MANAGEMENT'S DISCUSSION AND ANALYSIS

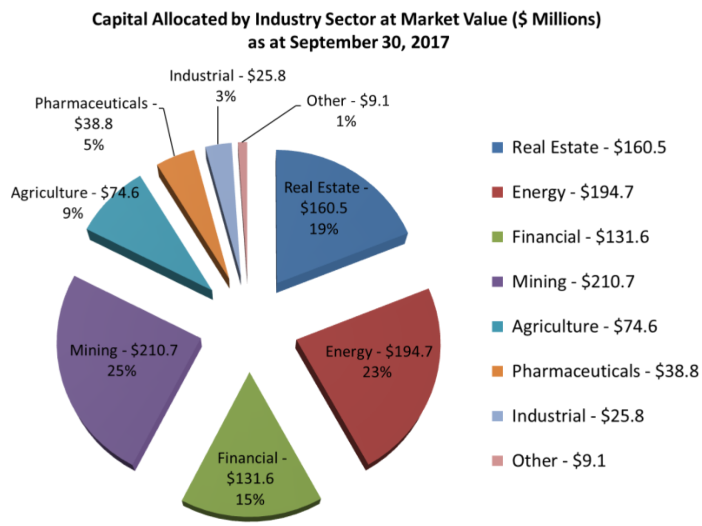
SEPTEMBER 30, 2017

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 energy, resources, agriculture, real estate and infrastructure, and corporate finance. 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 November 14, 2017 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, 2016 (the "2016 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 and nine months ended September 30, 2017 (the "September 2017 Interim Consolidated Financial Statements") 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



CAUTIONARY NOTE ON DETERMINATION OF MARKET VALUE OF INVESTMENTS

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:

(i) operating subsidiaries; and
(ii) equity accounted investments that are not publicly traded.

For purposes of the above chart, the "market value" of the Corporation's capital allocated to non-public operating subsidiaries and non-public equity accounted investments is equal to their underlying carrying value (see *"Understanding the Allocation of Dundee Corporation's Capital"*).

UNDERSTANDING THE ALLOCATION OF DUNDEE CORPORATION'S CAPITAL

		September 30, 2017		December 31, 2016	
		Carrying Value	Market Value*	Carrying Value	Market Value*
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.	$ 308,448	$ 318,396	$ 388,647	$ 376,068
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.	163,289	163,687	151,183	151,207
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.	363,759	363,759	433,574	433,574
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.	(20,521)	(22,170)	(108,981)	(111,500)
	SHAREHOLDERS' EQUITY	**$ 814,975**	**$ 823,672**	**$ 864,423**	**$ 849,349**
	Less: Shareholders' equity attributable to holders of:				
	Preference Shares, series 2	(84,053)	(86,985)	(84,053)	(86,985)
	Preference Shares, series 3	(43,015)	(43,015)	(43,015)	(43,015)
	SHAREHOLDERS' EQUITY ATTRIBUTABLE TO CLASS A SUBORDINATE SHARES AND CLASS B SHARES OF THE CORPORATION	**$ 687,907**	**$ 693,672**	**$ 737,355**	**$ 719,349**
	Number of Class A Subordinate Shares and Class B Shares of the Corporation outstanding				
	Class A Subordinate Shares		55,698,847		55,621,546
	Class B Shares		3,114,804		3,114,936
			58,813,651		58,736,482
	SHAREHOLDERS' EQUITY ON A PER SHARE BASIS**	**$ 11.70**	**$ 11.79**	**$ 12.55**	**$ 12.25**

* *See "Dundee Corporation's Capital Allocated by Industry Sector – Cautionary Note on Determination of Market Value of Investments".*

** *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 IAS 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 on a discretionary basis and in respect of which these subsidiaries earn management fee revenue and, in certain cases, performance fee revenue. AUM are not included in the Corporation's consolidated statements of financial position.

- **"Barrel of Oil Equivalent"** or "boe" is calculated at a barrel of oil conversion ratio of six thousand cubic feet ("Mcf") of natural gas to one barrel ("bbl") of oil (6 Mcf to 1 bbl), based on an energy equivalency conversion method which is primarily applicable at the burner tip and does not always represent a value equivalency at the wellhead.

- **"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.

- **“FVTPL”** means fair value through profit or loss. Certain of the Corporation’s investments in equity and debt securities have been designated as investments at FVTPL. Changes in the fair value of investments designated as investments at FVTPL are reported in net earnings or loss.

- **“Fair Value” or “Market 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

Nine months ended September 30, 2017 compared with nine months ended September 30, 2016

Consolidated Net Earnings

During the nine months ended September 30, 2017, the Corporation generated net earnings attributable to owners of Dundee Corporation of $15.3 million, or earnings of $0.17 per share. Earnings in the period were impacted by certain significant events that are not expected to be recurring, many of which transpired during the third quarter of 2017.

- The Corporation's Parq Resort project, a Vancouver-based urban entertainment and leisure resort development project, opened for business on September 29, 2017, with all gaming activities and seven of the eight restaurants and lounges operational on opening night. Subsequent to quarter end, both the Douglas and JW Marriott hotels began accepting reservations. Meeting and convention facilities at both hotels are expected to be fully operational during the fourth quarter of 2017.

- On September 22, 2017, the Corporation's 85% owned subsidiary, United Hydrocarbon International Corp. ("UHIC"), completed a transaction whereby it sold its interest in United Hydrocarbon Chad Ltd. ("UHCL") to Delonex Energy Limited, a Sub-Saharan oil and gas company focused on exploration, development and production. UHCL is the holder of the production sharing contract ("PSC") pursuant to which UHIC had indirectly carried out its exploration activities in the Republic of Chad (see "*Segmented Results of Operations – United Hydrocarbon International Inc. – Recent Developments*"). The operations of UHCL were denominated in US currency. Included in the Corporation's net earnings are foreign currency gains of $64.4 million related to this transaction.

- On August 16, 2017, and in response to a demand payment from its lender, a subsidiary of Dundee Energy Limited ("Dundee Energy") commenced insolvency proceedings by filing a Notice of Intention to Make a Proposal ("NOI") pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) in order for it to run a court-supervised sale solicitation process (see *"Segmented Results of Operations – Dundee Energy Limited – Recent Developments Concerning Demand Revolving Credit Facility"*). In light of restricted financial resources, Dundee Energy reassessed the carrying value of its undeveloped resource properties, impairing them by $18.9 million, and reducing their carried value to $nil.

  Dundee Energy further considered the appropriateness of continuing to give recognition to its deferred income tax assets, including deferred income tax assets relating to the benefit of loss carry forwards. Dundee Energy determined that the likelihood of recognizing these benefits did not meet the accounting criteria of "more-likely-than-not" and accordingly, it impaired these tax assets by $18.8 million.

  The Corporation holds a 58% interest in Dundee Energy. The lender to Dundee Energy's subsidiary does not have recourse to Dundee Corporation in respect of any amounts outstanding.

- As part of its acquisition of Tender Choice Foods Inc. ("Tender Choice") in October 2016, a subsidiary of Blue Goose Capital Corp. ("Blue Goose") committed to pay additional contingent consideration of up to $35.0 million if the operations of Tender Choice exceeded certain thresholds in each of the calendar years ending December 31, 2017 and 2018. In accordance with accounting requirements, this contingent consideration was recorded as a liability at its initial fair value, determined by applying probability metrics to expected earnings before interest, depreciation and income taxes from Tender Choice. The liability was, in part, offset by goodwill in respect of the transaction. During the nine months ended September 30, 2017, Blue Goose reconsidered the probability metrics associated with the fair value of the contingent consideration, reducing the liability by $15.0 million to $3.1 million, with a corresponding fair value gain in net earnings. Concurrently, Blue Goose impaired the associated goodwill by $23.6 million (see *"Segmented Results of Operations – Blue Goose Capital Corp. – Results of Operations"*). On a combined basis, these transactions resulted in a net loss of $8.6 million, or $6.4 million after tax.

In comparison, losses attributable to owners of the Corporation were $35.2 million, or $0.69 per share during the same period of the prior year. Prior year results included a $23.4 million impairment against certain assets of Dundee 360 Real Estate Corporation ("Dundee 360"), including assets related to certain terminated contracts.

The following table summarizes the Corporation's net operating earnings or loss on a per segment basis, including net operating earnings or loss related to the non-recurring items identified above.

For the nine months ended September 30,	2017	2016
Net earnings (loss) before income taxes from:		
Goodman & Company, Investment Counsel Inc.	$ (4,897)	$ (8,494)
Dundee Securities Ltd.	(5,076)	(2,825)
Dundee Energy Limited		
Impairment of undeveloped resource properties	(18,929)	-
Other	(2,891)	(17,309)
United Hydrocarbon International Corp.		
Realized foreign currency translation gain	64,436	-
Other	(20,999)	(9,653)
Dundee Sustainable Technologies Inc.	(2,643)	(3,394)
Eurogas International Inc.	(457)	(483)
Blue Goose Capital Corp.		
Impairment of goodwill	(23,638)	-
Change in fair value of contingent consideration	15,042	-
Other	(8,196)	(18,358)
AgriMarine Holdings Inc.	(3,570)	(4,807)
Dundee 360 Real Estate Corporation	235	(35,079)
	(11,583)	(100,402)
Adjusted for the corporate and other portfolio holdings segment:		
Changes in the market value of investments:		
Dundee Precious Metals Inc.	14,552	69,785
DREAM Unlimited Corp.	2,175	(865)
Other portfolio investments	31,239	42,356
Share of earnings (loss) from equity accounted investments	4,815	(2,663)
Other items in the corporate and other portfolio holdings segment	(9,147)	(31,658)
Income tax (expense) recovery		
Dundee Energy Limited	(18,762)	-
Blue Goose Capital Corp.	2,149	-
Other	(12,521)	(10,745)
Net earnings (loss) for the period	**$ 2,917**	**$ (34,192)**
Net earnings (loss) attributable to:		
Owners of the parent	$ 15,298	$ (35,160)
Non-controlling interest	(12,381)	968
	$ 2,917	**$ (34,192)**

Operating results during the first nine months of 2017 include market appreciation from certain of the Corporation's investments that are carried in the consolidated financial statements at FVTPL. Included as part of the "Corporate and other portfolio holdings" segment, these investments resulted in the recognition of a gain from investments of $48.0 million during the nine months ended September 30, 2017, compared with a gain of $111.3 million recognized during the same period of the prior year. 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 always necessarily reflect the underlying value of certain assets.

A number of the Corporation's investments, including its investment in the Parq Resort, 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 nine months of 2017, the Corporation recognized earnings from its equity accounted investments of $4.8 million, compared with a loss of $2.7 million in the same period of the prior year.

Highlights of other period-over-period comparable results are described below and are further discussed under "*Segmented Results of Operations*".

- Goodman & Company, Investment Counsel Inc. grew its AUM to $192.9 million at September 30, 2017, compared with $173.8 million at December 31, 2016. Early in 2017, it successfully launched *CMP 2017 Resource Limited Partnership*, a tax-sheltered limited partnership that raised capital of $31.3 million, and it further grew its private client assets by $4.7 million. Pre-tax operating losses in this division decreased to $4.9 million during the first nine months of 2017, compared with pre-tax operating losses of $8.5 million in the first nine months of 2016, reflecting, in part, cost rationalization as the business strategy of this entity is further streamlined.
- Following the sale of its retail division in April 2016, and the subsequent transfer of ownership of its capital markets division in December 2016, Dundee Securities Ltd., and its sister company, Dundee Securities Europe Limited, continue to operate and provide services for a limited number of retail clients, and they continue to invest in proprietary trading inventory. During the first nine months of 2017, Dundee Securities Ltd. incurred a pre-tax operating loss of $5.1 million, compared with a pre-tax operating loss of $2.8 million incurred during the first nine months of the prior year.
- Higher realized prices for the sale of oil and natural gas improved results for Dundee Energy, which saw pre-tax operating losses, adjusted for impairments, reduced to $2.9 million in the first three quarters of 2017. Pre-tax losses during the first nine months of the prior year included an impairment loss of $5.0 million associated with certain natural gas properties.
- UHIC incurred pre-tax operating losses, adjusted for foreign exchange gains on completion of the transaction with Delonex, of $21.0 million in the first three quarters of 2017, compared with pre-tax operating losses of $9.7 million incurred in the same period of the prior year. Included in pre-tax operating losses during the current period are $12.4 million of costs directly attributable to the sale of UHCL.
- Dundee Sustainable Technologies Inc. incurred a pre-tax operating loss of $2.6 million during the nine months ended September 30, 2017, compared with a pre-tax operating loss of $3.4 million incurred in the first nine months of 2016. Dundee Sustainable Technologies Inc. continues to expand the provision of technical services in the mining industry to evaluate processing alternatives using its state of the art metallurgy plant and skilled technical team.
- After adjusting for impairment in goodwill, net of fair value gains on contingent consideration related to the acquisition of Tender Choice, Blue Goose incurred pre-tax losses of $8.2 million during the first nine months of 2017, compared with pre-tax losses of $18.4 million incurred during the first nine months of the prior year. Because of the significant transactions completed by Blue Goose in the latter part of 2016, including the acquisition of Tender Choice and the disposition of its feed business, Blue Goose's operating results in the first nine months of 2016 are not directly comparable to results generated during the current period.
- AgriMarine Holdings Inc. continues to rationalize its cost structure with the goal of achieving profitability for its fish farming operation and sourcing third-party revenue for its technology division, while it continues to validate the scientific and commercial viability of its closed-containment tank technology. During the nine months ended September 30, 2017, AgriMarine Holdings Inc. reported pre-tax operating losses of $3.6 million, compared with pre-tax operating losses of $4.8 million incurred in the same period of the prior year.
- During the first three quarters of 2017, Dundee 360 generated pre-tax earnings of $0.2 million, including $1.0 million of earnings from its 45% interest in the Edenarc 1800 project in Savoie, France, which saw the completion and delivery of a further phase of this real estate development project. This compares with pre-tax losses of $35.1 million incurred during the same period of 2016, including a $23.4 million restructuring cost following the termination of certain contracts.

OPERATING SUBSIDIARIES AS AT SEPTEMBER 30, 2017

	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 September 30, 2017	Market Value (note 5) as at September 30, 2017
Subsidiaries That Are Not Publicly Listed								
United Hydrocarbon International Corp.				85%	$ 197,718	$ (30,100)	$ 167,618	$ 167,618
Blue Goose Capital Corp.				90%	62,238	(4,624)	57,614	57,614
Dundee Securities Ltd. (note 3)				100%	29,901	-	29,901	29,901
Dundee 360 Real Estate Corporation				100%	26,698	(525)	26,173	26,173
AgriMarine Holdings Inc.				100%	16,343	-	16,343	16,343
Goodman & Company, Investment Counsel Inc.				100%	2,889	-	2,889	2,889
Subsidiaries That Are Publicly Listed								
Dundee Sustainable Technologies Inc.	DST	228,068.5	$0.04	66%	2,181	4,110	6,291	10,263
Dundee Energy Limited	DEN	108,993.5	$0.01	58%	(4,035)	3,467	(568)	545
Eurogas International Inc.	EI	16,646.8	$0.01	54%	(324)	2,511	2,187	83
Amounts due from non-controlling interests (note 4)							-	6,967
TOTAL – OPERATING SUBSIDIARIES							**$ 308,448**	**$ 318,396**

1. *See note 34 "Segmented Information" to the September 2017 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 22 "Non-Controlling Interest" to the September 2017 Interim Consolidated Financial Statements for information regarding the carrying value of non-controlling interest in each subsidiary.*
3. *Includes "Dundee Securities Europe Limited", a sister company to 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 September 2017 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.*
5. *See "Dundee Corporation's Capital Allocated by Industry Sector – Cautionary Note on Determination of Market Value of Investments".*

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 34 to the September 2017 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 a wholly-owned subsidiary of Dundee Global Investment Management Inc. ("DGIM") which, in turn, is a wholly-owned subsidiary of Dundee Corporation. Information about GCIC may be accessed at www.goodmanandcompany.com.

During 2016, the Corporation restated its segmented information, resulting in the reclassification of costs incurred directly by DGIM to the segment designated as "Goodman & Company, Investment Counsel Inc." Previously, these costs were considered part of the "Corporate and other portfolio holdings" segment. The impact of this restatement includes general and administrative costs of $6.3 million incurred by DGIM during the first nine months of 2016.

GCIC and DGIM are the entities through which the Corporation intends to build out its Investment Counsel/Portfolio Management ("ICPM") platform, targeting and servicing the unique needs of the high-net worth and ultra-high-net worth markets. Once implemented, the Corporation intends to provide a full suite of complementary wealth and lifestyle services including business succession planning, group pension and health benefits programs, property and casualty insurance products, real estate services, estate and tax planning and other services designed to meet the sophisticated and wide ranging needs of its clients.

The Corporation believes that the acquisition of an established ICPM platform may provide the strategic impetus to the build out of its wealth management strategy and it continues to review opportunities as they arise.

Assets Under Management at September 30, 2017

For the period ended September 30, 2017		Three Months		Nine Months
AUM at beginning of the period	$	199,615	$	173,756
Transactions for the period ended September 30, 2017				
Additions		4,066		42,927
Redemptions		(5,347)		(24,838)
Change in market values		(2,899)		(3,683)
Change in private client assets		(2,556)		4,717
Net change in managed assets		(6,736)		19,123
AUM at end of the period	$	192,879	$	192,879

AUM Breakdown		
Private clients	$	97,022
Tax sheltered investment products		43,931
Mutual funds		18,476
Alternative investment products		33,450
	$	192,879

AUM designated as "Private clients" AUM include $20.9 million of assets invested in the Corporation's alternative investment products. In the above table, these same assets are also designated as "Alternative investment products".

In addition to the successful launch of its most recent tax-sheltered limited partnership, *CMP 2017 Resource Limited Partnership*, which raised approximately $31.3 million in the first quarter of 2017, AUM under managed account arrangements for private clients grew by approximately $4.7 million during the nine months ended September 30, 2017. GCIC's own series of investment products geared towards its high-net worth base, *Goodman & Co. Partners Strategy* and *Goodman & Co. Core Equity Strategy*, collectively raised a further $6.8 million, net of redemptions.

Redemptions during the first nine months of 2017 were $24.8 million, the majority of which relate to redemptions in *Dundee Global Resource Class* following the rollover of the Corporation's 2015 tax-sheltered investment vehicle, *CMP 2015 Resource Limited Partnership* to *Dundee Global Resource Class*, a mutual fund. At the sole discretion of investors, certain redemptions from *Dundee Global Resource Class* were undertaken in order to generate proceeds for reinvestment into *CMP 2017 Resource Limited Partnership*.

The relative under-performance of precious metals stocks observed in the second quarter of 2017 persisted into the third quarter. Further contributing to market value declines were the premiums paid to acquire flow-through shares of resource stocks held by *CMP 2017 Resource Limited Partnership*. As a result, market depreciation during the nine months ended September 30, 2017 was $3.7 million, including market depreciation of $2.9 million incurred during the third quarter of the current year.

At September 30, 2017, AUM increased by a net amount of $19.1 million to $192.9 million, compared with AUM of $173.8 million at December 31, 2016.

RESULTS OF OPERATIONS

As illustrated in the following table, GCIC incurred a net loss before income taxes attributable to owners of Dundee Corporation of $4.9 million in the first nine months of 2017, compared with a pre-tax loss of $8.5 million incurred in the same period of the prior year.

For the nine months ended September 30,		2017		2016
Revenues				
Management and performance fees	$	1,654	$	1,829
Financial services		2		3
Interest, dividends and other		269		255
		1,925		2,087
Other items in net loss before tax				
General and administrative		(6,862)		(10,577)
Depreciation		(7)		(3)
Net gain from investments		54		-
Interest expense		(7)		(1)
Net loss before taxes, Goodman & Company, Investment Counsel Inc.	**$**	**(4,897)**	**$**	**(8,494)**
Net loss before taxes, Goodman & Company, Investment Counsel Inc., attributable to:				
Owners of Dundee Corporation	$	(4,897)	$	(8,494)
Non-controlling interest		-		-
Net loss before taxes, Goodman & Company, Investment Counsel Inc.	**$**	**(4,897)**	**$**	**(8,494)**

Management fee revenues were $1.7 million in the first nine months of 2017, a decline from management fee revenues of $1.8 million earned in the same period of the prior year, which included $55,000 of performance fee revenue, as well as $0.2 million in management fees from *Goodman Gold Trust* which was terminated in June 2016.

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 nine months ended September 30, 2017 was $197.6 million, compared with average AUM of $166.1 million during the same period of the prior year. Despite higher average AUM, management fee revenues were impacted by the management fee rate charged on AUM. During the first nine months of 2017, the average management fee rate on AUM was 1.12%, compared with an average management fee rate of 1.43% earned in the same period of the prior year. The decrease 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.

General and administrative expenses were $6.9 million in the first nine months of 2017, compared with $10.6 million in the same period of the prior year and reflect, in part, cost rationalization as GCIC further streamlines its business strategy.

DUNDEE SECURITIES LTD.

Dundee Securities Ltd., a wholly-owned subsidiary of Dundee Corporation, 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 Dundee Securities Europe Limited, a company authorized by the Financial Conduct Authority in the United Kingdom for the purposes of security brokering and asset management (collectively "Dundee Securities"). Additional information about the operations of Dundee Securities and its various business divisions may be accessed at either www.dundeegoodman.com or www.dundeesecurities.com.

Divestitures

Dundee Securities' business activities had historically been conducted through two operating divisions; (i) the capital markets division, which had been branded under the name "Dundee Capital Markets", and (ii) the retail division, which had been branded under the name "Dundee Goodman Private Wealth".

In April 2016, Dundee Securities completed the sale of substantially all of the assets of Dundee Goodman Private Wealth to Echelon Wealth Partners Inc. ("Echelon"). The transaction with Echelon resulted in the transfer of approximately $3.5 billion of investible client assets. In addition, and in order to accommodate the integration process with Echelon, Dundee Goodman Private Wealth transferred a significant part of its underlying operating infrastructure and staff resources associated with this division. Dundee Securities continues to operate a business for a limited number of retail clients with a retail advisor team, and continues to invest in a proprietary trading inventory. In connection with the completion of the Echelon transaction, and in order to facilitate the transition of client accounts, Dundee Securities has agreed to provide Echelon with certain back-office activities on a cost-recovery basis. The provision of these services concluded during the third quarter of 2017.

In December 2016, Dundee Securities completed a transaction that resulted in the sale of the assets and liabilities related to its capital markets division to Eight Capital, a partnership formed by a consortium of individuals that were previously key employees of Dundee Securities' capital markets division. The Corporation provided $17.5 million of capital, in the form of a subordinated loan, to match the level of capital provided by key employees as equity holders. The subordinated loan bears an annual interest rate of 10%. In January 2017, $2.5 million of the subordinated loan was repaid.

In connection with the sale of the capital markets division, during the second quarter of 2017, Dundee Securities received the necessary regulatory approvals for the further sale of its wholly-owned subsidiary, Dundee Securities Inc., to Eight Capital. Dundee Securities Inc. is a registered broker-dealer with the United States Securities and Exchange Commission in select states and is also a member of the Financial Industry Regulatory Authority. The sale transaction was completed on May 26, 2017. Dundee Securities received cash of approximately $1.3 million on the transaction.

Notwithstanding the divestitures described above, Dundee Securities continues to be a member of IIROC and as such, it is subject to minimum regulatory capital requirements to operate its residual business which currently includes a small residual retail business consisting of two key advisors and their incidental staff, a portfolio of marketable securities, and its business conducted through Dundee Securities Europe Limited.

RESULTS OF OPERATIONS

For the nine months ended September 30,	2017	2016
Revenues		
Management fees	$ -	$ 3,464
Financial services		
Investment banking	4,898	18,800
Commissions	2,505	21,372
Principal trading	(1,366)	(1,356)
Foreign exchange trading	-	177
Interest, dividends and other	1,440	4,035
	7,477	46,492
Cost of sales		
Variable compensation	(2,367)	(21,218)
Other items in net loss before taxes		
Depreciation	(966)	(753)
General and administrative	(9,280)	(26,988)
Interest expense	(36)	(143)
Foreign exchange gain (loss)	96	(215)
Net loss before taxes attributable to Dundee Securities	**$ (5,076)**	**$ (2,825)**
Net loss before taxes, Dundee Securities attributable to:		
Owners of Dundee Corporation	$ (5,076)	$ (2,825)
Non-controlling interest	-	-
Net loss before taxes, Dundee Securities	**$ (5,076)**	**$ (2,825)**

Revenues

Consistent with the sale of essentially all of its retail and capital markets businesses, during the first nine months of 2017, Dundee Securities' revenues decreased to $7.5 million, compared with revenues of $46.5 million generated in the same period of the prior year. Revenues in the first nine months of 2017 include residual new issue and advisory mandates of $4.9 million that had been initiated prior to the sale of Dundee Securities' capital markets division. These revenues are not subject to any variable compensation amounts.

As previously indicated, Dundee Securities continues to operate a small business for a limited number of retail clients with a retail advisor team, and it continues to invest in a proprietary trading inventory. During the first nine months of 2017, Dundee Securities generated commission revenues of $2.5 million, and it incurred principal trading losses of $1.4 million related to continued capital markets positions, which Dundee Securities expects to monetize in the short term.

Variable Compensation Expense

Variable compensation expense incurred during the first nine months of 2017 was $2.4 million, and represented approximately 61% of related financial services revenue, resulting in contribution margins of 39%. Lower contribution margins in the current period reflect the timing of compensation amounts paid in advance of associated revenues that have not yet been recognized in income. The Corporation anticipates that, over time, its contribution margins will average approximately 55%.

General and Administrative Expenses

Dundee Securities incurred general and administrative expenses of $9.3 million in the first nine months of 2017, compared with $27.0 million in the same period of the prior year, reflecting the reduction in business activities, offset by certain termination costs including severance and other compensation related expenses, as well as write-downs related to redundant leaseholds.

As part of its sale to Echelon, Dundee Securities was subject to contingent proceeds that were dependent on the retention of AUA by Echelon over a 12-month period from completion of the sale. In April 2017, Dundee Securities received a payment of $3.0 million in settlement of the contingent proceeds. As required by accounting standards, the amount of the contingent proceeds prior to receipt were revalued to their fair value. Accordingly, included in general and administrative expenses is a recovery of $0.3 million, representing the change in value of the contingent proceeds since December 31, 2016.

CHANGES IN FINANCIAL CONDITION

Assets and Liabilities at September 30, 2017

The following table illustrates the residual net assets of Dundee Securities at September 30, 2017 and following its divestiture of each of the retail division, the capital markets division and Dundee Securities Inc.

As at		September 30, 2017		December 31, 2016
Cash	$	15,368	$	55,387
Accounts receivable		4,996		12,541
Client accounts receivable		5,196		5,162
Brokerage securities owned		10,226		11,843
Income taxes receivable		281		484
Capital and other assets		3,171		4,134
Accounts payable and accrued liabilities		(5,082)		(16,530)
Client deposits and related liabilities		(4,255)		(26,673)
Brokerage securities sold short		-		(1)
	$	29,901	$	46,347

The net assets of Dundee Securities are after the distribution of $72.5 million of cash to the Corporation, including $12.0 million of cash distributed during the current year. As a regulated entity and member of IIROC, the ability of Dundee Securities to transfer cash resources may be limited by its requirement to comply with regulatory capital requirements. During the fourth quarter of 2016, Dundee Securities changed its introducing/carrying agreement with Fidelity Clearing Canada from a Type 4 to a Type 2 Agreement. Dundee Securities will continue to evaluate its required capital levels, with the intention of realizing on some of its existing assets to enable the further release of capital to the Corporation.

Call Loan Facilities

At September 30, 2017, Dundee Securities had established an uncommitted call loan facility for up to $5.0 million (December 31, 2016 – $50.0 million). There were no amounts drawn pursuant to this facility at September 30, 2017.

DUNDEE ENERGY LIMITED

Dundee Energy is a Canadian company focused on creating long-term value through the development and acquisition of high-impact energy projects. Its principal operating assets are located in and around Lake Erie in southern Ontario, Canada and consist of an approximate 93% working interest in 35,000 gross acres of onshore oil and gas properties and an approximate 98% working interest in 268,000 gross acres of offshore gas properties. These assets currently produce 2,167 boe/d, of which approximately 79% is natural gas production. At September 30, 2017, the Corporation held a 58% interest in Dundee Energy. On September 11, 2017, following a delisting review conducted by the TSX, the common shares of Dundee Energy were delisted from the TSX. Prior to September 11, 2017, Dundee Energy's common shares traded on the TSX under the symbol "DEN". Additional information about Dundee Energy may be accessed at www.dundee-energy.com.

Recent Developments Concerning Demand Revolving Credit Facility

Dundee Energy's southern Ontario operations are conducted through a wholly-owned subsidiary, Dundee Energy Limited Partnership ("DELP"). DELP has established a credit facility pursuant to which it is subject to certain covenants, including maintenance of minimum levels of working capital. At September 30, 2017, DELP was in compliance with all such covenants. As discussed in further detail under *"Results of Operations"*, DELP continues to generate positive cash flows from its assets in southern Ontario, and it continues to remain in compliance with the financial covenant requirements of the credit agreement. However, low commodity prices have, in the view of DELP's lender, eroded the value of DELP's assets in southern Ontario, and therefore eroded the lender's underlying secured interest in such assets.

As a consequence, on January 31, 2017, DELP and Dundee Energy entered into a forbearance agreement with the lender to DELP pursuant to which, and provided that certain conditions were met, DELP's lender had agreed to forbear from exercising its enforcement rights and remedies under the terms of the credit facility until the earlier of May 15, 2017; the occurrence of an event of default under the terms of the credit facility; or the occurrence of a default or breach of representation under the forbearance agreement.

The forbearance agreement provided a definitive timeline within which DELP and Dundee Energy were required to complete a strategic review process for DELP, the purpose of which was to identify, examine and consider a range of strategic alternatives available to DELP which may have included a debt restructuring, a sale of all or a material portion of the assets of DELP, or an outright sale of DELP. Independent financial advisors were retained by DELP and Dundee Energy for advice in connection with this comprehensive review and analysis. Under the terms of the forbearance agreement, DELP had committed to enter into a binding agreement under a strategic arrangement, which binding agreement was to be satisfactory to its lender, by April 7, 2017.

The lender did not provide its consent to any of the proposals made by DELP and Dundee Energy and the forbearance agreement expired on May 15, 2017, without resolution. On July 21, 2017, DELP and Dundee Energy received notice from DELP's lender, demanding repayment of amounts borrowed pursuant to the credit facility by July 31, 2017, which DELP and Dundee Energy were not able to meet. On August 16, 2017, DELP commenced insolvency proceedings by filing a Notice of Intention to Make a Proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) in order for DELP to run a court-supervised sale solicitation process ("SSP"), with the goal of identifying proposals to purchase some or all of the business, properties or assets of DELP. DELP and the lender have entered into a revised forbearance agreement and the lender is supporting DELP in the reorganization proceedings. DELP has obtained an order from the Ontario Superior Court of Justice approving the terms of the SSP.

Dundee Energy has assigned a limited recourse guarantee of its units in DELP as security pursuant to the credit facility. The lending arrangements provided to DELP are otherwise non-recourse to the Corporation.

The material uncertainty caused by the events described above casts significant doubt upon Dundee Energy's ability to continue as a going concern, and the ultimate appropriateness of using accounting principles applicable to a going concern. As further described below, other than an assessment of DELP's ability to continue to develop its exploration and evaluation properties and of the appropriateness of recognizing the benefit of Dundee Energy's deferred income tax assets, the September 2017 Interim Consolidated Financial Statements have consolidated the operations of Dundee Energy using accounting principles applicable to a going concern and do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should Dundee Energy be unable to continue as a going concern. If Dundee Energy is not able to continue as a going concern, the Corporation may be required to reassess the carrying value of its assets in light of circumstances that could result in the realization of Dundee Energy's assets and the discharge of its liabilities in other than the normal course of business and at amounts different from those reflected in the September 2017 Interim Consolidated Financial Statements. These differences could be material and could result in a material loss to the Corporation.

RESULTS OF OPERATIONS

During the first nine months of 2017, Dundee Energy incurred a net loss before income taxes of $5.0 million attributable to the owners of Dundee Corporation, compared with a net loss before income taxes of $11.6 million attributable to owners of Dundee Corporation incurred during the same period of the prior year.

Certain of Dundee Energy's oil and gas properties were designated as exploration and evaluation properties, the exploitation of which would require financial resources substantially in excess of those currently available to Dundee Energy. Accordingly, in the third quarter of 2017, and following the most recent round of negotiations with its lender, Dundee Energy determined that it was appropriate to provide an $18.9 million provision against the carried value of these assets, reducing their carried value to $nil.

For the nine months ended September 30,		2017		2016
Revenues				
Oil and gas sales	$	17,175	$	14,377
Interest and dividends		157		(1,794)
		17,332		12,583
Cost of sales				
Production expenditures		(8,280)		(9,937)
Other items in net loss before taxes				
Depreciation and depletion		(25,246)		(11,831)
General and administrative		(2,664)		(4,132)
Gain (loss) on derivative financial instruments		1,233		(605)
Interest expense		(3,893)		(3,266)
Foreign exchange loss		(302)		(121)
Net loss before taxes, Dundee Energy Limited	**$**	**(21,820)**	**$**	**(17,309)**
Net loss before taxes, Dundee Energy Limited attributable to:				
Owners of Dundee Corporation	$	(5,041)	$	(11,562)
Non-controlling interest		(16,779)		(5,747)
Net loss before taxes, Dundee Energy Limited	**$**	**(21,820)**	**$**	**(17,309)**

Dundee Energy also assessed the appropriateness of continuing to recognize the benefit of its deferred income tax assets, and it identified that the probability of utilizing its deferred income tax assets no longer met the criteria of "more-likely-than-not". As a result, during the third quarter, Dundee Energy recognized an income tax expense amount of $18.8 million, drawing its deferred income tax asset balance to $nil.

Sales and Production Volumes

During the first nine months of 2017, sales of oil and natural gas, net of royalty interests, were $17.2 million, an increase of $2.8 million when compared with net sales of $14.4 million earned during the same period of the prior year. Higher realized prices for underlying commodities increased aggregate net sales by $3.9 million, partially offset by lower production volumes, the effect of which was to reduce net sales by $1.1 million.

During the nine months ended September 30, 2017, Dundee Energy realized an average price on sales of natural gas of $4.42/Mcf, approximately 34% higher than the realized average sales price of $3.31/Mcf earned in the same period of the prior year. While the increase corresponds to increases in commodity markets, Dundee Energy's realized prices for natural gas continue to benefit from its proximity to the Dawn Hub, as it is a provider of natural gas supply to the greater Toronto market area.

Dundee Energy realized an average price on sales of crude oil of $63.00/bbl, a 24% increase from the average price of $50.88/bbl realized during the same period of the prior year and modestly higher than a 19% increase in the US dollar-denominated West Texas Intermediate price for this commodity and a 21% increase in the Canadian dollar-denominated price of Canadian light sweet crude oil.

Average daily volume during the nine months ended September 30,	2017	2016
Natural gas (Mcf/d)	10,280	11,026
Oil (bbls/d)	453	493
Liquids (bbls/d)	1	2
Total (boe/d)	2,167	2,333

Average daily natural gas production volumes decreased to an average of 2,167 boe/d, compared with an average of 2,333 boe/d produced in the same period of 2016. Reductions in production volume reflect the expected natural depletion of Dundee Energy's resources. Due primarily to financial constraints, Dundee Energy has limited its capital works and development initiatives, which has temporarily curtailed the potential for further exploitation of its producing properties.

Field Level Cash Flows and Field Netbacks

For the nine months ended September 30,			2017			2016
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
Total sales	$ 12,393	$ 7,797	$ 20,190	$ 10,007	$ 6,881	$ 16,888
Royalties	(1,842)	(1,173)	(3,015)	(1,490)	(1,021)	(2,511)
Production expenditures	(5,448)	(2,832)	(8,280)	(6,541)	(3,396)	(9,937)
	5,103	3,792	8,895	1,976	2,464	4,440
Realized (loss) gain on derivative financial instruments	(839)	-	(839)	473	-	473
Field level cash flows	**$ 4,264**	**$ 3,792**	**$ 8,056**	**$ 2,449**	**$ 2,464**	**$ 4,913**

For the nine months ended September 30,			2017			2016
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
	$/Mcf	$/bbl	$/boe	$/Mcf	$/bbl	$/boe
Total sales	$ 4.42	$ 62.92	$ 34.12	$ 3.31	$ 50.72	$ 26.42
Royalties	(0.66)	(9.46)	(5.10)	(0.49)	(7.53)	(3.93)
Production expenditures	(1.94)	(22.85)	(13.99)	(2.17)	(25.03)	(15.55)
	1.82	30.61	15.03	0.65	18.16	6.94
Realized (loss) gain on derivative financial instruments	(0.30)	-	(1.42)	0.16	-	0.74
Field netbacks	**$ 1.52**	**$ 30.61**	**$ 13.61**	**$ 0.81**	**$ 18.16**	**$ 7.68**

At September 30, 2017, Dundee Energy had a single derivative financial instrument for 5,000 million British thermal units ("mmbtu") per day at US$2.70/mmbtu for the period from October 1, 2017 to January 1, 2018, and with a negative value of $0.2 million.

Contract Fixed Price Swap	Volume	Pricing Point	Strike Price ($/unit)	Remaining Term	Fair Value as at September 30, 2017
Natural Gas	5,000 mmbtu/day	NYMEX	US$2.70	Oct 01/17 to Jan 01/18	$ (203)

CHANGES IN FINANCIAL CONDITION

Capital Expenditures

In response to low commodity prices for both crude oil and natural gas, and as a result of the impact these lower prices have had on Dundee Energy's ability to borrow pursuant to its existing lending arrangements, Dundee Energy continues to limit its 2017 capital work plan. During the first nine months of 2017, Dundee Energy incurred capital expenditures of $0.5 million, all of which related to maintaining its existing and essential land portfolio.

Demand Revolving Credit Facility

DELP's existing credit facility with a Canadian chartered bank is currently structured as a revolving demand loan, with a tiered interest rate schedule that varies based on DELP's net debt to cash flow ratio, as defined in the credit facility. Based on DELP's current ratios, draws on the credit facility bear interest at the bank's prime lending rate plus 3.5%. In addition, DELP is subject to a standby fee of 0.55% on unused amounts under the credit facility. At September 30, 2017, DELP had drawn $57.4 million against the credit facility.

Dundee Energy's access to cash and to its existing credit facility are sufficient to meet its immediate obligations, unless the lender to DELP exercises its right to restrict DELP's access to the revolving credit facility. Otherwise, Dundee Energy's current cash availability will not be sufficient for Dundee Energy to sustain its current operations. There can be no assurance that Dundee Energy will have access to alternative financial arrangements.

UNITED HYDROCARBON INTERNATIONAL CORP.

UHIC is a privately held Canadian junior exploration company that is focused on seeking opportunities internationally, both directly and indirectly, for the exploration, development and production of oil and natural gas. At September 30, 2017, the Corporation's carrying value of its 85% interest in UHIC was $167.6 million. Additional information regarding UHIC may be accessed at www.unitedhydrocarbon.com.

Recent Developments

Through its wholly-owned subsidiary, UHCL, UHIC has historically been engaged in exploring for oil and natural gas in the Republic of Chad under the terms of a May 2012 production sharing contract. The PSC provides UHCL 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.

Under the terms of the PSC, UHCL was awarded an exploration license with an initial term of five years expiring in June 2017, with a renewal right for a period of an additional three years. The three-year renewal right was exercised in the second quarter of 2017, and was recognized by the Government of Chad effective June 6, 2017. The renewal period, which will expire on June 6, 2020, required the relinquishment of 50% of the contract area, which was substantially all of the Largeau Block. Should there be a commercial discovery or discoveries, UHCL may apply for exploitation license(s) under the terms of the PSC. An exploitation license would have an initial term of 25 years, and may be renewed for an additional 10 years.

UHIC has been committed to finding ways to add value for its shareholders in a challenging environment for junior oil and gas companies. In that regard, during 2016, UHIC engaged GMP FirstEnergy LLP to seek financial or industry partners. In late January 2017, and with the approval of the special committee of its board of directors, UHIC entered into an exclusivity period with Delonex, which culminated in an agreement dated May 10, 2017, pursuant to which Delonex acquired all of the outstanding shares of UHCL and UHCL's underlying rights under the PSC, subject to certain royalty interests that were retained by UHIC. The transaction closed on September 22, 2017. Delonex is led by a management team with a proven track record in discovering, developing and operating onshore basins, and building and operating pipeline infrastructure. Currently active in Ethiopia, Kenya and Mozambique, the transaction is part of Delonex's strategy for expanding its portfolio in central and west Africa. Delonex is backed by a group of global investors with extensive oil and gas experience, led by global private equity firm Warburg Pincus and the International Finance Corporation (a part of the World Bank group).

Subject to certain amounts that were retained or otherwise held in escrow (see *"Accounting for the Transaction"*), UHIC received cash of US$35.0 million on closing of the transaction, adjusted for working capital shortfalls of US$2.2 million. UHIC is also entitled to receive additional contingent consideration upon Delonex achieving commercial production, including a US$20 million bonus for first oil at Doba Basin, and a further US$30 million for first oil at Block H. As part of the transaction, Delonex committed to a US$65 million comprehensive exploration program for the assets in Chad to be completed within a two-year period from closing of the transaction, and it committed to a further US$35 million investment in the Doba Basin should commerciality be achieved within three years from the closing of the transaction.

UHIC has retained a significant economic interest in the PSC through a 10% royalty on all of UHCL's cash flows generated from Doba production, and a 5% royalty on all of UHCL's cash flows from Block H production, payable as long as the average price of Brent crude oil is greater than US$45.00/bbl in any calendar quarter. UHCL's cash flows from commercial production are governed by the terms of the PSC and include (i) "Cost Oil" for the recoverability of all exploration, development and production expenditures, including exploration expenditures incurred by UHCL prior to closing of the transaction with Delonex (the "Recoverable Cost Amount"); and (ii) allocations of "Profit Oil". More specifically, pursuant to the terms of the PSC, UHCL's cash flows from the PSC in the Republic of Chad are determined in the following manner:

- The Republic of Chad will be entitled to a 14.25% royalty on oil produced;
- Remaining production revenue after payment of the 14.25% royalty ("Net Production Revenue") will be allocated as follows:
  - Cost Oil recovery, which is capped at 70% of monthly Net Production Revenue to a maximum of the Recoverable Cost Amount.
  - Profit Oil, which represents Net Production Revenue less the Cost Oil allocation.
  - Profit Oil will be shared with the Republic of Chad, with UHCL's share of Profit Oil consisting of:
    - 60% of Profit Oil for an "R Factor" of up to 2.25;
    - 50% of Profit Oil for an "R Factor" of between 2.25 and 3.00; and
    - 40% of Profit Oil for an "R Factor" of greater than 3.00.

    The "R Factor" will be determined each quarter and is equal to the ratio of (i) the cumulative value of UHCL's share of production from both Cost Oil and Profit Oil less cumulative production costs; to (ii) the cumulative exploration and development costs incurred by UHCL.

The Doba Basin Blocks are located in southern Chad, and include both the DOC Block and the DOD Block. The prior operator of these blocks made two discoveries, being Belanga and the M'Biku, both of which now form part of the PSC. Remaining discoveries were made by UHIC during its 2014 drilling program in the Doba Basin which included the drilling of 14 wells. These drilling activities resulted in six successful oil appraisal wells at Belanga and two new oil discoveries at Lara 1 and Lara East 1, both within 10 kilometres of Belanga. All of these discoveries are situated in close proximity to the Mondouli oil field currently being produced and operated by Exxon.

Block H is located in west-central Chad on the border with Niger, directly adjacent to the Agadem block currently held by China National Petroleum Corp. and Savannah Petroleum PLC. There are two known oil discoveries within Block H, being Kumia and Kanem. UHCL also holds an extensive seismic database that has been used by previous operators to identify more than 200 exploration leads on this block. Delonex has indicated that future exploration activities will include additional scientific work related to lead and prospect identification and modern 3D seismic acquisition and interpretation.

In January 2015, the governments of Chad and Niger announced the formation of the Niger Oil Transportation Corporation (NOTCO) which has proposed a pipeline route from Niger through Block H, enroute to joining the export pipeline in the Doba Basin, an arrangement which could prove profitable in the future. Other pipeline options will be considered if commercial oil volumes are discovered.

Accounting for the Transaction

The Corporation has accounted for the transaction with Delonex as a disposition by UHIC of its interest in UHCL and accordingly, it has derecognized UHCL's assets and liabilities at the consolidated carried value immediately prior to closing of the transaction. Non-cash consideration received in exchange for the disposition of UHCL, including UHIC's entitlement to a royalty interest, was recorded at its estimated fair value, determined using a risk adjusted discounted cash flow valuation model. The carrying value of the net assets sold, together with a summary of the consideration received and the resulting gain, are illustrated in the table below.

Carrying value of net assets sold:		
Cash		$ 3,204
Resource assets		213,441
Capital and other assets		191
Accounts payable, net of accounts receivable		(5,894)
Decommissioning liabilities		(3,114)
Foreign currency translation gain in accumulated other comprehensive income		(64,436)
		143,392
Proceeds received on disposition of net assets:		
Cash, net of escrowed amounts, holdbacks and working capital adjustments	US$20,312	24,921
Accounts receivable		
First production bonus at estimated fair value		30,673
Escrowed consideration	US$9,500	11,655
Holdback	US$3,000	3,681
Other expected working capital adjustments		774
Royalty interest at estimated fair value		136,124
		207,828
Gain on sale of net assets		**$ 64,436**

UHIC received cash consideration of US$20.3 million at closing, representing the upfront payment of US$35.0 million, less escrowed amounts and holdbacks of US$12.5 million, and net of a working capital shortfall of US$2.2 million.

At closing, US$9.5 million of cash consideration was placed in an escrow account, of which US$6.9 million will be released to UHIC on March 22, 2019, subject to any claims by Delonex for breaches against representations, warranties or covenants in the transaction agreement, or against any other indemnity provisions. Subject to certain conditions, the remaining US$2.6 million will be released at the earlier of first production or September 22, 2020.

In addition, UHIC and Delonex have entered into a further commercial contract in respect of a holdback of US$3.0 million, which is available to Delonex to fund any fees associated with a further extension of the current three-year term of the PSC. Upon the granting of such extension by the Republic of Chad, any amounts not used by Delonex to secure the extension will be returned to UHIC. Should an extension not be granted prior to June 5, 2020, the holdback will be forfeited by UHIC to Delonex.

The amounts held in escrow and the amount of the holdback have been included in the September 2017 Interim Consolidated Financial Statements as *"Accounts receivable"* at their full value as the Corporation believes that these amounts will be recovered in their normal course.

In accordance with IFRS, the Corporation was required to determine the fair value of other consideration received, including the contingent payment of up to US$50 million, and the potential royalty stream that would result upon achievement of first production. Fair value of these items was determined by applying probability metrics to a discounted cash flow model. At the date of closing, UHIC estimated the fair value of the US$50 million cash payment at $30.7 million, and it estimated the fair value of the future royalty stream at $136.1 million.

The operations of UHCL are denominated in US currency. Accordingly, upon the derecognition of UHCL's net assets, UHIC transferred $64.4 million of foreign exchange currency gain previously recorded as other comprehensive income to net earnings.

CHANGES IN FINANCIAL CONDITION

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. Existing cash resources are expected to cover UHIC's cash requirements as it transitions its knowledge of UHCL to Delonex.

UHIC's residual assets, including its royalty interest and its entitlement to a first oil production bonus, are based on contingent and prospective oil and gas resources that are to be explored and developed in the Republic of Chad by Delonex, the new operator of UHCL. There are a number of potential material uncertainties that, should they arise, would raise significant doubt as to UHIC's ability to recover its royalty interest and first oil bonus receivable carried value. These uncertainties include but are not limited to, the current economic and political conditions in Africa, the ongoing volatility of oil prices, the inherent risk in the oil and gas industry to finding commercial quantities of oil, and UHCL's ability to access key oil export infrastructure to export any oil or gas discoveries. There can be no assurance that UHCL will be successful in its endeavours.

RESULTS OF OPERATIONS

During the nine months ended September 30, 2017, UHIC reported net earnings before taxes of $43.4 million, including a foreign exchange gain of $64.4 million relating to the dispostion of UHCL, and the subsequent derecognition of UHCL's underlying net assets in the September 2017 Interim Consolidated Financial Statements.

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Revenues				
Interest, dividends and other	$ -	$ 1	$ -	$ (13)
	-	1	-	(13)
Other items in net earnings (loss) before taxes				
Depreciation	(130)	(399)	(662)	(1,344)
General and administrative	-	-		
Directly attributable to exploration activities	(1,470)	(1,115)	(4,164)	(3,732)
Head office and other ongoing costs	(938)	(1,617)	(3,880)	(5,558)
Costs incurred as a result of the sale of UHCL	(11,830)	-	(12,350)	-
Interest expense	(300)	983	(315)	975
Foreign exchange gain	64,795	5	64,808	19
Net earnings (loss) before taxes, United Hydrocarbon International Corp.	**$ 50,127**	**$ (2,142)**	**$ 43,437**	**$ (9,653)**
Net earnings (loss) before taxes, United Hydrocarbon International Corp. attributable to:				
Owners of Dundee Corporation	$ 41,724	$ (702)	$ 36,052	$ (20,284)
Non-controlling interest	8,403	(1,440)	7,385	10,631
Net earnings (loss) before taxes, United Hydrocarbon International Corp.	**$ 50,127**	**$ (2,142)**	**$ 43,437**	**$ (9,653)**

General and administrative costs incurred during the nine months ended September 30, 2017 were $20.4 million, compared with general and administrative costs of $9.3 million incurred during the same period of the prior year. General and administrative costs include $12.4 million of costs directly attributable to the sale of UHCL, including approximately $6.0 million in compensatory bonus payments, $1.3 million in professional fees (including investment banking fees), $1.8 million in accelerated stock based compensation and US$1.3 million of contract cancellations. Head office and other ongoing expenses continued to decrease as compared to 2016 as a result of UHIC management's cost saving initiatives to conserve cash.

DUNDEE SUSTAINABLE TECHNOLOGIES INC.

Dundee Sustainable Technologies Inc. ("Dundee Technologies") is engaged in the development and commercialization of environmentally-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, cost or environmental considerations.

Gold Chlorination

Dundee Technologies' most advanced proprietary process is associated with the extraction of precious metals using chlorination to provide a cyanide-free alternative for the exploitation of gold deposits. The primary benefits of this innovative technology are shorter processing times, inert and stable cyanide and mercury-free tailings, and a closed-loop operation that eliminates the need for costly tailings ponds, reducing the associated environmental footprint and eliminating the risk of damaging spills.

As at September 30, 2017, Dundee Technologies had expended $19.7 million towards the construction and operation of its demonstration plant, which serves as a demonstration platform for the chlorination process on an industrial scale and under continuous operating conditions.

Having completed the technical development of the technology at an industrial scale, Dundee Technologies will continue to work towards an implementation of its gold technology for deployment in markets around the world.

Arsenic Stabilization Technology

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 from materials considered too toxic to be exploited or stabilized using conventional mining methods. Dundee Technologies has completed the engineering of an onsite industrial scale demonstration plant to be delivered to a customer, and construction will commence in the fourth quarter of 2017, pending final negotiation of certain contractual terms. This plant will be financed by the customer and will provide proof of the arsenic technology in an industrial environment.

Arsenopyrite Process

In February 2017, Dundee Technologies entered into a contract with Radisson Mining Resources Inc. (TSXV: RDS) ("Radisson") to conduct a pilot scale program on samples from their gold project located in the Abitibi region of Quebec. Under the terms of this contract, Dundee Technologies received a five tonne sample of representative material. The results of the pilot scale metallurgical test program were released on September 15, 2017 and confirmed that complex refractory gold concentrates can undergo a pre-treatment to create an arsenic depleted mineral concentrate, and subsequently undergo gold and base metals extraction using Dundee Technologies' chlorination process, or be sold in the concentrate market. The test program was overseen by an independent consulting firm, and the necessary data was provided to Radisson to update their preliminary economic assessment.

Technical Services

During the third quarter of 2017, Dundee Technologies entered into a series of contracts with an estimated value of approximately $2.5 million. Under the terms of these contracts, Dundee Technologies will provide technical services in markets such as lithium, cobalt, nickel, magnesium, graphite and gold. Proceeds from these contracts will allow Dundee Technologies to partially offset developmental and operating costs related to its primary technologies.

Inherent in the commercialization of Dundee Technologies' processes is significant technology development risk, each of which may require significant additional development, testing and investment prior to final commercialization. There can be no assurance that such technologies will be successfully developed, or that output from any use of Dundee Technologies' processes could be produced at a commercial level at reasonable costs, or that such processes could be successfully marketed.

RESULTS OF OPERATIONS

During the nine months ended September 30, 2017, Dundee Technologies incurred a net loss before taxes of $1.5 million attributable to owners of Dundee Corporation, compared with a net loss before taxes attributable to owners of Dundee Corporation of $2.0 million in the same period of the prior year.

For the nine months ended September 30,		2017		2016
Revenues				
Technical services	$	1,555	$	1,165
Interest, dividends and other		63		-
		1,618		1,165
Cost of sales		(1,730)		(599)
Other items in net loss before taxes				
Depreciation and depletion		-		(1)
General and administrative		(2,158)		(3,739)
Interest expense		(369)		(233)
Foreign exchange (loss) gain		(4)		13
Net loss before taxes, Dundee Sustainable Technologies Inc.	**$**	**(2,643)**	**$**	**(3,394)**
Net loss before taxes, Dundee Sustainable Technologies Inc. attributable to:				
Owners of Dundee Corporation	$	(1,469)	$	(1,981)
Non-controlling interest		(1,174)		(1,413)
Net loss before taxes, Dundee Sustainable Technologies Inc.	**$**	**(2,643)**	**$**	**(3,394)**

During the nine months ended September 30, 2017, Dundee Technologies earned revenues of $1.6 million from the provision of technical services to customers in the mining industry to evaluate processing alternatives using its mineral processing equipment.

General and administrative expenses include research and development expenses in respect of Dundee Technologies' chlorination and arsenic stabilization processes. Included in general and administrative expenses during the nine months ended September 30, 2017, is $1.1 million (nine months ended September 30, 2016 – $3.0 million) of research and development costs. These costs relate primarily to the operation of the chlorination process demonstration plant in this period, as compared with the actual construction of the plant in the comparative period of the prior year.

CHANGES IN FINANCIAL POSITION

At September 30, 2017, Dundee Technologies had cash of $0.1 million, and it had obligations, other than obligations due to Dundee Corporation, of $5.7 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 favourable results, it will be able to secure the necessary financing through the issuance of debt or equity.

At September 30, 2017, the Corporation held 178.1 million subordinate voting shares and 50 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.

EUROGAS INTERNATIONAL INC.

Eurogas International Inc. ("Eurogas") (www.eurogasinternational.com), is a publicly traded (CSE:EI) oil and natural gas exploration company. Eurogas holds an approximate 5.625% royalty-like working interest in the Sfax offshore permit (the "Sfax Permit"), located in the shallow Mediterranean waters in the Gulf of Gabes, offshore Tunisia and southeast of the city of Sfax. The operator of the Sfax Permit is 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.

In August 2015, DNO received the necessary 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. On July 21, 2017, the Tunisian authorities approved a further one-year extension of the Sfax Permit to December 8, 2018. The extension is subject to certain conditions, including the replacement of a seismic commitment with the deepening of the well drilling obligation to the Reineche formation. DNO has advised Eurogas that it intends to drill a well on the Sfax Permit during the first part of 2018.

RESULTS OF OPERATIONS

During the first nine months of 2017, Eurogas incurred a loss before income taxes attributable to shareholders of Dundee Corporation of $0.2 million, slightly below a loss of $0.3 million attributable to shareholders of Dundee Corporation incurred during the first nine months of the prior year.

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Other items in net loss before taxes				
General and administrative	$ (82)	$ (89)	$ (338)	$ (336)
Interest expense	(55)	(52)	(152)	(150)
Foreign exchange gain (loss)	17	(2)	33	3
Net loss before taxes, Eurogas International Inc.	**$ (120)**	**$ (143)**	**$ (457)**	**$ (483)**
Net loss before taxes, Eurogas International Inc. attributable to:				
Owners of Dundee Corporation	$ (65)	$ (77)	$ (245)	$ (258)
Non-controlling interest	(55)	(66)	(212)	(225)
Net loss before taxes, Eurogas International Inc.	**$ (120)**	**$ (143)**	**$ (457)**	**$ (483)**

CHANGES IN FINANCIAL CONDITION

Dundee Corporation has provided Eurogas with a $5.0 million revolving term credit facility, pursuant to which Eurogas has agreed to pay interest at a rate per annum equal to the prime lending rate for loans as set out by a Canadian Schedule I Chartered Bank, plus 1.25%. Dundee Corporation may, at its discretion and subject to the necessary regulatory approvals, require Eurogas to convert all amounts outstanding, including any interest outstanding, into common shares of Eurogas, subject to a minimum conversion price of $0.05 per common share of Eurogas. At September 30, 2017, Eurogas had drawn $5.1 million against this facility, including a net amount of $217,000 advanced by Dundee Corporation during the first nine months of 2017. Although Eurogas has exceeded amounts available pursuant to these arrangements, Dundee Corporation has not demanded payment.

In addition, Eurogas has issued preference shares from treasury with a par value of $32.2 million. The preference shares are held by Dundee Energy, and are subject to demand by Dundee Energy at any time, together with yet unpaid dividends thereon amounting to $11.8 million at September 30, 2017.

Both the $5.0 million revolving term credit facility provided by Dundee Corporation to Eurogas, and the $32.2 million preference shares held by Dundee Energy, are eliminated as intersegment amounts in the September 2017 Interim Consolidated Financial Statements. However, as a result of these financial obligations, Eurogas had a negative working capital balance of $49.6 million at September 30, 2017. Eurogas' ability to meet its obligations is conditional on the discovery of economically recoverable reserves, obtaining exploitation concessions for any such economically recoverable reserves, its 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 will be successful in achieving these initiatives.

BLUE GOOSE CAPITAL CORP.

Blue Goose is a privately held Canadian company focused on the production, distribution and sale of organic, natural and conventional protein products, including beef, chicken, fish and turkey. Blue Goose continues to undergo significant strategic changes which are aimed at refocusing its core business and profitability. In late 2016, Blue Goose completed the acquisition of Tender Choice. The acquisition allows Blue Goose to expand its brand, and it provides additional revenue opportunities in the conventional protein market. Since the acquisition, Blue Goose has begun work to expand its operations and increase efficiencies as part of its vertical integration strategy. Subsequent to September 30, 2017, and in compliance with the requirements of the Canada Food Inspection Agency, activities at Tender Choice were temporarily suspended in order to facilitate required repairs and maintenance and other plant upgrades. Blue Goose expects that these activities will require approximately 30 days to complete.

In its ongoing initiatives to dispose of non-core assets, during the fourth quarter of 2016, Blue Goose divested its interest in the feed division, which it no longer considered core to its operating strategy.

Dundee Corporation continues to view its investment strategy in the agriculture sector as protection against inflation, with the added opportunity to benefit from a dynamic and rapidly growing organic and natural food sector. At September 30, 2017, the Corporation held a 90% interest in Blue Goose. Additional information about Blue Goose may be accessed at www.bluegoosepurefoods.com.

RESULTS OF OPERATIONS

During the first nine months of 2017, Blue Goose incurred a net loss attributable to the owners of Dundee Corporation of $15.2 million, compared with a net loss of $16.2 million incurred in the same period of the prior year. Because of the significant transactions completed by Blue Goose in the latter part of 2016, including the acquisition of Tender Choice and the disposition of its feed business, Blue Goose's operating results in the first nine months of 2016 are not directly comparable to results generated during the current period.

Since its acquisition in October 2016, Blue Goose reassessed the probability metrics related to the expected contingent consideration associated with the purchase of Tender Choice, reducing its carried value by $15.0 million to $3.1 million. Additionally, issues related to customer concentration risk have further impacted cash flow negatively. Therefore, Blue Goose reconsidered the value it had attributed to the associated goodwill, and determined that it was appropriate to recognize an impairment of $23.6 million, reducing goodwill to its estimated fair value of $nil. On a combined basis, these transactions have reduced earnings by $8.6 million, before associated taxes.

For the nine months ended September 30,		2017		2016
Revenues				
Sales	$	92,108	$	46,384
Interest and dividends		124		(1,772)
		92,232		44,612
Cost of sales		(93,435)		(53,479)
Other items in net loss before taxes				
Depreciation and depletion				
Depreciation		(4,924)		(2,150)
Impairment		(23,638)		-
General and administrative				
Marked-to-market adjustment on earnout liability		15,042		-
Other general and administrative		(5,797)		(5,703)
Fair value changes in livestock		8,381		(48)
Interest expense		(4,595)		(1,588)
Foreign exchange loss		(58)		(2)
Net loss before taxes, Blue Goose Capital Corp.	**$**	**(16,792)**	**$**	**(18,358)**
Net loss before taxes, Blue Goose Capital Corp. attributable to:				
Owners of Dundee Corporation	$	(15,203)	$	(16,195)
Non-controlling interest		(1,589)		(2,163)
Net loss before taxes, Blue Goose Capital Corp.	**$**	**(16,792)**	**$**	**(18,358)**

Contribution Margins

During the nine months ended September 30, 2017, Blue Goose generated a positive contribution margin of $7.1 million on total revenues of $92.1 million, compared with a negative contribution margin of $7.1 million on total revenues of $46.4 million in the same period of the prior year. The contribution margin, before adjusting for fair value changes, was $8.8 million in the first nine months of 2017, an improvement of $4.7 million over the $4.1 million of contribution margins in the same period of the prior year.

For the nine months ended September 30,						2017
	Beef	Fish	Chicken	Processor	Feed	Total
Revenue	$ 11,600	$ 2,607	$ 7,349	$ 70,552	$ -	$ 92,108
Cost of sales, period cost	(10,665)	(2,153)	(7,121)	(63,414)	-	(83,353)
	935	454	228	7,138	-	8,755
Fair value changes						
Fair value changes in livestock	6,423	1,958	-	-	-	8,381
Cost of sales, fair value harvested	(7,509)	(2,573)	-	-	-	(10,082)
	(1,086)	(615)	-	-	-	(1,701)
Margin	$ (151)	$ (161)	$ 228	$ 7,138	$ -	$ 7,054
Margin %	(0.8%)	(3.5%)	3.1%	10.1%	n/a	7.0%

For the nine months ended September 30,						2016
	Beef	Fish	Chicken	Processor	Feed	Total
Revenue	$ 11,987	$ 2,359	$ 9,448	$ -	$ 22,590	$ 46,384
Cost of sales, period cost	(9,977)	(1,805)	(9,340)	-	(21,192)	(42,314)
	2,010	554	108	-	1,398	4,070
Fair value changes						
Fair value changes in livestock	(983)	935	-	-	-	(48)
Cost of sales, fair value harvested	(8,776)	(2,389)	-	-	-	(11,165)
	(9,759)	(1,454)	-	-	-	(11,213)
Margin	$ (7,749)	$ (900)	$ 108	$ -	$ 1,398	$ (7,143)
Margin %	(70.4%)	(27.3%)	1.1%	n/a	6.2%	(15.4%)

During the nine months ended September 30, 2017, and reflective of higher livestock inventory and increased market prices for beef, Blue Goose recognized a fair value gain in livestock of $8.4 million, compared with a fair value loss in livestock of $0.1 million during the first nine months of the prior year. Due to growth of the herd, physical growth of biomass, and volatility in the market prices of these commodities, changes in the fair value of livestock is subject to significant variability from period to period, and will affect the operating performance of Blue Goose.

Revenue from sales of beef decreased by $0.4 million to $11.6 million during the first nine months of 2017, compared with revenue of $12.0 million generated in the same period of the prior year. The decrease is attributable to a lower volume of live animal sales. During the first nine months of 2017, market prices for beef increased and Blue Goose recognized a fair value gain of $6.4 million related to its cattle inventory, compared with a fair value loss of $1.0 million in the same period of the prior year. During the first nine months of 2017, period costs associated with the beef division were $10.7 million and included costs of feeding, labour and other farming related costs. This compares with period costs of $10.0 million in the same period of the prior year.

In late June 2017, several forest fires in northern British Columbia affected the cattle operations. Management continues to monitor the impact of the forest fires on its business and, to the extent available, will seek to mitigate any losses with government subsidies or grants.

Revenue from fish sales increased by $0.2 million to $2.6 million during the first nine months of 2017, compared with revenue of $2.4 million in the same period of the prior year, reflecting higher sales volumes. The period costs associated with the fish division for the first nine months of 2017 were $2.2 million, compared with period costs of $1.8 million in the same period of the prior year.

In the first nine months of 2017, revenue from the sale of chicken products in Blue Goose's legacy business was $7.3 million, compared with revenue of $9.4 million in the same period of the prior year. Blue Goose's legacy chicken division continues to experience supply limitations. The effect of lower sales volumes in the first nine months of 2017 was offset by higher margins.

During the first nine months of 2017, Tender Choice generated $70.6 million of revenues, and a contribution margin of $7.1 million. Blue Goose continues to work on the integration and profitability of the processor business through increased operating efficiencies, new business initiatives and further integration initiatives with its legacy chicken division.

The Fischer Feeds division was sold late in 2016. During the first nine months of 2016, it had generated sales of $22.6 million and a contribution margin of $1.4 million.

CHANGES IN FINANCIAL CONDITION

Changes in Livestock Carrying Values

	Cattle	Fish	Inventory and Supplies	Total
Carrying value, beginning of the period	$ 25,768	$ 2,482	$ 8,157	$ 36,407
Transactions during the nine months ended September 30, 2017				
Net additions	1,777	377	60,076	62,230
Herd growth - physical changes	4,861	1,917	-	6,778
Herd growth - price changes	1,562	41	-	1,603
Net of product processed	(7,509)	(2,573)	(54,219)	(64,301)
Carrying value, end of the period	$ 26,459	$ 2,244	$ 14,014	$ 42,717

Blue Goose increased the size of its organic cattle herd by 1,421 head or 10%, compared to the herd count as of December 31, 2016. The net increase was mainly attributable to the 5,535 calves born in the first nine months of 2017, offset by the animals sold during the same period. Blue Goose expects to continue growing the size of its organic cattle herd to support future sales growth.

	Cattle herd as at	
(number of animals)	September 30, 2017	December 31, 2016
Breeding cattle and bulls	6,973	6,137
Immature livestock and feeder cattle	8,151	7,566
	15,124	13,703

Blue Goose continues to expand and modernize its fish operations. In the first quarter of 2017, the fish division invested in another storm-safe hex cage to improve the efficiencies of its farming operations. This step, coupled with the realization of improved efficiencies in its farming operations and the continued investment in a hatchery program initiated in 2016, is expected to realize increased efficiencies and improve margins in the current year.

Corporate Debt in Blue Goose

Blue Goose and its subsidiaries have entered into several borrowing arrangements, pursuant to which Blue Goose has borrowed an aggregate of $91.8 million as at September 30, 2017. Other than as described in the amendments below, since December 31, 2016, there have been no significant changes to the terms of credit facilities and other debt instruments available to Blue Goose from those terms outlined in note 19 to the 2016 Audited Consolidated Financial Statements.

In prior years, Blue Goose had established a $14.8 million, 5.157% fixed term loan facility with a Canadian financial institution that matured on April 1, 2017. Amounts borrowed under this arrangement were renewed effective April 1, 2017 under amended terms that include variable interest at the prime lending rate for loans plus 1.80%, and a maturity of April 1, 2022.

Blue Goose had established a $7.5 million demand revolving credit facility with a Canadian Schedule 1 Chartered Bank. In May 2017, Blue Goose amended the facility, increasing the amount to $12.5 million. In connection with the amendment, the lender to Blue Goose provided a further $5.0 million demand non-revolving loan for the acquisition of farm properties and/or capital expenditures, and a $2.0 million equipment lease facility.

In connection with the purchase by Blue Goose of Tender Choice in the fourth quarter of 2016, a subsidiary of Blue Goose established a $67.5 million five-year senior secured credit facility with a Canadian Schedule II Chartered Bank. The credit facility includes a term component of $35.0 million, which was used to facilitate the acquisition of Tender Choice and a $7.5 million revolving component, which was reduced to $5.0 million in the second quarter of 2017, to finance working capital. The credit facility also includes additional components that may be drawn upon to fund a contingent payment of up to a further $35.0 million, should the operations of Tender Choice exceed certain thresholds in each of the calendar years ending December 31, 2017 and December 31, 2018. At September 30, 2017, amounts outstanding against these arrangements included $31.2 million under the $35.0 million term component and $2.0 million against the $5.0 million revolving component.

These arrangements are subject to the maintenance of certain financial covenants, including covenants related to the generation of earnings before interest, depreciation and taxes, calculated on a quarterly basis. Since 2016, and during the integration of the business of Tender Choice, Blue Goose has breached certain quarterly financial covenants required under the terms of the above referenced borrowing arrangements. Blue Goose remains in active discussions with its lender to obtain waivers to these breaches of financial covenants and to seek amendments to or remedies of the terms of the credit facility that will alleviate the events causing the breaches.

The lending institutions to Blue Goose do not have recourse to Dundee Corporation in respect of any of the amounts borrowed under Blue Goose's lending arrangements. However, should Blue Goose incur continued operating losses and negative cash flows, it will require the financial support of Dundee Corporation.

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: "*West Coast Fishculture (Lois Lake) Ltd.*" ("WCF") which owns and operates a Steelhead salmon fish farm in Powell River, British Columbia; a suite of patents pertaining to a closed-containment tank technology used to rear finfish; and "*AgriMarine Technologies Inc.*" ("ATI") an engineering company that continues to develop the proprietary aquaculture technologies, supports WCF's internal needs and provides engineering services to third-party fish farm operators. As at September 30, 2017, the Corporation held a 100% interest in AgriMarine. Additional information about AgriMarine may be accessed at www.agrimarine.com.

RESULTS OF OPERATIONS

During the nine months ended September 30, 2017, AgriMarine incurred pre-tax net losses attributable to owners of Dundee Corporation of $3.6 million, compared with pre-tax net losses attributable to owners of Dundee Corporation of $4.8 million in the same period of the prior year. The 2017 pre-tax loss includes the effects of abnormal fish mortalities of approximately $1 million in the third quarter of 2016, which was reflected in cost of sales in the current year.

For the nine months ended September 30,		2017		2016
Revenues				
Sales	$	7,553	$	7,825
Interest, dividends and other		25		(53)
		7,578		7,772
Cost of sales		(8,789)		(8,431)
Other items in net loss before taxes				
General and administrative		(2,350)		(3,175)
Fair value changes in livestock		-		(902)
Interest expense		(7)		(69)
Foreign exchange loss		(2)		(2)
Net loss before taxes, AgriMarine Holdings Inc.	**$**	**(3,570)**	**$**	**(4,807)**
Net loss before taxes, AgriMarine Holdings Inc. attributable to:				
Owners of Dundee Corporation	$	(3,570)	$	(4,807)
Non-controlling interest		-		-
Net loss before taxes, AgriMarine Holdings Inc.	**$**	**(3,570)**	**$**	**(4,807)**

Contribution Margins

During the nine months ended September 30, 2017, AgriMarine generated revenue of $7.6 million and a negative contribution margin of $1.2 million before fair value changes.

For the nine months ended September 30,		2017		2016
Revenues	$	7,553	$	7,825
Cost of sales		(8,789)		(8,753)
Contribution margin before fair value changes and other adjustments		(1,236)		(928)
Fair value changes in livestock		-		(902)
Other adjustments		-		322
	$	**(1,236)**	**$**	**(1,508)**

Harvesting and sales were deliberately and necessarily reduced in the second and third quarters of 2017 to permit biomass to recover to sustainable levels following heavy harvesting in the previous two quarters to address a maturation issue in the fish population. In addition to reduced revenues in the second and third quarters of 2017, heavy mortalities between July and October 2016 (valuation of fish mortalities in these four months was approximately $1.0 million), were reflected in the fish groups harvested and therefore cost of sales during this period. The effects of the 2016 mortalities have now all been reflected in cost of sales.

At WCF, the volume of fish harvested during the nine months ended September 30, 2017 was 1,009,000 kilograms, translating into 628,000 kilograms or 1,382,000 pounds of product sold, at an average selling price of $12.04 per kilogram ($5.47 per pound).

Prices were increased by 10% to 15% for most of WCF's customers effective June 1, 2017. Harvest increases during August were in line with expectations, however, September harvests were not at anticipated levels as demand dropped due to seasonal availability of wild fish. This is a short-term issue and it is anticipated that sales, and therefore harvest volumes, will reach projected levels by the end of October. In the meantime, new customers have been introduced from eastern Canada, increasing the overall demand for product.

In addition to supporting WCF operations and perfecting its technology, ATI continues to pursue opportunities to develop its customer base of third-party engineering services clients.

CHANGES IN FINANCIAL CONDITION

		Biological Assets		Inventory and Supplies		Total
Carrying value, beginning of the period	$	6,495	$	399	$	6,894
Transactions during the nine months ended September 30, 2017						
Net additions		6,843		(51)		6,792
Net of product processed		(7,862)		-		(7,862)
Carrying value, end of period	**$**	**5,476**	**$**	**348**	**$**	**5,824**

As at September 30, 2017, the carrying value of AgriMarine's biological assets was $5.5 million, compared to a carrying value of $6.5 million as at December 31, 2016.

During the nine months ended September 30, 2017, AgriMarine's cash flows from operations have been insufficient to meet its obligations and expand its business activities. Dundee Corporation provided funding of $1.0 million between June and September 2017 to support operations. At September 30, 2017, AgriMarine had cash of $71,000, and it had liabilities of $3.1 million excluding amounts due to Dundee Corporation.

AgriMarine's principal focus remains the achievement of sustainable profitability for its WCF farming operation. In this context, improving reliability and reducing the cost of oxygen supply to the farm's closed-containment tanks, reducing energy costs, and outsourcing certain processing costs are management's current priorities. Future increases in scale will also bring benefits from economies that would be achieved by spreading infrastructure and operating costs over a larger volume of fish. In the meantime, ATI is currently a cost centre as it continues to support WCF operations technically, and to prove the scientific and commercial viability of its closed-containment tank technology. This activity is of strategic importance for future expansion and international technology licensing and/or sales initiatives. ATI currently relies on WCF cash flows to fund its operations, as does AgriMarine, which fulfils certain management and administrative functions.

While operations have stabilized after the biomass maturation and mortality issues, and pricing and operating costs have, and continue to be addressed, including with planned cost-reducing capital expenditures, 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 is a seasoned real estate company that offers integrated management services in the development, marketing, sales and project administration of high-end single purpose and mixed-use, residential, hotel and recreational real estate assets. In addition to its real estate projects, Dundee 360 also holds the Canadian franchise license to operate Sotheby's International Realty Canada ("Sotheby's"). Combining a prestigious and internationally recognized real estate brand with local market knowledge and specialized marketing expertise, Sotheby's is the leading real estate sales and marketing company for some of Canada's most exceptional properties.

In 2016, Dundee 360 introduced new leadership and continues to make strategic decisions to shift its focus from the international market to the Canadian market to achieve greater alignment with the services provided by its affiliates, including Sotheby's and the Corporation's wealth management division, as the Corporation views real estate as an integral component of a well-defined wealth management strategy.

At September 30, 2017, 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 nine months ended September 30, 2017, Dundee 360 achieved net income attributable to the owners of Dundee Corporation of $0.2 million. Operating results include $1.0 million of equity income attributable to Dundee 360's 45% share interest in the Edenarc 1800 project in Savoie, France for the completion and delivery of Phase 2 of Les Monarques, and $0.4 million net earnings from real estate brokerage activities. These earnings were partially offset by losses of $1.2 million in project management activities.

In comparison, during the same period of the prior year, Dundee 360 incurred a net loss attributable to owners of Dundee Corporation of $35.0 million. On June 30, 2016, Dundee 360 executed a series of agreements pursuant to which Dundee 360 surrendered certain trademarks in exchange for a release of obligations associated with its hospitality services activities. Furthermore, during the first six months of the prior year, the development management contract previously awarded to Dundee 360 for the construction of a resort development project was cancelled. These transactions resulted in one-time restructuring costs of $23.4 million.

For the nine months ended September 30,	Real Estate Brokerage 2017	2016	Real Estate Project Management 2017	2016	Total 2017	2016
Revenues						
Gross commission income	$ 74,842	$ 63,145	$ -	$ -	$ 74,842	$ 63,145
Consulting and management fees	-	-	3,975	4,165	3,975	4,165
Sales and marketing fees	-	92	-	-	-	92
Other revenue	7,123	6,169	44	961	7,167	7,130
Interest, dividends and other	176	237	(51)	121	125	358
	82,141	69,643	3,968	5,247	86,109	74,890
Cost of sales	(67,795)	(57,060)	-	-	(67,795)	(57,060)
Other items in net earnings (loss) before taxes						
Depreciation and depletion	(769)	(762)	(1,063)	(25,199)	(1,832)	(25,961)
General and administrative	(13,101)	(12,623)	(4,063)	(14,344)	(17,164)	(26,967)
Share of income from real estate joint ventures	-	-	982	152	982	152
Finance expense	(58)	(66)	(7)	(67)	(65)	(133)
Net earnings (loss) before taxes, Dundee 360 Real Estate Corporation	**$ 418**	**$ (868)**	**$ (183)**	**$ (34,211)**	**$ 235**	**$ (35,079)**
Net earnings (loss) before taxes, Dundee 360 Real Estate Corporation attributable to:						
Owners of Dundee Corporation	$ 418	$ (868)	$ (171)	$ (34,096)	$ 247	$ (34,964)
Non-controlling interest	-	-	(12)	(115)	(12)	(115)
Net earnings (loss) before taxes, Dundee 360 Real Estate Corporation	**$ 418**	**$ (868)**	**$ (183)**	**$ (34,211)**	**$ 235**	**$ (35,079)**

Real Estate Brokerage Activities

Dundee 360 currently holds the exclusive right to the use of the "Sotheby's International Realty" name and related trademarks across Canada until 2029, with a unilateral right to extend its franchise agreement for an additional 25-year term. Franchise fees pursuant to this arrangement are 6% of gross commission income, with minimum annual payments of US$1.0 million. As part of its growth plan, Sotheby's remains focused on recruiting realtors with strong ethical and professional backgrounds who understand the benefit of the Sotheby's International Realty brand. These initiatives have resulted in a realtor base that averages, on an annual basis, between four to five times the sales volume of other realtors in Canada as reported by The Canadian Real Estate Association.

During the nine months ended September 30, 2017, Sotheby's sold over $3.8 billion worth of residential real estate, compared with $3.4 billion in the same period of the prior year. Aligned with strategic initiatives for growth, Sotheby's grew its year-to-date agent count by a net 46 new agents, bringing the total agent count across Canada to 472, compared to 428 in the same period of the prior year. Gross commission revenues for the listing, marketing and selling of real estate assets were $74.8 million. Commissions paid to associated brokers and agents in respect of this revenue stream were $67.8 million, providing Sotheby's with a contribution margin of $7.0 million or 9%. This compares with a contribution margin of $6.0 million or 10% in the prior year, representing a $1.0 million growth in contribution margin.

In addition to commission revenues, this division earned $7.1 million of other revenue from its network of brokers and agents for the provision of services, including marketing, administrative and support services. Other revenue also includes luxury premium awards earned for achieving certain gross commission income targets.

Real Estate Project Management Activities

During the nine months ended September 30, 2017, Dundee 360 earned revenues of $4.0 million from its real estate project management activities. This compares with $5.2 million of revenues generated in the same period of the prior year. Prior year revenues included $2.2 million in management fees earned from hospitality and asset management activities provided to the Enchantment Group prior to the divestment of this business in June 2016, and $1.0 million received upon the settlement of a lawsuit. Despite the loss of revenue from the Enchantment Group, current year revenues from project management activities increased by $2.0 million.

Consistent with downsizing of international operations to concentrate its focus on the Canadian market, year-to-date general and administrative expenses in Dundee 360's real estate project management division decreased to $4.1 million in the nine months ended September 30, 2017, compared with $14.3 million of expenses incurred during the same period of the prior year. Dundee

360 continues to implement strategies to minimize cost while rebuilding its strategy to achieve greater alignment with the services provided by its affiliates.

A more comprehensive description of each of Dundee 360's real estate development projects is provided on pages 36 and 37 of the MD&A accompanying the 2016 Audited Consolidated Financial Statements.

CHANGES IN FINANCIAL CONDITION

Real Estate Debt

During the nine months ended September 30, 2017, the Corporation advanced $1.5 million to Dundee 360 to supplement working capital requirements, including costs associated with restructuring activities. At September 30, 2017, Dundee 360 had cash and receivables of $9.4 million and its liabilities, other than amounts due to Dundee Corporation, were $8.1 million. Dundee 360 is currently implementing strategies to monetize various international real estate development interests, source new project opportunities and to create 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, and these investments 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 of each investment is increased or decreased in proportion to the Corporation's share of earnings or losses generated by the investee and to reflect the Corporation's share of the investee's other comprehensive income or loss.

Equity Accounted Investments at September 30, 2017

At September 30, 2017, the Corporation accounted for 10 of its investments using the equity method, including nine investments in private companies and one minor investment in a publicly listed company. These investments had an aggregate carrying value at September 30, 2017 of $163.3 million (December 31, 2016 – $151.2 million).

As at		September 30, 2017			December 31, 2016		
Trade Symbol	Investment	Ownership	Carrying Value	Market Value (i)	Ownership	Carrying Value	Market Value (i)
Publicly Listed Equity Accounted Investment							
ODX	Odyssey Resources Limited	31%	$ -	$ 398	31%	$ 33	$ 57
			-	398		33	57
Privately Held Equity Accounted Investments							
	Android Industries, LLC	20%	25,851	25,851	20%	25,905	25,905
	Cambridge Medical Funding Group II, LLC	50%	8,305	8,305	50%	8,572	8,572
	Cambridge Medical Capital Services LLC	50%	(505)	(505)	n/a	-	-
	Dundee Acquisition Ltd.	98%	(1,812)	(1,812)	98%	(3,891)	(3,891)
	Dundee Sarea Acquisition I Limited Partnership	33%	15,652	15,652	33%	13,707	13,707
	Dundee Sarea Limited Partnership	21%	59	59	25%	336	336
	Paragon Holdings (Smithe Street) ULC (ii)	50%	67,854	67,854	50%	57,450	57,450
	Union Group International Holdings Limited	40%	47,885	47,885	40%	49,071	49,071
	Escal UGS S.L. (iii)	33%	-	-	33%	-	-
			163,289	163,289		151,150	151,150
			$ 163,289	**$ 163,687**		**$ 151,183**	**$ 151,207**

(i) The amount designated as the "market value" of privately held equity accounted investees is equal to their carrying value in the September 2017 Interim Consolidated Financial Statements. The Corporation has not otherwise provided a valuation estimate of the market value of these investments. See "Dundee Corporation's Capital Allocated by Industry Sector – Cautionary Note on Determination of Market Value of 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 UGS S.L. giving Dundee Energy Limited an effective 25% interest and Dundee Corporation an effective 14% interest in Escal UGS S. L.

Continuity in the Corporation's Portfolio of Equity Accounted Investments

	For the three months ended September 30, 2017	For the nine months ended September 30, 2017
Carrying value of equity accounted investments, beginning of period	$ 158,262	$ 151,183
Transactions during the period ended September 30, 2017		
Cash invested in equity accounted investments	-	1,575
Share of earnings from equity accounted investments	6,722	4,815
Share of other comprehensive income (loss) from equity accounted investments	(1,695)	5,891
Other	-	(175)
Carrying value of equity accounted investments, end of period	**$ 163,289**	**$ 163,289**

Significant Developments in Equity Accounted Investments

A full description of the nature of business activities of each of the Corporation's equity accounted investments is provided on pages 37 through 46 of the MD&A accompanying the 2016 Audited Consolidated Financial Statements.

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.

Union Group's Investment in International Cannabis Corp (TSX: ICC.V)

In April 2016, Union Group acquired a 50% interest in ICC International Cannabis Corp. ("ICC") (www.intcannabiscorp.com), an Uruguay-based, fully-licensed producer and distributor of recreational cannabis and cannabinoid extracts (including cannabidiol (CBD) used for medicinal purposes). In November 2016, ICC announced the completion of a reverse take-over transaction and subsequent public listing of the shares of ICC on the TSX Venture Exchange. At September 30, 2017, Union Group owned 40 million common shares of ICC, representing approximately 36% of the issued and outstanding shares of ICC on a non-diluted basis, with a trading value of approximately $38.4 million. Union Group's holdings in ICC are currently subject to escrow arrangements under the rules of the TSX Venture Exchange.

In July 2017, the Uruguayan Ministry of Health officially approved, and ICC commenced sales of recreational cannabis through the registered pharmacy channel. ICC expects to produce approximately two tonnes of recreational cannabis in 2017.

In the third quarter, ICC announced that it had received regulatory approvals from the Uruguayan Ministry of Livestock, Agriculture and Fishery to sow, harvest and export CBD oils, CBD extracts and pure CBD crystals produced from imported hemp strains rich in CBD. ICC expects to plant over 400 acres of its first outdoor hemp crop and harvest approximately 160 tonnes this growing season, which runs from October 2017 to April 2018.

In June 2017, ICC completed its 21,528 square foot greenhouse complex that will allow ICC to test different cultivars' behavior throughout the entire year in order to increase the production cycle of medicinal cannabis and hemp plant extraction. ICC is currently constructing the first CBD extraction laboratory in South America using the supercritical fluid CO_2 extraction technique. The facility, which is being built in Uruguay's "Science Park Free Trade Zone", is equipped to process 50 tonnes of hemp flower into CBD extract annually and is expected to be completed in April 2018.

ICC continues to source and solidify global strategic partnerships for cannabidiol and CBD oil distribution, initially targeting markets in Canada, Mexico, South America and Europe.

In February 2017, ICC announced that it had entered into a memorandum of understanding with Emblem Corp. (TSXV: EMC), a licensed producer of medicinal cannabis pursuant to the Access to Cannabis for Medical Purposes Regulations overseen by Health Canada. The memorandum of understanding encompasses the presale of 10% of ICC's 2018 cannabidiol production to Emblem Corp. and establishes a cooperative framework for Emblem Corp. to assist ICC with the importation of cannabidiols into Canada and subsequently ensure distribution within Canada.

In April 2017, ICC announced that it had entered into an agreement with Avanti RX Analytics Inc. ("Avanti"), a licensed dealer under the *Controlled Drugs and Substances Act (Canada)* pursuant to which ICC will provide cannabidiol oil and cannabis extract oils, and other related products from its Uruguayan operations. Avanti has also agreed to act as a Health Canada Good Manufacturing Practices (GMP)-approved contract analytical lab in Canada for ICC. The activities contemplated by these arrangements are still subject to applicable regulatory approvals.

Subsequent to the quarter end, ICC announced that it had entered into a pre-sales agreement with Grupo Fénix (through Energia y Vida de Mexico S.A. de C.V.) for the sale of CBD oil under ICC's newly launched, proprietary line of CBD oil sold under the brand name 'BIDIOL'. Grupo Fénix is a large Mexican company that manages hundreds of pharmacies through their networks – Farmacias El Fénix and Farmacias del Dr. Ahorro. Pursuant to the agreement, until the end of 2018, ICC will export 10% of its 1.2 million 30 ml-bottle annual production of CBD oil to Grupo Fénix.

Early in the fourth quarter of 2017, ICC announced that it had entered into an agreement with a syndicate of underwriters to purchase, on a bought deal basis, 20 million units of the company at a price of $1.00 per unit for gross proceeds of $20 million. The offering which is expected to close in late November, includes an overallotment option that if exercised in full, will increase the gross proceeds to $23 million. Union Group's stake in ICC decreases to approximately 30% based on the initial offer terms and to approximately 29% if the overallotment option is exercised in full. The net proceeds of the offering will be used to increase the output capacity of the hemp extraction and processing lab and to bolster market expansion efforts.

Resource Investments

Union Group currently manages a portfolio of run-of-river hydropower assets in Peru at various stages of development. In May 2016, Union Group brought its first hydropower plant, Canchayllo, into operation at approximately 5.3 megawatts ("MW"). As part of its growth plan, Union Group completed the acquisition of Karpa, a hydro generation project of 20 MW of power, and with a 20-year power purchase agreement with the Peruvian government. The Karpa project is scheduled to become operational by June 2019.

Union Group also develops and operates oil and gas assets in the Andean States and Southern Cone regions of Latin America. Union Group has taken advantage of weak economic conditions in the oil and gas sector to expand its portfolio of assets with strategic acquisitions of exploration blocks in Bolivia, Paraguay and Peru.

Union Group holds mineral rights in Uruguay, with projects diversified across mineral types and maturity stages. Union Group also manages and invests in a diversified portfolio of prime real estate properties in Uruguay, including income generating, residential and coastline land properties; it holds an approximate 3% interest in Union Agriculture Group (www.uag.com.uy); and it continues to develop and operate infrastructure and logistics assets in Uruguay.

During the first nine months of 2017, Union Group reported losses, after amounts attributable to non-controlling interests, of US$5.7 million. The Corporation has recognized operating losses of $7.8 million in the nine months ended September 30, 2017, offset by comprehensive income of $6.6 million which partially reflects the translation of Union Group's financial statements from their underlying reporting currency to the Canadian dollar. In the same period of the prior year, the Corporation recognized losses of $2.2 million from its investment in Union Group. At September 30, 2017, the Corporation held a 40% interest in Union Group. The Corporation has not committed any further funds to Union Group, and it is not subject to any contingent obligations in respect of its investment.

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 (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 (the "Parq Resort"). The remaining 26.54% interest in Parq Holdings Limited Partnership ("Parq") is owned by PBC VUR Limited Partnership ("PBC"), a partnership managed by PBC Real Estate Advisors Inc., an asset management company engaged in pursuing, developing, acquiring, funding and managing various real estate assets including land, real property and mortgages on behalf of its institutional client base.

Central to the Parq Resort is *Parq Vancouver*, which opened its doors on September 29, 2017. Parq Vancouver houses the relocated Edgewater Casino, with 600 slot machines and 75 gaming tables. Located immediately adjacent to the B.C. Place Stadium in downtown Vancouver, Parq Resort also includes two Marriott-branded luxury hotels with 517 rooms, a 60,000 square foot conference centre, five restaurants, three lounges, a parking facility with 1,069 spaces and a specialized spa. Hotel bookings were initiated in October 2017, and are expected to be fully operational by year end.

Once it is fully operational, the Parq Resort project is expected to generate $75 million to $100 million of annual EBITDA over a ramp up period of about 12 months, with approximately 60% to 70% of EBITDA to be generated by casino activities, and with another 10% to 15% of EBITDA to come from hotel activities. The balance of EBITDA will be generated from food and beverage services, including the on-site restaurants, and from parking and other ancillary services provided by the resort. Much of the anticipated improved performance is expected to be driven by higher utilization rates of existing slot machines and gaming tables due to the anticipated increased customer traffic at the new premises.

In addition to its $54.8 million initial equity investment, during 2016, the Corporation invested $40.7 million in the Parq Resort, using a convertible preferred security designated as “Class C Preferred Units” that entitle the holders thereof to a preferential return of up to 17%, and provide terms for redemption and/or conversion at the holders’ option, and it invested $2.5 million into securities designated as “Class D Preferred Units”.

During the third quarter of 2017, the existing partners funded $10 million to the project, including $5.0 million funded directly by the Corporation in the form of “Class E Preferred Units” which have similar characteristics to the Class C Preferred Units and Class D Preferred Units described above. In addition to the equity contributions by the owners, the current lenders to the project provided further financing of upwards of $28.0 million. In order to meet final construction obligations, and in order to provide sufficient working capital required during the initial ramp up of operations of the project, additional funding of $30 million for the Parq Resort is anticipated.

The Class C, Class D and Class E Preferred Units described above have been designated for accounting purposes as financial instruments at FVTPL (see “*Other Portfolio Investments*”). On a fully converted basis, the Corporation holds a 41.0% interest in the Parq Resort, while Paragon Gaming Inc. owns a 30.6% fully converted interest, and PBC owns a 28.4% fully converted interest.

During the nine months ended September 30, 2017, the Parq Resort generated net income of $28.3 million (nine months ended September 30, 2016 – $9.4 million).

(in millions of dollars)

Source of revenue and other items in net earnings or loss for the nine months ended September 30,	2017	Amounts attributable to Dundee Corporation	2016	Amounts attributable to Dundee Corporation
Casino operations:				
Revenue	$ 50.5	$ 18.9	$ 51.5	$ 19.3
Other items in net earnings	(45.7)	(17.1)	(43.7)	(16.4)
	4.8	1.8	7.8	2.9
Deferred tax expense	(1.2)	(0.5)	(1.8)	(0.7)
Foreign exchange gain	38.6	14.4	22.1	8.3
Loss from fair value changes in derivative instruments	(13.9)	(5.3)	(18.7)	(7.0)
	$ 28.3	$ 10.4	$ 9.4	$ 3.5

(in millions of dollars)				
Source of revenue and other items in net earnings or loss for the three months ended September 30,	2017	Amounts attributable to Dundee Corporation	2016	Amounts attributable to Dundee Corporation
Casino operations:				
Revenue	$ 16.9	$ 6.3	$ 17.8	$ 6.7
Other items in net earnings (loss)	(15.6)	(5.9)	(14.8)	(5.6)
	1.3	0.5	3.0	1.1
Deferred tax expense	(0.3)	(0.1)	(0.7)	(0.3)
Foreign exchange gain (loss)	21.2	7.9	(7.2)	(2.7)
(Loss) gain from fair value changes in derivative instruments	(5.1)	(1.9)	1.5	0.7
	$ 17.1	$ 6.3	$ (3.4)	$ (1.2)

Included in net income are foreign exchange gains and losses from changes in the fair value of derivative instruments, both of which are associated with the Parq Resort's US$443 million project financing arrangement for the development of the project, which includes a US$290 million first lien term loan bearing interest at the London Interbank Offered Rate plus 7.5% and maturing on December 17, 2020, and a US$153 million second lien term loan bearing interest at the London Interbank Offered Rate plus 12% and maturing on December 17, 2021. As construction completes and the risks associated with the project development end, the Corporation anticipates that it will seek refinancing on terms that reflect the EBITDA generation capabilities of the Parq Resort.

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 headquartered in Michigan, United States.

During the nine months ended September 30, 2017, Android reported net earnings, after amounts attributed to non-controlling shareholders, of US$3.4 million, including US$2.3 million earned in the third quarter of this year. Reported distributions were US$1.4 million. Improvements in the third quarter have resulted from strong volume activity, reflecting increased sales volumes for light trucks and sport utility vehicles in North America, improved economies in some of Android's foreign operations, and the reactivation of two plants closed earlier in 2017 in order to re-tool for new program launches.

The Corporation reported earnings of $0.7 million from its investment in Android, representing 20% of net earnings, net of distributions. During the first nine months of the prior year, the Corporation recognized a loss of $0.1 million from its investment in Android.

During 2016, Android was awarded four new multi-year manufacturing contracts that will be positioned at several of Android's existing production facilities. The capital requirements associated with these new contracts are significant and will be deployed between 2017 and 2019. During the third quarter of 2017, Android made significant progress in establishing financial support for these activities. It is expected that the new contracts and better customer alignment will continue to result in additional value-added growth opportunities for the company, and it is expected to generate higher levels of sales and earnings beginning in 2018.

In addition to its share of net earnings, the Corporation recognized a loss in other comprehensive income of $0.6 million in the first three quarters of 2017, representing its share of foreign currency earnings of US$5.6 million associated with Android's foreign operations, net of $10.1 million of foreign currency losses associated with the translation of Android's US-denominated financial results to Canadian dollars.

Cambridge Medical Funding Group II, LLC ("Cambridge Medical")

Cambridge Medical is a private, US-based consortium with a focus on funding medical receivables. The Corporation has invested US$10.0 million to acquire a 50% interest in Cambridge Medical and a 50% interest in Cambridge Medical Capital Services LLC ("Cambridge Services"). The Corporation has also advanced a further US$1.0 million to Cambridge Medical to assist with short-term working capital requirements.

Using proprietary software and sourcing, Cambridge Medical funds medical receivables from medical providers and then manages the collection and adjudication process. Certain of Cambridge's operations are conducted through a sister company, Cambridge Services. Cambridge Medical has developed, and in the third quarter of 2017, Cambridge Services launched a related processing service which electronically facilitates the cost-efficient processing and collection of medical receivables directly by the medical provider, on a fee per unit basis.

During the nine months ended September 30, 2017, Cambridge Medical and Cambridge Services reported a combined loss of US$0.9 million. In Canadian dollar terms, the Corporation recognized a loss of $0.6 million on a year-to-date basis, representing its share of losses incurred by these entities (nine months ended September 30, 2016 – $0.2 million). In addition, the Corporation recognized $0.1 million of comprehensive losses associated with the translation of Cambridge Medical's and Cambridge Services' US dollar-denominated financial statements into Canadian currency.

Dundee Sarea Limited Partnership ("Dundee Sarea LP")

Dundee Sarea LP (www.dundeesarea.com) is a private equity firm investing in special situations companies that require a constructive, long-term partner to drive meaningful change and growth. Through limited partnership investment vehicles, Dundee Sarea LP makes equity investments in mid-market companies that are in need of financial restructuring or an operational turn-around.

During the first three quarters of 2017, the Corporation recognized a loss of $0.2 million (nine months ended September 30, 2016 – earnings of $0.3 million) as its share of amounts earned by Dundee Sarea LP. In the nine months ended September 30, 2017, the Corporation also recognized a dilution loss of $56,000 which resulted from the Corporation's interest decreasing from 25% at the end of 2016 to 21% at September 30, 2017.

Dundee Sarea Acquisition I Limited Partnership ("Dundee Sarea Fund")

Dundee Sarea Fund will use the capital advanced by its limited partners 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. The Corporation currently holds a 33% interest in this venture.

At September 30, 2017, Dundee Sarea Fund's sole investment consisted of a 100% ownership in Redecam Group S.p.A. ("Redecam"). Based in Milan, Italy, Redecam is a designer, manufacturer and installer of air filtration equipment and flue gas treatment systems for air pollution control. During the nine months ended September 30, 2017, the Corporation invested $1.6 million in this venture, increasing its aggregate investment to $18.2 million at September 30, 2017.

The Corporation's share of equity earnings from its investment in Dundee Sarea Fund were $0.4 million in the first three quarters of 2017 (nine months ended September 30, 2016 – losses of $1.0 million).

Dundee Acquisition Ltd. ("Dundee Acquisition")

On March 5, 2015, the Corporation created Dundee Acquisition (www.dundeeacquisition.com), a special purpose acquisition corporation ("SPAC") established for the purpose of effecting an acquisition of one or more businesses or assets, by way of a merger, share exchange, asset acquisition, share purchase, reorganization or any other similar business combination (a "Qualifying Acquisition").

On January 27, 2017, Dundee Acquisition's shareholders approved a proposed Qualifying Acquisition to effect a business combination with CHC Student Housing Corp., a publicly listed student housing company in Canada, and to acquire a series of additional student housing properties from various third parties. While the proposed Qualifying Acquisition was approved by Dundee Acquisition's shareholders, Dundee Acquisition did not meet the minimum cash amount to be retained following completion of the proposed Qualifying Acquisition, as a result of higher than expected redemption deposits. After a review of strategic alternatives, management of Dundee Acquisition determined that in light of the foregoing circumstances, there was no realistic alternative for Dundee Acquisition but to liquidate, dissolve and distribute its escrowed assets to the holders of its class A restricted voting shares, in accordance with their terms. This distribution was completed on April 21, 2017. Upon completion of the distribution, the class A restricted voting shares and warrants of Dundee Acquisition were delisted from the TSX.

During the nine months ended September 30, 2017, the Corporation recognized a gain of $2.1 million from its investment in Dundee Acquisition, representing its share of the reversal of deferred commission expense amounts due to the underwriters of its initial public offering, which amounts were forfeited by the underwriters as a Qualifying Acquisition was not completed. During the first three quarters of 2016, the Corporation recognized losses of $2.7 million from its share of operating losses incurred by Dundee Acquisition during that period.

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 July 2014, Escal determined that it was appropriate to exercise its right under the underground gas storage concession to relinquish the concession to the Spanish authorities. On October 3, 2014, the Spanish government approved Royal Decree-Law 13/2014, which became effective on October 4, 2014, the date of its publication in the Spanish Official State Gazette. The Royal Decree-Law formally accepted the relinquishment of the Castor Project, it acknowledged the termination of the concession, and it reverted ownership of the associated facilities back to the public domain. Notwithstanding, and in accordance with the terms of the royal decree, Escal and its shareholders remain responsible for any possible flaws or defects in the facilities associated with the Castor Project that become apparent during the 10 years following the October 2014 issuance of the royal decree.

CLP had previously initiated binding arbitration proceedings against ACS as to the sharing of certain cash flows from the Castor Project. On March 27, 2017, the Corporation announced that the arbitral tribunal of the International Chamber of Commerce had rendered its decision related to the Castor Project, denying the claim made by CLP. The decision was rendered by a majority of the three-person tribunal, with the third member issuing a dissenting opinion. Dundee Energy has determined that it will not seek any remedies in respect of the decision rendered by the tribunal.

The Corporation accounts for its investment in Escal using the equity method. At September 30, 2017, Escal's net equity available to shareholders was negative, reflecting operating losses and the settlement of unfavourable hedging transactions. Accordingly, the Corporation has reduced the carrying value of its investment in Escal to $nil at September 30, 2017 (December 31, 2016 – $nil) as the Corporation does not have any legal or constructive obligations in respect of its investment in Escal, nor is it currently obligated to make any payments on behalf of Escal.

Earnings and Losses from Equity Accounted Investments

For the nine months ended September 30,			2017			2016
	Equity Earnings (Losses)	Dilution Gains (Loss)	Total	Equity Earnings (Losses)	Dilution (Loss) Gains	Total
Android Industries, LLC	$ 501	$ 176	$ 677	$ (349)	$ 278	$ (71)
Cambridge Medical Funding Group II, LLC	(57)	-	(57)	(173)	-	(173)
Cambridge Medical Capital Services LLC	(581)	-	(581)	-	-	-
Dundee Acquisition Ltd.	2,079	-	2,079	(2,725)	-	(2,725)
Dundee Sarea Acquisition I Limited Partnership	370	-	370	(1,049)	-	(1,049)
Dundee Sarea Limited Partnership	(221)	(56)	(277)	274	(92)	182
Paragon Holdings (Smithe Street) ULC	10,404	-	10,404	3,470	-	3,470
Union Group International Holdings Limited	(7,767)	-	(7,767)	(1,980)	(198)	(2,178)
Others	(33)	-	(33)	(119)	-	(119)
	4,695	120	4,815	(2,651)	(12)	(2,663)
Real estate joint venture investments	982	-	982	152	-	152
	$ 5,677	**$ 120**	**$ 5,797**	**$ (2,499)**	**$ (12)**	**$ (2,511)**

For the three months ended September 30,			2017			2016
	Equity Earnings (Losses)	Dilution Gains	Total	Equity Earnings (Losses)	Dilution Gains	Total
Android Industries, LLC	$ 583	$ -	$ 583	$ (121)	$ 49	$ (72)
Cambridge Medical Funding Group II, LLC	7	-	7	(281)	-	(281)
Cambridge Medical Capital Services LLC	13	-	13	-	-	-
Dundee Acquisition Ltd.	(15)	-	(15)	(1,113)	-	(1,113)
Dundee Sarea Acquisition I Limited Partnership	(215)	-	(215)	(82)	-	(82)
Dundee Sarea Limited Partnership	(214)	-	(214)	194	-	194
Paragon Holdings (Smithe Street) ULC	6,282	-	6,282	(1,245)	-	(1,245)
Union Group International Holdings Limited	298	-	298	(1,182)	-	(1,182)
Others	(17)	-	(17)	(22)	-	(22)
	6,722	-	6,722	(3,852)	49	(3,803)
Real estate joint venture investments	(177)	-	(177)	163	-	163
	$ 6,545	**$ -**	**$ 6,545**	**$ (3,689)**	**$ 49**	**$ (3,640)**

In addition to its share of earnings or losses from its equity accounted investments, during the nine months ended September 30, 2017, the Corporation recognized $5.9 million of other comprehensive income related to these investments (nine months ended September 30, 2016 – $4.8 million of other comprehensive losses), including foreign currency translation amounts on the translation of the operations of certain equity accounted investments that are denominated in other than Canadian currency.

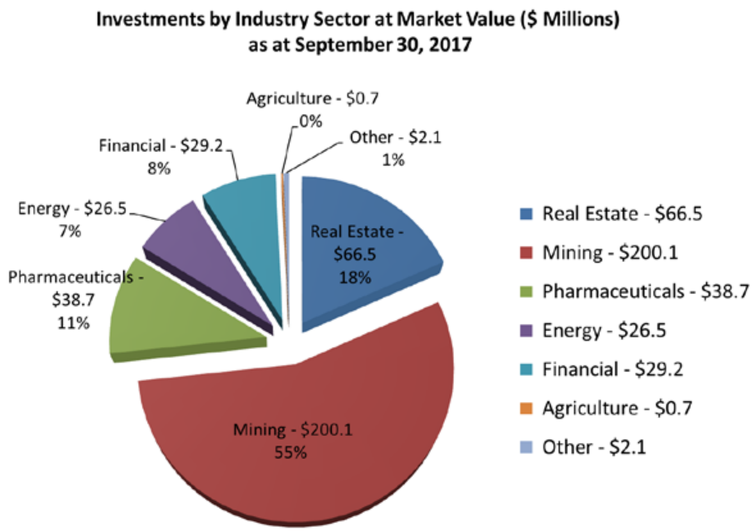
OTHER PORTFOLIO INVESTMENTS

Portfolio of Investments at September 30, 2017

	Ownership	*Ticker Symbol*	*(000's) # of Shares Held*	*Per Share Price*	*Market Value as at September 30, 2017*
Publicly Traded Securities					
Dundee Precious Metals Inc.	20%	DPM	36,381.6	$2.64	$ 96,047
Others					98,488
					194,535
Private Investments (note 1)					
TauRx Pharmaceuticals Ltd.	4%				38,762
Parq Equity Limited Partnership - Class C, Class D & Class E Preferred Units	n/a				55,448
Red Leaf Resources Inc.	2%				13,804
Others					26,279
					134,293
Debt Securities					
Publicly Traded Debt Securities					8,018
Debt Securities Owing from Public Enterprises (note 1)					5,120
Debt Securities Owing from Private Enterprises (note 1)					21,264
					34,402
Warrants and Options (note 1)					
Warrants or options on shares of publicly listed enterprises					529
					529
TOTAL – PORTFOLIO INVESTMENTS					**$ 363,759**

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 31 to the 2016 Audited Consolidated Financial Statements for further information on valuation methodologies applied for such investments).

At September 30, 2017, 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.



At September 30, 2017, the estimated market value of the Corporation's portfolio of investments carried at FVTPL was $363.8 million, a decrease of $69.8 million from an estimated market value of these investments of $433.6 million at December 31, 2016.

	For the three months ended September 30, 2017	*For the nine months ended September 30, 2017*
Market value of portfolio investments, beginning of period	$ 348,871	$ 433,574
Transactions during the period ended September 30, 2017		
New investments	7,810	11,468
Proceeds from sales of investments	(7,587)	(132,641)
Changes in market values		
Dundee Precious Metals Inc.	10,550	14,552
DREAM Unlimited Corp.	-	2,175
Others	4,836	31,293
Other transactions	(721)	3,338
Market value of portfolio investments, end of period	**$ 363,759**	**$ 363,759**

During the first nine months of 2017, the Corporation generated proceeds of $132.6 million from the sale of certain investments and from the repayment of certain debt securities, including proceeds of $106.1 million from the sale of 100% of the Corporation's investment in 15,536,288 class A subordinate voting shares of Dream Unlimited Corp., and a repayment of $2.5 million against a subordinated advance of $17.5 million provided to the acquirors of Dundee Securities' capital markets division in December 2016. Approximately $11.5 million of proceeds generated were reinvested into the portfolio, including an investment of $5.0 million in Class E convertible preferred units associated with the Corporation's Parq Resort and $1.5 million in Nuuvera Corp., a Canadian incorporated private company focused on medicinal cannabis opportunities.

Changes in market values of portfolio investments during the nine months ended September 30, 2017 increased the value of the Corporation's portfolio of investments at FVTPL by $48.0 million.

Dundee Precious Metals Inc. ("Dundee Precious")

Dundee Precious (*www.dundeeprecious.com*) is a Canadian-based international gold mining company engaged in the acquisition of mineral properties, exploration, development, mining and processing of precious metals. Dundee Precious' operating assets include its Chelopech operations in Bulgaria, which produce a copper concentrate containing gold and silver and a pyrite concentrate containing gold; and the Tsumeb smelter in Namibia, a complex concentrate processing facility. Dundee Precious also holds interests in a number of other developing gold and exploration properties in Bulgaria, Serbia, Armenia and Canada, including the Krumovgrad gold project, which started construction in the fourth quarter of 2016 and its 10.4% interest in Sabina Gold & Silver Corp.

Dundee Precious reported that during the first half of 2017, it achieved gold and copper production of 99,845 ounces and 16.8 million pounds respectively. In the third quarter of 2017, gold and copper production was 48,449 ounces and 9.5 million pounds respectively, reflecting strong gold production. Dundee Precious has indicated that construction at the Krumovgrad gold project is on schedule, with first concentrate production scheduled for the fourth quarter of 2018 at a lower estimated capital cost.

During the first nine months of 2017, Dundee Precious generated revenues of US$253.8 million, and it reported net earnings from continuing operations attributable to its common shareholders of US$1.6 million.

At September 30, 2017, Dundee Corporation held 36.4 million common shares of Dundee Precious with a market value of $96.0 million, representing a 20% interest.

Osisko Mining Inc. ("Osisko")

Osisko is a mineral exploration company focused on the acquisition, exploration and development of precious metals resource properties in Canada. Osisko's flagship projects are the high-grade Windfall Lake gold deposit located between Val-d'Or and Chibougamau in Québec and the Marban Block property located between Val-d'Or and Malartic in Québec. Osisko holds a 100% interest in the Windfall Lake gold deposit and holds a 100% undivided interest in a large area of claims in the surrounding Urban Barry area (82,400 hectares), a 100% interest in the Marban project located in the heart of Québec's prolific Abitibi gold mining district, and properties in the Larder Lake Mining Division in northeastern Ontario, including the Jonpol and Garrcon deposits on the Garrison property, the Buffonta past producing mine and the Gold Pike mine property. Osisko is actively drilling the Garrison property in the Timmins area. Osisko also holds interests and options in a number of additional properties in northern Ontario.

The focus of Osisko is currently on the Windfall Lake Gold project where it is undertaking an 800,000 metre drill program. The drill program combines definition, expansion and exploration drilling in and around the main Windfall Lake gold deposit and the adjacent Lynx deposit, located immediately to the northeast of Windfall. There are eight drills currently active on the Lynx deposit and 16 additional drills defining and extending the other zones at the Windfall Lake gold deposit. The Windfall Lake gold deposit is currently one of the highest grade resource stage gold projects in Canada. Osisko releases drill and assay results from the ongoing program on a continuous basis. Osisko is working towards a new resource estimate for the Windfall Lake gold deposit by the first quarter of 2018, but also believes that the potential for expanding Windfall, Lynx and making new discoveries within the main deposit area is still completely possible.

Dewatering of the exploration ramp was completed in August 2017. The first blast at the Windfall Exploration Ramp took place in late October. The ramp is expected to advance at a rate of approximately 200 metres per month towards the mineralized zones. Underground work including bulk sampling and underground exploration drilling will commence in the first quarter of 2018. Osisko announced that it has filed a Project Description with the federal government and the Preliminary Project Information with the Quebec government for the Windfall Lake project. The submission of these documents represents the first step in the environmental approval process for the Windfall Lake Project.

Additional information regarding Osisko is available at *www.osiskomining.com*. At September 30, 2017, the Corporation's investment in Osisko had a market value of $27.1 million.

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.

In late 2016, TauRx completed and announced results for its three-part Phase III clinical trial program designed to test the efficacy and safety of LMTX™ in patients with mild to moderate AD and behavioral variant Frontotemporal Dementia ("bv-

FTD"). The headline results for all three studies were negative as LMTX™ failed to slow cognitive or functional decline in the total populations of treated subjects. The clinical trials which comprised patients with mild or moderate AD reported a promising sub-group analysis outcome in which patients who received LMTX™ as their only AD medication (LMTX™ as a monotherapy) demonstrated significant reductions in disease progression as measured both by cognitive and functional test batteries and by MRI imaging of brain atrophy. However, patients that received the drug as an add-on therapy showed no beneficial effects. This necessitates further trials to be conducted with a focus on LMTX™ as a monotherapy.

TauRx has initiated discussions with the regulatory authorities in Europe and the U.S. to determine its next steps and it has determined that in order to corroborate the positive findings from Studies 015/005, it will commence with a shorter-term study that is fully randomized from the outset to test for clinically meaningful and statistically significant differences between LMTX™ taken as a monotherapy and placebo groups. TauRx currently expects that the new study (TRX Study 039) will encompass approximately 200 patients with very mild AD over a six-month period. Recruitment for the new study is expected to begin in the first quarter of 2018. In order to fund the new study and bolster its cash reserves, during the current quarter, TauRx approved and successfully completed a renounceable rights issue offering in the form of 1.8% non-convertible senior notes, raising US$70.8 million (US$70.4 million net).

At September 30, 2017, the Corporation held an approximate 4% interest in TauRx. The Corporation has determined that the fair value of its investment at September 30, 2017 was $38.8 million. In determining the fair value of its interest, the Corporation applied a value per share of US$30.60, the equivalent of a 50% discount to the volume-weighted average price of shares issued from treasury during 2015/16. Additional information regarding TauRx may be accessed at *www.taurx.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 shallow 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 construction of the Early Production System ("EPS") in order to re-engineer the design. In May 2016, Red Leaf's partner, Total E&P USA Oil Shale, LLC ("Total"), notified Red Leaf that it did not want to proceed with the EPS project. In March 2017, Red Leaf and Total reached an agreement pursuant to which Total has exited the oil shale development project at the Seep Ridge site in eastern Utah. With Total's exit, Red Leaf has slowed the progress of this project while it considers its options for both continued development of the Seep Ridge project and other opportunities to further advance its EcoShale technology.

Dundee Corporation holds US$10.0 million of the Series A preferred shares in Red Leaf that were acquired in 2010 and approximately 2% of Red Leaf's common shares. The Corporation has determined that pending the announcement of further developments, the fair value of its investment in Red Leaf at September 30, 2017, including both the common and the preferred shares, was $13.8 million, and remains effectively unchanged from December 31, 2016. Additional information regarding Red Leaf may be accessed at *www.redleafinc.com*.

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 are currently comprised of the 90% owned Tambao manganese project in Burkina Faso and the 70% owned Mount Klahoyo magnetite iron ore project in Ivory Coast. The government of Burkina Faso has suspended the activities of Pan African at its Tambao facility and Pan African is currently in mediation regarding re-establishing development activities.

As Pan African works diligently to resolve its operational challenges, the company has relied on its existing shareholder base to fund its working capital requirements. Earlier in the current year, Pan African conducted a rights offering to raise US$1.0 million to fund immediate working capital requirements, and the previously 100% owned Nigerien subsidiary, Pan African Niger, which owns 100% of four uranium exploration licenses in Niger, was subsequently spun out to the new shareholders post rights issue.

More recently, Pan African completed a further rights offering in the form of preference shares, raising a further US$5.0 million. The Corporation participated in the second rights offering at a cost of approximately US$0.6 million.

Investment in $17.5 Million Subordinated Loan Advanced to Eight Capital

On December 2, 2016, Dundee Securities completed a transaction whereby it sold all of the assets and liabilities related to its capital markets division to Eight Capital, a partnership formed by a consortium of individuals that were previously key employees of Dundee Securities' capital markets division. As part of the transaction, the Corporation provided a subordinated loan in the amount of $17.5 million to Eight Capital, at an annual interest rate of 10%. During the first quarter of 2017, $2.5 million of the subordinated loan was repaid.

In connection with the subordinated loan, the Corporation entered into a royalty agreement with Eight Capital pursuant to which Eight Capital will pay a revenue-based royalty payment to the Corporation, ranging between 1% and 6.5% of revenues generated by Eight Capital over a five-year period commencing in the calendar year ending December 31, 2017, and reducing to between 1% and 2% in each of 2022 and 2023. Under the terms of the royalty agreement, royalty payments will cease, subject to a final royalty payment, if the subordinated loan made by the Corporation to Eight Capital is repaid in full, and in any case, will cease effective December 31, 2023.

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 first three quarters of 2017, the Corporation reported head office general and administrative expenses before non-cash stock based compensation of $10.4 million, compared with $16.0 million incurred in the same period of the prior year.

Direct compensation amounts included in current period general and administrative expenses include a $2.7 million difference in discretionary staff incentive awards resulting from the reversal of amounts previously accrued. In addition, prior year head office costs include $1.8 million associated with deal-specific transactions, including $0.8 million in corporate and professional fees, and $1.0 million in costs associated with redundant space and other termination costs.

For the nine months ended September 30,		2017		2016
Direct compensation	$	4,920	$	8,151
Corporate and professional fees		2,774		3,317
Other		2,687		4,550
		10,381		16,018
Stock based compensation arrangements		2,246		1,653
	$	12,627	$	17,671

Stock based compensation added a further $2.2 million to general and administrative expenses during the first nine months of 2017, compared to $1.7 million incurred in the same period of the prior year. A more detailed description of stock based compensation amounts is provided in note 25 to the September 2017 Interim Consolidated Financial Statements.

Corporate Interest Expense

Corporate interest expense was $7.4 million during the first nine months of 2017, a $1.9 million decrease from the $9.3 million incurred in the same period of the prior year.

Included in interest expense is $1.4 million relating to the Corporation's credit facility (nine months ended September 30, 2016 – $2.7 million), reflecting a decrease in average borrowings over the respective periods.

Also included in interest expense are dividends of $5.1 million (nine months ended September 30, 2016 – $5.5 million) incurred on the Corporation's Preference Shares, series 5 that are classified as debt. On June 30, 2016, the Corporation completed the redemption of approximately 15% of its outstanding Preference Shares, series 5, lowering the number of Preference Shares, series 5 outstanding, and lowering the associated interest expense. In accordance with the terms of the Corporation's Preference Shares, series 5, holders thereof have the option to redeem up to 17% of their holdings on January 31, 2018 at a price of $25.00 per share.

Income Tax Expense

Following the filing of a NOI pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada), Dundee Energy derecognized its deferred income tax assets, resulting in a charge to deferred income tax expense of $18.8 million. Combined with operating losses incurred by certain of the Corporation's subsidiaries, the benefit of which was not recognized as they did not meet the "more-likely-than-not" criteria, these items resulted in an effective income tax expense rate of 90.9% on the Corporation's net earnings during the nine months ended September 30, 2017, significantly exceeding the statutory combined federal and provincial tax rate of 26.5%. A reconciliation between the Corporation's effective income tax expense rate and the statutory combined federal and provincial tax rate is provided in note 27 to the September 2017 Interim Consolidated Financial Statements.

Net Deferred Income Tax Assets

The Corporation's net deferred income tax assets at September 30, 2017 were $15.2 million and represent deferred income tax assets of $68.0 million, offset by deferred income tax liabilities of $52.8 million. This compares to net deferred income tax assets of $43.0 million at December 31, 2016. The decrease in the carrying value of net deferred income tax assets resulted from the $18.8 million derecognition of Dundee Energy's deferred income tax assets as detailed previously, as well as fair value appreciation in certain of the Corporation's investments. Components of the Corporation's net deferred income tax assets are detailed in note 27 to the September 2017 Interim Consolidated Financial Statements.

The Corporation's aggregate income tax loss carry forwards at September 30, 2017 were $550.5 million (December 31, 2016 – $556.1 million). Included in the Corporation's deferred income tax balances is a tax benefit of $55.8 million (December 31, 2016 – $72.4 million) in respect of these tax losses.

Corporate Debt

	Corporate*	Dundee Energy	Blue Goose	Dundee 360	Total
Balance, December 31, 2016	$ 54,574	$ 57,400	$ 88,880	$ 139	$ 200,993
Draws (Repayments)	(54,574)	-	2,935	(33)	(51,672)
Balance, September 30, 2017	$ -	$ 57,400	$ 91,815	$ 106	$ 149,321

* *In addition, the Corporation has issued letters of credit in the amount of $3.5 million that may be drawn under certain circumstances.*

The Corporation had previously established a revolving term credit facility with a syndicate of Canadian Schedule I Chartered Banks. At December 31, 2016, the Corporation had drawn $54.6 million against its available credit facility, and it had issued letters of credit to support certain of its equity accounted investments for an additional €2.4 million. The syndicated facility required the maintenance of certain financial ratios relating to the fair value of certain of the Corporation's investments.

On April 27, 2017, the Corporation established a new $80 million revolving term credit facility with a Canadian Schedule I Chartered Bank that matures on April 26, 2018. The new credit facility replaced the Corporation's previously established credit facility, which was fully repaid. The new revolving term credit facility bears interest at a rate per annum equal to the prime lending rate for loans plus 1.50% or, at the Corporation's option, at the prevailing bankers' acceptance rate or London Interbank Offered Rate plus 2.50%. Unused amounts under the revolving term credit facility are subject to an annual standby fee of 0.50%. At September 30, 2017, the Corporation had issued letters of credit in the amount of €2.4 million ($3.5 million Canadian dollars) under the terms of the revolving term credit facility to support certain of its equity accounted investments. There were no further amounts drawn against the credit facility at September 30, 2017.

The Corporation has granted a first ranking security over all of its assets as security against amounts borrowed under the new revolving term credit facility. In addition to certain customary restrictions, including restrictions on the existence of other secured indebtedness, the Corporation's new 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 continue to increase or decrease, reflecting corresponding increases or decreases in the fair value of the Corporation's investments.

At September 30, 2017, the Corporation was in compliance with all debt covenants under the terms of the new revolving term credit facility.

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 September 30, 2017, 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	4.58% to 4.63% – quarterly floating rate	$43,015 equity instrument
DC.PR.E	Series 5	3,598,203	$25.00	$89,955	7.50% – fixed rate	$88,306 debt instrument

A full description of the terms of the Corporation's preference shares is provided in note 21 to the 2016 Audited Consolidated Financial Statements, and is updated in note 20 to the September 2017 Interim Consolidated Financial Statements.

Common Shares

As at September 30, 2017, there were 55,698,847 Class A subordinate voting shares and 3,114,804 Class B common shares outstanding. At November 14, 2017, the number of outstanding shares had increased to 55,701,603 Class A subordinate voting shares and 3,114,804 Class B common shares. In addition, the Corporation had 1,421,124 outstanding warrants. Each warrant may be exercised to acquire one Class A subordinate voting share at an exercise price of $6.00 per share.

At September 30, 2017, the Corporation had awarded 1,327,515 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 and 1,189,245 deferred share units that track the value of a class A subordinate voting share of DREAM. In addition, and under the terms of the Corporation's share incentive arrangements, at September 30, 2017, the Corporation had awarded an aggregate of 1,291,660 Class A subordinate voting share bonus rights under its share bonus plan, each of which is subject to certain vesting criteria. The terms of the Corporation's share based compensation arrangements are summarized in note 26 to the Corporation's 2016 Audited Consolidated Financial Statements and are updated in note 25 to the September 2017 Interim Consolidated Financial Statements.

CONSOLIDATED LIQUIDITY AND CAPITAL RESOURCES

On a consolidated basis, the Corporation reported cash of $95.2 million at September 30, 2017, compared with cash of $75.6 million at December 31, 2016. The following table illustrates 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 nine months ended September 30, 2017	Opening Cash	Operating Activities	Investing Activities	Financing Activities	Intersegment	Closing Cash
Corporate and other portfolio holdings	$ 1,620	$ (11,652)	$ 122,414	$ (59,767)	$ 426	$ 53,041
Asset management and capital markets						
Goodman & Company, Investment Counsel Inc.	847	(6,613)	1,044	-	6,613	1,891
Dundee Securities Ltd.	55,387	(28,963)	348	-	(11,404)	15,368
Resource industry						
Dundee Energy Limited	1,505	1,039	(459)	336	826	3,247
United Hydrocarbon International Corp.	5,693	(13,083)	21,563	-	-	14,173
Dundee Sustainable Technologies Inc.	526	(815)	24	-	360	95
Eurogas International Inc.	-	(217)	-	-	217	-
Agriculture industry						
Blue Goose Capital Corp.	5,973	56,281	(63,163)	2,626	510	2,227
AgriMarine Holdings Inc.	275	(1,366)	186	-	976	71
Real estate industry						
Dundee 360 Real Estate Corporation	3,789	(276)	146	(33)	1,476	5,102
	$ 75,615	$ (5,665)	$ 82,103	$ (56,838)	$ -	$ 95,215

Included in the Corporation's consolidated cash balance is $17.3 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 ability to transfer cash resources out of these regulated subsidiaries may be limited by their requirement to comply with regulatory capital requirements. At September 30, 2017 and December 31, 2016, the Corporation's regulated subsidiaries exceeded their minimum regulatory capital requirements.

A more detailed discussion of significant transactions affecting cash flows during the nine months ended September 30, 2017 and 2016 is provided below.

Significant Cash Flows – Operating Activities

For the nine months ended September 30,	Corporate	Dundee Securities	UHIC	Blue Goose	Dundee 360	Other	Total 2017	2016
Operating activities:								
Adjusted net earnings or loss*	$ (10,975)	$ (4,281)	$ (17,555)	$ (1,149)	$ 885	$ (3,934)	$ (37,009)	$ (63,340)
Changes in client account balances	-	(20,836)	-	-	-	(39)	(20,875)	143,344
Changes in agricultural inventory	-	-	-	54,180	-	(6,792)	47,388	22,008
Changes in other working capital amounts	(1,733)	(4,015)	4,472	3,250	(1,256)	2,793	3,511	9,121
Changes in income taxes	1,056	169	-	-	95	-	1,320	315
Cash (used in) provided from operating activities	$ (11,652)	$ (28,963)	$ (13,083)	$ 56,281	$ (276)	$ (7,972)	$ (5,665)	$ 111,448

* *Adjusted net earnings (or loss) are equal to net earnings (or loss) adjusted for 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 during the first nine months of 2017 resulted in net cash outflows of $20.9 million (nine months ended September 30, 2016 – net cash inflows of $143.3 million).
- During the first nine months of 2017, changes in the balances of agricultural inventory resulted in net cash inflows of $47.4 million (nine months ended September 30, 2016 – $22.0 million).

Significant Cash Flows – Investing Activities

For the nine months ended September 30,	Corporate	Dundee Securities	UHIC	Blue Goose	Dundee 360	Other	Total 2017	2016
Investing activities:								
Net proceeds from (acquisitions) dispositions of portfolio investments	$ 118,544	$ -	$ -	$ -	$ 320	$ 1,054	$ 119,918	$ (27,033)
Net investment in resource assets	-	-	(154)	-	-	(459)	(613)	(112)
Net investment in livestock and other agricultural assets	-	-	-	(62,191)	-	-	(62,191)	(24,745)
Proceeds from (disbursement of) cash in in business dispositions	-	393	21,717	-	-	-	22,110	(198,296)
Other investment activities	4,319	(45)	-	(1,421)	(174)	200	2,879	(4,345)
Cash provided from (used in) investing activities	$ 122,863	$ 348	$ 21,563	$ (63,612)	$ 146	$ 795	$ 82,103	$ (254,531)

- During the nine months ended September 30, 2017, the Corporation generated proceeds of $132.6 million from its corporate portfolio, including $106.1 million from the sale of 100% of the Corporation's investment in 15,536,288 class A subordinate voting shares of Dream Unlimited Corp., and $2.5 million against a subordinated advance of $17.5 million provided to the acquirors of Dundee Securities' capital markets division during December 2016. Approximately $12.7 million of the proceeds were reinvested, including $1.6 million reinvested in equity accounted investments and $5.0 million reinvested into Class E convertible preferred units associated with the Corporation's Parq Resort project in Vancouver. During the first three quarters of the prior year, portfolio trading activities generated net cash outflows of $27.0 million. 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.
- In an effort to expand its inventory of livestock and meet demand, Blue Goose invested $62.2 million in agricultural assets during the nine months ended September 30, 2017, compared with $24.7 million invested during the same period of the prior year.
- UHIC received net cash of $21.7 million from the disposition of its investment in UHCL on September 22, 2017 (see *"Segmented Results of Operations – United Hydrocarbon International Inc. – Recent Developments"*).
- Dundee Securities received net cash of $0.4 million from the sale of its interest in Dundee Securities Inc. During the first nine months of the prior year, Dundee Securities transferred net cash of $198.3 million, largely representing client cash balances, to the acquiror of its retail division.

Significant Cash Flows – Financing Activities

For the nine months ended September 30,	Corporate	Dundee Securities	UHIC	Blue Goose	Dundee 360	Other	Total 2017	2016
Financing activities:								
Change in corporate debt	$ (54,574)	$ -	$ -	$ 2,562	$ (33)	$ -	$ (52,045)	$ 20,136
Issuance of Class A subordinate shares, net of issue costs	-	-	-	-	-	-	-	(20)
Redemption of Preference Shares, series 4	-	-	-	-	-	-	-	(5,504)
Redemption of Preference Shares, series 5	-	-	-	-	-	-	-	(11,474)
Issue costs, Preference Shares, series 5	-	-	-	-	-	-	-	(2,415)
Dividends paid on Preference Shares, series 2 and series 3	(5,193)	-	-	-	-	-	(5,193)	(5,199)
Net cash from transactions with non-controlling interests	-	-	-	64	-	336	400	-
Cash (used in) provided from financing activities	$ (59,767)	$ -	$ -	$ 2,626	$ (33)	$ 336	$ (56,838)	$ (4,476)

- Net amounts repaid against credit facilities available to the Corporation and to its subsidiaries during the first three quarters of 2017 were $52.0 million (nine months ended September 30, 2016 – $20.1 million drawn).
- Cash outflows during the first nine months of 2017 include dividends of $5.2 million (nine months ended September 30, 2016 – $5.2 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.
- In the third quarter of the prior year, the Corporation paid $5.5 million to retire certain Preference Shares, series 4 under dissent arrangements.
- At the end of the second quarter of 2016, the Corporation redeemed 458,969 Preference Shares, series 5, at a cost of $25.00 per share or a total of $11.5 million in aggregate.

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 wealth management strategies, 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.

RESULTS OF OPERATIONS

Three months ended September 30, 2017 compared with the three months ended September 30, 2016

Consolidated Net Earnings

During the third quarter of 2017, the Corporation recognized net earnings before income taxes attributable to owners of Dundee Corporation of $11.4 million, or $0.16 per share. This compares with a net loss before income taxes of $16.4 million or $0.31 per share incurred during the same quarter of the prior year.

Consistent with year-to-date results, earnings in the quarter were impacted by a $64.4 million gain recognized by UHIC following completion of the sale of UHCL, offset by losses recognized by Dundee Energy, which included an impairment of its undeveloped properties of $18.9 million and an impairment of its deferred tax assets of $18.8 million, as well as net after tax losses of $9.6 million incurred by Blue Goose on fair value adjustments related to contingent consideration and goodwill on the purchase of Tender Choice.

For the three months ended September 30,	2017	2016
Net earnings (loss) before income taxes from:		
Goodman & Company, Investment Counsel Inc.	$ (2,442)	$ (2,231)
Dundee Securities Ltd.	(4,646)	(460)
Dundee Energy Limited		
Impairment of undeveloped resource properties	(18,929)	-
Other	(2,086)	(3,091)
United Hydrocarbon International Corp.		
Realized foreign currency translation gain	64,436	-
Other	(14,309)	(2,142)
Dundee Sustainable Technologies Inc.	(876)	(757)
Eurogas International Inc.	(120)	(143)
Blue Goose Capital Corp.		
Impairment of goodwill	(23,638)	-
Change in fair value of contingent consideration	10,865	-
Other	(5,781)	(7,146)
AgriMarine Holdings Inc.	(872)	(672)
Dundee 360 Real Estate Corporation	49	(1,056)
	1,651	(17,698)
Adjusted for the corporate and other portfolio holdings segment:		
Changes in the market value of investments:		
Dundee Precious Metals Inc.	10,550	5,889
DREAM Unlimited Corp.	-	(15,794)
Other portfolio investments	4,836	17,853
Share of earnings (loss) from equity accounted investments	6,722	(3,803)
Other items in the corporate and other portfolio holdings segment	(966)	(7,953)
Income tax (expense) recovery		
Dundee Energy Limited	(18,762)	-
Blue Goose Capital Corp.	3,193	-
Other	(5,966)	1,211
Net earnings (loss) for the period	**$ 1,258**	**$ (20,295)**
Net earnings (loss) attributable to:		
Owners of the parent	$ 11,438	$ (16,430)
Non-controlling interest	(10,180)	(3,865)
	$ 1,258	**$ (20,295)**

The corporate and other portfolio holdings segment generated net earnings before income taxes of $21.1 million in the third quarter of 2017, compared with a net loss before income taxes of $3.8 million incurred in the same period of 2016. The Corporation’s portfolio investments at FVTPL experienced market appreciation of $15.4 million in the current quarter, compared with market appreciation of $7.9 million generated in the same period of the prior year. Also contributing to improved performance is $6.7 million of earnings from the Corporation’s portfolio of investments that are accounted for using the equity method. In the third quarter of the prior year, these investments incurred losses of $3.8 million. Pre-tax earnings in the Corporate and other portfolio holdings segment also benefited from an increase of $6.8 million in interest and dividend revenue, as well as reduced general and administrative expenses which decreased to $4.1 million in the third quarter of 2017, compared with general and administrative expenses of $5.2 million incurred in the same period of the prior year.

A more detailed discussion of third quarter operating results of each of the Corporation’s operating subsidiaries and business segments is provided below.

Segmented Results of Operations

GOODMAN & COMPANY, INVESTMENT COUNSEL INC.

During the three months ended September 30, 2017, GCIC incurred a net loss before income taxes of $2.4 million (three months ended September 30, 2016 – $2.2 million) attributable to owners of Dundee Corporation.

Management fee revenues were $0.5 million in the third quarter of 2017, a decline from management fee revenues of $0.6 million earned in the third quarter of the prior year. Average AUM in the third quarter of 2017 was $196.0 million, compared with $182.3 million in the same period of the prior year. Consistent with year-to-date results, the decrease in realized management fee revenue results from a change in 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. The average management fee rate was 1.07% in the third quarter of 2017, compared with an average management fee rate of 1.24% in the same period of the prior year.

General and administrative costs increased to $3.1 million in the three months ended September 30, 2017, compared with general and administrative costs of $2.9 million incurred in the third quarter of the prior year. Operating performance in the current period reflects certain termination costs such as severance and other compensation related expenses, as well as write-downs for redundant leasehold expenses, partially offset by cost rationalization as GCIC further streamlines its business strategy.

RESULTS OF OPERATIONS

For the three months ended September 30,		2017		2016
Revenues				
Management and performance fees	$	527	$	566
Financial services		-		2
Interest, dividends and other		91		90
		618		658
Other items in net loss before tax				
General and administrative		(3,054)		(2,887)
Depreciation		(3)		(1)
Net gain from investments		-		-
Interest expense		(3)		(1)
Net loss before taxes, Goodman & Company, Investment Counsel Inc.	**$**	**(2,442)**	**$**	**(2,231)**
Net loss before taxes, Goodman & Company, Investment Counsel Inc., attributable to:				
Owners of Dundee Corporation	$	(2,442)	$	(2,231)
Non-controlling interest		-		-
Net loss before taxes, Goodman & Company, Investment Counsel Inc.	**$**	**(2,442)**	**$**	**(2,231)**

DUNDEE SECURITIES LTD.

RESULTS OF OPERATIONS

For the three months ended September 30,	2017	2016
Revenues		
Financial services		
Investment banking	$ (1,389)	$ 7,561
Commissions	757	5,140
Principal trading	600	(723)
Foreign exchange trading	-	27
Interest, dividends and other	351	1,032
	319	13,037
Cost of sales		
Variable compensation	(1,074)	(6,810)
Other items in net loss before taxes		
Depreciation	(280)	(157)
General and administrative	(3,574)	(6,458)
Interest expense	(9)	(52)
Foreign exchange loss	(28)	(20)
Net loss before taxes attributable to Dundee Securities	**$ (4,646)**	**$ (460)**
Net loss before taxes, Dundee Securities attributable to:		
Owners of Dundee Corporation	$ (4,646)	$ (460)
Non-controlling interest	-	-
Net loss before taxes, Dundee Securities	**$ (4,646)**	**$ (460)**

Revenues

Reflective of the sale of essentially all of its retail and capital markets businesses, during the three months ended September 30, 2017, Dundee Securities' revenues decreased to $0.3 million, compared with revenues of $13.0 million generated in the same period of the prior year. Revenues in the third quarter of 2017 include $0.8 million of commission revenues and principal trading gains of $0.6 million. These amounts are offset by a $1.4 million adjustment to residual new issue and advisory mandates that had been recorded in the first six months of 2017.

Variable Compensation Expense

Variable compensation expense incurred during the third quarter of 2017 was $1.1 million. Consistent with year-to-date results, lower contribution margins in the current period, after the $1.4 million adjustment to residual new issue and advisory mandate revenues, reflect the timing of compensation amounts paid in advance of associated revenues that have not yet been recognized in income.

General and Administrative Expenses

Dundee Securities incurred general and administrative expenses of $3.6 million in the three months ended September 30, 2017 compared with $6.5 million in the same period of the prior year. Consistent with year-to-date results, the decrease in general and administrative expenses results from the significant reduction in business activities, partially offset by certain termination costs including severance and other compensation related expenses, as well as write-downs of redundant leaseholds.

DUNDEE ENERGY LIMITED

During the quarter ended September 30, 2017, Dundee Energy's net loss before income taxes attributable to owners of Dundee Corporation was $4.5 million, compared with a net loss before taxes attributable to the owners of the parent of $2.0 million in the third quarter of the prior year. As previously discussed, third quarter operating results in the current year include an impairment loss of $18.9 million against certain exploration and evaluation properties.

In addition, included in the Corporation's income tax expense during the third quarter of the current year is an $18.8 million impairment related to Dundee Energy, reducing Dundee Energy's deferred income tax asset balance to $nil.

RESULTS OF OPERATIONS

For the three months ended September 30,		2017		2016
Revenues				
Oil and gas sales	$	5,370	$	5,449
Interest and dividends		43		(699)
		5,413		4,750
Cost of sales				
Production expenditures		(2,935)		(3,283)
Other items in net loss before taxes				
Depreciation and depletion		(21,099)		(2,292)
General and administrative		(1,001)		(1,440)
Gain on derivative financial instruments		93		269
Interest expense		(1,341)		(1,082)
Foreign exchange loss		(145)		(13)
Net loss before taxes, Dundee Energy Limited	**$**	**(21,015)**	**$**	**(3,091)**
Net loss before taxes, Dundee Energy Limited attributable to:				
Owners of Dundee Corporation	$	(4,503)	$	(1,983)
Non-controlling interest		(16,512)		(1,108)
Net loss before taxes, Dundee Energy Limited	**$**	**(21,015)**	**$**	**(3,091)**

During the third quarter of 2017, sales of oil and natural gas, net of royalty interests were $5.4 million, consistent with net sales earned in the same period of the prior year. While higher realized prices for underlying commodities increased aggregate net sales by $0.5 million, lower production volumes reduced net sales by $0.5 million, essentially offsetting the price gain.

Field Level Cash Flows and Field Netbacks

For the three months ended September 30,						2017						2016
		Natural Gas		Oil and Liquids		Total		Natural Gas		Oil and Liquids		Total
Total sales	$	3,912	$	2,403	$	6,315	$	3,869	$	2,545	$	6,414
Royalties		(580)		(365)		(945)		(585)		(380)		(965)
Production expenditures		(2,082)		(853)		(2,935)		(2,328)		(955)		(3,283)
		1,250		1,185		2,435		956		1,210		2,166
Realized loss on derivative financial instruments		(176)		-		(176)		(75)		-		(75)
Field level cash flows	**$**	**1,074**	**$**	**1,185**	**$**	**2,259**	**$**	**881**	**$**	**1,210**	**$**	**2,091**

For the three months ended September 30,						2017						2016
		Natural Gas		Oil and Liquids		Total		Natural Gas		Oil and Liquids		Total
		$/Mcf		$/bbl		$/boe		$/Mcf		$/bbl		$/boe
Total sales	$	4.13	$	58.87	$	31.79	$	3.69	$	55.07	$	29.01
Royalties		(0.61)		(8.94)		(4.76)		(0.56)		(8.23)		(4.37)
Production expenditures		(2.20)		(20.88)		(14.77)		(2.22)		(20.67)		(14.85)
		1.32		29.05		12.26		0.91		26.17		9.79
Realized loss on derivative financial instruments		(0.19)		-		(0.89)		(0.07)		-		(0.34)
Field netbacks	**$**	**1.13**	**$**	**29.05**	**$**	**11.37**	**$**	**0.84**	**$**	**26.17**	**$**	**9.45**

DUNDEE SUSTAINABLE TECHNOLOGIES INC.

During the three months ended September 30, 2017, Dundee Technologies incurred a net loss before taxes of $0.5 million (three months ended September 30, 2016 – $0.4 million) attributable to owners of Dundee Corporation.

RESULTS OF OPERATIONS

For the three months ended September 30,		2017		2016
Revenues				
Technical services	$	682	$	611
Interest, dividends and other		63		-
		745		611
Cost of sales		(899)		(305)
Other items in net loss before taxes				
Depreciation and depletion		-		-
General and administrative		(574)		(965)
Interest expense		(149)		(97)
Foreign exchange gain (loss)		1		(1)
Net loss before taxes, Dundee Sustainable Technologies Inc.	**$**	**(876)**	**$**	**(757)**
Net loss before taxes, Dundee Sustainable Technologies Inc. attributable to:				
Owners of Dundee Corporation	$	(484)	$	(415)
Non-controlling interest		(392)		(342)
Net loss before taxes, Dundee Sustainable Technologies Inc.	**$**	**(876)**	**$**	**(757)**

During the third quarter of 2017, Dundee Technologies continued to expand the provision of technical services in the mining industry to evaluate processing alternatives using its state of the art metallurgy plant and skilled technical team. Revenue during the current quarter was $0.7 million, compared with revenue of $0.6 million in the same period of the prior year.

The majority of operating losses incurred by Dundee Technologies relate to general and administrative costs, including research and development costs incurred to advance the operations of its chlorination process demonstration plant. During the three months ended September 30, 2017, research and development costs were $0.3 million (three months ended September 30, 2016 – $0.8 million).

BLUE GOOSE CAPITAL CORP.

During the third quarter of 2017, Blue Goose incurred a net loss attributable to owners of Dundee Corporation of $16.9 million, compared with a net loss attributable to owners of Dundee Corporation of $6.3 million incurred in the same period of the prior year. Operating results in the current quarter include an impairment of $23.6 million in the carrying value of goodwill associated with Tender Choice, offset by a fair value gain of $10.9 million on the earnout liability related to this transaction, which reflects downward pressure on management’s estimate of future operations.

RESULTS OF OPERATIONS

For the three months ended September 30,	2017	2016
Revenues		
Sales	$ 30,653	$ 13,878
Interest and dividends	(14)	(1,343)
	30,639	12,535
Cost of sales	(31,179)	(14,946)
Other items in net loss before taxes		
Depreciation and depletion		
Depreciation	(1,649)	(726)
Impairment	(23,638)	-
General and administrative		
Marked-to-market adjustment on earnout liability	10,865	-
Other general and administrative	(2,069)	(2,248)
Fair value changes in livestock	18	(880)
Interest expense	(1,519)	(882)
Foreign exchange (loss) gain	(22)	1
Net loss before taxes, Blue Goose Capital Corp.	**$ (18,554)**	**$ (7,146)**
Net loss before taxes, Blue Goose Capital Corp. attributable to:		
Owners of Dundee Corporation	$ (16,932)	$ (6,262)
Non-controlling interest	(1,622)	(884)
Net loss before taxes, Blue Goose Capital Corp.	**$ (18,554)**	**$ (7,146)**

Revenues in the third quarter of 2017 were $30.7 million, compared with revenues of $13.9 million earned in the third quarter of the prior year. Tender Choice contributed $23.7 million of revenues in the third quarter of 2017. As Tender Choice was acquired in the fourth quarter of 2016, there are no corresponding revenues in the third quarter of the prior year. The Feed division contributed $7.2 million of revenues in the third quarter of 2016 before its sale late in that year. There are no corresponding revenues from the Feed division in the third quarter of 2017. The remaining revenues from Blue Goose's other conventional business lines were $7.0 million in the third quarter of 2017, an increase of approximately $0.3 million from revenues of $6.7 million earned in the same period of the prior year.

Contribution Margins

For the three months ended September 30,						2017
	Beef	Fish	Chicken	Processor	Feed	Total
Revenue	$ 3,631	$ 1,134	$ 2,215	$ 23,673	$ -	$ 30,653
Cost of sales, period cost	(2,580)	(842)	(2,113)	(22,350)	-	(27,885)
	1,051	292	102	1,323	-	2,768
Fair value changes						
Fair value changes in livestock	(691)	709	-	-	-	18
Cost of sales, fair value harvested	(2,225)	(1,069)	-	-	-	(3,294)
	(2,916)	(360)	-	-	-	(3,276)
Margin	$ (1,865)	$ (68)	$ 102	$ 1,323	$ -	$ (508)
Margin %	(63.4%)	(3.7%)	4.6%	5.6%	n/a	(1.7%)

For the three months ended September 30,						2016
	Beef	Fish	Chicken	Processor	Feed	Total
Revenue	$ 3,111	$ 543	$ 3,001	$ -	$ 7,223	$ 13,878
Cost of sales, period cost	(2,732)	(610)	(2,907)	-	(6,847)	(13,096)
	379	(67)	94	-	376	782
Fair value changes						
Fair value changes in livestock	(1,208)	328	-	-	-	(880)
Cost of sales, fair value harvested	(1,339)	(511)	-	-	-	(1,850)
	(2,547)	(183)	-	-	-	(2,730)
Margin	$ (2,168)	$ (250)	$ 94	$ -	$ 376	$ (1,948)
Margin %	(113.9%)	(28.7%)	3.1%	n/a	5.2%	(15.0%)

Revenue from sales of beef increased to $3.6 million in the third quarter of 2017, compared with $3.1 million of revenue generated in the same period of the prior year. The increase this quarter is attributed to the higher volume of live animal sales. During the third quarter of 2017, period costs associated with the beef division were $2.6 million, compared with period costs of $2.7 million in the same period of the prior year.

Revenue from fish sales increased to $1.1 million during the third quarter of 2017, compared with revenue of $0.5 million in the same period of the prior year, reflecting higher sales volume. The increase was attributable to the sale of natural fish to a new customer and to the resumption of organic fish sales to a major organic customer who increased their target weight requirements in the second quarter of 2017. The period costs associated with the fish division were $0.8 million in the three months ended September 30, 2017, compared with $0.6 million of period costs in the same period of the prior year.

During the three months ended September 30, 2017, revenue from the sale of chicken products decreased by $0.8 million to $2.2 million, compared to revenue of $3.0 million generated in the same period of the prior year. Blue Goose continues to work with its processors and suppliers to address the current supply constraints. Consistent with lower sales volumes, period costs associated with the chicken division were $2.1 million during the third quarter of 2017, a decrease of $0.8 million compared with $2.9 million in the same period of the prior year.

In the third quarter of 2017, Tender Choice generated $23.7 million of revenues, and a contribution margin of $1.3 million. Blue Goose continues to work on the integration and profitability of the processor business through increased operating efficiencies, new business initiatives and further integration initiatives with its legacy chicken division.

AGRIMARINE HOLDINGS INC.

During the three months ended September 30, 2017, AgriMarine incurred pre-tax net losses attributable to owners of Dundee Corporation of $0.9 million, compared with pre-tax net losses attributable to owners of Dundee Corporation of $0.7 million in the same period of the prior year.

RESULTS OF OPERATIONS

For the three months ended September 30,		2017		2016
Revenues				
Sales	$	2,180	$	2,522
Interest, dividends and other		25		(56)
		2,205		2,466
Cost of sales		(2,274)		(2,118)
Other items in net loss before taxes				
General and administrative		(801)		(651)
Fair value changes in livestock		-		(336)
Interest expense		(3)		(33)
Foreign exchange gain		1		-
Net loss before taxes, AgriMarine Holdings Inc.	**$**	**(872)**	**$**	**(672)**
Net loss before taxes, AgriMarine Holdings Inc. attributable to:				
Owners of Dundee Corporation	$	(872)	$	(672)
Non-controlling interest		-		-
Net loss before taxes, AgriMarine Holdings Inc.	**$**	**(872)**	**$**	**(672)**

During the three months ended September 30, 2017, AgriMarine generated revenue of $2.2 million and a negative contribution margin of $0.1 million before fair value changes. Harvesting and sales were deliberately reduced in the third quarter of 2017 to permit biomass to recover to sustainable levels following heavy harvesting in previous quarters to address a maturation issue in the fish population. In addition to reduced revenues in the third quarter of 2017, heavy mortalities between July and October 2016, were reflected in some of the fish groups harvested, and therefore cost of sales.

At WCF, the volume of fish harvested during the third quarter of 2017 was 268,000 kilograms, translating into 167,000 kilograms or 368,000 pounds of product sold, at an average selling price of $12.88 per kilogram ($5.85 per pound).

Contribution Margins

For the three months ended September 30,		2017		2016
Revenues	$	2,180	$	2,522
Cost of sales		(2,274)		(1,885)
Contribution margin before fair value changes and other adjustments		(94)		637
Fair value changes in livestock		-		(336)
Other adjustments		-		(233)
	$	**(94)**	**$**	**68**

DUNDEE 360 REAL ESTATE CORPORATION

During the three months ended September 30, 2017, Dundee 360 generated net income attributable to the owners of Dundee Corporation of $51,000. This compares with a net loss attributable to the owners of Dundee Corporation of $1.0 million in the third quarter of the prior year. Improved earnings are the result of Sotheby's strategic initiatives for agent growth, combined with Dundee 360's cost-efficiency strategies.

RESULTS OF OPERATIONS

	Real Estate Brokerage		Real Estate Project Management		Total	
For the three months ended September 30,	2017	2016	2017	2016	2017	2016
Revenues						
Gross commission income	$ 29,409	$ 25,769	$ -	$ -	$ 29,409	$ 25,769
Consulting and management fees	-	-	855	815	855	815
Sales and marketing fees	-	43	-	-	-	43
Other revenue	2,982	2,654	13	23	2,995	2,677
Interest, dividends and other	143	146	18	24	161	170
	32,534	28,612	886	862	33,420	29,474
Cost of sales	(26,889)	(23,516)	-	-	(26,889)	(23,516)
Other items in net earnings (loss) before taxes						
Depreciation and depletion	(254)	(255)	(355)	(490)	(609)	(745)
General and administrative	(4,596)	(4,262)	(1,080)	(2,121)	(5,676)	(6,383)
Share of (loss) income from real estate joint ventures	-	-	(177)	163	(177)	163
Finance expense	(19)	(22)	(1)	(27)	(20)	(49)
Net earnings (loss) before taxes, Dundee 360 Real Estate Corporation	**$ 776**	**$ 557**	**$ (727)**	**$ (1,613)**	**$ 49**	**$ (1,056)**
Net earnings (loss) before taxes, Dundee 360 Real Estate Corporation attributable to:						
Owners of Dundee Corporation	$ 776	$ 557	$ (725)	$ (1,588)	$ 51	$ (1,031)
Non-controlling interest	-	-	(2)	(25)	(2)	(25)
Net earnings (loss) before taxes, Dundee 360 Real Estate Corporation	**$ 776**	**$ 557**	**$ (727)**	**$ (1,613)**	**$ 49**	**$ (1,056)**

During the three months ended September 30, 2017, Sotheby's sold over $1.4 billion worth of residential real estate, which is comparable to the same period of the prior year. Gross commission revenues for the third quarter of 2017 were $29.4 million (three months ended September 30, 2016 – $25.8 million) and associated commissions paid to brokers and agents were $26.9 million (three months ended September 30, 2016 – $23.5 million), resulting in a net contribution margin of $2.5 million or 9% (three months ended September 30, 2016 – $2.3 million or 9%).

Revenues from real estate project management activities of $0.9 million earned during the three months ended September 30, 2017 are comparable with revenues of $0.9 million generated in the same period of the prior year. However, general and administrative costs decreased from $2.1 million in the third quarter of the prior year to $1.1 million in the current quarter, reflecting cost-efficiency strategies initially undertaken in 2016.

CONSOLIDATED QUARTERLY BUSINESS TRENDS

	2017			2016				2015
For the three months ended	30-Sept	30-Jun	31-Mar	31-Dec	30-Sept	30-Jun	31-Mar	31-Dec
Net gain (loss) from investments	$ 15,386	$ (24,831)	$ 57,465	$ (102,680)	$ 7,948	$ 52,216	$ 51,112	$ (37,765)
Share of earnings (loss) from equity accounted investments	6,545	108	(856)	(7,692)	(3,640)	1,243	(114)	41,399
Other items in net earnings (loss)	(20,673)	(1,257)	(28,970)	(1,187)	(24,603)	(70,744)	(47,610)	(67,569)
Net earnings (loss)	$ 1,258	$ (25,980)	$ 27,639	$ (111,559)	$ (20,295)	$ (17,285)	$ 3,388	$ (63,935)
Attributable to owners of the parent	$ 11,438	$ (25,102)	$ 28,962	$ (106,937)	$ (16,430)	$ (12,662)	$ (6,068)	$ (54,928)
Attributable to non-controlling interest	(10,180)	(878)	(1,323)	(4,622)	(3,865)	(4,623)	9,456	(9,007)
	$ 1,258	$ (25,980)	$ 27,639	$ (111,559)	$ (20,295)	$ (17,285)	$ 3,388	$ (63,935)
Earnings (loss) per share								
Basic	$ 0.16	$ (0.46)	$ 0.46	$ (1.85)	$ (0.31)	$ (0.25)	$ (0.13)	$ (0.97)
Diluted	$ 0.15	$ (0.46)	$ 0.44	$ (1.85)	$ (0.31)	$ (0.25)	$ (0.13)	$ (0.97)

- Operating results during the third quarter of 2017 include a $64.4 million foreign currency translation gain related to the disposition of UHIC's subsidiary.
- In connection with the filing of a NOI by Dundee Energy pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada), during the third quarter of 2017, Dundee Energy recorded an impairment of $18.9 million against its exploration and evaluation properties, and it further impaired the carrying value of its deferred income tax assets by $18.8 million.
- During the third quarter of 2017, and as a result of changes in the probability metrics applied to determining the fair value of contingent consideration related to its acquisition of the Tender Choice business, Blue Goose decreased the carrying value of the contingent consideration by $10.9 million, with a corresponding increase in net earnings. Concurrently, Blue Goose impaired goodwill related to Tender Choice by $23.6 million.
- Operating results in the fourth quarter of 2016 include impairment charges of $6.9 million incurred by Dundee Energy in respect of certain of its exploration and evaluation resource properties. In the same quarter, Dundee 360 incurred an impairment of $8.0 million against its Croatian real estate assets, and a further $4.6 million impairment on its Cuban assets.
- Operating results during the second quarter of 2016 include accelerated depreciation charges of $23.8 million relating to Dundee 360, including depreciation of goodwill and other assets associated with the Parq casino and resort development project, as well as depreciation following the sale of certain hospitality services arrangements. In the same quarter, Dundee Energy recognized an impairment of $5.0 million against certain natural gas properties in southern Ontario.
- 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 32 to the September 2017 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 33 to the 2016 Audited Consolidated Financial Statements and under *"Off-Balance Sheet Arrangements"* and *"Commitments and Contingencies"* on pages 66 through 68 in the Corporation's MD&A as at and for the year ended December 31, 2016.

RELATED PARTY TRANSACTIONS

Other than as described in note 33 to the September 2017 Interim Consolidated Financial Statements, there have been no significant changes in the nature and scope of related party transactions to those described in note 34 to the 2016 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 or loss 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 2016 Audited Consolidated Financial Statements. Other than as described in note 2 to the September 2017 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 2016 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 September 30, 2017.

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 September 30, 2017, 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 nine months ended September 30, 2017 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.

Limitation on Scope of Design

The Chief Executive Officer and Chief Financial Officer have limited the scope of the design of disclosure controls and procedures and the design of internal control over financial reporting to exclude controls, policies and procedures of Blue Goose as they relate to the operations of Tender Choice, the results of which have been included in the September 2017 Interim Consolidated Financial Statements. The scope of limitation is in accordance with Section 3.3 of National Instrument 52-109, which permits an issuer to limit its design of disclosure controls and procedures, and the design of internal control over financial reporting to exclude the controls, policies and procedures of a company acquired not more than 365 days before the end of the financial period to which the certificate relates. A summary of the financial information for Blue Goose's acquisition of Tender Choice is provided under the sections entitled *"Segmented Results of Operations – Blue Goose Capital Corp"*.

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 2016 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 2017 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 November 14, 2017.

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
November 14, 2017