



DUNDEE PRECIOUS ACQUIRES FURTHER SHARES OF GOLDBELT RESOURCES LTD.

IMMEDIATE RELEASE

Toronto, October 2, 2006 – In accordance with regulatory requirements, Dundee Precious Metals Inc. (DPM - TSX) ("Dundee Precious") announces that it has acquired 2,670,000 common shares (the "Acquired Shares") of Goldbelt Resources Ltd. ("Goldbelt") at a purchase price of \$1.05 per share pursuant to a private placement. The Acquired Shares represent approximately 4.5% of the outstanding shares of Goldbelt.

Following the acquisition, Dundee Precious holds an aggregate of 11,708,462 common shares, representing an approximate 19.8% interest in Goldbelt, on an undiluted basis.

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 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 mining development project, both located in Bulgaria, and is engaged in mineral exploration activities in Serbia. In addition, Dundee Precious owns the Back River gold exploration project in Nunavut, Canada and an 80% interest in the Kapan Mining Project in Armenia. 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 "Risk 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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