



NEWS RELEASE

ADJUSTED COST BASE ALLOCATION FOLLOWING COMPLETION OF THE RECENT CORPORATE RESTRUCTURING

FOR IMMEDIATE RELEASE

Toronto, June 5, 2013 – Dundee Corporation (TSX: DC.A, DC.PR.C) (“Dundee”) announces its estimate of the adjusted cost base allocation of the Dundee New Shares and the DREAM Shares (as both terms are defined below) for Canadian income tax purposes following completion of the recent corporate restructuring of Dundee, through a tax efficient plan of arrangement (the “Arrangement”). Pursuant to the Arrangement, DREAM Unlimited Corp. (“DREAM”) was established as a new public real estate company holding a 70% interest in the Common Shares and Class C Preference Shares of Dundee Realty Corporation previously owned by Dundee.

Please note that while Dundee believes the allocation as outlined below is a reasonable allocation for Canadian income tax purposes, such allocation is not binding on either shareholders or the Canadian tax authorities. Shareholders should therefore consult their own tax advisors in light of their particular circumstances.

As outlined under the heading “*Certain Canadian Federal Income Tax Consequences*” in Dundee’s Management Information Circular dated April 16, 2013 with respect to the Arrangement, a number of steps were undertaken that led to the acquisition of new Dundee Class A Subordinate Voting Shares and Dundee First Preference Shares, Series 4 (collectively, the “Dundee New Shares”) as well as DREAM Class A Subordinate Voting Shares and DREAM First Preference Shares, Series 1 (collectively, the “DREAM Shares”) by holders of the previously outstanding Dundee Class A Subordinate Voting Shares and Dundee First Preference Shares, Series 1 (collectively, the “Dundee Shares”), respectively.

For purposes of the *Income Tax Act* (Canada), we wish to announce that we have estimated that the adjusted cost base to a holder of their respective class or series of Dundee Shares held immediately prior to completion of the Arrangement should be allocated as follows: 71% to the respective class or series of Dundee New Shares received by the holder pursuant to the Arrangement and 29% to the respective class or series of DREAM Shares received by the holder pursuant to the Arrangement .

As an example, if the adjusted cost base of a pre-Arrangement Dundee Class A Subordinate Voting Share was \$10, the adjusted cost base of a new Dundee Class A Subordinate Voting Share would be \$7.10 and the adjusted cost base of a DREAM Class A Subordinate Voting Share would be \$2.90. The same proportional allocation would apply to a new Dundee First Preference Share, Series 4 and DREAM First Preference Share, Series 1.

ABOUT DUNDEE CORPORATION

Dundee Corporation is a Canadian holding company listed on the Toronto Stock Exchange under the symbol “DC.A”. Through its operating subsidiaries, Dundee Corporation is engaged in diverse business activities in the areas of its core competencies including investment advisory, corporate finance and private equity investment in real estate and infrastructure, energy, resources and agriculture. Dundee Corporation holds, directly and indirectly, a portfolio of investments mostly in these core areas, as well as other select investments in both publicly listed and private companies.

FOR FURTHER INFORMATION PLEASE CONTACT:

Ned Goodman
President and Chief Executive Officer
(416) 365-5665

Lucie Presot
Vice President and Chief Financial Officer
(416) 365-5157

Forward-Looking Information

This press release contains certain forward-looking information. All information, other than information regarding historical fact, that addresses activities, events or developments that Dundee believes, expects or anticipates will or may occur in the future is forward-looking information. Forward-looking information contained in this press release includes, but may not be limited to, the expected adjusted cost base allocation for shareholders. The forward-looking information contained in this press release reflects the current expectations, assumptions and/or beliefs of Dundee based on information currently available to Dundee. The forward-looking information contained in this press release is subject to a number of risks and uncertainties that may cause actual results or events to differ materially from current expectations, including that the allocation of adjusted cost base contained herein is not binding on either shareholders or the Canadian tax authorities. Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable law, Dundee disclaims any obligation to update or modify such forward-looking information, either because of new information, future events or for any other reason.