



Dundee Precious Metals Completes Sale of Kapan to Polymetal International

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TORONTO, ONTARIO--(Marketwired - April 28, 2016) - Dundee Precious Metals Inc. (TSX:DPM) ("DPM" or "the Company") is pleased to announce that it has completed the previously announced sale of the Kapan mine located in Armenia to Polymetal International Plc ("Polymetal").

"We are pleased to announce that the sale of the Kapan Mine to Polymetal has been completed," stated Rick Howes, President and CEO. "The proceeds from the sale will serve to strengthen our balance sheet and reduce future capital requirements, which can be utilized to support the future growth of our business, and allow us to focus on our remaining core assets. We would also like to thank the community of Kapan and our employees for their support since we acquired the asset in 2006," added Mr. Howes.

In exchange for its 100% interest in Kapan, DPM received consideration consisting of (i) US\$10 million in cash (subject to a post-closing working capital adjustment), (ii) US\$15 million in ordinary shares of Polymetal, and (iii) a 2% net smelter return royalty on future production from the Kapan property.

DPM will continue to maintain a presence in Armenia through joint venture arrangements in respect of certain exploration assets in the central part of the country.

About Dundee Precious Metals

Dundee Precious Metals Inc. is a Canadian based, international gold mining company engaged in the acquisition, exploration, development, mining and processing of precious metals. The Company's principal operating assets include the Chelopech operation, which produces a copper concentrate containing gold and silver, 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 properties, including the Krumovgrad gold project located in southern Bulgaria, interests held through its ownership of Avala Resources Ltd. in Serbia and its 11.8% interest in Sabina Gold & Silver Corp. located in northern Canada.

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 potential benefits of the transaction.

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 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 admission for trading of the PolyMetal shares, received as partial consideration on the sale of the Kapan mine, to the London Stock Exchange occurring, as contemplated; 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, 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; as well as those risk factors discussed or referred to in the Company's continuous disclosure documents 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.

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