



Dundee Precious Metals Announces Power Blackout in Namibia Results in Furnace Outage

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TORONTO, ONTARIO--(Marketwired - July 25, 2016) - Dundee Precious Metals Inc. (TSX:DPM) ("DPM" or "the Company") announced today that a regional power outage has resulted in damage to the refractory lining of the Ausmelt furnace, the repair of which is expected to take approximately three weeks.

Subsequent to a power blackout in Namibia at 9:20 pm (West Africa Time) on Friday, July 22, 2016, cooling water entered the Ausmelt furnace as a result of the back-up systems for power and cooling water not operating as expected, which compromised the integrity of the refractory lining. As a consequence, and following initial inspections completed on Sunday, July 24, 2016, management believes that the refractory lining will need to be fully replaced.

This outage is expected to reduce 2016 concentrate throughput by approximately 20,000 tonnes. The vast majority of the costs associated with repairing the physical damage are expected to be covered through the Company's insurance program. The response taken by operations management during this event ensured that no one was placed at risk during the outage. A full investigation is currently being led by Tsumeb's management. Additional information concerning this matter will be provided with our second quarter results to be released after market on Thursday, July 28, 2016.

About Dundee Precious Metals

Dundee Precious Metals Inc. is a Canadian based, international gold mining company engaged in the acquisition of mineral properties, exploration, development, mining and processing of precious metals. The Company's continuing operating assets include the Chelopech operation, which produces a copper concentrate containing gold and silver and a pyrite concentrate containing gold, located east of Sofia, Bulgaria; and the Tsumeb smelter, a complex copper concentrate processing facility located in Namibia. DPM also holds interests in a number of developing gold and exploration properties located in Bulgaria, Serbia, and northern Canada, including the Krumovgrad project and its 10.7% interest in Sabina Gold & Silver Corp.

Cautionary Note Regarding Forward Looking Statements

This press release contains "forward looking statements" that involve a number of risks and uncertainties. Forward

looking statements include, but are not limited to, statements with respect to the future price of gold, copper, zinc and silver, the estimation of mineral reserves and resources, the realization of such mineral estimates, the timing and amount of estimated future production and output, life of mine, costs of production, cash costs and other cash measures, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, success of permitting activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, the potential or anticipated outcome of title disputes or claims 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", "outlook", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or that 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 and economic studies; changes in project parameters as plans continue to be refined; future prices of gold, copper, zinc and silver; 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, uncertainties inherent with conducting business in foreign jurisdictions where corruption, civil unrest, political instability and uncertainties with the rule of law may impact the Company's activities; fluctuations in metal prices; unanticipated title disputes; claims or litigation; limitation on insurance coverage; cyber attacks; as well as those risk factors discussed or referred to in the Company's MD&A under the heading "Risks and Uncertainties" and under the heading "Cautionary Note Regarding Forward Looking Statements" which include further details on material assumptions used to develop such forward looking statements and material risk factors that could cause actual results to differ materially from forward looking statements, and other documents (including without limitation the Company's 2015 AIF) filed from time to time with the securities regulatory authorities in all provinces and territories of Canada and available on SEDAR at www.sedar.com. 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. Unless required by securities laws, the Company undertakes no obligation to update forward looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Contact Information:

Dundee Precious Metals Inc.

Rick Howes

President and Chief Executive Officer

(416) 365-2836

rhowes@dundeeprecious.com

Dundee Precious Metals Inc.

Lori Beak

Senior Vice President, Governance, and Corporate Secretary

(416) 365-5165

lbeak@dundeeprecious.com

www.dundeeprecious.com