

21 February 2010

**IMPORTANT INFORMATION WITH RESPECT TO THE SECOND DISTRIBUTION OF
DUNDEE SHARES**

As per the announcement of 8 October 2010, Weatherly expects the second distribution of Dundee Shares by way of a dividend *in specie*, of 0.00198 Dundee Shares per ordinary share will be paid in mid April 2011 to shareholders who were on the register at the close of business on 19 March 2010.

For qualifying shareholders holding less than 50,000 ordinary shares as at the record date, and for any qualifying shareholders who have registered addresses in the United States of America or Canada (except for Dundee Precious Metals Inc), the Company intends to pay a cash dividend of the cash equivalent value of the *in specie* distribution, after expenses incurred by the Company. The rate of the cash dividend will be confirmed closer to the payment date.

It has come to our attention that certain nominee accounts on the register as at 19 March 2010 comprise multiple underlying holdings which have left some small shareholders, who the Company was not able to identify, with small allocations of Dundee Shares which may be uneconomic to sell, and, in other cases may have caused administrative inconvenience for the purposes of splitting between sub-accounts.

Whilst Weatherly is unable to accept any responsibility for the aggregation positions of nominees on its register (as it has no transparency as to the underlying accounts and must treat each registered shareholder as a single entity), we appreciate the concerns that have been raised and accordingly, prior to the second distribution, you should contact Max Herbert at max.herbert@weatherlyplc.com and Ed Lukins at elukins@mofo.com who will be able to assist in either (a) ensuring that multiple certificates are issued for multiple sub accounts; or (b) that sufficient Dundee Shares are sold for cash to enable you to receive cheque(s) for any beneficial holder of less than 50,000 Weatherly shares.

We urge you to contact us at your earliest opportunity if you wish to avail yourselves of these arrangements and in any event prior to [18 March 2011].

Max Herbert
Company Secretary
Weatherly International Plc