



**DUNDEE PRECIOUS METALS ANNOUNCES
THIRD QUARTER PRODUCTION RESULTS AND PROVIDES
NOTICE OF THIRD QUARTER 2015 FINANCIAL RESULTS**

Toronto, Ontario, October 8, 2015 – Dundee Precious Metals Inc. (TSX: DPM; DPM.WT.A) (“DPM” or “the Company”) announced its mine and smelter production results for the three and nine months ended September 30, 2015 and confirmed the timing of the release of third quarter operating and financial results, together with the related conference call and webcast.

On a consolidated basis, ore milled, gold, copper, zinc and silver production and complex concentrate smelted at Tsumeb in the first nine months of 2015 were in line with the 2015 guidance, which is unchanged from guidance originally provided on February 12, 2015.

Production Highlights

Third quarter mine and metals production at the Chelopech and Kapan mines and complex concentrate smelted at the Tsumeb smelter are provided below.

	Chelopech		Kapan		Tsumeb		Consolidated		Year 2015 Consolidated Guidance ¹
	Q3 2015	YTD 2015	Q3 2015	YTD 2015	Q3 2015	YTD 2015	Q3 2015	YTD 2015	
Ore milled (‘000s tonnes)	512	1,536	109	320	-	-	621	1,856	2,300 – 2,600
Metals contained in copper and zinc concentrates produced									
Gold (‘000s ounces)	29.7	85.4	6.8	18.6	-	-	36.5	104.0	130 – 150
Copper (million pounds)	10.3	28.3	0.8	2.0	-	-	11.1	30.3	41.7 – 46.4
Zinc (million pounds)	-	-	3.3	9.2	-	-	3.3	9.2	8.8 – 11.8
Silver (‘000s ounces)	65.6	177.5	126.6	341.6	-	-	192.2	519.1	575 – 720
Complex Concentrate smelted (‘000s tonnes)	-	-	-	-	43.5	140.3	43.5	140.3	190 – 220
Payable gold in pyrite concentrate sold (‘000s ounces)	12.0	28.3	-	-	-	-	12.0	28.3	33 – 36

1. As disclosed in Management’s Discussion and Analysis (“MD&A”) for the three and six months ended June 30, 2015.

Chelopech copper production in the third quarter met expectations. Current copper grades and recoveries are expected to remain unchanged in the fourth quarter. Gold production in the quarter benefited from higher grades and recoveries in both copper and pyrite concentrates. Gold recovery to pyrite concentrate continued to benefit from optimization of the pyrite flotation circuit. Gold and copper production at Chelopech is expected to finish the year in line with guidance.

At Kapan, gold production increased by 10% over the second quarter due to improved grades resulting in gold production that meets 2015 guidance. With continued focus on improving standards, these improved gold grades are expected to continue and support annual production that meets guidance for the year.

At Tsumeb, smelting rates were in line with 2015 guidance, however an additional Ausmelt shutdown was initiated in September, resulting in reduced quarterly concentrate treatment and annual production that is expected to be in the lower end of its production guidance. Following a 22 day outage, in which the refractory lining was replaced, the smelter was restarted on October 4th. The current Ausmelt lining is expected to run though to June 2016 with a single outage planned for mid-year 2016 which is intended to introduce additional operational controls in order to extend the life of the refractory lining beyond 12 months.

The hot commissioning of the acid plant was completed in August 2015, as planned. Acid plant ramp up and production during the quarter was in line with expectations, with a total of 19,287 tonnes of sulphuric acid produced in the quarter and the commencement of commercial operations effective October 1, 2015.

The Krumovgrad approval process continues to advance, albeit at a slower pace than planned. Although the Executive Forestry Agency provided preliminary approval to re-classify the project area as industrial land in late July, the Krumovgrad Municipality has not yet issued the draft Detailed Development Plan (“DDP”), which is the next step in the approval process. The Company anticipates the draft DDP will be issued in the fourth quarter of 2015, and is now targeting the second quarter of 2016 for receipt of the construction permit, followed by commencement of construction in the second half of 2016.

The Company’s third quarter 2015 operating and financial results are expected to be released after market close on November 4, 2015. The press release, MD&A and consolidated financial statements will be posted on SEDAR at www.sedar.com and on the Company’s website at www.dundeeprecious.com.

The Company will hold a call and webcast to discuss its Third Quarter results on Thursday, November 5, 2015 at 9:00 am EST. The call will be hosted by Rick Howes, President and Chief Executive Officer, who will be joined by Hume Kyle, Executive Vice President and Chief Financial Officer, together with other members of the executive management team. The call will be accessible via a live webcast and by telephone.

Third Quarter 2015 Call and Webcast (Listen/View only)

Date:	Thursday, November 5, 2015
Time:	9:00 am EST
Webcast:	http://www.gowebcasting.com/6943
Canada and USA Toll Free:	1-866-225-0198
Outside Canada or USA:	1-416-340-2218
Replay:	1-905-694-9451 or 1-800-408-3053
Replay Passcode:	3078366

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; the Kapan operation, which produces a copper concentrate and a zinc concentrate, both containing gold and silver, located in southern Armenia; and the Tsumeb smelter, a concentrate processing facility located in Namibia. DPM also holds interests in a number of developing gold properties located in Bulgaria, Serbia, and northern Canada, including the Krumovgrad project and interests held through its 50.1% owned subsidiary, Avala Resources Ltd., and its 12.1% 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, 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, 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”, “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; 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 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 2014 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.

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