



F I R S T

Q U A R T E R

R E P O R T

APRIL 30, 2000

REPORT TO THE SHAREHOLDERS :

We present herewith the first quarter report of Dundee Precious Metals Inc., for the three months ended April 30, 2000.

The net asset value of the Company at April 30, 2000 was \$12.69 per share compared to \$13.43 at January 31, 2000. This represents a 5.5% decrease in net assets for the three months. During this period, the gold indices in Toronto and Australia declined 13.7% and 22.5% respectively, while the gold index in South Africa decreased by 17.5%. The price of gold bullion continued its decline from US\$283 at January 31, 2000 to US\$276 at April 30, 2000, a change of 0.6%. The drop in the price of gold, together with low inflation and strong equity markets, resulted in both the US market and general market indices outperforming gold equities in all of the gold producing countries.

The total net assets of the Company were \$91.2 million at April 30, 2000, down from \$96.5 million at January 31, 2000. The total net assets of the Company include \$15.5 million of income taxes recoverable from the Federal and Provincial Governments. The decrease in total net assets of \$5.3 million was the result of a net loss of \$1.7 million during the year and unrealized market depreciation of \$3.6 million (net of future taxes).

The net loss for the three months was \$1.7 million versus a \$4.9 million loss for the same period in the previous year. The loss is comprised of net realized losses on investments of \$2.2 million, expenses of \$0.7 million and taxes of \$0.5 million offset by \$1.7 million of interest income of which \$1.4 million related to interest received on tax recoveries.

The comments of our Manager, Dynamic Mutual Funds Ltd. indicate that they remain positive on the long-term outlook for gold equities as bullion prices recover. At April 30, 2000 the portfolio mix of Dundee Precious Metals Inc. was 66.7% North American, 16.8% Australian and 16.5% Latin American equities. The portfolio is invested in precious metals, precious metals related companies and mineral companies with the largest portion of the portfolio invested in precious metals.

On behalf of the Board,

Garth A.C. MacRae
Chairman
June 13, 2000

STATEMENT OF INVESTMENT PORTFOLIO

As at April 30, 2000 (\$000's) (Unaudited)

Par value, shares or units		Cost	Market Value
Canadian Equities and Convertibles (61.8%)			
235,500	Aber Resources Ltd.	\$ 3,506	\$ 2,049
980,495	Agnico-Eagle Mines Limited	7,871	7,746
479,040	Argosy Minerals Inc.	2,002	105
2,115,914	Armanda Gold Corporation, Class "A"	3,066	85
541,589	Banro Resource Corporation	2,502	271
513,000	Caldera Resources Inc.	305	74
7,585,725	Cambiex Exploration Inc.	2,860	3,641
2,500,000	Cambiex Exploration Inc., Warrants, May 17, 2000	-	750
2,142,862	Cambiex Exploration Inc., Warrants, May 01, 2001	-	428
497,100	Cambior Inc.	5,851	437
266,100	Corner Bay Minerals Inc.	165	665
2,629,128	Dayton Mining Corporation	3,859	3,970
1,818,181	Dayton Mining Corporation, Special Warrants	4,000	2,745
\$400	Emerging Africa Gold (EAG) Inc., Loan	400	400
690,000	Etruscan Enterprises Ltd.	4,580	269
2,830,300	Gabriel Resources Ltd.	2,486	5,377
520,000	Glamis Gold Ltd.	2,589	1,446
831,300	Goldcorp Inc., Class "A", Subordinated Voting	6,780	7,357
5,306,200	Golden Queen Mining Co. Ltd.	3,694	1,910
625,690	Kinross Gold Corporation	3,872	1,251
1,000,000	Major Drilling Group International Inc.	6,000	2,700
727,200	Meridian Gold Inc.	3,638	5,636
761,626	Tahera Corporation	93	126
\$2,817	Tahera Corporation, 8.00%, Convertible Debenture, Aug. 04, 2004	2,817	3,718
\$1,000	Tahera Corporation, 9.00%, Convertible Debenture, Sep. 30, 2000	1,000	1,000
1,428,572	Twin Gold Corporation, Class "B", Special Warrants	500	1,578
408,333	Ural Gold Inc.	262	151
1,058,133	Ventures Resource Corporation	1,087	238
863,333	Verena Minerals Corporation	1,019	216
	Miscellaneous	47	5
		\$ 76,851	\$ 56,344

Par value, shares or units		Cost	Market Value
Australian Equities (16.8%)			
814,580	Delta Gold NL	\$ 3,366	\$ 1,128
5,670,209	East African Gold Mines Limited	5,559	4,085
6,471,802	Normandy Mining Ltd.	8,894	4,758
2,517,854	Ranger Minerals NL	5,138	4,464
2,560,143	Red Back Mining NL	866	410
1,500,985	Revesco Limited	120	480
		23,943	15,325
Latin American Equities (16.5%)			
432,530	Buenaventura Ciap de Minas S.A., Sponsored ADR, Series "B"	2,460	11,049
110,000	Companhia Vale Do Rio Doce, Sponsored ADR, Preferred	3,258	4,042
		5,718	15,091
U.S. Equities (4.9%)			
501,800	Homestake Mining Company	8,204	4,459
		8,204	4,459
Total Investment at Market Value		\$ 114,716	\$ 91,219

STATEMENTS OF FINANCIAL POSITION

As at April 30 (\$000's except per share amounts) (Unaudited)

	2000	1999
Assets		
Investments at market value (cost \$114,716; 1999 - \$135,379)	\$ 91,219	\$ 120,265
Cash and short-term deposits	12,561	141
Interest, dividends and other receivables	176	2,023
Income taxes recoverable	15,515	18,259
	119,471	140,688
Liabilities		
Bank loan	17,300	18,800
Future taxes	10,575	10,739
Other payables	394	4,718
	28,269	34,257
	91,202	106,431
Shareholders' Equity		
Capital stock and warrants	85,840	88,015
Retained earnings	20,121	27,629
Unrealized depreciation in the market value of investments, net of future taxes	(14,759)	(9,213)
Net Assets Represented by		
Shareholders' Equity	\$ 91,202	\$ 106,431
Net Asset Value Per Share	\$ 12.69	\$ 14.38

STATEMENTS OF OPERATIONS AND RETAINED EARNINGS

For the three months ended April 30 (\$000's except per share amounts) (Unaudited)

	2000	1999
Interest and dividend income	\$ 1,699	\$ 399
Net realized losses on sales of investments	(2,197)	(7,475)
	(498)	(7,076)
General and administrative expense	456	533
Interest on bank loan	287	165
Loss before income taxes	(1,241)	(7,774)
Provision for (recovery of) income taxes:		
Current	(645)	1,112
Deferred	1,099	(4,035)
	454	(2,923)
Net Loss	(1,695)	(4,851)
Retained earnings, beginning of period	21,816	32,480
Retained earnings, end of period	\$ 20,121	\$ 27,629
Net Loss Per Share	\$ (0.23)	\$ (0.65)

STATEMENTS OF CHANGES IN NET ASSETS

For the three months ended April 30 (\$000's except per share amounts) (Unaudited)

	2000	1999
Net loss	\$ (1,695)	\$ (4,851)
Change in unrealized appreciation (depreciation) in the market value of investments, net of future taxes	(3,591)	10,756
Purchase of Class A shares	-	(144)
Change in net assets during the period	(5,286)	5,761
Net assets, beginning of period	96,488	100,670
Net Assets, End of Period	\$ 91,202	\$ 106,431
Net Asset Value Per Share	\$ 12.69	\$ 14.38

SHARE CAPITAL OUTSTANDING

As at April 30, 2000 (\$000's except per share amounts) (Unaudited)

	Number of Shares	Amount
Class A shares	7,183,972	\$ 82,977
Common shares	3,000	1
Class A share purchase warrants	2,520,000	2,520
Contributed surplus		342
		<u>\$ 85,840</u>

Each warrant entitles the holder to purchase one Class A share at any time up to February 20, 2004 at \$25.00 per share.

Net Asset Value per Share

Net asset value per share is calculated at the close of business every Thursday and is published each Saturday in the Globe and Mail Report on Business and the National Post. This information also appears in the closed-end fund tables of a number of major United States newspapers.

CORPORATE INFORMATION

Manager

Dynamic Mutual Funds Ltd.
a wholly-owned
subsidiary of
Dundee Wealth Management Inc.
Toronto, Canada

Head Office

55th Floor
Scotia Plaza
40 King Street West
Toronto, Ontario
Canada M5H 4A9

Stock Exchange

Listings

The Toronto Stock Exchange

Stock Symbol

DPM.A - Class A Shares
DPM.WTA - Warrants

