DUNDEE CORPORATION

DUNDEE CORPORATION
2014 FIRST QUARTER REPORT

DUNDEE CORPORATION
Management's Discussion and Analysis

Dundee Corporation (the "Corporation" or "Dundee Corporation") is a Canadian independent publicly traded holding company, listed on the Toronto Stock Exchange ("TSX") under the symbol "DC.A". Through its operating subsidiaries, the Corporation is engaged in diverse business activities in the areas of its core competencies including energy, resources, agriculture, real estate and infrastructure.

This Management's Discussion and Analysis ("MD&A") has been prepared with an effective date of May 14, 2014 and provides an update on matters discussed in, and should be read in conjunction with the Corporation's audited consolidated financial statements, including the notes thereto, as at and for the year ended December 31, 2013 (the "2013 Audited Consolidated Financial Statements"), together with the accompanying MD&A for the year then ended, and with the unaudited condensed interim consolidated financial statements of the Corporation as at and for the three months ended March 31, 2014 (the "March 2014 Interim Consolidated Financial Statements"), all of which have been prepared using International Financial Reporting Standards ("IFRS"). All amounts in this MD&A are in Canadian dollars unless otherwise specified. Tabular dollar amounts, unless otherwise specified, are in thousands of dollars, except for per share or per unit amounts.

BASIS OF PRESENTATION AND PERFORMANCE MEASURES

The ownership structure of the Corporation's various investments is diverse, which results in different methods of accounting for such investments. Generally, the Corporation accounts for its investments as subsidiaries, as equity accounted investments or as direct investments.

- **Subsidiaries** include those investment structures for which the Corporation is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are not recorded as individual investments in the Corporation's consolidated financial statements. Instead, subsidiaries are consolidated, with 100% of the subsidiaries' underlying accounts recorded on a line-by-line basis within the Corporation's consolidated financial statements. The share of assets, liabilities, net earnings or loss and other comprehensive income or loss ("OCI") of the subsidiary belonging to other investors and not attributable to the Corporation are reported in the Corporation's consolidated financial statements as *"Non-controlling interest"*.

- **Equity accounted investments** are those investment structures over which the Corporation may exert significant influence, or over which it has joint control relating to financial and operating policy decisions. The carrying values of equity accounted investments are initially recorded at cost and are subsequently adjusted by the Corporation's share of net earnings or loss, less any dividends or distributions received, and the Corporation's share of OCI generated by the investment company. The carrying value of an equity accounted investment is subsequently adjusted to reflect any dilution in the Corporation's ownership interest. The share of net earnings and OCI from equity accounted investments, as well as any gain or loss resulting from a dilution in ownership interest, are reported in the Corporation's consolidated statements of operations as *"Share of earnings (or OCI) from equity accounted investments"*. Dividends or distributions received from equity accounted investments are not reported as revenues. Rather, any amounts received are reported in the Corporation's financial statements as a reduction in the carrying value of the equity accounted investment.

- **Brokerage securities owned and brokerage securities sold short** are those investments held by the Corporation's brokerage subsidiary. Generally, these securities are held for trading in the short term. Investments in this category have been designated as investments at fair value through profit or loss ("FVTPL") and are recorded at their fair value in the Corporation's consolidated statements of financial position, with changes in period-over-period fair values recorded in net earnings.

- **Investments** – All investments owned by the Corporation, other than those investments classified as subsidiaries, brokerage securities owned and sold short, or equity accounted investments, have been designated as investments at FVTPL. As with brokerage securities owned and sold short, these investments are carried in the Corporation's consolidated financial statements at their fair value, with changes in period-over-period fair values recorded in net earnings.

Business Entity	Business Activity	Percentage Ownership	Market Value ($000's)
Subsidiaries			
Dundee Energy Limited	Oil and gas exploration, development and production	58%	30,518
Eurogas International Inc.	Oil and gas exploration	53%	83
Dundee Sustainable Technologies Inc.(i)	Patented metallurgical processing	83%	Private
United Hydrocarbon International Corp.	Oil and gas exploration	40%	Private
Blue Goose Capital Corp.	Agriculture	84%	Private
Goodman & Company, Investment Counsel Inc.	Asset management	100%	Private
Dundee Securities Ltd.(ii)	Full service securities brokerage	100%	Private
Equity Accounted			
Dundee Precious Metals Inc.	International mining company	25%	138,189
Union Group International Holdings Limited	Latin American private equity asset manager	40%	Private
Android Industries, LLC	Technology-enabled assembler and sequencer	20%	Private
Eagle Hill Exploration Corporation	Canadian mineral exploration company	31%	7,832
360 VOX Corporation	Residential, commercial and hospitality based real estate	18%	4,413
Escal UGS S.L.(iii)	Natural gas storage	33%	Private
Others	n/a	n/a	6,116
Other Investments			
Direct investment in diverse industry sectors including:			
Brokerage securities owned and sold short	n/a	n/a	68,340
Publicly traded securities	n/a	n/a	746,724
Private investments	n/a	n/a	196,382
Mutual funds and short-term investments	n/a	n/a	77
Debt securities	n/a	n/a	200,045
Warrants and options	n/a	n/a	3,683

(i) Formerly Nichromet Extraction Inc.

(ii) Includes "Dundee Securities Europe LLP", "Dundee Securities Inc.", and "Dundee Goodman Insurance Agency Ltd.", all of which are sister companies to Dundee Securities Ltd. "Dundee Capital Markets" and "Dundee Goodman Private Wealth" are divisions of Dundee Securities Ltd.

(iii) Held through Dundee Energy Limited, providing the Corporation with an indirect 14% net interest.

Performance Measures

The Corporation believes that important measures of operating performance, including the operating performance of its subsidiaries, include certain performance measures that are not defined under IFRS and as such, may not be comparable to similar performance measures used by other companies. Throughout this MD&A, there will be references to certain performance measures which management believes are relevant in assessing the economics of its business. While these performance measures are not formally recognized by IFRS, the Corporation believes that they are informative and provide further insight as supplementary measures to net earnings and cash flows.

- **"AUA" or "Assets under Administration"** represent the approximate period-end value of client assets administered by the Corporation's brokerage subsidiaries and in respect of which these subsidiaries earn commission revenue and other similar fees from clients. AUA are not included in the Corporation's consolidated statements of financial position.
- **"AUM" or "Assets under Management"** represent the period-end value of client assets managed by the Corporation's capital markets, wealth management and asset management subsidiaries on a discretionary basis and in respect of which these subsidiaries earn management fee revenue and, in certain cases, performance fee revenue. AUM are not included in the Corporation's consolidated statements of financial position.

- **"Barrel of Oil Equivalent"** or "boe" is calculated at a barrel of oil conversion ratio of six thousand cubic feet ("Mcf") of natural gas to one barrel ("bbl") of oil (6 Mcf to 1 bbl), based on an energy equivalency conversion method which is primarily applicable at the burner tip and does not always represent a value equivalency at the wellhead.
- **"Contribution Margin" or "Margin"** is an important measure of earnings in each business segment and generally represents core revenues less cost of sales, and excludes related general and administrative expenses, depreciation and depletion, interest expense, and income taxes.
- **"Market Value"** of an investment is generally determined using quoted market prices on prescribed stock exchanges.
- **"Field Level Cash Flows"** are calculated as revenue from oil and natural gas sales, less royalties and cost of sales. Field level cash flows contribute to working capital, including debt management, as well as to the funding of capital expenditure requirements for the Corporation's resource-based business activities.
- **"Field Netbacks"** refer to field level cash flows expressed on a measurement unit or barrel of oil equivalent basis.
- **"Per Day Amount" or ("/d")** is used throughout this MD&A to reflect oil and gas production volumes on an average per day basis.
- **"Probable Reserves"** are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining reserves quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
- **"Proved Reserves"** are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining reserves quantities recovered will exceed the estimated proved reserves.
- **"Reserve Life Index"** is determined by dividing proved reserves by expected annual production. For greater certainty, the reserve life index includes only proved reserves and does not include probable or possible reserves.

RESULTS OF OPERATIONS

Three months ended March 31, 2014 compared with the three months ended March 31, 2013

Consolidated Net Earnings

During the three months ended March 31, 2014, the Corporation incurred a net loss attributable to owners of Dundee Corporation of $31.8 million or a loss of $0.63 per share. This compares to a net loss attributable to owners of Dundee Corporation of $30.8 million or a loss of $0.61 per share incurred during the first quarter of the prior year. The net loss incurred in the first quarter of the prior year is net of earnings of $15.8 million relating to discontinued operations. Discontinued operations include the operating results of Dundee Realty Corporation ("Dundee Realty") prior to the Corporation's distribution of its 70% interest in Dundee Realty pursuant to a tax efficient plan of arrangement (the "Arrangement") that resulted in the establishment of DREAM Unlimited Corp. ("DREAM"). The Corporation retained a 29% interest in DREAM, whose business activities include residential land development, housing and condominium development and asset management activities for certain infrastructure investment vehicles.

For the three months ended March 31,	Continuing Operations 2014	2013	Discontinued Operations 2014	2013	TOTAL 2014	2013
Net earnings (loss) before income taxes from:						
Corporate and other portfolio holdings	$ 1,816	$ (55,156)	$ -	$ -	$ 1,816	$ (55,156)
Dundee Energy Limited	4,241	(1,436)	-	-	4,241	(1,436)
Eurogas International Inc.	(282)	(196)	-	-	(282)	(196)
Dundee Sustainable Technologies Inc.	(1,208)	(994)	-	-	(1,208)	(994)
United Hydrocarbon International Corp.	(20,564)	-	-	-	(20,564)	-
Blue Goose Capital Corp.	(17,577)	(2,384)	-	-	(17,577)	(2,384)
Goodman & Company, Investment Counsel Inc.	(727)	(937)	-	-	(727)	(937)
Dundee Securities Ltd.	(445)	(4,203)	-	-	(445)	(4,203)
Dundee Realty Corporation	-	-	-	30,483	-	30,483
	(34,746)	(65,306)	-	30,483	(34,746)	(34,823)
Income tax (expense) recovery	(5,384)	17,485	-	(8,361)	(5,384)	9,124
Net (loss) earnings for the period	**$ (40,130)**	**$ (47,821)**	**$ -**	**$ 22,122**	**$ (40,130)**	**$ (25,699)**
Net (loss) earnings attributable to:						
Owners of the parent	$ (31,843)	$ (46,605)	$ -	$ 15,812	$ (31,843)	$ (30,793)
Non-controlling interest	(8,287)	(1,216)	-	6,310	(8,287)	5,094
	$ (40,130)	**$ (47,821)**	**$ -**	**$ 22,122**	**$ (40,130)**	**$ (25,699)**

Excluding the effect of discontinued operations, the Corporation's net loss from continuing operations attributable to owners of Dundee Corporation was $31.8 million in the first quarter of 2014, an improvement of $14.8 million, compared with a net loss from continuing operations attributable to owners of Dundee Corporation of $46.6 million incurred in the first quarter of the prior year.

- Earnings in the first quarter of the prior year were adversely affected by depreciation in the fair value of the Corporation's portfolio of investments, which approximated $64.4 million. In comparison, depreciation in the fair value of the Corporation's portfolio of investments since December 31, 2013 was $23.0 million. Changes in the fair value of investments are determined by equity and credit markets and are expected to result in significant quarterly fluctuations in net earnings. The Corporation believes that equity and credit markets do not necessarily correctly reflect the underlying value of certain assets, therefore quarterly results do not necessarily provide predictive value to readers of the Corporation's financial statements.
- Included in operating results during the first quarter of the current year are expenses of $20.6 million relating to United Hydrocarbon International Corp. ("UHI"). The Corporation began to consolidate the operating results of UHI on June 30, 2013. Accordingly, there are no corresponding expenses in the first quarter of the prior year.
- During the first quarter of the current year, the Corporation began a restructuring of the operations of its agricultural operating subsidiary, Blue Goose Capital Corp. ("Blue Goose"), including a geographic reorganization, as well as refinements to its product mix. As a result of these initiatives, Blue Goose incurred an operating loss of $17.6 million in the first quarter of 2014, including $11.3 million relating to these initiatives, compared with an operating loss of $2.4 million in the first quarter of the prior year.
- The Corporation recognized an income tax expense amount of $5.4 million against operating losses in the current quarter, representing a negative income tax rate of 15.5%. The negative income tax rate results from the non-recognition of income tax benefits associated with losses incurred by certain subsidiaries, including UHI and Blue Goose. Generally, and in accordance with IFRS, the income tax benefit associated with operating losses is only recognized when management believes it is more likely than not that the benefit will be realized in the foreseeable future.

A more detailed discussion of the results of operations of each of the Corporation's business segments, including the results of the Corporation's investment portfolio, is presented under *"Segmented Results of Operations"* in this MD&A.

Segmented Results of Operations

CORPORATE AND OTHER PORTFOLIO INVESTMENTS

Equity Accounted Investments

As at		March 31, 2014			December 31, 2013		
Trade Symbol	Investment	Ownership	Carrying Value	Market Value	Ownership	Carrying Value	Market Value
DPM	Dundee Precious Metals Inc.	25%	$ 194,409	$ 138,189	25%	$ 183,408	$ 106,246
n/a	Union Group International Holdings Limited	40%	51,634	private	25%	19,898	private
n/a	Android Industries, LLC	20%	19,968	private	n/a	n/a	n/a
EAG	Eagle Hill Exploration Corporation	31%	8,138	7,832	30%	7,798	7,798
RYG	Ryan Gold Corp.	20%	4,503	3,275	20%	4,341	3,159
VOX	360 VOX Corporation	18%	4,218	4,413	18%	4,160	4,658
CRG	Corona Gold Corporation	23%	2,748	2,386	23%	3,423	2,138
ODX	Odyssey Resources Limited	31%	290	455	31%	298	398
n/a	Escal UGS S.L.*	14%	-	private	14%	-	private
			$ 285,908			**$ 223,326**	

* *Dundee Energy Limited's 74% owned subsidiary, Castor UGS Limited Partnership, holds a 33% interest in Escal UGS S.L. giving Dundee Energy Limited an effective 25% interest and Dundee Corporation an effective 14% interest.*

The following table provides a summary of the continuity of the Corporation's portfolio of equity accounted investments during the three months ended March 31, 2014:

For the three months ended March 31, 2014	
Carrying value of equity accounted investments, beginning of period	$ 223,326
Transactions during the three months ended March 31, 2014	
Share of earnings from equity accounted investments	2,005
Share of other comprehensive income from equity accounted investments	8,098
Cash invested in equity accounted investments	51,071
Transfer of net carrying value from portfolio investments	1,351
Other	57
Carrying value of equity accounted investments, end of period	**$ 285,908**

New Equity Accounted Investments

During the first quarter of 2014, the Corporation invested $51.1 million in investments which are being accounted for under the equity method, including $31.9 million to increase its ownership in Union Group International Holdings Limited ("Union Group") from 25% at December 31, 2013 to 40% at the end of the current quarter, and $18.6 million to acquire an initial 20% interest in Android Industries, LLC ("Android").

Union Group International Holdings Limited

Union Group *(www.uniongrp.com)*, is a holding company specializing in the natural resources, power generation and real estate sectors throughout high growth Latin American economies such as Uruguay, Peru, Columbia and Paraguay. Overseeing in excess of $1 billion in assets at March 31, 2014, Union Group operates out of offices in Lima, Peru; Montevideo, Uruguay; and London, England.

Union Group is developing a diversified portfolio of mineral assets, including iron ore, chrome, nickel, gold and diamonds. Mineral properties are located predominantly in Uruguay and are currently in the exploration and development phases. In addition, Union Group is arranging for an Environmental Impact Assessment relating to its 80% farm-in interest in the Z34 Block, a prospective oil and gas asset in Peru. The company has also invested in power generation projects and is currently constructing two run-of-river hydropower projects of 27 MW combined capacity, and it is developing a portfolio of other greenfield projects representing an additional 900 MW. Power generation projects are located primarily in Peru. Prime real estate properties are located in Uruguay and include income generating properties, residential development projects and other landholdings. Union Group's portfolio also includes a minority interest in Union Agriculture Group, the largest corporate agricultural landholder and operator in Uruguay and a leading producer of agricultural products for global export.

During the three months ended March 31, 2014, the Corporation's share of equity losses from its investment in Union Group was $0.2 million.

Android Industries, LLC

During the first quarter of 2014, the Corporation acquired, both directly and indirectly, a 20% interest in Android *(www.android-ind.com)*, a private leading high technology-enabled assembler and sequencer of complex assemblies for the automotive industry. Android currently operates eleven production facilities in North America and Europe, each strategically located in close proximity to its customers.

Android's business model enables original equipment manufacturers to outsource complex module assembly operations. Android uses this differentiated foundation to assemble a diverse range of automotive modules, including power trains, chassis, tires and wheels, instrument panels, and door trim and hardware, utilizing complex systems and equipment designed and built by Android.

Equity Earnings

The Corporation realized earnings of $2.0 million (three months ended March 31, 2013 – $7.9 million) from these equity accounted investments, including dilution gains of $0.4 million (three months ended March 31, 2013 – $6.2 million).

For the three months ended		March 31, 2014		March 31, 2013
Dundee Precious Metals Inc.	$	2,197	$	586
Union Group International Holdings Limited		(172)		-
Eagle Hill Exploration Corporation		(206)		-
Ryan Gold Corp.		193		(1,164)
360 VOX Corporation		(41)		(1,049)
Corona Gold Corporation		42		(229)
Odyssey Resources Limited		(8)		(41)
Escal UGS S.L.		-		-
Dundee Real Estate Investment Trust*		-		7,121
Dundee International Real Estate Investment Trust*		-		2,701
	$	**2,005**	**$**	**7,925**

* *During 2013, the Corporation determined that it no longer had significant influence over the operations and financial results of these investees. Accordingly, these investments were reclassified to the Corporation's investment portfolio as investments at FVTPL.*

Dundee Precious Metals Inc. ("Dundee Precious")

Dundee Precious Metals Inc. *(www.dundeeprecious.com)* is a Canadian based international mining company engaged in the acquisition, exploration, development, mining and processing of precious and base metals in Bulgaria, Namibia, Armenia and Serbia.

During the three months ended March 31, 2014, revenue from sales generated by Dundee Precious was US$76.4 million, a decrease of US$11.6 million from revenue of US$88.0 million generated in the same period of the prior year. The decline was mainly attributable to lower metal prices and lower volumes of payable metals in concentrate sold; partially offset by higher volumes of concentrate smelted and toll rates, reflecting improved contract terms. Revenue less cost of sales ("gross profit") from mining operations was US$12.8 million for the three months ended March 31, 2014, compared with US$24.3 million in the same period of the prior year. The decrease in gross profit is consistent with the decline in net revenue, reflecting lower metal prices, lower volumes of payable metals in concentrate sold, and higher depreciation associated with smelter upgrades undertaken in the fourth quarter of 2013, partially offset by higher volumes of concentrate smelted and toll rates, and the favourable impact of a stronger U.S. dollar.

Net earnings of Dundee Precious attributable to its common shareholders increased to US$10.0 million during the three months ended March 31, 2014, compared with US$0.7 million in the same period of the prior year. The decline in gross profit was offset by unrealized gains on derivative instruments, as well as unrealized gains on certain warrants held. The Corporation's share of earnings from its investment in Dundee Precious was $2.2 million during the three months ended March 31, 2014 (three months ended March 31, 2013 – $0.6 million).

At March 31, 2014, the Corporation held 34.7 million common shares of Dundee Precious with a market value of $138.2 million, representing a 25% equity interest. Subsequent to March 31, 2014, the Corporation acquired a further 750,000 common shares of Dundee Precious in the open market at a cost of $3.1 million.

Eagle Hill Exploration Corporation ("Eagle Hill")

Eagle Hill Exploration Corporation (*www.eaglehillexploration.com*) is a Canadian mineral exploration company focused on the exploration and development of the high-grade Windfall Lake Gold Deposit, located between Val-d'Or and Chibougamau in Quebec. This area is known for its gold and copper production and excellent infrastructure for exploration and mining.

During the three months ended January 31, 2014, Eagle Hill incurred a loss of approximately $0.7 million. The Corporation recognized its share of the loss, approximating $0.2 million during the three months ended March 31, 2014. As the company is in the early stages of mineral exploration, it does not have revenues to report from any of its mineral properties. In addition, during the three months ended March 31, 2014, the Corporation acquired 9.1 million common shares of Eagle Hill at a cost of $0.6 million. At March 31, 2014, the Corporation held 120.5 million common shares of Eagle Hill with a market value of $7.8 million, representing a 31% equity interest.

360 VOX Corporation ("360 VOX")

360 VOX (*www.360vox.com*) is a publicly traded company listed on the TSX Venture Exchange under the symbol "VOX". 360 VOX is engaged in the business of managing and developing international hotel, resort, residential and commercial real estate projects through its wholly-owned subsidiaries. 360 VOX is also engaged in the sales and marketing of real estate through Sotheby's International Realty Canada and Bluepoint Global Marketing. Significant projects currently being developed by 360 VOX include a management contract for the construction and development of a resort complex in Vancouver, British Columbia; an urban design and master-planning agreement for a new community development in Miyun County, Beijing; and a master-planned hotel, marina and recreational residential development in Cavtat, Croatia, which is located near Dubrovnik.

During the three months ended March 31, 2014, the Corporation recognized equity losses from its investment in 360 VOX of $0.1 million (three months ended March 31, 2013 – $1.0 million). At March 31, 2014, Dundee Corporation held 49.0 million shares of 360 VOX with a market value of $4.4 million. In addition, the Corporation had advanced $8.8 million to 360 VOX.

Subsequent to March 31, 2014, the Corporation announced that it had entered into an arrangement agreement pursuant to which the Corporation proposes to acquire, pursuant to a plan of arrangement, all of the issued and outstanding shares of 360 VOX that it does not already own. Under the terms of the arrangement, shareholders of 360 VOX, other than the Corporation, will exchange their shares in 360 VOX for approximately 2.8 million Class A subordinate voting shares ("Subordinate Shares") of the Corporation with an approximate value of $45.5 million. Completion of the plan of arrangement is subject to customary conditions, including receipt of necessary regulatory, court and 360 VOX shareholders' approvals.

Escal UGS S.L. ("Escal")

Dundee Energy Limited ("Dundee Energy") holds an indirect interest in the Castor underground gas storage project (the "Castor Project"), a Spanish infrastructure project owned by Escal and managed by ACS Servicios Comunicaciones y Energia S.L. ("ACS"), a construction group in Spain. Construction of the project has been completed and injection of cushion gas into the reservoir began in June 2013. In mid September 2013, seismic activity was detected in the area surrounding the Castor Project. While the seismic activity did not affect the integrity of the facility and the underground reservoir, the Spanish authorities have suspended further cushion gas injection pending review of an independent assessment on the cause of the seismic activity.

The technical and economic audits required for inclusion of the Castor Project to the Spanish gas system were completed in December 2013 and concluded that the Castor Project is technically fit to store and deliver gas; it has an appropriate process design and configuration; it has sufficient safety engineering for operation; and capital costs employed for the construction of the Castor Project are reasonable. These findings are now subject to the review of the Spanish authorities.

Dundee Energy indirectly holds a 25% interest in Escal, providing Dundee Corporation with an indirect 14% interest in the Castor Project. Recognition of the Corporation's share of cumulative losses incurred by Escal to March 31, 2014 draws the Corporation's carrying value in Escal to $nil. At March 31, 2014, the Corporation had not recognized losses of $32.4 million (December 31, 2013 – $32.6 million), as neither Dundee Energy nor Dundee Corporation have any legal or constructive obligations in respect of the losses.

Portfolio Investments

During the three months ended March 31, 2014, the Corporation invested a total of $13.9 million in new portfolio investments or in increasing its interest in existing portfolio investments. New investments completed during the three months ended March 31, 2014 were predominantly in the energy and resource sectors and continued to include a significant number of investments in private startup companies. Proceeds from sales of investments were $34.1 million during the three months ended March 31, 2014.

For the three months ended March 31, 2014		
Market value of investments, beginning of period	$	1,191,651
Transactions during the three months ended March 31, 2014		
New investments		13,862
Proceeds from sales of investments		(34,124)
Changes in market values		(23,046)
Transfer to equity accounted investments		(1,351)
Other transactions		(81)
Market value of investments, end of period	**$**	**1,146,911**
Represented by:		
Publicly traded securities	$	746,724
Private investments		196,382
Mutual funds and other short-term investments		77
Debt securities		200,045
Warrants and options		3,683
	$	**1,146,911**

At March 31, 2014, the Corporation's portfolio of investments included several public and private investments, as well as certain debt securities across a variety of industry sectors.

Top Five Investment Holdings

As at March 31, 2014	Trade Symbol		Market Value
DREAM Unlimited Corp.	DRM.CN	$	326,275
Real estate investment, development and management company			
Dundee Real Estate Investment Trust	D.UN.CN		141,595
Real estate investment trust focused on high-quality business and office assets			
Dundee International Real Estate Investment Trust	DI.UN.CN		92,700
Dundee International Real Estate Investment Trust - Sub-participating loan	Debt		42,628
Real estate investment trust focused on commercial real estate outside Canada			
Pan African Minerals Ltd.	Private		45,000
Minerals development company focused on project in West Africa			
Participating loan to Edgewater Casino Resort Development	Debt		37,500
Real estate development			
		$	685,698

On April 1, 2014, the Corporation received the necessary British Columbia gaming regulatory approvals to complete a series of transactions which resulted in the Corporation converting its $37.5 million participating loan to Edgewater Casino Resort Development for (i) 50% of the shares of Paragon Holdings Smithe Street ULC (the "Developer"); (ii) 50% of the shares of Edgewater ULC, the general partner of Edgewater LP and the holder of an 86% interest in Edgewater LP; and (iii) a 7% direct interest in Edgewater LP, the operator of the Edgewater Casino (which, on a combined basis, provide the Corporation, directly and indirectly, with a 50% interest in the operations of the Edgewater Casino).

The Developer, which is now jointly owned by the Corporation and affiliates of Paragon Gaming Inc. ("Paragon"), a Las Vegas-based casino resort developer and operator, has the rights to design, develop and operate a mixed use comprehensive development project adjacent to B.C. Place stadium. The new development will feature two luxury resort hotels, a conference centre, restaurants, parking, retail space and a new location for the existing Edgewater Casino. The Corporation and Paragon have entered into certain contracts pursuant to which entities jointly controlled by 360 VOX and Paragon will assume responsibility for the development, construction and management of the new complex. The Corporation and Paragon are currently in the process of raising project financing for the development.

Income from Corporate Investments

During the three months ended March 31, 2014, the Corporation's portfolio of investments depreciated by $23.0 million (three months ended March 31, 2013 – depreciation of $64.4 million). Depreciation in the current quarter was driven by economic and capital markets factors, especially in the resource sector in which the Corporation is heavily weighted. Included in depreciation during the three months ended March 31, 2014 are realized losses from actual dispositions of investments of $0.5 million (three months ended March 31, 2013 – realized gains of $0.2 million).

For the three months ended March 31,		2014		2013
	Realized	Unrealized	Realized	Unrealized
Publicly traded securities	$ (1,004)	$ (25,467)	$ 292	$ (47,392)
Private investments	184	(1,082)	(2)	(11,177)
Mutual funds and other short-term investments	-	6	47	(346)
Debt securities	290	1,627	(167)	(2,954)
Warrants and options	-	2,400	1	(2,725)
	$ (530)	**$ (22,516)**	**$ 171**	**$ (64,594)**

During the three months ended March 31, 2014, the Corporation earned revenue of $9.9 million (three months ended March 31, 2013 – $11.7 million), including interest and dividends earned from cash resources and from its various corporate investments.

DUNDEE ENERGY LIMITED

Dundee Energy (www.dundee-energy.com) is a Canadian-based company focused on creating long-term value through the development and acquisition of high-impact energy projects. Dundee Energy's common shares trade on the TSX under the symbol "DEN". Dundee Energy holds interests, both directly and indirectly, in the largest accumulation of producing oil and natural gas assets in southern Ontario and in the development of the Castor Project *(see "Escal UGS S.L.").*

During the three months ended March 31, 2014, Dundee Energy generated net earnings of $2.9 million attributable to owners of Dundee Corporation. This compares to a net loss attributable to owners of Dundee Corporation of $1.0 million incurred during the same period of the prior year.

RESULTS OF OPERATIONS

For the three months ended March 31,	2014	2013
Revenues		
Oil and gas sales	$ 12,744	$ 7,359
Interest and dividends	63	69
	12,807	7,428
Cost of sales		
Production expenditures	(2,880)	(2,848)
Other items in net earnings (loss) before taxes		
Depreciation and depletion	(2,471)	(3,029)
General and administrative	(1,851)	(1,591)
Loss on derivative financial instruments	(279)	(366)
Interest expense	(1,247)	(1,082)
Foreign exchange gain	162	52
Net earnings (loss) before taxes, Dundee Energy Limited	**$ 4,241**	**$ (1,436)**
Net earnings (loss) before taxes, Dundee Energy Limited attributable to:		
Owners of Dundee Corporation	$ 2,904	$ (958)
Non-controlling interest	1,337	(478)
Net earnings (loss) before taxes, Dundee Energy Limited	**$ 4,241**	**$ (1,436)**

Sales and Production Volumes

During the first quarter of 2014, sales of oil and natural gas, net of royalty interests, were $12.7 million, an increase of $5.4 million over revenues earned during the same period of the prior year. The effect of improved commodity prices increased revenues by approximately $6.1 million, although these results were marginally offset by reduced production volumes, which decreased revenues by $0.7 million.

Average daily volume during the three months ended March 31,	2014	2013
Natural gas (Mcf/d)	8,485	9,093
Oil (bbls/d)	549	619
Liquids (bbls/d)	13	21
Total (boe/d)	1,976	2,156

Field Level Cash Flows and Field Netbacks

For the three months ended March 31,			2014			2013
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
Total sales	$ 9,694	$ 5,283	$ 14,977	$ 3,431	$ 5,241	$ 8,672
Royalties	(1,425)	(808)	(2,233)	(509)	(804)	(1,313)
Production expenditures	(1,474)	(1,406)	(2,880)	(1,412)	(1,436)	(2,848)
	6,795	3,069	9,864	1,510	3,001	4,511
Realized risk management (loss) gain	-	(92)	(92)	-	243	243
Field level cash flows	$ 6,795	$ 2,977	$ 9,772	$ 1,510	$ 3,244	$ 4,754

For the three months ended March 31,			2014			2013
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
	$/Mcf	$/bbl	$/boe	$/Mcf	$/bbl	$/boe
Total sales	$ 12.69	$ 104.48	$ 84.22	$ 4.19	$ 90.98	$ 44.70
Royalties	(1.87)	(15.98)	(12.55)	(0.62)	(13.95)	(6.77)
Production expenditures	(1.93)	(27.80)	(16.19)	(1.72)	(24.93)	(14.68)
	8.89	60.70	55.48	1.85	52.10	23.25
Realized risk management (loss) gain	-	(1.82)	(0.52)	-	4.22	1.25
Field netbacks	$ 8.89	$ 58.88	$ 54.96	$ 1.85	$ 56.32	$ 24.50

Field level cash flows from natural gas, before realized amounts related to risk management contracts, increased to $6.8 million during the first quarter of 2014, compared with $1.5 million in the first quarter of the prior year, reflecting improved realized prices. Dundee Energy realized an average price on sales of natural gas of $12.69/Mcf during the three months ended March 31, 2014, a substantial increase from the average price of $4.19/Mcf realized in the same period of the prior year. The increase is a result of severe winter weather conditions experienced in Ontario and the high volatility in natural gas prices at the Dawn Hub, a leading provider of natural gas supply to the greater Toronto market area. Resulting field netbacks were $8.89/Mcf in the current quarter, compared with field netbacks of $1.85/Mcf realized in the same period of the prior year.

Field level cash flows from oil and liquids, before realized amounts related to risk management contracts, were $3.1 million in the first quarter of 2014, marginally higher than field level cash flows of $3.0 million earned from oil and liquids in the first quarter of the prior year. Dundee Energy realized an average price on sales of oil and liquids of $104.48/bbl during the three months ended March 31, 2014, compared with an average price of $90.98/bbl realized in the same period of the prior year. However, field level cash flows were adversely affected by lower production volumes. Resulting field netbacks were $60.70/bbl in the current quarter, compared with field netbacks of $52.10/bbl in the same period of the prior year. Risk management hedging strategies further reduced field level cash flows from oil and liquids by $0.1 million or $1.82/bbl during the three months ended March 31, 2014. In comparison, risk management contracts added $0.2 million to field level cash flows in the first quarter of the prior year, improving field netbacks by $4.22/bbl.

In order to mitigate its exposure to price volatility, Dundee Energy may, from time to time, enter into fixed price commodity contracts. These price risk management strategies assist Dundee Energy in securing a stable amount of cash flow to protect a desired level of capital spending and for debt management. As well, Dundee Energy's revenues are primarily received in Canadian dollars, however, pricing for commodities, including oil and natural gas, are closely referenced to the US dollar. Dundee Energy partially mitigates its exposure to changes in commodity prices resulting from foreign exchange variability by entering into commodity risk management contracts on a Canadian dollar basis.

CHANGES IN FINANCIAL CONDITION

Capital Expenditures

During the three months ended March 31, 2014, Dundee Energy expended $1.5 million on capital projects (three months ended March 31, 2013 – $1.9 million), including $0.1 million in final costs associated with two workovers commenced in late 2013 and incurred a further $0.5 million on completing 2-D and 3-D seismic work started in late 2013. The remaining $0.9 million of exploration and evaluation costs were incurred on maintenance costs associated with undeveloped land, including leasing costs.

Demand Revolving Credit Facilities

A subsidiary of Dundee Energy has established a $70.0 million credit facility with a Canadian Schedule I Chartered Bank. The credit facility is structured as a demand revolving loan, and is subject to a tiered interest rate structure that varies based on the net debt to cash flow ratio generated by the subsidiary. Based on current ratios, draws on the credit facility bear interest at prime plus 3.5% for loans and letters of credit or, for bankers' acceptances, at the bankers' acceptance rate plus 4.5%. At March 31, 2014, an aggregate of $60.2 million had been drawn against the facility.

EUROGAS INTERNATIONAL INC.

Eurogas International Inc. ("Eurogas International") (*www.eurogasinternational.com*), is an oil and natural gas exploration company. In June 2003, Eurogas International entered into a joint operating agreement with Atlas Petroleum Exploration Worldwide Ltd. ("APEX"), pursuant to which Eurogas International and APEX (jointly, the "Original Contractors") agreed to undertake exploration, appraisal and extraction activities on the Sfax permit ("Sfax Permit"), which currently covers approximately 800,000 acres in the shallow Mediterranean waters in the Gulf of Gabes, offshore Tunisia and southeast of the city of Sfax. Eurogas International held a 45% working interest in the arrangement. APEX held the remaining 55% working interest, and was the operator of the project. The carrying value of Eurogas International's Tunisian properties at March 31, 2014 was $10.0 million (December 31, 2013 – $11.9 million).

Farmout Agreement with DNO Tunisia AS ("DNO")
In January 2014, Eurogas International completed a farmout agreement with DNO (the "DNO Agreement") with respect to the Sfax Permit and the associated Ras El Besh development concession. The DNO Agreement provides for DNO acquiring an 87.5% working interest in the Sfax Permit in exchange for an upfront, non-refundable cash payment of US$6 million to the Original Contractors, and the carrying of 100% of all future costs associated with the Sfax Permit. During the three months ended March 31, 2014, Eurogas International received cash of $2.9 million (US$2.7 million), representing its proportionate share of the cash paid at closing. Amounts received by Eurogas International in respect of the farmout agreement were deducted from the carrying value of Eurogas International's exploration and evaluation properties.

Under the terms of the DNO Agreement, and with the approval of the Tunisian authorities, DNO has contractually assumed full responsibility for all drilling obligations associated with the Sfax Permit, including any compensatory payments that may arise as a result of non-compliance. In that regard, DNO has provided a full guarantee to the Tunisian governmental authorities.

Under the terms of the DNO Agreement, the Original Contractors will be entitled to 12.5% of the profit oil or profit gas component of production from the Sfax Permit, to a maximum of US$125 million (or 12.5% of the profit oil or profit gas from the production of 75 million barrel of oil equivalents, whichever comes first). Thereafter, the Original Contractors are entitled to 6.25% of the profit oil or profit gas component of production from the Sfax Permit to a maximum of an additional US$75 million (or 6.25% of the profit oil or profit gas component from the production of an additional 45 million barrel of oil equivalents, whichever comes first). Eurogas International is entitled to 45% of any payments made to the Original Contractors under these arrangements.

The Original Contractors have conceded a temporary deferral of 50% of their entitlement to a share of the profit oil or profit gas component of production from the Sfax Permit, as outlined above, until such time as DNO recovers $150 million of total incurred costs, including costs to be incurred by DNO subsequent to completion of the DNO Agreement, from the cost oil or cost gas component of production on the Sfax Permit.

In addition to their entitlement to a share of the profit oil or profit gas, the DNO Agreement also provides the Original Contractors with entitlement to receive 20% of the cost oil or cost gas component of production from the Sfax Permit, to a maximum of the lesser of 18% of the costs incurred by the Original Contractors prior to completion of the DNO Agreement, or US$20 million.

In prior years, the Original Contractors had entered into a farmout option agreement with a third party in respect of the Sfax Permit. The third party subsequently exited the farmout option agreement and under a settlement agreement, the third party forfeited its entitlement under the farmout option agreement in exchange for a portion of certain payments, if and when received by the Original Contractors, to a maximum of $20 million.

During the three months ended March 31, 2014, Eurogas International incurred a loss before income taxes of $0.3 million (three months ended March 31, 2013 – $0.2 million).

DUNDEE SUSTAINABLE TECHNOLOGIES INC.

Dundee Sustainable Technologies Inc. (formerly Nichromet Extraction Inc.) ("Dundee Technologies") (*www.dundeetechnologies.com*) has developed proprietary hydrometallurgical processes for the extraction of base and precious metals from ores, concentrates and tailings, which cannot be exploited with conventional processes because of internal refractoriness or environmental considerations. The processes are the results of a continuous effort of laboratory development and pilot scale testing over a period of 10 years.

Cyanidation, a commonly used energy-intensive way of processing gold, produces a large amount of highly contaminated tailings. Dundee Technologies uses a patented innovative approach, chlorination, to extract precious metals. In addition to environmental benefits, the cyanide-free process allows the exploitation of gold deposits that are not extractable using conventional methods. The primary benefits of this new technology are shorter processing times; reduced emissions due to lower energy consumption; and increased mining productivity by reclaiming process waste and remediating tailings.

The next stage of development of the technology is the completion of a demonstration plant and exploratory operations at laboratory scale of various ores. The building of a $27.0 million demonstration plant located in Thetford Mines, Quebec, started in June 2013. The design of the demonstration plant is completed and the commissioning of the demonstration facilities is scheduled for completion by the end of 2014.

The processes developed by Dundee Technologies have been recognized as a "green technology", for which it has been awarded $5.7 million in grants to date for the construction of the demonstration plant, of which $0.7 million has been provided by the Government of Quebec and $5.0 million by the Government of Canada through the Sustainable Development Technology Fund.

The demonstration plant will have a capacity of 15 tonnes per day in order to assess, on a pre-industrial scale, the chlorination extraction technology under continuous operating conditions. This pre-commercialization demonstration plant will serve as a reference for the establishment of full-scale plants operating with the same technology. Of the $27.0 million demonstration plant projected budget, Dundee Technologies has expended $5.4 million in total as at March 31, 2014.

Reflective of its current stage of development, Dundee Technologies does not report any revenue. During the three months ended March 31, 2014, it incurred a net loss of $1.2 million (three months ended March 31, 2013 – $1.0 million), including research and development expenses of $1.8 million relating to the cost of the demonstration plant (three months ended March 31, 2013 – $0.5 million relating to research activities conducted in the pilot plant). The current period loss was partially offset by an unrealized gain of $1.2 million relating to Dundee Technologies' investment in Creso Exploration Inc. ("Creso"), a mineral resource company. Creso's principal mining exploration holdings are located at the Shining Tree mining camp in northern Ontario. Dundee Technologies held a 13.4% interest in Creso as at March 31, 2014.

In February 2014, the shareholders of Creso approved a three cornered amalgamation with Dundee Technologies, effective April 1, 2014, following which Dundee Technologies indirectly acquired all of the issued and outstanding common shares of Creso that it did not already own.

Pursuant to the amalgamation, the common shares of Creso ceased to be listed on the Canadian Securities Exchange ("CSE") and the subordinate voting shares of Dundee Technologies commenced trading on the CSE on April 8, 2014. The Corporation holds multiple voting shares of Dundee Technologies, which are convertible, at the option of the Corporation, into subordinate voting shares of Dundee Technologies, for no additional consideration. The multiple voting shares of Dundee Technologies are not listed on a stock exchange. As of April 8, 2014, and following completion of the transaction between Dundee Technologies and Creso, the Corporation controlled 83% of the voting rights of Dundee Technologies.

UNITED HYDROCARBON INTERNATIONAL CORP.

UHI *(www.unitedhydrocarbon.com)*, is a private Canadian company engaged in oil and gas exploration, development and production activities in the Republic of Chad. UHI has entered into a Production Sharing Contract ("PSC") with the government of the Republic of Chad through its wholly owned subsidiary, United Hydrocarbon Chad Ltd. To obtain the PSC, UHI paid a signature bonus and related attorney's fees of US$92.2 million to the government of the Republic of Chad. The PSC provides the exclusive right to explore and develop oil and gas reserves in four distinct contractual zones, DOC Block, DOD Block, Lake Chad Block and The Largeau III Block.

The Doba Basin is located in southern Chad and intersects both the DOC and DOD blocks. Within the Doba Basin there are two previous discoveries, Belanga and M'Biku. These discoveries are situated in close proximity to a producing field currently operated by Exxon. The Lake Chad Block has two known oil discoveries included in the PSC, Kumia and Kanem. There are over 200 exploration leads defined by the previous operators of the block. The Largeau III Block is more remote and relatively unexplored. UHI plans to focus its efforts on the other three blocks in the near term and will evaluate the Largeau block as part of its long-term strategy.

At March 31, 2014, the Corporation held 49.9 million shares of UHI representing a 40% interest. In addition to its investment in shares of UHI, at March 31, 2014, the Corporation had advanced $120.0 million to UHI pursuant to the terms of senior secured convertible debentures issued by UHI and carrying an interest rate of up to 12% per annum, and it has received certain common share purchase warrants. The Corporation's investment in the senior secured convertible debentures, and the granting to the Corporation of share purchase warrants, provides the Corporation with the ability to control the business activities of UHI and accordingly, the Corporation accounts for its investment in UHI on a consolidated basis.

CHANGES IN FINANCIAL CONDITION

Capital Expenditures

Since inception, UHI has incurred the following amounts of capital expenditures:

	As at	
Capital expenditures since inception	March 31, 2014	December 31, 2013
Acquisition of production sharing contract	$ 91,922	$ 91,922
Drilling, infrastructure and other capitalized costs	122,590	72,446
Foreign currency translation	5,838	-
	$ 220,350	$ 164,368

Doba Basin Exploration and Development Program

In 2013, United Hydrocarbon Chad Ltd. procured a rig contract and a rig service contract in anticipation of beginning exploration work initially focused on existing discoveries in the Doba Basin, in order to establish production and cash flow to fund ongoing exploration and development work. The rig was mobilized late in 2013 and drilling began in January 2014. To date, UHI has drilled three wells resulting in two successful oil wells (a development well at Belanga-1A and an exploration well at Belanga North-1) and one dry hole (Toura-1 exploration well). A third exploration well is being drilled at Dadou-1.

The Belanga North-1 exploration well was drilled to a total depth of 1,392 metres and encountered three oil-bearing sand intervals; two in the targeted Upper Cretaceous 'YO' sands with a combined thickness of 16.5 metres (net), and a previously untested 5-metre (net) sand in a shallower horizon. A 14.5 metre section of the 'YO' sand was perforated and flow tested. At the end of a 15-hour cleanup and flow test period with an 18% pressure drawdown, the final flow rate was 680 barrels of oil per day with no water. This flow rate is not necessarily indicative of the long-term performance or the ultimate recovery of reserves. Oil was also recovered from the previously untested 5-metre thick sand with a wireline testing tool. Subject to further analysis, the oil recovered during the flow tests appears to be similar in quality to the oil in nearby fields that have been in commercial production since 2004.

UHI also drilled a well at Belanga 1A to further delineate the oil discovery at Belanga 1, originally drilled in the 1970's by a previous operator. The well encountered a 9-metre oil zone in the 'YO' sand, approximately 50% thicker than the oil zone in the original discovery well. Crude oil was produced to surface before the flow test was terminated due to a mechanical problem. UHI plans to conduct a long-term flow test later in the year.

As a result of the recent success of the Belanga North-1 exploration well, UHI's technical team has revised the geologic model of the Belanga discovery area with a resulting material increase in expected volume of recoverable oil. Based on a number of technical factors including sand thickness, water saturation and the lowest tested oil level in the wells drilled at Belanga, UHI has combined the well results with the available 2-D seismic to conclude that Belanga and Belanga North are likely one contiguous structure. As a result, management of UHI believes the recoverable oil volumes estimated in the previous independent NI 51-101 report produced by UHI are likely conservative.

UHI recently completed a 146 square kilometre 3-D seismic program over the Belanga oil discovery and a 57 square kilometre program over the M'Biku oil discovery. The Belanga 3-D data is now in Calgary for processing and interpretation will commence soon. The M'Biku 3-D program has also been completed with data expected to arrive shortly. UHI is also shooting an additional 174 kilometres of 2-D seismic in specific areas of Blocks DOC and DOD to refine existing exploration prospects.

With completion of the recent technical work, UHI is proceeding with full field development of the Belanga structure, which will include the filing of an application for an exploration development area with the government of the Republic of Chad. Once drilling is finished at the Dadou-1 exploration prospect (targeting the Upper Cretaceous sands found at Belanga and Belanga North-1), the rig will move back to Belanga to focus on development drilling. Planning is underway to order long lead-time items required to produce up to 15,000 bbl/d from the Belanga discovery by the end of 2015. Discussions have commenced with third parties to gain access to the export pipeline system.

Lake Chad Block

The Kumia and Kanem discoveries within the 1.8 million square kilometre Lake Chad Block have a combined estimated 58 million barrels of recoverable resources as identified by previous operators. In addition, and with 7,400 kilometres of 2-D seismic data, previous operators have identified approximately 200 exploration leads or prospects on the block.

While UHI's currently discovered oil on the Lake Chad Block is insufficient to support an independent pipeline to tie-in to the Chad-Cameroon export pipeline, UHI has commenced preliminary discussions with companies in the neighbouring country of Niger with respect to a joint venture to bring all parties' oil to southern Chad to connect to the export pipeline through Cameroon.

Cash Resources

UHI does not generate revenue from operations and it currently relies on its ability to raise funds through capital markets or through debt from the Corporation. There can be no assurance that UHI will be successful in raising alternative funds to support future operations.

RESULTS OF OPERATIONS

UHI's only operating segment is oil and gas exploration, development and production activities in the Republic of Chad. UHI is in the exploration phase and follows the policy of capitalizing costs that are directly related to work performed. Generally, this includes all costs incurred in Chad, as well as certain costs incurred at head office that relate specifically to the project in Chad. During the three months ended March 31, 2014, UHI invested $56.0 million on exploration activities, including certain non-cash items and foreign currency translation.

During the first quarter of 2014, and in recognition of the contribution made by the Corporation towards an oil discovery as outlined previously, UHI awarded 20,000,000 treasury shares to the Corporation, with a value of $10.0 million. Concurrently, the board of directors of UHI amended the terms of certain outstanding warrants for the issuance of common shares of UHI, accelerating the vesting criteria and resulting in the recognition of compensation expense of $9.0 million. These transactions resulted in the recognition of expenses aggregating $19.0 million, significantly contributing to losses of $20.6 million incurred during the first quarter of 2014. For consolidation purposes, and in accordance with accounting requirements, the $10.0 million expense related to the discovery bonus paid by UHI to the Corporation has been eliminated against revenues earned directly by the Corporation.

BLUE GOOSE CAPITAL CORP.

Blue Goose *(www.bluegoosepurefoods.com)* is a Canadian private company focused on the production, distribution and sale of organic and natural beef, chicken and fish. Organic protein is achieved through the raising of livestock and poultry using feed from organically grown crops without substrates or animal by-products, and without the use of artificial growth hormones or antibiotics. Blue Goose also raises fish in a sustainable manner, providing natural feed, consistent with the food that fish would consume in the wild. Harvesting of organic protein by Blue Goose employs the highest standards of animal husbandry and welfare. At March 31, 2014, the Corporation held an 84% interest in Blue Goose.

RESULTS OF OPERATIONS

During the three months ended March 31, 2014, Blue Goose incurred a net loss attributable to the owners of Dundee Corporation of $14.8 million. This compares with a net loss attributable to the owners of Dundee Corporation of $2.0 million in the same period of the prior year.

For the three months ended March 31,		2014		2013
Revenues				
Sales	$	18,612	$	2,502
Interest and dividends		10		-
		18,622		2,502
Cost of sales		(30,734)		(4,818)
Other items in net loss before taxes				
Depreciation and depletion		(6,721)		(582)
General and administrative		(2,388)		(1,164)
Fair value changes in livestock		4,224		1,692
Interest expense		(580)		(27)
Foreign exchange gain		-		13
Net loss before taxes, Blue Goose Capital Corp.	**$**	**(17,577)**	**$**	**(2,384)**
Net loss before taxes, Blue Goose Capital Corp. attributable to:				
Owners of Dundee Corporation	$	(14,792)	$	(1,981)
Non-controlling interest		(2,785)		(403)
Net loss before taxes, Blue Goose Capital Corp.	**$**	**(17,577)**	**$**	**(2,384)**

During the first quarter of 2014, and after a two-year period of intense growth and expansion, including completion of a substantial number of acquisitions, Blue Goose initiated a restructuring of its operations, including a re-engineering of processes aimed at achieving a synergy of scale across its various product lines and a streamlining of associated production expenditures. Included in the net loss during the first quarter of 2014 are costs of $11.3 million relating to these initiatives, of which $5.8 million have been included in the March 2014 Interim Consolidated Financial Statements as *"Cost of sales"* as they relate to the usability of previously stockpiled inventory and $5.5 million as "*Depreciation and depletion*", reflecting changes in the estimated useful lives and ultimate recoverability of property, plant and equipment.

Contribution Margins

During the first quarter of 2014, Blue Goose generated negative contribution margins of $7.9 million on sales of $18.6 million.

For the three months ended March 31,									2014									2013
				Cost of		Fair Value							Cost of		Fair Value			
Components of Agriculture Products		Revenue		Sales		Changes		Margin	% Margin		Revenue		Sales		Changes		Margin	% Margin
Beef	$	2,967	$	6,520	$	4,224	$	671	22.6%	$	2,502	$	4,818	$	1,459	$	(857)	(34.3%)
Chicken		6,348		12,104		-		(5,756)	(90.7%)		-		-		-		-	n/a
Fish		1,022		3,949		-		(2,927)	(286.4%)		-		-		233		233	n/a
Feed		8,100		7,725		-		375	4.6%		-		-		-		-	n/a
Other		175		436		-		(261)	(149.1%)		-		-		-		-	n/a
	$	18,612	$	30,734	$	4,224	$	(7,898)	(42.4%)	$	2,502	$	4,818	$	1,692	$	(624)	(24.9%)

In the third quarter of 2013, Blue Goose's abattoir received its federal certification, which allowed Blue Goose to sell its products across the country and expand into Ontario. Beef unit sales however, were lower in the three months ended March 31, 2014, compared to the same period of the prior year. This was due to a decision by Blue Goose's management to freeze non-prime beef parts shipped to Ontario, whose volume will not be recognized until this beef product is sold in subsequent quarters. However, Blue Goose was able to sell more prime cuts of beef, thereby expanding beef sales to $3.0 million, compared to $2.5 million in the same period of the prior year. Beef margins, before the effect of fair value changes, decreased during the three months ended March 31, 2014 due to higher feed and labour costs associated with severe cold winter weather in British Columbia and Ontario.

Unit sales for the three months ended March 31,	2014	2013
Beef (kgs)	276,633	386,733
Chicken (kgs)	683,799	-
Consumer packaged goods (cases)	8,647	-
Fish (lbs)	346,948	-

Blue Goose has grown its sales of organic and natural chicken in British Columbia, Quebec and the Atlantic provinces, through expanded sales capabilities and by cross-selling to its existing client base within existing channels. Blue Goose anticipates that these initiatives will facilitate the distribution of natural fish product into these markets, which is anticipated to begin during the second half of 2014.

Contribution margins during the first quarter of the current year were adversely affected by a $5.8 million reduction in the estimated recoverable amount of stockpiled inventory, including $3.0 million related to previously frozen and processed chicken inventory, $1.0 million related to frozen fish inventory, and $1.8 million in associated compost and fertilizer inventory.

Negative contribution margins were partially offset by the recognition of a $4.2 million gain in the estimated fair value of livestock realized during the first quarter of 2014, primarily attributable to growth of the cattle herd. This compares to an estimated fair value gain of $1.7 million recognized in the same period of the prior year. Fair value changes to livestock were due to changes in the market price of cattle and fish, as well as changes in the weight of cattle and fish held for sale.

CHANGES IN FINANCIAL CONDITION

Changes in Livestock Carrying Values

Blue Goose has increased its organic herd count to 13,569 at March 31, 2014, up from 12,122 at December 31, 2013. In addition to its organic cattle herd in British Columbia and Ontario, Blue Goose also continues to expand its herd of Wagyu cattle (more commonly known as "Kobe beef") which it produces through Emma Farms Cattle Company ("Emma Farms") in both Colorado and Oklahoma. At March 31, 2014, Emma Farms had a herd size of 349 purebred Wagyu, which Blue Goose intends to significantly increase in the coming years. The Wagyu beef product is in high demand by upscale restaurants throughout the United States.

		Cattle herd as at
(number of animals)	March 31, 2014	December 31, 2013
Breeding cattle and bulls	5,207	4,974
Immature livestock and feeder cattle	8,362	7,148
	13,569	12,122

Changes in the carrying value of livestock and inventory are illustrated in the following table. Included in cattle inventory is approximately $1.3 million of livestock assets in northern Ontario, which Blue Goose plans to sell during the remainder of 2014, exiting production activities in that location.

	Cattle	Fish	Inventory and Supplies	TOTAL
Carrying value, beginning of period	$ 21,338	$ 2,149	$ 12,151	$ 35,638
Transactions during the three months ended March 31, 2014				
Net additions	1,624	26	2,115	3,765
Herd growth	4,224	-	-	4,224
Net of product processed	(2,621)	(909)	(1,641)	(5,171)
Changes in estimated recoverable amounts	-	-	(5,753)	(5,753)
Carrying value, end of period	$ 24,565	$ 1,266	$ 6,872	$ 32,703

Changes in the Carrying Value of Land and Other Capital Assets

As a key part of its business plan, Blue Goose acquired high quality, productive land acreage that is fully irrigated, and which provides quality hay for winter cattle feeding. Blue Goose landholdings are comprised of over 1.1 million acres, including both freehold (deeded) acres and leasehold acreage in British Columbia, Ontario and Colorado.

(in thousands)	Number of Acres Deeded or Leased as at March 31, 2014
British Columbia	1,119
Ontario	10
Colorado	18
	1,147

Blue Goose plans to continue acquiring farmland property in British Columbia, subject to availability and suitability to its overall business plan, realizing that additional landholdings will be necessary in order to further expand organic beef production capacity, which will in turn allow Blue Goose to increase processing and distribution of its products. At December 31, 2013, however, Blue Goose had approximately 9,500 acres of land assets with a carrying value of $10.0 million which had been attributed to the Ontario beef operations in northern Ontario. During the three months ended March 31, 2014, Blue Goose reassessed the recoverable amount of these land assets given its strategic direction in respect of beef operations in northern Ontario, and accordingly, it reduced the carrying value by $3.8 million to $6.2 million.

As part of its vertical integration strategy, Blue Goose developed a fertilizer plant, through which Blue Goose had intended to package and distribute fertilizer by-products of its organic and natural protein production. At December 31, 2013 the fertilizer plant asset had a net book value of $2.1 million. Blue Goose has reassessed the production capacity of the plant, in light of market distribution initiatives and determined that its recoverable amount should be reduced by $1.7 million.

Corporate Debt

Blue Goose and its subsidiaries have entered into several loan arrangements. During the three months ended March 31, 2014, Blue Goose converted a $14.8 million advance loan facility into a fixed term loan maturing July 1, 2027, bearing interest at 5.2% annually. This term loan is secured by a first charge mortgage against various real estate assets held by Blue Goose and by certain wholly-owned subsidiaries of Blue Goose. In addition, Blue Goose has established a $10.0 million fixed term facility secured by ranch property in western Canada. The fixed term facility bears interest at 3.05% per annum.

Certain wholly-owned subsidiaries of Blue Goose have entered into various credit facilities for up to $23.1 million with certain Canadian Schedule I Chartered Banks. Borrowings under these arrangements bear interest at a rate per annum ranging from the bank's prime lending rate plus 0.50% to 1.30%. The facilities are secured by general security agreements against the assets of each respective subsidiary and are guaranteed by Blue Goose.

On October 1, 2013, Blue Goose's U.S. subsidiary secured a 4.70% US$6.0 million real estate loan secured against land in Colorado and a US$1.0 million variable interest rate operating line secured against the assets of the U.S. subsidiary. Both facilities are guaranteed by Blue Goose.

At March 31, 2014, Blue Goose and its subsidiaries had drawn $52.8 million (December 31, 2013 – $50.0 million) pursuant to these arrangements.

Other Agriculture and Aquaculture Investments

During the three months ended March 31, 2014, the Corporation maintained its common equity interest in AgriMarine Holdings Inc. ("AgriMarine") *(www.agrimarine.com)* at 17%. In addition, in the prior year, the Corporation had acquired all of the company's secured debt from a third party, and lent to the company new secured debt. This aquaculture company has been strategically refocused on farming fish in a manner that is environmentally sustainable and economically attractive in its proprietary floating closed-containment technology, in both Canada and China.

Founded in 2007, AgriMarine is a CSE listed company and owner of intellectual property, patents, and licenses that permit it to raise salmon, trout, and other fin fish species in solid-wall closed-containment fish tanks. AgriMarine contends that this innovative fish farming system has significant advantages over the conventional rearing systems used by its competitors. AgriMarine has also acquired West Coast Fishculture (Lois Lake) Ltd. and is installing its technology to build on this successful steelhead trout production farm.

GOODMAN & COMPANY, INVESTMENT COUNSEL INC.

Asset management activities are carried out by the Corporation's 100% owned subsidiary, Goodman & Company, Investment Counsel Inc. ("GCIC"), a registered portfolio manager and exempt market dealer across Canada and an investment fund manager in the provinces of Ontario, Quebec and Newfoundland.

During the three months ended March 31, 2014, and in order to streamline the core focus of its investment management activities, GCIC terminated its sub-advisory activities in respect of certain mutual funds, including Dynamic Resources Fund. Concurrently, GCIC assumed full management for the "CMP", "CDR" and "Canada Dominion Resources" limited partnership investment products, including the management of the oil and gas components of these portfolios which had previously been sub-advised by third parties. As a result of these changes, at March 31, 2014, GCIC AUM decreased to $0.3 billion (December 31, 2013 – $0.5 billion).

Revenues earned by GCIC during the three months ended March 31, 2014 decreased to $0.8 million, compared with $1.3 million earned in the same period of the prior year reflecting reduced levels of AUM as outlined above. During the three months ended March 31, 2014, GCIC incurred a loss before income taxes of $0.7 million (three months ended March 31, 2013 – $0.9 million).

DUNDEE SECURITIES LTD.

Dundee Securities Ltd. *(www.dundeecapitalmarkets.com)* is a full-service securities broker and member of the Investment Industry Regulatory Organization of Canada and operates directly and through its sister companies, Dundee Securities Europe LLP, authorized by the Financial Services Authority in the United Kingdom for the purposes of security brokering and asset management, Dundee Securities Inc., a member of the Financial Industry Regulatory Authorities and registered as a broker dealer with the U.S. Securities Exchange Commission, and Dundee Goodman Insurance Agency Ltd., licensed by the Financial Services Commission of Ontario to carry on business as a life insurance agency (collectively "Dundee Securities").

RESULTS OF OPERATIONS

For the three months ended March 31,	2014	2013
Revenues		
Management fees	$ 2,075	$ 1,640
Financial services		
Investment banking	10,605	8,929
Commissions	11,697	9,403
Principal trading	2,296	(2,258)
Foreign exchange trading	82	200
Interest and dividends	2,066	2,724
	28,821	20,638
Cost of sales		
Variable compensation	(13,477)	(8,696)
Other items in net loss		
Depreciation	(281)	(690)
General and administrative	(15,682)	(15,172)
Interest expense	(41)	(136)
Foreign exchange gain (loss)	215	(147)
Net loss attributable to Dundee Securities Ltd.	**$ (445)**	**$ (4,203)**
Net loss before taxes, Dundee Securities Ltd. attributable to:		
Owners of Dundee Corporation	$ (445)	$ (4,203)
Non-controlling interest	-	-
Net loss before taxes, Dundee Securities Ltd.	**$ (445)**	**$ (4,203)**

Assets Under Management and Assets Under Administration

Management fee revenues earned during the three months ended March 31, 2014 were $2.1 million, compared to $1.6 million earned in the same period of the prior year. The increase is a result of increased AUM as illustrated in the table below.

(in millions of dollars)

As at	March 31, 2014	December 31, 2013	March 31, 2013
AUA	$ 4,820	$ 3,002	$ 3,138
AUM	1,091	855	811

During the first quarter of 2014, Dundee Securities acquired 55 new retail advisors adding approximately $2 billion of AUM and AUA. The purchase price was approximately $16.0 million. The transaction adds retail advisors to Dundee Securities' existing offices in Toronto, Montreal, Calgary and Vancouver. It also created new offices in Ottawa and Victoria.

Financial Services Revenue

Investment banking revenue, including revenue from new issues and advisory services fees, was $10.6 million during the three months ended March 31, 2014, a 19% increase from the $8.9 million earned in the same period of the prior year. During the three months ended March 31, 2014, Dundee Securities participated in 30 (three months ended March 31, 2013 – 31) public and private new issue transactions, with the mining and oil and gas sectors representing 50% of new issue activity. These new issue financings generated revenue of $8.3 million during the three months ended March 31, 2014, a significant increase compared with the $4.6 million of revenue earned in the same period of the prior year. During the three months ended March 31, 2014, Dundee Securities earned advisory fees of $2.3 million, compared with $4.3 million in the same period of the prior year. Advisory mandates are generally long term in nature, and fees are earned only on the successful completion of a transaction.

Commission revenue was $11.7 million during the three months ended March 31, 2014, a 24% increase over commission revenue of $9.4 million earned in the same period of the prior year. This increase reflects improvements in both the institutional and retail sectors.

Principal trading activities generated gains of $2.3 million during the three months ended March 31, 2014, compared with losses of $2.3 million in the same period of the prior year, reflecting market appreciation of proprietary investment banking positions and decreased facilitation trading losses.

Variable Compensation Expense
During the three months ended March 31, 2014, variable compensation expense paid to capital markets professionals was $13.5 million (three months ended March 31, 2013 – $8.7 million), representing approximately 50% (three months ended March 31, 2013 – 49%) of related financial services and management fee revenue, resulting in contribution margins of 50% (three months ended March 31, 2013 – 51%).

FINANCIAL CONDITION

Balances Directly Related to Dundee Securities

As at		March 31, 2014		December 31, 2013
Client accounts receivable	$	674,595	$	655,376
Client deposits and related liabilities		(737,357)		(667,196)
Securities owned		91,814		54,491
Securities sold short		(28,716)		(25,815)

Client account balances represent funds owing from or belonging to clients, and amounts due to or from brokers and dealers that are pending settlement. The increase in client receivables and client liabilities during the three months ended March 31, 2014 is partially a result of the clients associated with the acquisition of new advisors completed during the quarter, as well as increased foreign exchange trading. Client account balances may vary significantly on a day-to-day basis, and may not necessarily reflect any meaningful changes to Dundee Securities' financial position.

Securities owned and securities sold short represent trading positions of Dundee Securities and are recorded at their fair value based on quoted prices where available, with changes in fair values included in principal trading revenue. Similar to client account balances, trading positions may also vary significantly on a day-to-day basis depending upon trading strategies in response to market conditions and in anticipation of price movements. These variances do not necessarily reflect any meaningful changes to Dundee Securities' financial position.

Call Loan Facilities
From time to time, Dundee Securities may utilize call loan arrangements to facilitate the securities settlement process for both client and principal securities transactions, or to fund margin lending. In connection with the establishment of an introducing and carrying broker arrangement with a third-party service provider, Dundee Securities has arranged for an uncommitted call loan facility for up to $125 million (December 31, 2013 – $125 million). There were no amounts drawn pursuant to this facility at March 31, 2014.

OTHER CONSOLIDATED BALANCES AND CAPITAL STRUCTURE

General and Administrative Expenses
Generally, head office costs, including costs associated with corporate governance and related public company costs, are accumulated and reported as head office costs and are not allocated to other operating segments. During the three months ended March 31, 2014, the Corporation reported an aggregate recovery of general and administrative expenses of $4.0 million, compared with costs of $6.4 million incurred in the same period of the prior year.

As part of the Arrangement with Dundee Realty completed in May 2013, the Corporation adjusted the settlement terms of its stock based compensation arrangements to provide holders thereof with an equivalent distribution entitlement provided to other shareholders as part of the Arrangement. These adjustments to stock based compensation arrangements are recognized as liabilities at fair value, with changes in fair value reported in net earnings. During the quarter ended March 31, 2014, the fair value of these liabilities decreased by $4.7 million, with a corresponding reduction in stock based compensation expense. In addition to the effect of stock based compensation, and following an assessment of ongoing operational results, the Corporation also adjusted its estimate of incentive compensation. This assessment further reduced liabilities previously accrued by $6.0 million, with a corresponding reduction in general and administrative expenses.

Corporate Interest Expense

Corporate interest expense, before intersegment eliminations, was $1.9 million during the three months ended March 31, 2014, a $2.5 million decrease from the $4.4 million of interest expense incurred in the same period of the prior year, reflecting a decrease in average borrowings over the respective periods.

Income Tax Recovery

The Corporation's effective income tax rate was a negative 15.5% for the three months ended March 31, 2014 (three months ended March 31, 2013 – effective income tax recovery rate of 26.8%). This effective income tax expense rate is significantly different than the statutory combined federal and provincial tax rate of 26.5% and can be attributed primarily to losses incurred by certain subsidiaries, the benefit of which was not recognized in the March 2014 Interim Consolidated Financial Statements.

Net Deferred Income Tax Liabilities

The Corporation's net deferred income tax liabilities at March 31, 2014 were $72.6 million, and represent deferred income tax liabilities of $101.2 million, offset by deferred income tax assets of $28.6 million. This compares to net deferred income tax liabilities of $75.2 million at December 31, 2013. Deferred income tax liabilities decreased as a result of declines in the market value of the Corporation's investments. Components of the Corporation's net deferred income tax liabilities are detailed in note 24 to the March 2014 Interim Consolidated Financial Statements.

The Corporation's aggregate income tax loss carry forwards at March 31, 2014 were $97.2 million (December 31, 2013 – $80.6 million). Included in the Corporation's deferred income tax balances is a tax benefit of $6.7 million (December 31, 2013 – $8.9 million) in respect of these tax losses.

Corporate Debt

		Revolving Term Credit Facilities				Discontinued	
	$6.5 million Exchangeable Debentures	$150 million Corporate	$225 million Corporate	$70 million Dundee Energy	Blue Goose Debt	Real Estate Debt	TOTAL
Balance, January 1, 2013	$ 8,396	$ -	$ 27,393	$ 62,633	$ 1,067	$ 233,573	$ 333,062
Draws/Repayments	-	-	(27,393)	3,076	48,928	-	24,611
Changes in real estate debt	-	-	-	-	-	(13,775)	(13,775)
Disposition of real estate debt	-	-	-	-	-	(219,798)	(219,798)
Debentures submitted for exchange	(259)	-	-	-	-	-	(259)
Unrealized revaluation adjustment	(1,740)	-	-	-	-	-	(1,740)
Other	41	-	-	-	-	-	41
Balance, December 31, 2013	6,438	-	-	65,709	49,995	-	122,142
Draws/Repayments	-	65,695	-	(5,912)	2,816	-	62,599
Other	9	-	-	-	-	-	9
Balance, March 31, 2014	$ 6,447	$ 65,695	$ -	$ 59,797	$ 52,811	$ -	$ 184,750

On January 23, 2014, the Corporation established a $150 million revolving term credit facility with a Canadian Schedule I Chartered Bank. The facility matures on January 22, 2015. Borrowings under the credit facility (i) in Canadian dollars bear interest at a rate per annum equal to the bank's prime lending rate for loans plus 0.20% or, at the Corporation's option, at the prevailing bankers' acceptance rate plus 1.20%; and (ii) in US dollars bear interest at the London Interbank Offered Rate plus 1.20% or at the bank's commercial lending rate for US dollars plus 0.20%, at the Corporation's option. Letters of credit are also available under the credit facility. Unused amounts available under the revolving term credit facility are subject to an annual standby fee of 0.24%.

Draws against the revolving term credit facility are contingent on, among other things, the maintenance of certain financial ratios relating to the fair value of certain of the Corporation's investments and are subject to certain restrictions, including restrictions on the existence of other secured indebtedness and other covenants customary for credit facilities of this nature.

The credit facility is guaranteed by certain subsidiaries of the Corporation and is secured by security agreements granted by the Corporation, and by the guaranteeing subsidiaries of the Corporation.

5.85% Exchangeable Unsecured Subordinated Debentures ─ The terms of the Corporation's exchangeable debentures provide for the exchange, at the option of the holder, of one $1,000 exchangeable debenture for 33.6134 units of Dundee Real Estate Investment Trust ("Dundee REIT"), subject to certain conditions. The Corporation has placed sufficient units of Dundee REIT into an escrow arrangement established for the purpose of satisfying any potential obligation pursuant to the terms of the exchangeable debentures. There were no debentures tendered under these exchange provisions during the three months ended March 31, 2014. The Corporation's exchangeable debentures mature on June 30, 2015.

Debt of Subsidiaries

A more detailed discussion of corporate debt in each of the Corporation's business segments is presented under "*Segmented Results of Operations*".

Share Capital

As at March 31, 2014, there were 51,001,962 Subordinate Shares and 3,115,835 Class B common shares outstanding. On April 7, 2014, the Corporation announced that it had received regulatory approval for the renewal of its normal course issuer bid from April 8, 2014 to April 7, 2015. The normal course issuer bid allows the Corporation to purchase up to a maximum of 2,550,098 Subordinate Shares for subsequent cancellation, representing approximately 5% of the public float at the time approval for the normal course issuer bid was granted. At May 14, 2014, there were 50,387,648 Subordinate Shares and 3,115,835 Class B common shares outstanding.

As at March 31, 2014, the Corporation had granted 1,245,000 options with a weighted average exercise price of $9.40, of which 982,000 were exercisable as holders had met the vesting requirements. Each option entitles the holder thereof, upon payment of the associated exercise price, to one Subordinate Share of the Corporation and to the value of one Class A subordinate voting share of DREAM Unlimited Corp. which value may be settled, at the option of the Corporation, in cash or in additional Subordinate Shares of the Corporation with a value, at the time of the exercise of the option, equal to the value of the Class A subordinate voting share of DREAM Unlimited Corp.

In addition to outstanding options, at March 31, 2014, there were 1,222,588 deferred share units outstanding under the Corporation's deferred share unit plan, each deferred share unit of which tracks the value of the Corporation's Subordinate Shares. In addition, the Corporation had awarded 1,332,430 deferred share units that track the value of a Class A subordinate voting share of DREAM Unlimited Corp.

The terms of the Corporation's share based compensation arrangements are summarized in note 24 to the Corporation's 2013 Audited Consolidated Financial Statements.

At March 31, 2014, the Corporation had 6.0 million 5.00% cumulative redeemable first preference shares, series 4 ("Preference Shares, series 4"), and 5.2 million 6.75% cumulative redeemable first preference shares, series 2 ("Preference Shares, series 2") issued and outstanding. A full description of the terms of the Preference Shares, series 4 and Preference Shares, series 2 is provided in note 18 to the 2013 Audited Consolidated Financial Statements.

CONSOLIDATED LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2014, the Corporation had cash of $231.2 million, compared with cash of $183.8 million at December 31, 2013. In addition, available credit under credit facilities available to the Corporation and its subsidiaries was $97.9 million.

	Holding Company	Regulated Subsidiaries	Other Subsidiaries	TOTAL
Cash	$ 11,478	$ 209,843	$ 9,833	$ 231,154
Availability under credit facilities, excluding call loan facilities	84,305	-	13,554	97,859
	$ 95,783	$ 209,843	$ 23,387	$ 329,013

Included in the Corporation's consolidated cash balance is $209.8 million of cash used in the operating business of the Corporation's asset management and brokerage subsidiaries. These subsidiaries function in regulated environments and are therefore required to maintain levels of capital in liquid assets, in accordance with regulatory requirements. The amount of capital that exists within these regulated entities may dictate the level of business operations, including margin lending, securities trading and corporate finance commitments. Furthermore, the ability to transfer cash resources out of these regulated subsidiaries may be limited by their requirement to comply with regulatory capital requirements.

At March 31, 2014 and December 31, 2013, the Corporation's regulated subsidiaries exceeded their minimum regulatory capital requirements.

Significant Sources and Uses of Cash
Significant cash flow items during the three months ended March 31, 2014 and March 31, 2013 are as follows:

Significant Cash Flows – Operating Activities

For the three months ended March 31,	2014	2013
Operating activities:		
Adjusted net (loss) earnings*	$ (10,477)	$ 10,247
Changes in balances relating to investment dealer activities	14,628	98,534
Changes in agricultural working capital	5,730	1,039
Changes in other working capital amounts	55,506	(11,127)
Changes in income taxes	11,437	(56,870)
Cash provided from operating activities	$ 76,824	$ 41,823

* *Adjusted net (loss) earnings is equal to net (loss) earnings adjusted for net earnings from discontinued operations, dividends received from discontinued operations and items not affecting cash and other adjustments.*

- The effect of changes in balances related to investment dealer activities, including client account balances and brokerage securities owned and sold short, will vary significantly on a day-to-day basis. Cash flow balances relating to investment dealer activities also include amounts borrowed or repaid pursuant to call loan facilities. During the three months ended March 31, 2014, these balances resulted in net cash inflow of $14.6 million (three months ended March 31, 2013 – $98.5 million net cash inflow). Changes in cash resulting from these types of transactions may not necessarily reflect any meaningful change in the Corporation's financial position, or that of its subsidiaries.
- Changes in other working capital amounts and changes in cash relating to the Corporation's income tax positions reflect changes in the underlying level of business activities.

Significant Cash Flows – Investing Activities

For the three months ended March 31,	2014	2013
Investing activities:		
Net acquisitions of portfolio investments	$ (30,809)	$ (116,548)
Net investment in resource properties	(36,984)	(2,997)
Net investment in livestock and other agricultural assets	(721)	(20,530)
Other investment activities	(16,466)	(3,297)
Cash used in investing activities	$ (84,980)	$ (143,372)

- Cash required or derived from trading in the Corporation's investment portfolio, including equity accounted investments, will vary from period to period and is dependent on trading activity and strategies that may evolve in response to global market conditions or otherwise. During the three months ended March 31, 2014, the Corporation invested a net amount of $30.8 million in its investment portfolio (three months ended March 31, 2013 – net investment of $116.5 million).
- During the three months ended March 31, 2014, the Corporation invested $37.0 million into its resource properties, compared with $3.0 million in the same period of the prior year. Current year investments in resource properties include amounts invested by UHI in the Republic of Chad. There were no investments relating to these assets in the first quarter of the prior year.
- Net investment in livestock and agricultural assets during the three months ended March 31, 2014 was $0.7 million, compared with $20.5 million in the same period of the prior year. Amounts expended during the first quarter of the prior year include startup amounts associated with the Corporation's initial investment into the agriculture sector.
- Included in cash flows relating to other investment activities is $16.0 million of consideration paid by Dundee Securities to complete the acquisition of certain retail brokers (*see* "*Dundee Securities Ltd. – Results of Operations*").

Significant Cash Flows – Financing Activities

For the three months ended March 31,	2014	2013
Financing activities:		
Change in corporate debt	$ 62,599	$ 100,683
Net issuance of Class A subordinate shares, net of issue costs	64	17
Net issuance of shares by subsidiaries to non-controlling interest	-	1,500
Purchase of non-controlling interest in subsidiary	(4,984)	-
Dividends paid on Preference Shares, series 2	(2,194)	(2,194)
Cash provided from financing activities	$ 55,485	$ 100,006

- Net amounts drawn against credit facilities available to the Corporation and to its subsidiaries during the three months ended March 31, 2014 were $62.6 million (three months ended March 31, 2013 – $100.7 million drawn).
- During the three months ended March 31, 2014, the Corporation paid $5.0 million to acquire all of the outstanding units of Ravensden Alternative Group that it did not already own. Ravensden Alternative Group is a private investment vehicle. In the same period of the prior year, cash flows included $1.5 million raised by Blue Goose in private placements of its common shares.
- During the three months ended March 31, 2014, the Corporation paid dividends of $2.2 million (three months ended March 31, 2013 – $2.2 million) on outstanding Preference Shares, series 2. The Corporation has not paid a dividend on its Subordinate Shares or on its common shares.

Cash Requirements

The Corporation's capital management and funding objectives include ensuring that the Corporation is compliant with all of its ongoing obligations, including compliance with all applicable debt covenants, and ensuring that the Corporation is able to meet its financial obligations as they become due. In determining its capital allocation, the Corporation considers relevant regulatory capital requirements in order to effectively manage its capital markets business, and resources required for the development of resource and agricultural opportunities. The Corporation's capital management objectives also include ensuring that it has sufficient capital available to benefit from acquisitions and other opportunities, should they arise, and ensuring adequate returns for shareholders. The Corporation regularly assesses the allocation of its capital resources in response to changing economic conditions.

The Corporation's intention is to meet short-term liquidity requirements through funds from operations, working capital reserves and operating debt facilities. In addition, the Corporation anticipates that its operations will continue to provide the cash necessary to fund expenses and debt service requirements. Capital may also be generated through dispositions of investments as the Corporation repositions its investment portfolio in a manner consistent with its stated strategy to maintain a conservative level of debt, while ensuring that sufficient capital is available to execute the Corporation's business plan at all times.

On a consolidated basis, the Corporation believes that operating cash flow, combined with available lines of credit and its portfolio of investments, provide sufficient cash resources for the Corporation to conduct its operations for the foreseeable future, including supporting the capital requirements of its regulated subsidiaries and the payment of dividends and interest payments on preference shares and debt obligations. On an ongoing basis, the Corporation may also require cash to develop its energy, resource, agricultural and real estate initiatives or to invest in other opportunities, including growth opportunities related to its portfolio of investments. If required, the Corporation may consider alternative financing options for certain investment initiatives, including possible debt or equity issuances.

CONSOLIDATED QUARTERLY BUSINESS TRENDS

	2014		2013				2012		
For the three months ended,	31-Mar		31-Dec	30-Sept	30-Jun	31-Mar	31-Dec	30-Sept	30-Jun
Net earnings (loss) for the period									
Continuing operations	$ (31,843)		$ 20,667	$ 2,598	$ (69,285)	$ (46,605)	$ 10,595	$ 21,232	$ (133,625)
Discontinued operations	-		-	-	610,897	15,812	24,913	17,303	21,867
Net earnings (loss) attributable to owners of the parent	$ (31,843)		$ 20,667	$ 2,598	$ 541,612	$ (30,793)	$ 35,508	$ 38,535	$ (111,758)
Earnings (loss) per share									
Basic									
Continuing operations	$ (0.63)		$ 0.34	$ 0.01	$ (1.32)	$ (0.90)	$ 0.15	$ 0.35	$ (2.47)
Discontinued operations	-		-	-	11.29	0.29	0.46	0.31	0.40
	$ (0.63)		$ 0.34	$ 0.01	$ 9.97	$ (0.61)	$ 0.61	$ 0.66	$ (2.07)
Diluted									
Continuing operations	$ (0.63)		$ 0.33	$ 0.01	$ (1.32)	$ (0.90)	$ 0.15	$ 0.34	$ (2.47)
Discontinued operations	-		-	-	11.29	0.29	0.44	0.30	0.40
	$ (0.63)		$ 0.33	$ 0.01	$ 9.97	$ (0.61)	$ 0.59	$ 0.64	$ (2.07)

- In the second quarter of 2013, the Corporation realized a gain from discontinued operations of $599.4 million relating to the distribution of assets pursuant to the Arrangement with Dundee Realty.
- Included in net earnings are realized and unrealized gains or losses relating to the Corporation’s direct investments in public and private securities. As previously noted, changes in the fair value of investments are determined by equity and credit markets and are expected to result in significant quarterly fluctuations in net earnings. The Corporation believes that equity and credit markets do not necessarily correctly reflect the underlying value of certain assets. As a consequence, management of the Corporation believes that the amount of unrealized gains or losses that will be included in net earnings in any given period typically provides little analytical or predictive value to the readers of the Corporation’s financial information.
- The Corporation’s share of earnings from equity accounted investments is included in net earnings for each quarter. Earnings from each equity accounted investment and dilution gains and losses from these investments will fluctuate from period to period and may depend on market forces or other operating conditions that are not necessarily under the Corporation’s direct control.

OFF-BALANCE SHEET ARRANGEMENTS, COMMITMENTS AND CONTINGENCIES

Other than as disclosed elsewhere in this MD&A or in note 29 to the March 2014 Interim Consolidated Financial Statements, there have been no significant changes in the nature of off-balance sheet arrangements, commitments and contingencies from those described in note 31 to the 2013 Audited Consolidated Financial Statements and under *“Off-Balance Sheet Arrangements”* and *“Commitments and Contingencies”* on pages 36 through 38 in the Corporation’s MD&A as at and for the year ended December 31, 2013.

RELATED PARTY TRANSACTIONS

There have been no significant changes in the nature and scope of related party transactions to those described in note 32 to the 2013 Audited Consolidated Financial Statements and the accompanying MD&A.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The preparation of the Corporation’s consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosure of contingent assets and liabilities. Critical accounting estimates represent estimates made by management that are, by their very nature, uncertain. The Corporation evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Corporation believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of revenues and expenses that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. A summary of the more significant judgments and estimates made by management in the preparation of its financial information is provided in note 4 to the 2013 Audited Consolidated Financial Statements. There have been no significant changes in these judgments and estimates during the three months ended March 31, 2014.

Other than as disclosed in note 2 to the March 2014 Interim Consolidated Financial Statements, there have been no changes in the accounting policies adopted in the preparation of the Corporation's March 2014 Interim Consolidated Financial Statements from those detailed in note 3 to the Corporation's 2013 Audited Consolidated Financial Statements. The changes in accounting policies adopted during the first quarter of 2014 did not have a material impact to the March 2014 Interim Consolidated Financial Statements.

CONTROLS AND PROCEDURES

In accordance with the Canadian Securities Administrators' National Instrument 52-109, the Corporation has filed certificates signed by its Chief Executive Officer and the Chief Financial Officer certifying that, among other things, the design of disclosure controls and procedures and the design of internal control over financial reporting are adequate as at March 31, 2014.

Disclosure controls and procedures are designed to ensure that information required to be disclosed by the Corporation in the reports it files or submits under securities legislation is recorded, processed, summarized and reported on a timely basis and that such information is accumulated and reported to management, including the Corporation's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow required disclosures to be made in a timely fashion. Based on their evaluation, the Chief Executive Officer and Chief Financial Officer concluded that as of March 31, 2014, the Corporation's disclosure controls and procedures were effective.

The Chief Executive Officer and the Chief Financial Officer of the Corporation have also assessed whether there were any changes to the Corporation's internal control over financial reporting during the three months ended March 31, 2014 that have materially affected, or are reasonably likely to materially affect the Corporation's internal control over financial reporting. There were no changes identified during their assessment.

MANAGING RISK

Except as otherwise disclosed in this MD&A, there have been no significant changes to the nature and scope of the risks faced by the Corporation as described in the Corporation's 2013 Annual Information Form under "Risk Factors" which is available on SEDAR at *www.sedar.com*. These business risks should be considered by interested parties when evaluating the Corporation's performance and its outlook.

FORWARD LOOKING STATEMENTS

Dundee Corporation's public communications may include written or oral forward looking statements. Statements of this type are included in this MD&A, and may be included in other filings with the Canadian regulators, stock exchanges or in other communications. All such statements constitute forward looking information within the meaning of securities law and are made pursuant to the "safe harbour" provisions of applicable securities laws. Forward looking statements may include, but are not limited to, statements about anticipated future events or results including comments with respect to the Corporation's objectives and priorities for 2014 and beyond, and strategies or further actions with respect to the Corporation, its products and services, business operations, financial performance and condition. Forward looking statements are statements that are predictive in nature, depend upon or refer to future events or conditions or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or similar expressions concerning matters that are not historical facts. Such statements are based on current expectations of the Corporation's management and inherently involve numerous risks and uncertainties, known and unknown, including economic factors and those affecting the financial services, energy, resources, agriculture and real estate industries generally. The forward looking information contained in this MD&A is presented for the purpose of assisting shareholders in understanding business and strategic priorities and objectives as at the periods indicated and may not be appropriate for other purposes.

A number of risks, uncertainties and other factors may cause actual results to differ materially from the forward looking statements contained in this MD&A, including, among other factors, those referenced in the section entitled "Risk Factors" in the Corporation's Annual Information Form, which include, but are not limited to, general economic and market conditions; the Corporation's ability to execute strategic plans and meet financial obligations; the performance of the Corporation's principal subsidiaries; the Corporation's ability to raise additional capital; the Corporation's ability to create, attract and retain AUM and AUA; risks relating to trading activities and investments; competition faced by the Corporation; regulation of the Corporation's businesses; successful integration of the Corporation with acquired businesses and the realization of any anticipated synergies; risks associated with the Corporation's operating businesses and the Corporation's investment holdings in general, including risks associated with oil and gas and mining exploration, development and production activities, environmental risks, inflation, changes in interest rates, commodity prices and other financial exposures; the availability and adequacy of insurance coverage for the Corporation and its subsidiaries; maintenance of minimum regulatory capital requirements for certain of the Corporation's subsidiaries; potential liability of the Corporation and its subsidiaries under securities laws and for violations of investor suitability requirements; and the ability of the Corporation and its subsidiaries to attract and retain key personnel. The preceding list is not exhaustive of all possible risk factors that may influence actual results, and is compiled based upon information available as of May 14, 2014.

Forward looking statements contained in this MD&A are based upon assumptions about the future performance of the Canadian, European and United States economies, which were material factors considered by management when setting Dundee Corporation's strategic priorities and objectives. In determining expectations for economic growth in the financial services, energy, resource, agriculture and real estate sectors, the Corporation considered historical economic data provided by the Canadian government and its agencies, and market and general economic conditions, which factors are unpredictable and may impact the Corporation's performance.

Forward looking statements contained in this MD&A are not guarantees of future performance and, while forward looking statements are based on certain assumptions that the Corporation considers reasonable, actual events and results could differ materially from those expressed or implied by forward looking statements made by the Corporation. Prospective investors are cautioned to consider these and other factors carefully when making decisions with respect to the Corporation and not place undue reliance on forward looking statements. Circumstances affecting the Corporation may change rapidly. Except as may be required by applicable law, the Corporation does not undertake any obligation to update publicly or revise any such forward looking statements, whether as a result of new information, future events or otherwise.

INFORMATION CONCERNING DUNDEE CORPORATION

Additional information relating to Dundee Corporation, including a copy of the Corporation's Annual Information Form, may be found on SEDAR at *www.sedar.com* and the Corporation's website at *www.dundeecorp.com*.

Toronto, Ontario
May 14, 2014

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(unaudited)

(expressed in thousands of Canadian dollars)

		As at	
	Note	March 31, 2014	December 31, 2013
ASSETS			
Cash		$ 231,154	$ 183,825
Accounts receivable		129,905	119,198
Client accounts receivable	6	674,595	655,376
Derivative financial instruments	7	1,341	1,828
Brokerage securities owned	8	97,056	58,969
Income taxes receivable		12,100	23,537
Investments	9	1,146,911	1,191,651
Equity accounted investments	10	285,908	223,326
Resource properties	11	404,245	349,920
Livestock	12	32,703	35,638
Capital and other assets	13	175,229	162,628
TOTAL ASSETS		**$ 3,191,147**	**$ 3,005,896**
LIABILITIES			
Accounts payable and accrued liabilities		$ 207,373	$ 132,408
Client deposits and related liabilities	14	742,391	673,358
Brokerage securities sold short	8	28,716	25,815
Corporate debt	15	184,750	122,142
Decommissioning liabilities	16	45,885	42,734
Preference Shares, series 4	17	106,477	106,415
Deferred income tax liabilities	24	72,624	75,199
		1,388,216	1,178,071
SHAREHOLDERS' EQUITY			
Share capital			
Common shares	18	208,615	208,435
Preference Shares, series 2	17	127,068	127,068
Contributed surplus		16,952	2,985
Retained earnings		1,350,419	1,384,456
Accumulated other comprehensive income (loss)		5,874	(1,872)
		1,708,928	1,721,072
NON-CONTROLLING INTEREST	19	94,003	106,753
		1,802,931	1,827,825
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 3,191,147**	**$ 3,005,896**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Commitments, contingencies and off-balance sheet arrangements (note 29)

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

(expressed in thousands of Canadian dollars, except for per share amounts)

		For the three months ended	
	Note	March 31, 2014	March 31, 2013
REVENUES	20	$ 72,052	$ 41,823
OTHER ITEMS IN NET LOSS			
Cost of sales	21	(47,091)	(16,362)
Depreciation and depletion	11, 13	(10,165)	(5,162)
General and administrative	23	(30,513)	(27,681)
Net loss from investments	9	(23,046)	(64,423)
Share of earnings from equity accounted investments	10	2,005	7,925
Loss on sale of equity accounted investment		-	(24)
Fair value changes in livestock	12	4,224	1,692
(Loss) gain on derivative financial instruments	7	(579)	54
Interest expense	15, 16	(3,772)	(3,891)
Foreign exchange gain		2,139	743
NET LOSS BEFORE INCOME TAXES		(34,746)	(65,306)
Income tax (expense) recovery	24	(5,384)	17,485
NET LOSS FROM CONTINUING OPERATIONS		(40,130)	(47,821)
DISCONTINUED OPERATIONS	4		
Earnings, net of taxes		-	22,122
NET LOSS FOR THE PERIOD		**$ (40,130)**	**$ (25,699)**
NET LOSS ATTRIBUTABLE TO:			
Owners of the parent			
Continuing operations		$ (31,843)	$ (46,605)
Discontinued operations		-	15,812
		(31,843)	(30,793)
Non-controlling interest			
Continuing operations		(8,287)	(1,216)
Discontinued operations		-	6,310
		(8,287)	5,094
		$ (40,130)	**$ (25,699)**
NET LOSS PER SHARE	25		
Basic			
Continuing operations		$ (0.63)	$ (0.90)
Discontinued operations		-	0.29
		$ (0.63)	$ (0.61)
Diluted			
Continuing operations		$ (0.63)	$ (0.90)
Discontinued operations		-	0.29
		$ (0.63)	$ (0.61)

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(unaudited)

(expressed in thousands of Canadian dollars)

		For the three months ended	
	Note	March 31, 2014	March 31, 2013
NET LOSS FOR THE PERIOD		$ (40,130)	$ (25,699)
Other comprehensive income (loss):			
Items that may be reclassified to net earnings (loss)			
Unrealized gain from foreign currency translation		6,383	2
Share of other comprehensive income (loss) from equity accounted investments,		8,098	(404)
net of associated taxes		(2,161)	107
Other comprehensive income (loss) from continuing operations		12,320	(295)
Other comprehensive income from discontinued operations,	4	-	624
net of associated taxes		-	33
Total other comprehensive income for the period		12,320	362
COMPREHENSIVE LOSS FOR THE PERIOD		**$ (27,810)**	**$ (25,337)**
COMPREHENSIVE LOSS ATTRIBUTABLE TO:			
Owners of the parent			
Continuing operations		$ (24,097)	$ (46,900)
Discontinued operations		-	16,243
		(24,097)	(30,657)
Non-controlling interest			
Continuing operations		(3,713)	(1,216)
Discontinued operations		-	6,536
		(3,713)	5,320
		$ (27,810)	**$ (25,337)**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(unaudited)

(expressed in thousands of Canadian dollars)

	Attributable to Owners of the Parent						
	Common Shares	Preference Shares, Series 2	Contributed Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total
Balance, December 31, 2012	$ 207,768	$ 127,068	$ 11,720	$ 1,529,378	$ (7,949)	$ 147,164	$ 2,015,149
For the three months ended March 31, 2013							
Net loss, continuing operations	-	-	-	(46,605)	-	(1,216)	(47,821)
Net earnings, discontinued operations (note 4)	-	-	-	15,812	-	6,310	22,122
Other comprehensive loss, continuing operations	-	-	-	-	(295)	-	(295)
Other comprehensive income, discontinued operations (note 4)	-	-	-	-	431	226	657
Issuance of Class A subordinate shares for non-cash consideration (note 18)	18	-	-	-	-	-	18
Issuance of Class A subordinate shares for cash (note 18)	17	-	-	-	-	-	17
Dividends on Preference Shares, series 2	-	-	-	(2,194)	-	-	(2,194)
Stock based compensation	-	-	430	-	-	-	430
Changes of ownership interest in subsidiaries (note 5)	-	-	(233)	-	-	1,943	1,710
Balance, March 31, 2013	207,803	127,068	11,917	1,496,391	(7,813)	154,427	1,989,793
From April 1, 2013 to December 31, 2013							
Net loss, continuing operations	-	-	-	(46,020)	-	(9,937)	(55,957)
Net earnings, discontinued operations	-	-	-	610,897	-	3,750	614,647
Other comprehensive income, continuing operations	-	-	-	-	5,685	76	5,761
Other comprehensive income, discontinued operations	-	-	-	-	664	41	705
Issuance of Class A subordinate shares for non-cash consideration (note 18)	52	-	-	-	-	-	52
Issuance of Class A subordinate shares for cash (note 18)	53	-	-	-	-	-	53
Dividends on Preference Shares, series 2	-	-	-	(6,581)	-	-	(6,581)
Stock based compensation	-	-	1,358	-	-	-	1,358
Exercise of options (note 18)	527	-	(136)	-	-	-	391
Share incentive arrangements	-	-	(557)	-	-	-	(557)
Distribution of assets (note 4)	-	-	(7,938)	(670,231)	(408)	(115,864)	(794,441)
Changes of ownership interest in subsidiaries	-	-	(1,659)	-	-	74,260	72,601
Balance, December 31, 2013	208,435	127,068	2,985	1,384,456	(1,872)	106,753	1,827,825
For the three months ended March 31, 2014							
Net loss, continuing operations	-	-	-	(31,843)	-	(8,287)	(40,130)
Other comprehensive income, continuing operations	-	-	-	-	7,746	4,574	12,320
Issuance of Class A subordinate shares for non-cash consideration (note 18)	18	-	-	-	-	-	18
Issuance of Class A subordinate shares for cash (note 18)	17	-	-	-	-	-	17
Dividends on Preference Shares, series 2	-	-	-	(2,194)	-	-	(2,194)
Stock based compensation	-	-	483	-	-	-	483
Exercise of options (note 18)	145	-	(13)	-	-	-	132
Changes of ownership interest in subsidiaries (note 5)	-	-	13,497	-	-	(9,037)	4,460
Balance, March 31, 2014	**$ 208,615**	**$ 127,068**	**$ 16,952**	**$ 1,350,419**	**$ 5,874**	**$ 94,003**	**$ 1,802,931**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW
(unaudited)

(expressed in thousands of Canadian dollars)

		For the three months ended	
	Note	March 31, 2014	March 31, 2013
OPERATING ACTIVITIES:			
Net loss for the period		$ (40,130)	$ (25,699)
Adjusted for:			
Net earnings from discontinued operations	4	-	(22,122)
Items not affecting cash and other adjustments	26	29,653	58,068
Changes in non-cash working capital items	26	87,301	31,576
Cash provided from operating activities – continuing operations		76,824	41,823
Cash used in operating activities – discontinued operations		-	(56,304)
CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES		76,824	(14,481)
INVESTING ACTIVITIES:			
Net investment in resource properties		(36,984)	(2,997)
Net investment in livestock and other agricultural assets		(721)	(20,530)
Acquisitions of portfolio investments		(64,933)	(130,438)
Proceeds from dispositions of portfolio investments		34,124	13,890
Net investment in capital and other assets		(16,466)	(3,297)
Cash used in investing activities – continuing operations		(84,980)	(143,372)
Cash provided from investing activities – discontinued operations		-	808
CASH USED IN INVESTING ACTIVITIES		(84,980)	(142,564)
FINANCING ACTIVITIES:			
Change in corporate debt		62,599	100,683
Net issuance of Class A subordinate shares, net of issue costs		64	17
Net issuance of shares by subsidiaries to non-controlling interest		-	1,500
Purchase of non-controlling interest in subsidiary	5	(4,984)	-
Dividends paid on Preference Shares, series 2		(2,194)	(2,194)
Cash provided from financing activities – continuing operations		55,485	100,006
Cash provided from financing activities – discontinued operations		-	51,960
CASH PROVIDED FROM FINANCING ACTIVITIES		55,485	151,966
NET INCREASE (DECREASE) IN CASH DURING THE PERIOD		47,329	(5,079)
Cash, continuing operations, beginning of period		183,825	33,337
Cash, discontinued operations, beginning of period		-	8,487
CASH BEFORE DISPOSITION OF DISCONTINUED OPERATIONS		231,154	36,745
Less: cash, discontinued operations, end of period		-	(4,951)
CASH, CONTINUING OPERATIONS, END OF PERIOD		**$ 231,154**	**$ 31,794**
Cash flows include the following amounts:			
Interest paid		$ 3,485	$ 3,666
Taxes paid		$ 1,100	$ 46,141

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

DUNDEE CORPORATION
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

For the three months ended March 31, 2014 and March 31, 2013
Tabular dollar amounts in thousands of Canadian dollars, except per share amounts

1. NATURE OF OPERATIONS

Dundee Corporation (the "Corporation" or "Dundee Corporation") is a holding company owning subsidiaries engaged in the areas of the Corporation's core competencies including energy, resources, agriculture, real estate and infrastructure. The Corporation also owns and manages direct investments in these core focus areas. Information regarding the Corporation's reportable business segments is contained in note 31.

The Corporation is incorporated under the Business Corporations Act (Ontario) and is domiciled in Canada. The Corporation's head office is located at 1 Adelaide Street East, 21st Floor, Toronto, Ontario, Canada, M5C 2V9. Certain shares of the Corporation are listed on the Toronto Stock Exchange ("TSX") under the symbol "DC.A".

At March 31, 2014 and December 31, 2013, the Corporation's major operating subsidiaries included:

	As at and for the three months ended March 31, 2014		As at and for the year ended December 31, 2013	
(in alphabetical order)	Opening Ownership	Ending Ownership	Opening Ownership	Ending Ownership
Blue Goose Capital Corp.	84%	84%	83%	84%
Dundee Energy Limited	58%	58%	57%	58%
Dundee Securities Ltd.	100%	100%	100%	100%
Goodman & Company, Investment Counsel Inc.	100%	100%	100%	100%
United Hydrocarbon International Corp. (note 5)	29%	40%	n/a	29%

2. BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements of the Corporation as at and for the three months ended March 31, 2014 ("March 2014 Interim Consolidated Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and with interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CPA Canada Handbook – Accounting, as applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, "*Interim Financial Reporting*". The March 2014 Interim Consolidated Financial Statements should be read in conjunction with the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2013 ("2013 Audited Consolidated Financial Statements") which were prepared in accordance with IFRS as applicable for annual financial statements. The March 2014 Interim Consolidated Financial Statements were authorized for issuance by the Board of Directors on May 14, 2014.

The March 2014 Interim Consolidated Financial Statements follow the same accounting principles and methods of application as those disclosed in note 3 to the 2013 Audited Consolidated Financial Statements, except as described below.

Changes in Accounting Policies Implemented During the Three Months Ended March 31, 2014

The Corporation has adopted the following new and revised accounting standards, including any consequential amendments thereto, effective January 1, 2014. Changes in accounting policies adopted by the Corporation were made in accordance with the applicable transitional provisions as provided in those standards and amendments.

IAS 32, "Financial Instruments: Presentation" ("IAS 32")

On January 1, 2014, the Corporation implemented certain amendments to IAS 32 which require the Corporation to provide clarification on the requirements for offsetting financial assets and financial liabilities on the statement of financial position. The implementation of amendments to IAS 32 had no impact to the Corporation's March 2014 Interim Consolidated Financial Statements.

IAS 36, "Impairment of Assets" ("IAS 36")

On January 1, 2014, the Corporation implemented certain amendments to IAS 36 which require that the Corporation disclose, if appropriate, the recoverable amount of an asset or cash generating unit, and the basis for the determination of fair value less costs of disposal or value-in-use of the asset, when an impairment loss is recognized or when an impairment loss is subsequently reversed. The implementation of amendments to IAS 36 had no impact to the Corporation's March 2014 Interim Consolidated Financial Statements.

IFRIC 21, "Levies" ("IFRIC 21")

On January 1, 2014, the Corporation implemented IFRIC 21 which provides an interpretation on IAS 37, "*Provisions, Contingent Liabilities and Contingent Assets*" ("IAS 37"), with respect to the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event. The interpretation clarifies that the obligating event is the activity described in the relevant legislation that triggers the payment of the levy. The implementation of IFRIC 21 had no material impact to the Corporation's March 2014 Interim Consolidated Financial Statements.

IFRS 10, "Consolidated Financial Statements" ("IFRS 10")

On January 1, 2014, the Corporation adopted certain amendments to IFRS 10 relating to the exception to the consolidation requirements as outlined in IFRS 10 as they apply to investment entities. The implementation of these amendments had no impact to the Corporation's March 2014 Interim Consolidated Financial Statements.

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the March 2014 Interim Consolidated Financial Statements requires the Corporation to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the Corporation's reported amounts of assets, liabilities, revenues and other items in net earnings, and the related disclosure of contingent assets and liabilities, if any. The Corporation evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Corporation believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of revenues and other items in net earnings that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. There have been no significant changes in accounting judgments, estimates and assumptions made by the Corporation in the preparation of the March 2014 Interim Consolidated Financial Statements from those judgments, estimates and assumptions disclosed in note 4 to the 2013 Audited Consolidated Financial Statements.

4. BUSINESS COMBINATIONS

Expansion of Wealth Management Services

In January 2014, Dundee Goodman Private Wealth, a division of Dundee Securities Ltd. ("Dundee Securities") completed the acquisition of certain investment advisors and their related businesses from a third party. The following table presents the aggregate consideration transferred and the Corporation's allocation of the consideration transferred to the assets and liabilities acquired.

Net assets acquired:		
Accounts receivable	$	343
Capital and other assets:		
Customer contracts and related customer relationships		15,254
Property, plant and equipment		427
Goodwill		148
Deferred income tax liabilities		(148)
	$	16,024
Aggregate consideration transferred:		
Cash	$	16,024

Distribution of Dundee Realty Corporation to Shareholders

On May 16, 2013, the Corporation's shareholders approved a corporate restructuring, through a tax efficient plan of arrangement (the "Arrangement"), that resulted in the Corporation exchanging its 70% interest in Dundee Realty Corporation ("Dundee Realty"), a real estate subsidiary, for certain shares of DREAM Unlimited Corp. ("DREAM"), a holding company established for the purpose of completing the Arrangement. The transaction was completed on May 30, 2013. In accordance with the terms of the Arrangement, the shares of DREAM received by the Corporation were effectively distributed to shareholders of the Corporation such that holders of the Corporation's Class A subordinate voting shares ("Subordinate Shares") received one Class A subordinate voting share of DREAM for each Subordinate Share held, and holders of the Corporation's Class B common shares ("Class B Shares") received one Class B common share of DREAM for each such Class B Share held. At completion of the Arrangement, the Corporation retained a 28.57% interest in DREAM, providing it with a 20% indirect interest in Dundee Realty.

The operating performance of Dundee Realty prior to completion of the Arrangement has been included in the Corporation's March 2014 Interim Consolidated Financial Statements as *"Discontinued operations"* and was comprised of the following amounts:

		For the period from January 1, 2013 to March 31, 2013
Revenues	$	122,154
Other items in net earnings		(91,671)
Net earnings before income taxes		30,483
Income taxes		(8,361)
Net earnings for the period	$	22,122
Net earnings attributable to:		
Owners of the parent	$	15,812
Non-controlling interest		6,310
	$	22,122
Net earnings for the period	$	22,122
Other comprehensive income for the period, net of associated taxes of $33		657
Comprehensive income for the period	$	22,779
Comprehensive income attributable to:		
Owners of the parent	$	16,243
Non-controlling interest		6,536
	$	22,779

As part of the Arrangement, a subsidiary of the Corporation retained a preference share interest in Dundee Realty (the "Class F Preference Shares"). The Class F Preference Shares are retractable by the subsidiary at its option at a price of $10.00 per share or $180,613,000, plus accrued and unpaid dividends and Dundee Realty may, at its discretion, call the

Class F Preference Shares for redemption. Correspondingly, Dundee Realty retained a preference share interest in the Corporation's subsidiary, with offsetting terms and conditions to the Class F Preference Shares of Dundee Realty. At March 31, 2014 and December 31, 2013, the subsidiary's investment in the Class F Preference Shares was recognized as a financial instrument with a net carrying value of $nil as the subsidiary and Dundee Realty each retain the right to set off retraction amounts receivable in respect of these share holdings against the redemption amounts payable.

Agricultural Investments

During 2013, the Corporation completed several agricultural-based acquisitions, including business combinations and asset acquisitions. The following table presents the aggregate consideration transferred and the Corporation's allocation of the consideration transferred to the assets and liabilities acquired.

Net assets acquired:		
Capital assets	$	61,123
Livestock		4,587
Resource properties		11,208
Deferred income tax liabilities		(4,893)
Other liabilities assumed		(175)
	$	71,850
Aggregate consideration transferred:		
Cash	$	70,350
Consideration held back/earnout		1,500
	$	71,850

5. ACQUISITIONS AND DILUTIONS OF INTERESTS IN SUBSIDIARIES

Change of Ownership Interests in Subsidiaries

				Interest Owned as at	Effect on Contributed Surplus During the three months ended	
	31-Mar-14	31-Dec-13	31-Mar-13	31-Dec-12	31-Mar-14	31-Mar-13
Blue Goose Capital Corp.	84%	84%	85%	83%	$ (47)	$ (146)
Dundee Energy Limited	58%	58%	57%	57%	49	28
Dundee Sustainable Technologies Inc.*	83%	83%	75%	75%	-	(115)
Ravensden Alternative Group	100%	93%	92%	92%	(159)	-
United Hydrocarbon International Corp.	40%	29%	n/a	n/a	13,654	-
Total					$ 13,497	$ (233)

* *Formerly "Nichromet Extraction Inc."*

United Hydrocarbon International Corp. ("UHI")

On June 30, 2013, and through a series of transactions, the Corporation held 27,400,000 shares or 28% of UHI, a private oil and gas exploration, development and production company with activities in the Republic of Chad. In addition to its investment in shares of UHI, the Corporation had acquired $46,827,000 senior secured convertible debentures carrying an interest rate of up to 12% per annum, and it received certain common share purchase warrants. The Corporation's investment in the senior secured convertible debentures, and the granting to the Corporation of share purchase warrants, provided the Corporation with the ability to control the business activities of UHI. The Corporation determined that these transactions represented a business combination, with the Corporation as the acquirer. Accordingly, the Corporation began consolidating the operating results, cash flow and net assets of UHI effective June 30, 2013.

The following table illustrates the total consideration transferred for the acquisition of UHI at June 30, 2013 and the Corporation's allocation of the consideration transferred to the acquired assets and liabilities of UHI.

Net assets acquired:		
Resource properties	$	126,554
Cash		9,351
Other assets		1,907
Assumed liabilities		(2,306)
Debt due to Dundee Corporation*		(46,827)
		88,679
Allocated to non-controlling interest		(61,675)
	$	27,004
Aggregate consideration transferred:		
Cash paid for shares	$	27,004
	$	27,004

* *Eliminated in these consolidated financial statements.*

Subsequent to June 30, 2013 and prior to December 31, 2013, the Corporation acquired $49,600,000 of senior secured convertible debentures of UHI and during the three months ended March 31, 2014, the Corporation acquired a further $23,600,000 of senior secured convertible debentures.

During the first quarter of 2014, and in recognition of the contribution made by the Corporation towards an oil discovery, UHI awarded 20,000,000 treasury shares to the Corporation, with a value of $10,000,000 (the "Discovery Bonus"). The Discovery Bonus increased the Corporation's interest in UHI from 29% at December 31, 2013 to 40% at March 31, 2014. Concurrently, the board of directors of UHI amended the terms of certain outstanding warrants, accelerating the vesting criteria and resulting in the recognition of compensation expense of $8,980,000. The difference between the aggregate of the fair value of the Discovery Bonus and the compensation amount resulting from the modification of the vesting criteria of the warrants and the corresponding dilutive effect to the non-controlling interest, amounting to $13,654,000, has been recorded as an increase in contributed surplus.

Ravensden Alternative Group

During the first quarter of 2014, the Corporation paid $4,984,000 to acquire all of the outstanding units of Ravensden Alternative Group that it did not already own. The difference between the cash paid and the carrying value of the non-controlling interest acquired, amounting to $159,000, was recorded as a decrease in contributed surplus.

Blue Goose Capital Corp. ("Blue Goose")

During the three months ended March 31, 2013, the Corporation acquired 1,500,000 newly issued common shares of Blue Goose for $15,000,000. Concurrent with the Corporation's investment, Blue Goose issued shares to its non-controlling shareholders for cash and/or in consideration for asset acquisitions. On a net basis, the Corporation's investment in Blue Goose increased from 83% at December 31, 2012 to 85% at March 31, 2013, resulting in a decrease of $146,000 in contributed surplus.

Dundee Sustainable Technologies Inc.

During the three months ended March 31, 2013, the Corporation exercised warrants to acquire 4,875,000 common shares of DST for $975,000. The marginal increase in ownership resulted in a reduction to contributed surplus of $115,000.

Other Equity Changes in Subsidiaries

As a result of changes in the equity of certain other subsidiaries, during the three months ended March 31, 2014, the Corporation recognized an increase in contributed surplus of $2,000 (three months ended March 31, 2013 – $28,000).

6. CLIENT ACCOUNTS RECEIVABLE

As at		March 31, 2014		December 31, 2013
Client accounts	$	391,253	$	422,289
Brokers' and dealers' balances		13,915		937
Funds deposited into trust		262,205		173,494
Amounts receivable from carrying broker		7,222		58,656
	$	**674,595**	**$**	**655,376**

Funds deposited into trust represent client funds deposited and held by the Corporation's full service brokerage subsidiary, Dundee Securities, in registered accounts. These funds have been deposited with a Canadian trust company. Included in *"Client deposits and related liabilities"* (note 14) is a corresponding liability related to these deposits.

On January 1, 2012, Dundee Securities entered into an introducing and carrying broker arrangement with Fidelity Clearing Canada. "*Amounts receivable from carrying broker*" represents non-registered client balances and other corporate funds held by the carrying broker pursuant to this arrangement.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Risk Management Contracts

At March 31, 2014, Dundee Energy Limited ("Dundee Energy") had entered into a risk management contract in respect of its oil production, the terms of which are illustrated in the following table. These derivative instruments are not designated in a qualifying hedge relationship and accordingly, they are classified as financial instruments at fair value through profit or loss ("FVTPL") and are measured at their estimated fair value with changes recorded in net earnings in the period in which they occur.

Contract Fixed Price Swap	Volume	Pricing Point		Strike Price (Cdn$/unit)	Remaining Term		Fair Value March 31, 2014
Crude oil	300 bbl/d	NYMEX	$	105.00	Apr 01/14 to Dec 31/14	$	(279)

Dundee Energy has determined that its risk management contract at March 31, 2014 resulted in a liability balance of $279,000. The risk management contract outstanding on December 31, 2013 had a fair value liability balance of $92,000 and was settled in early 2014.

During the three months ended March 31, 2014, Dundee Energy recognized a loss of $279,000 (three months ended March 31, 2013 – $366,000) from changes in the fair value of these risk management contracts.

The commodity prices used to determine the market value of risk management contracts reflect management's best estimate of future market prices for the underlying commodity as at the measurement date, and considers various other factors. However, future commodity market prices will vary from those used in such determination and it is possible that such variations could be material, causing volatility in the Corporation's financial results.

Embedded Derivatives

The Corporation has determined that the redemption option feature of the Corporation's preference shares, series 4 ("Preference Shares, series 4") meets the definition of an embedded derivative, as the economic risks and characteristics of the redemption option are not closely related to that of the Preference Shares, series 4. Accordingly, the embedded redemption option has been bifurcated from the Preference Shares, series 4 and has been recognized in the consolidated financial statements as a derivative financial instrument. The Corporation has determined that the estimated fair value of the embedded derivative option was $1,620,000 at March 31, 2014 (December 31, 2013 – $1,920,000). The fair value of the embedded redemption option was measured using an interest rate option pricing method.

During the three months ended March 31, 2014, the Corporation recognized a loss on these embedded derivatives of $300,000.

During the three months ended March 31, 2013, the Corporation realized a gain of $420,000 relating to the embedded derivative feature associated with its preference shares, series 1. The Corporation's preference shares, series 1 were cancelled in accordance with the terms of the Arrangement with Dundee Realty (note 4).

Warrants and Options Associated with Investments
Included in the Corporation's portfolio of investments are warrants and/or options, which were acquired directly by the Corporation, or which were received by the Corporation as consideration for the Corporation's investment in the underlying investee. These warrants and/or options are derivative financial assets and are carried in the Corporation's consolidated statements of financial position at their estimated fair value, determined using a modified Black Scholes option pricing model.

8. BROKERAGE SECURITIES OWNED AND BROKERAGE SECURITIES SOLD SHORT

As at		March 31, 2014		December 31, 2013
	Securities Owned	Securities Sold Short	Securities Owned	Securities Sold Short
Bonds	$ 18,801	$ 27,345	$ 16,689	$ 25,130
Equities	73,013	1,371	37,802	685
Other	5,242	-	4,478	-
	$ 97,056	**$ 28,716**	**$ 58,969**	**$ 25,815**

Bonds have maturities ranging from 2014 to 2045 (December 31, 2013 – from 2014 to 2045) and have annual interest yields ranging from 0.75% to 12.00% (December 31, 2013 – 0.75% to 12.00%).

From time to time, Dundee Securities may sell securities that it does not own and will therefore be obligated to purchase such securities at a future date to settle its obligation. These securities have been designated as *"Brokerage securities sold short"* in these consolidated financial statements. Dundee Securities may incur a loss if the market value of these securities subsequently increases.

9. INVESTMENTS

Fair Value of Investments

As at		March 31, 2014		December 31, 2013
	Cost	Fair Value	Cost	Fair Value
Publicly traded securities	$ 799,404	$ 746,724	$ 785,570	$ 758,355
Private investments	179,691	196,382	194,468	212,298
Mutual funds and other short-term investments	66	77	66	70
Debt securities	200,616	200,045	221,843	219,646
Warrants and options	3,683	3,683	1,282	1,282
	$ 1,183,460	**$ 1,146,911**	**$ 1,203,229**	**$ 1,191,651**

Net (Loss) Gain from Investments

For the three months ended March 31,	2014		2013	
	Realized	Unrealized	Realized	Unrealized
Publicly traded securities	$ (1,004)	$ (25,467)	$ 292	$ (47,392)
Private investments	184	(1,082)	(2)	(11,177)
Mutual funds and other short-term investments	-	6	47	(346)
Debt securities	290	1,627	(167)	(2,954)
Warrants and options	-	2,400	1	(2,725)
	$ (530)	**$ (22,516)**	**$ 171**	**$ (64,594)**

10. EQUITY ACCOUNTED INVESTMENTS

As at		March 31, 2014			December 31, 2013		
Trade Symbol	Investment	Ownership	Carrying Value	Fair Value	Ownership	Carrying Value	Fair Value
DPM	Dundee Precious Metals Inc.	25%	$ 194,409	$ 138,189	25%	$ 183,408	$ 106,246
n/a	Union Group International Holdings Limited	40%	51,634	private	25%	19,898	private
n/a	Android Industries, LLC	20%	19,968	private	n/a	n/a	n/a
EAG	Eagle Hill Exploration Corporation	31%	8,138	7,832	30%	7,798	7,798
RYG	Ryan Gold Corp.	20%	4,503	3,275	20%	4,341	3,159
VOX	360 VOX Corporation	18%	4,218	4,413	18%	4,160	4,658
CRG	Corona Gold Corporation	23%	2,748	2,386	23%	3,423	2,138
ODX	Odyssey Resources Limited	31%	290	455	31%	298	398
n/a	Escal UGS S.L.	14%	-	private	14%	-	private
			$ 285,908			**$ 223,326**	

Significant Transactions Affecting the Carrying Value of Equity Accounted Investments During the Three Months Ended March 31, 2014

Union Group International Holdings Limited ("Union Group")

At December 31, 2013, the Corporation held a 25% interest in Union Group, a holding company with Latin-American investments in various sectors such as agriculture, mining, oil and gas, power generation, real estate and infrastructure, which it had acquired for $19,898,000. During the three months ended March 31, 2014, the Corporation increased its interest in Union Group through an additional subscription for treasury shares with a value of $31,908,000. The subscription increases the Corporation's interest in Union Group to 40%.

Android Industries, LLC ("Android")

During the three months ended March 31, 2014, the Corporation invested $18,617,000 to acquire, both directly and indirectly, a 20% interest in Android, a privately owned, technology-enabled assembler and sequencer of complex assemblies for automotive original equipment manufacturers. Concurrent with its investment in Android, the Corporation entered into a shareholders' agreement in respect of its Android investment pursuant to which the shareholders agreed that all major decisions in respect of Android, other than day-to-day operating decisions which have been delegated to management of Android, require the consent of all shareholders. The Corporation has determined that, for accounting purposes, the shareholders' agreement constitutes a joint venture as the shareholders share joint control. Accordingly, the Corporation is accounting for its investment in Android using the equity method.

Escal UGS S.L. ("Escal")

Escal had established a hedging strategy to mitigate its exposure to interest rate risk associated with bank-sponsored, project financing arrangements. In July 2013, Escal arranged for the issuance of Euro-denominated bonds, the proceeds of which were used to repay amounts borrowed pursuant to these bank-sponsored financing arrangements. Following completion of the issuance of the Euro-denominated bonds, Escal paid cash to cancel all outstanding hedging strategies. Recognition of these paid amounts draws the Corporation's carrying value in Escal to zero. At March 31, 2014, the Corporation had not recorded a liability of $32,391,000 (December 31, 2013 – $32,642,000) related to losses incurred by Escal, as it does not have the legal or constructive obligation in respect thereof.

Significant Transactions Affecting the Carrying Value of Equity Accounted Investments During the Three Months Ended March 31, 2013

Investments in Dundee Realty Investment Trust ("Dundee REIT")
and Dundee International Real Estate Investment Trust ("Dundee International REIT")
During the year ended December 31, 2013, the Corporation accounted for its investments in Dundee REIT and Dundee International REIT on an equity basis as it was able to exert significant influence over the operations and financial results of Dundee REIT and Dundee International REIT through its representation on the board of trustees and through senior management representation. Following completion of the Arrangement with Dundee Realty (note 4), the management structure associated with Dundee Realty was immediately decentralized. Furthermore, during the three months ended March 31, 2014, the Corporation's representative to the board of trustees of each of Dundee REIT and Dundee International REIT resigned his position on the board of trustees. As a result of these changes, the Corporation has determined that it is no longer able to exert significant influence over the operational and financial policies of Dundee REIT and Dundee International REIT and accordingly, the Corporation's investment in each of these entities has been reclassified as an investment at FVTPL (note 9).

During the three months ended March 31, 2013, the Corporation earned equity earnings of $7,121,000 from its investment in Dundee REIT and $2,701,000 from its investment in Dundee International REIT. Equity earnings in Dundee REIT and Dundee International REIT are net of distributions received during the three months ended March 31, 2013 of $2,685,000 and $2,000,000, respectively. There were no other dividends or distributions received by the Corporation from its equity accounted investments during the three months ended March 31, 2013.

Share of Earnings from Equity Accounted Investments

For the three months ended	March 31, 2014	March 31, 2013
Dundee Precious Metals Inc.	$ 2,197	$ 586
Union Group International Holdings Limited	(172)	-
Eagle Hill Exploration Corporation	(206)	-
Ryan Gold Corp.	193	(1,164)
360 VOX Corporation	(41)	(1,049)
Corona Gold Corporation	42	(229)
Odyssey Resources Limited	(8)	(41)
Escal UGS S.L.	-	-
Dundee Real Estate Investment Trust	-	7,121
Dundee International Real Estate Investment Trust	-	2,701
	$ 2,005	**$ 7,925**

There were no dividends or distributions received by the Corporation from its equity accounted investments during the three months ended March 31, 2014.

11. RESOURCE PROPERTIES

	Property, Plant and Equipment					Exploration and Evaluation	
	Oil and Gas Development Costs	Pipeline Infrastructure	Machinery and Equipment	Land and Buildings	Other	Undeveloped Properties	TOTAL
At December 31, 2012							
Cost	$ 134,567	$ 25,603	$ 28,640	$ 4,580	$ 3,670	$ 25,998	$ 223,058
Accumulated depreciation and depletion	(44,414)	(4,696)	(3,186)	(63)	(938)	-	(53,297)
Net carrying value, December 31, 2012	90,153	20,907	25,454	4,517	2,732	25,998	169,761
Three months ended March 31, 2013							
Carrying value December 31, 2012	90,153	20,907	25,454	4,517	2,732	25,998	169,761
Net additions	1,060	1	202	41	(179)	1,666	2,791
Remeasure decommissioning liability	(937)	-	-	-	-	-	(937)
Depreciation and depletion	(2,293)	(346)	(356)	(6)	(28)	-	(3,029)
Net carrying value, March 31, 2013	87,983	20,562	25,300	4,552	2,525	27,664	168,586
At March 31, 2013							
Cost	134,690	25,604	28,842	4,621	3,491	27,664	224,912
Accumulated depreciation and depletion	(46,707)	(5,042)	(3,542)	(69)	(966)	-	(56,326)
Net carrying value, March 31, 2013	87,983	20,562	25,300	4,552	2,525	27,664	168,586
Transactions from April 1, 2013 to December 31, 2013							
Carrying value March 31, 2013	87,983	20,562	25,300	4,552	2,525	27,664	168,586
Acquisitions (notes 4 and 5)	10,379	734	535	11,311	-	127,208	150,167
Net additions	3,176	915	(416)	(1)	(86)	48,169	51,757
Remeasure decommissioning liability	(6,485)	-	-	-	-	-	(6,485)
Depreciation and depletion	(10,629)	(1,075)	(1,179)	(1,095)	(127)	-	(14,105)
Net carrying value, December 31, 2013	84,424	21,136	24,240	14,767	2,312	203,041	349,920
At December 31, 2013							
Cost	140,767	27,253	28,855	15,929	3,402	203,041	419,247
Accumulated depreciation and depletion	(56,343)	(6,117)	(4,615)	(1,162)	(1,090)	-	(69,327)
Net carrying value, December 31, 2013	84,424	21,136	24,240	14,767	2,312	203,041	349,920
Three months ended March 31, 2014							
Carrying value December 31, 2013	84,424	21,136	24,240	14,767	2,312	203,041	349,920
Net additions	124	-	9	1	22	54,468	54,624
Remeasure decommissioning liability	2,180	-	-	-	-	-	2,180
Depreciation and depletion	(1,841)	(254)	(329)	(15)	(40)	-	(2,479)
Net carrying value, March 31, 2014	84,887	20,882	23,920	14,753	2,294	257,509	404,245
At March 31, 2014							
Cost	143,071	27,253	28,864	15,930	3,424	257,509	476,051
Accumulated depreciation and depletion	(58,184)	(6,371)	(4,944)	(1,177)	(1,130)	-	(71,806)
Net carrying value, March 31, 2014	$ 84,887	$ 20,882	$ 23,920	$ 14,753	$ 2,294	$ 257,509	$ 404,245

12. LIVESTOCK

	For the three months ended March 31, 2014			For the year ended December 31, 2013		
	Inventory	Biological Assets	TOTAL	Inventory	Biological Assets	TOTAL
Balance, beginning of period	$ 12,151	$ 23,487	$ 35,638	$ 3,942	$ 13,709	$ 17,651
Acquisitions	-	-	-	2,566	2,021	4,587
Net additions (dispositions)	(5,279)	(1,880)	(7,159)	5,643	(4,568)	1,075
Fair value changes	-	4,224	4,224	-	12,325	12,325
Balance, end of period	**$ 6,872**	**$ 25,831**	**$ 32,703**	**$ 12,151**	**$ 23,487**	**$ 35,638**

13. CAPITAL AND OTHER ASSETS

	Capital Assets				Intangible Assets		
	Furniture and Fixtures	Computer and Network Equipment	Land and Buildings	Other	Trademarks	Other Intangible Assets	TOTAL
At December 31, 2012							
Cost	$ 6,159	$ 9,059	$ 32,240	$ 30,095	$ 14,505	$ 35,395	$ 127,453
Accumulated depreciation	(5,078)	(6,363)	(132)	(9,982)	(5,435)	(2,483)	(29,473)
Net carrying value, December 31, 2012	1,081	2,696	32,108	20,113	9,070	32,912	97,980
Three months ended March 31, 2013							
Carrying value December 31, 2012	1,081	2,696	32,108	20,113	9,070	32,912	97,980
Net acquisitions and additions (notes 4 and 5)	210	60	15,042	1,663	179	867	18,021
Depreciation and depletion	(122)	(546)	(89)	(646)	(244)	(1,166)	(2,813)
Net carrying value, March 31, 2013	1,169	2,210	47,061	21,130	9,005	32,613	113,188
At March 31, 2013							
Cost	6,369	9,119	47,282	31,758	14,684	36,262	145,474
Accumulated depreciation and depletion	(5,200)	(6,909)	(221)	(10,628)	(5,679)	(3,649)	(32,286)
Net carrying value, March 31, 2013	1,169	2,210	47,061	21,130	9,005	32,613	113,188
From April 1, 2013 to December 31, 2013							
Carrying value March 31, 2013	1,169	2,210	47,061	21,130	9,005	32,613	113,188
Net acquisitions and additions (notes 4 and 5)	461	455	42,676	11,778	893	393	56,656
Depreciation	(415)	(1,782)	(647)	(2,400)	(760)	(1,212)	(7,216)
Net carrying value, December 31, 2013	1,215	883	89,090	30,508	9,138	31,794	162,628
At December 31, 2013							
Cost	6,203	7,635	89,958	36,172	15,577	35,245	190,790
Accumulated depreciation	(4,988)	(6,752)	(868)	(5,664)	(6,439)	(3,451)	(28,162)
Net carrying value, December 31, 2013	1,215	883	89,090	30,508	9,138	31,794	162,628
Three months ended March 31, 2014							
Carrying value December 31, 2013	1,215	883	89,090	30,508	9,138	31,794	162,628
Net acquisitions and additions (notes 4 and 5)	550	441	1,448	3,674	144	14,714	20,971
Depreciation	(139)	(162)	(5,806)	(766)	(261)	(1,236)	(8,370)
Net carrying value, March 31, 2014	1,626	1,162	84,732	33,416	9,021	45,272	175,229
At March 31, 2014							
Cost	6,753	8,076	91,406	39,846	15,721	49,959	211,761
Accumulated depreciation	(5,127)	(6,914)	(6,674)	(6,430)	(6,700)	(4,687)	(36,532)
Net carrying value, March 31, 2014	$ 1,626	$ 1,162	$ 84,732	$ 33,416	$ 9,021	$ 45,272	$ 175,229

14. CLIENT DEPOSITS AND RELATED LIABILITIES

As at	March 31, 2014	December 31, 2013
Client accounts	$ 726,398	$ 663,358
Brokers' and dealers' balances	10,959	3,838
International banking client accounts	5,034	6,162
	$ 742,391	**$ 673,358**

15. CORPORATE DEBT

At March 31, 2014 and December 31, 2013, the estimated fair value of corporate debt approximated its carrying value.

As at		March 31, 2014		December 31, 2013
Corporate				
$150 million revolving term credit facility due January 22, 2015	$	65,695	$	-
$6.5 million, 5.85% exchangeable unsecured subordinated debentures due June 30, 2015		6,447		6,438
Subsidiaries				
$70 million demand revolving credit facility, Dundee Energy Limited		59,797		65,709
Loan facilities, Blue Goose Capital Corp.		52,811		49,995
	$	**184,750**	**$**	**122,142**

$150,000,000 – Revolving Term Credit Facility, Corporate

On January 23, 2014, the Corporation established a $150 million revolving term credit facility with a Canadian Schedule I Chartered Bank. The facility, which matures on January 22, 2015, is secured by certain securities in the Corporation's portfolio of investments. Borrowings under the credit facility bear interest at a rate per annum equal to the bank's prime lending rate for loans plus 0.20% or, at the Corporation's option, at the prevailing bankers' acceptance rate or London Interbank Offered Rate plus 1.20%. Unused amounts available under the revolving term credit facility are subject to an annual standby fee of 0.24%.

Draws against the revolving term credit facility are contingent on, among other things, the maintenance of certain financial ratios relating to the fair value of certain of the Corporation's investments and are subject to certain customary restrictions, including restrictions on the existence of other secured indebtedness.

At March 31, 2014, the Corporation had drawn $65,695,000 against this facility. During the three months ended March 31, 2014, interest expense relating to the Corporation's revolving term credit facility, including standby fees and other similar costs, was $409,000. During the three months ended March 31, 2013, the Corporation incurred interest charges of $914,000 associated with a revolving term credit facility that was subsequently repaid and extinguished.

$6,490,000, 5.85% Exchangeable Unsecured Subordinated Debentures

At March 31, 2014, the Corporation had 6,490 (December 31, 2013 – 6,490) outstanding exchangeable unsecured subordinated debentures with a par value per debenture of $1,000. The exchangeable debentures mature on June 30, 2015 and bear interest at 5.85% per annum, payable semi-annually on June 30 and December 31 of each year. Each exchangeable debenture may be exchanged, at the option of the holder for 33.6134 units of Dundee REIT, representing a conversion price of $29.75 per Dundee REIT unit.

The Corporation has placed sufficient units of Dundee REIT or other securities exchangeable into units of Dundee REIT into escrow in order to satisfy the exchange feature of the exchangeable debentures. While these securities are held in escrow, the Corporation retains all voting rights and related privileges and is entitled to all distributions and rights of reinvestment of all distributions. There were no exchangeable debentures surrendered for exchange of Dundee REIT during the three months ended March 31, 2014.

The carrying value of the exchangeable debentures is adjusted in the Corporation's consolidated financial statements to reflect the estimated fair value of the embedded exchange feature, provided that such adjustment does not result in a carrying value that is below the principal value of the exchangeable debentures outstanding. The estimated fair value of the exchange feature is determined using a valuation model that recognizes both the debt and exchange feature of the debentures and is based on the premise that each of these components have different default risks. Changes in the estimated fair value of the exchange feature are recorded in net earnings. Based on this valuation model, the Corporation determined that the value of the exchangeable debentures at March 31, 2014 was $6,490,000 (December 31, 2013 – $6,490,000).

$70,000,000 Demand Revolving Credit Facility, Dundee Energy Limited

Dundee Energy Limited Partnership ("DELP"), a subsidiary of Dundee Energy, has established a $70 million credit facility with a Canadian Schedule I Chartered Bank. The credit facility provides the subsidiary with a revolving demand loan, subject to a tiered interest rate structure based on its net debt to cash flow ratio, as defined in the credit facility. Based on current ratios, draws on the credit facility bear interest, at DELP's option, at either the bank's prime lending rate plus 3.5% for loans or letters of credit, or, for bankers' acceptances, at the bank's then prevailing bankers' acceptance rate plus 4.5%.

During the three months ended March 31, 2014, interest expense relating to this credit facility, including standby fees and other similar costs, was $959,000 (three months ended March 31, 2013 – $856,000). At March 31, 2014, the subsidiary had drawn $60,200,000 (December 31, 2013 – $66,200,000) pursuant to the credit facility.

The credit facility is secured against all of the oil and natural gas properties owned by DELP. In addition, Dundee Energy has assigned a limited recourse guarantee of its units in the subsidiary as further security pursuant to the credit facility. The credit facility is subject to certain covenants, including the maintenance of minimum levels of working capital.

Loan Facilities, Blue Goose Capital Corp.

Blue Goose and its subsidiaries have entered into several loan agreements, including a $14,750,000 facility maturing on July 1, 2027. During the three months ended March 31, 2014, the facility, which was originally structured as a revolving loan facility, was converted to a fixed term loan, bearing interest at 5.2% per annum. In addition, Blue Goose has established a real estate loan for $10,000,000 secured by ranch property in western Canada. The real estate loan is subject to a fixed interest rate of 3.05% per annum. At March 31, 2014, Blue Goose had drawn $14,747,000 (December 31, 2013 – $14,747,000) against the fixed term facility and $9,712,000 (December 31, 2013 – $9,805,000) against the real estate loan.

Certain wholly owned subsidiaries of Blue Goose have entered into various credit facilities for up to $23,072,000 with certain Canadian Schedule I Chartered Banks. Borrowings under these arrangements bear interest at a rate per annum ranging from the bank's prime lending rate plus 0.50% to 1.30%. The facilities are secured by general security agreements against the assets of each respective subsidiary and are guaranteed by Blue Goose. At March 31, 2014, the subsidiaries of Blue Goose had drawn $21,293,000 (December 31, 2013 – $18,617,000) against these facilities.

Blue Goose's U.S. subsidiary has also secured a 4.70% US$6,000,000 million real estate loan secured against land in Colorado and a US$1,000,000 variable interest rate operating line secured against the assets of the U.S. subsidiary. Both of these facilities are guaranteed by Blue Goose. At March 31, 2014, amounts outstanding against the real estate loan were $6,028,000 (December 31, 2013 – $6,349,000) and $1,031,000 (December 31, 2013 – $477,000) was drawn against the operating line.

During the three months ended March 31, 2014, interest expense incurred in respect of these facilities was $508,000 (three months ended March 31, 2013 – $26,000).

Call Loan Arrangements

From time to time, Dundee Securities may utilize call loan arrangements to facilitate the securities settlement process for both client and principal securities transactions, or to fund margin lending. In connection with the establishment of an introducing and carrying broker arrangement with a third-party service provider, Dundee Securities has arranged for an uncommitted call loan facility for up to $125 million at March 31, 2014 and December 31, 2013. At March 31, 2014 and December 31, 2013, there were no amounts drawn pursuant to these arrangements. Interest rates on amounts drawn during the three months ended March 31, 2014 were 1.5% (December 31, 2013 – 1.5%) on Canadian dollar denominated borrowings and 1.0% (December 31, 2013 – 1.0%) on borrowings denominated in U.S. dollars.

16. DECOMMISSIONING LIABILITIES

	As at and for the three months ended March 31, 2014		As at and for the year ended December 31, 2013	
Discount rates applied to future obligations		*1.06% - 2.82%*		*1.10% - 3.09%*
Inflation rate		*1.10% - 2.00%*		*2.00%*
Discounted future obligations, beginning of period	$	42,734	$	44,739
Effect of acquisitions		-		5,790
Effect of changes in estimates and remeasurement of discount and foreign exchange rates		2,952		(7,422)
Liabilities settled (reclamation expenditures)		(88)		(1,320)
Accretion (interest expense)		287		947
Discounted future obligations, end of period	$	45,885	$	42,734

17. PREFERENCE SHARES

The terms of the Corporation's preference shares are summarized in note 18 to the Corporation's 2013 Audited Consolidated Financial Statements.

Issued and Outstanding First Preference Shares, Series 2

	Number of Shares		Par Value		Issue Costs		Carrying Value
Balance as at March 31, 2014 and December 31, 2013	5,200,000	$	130,000	$	(2,932)	$	127,068

Issued and Outstanding First Preference Shares, Series 4

	Number of Shares		Par Value		Issue Costs		Premium		Carrying Value
Balance as at March 31, 2013 and December 31, 2012	-	$	-	$	-	$	-	$	-
Issued pursuant to Arrangement (note 4)	6,000,000		107,040		(1,043)		272		106,269
Amortization for the period from May 31, 2013 to December 31, 2013	-		-		197		(51)		146
Balance as at December 31, 2013	6,000,000		107,040		(846)		221		106,415
Amortization for the three months ended March 31, 2014	-		-		84		(22)		62
Balance as at March 31, 2014	6,000,000	$	107,040	$	(762)	$	199	$	106,477

18. SHARE CAPITAL

The terms of the Corporation's Subordinate Shares and Class B Shares, and significant transactions in respect thereof during the year ended December 31, 2013, are summarized in note 19 to the Corporation's 2013 Audited Consolidated Financial Statements.

Issued and Outstanding

	SUBORDINATE SHARES		CLASS B SHARES		TOTAL	
	Number	Amount	Number	Amount	Number	Amount
Outstanding December 31, 2012	50,946,478	$ 199,610	3,116,333	$ 8,158	54,062,811	$ 207,768
Transactions during the three months ended March 31, 2013						
Issuance of shares under the share incentive plan	1,038	35	-	-	1,038	35
Outstanding March 31, 2013	**50,947,516**	**199,645**	**3,116,333**	**8,158**	**54,063,849**	**207,803**
Transactions during the period from April 1, 2013 to December 31, 2013						
Issuance of shares under the share incentive plan	4,784	105	-	-	4,784	105
Options exercised	37,842	527	-	-	37,842	527
Shares cancelled pursuant to dissenting rights	(74)	-	-	-	(74)	-
Conversion from Class B Shares to Subordinate Shares	498	2	(498)	(2)	-	-
Outstanding December 31, 2013	**50,990,566**	**200,279**	**3,115,835**	**8,156**	**54,106,401**	**208,435**
Transactions during the three months ended March 31, 2014						
Issuance of shares under the share incentive plan	1,977	35	-	-	1,977	35
Options exercised	9,419	145	-	-	9,419	145
Outstanding March 31, 2014	**51,001,962**	**$ 200,459**	**3,115,835**	**$ 8,156**	**54,117,797**	**$ 208,615**

Normal Course Issuer Bid

On April 7, 2014, the Corporation announced that it had received regulatory approval for the renewal of its normal course issuer bid from April 8, 2014 to April 7, 2015. Subject to certain conditions, the Corporation may purchase up to a maximum of 2,550,098 Subordinate Shares pursuant to these arrangements, representing approximately 5% of its public float at the time approval for the normal course issuer bid was granted.

Share Purchase Plan

As part of its share incentive arrangements, the Corporation established a share purchase plan pursuant to which eligible participants may contribute up to a specified maximum amount of their basic annual salary towards the purchase of Subordinate Shares of the Corporation, either from treasury or in the open market, at the discretion of the Corporation. Compensation expense associated with the share purchase plan during the three months ended March 31, 2014 was $194,000 (three months ended March 31, 2013 – $181,000).

During the three months ended March 31, 2014, the Corporation issued 1,977 (three months ended March 31, 2013 – 1,038) Subordinate Shares at a value of $35,000 (three months ended March 31, 2013 – $35,000) from treasury pursuant to the share purchase plan, with the balance of the amounts contributed to the share purchase plan being used to purchase shares in the open market.

19. NON-CONTROLLING INTEREST

As at		March 31, 2014		December 31, 2013
Non-controlling interest in:				
Blue Goose Capital Corp.	$	12,112	$	14,753
Dundee Energy Limited		26,256		24,883
United Hydrocarbon International Corp.		52,011		58,330
Other		3,624		8,787
	$	**94,003**	**$**	**106,753**

20. REVENUES

For the three months ended		March 31, 2014		March 31, 2013
Management fees	$	3,580	$	3,803
Financial services		24,589		14,625
Oil and gas, net of royalties		12,744		7,359
Agriculture		18,612		2,502
Interest, dividends and other		12,527		13,534
	$	**72,052**	**$**	**41,823**

21. COST OF SALES

For the three months ended		March 31, 2014		March 31, 2013
Variable compensation	$	13,477	$	8,696
Oil and gas expenses		2,880		2,848
Agriculture expenses		30,734		4,818
	$	**47,091**	**$**	**16,362**

22. SHARE INCENTIVE PLAN ARRANGEMENTS

The terms of the Corporation's share based compensation plans are summarized in note 24 to the Corporation's 2013 Audited Consolidated Financial Statements.

Share Option Plan

There were no share option awards granted in the three months ended March 31, 2014 and the year ended December 31, 2013. A summary of the status of the Corporation's share option plan as at March 31, 2014 and December 31, 2013, and the changes during the periods then ended, are as follows:

	Three months ended March 31, 2014		For the year ended December 31, 2013	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of period	1,250,000	$9.40	1,285,000	$9.40
Exercised	(5,000)	$9.40	(35,000)	$9.48
Outstanding, end of period	**1,245,000**	**$9.40**	**1,250,000**	**$9.40**
Exercisable options	982,000	$9.40	987,000	$9.40

Exercise Price	Options Outstanding	Weighted Average Remaining Contractual Life (Years)	Options Exercisable
Options issued with an exercise price of $9.40	1,235,000	0.87	977,000
Options issued with an exercise price of $9.67	10,000	0.87	5,000

Deferred Share Unit Plan

The Corporation did not issue any deferred share units ("DSUs") during the three months ended March 31, 2014. At March 31, 2014 and December 31, 2013, there were 1,222,588 DSUs outstanding that track the value of the Corporation's Subordinate Shares and 1,332,430 DSUs that track the value of a Class A subordinate voting share of DREAM (note 4).

Stock Based Compensation

During the three months ended March 31, 2014, the Corporation recognized a stock based compensation recovery amount of $4,208,000 (three months ended March 31, 2013 – expense of $430,000) related to share incentive arrangements, before similar arrangements of its subsidiaries.

For the three months ended		March 31, 2014		March 31, 2013
Share option plan	$	243	$	256
Deferred share unit plan		240		174
DREAM tracking share incentive arrangements:				
Stock options		(2,266)		-
Deferred share units		(2,425)		-
	$	**(4,208)**	**$**	**430**

Stock Based Compensation of Other Subsidiaries

From time to time, other subsidiaries of the Corporation may incur stock based compensation expense pursuant to their respective share incentive plan arrangements. During the three months ended March 31, 2014, these subsidiaries incurred stock based compensation expense of $166,000 (three months ended March 31, 2013 – $98,000) and a further $168,000 (three months ended March 31, 2013 – $nil) was capitalized to the cost of resource properties.

23. GENERAL AND ADMINISTRATIVE EXPENSES BY NATURE

For the three months ended		March 31, 2014		March 31, 2013
Salary and salary-related	$	2,265	$	12,536
Corporate and professional fees		7,235		6,121
General office		9,735		8,761
Capitalized expenditures		(383)		(629)
Other*		11,661		892
	$	30,513	$	27,681

* *Includes compensation expense of $8,980,000 associated with acceleration of vesting criteria on outstanding warrants of UHI (note 5).*

24. INCOME TAXES

During the three months ended March 31, 2014, the Corporation recognized an income tax expense amount on losses from continuing operations of $5,384,000 (three months ended March 31, 2013 – income tax recovery of $17,485,000), the major components of which include the following items:

For the three months ended		March 31, 2014		March 31, 2013
Current income tax (expense) recovery	$	(10,268)	$	10,825
Deferred income tax recovery		4,884		6,660
Total income tax (expense) recovery	**$**	**(5,384)**	**$**	**17,485**

The income tax (expense) recovery amount on pre-tax losses from continuing operations differs from the income tax (expense) recovery amount that would arise using the combined Canadian federal and provincial statutory tax rate of 26% (three months ended March 31, 2013 – 26%), as a result of the following items:

For the three months ended		March 31, 2014		March 31, 2013
Loss before tax at statutory rate of 26% (2013 – 26%)	$	9,208	$	17,306
Effect on taxes of:				
Non-deductible expenses		(6,141)		(1,018)
Non-taxable revenue		2,046		3,114
Remeasurement of deferred income taxes		-		64
Net Part IV tax		-		(715)
Change in unrecognized temporary differences		(10,113)		(974)
Other differences		(384)		(292)
Income tax (expense) recovery	**$**	**(5,384)**	**$**	**17,485**

Significant components of the Corporation's deferred income tax assets and liabilities are as follows:

As at		March 31, 2014		December 31, 2013
Deferred income tax assets				
Loss carry forwards	$	6,670	$	8,859
Capital and other assets		1,603		1,525
Non-deductible reserves		1,464		1,446
Accrued liabilities		3,007		2,848
Other		15,807		17,761
Total deferred income tax assets		28,551		32,439
Deferred income tax liabilities				
Investments including equity accounted investments		(84,006)		(87,877)
Other		(17,169)		(19,761)
Total deferred income tax liabilities		(101,175)		(107,638)
Net deferred income tax liabilities	**$**	**(72,624)**	**$**	**(75,199)**

A deferred income tax asset is only recognized when management believes it is more likely than not that the benefit will be recognized.

At March 31, 2014, the Corporation had operating loss carry forwards of $97,189,000 (December 31, 2013 – $80,578,000). Operating loss carry forwards by year of expiry are summarized below:

Year of Expiry:		Recognized		Unrecognized		Total
2014	$	-	$	7	$	7
2015		-		40		40
Thereafter		25,170		71,972		97,142
	$	25,170	$	72,019	$	97,189

25. NET LOSS PER SHARE

For the three months ended		March 31, 2014		March 31, 2013
Net loss attributable to owners of the parent	$	(31,843)	$	(30,793)
Less: dividends on Preference Shares, series 2		(2,194)		(2,194)
	$	(34,037)	$	(32,987)
Represented by:				
Continuing operations	$	(34,037)	$	(48,799)
Discontinued operations		-		15,812
Weighted average number of shares outstanding during the period		54,114,546		54,063,272
Basic loss per share				
Continuing operations	$	(0.63)	$	(0.90)
Discontinued operations		-		0.29
	$	(0.63)	$	(0.61)
Effect of dilutive securities on weighted average number of shares outstanding during the period		n/a		n/a
Diluted loss per share				
Continuing operations	$	(0.63)	$	(0.90)
Discontinued operations		-		0.29
	$	(0.63)	$	(0.61)

26. SUPPLEMENTAL CASH FLOW INFORMATION

Items not affecting Cash and Other Adjustments

For the three months ended		March 31, 2014		March 31, 2013
Depreciation and depletion	$	10,165	$	5,162
Net loss from investments		23,046		64,423
Share of earnings from equity accounted investments		(2,005)		(7,925)
Fair value changes in livestock		(4,224)		(1,692)
Deferred income taxes		(4,884)		(6,660)
Stock based compensation		(4,042)		528
Other*		11,597		4,232
	$	**29,653**	**$**	**58,068**

* *Includes compensation expense of $8,980,000 associated with acceleration of vesting criteria on outstanding warrants of UHI (note 5).*

Changes in Non-Cash Working Capital Items

For the three months ended		March 31, 2014		March 31, 2013
Accounts receivable	$	(7,454)	$	18,644
Accounts payable and accrued liabilities		62,960		(29,771)
Bank indebtedness		-		80,639
Current income tax amounts		11,437		(56,870)
Brokerage securities owned and sold short, net		(35,186)		2,925
Client accounts receivable, net of client deposits and related liabilities		49,814		14,970
Agricultural working capital		5,730		1,039
	$	**87,301**	**$**	**31,576**

27. FINANCIAL INSTRUMENTS

The following table summarizes those assets and liabilities that are included at their fair values in the Corporation's consolidated statements of financial position, or those assets and liabilities for which fair value is otherwise disclosed in the accompanying notes to the consolidated financial statements. These assets and liabilities have been categorized into hierarchal levels, according to the significance of the inputs used in determining fair value measurements.

		Fair Value as at March 31, 2014		
	Carrying Value as at March 31, 2014	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Recurring Measurements				
Financial Assets				
Investments				
Publicly traded securities	$ 746,724	$ 746,724	$ -	$ -
Private investments	196,382	-	196,382	-
Mutual funds and other short-term investments	77	77	-	-
Debt securities	200,045	18,274	181,771	-
Warrants and options	3,683	1,602	2,081	-
Brokerage securities owned				-
Bonds	18,801	-	18,801	-
Equities	73,013	70,380	2,633	-
Other	5,242	-	5,242	-
Derivative financial assets				
Risk management contracts	(279)	-	(279)	-
Preference Shares, series 4 redemption option	1,620	-	1,620	-
Financial Liabilities				
Brokerage securities sold short	(28,716)	(1,371)	(27,345)	-
Livestock	25,831	-	25,831	-
Disclosure of Fair Value				
Publicly traded equity accounted investments	214,306	156,550	-	-
5.85% Exchangeable unsecured subordinated debentures	6,447	-	6,490	-
Preference Shares, series 4	106,477	105,300	-	-

A detailed description of the Corporation's financial assets and financial liabilities and its associated risk management in respect thereof are provided in note 29 to the 2013 Audited Consolidated Financial Statements. There have been no significant changes in the business and economic circumstances and the related financial risks that affect the Corporation's financial assets and financial liabilities since December 31, 2013.

28. CAPITAL MANAGEMENT

The Corporation defines the capital that it manages as the aggregate of its shareholders' equity and interest bearing debt, including outstanding preference shares. The following table summarizes the carrying value of the Corporation's capital as at March 31, 2014 and December 31, 2013.

As at	March 31, 2014	December 31, 2013
Shareholders' equity	$ 1,708,928	$ 1,721,072
Corporate debt	184,750	122,142
Preference Shares, series 4	106,477	106,415
	$ 2,000,155	**$ 1,949,629**

The Corporation's objectives when managing capital include (i) ensuring that the Corporation and all of its regulated entities meet relevant regulatory capital requirements; (ii) ensuring that the Corporation is able to meet its financial obligations as they become due, whilst ensuring compliance with all applicable debt covenants; (iii) ensuring that the Corporation has sufficient capital to manage business activities in each of its operating segments; (iv) ensuring that the Corporation has sufficient capital available to benefit from acquisition opportunities, should they arise; and (v) ensuring adequate returns for shareholders. The Corporation regularly assesses its capital management practices in response to changing economic conditions.

Certain of the Corporation's subsidiaries are subject to regulatory capital requirements. Compliance with these requirements requires that the subsidiaries maintain sufficient cash and other liquid assets on hand to maintain regulatory capital requirements, rather than using these liquid assets in connection with its business or otherwise. As at March 31, 2014 and December 31, 2013, the Corporation and its subsidiaries complied with all regulatory capital requirements.

29. COMMITMENTS, CONTINGENCIES AND OFF-BALANCE SHEET ARRANGEMENTS

A description of the Corporation's commitments, contingencies and off-balance sheet arrangements is provided in note 31 to the Corporation's 2013 Audited Consolidated Financial Statements. The following provides a summary of material changes to these items as at March 31, 2014.

Legal Contingencies

As part of a business reorganization completed in 2011, Dundee Capital Markets Inc., the parent company of Dundee Securities, agreed to provide an indemnity with respect to certain claims. In 2011, Sino-Forest Corporation ("Sino-Forest") was delisted from the TSX, following allegations of securities violations. One of the parties indemnified by Dundee Capital Markets Inc. participated in underwriting syndicates in respect of several public equity offerings by Sino-Forest. The indemnified party is a defendant in at least one lawsuit brought by shareholders of Sino-Forest, alleging securities law and other violations. Sino-Forest received an order for creditor protection in March 2012 and its Companies' Creditors Arrangement Act ("CCAA") plan was implemented in January 2013 and was recognized by the U.S. Bankruptcy Court under Chapter 11 of the U.S. Bankruptcy Code in March 2013. There are a number of appeals pending in respect of the CCAA plan. In May 2012, the Ontario Securities Commission commenced formal proceedings against Sino-Forest and certain of its current and former executives alleging fraud and securities law violations; hearings are scheduled to be held between September 2014 and June 2015. In December 2012, the Ontario Securities Commission commenced formal proceedings against Ernst & Young, Sino-Forest's former auditor, alleging certain audit deficiencies that allegedly amount to breaches of the Securities Act (Ontario); no date has been set for hearings in this matter. The aforementioned shareholder lawsuit is a proposed class proceeding, which has not been certified as such. The certification and other motions are scheduled to be heard during the weeks of January 12 and 19, 2015. Dundee Capital Markets Inc. cannot reliably estimate the timing and quantification of any exposure it may have as a result of the Sino-Forest underwritings.

The Corporation is also a defendant in various other legal actions. The defenses to these claims and the quantification of damages are yet to be determined and the amount of the loss, if any, cannot be determined at this time. The Corporation intends to vigorously defend itself against all legal claims. Although the ultimate outcome of these matters cannot be ascertained at this time and the results of legal proceedings cannot be predicted with certainty, it is the opinion of management, based on information currently available, that these are not material liabilities, adequate provisions have been made for any liabilities and the resolution of these matters will not have a material adverse effect on the consolidated financial position of the Corporation.

30. RELATED PARTY TRANSACTIONS

There have been no significant changes in the nature and scope of related party transactions to those described in note 32 to the Corporation's 2013 Audited Consolidated Financial Statements.

31. SEGMENTED INFORMATION

The Corporation's reportable business segments are organized in a manner that reflects how management views those business activities. The tabular information that follows shows data of reportable segments reconciled to amounts reflected in these consolidated financial statements.

Business Entity	*Business Activity*
Corporate and Other Portfolio Holdings	Investments in public and private equity and debt securities in diversified industry segments
Dundee Energy Limited	58%-owned publicly listed subsidiary in the oil and gas industry with operations in southern Ontario and Spain
Eurogas International Inc.	53%-owned publicly listed subsidiary engaged in oil and gas exploration in Tunisia
Dundee Sustainable Technologies Inc.	83%-owned private subsidiary developing patented sustainable precious and base metals extraction processes
United Hydrocarbon International Corp.	40%-owned private subsidiary engaged in oil and gas exploration, development and production activities in the Republic of Chad
Blue Goose Capital Corp.	84%-owned private subsidiary operating in organic and natural protein production markets for beef, chicken and fish
Goodman & Company, Investment Counsel Inc.	100%-owned private subsidiary registered as a portfolio manager and exempt market dealer across Canada and an investment fund manager in Ontario, Quebec and Newfoundland
Dundee Securities Ltd.	100%-owned private subsidiary and a full-service Canadian investment dealer registered with the Investment Industry Regulatory Organization of Canada

Segmented Operations for the Three Months Ended March 31, 2014

	Revenue	Cost of Sales	Other Amounts in Loss	Loss from Continuing	Earnings from Discontinued	Net Loss
Corporate and other portfolio holdings	$ 19,917	$ -	$ (18,101)	$ 1,816	$ -	$ 1,816
Resource industry						
Dundee Energy Limited	12,807	(2,880)	(5,686)	4,241	-	4,241
Eurogas International Inc.	-	-	(282)	(282)	-	(282)
Dundee Sustainable Technologies Inc.	1,172	-	(2,380)	(1,208)	-	(1,208)
United Hydrocarbon International Corp.	-	-	(20,564)	(20,564)	-	(20,564)
Agriculture industry						
Blue Goose Capital Corp.	18,622	(30,734)	(5,465)	(17,577)	-	(17,577)
Asset management and capital markets						
Goodman & Company, Investment Counsel Inc.	845	-	(1,572)	(727)	-	(727)
Dundee Securities Ltd.	28,821	(13,477)	(15,789)	(445)	-	(445)
Intersegment	(10,132)	-	10,132	-	-	-
	$ 72,052	$ (47,091)	$ (59,707)	(34,746)	-	(34,746)
Income taxes				(5,384)	-	(5,384)
Non-controlling interest				8,287	-	8,287
NET LOSS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				$ (31,843)	$ -	$ (31,843)

Segmented Operations for the Three Months Ended March 31, 2013

	Revenue	Cost of Sales	Other Amounts in Loss	Loss from Continuing	Earnings from Discontinued	Net Loss
Corporate and other portfolio holdings	$ 11,749	$ -	$ (66,905)	$ (55,156)	$ -	$ (55,156)
Resource industry						
Dundee Energy Limited	7,428	(2,848)	(6,016)	(1,436)	-	(1,436)
Eurogas International Inc.	-	-	(196)	(196)	-	(196)
Dundee Sustainable Technologies Inc.	1	-	(995)	(994)	-	(994)
Agriculture industry						
Blue Goose Capital Corp.	2,502	(4,818)	(68)	(2,384)	-	(2,384)
Asset management and capital markets						
Goodman & Company, Investment Counsel Inc.	1,315	-	(2,252)	(937)	-	(937)
Dundee Securities Ltd.	20,638	(8,696)	(16,145)	(4,203)	-	(4,203)
Intersegment	(1,810)	-	1,810	-	-	-
	$ 41,823	$ (16,362)	$ (90,767)	(65,306)	-	(65,306)
Income taxes				17,485	-	17,485
Earnings from discontinued operations, net of taxes				-	22,122	22,122
Non-controlling interest				1,216	(6,310)	(5,094)
NET (LOSS) EARNINGS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				$ (46,605)	$ 15,812	$ (30,793)

Segmented Net Assets as at March 31, 2014

	ASSETS				LIABILITIES			
	Cash	Investments	Other Assets	TOTAL	Corporate Debt	Deferred Income Taxes	Other Liabilities	TOTAL
Corporate and other portfolio holdings	$ 11,478	$ 1,432,819	$ 132,152	$ 1,576,449	$ (72,142)	$ (87,626)	$ (162,901)	$ (322,669)
Resource industry								
Dundee Energy Limited	192	-	165,471	165,663	(59,797)	8,198	(50,526)	(102,125)
Eurogas International Inc.	953	-	9,081	10,034	-	-	(250)	(250)
Dundee Sustainable Technologies Inc.	4,397	-	13,150	17,547	-	-	(3,508)	(3,508)
United Hydrocarbon International Corp.	4,083	-	231,616	235,699	-	-	(25,518)	(25,518)
Agriculture industry								
Blue Goose Capital Corp.	208	-	155,039	155,247	(52,811)	(4,358)	(15,876)	(73,045)
Asset management and capital markets								
Goodman & Company, Investment Counsel Inc.	471	-	1,167	1,638	-	3,521	(2,923)	598
Dundee Securities Ltd.	209,372	-	819,498	1,028,870	-	7,641	(869,340)	(861,699)
TOTAL	$ 231,154	$ 1,432,819	$ 1,527,174	$ 3,191,147	$ (184,750)	$ (72,624)	$ (1,130,842)	$ (1,388,216)

Segmented Net Assets as at December 31, 2013

	ASSETS				LIABILITIES			
	Cash	Investments	Other Assets	TOTAL	Corporate Debt	Deferred Income Taxes	Other Liabilities	TOTAL
Corporate and other portfolio holdings	$ 10,477	$ 1,414,977	$ 141,187	$ 1,566,641	$ (6,438)	$ (89,863)	$ (173,352)	$ (269,653)
Resource industry								
Dundee Energy Limited	111	-	163,137	163,248	(65,709)	9,255	(46,957)	(103,411)
Eurogas International Inc.	5	-	11,900	11,905	-	-	(320)	(320)
Dundee Sustainable Technologies Inc.	1,275	-	11,507	12,782	-	-	(535)	(535)
United Hydrocarbon International Corp.	19,167	-	173,085	192,252	-	-	(10,759)	(10,759)
Agriculture industry								
Blue Goose Capital Corp.	85	-	165,254	165,339	(49,995)	(4,468)	(17,039)	(71,502)
Asset management and capital markets								
Goodman & Company, Investment Counsel Inc.	1,062	-	795	1,857	-	2,238	(2,758)	(520)
Dundee Securities Ltd.	151,643	-	740,229	891,872	-	7,639	(729,010)	(721,371)
TOTAL	$ 183,825	$ 1,414,977	$ 1,407,094	$ 3,005,896	$ (122,142)	$ (75,199)	$ (980,730)	$ (1,178,071)

32. SUBSEQUENT EVENT

Subsequent to March 31, 2014, the Corporation announced that it had entered into an arrangement agreement pursuant to which the Corporation proposes to acquire, pursuant to a plan of arrangement, all of the issued and outstanding shares of 360 VOX Corporation ("360 VOX") that it does not already own. Under the terms of the arrangement, shareholders of 360 VOX, other than the Corporation, will exchange their shares in 360 VOX for approximately 2,800,000 Subordinate Shares of the Corporation with an approximate value of $45,500,000. Completion of the plan of arrangement is subject to customary conditions, including receipt of necessary regulatory, court and 360 VOX shareholders' approvals.

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