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Leslie Payette, Manager, Environmental Administration
Nunavut Impact Review Board
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April 27, 2009

*RE: Resumption of operations at Goose Lake and George Lake camps
NWB Licences 2BE-GEO0210, 2BE-GOO0510
INAC Licence N2006C0008, N2004F0006,
KIA Licences KTL304C017, KTL304C018, KTL204C012, KTL204C020,
KTL304F049 and KTL309C002*

*CC: Stanley Anablak, Kitikmeot Inuit Association
Melissa Joy, Indian and Northern Affairs Canada
Phyllis Beaulieu, Nunavut Water Board
Peter Bengts, Workers' Compensation Board
Richard Gillis, Nunavut Department of Justice*

Dear Leslie et al.,

This letter will serve to advise you that Dundee Precious Metals will be resuming operations for the season at the Goose Lake and George Lake camps (the "Back River project") on or about **April 30, 2009**.

Limited personnel (maximum of 12-14 workers) will be on site for a 2 – 2.5 week period, with initial activities limited to camp opening tasks, such as snow clearing, ice runway construction, and re-provisioning the Goose Lake camp using local air freight support. The camp opening is required to re-stock the project site with critical bulk supplies needed to support a summer field and diamond drill exploration programs. An ice strip will also be constructed at George Lake, to enable critical supplies presently stored at George Lake, to be re-positioned from the George Lake camp to Goose Lake. Critical supplies such as drummed Jet A fuel, diesel fuel and salt will be re-positioned for use during the summer drill program.

Once the re-provision exercise is completed by mid-May, the camp will be closed.

Budgeting and planning preparations are underway for the 2009 Field season. Preliminary plans call for the camp to re-open in late June – early July and it is anticipated that the diamond driller contractors will be arriving on site in early July. All

permitting agencies will be given formal notice in advance of the commencement of the summer exploration and diamond drill program.

A regional claim map is shown for reference in Figure 1. In 2009 it is expected that Diamond Drilling will take place on the Goose Lake property with the drilling activity being located within the area defined by the red box found in Figure 2.

Additional follow-up soil / rock sampling will also take place on our claim groups shown in Figure 1 (Goose, George, Boot, Boulder). A small land based geophysical survey is also being considered. Again, this decision has not yet been made at this point in time.

We look forward to a safe, successful season at Back River again this year, and I look forward to continuing to work with all of you.

Should you have any questions or concerns, please do not hesitate to contact me by email at dcater@dundeeprecious.com or by telephone at 416-365-2840.

Best regards,



Doug Cater, P.Geo.
Exploration Manager

cc. J. Wakeford / E. Sherlock

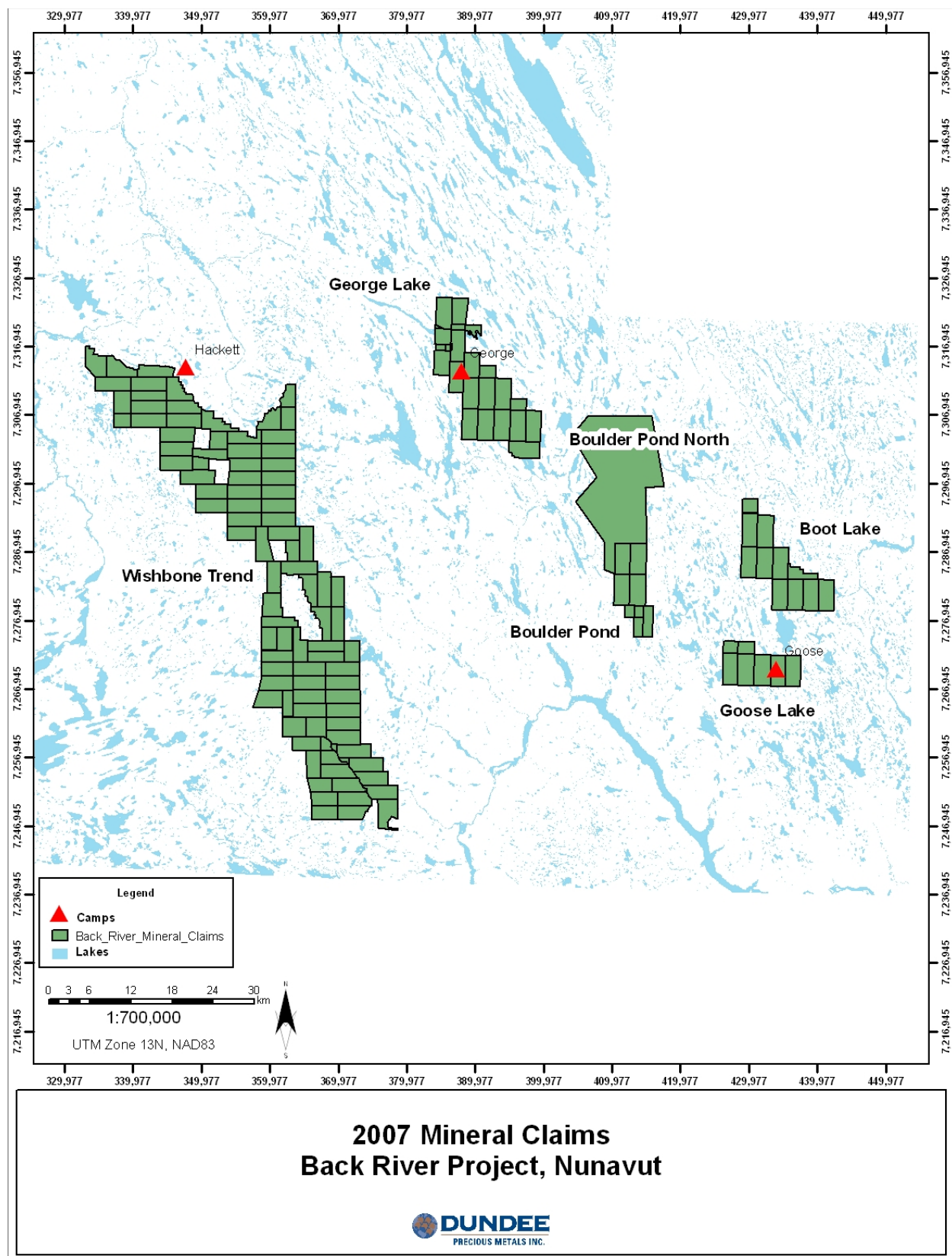


Figure 1.

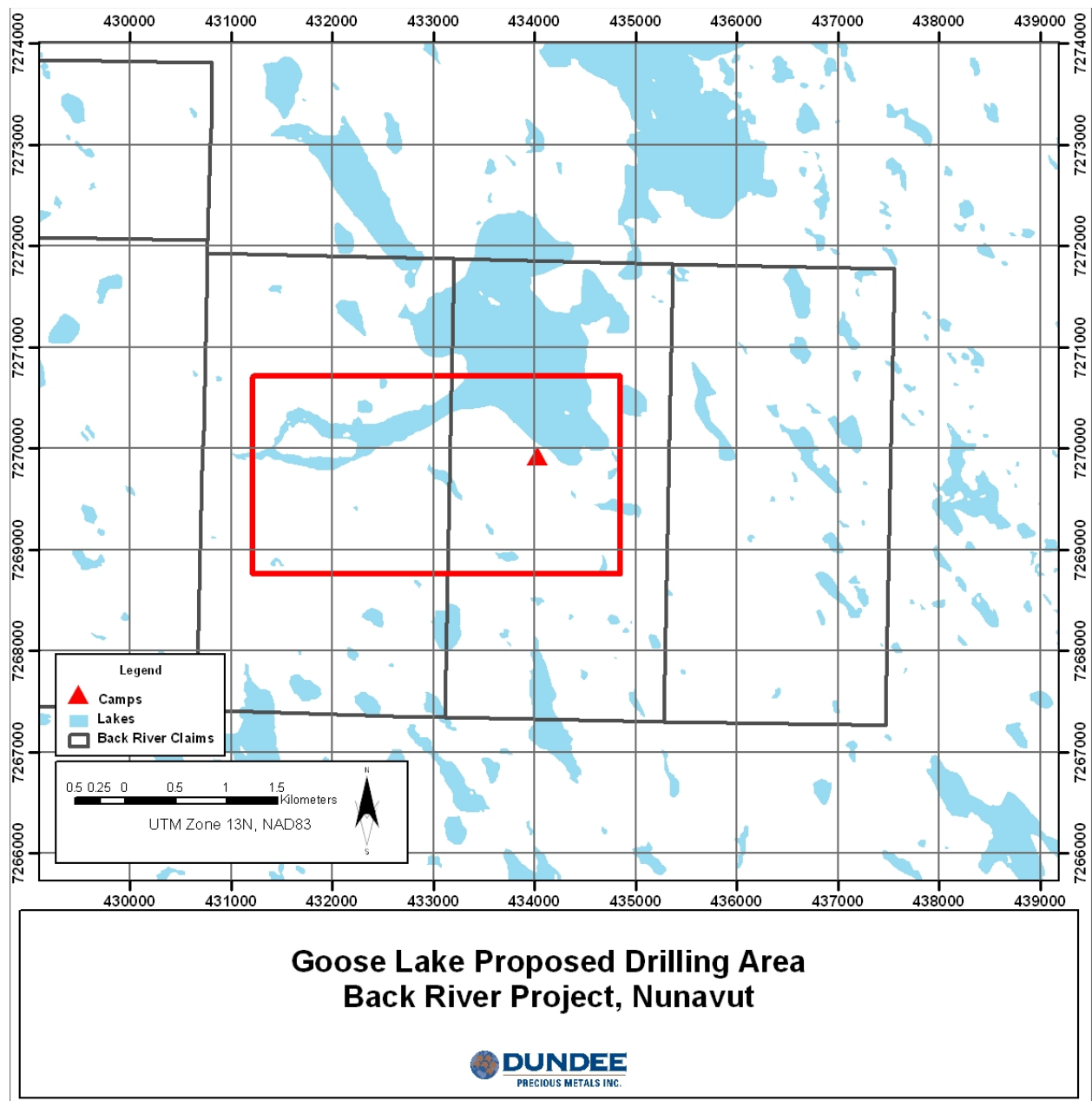


Figure 2.