



# DUNDEE

PRECIOUS METALS INC.

TSX: DPM



Denver Gold Group  
European Gold Forum, Zurich  
April 12 - 15, 2011

# FORWARD LOOKING STATEMENTS



This presentation contains “forward-looking information” or “forward-looking statements” that involve a number of risks and uncertainties. Forward-looking information and forward-looking statements include, but are not limited to, statements with respect to the future prices of gold and other metals, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold; possible variations in ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, fluctuations in metal prices, as well as those risk factors discussed or referred to in this news release under and in the Company’s annual information form under the heading “Risk Factors” and other documents filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

# STRONG FINANCIAL POSITION

*All monetary figures are expressed in U.S. dollars unless otherwise stated* **At December 31, 2010**

Cash and Short-Term Investments: (includes \$16.9M cash and cash equivalent for Avala Resources)	<b>\$109.4M</b>
Plus Restricted Cash:	<b>\$24.9M</b>
Plus Strategic Investments (@ April 7, 2011):	<b>\$267M</b>
Total Debt:	<b>\$49M</b>
Debt to Total Capitalization:	<b>6.7%</b>
Top 5 Institutional Shareholders:	<b>&lt;50%</b>

### Analyst Coverage

BMO	John Hayes
Cormark Securities	Mike Kozak
Dundee Securities	Paul Burchell
Union Securities	Brian Mok



<b>DPM – TSX @ April 7, 2011</b>	<b>C\$ 9.15</b>
<b>Shares Issued</b>	<b>125M</b>
<b>Fully Diluted/Cash on Dilution</b>	<b>145M/C\$66M</b>
<b>Market Cap @ April 7, 2011</b>	<b>C\$1.1B</b>

# DPM PROPERTIES

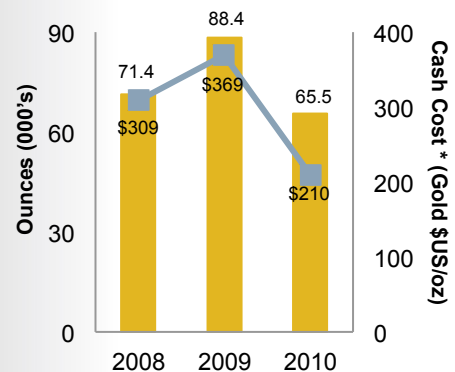


# CHELOPECH MINING, Bulgaria

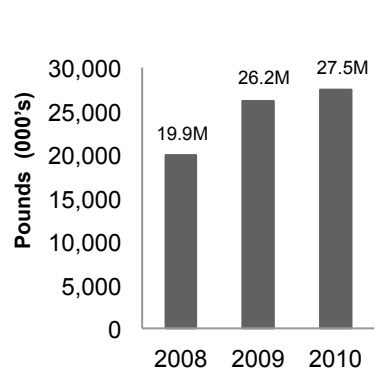
DPM Ownership		100%
Location		Bulgaria
Acquisition Date		Sept. 2003
Resources Measured & Indicated (at Sept. 2010)	Gold (oz) (4.1 g/t)	3,770,000
	Copper (lbs) (1.4% Cu)	880,900,000
Reserves (at Jan. 2011)	Gold (oz) (4.0 g/t)	2,600,000
	Copper (lbs) (1.3% Cu)	590,000,000
Mine Type		Underground
Deposit Type		High sulphidation epithermal deposit
Estimated Mine Life @ expanded rate		10 + yrs



**Gold Production**



**Copper Production**



\* Cash cost of sales/oz gold (net of by product credits). Reconciliation included in Appendices

# CHELOPECH

## Steps to Mine & Mill Expansion



Expansion of mine/mill production capacity from 1 MT ore/year to 2 MT includes:	Status	
1. Paste fill plant	Construction	
	Commissioning	
2. Mill Upgrade - new SAG mill; modernization & upgrade of the existing concentrator	Commissioning	
3. Underground crushing and conveying system	Hard Rock Tunneling	+ 60%
	Completion	End 2011
4. Training of workforce to achieve increased production rate	Ongoing	

# CHELOPECH Construction Momentum

## Step 1. Paste Plant Complete



## Step 2. SAG Mill Complete

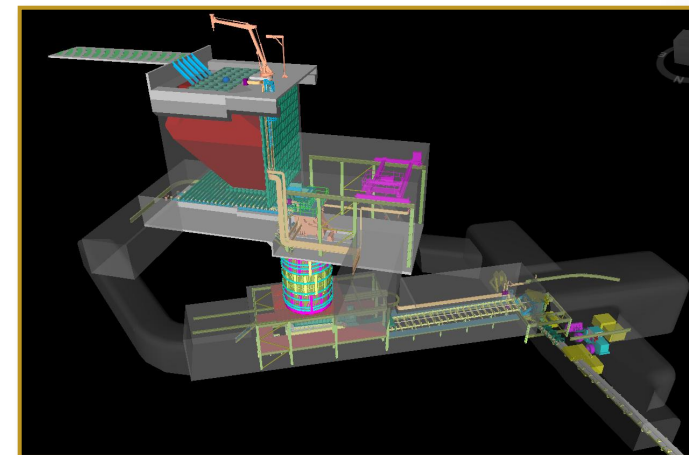
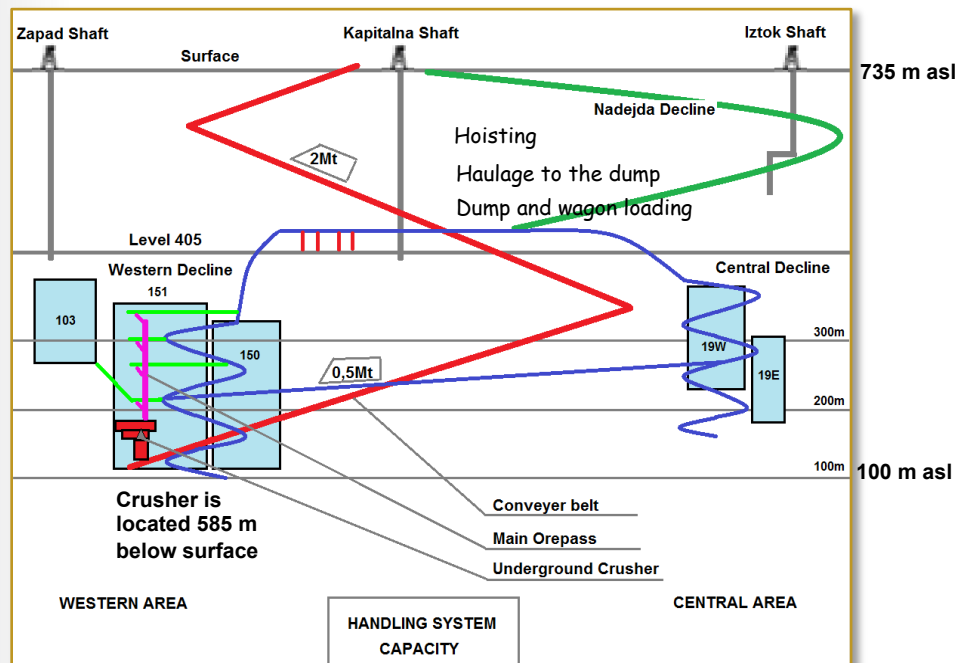


# CHELOPECH Construction Momentum

## Step 3. Underground Crushing and Conveying Project

- ◆ Tunneling works in progress from 4 headings
- ◆ 60% of required 4,295 m of hard rock tunneling completed as of December 31, 2010
- ◆ Works on engineering of ore passes, transfer stations, crushing station, mechanical, electrical and instrumentation are on schedule

Vyara Portal Construction



Underground Crusher design

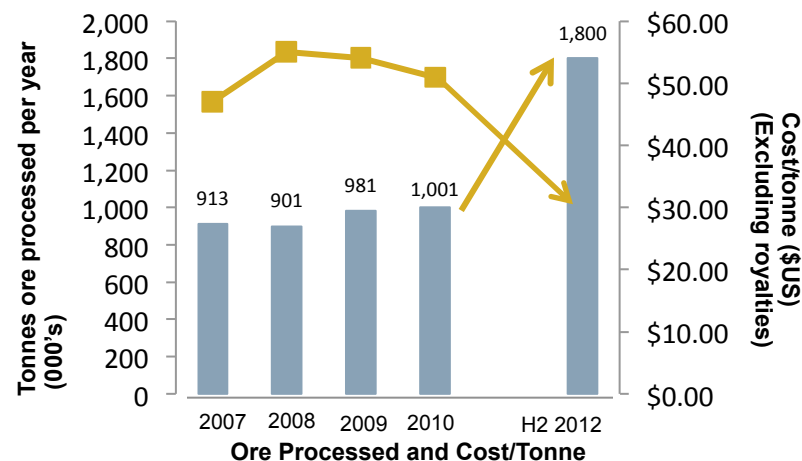
# CHELOPECH

## Mine/Mill Expansion Cost Benefits



Expansion cost/tonne	
Total ore processed in 2010	1,000,781 tonnes
Cash cost/tonne (excl. royalties) in 2010	\$51.54
<b>Expanded ore production rate</b>	<b>2 million tonnes per year</b>
Savings from:	
Economies of Scale	~ \$12.48
Crushing and Conveying	~ \$6.00
Other (SAG mill etc.)	~ \$3.13
<b>Feasibility study cost/tonne at 2mtpy</b>	<b>\$29.93*</b>

\* Based on March 24, 2011 Technical report for the Chelopech Project. Exchange rate of US\$1.35/Euro, US\$900/oz Au, US\$2.50/lb Cu and US\$17/oz Ag.



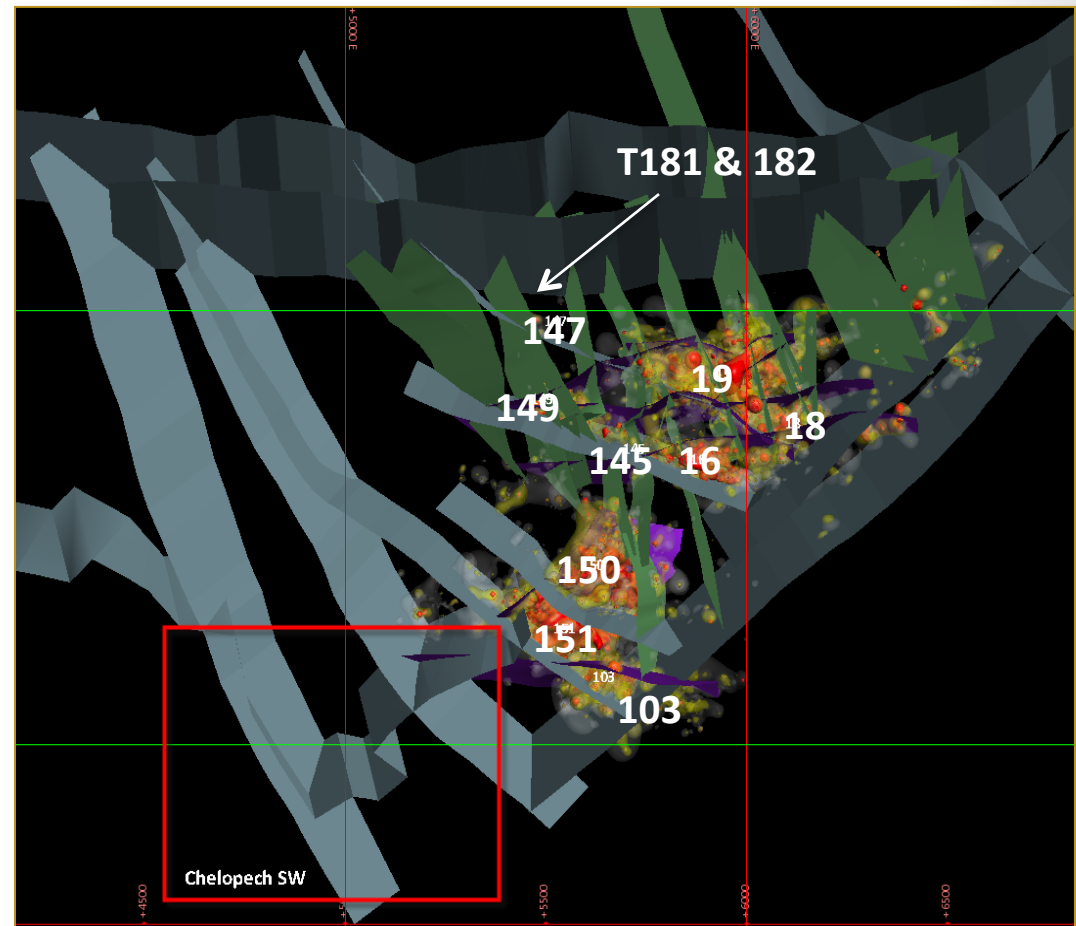
# CHELOPECH Exploration Strategy

## 2011 Priorities

- ◆ Chelopech SW – complete drilling and DHEM survey
- ◆ T181 & 182 – convert discoveries into reserves
- ◆ Chelopech North – discover new orebodies (low tonnes, high grade) along strike of Block 19 & 147/149
- ◆ Western Deeps – extend known mineralization at depth

## Progress

- ◆ Commenced Western Deeps program in 2010
- ◆ Defined 2 high-gold grade ore zones of economic significance proximal to Block 150
- ◆ Underground drill programs continue to define Blocks 145 & 147
- ◆ 3,000 metre surface drill program north of Chelopech commenced during Q3 2010
- ◆ First phase of the exploration drive accessing the south west region was completed during Q3 2010



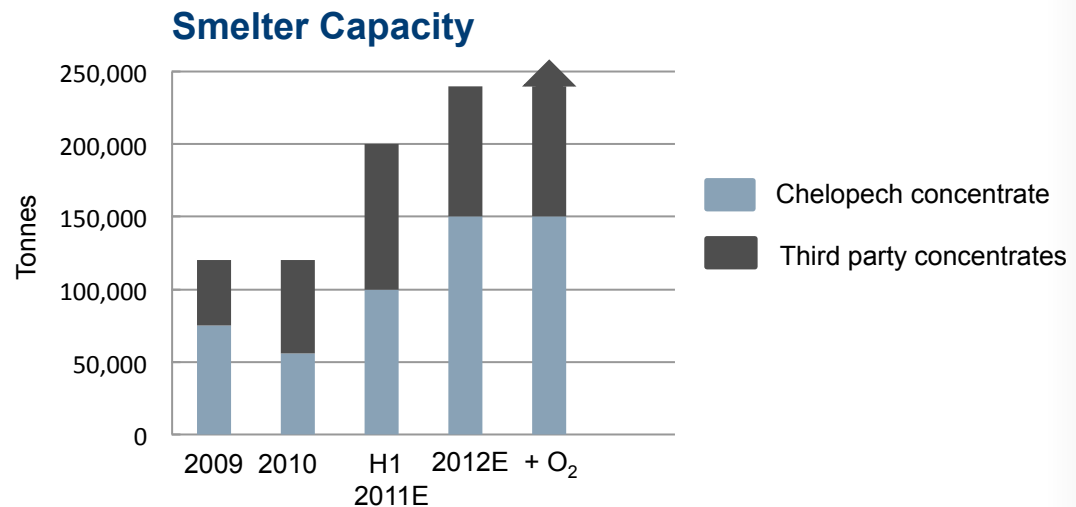
Plan view of ore bodies and structure

# TSUMEB SMELTER, Namibia

Acquired March 24, 2010 for \$33M cash and shares and settled \$17M in third party obligations



- ◆ Secures downstream processing of Chelopech concentrate
- ◆ Broadens scope for future acquisitions
- ◆ Long term development potential:
  - Further expansion of smelter (70% fixed costs)
  - Sulphuric acid plant to supply uranium industry



# TSUMEB SMELTER

## A Boutique Complex Concentrate Smelter



### 2010 Achievements

- ◆ Improved recoveries and costs
- ◆ Complete key environmental improvements
- ◆ Initial oxygen plant expansion



### 2011 Deliverables

- ◆ Hazardous waste disposal site construction
- ◆ Upgrade dust management systems



# TSUMEB SMELTER

## A Boutique Complex Concentrate Smelter



### Mid 2012 Plan

- ◆ Second oxygen plant
- ◆ Convert reverb furnace to holding furnace
- ◆ Smelt 240,000 tonnes per year through upgraded ausmelt furnace

### Results in

- ◆ Improved environmental performance
- ◆ Lower costs



# DRIVING CHELOPECH EXPANSION FORWARD



In 2012 @ 1.8 mtpy Chelopech will produce:

140,000 oz of gold  
50 million lbs of copper

@ \$1,000 gold and \$3.00 copper  
Result = EBITDA of approx. \$150 million

@ \$1,400 gold and \$4.00 copper  
Result = EBITDA of approx. \$250 million



**Permits**



**Funded**



**Smelter**

On schedule

**Build it**



# NEW KRUMOVGRAD GOLD PROJECT, Bulgaria



DPM Ownership	100%
Location	Bulgaria
M&I Resource at 0.7 g/t COG	7 MT
M&I Resources (oz Au)	868,000
Ore grade at 1.3 g/t gold COG	5.08 g/t
Proposed Mine Type	Open Pit
Estimated Mine Life	7 – 8 yrs
Gold Recoveries	85%
Deposit Type	Low-sulphidation epithermal Au/Ag deposit

- ◆ Flotation technology & finer grind, no cyanide
- ◆ Significantly smaller footprint
- ◆ Future production rate estimated at 85,000 - 110,000 oz/yr for 7-8 years
- ◆ Only EIA approval required
- ◆ EIA filed October 2010; Permitting process is proceeding to public consultation stage; DFS underway and expected to be released Q2 2011; Council of Ministers granted 30 year mining concession to BMM
- ◆ No cyanide use results in:
  - Simpler permitting process; no IPPC or Seveso permits
  - Lower capital and operating costs
  - Positive feedback from local community

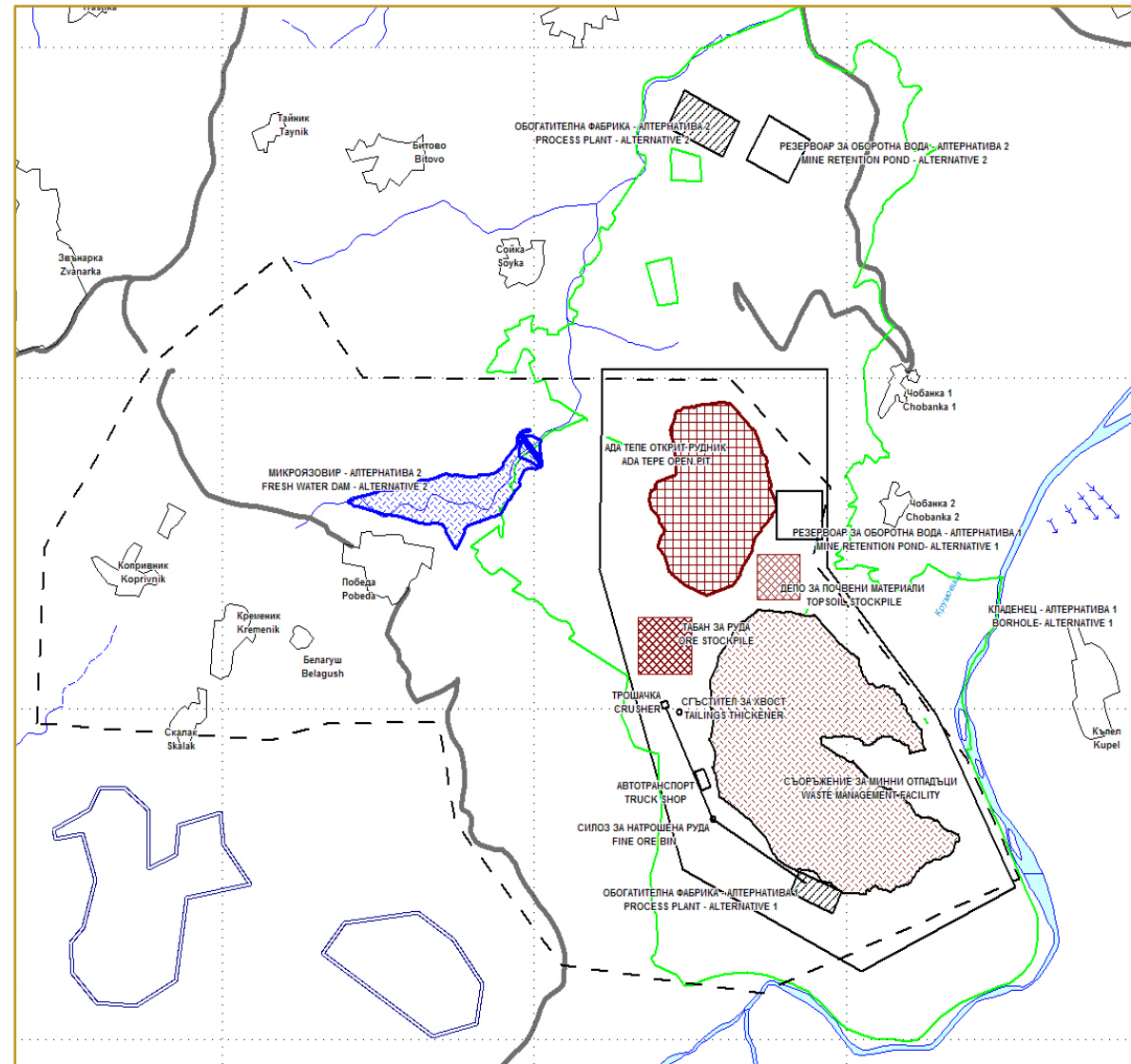
# NEW KRUMOVGRAD GOLD PROJECT

## Reduced footprint:

- ◆ 145 ha new plan vs. 300 ha in original plan
- ◆ Small integrated tailings and mine waste facility

## One land owner

- ◆ State forestry



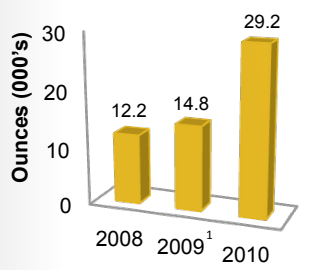
# ARMENIA

## Deno Gold Underground

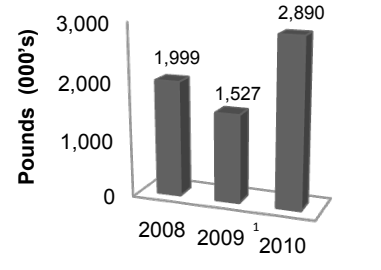
DPM Ownership		100%	
Location		Armenia	
Acquisition Date		August 2006	
Cash Cost <sup>2</sup>	2008	\$US/tonne	\$109.40
	2009	\$US/tonne	\$72.27
	2010	\$US/tonne	<b>\$66.33</b>
Mine Type		Underground	
Deposit Type		Polymetallic vein deposit	



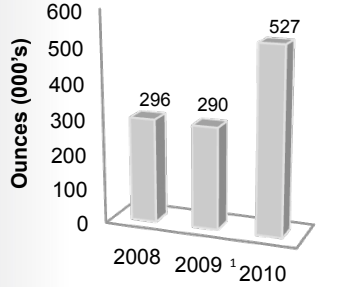
**Gold Production**



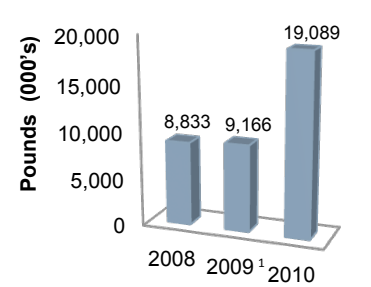
**Copper Production**



**Silver Production**



**Zinc Production**



- ◆ 2010 and Q4 - Record breaking year and quarter
- ◆ Expansion of mine and mill rate to 600,000 tpa completed Q4 2010
- ◆ Expected to produce between 25,000 and 30,000 tonnes of concentrate in 2011
- ◆ Drill off open pit resource from post-expansion cash flow - underway

1. Deno Gold operations were on care and maintenance in the first quarter of 2009. Operations were restarted in April 2009.  
 2. Cash cost per tonne of ore processed, excluding royalties. See reconciliation in Appendices.

# ARMENIA

## Deno Gold Open Pit Potential



- ◆ 285,000 metres of drilling completed
- ◆ An intensive drilling program has been designed to determine the bulk mineable open pit potential of the Shahumyan deposit – plan to carry out 90,000 m of drilling in 2011
- ◆ Scoping study complete by end of 2011

### Shahumyan Deposit – September 2008 Inferred Mineral Resource – Ordinary Kriging Estimate

Cutoff (AuEq - g/t)	Tonnage (Mt)	Gold Equiv. (g/t)	Copper (%)	Gold (g/t)	Silver (g/t)	Zinc (%)
0.50	335.8	1.19	0.11	0.48	8.39	0.41
0.75	226.5	1.47	0.13	0.61	10.32	0.49
1.00	147.1	1.80	0.15	0.79	12.62	0.57
1.25	98.3	2.14	0.17	0.99	14.99	0.65
1.50	69.8	2.45	0.18	1.19	17.00	0.72
1.75	49.2	2.80	0.19	1.43	19.14	0.78
2.00	36.3	3.13	0.19	1.68	20.87	0.83

10mE x 10mN x 10mRL Block Size – 5m Capped Input Composite Data  
 Note: AuEq US\$ price assumptions: Cu \$5,511.6/t (\$2.50/lb), Au \$850/oz,  
 Ag \$16/oz and Zn \$2,204.6/t (\$1.00/lb).

# STRONG STRATEGIC INVESTMENTS



## Maximize Value Strategically and Continue to Participate in Future Upside Potential

Securities	Holdings	% Held	Market Value @ April 7, 2011
Sabina Gold & Silver Corp. (TSX:SBB)	18.5M	11.6%	\$120M
Avala Resources Ltd. (TSX-V:AVZ)	110M	51%	\$143M
Other Investments			\$4M
<b>Total</b>			<b>\$267M</b>

Potential	Holdings	% Held	Value @ April 7, 2011
Sabina Gold & Silver Corp. Special Warrants	10M		\$47M
Sabina Gold & Silver Corp. Warrants (strike C\$1.07)	5M		\$27M
Avala Special Rights	50M		\$65M
Queensland Minerals Ltd. (TSX-V:QML)		~ 47.5% (on completion of earn-in)	
<b>Total</b>			<b>\$139M</b>

**Total Combined \$406M**

# SABINA GOLD & SILVER CORP.

## TSX:SBB



- ◆ Highly prospective land package in Nunavut, Canada
- ◆ Projects comprise the Wishbone Greenstone Belt which includes the world class silver-rich Hackett River project and the nearby Back River Gold Project with it's expanding high grade gold resource

### Back River Gold Project

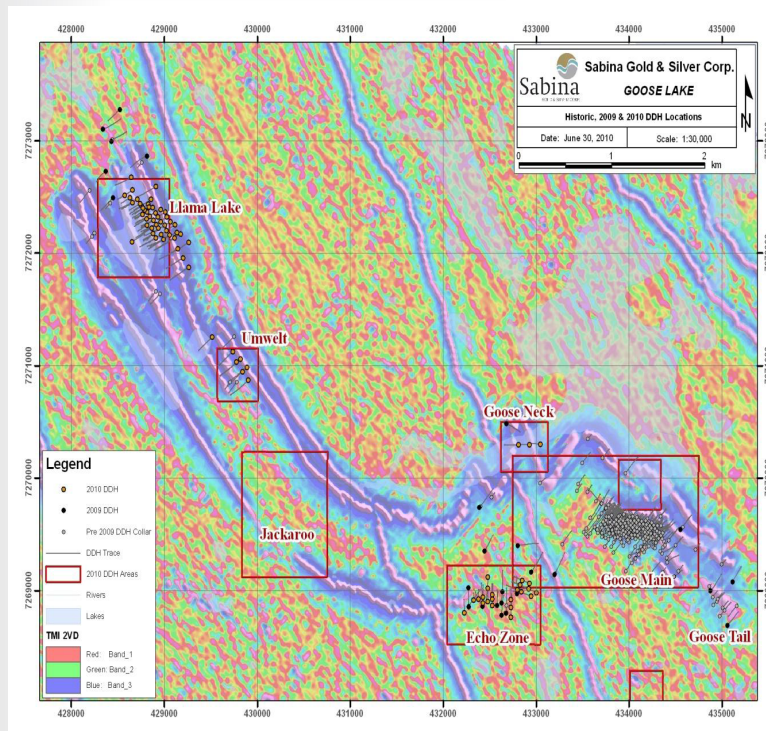
- ◆ Sold to SBB in June 2009
- ◆ Indicated resource of 2.65 M oz Au at 8.33 g/t
- ◆ Inferred resource of 1.56 M oz Au at 8.65 g/t
- ◆ **Two new discoveries in 2010:**

#### Llama Lake

- 61 holes totalling 16,700m completed
- Mineralization extends 600 m along strike to 250 m depth

#### Umwelt Zone

- 58 holes and 15,950 metres of drilling completed
- Mineralization extends 750 m with intercepts as deep as 250 metres.
- Recent significant drilling results include:



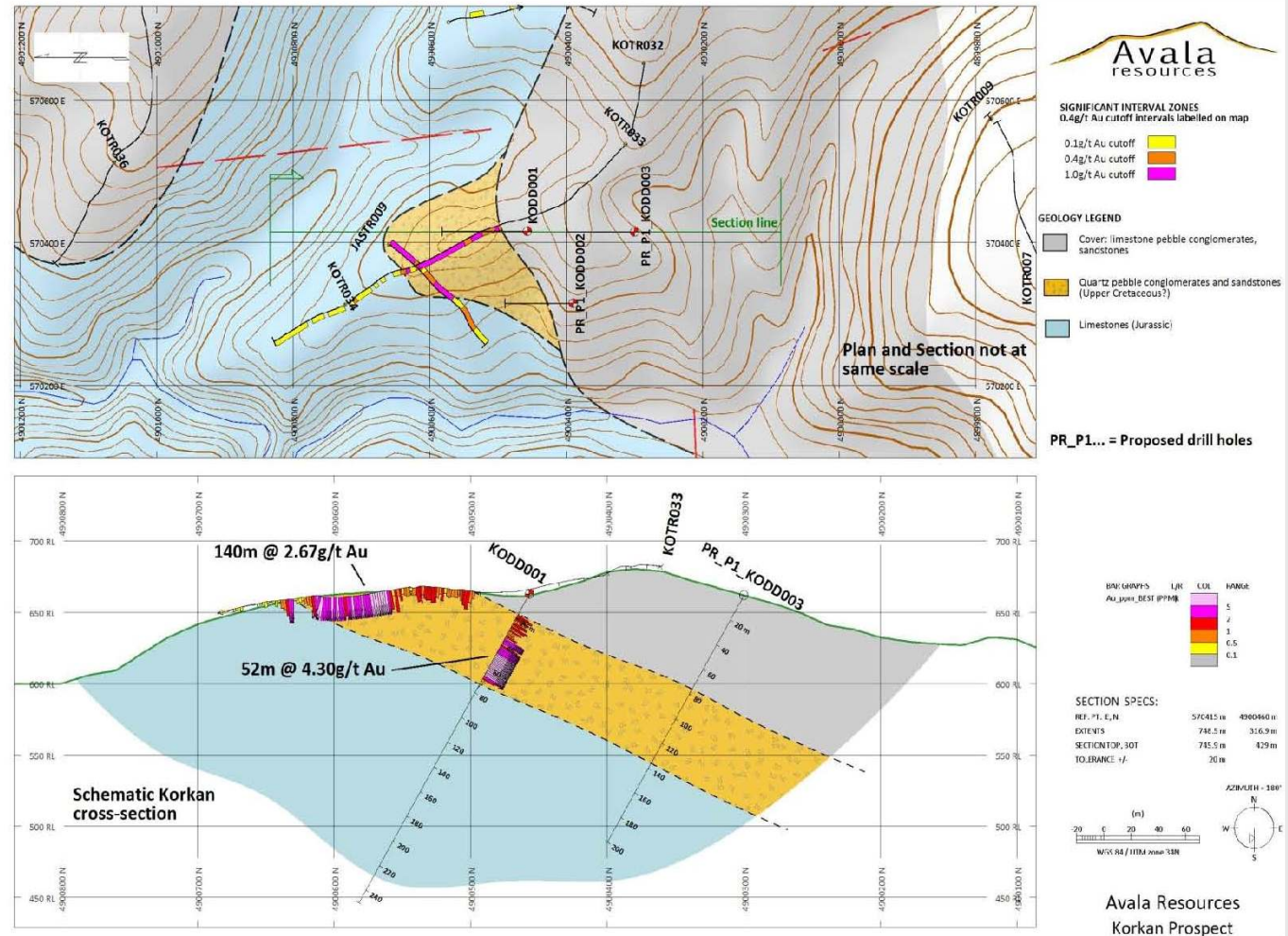
Hole ID	From (m)	To (m)	Length (m)	Au (g/t)
10GSE136	115.10	195.00	79.90	8.74
including	115.10	120.00	4.90	25.27
including	142.00	150.00	8.00	13.40
and	189.00	195.00	6.00	45.20
10GSE140B	181.65	186.00	4.35	18.95
	294.10	297.00	2.90	26.43
10GSE141	235.10	239.60	4.50	2.51
10GSE142	225.50	228.50	3.00	2.57
10GSE146	295.55	304.20	8.65	1.25

Source: Sabina Gold & Silver Corp. Corporate website.

# AVALA RESOURCES LTD. TSXV:AVZ



- ◆ Korkan-Bigar target area, part of the sediment hosted gold belt bordering the Timok Magmatic Complex in Eastern Serbia
- ◆ Strong gold mineralization within target stratigraphy
- ◆ Sequence of intensely altered and decarbonated conglomerates and sandstones
- ◆ 4.5 km in length and 1 m wide
- ◆ **Discovery of high-grade gold intercept (1g/t cut-off grade) of 52 m @ 4.30 g/t (from 17m) including 18m @ 9.05 g/t (from 48m)**
- ◆ \$20M exploration program for 2011



Korkan target area showing geology, surface trench results and a schematic geological cross-section based on Avala's understanding to-date together with the location of the proposed follow-up diamond drill hole.

Source: Avala Resources Ltd. News Release dated November 10, 2010

## DPM – POSITIONED FOR GROWTH



Company	2011 Estimated Annual Gold Production (oz)	Market Cap (US\$) @ April 7, 2011
<b>Dundee Precious Metals</b>	<b>130,000 (Au eq.)</b>	<b>\$1.1 billion</b>
Alamos	160,000 – 175,000	\$1.8 billion
European Gold Fields	<100,000	\$2.3 billion
Gabriel	0*	\$2.6 billion
New Gold	400,000	\$4.4 billion
<b>After Existing Assets are Fully Developed:</b>		
<b>Dundee Precious Metals</b>	<b>300,000 - 400,000</b>	<b>\$ ++</b>

\* 500,000 oz per year once production commences. Production start date not disclosed.

# INVEST IN DPM



- Strong Balance Sheet**
- Valuable Assets**
- Robust Growth**
- Committed Management Team**
- Highly Undervalued**

# ADDITIONAL INFORMATION

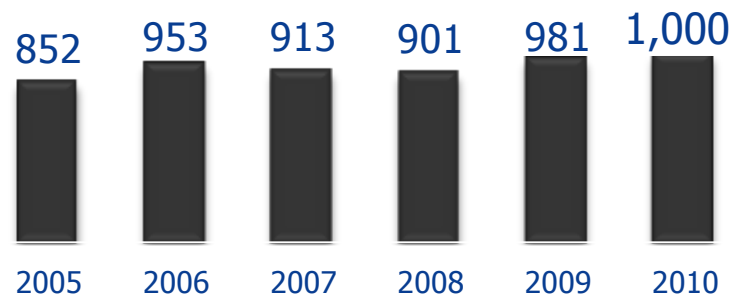
# CHELOPECH

## Pre Expansion Operations

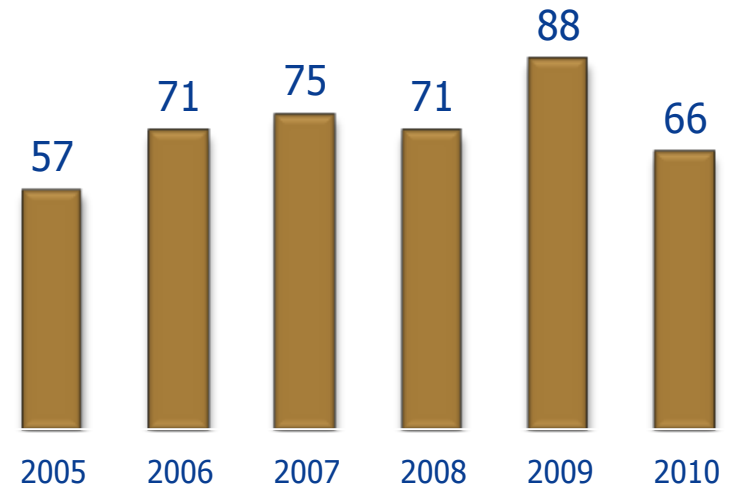


### Ore Processed

(000' tonnes per year)

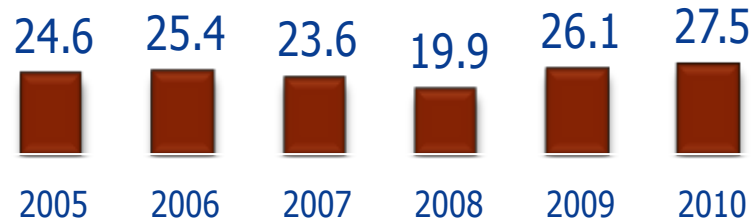


### Gold Production (000' oz)

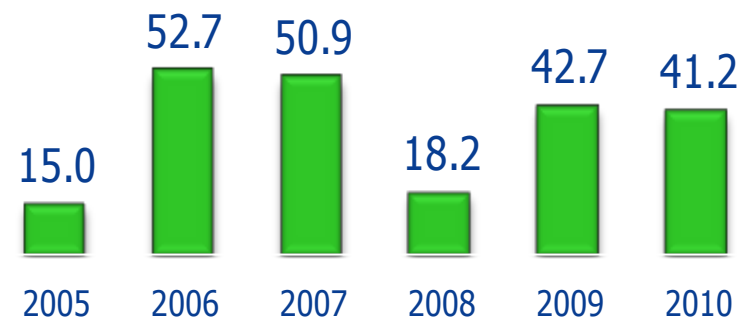


### Copper Production

(lbs in millions)



### Gross Profit (in US\$ millions)



# CHELOPECH MINE

## Updated Mineral Reserves & Resources



Chelopech Mineral Reserves – January 1, 2011					
Category	Tonnes (M)	Gold		Copper	
		Grade (g/t)	Ounces (M)	Grade (%)	Pounds (M)
Proven	14.59	3.66	1.72	1.37	450
Probable	6.26	4.37	0.88	1.04	144
<b>Total</b>	<b>20.85</b>	<b>3.87</b>	<b>2.60</b>	<b>1.27</b>	<b>583</b>

Chelopech Mineral Resources – Sept. 2010							
Category	Tonnes (M)	Gold		Copper		Silver	
		Grade (g/t)	Ounces (M)	Grade (%)	Pounds (M)	Grade (g/t)	Ounces (M)
Measured	15.84	4.2	2.14	1.6	558.7	10.9	5.55
Indicated	12.70	4.0	1.63	1.1	307.9	7.2	2.94
<b>M&amp;I</b>	<b>28.54</b>	<b>4.1</b>	<b>3.77</b>	<b>1.4</b>	<b>866.6</b>	<b>9.1</b>	<b>8.49</b>
Inferred	8.10	2.9	0.76	0.9	160.7	10.3	2.68

3.2g/t AuEq Cut-Off Grade; Cut-off Grade AuEq formula:  $Au (g/t) + 2.5 \times Cu (\%)$ .  
 Mineral Resources are inclusive of Mineral Reserves.

# CHELOPECH

## Cash Cost Reconciliation



US\$	<u>Year 2009 Actual</u>	<u>Year 2008 Actual</u>	<u>Year 2010 Actual</u>
<b>Cost of Sales:</b>	<b>\$ 74,499</b>	<b>\$ 67,245</b>	<b>\$72,579</b>
Less amortization	(12,401)	(9,811)	(12,960)
Less reclamation and other costs	(1,841)	(2,155)	(1,337)
Plus other charges, including freight	38,317	26,006	41,234
Less by-product credits	(64,198)	(59,376)	(87,320)
Cash cost of sales after by-product credits	<b>\$ 34,376</b>	<b>\$ 21,909</b>	<b>\$12,196</b>
<b>Gold oz (payable metal)</b>	<b>93,081</b>	<b>70,878</b>	<b>58,065</b>
<b>Cash cost of sales/oz gold, (net of by-product credits)</b>	<b>\$369<sup>1</sup></b>	<b>\$309<sup>2</sup></b>	<b>\$210<sup>3</sup></b>

<sup>1</sup>Based on US\$2.34/lb copper

<sup>2</sup>Based on US\$3.16/lb copper

<sup>3</sup>Based on US\$3.42/lb copper

# CHELOPECH EXPLORATION RESULTS

## Q4 2010



Significant Intercept Results Received in Q4 2010						
Block	Hole_ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)
145	EXT 145_260_17	181.5	190.5	9	1.12	5.35
145	EXT145_260_17	292.5	316.5	24	1.37	8.12
145	EXT145_260_17	90	108	18	2.23	4.16
147	149_225_90	225	238.6	13.6	0.17	7.74
147	149_225_91	232.5	239.4	6.9	0.14	4.68
147	149_225_92	249	256.5	7.5	0.13	11.25
147	149_225_94	261	273	12	0.36	21.78
147	149_225_96	204.8	211.5	6.7	1.25	11.59
150HW	G150_200_04	123	195	72	0.43	8.32
150HW	G150_225_01	90	129	39	0.18	7.20
150HW	G150_225_02	76.5	114	37.5	0.28	4.36
150HW	G150_225_02	120	135	15	0.64	5.48
150HW	G150_225_06	82.5	141	58.5	0.48	6.86
SMO	PTDD025	112	116	4	0.00	8.26
SMO	PTDD026	254.6	257	2.4	0.83	4.89

# DENO GOLD

## Cash Cost Reconciliation



*US\$ thousands, unless otherwise indicated*

**For the periods ended**

**Year 2010  
Actual**

Year 2009  
Actual

Year 2008  
Actual

Ore processed (*mt*)

**428,865**

218,235

269,033

Cost of sales (*US\$*)

**\$  
32,743**

\$  
21,072

\$  
36,319

Add (deduct):

Amortization

**(5,374)**

(3,170)

(2,560)

Reclamation costs and other

**(788)**

(752)

(1,108)

Care and maintenance costs

- (3,074)

(1,732)

Change in concentrate inventory

**3,572**

1,696

(1,485)

Total cash cost of production (*US\$*)

**\$  
30,153**

\$  
15,772

\$  
29,434

Cash cost per tonne of ore processed (*US\$*)  
(royalties not applicable in 2009)

**\$ 70.31**

\$ 72.27

\$ 109.40

Cash cost per tonne of ore processed,

# KRUMOVGRAD MINERAL RESOURCES

## Feasibility Study July 2005



*Calculated at US\$430/oz Au*

Metal	Measured & Indicated			Inferred Resources		
	Tonnes (million)	Grade (g/t)	Ounces ('000)	Tonnes (million)	Grade g/t	Ounces ('000)
1 g/t Au cut off						
Gold	5.22	5.0	835	0.21	1.6	11
Silver	5.22	3.0	440	0.21	1.0	8

Sourced from "Krumovgrad Gold Project – Ada Tepe Deposit Definitive Feasibility Study Technical Report", Amended and Restated January 7, 2007