DUNDEE CORPORATION

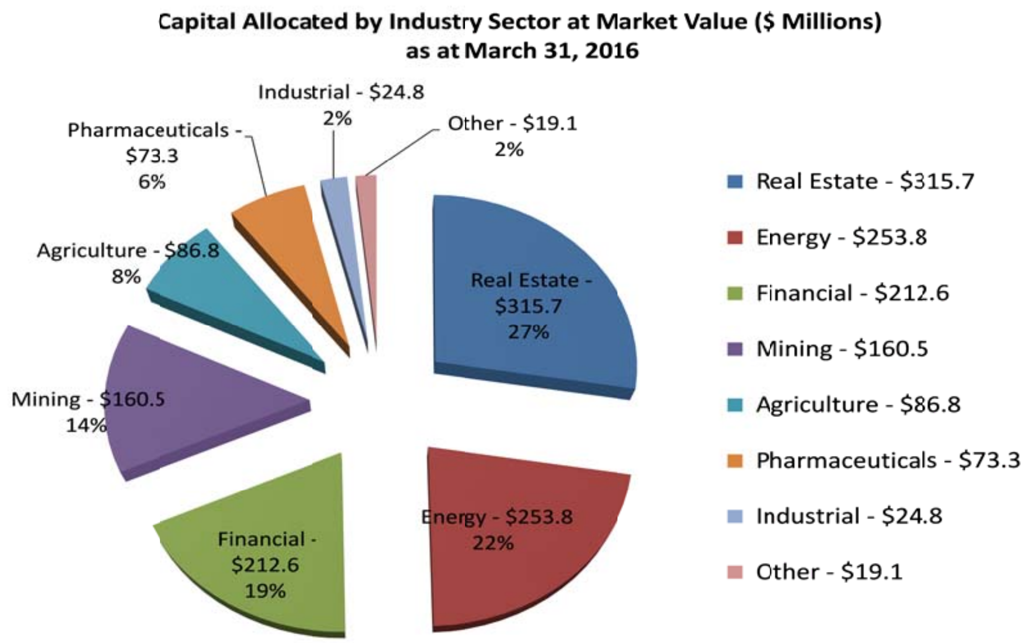
2016 FIRST QUARTER REPORT

DUNDEE CORPORATION
Management's Discussion and Analysis

Dundee Corporation (the "Corporation" or "Dundee Corporation") is a public Canadian independent 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 investment advisory, corporate finance, energy, resources, agriculture, real estate and infrastructure. The Corporation also holds, directly and indirectly, a portfolio of investments mostly in these key areas, as well as other select investments in both publicly listed and private enterprises.

This Management's Discussion and Analysis ("MD&A") has been prepared with an effective date of May 13, 2016 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, 2015 (the "2015 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, 2016 (the "March 2016 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. This MD&A contains forward looking statements that are based on certain estimates and assumptions and involve risks and uncertainties. Actual results may vary materially from management's expectations. See the "*Cautionary Note Regarding Forward Looking Statements*" section later in this MD&A for further information.

DUNDEE CORPORATION'S CAPITAL ALLOCATED BY INDUSTRY SECTOR



UNDERSTANDING THE ALLOCATION OF DUNDEE CORPORATION'S CAPITAL

		Carrying Value as at March 31, 2016	Market Value* as at March 31, 2016
1	**Operating Subsidiaries** Operating subsidiaries are not recorded as individual investments in the Corporation's consolidated financial statements. Instead, the accounts of the operating subsidiary are consolidated with those of the Corporation on a line-by-line basis. For example, the revenue generated by an operating subsidiary is reported as revenue of the Corporation in the consolidated statement of operations.	$ 512,783	$ 493,540
2	**Equity Accounted Investments** Investments that are accounted for using the equity method are separately disclosed in the Corporation's consolidated statement of financial position as "Equity accounted investments". These investments are initially recorded at the Corporation's cost of acquisition. Subsequently, the original cost is increased or decreased in proportion to the Corporation's share of earnings or losses generated by the investee.	167,956	168,013
3	**Investments** All other investments are designated as "Investments" in the Corporation's consolidated statement of financial position. These investments may include investments in equity or debt securities of public or private companies in a variety of sectors. These investments are reported in the Corporation's consolidated financial statements at their estimated fair value.	485,080	485,080
4	**Corporate Account Balances** Corporate account balances represent balances of the Corporation's capital that are not directly attributable to a particular investment. These balances include cash held by the Corporation directly, offset by the Corporation's direct obligations, including obligations in respect of its credit facilities.	(125,312)	(128,343)
	SHAREHOLDERS' EQUITY	**$ 1,040,507**	**$ 1,018,290**
	Less: Shareholders' equity attributable to holders of:		
	Preference Shares, series 2	(84,053)	(86,985)
	Preference Shares, series 3	(43,015)	(43,015)
	SHAREHOLDERS' EQUITY ATTRIBUTABLE TO CLASS A SUBORDINATE SHARES AND CLASS B SHARES OF THE CORPORATION	**$ 913,439**	**$ 888,290**
	Number of Class A Subordinate Shares and Class B Shares of the Corporation outstanding		
	Class A Subordinate Shares		55,535,077
	Class B Shares		3,115,230
			58,650,307
	SHAREHOLDERS' EQUITY ON A PER SHARE BASIS**	**$ 15.57**	**$ 15.15**

* *Certain of the Corporation's investments trade in public markets, while other investments are in debt or equity securities of private companies. While the Corporation has applied valuation methodologies to estimate the market value of its portfolio of non-publicly traded investments, these valuation methodologies have not been applied to operating subsidiaries and equity accounted investments that are not publicly traded. For purposes of the above schedule, the "market value" of the Corporation's non-public operating subsidiaries and non-public equity accounted investments is equal to their underlying carrying value.*

** *Before accounting for deferred income tax assets and liabilities in respect of the Corporation's investments in operating subsidiaries, which are not recognized in the Corporation's consolidated financial statements as per International Accounting Standards 12.*

PERFORMANCE MEASURES

The Corporation believes that important measures of its operating performance, as well as that of its subsidiaries, include certain metrics 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 qualitative insight into 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 wealth management and asset management subsidiaries, or by its brokerage subsidiaries, on a discretionary basis and in respect of which these subsidiaries earn management fee revenue and, in certain cases, performance fee revenue. AUM is 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.

- **"Contingent Resources"** are those quantities of oil estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent resources are further classified in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

- **"Contingent Resources - 2C"** are considered to be the best estimate of the quantity that will actually be recovered from the Contingent Resources. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability that the quantities actually recovered will equal or exceed the best estimate.

- **"Contingent Resources - 3C"** are considered to be the optimistic estimate of the quantity that will actually be recovered from the Contingent Resources. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability that the quantities actually recovered will equal or exceed the high estimate.

- **"Contingent Resources - 3C net of 2C"** are considered to be the additional quantity of 3C that will actually be recovered above the 2C.

- **"Contribution Margin" or "Margin"** is an important measure of earnings in certain business segments and generally represents core revenues less cost of sales. Margin generally excludes general and administrative expenses, interest expense, and income taxes and may also exclude depreciation and depletion of assets not directly associated with the activities of producing or extracting product for sale.

- **"Earnings Before Interest, Taxes, Depreciation and Amortization" or "EBITDA"** is a measure of a company's operating performance and can be used to analyze and compare profitability between companies and industries because it eliminates the effects of financing and accounting decisions.

- **“Market Value”** or **“Fair Value”** of an investment is generally determined using quoted market prices on prescribed stock exchanges for investments that are publicly traded. Market value or fair value of an investment that is privately held is determined by reference to valuation methodologies appropriate for the investment.

- **“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.

- **“Prospective Resources”** are defined as those quantities of oil estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

- **“Prospective Resources – Best Estimate”** are considered to be the best estimate of the quantity of prospective resources that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability that the quantities actually recovered will equal or exceed the best estimate.

- **“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.

- **“Shareholders’ Equity on a Per Share Basis”** is calculated by dividing the carrying value of the Corporation’s shareholders’ equity in accordance with IFRS (or the “Market Value” or “Fair Value” of such shareholders’ equity determined using valuation methodologies as described under the definition of “Market Value” or “Fair Value” above), by the aggregate number of Subordinate Shares and Class B Shares of the Corporation issued and outstanding.

RESULTS OF OPERATIONS

Three months ended March 31, 2016 compared with the three months ended March 31, 2015

Consolidated Net Earnings

During the three months ended March 31, 2016, the Corporation incurred a net loss attributable to owners of Dundee Corporation of $6.1 million, or a loss of $0.13 per share. In comparison, during the first three months of the prior year, the Corporation incurred a loss attributable to owners of Dundee Corporation of $27.0 million, or $0.50 per share. The following table summarizes the Corporation's net operating loss on a per segment basis.

For the three months ended March 31,	2016 Total	2015 Total
Net loss before income taxes from:		
Goodman & Company, Investment Counsel Inc.	$ (844)	$ (757)
Dundee Securities Ltd.	(3,564)	(4,441)
Dundee Energy Limited	(4,182)	(1,673)
United Hydrocarbon International Corp.	(3,883)	(13,897)
Dundee Sustainable Technologies Inc.	(1,516)	(1,606)
Eurogas International Inc.	(184)	(206)
Blue Goose Capital Corp.	(5,299)	(3,891)
AgriMarine Holdings Inc.	(2,275)	(1,497)
Dundee 360 Real Estate Corporation	(4,592)	(383)
	(26,339)	(28,351)
Adjusted for the corporate and other portfolio holdings segment:		
Changes in the market value of investments:		
Dundee Precious Metals Inc.	28,731	-
DREAM Unlimited Corp.	20,122	(8,438)
Other portfolio investments	2,259	(7,087)
Share of (loss) earnings from equity accounted investments	(186)	2,328
Other items in the corporate and other portfolio holdings segment	(16,452)	(139)
Income tax (expense) recovery	(4,747)	3,687
Net earnings (loss) for the period	**$ 3,388**	**$ (38,000)**
Net earnings (loss) attributable to:		
Owners of the parent	$ (6,068)	$ (27,026)
Non-controlling interest	9,456	(10,974)
	$ 3,388	**$ (38,000)**

Operating results in the current quarter benefited from improved market performance in certain of the Corporation's investments that are carried in the consolidated financial statements at fair value through profit or loss ("FVTPL"). Included as part of the "Corporate and other portfolio holdings" segment, these investments resulted in the recognition of a gain from investments of $51.1 million in the current quarter, compared with a loss of $15.5 million in the first quarter of 2015. Changes in the fair value of investments carried at FVTPL, which are determined by trends and information in equity and capital markets, are recorded in the Corporation's net earnings or loss and can cause substantial volatility in operating results. The Corporation cautions that the equity and credit markets do not necessarily reflect the underlying value of certain assets, and the Corporation continues to believe that certain of these investments remain undervalued at March 31, 2016.

A number of the Corporation's investments are accounted for using the equity method of accounting, which requires that the Corporation increase or decrease the carrying value of its investment by its proportionate share of the net earnings or loss of the underlying investee. This method of accounting further subjects the Corporation to significant volatility in its operating performance as the underlying net earnings or loss of the equity accounted investee may be subject to market forces or other events over which the Corporation does not exert control. During the first quarter of 2016, the Corporation recognized losses from its equity accounted investments of $0.2 million, compared with earnings of $2.3 million in the same period of the prior year.

Other significant changes in period-over-period results are described below and are further discussed under "*Segmented Results of Operations*".

- Dundee Securities' capital market division incurred a net operating loss before taxes of $1.1 million during the three months ended March 31, 2016, compared with a net operating loss before taxes of $2.5 million during the same period of the prior year. Despite marginal decreases in revenue, improved performance in this division reflects cost savings initiatives implemented during 2015.
- The retail division of Dundee Securities reported a net operating loss before taxes of $2.5 million in the first quarter of 2016, compared with a net operating loss before taxes of $2.0 million in the first quarter of the prior year. Subsequent to the quarter-end, essentially all of the assets of the retail division of Dundee Securities were sold to Echelon Wealth Partners Inc. (formerly Euro Pacific Canada Inc.).
- Dundee Energy's operating performance continues to experience the impact of significant volatility in prices of oil and natural gas. Dundee Energy reported a net operating loss before taxes of $4.2 million in the first quarter of 2016, compared with a net operating loss before taxes of $1.7 million in the same period of the prior year.
- UHIC incurred a net operating loss before taxes of $3.9 million during the first quarter of 2016, compared with a net operating loss before taxes of $13.9 million incurred during the same period of the prior year. In response to lower oil prices, UHIC has reduced its operating expenses to roughly US$1.0 million per month as it seeks to find a strategic partner for the exploration and development of its resource prospects.
- Blue Goose incurred a net operating loss before taxes of $5.3 million in the first quarter of 2016, compared with a net operating loss before taxes of $3.9 million in the same period of the prior year. The change in operating performance is primarily driven by changes in the fair value of livestock, which are subject to significant variability from period to period due to changes in physical growth and market prices. These factors have also impacted the operating performance of AgriMarine, which reported a net operating loss before taxes of $2.3 million in the first quarter of 2016, compared with a net operating loss before taxes of $1.5 million in the same period of the prior year.
- Dundee 360 incurred a net operating loss before taxes of $4.6 million in the three months ended March 31, 2016, compared with a net operating loss before taxes of $0.4 million incurred during the same period of the prior year. Included in the first quarter of the prior year was a one-time payment of $4.0 million related to the termination of an asset management agreement.

OPERATING SUBSIDIARIES AS AT MARCH 31, 2016

	Ticker Symbol	*(000's) # of Shares Held*	*Market Price/Share*	*Percentage Ownership*	*Net Assets (note 1)*	*Non-Controlling Interests (note 2)*	*Carrying Value as at March 31, 2016*	*Market Value as at March 31, 2016*
Subsidiaries That Are Not Publicly Listed								
United Hydrocarbon International Corp.				33%	$ 218,764	$ -	$ 218,764	$ 218,764
Dundee Securities Ltd. (note 3)				100%	104,960	-	104,960	104,960
Blue Goose Capital Corp.				88%	70,099	(5,546)	64,553	64,553
Dundee 360 Real Estate Corporation				100%	64,341	(1,821)	62,520	62,520
AgriMarine Holdings Inc.				100%	20,751	-	20,751	20,751
Goodman & Company, Investment Counsel Inc.				100%	925	-	925	925
Subsidiaries That Are Publicly Listed								
Dundee Sustainable Technologies Inc.	DST	228,068.5	$0.05	66%	5,747	2,109	7,856	11,403
Dundee Energy Limited	DEN	108,993.5	$0.03	58%	50,437	(20,211)	30,226	3,270
Eurogas International Inc.	EI	16,646.8	$0.01	53%	142	2,086	2,228	83
Amounts due from non-controlling interests (note 4)							-	6,311
TOTAL – OPERATING SUBSIDIARIES							**$ 512,783**	**$ 493,540**

1. *See note 35 "Segmented Information" to the March 2016 Interim Consolidated Financial Statements for a more detailed analysis of the carrying value of individual assets and liabilities attributed to each operating subsidiary.*
2. *See note 23 "Non-Controlling Interest" to the March 2016 Interim Consolidated Financial Statements for information regarding the carrying value of non-controlling interest in each subsidiary.*
3. *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.*
4. *From time to time, the Corporation will advance monies to an operating subsidiary to fund working capital requirements. Amounts advanced between the Corporation and its operating subsidiaries are eliminated in the March 2016 Interim Consolidated Financial Statements of the Corporation. Accordingly, for purposes of determining the estimated market value of operating subsidiaries that are publicly traded, the Corporation has included its proportionate interest in advances to each operating subsidiary that is due to the Corporation from non-controlling shareholders of each operating subsidiary. Amounts due under these arrangements to operating subsidiaries that are not publicly traded are already included in the determination of the net carrying value of these operating subsidiaries.*

Segmented Results of Operations

The following discussion provides a more comprehensive analysis of the performance results of each of the Corporation's operating subsidiaries, and their impact to the consolidated operating results of the Corporation. The following information is presented in a manner that corresponds to the Corporation's reportable business segments as presented in note 35 to the March 2016 Interim Consolidated Financial Statements.

GOODMAN & COMPANY, INVESTMENT COUNSEL INC.

Goodman & Company, Investment Counsel Inc. ("GCIC") is a registered portfolio manager and exempt market dealer across Canada, and an investment fund manager in the provinces of Ontario, Quebec and Newfoundland. GCIC is an indirect, wholly-owned subsidiary of Dundee Corporation. Information about GCIC may be accessed at www.goodmanandcompany.com.

GCIC is the entity through which the Corporation intends to build out its Investment Counsel/Portfolio Management ("ICPM") platform that is currently branded as "Dundee Global Investment Management" ("DGIM"). The ICPM strategy includes developing integrated and diversified financial products and services focused on the high-net-worth and ultra-high-net-worth markets.

During the first three months of 2016, GCIC accumulated approximately $75.2 million in AUM under managed account arrangements for private clients. In addition, GCIC launched CMP 2016 Resource Limited Partnership, which raised new capital of $20.7 million. As a result of the above initiatives and as illustrated in the table below, AUM increased by $98.7 million to $186.9 million at March 31, 2016, compared with AUM of $88.2 million at December 31, 2015.

For the three months ended March 31, 2016		
AUM at beginning of the period	$	88,227
Transactions during the three months ended March 31, 2016		
Additions		97,154
Redemptions		(10,854)
Distributions paid		(3,387)
Change in market values		15,753
Net change in managed assets		98,666
AUM at end of the period	$	186,893

AUM Breakdown		
Private clients	$	75,206
Tax sheltered investment products		38,689
Closed end funds		32,001
Mutual funds		28,629
Alternative investment products		12,368
	$	186,893

GCIC's management fee revenue is calculated and paid monthly, based on the fair value of AUM as determined on the last business day of each month. The average AUM for the first quarter of 2016 was $121.3 million, compared with average AUM of $110.4 million during the same period of the prior year. The increase has led to a corresponding increase in management fee revenues earned, which increased to $0.6 million in the first quarter of 2016, from revenue levels of $0.5 million earned in the same period of the prior year. During the three months ended March 31, 2016, the average management fee rate on AUM was 1.8%. This compares with an average management fee rate of 2.0% earned in the same period of the prior year. The change in the average management fee rate reflects the mix of assets managed, with private client assets generally earning a lower management fee rate than tax sheltered investment products, mutual funds and closed-end investment products.

RESULTS OF OPERATIONS

As illustrated in the table below, GCIC incurred a net loss before income taxes attributable to owners of Dundee Corporation of $0.8 million in the first quarter of 2016, essentially consistent with a pre-tax loss of $0.8 million incurred in the same period of the prior year. Despite modest increases in management fee revenues, GCIC's net operating performance has been impacted by higher levels of general and administrative expenses, reflecting initiatives in the development of its business activities. As a result, general and administrative expenses have increased to $1.5 million in the first quarter of 2016, compared with general and administrative expenses of $1.3 million incurred during the same period of 2015.

For the three months ended March 31,		2016		2015
Revenues				
Management fee revenue	$	602	$	521
Interest, dividends and other		56		1
		658		522
Other items in net loss before taxes				
General and administrative		(1,502)		(1,279)
Net loss before taxes, Goodman & Company, Investment Counsel Inc.	**$**	**(844)**	**$**	**(757)**
Net loss before taxes, Goodman & Company, Investment Counsel Inc., attributable to:				
Owners of Dundee Corporation	$	(844)	$	(757)
Non-controlling interest		-		-
Net loss before taxes, Goodman & Company, Investment Counsel Inc.	**$**	**(844)**	**$**	**(757)**

DUNDEE SECURITIES LTD.

Dundee Securities Ltd. is a wholly-owned subsidiary of Dundee Corporation. A full service brokerage firm with operations across Canada, Dundee Securities is registered as an investment dealer in each of the jurisdictions of Canada and as a derivatives dealer in Quebec and as such, it is subject to the oversight of the provincial securities commissions and the Investment Industry Regulatory Organization of Canada ("IIROC"). Business activities are carried out directly, and through several sister companies including Dundee Securities Europe LLP, a company authorized by the Financial Services Authority in the United Kingdom for the purposes of security brokering and asset management; 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"). Additional information about the operations of Dundee Securities and its various business divisions may be accessed at either www.dundeecapitalmarkets.com or www.dundeesecurities.com.

RESULTS OF OPERATIONS

	Capital Markets				Retail & Other				**TOTAL**			
For the three months ended March 31,		2016		2015		2016		2015		2016		2015
Revenues												
Management fees	$	-	$	-	$	2,687	$	3,910	$	2,687	$	3,910
Financial services												
Investment banking		5,919		5,832		-		-		5,919		5,832
Commissions		4,923		5,687		4,578		6,396		9,501		12,083
Principal trading		(1,008)		(1,018)		1,146		1,818		138		800
Foreign exchange trading		-		-		186		152		186		152
Interest, dividends and other		253		349		1,428		2,223		1,681		2,572
		10,087		10,850		10,025		14,499		20,112		25,349
Cost of sales												
Variable compensation		(4,390)		(5,238)		(4,536)		(6,735)		(8,926)		(11,973)
Other items in net loss												
Depreciation		(91)		(121)		(287)		(385)		(378)		(506)
General and administrative												
- direct		(5,404)		(6,747)		(4,408)		(6,217)		(9,812)		(12,964)
- allocated		(1,467)		(1,287)		(2,957)		(3,276)		(4,424)		(4,563)
Interest expense		(22)		(21)		(26)		(26)		(48)		(47)
Foreign exchange (loss) gain		221		101		(309)		162		(88)		263
Net loss attributable to Dundee Securities Ltd.	**$**	**(1,066)**	**$**	**(2,463)**	**$**	**(2,498)**	**$**	**(1,978)**	**$**	**(3,564)**	**$**	**(4,441)**
Net loss before taxes, Dundee Securities Ltd. attributable to:												
Owners of Dundee Corporation	$	(1,066)	$	(2,463)	$	(2,498)	$	(1,978)	$	(3,564)	$	(4,441)
Non-controlling interest		-		-		-		-		-		-
Net loss before taxes, Dundee Securities Ltd.	**$**	**(1,066)**	**$**	**(2,463)**	**$**	**(2,498)**	**$**	**(1,978)**	**$**	**(3,564)**	**$**	**(4,441)**

The Capital Markets Division

The capital markets division of Dundee Securities provides a variety of financial services including investment banking, institutional equity sales and equity research. Branded as "Dundee Capital Markets", this division provides strategic financing expertise to private clients and select companies within certain core sectors including mining, energy, technology, real estate, infrastructure and industrials.

The Corporation believes that central to the success of Dundee Capital Markets is an alignment of interest between management and key employees. Therefore, the Corporation has initiated a process to provide equity ownership for certain key employees. This transaction is expected to be completed in the second half of 2016.

Revenues from Activities in the Capital Markets Division

During the three months ended March 31, 2016, the capital markets division generated revenues of $10.1 million, a 7% decrease from revenues of $10.9 million earned during the first quarter of the prior year. Consistent with wider industry trends, the decrease relates primarily to reduced levels of institutional commissions generated, which fell to $4.9 million in the current quarter, compared with $5.7 million earned in the same period of 2015.

Investment banking revenue, including revenue from new issues and advisory services fees, was $5.9 million during the first quarter of 2016, a marginal increase from revenue of $5.8 million earned in the same period of the prior year.

During the first quarter of 2016, Dundee Capital Markets participated in 29 public and private new issue transactions, compared to 12 transactions in the same period of the prior year. Despite the significant increase in the number of transactions, new issue revenue increased marginally to $4.6 million in the current quarter, compared with $4.5 million of new issue revenue earned in the same period of the prior year, reflecting both a decrease in the average size of financing transactions completed, as well as lower average percentage participation in those financings.

Advisory fee revenue during the first quarter of 2016 was $1.3 million, consistent with advisory fee revenue earned in the same period of the prior year. Advisory mandates are generally long term in nature, and fees are earned only following the successful completion of a transaction, therefore, revenue from the provision of advisory services fees may be subject to significant volatility.

Principal trading losses were $1.0 million in the first quarter of 2016 and include facilitation trading losses of $1.5 million, offset by appreciation in the market value of certain securities held in this division. In comparison, during the first quarter of 2015, facilitation trading losses were $1.1 million, offset by margin appreciation of $0.1 million in the market value of securities held. The ratio of facilitation trading losses to associated institutional commission revenue increased to 31% in the first quarter of 2016, compared with 20% in the first quarter of the prior year.

Variable Compensation Expense

Variable compensation expense incurred by Dundee Capital Markets during the first quarter of 2016 was $4.4 million (three months ended March 31, 2015 – $5.2 million), and represented approximately 45% (three months ended March 31, 2015 – 50%) of related financial services revenue, resulting in contribution margins of 55% (three months ended March 31, 2015 – 50%). Variable compensation expense in the first quarter of the prior year included certain minimum amounts paid to acquired professionals under retention contracts that have since expired, lowering the average contribution margin earned in that period.

General and Administrative Expenses

Dundee Capital Markets incurred general and administrative expenses of $6.9 million in the first quarter of 2016, compared with general and administrative expenses of $8.0 million in the same period of the prior year. The decrease reflects cost savings initiatives implemented during 2015 that have resulted in lower employment, promotional and travel expenses, partially offset by higher professional fees associated with the architecture and design of an effective equity ownership plan for key employees.

The Retail Division and Other Activities

Branded under the name "Dundee Goodman Private Wealth", the retail division of Dundee Securities provided portfolio management, financial planning and insurance services to retail clients. In January 2016, Dundee Securities announced the sale of substantially all of the assets of Dundee Goodman Private Wealth to Echelon Wealth Partners Inc. ("Echelon"). The transaction with Echelon, which closed on April 25, 2016, saw the transfer of approximately $3.5 billion of investible client assets. In addition, and in order to accommodate the significant growth in its business, Dundee Goodman Private Wealth also sold a significant part of its underlying operating infrastructure and staff resources associated with this division.

The transaction is expected to provide approximately $40 million of liquidity and ongoing cost reductions for the Corporation, which is expected to be redirected towards the growth of the Corporation's wealth management and private investment counsel lines of business.

Revenue from Activities in the Retail Division

Dundee Goodman Private Wealth generated revenue of $10.0 million in the first quarter of 2016.

Revenue during the current quarter includes management fees earned of $2.7 million, compared with management fees earned of $3.9 million in the same period of the prior year. As illustrated in the following table, the decrease in management fees earned corresponds to decreases in AUM, which fell to $0.5 billion at March 31, 2016, compared with AUM of $1.3 billion at March 31, 2015. While AUM levels have improved marginally since December 31, 2015, operating results display the effect of both the departure of certain key retail advisors in the summer of 2015, as well as volatility in capital markets generally.

(in millions of dollars)

As at		March 31, 2016		December 31, 2015		March 31, 2015
AUA	$	4,191	$	4,183	$	5,053
AUM		544		538		1,255
	$	4,735	$	4,721	$	6,308

Commission revenue decreased by 28% during the first quarter of 2016 to $4.6 million, compared with $6.4 million earned in the same period of the prior year. Consistent with lower management fee revenue, commission revenue in the current quarter has decreased on a period-over-period basis, following the departure of certain advisors in the summer of 2015. AUA at March 31, 2016 fell to $4.2 billion, compared with AUA levels of $5.1 billion at the end of March 2015.

Principal trading activities generated gains of $1.2 million during the first quarter of 2016, compared with gains of $1.8 million in the same period of the prior year.

Variable Compensation Expense

Variable compensation expense incurred by Dundee Goodman Private Wealth during the first three months of 2016 was $4.5 million (three months ended March 31, 2015 – $6.7 million), representing approximately 53% (three months ended March 31, 2015 – 54%) of related financial services and management fee revenue, resulting in contribution margins of 47% (three months ended March 31, 2015 – 46%). Financial advisors are compensated on a variable scale, based on revenues generated. Certain professionals may also be compensated based on the profitability of their respective division.

General and Administrative Expenses

During the first quarter of 2016, Dundee Goodman Private Wealth incurred general and administrative expenses of $7.4 million, a decrease of $2.1 million from general and administrative expenses of $9.5 million in the same period of the prior year.

CHANGES IN FINANCIAL CONDITION

Assets and Liabilities Designated as "Held for Sale"

The following table illustrates the net assets of Dundee Securities, and segregates those net assets that were associated directly with its retail operations, and which would have been transferred to Echelon if the transaction had been completed on March 31, 2016.

	Total Net Assets	Assets Held for Sale	Liabilities Held for Sale	Proforma Net Assets on Completion of Sale
Cash	$ 193,578	$ (6,918)	$ -	$ 186,660
Accounts receivable	15,084	-	-	15,084
Client accounts receivable	712,781	(416,246)	-	296,535
Brokerage securities owned	56,590	(14,232)	-	42,358
Income taxes receivable	80	-	-	80
Deferred income taxes	8	-	-	8
Capital and other assets	13,479	(8,800)	-	4,679
Accounts payable and accrued liabilities	(42,017)	-	-	(42,017)
Client deposits and related liabilities	(834,984)	-	428,381	(406,603)
Brokerage securities sold short	(9,639)	-	9,015	(624)
	$ 104,960	$ (446,196)	$ 437,396	$ 96,160

Client account balances and trading positions vary significantly on a day-to-day basis and are dependent on business activities and 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. At March 31, 2016, Dundee Securities had established an uncommitted call loan facility for up to $125.0 million (December 31, 2015 – $125.0 million). There were no amounts drawn pursuant to this facility at March 31, 2016.

DUNDEE ENERGY LIMITED

Dundee Energy Limited ("Dundee Energy") is a small-cap Canadian-based company focused on creating long-term value through the development and acquisition of high-impact energy projects. Dundee Energy's principal operating assets are located in and around Lake Erie in southern Ontario, Canada. In addition to its operations in southern Ontario, Dundee Energy, through its 74% owned subsidiary, Castor UGS Limited Partnership, owns a 33% interest in Escal UGS S.L., a company incorporated under Spanish jurisdiction. Escal UGS S.L. is the developer and former owner of a Spanish infrastructure undertaking that converted an abandoned oilfield offshore Spain to a natural gas storage facility (see "*Significant Investments Accounted for under the Equity Method – Significant Developments in Equity Accounted Investments*"). At March 31, 2016, the Corporation held a 58% interest in Dundee Energy. Common shares of Dundee Energy are traded on the TSX under the symbol "DEN". Additional information about Dundee Energy may be accessed at www.dundee-energy.com.

During three months ended March 31, 2016, Dundee Energy incurred a net loss before taxes of $2.8 million attributable to owners of Dundee Corporation. This compares to a pre-tax net loss attributable to owners of Dundee Corporation of $1.1 million incurred during the same period of the prior year.

RESULTS OF OPERATIONS

For the three months ended March 31,		2016		2015
Revenues				
Oil and gas sales	$	4,230	$	6,826
Interest and dividends		(1,460)		43
		2,770		6,869
Cost of sales				
Production expenditures		(2,707)		(3,482)
Other items in net loss before taxes				
Depreciation and depletion		(2,271)		(2,893)
General and administrative		(1,538)		(1,131)
Gain on derivative financial instruments		706		-
Interest expense		(1,041)		(1,152)
Foreign exchange (loss) gain		(101)		116
Net loss before taxes, Dundee Energy Limited	**$**	**(4,182)**	**$**	**(1,673)**
Net loss before taxes, Dundee Energy Limited attributable to:				
Owners of Dundee Corporation	$	(2,762)	$	(1,112)
Non-controlling interest		(1,420)		(561)
Net loss before taxes, Dundee Energy Limited	**$**	**(4,182)**	**$**	**(1,673)**

Sales and Production Volumes

During the first quarter of 2016, sales of oil and natural gas, net of royalty interests, generated revenues of $4.2 million, a decrease of $2.6 million from revenues of $6.8 million earned during the same period of the prior year. The decrease arises primarily from lower realized prices for the underlying commodities, which reduced revenues by $2.2 million, as well as lower production volumes resulting from the natural decline in the underlying assets, which further reduced revenues by $0.4 million.

During the first three months of 2016, Dundee Energy realized an average price on sales of natural gas of $3.14/Mcf, representing a 9% premium over the average benchmark price at the Dawn Hub, which Dundee Energy continues to benefit from because of the proximity of its assets to the greater Toronto market area. Despite the premium however, the average realized price on sales of natural gas in the current period declined 37% from the average price of $4.99/Mcf realized in the first quarter of the prior year.

Dundee Energy's average realized price for sales of oil during the first quarter of 2016 was $42.12/bbl, a 29% decrease from the average price of $58.96/bbl realized in the same period of the prior year. On a comparative basis, the US dollar-denominated West Texas Intermediate price for this commodity fell 31%, while the Edmonton Par average price for crude oil during the first quarter of 2016 fell by 27%.

Average daily volume during the three months ended March 31,	2016	2015
Natural gas (Mcf/d)	10,872	11,620
Oil (bbls/d)	486	531
Liquids (bbls/d)	4	2
Total (boe/d)	2,302	2,470

Field Level Cash Flows and Field Netbacks

For the three months ended March 31,						2016						2015
		Natural Gas		Oil and Liquids		Total		Natural Gas		Oil and Liquids		Total
Total sales	$	3,110	$	1,865	$	4,975	$	5,221	$	2,822	$	8,043
Royalties		(468)		(277)		(745)		(788)		(429)		(1,217)
Production expenditures		(1,668)		(1,039)		(2,707)		(1,757)		(1,725)		(3,482)
		974		549		1,523		2,676		668		3,344
Gain on derivative financial instruments		199		-		199		-		341		341
Field level cash flows	$	1,173	$	549	$	1,722	$	2,676	$	1,009	$	3,685

For the three months ended March 31,			2016			2015
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
	$/Mcf	$/bbl	$/boe	$/Mcf	$/bbl	$/boe
Total sales	$ 3.14	$ 41.89	$ 23.76	$ 4.99	$ 58.81	$ 36.18
Royalties	(0.47)	(6.21)	(3.56)	(0.75)	(8.93)	(5.47)
Production expenditures	(1.69)	(23.34)	(12.93)	(1.68)	(35.94)	(15.66)
	0.98	12.34	7.27	2.56	13.94	15.05
Gain on derivative financial instruments	0.20	-	0.95	-	7.11	1.53
Field netbacks	$ 1.18	$ 12.34	$ 8.22	$ 2.56	$ 21.05	$ 16.58

CHANGES IN FINANCIAL CONDITION

Commodity Price Risk Management Contracts

From time to time, Dundee Energy may mitigate its exposure to price volatility in commodities, including currency risk associated with commodity pricing, by entering into fixed price commodity contracts in Canadian dollars. At March 31, 2016, Dundee Energy had entered into certain fixed price commodity contracts as illustrated in the table below.

Contract Fixed Price Swap	Volume	Pricing Point	Strike Price ($/unit)	Currency	Remaining Term
Natural Gas	2000 mmbtu/day	NYMEX	$3.41	CAD	Apr 01/16 to Dec 31/16
Natural Gas	1000 mmbtu/day	NYMEX	$3.48	CAD	Apr 01/16 to Dec 31/16
Natural Gas	1000 mmbtu/day	NYMEX	$3.64	CAD	Apr 01/16 to Dec 31/16
Natural Gas	5000 mmbtu/day	NYMEX	$2.70	USD	Jan 01/17 to Dec 31/17

Capital Expenditures

In response to the considerable decline in the price of oil and natural gas, Dundee Energy's work plan for 2016 will focus only on the maintenance of Dundee Energy's oil and natural gas land portfolio, which it anticipates will require approximately $0.8 million. During the first quarter of 2016, Dundee Energy incurred $0.4 million related to its land portfolio. In addition, Dundee Energy sold certain redundant equipment for $0.1 million, resulting in a loss of approximately $1.5 million.

Demand Revolving Credit Facility

A subsidiary of Dundee Energy has a $60 million credit facility with a Canadian Schedule I Chartered Bank. On February 18, 2016, amounts available pursuant to the credit facility were reduced from $70.0 million at December 31, 2015 to $60.0 million, and amounts available will be further reduced to $55.0 million before December 31, 2016. The credit facility is structured as a revolving demand loan, and is subject to a tiered interest rate structure based on the net debt to cash flow ratio generated by the subsidiary. Based on current ratios, draws on the credit facility incur interest at Dundee Energy's option, 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, 2016, Dundee Energy had drawn $59.1 million against the facility and it was in compliance with all required financial covenants.

The lenders to Dundee Energy do not have recourse to Dundee Corporation in respect of these arrangements. With the significant amount of volatility in commodity prices, Dundee Energy expects that its lenders will continue to review the basis for its lending capacity, which will include an assessment of the future performance of Dundee Energy, with a focus on forecasted prices for oil and natural gas in an uncertain environment. There can be no assurance that average commodity sales prices will support Dundee Energy's current forecasts, or that the lender will not exercise their right to demand under the terms of the credit facility, whether in whole or in part.

UNITED HYDROCARBON INTERNATIONAL CORP.

United Hydrocarbon International Corp. ("UHIC") is a privately-held Canadian company engaged in the exploration, development and production of oil and gas in the Republic of Chad. In May 2012, UHIC was awarded an exploration permit pursuant to a Production Sharing Contract ("PSC") with the government of the Republic of Chad through its wholly-owned subsidiary, United Hydrocarbon Chad Ltd. The PSC provides UHIC with the exclusive right to explore and develop oil and gas reserves in four distinct blocks: the DOC Block and the DOD Block (together the "Doba Basin"); Block H; and the Largeau Block.

UHIC has been impacted by downward commodity pricing pressures, which are currently being faced by many international oil and gas companies. The Brent oil price fell to a low of US$36.11/bbl in 2015 and fell further to a low of US$27.88/bbl in early 2016. The reduction of Brent oil prices generally increased the cost of both debt and equity capital to oil and gas companies, while also challenging the short term returns of prospective projects. These external factors are beyond the control of Dundee Corporation, and have impeded its ability to immediately raise the capital that is required for UHIC to access resources and further develop and advance its business strategy of converting resources to reserves, and establishing production. In response, UHIC temporarily suspended drilling operations in early 2015, releasing the drilling rig, and issuing contract suspension and termination notices to most of its service providers. On an ongoing basis, the Corporation anticipates that UHIC will require approximately US$1.0 million per month to ensure the maintenance of its resource properties, meet its obligations under the PSC and develop its technical data, until such time as additional financing can be obtained, or a position can be farmed out.

As at March 31, 2016, the Corporation's carrying value of its investment in UHIC was $218.8 million. Additional information regarding UHIC may be accessed at www.unitedhydrocarbon.com.

CHANGES IN FINANCIAL CONDITION

Compliance with the Requirements of the Production Sharing Contract
Under the terms of the PSC, UHIC was awarded an exploration permit with an initial term of five years expiring in May 2017, and with a renewal option for a period of an additional three years. In addition to ongoing normal course annual costs such as land taxes and other miscellaneous administration fees associated with the PSC, the initial term of the PSC carried a minimum work commitment of US$75.0 million, all of which has already been fulfilled by UHIC. During the renewal period, UHIC will have further work obligations of US$5.0 million. Should there be a commercial discovery or discoveries, UHIC may apply for exploitation license(s) under the terms of the PSC. The exploitation license would have an initial term of 25 years, and may be renewed for an additional 10 years. A fee of US$2.0 million would be payable to the government of the Republic of Chad upon the approval and issuance of each exploitation license.

Cash Resources
UHIC does not currently generate cash flows from its business activities and it currently relies on its ability to raise funds through capital markets or through debt from the Corporation.

At March 31, 2016, the Corporation had advanced a total of $320.8 million to UHIC, including (i) $201.7 million principal amount of convertible debentures of UHIC which bear interest at 12% and which may be converted at any time by the Corporation into UHIC common shares at $1.00 per share, subject to certain adjustments; (ii) $116.9 million in promissory notes that are due on demand and which bear interest at prime plus 2%; and (iii) $2.2 million of other debt incurred in respect of inter-corporate shared costs. During the three months ended March 31, 2016, the Corporation advanced $2.1 million to UHIC under these arrangements.

UHIC will require additional funds to continue its exploration program and if successful, to develop and produce commercially viable discoveries. There can be no assurance that UHIC will be successful in raising the necessary funds to support future operations.

RESULTS OF OPERATIONS

Following the suspension of drilling operations in early 2015, UHIC incurred contract cancellation costs and reduced its general and administrative costs to conserve cash, focus on the integration of all of the new scientific and technical data that had been collected into the development of UHIC's assets, and engage in a process to develop targeted plans for a multi-staged development strategy to establish production. As a result of the cost reduction initiatives, UHIC's net loss was reduced to $3.9 million in the first quarter of 2016, compared with a $13.9 million net loss in the same period of the prior year.

For the three months ended March 31,		2016		2015
General and administrative costs:				
Directly attributable to exploration activities, gross	$	1,412	$	9,049
Amounts capitalized		-		(3,115)
Directly attributable to exploration activities, net		1,412		5,934
Head office and other ongoing expenses		1,934		3,189
Shut-down and contract termination costs		-		4,000
		3,346		13,123
Other net costs		537		774
	$	3,883	$	13,897

DUNDEE SUSTAINABLE TECHNOLOGIES INC.

Dundee Sustainable Technologies Inc. ("Dundee Technologies") is engaged in the development of environment-friendly technologies for the treatment of complex materials in the mining industry. Through the development of patented, proprietary processes, Dundee Technologies extracts precious and base metals from ores, concentrates and tailings, while stabilizing contaminants such as arsenic, which could not otherwise be extracted or stabilized with conventional processes because of metallurgical issues or environmental considerations.

Cyanidation, a commonly used procedure for processing gold, typically produces large amounts of highly contaminated tailings. Several countries have restricted, or even banned the use of cyanide and, as a result, there are a significant number of ore bodies that are dormant for lack of an environmentally-acceptable process to extract the gold from the ore bodies. Dundee Technologies' most advanced proprietary process uses chlorination to provide a cyanide-free alternative for the exploitation of gold deposits. The primary benefits of this innovative technology are shorter processing times, and a closed-loop operation, eliminating the need for costly tailing ponds and reducing the associated environmental footprint.

In late 2015, Dundee Technologies commissioned a demonstration plant, enabling it to proceed with the demonstration phase of the project. At March 31, 2016, Dundee Technologies had expended $16.8 million towards the construction and operation of the demonstration plant, and it intends to incur a further $2.0 million in processing costs during the remainder of 2016.

In order to establish the proof of concept for the chlorination process, Dundee Technologies has established an agreement with Dundee Precious Metals Inc. ("Dundee Precious") pursuant to which Dundee Precious agreed to supply pyrite concentrate from its Bulgarian mining operations for processing. Processing commenced at the demonstration plant in November 2015 and was completed in March 2016. Dundee Technologies processed a total of 170 tonnes of the concentrate and demonstrated that its process had an average extraction yield 14% higher than cyanidation, with gold recovery up to 89%. Processing also allowed Dundee Technologies to confirm the efficiencies of the components of the plant, which responded well and according to expectations. Finally, the process successfully demonstrated the closed circuit operation of the plant with the recycling and regeneration of the reagents, and all solid residues met environmental norms. An independent validation of the process is currently underway, with the results expected towards the end of the second quarter of 2016.

In addition to the processing of concentrate received from Dundee Precious, in September 2015, Dundee Technologies announced that it had entered into an agreement with a Chilean mining company for the processing of gold concentrate using the chlorination process. In September 2015, Dundee Technologies received two tonnes of concentrate from the Chilean company to be processed initially at the pilot plant. In March 2016, Dundee Technologies announced that through the chlorination process, it achieved a gold recovery of 98.8% and a final gold deposition over silica recovery of 99.8%. These results enable Dundee Technologies to move forward on the next stage of the arrangement with the Chilean company, which will involve the processing of a larger quantity of material at the demonstration plant and, if successful, contracting an independent technical-economic study, with the objective of building a processing facility in Chile.

In addition to its chlorination process, Dundee Technologies has constructed a pilot plant to demonstrate its arsenic stabilization process, which is designed for the sequestration of this contaminant into a stable glass form. This process is an attractive technique to permanently segregate arsenic and presents opportunities to process materials considered too toxic to be exploited or stabilized using conventional mining methods.

In February 2016, Dundee Technologies entered into an agreement with an international gold mining company to evaluate the feasibility of integrating the arsenic stabilization process with the sequestration of arsenical matter produced by that company's operations. The first stage of the agreement contemplates confirming, on a pilot plant scale, that the technology can be successfully implemented on the matter targeted for stabilization by the gold mining company. Upon successful completion of the first stage of the agreement, a study will be undertaken to evaluate the technical and economic implications of a full-scale arsenic vitrification plant, to be located at the site of the gold mining company's operations. Dundee Technologies expects to receive the arsenical material to start a five-month testing program in May 2016.

In addition to the use of this process in extraction activities, the same technology presents an opportunity to copper smelting operations that are looking to stabilize the arsenic-bearing flue dusts, which are inherent in such operations. In September 2015, Dundee Technologies entered into an agreement with a major copper mining company for the treatment of arsenic-bearing flue dusts produced by that company's operations. The agreement contemplates a two-phased approach. The first phase consists of demonstrating Dundee Technologies' arsenic stabilization technology on a pilot plant scale and, if successful, the second phase would encompass defining the terms for the treatment of the flue dusts on a commercial basis. Dundee Technologies expects to complete the pilot testing in July 2016.

At March 31, 2016, the Corporation held 178.1 million subordinate voting shares and 50.0 million multiple voting shares of Dundee Technologies, representing a 66% equity interest and an 85% voting interest. Additional information regarding Dundee Technologies may be accessed at www.dundeetechnologies.com.

RESULTS OF OPERATIONS

During the three months ended March 31, 2016, Dundee Technologies incurred a pre-tax net loss of $0.9 million attributable to owners of Dundee Corporation, consistent with a pre-tax net loss of $0.9 million in the same period of the prior year. Reflective of its current stage of development, Dundee Technologies does not report any revenue and it is considered to be in the development stage.

For the three months ended March 31,		2016		2015
Revenues				
Interest and dividends	$	-	$	-
		-		-
Other items in net loss before taxes				
Depreciation and depletion		(1)		(15)
General and administrative		(1,461)		(1,579)
Interest expense		(53)		-
Foreign exchange loss		(1)		(12)
Net loss before taxes, Dundee Sustainable Technologies Inc.	**$**	**(1,516)**	**$**	**(1,606)**
Net loss before taxes, Dundee Sustainable Technologies Inc. attributable to:				
Owners of Dundee Corporation	$	(913)	$	(944)
Non-controlling interest		(603)		(662)
Net loss before taxes, Dundee Sustainable Technologies Inc.	**$**	**(1,516)**	**$**	**(1,606)**

General and administrative expenses include research and development expenses in respect of Dundee Technologies' chlorination and arsenic stabilization process. During the three months ended March 31, 2016, Dundee Technologies incurred $1.1 million (three months ended March 31, 2015 - $1.4 million) in research and development costs. These costs relate primarily to the operation of the chlorination process demonstration plant in this period, as compared to the construction of the plant in the comparative period of the prior year.

CHANGES IN FINANCIAL POSITION
At March 31, 2016, Dundee Technologies had cash of $0.6 million, and it had obligations, other than obligations due to Dundee Corporation, of $2.3 million. Dundee Technologies continues to pursue financing alternatives to fund its operations. Although there is no assurance that these efforts will be successful, Dundee Technologies believes that if its ongoing research and development activities provide favorable results, it will be able to secure the necessary financing through the issuance of debt or equity.

EUROGAS INTERNATIONAL INC.

Eurogas International Inc. ("Eurogas International") (www.eurogasinternational.com), is a publicly traded (CSE:EI) oil and natural gas exploration company. Eurogas International holds a 5.625% royalty-like working interest against future production derived from the Sfax offshore permit ("Sfax Permit"), located in the shallow Mediterranean waters in the Gulf of Gabes, offshore Tunisia and southeast of the city of Sfax. DNO Tunisia AS ("DNO"), a subsidiary of DNO International ASA, an Oslo-listed company with significant expertise in the oil and gas industry across the Middle East and Africa, is the current operator of the Sfax Permit.

In 2015, DNO sought an extension of the first renewal period of the Sfax Permit. In August 2015, DNO received the necessary regulatory approval from the Tunisian authorities for a two-year extension of the first renewal period related to the Sfax Permit, extending the first renewal period and the associated exploration well drilling obligation to December 8, 2017. In addition, the extension requires the acquisition of 700 km of 2-dimensional seismic. In November 2015, DNO announced plans for 3-dimensional activities at the Sfax Permit in preparation for drilling a well in 2017.

During the three months ended March 31, 2016, Eurogas International incurred a pre-tax loss of $0.2 million, consistent with a pre-tax loss of $0.2 million in the same period of the prior year.

CHANGES IN FINANCIAL POSITION
Eurogas International's ability to meet its ongoing obligations is conditional on the discovery of economically recoverable reserves, obtaining exploitation concessions for any such economically recoverable reserves, the ability to raise the necessary capital to finance development and settle its current obligations, and working capital from future profitable production or proceeds from the disposition of assets. There can be no assurance that Eurogas International will be successful in achieving these initiatives.

BLUE GOOSE CAPITAL CORP.

Blue Goose Capital Corp. ("Blue Goose") is a privately-held Canadian company focused on the production, distribution and sale of organic and natural protein products, including beef, chicken and fish. In order to continue to expand its operations and strengthen its control over its supply chain, during the first quarter of 2016, Blue Goose has been focused on completing a financing of approximately $20 million, the proceeds of which will be used for general business purposes and to finance the equity portion of one or more accretive acquisitions. Upon successful completion of the financing, Blue Goose will be in a position to complete the previously announced transaction with Gulfstream Acquisition I Corp. At March 31, 2016, the Corporation held an 88% interest in Blue Goose. Additional information about Blue Goose may be accessed at www.bluegoosepurefoods.com.

RESULTS OF OPERATIONS

During the first quarter of 2016, Blue Goose incurred a net loss attributable to the owners of Dundee Corporation of $4.8 million compared with a net loss of $3.4 million attributable to the owners of Dundee Corporation in the same period of the prior year. The increase in the net loss from the prior year is primarily caused by decreases in the fair value of livestock, driven by both lower market prices as well as differences in herd composition during the first quarter of 2016.

For the three months ended March 31,	2016	2015
Revenues		
Sales	$ 15,616	$ 15,259
Interest and dividends	74	98
	15,690	15,357
Cost of sales	(18,969)	(19,901)
Other items in net loss before taxes		
Depreciation and depletion	(803)	(1,056)
General and administrative	(1,462)	(1,850)
Fair value changes in livestock	593	4,046
Interest expense	(347)	(489)
Foreign exchange (loss) gain	(1)	2
Net loss before taxes, Blue Goose Capital Corp.	**$ (5,299)**	**$ (3,891)**
Net loss before taxes, Blue Goose Capital Corp. attributable to:		
Owners of Dundee Corporation	$ (4,750)	$ (3,424)
Non-controlling interest	(549)	(467)
Net loss before taxes, Blue Goose Capital Corp.	**$ (5,299)**	**$ (3,891)**

Contribution Margins

During the three months ended March 31, 2016, Blue Goose incurred a negative contribution margin of $2.8 million on total revenues of $15.6 million, compared with a negative contribution margin of $0.6 million on total revenues of $15.3 million for the same period of the prior year.

For the three months ended March 31,						2016
	Beef	Fish	Chicken	Feed	Other	Total
Sales	$ 4,316	$ 943	$ 3,046	$ 7,311	$ -	$ 15,616
Cost of sales, period costs	(4,042)	(408)	(3,185)	(6,802)	-	(14,437)
	274	535	(139)	509	-	1,179
Fair value changes						
Fair value changes in livestock	535	58	-	-	-	593
Cost of sales, fair value harvested	(3,536)	(996)	-	-	-	(4,532)
	(3,001)	(938)	-	-	-	(3,939)
Margin	$ (2,727)	$ (403)	$ (139)	$ 509	$ -	$ (2,760)
Margin %	(56.2%)	(40.3%)	(4.6%)	7.0%	-	(17.0%)

For the three months ended March 31,						2015
	Beef	Fish	Chicken	Feed	Other	Total
Sales	$ 3,544	$ 1,153	$ 3,203	$ 6,551	$ 808	$ 15,259
Cost of sales, period costs	(4,739)	(765)	(3,510)	(6,256)	(995)	(16,265)
	(1,195)	388	(307)	295	(187)	(1,006)
Fair value changes						
Fair value changes in livestock	3,722	324	-	-	-	4,046
Cost of sales, fair value harvested	(2,606)	(1,030)	-	-	-	(3,636)
	1,116	(706)	-	-	-	410
Margin	$ (79)	$ (318)	$ (307)	$ 295	$ (187)	$ (596)
Margin %	(1.1%)	(21.5%)	(9.6%)	4.5%	(23.1%)	(3.1%)

Blue Goose reports its beef and fish livestock on a fair value basis, with changes in fair value, including price changes and changes related to the physical growth of the livestock, reported in net earnings or loss. Costs to grow and expand livestock are generally not deferred, but rather, are included as cost of sales in the reporting period during which they were incurred and, as a result, cost of sales in any given period will not directly correspond to sales of livestock in the same period. Therefore, contribution margins may vary significantly from period to period. Blue Goose does not maintain a chicken livestock inventory.

Revenue from the sales of beef was $4.3 million in the first quarter of 2016, an increase of $0.8 million over sales of $3.5 million generated in the same period of the prior year. During the first quarter of 2016, market prices for non-processed, live-animal sales decreased marginally, partially offsetting the benefit of higher volume of sales completed by Blue Goose during the period.

Fish sales decreased by $0.2 million, reflecting the higher margin sales strategy implemented in the third quarter of 2015 to sell whole fish, as opposed to selling processed fish. Blue Goose has initiated an application with the Ministry of Natural Resources to augment its current quotas. Once approved, these initiatives are expected to provide for a 25% increase in natural fish production capacity. Approval is expected in the second quarter of 2016.

Chicken sales during the first quarter of 2016 decreased by $0.2 million compared to the same period of the prior year, reflecting lower volumes sold due to supply constraints that prevented Blue Goose from fulfilling demand requirements. Blue Goose continues to work with its processors to address these supply issues. Despite these constraints, the launch of higher margin processed chicken products, including chicken chili and chicken stock, improved overall margins in this division by $0.2 million.

Feed sales for the three months ended March 31, 2016 were $7.3 million (three months ended March 31, 2015 - $6.6 million), an increase of $0.7 million over the prior period, reflecting higher volumes sold.

CHANGES IN FINANCIAL CONDITION

Changes in Livestock Carrying Values

	Cattle	Fish	Inventory and Supplies	TOTAL
Carrying value, beginning of the period	$ 30,332	$ 2,378	$ 2,276	$ 34,986
Transactions during the three months ended March 31, 2016				
Net additions	107	120	6,455	6,682
Herd growth - physical changes	2,325	58	-	2,383
Herd growth - price changes	(1,790)	-	-	(1,790)
Net of product processed	(3,494)	(997)	(7,490)	(11,981)
Carrying value, end of the period	$ 27,480	$ 1,559	$ 1,241	$ 30,280

Blue Goose decreased the size of its organic cattle herd by 373 head or 3%, compared to its herd count as of December 31, 2015. The decrease is the result of increased sales in the first quarter of 2016, compared to the same period of the prior year. Blue Goose will increase the size of its organic cattle herd to support future sales growth with the birthing of new livestock in the second quarter of 2016.

		Cattle herd as at
(number of animals)	March 31, 2016	December 31, 2015
Breeding cattle and bulls	5,663	5,934
Immature livestock and feeder cattle	6,992	7,094
	12,655	13,028

Corporate Debt

Blue Goose and its subsidiaries have entered into several borrowing arrangements, pursuant to which Blue Goose has borrowed an aggregate of $40.4 million as at March 31, 2016. A detailed description of the nature of each of Blue Goose's borrowing facilities is provided in note 20 to the 2015 Audited Consolidated Financial Statements.

Certain credit facilities available to Blue Goose and its subsidiaries require the maintenance of certain financial covenants customary to such loan arrangements. At March 31, 2016, Blue Goose was in compliance with all loan covenant requirements.

The lending institutions to Blue Goose do not have recourse to Dundee Corporation in respect of any of the amounts borrowed under these arrangements. Blue Goose is actively engaged in a financing pursuant to which it is seeking to raise $20 million to improve working capital and to finance the equity portion of one or more acquisitions of assets. There can be no assurance that Blue Goose will be successful in these endeavours. Otherwise, Blue Goose may be dependent on the Corporation to fund any working capital shortfall. During the three months ended March 31, 2016, the Corporation advanced $2.2 million to Blue Goose to meet its working capital requirements, and to undertake the initiatives to improve efficiencies as outlined previously.

AGRIMARINE HOLDINGS INC.

AgriMarine Holdings Inc. ("AgriMarine") is a private company engaged in fish farming activities using both conventional netting systems and other proprietary aquaculture technologies. AgriMarine has three principal assets: a Steelhead trout fish farm known as West Coast Fishculture, located in Powell River, British Columbia; a suite of patents pertaining to a closed-containment tank technology used to rear finfish; and an engineering company known as "*AgriMarine Technologies*" that supports internal needs and provides engineering services to third-party fish farm operators. As at March 31, 2016, the Corporation held a 100% interest in AgriMarine. Additional information about AgriMarine may be accessed at www.agrimarine.com.

RESULTS OF OPERATIONS

During the three months ended March 31, 2016, AgriMarine incurred a pre-tax net loss of $2.3 million attributable to owners of Dundee Corporation, compared with a pre-tax net loss attributable to owners of Dundee Corporation of $1.4 million in the same period of the prior year.

For the three months ended March 31,		2016		2015
Revenues				
Sales of livestock	$	1,809	$	1,505
Interest, dividends and other		(227)		127
		1,582		1,632
Cost of sales		(2,352)		(1,826)
Other items in net loss before taxes				
General and administrative		(901)		(1,522)
Fair value changes in livestock		(566)		49
Interest expense		(36)		(3)
Foreign exchange (loss) gain		(2)		173
Net loss before taxes, AgriMarine Holdings Inc.	**$**	**(2,275)**	**$**	**(1,497)**
Net loss before taxes, AgriMarine Holdings Inc. attributable to:				
Owners of Dundee Corporation	$	(2,275)	$	(1,404)
Non-controlling interest		-		(93)
Net loss before taxes, AgriMarine Holdings Inc.	**$**	**(2,275)**	**$**	**(1,497)**

AgriMarine generated revenue of $1.8 million during the first quarter of 2016. During this period, AgriMarine harvested approximately 288,000 kilograms of fish, of which approximately 218,000 kilograms were sold at an average selling price of $8.30 per kilogram. The remaining harvest was subject to an issue of premature maturation in some of the biomass, resulting in undersized fish which were not saleable. Therefore, the cost of sales was $2.4 million, resulting in a negative contribution margin. AgriMarine took steps to remedy this problem, and the biomass had resumed normal growth and harvest volume output by the end of the first quarter of 2016.

For the three months ended March 31,		2016		2015
Revenues	$	1,809	$	1,505
Cost of sales		(2,176)		(1,717)
Contribution margin before fair value changes and writedowns		(367)		(212)
Fair value changes in livestock		(566)		49
Writedowns		(176)		(109)
	$	(1,109)	$	(272)

AgriMarine continues to rationalize its cost structure, focusing on achieving profitability for its West Coast Fishculture farming operation and sourcing third-party revenue for its AgriMarine Technologies division, while it continues to prove the commercial viability of it closed containment tank technology. During the first quarter of 2016, AgriMarine made continued progress on the disposition of its Benxi subsidiary in China. Subsequent to the end of the quarter, the sale of the Benxi subsidiary was finalized for gross proceeds of $0.2 million.

CHANGES IN FINANCIAL CONDITION

	Biological Assets	Inventory and Supplies	TOTAL
Carrying value, beginning of the period	$ 7,889	$ 825	$ 8,714
Transactions during the three months ended March 31, 2016			
Net additions	1,995	308	2,303
Growth - physical changes	(564)	-	(564)
Growth - price changes	(2)	-	(2)
Net of product processed	(2,352)	(163)	(2,515)
Carrying value, end of the period	$ 6,966	$ 970	$ 7,936

The carrying value of AgriMarine's biological assets and inventory at March 31, 2016 was $7.9 million, a decrease of $0.8 million, or 9% from values of $8.7 million at December 31, 2015. The decrease represents an overall decline in biomass during the first quarter of 2016 since the biomass harvested exceeded the growth of the remaining fish inventory. AgriMarine expects the current level of biomass to be sustainable, in order to harvest sufficient quantities to meet future demand on a consistent basis.

During the three months ended March 31, 2016, Dundee Corporation advanced $0.6 million to AgriMarine in order to supplement working capital requirements and to fund certain capital expenditures. At March 31, 2016, AgriMarine had cash of $1.4 million, and it had liabilities, other than liabilities due to Dundee Corporation, of $3.5 million. There can be no assurance that AgriMarine will have access to the necessary cash to carry out its current business plan.

DUNDEE 360 REAL ESTATE CORPORATION

Dundee 360 Real Estate Corporation ("Dundee 360") is an integrated global real estate company with proven capabilities supporting mixed-use real estate projects from inception to monetization. In addition to large mixed-use real estate projects, Dundee 360 also holds the Canadian franchise license to operate Sotheby's International Realty Canada ("Sotheby's"), a leading real estate sales and marketing company for some of the country's most exceptional properties. The Corporation views real estate as an integral component of a well-defined wealth management strategy and continues to implement strategies to create greater alignment between the services provided by both Sotheby's and DGIM. As at March 31, 2016, Dundee 360 was a wholly-owned subsidiary of the Corporation. Additional information about Dundee 360 may be accessed at www.dundee360.com.

RESULTS OF OPERATIONS

During the three months ended March 31, 2016, Dundee 360 generated a net loss attributable to the owners of Dundee Corporation of $4.5 million. This compares to a net loss attributable to owners of Dundee Corporation of $0.4 million in the same period of the prior year. Operating results in the first quarter of the prior year included a $4.0 million termination payment and $1.0 million in fees in respect of certain hospitality and asset management activities provided by Dundee 360 to Ivanhoé Cambridge, which was terminated in 2015.

For the three months ended March 31, 2016		Sales and Marketing		Hospitality and Asset Management		Real Estate Developments		Other		Total
Revenues										
Gross commission income	$	15,169	$	-	$	-	$	-	$	15,169
Consulting and management fees		-		832		1,208		-		2,040
Sales and marketing fees		89		-		-		-		89
Other revenue		1,383		-		5		926		2,314
Interest, dividends and other		93		45		13		(4)		147
		16,734		877		1,226		922		19,759
Cost of sales		(13,618)		-		-		-		(13,618)
Other items in net loss before taxes										
Depreciation and depletion		(255)		(133)		(1,748)		(37)		(2,173)
General and administrative		(4,049)		(1,218)		(2,354)		(959)		(8,580)
Share of earnings from real estate joint ventures		-		-		72		-		72
Finance expense		(23)		-		(22)		(7)		(52)
Net loss before taxes, Dundee 360 Real Estate Corporation	**$**	**(1,211)**	**$**	**(474)**	**$**	**(2,826)**	**$**	**(81)**	**$**	**(4,592)**
Net loss before taxes, Dundee 360 Real Estate Corporation attributable to:										
Owners of Dundee Corporation	$	(1,211)	$	(474)	$	(2,750)	$	(81)	$	(4,516)
Non-controlling interest		-		-		(76)		-		(76)
Net loss before taxes, Dundee 360 Real Estate Corporation	**$**	**(1,211)**	**$**	**(474)**	**$**	**(2,826)**	**$**	**(81)**	**$**	**(4,592)**

For the three months ended March 31, 2015		Sales and Marketing		Hospitality and Asset Management		Real Estate Developments		Other		Total
Revenues										
Gross commission income	$	11,673	$	-	$	-	$	-	$	11,673
Consulting and management fees		-		5,539		1,261		-		6,800
Sales and marketing fees		181		-		-		-		181
Other revenue		1,139		-		2		22		1,163
Interest, dividends and other		28		38		34		36		136
		13,021		5,577		1,297		58		19,953
Cost of sales		(10,590)		-		-		-		(10,590)
Other items in net loss before taxes										
Depreciation and depletion		(293)		(394)		(1,967)		(75)		(2,729)
General and administrative		(3,200)		(698)		(1,774)		(1,238)		(6,910)
Share of loss from real estate joint ventures		-		-		(91)		-		(91)
Finance expense		(16)		-		-		-		(16)
Net (loss) earnings before taxes, Dundee 360 Real Estate Corporation	**$**	**(1,078)**	**$**	**4,485**	**$**	**(2,535)**	**$**	**(1,255)**	**$**	**(383)**
Net (loss) earnings before taxes, Dundee 360 Real Estate Corporation attributable to:										
Owners of Dundee Corporation	$	(1,078)	$	4,485	$	(2,538)	$	(1,255)	$	(386)
Non-controlling interest		-		-		3		-		3
Net (loss) earnings before taxes, Dundee 360 Real Estate Corporation	**$**	**(1,078)**	**$**	**4,485**	**$**	**(2,535)**	**$**	**(1,255)**	**$**	**(383)**

Real Estate Brokerage and Sales and Marketing Activities

Dundee 360 currently holds the exclusive right to the use of the "Sotheby's International Realty" name and related trademarks across Canada for a period of 25 years ending in 2029, with a unilateral right to extend the franchise agreement for an additional 25-year term. Franchise fees pursuant to this arrangement are 6% of gross commission revenues, with minimum annual payments of US$1.0 million.

Gross commission revenues for the listing, marketing and selling of real estate assets during the first quarter of 2016 were $15.2 million. Commissions paid to associated brokers and agents in respect of this revenue stream were $13.6 million, providing Dundee 360 with a contribution margin of $1.6 million or 10%. This compares to a contribution margin of $1.1 million or 9% in the same period of the prior year. In addition to commission revenues, this division also earned $1.4 million from its network of brokers and agents for the provision of marketing, administrative and support services, and $0.1 million from sales and marketing of large condominium projects.

Hospitality and Asset Management Activities

Hospitality and asset management activities encompass the management and operations of international hotel, resort, residential and commercial properties. During the three months ended March 31, 2016, Dundee 360 generated total revenues of $0.9 million from hospitality and asset management activities on properties situated in the United States, Mexico, and the Bahamas. This compares to $5.6 million of revenues generated in the same period of the prior year, which included the $4.0 million termination payment received from Ivanhoé Cambridge referred to above.

Dundee 360 has entered into a series of agreements with members of Enchantment Group, a resort company based in the United States. In connection with these arrangements, Dundee 360 entered into a pre-development agreement to prepare a plan to redevelop the Tides Inn in Virginia, in exchange for an option to acquire an interest in the underlying project. The option originally expired in November 2015, but has been extended in order to permit the parties to negotiate the underlying value of the asset and the redevelopment plan. The option carries a penalty of US$1.0 million if the option is not exercised. Under the terms of these arrangements, and regardless of whether the option is exercised, Dundee 360 is also committed to assume 50% of any operating losses incurred by the Tides Inn for a period of up to three years commencing November 13, 2015. At March 31, 2016 Dundee 360 estimates that its share of these costs will aggregate approximately US$1.5 million.

Real Estate Development Activities

During the first quarter of 2016, Dundee 360 earned revenues of $1.2 million from development and asset management agreements related to certain real estate projects, including fees of $0.7 million (three months ended March 31, 2015 - $0.5 million) relating to the construction of the Parq Resort & Casino project in Vancouver, British Columbia (see "Significant Investments Accounted for Under the Equity Method – Significant Developments in Equity Accounted Investments") and $0.5 million (three months ended March 31, 2015 - $0.6 million) in fees from project management and procurement services in respect of several other hotel properties for which Dundee 360 has been retained to oversee refurbishment and infrastructure capital projects.

A more comprehensive description of each of Dundee 360's real estate development projects is provided on pages 47 and 48 of the MD&A accompanying the 2015 Audited Consolidated Financial Statements.

CHANGES IN FINANCIAL CONDITION

Real Estate Debt

During the three months ended March 31, 2016, the Corporation advanced $1.1 million to Dundee 360 in order to supplement working capital requirements and to advance the development of its real estate projects. At March 31, 2016, Dundee 360 had cash and receivables of $9.8 million and its current liabilities, other than amounts due to Dundee Corporation, were $10.0 million. Dundee 360 is currently exploring long-term capital sources and potential financing vehicles to allow Dundee 360 to continue growing its business. Without the financial support of the Corporation, there can be no assurance that Dundee 360 will have access to the necessary funding to carry out its current business plan.

SIGNIFICANT INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD

The Corporation holds investments that are accounted for using the equity method which are separately disclosed in the Corporation's consolidated statement of financial position as "Equity accounted investments". These investments are initially recorded at the Corporation's cost of acquisition. Subsequently, the original cost is increased or decreased in proportion to the Corporation's share of earnings or losses generated by the investee.

At March 31, 2016, the Corporation accounted for nine of its investments using the equity method, including eight investments in private companies and one minor investment in a privately listed company. These investments had an aggregate carrying value at March 31, 2016 of $168.0 million (December 31, 2015 - $172.7 million).

A full description of the nature of business activities of each of the Corporation's equity accounted investments is provided on pages 7 through 10 of the MD&A accompanying the 2015 Audited Consolidated Financial Statements.

Equity Accounted Investments

As at		March 31, 2016			December 31, 2015		
Trade Symbol	Investment	Ownership	Carrying Value	Market Value (i)	Ownership	Carrying Value	Market Value (i)
Publicly Listed Equity Accounted Investments							
ODX	Odyssey Resources Limited	31%	$ 113	$ 170	31%	$ 163	$ 227
			113	170		163	227
Privately Held Equity Accounted Investments							
	Union Group International Holdings Limited	40%	64,485	64,485	40%	68,007	68,007
	Paragon Holdings (Smithe Street) ULC (ii)	50%	56,933	56,933	50%	54,174	54,174
	Android Industries, LLC	20%	24,795	24,795	20%	28,265	28,265
	Cambridge Medical Funding Group II, LLC	50%	11,501	11,501	50%	11,507	11,507
	Dundee Sarea Acquisition I Limited Partnership	33%	10,392	10,392	33%	9,756	9,756
	Dundee Sarea Limited Partnership	25%	456	456	34%	356	356
	Dundee Acquisition Ltd.	98%	(719)	(719)	98%	444	444
	Escal UGS S.L. (iii)	14%	-	-	14%	-	-
			167,843	167,843		172,509	172,509
			$ 167,956	**$ 168,013**		**$ 172,672**	**$ 172,736**

(i) The amount designated as the "market value" of privately held equity accounted investees is equal to their carrying value in the March 2016 Interim Consolidated Financial Statements. The Corporation has not otherwise provided a valuation estimate of the market value of these investments.

(ii) The Corporation holds a 50% interest in Paragon Holdings (Smithe Street) ULC which holds a 74% interest in the Edgewater Casino Limited Partnership and the Parq resort real estate development project in Vancouver, giving the Corporation an effective 37% interest in these underlying projects.

(iii) Dundee Energy Limited's 74% owned subsidiary, Castor UGS Limited Partnership, holds a 33% interest in Escal giving Dundee Energy Limited an effective 25% interest and Dundee Corporation an effective 14% interest in Escal and its underlying projects.

Continuity in the Corporation's Portfolio of Equity Accounted Investments

For the three months ended March 31, 2016	
Carrying value of equity accounted investments, beginning of period	$ 172,672
Transactions during the three months ended March 31, 2016	
Cash invested in equity accounted investments	1,175
Share of loss from equity accounted investments	(186)
Share of other comprehensive loss from equity accounted investments	(5,518)
Other	(187)
Carrying value of equity accounted investments, end of period	**$ 167,956**

Significant Developments in Equity Accounted Investments

Union Group International Holdings Limited ("Union Group")

Union Group (www.uniongrp.com) is a holding company with strategic investments in the power generation, oil and gas, infrastructure and logistics, agriculture, minerals, and real estate sectors, in Latin American countries such as Uruguay, Peru and Paraguay. The Corporation and Union Group have a renewed focus on developing a strategy that will allow third party investors to participate in the continued growth of Latin America's most compelling economies. These initiatives include undertaking a public listing of Union Group's energy division in 2017 as one of the largest run-of-river hydro companies in Latin America.

During the first quarter of 2016, Union Group incurred losses of approximately US$1.1 million (three months ended March 31, 2015 - US$0.9 million). The Corporation's share of these losses was $0.6 million (three months ended March 31, 2015 - $0.4 million).

Paragon Holdings (Smithe Street) ULC ("Paragon Holdings")

Paragon Holdings is a joint venture established between the Corporation and Paragon Gaming Inc., a Las Vegas-based casino resort developer and operator. Paragon Holdings holds an indirect 73.46% interest in Parq Holdings Limited Partnership ("Parq") (of which the Corporation's share is 36.73%), a partnership established for the purpose of developing a Vancouver-based urban entertainment and leisure resort to be constructed adjacent to the B.C. Place stadium, and which will house the relocated Edgewater Casino (the "Parq Resort").

Parq has arranged a US$415 million project financing for the development of the Parq Resort. The release of funds pursuant to the project financing is conditional on certain criteria, including a certification from Parq and EllisDon Tishman ("EDT"), the general contractor of the project, with respect to the project being, among other things, on schedule. In March 2016, the monthly project financing was not released because the general contractor had not submitted the required form of certification. EDT subsequently issued a notice of default for non-payment of its invoices.

In April 2016, Parq entered into an amending agreement with EDT which, among other things, extends the completion date of the Parq project to the end of the third quarter of 2017. As a condition of the amendment, the required payment was made to EDT and its notice of default was withdrawn. In connection with the amending agreement, the Corporation invested an additional $4.7 million into the project to cover certain of the costs related to the construction delay. The extension of the completion date is further subject to approval by the lenders to Parq, and Parq is currently in discussions with its lenders to expeditiously obtain the necessary consents. The results of these discussions and the ultimate economic impact to the project cannot be fully ascertained at this time.

Paragon Holdings reported net income of $5.5 million during the three months ended March 31, 2016 (three months ended March 31, 2015 - loss of $17.5 million), of which $2.8 million is attributed to the Corporation (three months ended March 31, 2015 – loss of $8.8 million). Changes in net income reflect the effect of foreign currency volatility related to Parq's foreign denominated debt.

Android Industries, LLC ("Android")
The Corporation holds a 20% interest in Android (www.android-ind.com), a private company and leading high technology-enabled assembler and sequencer of complex assemblies for the automotive industry operating out of Michigan, United States. Android continues to expand its business internationally with facilities in the U.S., Canada, Mexico, Spain, Brazil, and Turkey.

In the first quarter of 2016, Android reported a net loss of US$2.3 million (three months ended March 31, 2015 - net earnings of US$3.7 million). The Corporation's share of losses from its investment in Android was $1.1 million (three months ended March 31, 2015 - $0.2 million of earnings).

Cambridge Medical Funding Group II, LLC ("Cambridge Medical")
Cambridge Medical is a private, U.S.-based consortium with a focus on purchasing insured medical receivables. The Corporation has invested US$10.0 million to acquire a 50% interest in Cambridge Medical. The Corporation has also advanced a further US$1.0 million to Cambridge Medical to assist with short-term working capital requirements as Cambridge Medical expands its funded base of medical claims. Cambridge Medical believes that it is poised to significantly increase its funding and collection activities in 2016 through the acquisition of new clients and portfolios.

The Corporation recognized earnings of $0.4 million as its share of earnings incurred by Cambridge Medical during the three months ended March 31, 2016 (three months ended March 31, 2015 - $0.3 million of losses).

Dundee Sarea Limited Partnership ("Dundee Sarea LP")
Dundee Sarea LP (www.dundeesarea.com) is a private equity firm investing in special situations companies. During the three months ended March 31, 2016, the Corporation recognized earnings of $0.2 million from its 25% interest in Dundee Sarea LP.

Dundee Sarea Acquisition I Limited Partnership ("Dundee Sarea Fund")
Dundee Sarea Fund will use the capital committed by its limited partners, aggregating $112.5 million at March 31, 2016, to invest in companies requiring turn-around expertise in North America and Europe, with a focus on manufacturing distribution, industrial products, agriculture, oil & gas and forestry-related industries. At March 31, 2016, Dundee Sarea Fund's sole investment consisted of a 100% ownership in Redecam Group S.p.A. ("Redecam"). Based in Milan, Italy, Redecam offers highly engineered air pollution control solutions helping customers all over the globe meet their air emission reduction targets rapidly and cost-effectively.

During the three months ended March 31, 2016, the Corporation advanced a further $1.2 million to this investment pursuant to cash calls, bringing its total investment in this venture to $12.5 million, or approximately 33% of its committed amount.

The Corporation's share of losses incurred by Dundee Sarea Fund during the first quarter of 2016 was $0.5 million (three months ended March 31, 2015 - $0.4 million).

Dundee Acquisition Ltd. ("Dundee Acquisition")

On March 5, 2015, the Corporation created Dundee Acquisition (www.dundeeacquisition.com), a special purpose acquisition corporation ("SPAC"). During the three months ended March 31, 2016, the Corporation recognized a loss of $1.2 million from its effective 98% interest in Dundee Acquisition.

Escal UGS S.L. ("Escal")

Escal was the original developer of a Spanish infrastructure undertaking that converted an abandoned oilfield to a natural gas storage facility (the "Castor Project"). Escal is incorporated under Spanish jurisdiction. ACS Servicios Communicaciones y Energia S.L. ("ACS"), a construction group in Spain, is a 67% shareholder of Escal. Dundee Energy, through its 74% interest in Castor UGS Limited Partnership ("CLP") holds the remaining 33% interest in Escal, providing the Corporation with an effective 14% interest in the Castor Project.

In 2015, CLP commenced binding arbitration proceedings to resolve certain contractual disputes with ACS. As required pursuant to the terms of the memorandum of understanding between the parties, the arbitration will be in accordance with the rules of the International Chamber of Commerce ("ICC") in Paris, and will be heard by an arbitral tribunal consisting of three arbitrators. CLP has initiated the assembly of the necessary documents in support of its claim for eventual transmission to the court. Evidentiary hearings are expected to commence in mid-2016.

Earnings and Losses from Equity Accounted Investments

For the three months ended			March 31, 2016			March 31, 2015
	Equity Earnings (Losses)	Dilution (Loss) Gains	Total	Equity Earnings (Losses)	Dilution Gains	Total
Paragon Holdings (Smithe Street) ULC	$ 2,759	$ -	$ 2,759	$ (8,766)	$ -	$ (8,766)
Union Group International Holdings Limited	(592)	(198)	(790)	(428)	10,888	10,460
Android Industries, LLC	(1,057)	187	(870)	210	-	210
Cambridge Medical Funding Group II, LLC	367	-	367	(262)	-	(262)
Dundee Sarea Acquisition I Limited Partnership	(539)	-	(539)	(385)	970	585
Dundee Sarea Limited Partnership	192	(92)	100	(49)	-	(49)
Dundee Acquisition Ltd.	(1,163)	-	(1,163)	-	-	-
Others	(50)	-	(50)	(71)	221	150
	(83)	(103)	(186)	(9,751)	12,079	2,328
Real estate joint venture investments	72	-	72	(91)	-	(91)
	$ (11)	**$ (103)**	**$ (114)**	**$ (9,842)**	**$ 12,079**	**$ 2,237**

In addition to its share of earnings of its equity accounted investments, in the first quarter of 2016, the Corporation recognized $5.5 million in comprehensive losses relating to these investments (three months ended March 31, 2015 - $24.4 million of comprehensive income).

OTHER PORTFOLIO INVESTMENTS

Portfolio of Investments at March 31, 2016

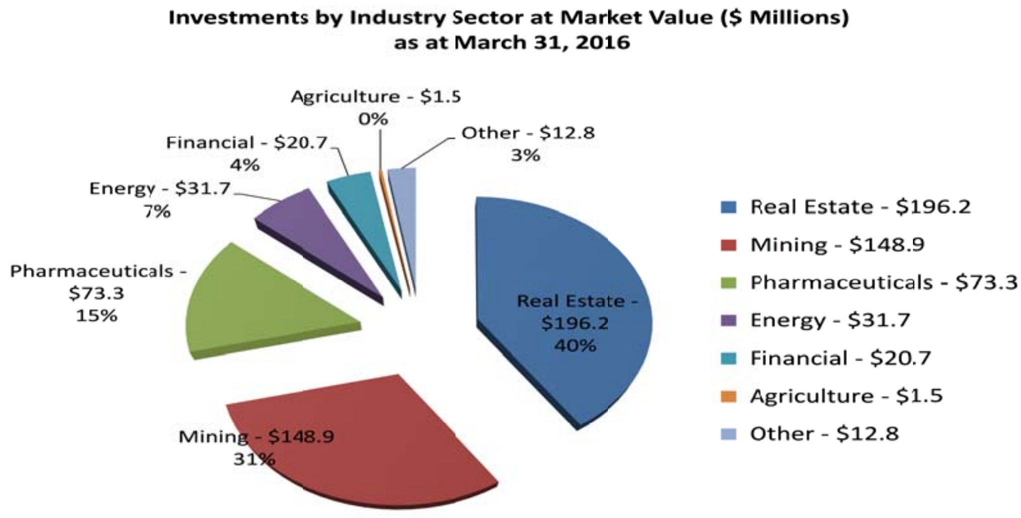
	Ownership	Ticker Symbol	(000's) # of Shares Held	Per Share Price	Market Value as at March 31, 2016
Publicly Traded Securities					
DREAM Unlimited Corp.	29%	DRM	21,636.3	$8.20	$ 177,418
Dundee Precious Metals Inc.	25%	DPM	35,470.8	$2.09	74,134
Newfoundland Capital Corporation	6%	NCC/A	1,266.7	$9.50	12,034
Oban Mining Corporation	6%	OBM	7,694.3	$1.01	7,771
Skyline International Development Inc.	7%	SKLN	1,122.3	$9.89	11,103
Others					41,898
					324,358
Private Investments (note 1)					
TauRx Pharmaceuticals Ltd.	4%				73,135
Pan African Minerals Limited	11%				4,607
Red Leaf Resources Inc.	2%				11,137
Others					31,220
					120,099
Mutual Funds and Other Short Term Investments					
DMP Resource Class			8.6	$7.82	67
					67
Debt Securities					
Publicly Traded Debt Securities					10,453
Debt Securities Owing from Public Enterprises (note 1)					5,240
Debt Securities Owing from Private Enterprises (note 1)					24,820
					40,513
Warrants and Options (note 1)					
Warrants or options on shares of publicly listed enterprises					43
					43
TOTAL – PORTFOLIO INVESTMENTS					**$ 485,080**

1. *These investments are not traded on a prescribed exchange, therefore, market values of these investments were determined by application of valuation methodologies appropriate for such investments (see note 32 to the 2015 Audited Consolidated Financial Statements for further information on valuation methodologies applied for such investments).*

At March 31, 2016, the estimated market value of the Corporation's portfolio of investments carried at FVTPL was $485.1 million, an increase of $46.5 million from an estimated market value of these investments of $438.6 million at December 31, 2015.

	For the three months ended March 31, 2016
Market value of portfolio investments, beginning of period	$ 438,628
Transactions during the three months ended March 31, 2016	
New investments	124
Proceeds from sales of investments	(1,007)
Changes in market values	
Dundee Precious Metals Inc.	28,731
DREAM Unlimited Corp.	20,122
Others	2,259
Other transactions	(3,777)
Market value of portfolio investments, end of period	**$ 485,080**

During the first three months of 2016, the Corporation generated proceeds of $1.0 million from the sale of certain of its investments. However, changes in the market value of investments increased the value of the Corporation's portfolio of investments at FVTPL by $51.1 million. These increases include appreciation of $28.7 million relating to the Corporation's investment in Dundee Precious and $20.1 million of appreciation relating to the Corporation's investment in DREAM Unlimited Corp. At March 31, 2016, the Corporation's portfolio of investments continued to include several public and private investments, as well as certain debt securities across a variety of industry sectors.



Investment in DREAM Unlimited Corp. ("DREAM")

DREAM (TSX: DRM) is one of Canada's leading real estate companies with approximately $15 billion of assets under management in North America and Europe. The scope of DREAM's business includes residential land development, housing and condominium development, asset management, investments in and management of Canadian renewable infrastructure, and commercial property ownership.

Dundee Corporation currently holds a 29% interest in DREAM, with a market value at March 31, 2016 of $177.4 million. Additional information regarding DREAM is available at www.dream.ca.

Dundee Precious Metals Inc.

Dundee Precious (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. Dundee Precious seeks to operate, acquire, finance and develop low-cost, long-life mining properties.

During the first quarter of 2016, Dundee Precious announced the sale of its Kapan mine in Armenia to Polymetal International Plc ("Polymetal") for US$10 million in cash and US$15 million in Polymetal ordinary shares. Dundee Precious retained a 2% net smelter royalty on future production from the Kapan property.

Dundee Corporation currently holds a 25% interest in Dundee Precious with a market value of $74.1 million at March 31, 2016.

Newfoundland Capital Corporation ("NCC")

NCC owns and operates Newcap Radio, which is Canada's largest pure-play radio company with 80 FM and 15 AM licenses, which can be heard throughout Canada. In 2014, NCC completed the largest business acquisition in its history when it acquired two radio stations in Toronto, Ontario and three radio stations in Vancouver, British Columbia.

The Corporation currently holds a 6% interest in NCC with a market value on March 31, 2016 of $12.0 million. NCC shares are traded on Toronto Stock Exchange under the symbols NCC.A and NCC.B. Additional information regarding NCC is available at www.ncc.ca.

Oban Mining Corporation ("Oban")

Oban is a mineral exploration company focused on the acquisition, exploration, and development of precious metal resource properties in Canada. Oban's flagship project is the high-grade Windfall Lake gold deposit located between Val-d'Or and Chibougamau in Quebec. Oban holds a 100% undivided interest in a large area of claims in the Urban Barry area of Quebec, a 100% interest in the Garrison project east of Matheson, Ontario, as well as additional projects in Timmins, Ontario.

During the first quarter of 2016, Oban announced the successful completion of the acquisition of NioGold Mining Corp. a mineral exploration and development company focused on gold and located in Quebec's Abitibi gold mining district. At March 31, 2016, the Corporation held a 6% interest in Oban, with a market value of $7.8 million.

Oban shares are traded on Toronto Stock Exchange under the symbol OBM. Additional information regarding Oban is available at www.obanmining.com.

Skyline International Development Inc. ("Skyline")

Skyline is a leading Toronto-based developer of hospitality properties and destination communities. At March 31, 2016, the Corporation held a 7% interest in Skyline with a market value of $11.1 million. Skyline's shares are traded on the Tel Aviv Stock Exchange under the symbol SKLN. Additional information regarding Skyline is available at www.skylineinvestments.com.

Investment in TauRx Pharmaceuticals Ltd. ("TauRx")

TauRx is a private neuroscience company focused on the discovery, development and commercialization of products for the diagnosis and treatment of neuro-degenerative diseases caused through protein aggregation. The business was established in 2002 with the aim of discovering novel approaches to the treatment and diagnosis of Alzheimer's Disease ("AD") as well as other neurological diseases characterized by abnormal aggregation of the Tau protein within the brain.

TauRx is currently undertaking a substantial Phase 3 clinical trial program using LTMX™, a drug targeted at treatment of mild to moderate AD and behavioral variant Frontotemporal Dementia ("BvFTD"). During the first quarter of 2016, TauRx moved into the final stages of its Phase 3 clinical trial program. Phase 3 trials are broken down into three groups: TRx 005, TRx 007 and TRx 015. The TRx 005 represents an 18-month study working with approximately 800 mild AD patients; TRx 007 represents a 12-month study working with approximately 220 BvFTD patients; and TRx 015 represents a 15-month study working with approximately 890 mild to moderate AD patients. Results from the TRx 015 trial are expected to be available in the first half of 2016 with the remaining Phase 3 trials expected in the second half of 2016.

At March 31, 2016, the Corporation held a 4% interest in TauRx with a fair value of $73.1 million. In determining the fair value of its interest, the Corporation applied a value per share of US$55.50, the equivalent of the average price of shares issued from treasury during 2015. Additional information regarding TauRx may be accessed at www.taurx.com.

Investment in Pan African Minerals ("Pan African")

Pan African is a privately held, mineral exploration and development company focused on the acquisition, exploration and development of mineral assets in western Africa. Pan African's principal assets currently comprise the 90%-owned Tambao manganese project in Burkina Faso and the 70%-owned Mount Klahoyo magnetite iron ore project in Ivory Coast. Pan African also has uranium exploration licenses in Niger.

Dundee Corporation currently owns an 11% interest in Pan African with a market value of $4.6 million at March 31, 2016. Additional information regarding Pan African may be accessed at www.panafricanmineralssa.com.

Investment in Red Leaf Resources Inc. ("Red Leaf")

Red Leaf is a privately held oil and gas technology company. Red Leaf's patented technology, EcoShale, is a next generation oil and gas recovery technology focused on unlocking oil reserves in oil shale deposits. EcoShale extracts oil with relatively low energy consumption, low emissions and low water utilization when compared with other oil shale technologies currently deployed in the world. In March 2015, Red Leaf announced the suspension of the ramped-up construction of the Early Production System ("EPS"), the first commercial demonstration project of the EcoShale technology, for up to two years. In part, this decision was a result of the low oil price environment, but it will also provide Red Leaf time to improve the technology with a view to increase product yield and reduce costs, both leading to an improvement in commerciality. At the time of the announcement, ramped-up construction was expected to restart in the second half of 2017 with first oil expected in late 2018. As part of the suspension in development of the first EPS, Red Leaf negotiated an agreement with its joint venture partner, Total

E&P USA Oil Shale, LLC, who will fund operations of Red Leaf for two years through to the second half of 2017, at which time the development schedule will be re-addressed.

Dundee Corporation holds a 2% interest in Red Leaf with a market value of $11.1 million at March 31, 2016. Additional information regarding Red Leaf may be accessed at www.redleafinc.com.

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, 2016, the Corporation reported head office general and administrative expenses of $7.9 million, compared with $5.7 million of head office general and administrative costs incurred during the same period of the prior year.

For the three months ended March 31,		2016		2015
Direct compensation	$	3,695	$	3,393
Stock based compensation arrangements		1,466		(1,110)
		5,161		2,283
Corporate and professional fees		761		1,627
Other		1,938		1,746
	$	7,860	$	5,656

Salary and salary related expenses represented $5.2 million or 66% of total head office general and administrative expenses in the first quarter of 2016, compared with $2.3 million or 40% of total head office general and administrative expenses incurred during the same period of the prior year. In connection with a transaction completed in 2013, the Corporation has determined that certain stock based compensation arrangements constitute a liability to the Corporation, the amount of which will vary in correlation to the market price of a class A subordinate voting share of DREAM, with changes in the market price reported in net earnings or loss. These arrangements are more fully described in note 27 to the 2015 Audited Consolidated Financial Statements. During the first quarter of 2016, changes in the market value of these liabilities resulted in the recognition of stock based compensation expense of $1.2 million, compared to a recovery amount of $1.3 million in the same period of the prior year.

Corporate Interest Expense

Corporate interest expense was $3.1 million during the first quarter of 2016, a $0.8 million increase from the $2.3 million of interest expense incurred during the same period of the prior year. Included in interest expense is $0.8 million relating to the Corporation's credit facilities (three months ended March 31, 2015 - $1.0 million) and dividends of $2.3 million paid on the Corporation's preference shares that are classified as debt (three months ended March 31, 2015 - $1.3 million). Lower interest amounts paid on credit facilities reflect lower average amounts borrowed during the respective periods, offset by a higher dividend rate paid on the Corporation's preference shares classified as debt following a reorganization of the Corporation's preference shares outstanding in early 2016 (see *"Share Capital – Preference Shares"* below).

Income Tax Recovery

The Corporation's effective income tax recovery rate was 58.4% during the three months ended March 31, 2016 (three months ended March 31, 2015 – 8.8%). This effective income tax recovery rate is significantly different from the statutory combined federal and provincial tax rate of 26.5%, primarily due to: (i) operating losses incurred by certain subsidiaries, the benefit of which was not recognized; and (ii) non-deductible items including preference share dividends paid, which were classified as interest expense for accounting purposes. The impact of these items on the effective income tax recovery rate is partially offset by certain non-taxable revenues.

Net Deferred Income Tax Liabilities

The Corporation's net deferred income tax assets at March 31, 2016 were $17.6 million, and represented deferred income tax assets of $96.4 million, offset by deferred income tax liabilities of $78.8 million. This compares to net deferred income tax assets of $22.1 million at December 31, 2015. Net deferred income tax assets decreased as a result of fair value appreciation in certain of the Corporation's investments. Components of the Corporation's net deferred income tax assets are detailed in note 28 to the March 2016 Interim Consolidated Financial Statements.

The Corporation's aggregate income tax loss carry forwards at March 31, 2016 were $585.7 million (December 31, 2015 – $588.1 million). Included in the Corporation's net deferred income tax balances is a tax benefit of $71.2 million (December 31, 2015 – $77.0 million) in respect of these tax losses.

Corporate Debt

	Revolving Term Credit Facilities				
	$250 million Corporate*	Dundee Energy Debt	Blue Goose Debt	Dundee 360 Debt	TOTAL
Balance, December 31, 2015	$ 73,639	$ 58,802	$ 41,936	$ 746	$ 175,123
Draws (Repayments)	847	(40)	(1,512)	(16)	(721)
Balance, March 31, 2016	$ 74,486	$ 58,762	$ 40,424	$ 730	$ 174,402

* *In addition, the Corporation has issued letters of credit in the amount of $21.0 million that may be drawn under certain circumstances.*

On April 30, 2015, the Corporation established a $250.0 million revolving term credit facility with a syndicate of Canadian Schedule I Chartered Banks. The facility matures on November 11, 2016. Borrowings under the facility bear interest at a rate per annum equal to the prime lending rate for loans plus 0.60% or, at the Corporation's option, at the prevailing bankers' acceptance rate or London Interbank Offered Rate plus 1.60%, provided amounts borrowed are less than $140.0 million. If amounts borrowed exceed $140.0 million, amounts drawn against the facility will bear interest at a rate per annum equal to the prime lending rate for loans plus 0.75% or, at the Corporation's option, at the prevailing bankers' acceptance rate or London Interbank Offered Rate plus 1.75%. Unused amounts available under the facility are subject to an annual standby fee ranging from 0.36% to 0.39375%. The Corporation has granted a first ranking security over all of its assets as security against amounts borrowed under these arrangements.

In addition to restrictions customary to these types of arrangements, including restrictions on the existence of other secured indebtedness, the Corporation's $250.0 million credit facility requires the maintenance of certain financial ratios between the fair value of certain of the Corporation's investments relative to amounts borrowed. Therefore, the Corporation's borrowing availability will increase or decrease, reflecting corresponding increases or decreases in the Corporation's investments. At March 31, 2016, the Corporation was in compliance with all debt covenants under the terms of the credit facility.

At March 31, 2016, the Corporation had drawn $74.5 million against the facility and it had issued letters of credit to support certain of its investments for an additional $17.5 million and €2.4 million (CAD$3.5 million). At March 31, 2016, the Corporation had cash and bank debt availability of $84.9 million in its corporate and other portfolio holdings segment.

The Corporation's lending arrangements have historically been structured with a term of one year, and require renewal at the maturity date. The Corporation has initiated preliminary discussions with its lenders to renew its current revolving term credit facility. Consistent with past practice, the Corporation anticipates that its revolving term credit facility will be renewed in November 2016 for an additional one-year period.

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

Preference Shares

At March 31, 2016, the Corporation's outstanding preference share arrangements were as follows:

Trade Symbol	Series	# of Shares Outstanding	Face Value per Share	Total Face Value	Coupon Rate	Carrying Value
DC.PR.B	Series 2	3,479,385	$25.00	$86,985	5.688% - 5-year fixed rate	$84,053 equity instrument
DC.PR.D	Series 3	1,720,615	$25.00	$43,015	4.60% - quarterly floating rate	$43,015 equity instrument
DC.PR.E	Series 5	4,057,172	$25.00	$99,817	7.50% - fixed rate	$98,398 debt instrument

On January 28, 2016, with the approval of the holders of the Preference Shares, series 4, the Corporation's Preference Shares, series 4 were exchanged for (i) 0.7136 of a new series of first preference shares of the Corporation, designated as First Preference Shares, series 5 ("Preference Shares, series 5"); and (ii) 0.25 of a warrant, each whole warrant entitling the holder thereof to purchase one Subordinate Share of the Corporation at $6.00 per Subordinate Share at any time prior to or on June 30, 2019 ("Subordinate Share Warrants"). The plan of arrangement was completed on February 12, 2016, subsequent to which the Corporation issued 4,057,172 Preference Shares, series 5 with a face value of $25.00 per share and 1,421,374 Subordinate Share Warrants. An aggregate of 314,501 Preference Shares, series 4 were submitted pursuant to dissent rights under the plan of arrangement. The Preference Shares, series 5 have a redemption date of June 30, 2019, subject to certain amounts that may be redeemed earlier in accordance with the terms of the Preference Shares, series 5.

As a result of completion of the plan of arrangement, the Corporation's dividend obligation in respect of preference share arrangements is expected to be approximately $3.6 million per quarter and $14.5 million on an annual basis.

A full description of the terms of the Corporation's preference shares is provided in note 22 to the 2015 Audited Consolidated Financial Statements, and is updated in note 21 to the March 2016 Interim Consolidated Financial Statements.

Common Shares

As at March 31, 2016, there were 55,535,077 Class A subordinate voting shares and 3,115,230 Class B common shares outstanding. At May 13, 2016, the number of outstanding shares had increased to 55,535,173 Class A subordinate voting shares and 3,115,134 Class B common shares.

At March 31, 2016, the Corporation had awarded 1,336,863 deferred share units under its deferred share unit plan, each deferred share unit of which tracks the value of the Corporation's Class A subordinate voting shares. In addition, the Corporation had awarded 1,285,079 deferred share units that track the value of a Class A subordinate voting share of DREAM.

CONSOLIDATED LIQUIDITY AND CAPITAL RESOURCES

On a consolidated basis, the Corporation reported cash of $229.2 million at March 31, 2016, compared with cash of $233.7 million at December 31, 2015. The following tables illustrate the Corporation's consolidated cash flow on a segmented basis, including net cash flow movements between Dundee Corporation and each of its operating segments.

For the three months ended March 31, 2016		Opening Cash		Operating Activities		Investing Activities		Financing Activities		Intersegment		2016 Closing Cash
Corporate and other portfolio holdings	$	49,190	$	(14,286)	$	(346)	$	(2,687)	$	(6,130)	$	25,741
Asset management and capital markets												
Goodman & Company, Investment Counsel Inc.		1,273		(1,582)		-		-		349		40
Dundee Securities Ltd.		171,519		22,942		(362)		-		(521)		193,578
Resource industry												
Dundee Energy Limited		86		249		(314)		(40)		233		214
United Hydrocarbon International Corp.		2,716		(2,777)		(869)		-		2,104		1,174
Dundee Sustainable Technologies Inc.		1,679		(1,166)		-		-		60		573
Eurogas International Inc.		26		(110)		-		-		105		21
Agriculture industry												
Blue Goose Capital Corp.		992		7,501		(7,169)		(1,512)		2,181		1,993
AgriMarine Holdings Inc.		731		72		65		-		565		1,433
Real Estate industry												
Dundee 360 Real Estate Corporation		5,475		(1,882)		(236)		(1)		1,054		4,410
		233,687		8,961		(9,231)		(4,240)		-		229,177
Less: Assets held for sale		(21,786)		-		-		-		-		(6,918)
	$	211,901	$	8,961	$	(9,231)	$	(4,240)	$	-	$	222,259

Included in the Corporation's consolidated cash balance is $193.6 million of cash used in the operating businesses of the Corporation's wealth 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 such 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, 2016 and December 31, 2015, the Corporation's regulated subsidiaries exceeded their minimum regulatory capital requirements.

Approximately $6.9 million of cash in these regulated subsidiaries is considered "held for sale" as it forms part of the assets transferred to Echelon upon completion of that transaction in April 2016. The Corporation expects that it will be able to redirect approximately $30.0 million of cash out of its regulated subsidiaries upon completion of the Echelon transaction, the proceeds of which the Corporation has currently targeted to further its wealth management business.

A more detailed discussion of significant transactions affecting cash flows in the three months ended March 31, 2016 and March 31, 2015 is provided below.

Significant Cash Flows – Operating Activities

For the three months ended March 31,		Corporate		Dundee Securities		UHIC		Blue Goose		Dundee 360		Other		Total 2016		2015
Operating activities:																
Adjusted net loss*	$	(8,641)	$	(2,821)	$	(3,438)	$	(649)	$	(2,559)	$	(4,672)	$	(22,780)	$	(27,413)
Changes in client account balances		-		4,981		-		-		-		-		4,981		(68,003)
Changes in agricultural inventory		-		-		-		7,449		-		212		7,661		10,135
Changes in other working capital amounts		643		20,932		661		707		677		1,923		25,543		12,240
Changes in income taxes		(6,288)		(150)		-		(6)		-		-		(6,444)		(10,116)
Cash provided from (used in) operating activities	$	(14,286)	$	22,942	$	(2,777)	$	7,501	$	(1,882)	$	(2,537)	$	8,961	$	(83,157)

* *Adjusted net loss is equal to the net loss adjusted for items designated on the Corporation's consolidated statements of cash flow as "Items not affecting cash and other adjustments".*

- Changes in cash related to the Corporation's brokerage activities, including changes in client account balances and brokerage securities owned and sold short will vary significantly on a day-to-day basis to reflect the underlying business activities undertaken in that period and do not necessarily reflect any meaningful change in the subsidiaries' financial position. Changes in these balances in the first quarter of 2016 resulted in net cash inflows of $5.0 million (three months ended March 31, 2015 – net cash outflows of $68.0 million).
- During the three months ended March 31, 2016, changes in the balances of agricultural inventory resulted in net cash inflows of $7.7 million (three months ended March 31, 2015 – $10.1 million).

Significant Cash Flows – Investing Activities

For the three months ended March 31,	Corporate	Dundee Securities	UHIC	Blue Goose	Dundee 360	Other	Total 2016	2015
Investing activities:								
Net proceeds from (acquisitions) dispositions of portfolio investments	$ (292)	$ -	$ -	$ -	$ (215)	$ -	$ (507)	$ 64,572
Net investment in resource properties	-	-	(519)	-	-	(314)	(833)	(12,205)
Net investment in livestock and other agricultural assets	-	-	-	(6,682)	-	-	(6,682)	(12,185)
Net investment in real estate	-	-	-	-	-	-	-	(82)
Other investment activities	(54)	(362)	(350)	(487)	(21)	65	(1,209)	(11,375)
Cash (used in) provided from investing activities	$ (346)	$ (362)	$ (869)	$ (7,169)	$ (236)	$ (249)	$ (9,231)	$ 28,725

- 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 first quarter of 2016, the Corporation had net cash outflows of $0.5 million from trading in its investment portfolio (three months ended March 31, 2015 – net cash inflows of $64.6 million).
- During the three months ended March 31, 2016, the Corporation invested $0.5 million into its resource properties including properties owned by UHIC, compared with $12.1 million invested in the same period of the prior year. The reduction reflects the curtailment of expenditures in response to current economic conditions and volatility in the price of oil and natural gas.
- In an effort to expand its inventory of livestock and meet demand, Blue Goose invested $6.7 million in agricultural assets during the first quarter of 2016, compared with $12.2 million in the same period of the prior year.

Significant Cash Flows – Financing Activities

For the three months ended March 31,	Corporate	Dundee Securities	UHIC	Blue Goose	Dundee 360	Other	Total 2016	2015
Financing activities:								
Change in corporate debt	$ 847	$ -	$ -	$ (1,512)	$ (1)	$ (40)	$ (706)	$ 4,034
Issuance of Class A subordinate shares, net of issue costs	(22)	-	-	-	-	-	(22)	11,587
Issue costs, Preference Shares, series 5	(1,780)	-	-	-	-	-	(1,780)	-
Dividends paid on Preference Shares, series 2 and series 3	(1,732)	-	-	-	-	-	(1,732)	(1,775)
Net cash from transactions with non-controlling interests	-	-	-	-	-	-	-	(76)
Cash (used in) provided from financing activities	$ (2,687)	$ -	$ -	$ (1,512)	$ (1)	$ (40)	$ (4,240)	$ 13,770

- Net amounts repaid against credit facilities available to the Corporation and to its subsidiaries during the first quarter of 2016 were $0.7 million (three months ended March 31, 2015 – $4.0 million drawn).
- Proceeds from the exercise of options in the first quarter of 2015 were $11.6 million.
- Cash outflows include issue costs of $1.8 million associated with the Corporation's issuance of its new Preference Shares, series 5.
- Cash outflows during the first quarter of 2016 include dividends of $1.7 million (three months ended March 31, 2015 – $1.8 million) paid by the Corporation on its outstanding Preference Shares, series 2 and Preference Shares, series 3. The Corporation has not paid dividends on its Class A subordinate voting 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, agricultural and real estate 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. Capital may also be generated through dispositions of investments.

The Corporation believes that its operating cash flow, combined with available lines of credit and its portfolio of investments provide sufficient resources for the Corporation to conduct its operations for the foreseeable future, including the development of its wealth management strategy, supporting the capital requirements of its regulated subsidiaries, funding the payment of dividends and interest payments on preference shares and debt obligations, and supporting growth initiatives of its subsidiaries, if the need arises. On an ongoing basis, the Corporation may 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

	2016	2015				2014		
For the three months ended	31-Mar	31-Dec	30-Sept	30-Jun	31-Mar	31-Dec	30-Sept	30-Jun
Net gain (loss) from investments	$ 51,112	$ (37,765)	$ (90,665)	$ (135,620)	$ (15,525)	$ (178,264)	$ (81,246)	$ (4,097)
Share of (loss) earnings from equity accounted investments	(114)	41,399	(7,358)	(513)	2,237	15,130	1,933	(24,325)
Other items in net loss attributable to owners of the parent	(57,066)	(58,562)	(137,875)	(5,133)	(13,738)	(15,090)	658	(1,276)
Net loss attributable to owners of the parent	$ (6,068)	$ (54,928)	$ (235,898)	$ (141,266)	$ (27,026)	$ (178,224)	$ (78,655)	$ (29,698)
Loss per share								
Basic and diluted	$ (0.13)	$ (0.97)	$ (4.05)	$ (2.44)	$ (0.50)	$ (3.20)	$ (1.44)	$ (0.59)

- Operating results during the third quarter of 2015 include an impairment charge of $215.2 million against resource properties associated with the Corporation's investment in UHIC. The impairment charge is partially offset by a $56.5 million adjustment charge relating to amounts otherwise receivable from non-controlling shareholders of UHIC.
- Included in net earnings or loss are amounts reflecting changes in the fair value of 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 fluctuations in net earnings or loss. 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 or loss 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 or losses from equity accounted investments is included in the Corporation's net earnings or loss for each quarter. As with changes in the fair value of the Corporation's investment portfolio, earnings or losses from each equity accounted investee 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 33 to the March 2016 Interim Consolidated Financial Statements, there have been no significant changes in the nature of commitments, contingencies and off-balance sheet arrangements, from those described in note 34 to the 2015 Audited Consolidated Financial Statements and under *"Off-Balance Sheet Arrangements"* and *"Commitments and Contingencies"* on pages 63 through 64 in the Corporation's MD&A as at and for the year ended December 31, 2015.

RELATED PARTY TRANSACTIONS

Other than as described in note 34 to the March 2016 Interim Consolidated Financial Statements, there have been no significant changes in the nature and scope of related party transactions to those described in note 35 to the 2015 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 other items in net earnings or loss 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 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. 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 2015 Audited Consolidated Financial Statements. Other than as described in note 2 to the March 2016 Interim Consolidated Financial Statements, there have been no changes in the accounting policies adopted by the Corporation from those detailed in note 3 to the Corporation's 2015 Audited 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, 2016.

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 at March 31, 2016, 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, 2016 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 2015 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.

CAUTIONARY NOTE REGARDING 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 2016 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 including the ability to complete acquisitions and dispositions effectively; the Corporation's ability to meet financial obligations; the performance of the Corporation's principal subsidiaries; the Corporation's ability and the ability of its investee companies to raise additional capital; the availability of equity and debt financing and/or refinancing on acceptable terms; 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, risks of operating in foreign jurisdictions, 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 at May 13, 2016.

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 13, 2016

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

(expressed in thousands of Canadian dollars)

		As at	
	Note	March 31, 2016	December 31, 2015
ASSETS			
Cash		$ 222,259	$ 211,901
Accounts receivable		42,003	38,484
Client accounts receivable	7	318,913	284,002
Derivative financial instruments	8	486	-
Brokerage securities owned	9	44,929	14,999
Income taxes receivable		8,910	2,376
Investments	10	485,080	438,628
Equity accounted investments	11	167,956	172,672
Real estate joint venture investments	12	10,446	10,611
Real estate assets	13	14,768	14,803
Resource properties	14	384,957	403,314
Livestock	15	38,216	43,700
Capital and other assets	16	159,448	164,291
Goodwill	17	14,117	14,117
Deferred income tax assets	28	17,572	22,097
Assets held for sale	6	446,196	405,039
TOTAL ASSETS		**$ 2,376,256**	**$ 2,241,034**
LIABILITIES			
Accounts payable and accrued liabilities		$ 109,119	$ 75,047
Client deposits and related liabilities	18	428,981	344,915
Brokerage securities sold short	9	624	-
Corporate debt	19	174,402	175,123
Derivative financial liabilities	8	-	21
Decommissioning liabilities	20	63,446	61,627
Preference Shares, series 4	21	-	106,915
Preference Shares, series 5	21	98,398	-
Liabilities held for sale	6	437,396	396,239
		1,312,366	1,159,887
SHAREHOLDERS' EQUITY			
Share capital			
Common shares	22	281,697	281,629
Preference Shares, series 2	21	84,053	84,053
Preference Shares, series 3	21	43,015	43,015
Contributed surplus		23,766	20,457
Warrants	22	1,516	-
Retained earnings		575,984	583,784
Accumulated other comprehensive income	22	30,476	42,095
		1,040,507	1,055,033
NON-CONTROLLING INTEREST	23	23,383	26,114
		1,063,890	1,081,147
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 2,376,256**	**$ 2,241,034**

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

Commitments, contingencies and off-balance sheet arrangements (note 33)

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, 2016	March 31, 2015
REVENUES	24	$ 61,002	$ 74,089
OTHER ITEMS IN NET EARNINGS (LOSS)			
Cost of sales	25	(46,572)	(47,772)
Depreciation and depletion	14, 16	(6,937)	(8,222)
General and administrative expenses	27	(40,967)	(50,761)
Net gain (loss) from investments	10	51,112	(15,525)
Share of (loss) earnings from equity accounted investments	11, 12	(114)	2,237
Fair value changes in livestock	15	27	4,095
Gain on derivative financial instruments	8	706	-
Interest expense	19, 20, 21	(4,689)	(4,925)
Foreign exchange (loss) gain		(5,433)	5,097
NET EARNINGS (LOSS) BEFORE INCOME TAXES		8,135	(41,687)
Income tax (expense) recovery	28	(4,747)	3,687
NET EARNINGS (LOSS) FOR THE PERIOD		**$ 3,388**	**$ (38,000)**
NET EARNINGS (LOSS) ATTRIBUTABLE TO:			
Owners of the parent		$ (6,068)	$ (27,026)
Non-controlling interest		9,456	(10,974)
		$ 3,388	**$ (38,000)**
NET LOSS PER SHARE	29		
Basic and diluted		$ (0.13)	$ (0.50)

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

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(Unaudited)

(expressed in thousands of Canadian dollars)

	For the three months ended	
	March 31, 2016	March 31, 2015
NET EARNINGS (LOSS) FOR THE PERIOD	$ 3,388	$ (38,000)
Other comprehensive (loss) income:		
Items that may be reclassified to net earnings (loss)		
Unrealized (loss) gain from foreign currency translation	(16,557)	39,902
Share of other comprehensive (loss) income from equity accounted investments,	(5,518)	24,373
net of associated taxes	1,462	(6,458)
Total other comprehensive (loss) income for the period	(20,613)	57,817
COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	**$ (17,225)**	**$ 19,817**
COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO:		
Owners of the parent	$ (17,687)	$ 6,223
Non-controlling interest	462	13,594
	$ (17,225)	**$ 19,817**

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)

	Note	Number of Common Shares	Common Shares	Preference Shares, Series 2	Preference Shares, Series 3	Contributed Surplus	Warrants	Retained Earnings	Accumulated Other Comprehensive Income	Non-controlling Interest	Total
			Attributable to Owners of the Parent								
Balance, December 31, 2014		56,311,493	$ 252,128	$ 84,053	$ 43,015	$ 24,390	$ -	$ 1,050,141	$ 23,454	$ 97,684	$ 1,574,865
For the three months ended March 31, 2015											
Net loss		-	-	-	-	-	-	(27,026)	-	(10,974)	(38,000)
Other comprehensive income		-	-	-	-	-	-	-	33,249	24,568	57,817
Dividends on Preference Shares, series 2		-	-	-	-	-	-	(1,237)	-	-	(1,237)
Dividends on Preference Shares, series 3		-	-	-	-	-	-	(538)	-	-	(538)
Stock based compensation		-	-	-	-	197	-	-	-	-	197
Exercise of options	22	2,089,107	26,250	-	-	(3,655)	-	-	-	-	22,595
Changes of ownership interest in subsidiaries	5	-	-	-	-	4	-	-	-	15	19
Balance, March 31, 2015		58,400,600	278,378	84,053	43,015	20,936	-	1,021,340	56,703	111,293	1,615,718
From April 1, 2015 to December 31, 2015											
Net loss		-	-	-	-	-	-	(432,092)	-	(107,125)	(539,217)
Other comprehensive loss		-	-	-	-	-	-	-	(14,608)	20,004	5,396
Acquisition of Class A subordinate shares for cancellation	22	(57,000)	(285)	-	-	-	-	(267)	-	-	(552)
Dividends on Preference Shares, series 2		-	-	-	-	-	-	(3,711)	-	-	(3,711)
Dividends on Preference Shares, series 3		-	-	-	-	-	-	(1,486)	-	-	(1,486)
Stock based compensation		301,433	3,536	-	-	419	-	-	-	-	3,955
Changes of ownership interest in subsidiaries		-	-	-	-	(898)	-	-	-	1,942	1,044
Balance, December 31, 2015		58,645,033	281,629	84,053	43,015	20,457	-	583,784	42,095	26,114	1,081,147
For the three months ended March 31, 2016											
Net earnings		-	-	-	-	-	-	(6,068)	-	9,456	3,388
Other comprehensive loss		-	-	-	-	-	-	-	(11,619)	(8,994)	(20,613)
Dividends on Preference Shares, series 2		-	-	-	-	-	-	(1,237)	-	-	(1,237)
Dividends on Preference Shares, series 3		-	-	-	-	-	-	(495)	-	-	(495)
Issuance of warrants	22	-	-	-	-	-	1,516	-	-	-	1,516
Stock based compensation	22	5,274	68	-	-	181	-	-	-	-	249
Changes of ownership interest in subsidiaries	5	-	-	-	-	3,128	-	-	-	(3,193)	(65)
Balance, March 31, 2016		**58,650,307**	**$ 281,697**	**$ 84,053**	**$ 43,015**	**$ 23,766**	**$ 1,516**	**$ 575,984**	**$ 30,476**	**$ 23,383**	**$ 1,063,890**

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, 2016	March 31, 2015
OPERATING ACTIVITIES:			
Net earnings (loss) for the period		$ 3,388	$ (38,000)
Adjusted for:			
Items not affecting cash and other adjustments	30	(26,168)	10,587
Changes in non-cash working capital items	30	31,741	(55,744)
CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES		8,961	(83,157)
INVESTING ACTIVITIES:			
Net investment in resource properties		(833)	(12,205)
Net investment in livestock and other agricultural assets		(6,682)	(12,185)
Net investment in real estate		-	(82)
Acquisitions of portfolio investments		(1,514)	(4,006)
Proceeds from dispositions of portfolio investments		1,007	68,578
Net investment in capital and other assets		(1,209)	(11,375)
CASH (USED IN) PROVIDED FROM INVESTING ACTIVITIES		(9,231)	28,725
FINANCING ACTIVITIES:			
Change in corporate debt		(706)	4,034
Issuance of Class A subordinate shares, net of issue costs		(22)	11,587
Net cash from transactions with non-controlling interests		-	(76)
Issue costs, Preference Shares, series 5		(1,780)	-
Dividends paid on Preference Shares, series 2		(1,237)	(1,237)
Dividends paid on Preference Shares, series 3		(495)	(538)
CASH (USED IN) PROVIDED FROM FINANCING ACTIVITIES		(4,240)	13,770
NET DECREASE IN CASH DURING THE PERIOD		(4,510)	(40,662)
Cash, beginning of period		233,687	245,803
Less: Cash held for sale	6	(6,918)	-
CASH, END OF PERIOD		**$ 222,259**	**$ 205,141**
Cash flows include the following amounts:			
Interest paid		$ 4,446	$ 4,642
Taxes paid		$ 5,230	$ 11,231

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, 2016 and 2015
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 public Canadian independent 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 investment advisory, corporate finance, energy, resources, agriculture, real estate and infrastructure. The Corporation also holds, directly and indirectly, a portfolio of investments mostly in these key areas, as well as other select investments in both publicly listed and private enterprises.

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. At March 31, 2016 and December 31, 2015, the Corporation's major operating subsidiaries included:

	As at and for the three months ended March 31, 2016		As at and for the year ended December 31, 2015	
(in alphabetical order)	Opening Ownership	Ending Ownership	Opening Ownership	Ending Ownership
AgriMarine Holdings Inc.	100%	100%	95%	100%
Blue Goose Capital Corp.	88%	88%	87%	88%
Dundee 360 Real Estate Corporation	100%	100%	100%	100%
Dundee Energy Limited	58%	58%	58%	58%
Dundee Securities Ltd.	100%	100%	100%	100%
Dundee Sustainable Technologies Inc.	66%	66%	63%	66%
Goodman & Company, Investment Counsel Inc.	100%	100%	100%	100%
United Hydrocarbon International Corp.	35%	33%	35%	35%

2. BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements of the Corporation as at and for the three months ended March 31, 2016 ("March 2016 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 2016 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, 2015 ("2015 Audited Consolidated Financial Statements") which were prepared in accordance with IFRS as applicable for annual financial statements. The March 2016 Interim Consolidated Financial Statements were authorized for issuance by the Board of Directors on May 13, 2016.

Changes in Accounting Policies Implemented During the Three Months Ended March 31, 2016

The March 2016 Interim Consolidated Financial Statements follow the same accounting principles and methods of application as those disclosed in note 3 to the 2015 Audited Consolidated Financial Statements, except as described below.

IAS 1, "Presentation of Financial Statements" ("IAS 1")

On January 1, 2016, the Corporation implemented certain amendments to IAS 1, which clarify guidance on the concepts of materiality and aggregation of items in the financial statements, the use and presentation of subtotals in the statement of operations and the statement of comprehensive income or loss, and which provide additional flexibility in the structure and disclosures of the financial statements to enhance understandability. The implementation of amendments to IAS 1 had no impact to the Corporation's March 2016 Interim Consolidated Financial Statements.

IFRS 10, "Consolidated Financial Statements" ("IFRS 10") and
IAS 28, "Investments in Associates and Joint Ventures (2011)" ("IAS 28")

The Corporation implemented certain amendments to IFRS 10 and IAS 28 on January 1, 2016. These amendments relate to the sale or contribution of assets between an investor and its associate or joint venture and require the recognition of a full gain or loss when a transaction involves a business, whereas a partial gain or loss is recognized when a transaction involves assets that do not constitute a business. The implementation of amendments to IFRS 10 and IAS 28 had no impact to the Corporation's March 2016 Interim Consolidated Financial Statements.

IFRS 11, "Joint Arrangements" ("IFRS 11")

Amendments to IFRS 11 address how a joint operator should account for the acquisition of an interest in a joint operation in which the activity of the joint operation constitutes a business and requires that such transactions be accounted for using the principles related to business combinations accounting as outlined in IFRS 3, "*Business Combinations*". The Corporation implemented the amendments to IFRS 11 effective January 1, 2016. The implementation of amendments to IFRS 11 had no impact to the Corporation's March 2016 Interim Consolidated Financial Statements.

IAS 16, "Property, Plant and Equipment" ("IAS 16") and IAS 38, "Intangible Assets" ("IAS 38")

On January 1, 2016, the Corporation implemented amendments to IAS 16 and IAS 38, which eliminated the use of a revenue-based depreciation method for items of property, plant and equipment and eliminated the use of a revenue-based amortization model for intangible assets except in certain specific circumstances. The implementation of amendments to IAS 16 and IAS 38 had no impact to the Corporation's March 2016 Interim Consolidated Financial Statements.

Accounting Standards, Interpretations and Amendments to Existing Standards not yet Effective

IFRS accounting standards, interpretations and amendments to existing IFRS accounting standards that were not yet effective as at December 31, 2015, are described in note 3 to the 2015 Audited Consolidated Financial Statements. Other than as described below, there have been no other changes to existing IFRS accounting standards and interpretations since December 31, 2015 that are expected to have a material effect on the Corporation's consolidated financial statements.

IAS 7, "Statement of Cash Flows" ("IAS 7")

In January 2016, the IASB issued amendments to IAS 7 pursuant to which entities will be required to provide enhanced information about changes in their financial liabilities, including changes from cash flows and non-cash changes. The IAS 7 amendments are effective for annual periods beginning on or after January 1, 2017. The Corporation is in the process of evaluating the impact of adopting these amendments to its consolidated financial statements.

IAS 12, "Income Taxes" ("IAS 12")

In January 2016, the IASB issued amendments to IAS 12, which clarify guidance on the recognition of deferred tax assets related to unrealized losses resulting from debt instruments that are measured at their fair value. The IAS 12 amendments are effective for annual periods beginning on or after January 1, 2017. The Corporation is in the process of evaluating the impact of adopting these amendments to its consolidated financial statements.

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the March 2016 Interim Consolidated Financial Statements in accordance with IFRS 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 2016 Interim Consolidated Financial Statements from those judgments, estimates and assumptions disclosed in note 4 to the 2015 Audited Consolidated Financial Statements.

4. SIGNIFICANT ACQUISITIONS OR DISPOSITIONS

Significant acquisitions or dispositions completed by the Corporation during the year ended December 31, 2015 are described in note 5 to the 2015 Audited Consolidated Financial Statements. The Corporation has not completed any significant acquisitions or dispositions during the three months ended March 31, 2016.

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-16	31-Dec-15	31-Mar-15	31-Dec-14	31-Mar-16	31-Mar-15
Blue Goose Capital Corp.	88%	88%	87%	87%	$ (23)	$ (36)
Dundee Energy Limited	58%	58%	58%	58%	-	3
Dundee Sustainable Technologies Inc.	66%	66%	63%	63%	-	14
United Hydrocarbon International Corp.	33%	35%	35%	35%	3,151	23
Total					**$ 3,128**	**$ 4**

6. ASSETS AND LIABILITIES HELD FOR SALE

During 2015, Dundee Securities Ltd. ("Dundee Securities"), a wholly-owned subsidiary of the Corporation, initiated a process to sell essentially all of the assets and liabilities related to its retail division. A purchaser was identified in late 2015 and in January 2016, Dundee Securities announced the general terms of the transaction. At March 31, 2016 and December 31, 2015, the carrying values of the assets and liabilities held for sale pursuant to the sale transaction were as follows:

As at	March 31, 2016	December 31, 2015
Net assets (liabilities) held for sale:		
Cash	$ 6,918	$ 21,786
Client accounts receivable	416,246	360,445
Brokerage securities owned	14,232	14,008
Capital and other assets	8,800	8,800
Client deposits and related liabilities	(428,381)	(387,313)
Brokerage securities sold short	(9,015)	(8,926)
	$ 8,800	**$ 8,800**

On April 25, 2016, Dundee Securities announced the completion of the sale transaction.

7. CLIENT ACCOUNTS RECEIVABLE

As at		March 31, 2016		December 31, 2015
Client accounts	$	421,440	$	403,514
Brokers' and dealers' balances		18,314		3,076
Funds deposited into trust		255,695		217,692
Amounts receivable from carrying broker		39,710		20,165
		735,159		644,447
Less: Client account assets held for sale (note 6)		(416,246)		(360,445)
	$	**318,913**	**$**	**284,002**

"*Funds deposited into trust*" include $233,317,000 (December 31, 2015 – $199,727,000) of client funds deposited and held by Dundee Securities in registered accounts. These funds have been deposited with a Canadian trust company. *"Funds deposited into trust"* also include $22,378,000 (December 31, 2015 – $17,965,000) of funds placed in escrow by an acquirer in a real estate property transaction from which applicable fees are distributed to the relevant parties associated with the real estate transaction. Included in *"Client deposits and related liabilities"* (note 18) is a corresponding liability related to these deposits.

8. DERIVATIVE FINANCIAL INSTRUMENTS

Commodity Risk Management

At March 31, 2016, Dundee Energy Limited ("Dundee Energy") had entered into certain commodity swap derivative contracts to manage its exposure to volatility in the prices received for the sale of the underlying commodities. These derivative instruments were not designated as hedging instruments and accordingly, were classified as financial instruments at fair value through profit or loss. Therefore, changes in the fair value of these derivative financial instruments are recorded in the consolidated statement of operations.

Dundee Energy has determined that the fair value of the commodity swap derivative contracts at March 31, 2016 resulted in an asset balance of $486,000 (December 31, 2015 – liability balance of $21,000). During the three months ended March 31, 2016, Dundee Energy recognized a gain of $706,000 (three months ended March 31, 2015 – $nil) from these commodity swap derivative contracts.

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.

9. BROKERAGE SECURITIES OWNED AND BROKERAGE SECURITIES SOLD SHORT

As at		March 31, 2016				December 31, 2015		
		Securities Owned		Securities Sold Short		Securities Owned		Securities Sold Short
Bonds	$	11,164	$	6,080	$	10,349	$	5,619
Equities		45,426		3,559		16,087		3,307
Other		2,571		-		2,571		-
		59,161		9,639		29,007		8,926
Less: Securities held for sale (note 6)		(14,232)		(9,015)		(14,008)		(8,926)
	$	**44,929**	**$**	**624**	**$**	**14,999**	**$**	**-**

Bonds have maturities ranging from 2016 to 2067 (December 31, 2015 – from 2016 to 2106) and have annual interest yields ranging from 1.125% to 12.00% (December 31, 2015 – 1.25% to 12.00%).

10. INVESTMENTS

Fair Value of Investments

As at	March 31, 2016		December 31, 2015	
	Cost	Fair Value	Cost	Fair Value
Publicly traded securities	$ 707,957	$ 324,358	$ 710,096	$ 274,249
Private investments	182,267	120,099	182,267	124,108
Mutual funds and other short-term investments	86	67	86	50
Debt securities	71,445	40,513	74,647	40,130
Warrants and options	698	43	787	91
	$ 962,453	**$ 485,080**	**$ 967,883**	**$ 438,628**

During the three months ended March 31, 2016, the Corporation invested $124,000 (three months ended March 31, 2015 – $1,730,000) to acquire new positions, or to increase its interest in existing positions within its portfolio. During the same period, the Corporation generated proceeds of $1,007,000 (three months ended March 31, 2015 – $68,578,000) from the sale of certain other investments.

Net Gain (Loss) from Investments

For the three months ended	March 31, 2016		March 31, 2015	
	Realized	Unrealized	Realized	Unrealized
Publicly traded securities	$ (794)	$ 52,248	$ (901)	$ (14,182)
Private investments	-	(4,009)	3,712	(1,926)
Mutual funds and other short-term investments	-	17	-	5
Debt securities	113	3,585	(1,874)	171
Warrants and options	(89)	41	(59)	(471)
	$ (770)	**$ 51,882**	**$ 878**	**$ (16,403)**

The Corporation's portfolio of investments has been designated as a portfolio of investments at fair value through profit or loss ("FVTPL"). Accordingly, changes in the fair value of individual investments since December 31, 2015 are included in the Corporation's net earnings or loss. During the three months ended March 31, 2016, the Corporation recognized a gain from changes in the fair value of its investments designated as FVTPL of $51,112,000 (three months ended March 31, 2015 – loss of $15,525,000).

The gain recognized during the three months ended March 31, 2016 includes $20,122,000 relating to the Corporation's investment in 21,636,288 class A subordinate voting shares of Dream Unlimited Corp. and $28,731,000 relating to the Corporation's investment in 35,470,807 common shares of Dundee Precious Metals Inc. During the comparative three month period ended March 31, 2015, the Corporation incurred a loss of $8,438,000 relating to its investment in Dream Unlimited Corp. There was no gain or loss recognized in respect of changes in the fair value of the Corporation's investment in Dundee Precious Metals Inc. during the three months ended March 31, 2015, as this investment was designated as an investment carried under the equity method of accounting during that period.

11. EQUITY ACCOUNTED INVESTMENTS

As at		March 31, 2016			December 31, 2015		
Trade Symbol	Investment	Ownership	Carrying Value	Fair Value	Ownership	Carrying Value	Fair Value
n/a	Paragon Holdings (Smithe Street) ULC (i)	50%	$ 56,933	private	50%	$ 54,174	private
n/a	Union Group International Holdings Limited	40%	64,485	private	40%	68,007	private
n/a	Android Industries, LLC	20%	24,795	private	20%	28,265	private
n/a	Cambridge Medical Funding Group II, LLC	50%	11,501	private	50%	11,507	private
n/a	Dundee Sarea Acquisition I Limited Partnership	33%	10,392	private	33%	9,756	private
n/a	Dundee Sarea Limited Partnership	25%	456	private	34%	356	private
ODX	Odyssey Resources Limited	31%	113	170	31%	163	227
n/a	Dundee Acquisition Ltd.	98%	(719)	private	98%	444	private
n/a	Escal UGS S.L.(ii)	14%	-	private	14%	-	private
			$ 167,956			**$ 172,672**	

(i) Dundee Corporation owns a 50% interest in Paragon Holdings (Smithe Street) ULC, which, in turn owns an indirect 74% interest in a resort development project, giving Dundee Corporation an effective 37% interest in the underlying project.

(ii) 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 23% interest and Dundee Corporation an effective 14% interest in Escal UGS S.L. and its underlying project.

A detailed description of significant transactions that affected the carrying value of equity accounted investments as at December 31, 2015 is provided in note 12 to the 2015 Audited Consolidated Financial Statements. Other than as described below, there were no significant transactions that affected the carrying value of equity accounted investments since December 31, 2015.

Paragon Holdings (Smithe Street) ULC ("Paragon Holdings")

In April 2016, Parq Holdings Limited Partnership ("Parq"), the developer of the casino and resort development project in Vancouver, British Columbia, entered into an amending agreement with EllisDon Tishman Inc. ("EDT"), the general contractor of the project. Under the terms of the amending agreement, the owners of the project which include Paragon Holdings, agreed to, among other things, extend the completion date of the project to the end of the third quarter of 2017. As a condition of the amendment, the required payment was made to EDT and its notice of default issued by EDT for non-payment of certain amounts was withdrawn. The extension of the completion date is further subject to approval by the lenders to Parq, and Parq is currently in discussions with its lenders to expeditiously obtain the necessary consents. The results of these discussions, and the ultimate economic impact of these discussions to the project cannot be ascertained at this time.

Share of (Loss) Earnings from Equity Accounted Investments

For the three months ended	March 31, 2016	March 31, 2015
Paragon Holdings (Smithe Street) ULC	$ 2,759	$ (8,766)
Union Group International Holdings Limited	(790)	10,460
Android Industries, LLC	(870)	210
Cambridge Medical Funding Group II, LLC	367	(262)
Dundee Sarea Acquisition I Limited Partnership	(539)	585
Dundee Sarea Limited Partnership	100	(49)
Dundee Acquisition Ltd.	(1,163)	-
Others	(50)	150
	(186)	2,328
Real estate joint venture investments	72	(91)
	$ (114)	**$ 2,237**

12. REAL ESTATE JOINT VENTURE INVESTMENTS

As at	March 31, 2016		December 31, 2015	
Investment	Ownership	Carrying Value	Ownership	Carrying Value
Bellavista Resorts S.A.	30%	$ 5,948	30%	$ 6,324
Vancuba Holdings S.A.	61%	286	61%	305
Gran Leon Resorts S.A.	3%	51	3%	55
Sotarbat 360 S.A.S.	45%	2,229	45%	2,196
Receivable from real estate joint venture investees	n/a	1,932	n/a	1,731
		$ 10,446		**$ 10,611**

During the three months ended March 31, 2016, Dundee 360 Real Estate Corporation recognized a gain of $72,000 (three months ended March 31, 2015 – loss of $91,000) from its investments in real estate joint ventures.

13. REAL ESTATE ASSETS

	For the three months ended March 31, 2016			For the year ended December 31, 2015		
	Clearpoint Resort Limited (Malta)	Tides Inn	Total	Clearpoint Resort Limited (Malta)	Tides Inn	Total
Balance, beginning of period	$ 14,385	$ 418	$ 14,803	$ 13,209	$ -	$ 13,209
Net additions	-	-	-	134	387	521
Capitalization of interest expense	-	-	-	52	-	52
Currency translation adjustment	(9)	(26)	(35)	990	31	1,021
Balance, end of period	**$ 14,376**	**$ 392**	**$ 14,768**	**$ 14,385**	**$ 418**	**$ 14,803**

14. 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, 2014							
Cost	$ 159,139	$ 27,751	$ 29,428	$ 16,221	$ 3,547	$ 440,245	$ 676,331
Accumulated depreciation and depletion	(64,671)	(7,276)	(7,023)	(1,317)	(1,209)	(37,518)	(119,014)
Net carrying value, December 31, 2014	94,468	20,475	22,405	14,904	2,338	402,727	557,317
For the three months ended March 31, 2015							
Carrying value December 31, 2014	94,468	20,475	22,405	14,904	2,338	402,727	557,317
Net additions *	8	-	5	3	25	47,181	47,222
Remeasure decommissioning liabilities (note 20)	5,881	-	-	-	-	377	6,258
Depreciation and depletion	(2,201)	(325)	(351)	(17)	(8)	-	(2,902)
Net carrying value, March 31, 2015	98,156	20,150	22,059	14,890	2,355	450,285	607,895
At March 31, 2015							
Cost	165,028	27,751	29,433	16,224	3,572	487,803	729,811
Accumulated depreciation and depletion	(66,872)	(7,601)	(7,374)	(1,334)	(1,217)	(37,518)	(121,916)
Net carrying value, March 31, 2015	98,156	20,150	22,059	14,890	2,355	450,285	607,895
From April 1, 2015 to December 31, 2015							
Carrying value March 31, 2015	98,156	20,150	22,059	14,890	2,355	450,285	607,895
Disposition	-	-	-	(9,955)	-	-	(9,955)
Net additions *	-	-	111	(289)	(747)	35,839	34,914
Remeasure decommissioning liabilities (note 20)	(4,463)	-	-	-	-	39	(4,424)
Depreciation and depletion							
Impairment	(900)	-	-	-	-	(215,159)	(216,059)
Other	(6,816)	(969)	(1,179)	(70)	(23)	-	(9,057)
Net carrying value, December 31, 2015	85,977	19,181	20,991	4,576	1,585	271,004	403,314
At December 31, 2015							
Cost	160,565	27,751	29,544	4,715	2,819	523,681	749,075
Accumulated depreciation and depletion	(74,588)	(8,570)	(8,553)	(139)	(1,234)	(252,677)	(345,761)
Net carrying value, December 31, 2015	85,977	19,181	20,991	4,576	1,585	271,004	403,314
For the three months ended March 31, 2016							
Carrying value December 31, 2015	85,977	19,181	20,991	4,576	1,585	271,004	403,314
Net additions *	-	-	(1,537)	-	(4)	(16,234)	(17,775)
Remeasure decommissioning liabilities (note 20)	2,056	-	-	-	-	(367)	1,689
Depreciation and depletion	(1,686)	(234)	(338)	(7)	(6)	-	(2,271)
Net carrying value, March 31, 2016	86,347	18,947	19,116	4,569	1,575	254,403	384,957
At March 31, 2016							
Cost	162,621	27,751	27,648	4,715	2,815	507,080	732,630
Accumulated depreciation and depletion	(76,274)	(8,804)	(8,532)	(146)	(1,240)	(252,677)	(347,673)
Net carrying value, March 31, 2016	**$ 86,347**	**$ 18,947**	**$ 19,116**	**$ 4,569**	**$ 1,575**	**$ 254,403**	**$ 384,957**

* *Includes a $16,635,000 foreign currency translation loss (three months ended March 31, 2015 – $38,640,000; nine months ended December 31, 2015 – $31,367,000 foreign currency translation gains) associated with resource properties in foreign jurisdictions.*

15. LIVESTOCK

	For the three months ended March 31, 2016			For the year ended December 31, 2015		
	Inventory	Biological Assets	Total	Inventory	Biological Assets	Total
Balance, beginning of period	$ 3,101	$ 40,599	$ 43,700	$ 6,212	$ 33,499	$ 39,711
Business dispositions	-	-	-	(3,371)	(3,580)	(6,951)
Net additions (dispositions)	(890)	(4,621)	(5,511)	260	(7,458)	(7,198)
Fair value changes	-	27	27	-	18,138	18,138
Balance, end of period	**$ 2,211**	**$ 36,005**	**$ 38,216**	**$ 3,101**	**$ 40,599**	**$ 43,700**

16. 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, 2014							
Cost	$ 8,453	$ 10,720	$ 85,719	$ 58,894	$ 29,681	$ 101,035	$ 294,502
Accumulated depreciation	(5,796)	(7,909)	(1,808)	(10,728)	(7,496)	(12,499)	(46,236)
Net carrying value, December 31, 2014	2,657	2,811	83,911	48,166	22,185	88,536	248,266
For the three months ended March 31, 2015							
Carrying value December 31, 2014	2,657	2,811	83,911	48,166	22,185	88,536	248,266
Net additions	462	548	7,968	5,242	16	311	14,547
Depreciation	(299)	(407)	(337)	(1,682)	(268)	(3,785)	(6,778)
Net carrying value, March 31, 2015	2,820	2,952	91,542	51,726	21,933	85,062	256,035
At March 31, 2015							
Cost	8,915	11,268	93,687	64,136	29,697	101,346	309,049
Accumulated depreciation	(6,095)	(8,316)	(2,145)	(12,410)	(7,764)	(16,284)	(53,014)
Net carrying value, March 31, 2015	2,820	2,952	91,542	51,726	21,933	85,062	256,035
From April 1, 2015 to December 31, 2015							
Carrying value March 31, 2015	2,820	2,952	91,542	51,726	21,933	85,062	256,035
Dispositions	(25)	(19)	(24,996)	(3,908)	-	(569)	(29,517)
Net additions	624	393	(823)	3,775	253	(5,978)	(1,756)
Depreciation							
Impairment	-	-	(1,419)	(3,683)	(13,611)	(4,403)	(23,116)
Other	(1,025)	(1,263)	(992)	(5,577)	(813)	(18,885)	(28,555)
Net carrying value, December 31, 2015	2,394	2,063	63,312	42,333	7,762	55,227	173,091
At December 31, 2015							
Cost	9,412	11,488	66,200	58,308	29,950	92,652	268,010
Accumulated depreciation	(7,018)	(9,425)	(2,888)	(15,975)	(22,188)	(37,425)	(94,919)
Net carrying value, December 31, 2015	2,394	2,063	63,312	42,333	7,762	55,227	173,091
For the three months ended March 31, 2016							
Carrying value December 31, 2015	2,394	2,063	63,312	42,333	7,762	55,227	173,091
Net additions	69	(88)	38	562	21	(770)	(168)
Depreciation	(201)	(284)	(452)	(1,389)	(265)	(2,084)	(4,675)
Net carrying value, March 31, 2016	2,262	1,691	62,898	41,506	7,518	52,373	168,248
At March 31, 2016							
Cost	9,472	11,400	66,238	58,831	29,971	91,345	267,257
Accumulated depreciation	(7,210)	(9,709)	(3,340)	(17,325)	(22,453)	(38,972)	(99,009)
Net carrying value, March 31, 2016	**$ 2,262**	**$ 1,691**	**$ 62,898**	**$ 41,506**	**$ 7,518**	**$ 52,373**	**$ 168,248**
Net carrying value of capital and other assets held for sale							
At December 31, 2015	$ 557	$ 80	$ -	$ 1,238	$ -	$ 6,925	$ 8,800
At March 31, 2016	490	38	-	1,056	-	7,216	8,800

17. GOODWILL

As at	March 31, 2016	December 31, 2015
Dundee 360 Real Estate Corporation	$ 14,117	$ 14,117

18. CLIENT DEPOSITS AND RELATED LIABILITIES

As at		March 31, 2016		December 31, 2015
Client accounts	$	830,401	$	714,026
Brokers' and dealers' balances		4,583		237
Funds in escrow		22,378		17,965
		857,362		732,228
Less: Client account liabilities held for sale (note 6)		(428,381)		(387,313)
	$	**428,981**	**$**	**344,915**

Included in "*Client accounts*" is $233,317,000 (December 31, 2015 – $199,727,000) of funds deposited and held by Dundee Securities in registered accounts (note 7).

"*Funds in escrow*" of $22,378,000 (December 31, 2015 – $17,965,000) represent funds deposited in escrow by an acquirer in a real estate property transaction from which applicable fees are distributed to the relevant parties associated with the real estate transaction. Funds received pursuant to these arrangements are included in "*Client accounts receivable*" (note 7).

19. CORPORATE DEBT

The Corporation and its subsidiaries have established credit facilities and other debt arrangements, the terms of which are outlined in note 20 to the 2015 Audited Consolidated Financial Statements. There have been no significant changes to the terms of credit facilities and other debt instruments available to the Corporation and its subsidiaries since December 31, 2015.

As at		March 31, 2016		December 31, 2015
Corporate				
$250 million revolving term credit facility	$	74,486	$	73,639
Subsidiaries				
Demand revolving credit facility, Dundee Energy Limited		58,762		58,802
Loan facilities, Blue Goose Capital Corp.		40,424		41,936
Loan facilities, Dundee 360 Real Estate Corporation		730		746
	$	**174,402**	**$**	**175,123**

$250 Million Corporate Debt Facility

At March 31, 2016, the Corporation had drawn $74,486,000 against its $250 million revolving term credit facility, and it had issued letters of credit to support certain of its investments for additional amounts of $17,500,000 and €2,400,000 ($3,525,000 Canadian dollars).

In addition to certain customary restrictions, including restrictions on the existence of other secured indebtedness, the Corporation's revolving term credit facility requires the maintenance of certain financial ratios relating to the fair value of certain of the Corporation's investments. Therefore, the Corporation's borrowing availability will increase or decrease, reflecting corresponding increases or decreases in the fair value of the Corporation's investments. At March 31, 2016, the Corporation had cash and bank debt availability in its corporate and other portfolio holdings segment (note 35) of $84,919,000, and it was in compliance with all debt covenants under the terms of its revolving term credit facility.

The Corporation has initiated discussions with its lenders to renew its revolving term credit facility. Consistent with past practice, the Corporation expects that its revolving term credit facility will be renewed in November 2016, or earlier, for an additional one-year period.

$60 Million Demand Revolving Credit Facility, Dundee Energy Limited

A subsidiary of Dundee Energy has arranged for a demand revolving credit facility. On February 18, 2016, amounts available pursuant to the demand revolving credit facility were reduced from $70,000,000 at December 31, 2015 to $60,000,000, and amounts available will be further reduced to $55,000,000 before December 31, 2016. At March 31, 2016, Dundee Energy's subsidiary had drawn $59,100,000 pursuant to these arrangements. The demand revolving term credit facility is subject to certain covenants, including maintenance of minimum levels of working capital. At March 31, 2016, Dundee Energy and its subsidiary were in compliance with all such covenants.

The lender to Dundee Energy's subsidiary does not have recourse to Dundee Corporation in respect of this lending arrangement.

Loan Facilities, Blue Goose Capital Corp.

Blue Goose Capital Corp. and certain of its subsidiaries have entered into several borrowing arrangements pursuant to which they had borrowed an aggregate of $40,424,000 at March 31, 2016 from several lending institutions. These lending institutions do not have recourse to Dundee Corporation in respect of any of the amounts borrowed under these arrangements. At March 31, 2016, Blue Goose Capital Corp. and its subsidiaries were in compliance with all covenants associated with their various debt arrangements.

Interest Expense Incurred on Corporate Debt

For the three months ended	March 31, 2016	March 31, 2015
Corporate	$ 847	$ 878
Dundee Energy Limited	802	876
Blue Goose Capital Corp.	346	485
	$ 1,995	**$ 2,239**

20. DECOMMISSIONING LIABILITIES

	As at and for the three months ended March 31, 2016	As at and for the year ended December 31, 2015
Discount rates applied to future obligations	*0.53% - 1.86%*	*0.48% - 2.04%*
Inflation rate	*2.00%*	*2.00%*
Discounted future obligations, beginning of period	$ 61,627	$ 59,233
Effect of changes in estimates and remeasurement of discount and foreign exchange rates	1,689	1,834
Liabilities settled (reclamation expenditures)	(113)	(502)
Accretion (interest expense)	243	1,062
Discounted future obligations, end of period	**$ 63,446**	**$ 61,627**

21. PREFERENCE SHARES

Other than as amended pursuant to transactions as described below, the terms of the Corporation's preference shares are summarized in note 22 to the Corporation's 2015 Audited Consolidated Financial Statements.

Reorganization of the Corporation's First Preference Shares, Series 4 ("Preference Shares, series 4") and Issuance of First Preference Shares, Series 5 ("Preference Shares, series 5")

On January 28, 2016, the holders of the Corporation's Preference Shares, series 4 approved a statutory plan of arrangement pursuant to which each Preference Share, series 4, other than those in respect of which dissent rights were validly exercised, was exchanged for (i) 0.7136 of a Preference Share, series 5; and (ii) 0.25 of a warrant, each whole warrant entitling the holder thereof to purchase one Subordinate Share of the Corporation at $6.00 per Subordinate Share at any time prior to or on June 30, 2019 ("Subordinate Share Warrants") (note 22). The plan of arrangement was completed on February 12, 2016, subsequent to which the Corporation issued 4,057,172 Preference Shares, series 5 with a face value of $25.00 per share and 1,421,374 Subordinate Share Warrants. An aggregate of 314,501 Preference Shares, series 4 were submitted pursuant to dissent rights under the plan of arrangement. Should it be determined that these shares were validly submitted, holders thereof will be entitled to receive a cash amount equal to the fair value of the Preference Shares, series 4 immediately prior to the shareholder resolution approving the plan of arrangement.

First Preference Shares, series 5

The Preference Shares, series 5 rank on a parity with the Preference Shares, series 2 and series 3 and in priority to the Subordinate Shares and the Class B Shares of the Corporation as to the payment of dividends and distribution of assets on dissolution, liquidation or winding-up of the Corporation. The Preference Shares, series 5 entitle the holder to a fixed preferential cumulative dividend at a dividend rate of 7.5% per annum, payable quarterly. The Preference Shares, series 5 are generally non-voting, except in limited circumstances.

Up to 15% of the then outstanding Preference Shares, series 5 of each holder will be subject to redemption, at the holder's option, at $25.00 per share on June 30, 2016, and up to an additional 17% of the then outstanding Preference Shares, series 5 of each holder will be subject to a further redemption at the holder's option at $25.00 per share on January 31, 2018. The Preference Shares, series 5 are retractable by the holder at any time after June 30, 2019 for cash of $25.00 per share, together with any accrued and unpaid dividends up to, but excluding, the redemption date.

The Preference Shares, series 5 will be redeemable at the option of the Corporation for a cash price of (i) $25.75 per share if redeemed prior to June 30, 2017; (ii) $25.50 per share if redeemed on or after June 30, 2017 and prior to June 30, 2018; (iii) $25.25 per share if redeemed on or after June 30, 2018 and prior to June 30, 2019; and (iv) $25.00 per share if redeemed on or after June 30, 2019, together, in each case, with any accrued and unpaid dividends thereon.

The Preference Shares, series 5 are convertible, at the option of the Corporation, into Subordinate Shares at any time prior to June 30, 2019. The Preference Shares, series 5 would be converted on the basis of one Preference Share, series 5 for that number of Subordinate Shares that is equal to the redemption price at the time of the conversion as outlined above, divided by the current market price of the Subordinate Shares, determined in accordance with a formula.

The Corporation may, at any time, purchase the Preference Shares, series 5 for cancellation in the open market, by private agreement, or otherwise.

Issued and Outstanding

	Number of Shares		Par Value		Carrying Value
Issuance of Preference Shares, series 5	4,057,172	$	101,429	$	101,333
Transaction costs	-		-		(1,780)
Allocation of par value to Subordinate Share Warrants	-		-		(1,516)
Amortization of discount	-		-		361
Balance as at March 31, 2016 *	**4,057,172**	**$**	**101,429**	**$**	**98,398**

* *The fair value of outstanding Preference Shares, series 5 as at March 31, 2016 was $91,246,000.*

22. SHARE CAPITAL

The terms of the Corporation's Class A subordinate voting shares ("Subordinate Shares") and Class B common shares ("Class B Shares"), and significant transactions in respect thereof during the year ended December 31, 2015, are summarized in note 23 to the Corporation's 2015 Audited Consolidated Financial Statements.

Issued and Outstanding

	SUBORDINATE SHARES		CLASS B SHARES		TOTAL	
	Number	Amount	Number	Amount	Number	Amount
Outstanding December 31, 2014	53,196,258	$ 243,973	3,115,235	$ 8,155	56,311,493	$ 252,128
For the three months ended March 31, 2015						
Options exercised	2,089,107	26,250	-	-	2,089,107	26,250
Outstanding March 31, 2015	55,285,365	270,223	3,115,235	8,155	58,400,600	278,378
From April 1, 2015 to December 31, 2015						
Shares redeemed pursuant to normal course issuer bid	(57,000)	(285)	-	-	(57,000)	(285)
Issuance of shares under share incentive arrangements	301,433	3,536	-	-	301,433	3,536
Conversion from Class B Shares to Subordinate Shares	3	-	(3)	-	-	-
Outstanding December 31, 2015	55,529,801	273,474	3,115,232	8,155	58,645,033	281,629
For the three months ended March 31, 2016						
Issuance of shares under share incentive arrangements	5,274	68	-	-	5,274	68
Conversion from Class B Shares to Subordinate Shares	2	-	(2)	-	-	-
Outstanding March 31, 2016	**55,535,077**	**$ 273,542**	**3,115,230**	**$ 8,155**	**58,650,307**	**$ 281,697**

Normal Course Issuer Bid

During the year ended December 31, 2015, the Corporation purchased for cancellation a total of 57,000 Subordinate Shares pursuant to its normal course issuer bid. There were no further shares purchased for cancellation pursuant to these arrangements subsequent to December 31, 2015.

Subordinate Share Warrants

On February 12, 2016, and in connection with the reorganization of the Corporation's Preference Shares, series 4 (note 21), the Corporation issued 1,421,374 Subordinate Share Warrants with a fair value on the date of issue of $1,516,000. Each Subordinate Share Warrant entitled the holder thereof to purchase one Subordinate Share of the Corporation at a price of $6.00 per Subordinate Share on or before June 30, 2019, after which time the Subordinate Share Warrant will expire and be of no further force and effect. The fair value of the Subordinate Share Warrants issued was estimated using a Black-Scholes option-pricing model with the following assumptions:

Risk-free interest rate	1.13%
Expected life	3.33 years
Expected volatility	41.83%
Dividends per share	0.00%

Accumulated Other Comprehensive Income

	Equity Accounted Investments	Foreign Currency Translation	Non-controlling Interest	Total
Balance at December 31, 2014	$ 11,816	$ 25,693	$ (14,055)	$ 23,454
For the three months ended March 31, 2015				
Other comprehensive income	17,915	39,902	(24,568)	33,249
Balance at March 31, 2015	29,731	65,595	(38,623)	56,703
From April 1, 2015 to December 31, 2015				
Other comprehensive (loss) income	(24,230)	29,626	(20,004)	(14,608)
Balance at December 31, 2015	5,501	95,221	(58,627)	42,095
For the three months ended March 31, 2016				
Other comprehensive loss	(4,056)	(16,589)	9,026	(11,619)
Balance at March 31, 2016	**$ 1,445**	**$ 78,632**	**$ (49,601)**	**$ 30,476**

23. NON-CONTROLLING INTEREST

As at	March 31, 2016	December 31, 2015
Non-controlling interest in:		
Blue Goose Capital Corp.	$ 5,546	$ 6,094
Dundee Energy Limited	20,211	21,630
Other	(2,374)	(1,610)
	$ 23,383	**$ 26,114**

During 2015, the Corporation impaired the carrying value of certain resource properties associated with its investment in United Hydrocarbon International Corp. ("UHIC"). The impairment resulted in a significant deficit in the shareholders' equity of UHIC. Upon consolidation, the Corporation reallocated these losses from non-controlling interest in an amount sufficient to reduce the carrying value of the non-controlling interest to $nil. The remaining losses were attributed to shareholders of the Corporation because the deficit in UHIC is funded by debt instruments that the Corporation holds in UHIC, the terms of which are considered to result in substantive ownership interests by the Corporation. The debt instruments are eliminated upon consolidation.

24. REVENUES

For the three months ended	March 31, 2016	March 31, 2015
Management fees	$ 3,289	$ 5,011
Financial services	15,744	18,814
Oil and gas, net of royalties	4,230	6,826
Agriculture	17,425	16,764
Real estate	19,612	19,817
Interest, dividends and other	702	6,857
	$ 61,002	**$ 74,089**

25. COST OF SALES

For the three months ended	March 31, 2016	March 31, 2015
Variable compensation	$ 8,926	$ 11,973
Oil and gas expenses	2,707	3,482
Agriculture expenses	21,321	21,727
Real estate expenses	13,618	10,590
	$ 46,572	**$ 47,772**

26. SHARE INCENTIVE PLAN ARRANGEMENTS

The terms of the Corporation's share based compensation plans are summarized in note 27 to the Corporation's 2015 Audited Consolidated Financial Statements.

Share Bonus Plan
During the three months ended March 31, 2016, the Corporation issued 5,274 Subordinate Shares from treasury in settlement of vested share bonus awards. Aggregate share bonus awards granted but not yet vested at March 31, 2016 pursuant to the Corporation's share bonus plan were 92,668.

Deferred Share Unit Plan
The Corporation did not issue any deferred share units during the three months ended March 31, 2016. At March 31, 2016, there were 1,336,863 deferred share units outstanding that track the value of the Corporation's Subordinate Shares and 1,285,079 deferred share units that track the value of a class A subordinate voting share of Dream Unlimited Corp.

Stock Based Compensation

For the three months ended	March 31, 2016	March 31, 2015
Deferred share unit plan	$ 155	$ 197
Share bonus plan	116	-
Dream Unlimited Corp. tracking share incentive arrangements:		
Stock options	-	(787)
Deferred share units	1,195	(520)
	$ 1,466	**$ (1,110)**

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, 2016, these subsidiaries recognized a stock based compensation recovery amount of $65,000 (three months ended March 31, 2015 – expense of $108,000).

27. GENERAL AND ADMINISTRATIVE EXPENSES BY NATURE

For the three months ended	March 31, 2016	March 31, 2015
Salary and salary-related	$ 16,117	$ 20,689
Stock based compensation	1,401	(1,002)
Corporate and professional fees	8,297	10,348
General office	12,261	14,669
Capitalized expenditures	(419)	(427)
Other	3,310	6,484
	$ 40,967	**$ 50,761**

28. INCOME TAXES

During the three months ended March 31, 2016, the Corporation recognized an income tax expense amount on its earnings from operations of $4,747,000 (three months ended March 31, 2015 – income tax recovery of $3,687,000), the major components of which include the following items:

For the three months ended		March 31, 2016		March 31, 2015
Current income tax recovery (expense)	$	1,214	$	(1,115)
Deferred income tax (expense) recovery		(5,961)		4,802
Total income tax (expense) recovery	**$**	**(4,747)**	**$**	**3,687**

The income tax (expense) recovery amount on the pre-tax earnings (loss) from 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, 2015 – 26%), as a result of the following items:

For the three months ended		March 31, 2016		March 31, 2015
(Earnings) loss before tax at statutory rate of 26% (2015 – 26%)	$	(2,156)	$	11,047
Effect on taxes of:				
Non-deductible expenses		(1,769)		(2,088)
Non-taxable revenue		3,724		978
Loss in tax exempt foreign jurisdiction		(493)		(3,214)
Change in unrecognized temporary differences		(3,598)		(2,009)
Other differences		(455)		(1,027)
Income tax (expense) recovery	**$**	**(4,747)**	**$**	**3,687**

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

As at		March 31, 2016		December 31, 2015
Deferred income tax assets				
Loss carry forwards	$	71,213	$	76,969
Capital and other assets		2,750		2,755
Non-deductible reserves		850		850
Accrued liabilities		4,408		4,247
Other		17,206		17,311
Total deferred income tax assets		96,427		102,132
Deferred income tax liabilities				
Investments including equity accounted investments		(52,742)		(51,931)
Other		(26,113)		(28,104)
Total deferred income tax liabilities		(78,855)		(80,035)
Net deferred income tax assets	**$**	**17,572**	**$**	**22,097**

A deferred income tax asset is only recognized when management believes it is more likely than not that the benefit will be recognized, which management considers will occur with appreciation in the value of its investments.

At March 31, 2016, the Corporation had operating loss carry forwards of $585,681,000 (December 31, 2015 – $588,054,000). Operating loss carry forwards by year of expiry are summarized below:

Year of Expiry:		Recognized		Unrecognized		Total
2024 and subsequent years	$	268,730	$	298,668	$	567,398
Non-Canadian		-		18,283		18,283
	$	**268,730**	**$**	**316,951**	**$**	**585,681**

29. NET LOSS PER SHARE

For the three months ended		March 31, 2016		March 31, 2015
Net loss attributable to owners of the parent	$	(6,068)	$	(27,026)
Less: Dividends on Preference Shares, series 2		(1,237)		(1,237)
Dividends on Preference Shares, series 3		(495)		(538)
	$	(7,800)	$	(28,801)
Weighted average number of shares outstanding during the period		58,647,583		57,468,999
Basic and diluted loss per share	$	(0.13)	$	(0.50)

30. SUPPLEMENTAL CASH FLOW INFORMATION

Items Not Affecting Cash and Other Adjustments

For the three months ended		March 31, 2016		March 31, 2015
Depreciation and depletion	$	6,937	$	8,222
Net (gain) loss from investments		(51,112)		15,525
Share of loss (earnings) from equity accounted investments		114		(2,237)
Fair value changes in livestock		(27)		(4,095)
Deferred income taxes		5,961		(4,802)
Stock based compensation		1,401		(1,002)
Other		10,558		(1,024)
	$	**(26,168)**	**$**	**10,587**

Changes in Non-Cash Working Capital Items

For the three months ended		March 31, 2016		March 31, 2015
Accounts receivable	$	(3,349)	$	3,914
Accounts payable and accrued liabilities		28,892		8,326
Current income tax amounts		(6,444)		(10,116)
Brokerage securities owned and sold short, net		(29,441)		(5,458)
Client accounts receivable, net of client deposits and related liabilities		34,422		(62,545)
Agricultural inventory		7,661		10,135
	$	**31,741**	**$**	**(55,744)**

31. 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.

	Carrying Value as at March 31, 2016	Fair Value as at March 31, 2016 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	$ 324,358	$ 324,358	$ -	$ -
Private investments	120,099	-	-	120,099
Mutual funds and other short-term investments	67	67	-	-
Debt securities	40,513	10,453	-	30,060
Warrants and options	43	-	-	43
Brokerage securities owned				
Bonds (i)	11,164	-	11,164	-
Equities (i)	45,426	41,428	3,998	-
Other	2,571	-	2,571	-
Derivative financial assets	486	-	486	-
Financial Liabilities				
Brokerage securities sold short (i)	(9,639)	(870)	(8,769)	-
Livestock	36,005	-	36,005	-
Disclosure of Fair Value				
Publicly traded equity accounted investments	113	170	-	-
Preference Shares, series 5	98,398	91,246	-	-

(i) Includes assets and liabilities held for sale (note 6).

A summary of changes in the fair value of level 3 financial assets during the three months ended March 31, 2016, is as follows:

	Private Investments	Debt Securities	Warrants and Options	Total
At December 31, 2015	$ 124,108	$ 32,571	$ 91	$ 156,770
For the three months ended March 31, 2016				
Transfer to level 1	-	(1,000)	-	(1,000)
Changes in market values	(4,009)	1,258	(48)	(2,799)
Other transactions	-	(2,769)	-	(2,769)
At March 31, 2016	**$ 120,099**	**$ 30,060**	**$ 43**	**$ 150,202**

Reasonably possible changes in the value of unobservable inputs for any of these individual investments would not significantly change the fair value of investments classified as level 3 in the fair value hierarchy.

Other than as described above, there have been no other transfers between the fair value hierarchy levels during the three months ended March 31, 2016.

A detailed description of the Corporation's financial assets and financial liabilities and its associated risk management in respect thereof are provided in note 32 to the 2015 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 valuation of financial assets and financial liabilities since December 31, 2015.

32. 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, 2016 and December 31, 2015.

As at	March 31, 2016	December 31, 2015
Shareholders' equity	$ 1,040,507	$ 1,055,033
Corporate debt	174,402	175,123
Preference Shares, series 4	-	106,915
Preference Shares, series 5	98,398	-
	$ 1,313,307	**$ 1,337,071**

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, 2016 and December 31, 2015, these subsidiaries complied with all regulatory capital requirements. Certain of the Corporation's other subsidiaries, including those in the early stages of development, may have significant liquidity risk without the continued financial support of Dundee Corporation.

33. COMMITMENTS, CONTINGENCIES AND OFF-BALANCE SHEET ARRANGEMENTS

A description of the Corporation's commitments, contingencies and off-balance sheet arrangements is provided in note 34 to the Corporation's 2015 Audited Consolidated Financial Statements.

Legal Contingencies

The Corporation is a defendant in various 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.

34. RELATED PARTY TRANSACTIONS

There have been no significant changes in the nature and scope of related party transactions to those described in note 35 to the Corporation's 2015 Audited Consolidated Financial Statements.

35. 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
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
Dundee Energy Limited	58%-owned publicly listed subsidiary in the oil and gas industry with operations in southern Ontario
United Hydrocarbon International Corp.	33%-owned private subsidiary engaged in oil and gas exploration, development and production activities in the Republic of Chad
Dundee Sustainable Technologies Inc.	66%-owned publicly listed subsidiary developing patented sustainable precious and base metals extraction processes
Eurogas International Inc.	53%-owned publicly listed subsidiary engaged in oil and gas exploration
Blue Goose Capital Corp.	88%-owned private subsidiary operating in organic and natural protein production markets
AgriMarine Holdings Inc.	100%-owned private aquaculture company focused on fish farming and sustainable aquaculture technologies
Dundee 360 Real Estate Corporation	100%-owned private subsidiary engaged in development and management of international hotel, resort, residential and commercial real estate projects

Segmented Operations for the Three Months Ended March 31, 2016

	Revenues	Cost of Sales	Other Amounts in Earnings (Loss)	Net Earnings (Loss)
Corporate and other portfolio holdings	$ 539	$ -	$ 33,935	$ 34,474
Asset management and capital markets				
Goodman & Company, Investment Counsel Inc.	658	-	(1,502)	(844)
Dundee Securities Ltd.	20,112	(8,926)	(14,750)	(3,564)
Resource industry				
Dundee Energy Limited	2,770	(2,707)	(4,245)	(4,182)
United Hydrocarbon International Corp.	-	-	(3,883)	(3,883)
Dundee Sustainable Technologies Inc.	-	-	(1,516)	(1,516)
Eurogas International Inc.	-	-	(184)	(184)
Agriculture industry				
Blue Goose Capital Corp.	15,690	(18,969)	(2,020)	(5,299)
AgriMarine Holdings Inc.	1,582	(2,352)	(1,505)	(2,275)
Real Estate industry				
Dundee 360 Real Estate Corporation	19,759	(13,618)	(10,733)	(4,592)
Intersegment	(108)	-	108	-
	$ 61,002	$ (46,572)	$ (6,295)	8,135
Income taxes				(4,747)
Non-controlling interest				(9,456)
NET LOSS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				**$ (6,068)**

Segmented Operations for the Three Months Ended March 31, 2015

	Revenues	Cost of Sales	Other Amounts in Loss	Net Loss
Corporate and other portfolio holdings	$ 4,672	$ -	$ (18,008)	$ (13,336)
Asset management and capital markets				
Goodman & Company, Investment Counsel Inc.	522	-	(1,279)	(757)
Dundee Securities Ltd.	25,349	(11,973)	(17,817)	(4,441)
Resource industry				
Dundee Energy Limited	6,869	(3,482)	(5,060)	(1,673)
United Hydrocarbon International Corp.	(222)	-	(13,675)	(13,897)
Dundee Sustainable Technologies Inc.	-	-	(1,606)	(1,606)
Eurogas International Inc.	-	-	(206)	(206)
Agriculture industry				
Blue Goose Capital Corp.	15,357	(19,901)	653	(3,891)
AgriMarine Holdings Inc.	1,632	(1,826)	(1,303)	(1,497)
Real Estate industry				
Dundee 360 Real Estate Corporation	19,953	(10,590)	(9,746)	(383)
Intersegment	(43)	-	43	-
	$ 74,089	$ (47,772)	$ (68,004)	(41,687)
Income taxes				3,687
Non-controlling interest				10,974
NET LOSS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				**$ (27,026)**

Segmented Net Assets as at March 31, 2016

	ASSETS						LIABILITIES			
	Cash	Investments	Deferred Income Taxes	Other Assets	Assets held for Sale	Total	Corporate Debt	Other Liabilities	Liabilities held for Sale	Total
Corporate and other portfolio holdings	$ 25,741	$ 653,036	$ 9,983	$ 40,886	$ -	$ 729,646	$ (74,486)	$ (127,436)	$ -	$ (201,922)
Asset management and capital markets										
Goodman & Company, Investment Counsel Inc.	40	-	-	1,166	-	1,206	-	(281)	-	(281)
Dundee Securities Ltd.	186,660	-	8	358,736	446,196	991,600	-	(449,244)	(437,396)	(886,640)
Resource industry										
Dundee Energy Limited	214	-	12,180	161,537	-	173,931	(58,762)	(64,732)	-	(123,494)
United Hydrocarbon International Corp.	1,174	-	-	233,014	-	234,188	-	(15,424)	-	(15,424)
Dundee Sustainable Technologies Inc.	573	-	-	7,475	-	8,048	-	(2,301)	-	(2,301)
Eurogas International Inc.	21	-	-	295	-	316	-	(174)	-	(174)
Agriculture industry										
Blue Goose Capital Corp.	1,993	-	(1,418)	114,993	-	115,568	(40,424)	(5,045)	-	(45,469)
AgriMarine Holdings Inc.	1,433	-	(183)	23,008	-	24,258	-	(3,507)	-	(3,507)
Real Estate industry										
Dundee 360 Real Estate Corporation	4,410	-	(2,998)	96,083	-	97,495	(730)	(32,424)	-	(33,154)
Total	**$ 222,259**	**$ 653,036**	**$ 17,572**	**$ 1,037,193**	**$ 446,196**	**$ 2,376,256**	**$ (174,402)**	**$ (700,568)**	**$ (437,396)**	**$ (1,312,366)**

Segmented Net Assets as at December 31, 2015

	ASSETS						LIABILITIES			
	Cash	Investments	Deferred Income Taxes	Other Assets	Assets held for Sale	Total	Corporate Debt	Other Liabilities	Liabilities held for Sale	Total
Corporate and other portfolio holdings	$ 49,190	$ 611,300	$ 17,127	$ 35,508	$ -	$ 713,125	$ (73,639)	$ (128,846)	$ -	$ (202,485)
Asset management and capital markets										
Goodman & Company, Investment Counsel Inc.	1,273	-	-	406	-	1,679	-	(259)	-	(259)
Dundee Securities Ltd.	149,733	-	-	295,677	405,039	850,449	-	(345,162)	(396,239)	(741,401)
Resource industry										
Dundee Energy Limited	86	-	11,121	161,992	-	173,199	(58,802)	(61,071)	-	(119,873)
United Hydrocarbon International Corp.	2,716	-	-	250,318	-	253,034	-	(16,600)	-	(16,600)
Dundee Sustainable Technologies Inc.	1,679	-	-	7,508	-	9,187	-	(1,985)	-	(1,985)
Eurogas International Inc.	26	-	-	295	-	321	-	(100)	-	(100)
Agriculture industry										
Blue Goose Capital Corp.	992	-	(2,361)	121,146	-	119,777	(41,936)	(5,475)	-	(47,411)
AgriMarine Holdings Inc.	731	-	(183)	24,685	-	25,233	-	(2,772)	-	(2,772)
Real Estate industry										
Dundee 360 Real Estate Corporation	5,475	-	(3,607)	93,162	-	95,030	(746)	(26,255)	-	(27,001)
Total	**$ 211,901**	**$ 611,300**	**$ 22,097**	**$ 990,697**	**$ 405,039**	**$ 2,241,034**	**$ (175,123)**	**$ (588,525)**	**$ (396,239)**	**$ (1,159,887)**

Head Office
Dundee Corporation
1 Adelaide Street East, Suite 2100
Toronto, Ontario
M5C 2V9
Canada

Registrar and Transfer Agent
Computershare Investor Services Inc.
100 University Avenue, 8th Floor
Toronto, Ontario M5J 2Y1
Toll Free: 1.800.564.6253
Email: service@computershare.com

Stock Exchange
Toronto Stock Exchange

Stock Symbol
DC.A

www.dundeecorporation.com