



**Adopted: December 8, 2005**

**Position Description:** Chairman of the Board (the "Chairman")

**Responsible to:** The Board of Directors and the Shareholders of Dundee Precious Metals Inc. (the "Corporation")

**Introduction:**

The Board of Directors has ultimate accountability for the management of the Corporation. To achieve this, the relationships between the Board and management, shareholders and other stakeholders and between individual Board members are of great importance.

The Chairman helps to create an environment in which these relationships are effective, efficient and in the best interests of the Corporation.

The Chairman, while working closely with the President and Chief Executive Officer ("CEO"), should at all times maintain an independent perspective to best represent the interests of the Corporation's shareholders, other stakeholders and the Board.

**Responsibilities:**

Important responsibilities of the Chairman are as follows:

1. Managing the Board

- Chairs all Board meetings and sees that they are conducted in an efficient, effective and productive manner. Maintains an open and candid dialogue with all Board members to build consensus and develop teamwork at the Board level.
- Acts as Board spokesperson and, when he believes necessary, communicates to the CEO concerns expressed by the Board, shareholders, other stakeholders and the public.
- Determines that the Board has full governance of the Corporation's business and affairs and that the Board members are fully aware of their legal responsibilities under the law.
- Provides leadership of the Board and arranges for it to review and monitor the aims, strategy and direction of the Corporation and the achievement of its objectives.
- Makes certain that the Board is kept up-to-date on major developments (and potential major developments), to avoid surprises and enable the Board to make major decisions in a timely and well-informed manner.
- Sets the frequency of the Board meetings and adjusts this frequency as required.

- Co-ordinates the agenda, information packages and related events for Board meetings with the CEO and the Corporate Secretary.
- Attends committee meetings, as appropriate.
- Ensures that the committee mandates accurately reflect the responsibilities of each committee and that the composition of these committees is satisfactory. Makes sure that committee meetings are conducted efficiently and effectively.
- In conjunction with the Corporate Governance Committee, reviews and assesses annually the size and composition of the Board. Monitors Board attendance and the performance of each of its members. Be satisfied that Board compensation is adequate and sufficient to attract and retain high caliber individuals.

## 2. Working with Management

- Works closely with the CEO to provide a framework for the future growth of the Corporation, while at the same time making sure that this addresses the concerns of the Board, shareholders and other stakeholders.
- Be satisfied that the CEO is well supported by a strong senior management group so that the objectives, policies and procedures of the Corporation, as agreed by the Board, are fully, promptly and properly carried out.
- Coordinates with the CEO so that the Board is kept fully aware of management's strategy and plans for the Corporation and be sure that, where appropriate, these issues are fully discussed and approved by the Board.
- Works with the Board to monitor and evaluate the performance of the CEO and senior executives and address management performance, remuneration and succession issues on an ongoing basis.

## 3. Relations with Shareholders, other Stakeholders and the Public

- Chairs all meetings with shareholders.
- Makes certain that management develops an active and open dialogue with shareholders and other interested parties on the current status of the Corporation, its operations and its future plans. Be prepared to assist the CEO and other senior management, if requested by the CEO or the Board, in representing the Corporation in its dealings with all interested parties, including employees, governments, regulators, local communities and the press.