DUNDEE CORPORATION

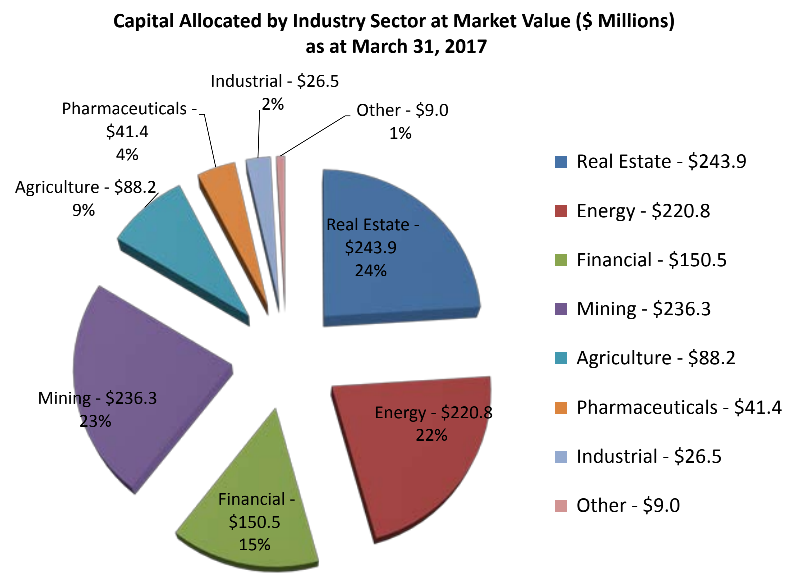
MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2017

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 May 11, 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 months ended March 31, 2017 (the "March 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

		March 31, 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.	$ 378,258	$ 368,131	$ 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.	158,612	159,088	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.	489,344	489,344	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.	(128,826)	(131,055)	(108,981)	(111,500)
	SHAREHOLDERS' EQUITY	**$ 897,388**	**$ 885,508**	**$ 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	**$ 770,320**	**$ 755,508**	**$ 737,355**	**$ 719,349**
	Number of Class A Subordinate Shares and Class B Shares of the Corporation outstanding				
	Class A Subordinate Shares		55,675,994		55,621,546
	Class B Shares		3,114,873		3,114,936
			58,790,867		58,736,482
	SHAREHOLDERS' EQUITY ON A PER SHARE BASIS**	**$ 13.10**	**$ 12.85**	**$ 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

Three months ended March 31, 2017 compared with three months ended March 31, 2016

Consolidated Net Earnings

During the three months ended March 31, 2017, the Corporation generated net earnings attributable to owners of Dundee Corporation of $29.0 million, or earnings of $0.46 per share. In comparison, the Corporation incurred a loss attributable to owners of Dundee Corporation of $6.1 million, or $0.13 per share during the same period of the prior year. The following table summarizes the Corporation's net operating earnings or loss on a per segment basis.

For the three months ended March 31,		2017		2016
Net earnings (loss) before income taxes from:				
Goodman & Company, Investment Counsel Inc.	$	(1,550)	$	(3,124)
Dundee Securities Ltd.		1,040		(3,564)
Dundee Energy Limited		(55)		(4,182)
United Hydrocarbon International Corp.		(3,305)		(3,883)
Dundee Sustainable Technologies Inc.		(1,143)		(1,516)
Eurogas International Inc.		(147)		(184)
Blue Goose Capital Corp.		(2,621)		(5,299)
AgriMarine Holdings Inc.		(995)		(2,275)
Dundee 360 Real Estate Corporation		162		(4,592)
		(8,614)		(28,619)
Adjusted for the corporate and other portfolio holdings segment:				
Changes in the market value of investments:				
Dundee Precious Metals Inc.		19,282		28,731
DREAM Unlimited Corp.		1,709		20,122
Other portfolio investments		36,420		2,259
Share of loss from equity accounted investments		(1,973)		(186)
Other items in the corporate and other portfolio holdings segment		(6,279)		(14,172)
Income tax expense		(12,906)		(4,747)
Net earnings for the period	**$**	**27,639**	**$**	**3,388**
Net earnings (loss) attributable to:				
Owners of the parent	$	28,962	$	(6,068)
Non-controlling interest		(1,323)		9,456
	$	**27,639**	**$**	**3,388**

Operating results during the first three months of 2017 benefited from improved market performance in 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 $57.4 million during the three months ended March 31, 2017, compared with a $51.1 million gain 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 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 three months of 2017, the Corporation recognized a loss from its equity accounted investments of $2.0 million, compared with a loss of $0.2 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 $200.9 million at March 31, 2017, compared with $173.8 million at December 31, 2016. During the first quarter of 2017, it successfully launched *CMP 2017 Resource Limited Partnership*, a tax-sheltered limited partnership that raised capital of $31.3 million. Pre-tax operating losses in this division decreased to $1.6 million in the current quarter, compared with pre-tax operating losses of $3.1 million in the first three 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 it continues to invest in proprietary trading inventory. During the first three months of 2017, Dundee Securities Ltd. generated pre-tax earnings of $1.0 million, compared with pre-tax operating losses of $3.6 million incurred in the first quarter of the prior year.

- Higher realized prices for the sale of oil and natural gas improved results for Dundee Energy Limited, which saw pre-tax operating losses decrease to $55,000 in the first three months of 2017, compared with pre-tax losses of $4.2 million incurred in the first quarter of the prior year.

- During the first quarter of 2017, United Hydrocarbon International Corp. ("UHIC") incurred pre-tax operating losses of $3.3 million, compared with pre-tax operating losses of $3.9 million in the first quarter of 2016. Subsequent to quarter end, UHIC announced that it had entered into an agreement with Delonex Energy Ltd. ("Delonex"), a Sub-Saharan oil and gas company focused on exploration, development and production. Under the terms of the agreement, Delonex will acquire United Hydrocarbon (Chad) Ltd., a wholly owned subsidiary of UHIC and the holder of UHIC's production sharing contract in the Republic of Chad. Delonex will pay US$35 million on closing of the transaction, and it will pay an additional US$20 million for first oil at the Doba Basin and US$30 million for first oil at Block H (See "*Segmented Results of Operations – United Hydrocarbon International Corp.*"). UHIC will retain a royalty of 10% on Doba production and a 5% royalty on all Block H production, payable unless the average price of Brent Crude oil is less than US$45 in any calendar quarter. The transaction with Delonex is subject to a number of conditions, including approval from the Government of Chad and UHIC shareholder approval.

- Dundee Sustainable Technologies Inc. incurred a pre-tax operating loss of $1.1 million during the three months ended March 31, 2017, compared with pre-tax operating losses of $1.5 million incurred in the first quarter of 2016. In the current quarter, a technical report for the processing of a complex gold concentrate on behalf of a strategic partner was completed, enabling the initiation of an independent technical-economic study by the strategic partner, with the objective of building a commercial plant. Dundee Sustainable Technologies Inc. is also in the final engineering stages of an industrial scale demonstration plant which was procured by a customer, and which will be used as proof of the arsenic stabilization technology in an industrial setting.

- Blue Goose Capital Corp. incurred a net operating loss before taxes of $2.6 million during the current quarter, compared with a net operating loss before taxes of $5.3 million in the first quarter of the prior year. Included in operating results are revenues of $22.3 million and a contribution margin of $2.2 million generated from operations at Tender Choice Foods Inc., which was acquired by Blue Goose Capital Corp. in the fourth quarter of 2016.

- AgriMarine Holdings Inc. continues to rationalize its cost structure with the goal of achieving profitability for its West Coast Fishculture 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 three months ended March 31, 2017, AgriMarine Holdings Inc. reported pre-tax operating losses of $1.0 million, compared with pre-tax operating losses of $2.3 million incurred in the same period of the prior year.

- During the first quarter of 2017, Dundee 360 Real Estate Corporation generated pre-tax earnings of $0.2 million, compared with pre-tax losses of $4.6 million incurred during the same period of 2016. Included in pre-tax earnings during the first quarter of 2017 is $1.1 million of equity earnings generated from its 45% interest in the Edenarc 1800 project in Savoie, France, which saw the completion and delivery of a further phase of the project.

OPERATING SUBSIDIARIES AS AT MARCH 31, 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 March 31, 2017	Market Value (note 5) as at March 31, 2017
Subsidiaries That Are Not Publicly Listed								
United Hydrocarbon International Corp.				85%	$ 227,911	$ (34,695)	$ 193,216	$ 193,216
Blue Goose Capital Corp.				90%	74,975	(5,861)	69,114	69,114
Dundee Securities Ltd. (note 3)				100%	40,208	-	40,208	40,208
Dundee 360 Real Estate Corporation				100%	25,634	(474)	25,160	25,160
AgriMarine Holdings Inc.				100%	17,948	-	17,948	17,948
Goodman & Company, Investment Counsel Inc.				100%	1,631	-	1,631	1,631
Subsidiaries That Are Publicly Listed								
Dundee Sustainable Technologies Inc.	DST	228,068.5	$0.06	66%	3,521	3,415	6,936	12,544
Dundee Energy Limited	DEN	108,993.5	$0.02	58%	35,130	(13,293)	21,837	1,635
Eurogas International Inc.	EI	16,646.8	$0.01	53%	(162)	2,370	2,208	83
Amounts due from non-controlling interests (note 4)							-	6,592
TOTAL – OPERATING SUBSIDIARIES							**$ 378,258**	**$ 368,131**

1. See note 34 "Segmented Information" to the March 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 March 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 March 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 March 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 $2.3 million incurred by DGIM during the first three months of 2016.

GCIC and DGIM are the entities through which the Corporation intends to build out its Investment Counsel/Portfolio Management ("ICPM") platform. The Corporation believes that targeting and servicing the unique needs of the high-net worth and ultra-high-net worth markets presents a significant opportunity. These markets consist of successful business owners, entrepreneurs, corporate executives and other individuals with sophisticated wealth management and financial product and service needs. It is estimated that over the next decade, high-net worth and ultra-high-net worth individuals will be involved in the creation and transfer of a significant amount of wealth in Canada, which some third parties estimate could total as much as four trillion dollars. By providing a seamless, integrated suite of client-centric wealth services, the Corporation believes that it can successfully differentiate itself from other competitors. The Corporation's current objective is to build an ICPM platform that is national in scope, with a network of offices servicing major urban centres in Canada, both through acquisition of established businesses and through organic client acquisition. This is a strategically important platform for the Corporation as the insights gathered from high-net worth and ultra-high-net worth clients will enable the creation of highly customized and unique alternative products.

The Corporation intends to provide a full suite of complementary wealth and lifestyle services to its clients through a network of preferred suppliers. These complementary services include 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. To ensure quality and consistency in the delivery of these services, the Corporation will actively manage the standards and service delivery of its network of business partners.

Over time, the Corporation believes that the successful execution of its wealth management strategy will generate more regular and predictable cash flows. It is anticipated that future cash flows in the wealth management business will come from a combination of both asset management and performance based fees.

Assets Under Management at March 31, 2017

During the three months ended March 31, 2017, GCIC accumulated approximately $3.0 million in AUM under managed account arrangements for private clients and it successfully launched its most recent tax-sheltered limited partnership, *CMP 2017 Resource Limited Partnership*, which raised capital of $31.3 million.

Redemptions during the first quarter of 2017 were $14.1 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*.

Combined with market appreciation of $4.5 million since January 1, 2017, AUM increased by a net amount of $27.1 million to $200.9 million at March 31, 2017, compared with AUM of $173.8 million at December 31, 2016.

For the three months ended March 31, 2017		
AUM at beginning of the period	$	173,756
Transactions during the three months ended March 31, 2017		
Additions		33,773
Redemptions		(14,110)
Change in market values		4,482
Change in private client assets		3,002
Net change in managed assets		27,147
AUM at end of the period	$	200,903

AUM Breakdown		
Private clients	$	95,308
Tax sheltered investment products		49,055
Mutual funds		27,587
Alternative investment products		28,953
	$	200,903

AUM designated as "Private clients" AUM include $17.0 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".

RESULTS OF OPERATIONS

As illustrated in the following table, GCIC incurred a net loss before income taxes attributable to owners of Dundee Corporation of $1.6 million in the first three months of 2017, compared with a pre-tax loss of $3.1 million incurred in the first quarter of the prior year.

Management fee revenues were $562,000 in the first three months of 2017, a decline from management fee revenues of $602,000 earned in the first quarter of the prior year, which included $55,000 of performance fee revenue.

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 three months ended March 31, 2017 was $193.6 million, compared with average AUM of $121.3 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 quarter of 2017, the average management fee rate on AUM was 1.3%, compared with an average management fee rate of 1.8% 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.

For the three months ended March 31,		2017		2016
Revenues				
Management and performance fees	$	562	$	602
Financial services		2		-
Interest, dividends and other		87		56
		651		658
Other items in net loss before tax				
Depreciation		(2)		(2)
General and administrative		(2,252)		(3,780)
Net gain from investments		54		-
Interest expense		(1)		-
Net loss before taxes, Goodman & Company, Investment Counsel Inc.	**$**	**(1,550)**	**$**	**(3,124)**
Net loss before taxes, Goodman & Company, Investment Counsel Inc., attributable to:				
Owners of Dundee Corporation	$	(1,550)	$	(3,124)
Non-controlling interest		-		-
Net loss before taxes, Goodman & Company, Investment Counsel Inc.	**$**	**(1,550)**	**$**	**(3,124)**

General and administrative expenses were $2.3 million in the first quarter of 2017, compared with $3.8 million in the first quarter 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 in 2016

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 also 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. These arrangements will extend to the second 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%. Subsequent to December 31, 2016, $2.5 million of the subordinated loan was repaid.

Dundee Securities Inc. is currently a wholly-owned subsidiary of Dundee Securities and is registered as a broker-dealer with the United States Securities and Exchange Commission in select states and is also a member of Financial Industry Regulatory Authority. Dundee Securities is currently seeking regulatory approval for the transfer of Dundee Securities Inc. to Eight Capital, which is expected in the second quarter of 2017.

RESULTS OF OPERATIONS

For the three months ended March 31,	2017	2016
Revenues		
Management fees	$ -	$ 2,687
Financial services		
Investment banking	3,840	5,919
Commissions	1,011	9,501
Principal trading	(931)	138
Foreign exchange trading	-	186
Interest, dividends and other	674	1,681
	4,594	20,112
Cost of sales		
Variable compensation	(883)	(8,926)
Other items in net earnings (loss) before taxes		
Depreciation	(409)	(378)
General and administrative	(2,248)	(14,236)
Interest expense	(16)	(48)
Foreign exchange gain (loss)	2	(88)
Net earnings (loss) attributable to Dundee Securities Ltd.	**$ 1,040**	**$ (3,564)**
Net earnings (loss) before taxes, Dundee Securities Ltd. attributable to:		
Owners of Dundee Corporation	$ 1,040	$ (3,564)
Non-controlling interest	-	-
Net earnings (loss) before taxes, Dundee Securities Ltd.	**$ 1,040**	**$ (3,564)**

Revenues

Consistent with the sale of essentially all of its retail and capital market businesses, during the first quarter of 2017, Dundee Securities' revenues decreased to $4.6 million, compared with revenues of $20.1 million generated in the same period of the prior year. Revenues in the first quarter of 2017 include residual new issue and advisory mandates of $3.7 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 three months of 2017, Dundee Securities generated commission revenues of $1.0 million, and it incurred principal trading losses of $0.9 million related to continued capital markets positions which will be disposed of in the coming months.

Variable Compensation Expense

Variable compensation expense incurred during the first three months of 2017 was $0.9 million, and represented approximately 87% of related financial services revenue, resulting in contribution margins of 13%. Lower contribution margins in the current quarter 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 $2.2 million in the first quarter of 2017, compared with $14.2 million in the first three months of the prior year, reflecting the reduction in business activities.

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. As required by accounting standards, the amount of the future consideration was revalued to its fair value of $3.2 million at March 31, 2017, with the gain from the change in fair value of $0.5 million recognized as a recovery of general and administrative expenses. These contingent proceeds were substantially received subsequent to March 31, 2017.

Assets and Liabilities at March 31, 2017

The following table illustrates the residual net assets of Dundee Securities at March 31, 2017 and following its divestiture of each of the retail and the capital markets divisions.

As at		March 31, 2017		December 31 2016
Cash	$	20,283	$	55,387
Accounts receivable		11,855		12,541
Client accounts receivable		35,972		5,162
Brokerage securities owned		10,355		11,843
Income taxes receivable		517		484
Capital and other assets		3,736		4,134
Accounts payable and accrued liabilities		(7,320)		(16,530)
Client deposits and related liabilities		(35,190)		(26,673)
Brokerage securities sold short		-		(1)
	$	40,208	$	46,347

The net assets of Dundee Securities are after the distribution of $65.5 million of cash to the Corporation, including $5.0 million of cash distributed during the current quarter. 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 March 31, 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 March 31, 2017.

DUNDEE ENERGY LIMITED

Dundee Energy Limited ("Dundee Energy") is a small-cap Canadian-based company focused on creating long-term value through the development and acquisition of high-impact energy projects. 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 approximately 2,142 boe/d, 80% of which is natural gas production. At March 31, 2017, the Corporation held a 58% interest in Dundee Energy. Common shares of Dundee Energy are traded on the TSX under the symbol "DEN". Additional information about Dundee Energy may be accessed at www.dundee-energy.com.

RESULTS OF OPERATIONS

During the first quarter of 2017, Dundee Energy incurred a net loss of $31,000 attributable to the owners of Dundee Corporation. This compares to a net loss attributable to owners of Dundee Corporation of $2.8 million incurred during the same period of the prior year.

For the three months ended March 31,		2017		2016
Revenues				
Oil and gas sales	$	5,946	$	4,230
Interest and dividends		42		(1,460)
		5,988		2,770
Cost of sales				
Production expenditures		(2,500)		(2,707)
Other items in net loss before taxes				
Depreciation and depletion		(2,075)		(2,271)
General and administrative		(926)		(1,538)
Gain on derivative financial instruments		799		706
Interest expense		(1,296)		(1,041)
Foreign exchange loss		(45)		(101)
Net loss before taxes, Dundee Energy Limited	**$**	**(55)**	**$**	**(4,182)**
Net loss before taxes, Dundee Energy Limited attributable to:				
Owners of Dundee Corporation	$	(31)	$	(2,762)
Non-controlling interest		(24)		(1,420)
Net loss before taxes, Dundee Energy Limited	**$**	**(55)**	**$**	**(4,182)**

Sales and Production Volumes

During the three months ended March 31, 2017, sales of oil and natural gas, net of royalty interests, were $5.9 million, an increase of $1.7 million when compared with net sales of $4.2 million earned during the same period of the prior year. Higher realized prices for underlying commodities increased aggregate net sales by $2.1 million, partially offset by lower production volumes, the effect of which was to reduce net sales by $0.4 million.

In the first quarter of 2017, Dundee Energy realized an average price on sales of natural gas of $4.78/Mcf, approximately 52% higher than the realized average sales price of $3.14/Mcf earned in the same period of the prior year. In addition to the effect of favourable commodity markets, Dundee Energy continues 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 $65.47/bbl, a 55% increase from the average price of $42.12/bbl realized during the same period of the prior year. The increase is consistent with a 54% increase in the US dollar-denominated West Texas Intermediate price for this commodity and a 57% increase in the Canadian dollar-denominated price of Canadian light sweet crude oil.

Average daily volume during the three months ended March 31,	2017	2016
Natural gas (Mcf/d)	10,238	10,872
Oil (bbls/d)	436	486
Liquids (bbls/d)	-	4
Total (boe/d)	2,142	2,302

Average daily natural gas production volumes decreased to an average of 2,142 boe/d, compared with an average of 2,302 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 three months ended March 31,			2017			2016
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
Total sales	$ 4,408	$ 2,569	$ 6,977	$ 3,110	$ 1,865	$ 4,975
Royalties	(644)	(387)	(1,031)	(468)	(277)	(745)
Production expenditures	(1,485)	(1,015)	(2,500)	(1,668)	(1,039)	(2,707)
	2,279	1,167	3,446	974	549	1,523
Realized (loss) gain on derivative financial instruments	(366)	-	(366)	199	-	199
Field level cash flows	**$ 1,913**	**$ 1,167**	**$ 3,080**	**$ 1,173**	**$ 549**	**$ 1,722**

For the three months ended March 31,			2017			2016
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
	$/Mcf	$/bbl	$/boe	$/Mcf	$/bbl	$/boe
Total sales	$ 4.78	$ 65.47	$ 36.19	$ 3.14	$ 41.89	$ 23.76
Royalties	(0.70)	(9.88)	(5.35)	(0.47)	(6.21)	(3.56)
Production expenditures	(1.61)	(25.86)	(12.97)	(1.69)	(23.34)	(12.93)
	2.47	29.73	17.87	0.98	12.34	7.27
Realized (loss) gain on derivative financial instruments	(0.40)	-	(1.90)	0.20	-	0.95
Field netbacks	**$ 2.07**	**$ 29.73**	**$ 15.97**	**$ 1.18**	**$ 12.34**	**$ 8.22**

At March 31, 2017, Dundee Energy had a single derivative financial instrument for 5,000 million British thermal units ("mmbtu") per day at US$2.70/mbtu for the period from April 1, 2017 to January 1, 2018. Given the recent improvement in the outlook for natural gas prices, Dundee Energy's derivative financial instrument at March 31, 2017 had a negative value of $1.1 million, an improvement over the negative value of $2.3 million at December 31, 2016.

Contract Fixed Price Swap	Volume	Pricing Point	Strike Price ($/unit)	Remaining Term	Fair Value March 31, 2017
Natural Gas	5,000 mmbtu/day	NYMEX	US$2.70	Apr 01/17 to Jan 01/18	$ (1,110)

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 quarter of 2017, Dundee Energy incurred capital expenditures of $0.4 million, all of which related to maintaining its existing and essential land portfolio.

Demand Revolving Credit Facility

Dundee Energy's southern Ontario operations are conducted through a wholly owned subsidiary, Dundee Energy Limited Partnership ("DELP"). DELP established a credit facility with a Canadian chartered bank that is 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 March 31, 2017, DELP had drawn $55.1 million against the credit facility. The credit facility is subject to certain covenants, including maintenance of minimum levels of working capital. At March 31, 2017, DELP was in compliance with all such covenants.

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 are met, DELP's lender has 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. Under the terms of the forbearance agreement, DELP will continue to have access of up to $58 million of borrowing capacity during the forbearance period.

The forbearance agreement provided a definitive timeline within which Dundee Energy will be 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 Dundee Energy with respect to enhancing the value of its investment in DELP. Under the terms of the forbearance agreement, DELP had committed to enter into a binding agreement under these arrangements, which binding agreement was to be satisfactory to its lender, by April 7, 2017. The lender has not yet provided its consent to any of the proposals made by Dundee Energy, and these proposals remain under consideration by DELP and DELP's lender. The lender has not provided a waiver of the April 7, 2017 deadline. In any case, the lender at all times retains its right to demand repayment in full, including during the forbearance period. Dundee Energy and DELP continue to assess their options in this regard.

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 non-recourse to the Corporation.

Dundee Energy's access to cash and to additional borrowing availability under the terms of its credit facility are sufficient to meet its immediate obligations, but will not be sufficient for Dundee Energy to sustain its current operations. There can be no assurance that Dundee Energy's strategic review process for DELP will be successful, or that Dundee Energy will be successful in sourcing alternative financial arrangements.

UNITED HYDROCARBON INTERNATIONAL CORP.

UHIC is a privately-held Canadian company engaged in the exploration, development and production of oil and gas in the Republic of Chad. On June 6, 2012, UHIC was awarded an exploration license pursuant to a Production Sharing Contract ("PSC") with the government of the Republic of Chad that had been signed in May 2012, through its wholly-owned subsidiary, United Hydrocarbon Chad Ltd. The PSC provides UHIC with the exclusive right to explore and develop oil and gas reserves in four distinct blocks: the DOC Block and the DOD Block (together the "Doba Basin"); Block H; and the Largeau Block.

UHIC has been committed to finding ways to add value for its shareholders in a challenging environment for junior international oil and gas companies. In that regard, during 2016, UHIC engaged FirstEnergy LLP to seek financial or industry partners and, in order to properly convey the commercial opportunity, they established an extensive data room to service the informational needs of possible joint venture partners and investors. Non-binding bids were received in October 2016 and the board of directors of UHIC subsequently undertook an assessment of the bids received during the remainder of 2016 and early 2017. In late January 2017, UHIC entered into an exclusivity period with its preferred partner, Delonex, which culminated in an agreement announced on May 10, 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 proposed transaction in Chad 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). In consideration, Delonex will make an upfront payment to UHIC of US$35 million upon successful closing of the transaction. Additional payments of US$20 million will be made for first oil on the Doba Basin, and a further US$30 million for first oil on Block H. UHIC will maintain a significant economic interest in both properties through a 10% royalty on Doba production and a 5% royalty on all 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.

In respect of the transaction, Delonex has committed US$65 million in funding within two years from the closing date for a comprehensive exploration program for the assets in Chad, and it has committed, subject to commerciality being achieved, US$35 million for development in the Doba Basin.

The transaction remains subject to certain approvals, including regulatory approvals from the Republic of Chad, and the approval of UHIC's shareholders. There can be no assurance that these approvals will be obtained.

As at March 31, 2017, the Corporation's carrying value of its 85% investment in UHIC was $193.2 million. Additional information regarding UHIC may be accessed at www.unitedhydrocarbon.com.

The Production Sharing Contract
Under the terms of the PSC, UHIC was awarded an exploration license with an initial term of five years expiring in June 2017, and with a renewal option for a period of an additional three years. UHIC is engaged in ongoing discussions with the Republic of Chad, and has formally submitted its application under its PSC to enter into the three-year renewal phase of exploration, having met all of the pre-conditions under the PSC associated with being granted the renewal. In addition to ongoing normal course annual costs such as land taxes and other miscellaneous administrative fees associated with the PSC, the initial term of the PSC carried a minimum work commitment of US$75.0 million, all of which was fulfilled by UHIC. On the day of the PSC's exploration license renewal, UHIC will be required to relinquish 50% of the contract area and commit to minimum work obligations of US$5.0 million. Should there be a commercial discovery or discoveries, UHIC may apply for exploitation license(s) under the terms of the PSC. An exploitation license would have an initial term of 25 years, and may be renewed for an additional 10 years. A fee of US$2.0 million would be payable to the government of the Republic of Chad upon the approval and issuance of each exploitation license.

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 through to June 2017. Should UHIC not be successful in finalizing and closing an arrangement with its preferred farm out partner, UHIC will require additional funds to continue its exploration program and if successful, to develop and produce commercially viable discoveries. UHIC management believes that alternative financing, joint venture or farm out options exist should negotiations with its preferred partner not culminate in a transaction, but there can be no assurance that UHIC will be successful in raising the necessary funds to support future operations.

The Resource Properties
Since establishing the PSC, UHIC's primary exploration and evaluation focus has been in the Doba Basin located in southern Chad, including both the DOC Block and the DOD Block. There were two existing discoveries on these blocks that were made by prior block operators, the 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 Mondoulli oil field currently being produced and operated by Exxon.

Block H is located in north-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, the Kumia and Kanem. UHIC also holds an extensive seismic database that has been used by previous operators to identify more than 200 exploration leads on this block. UHIC has completed an independent interpretation of the seismic data and continues to update and further validate the exploration potential of Block H. Future exploration activities are expected to include additional scientific work related to lead and prospect identification and modern 3D seismic acquisition and interpretation, which may lead to drilling in 2018, depending on oil price movement and availability of capital.

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.

UHIC had been impacted by downward commodity pricing pressures, which are currently being faced by many international oil and gas companies. In response, UHIC temporarily suspended drilling operations in early 2015, releasing the drilling rig, and issuing contract suspension and termination notices to most of its service providers. On an ongoing basis, and until completion of its agreement with Delonex, the Corporation anticipates that UHIC may require approximately $1.0 million per month to ensure the maintenance of its resource properties, meet its obligations under the PSC and develop its technical data.

RESULTS OF OPERATIONS

As a result of continued cost savings initiatives to conserve cash throughout 2016, UHIC's general and administrative costs were reduced to $3.0 million during the first quarter of 2017, compared with $3.3 million in the same period of 2016.

For the three months ended March 31,		2017		2016
General and administrative costs:				
Directly attributable to exploration activities	$	1,424	$	1,412
Head office and other ongoing expenses		1,571		1,934
Total general and administrative		2,995		3,346
Other net costs		310		537
	$	**3,305**	**$**	**3,883**

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

During the first quarter of 2017, Dundee Technologies completed the technical report for the processing of 40 tonnes of a complex gold concentrate containing an estimated 110 g/tonne of gold, copper grades of 9.0% and mercury content in excess of 700 g/tonne. A gold extraction yield of 97.3% was achieved at the outlet of the chlorination reactor, with full environmental controls over the sulfur and mercury content, with mercury effectively removed during processing to a level of 99%. The intention is to initiate an independent technical-economic study, designed with the objective of building Dundee Technologies' first commercial plant in partnership with a strategic partner.

At March 31, 2017, Dundee Technologies had expended $19.1 million towards the construction and operation of its demonstration plant.

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, and presents opportunities to process materials considered too toxic to be exploited or stabilized using conventional mining methods. Dundee Technologies is in the final stages of completing the engineering of an onsite industrial scale demonstration plant to be delivered to a customer. Dundee Technologies anticipates construction will commence in the second quarter of 2017. 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 a Canadian exploration company 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 objective of the program is to confirm 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 on the concentrate market.

This test program will be overseen by an independent consulting firm, with the view of providing the necessary data to the Canadian exploration company to update its preliminary economic assessment.

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 can be produced at a commercial level at reasonable costs, or that such processes can be successfully marketed.

RESULTS OF OPERATIONS

During the three months ended March 31, 2017, Dundee Technologies incurred a net loss of $0.7 million attributable to owners of Dundee Corporation, compared with a net loss attributable to owners of Dundee Corporation of $0.9 million in the same period of the prior year.

For the three months ended March 31,		2017		2016
Revenues				
Technical services	$	211	$	-
		211		-
Cost of sales		(270)		-
Other items in net loss before taxes				
Depreciation and depletion		-		(1)
General and administrative		(965)		(1,461)
Interest expense		(115)		(53)
Foreign exchange loss		(4)		(1)
Net loss before taxes, Dundee Sustainable Technologies Inc.	**$**	**(1,143)**	**$**	**(1,516)**
Net loss before taxes, Dundee Sustainable Technologies Inc. attributable to:				
Owners of Dundee Corporation	$	(664)	$	(913)
Non-controlling interest		(479)		(603)
Net loss before taxes, Dundee Sustainable Technologies Inc.	**$**	**(1,143)**	**$**	**(1,516)**

During the first quarter of 2017, Dundee Technologies earned revenues of $0.2 million from the provision of technical services to customers in the mining industry to evaluate processing alternatives using its technologies.

General and administrative expenses include research and development expenses in respect of Dundee Technologies' chlorination and arsenic stabilization processes. During the first quarter of 2017, Dundee Technologies incurred $0.4 million (three months ended March 31, 2016 – $1.1 million) in research and development costs for these two processes. In the three month period of the prior year, these costs relate primarily to the operation of the demonstration chlorination plant.

CHANGES IN FINANCIAL POSITION

At March 31, 2017, Dundee Technologies had cash of $0.2 million, and it had obligations, other than obligations due to Dundee Corporation, of $4.6 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 March 31, 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. In addition, the extension requires the acquisition of 700 km of 2-dimensional seismic. DNO is responsible for all obligations and costs associated with the renewal arrangements.

In November 2015, DNO announced plans for 3-dimensional activities at the Sfax Permit in preparation for drilling a well in 2017. Budgets for the 2017 work plan were submitted to the Tunisian authorities in December 2016, and are pending approval.

RESULTS OF OPERATIONS

During the first three months of 2017, Eurogas incurred a loss before income taxes attributable to shareholders of Dundee Corporation of $79,000, compared with a loss of $98,000 in the same period of 2016.

For the three months ended March 31,		2017		2016
Other items in net loss before taxes				
General and administrative	$	(101)	$	(141)
Interest expense		(48)		(49)
Foreign exchange gain		2		6
Net loss before taxes, Eurogas International Inc.	**$**	**(147)**	**$**	**(184)**
Net loss before taxes, Eurogas International Inc. attributable to:				
Owners of Dundee Corporation	$	(79)	$	(98)
Non-controlling interest		(68)		(86)
Net loss before taxes, Eurogas International Inc.	**$**	**(147)**	**$**	**(184)**

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 March 31, 2017, Eurogas had drawn $4.9 million against this facility, including a net amount of $69,000 advanced by Dundee Corporation during the first quarter of 2017.

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 $11.1 million at March 31, 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 March 2017 Interim Consolidated Financial Statements. However, as a result of these financial obligations, Eurogas had a negative working capital balance of $48.7 million at March 31, 2017. Eurogas' ability to meet these 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 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 and fish. 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 Foods Inc. ("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.

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 March 31, 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 quarter of 2017, Blue Goose incurred a net loss attributable to the owners of Dundee Corporation of $2.4 million, compared with a net loss of $4.8 million incurred in the same period of the prior year. As further discussed below, and 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 quarter of 2016 are not directly comparable to results generated during the current quarter.

For the three months ended March 31,	2017	2016
Revenues		
Sales	$ 29,103	$ 15,616
Interest and dividends	103	74
	29,206	15,690
Cost of sales	(30,782)	(18,969)
Other items in net loss before taxes		
Depreciation and depletion	(1,641)	(803)
General and administrative	(2,900)	(1,462)
Fair value changes in livestock	5,016	593
Interest expense	(1,516)	(347)
Foreign exchange loss	(4)	(1)
Net loss before taxes, Blue Goose Capital Corp.	**$ (2,621)**	**$ (5,299)**
Net loss before taxes, Blue Goose Capital Corp. attributable to:		
Owners of Dundee Corporation	$ (2,377)	$ (4,750)
Non-controlling interest	(244)	(549)
Net loss before taxes, Blue Goose Capital Corp.	**$ (2,621)**	**$ (5,299)**

Contribution Margins

During the three months ended March 31, 2017, Blue Goose generated a positive contribution margin of $3.3 million on total revenues of $29.1 million, compared with a negative contribution margin of $2.8 million on total revenues of $15.6 million for the same period of the prior year. The contribution margin, before adjusting for fair value changes, was $1.1 million in the first quarter of 2017, which is relatively consistent with a $1.2 million contribution margin in the same period of the prior year.

For the three months ended March 31,						2017
	Beef	Fish	Chicken	Processor	Feed	Total
Revenue	$ 3,096	$ 799	$ 2,870	$ 22,338	$ -	$ 29,103
Cost of sales, period cost	(4,661)	(432)	(2,752)	(20,184)	-	(28,029)
	(1,565)	367	118	2,154	-	1,074
Fair value changes						
Fair value changes in livestock	4,578	438	-	-	-	5,016
Cost of sales, fair value harvested	(1,926)	(827)	-	-	-	(2,753)
	2,652	(389)	-	-	-	2,263
Margin	$ 1,087	$ (22)	$ 118	$ 2,154	$ -	$ 3,337
Margin %	14.2%	(1.8%)	4.1%	9.6%	n/a	9.8%

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

Revenue from sales of beef decreased by $1.2 million to $3.1 million during the first quarter of 2017, compared with revenue of $4.3 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 quarter of 2017 and reflective of higher market prices for beef, Blue Goose recognized a fair value gain of $4.6 million related to its cattle inventory, compared with a fair value gain of $0.5 million in the same period of the prior year. During the first three months of 2017, period costs associated with the beef division were $4.7 million and included costs of feeding, labour and other farming related costs. This compares with period costs of $4.0 million in the same period of the prior year.

Revenue from fish sales decreased slightly to $0.8 million during the first three months of 2017, compared with revenue of $0.9 million in the same period of the prior year, reflecting lower sales volumes. The period costs associated with the fish division for the first three months of 2017 were $0.4 million, comparable with period costs of $0.4 million in the same period of the prior year.

In the first quarter of 2017, revenue from the sale of chicken products in Blue Goose's legacy business was $2.9 million, compared with revenue of $3.0 million in the same period of the prior year. Blue Goose's legacy chicken division continues to experience supply limitations. However, the effect of lower sales volumes in the first quarter of 2017 was offset by higher margins.

During the first three months of 2017, Tender Choice generated $22.3 million of revenues, a contribution margin of $2.2 million and EBITDA of $2.0 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. Blue Goose anticipates new sales of conventional chicken to begin with a major national retailer in the second quarter of 2017, further improving revenues and profitability.

The Fischer Feeds division was sold late in 2016. During the first quarter of 2016, it had generated sales of $7.3 million and a contribution margin of $0.5 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 three months ended March 31, 2017				
Net additions	1,379	10	17,520	18,909
Herd growth - physical changes	2,854	397	-	3,251
Herd growth - price changes	1,724	41	-	1,765
Net of product processed	(1,926)	(827)	(17,729)	(20,482)
Carrying value, end of the period	$ 29,799	$ 2,103	$ 7,948	$ 39,850

Blue Goose increased the size of its organic cattle herd by 1,039 head or 8%, compared to the herd count as of December 31, 2016. The net increase was mainly attributable to the 1,745 calves born in the first three 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)	March 31, 2017	December 31, 2016
Breeding cattle and bulls	7,107	6,137
Immature livestock and feeder cattle	7,635	7,566
	14,742	13,703

Blue Goose continues to expand and modernize its fish operations. In February 2017, the fish division invested in another storm-safe hex cage to improve the efficiencies of its farming operations. This step, coupled with the new technology in its farming operations and the 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 $89.0 million as at March 31, 2017. Other than in respect of the $14.8 million loan described 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 on April 1, 2022.

In connection with its acquisition of Tender Choice, a subsidiary of Blue Goose established a credit facility of up to $67.5 million, the details of which are provided in note 18 to the March 2017 Interim Consolidated Financial Statements. During 2016, and following the incurrence of certain costs associated with the integration of the business of Tender Choice, Blue Goose breached certain financial covenants required under the terms of this facility. Blue Goose continues to have active discussions with its lender to obtain a waiver to the breach in the financial covenants and to amend underlying terms so as to alleviate the events causing the breach.

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.

AGRIMARINE HOLDINGS INC.

AgriMarine Holdings Inc. ("AgriMarine") is a private company engaged in fish farming activities using both conventional netting systems and other proprietary aquaculture technologies. AgriMarine has three principal assets: a Steelhead salmon fish farm known as West Coast Fishculture, located in Powell River, British Columbia; a suite of patents pertaining to a closed-containment tank technology used to rear finfish; and an engineering company known as *"AgriMarine Technologies Inc."* ("ATI") that supports internal needs and provides engineering services to third-party fish farm operators. As at March 31, 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 three months ended March 31, 2017, AgriMarine incurred a pre-tax net loss of $1.0 million attributable to owners of Dundee Corporation, compared with a pre-tax net loss attributable to owners of Dundee Corporation of $2.3 million in the same period of the prior year.

For the three months ended March 31,		2017		2016
Revenues				
Sales	$	3,955	$	1,809
Interest, dividends and other		-		(227)
		3,955		1,582
Cost of sales		(4,071)		(2,352)
Other items in net loss before taxes				
General and administrative		(877)		(901)
Fair value changes in livestock		-		(566)
Interest expense		(1)		(36)
Foreign exchange loss		(1)		(2)
Net loss before taxes, AgriMarine Holdings Inc.	**$**	**(995)**	**$**	**(2,275)**
Net loss before taxes, AgriMarine Holdings Inc. attributable to:				
Owners of Dundee Corporation	$	(995)	$	(2,275)
Non-controlling interest		-		-
Net loss before taxes, AgriMarine Holdings Inc.	**$**	**(995)**	**$**	**(2,275)**

AgriMarine continues to rationalize its cost structure, focusing on achieving profitability for its West Coast Fishculture farming operation and sourcing third-party revenue for its AgriMarine Technologies division, while it continues to prove the scientific and commercial viability of its closed-containment tank technology.

Contribution Margins

For the three months ended March 31,		2017		2016
Revenues	$	3,955	$	1,809
Cost of sales		(4,071)		(2,176)
Contribution margin before fair value changes and writedown		(116)		(367)
Fair value changes in livestock		-		(566)
Writedown		-		(176)
	$	**(116)**	**$**	**(1,109)**

During the three months ended March 31, 2017, AgriMarine generated revenue of $4.0 million and a negative contribution margin of $0.1 million before fair value changes. At West Coast Fishculture, the volume of fish harvested during the first three months of 2017 was 469,000 kilograms, translating to 297,000 kilograms of product, sold at an average selling price of $13.32 per kilogram ($6.05 per pound). The volume of fish sold, and the resulting cost of sales, continued to be negatively impacted by an issue of premature maturation in some of the cohorts of the biomass, resulting in undersized, less-marketable fish, the effects of which started to be reflected in results in the third quarter of 2016. AgriMarine has since been closely monitoring the issue, and it has also taken steps to control mortalities.

In addition to supporting West Coast Fishculture operations, 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 three months ended March 31, 2017						
Net additions		2,124		124		2,248
Net of product processed		(3,372)		-		(3,372)
Carrying value, end of period	**$**	**5,247**	**$**	**523**	**$**	**5,770**

At March 31, 2017, the carrying value of AgriMarine's biological assets was $5.2 million, compared with a carrying value of $6.5 million at December 31, 2016. The change reflects growth in the biomass during the period, net of the costs of harvest.

At March 31, 2017, AgriMarine had cash of $0.2 million, and it had liabilities, other than liabilities due to Dundee Corporation, of $2.3 million. There can be no assurance that AgriMarine will have access to the necessary cash to carry out its current business plan.

DUNDEE 360 REAL ESTATE CORPORATION

Dundee 360 Real Estate Corporation ("Dundee 360") is 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 March 31, 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 three months ended March 31, 2017, Dundee 360 achieved net income attributable to the owners of Dundee Corporation of $0.2 million. This compares to a net loss attributable to owners of Dundee Corporation of $4.5 million in the same period of the prior year. Operating results in the first quarter of the current year include $1.1 million in 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.

	Real Estate Brokerage		Reat Estate Project Management		Total	
For the three months ended March 31,	2017	2016	2017	2016	2017	2016
Revenues						
Gross commission income	$ 16,412	$ 15,169	$ -	$ -	$ 16,412	$ 15,169
Consulting and management fees	-	-	1,648	2,040	1,648	2,040
Sales and marketing fees	-	89	-	-	-	89
Other revenue	1,432	1,383	42	931	1,474	2,314
Interest, dividends and other	(10)	93	39	54	29	147
	17,834	16,734	1,729	3,025	19,563	19,759
Cost of sales	(14,665)	(13,618)	-	-	(14,665)	(13,618)
Other items in net earnings (loss) before taxes						
Depreciation and depletion	(261)	(255)	(353)	(1,918)	(614)	(2,173)
General and administrative	(3,712)	(4,049)	(1,504)	(4,531)	(5,216)	(8,580)
Share of income from real estate joint ventures	-	-	1,117	72	1,117	72
Finance expense	(20)	(23)	(3)	(29)	(23)	(52)
Net earnings (loss) before taxes, Dundee 360 Real Estate Corporation	**$ (824)**	**$ (1,211)**	**$ 986**	**$ (3,381)**	**$ 162**	**$ (4,592)**
Net earnings (loss) before taxes, Dundee 360 Real Estate Corporation attributable to:						
Owners of Dundee Corporation	$ (824)	$ (1,211)	$ 991	$ (3,305)	$ 167	$ (4,516)
Non-controlling interest	-	-	(5)	(76)	(5)	(76)
Net earnings (loss) before taxes, Dundee 360 Real Estate Corporation	**$ (824)**	**$ (1,211)**	**$ 986**	**$ (3,381)**	**$ 162**	**$ (4,592)**

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 for a period of 25 years ending in 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.

During the first three months of 2017, Sotheby's sold $0.8 billion worth of residential real estate, compared with $0.9 billion in the first quarter of the prior year. Gross commission revenues for the listing, marketing and selling of real estate assets during the three months ended March 31, 2017 were $16.4 million. Commissions paid to associated brokers and agents in respect of this revenue stream were $14.7 million, providing Dundee 360 with a contribution margin of $1.7 million or 10.6%. This compares with a contribution margin of $1.6 million or 10.2% in the first quarter of the prior year. Consistent with the real estate industry generally, the winter months, and especially January, are traditionally considered the "slow" months and Dundee 360 expects a ramp up in gross commission income starting in the second quarter.

In addition to commission revenues, this division earned $1.4 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.

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 between four to five times the sales volume of other realtors in Canada as reported by The Canadian Real Estate Association.

Real Estate Project Management Activities

During the three months ended March 31, 2017, Dundee 360 earned revenues of $1.7 million from its real estate project management activities. This compares with $3.0 million of revenues generated in the same period of the prior year. Prior year revenues included (i) $0.7 million of development fees earned from the Parq Resort (see *"Significant Investments Accounted for under the Equity Method"*), which was subsequently reassigned back to the Parq Resort project in mid-2016; (ii) $0.8 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 (iii) $1.0 million relating to a lawsuit settlement.

Consistent with the downsizing of international operations to concentrate its focus on the Canadian market, general and administrative expenses in Dundee 360's real estate project management division decreased to $1.5 million in the three months ended March 31, 2017, compared with $4.5 million of expenses incurred in the first quarter 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 three months ended March 31, 2017, the Corporation advanced $0.9 million to Dundee 360 to supplement working capital requirements, including costs associated with restructuring initiatives. At March 31, 2017, Dundee 360 had cash and receivables of $6.9 million and its liabilities, other than amounts due to Dundee Corporation, were $7.6 million. Dundee 360 is currently implementing strategies to monetize various international real estate development interests 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 March 31, 2017

At March 31, 2017, the Corporation accounted for nine of its investments using the equity method, including eight investments in private companies and one minor investment in a publicly listed company. These investments had an aggregate carrying value at March 31, 2017 of $158.6 million (December 31, 2016 – $151.2 million).

As at		March 31, 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%	$	35	$	511	31%	$	33	$	57
				35		511			33		57
Privately Held Equity Accounted Investments										
	Android Industries, LLC	20%		26,434		26,434	20%		25,905		25,905
	Cambridge Medical Funding Group II, LLC	50%		8,498		8,498	50%		8,572		8,572
	Dundee Acquisition Ltd.	98%		(1,731)		(1,731)	98%		(3,891)		(3,891)
	Dundee Sarea Acquisition I Limited Partnership	33%		14,605		14,605	33%		13,707		13,707
	Dundee Sarea Limited Partnership	21%		314		314	25%		336		336
	Paragon Holdings (Smithe Street) ULC (ii)	50%		58,636		58,636	50%		57,450		57,450
	Union Group International Holdings Limited	40%		51,821		51,821	40%		49,071		49,071
	Escal UGS S.L. (iii)	33%		-		-	33%		-		-
				158,577		158,577			151,150		151,150
			$	**158,612**	**$**	**159,088**		**$**	**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 March 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. and its underlying projects.

Continuity in the Corporation's Portfolio of Equity Accounted Investments

For the three months ended March 31,		*2017*
Carrying value of equity accounted investments, beginning of period	$	151,183
Transactions during the three months ended March 31, 2017		
Cash invested in equity accounted investments		850
Share of loss from equity accounted investments		(1,973)
Share of other comprehensive income from equity accounted investments		8,552
Carrying value of equity accounted investments, end of period	**$**	**158,612**

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.

In April 2016, Union Group acquired a 50% interest in ICC International Cannabis Corp. ("ICC") (www.intcannabiscorp.com), one of the two licensed producers and sellers of cannabis and its derivative products in Uruguay. 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.

During the first quarter of 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.

Subsequent to March 31, 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 GMP approved contract analytical lab in Canada for ICC. The activities contemplated by these arrangements are still subject to applicable regulatory approvals.

In anticipation of these contracts, ICC acquired a greenhouse that will be used for production of its medicinal cannabis plants, which ICC estimates will be completed in the second quarter of 2017. This greenhouse will allow ICC to test different cultivars' behavior throughout the entire year and increase the production cycle of medicinal cannabis.

At March 31, 2017, Union Group owns 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 $33.2 million. ICC expects to produce approximately two tonnes of recreational cannabis in 2017, with the selling of recreational cannabis by ICC through the pharmacy channel expected to commence in the third quarter of 2017. Union Group's holdings in ICC are currently subject to escrow arrangements under the rules of the TSX Venture Exchange.

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. Given the continued volatility in the price for oil and natural gas, Union Group has ceased capital expansion and is holding these properties on a care and maintenance basis.

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 quarter of 2017, Union Group reported losses, after amounts attributable to non-controlling interests, of US$1.3 million. The Corporation has recognized operating losses of $5.4 million in the first quarter of 2017, offset by comprehensive income of $8.2 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 $0.8 million from its investment in Union Group. At March 31, 2017, the Corporation holds 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.

In addition to its $54.8 million initial equity investment, during 2016, the Corporation invested $40.7 million in the form of 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. In addition, it invested $2.5 million into securities designated as "Class D Preferred Units" which have similar terms to the Class C Preferred Units, but carry certain liquidity and redemption preferences. The Class C and Class D Preferred Units have been designated for accounting purposes as financial instruments at FVTPL (see "*Other Portfolio Investments*"). On a fully converted basis, the Corporation holds a 39.8% interest in the Parq Resort, while Paragon Gaming Inc. owns a 32.8% fully converted interest, and PBC owns a 27.4% fully converted interest.

The Parq Resort is immediately adjacent to the B.C. Place Stadium in downtown Vancouver and it will include 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. Once completed, it will house the relocated Edgewater Casino that will commence operations in the new location with 600 slot machines and 75 gaming tables. Construction on the Parq Resort is progressing on schedule, and it is anticipated that the project will open its doors in the fall of 2017.

Although development is currently on schedule, the risk for potential construction cost over runs, including any cost over runs that may be incurred should there be any delays in completion of the project, continue to exist. Once fully operational, the 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 order to mitigate any potential construction cost over runs, fund certain enhancements and in order to provide sufficient working capital required during the initial ramp up of operations of the project, additional funding of $20 million to $40 million for the Parq Resort is being considered through a combination of debt and equity financing from the existing partners and from third parties.

During the first quarter of 2017, the Parq Resort generated net income of $3.2 million (three months ended March 31, 2016 – $7.5 million).

(in millions of dollars)

Source of revenue and other items in net earnings or loss for the three months ended March 31,	2017	Amounts attributable to Dundee Corporation	2016	Amounts attributable to Dundee Corporation
Casino operations:				
Revenue	$ 16.7	$ 6.3	$ 17.2	$ 6.5
Other items in net earnings	(15.1)	(5.7)	(14.4)	(5.4)
	1.6	0.6	2.8	1.1
Deferred tax expense	(0.4)	(0.2)	(0.7)	(0.3)
Foreign exchange gain	4.6	1.7	26.4	9.9
Loss from fair value changes in derivative instruments	(2.6)	(1.0)	(21.0)	(7.9)
	$ 3.2	$ 1.2	$ 7.5	$ 2.8

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$415 million project financing arrangement for the development of the project, which includes a US$265 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$150 million second lien term loan bearing interest at the London Interbank Offered Rate plus 12% and maturing on December 17, 2021. Once construction is complete 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 2016, Android was awarded four new multi-year manufacturing contracts which 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. 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.

During the three months ended March 31, 2017, Android reported net earnings, after amounts attributed to non-controlling shareholders, of US$0.4 million, of which the Corporation's share is $0.1 million. During the first quarter of the prior year, the Corporation recognized losses of $0.9 million from its investment in Android.

In addition, the Corporation recognized other comprehensive income of $0.4 million in the first quarter of 2017, representing its share of foreign currency earnings of US$2.4 million associated with Android's foreign operations, net 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. Using proprietary software and sourcing, Cambridge Medical funds medical receivables from medical providers and then manages the collection and adjudication process. The Corporation has invested US$10.0 million to acquire a 50% interest in Cambridge Medical. The Corporation has also advanced a further US$1.0 million to Cambridge Medical to assist with short-term working capital requirements.

During the three months ended March 31, 2017, Cambridge reported a loss of US$0.1 million. In Canadian dollar terms, the Corporation recognized a loss of $50,000 in the current quarter, as its share of losses incurred by Cambridge Medical (three months ended March 31, 2016 – earnings of $0.4 million). In addition, the Corporation recognized $24,000 of comprehensive losses associated with the translation of Cambridge Medical's 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. Dundee Sarea LP has, in partnership with the Caisse de dépôt et placement du Québec, raised an initial committed amount of $112.5 million towards the creation of its first limited partnership, Dundee Sarea Acquisition I Limited Partnership (see below), including $37.5 million of committed capital from the Corporation.

During the first quarter of 2017, the Corporation recognized earnings of $34,000 (three months ended March 31, 2016 – earnings of $0.2 million) as its share of amounts earned by Dundee Sarea LP. In the first quarter of the current year, the Corporation's earnings were offset by a dilution loss of $56,000 which resulted from the Corporation's interest decreasing from 25% at the end of 2016 to 21% at March 31, 2017.

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

Dundee Sarea Fund will use the capital committed 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 has committed capital of $37.5 million towards this venture, representing an interest of 33%.

At March 31, 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 three months ended March 31, 2017, the Corporation invested $0.9 million in this venture, increasing its aggregate investment to $17.5 million at March 31, 2017, representing approximately 47% of its committed amount.

The Corporation's share of equity earnings from its investment in Dundee Sarea Fund were $48,000 in the first quarter of 2017 (three months ended March 31, 2016 – share of losses of $0.5 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").

At March 31, 2017, Dundee Acquisition had 14,575,937 shares outstanding, comprised of 11,230,000 class A restricted voting shares and 3,345,937 class B common shares. Dundee Corporation held 3,272,677 class B common shares, representing 22% of the aggregate issued and outstanding shares of Dundee Acquisition. Accordingly, the Corporation is accounting for its investment in Dundee Acquisition as an equity accounted investment. The class A restricted voting shares of Dundee Acquisition provides the holders with the right to redeem their shares in the event that a Qualifying Acquisition is not completed and, as such, the class A restricted voting shares of Dundee Acquisition have been classified as debt in Dundee Acquisition's financial statements. As a result, the equity of Dundee Acquisition consists solely of its class B common shares, of which the Corporation holds 98%.

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 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.

The Corporation continues to view positively the opportunity presented by student housing in Canada, and it will continue to consider alternative strategies pursuant to which it may benefit from this industry sector.

During the three months ended March 31, 2017, the Corporation recognized a gain of $2.2 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 months of 2016, the Corporation recognized losses of $1.2 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. The Corporation and counsel are currently assessing what steps, if any, may be taken based on the decision rendered.

The Corporation accounts for its investment in Escal using the equity method. At March 31, 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 March 31, 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 three months ended March 31,			2017			2016
	Equity Earnings (Losses)	Dilution Loss	Total	Equity Earnings (Losses)	Dilution Gains (Loss)	Total
Android Industries, LLC	$ 114	$ -	$ 114	$ (1,057)	$ 187	$ (870)
Cambridge Medical Funding Group II, LLC	(50)	-	(50)	367	-	367
Dundee Acquisition Ltd.	2,160	-	2,160	(1,163)	-	(1,163)
Dundee Sarea Acquisition I Limited Partnership	48	-	48	(539)	-	(539)
Dundee Sarea Limited Partnership	34	(56)	(22)	192	(92)	100
Paragon Holdings (Smithe Street) ULC	1,186	-	1,186	2,759	-	2,759
Union Group International Holdings Limited	(5,411)	-	(5,411)	(592)	(198)	(790)
Others	2	-	2	(50)	-	(50)
	(1,917)	(56)	(1,973)	(83)	(103)	(186)
Real estate joint venture investments	1,117	-	1,117	72	-	72
	$ (800)	**$ (56)**	**$ (856)**	**$ (11)**	**$ (103)**	**$ (114)**

In addition to its share of earnings or losses from its equity accounted investments, during the first quarter of 2017, the Corporation recognized $8.6 million of other comprehensive income related to these investments (three months ended March 31, 2016 – $5.5 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.

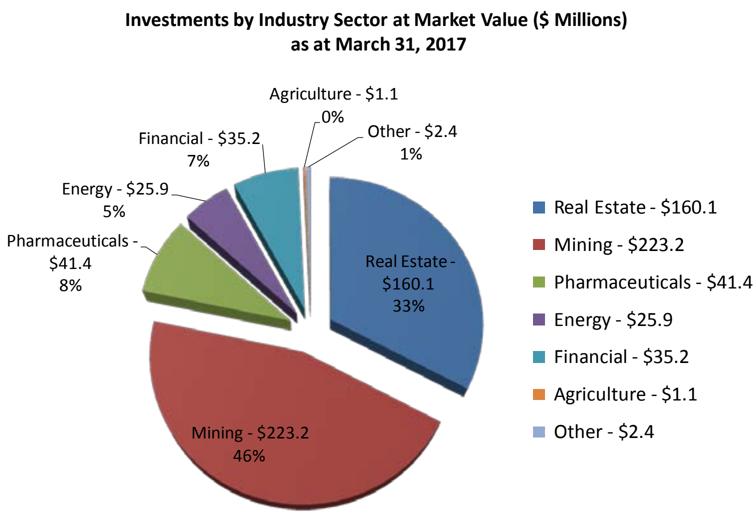
OTHER PORTFOLIO INVESTMENTS

Portfolio of Investments at March 31, 2017

	Ownership	Ticker Symbol	(000's) # of Shares Held	Per Share Price		Market Value as at March 31, 2017
Publicly Traded Securities						
DREAM Unlimited Corp.	20%	DRM	15,536.3	$6.80	$	105,647
Dundee Precious Metals Inc.	20%	DPM	36,381.6	$2.77		100,777
Others						108,007
						314,431
Private Investments (note 1)						
TauRx Pharmaceuticals Ltd.	4%					41,377
Parq Equity Limited Partnership - Class C and Class D Preferred Units	n/a					43,645
Red Leaf Resources Inc.	2%					14,171
Others						23,303
						122,496
Debt Securities						
Publicly Traded Debt Securities						11,091
Debt Securities Owing from Public Enterprises (note 1)						4,207
Debt Securities Owing from Private Enterprises (note 1)						35,764
						51,062
Warrants and Options (note 1)						
Warrants or options on shares of publicly listed enterprises						1,355
						1,355
TOTAL – PORTFOLIO INVESTMENTS					**$**	**489,344**

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 March 31, 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 March 31, 2017, the estimated market value of the Corporation's portfolio of investments carried at FVTPL was $489.3 million, an increase of $55.7 million from an estimated market value of these investments of $433.6 million at December 31, 2016.

For the three months ended March 31,		*2017*
Market value of portfolio investments, beginning of period	$	433,574
Transactions during the three months ended March 31, 2017		
New investments		1,998
Proceeds from sales of investments		(4,240)
Changes in market values		
Dundee Precious Metals Inc.		19,282
DREAM Unlimited Corp.		1,709
Others		36,474
Other transactions		547
Market value of portfolio investments, end of period	**$**	**489,344**

During the first three months of 2017, the Corporation generated proceeds of $4.2 million from the sale of certain investments and from the repayment of certain debt securities, including 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 $2.0 million of proceeds generated were reinvested into the portfolio, including an investment of $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 three months ended March 31, 2017 increased the value of the Corporation's portfolio of investments at FVTPL by $57.5 million, including appreciation of $19.3 million relating to the Corporation's investment in Dundee Precious.

Investment in DREAM Unlimited Corp. ("DREAM")

DREAM (TSX: DRM) is one of Canada's leading real estate companies with approximately $14 billion of assets under management in North America and Europe. The scope of DREAM's business includes residential land development, housing and condominium development, asset management of four TSX listed trusts and institutional partnerships, and investments in and management of Canadian renewable energy infrastructure and commercial property ownership. Since first becoming a public company in 2013, DREAM has shifted its business focus more towards real estate development, including the development of retail centers within its master planned communities in western Canada; the recent emergence of commercial development on lands held; and the significant expansion of condominium and mixed-use properties within urban development sites.

DREAM's asset management business consists of a team of real estate and infrastructure professionals with backgrounds in property management, architecture, urban planning, engineering, development, construction and finance. DREAM provides asset management to four publicly listed funds, its renewable power business and various institutional partner/third-party real estate and development assets. Fee earning assets under management were approximately $5.2 billion at March 31, 2017.

During the three months ended March 31, 2017, DREAM reported revenues of $51.6 million and earnings for the period of $11.4 million.

At March 31, 2017, Dundee Corporation held a 20% interest in DREAM, with a market value of $105.6 million. Additional information regarding DREAM is available at *www.dream.ca*.

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 and northern Canada, including the Krumovgrad gold project, which started construction in the fourth quarter of 2016 and its 10.5% interest in Sabina Gold & Silver Corp.

Dundee Precious reported that during the first quarter of 2017, it achieved gold and copper production of 46,371 ounces and 8.2 million pounds respectively, which was in line with their expectations. While shutdowns for maintenance requirements limited the processing of complex concentrate at its smelter in Namibia, 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.

During the first quarter of 2017, Dundee Precious generated revenues of US$74.6 million from continuing operations, and it reported a net loss attributable to its common shareholders of US$12.5 million. In addition to maintenance shutdowns at the smelter, profitability during the current quarter was also negatively impacted by mark-to-market losses on certain derivative instruments, including hedges on future production and forward foreign exchange contracts.

At March 31, 2017, Dundee Corporation held 36.4 million common shares of Dundee Precious with a market value of $100.8 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 (the "Windfall Lake Project") and the Marban Block property located between Val-d'Or and Malartic in Québec (the "Marban Block Project"). 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 also holds interests and options in a number of additional properties in northern Ontario.

Subsequent to March 31, 2017, Osisko completed the acquisition of an additional land portfolio in the area of Lebel-sur-Quevillon, Quebec. With the acquisition of these additional lands, Osisko now holds a total of 4,150 claims in this area, covering 216,000 hectares.

Additional information regarding Osisko is available at *www.osiskomining.com*. At March 31, 2017, the Corporation's investment in Osisko had a market value of $34.7 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 monotherapy.

TauRx has initiated discussions with the regulatory authorities in Europe and the U.S. to determine its next steps and anticipates a requirement to corroborate the positive findings from Studies 015/005 in one or more trials that are fully randomized from the outset to test for clinically meaningful and statistically significant differences between LMTX™ taken as monotherapy and placebo groups. TauRx is currently raising additional financing to commence this drug validation and market development initiatives.

At March 31, 2017, the Corporation held a 4% interest in TauRx. The Corporation has determined that the fair value of its investment at March 31, 2017 was $41.4 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 March 31, 2017, including both the common and the preferred shares, was $14.2 million, and remains effectively unchanged from December 31, 2016. Additional information regarding Red Leaf may be accessed at *www.redleafinc.com*.

Investment in Pan African Minerals ("Pan African")

Pan African is a privately held, mineral exploration and development company focused on the acquisition, exploration and development of mineral assets in western Africa. Pan African's principal assets 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. Pan African also owns 100% of four uranium exploration licenses in Niger. 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. During the current quarter, Pan African conducted a rights offering to raise US$1.0 million to fund immediate working capital requirements, and it completed the restructuring, spinning out its 100% owned Nigerian subsidiary to its shareholders.

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 quarter of 2017, the Corporation reported head office general and administrative expenses before non-cash stock based compensation of $4.3 million, compared with general and administrative expenses of $4.1 million incurred in the same period of the prior year.

For the three months ended March 31,		2017		2016
Direct compensation	$	2,493	$	2,277
Corporate and professional fees		790		609
Other		1,060		1,230
		4,343		4,116
Stock based compensation arrangements		655		1,466
	$	4,998	$	5,582

Stock based compensation added a further $0.7 million to general and administrative expenses during the first quarter of 2017, compared to $1.5 million incurred in the same quarter of the prior year. In connection with a transaction completed in 2013, the Corporation has determined that certain stock based compensation arrangements constitute a liability to the Corporation, the amount of which will vary in correlation to the market price of a class A subordinate voting share of DREAM, with changes in the market price reported in net earnings or loss. These arrangements are more fully described in note 26 to the 2016 Audited Consolidated Financial Statements. During the first quarter of 2017, changes in the market value of these liabilities resulted in the recognition of stock based compensation expense of $0.1 million, compared with $1.2 million in the same period of 2016.

Corporate Interest Expense

Corporate interest expense was $2.7 million during the first three months of 2017, a $0.4 million decrease from the $3.1 million incurred in the same period of the prior year.

Included in interest expense is $0.7 million relating to the Corporation's credit facility (three months ended March 31, 2016 – $0.8 million). Despite lower average borrowings, interest expense reflects higher interest rate charges incurred on the renewal of the Corporation's credit facility.

Also included in interest expense are dividends of $1.7 million (three months ended March 31, 2016 – $1.9 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.

Income Tax Expense

The Corporation's effective income tax expense rate was 31.8% during the three months ended March 31, 2017 (three months ended March 31, 2016 – 58.4%). This effective income tax expense rate exceeds the statutory combined federal and provincial tax rate of 26.5%, primarily due to: (i) operating losses incurred by certain subsidiaries, the benefit of which was not recognized; and (ii) non-deductible items, including preference share dividends that are classified as interest expense for accounting purposes.

Net Deferred Income Tax Assets

The Corporation's net deferred income tax assets at March 31, 2017 were $28.1 million and represent deferred income tax assets of $94.4 million, offset by deferred income tax liabilities of $66.3 million. This compares to net deferred income tax assets of $43.0 million at December 31, 2016. Net deferred income tax assets decreased as a result of fair value appreciation in certain of the Corporation's investments. Components of the Corporation's net deferred income tax assets are detailed in note 27 to the March 2017 Interim Consolidated Financial Statements.

The Corporation's aggregate income tax loss carry forwards at March 31, 2017 were $544.2 million (December 31, 2016 – $556.1 million). Included in the Corporation's deferred income tax balances is a tax benefit of $67.3 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)	6,681	(2,300)	115	(11)	4,485
Balance, March 31, 2017	$ 61,255	$ 55,100	$ 88,995	$ 128	$ 205,478

* *In addition, the Corporation has issued letters of credit in the amount of $3.4 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 March 31, 2017, the Corporation had drawn $61.3 million against its available credit facility, and it had issued letters of credit to support certain of its equity accounted investments for an additional amount of €2.4 million ($3.4 million Canadian dollars). On March 8, 2017, the Corporation extended the maturity date of the syndicated revolving term credit facility to April 14, 2017, and on April 11, 2017, the Corporation further extended the maturity date to April 28, 2017. The syndicated facility required the maintenance of certain financial ratios relating to the fair value of certain of the Corporation's investments. At March 31, 2017, the Corporation was in compliance with all debt covenants under the terms of the syndicated revolving term credit facility.

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 revolving term credit facility will bear 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 new revolving term credit facility will be subject to an annual standby fee of 0.50%.

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 May 10, 2017, the Corporation had drawn $48.8 million against the new revolving term credit facility, it had issued letters of credit in the amount of €2.4 million ($3.6 million Canadian dollars), and it had $23.9 million in cash accessibility and bank debt availability.

Debt of Subsidiaries

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

Share Capital

Preference Shares

At March 31, 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	4.61% – quarterly floating rate	$43,015 equity instrument
DC.PR.E	Series 5	3,598,203	$25.00	$89,955	7.50% – fixed rate	$87,726 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 March 2017 Interim Consolidated Financial Statements.

Common Shares

As at March 31, 2017 and May 11, 2017, there were 55,675,994 Class A subordinate voting shares and 3,114,873 Class B common shares outstanding. 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 March 31, 2017, the Corporation had awarded 1,287,569 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 March 31, 2017, the Corporation had awarded an aggregate of 962,886 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 March 2017 Interim Consolidated Financial Statements.

CONSOLIDATED LIQUIDITY AND CAPITAL RESOURCES

On a consolidated basis, the Corporation reported cash of $35.0 million at March 31, 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 three months ended March 31, 2017	Opening Cash	Operating Activities	Investing Activities	Financing Activities	Intersegment	Closing Cash
Corporate and other portfolio holdings	$ 1,620	$ (11,395)	$ 2,903	$ 4,955	$ 3,457	$ 1,540
Asset management and capital markets						
Goodman & Company, Investment Counsel Inc.	847	(1,559)	1,044	-	2,008	2,340
Dundee Securities Ltd.	55,387	(27,867)	(25)	-	(7,212)	20,283
Resource industry						
Dundee Energy Limited	1,505	883	(375)	(1,976)	216	253
United Hydrocarbon International Corp.	5,693	(2,390)	(8)	-	-	3,295
Dundee Sustainable Technologies Inc.	526	(487)	-	-	200	239
Eurogas International Inc.	-	(68)	-	-	69	1
Agriculture industry						
Blue Goose Capital Corp.	5,973	16,298	(19,250)	164	350	3,535
AgriMarine Holdings Inc.	275	357	(415)	-	6	223
Real estate industry						
Dundee 360 Real Estate Corporation	3,789	(1,675)	277	(11)	906	3,286
	$ 75,615	$ (27,903)	$ (15,849)	$ 3,132	$ -	$ 34,995

Included in the Corporation's consolidated cash balance is $22.6 million of cash used in the operating businesses of the Corporation's wealth management and brokerage subsidiaries. These subsidiaries function in regulated environments and are therefore required to maintain levels of capital in liquid assets, in accordance with such regulatory requirements. The ability to transfer cash resources out of these regulated subsidiaries may be limited by their requirement to comply with regulatory capital requirements. At March 31, 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 three months ended March 31, 2017 and 2016 is provided below.

Significant Cash Flows – Operating Activities

For the three months ended March 31,	Corporate	Dundee Securities	UHIC	Blue Goose	Dundee 360	Other	Total 2017	2016
Operating activities:								
Adjusted net earnings or loss*	$ (6,152)	$ 1,037	$ (2,616)	$ (2,123)	$ (607)	$ 1,454	$ (9,007)	$ (22,780)
Changes in client account balances	-	(20,806)	-	-	-	-	(20,806)	4,981
Changes in agricultural inventory	-	-	-	17,680	-	(2,248)	15,432	7,661
Changes in other working capital amounts	(1,608)	(8,065)	226	741	(1,090)	(80)	(9,876)	25,543
Changes in income taxes	(3,635)	(33)	-	-	22	-	(3,646)	(6,444)
Cash (used in) provided from operating activities	$ (11,395)	$ (27,867)	$ (2,390)	$ 16,298	$ (1,675)	$ (874)	$ (27,903)	$ 8,961

* *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 quarter of 2017 resulted in net cash outflows of $20.8 million (three months ended March 31, 2016 – net cash inflows of $5.0 million).
- During the first three months of 2017, changes in the balances of agricultural inventory resulted in net cash inflows of $15.4 million (three months ended March 31, 2016 – $7.7 million).

Significant Cash Flows – Investing Activities

For the three months ended March 31,	Corporate	Dundee Securities	UHIC	Blue Goose	Dundee 360	Other	Total 2017	2016
Investing activities:								
Net proceeds from (acquisitions) dispositions of portfolio investments	$ 338	$ -	$ -	$ -	$ 326	$ 1,054	$ 1,718	$ (507)
Net investment in resource properties	-	-	-	-	-	(375)	(375)	(833)
Net investment in livestock and other agricultural assets	-	-	-	(18,859)	-	-	(18,859)	(6,682)
Other investment activities	2,565	(25)	(8)	(391)	(49)	(425)	1,667	(1,209)
Cash (used in) provided from investing activities	$ 2,903	$ (25)	$ (8)	$ (19,250)	$ 277	$ 254	$ (15,849)	$ (9,231)

- During the three months ended March 31, 2017, the Corporation generated proceeds of $4.2 million from its corporate portfolio, including $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 $2.5 million of the proceeds were reinvested, including $0.9 million reinvested in equity accounted investments, and $0.3 million invested by Dundee 360 in real estate projects. During the first three months of the prior year, portfolio trading activities generated net cash outflows of $0.5 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 $18.9 million in agricultural assets during the three months ended March 31, 2017, compared with $6.7 million invested during the same period of the prior year.

Significant Cash Flows – Financing Activities

For the three months ended March 31,	Corporate	Dundee Securities	UHIC	Blue Goose	Dundee 360	Other	Total 2017	2016
Financing activities:								
Change in corporate debt	$ 6,681	$ -	$ -	$ 38	$ (11)	$ (2,300)	$ 4,408	$ (706)
Issuance of Class A subordinate shares, net of issue costs	-	-	-	-	-	-	-	(22)
Issue costs, Preference Shares, series 5	-	-	-	-	-	-	-	(1,780)
Dividends paid on Preference Shares, series 2 and series 3	(1,726)	-	-	-	-	-	(1,726)	(1,732)
Net cash from transactions with non-controlling interests	-	-	-	126	-	324	450	-
Cash provided from (used in) financing activities	$ 4,955	$ -	$ -	$ 164	$ (11)	$ (1,976)	$ 3,132	$ (4,240)

- Net amounts drawn against credit facilities available to the Corporation and to its subsidiaries during the first three months of 2017 were $4.4 million (three months ended March 31, 2016 – $0.7 million repaid).

- Cash outflows during the first quarter of 2017 include dividends of $1.7 million (three months ended March 31, 2016 – $1.7 million) paid by the Corporation on its outstanding Preference Shares, series 2 and Preference Shares, series 3. The Corporation has not paid dividends on its Class A subordinate voting shares or on its common shares.

Cash Requirements

The Corporation's capital management and funding objectives include ensuring that the Corporation is compliant with all of its ongoing obligations, including compliance with all applicable debt covenants, and ensuring that the Corporation is able to meet its financial obligations as they become due. In determining its capital allocation, the Corporation considers relevant regulatory capital requirements in order to effectively manage its 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.

CONSOLIDATED QUARTERLY BUSINESS TRENDS

	2017	2016				2015		
For the three months ended	31-Mar	31-Dec	30-Sept	30-Jun	31-Mar	31-Dec	30-Sept	30-Jun
Net gain (loss) from investments	$ 57,465	$ (102,680)	$ 7,948	$ 52,216	$ 51,112	$ (37,765)	$ (90,665)	$ (135,620)
Share of (loss) earnings from equity accounted investments	(856)	(7,692)	(3,640)	1,243	(114)	41,399	(7,358)	(513)
Other items in net (loss) earnings attributable to owners of the parent	(27,647)	3,435	(20,738)	(66,121)	(57,066)	(58,562)	(137,875)	(5,133)
Net earnings (loss) attributable to owners of the parent	$ 28,962	$ (106,937)	$ (16,430)	$ (12,662)	$ (6,068)	$ (54,928)	$ (235,898)	$ (141,266)
Earnings (loss) per share								
Basic	$ 0.46	$ (1.85)	$ (0.31)	$ (0.25)	$ (0.13)	$ (0.97)	$ (4.05)	$ (2.44)
Diluted	$ 0.44	$ (1.85)	$ (0.31)	$ (0.25)	$ (0.13)	$ (0.97)	$ (4.05)	$ (2.44)

- 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.
- Operating results during the third quarter of 2015 include an impairment charge of $215.2 million against resource properties associated with the Corporation's investment in UHIC.
- 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 March 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 March 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 March 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 March 31, 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 March 31, 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 three months ended March 31, 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 March 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 May 11, 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
May 11, 2017