



DPM ANNOUNCES CLOSING OF C\$54.65 MILLION BOUGHT DEAL FINANCING

Toronto, July 11, 2016 – Dundee Precious Metals Inc. (TSX: DPM) (“DPM” or the “Company”) is pleased to announce that it has closed its previously announced bought deal financing with a syndicate of underwriters led by RBC Capital Markets, and including CIBC Capital Markets, Dundee Securities Ltd., GMP Securities L.P., Paradigm Capital Inc., Scotia Capital Inc., and BMO Capital Markets (collectively, the “Underwriters”), pursuant to which the Company issued 18,216,000 common shares of the Company (each, a “Share”) at a price of C\$3.00 per Share, for aggregate gross proceeds of C\$54,648,000 (the “Offering”). The financing included the initial agreement to acquire 15,840,000 Shares and exercise in full by the Underwriters of the over-allotment option for an additional 2,376,000 Shares.

Concurrent with the Offering, the Company has also closed its previously announced non-brokered private placement (the “Non-Brokered Private Placement”) of 840,000 Shares at a price of C\$3.00 per Share, for additional gross proceeds of C\$2,520,000. The Non-Brokered Private Placement was sold to a wholly-owned subsidiary of Dundee Corporation.

The Company plans to use the net proceeds from the Offering and the Non-Brokered Private Placement to reduce drawdowns under its revolver credit facility, support advancing its growth initiatives and for general corporate purposes.

FORWARD-LOOKING STATEMENTS

This news release may contain certain information that constitutes forward-looking statements. Forward-looking statements are frequently characterized by words such as "plan," "expect," "project," "intend," "believe," "anticipate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices and other factors described above and in the Company's most recent annual information form under the heading "Risk Factors" which has been filed electronically by means of the Canadian Securities Administrators' website located at www.sedar.com. The Company disclaims any obligation to update or revise any forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

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