities held by Dundee Precious are held for investment purposes. These investments will be reviewed on a continuing basis and such holdings may be increased or decreased in the future.

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:

DUNDEE PRECIOUS METALS INC.

Jonathan Goodman
President & Chief Executive Officer
Tel: (416) 365-2408
Email: jgoodman@dundeeprecious.com

Gabriela M. Sanchez
Vice President Investor Relations
Tel: (416) 365-2549
Email: gsanchez@dundeeprecious.com